Notice of Annual General Meeting 2025

DIRECTORS' RESPONSIBILITY AND APPROVAL OF THE NOTICE OF ANNUAL GENERAL MEETING

The directors are responsible for the preparation, fair presentation and integrity of the notice of the annual general meeting (AGM) (the notice) and related financial information of Thungela Resources Limited (Thungela or the Company, and together with its affiliates, the Group).

The summarised consolidated financial statements are based on appropriate accounting policies that have been consistently applied, and which are supported by reasonable judgements and estimates made by management.

The information included in this notice has been extracted from other reports as issued by the Group, including:

- The Annual Financial Statements for the year ended 31 December 2024.
- The Integrated Annual Report for the year ended 31 December 2024.

Shareholders are encouraged to access these documents for full details related to the contents of this notice, and the related approvals thereof. Copies of these documents are available on the Thungela website at www.thungela.com.

APPROVAL OF THE NOTICE OF ANNUAL GENERAL MEETING

The notice on pages 3 to 125 was approved by the board of directors and is signed on the directors' behalf by:

Sango Ntsaluba *July Ndlovu*

Sango Ntsaluba
Chairman

July Ndlovu
Chief executive officer

30 April 2025

thungela

Responsibly creating value together for a shared future

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ABOUT THUNGELA

Thungela, which means 'to ignite' in isiZulu, is a global pure-play producer and exporter of high-quality, low-cost thermal coal, with operations in South Africa and Australia. Our quality coal reserves and marketable production, position us as a key player in the global energy market as we deliver coal through world-class ports, powering nations.

The Group owns interests in and produces its thermal coal from six mining operations located in Mpumalanga, South Africa, which consist of both underground and opencast mines, namely Goedehoop, Greenside, Isibonelo, Khwezela, Zibulo and Mafube. Thungela disposed of its controlling interest in the Rietvlei Colliery on 30 November 2024.

In 2023, Thungela acquired 85% of the Ensham Mine in Queensland, Australia, marking a significant move towards executing one of the Group's strategic pillars of geographic diversification. On 28 February 2025, a further 15% interest in the Ensham Mine was acquired.

The establishment of Thungela Marketing International in Dubai underscores the Group's commitment to capturing the full margin on its products and engaging with the international commodities market as a global coal producer.

In other parts of the value chain, Thungela holds a 50% interest in Phola Coal Processing Plant, and a 23.56% direct interest in Richard's Bay Coal Terminal (RBCT). The terminal is one of the world's leading coal export terminals, with an advanced 24-hour operation and a design capacity of 91Mtpa.

Thungela is committed to operating in a responsible way to ignite value for a shared future. We want to ensure that our mining activities positively impact our employees, shareholders and the communities where we operate.

DIRECTORS' DECLARATION

The Thungela board of directors is ultimately responsible for the preparation, fair presentation and integrity of the summarised consolidated financial statements and related financial information of the Group for the year ended 31 December 2024. The board of directors confirm that they have collectively reviewed the contents of the notice of annual general meeting and related annexures.

ALTERNATIVE PERFORMANCE MEASURES

The directors consider additional financial and operational measures to assess the results of the operations of the Group, referred to as alternative performance measures (APMs). These APMs can be identified throughout this document using the △ symbol, and are fully described in Annexure 1 of the Annual Financial Statements for the year ended 31 December 2024.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the third AGM of shareholders of Thungela, to be convened as a hybrid meeting, which can be attended virtually, or in person at the **Johannesburg Stock Exchange, Main Auditorium, Gwen Lane, Sandown, Johannesburg, South Africa, on Thursday 5 June 2025 at 12:00 CAT/11:00 UKT**, or any adjournment or postponement, to:

- consider, and if deemed fit to pass the following ordinary and special resolutions with or without modification/s
- deal with such other business as may be dealt with at the AGM

The AGM will be held partly by way of electronic communication and participation in accordance with section 63(2)(a) of the Companies Act 71 of 2008, as amended (the Companies Act of South Africa) and clause 30 of the Company's memorandum of incorporation (MOI), and as permitted by both the JSE and LSE.

This notice sets out the procedures that shareholders should follow in order to participate in the AGM in person or by electronic communication.

Included in this document are the following:

- The notice of AGM sets out the ordinary and special resolutions to be proposed at the AGM, with explanatory notes. There are also guidance notes if shareholders wish to attend the meeting or to vote by proxy.
- A form of proxy (FOP) for South African shareholders, for completion, signature and submission to Computershare Investor Services Proprietary Limited (the South African transfer secretaries) by shareholders holding Thungela ordinary shares in certificated form or recorded in sub-registered electronic form in "own name".
- A FOP and a Form of Instruction (FOI) for United Kingdom shareholders, for completion, signature and submission to Computershare Investor Services plc (the United Kingdom transfer secretaries). These will be distributed as additions to the notice of AGM.
- Annexure 1 – summarised consolidated financial statements for the year ended 31 December 2024.
- Annexure 2 – brief curricula vitae of the directors proposed for re-election, audit committee and the social, ethics and transformation committee members proposed for election.
- Annexure 3 – social, ethics and transformation committee report.
- Annexure 4 – remuneration report.
- Annexure 5 – shareholder information.

The salient dates in relation to participation at the AGM are as follows:

Record date to determine shareholders entitled to receive the notice	Thursday, 17 April 2025
Date for posting of the notice	Wednesday, 30 April 2025
Last day to trade to be eligible to attend and vote at the AGM	Tuesday, 27 May 2025
Record date to be eligible to participate in and vote at the AGM	Friday, 30 May 2025
Last date to lodge proxy forms with United Kingdom and South African transfer secretaries	Tuesday, 3 June 2025 by no later than 12:00 CAT/11:00 UKT

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

ELECTRONIC PARTICIPATION PROCESS

South African shareholders

The Company has appointed Computershare Investor Services Proprietary Limited to host the AGM on an interactive platform and facilitate electronic participation and voting by shareholders. The process to be followed by South African shareholders is set out below:

	Certificated shareholders and "own name" dematerialised shareholders	**Dematerialised shareholders (excluding "own name" dematerialised shareholders)**
Shareholders who wish to vote at, but not attend the AGM by electronic participation	Complete the FOP attached to this notice and email same, together with proof of identification (i.e. certified copy of South African identity document, South African driver's licence or passport) and authority to do so (where acting in a representative capacity), to the South African transfer secretaries, at proxy@computershare.co.za to be received by the South African transfer secretaries by no later than Tuesday, 3 June 2025 at 12:00 CAT, for administrative purposes. Any FOP not delivered to the South African transfer secretaries by this time and date may be emailed to them (who will provide same to the chairman of the AGM) at any time prior to the AGM, provided that such FOP and identification is verified and registered before the commencement of the AGM.	Shareholders should provide the Central Securities Depository Participant (CSDP) or broker with voting instructions in terms of the custody agreement entered into between them and their CSDP or broker. Shareholders should contact their CSDP or broker regarding the cut-off time for submitting voting instructions to them. If the CSDP or broker does not receive voting instructions from shareholders, they will be obliged to vote in accordance with the instructions as per the custody agreement.

	Certificated shareholders and "own name" dematerialised shareholders	Dematerialised shareholders (excluding "own name" dematerialised shareholders)
Shareholders who wish to vote at and attend the AGM by electronic participation or in person	Register online at https://meetnow.global/za by no later than 12:00 CAT on Tuesday, 3 June 2025. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, however, for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM. As part of the registration process, shareholders will be requested to upload proof of identification (i.e. certified copy of South African identity document, South African driver's licence or passport) and authority to do so (where acting in a representative capacity), as well as to provide details, such as name, surname, email address and contact number. Following successful registration, the South African transfer secretaries will provide shareholders with a link and invitation code in order to connect electronically to the AGM.	Shareholders should request their CSDP or broker to provide them or their proxy with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into with the CSDP or broker. Register online at https://meetnow.global/za by no later than 12:00 CAT on Tuesday, 3 June 2025. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, however, for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM. As part of the registration process shareholders will be requested to upload their letter of representation and proof of identification (i.e. certified copy of South African identity document, South African driver's licence or passport), as well as to provide details, such as name, surname, email address and contact number. Following successful registration, the South African transfer secretaries will provide shareholders with a link and invitation code to connect electronically to the AGM.

Explanatory notes for South African shareholders

- Each shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the Company) to participate, speak and vote in their stead at the AGM.
- Voting will take place by way of a poll and accordingly every holder of ordinary shares will have one vote in respect of each ordinary share held.
- The cost (e.g. for mobile data consumption or internet connectivity) of electronic participation in the AGM meeting will be carried by the participant.
- The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company and its directors/employees/company secretary/the South African transfer secretaries/service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company or its directors/employees/company secretary/South African transfer secretaries/service providers, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.
- Due to the format of the AGM, shareholders are requested to submit the questions that they wish to raise at the AGM in advance of the AGM by sending them by email to the company secretary at coseccoalsa@thungela.com by no later than 12:00 CAT on Friday, 23 May 2025. These questions will be addressed at the AGM, as well as responded to through email.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

United Kingdom shareholders

United Kingdom shareholders and depositary interest holders are required to vote by proxy using the FOP or FOI, respectively, provided by the United Kingdom transfer secretaries and included as additional documents to this notice. Shareholders can cast their instruction online at www.investorcentre.co.uk/eproxy. To be effective, all forms of instruction must be lodged with the United Kingdom transfer secretaries at: Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 3 June 2025 at 12.00 UKT.

Explanatory notes for United Kingdom shareholders – form of instruction

- Shareholders should indicate, by placing 'X' in the appropriate space on the FOI, how they wish their votes to be cast in respect of each of the resolutions. If the FOI is duly signed and returned, but without specific direction as to votes should be cast, the FOI will be rejected.
- The 'Vote Withheld' option on the FOI is provided to enable shareholders to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
- To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 72 hours before the time appointed for holding the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent can retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Explanatory notes for United Kingdom shareholders – FOP

- Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder, as their proxy to exercise all or any of their rights, to attend, speak and vote on their behalf at the AGM.
  If shareholders wish to appoint a person other than the chairman, please insert the name of the chosen proxy holder in the space provided on the FOP. If the proxy is being appointed in relation to less than a shareholder's full voting entitlement, please enter in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as proxy. If returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise their discretion as to whether, and if so how, they vote (or if the FOP has been issued in respect of a designated account for a shareholder, the proxy will exercise their discretion as to whether, and if so how, they vote).
- To appoint more than one proxy, additional FOPs may be obtained by contacting the United Kingdom transfer secretaries helpline on 0370 702 4040 or shareholders may photocopy the form. Please indicate in the box next to the proxy holder's name on the FOP the number of shares in relation to which they are authorised to act as proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
- Entitlement to participate at the AGM will be determined by reference to the register of members of the Company at 18:00 UKT on Friday, 30 May 2025. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to participate at the AGM.

Explanatory notes to United Kingdom shareholders

- Any alterations made in the FOP and FOI forms should be initialled.
- The completion and return of these forms will not preclude a member from attending the AGM in person. Depositary interest holders or shareholders wishing to attend the AGM should send a request to attend the AGM to proxy@computershare.co.za by no later than 12:00 CAT/ 11:00 UKT on Friday 23 May 2025. As part of the request, shareholders should provide the name and designation of their holding, a contact name, email address, and contact number. Following successful registration, the United Kingdom transfer secretaries will provide shareholders with a link and invitation code in order to connect electronically to the AGM as a guest. Please ensure votes have been submitted using either the FOP or FOI prior to the deadline.

Voting procedures for shareholders who intend to attend the AGM in person:

Shareholders attending and wishing to vote at the AGM in person must ensure that they bring along an internet-enabled smartphone, tablet or computer in order to be able to vote at the venue. Please ensure that the compatible device's browser has the latest version of Chrome, Safari, Edge, or Firefox. Shareholders are also referred to the "Electronic Participation Meeting Guide" attached to this notice for instructions on electronic voting.

Shareholders who attend the meeting in person will follow the same steps to vote at the meeting as shareholders that attend the meeting via electronic communication.

DOCUMENTS PRESENTED TO SHAREHOLDERS

Presentation of the Annual Financial Statements

The Annual Financial Statements of the Company and the Group for the year ended 31 December 2024 (as approved by the board of directors of the Company), incorporating the independent external auditor's, audit committee's and directors' reports, are presented to shareholders in terms of section 30(3) of the Companies Act of South Africa.

A summary of the Annual Financial Statements is attached to this document as Annexure 1. The complete Annual Financial Statements can be accessed at www.thungela.com/investors/results.

Presentation of the report of the social, ethics and transformation committee

The Company's social, ethics and transformation committee report, read with the detailed Integrated Annual Report, which can be accessed at www.thungela.com/investors/integrated report, will serve as the social and ethics committee's report to the Company's shareholders on the matters within its mandate at the AGM. Any specific questions to the committee may be sent to the company secretary prior to the AGM.

ORDINARY RESOLUTIONS

Percentage of voting rights – ordinary resolutions

Ordinary resolutions numbers 1 to 7 contained in this notice, require the approval of a minimum of 50% (fifty percent) plus one vote of the votes exercised on the resolutions by the shareholders present or represented by proxy at the AGM in order for the resolutions to be adopted.

Ordinary resolution number 1

Re-appointment of independent external auditor

To re-appoint PricewaterhouseCoopers Incorporated (PwC), upon recommendation of the board of directors and the audit committee, as the independent external auditor of the Company, and Ms Vuyiswa Khutlang as the individual designated auditor for the ensuing financial year ending 31 December 2025 until the conclusion of the next AGM and in accordance with section 90(1) of the Companies Act.

The Group audit committee has assessed the independence and experience of both the firm and the individual designated auditor and has concluded that both PwC and Ms Vuyiswa Khutlang are independent of the Company in accordance with section 94(8) of the Companies Act. In compliance with the JSE Listings Requirements (paragraph 3.84(g)(iii)) the audit committee obtained and considered all information listed therein in its suitability assessment and nominated PwC as well as Ms Vuyiswa Khutlang for re-appointment as independent external auditor and individual designated auditor of the Group, for the ensuing year ending 31 December 2025, and to hold office until the conclusion of the next AGM.

RESOLVED that PricewaterhouseCoopers Incorporated (PwC) be and is hereby re-appointed as independent external auditor and Ms Vuyiswa Khutlang be hereby appointed as the individual designated auditor of the Company, to hold office until the conclusion of the next AGM in terms of section 90(1) of the Companies Act of South Africa.

Ordinary resolution number 2

Appointment and re-election of retiring directors

(Comprising separate ordinary resolutions numbered 2.1 to 2.3)

Resolved to individually appoint and re-elect each of the following directors (ordinary resolutions 2.1 to 2.3 to be voted on and adopted as separate resolutions). The board recommends the appointment and re-election of these directors:

Ms KW Mzondeki and Mr SG French are retiring due to the requirement in the MOI for one-third of the non-executive directors to retire and be eligible for re-election by rotation at every AGM.

Mr TD McKeith is retiring due to the requirement in the MOI for all newly appointed directors to retire and be eligible for election at the first AGM of the Company following their appointment.

A brief curriculum vitae of each director is attached in Annexure 2 on pages 78 and 79 of this document.

Ordinary resolution number 2.1

RESOLVED that Ms KW Mzondeki be and is hereby re-elected as a director of the Company with effect from 5 June 2025.

Ordinary resolution number 2.2

RESOLVED that Mr SG French be and is hereby re-elected as a director of the Company with effect from 5 June 2025.

Ordinary resolution number 2.3

RESOLVED that Mr TD McKeith be and is hereby elected as a director of the Company with effect from 5 June 2025.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

Ordinary resolution number 3

Election of audit committee members

(Comprising separate ordinary resolutions numbered 3.1 to 3.3)

To elect, by way of separate ordinary resolutions, the audit committee consisting of independent non-executive directors in terms of section 94(4) of the Companies Act of South Africa and appointed in terms of section 94(2) to perform the duties and responsibilities stipulated in section 94(7) of the Companies Act of South Africa. The independent non-executive directors, each being eligible, offer themselves for re-election. A brief curriculum vitae for each member is attached as Annexure 2 on pages 78 and 79 of this document.

Ordinary resolution number 3.1

RESOLVED that Ms KW Mzondeki, be and is hereby re-elected, subject to the passing of ordinary resolution 2.1 with effect from 5 June 2025, as a member of the audit committee.

Ordinary resolution number 3.2

RESOLVED that Mr TD McKeith, subject to the passing of ordinary resolution 2.3, be and is hereby elected, with effect from 5 June 2025, as a member of the audit committee.

Ordinary resolution number 3.3

RESOLVED that Mr BM Kodisang, be and is hereby re-elected, with effect from 5 June 2025, as a member of the audit committee.

Ordinary resolution number 4

Election of social, ethics and transformation members

(Comprising separate ordinary resolutions numbered 4.1 to 4.3)

To elect by separate resolutions the social, ethics, and transformation committee, as provided for in section 72(4) of the Companies Act and regulation 43 of the Regulations

In terms of the most recent amendments made to the Companies Act with effect from 27 December 2024, the following key amendments apply with regard to the social and ethics committees of public companies.

The members of the said committee must now be elected by shareholders at every AGM, as opposed to being appointed by the board (section 72(9A)(a)). Furthermore, the majority of the members of the committee must be non-executive directors and must not have been involved in the day-to-day management of the Company in the past three financial years (section 72(7A)(a)). The majority of the nominated directors of the social, ethics, and transformation committee for 2025 are independent non-executive directors.

Ordinary resolution number 4.1

RESOLVED that Mr TD McKeith, subject to the passing of ordinary resolution 2.3, be and is hereby elected, with effect from 5 June 2025, as a member of the social, ethics and transformation committee.

Ordinary resolution number 4.2

RESOLVED that Ms YN Jekwa, be and is hereby elected, with effect from 5 June 2025, as a member of the social, ethics and transformation committee

Ordinary resolution number 4.3

RESOLVED that Mr July Ndlovu, be and is hereby elected, with effect from 5 June 2025, as a member of the social, ethics and transformation committee.

Non-binding ordinary resolution number 5

Approval of the remuneration policy

Shareholder approval is sought for the Company's remuneration policy and implementation thereof by way of separate non-binding advisory votes. The detailed remuneration policy, for which approval is being sought, is included as Annexure 4 on pages 83 to 114 of this document.

Non-binding advisory resolution number 1

RESOLVED that the Company's remuneration policy be and is hereby approved by way of a non-binding advisory vote, as recommended by the King IV Report on Corporate Governance™ for South Africa, 2016* (King IV).

* Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Non-binding advisory resolution number 2

RESOLVED that the implementation of the Company's remuneration policy be and is hereby approved by way of a non-binding advisory vote, as recommended by King IV.

Ordinary resolution number 6

General authority for directors to allot and issue ordinary shares

RESOLVED that the unissued shares in the Company, limited to 5% of the shares in issue at the date of this notice, being 140,492,585 shares, be and are hereby placed under the control of the directors until the next AGM. The directors be and are hereby authorised to issue any such shares, including options in respect thereof or convertible securities that are convertible into an existing class of equity securities, where applicable as they may deem fit, subject to the requirements of the Companies Act of South Africa, the MOI, the provisions of the JSE Listings Requirements, and the United Kingdom Listing Rules.

Ordinary resolution number 7

Authorisation to sign documents to give effect to resolutions

RESOLVED that any one director or the company secretary be and are hereby authorised to do all such things and sign all such documents and take all such actions as they consider necessary to give effect to the resolutions set out in this notice of AGM.

SPECIAL RESOLUTIONS

Percentage of voting rights – special resolutions

Special resolutions numbers 1 to 3, contained in this notice, require approval of a minimum of 75% (seventy-five percent) of the votes exercised on the resolutions by the shareholders present or represented by proxy at the AGM in order for the resolutions to be adopted.

Special resolution number 1

General authority to acquire the Company's own ordinary shares

RESOLVED that the Company and its subsidiaries be granted an authority under the Companies Act of South Africa and a general authority in terms of the JSE Listings Requirements to repurchase or purchase, as the case may be (collectively, 'repurchase') the ordinary shares issued by the Company (but not exceeding 10% of the Company's total issued ordinary shares in any one financial year), from any person, upon such terms and conditions and in such amounts as the directors of the Company or directors of the subsidiary (as the case may be) may from time to time determine, subject to compliance with the applicable provisions of the Companies Act of South Africa, the MOI and the JSE Listings Requirements (as regards repurchases effected on the JSE) or the listing rules applicable on any other exchange on which the Company's ordinary shares are listed (as regards repurchases effected on such exchanges, and only to the extent applicable) (each as presently constituted and as amended from time to time).

As regards any repurchase of the Company's ordinary shares to be effected on the JSE, it is noted that the JSE Listings Requirements presently provide that:

- Such repurchases may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades being prohibited).
- Such general authority for the repurchases has been given by the MOI.
- Such general authority for the repurchases shall be valid for a period of 15 months from the date of passing of this resolution.
- An announcement must be published as soon as the Company and/or its subsidiaries have repurchased shares constituting, on a cumulative basis, 3% of the initial number of ordinary shares of the Company (being the number of ordinary shares in issue as at the time that this general authority is granted), containing the details required in terms of the JSE Listings Requirements in respect of such repurchases, as well as for each 3% in aggregate of the initial number of ordinary shares repurchased thereafter.
- A resolution has been passed by the board of directors that it has authorised the repurchase, that the Company and its subsidiary/ies have passed the solvency and liquidity test as defined in the Companies Act of South Africa, and that since the solvency and liquidity test was performed, there have been no material changes to the financial position of the Group.
- Such repurchases may not be made at a price greater than 10% above the weighted average of the market value of the listed ordinary shares of the Company on the JSE for the five business days immediately preceding the date on which the acquisition is effected. The JSE should be consulted for a ruling if the Company's securities have not traded in such five business-day period.
- The Company may, at any point in time, only appoint one agent to effect any repurchases on its behalf.
- Such repurchases are subject to exchange control regulations and any required approvals at the relevant time.
- No general repurchase of ordinary shares of the Company shall be effected during any prohibited period as contemplated in the JSE Listings Requirements unless the Company or its subsidiaries have in place a repurchase programme, where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation), and full details of the programme have been submitted to the JSE in writing as required, prior to the commencement of the prohibited period. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

NOTICE OF ANNUAL GENERAL MEETING
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Reason and effect

The reason for and effect of special resolution number 1 is to grant an authority under the Companies Act of South Africa and a general authority in terms of the JSE Listings Requirements, up to the expiry of a period of 15 months from the date of passing of special resolution number 1 to authorise the Company and any of its subsidiary companies to repurchase or purchase, as the case may be (collectively, 'repurchase') the Company's issued ordinary shares (but not exceeding 10% of the Company's total issued ordinary shares in any one financial year) on such terms and conditions and in such amounts as determined from time to time by the directors of the Company or the directors of the subsidiary (as the case may be) subject to the limitations set out above. In terms of article 25 of the MOI, the repurchase of securities must be undertaken in accordance with the Companies Act of South Africa and the JSE Listings Requirements.

For the purpose of considering special resolution number 1 and in compliance with paragraph 11.26 of the JSE Listings Requirements, the following information has been included in this notice, at the places indicated:

- major shareholders – refer to page 115
- share capital of the Company – refer to pages 70 and 71
- material changes – refer below
- directors' responsibility statement – refer below

Disclosures/information required in terms of the JSE Listings Requirements

For the purposes of considering special resolution number 1 and in compliance with the JSE Listings Requirements, the following information is provided:

Directors' statement after considering the effect of a repurchase pursuant to a general authority

The directors of the Company confirm that the method by which the Company and any of its subsidiaries intend to repurchase its securities, and the date on which such repurchase will take place, has not yet been determined.

As per the JSE Listings Requirements, the Company's directors undertake that they will not implement a repurchase in terms of the proposed repurchase authority unless the directors, after considering the effect of the maximum repurchase, are of the opinion that:

- The Company and the Group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the repurchase.
- The assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the repurchase. For this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest Annual Financial Statements.
- The share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase.
- The working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase.

Material changes

There have been no material changes in the financial or the trading position of the Company and its subsidiaries since the end of the financial period for which the Annual Financial Statements have been published to the date of this notice.

Directors' responsibility statement

The directors of the Company, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by the JSE Listings Requirements.

Special resolution number 2

Remuneration payable to non-executive directors

RESOLVED that, in terms of section 66(9) of the Companies Act of South Africa and on the recommendation of the remuneration and human resources committee, the Company be and is hereby authorised to remunerate its non-executive directors for their services as directors and/or pay any fees related thereto until the next AGM.

Reason and effect

In terms of sections 66(8) and 66(9) of the Companies Act of South Africa, remuneration may only be paid to members of the board for their services as directors in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in terms of the MOI. Therefore, the reason for and effect of special resolution number 2 is to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors for services rendered as directors of the Company.

The proposed fees for the non-executive directors, as approved by the board, are as follows:

Position[1]	Proposed fees for the year ending 31 December 2025	**Fees for the year ended 31 December 2024**
Board		
Chairperson[2]	1,840,582	**1,752,935**
Lead independent director[3]	1,315,121	**1,252,496**
Member	613,527	**584,312**
Audit committee		
Chairperson	368,116	**350,587**
Member	221,180	**200,163**
Remuneration and human resources committee		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Social, ethics and transformation committee		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Health, safety, environment and risk committee		
Chairperson[2]	269,952	**257,097**
Member	191,031	**181,935**
Nomination and governance committee		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Investment committee		
Chairperson	296,210	**268,063**
Member	191,031	**181,935**
Ad hoc meeting fees[4]		
Per meeting	26,586	**25,320**

Amounts shown are in rand.

1 Executive directors do not receive directors' fees.
2 The chairperson of the board also chairs the nomination and governance committee, and is also a member of the health, safety, environmental and risk committee, and investment committee, and attends the remuneration and human resources committee, the social, ethics and transformation committee, and the audit committee by invitation. He does not receive any additional remuneration in this regard.
3 Provision is made for the appointment of a lead independent non-executive director.
4 Provision is made for ad hoc board meetings or other additional services rendered to the Company in the capacity of non-executive directors to deal with time-critical matters limited to four additional meetings per annum. The amount shown is the per meeting fee, which shall be reduced for meetings or services which require substantially less time to prepare for, attend or undertake than a regular meeting.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

Special resolution number 3
Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act of South Africa

RESOLVED that, to the extent required, the board of directors of the Company may, subject to compliance with the requirements of the MOI and the Companies Act of South Africa, as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance as contemplated in section 44 and/or 45 of the Companies Act of South Africa, by way of the provision of security or otherwise, to:

- Any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or interrelated to the Company, for any purpose or in connection with any matter, including, but not limited to, the subscription of any option, or any securities issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company as contemplated under section 44 of the Companies Act of South Africa.
- Any person who is a participant in any of the share or other employee incentive schemes of the Group, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company, where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme that satisfies the requirements of section 97 of the Companies Act of South Africa.

Reason and effect

The reason for special resolution number 3 is that Thungela from time to time, as an essential part of conducting its business, may be required to provide direct or indirect financial assistance in the form of loans, guarantees, the provision of security or in connection with the subscription for securities to be issued by the Company or related and interrelated companies or for the purchase of securities of the Company or related and interrelated companies, as contemplated in sections 44 and 45 of the Companies Act of South Africa.

In terms of the Companies Act of South Africa, companies are required to obtain the approval of their shareholders by way of special resolution to provide financial assistance. The financial assistance will be provided as part of the day-to-day operations of the Company and in accordance with its MOI and provisions of the Companies Act of South Africa.

Approval is not sought for loans to directors and no such financial assistance will be provided under this authority.

Special resolution number 3 will grant the directors of Thungela the authority to authorise the provision by the Company of financial assistance as contemplated in sections 44 and 45 of the Companies Act of South Africa until the next AGM.

NO MATERIAL CHANGES

There have been no material changes in the financial position of the Company and its subsidiaries since the date of signature of the independent auditor's report and the date of this notice.

Equity securities held by a share trust or scheme will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

By order of the board

Tovi Ellis

Tovi Ellis
Company secretary

30 April 2025

EXPLANATORY NOTES

Special resolution number 1

General authority to acquire the Company's own ordinary shares

The directors of the Company intend, should the proposed authority be granted to them under special resolution number 1, to use such authority to evaluate on an ongoing basis and consider, at appropriate times, repurchases of the ordinary shares of the Company on the open market to thereby more efficiently utilise cash on hand.

To the extent that the board determines to effect a repurchase of ordinary shares pursuant to this authority, it shall procure that the Company complies with the provisions of section 48 read with section 46 of the Companies Act of South Africa in respect of such transaction (including as regards the application of the solvency and liquidity test as contemplated in section 4 of the Companies Act of South Africa).

This authority includes an authority to repurchase, through the JSE's order book (for repurchases undertaken on the JSE), as contemplated in section 48(8) of the Companies Act of South Africa, ordinary shares disposed of by a director or prescribed officer of the Company or a person related to a director or prescribed officer of the Company.

Special resolution number 2

Remuneration payable to non-executive directors

The fees payable to non-executive directors by the Company were benchmarked by the Company's independent remuneration advisors who concluded that the aggregate total fees payable to non-executive directors were broadly in line with the market, except for the audit committee members, and the chairperson of the investment committee. A general 5.5% increase was proposed and supported by the board for board and committee fees, along with an additional increase of 4% to the fees of the audit committee members, and an additional increase of 4.5% to the fees payable to the investment committee chairperson to catch up to the median over a two year period. The total increase for the audit committee members would be 9.5% and for the investment committee chairperson, the increase would be 10%.

Special resolution number 3

Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act of South Africa

The Company, in the ordinary course of business, may need to provide financial assistance to certain of its subsidiaries, associates and joint ventures in accordance with section 45 of the Companies Act of South Africa. In addition, it may be necessary for the Company to provide financial assistance in the circumstances contemplated in section 44 of the Companies Act of South Africa. Despite the title of section 45 being 'Loans or other financial assistance to directors', on a proper interpretation, the body of the section also applies to financial assistance provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, and a person related to any such company, corporation or member. Section 44 may also apply to the financial assistance so provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, or a person related to any such company, corporation or member, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company.

Both sections 44 and 45 of the Companies Act of South Africa provide, inter alia, that the particular financial assistance may only be provided:

- Following a special resolution of shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient or generally for a category of potential recipients, with the specific recipient falling within that category.
- If the board is satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in the Companies Act of South Africa), and the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

ANNEXURE 1
SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

Rand million	Notes	2024	2023
Revenue	3	35,554	30,634
Operating costs		(31,751)	(23,737)
Transactions arising from the acquisition of the Ensham Business		(9)	(171)
Gain on bargain purchase	8	—	565
Acquisition and integration costs	8	—	(454)
Expenses for conditional shares granted to non-controlling interests	8	(9)	(123)
Fair value adjustments to acquisition-related derivatives	8	—	(159)
Profit on disposal of investment in subsidiary	9	601	—
Impairment losses	4	(278)	(266)
Fair value gains on derivative financial instruments		—	97
Restructuring costs and termination benefits		(13)	(51)
Profit before net finance income and tax		4,104	6,506
Net finance income		894	696
Investment income		1,393	1,394
Interest expense		(1,157)	(1,024)
Other net financing gains		658	326
Profit before tax		4,998	7,202
Income tax expense	5	(1,454)	(2,232)
Profit for the reporting period		3,544	4,970
Attributable to:			
Non-controlling interests		(48)	(192)
Equity shareholders of the Group		3,592	5,162
Other comprehensive (loss)/income			
Items that may be reclassified to profit or loss			
Foreign exchange translation (losses)/gains		(373)	155
Items that will not be reclassified to profit or loss			
Remeasurement of retirement benefit obligations		(9)	25
Fair value losses on financial asset investments		—	(3)
Related tax	5	2	(6)
Other comprehensive (loss)/income for the reporting period		(380)	171
Total comprehensive income for the reporting period		3,164	5,141
Attributable to:			
Non-controlling interests		(69)	(186)
Equity shareholders of the Group		3,233	5,327
Earnings per share			
Basic (cents/share)[1]	6	2,676	3,766
Diluted (cents/share)	6	2,642	3,692

1 The earnings per share has been calculated using a weighted average number of ordinary shares outstanding (WANOS) of 134,238,447 (2023: 137,056,628).

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Rand million	Notes	2024	2023
Assets			
Non-current assets			
Intangible assets		300	313
Property, plant and equipment	7	19,722	19,477
Environmental rehabilitation trusts	11	4,266	3,740
Investment in associate		199	78
Deferred tax assets		770	471
Financial asset investments		2,259	1,054
Investment in insurance structure		1,489	1,445
Trade and other receivables		229	194
Other non-current assets		66	72
Total non-current assets		29,300	26,844
Current assets			
Inventories		3,444	4,011
Trade and other receivables		4,977	4,284
Current tax assets	5	235	298
Financial asset investments		18	24
Derivative financial instruments		—	66
Cash and cash equivalents		10,103	10,959
Total current assets		18,777	19,642
Total assets		48,077	46,486
Equity			
Stated capital	12	11,323	11,323
Contributed capital		965	965
Merger reserve		2,606	2,606
Treasury shares	12	(980)	(493)
Share-based payments reserve		246	214
Other reserves		(49)	308
Retained earnings		11,449	9,686
Equity attributable to the shareholders of the Group		25,560	24,609
Non-controlling interests		544	(13)
Total equity		26,104	24,596
Liabilities			
Non-current liabilities			
Lease liabilities		19	32
Retirement benefit obligations		400	399
Deferred tax liabilities		1,567	1,637
Environmental and other provisions	11	11,789	11,135
Total non-current liabilities		13,775	13,203
Current liabilities			
Trade and other payables		6,093	6,537
Loans and borrowings		—	66
Lease liabilities		31	34
Environmental and other provisions	11	1,130	1,948
Derivative financial instruments		462	—
Current tax liabilities	5	482	102
Total current liabilities		8,198	8,687
Total liabilities		21,973	21,890
Total equity and liabilities		48,077	46,486

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Rand million	Notes	Stated capital	Contributed capital	Merger reserve
Balance at 1 January 2023		11,323	965	2,606
Purchase of shares by Group companies	12	—	—	—
Total comprehensive income/(loss) for the reporting period		—	—	—
Dividends paid	13	—	—	—
Movements in share-based payments reserve[2]		—	—	—
Conditional shares granted to non-controlling interests in the Ensham Business	8	—	—	—
Non-controlling interests arising from the acquisition of the Ensham Business	8	—	—	—
Change in ownership of the Ensham Business	8	—	—	—
Treasury shares issued to employees on vesting of share awards		—	—	—
Balance at 31 December 2023		**11,323**	**965**	**2,606**
Purchase of shares by Group companies	12	—	—	—
Total comprehensive (loss)/income for the reporting period		—	—	—
Dividends paid	13	—	—	—
Movements in share-based payments reserve[2]		—	—	—
Conditional shares granted to non-controlling interests in the Ensham Business		—	—	—
Change in ownership of the Ensham Business	8	—	—	—
Disposal of investment in subsidiary	9	—	—	—
Treasury shares issued to employees on vesting of share awards		—	—	—
Balance at 31 December 2024		**11,323**	**965**	**2,606**

[1] Includes the retirement benefit obligation reserve of R153 million (2023: R160 million) and the foreign currency translation reserve with a debit of R202 million (2023: R148 million credit).

[2] Includes movements as a result of share-based payment expenses of R145 million (2023: R127 million), reduced by the impact of the vesting of shares of R113 million (2023: R71 million) under the Thungela share plan.

Treasury shares	Share-based payments reserve	Other reserves[1]	Retained earnings	Total equity attributable to share-holders of the Group	Non-controlling interests	Total equity
(302)	83	145	11,453	26,273	(114)	26,159
(259)	—	—	—	(259)	—	(259)
—	—	165	5,162	5,327	(186)	5,141
—	—	—	(6,920)	(6,920)	(1)	(6,921)
—	56	—	71	127	—	127
—	123	—	—	123	—	123
—	—	—	—	—	226	226
—	(48)	(2)	(12)	(62)	62	—
68	—	—	(68)	—	—	—
(493)	214	308	9,686	24,609	(13)	24,596
(724)	—	—	—	(724)	—	(724)
—	—	(359)	3,592	3,233	(69)	3,164
—	—	—	(1,630)	(1,630)	(44)	(1,674)
—	32	—	113	145	—	145
—	9	—	—	9	—	9
—	(9)	2	(75)	(82)	82	—
—	—	—	—	—	588	588
237	—	—	(237)	—	—	—
(980)	246	(49)	11,449	25,560	544	26,104

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

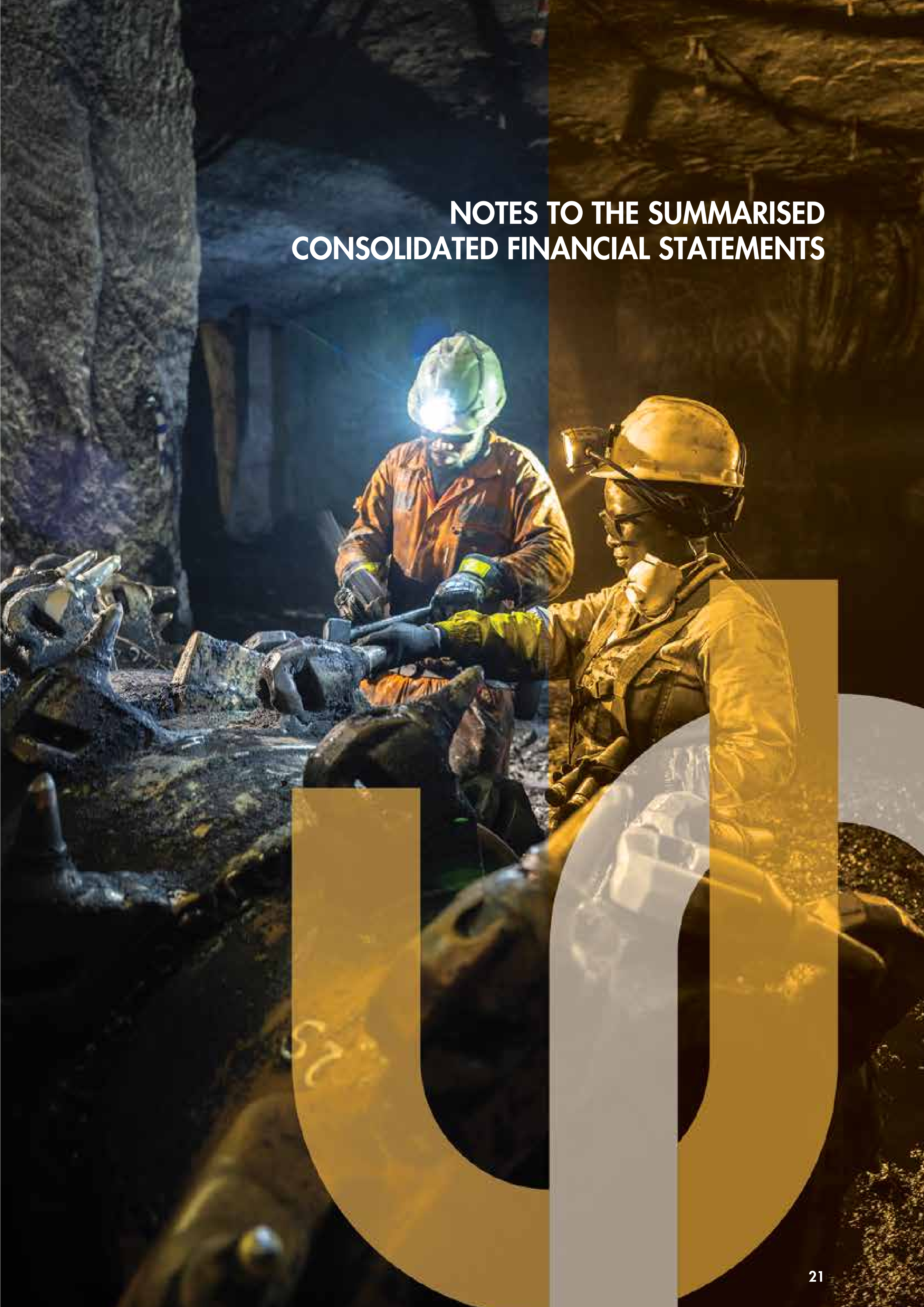
Rand million	Notes	2024	2023
Cash flows from operating activities			
Profit before tax		4,998	7,202
Net finance income		(894)	(696)
Profit before net finance income and tax		4,104	6,506
Non-cash movements relating to the acquisition of the Ensham Business[1]	8	9	(283)
Profit on disposal of investment in subsidiary	9	(601)	—
Impairment losses	4	278	266
Fair value gains on derivative financial instruments		—	(97)
Depreciation and amortisation		2,452	1,557
Share-based payment charges		145	127
Increase in provisions[2]		443	270
Loss on sale of property, plant and equipment		14	8
Other adjustments		(3)	47
Movements in working capital		(99)	2,737
Decrease in inventories		452	212
(Increase)/decrease in trade and other receivables		(1,055)	1,581
Increase in trade and other payables		504	944
Cash flows from operations		6,742	11,138
Amounts applied to reduce environmental and other provisions	11	(1,016)	(860)
Settlement of derivative financial instruments		905	344
Income tax paid	5	(1,342)	(2,119)
Net cash generated from operating activities		5,289	8,503
Cash flows from investing activities			
Expenditure on property, plant and equipment	3	(3,333)	(3,116)
Purchase of right-of-use assets		(130)	(48)
Expenditure on intangible assets		(63)	(172)
Cash outflow on the acquisition of the Ensham Business	8	—	(2,770)
Purchase of financial asset investments		(1,179)	(210)
Investment in insurance structure		—	(200)
Repayment of loans granted to investees		35	25
Loans granted to investees		—	(280)
Advance of quasi-equity loans to associate		(121)	(35)
Investment income received		685	1,026
Proceeds received on disposal of investment in subsidiary	9	186	—
Net cash utilised in investing activities		(3,920)	(5,780)
Cash flows from financing activities			
Interest expense paid		(76)	(43)
Capital repayment of lease liabilities		(47)	(31)
Advance/(repayment) of loans and borrowings		113	(1)
Settlement of derivative related to the acquisition of the Ensham Business	8	—	(55)
Purchase of shares by Group companies	12	(724)	(259)
Dividends paid to the equity shareholders of the Group	13	(1,630)	(6,920)
Dividends paid to non-controlling interests	13	(44)	(1)
Issue of shares by subsidiary to non-controlling interests	8	—	61
Net cash utilised in financing activities		(2,408)	(7,249)
Net decrease in cash and cash equivalents		(1,039)	(4,526)
Cash and cash equivalents at the start of the reporting period		10,959	15,299
Net decrease in cash and cash equivalents		(1,039)	(4,526)
Effects of changes in foreign exchange rates[3]		183	186
Cash and cash equivalents at the end of the reporting period		10,103	10,959

1 Non-cash movements relating to the acquisition of the Ensham Business in the year ended 31 December 2024 related to the expenses for conditional shares granted to non-controlling interests. In the year ended 31 December 2023, these movements consisted of the gain on bargain purchase of R565 million, offset by the expenses for the conditional shares granted to non-controlling interests of R123 million and the fair value adjustments to acquisition-related derivatives of R159 million. Refer to note 8 for further detail.

2 Increase in provisions includes amounts recognised in the statement of profit or loss and other comprehensive income in respect of environmental and other provisions of R419 million (2023: R32 million) and contributions to the Nkulo Community Partnership Trust of R94 million (2023: R276 million). Refer to note 11 for further detail.

3 Effects of changes in foreign exchange rates consists of foreign exchange gains on cash and cash equivalents of R281 million (2023: R163 million) recognised in net finance income, and losses on the revaluation of the cash balances held in foreign subsidiaries of R98 million (2023: R23 million gains) recognised in other comprehensive income.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS



NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. BASIS OF PREPARATION

A. Basis of preparation

The summarised consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with the requirements of the following frameworks:

- IAS 34: Interim Financial Reporting;
- the framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (collectively, IFRS Accounting Standards);
- the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (collectively, the South African Financial Reporting Requirements);
- the Companies Act of South Africa;
- the JSE Listings Requirements; and
- the United Kingdom Listing Rules and the United Kingdom Disclosure Guidance and Transparency Rules.

The summarised consolidated financial statements have been derived from the Annual Financial Statements for the year ended 31 December 2024, and should be read in conjunction therewith. A copy of this document, and the independent external auditor's report on the consolidated and separate financial statements, including key audit matters, is available on the Group's website at www.thungela.com/investors/financial-results, together with the Annual Financial Statements.

The accounting policies applied in the preparation of the summarised consolidated financial statements are in accordance with IFRS Accounting Standards, as disclosed in the Annual Financial Statements for the year ended 31 December 2024. These accounting policies are consistent with the accounting policies applied in the preparation of the consolidated and separate financial statements for the year ended 31 December 2023.

The summarised consolidated financial statements have been prepared on the historical cost basis except for certain assets and liabilities which are measured at fair value. The summarised consolidated financial statements are presented in South African rand, which is the presentation currency of Thungela.

B. Going concern

The financial position of Thungela, its cash flows, net current asset position and net cash$^{\triangle}$ position are set out in the summarised consolidated financial statements. The Group's net cash$^{\triangle}$ at 31 December 2024 is R8,671 million (2023: R10,176 million). The Group's net current asset position of R10,579 million (2023: R10,955 million) continues to be robust. The Group has no significant external debt at 31 December 2024.

The directors have considered Thungela's cash flow forecasts for the period to the end of March 2026, under reasonably expected and stressed scenarios, with consideration given to the uncertainty of the current economic environment as well as the Group's operations. In all of the scenarios assessed, the Group maintains sufficient liquidity throughout the period of assessment.

The directors are satisfied that the Group's forecasts, taking into account reasonably possible changes in performance, show that Thungela will continue to operate for the foreseeable future. For this reason, Thungela has adopted the going concern basis in preparing the summarised consolidated financial statements.

C. Judgements and estimates

Thungela has made judgements, estimates and assumptions that may affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The critical accounting judgements and key sources of estimation uncertainty are fully described in the Annual Financial Statements for the year ended 31 December 2024.

The critical accounting judgements and key sources of estimation uncertainty used in the preparation of the consolidated and separate financial statements are as follows:

- acquisition of the Ensham Business;
- impairment of assets;
- environmental provisions; and
- recognition of deferred tax assets.

Refer to note 2 of the Annual Financial Statements for the year ended 31 December 2024 for further detail of the judgements and estimates used by the Group.

D. New, revised and amended accounting pronouncements

There were no new, revised and amended accounting pronouncements as issued by the IASB which were effective for the Group from 1 January 2024 that had a material impact on the summarised consolidated financial statements.

E. Independent external auditor's opinion

The summarised consolidated financial statements have been derived from the consolidated and separate financial statements for the year ended 31 December 2024, which have been audited by our independent external auditor PwC, who has expressed an unqualified opinion thereon. A copy of the independent external auditor's report on the consolidated and separate financial statements, including key audit matters, is available on the Group's website at www.thungela.com/investors/financial-results, together with the Annual Financial Statements.

These summarised consolidated financial statements have not been audited, and the independent external auditor's report on the consolidated and separate financial statements does not necessarily report on all of the information contained in this document. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the independent external auditor's engagement, they should obtain a copy of that report, together with the Annual Financial Statements, on the Group's website at www.thungela.com/investors/financial-results. Any forward-looking statements have not been audited or reported on by the Group's independent external auditor.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2024

2. ACQUISITION OF THE ENSHAM BUSINESS

Understanding of the transaction

Thungela, through its wholly owned subsidiary Thungela Resources Australia Pty Limited (Thungela Resources Australia), acquired a 75% interest in Sungela Holdings Pty Ltd (Sungela Holdings). The remaining 25% interest in Sungela Holdings was acquired by Audley Energy Limited (Audley Capital) and Mayfair Corporations Group Pty Ltd (Mayfair), (collectively, the 'co-investors') in equal parts. Sungela Holdings, through its wholly owned subsidiary Sungela Pty Ltd (Sungela), then purchased an 85% interest in the Ensham Mine from Idemitsu Australia Pty Ltd and its subsidiary, Bligh Coal Limited (collectively, 'Idemitsu'), with the remaining 15% stake in the mine held by LX International, through its subsidiary Bowen Investment Australia Pty Ltd (Bowen).

The co-investors were also granted long-term incentive plan (LTIP) shares, which currently carry no voting or dividend rights, but could vest and become ordinary shares on the achievement of specific milestones, each of which will enhance the value of the Ensham Business. Should all of the LTIP shares vest, the legal ownership held by the co-investors in Sungela Holdings would increase to 30%, on a fully diluted basis. The co-investors will only have rights to earnings and distributions relating to the LTIP shares from 31 December in the year that the milestones are met, and as approved by the Sungela Holdings board. At 31 December 2024, LTIP shares amounting to 2.5% (2023: 1.5%) of Sungela Holdings have vested. The remaining LTIP shares available to vest reflect 2.5% (2023: 3.5%) of the shares of Sungela Holdings. As a result of the vesting of the LTIP shares, Thungela owns 72.5% (2023: 73.5%) of the shares issued by Sungela Holdings at the reporting date.

The share and asset sale agreement (SASA) was signed with Idemitsu in February 2023, but included several conditions precedent that impacted the effective date of the transaction. The conditions precedent were either met or waived by all parties by 31 August 2023, which was the effective date of the transaction, and the results of the Ensham Business were consolidated into the Thungela Group results from that date. Thungela assumed operational control of the Ensham Business from 1 September 2023. The results of the Thungela Group for the year ended 31 December 2023 include the results of the Ensham Business for four months, from the acquisition date until the reporting date.

The Ensham Mine, which is operated by Ensham Resources Pty Limited (Ensham Resources), is the primary asset of the Ensham joint venture, and comprises several tenements located in the southern Bowen Basin in Queensland, Australia. The Group secured the transfer of the Ensham mining tenements in 2024, following the acceptance of the financial surety obtained by Sungela by the mechanism established under the Mineral and Energy Resources (Financial Provisioning) Act 2018, requiring a security deposit from the holders of an environmental authority to cover potential rehabilitation costs in the event such holders fail to comply with their environmental management and rehabilitation obligations (Queensland Financial Provisioning Scheme), however, took beneficial ownership thereof from the effective date of the transaction.

The entities acquired are collectively referred to as the 'Ensham Business', which includes several separate statutory entities, as described below:

Entity	Legal shareholding[1] (%)	Effective economic interest[2] (%)	Description
Sungela Holdings[3]	72.5	92.5	Sungela Holdings is an investment holding company, which was registered in Australia in 2023. Thungela Resources Australia holds 72.5% of the shares issued by Sungela Holdings, with the remaining 27.5% being held by the co-investors.
Sungela	100	92.5	Sungela was registered in Australia in 2023, and purchased the 85% interest in the Ensham Mine from Idemitsu. Sungela is required to fund the operations of the Ensham Mine on an ongoing basis, in proportion to its ownership interest. Thungela has an effective economic interest of 92.5% in Sungela, held through Sungela Holdings.
Ensham Resources	100	78.6	Ensham Resources is the operator of the Ensham Mine, an unincorporated joint venture between Sungela and Bowen, which hold 85% and 15% thereof, respectively. Thungela has an effective economic interest of 78.6% in Ensham Resources, being 92.5% of the 85% interest in the Ensham Mine held through Sungela.
Ensham Coal Sales	85	78.6	Ensham Coal Sales Pty. Ltd. (Ensham Coal Sales) manages the sale of all coal extracted from the Ensham Mine, and the net receipts from customers are paid back to Sungela and Bowen in line with their ownership of the joint venture. Thungela has an effective economic interest of 78.6% in Ensham Coal Sales, being 92.5% of the 85% interest held through Sungela.
Nogoa Pastoral	85	78.6	Nogoa Pastoral Pty. Ltd. (Nogoa Pastoral) undertakes small-scale agricultural activity on the surface land owned by the Ensham Business, and is the operator of the Nogoa joint venture, the participants of which are also Sungela and Bowen. Thungela has an effective economic interest of 78.6% in Nogoa Pastoral, being 92.5% of the 85% interest held through Sungela.

1 The legal shareholding represents Thungela's legal shareholding in the relevant statutory entity, at the reporting date, either directly or through a subsidiary. This shareholding may change based on the repayment of the loan as described in this note.

2 The effective economic interest represents Thungela's effective economic interest in the earnings of the relevant statutory entity, either directly or through a subsidiary. The economic interest has been determined based on the accounting treatment described in this note. This effective economic interest may change based on the repayment of the loan as described in this note.

3 Thungela Resources Australia subscribed for 75% of the ordinary shares of Sungela Holdings on 31 August 2023. Two milestones related to the LTIP shares have been met, meaning the co-investors have been allocated an additional 2.5% of the ordinary shares of Sungela Holdings. Shares representing 1.0% of ordinary shares vested on 31 December 2024, and 1.5% of shares vested on 31 December 2023. The co-investors only have voting and dividend rights related to the LTIP shares that have vested from the respective vesting dates.

The initial purchase price payable, as included in the SASA, amounted to R4,115 million (AUD340 million), which was paid in advance of the effective date of 31 August 2023. The SASA also included other elements which impacted the total consideration, as defined by IFRS 3: Business Combinations (IFRS 3), for the Ensham Business, being:

- The economic benefit deed, which provided for a contractually determined portion of the economic benefit earned in the Ensham Business from 1 January 2023 to the acquisition date to be for the benefit of Sungela. The economic benefit received amounted to R815 million (AUD67 million), which was received by Sungela in December 2023.
- Various adjustments to working capital based on balances at 31 August 2023, as is customary in transactions of this nature. The total amount related to these adjustments, which reduced the initial purchase price, was R128 million (AUD11 million).
- The royalty deed, which provided for a royalty to be paid to Idemitsu on sales of Ensham coal up to 31 December 2024, subject to certain coal price thresholds. At 31 August 2023, the expected value to be paid to Idemitsu related to the royalty deed was R123 million (AUD10 million), based on the forecasted coal prices at that date. An amount of R55 million related to the royalty deed was paid to Idemitsu in December 2023 based on realised coal sales from the acquisition date. No further amount has been paid to Idemitsu in the year ended 31 December 2024 in relation to the royalty deed.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2024

2. ACQUISITION OF THE ENSHAM BUSINESS CONTINUED

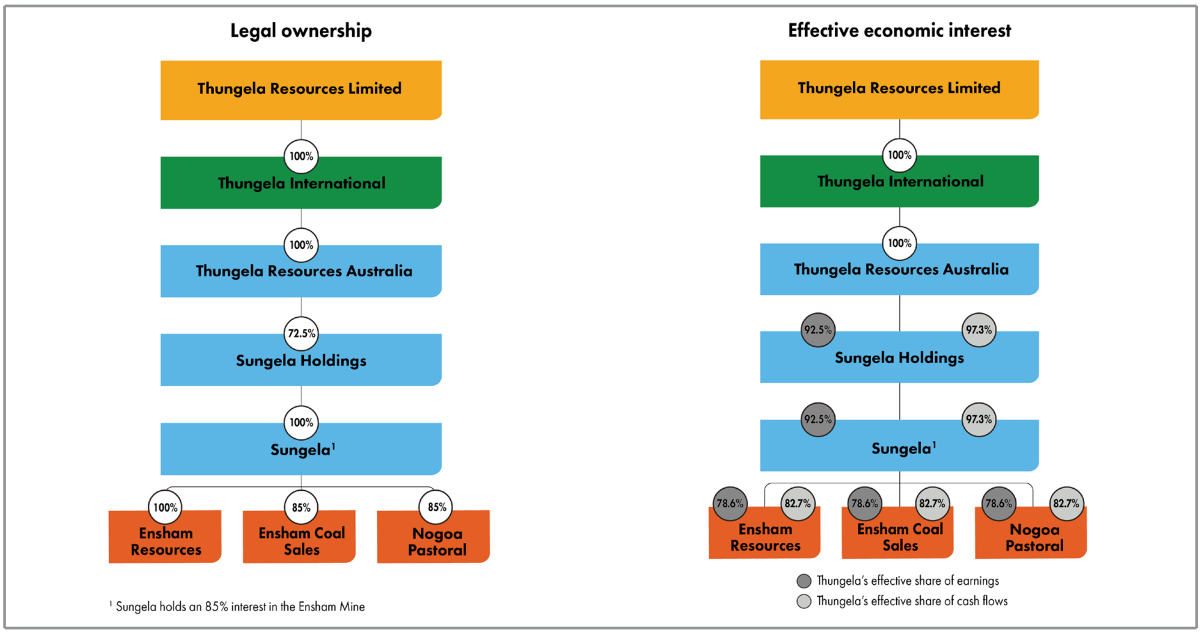
Understanding of the transaction *continued*

The co-investors acquired a 25% shareholding in Sungela Holdings as part of the acquisition of the Ensham Business. The portion of the purchase price attributable to the shareholding purchased by the co-investors was R1,035 million (25%), of which R809 million (20%) was funded through a loan provided by Thungela International Proprietary Limited (Thungela International) (the loan). The loan is interest-bearing and is repayable 18 months after the effective date of the transaction, mainly through distributions received by the co-investors from Sungela Holdings. The co-investors are required to apply 90% of all distributions they receive from Sungela Holdings to the repayment of the loan.

The loan is secured by shares owned by the co-investors, representing 20% of the shares of Sungela Holdings in issue at the acquisition date (the secured shares). Once 50% of the loan has been repaid, 50% of the secured shares may be released to the co-investors. To the extent that the loan is not repaid by its final repayment date, some of the secured shares may be called as security by Thungela International. Should the loan not be repaid in full, and a portion of the secured shares called, the capital amount of the loan will be considered fully repaid, even if the value of the secured shares called is lower than the value of the outstanding debt at the repayment date, in which case Thungela International may become the legal owner of the shares called as security. No amount has been repaid by the co-investors against the loan in the year ended 31 December 2024.

Understanding of the Ensham Business

The structure of Thungela's ownership in the Ensham Business is shown in the diagram below. Thungela is considered to control all of the entities within this structure.



The remaining 15% interests in Ensham Coal Sales and Nogoa Pastoral, as well as 15% of the Ensham Mine, are held by Bowen.

Ensham Resources is the operator of the Ensham Mine, which is an unincorporated joint venture between Sungela and Bowen (collectively, the 'JV participants'), which hold the unincorporated joint venture in proportions of 85% and 15%, respectively. The mining tenements and underlying mining assets are owned by the JV participants directly, and are not owned by Ensham Resources. The operations of Ensham Resources are funded by Sungela and Bowen directly in relation to their participation in the Ensham Mine, being 85% and 15%, respectively.

Ensham Coal Sales manages the sale of all coal extracted from the Ensham Mine, and the net receipts from customers are paid back to Sungela and Bowen in accordance with their contributions to the Ensham Mine.

Nogoa Pastoral undertakes small-scale agricultural activity on the surface land owned by the Ensham Business, and is the operator of the Nogoa joint venture, the participants of which are also Sungela and Bowen.

Accounting treatment

Thungela is considered to control all of the entities within the Ensham Business, and these entities are consolidated into the operating and financial results of the Group, with the appropriate recognition of non-controlling interests, with specific considerations as noted below.

Ensham Resources is the operator of the Ensham Mine, and recognises all assets, liabilities, income and expenses related to the operation of the mine. However, the underlying assets are owned by the JV participants in proportion to their ownership of the mining tenements. Notably, Ensham Resources does not own any assets in its own right. On this basis, Sungela only has rights to, and obligations for, 85% of the assets and liabilities of the Ensham Mine, and the results of Ensham Resources are thus reflected at 85% on a line-by-line basis in the summarised consolidated financial statements.

Ensham Coal Sales is fully consolidated, with non-controlling interest recognised, representing 15% of the net assets of this entity. As Ensham Coal Sales manages all coal sales from the Ensham Mine, 100% of the revenue from the mine is recognised within the Thungela Group's revenue. The cost for the proportion of coal sales reflecting Bowen's 15% participation in the Ensham Mine is accounted for as a commodity purchase within Ensham Coal Sales, at the realised sales price less specific selling costs incurred.

Nogoa Pastoral is the operator of the Nogoa Pastoral agricultural operation, which is managed, on a contractual basis, in the same way as Ensham Resources, and so the accounting treatment has been considered in the same way. The results of Nogoa Pastoral are consolidated at 85% on a line-by-line basis.

The loan has been used by the co-investors to fund the acquisition of the majority of their initial 25% shareholding in Sungela Holdings. As described in this note, the loan is secured by shares representing 20% of the shares in Sungela Holdings, and the capital amount of the loan will be considered fully repaid should the secured shares be called, even if the value of the shares called is less than the principal outstanding. As such, for accounting purposes, while the loan has not been repaid, the shares are not considered to have been issued. Thungela is instead considered, for accounting purposes only, to have granted the co-investors an option to acquire 20% of the shares in Sungela Holdings, which is exercisable to the extent that the loan is repaid by the repayment date. The option granted is treated as an equity-settled share-based payment, as it will be settled in Sungela Holdings shares.

As a result of the accounting treatment and recognition of the option issued to them, the co-investors have enjoyed rights to only 5.0% of the earnings generated by the Ensham Business from the acquisition date up to 31 December 2023, and 6.5% of the earnings generated in the year ended 31 December 2024, following the vesting of a portion of the LTIP shares. The proportion of earnings allocated to the non-controlling interests will be adjusted at the loan repayment date to reflect the shares considered to be issued for accounting purposes, having regard to the extent to which the loan has been repaid.

The LTIP shares are treated as an equity-settled share-based payment, as they will be settled with shares in Sungela Holdings. Should the LTIP shares vest, Thungela will recognise a decrease in its share of Sungela Holdings at the vesting date, and a corresponding increase in the non-controlling interests attributable to the co-investors. There is no requirement for earnings related to the LTIP shares to be attributed to the non-controlling interests before the vesting date, and the change in ownership will be accounted for prospectively from the date of vesting.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2024

2. ACQUISITION OF THE ENSHAM BUSINESS CONTINUED

Flow of economic benefits

Thungela is entitled to 78.6% (2023: 79.5%) of the earnings of the Ensham Mine, through the legal ownership of 72.5% (2023: 73.5%) of Sungela Holdings, and based on the treatment of the non-controlling interests described in this note.

The co-investors are required to apply 90% of any distributions received from Sungela Holdings to the repayment of the loan, and accordingly, until the loan is repaid, Thungela has an effective economic interest of 82.7% (2023: 82.8%) in the cash flows generated by the Ensham Mine. If the loan is repaid in full, the economic and cash flow participation for Thungela will more closely reflect the legal ownership structure as described in this note. Should the loan not be repaid by February 2025, the secured shares may be called, increasing the legal ownership of Thungela in the Ensham Business.

In this context, the effective economic interest of Thungela in the Ensham Mine at the reporting date has been determined as follows:

%	2024 Effective economic share of earnings	2024 Effective economic share of cash flows	2023 Effective economic share of earnings	2023 Effective economic share of cash flows
Legal ownership (A)	72.5	72.5	73.5	73.5
Option provided to the co-investors for accounting purposes (B)	20.0	—	20.0	—
Repayments on the loan due to Thungela (reflecting 90% of 27.5% (2023: 26.5%) distributions to be received by the co-investors) (C)	—	24.8	—	23.9
Effective economic interest in Sungela Holdings (D) = (A + B) I (A + C)	92.5	97.3	93.5	97.4
Legal ownership of the Ensham Mine (E)	85.0	85.0	85.0	85.0
Effective economic interest in the Ensham Mine (D x E)	78.6	82.7	79.5	82.8

Fair value of the identifiable net assets acquired

The acquisition of the Ensham Business is considered to be a business combination in line with IFRS 3, and the acquisition method of accounting was applied at the effective date. The fair value of the identifiable net assets acquired was determined using a discounted cash flow model, based on the life-of-mine valuation of the Ensham Mine.

The key assumptions used in the determination of the fair value of the Ensham Business, as well as other elements required to be considered in terms of the acquisition method per IFRS 3, were finalised in the year ended 31 December 2023 and are detailed in note 8.

Acquisition of the remaining interest in the Ensham Mine

In December 2024, Thungela announced that we have entered into a share sale and purchase agreement with Bowen in terms of which Thungela Resources Australia will acquire Bowen's 15% interest in the Ensham Mine and related entities. The transaction is subject to a number of conditions precedent, which have not been met or waived at the reporting date. The transaction is not yet considered to be effective at the reporting date.

3. SEGMENTAL INFORMATION

Thungela's segments are aligned with those operations that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assess performance. The Group executive committee is identified as the chief operating decision maker of Thungela.

Accounting policy

Reportable segments

Operating segments with similar economic characteristics are aggregated into reportable segments. The economic characteristics considered include the geographic location, the performance of key equipment specific to each type of operation and the productivity of the operations measured in volumes and headcount. Thungela has one principal operating activity, which is the operation of opencast and underground thermal coal mines and the processing of coal in South Africa and Australia. The reportable segments are aggregated by the nature of the technology applied by the operations, either as an opencast or underground mine, and similar economic characteristics as it relates to the capital and operating structure thereof.

In 2023, the Group acquired a controlling interest in the Ensham Business, as fully described in note 2 and note 8. After applying the qualitative and quantitative thresholds as described in IFRS 8: Operating Segments, the Australian business has been identified as a reportable segment.

The Elders project has not yet reached commercial production, however first coal was extracted in March 2024, with limited sales activity taking place from that date. The results of the Elders project, including related capital expenditure, form part of the South African underground segment.

The Group, through Thungela Marketing International Holdings Proprietary Limited (Thungela Marketing International), assumed full responsibility for marketing our coal directly to third parties, with a dedicated business in the United Arab Emirates (UAE). Revenue related to the sale of our products through Thungela Marketing International is shown within the relevant reportable segment, including the margins retained by that entity. Operating costs from the marketing activities undertaken by the marketing business are presented within the services segment, as these activities support the ongoing operations of the Group.

The following summary describes each reportable segment:

Reportable segments	Operations
South Africa	
Opencast	Mining operations undertaken in an opencast mine where coal is extracted include the following mining operations in South Africa: • Isibonelo • Khwezela • Mafube • Rietvlei
Underground	Mining operations undertaken in an underground mine where coal is extracted include the following mining operations in South Africa: • Zibulo • Greenside • Goedehoop • Elders project
Services	Operations providing various services to support the ongoing operations of the Group, including marketing activities in the UAE
Australia	
Underground	Mining operations undertaken in an underground mine where coal is extracted at Ensham, as well as the operations providing various services to support the mining operations in Australia

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2024

3. SEGMENTAL INFORMATION CONTINUED

Accounting policy continued

Revenue

Revenue is recognised in a manner that depicts the pattern of the transfer of thermal coal to customers. The amount recognised reflects the amount to which the Group is entitled in exchange for the sale of thermal coal, exclusive of related discounts and sales taxes. Sales contracts are evaluated to determine the performance obligations, the transaction price and the point at which there is transfer of control. The transaction price is the amount of consideration due in exchange for transferring thermal coal to the customer and is recognised at a specific point in time.

Revenue in South Africa is comprised of export sales, either to Anglo American Marketing Limited (AAML) through the offtake agreement, up to the expiry thereof, or to various customers through Thungela Marketing International, as well as domestic sales based on contracts signed with various customers in the areas where the Group mines.

Revenue in Australia includes export sales, predominately to Asian markets, as well as specific domestic sales contracts. The domestic sales in Australia are of export quality coal, and at export parity prices or better. On this basis, all revenue in Australia is disclosed as export revenue.

The Group has applied the practical expedient available in IFRS 15: Revenue from Contracts with Customers, and determined that no significant financing component is included in the consideration received. A sale is recognised when control has been transferred, which is usually when title and significant risks have passed to the customer, and the thermal coal has been delivered.

South Africa

Export sales

Revenue derived from South African export sales is recognised when the thermal coal is loaded onto the vessel at the RBCT. The transaction price is determined with reference to the average Richards Bay Benchmark coal price in the month of loading, with various adjustments for quality, grade and calorific value, as well as a fee payable to AAML in terms of the offtake agreement, until the expiry thereof. Revenue is not impacted by changes in the Richards Bay Benchmark coal price subsequent to the month of loading during which control transfers. This revenue is generated in US dollars, and payments received for export revenue are in US dollars.

Domestic sales

Domestic sales are made to various customers in the areas in which the Group operates in South Africa and revenue from these sales is recognised when the thermal coal is delivered to a contractually agreed location, either at the customers' premises, or at the collection point at the operation. The transaction price is contractually agreed based on various inputs and is not always directly impacted by changes in the Richards Bay Benchmark coal price.

Australia

Revenue in Australia is derived from export sales into Asian markets or sales to customers in Australia. Revenue for exported volumes is recognised when coal is loaded onto the vessel at the Port of Gladstone, while revenue for sales railed locally is recognised as the coal is delivered to the customers' premises.

The transaction price is determined with reference to the average Newcastle Benchmark coal price for the month of loading, with various adjustments for quality, grade and calorific value. Revenue is not impacted by changes in the Newcastle Benchmark coal price subsequent to the month of loading. The revenue is generated either in US dollars or Australian dollars, and payments are received from customers in these currencies. Sales contracts with specific customers include fixed prices for sales, which are negotiated based on the Newcastle Benchmark coal price at the start of the year. Revenue for these sales is recognised at the agreed fixed price, and is not impacted by changes in the Newcastle Benchmark coal price throughout the year.

Profit for the reporting period

The profit for the reporting period by reportable segment can be analysed as follows:

					2024
	South Africa			Australia	
Rand million	Opencast	Underground	Services	Underground	Total
Revenue	10,826	15,478	—	9,250	35,554
Operating costs excluding depreciation and amortisation	(9,240)	(10,856)	(1,992)	(7,211)	(29,299)
Employee costs	(1,282)	(2,844)	(1,245)	(1,289)	(6,660)
Commodity purchases	(1,609)	—	—	(1,374)	(2,983)
Consumables used in production	(1,544)	(964)	(53)	(604)	(3,165)
Maintenance expenditure	(1,469)	(1,830)	(384)	(432)	(4,115)
Production input costs	(1,574)	(1,791)	(104)	(1,491)	(4,960)
Inventory production movement	(172)	(368)	—	(60)	(600)
Logistics costs	(931)	(2,278)	—	(915)	(4,124)
Royalties	(106)	(174)	—	(834)	(1,114)
Other	(553)	(607)	(206)	(212)	(1,578)
Adjusted EBITDA△	1,586	4,622	(1,992)	2,039	6,255
Transactions relating to the acquisition of the Ensham Business	—	—	—	(9)	(9)
Expenses for conditional shares granted to non-controlling interests	—	—	—	(9)	(9)
Profit on disposal of investment in subsidiary	601	—	—	—	601
Depreciation and amortisation	(290)	(1,096)	(60)	(1,006)	(2,452)
Impairment losses	—	(278)	—	—	(278)
Restructuring costs and termination benefits	—	—	(13)	—	(13)
Net finance (costs)/income	(207)	60	1,118	(77)	894
Investment income	385	244	672	92	1,393
Interest expense	(592)	(184)	(136)	(245)	(1,157)
Other financing gains	—	—	582	76	658
Income tax expense	(354)	(476)	(353)	(271)	(1,454)
Profit/(loss) for the reporting period	1,336	2,832	(1,300)	676	3,544

3. SEGMENTAL INFORMATION CONTINUED

Profit for the reporting period continued

The profit for the reporting period by reportable segment can be analysed as follows continued

					2023
	South Africa			Australia	
Rand million	Opencast	Underground	Services	Underground[1]	Total
Revenue	10,269	17,776	—	2,589	30,634
Operating costs excluding depreciation and amortisation	(7,447)	(10,200)	(2,682)	(1,851)	(22,180)
Employee costs	(1,238)	(2,797)	(963)	(385)	(5,383)
Commodity purchases	(954)	(97)	—	(389)	(1,440)
Consumables used in production	(1,165)	(804)	(15)	(234)	(2,218)
Maintenance expenditure	(1,205)	(1,731)	(324)	(49)	(3,309)
Production input costs	(1,659)	(1,110)	(569)	(222)	(3,560)
Inventory production movement	(63)	(89)	—	(150)	(302)
Logistics costs	(723)	(2,529)	—	(335)	(3,587)
Royalties	(84)	(519)	—	(294)	(897)
Other	(356)	(524)	(811)	207	(1,484)
Adjusted EBITDA△	2,822	7,576	(2,682)	738	8,454
Depreciation and amortisation	(179)	(1,022)	(46)	(310)	(1,557)
Transactions relating to the acquisition of the Ensham Business	—	—	(80)	(91)	(171)
Gain on bargain purchase	—	—	—	565	565
Acquisition and integration costs	—	—	(5)	(449)	(454)
Expenses for conditional shares granted to non-controlling interests	—	—	(75)	(48)	(123)
Fair value adjustments to acquisition-related derivatives	—	—	—	(159)	(159)
Impairment losses	(81)	(185)	—	—	(266)
Fair value gains on derivative financial instruments	—	—	97	—	97
Restructuring costs and termination benefits	—	—	(51)	—	(51)
Net finance (costs)/income	(354)	(74)	1,186	(62)	696
Investment income	330	142	904	18	1,394
Interest expense	(684)	(216)	(75)	(49)	(1,024)
Other financing gains/(losses)	—	—	357	(31)	326
Income tax expense	(775)	(1,363)	(58)	(36)	(2,232)
Profit/(loss) for the reporting period	1,433	4,932	(1,634)	239	4,970

[1] Reflects the results of the Ensham Business for the four months from the acquisition date to 31 December 2023.

Capital expenditure

Capital expenditure encompasses expenditure (including cash capital expenditure and capital expenditure accruals) to sustain the business and to invest in production replacement and life extension projects.

The capital expenditure per reportable segment can be analysed as follows:

2024 Rand million	Expansionary	Stay-in-business	Stripping and development	Total
Property, plant and equipment	1,696	1,445	192	3,333
South Africa	1,696	840	192	2,728
Opencast	—	273	66	339
Underground	1,670	444	126	2,240
Services	26	123	—	149
Australia	—	605	—	605
Underground	—	605	—	605
Intangible assets	—	63	—	63
South Africa	—	63	—	63
Services	—	63	—	63
Total capital expenditure	1,696	1,508	192	3,396
Movement in capital creditors	120	(67)	(12)	41
South Africa	120	(24)	(12)	84
Australia	—	(43)	—	(43)
Total additions[1]	1,816	1,441	180	3,437

[1] Total additions consist of additions to property, plant and equipment of R3,374 million and additions to intangible assets of R63 million.

2023 Rand million	Expansionary	Stay-in-business	Stripping and development	Total
Property, plant and equipment	1,603	1,230	250	3,083
South Africa	1,603	941	250	2,794
Opencast	—	608	7	615
Underground	1,596	309	243	2,148
Services	7	24	—	31
Australia[1]	—	289	—	289
Underground	—	289	—	289
Intangible assets	—	172	—	172
South Africa	—	172	—	172
Services	—	172	—	172
Total additions	1,603	1,402	250	3,255
Movement in capital creditors	(12)	45	—	33
South Africa	(12)	35	—	23
Australia[1]	—	10	—	10
Total capital expenditure[2]	1,591	1,447	250	3,288

[1] Reflects the results of the Ensham Business for the four months from the acquisition date to 31 December 2023.
[2] Total capital expenditure consists of expenditure on property, plant and equipment of R3,116 million and expenditure on intangible assets of R172 million.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

3. SEGMENTAL INFORMATION CONTINUED

Revenue

The revenue generated by the Group can be analysed as follows:

Revenue by product and segment

				2024
	South Africa		Australia	
Rand million	Opencast	Underground	Underground	Total
Thermal export	6,668	15,191	9,250	31,109
Industrial and domestic	4,158	287	—	4,445
Other industrial and domestic	3,897	37	—	3,934
Domestic sales from thermal export stockpiles	261	250	—	511
Total revenue	10,826	15,478	9,250	35,554

				2023
	South Africa		Australia	
Rand million	Opencast	Underground	Underground[1]	Total
Thermal export	5,463	17,353	2,589	25,405
Industrial and domestic	4,806	423	—	5,229
Other industrial and domestic	4,271	68	—	4,339
Domestic sales from thermal export stockpiles	535	355	—	890
Total revenue	10,269	17,776	2,589	30,634

1 Reflects the results of the Ensham Business for the four months from the acquisition date to 31 December 2023.

Revenue by destination

Rand million	2024	2023
United Kingdom	14,240	22,816
India[1]	5,375	326
South Africa	4,445	5,229
Taiwan[1]	3,503	1,256
Japan[1]	1,781	233
Australia[1]	409	611
Other export destinations[1,2]	5,801	163
Total revenue	35,554	30,634

1 Information presented for 31 December 2023 reflects the results of the Ensham Business for the four months from the acquisition date to 31 December 2023.
2 No individual destination contributes more than 10% to the total revenue generated by the Group in the years presented.

Revenue by customer

Rand million	2024	2023
Sales to AAML	15,449	22,816
Other – South African export sales[1]	7,276	—
Other – Australian export sales[1,2]	8,384	2,589
Other – South African domestic sales[1]	4,445	5,229
Total revenue	35,554	30,634

1 No individual customer contributes more than 10% to the total revenue generated by the Group in the years presented.
2 Information presented for 31 December 2023 reflects the results of the Ensham Business for the four months from the acquisition date to 31 December 2023.

All of the revenue and profit of Thungela is derived from mining operations based in South Africa and Australia.

4. IMPAIRMENT LOSSES

The Group is required to assess whether assets may be impaired, or an impairment previously recognised may need to be reversed, at each reporting date. The impairment losses recognised are determined based on various judgements around the recoverable amount of each identified cash-generating unit (CGU).

Accounting policy

Any impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

Goodwill arising on business combinations is allocated to the CGUs that are expected to benefit from synergies of the combination and represents the lowest level at which goodwill is monitored by the Group's leadership team for internal management purposes. The CGUs to which goodwill has been allocated are tested for impairment annually, or when events or changes in circumstances indicate that they may be impaired. An impairment of goodwill is not subsequently reversed.

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets are impaired. If such an indication exists, the recoverable amount of those assets is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, we estimate the recoverable amount of the CGU to which the asset belongs. The CGUs are determined as the individual operating mines and impairment is assessed at that level. In addition, when assessing assets for impairment, centrally held assets, which do not generate independent cash flows, are allocated to the CGUs on an appropriate basis.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use, assessed using discounted cash flow models. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

Subsequent changes to the CGU allocation, to the timing of the forecasted cash flows or to the assumptions used to determine the forecasted cash flows could impact the recoverable amounts of the respective CGUs. In the years presented, the following changes to our CGUs have been identified:

- The Rietvlei Colliery was disposed of on 30 November 2024, as detailed in note 9, and is no longer considered a CGU at 31 December 2024.
- Elders is currently in the project phase and has not yet commenced production, however, due to the progression of the project and the expected timing of the commencement of production, the CGU was separately identified at 31 December 2023 and assessed for impairment.
- The Ensham Business was identified as a single CGU on the acquisition thereof in 2023 as detailed in note 8, and has been assessed for impairment.

Impairment losses recognised

The impairment losses recognised in the current year relate to the Goedehoop operation. In the year ended 31 December 2023, the impairment losses comprised of impairments in relation to the Greenside, Khwezela and Rietvlei operations.

Impairment losses recognised in the year can be analysed as follows:

Rand million	Notes	2024	2023
Property, plant and equipment	7	231	257
Intangible assets		47	9
Impairment losses		278	266
Tax impact	5	(62)	(62)
Net impairment losses		216	204

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

4. IMPAIRMENT LOSSES CONTINUED

Goodwill impairment testing

Goodwill arose through various historical transactions, and was fully impaired in previous years.

Assessing impairment indicators

Export operations – South Africa

The mining operations carried out at Goedehoop, Khwezela, Greenside, Mafube, Zibulo and Elders represent the export operations of the Group in South Africa. Export sales were made to AAML through the offtake agreement up to the expiry thereof, and are now made directly to third-party customers through Thungela Marketing International. The price realised on export sales is determined using the Richards Bay Benchmark coal price as a base, with specific adjustments made for quality, grade, volume and content. These CGUs do supply limited quantities into the domestic market, but domestic sales are not a key value contributor to the CGUs.

Export operations – Australia

The mining operations carried out at Ensham represent the export operations of the Group in Australia. The price realised on export sales is determined using the Newcastle Benchmark coal price as a base, with specific adjustments made for quality, grade, volume and content. The Ensham Business has negotiated fixed price contracts with limited customers, and these prices are negotiated at the start of each year in line with market conditions at the time. These fixed price contracts can be reasonably valued using the Newcastle Benchmark coal price as a base.

Domestic operations – South Africa

The mining operations carried out at Isibonelo and Rietvlei (up to the disposal thereof) represent the domestic operations of the Group in South Africa. These operations sell to domestic customers under fixed-term offtake agreements. Contractual prices are escalated annually with reference to various input cost indices. Changes in the Richards Bay Benchmark coal price therefore do not directly impact the life-of-mine revenue assumptions at these operations.

Centrally held assets

Assets that are held centrally are allocated to the CGUs on an appropriate basis. The centrally held assets allocated to CGUs which have been impaired are allocated a proportionate share of that impairment loss, where appropriate.

Determining recoverable amounts

The recoverable amounts are determined on a fair value less costs of disposal basis with reference to the life-of-mine forecasted cash flows per the approved financial budgets and, where relevant, a valuation of in-situ coal resources beyond the current life-of-mine plan.

Expected future cash flows used in the discounted cash flow models are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including coal resources and coal reserves and production volumes, together with economic factors such as forecasted benchmark coal prices, forecasted exchange rates, discount rates, estimates of production costs and future capital expenditure. Where discounted cash flow models based on management assumptions are used, the resulting fair value measurements are at level 3 in the fair value hierarchy as defined in IFRS 13: Fair Value Measurement (IFRS 13), as they depend to a significant extent on unobservable valuation inputs.

Where in-situ coal resources beyond the current life-of-mine plan are included in the recoverable amount, an appropriate risk adjustment is made, or alternatively, the fair value is determined on a comparable transaction basis and added to the recoverable amount.

The discounted cash flow models incorporate a number of key assumptions which can be analysed as follows:

Coal prices

The estimated coal prices used are based on the latest internal forecasts, benchmarked with external sources of information, to ensure that they are within the range of available external forecasts. The estimated realised price for export operations is calculated using the forecasted benchmark coal prices, with adjustments to reflect the quality and calorific value of the product, to reflect the estimated realised price at each CGU. The forecasted Richards Bay Benchmark coal prices, in real terms, used in the estimation of cash flows over the forecast period range from USD100 per tonne to USD107 per tonne (2023: USD94 per tonne to USD109 per tonne). The forecasted Newcastle Benchmark coal prices, in real terms, used in the estimation of cash flows over the forecast period range from USD115 per tonne to USD130 per tonne (2023: USD85 per tonne to USD143 per tonne).

In estimating the forecasted cash flows, the Group also considered the expected realised prices from existing contractual arrangements for the domestic operations, where relevant, ranging from R618 per tonne to R780 per tonne (2023: R580 per tonne to R680 per tonne) over the forecast period.

Foreign exchange rates

Foreign exchange rates are based on the latest internal forecasts, benchmarked with external sources of information. Export sales from South Africa are undertaken in US dollars only, and export sales from Australia are undertaken in both US dollars and Australian dollars. For the year ended 31 December 2024, the estimated foreign exchange rates were based on external forecasts in real terms, in line with the approved budget assumptions. The foreign exchange rates used in the estimation of cash flows over the forecast period range from R17.02:USD1 to R18.20:USD1 and AUD1.45:USD1 to AUD1.55:USD1.

For the year ended 31 December 2023, the estimated foreign exchange rates utilised ranged from R17.45:USD1 to R18.24:USD1 and AUD1.43:USD1 to AUD1.52:USD1 over the forecast period. Operations supplying solely into the domestic market are not directly exposed to fluctuations in the foreign exchange rate.

Discount rates

The discounted cash flow models used to determine the recoverable amounts are discounted based on a real post-tax discount rate, assessed annually, of 9.5% (2023: 9.5%) for South Africa. The discounted cash flow model used to determine the recoverable amount of the Ensham Mine is based on a real post-tax discount rate of 9.3% (2023: 12%), based on risks specific to the business and the Australian economic environment. The discount rate applied in Australia has reduced from the acquisition date valuation as this CGU has now been priced into the Thungela risk profile. Adjustments to the discount rate are made for any risks that are not reflected in the underlying cash flows, including the risk profile of the CGU.

Saleable production

The forecasted saleable production used in the discounted cash flow models is based the approved financial budgets, including any risks related to rail capacity and ongoing production challenges. The assumptions used in determining the forecasted saleable production take into account various factors, including coal resources and coal reserves, life-of-mine plans, rail capacity and the approved sales profiles based on the Group's experience and expectations.

Operating costs, capital expenditure and other operating factors

Operating costs and capital expenditure are based on the approved financial budgets. Forecasted cash flows beyond the budget period are based on approved life-of-mine plans and internal forecasts. Cost assumptions incorporate the Group's experience and expectations, as well as the nature and location of the operation and the risks associated therewith (for example, due to varying geological conditions over time and unforeseen operational issues).

Climate change

The Group has carefully considered the potential impact of climate-related risks in the estimation of the recoverable amounts. The risks considered include the global trends of decreasing demand for coal, the impact on the cost of capital, the impact on forecasted benchmark coal prices and the increased cost of adhering to applicable regulatory requirements including carbon pricing, in addition to physical risks caused by climate change.

The life-of-mine models assume that there will be a market for thermal coal over the expected life of mine of our operations after assessing local and global demand forecasts. The prices and other key assumptions represent the Group's best estimate of key market factors, including scenarios related to climate change.

The cost of carbon-related emissions has been considered and incorporated into the discounted cash flow models, based on enacted legislation and expectations for carbon prices based on the latest internal forecasts, benchmarked with external sources.

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For the year ended 31 December 2024

4. IMPAIRMENT LOSSES CONTINUED

Impairment loss assessments

Export operations – South Africa

The export operations are largely dependent on the ability to rail coal to the RBCT in order to realise the sales forecast for each of the CGUs, and this has a concomitant impact on the forecasted production of the CGUs. Based on the ongoing interventions at Transnet Freight Rail (TFR), there has been an improvement in the rail performance achieved in the year, which has been taken into account in the forecasted saleable production used to determine the recoverable amounts in the current year.

There has been continued pressure on the Richards Bay Benchmark coal price in the year based on increased global gas exports and strong coal supply from all export hubs. As a result, coal inventories worldwide and, in particular Europe, remained high, readily absorbing any change in the demand profile. This impacted the forecasted coal prices utilised in the discounted cash flow models. In the year ended 31 December 2024, the coal prices used, as well as the short remaining life of mine at the Goedehoop operation, led to an impairment of R278 million being recognised at that operation.

In the year ended 31 December 2023, impairment losses of R60 million and R185 million were recognised at Khwezela and Greenside, respectively, as a result of the pressure on the Richards Bay Benchmark coal price and the constrained rail capacity.

The carrying amounts of our CGUs can be analysed as follows:

Rand million	Reporting segment	2024 Carrying amounts[1]
Zibulo	Underground	**6,584**
Elders	Underground	**2,138**
Greenside	Underground	**1,302**
Khwezela	Opencast	**708**
Mafube	Opencast	**1,761**
Total carrying amount		**12,493**

[1] The carrying amounts comprise other intangible assets and property, plant and equipment.

Rand million	Reporting segment	2023 Carrying amounts[1]
Zibulo	Underground	5,617
Goedehoop	Underground	307
Elders	Underground	1,245
Greenside[2]	Underground	1,585
Khwezela[2]	Opencast	630
Mafube	Opencast	1,628
Total carrying amount		11,012

[1] The carrying amounts comprise other intangible assets and property, plant and equipment.
[2] This CGU is reflected at its recoverable amount, determined as its fair value less costs of disposal. Enhanced disclosure of the carrying amounts has been presented in the current year. This disclosure does not impact any other lines in the summarised consolidated financial statements.

Sensitivities

The recoverable amounts, based on the discounted cash flow models, are sensitive to changes in input assumptions. The most significant inputs to the discounted cash flow models are the short to medium-term forecasted Richards Bay Benchmark coal price used to calculate the estimated realised prices across the CGUs, the discount rates applied and the forecasted saleable production across the CGUs. In addition to the base case valuation, alternative scenarios have been considered to assess the impact of changes in these assumptions.

The impact on the estimated recoverable amounts, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

			2024			2023
Rand million	**5.0% decrease in saleable production**	**5.0% decrease in estimated prices**	**0.5% increase in discount rate**	5.0% decrease in saleable production	5.0% decrease in estimated prices	0.5% increase in discount rate
Zibulo	**(1,601)**	**(1,993)**	**(267)**	(1,734)	(2,713)	(145)
Goedehoop	**(99)**	**(144)**	**—**	(186)	(251)	—
Elders	**(891)**	**(1,276)**	**(124)**	(628)	(631)	(145)
Greenside	**(316)**	**(550)**	**(20)**	(359)	(660)	(22)
Khwezela	**(443)**	**(696)**	**(8)**	(470)	(734)	(11)
Mafube	**(601)**	**(1,116)**	**(138)**	(545)	(1,122)	(119)
Total	**(3,951)**	**(5,775)**	**(557)**	(3,922)	(6,111)	(442)

For the year ended 31 December 2024, the impact of the sensitivities shown above would result in an impairment possibly being recognised at Khwezela and Greenside, and a reduction of headroom at the remaining CGUs. No further impairment would be required at Goedehoop as all assets have been fully impaired.

For the year ended 31 December 2023, the impact of the sensitivities shown above is as follows:
- Decrease in saleable production of 5.0%: This sensitivity would result in an impairment possibly being recognised at Zibulo and Goedehoop, and an increase in the impairment recognised for Greenside and Khwezela.
- Decrease in estimated prices of 5.0%: This sensitivity would result in an impairment possibly being recognised at Zibulo and Goedehoop, and an increase in the impairment recognised for Greenside and Khwezela (limited to its carrying amount).
- Increase in discount rate of 0.5%: This sensitivity would result in an increase in the impairment recognised for Greenside and Khwezela.

The recoverable amounts are the most sensitive to changes in the estimated prices and saleable production used over the forecast period. The Group has continued to prioritise higher margin production across our operations throughout 2024, to ensure that higher margin products are railed to the RBCT. We are comfortable that the judgements used to determine the recoverable amounts are reasonable and appropriate in terms of the current market conditions.

Export operations – Australia

The Newcastle Benchmark coal price has remained relatively resilient despite the consistent pressure of strong supply in the year ended 31 December 2024. The performance of the Ensham Mine has consistently improved throughout 2024 and this strong performance is expected to continue over the forecast period. Based on the assessment performed, there has been no impairment recognised for Ensham in the year ended 31 December 2024.

The carrying amount of the Ensham CGU at 31 December 2024 amounts to R6,578 million (2023: R7,413 million), on an 85% basis.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

4. IMPAIRMENT LOSSES CONTINUED

Export operations – Australia continued

Sensitivities

The recoverable amount, based on the discounted cash flow model, is sensitive to changes in input assumptions. The most significant inputs to the discounted cash flow model are the short to medium-term forecasted Newcastle Benchmark coal price used to calculate the estimated realised prices, the discount rates applied and the forecasted saleable production. In addition to the base case valuation, alternative scenarios have been considered to assess the impact of changes in these assumptions.

The impact on the estimated recoverable amount, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

			2024
Rand million	5.0% decrease in saleable production	5.0% decrease in estimated prices	0.5% increase in discount rate
Ensham	(900)	(939)	(77)
Total	(900)	(939)	(77)

The impact of the sensitivities shown above would result in a possible impairment of Ensham related to the decreases in saleable production and estimated prices, and a decrease in available headroom in relation to the increase in the discount rate.

Domestic operations – South Africa

Isibonelo's sales are made under a fixed-term offtake agreement with committed production per year. Prices are contractually agreed and impacted by mining inflation and other inputs. The forecasted production is sufficient to meet the committed production per year. We have not identified any impairment indicators for the Isibonelo CGU for the years presented.

Rietvlei has a fixed-term coal supply agreement in place with its customer, and in 2024 there was a brief reduction in the coal production due to the renegotiation of that agreement. Operations recommenced during the last quarter of 2024 ahead of the disposal of our interest in this operation. Based on the resource multiple valuation applied, no impairment indicators were identified before the sale of this operation. Refer to note 9 for further detail.

In the year ended 31 December 2023 the Rietvlei coal supply agreement was still being evaluated, and a conservative view was applied. The CGU was valued at its resource value at the reporting date, assuming no further mining was going to take place until a contract was signed. This resulted in an impairment of R21 million being recognised in that year.

Sensitivities

As domestic sales prices are largely fixed with annual input cost inflation adjustments, recoverable amounts are the most sensitive to production volumes and cost increases not catered for in the annual sales price adjustment.

The impact on the estimated recoverable amount, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

	2024		2023	
Rand million	5.0% increase in operating expenditure	5.0% decrease in saleable production	5.0% increase in operating expenditure	5.0% decrease in saleable production
Isibonelo	(116)	(138)	(100)	(125)
Total	(116)	(138)	(100)	(125)

For the year ended 31 December 2024, the impact of the sensitivities shown above would be a decrease in the available headroom, but no impairment of Isibonelo.

For the year ended 31 December 2023, the impact of the sensitivities shown above would result in a possible impairment of Isibonelo.

Centrally held assets

The assets held centrally by the Group are allocated to all CGUs on an appropriate proportionate basis. No impairment losses were recognised on the centrally held assets in the years presented based on the allocation performed to the appropriate CGUs.

5. INCOME TAX EXPENSE

The income tax expense comprises current tax charged in line with relevant legislation, and deferred tax determined in line with IAS 12: Income Taxes (IAS 12).

Accounting policy

The income tax expense comprises the sum of current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income or in equity.

Current tax and deferred tax is recognised in other comprehensive income or in equity if the taxation relates to items that are recognised, in the same or a different period, in other comprehensive income or in equity.

The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Analysis of income tax expense

Rand million	2024	2023
Current tax expense	(1,813)	(2,128)
Charged in respect of the current reporting period	(1,824)	(2,093)
Credited/(charged) in respect of prior reporting periods	11	(35)
Deferred tax credit/(expense)	359	(104)
Credited/(charged) in respect of deferred tax assets	367	(26)
Charged in respect of deferred tax liabilities	(8)	(78)
Total income tax expense	(1,454)	(2,232)

The South African corporate tax rate is 27% and the Australian corporate tax rate is 30%. The UAE treats the qualifying income of businesses recognised as a qualifying free zone person at a 0% corporate tax rate.

Australia has a tax consolidation regime that, when elected, allows wholly owned groups of companies operating within Australia to be taxed as one entity. We have elected to apply the tax consolidation regime, with the head company being Sungela Holdings and the wholly owned group of companies being Sungela and Ensham Resources.

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For the year ended 31 December 2024

5. INCOME TAX EXPENSE CONTINUED

Factors affecting income tax expense

The income tax expense has been impacted by various transactions and can be analysed as follows:

Rand million	2024	2023
Profit before tax	**4,998**	7,202
Tax at the applicable rate (South African corporation tax rate) of 27%	**(1,349)**	(1,945)
Adjusted for the tax effects of:		
Items non-deductible for tax purposes	**(165)**	(403)
Depreciation of mineral rights	**(8)**	(9)
Impairment losses	**(13)**	(5)
SARS penalties and interest	**(3)**	—
Royalty and carbon tax prior year adjustment	**(15)**	(2)
Fair value losses on biological assets	**(3)**	(3)
Non-deductible items considered capital in nature	**(25)**	(61)
Expenses related to contributions to the trusts[1]	**(52)**	(152)
Expenses not incurred in the production of income	**(9)**	(11)
Transactions related to the acquisition of the Ensham Business[2]	**(37)**	(154)
Accounting adjustments not deductible	**—**	(6)
Items non-taxable for tax purposes	**231**	226
Contribution to other environmental investments	**1**	1
Accounting adjustments not taxable	**74**	57
Disposal of investment in subsidiary[3]	**137**	—
Exempt income	**19**	15
Gain on bargain purchase	**—**	153
Other items	**(168)**	(127)
Effect of different tax rates in foreign jurisdictions	**7**	(4)
Deferred tax assets previously not recognised	**6**	—
Deferred tax assets not recognised[4]	**(154)**	(131)
Current tax expense related to Pillar Two top-up tax	**(18)**	—
Other	**(9)**	8
Prior year adjustments	**(3)**	17
Current tax	**11**	(35)
Deferred tax	**(14)**	52
Total income tax expense	**(1,454)**	(2,232)

1 Expenses related to contributions to the trusts relates to contributions made to the Nkulo Community Partnership Trust and the Sisonke Employee Empowerment Scheme Trust. Refer to note 11 for further detail.
2 Transactions related to the acquisition of the Ensham Business relate to the tax impact of various elements of the acquisition, which are considered non-deductible based on the application of the tax laws in Australia.
3 Refer to note 9 for further detail related to the disposal of investment in subsidiary.
4 Deferred tax assets not recognised relate mainly to losses incurred in Rietvlei Mining Company Proprietary Limited (RMC) until its disposal. The unrecognised deferred tax asset was disposed of along with the disposal of our investment of the company.

The effective tax rate for the period of 29% (2023: 31%) is higher than the applicable statutory rate of corporation tax in South Africa of 27%. This is primarily due to non-deductible expenses incurred throughout the Group, an increase in the deferred tax asset not recognised in RMC, based on ongoing losses in that entity up to the disposal thereof, the higher statutory tax rate in Australia and the Pillar Two top-up tax recognised in the year.

The prior year tax adjustments relate to adjustments required to align with the final tax returns as submitted to the South African Revenue Service (SARS).

Organisation for Economic Co-operation and Development's Two-Pillar Solution

The Group is subject to global minimum top-up taxes as part of the Two-Pillar Solution of the Organisation for Economic Co-operation and Development's Global Anti-Base Erosion (GloBE) Rules. The Two-Pillar Solution (referred to as 'Pillar Two') seeks to introduce a global minimum effective tax rate, in terms of which multinational enterprise groups may be subject to a minimum effective tax rate of 15% on income arising in each jurisdiction in which they operate.

At the reporting date, the jurisdictions in which we operate have each progressed the requirements related to Pillar Two as follows:

South Africa

The South African Global Minimum Tax Act 46 of 2024, which sets out the global minimum tax regime in South Africa, was published in the Government Gazette on 24 December 2024 and is effective for reporting periods starting on or after 1 January 2024. This legislation, referred to as the Pillar Two rules, provides for an income inclusion rule and a domestic minimum top-up tax, but does not include an undertaxed profits rule.

Australia

The Pillar Two legislation in Australia was registered on 23 December 2024 and is now enacted. The legislation includes a 15% global minimum tax for large multinational enterprises, with the income inclusion rule and domestic minimum top-up tax applying to reporting periods starting on or after 1 January 2024. The undertaxed profits rule will apply to reporting periods starting on or after 1 January 2025.

United Arab Emirates

The UAE Ministry of Finance launched a public consultation process on the implementation of the GloBE Rules in that country, which closed on 10 April 2024. On 9 December 2024, the Ministry of Finance announced that a domestic minimum top-up tax will be effective for reporting periods starting on or after 1 January 2025.

Pillar Two impact on Thungela

The Pillar Two assessment performed by the Group relied on the transitional safe harbour rules for our operations in South Africa and Australia. Our operations in the UAE do not meet any of the transitional safe harbour rules and a detailed Pillar Two calculation was performed for the entities in this jurisdiction. The calculation notes that a top-up tax of R18 million may need to be paid based on our operations in the UAE. This top-up tax is payable by Thungela as the ultimate parent entity of the Group.

The Group applies the mandatory temporary exception from recognising and disclosing deferred tax assets and liabilities that arise from the implementation of the Pillar Two rules as required by the amendments to IAS 12, issued in May 2023.

Tax amounts included in other comprehensive (loss)/income

The tax impact of the individual items presented in other comprehensive (loss)/income can be analysed as follows:

Rand million	2024	2023
Tax credit/(expense) on items that will not be reclassified to profit or loss		
Remeasurement of retirement benefit obligations	2	(7)
Fair value losses on financial asset investments	—	1
Total income tax credit/(expense) recognised in other comprehensive (loss)/income	2	(6)

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5. INCOME TAX EXPENSE CONTINUED

Current tax assets and liabilities

Current tax assets and liabilities are only offset to the extent that the Group has the ability and intention to settle these amounts simultaneously.

Current tax assets and liabilities can be analysed as follows:

Rand million	2024	2023
Current tax assets	235	298
Current tax liabilities	(482)	(102)
Net current tax (liabilities)/assets	**(247)**	196

Income tax paid

The income tax paid for the year can be analysed as follows:

Rand million	2024	2023
Balance at the start of the reporting period	196	206
Income tax – current tax charge	(1,813)	(2,128)
Disposal of investment in subsidiary[1]	2	–
Interest capitalised	12	(1)
Non-cash movements	1	–
Currency movements	13	–
Balance at the end of the reporting period	247	(196)
Income tax paid	**(1,342)**	(2,119)

[1] Refer to note 9 for further detail related to the disposal of investment in subsidiary.

6. EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE

Earnings per share has been calculated in line with the requirements of IAS 33: Earnings per Share. Headline earnings has been determined in line with Circular 1/2023: Headline Earnings (Circular 1/2023) issued by SAICA, detailing the requirements for determining headline earnings, and the JSE Listings Requirements.

Accounting policy

The Group calculates and presents basic and diluted earnings per share and basic and diluted headline earnings per share for its ordinary shares.

Headline earnings is calculated by adjusting the profit attributable to the equity shareholders of the Group for all separately identifiable remeasurements, which are excluded from headline earnings as defined in Circular 1/2023, net of related tax (both current and deferred) and related non-controlling interests. The headline earnings is then divided by the WANOS to calculate headline earnings per share. Disclosure of headline earnings is not a requirement of IFRS Accounting Standards, but it is a commonly used measure of earnings in South Africa that is more closely aligned with the operating activities of an entity.

Diluted earnings and headline earnings per share are determined by adjusting the basic and headline earnings attributable to the equity shareholders of the Group and the WANOS for the effects of all dilutive potential ordinary shares at the reporting date, which comprise share awards granted to employees in line with the Thungela share plan.

Number of shares

The WANOS used in the calculation of earnings per share and headline earnings per share can be analysed as follows:

Number of shares	2024	2023
Net shares in issue at the start of the reporting period	136,900,568	137,549,449
Adjusted for the weighted average impact of shares:		
Acquired in the reporting period[1]	(3,115,877)	(982,824)
Disposed of in the reporting period[2]	—	2,751
Vested in the reporting period[3]	453,756	487,252
WANOS at the end of the reporting period	134,238,447	137,056,628
Adjusted for dilutive potential ordinary shares relating to:		
Conditional share awards	1,057,262	2,467,564
Forfeitable share awards	641,691	280,078
Diluted WANOS at the end of the reporting period	135,937,400	139,804,270
Number of shares in issue	140,492,585	140,492,585
Treasury shares held by Group companies[4]	(6,925,889)	(3,592,017)
WANOS	134,238,447	137,056,628
Diluted WANOS	135,937,400	139,804,270

1 Shares acquired in the reporting period relate to shares purchased in line with the requirements of the Thungela share plan, as well as in relation to the share buybacks undertaken in the reporting period. Refer to note 12 further detail.
2 Shares disposed of in the reporting period relate to share awards forfeited in line with the requirements of the Thungela share plan, which were subsequently sold.
3 Shares vested in the reporting period relate to share awards which have vested in line with the requirements of the Thungela share plan.
4 Refer to note 12 for detail related to the treasury shares held by Group companies.

Earnings per share

Earnings per share can be analysed as follows:

Rand million (unless otherwise stated)	2024	2023
Profit attributable to the equity shareholders of the Group	3,592	5,162
Profit used in the calculation of diluted earnings per share[1]	3,592	5,162
Earnings per share		
Basic (cents/share)	2,676	3,766
Diluted (cents/share)	2,642	3,692

1 There were no adjustments to the profit attributable to the equity shareholders of the Group used in the calculation of diluted earnings per share relating to the potential ordinary shares.

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6. EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE CONTINUED

Headline earnings per share

Profit attributable to the equity shareholders of the Group has been reconciled to headline earnings as follows:

Rand million (unless otherwise stated)	Notes	2024	2023
Profit attributable to the equity shareholders of the Group		3,592	5,162
Adjusted for:			
Excluded remeasurements		(309)	(291)
Impairment of property, plant and equipment	4	231	257
Impairment of intangible assets	4	47	9
Profit on disposal of investment in subsidiary	9	(601)	—
Gain on bargain purchase arising from the acquisition of the Ensham Business	8	—	(565)
Loss on sale of property, plant and equipment		14	8
Tax effects of excluded remeasurements		(40)	(64)
Impairment of property, plant and equipment	4	(62)	(62)
Profit on disposal of investment in subsidiary	9	26	—
Loss on sale of property, plant and equipment		(4)	(2)
Non-controlling interests related to excluded remeasurements		192	(14)
Impairment of property, plant and equipment		—	(14)
Profit on disposal of investment in subsidiary		192	—
Headline earnings		3,435	4,793
Headline earnings used in the calculation of diluted headline earnings per share[1]		3,435	4,793
Headline earnings per share			
Basic (cents/share)		2,559	3,497
Diluted (cents/share)		2,527	3,428

1 There were no adjustments to headline earnings used in the calculation of diluted headline earnings per share relating to the potential ordinary shares.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprises tangible assets which are critical to Thungela's operations. These include acquired mineral rights, capitalised waste stripping and mine development costs, processing plant and infrastructure, vehicles, and other equipment.

Accounting policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost is the fair value of the consideration required to acquire and develop the asset and includes the purchase price, acquisition of mineral rights, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the initial estimate of any decommissioning provisions.

Capital work-in-progress represents the costs incurred on assets being constructed by the Group, mainly in relation to the Elders and Zibulo North Shaft projects, and is capitalised as costs are incurred. These assets are measured at cost less any impairment losses. When the assets can operate in the manner intended by management, they are transferred to the appropriate asset class and depreciation will commence.

Gains or losses on the disposal of property, plant and equipment are determined by comparing the proceeds from the disposal with the carrying amount of the assets disposed. The gains or losses are recognised in the statement of profit or loss and other comprehensive income when the disposal becomes effective.

Deferred stripping

The removal of rock or soil, overburden, and other waste materials overlying a mineral deposit is often necessary during the initial development of a mine site, in order to access the orebody. The process of removing overburden and other mine waste materials is referred to as stripping. The directly attributable cost of this activity is capitalised in full within mining properties if the stripped area will only commence production in more than one year after the stripping costs are incurred. All amounts capitalised in respect of waste removal are depreciated using the unit of production method for the component of the orebody to which they relate, consistent with depreciation of property, plant and equipment.

The removal of waste material after the point at which mining properties are available for use is referred to as production stripping. When the waste removal activity improves access to ore extracted in the current period, the costs of production stripping are charged to the statement of profit or loss and other comprehensive income as operating costs in accordance with the principles of IAS 2: Inventories.

Right-of-use assets

Right-of-use assets are included within property, plant and equipment. At the commencement of the lease, these are recognised at the amount of the corresponding lease liability, adjusted for any lease payments made on or before the lease commencement date, plus any direct costs incurred, an estimate of costs for dismantling, removing, or restoring the underlying asset, and less any lease incentives received.

Depreciation

Mining properties and items of plant and equipment for which the consumption of economic benefits is linked to production are depreciated to their residual values using the unit of production method based on proved and probable coal reserves. Mining properties include the value of the mining tenement acquired with the Ensham Business, which is depreciated on a straight-line basis over the estimated remaining reserve life.

Land is not depreciated. Buildings and items of plant and equipment for which the consumption of economic benefits is linked primarily to utilisation or to throughput, rather than production, are depreciated to their residual values at varying rates on a straight-line basis over their estimated useful lives or the reserve life, whichever is shorter. Estimated useful lives normally vary from up to 20 years for items of plant and equipment, to a maximum of 50 years for buildings.

Right-of-use assets are depreciated on a straight-line basis over the term of the lease, or, if shorter, the useful life of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

Depreciation methods, residual values and estimated useful lives are reviewed at least annually.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

7. PROPERTY, PLANT AND EQUIPMENT CONTINUED

Property, plant and equipment can be analysed as follows:

							2024
		Land and buildings		Plant and equipment			
Rand million	Mining properties	Owned	Right-of-use	Owned	Right-of-use	Capital work-in-progress	Total
Cost							
Balance at the start of the reporting period	9,992	2,703	58	30,502	155	7,214	50,624
Additions	—	—	—	—	—	3,374	3,374
Additions to right-of-use assets	—	—	—	—	198	—	198
Disposals	(18)	(5)	—	(466)	—	—	(489)
Transfers of capital work-in-progress	77	149	—	1,068	—	(1,294)	—
Disposal of investment in subsidiary[1]	(241)	—	(16)	(34)	(107)	(8)	(406)
Adjustments to decommissioning assets	—	—	—	37	—	—	37
Currency movements	(180)	(83)	—	(213)	(2)	(33)	(511)
Balance at the end of the reporting period	9,630	2,764	42	30,894	244	9,253	52,827
Accumulated depreciation and impairment losses							
Balance at the start of the reporting period	(5,479)	(930)	(39)	(21,154)	(51)	(3,494)	(31,147)
Depreciation	(510)	(173)	(4)	(1,683)	(53)	—	(2,423)
Impairment losses	(5)	—	—	(226)	—	—	(231)
Disposals	18	4	—	453	—	—	475
Disposal of investment in subsidiary[1]	82	—	6	16	61	1	166
Currency movements	17	8	—	29	1	—	55
Balance at the end of the reporting period	(5,877)	(1,091)	(37)	(22,565)	(42)	(3,493)	(33,105)
Carrying amount							
Balance at the start of the reporting period	4,513	1,773	19	9,348	104	3,720	19,477
Balance at the end of the reporting period	3,753	1,673	5	8,329	202	5,760	19,722

[1] Refer to note 9 for further detail related to the disposal of investment in subsidiary.

							2023
		Land and buildings		Plant and equipment			
Rand million	Mining properties	Owned	Right-of-use	Owned	Right-of-use	Capital work-in-progress	Total
Cost							
Balance at the start of the reporting period	7,089	1,356	55	26,891	107	5,369	40,867
Acquisition of the Ensham Business[1]	2,716	1,281	—	2,636	—	586	7,219
Additions	—	—	—	—	—	3,083	3,083
Additions to right-of-use assets	—	—	3	—	48	—	51
Disposals	—	(5)	—	(854)	—	—	(859)
Transfers of capital work-in-progress	106	33	—	1,708	—	(1,847)	—
Reclassifications	—	—	—	(35)	—	2	(33)
Adjustments to decommissioning assets	—	—	—	76	—	—	76
Currency movements	81	38	—	80	—	21	220
Balance at the end of the reporting period	9,992	2,703	58	30,502	155	7,214	50,624
Accumulated depreciation and impairment losses							
Balance at the start of the reporting period	(5,140)	(873)	(36)	(20,634)	(35)	(3,493)	(30,211)
Depreciation	(299)	(57)	(4)	(1,161)	(11)	—	(1,532)
Impairment losses	(38)	(3)	(1)	(209)	(5)	(1)	(257)
Disposals	—	4	—	848	—	—	852
Reclassifications	—	—	2	6	—	—	8
Currency movements	(2)	(1)	—	(4)	—	—	(7)
Balance at the end of the reporting period	(5,479)	(930)	(39)	(21,154)	(51)	(3,494)	(31,147)
Carrying amount							
Balance at the start of the reporting period	1,949	483	19	6,257	72	1,876	10,656
Balance at the end of the reporting period	4,513	1,773	19	9,348	104	3,720	19,477

[1] Refer to note 8 for further detail related to the acquisition of the Ensham Business.

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For the year ended 31 December 2024

8. ACQUISITION OF THE ENSHAM BUSINESS

Thungela acquired a controlling interest in the Ensham Business from Idemitsu, with an effective date of 31 August 2023, as described in note 2.

The acquisition was considered to be a business combination in line with IFRS 3, and the acquisition method of accounting was applied in the year ended 31 December 2023.

Accounting policy

Goodwill, or a gain on bargain purchase, is determined by comparing the fair value of the consideration transferred (including contingent consideration) to the fair value of the Group's share of identifiable net assets at the acquisition date. Where this difference is positive, it reflects goodwill, and where it is negative, it results in a gain on bargain purchase.

Goodwill is recognised as an intangible asset, while a gain on bargain purchase is recognised directly in the statement of profit or loss and other comprehensive income on the acquisition date.

Transactions which are not considered to be part of the business combination are recognised separately in line with the relevant IFRS Accounting Standards considerations, and do not impact the goodwill or gain on bargain purchase recognised.

Acquisition and integration costs relate to costs incurred in relation to the business combination, or subsequent integration of the business into the Group, and are expensed as incurred.

Critical judgements applied in determining the fair value of the Ensham Business

The fair value of the Ensham Business at the acquisition date was determined with reference to the life-of-mine forecasted cash flows, in line with the specific requirements of IFRS 3. The Ensham Business was identified as a single CGU based on the operations thereof, and the generation of cash flows in the business.

Expected future cash flows used in the discounted cash flow model are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including coal resources and coal reserves, expected production volumes and costs, forecasted capital expenditure, as well as economic factors such as the Newcastle Benchmark coal price, foreign exchange rates, and discount rates. Where discounted cash flow models based on management assumptions are used, the resulting fair value measurements are at level 3 in the fair value hierarchy as defined in IFRS 13.

The discounted cash flow model used to determine the fair value of the Ensham Business at the acquisition date was based on the model underlying the sale process, and was adjusted based on our best estimate of various inputs at the acquisition date.

The key assumptions used in the discounted cash flow model, effective at the acquisition date, can be analysed as follows:

Life of mine and production volumes

The life of mine used in the determination of the fair value of the Ensham Business was reflective of our understanding of the operations of the Ensham Mine. This included an assumption that mining leases over certain areas of the mine will be extended past their current expiry date, and that mining will continue until 2032. While the extension to these leased areas was not granted at the acquisition date, it was considered appropriate to include the extension in determining a market participant view of Ensham. We continue to progress our applications for the extensions of these leased areas. Production volumes included in the cash flow model were based on demonstrated rates and internal forecasts, as approved in the normal operating cycle.

Coal prices

The estimated coal prices used were based on the latest internal forecasts, benchmarked with external sources of information to ensure that they were within the range of available external forecasts. The estimated prices were calculated using the forecasted Newcastle Benchmark coal price, with adjustments to reflect the quality and calorific value of the product. Where the Ensham Business had negotiated fixed price contracts with customers, the estimated price for these sales volumes reflected the agreed fixed price. The forecasted Newcastle Benchmark coal price used in the cash flow model ranged from USD85 per tonne to USD143 per tonne. When combined with the fixed prices agreed with customers on specific contracts, the estimated prices used in the cash flow model ranged from USD85 per tonne to USD206 per tonne.

Foreign exchange rates

Foreign exchange rates were based on the latest internal forecasts, benchmarked against external sources of information. Sales for the Ensham Business are made in both US dollars and Australian dollars, however the majority of costs are incurred in Australian dollars. The cash flow model is thus sensitive to fluctuations in the US dollar to Australian dollar exchange rate, which is more stable than the fluctuations of these currencies to the South African rand. The real exchange rates used in the cash flow model ranged from AUD1.43:USD1 to AUD1.52:USD1.

Discount rate

The discounted cash flow model used to determine the fair value of the Ensham Business was based on a real post-tax discount rate of 12%, based on risks specific to the business and the Australian economic environment. The fair value of the environmental and other provisions was determined using a risk-free discount rate of 4.1%.

Operating costs, capital expenditure and other operating factors

Operating costs and capital expenditure were based on the financial budgets as included in the initial seller model. Forecasted cash flows beyond the budget period were based on approved life-of-mine plans and internal forecasts. Cost assumptions incorporated the Group's experience and expectations of costs to be incurred.

Tax and deferred tax

The tax and deferred tax impact included in the cash flow model was based on the tax laws and regulations in place in Queensland at the acquisition date, and the expected tax to be paid by the Ensham Business on the forecasted cash flows. The deferred tax liability at the acquisition date was determined using the adjusted tax bases of the assets and liabilities acquired, based on the purchase price paid to Idemitsu.

Determining the total consideration

The total consideration for the acquisition of the Ensham Business can be analysed as follows:

Rand million	2023
Initial purchase price	4,115
Completion adjustments	(128)
Economic benefit deed	(815)
Royalty deed	123
Total consideration	3,295

Initial purchase price

The initial purchase price as included in the SASA amounted to R4,115 million, which was settled by Sungela through funding received from Sungela Holdings. The initial purchase price was paid in two tranches, the first being a deposit of R169 million paid in March 2023, and the remaining amount paid in advance of the effective date of the transaction, being 31 August 2023.

Completion adjustments

The SASA provided for two completion adjustments, which impacted total consideration, based on the working capital position of the Ensham Business at the acquisition date, as is customary in transactions of this nature. An estimated completion adjustment was determined prior to the acquisition date, and adjusted the amount paid by Sungela at that date. A final completion adjustment was determined after the acquisition date, based on the actual working capital position of the Ensham Business, and was considered a measurement period adjustment. Both of the completion adjustments reduced the consideration by a total of R128 million. The final completion adjustment was received by Sungela in December 2023.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

8. ACQUISITION OF THE ENSHAM BUSINESS CONTINUED

Determining the total consideration continued

Economic benefit deed

The SASA provided that Sungela would have a right to, or obligation for, a contractually determined portion of the net economic benefit generated by the Ensham Business from 1 January 2023 until the effective date of the acquisition – referred to as the economic benefit deed. The economic benefit deed reflected Sungela's benefit in the Ensham Business before the acquisition date, and the calculation of the related economic benefit was subject to specific and detailed contractual provisions.

The economic benefit deed was directly related to the acquisition of the Ensham Business, and was determined based on the performance of the business up to the acquisition date. As such, it was considered a measurement period adjustment, and impacted the total consideration for the acquisition. The value of the economic benefit deed was determined in line with the contractual provisions to be R815 million, which was received by Sungela in December 2023.

Royalty deed

The SASA also provided for a royalty deed, in which Sungela may be liable to pay a royalty amount to Idemitsu based on sales of Ensham coal up to 31 December 2024. The royalty was payable on a quarterly basis, only to the extent that the average realised price for sales per quarter exceeded USD170 per tonne in 2023, and USD150 per tonne in 2024.

As the royalty deed was directly related to the acquisition of the Ensham Business, and was determined based on factors arising after the acquisition date (being the actual realised price on sales up to 31 December 2024), it was considered to be contingent consideration. The fair value of the royalty deed at the acquisition date, being R123 million, based on the forecasted coal prices used to determine the fair value of the Ensham Business at that date, was added to the total consideration.

Sungela paid R55 million to Idemitsu in December 2023 in relation to the royalty deed, based on sales from the acquisition date to the reporting date, which was reflected as a cash outflow from financing activities, being the settlement of contingent consideration after the acquisition date. No further amount has been paid to Idemitsu in relation to the royalty deed in the year ended 31 December 2024.

The royalty deed was considered to be a derivative liability as defined in IFRS 9: Financial Instruments and was measured at its fair value, being the value expected to be paid under the deed based on the forecasted realised prices up to 31 December 2024.

Subsequent changes to the valuation of the royalty deed are recognised in profit or loss and will not affect the total consideration. The forecasted Newcastle Benchmark coal price remained lower than the threshold specified in the contract throughout 2024, and the Group has not paid any further consideration up to the expiry of the royalty deed. The fair value of the royalty deed at 31 December 2024 is thus considered to be Rnil. At 31 December 2023, the fair value of the royalty deed was considered to be Rnil, based on the forecasted Newcastle Benchmark coal price, which resulted in a fair value gain of R72 million being recognised in the statement of profit or loss and other comprehensive income in that year.

Impact on the statement of cash flows

The amounts recognised in the statement of cash flows relating to the acquisition of the Ensham Business can be analysed as follows:

Rand million	2023
Payment of initial purchase price	4,115
Receipt of completion adjustments	(128)
Receipt of economic benefit deed	(815)
Realised foreign exchange gains	(26)
Net cash outflow related to total consideration	3,146
Less – cash acquired in the Ensham Business[1]	(376)
Net cash outflow on the acquisition of the Ensham Business	2,770

[1] The cash acquired in the Ensham Business related to cash on hand in the underlying statutory entities at the acquisition date.

Fair value of the net assets of the Ensham Business

Thungela accounted for the acquisition of the Ensham Business by consolidating the fair value of the net assets acquired on a line-by-line basis at the acquisition date. As detailed in note 2, the results of Ensham Resources and Nogoa Pastoral are included in the summarised consolidated financial statements at 85% of the underlying entities performance, based on Sungela's rights in terms of the mining tenements. The fair values of the assets and liabilities acquired were considered to be final at 31 December 2023, and no further measurement period adjustments have been identified.

The acquisition date fair values of the net assets of the Ensham Business can be analysed as follows:

Rand million	2023
Assets	
Non-current assets	
Property, plant and equipment	7,219
Trade and other receivables	8
Other non-current assets	23
Total non-current assets	7,250
Current assets	
Inventories	1,013
Trade and other receivables	807
Derivative financial instruments	227
Cash and cash equivalents	376
Total current assets	2,423
Total assets	9,673
Liabilities	
Non-current liabilities	
Environmental and other provisions	3,727
Deferred tax liabilities	133
Total non-current liabilities	3,860
Current liabilities	
Trade and other payables	1,563
Environmental and other provisions	369
Total current liabilities	1,932
Total liabilities	5,792
Fair value of net assets acquired	3,881

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CONTINUED

For the year ended 31 December 2024

8. ACQUISITION OF THE ENSHAM BUSINESS CONTINUED

Fair value of the net assets of the Ensham Business continued

Property, plant and equipment

The Group primarily used the cost approach to determine the fair value of the property, plant and equipment. By using this approach, we recognised the contributory value associated with the necessary installation, engineering and set up costs related to the installed complement of equipment. The market approach was applied where we had sufficient information in respect of comparable sales and offering data in the market place.

Property, plant and equipment included R2,716 million relating to the fair value of the mining tenements, which were not previously recognised. The fair value of the mining tenements was determined based on the residual business fair value, adjusted for the fair value of the net assets acquired.

Inventories

Inventories acquired included consumables and finished products, being coal inventory. Consumables were measured at cost, which was considered to reflect their fair value at the acquisition date. Coal inventory was measured at net realisable value, which was reflective of its fair value at the acquisition date. The coal inventory on hand at the acquisition date was sold by 31 December 2023, and the remaining inventory on hand has been measured at the lower of cost or net realisable value.

Trade and other receivables

Trade and other receivables were reflected at the book value thereof at the acquisition date. Thungela considered the gross contractual amounts receivable to be equal to the fair value of the receivables at that date.

Derivative financial instruments

The Ensham Business has a number of contracts with agreed fixed prices for coal sales over a specified period of time. The 2023 prices in these contracts were agreed early in that year, when the Newcastle Benchmark coal price was significantly higher than the levels experienced throughout the second half of 2023. The fixed price element of these contracts was considered to be an above-market transaction, which required the recognition of an appropriate asset at the acquisition date. The value of the favourable customer contracts was determined using the same forecasted Newcastle Benchmark coal price as detailed in this note, and resulted in a derivative asset being recognised at the acquisition date. The contracts include a fixed price for a calendar year, after which the pricing will be renegotiated. As such, the asset related to the favourable customer contracts was released in full at 31 December 2023.

Trade and other payables

Trade and other payables were reflected at the book value thereof at the acquisition date. Thungela considered the gross contractual amounts payable to be equal to the fair value of the payables at that date.

Environmental and other provisions

Environmental provisions

The SASA noted that the sale of the Ensham Business included the assumption of the liability to perform rehabilitation activities related to past mining activities. The environmental provisions at the acquisition date were determined in line with the relevant regulations in Australia, as detailed in note 11, and our estimate of the closure costs for the Ensham Mine based on the information available to us at that date.

Other provisions

Other provisions reflected the acquisition date fair values of contingent liabilities, which are required to be recognised in accordance with IFRS 3. This included a provision for a take-or-pay contract with a rail provider, where forecasted railage is below the committed railage, as well as various ongoing litigation matters at the Ensham Mine.

The value of these provisions at the acquisition date reflected our best estimate of the costs to be incurred. In the year ended 31 December 2024, a portion of this amount has been released in line with the normal ongoing operations of the Ensham Business.

Sensitivity analysis

The discounted cash flow model used to determine the fair value of the Ensham Business at the acquisition date was sensitive to changes in input assumptions, particularly in relation to life-of-mine assumptions, discount rates, forecasted Newcastle Benchmark coal prices, and costs. In addition to the base case valuation, alternative scenarios were considered to assess the impact of changes in key assumptions.

The impact on the estimated fair value at the acquisition date, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

Rand million	2023
Decrease of life of mine to 2028	194
Increase of 5.0% in forecasted costs	(472)
Increase of 0.5% in discount rate	(85)
Decrease of 5.0% in forecasted saleable production	(992)
Decrease of 5.0% in forecasted Newcastle Benchmark coal price	(956)

The fair value of the Ensham Business was the most sensitive to changes in the forecasted saleable production and the forecasted coal prices. Since we have assumed operational control of the Ensham Mine, the average production run rate has increased and there are plans to further increase production going forward. The Newcastle Benchmark coal price used was in line with our price modelling used for key investment decisions, and was considered to be a reasonable basis on which to determine the fair value of the Ensham Business.

Gain on bargain purchase

The gain on bargain purchase was determined by comparing the total consideration to the fair value of the net assets acquired in the business combination, adjusted for the appropriate non-controlling interests.

The gain on bargain purchase recognised on the acquisition of the Ensham Business can be analysed as follows:

Rand million	2023
Total consideration	3,295
Non-controlling interest acquired[1]	21
Fair value of net assets acquired	(3,881)
Gain on bargain purchase	(565)

[1] This represents the non-controlling interest in Ensham Coal Sales only.

As required by IFRS 3, various inputs into the determination of the fair value of the Ensham Business were reassessed to determine that the recognition of a gain on bargain purchase was appropriate. The significant contributors to the gain on bargain purchase recognised related to the life-of-mine assumptions applied, which assumed the extension of certain mining leases past their current expiry date, as well as the economic benefit deed received by Sungela. Given the extent of time between the signing of the SASA and the effective date of the transaction, the economic benefit deed resulted in Sungela receiving eight months of operational benefit from the Ensham Business, which reduced the total consideration for the acquisition.

The gain on bargain purchase was included as a separate line item in the statement of profit or loss and other comprehensive income in the year ended 31 December 2023.

Contribution of the Ensham Business

The results of the Ensham Business have been reflected in full for the year ended 31 December 2024. The Ensham Business contributed revenue of R2,589 million and net profit of R448 million, including acquisition-related fair value adjustments, to the Group for the period from the acquisition date to 31 December 2023.

If the acquisition had occurred on 1 January 2023, the Ensham Business would have contributed revenue and net profit of R9,764 million and R2,056 million, respectively, to the Group for the year ended 31 December 2023. These amounts were calculated using the management accounts of the Ensham Business.

8. ACQUISITION OF THE ENSHAM BUSINESS CONTINUED

Transactions recognised separately from the acquisition of the Ensham Business

Various transactions were undertaken in support of the acquisition of the Ensham Business, which were not directly related to the acquisition. These transactions were separately recognised in line with the relevant IFRS Accounting Standards requirements as detailed below.

Financing provided to the co-investors

The co-investors acquired a 25% shareholding in Sungela Holdings as part of the acquisition of the Ensham Business. The portion of the purchase price attributable to the shareholding purchased by the co-investors was R1,035 million, of which R809 million, or 20%, was funded through a loan provided by Thungela International. The loan is interest-bearing and is repayable 18 months after the effective date of the transaction, mainly through distributions received by the co-investors from Sungela Holdings. The co-investors are required to apply 90% of all distributions they receive from Sungela Holdings to the repayment of the loan. No repayments on the loan have been received from the co-investors in the year ended 31 December 2024.

The loan is secured by shares owned by the co-investors, representing 20% of the shares of Sungela Holdings in issue at the acquisition date. Once 50% of the loan has been repaid, 50% of the secured shares may be released to the co-investors. To the extent that the loan is not repaid by its final repayment date, some of the secured shares may be called as security by Thungela International. Should the loan not be repaid in full, and a portion of the secured shares called, the capital amount of the loan will be considered fully repaid, even if the value of the secured shares called is lower than the value of the outstanding debt at the repayment date, in which case Thungela International may become the legal owner of the shares called as security.

As the shares are held as security for the loan, and the loan will be considered fully repaid even to the extent that the value of the shares is less than the capital amount outstanding, for accounting purposes only, the shares are not considered to have been issued while the loan has not been repaid. Thungela International is instead considered, for accounting purposes, to have granted the co-investors an option to acquire 20% of the shares in Sungela Holdings, which is exercisable to the extent that the loan is repaid at its repayment date.

The grant of the option to the co-investors is treated as an equity-settled share-based payment transaction, as it will be settled using the shares of Sungela Holdings, to the extent that the loan is repaid. The fair value of the option granted was measured at its grant date, being 31 August 2023, and will not be remeasured after grant date. As the option does not have vesting conditions attached to its exercise, the full value of the option was recognised as an expense at the grant date, and no further expense has been recognised in the current year.

The option payout depends on the interaction between the loan interest and the dividends paid on the underlying Sungela Holdings shares held as security, resulting in a path-dependent payout structure. As a result, the Group used the Monte Carlo model, where the payoff of the option emulates that of a call option with the loan balance resembling the variable strike price, being the outstanding debt balance of the option at the repayment date.

The inputs used in the measurement of the fair value of the option at grant date were as follows:

	2023
Grant date	31 August 2023
Fair value at grant date (Rand million)	75
Maturity date	28 February 2025
Expected volatility (%)	60
Risk-free rate (%)	1.0 – 4.2
Margin on loan (%)	14
Dividend yield (%)	1.7 – 10

The Group recognised an expense for the option granted to the non-controlling interests of R75 million in the year ended 31 December 2023, with a corresponding increase in the share-based payments reserve. No further expense has been recognised in relation to the option for the year ended 31 December 2024.

Long-term incentive plan shares

The co-investors were granted LTIP shares, which currently carry no voting or dividend rights, but could vest and become ordinary shares on the achievement of specific milestones, each of which will enhance the value of the Ensham Business. Should all of the LTIP shares vest, the legal ownership held by the co-investors in Sungela Holdings would increase to 30%, on a fully diluted basis. The co-investors only have rights to earnings and distributions relating to the LTIP shares from 31 December in the year in which a milestone has been met, and as approved by the Sungela Holdings board.

The LTIP shares are reflected as separate classes of shares by Sungela Holdings and at the point that the LTIP shares are considered to vest, these shares will be given the same voting and economic rights as ordinary shares. Thungela Resources Australia will not sell any of its existing equity shares in Sungela Holdings on the vesting of the LTIP shares, but its shareholding will reduce through the rights afforded to these shares on their vesting dates, should they vest in line with the related milestones.

The grant of the LTIP shares is treated as an equity-settled share-based payment transaction, as it will be settled in the shares of Sungela Holdings on vesting.

The LTIP shares have been measured at fair value on the grant date, being 31 August 2023, calculated based on the discounted cash flow model used to determine the fair value of the Ensham Business at that date, and will not be remeasured after the grant date. The expense related to the LTIP shares will be recognised in each year based on the number of shares expected to vest in line with the achievement of the vesting conditions.

At 31 December 2024 an additional milestone was met, resulting in the vesting of LTIP shares reflective of a further 1.0% (2023: 1.5%) of the shares issued by Sungela Holdings. Thus LTIP shares reflecting 2.5% of the shares issued by Sungela Holdings have vested since the acquisition date of the Ensham Business. As a result of the vesting, an expense for the conditional shares granted to the non-controlling interests of R9 million (2023: R48 million) has been recognised in the statement of profit or loss and other comprehensive income.

The vesting of the LTIP shares has resulted in an increase in non-controlling interests of R82 million (2023: R62 million) to correctly reflect the proportion of the non-controlling interests' share of the Ensham Business.

Acquisition and integration costs

No acquisition and integration costs have been recognised in the year ended 31 December 2024.

In the year ended 31 December 2023, costs directly attributable to the acquisition and subsequent integration of the Ensham Business into Thungela, amounting to R454 million, were recognised. This included stamp duty payable in Australia of R182 million, and various advisory and professional fees. Fees from the independent external auditor of the Ensham Business of R8 million, related to work performed to support the acquisition, are included in the acquisition and integration costs.

Non-controlling interests in the Ensham Business

As a result of the accounting treatment applied to the option issued to them, the co-investors only have rights to 5.0% of the earnings of the Ensham Business from the acquisition date up to 31 December 2023, and 6.5% of earnings for the year ended 31 December 2024. Consequently, the non-controlling interests reflected in relation to the Ensham Business for the year are 6.5% (2023: 5.0%). The proportion of earnings allocated to the non-controlling interests will be adjusted at the loan repayment date to reflect the shares that are considered to be issued in substance, taking into account the extent to which the loan has been repaid.

The non-controlling interests acquired on the acquisition of the Ensham Business amounted to R226 million, reflecting the co-investors' proportionate share of the fair value of the net assets acquired. These non-controlling interests arise on the consolidation of Sungela Holdings, rather than that of the Ensham Mine, and so were not taken into account in determining the gain on bargain purchase recognised.

The non-controlling interests recognised in relation to Ensham Coal Sales represent Bowen's right to 15% of the net assets of that entity. Ensham Coal Sales manages the sale of all coal from the Ensham Mine and distributes the net sales proceeds back to Sungela and Bowen – the entity thus retains only minimal profit. The attribution of earnings to non-controlling interests in Ensham Coal Sales does not materially change Thungela's interest in the Ensham Business.

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8. ACQUISITION OF THE ENSHAM BUSINESS CONTINUED

Acquisition of the remaining 15% interest in the Ensham Mine

In December 2024, Thungela announced that we have entered into a share sale and purchase agreement with Bowen, in terms of which Thungela Resources Australia will acquire Bowen's 15% interest in the Ensham Mine and related companies.

The transaction is subject to the fulfilment or waiver of several conditions precedent before becoming effective, including, among others:

- Thungela Resources Australia obtaining approval for the transaction under the Foreign Acquisitions and Takeovers Act 1975 or pursuant to Australia's Foreign Investment Policy.
- Thungela Resources Australia obtaining approval from the relevant government Minister under the Mineral and Energy Resources (Financial Provisioning) Act 2018 (Qld), the Mineral and Energy Resources (Common Provisions) Act 2014 (Qld) or the Mineral Resources Act 1989 (Qld) (as applicable), for the transfer by Bowen of the mining tenements of the underlying Ensham Mine pursuant to the transaction.
- To the extent legally required, Thungela Resources Australia having obtained all necessary South African exchange control approvals, authorisation, consents or exemptions for the transaction under the South African Exchange Control Regulations, 1961, made in terms of the South African Currency and Exchanges Act 1933, and all directives and rulings issued thereunder, from the South African Reserve Bank.

At the reporting date, the transaction is not yet effective and has not been accounted for in the summarised consolidated financial statements. The total purchase consideration for the acquisition amounts to R560 million (AUD48 million), which was paid into an escrow account in December 2024 in line with the terms of the share sale and purchase agreement. This cash is not available for the general use of the Group, pending the resolution of the conditions precedent, and has been classified as restricted cash at the reporting date.

9. DISPOSAL OF INVESTMENT IN SUBSIDIARY

Thungela owned a controlling interest in RMC, through Butsanani Energy Investment Holdings Proprietary Limited (Butsanani Energy), which we disposed of on 30 November 2024.

Accounting policy

When the disposal of an investment results in the Group losing control of a subsidiary, all assets, liabilities and non-controlling interests of the subsidiary are derecognised on the date of disposal. The difference between the carrying amount of the net assets and non-controlling interests disposed of and the proceeds received will be recognised in the statement of profit or loss and other comprehensive income on the date of disposal.

Understanding of the transaction

Thungela owned a controlling interest in RMC through Butsanani Energy, in which we own 67%. Butsanani Energy owned 51% of RMC, however, economically owned only 45% of RMC based on various contractual arrangements. Effectively, Thungela owned 34% (being 67% of 51%) of RMC. The results of RMC were, however, reflected at an effective ownership of 30% (being 67% of 45%) to reflect the underlying contractual agreements.

In 2024, the operator and non-controlling shareholder of RMC purchased Butsanani Energy's shares in the company, in order to more effectively leverage the operations of RMC and its other companies in meeting its fixed-term sale agreements. The disposal was effective on 30 November 2024, upon the completion of the sale of shares and claims agreement and relevant conditions precedent. The total consideration received from the disposal was R120 million, which was received by Butsanani Energy in December 2024.

As part of the disposal, preference shares held by Thungela Operations Proprietary Limited (TOPL) in RMC were also disposed of to the purchaser for their full value of R76 million.

The results of the operations of RMC have been recognised in the Group results up to the effective date of the disposal.

Carrying amount of net liabilities disposed of

The carrying value of the net liabilities of RMC which were disposed of can be analysed as follows:

Rand million	2024
Assets	
Non-current assets	
Property, plant and equipment	240
Financial asset investments	24
Total non-current assets	264
Current assets	
Inventories	65
Trade and other receivables	119
Cash and cash equivalents	9
Total current assets	193
Total assets	457
Liabilities	
Non-current liabilities	
Environmental and other provisions	470
Other non-current liabilities	76
Total non-current liabilities	546
Current liabilities	
Lease liabilities	45
Trade and other payables	748
Loans and borrowings	186
Current tax liability	2
Total current liabilities	981
Total liabilities	1,527
Carrying amount of net liabilities disposed of	(1,070)

Profit on disposal of investment in subsidiary

The profit on the disposal of the investment in RMC was determined by comparing the total consideration received to the carrying value of the net liabilities and non-controlling interest disposed of.

The profit on disposal of investment in subsidiary can be analysed as follows:

Rand million	2024
Consideration received	120
Less – transaction costs	(1)
Total consideration	119
Carrying amount of net liabilities disposed of	1,070
Non-controlling interest disposed of	(588)
Profit on disposal of investment in subsidiary	601
Tax impact	(26)
Net profit on disposal of investment in subsidiary	575

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9. DISPOSAL OF INVESTMENT IN SUBSIDIARY CONTINUED

Impact on the statement of cash flows

The amounts recognised in the statement of cash flows relating to the disposal of the investment in RMC can be analysed as follows:

Rand million	2024
Total consideration	119
Cash and cash equivalents disposed of	(9)
Consideration received for preference shares held by TOPL	76
Proceeds received on disposal of investment of subsidiary	**186**

10. FINANCIAL INSTRUMENTS

The Group is a party to a number of financial instruments as disclosed in the summarised consolidated financial statements.

Accounting policy

For financial assets and liabilities that are traded on an active market, such as listed investments, fair value is determined by reference to the market price. For non-traded financial assets and liabilities, fair value is calculated using discounted cash flows, considered to be reasonable and consistent with those that would be used by a market participant and based on observable market data that is readily available (for example, forward exchange rates, interest rates or commodity price curves).

Where discounted cash flow models based on the Group's assumptions are used, the resulting fair value measurements are considered to be at level 3 in the fair value hierarchy, as defined in IFRS 13, as they depend to a significant extent on unobservable valuation inputs.

The financial instruments held by the Group can be analysed as follows:

					2024
		Financial assets		Financial liabilities at amortised cost	
Rand million	Note	At amortised cost[1]	At FVPL		Total
Financial assets					
Environmental rehabilitation trusts	11	—	4,266	—	4,266
Financial asset investments		125	2,152	—	2,277
Investment in insurance structure		—	1,489	—	1,489
Trade and other receivables[2]		3,916	—	—	3,916
Cash and cash equivalents		10,103	—	—	10,103
Total financial assets		**14,144**	**7,907**	**—**	**22,051**
Financial liabilities					
Lease liabilities		—	—	(50)	(50)
Derivative financial instruments		—	(462)	—	(462)
Trade and other payables[3]		—	—	(4,150)	(4,150)
Total financial liabilities		**—**	**(462)**	**(4,200)**	**(4,662)**
Net financial assets		**14,144**	**7,445**	**(4,200)**	**17,389**

1 The carrying amounts of the financial assets held at amortised cost are deemed to approximate their fair values.
2 Trade and other receivables exclude prepayments, other tax receivables and employee benefits.
3 Trade and other payables exclude other tax and employee related payables, and deferred income.

					2023
		Financial assets		Financial liabilities at amortised cost	
Rand million	Note	At amortised cost[1]	At FVPL		Total
Financial assets					
Environmental rehabilitation trusts	11	—	3,740	—	3,740
Financial asset investments		145	933	—	1,078
Investment in insurance structure		—	1,445	—	1,445
Derivative financial instruments		—	66	—	66
Trade and other receivables[2]		2,811	—	—	2,811
Cash and cash equivalents		10,959	—	—	10,959
Total financial assets		13,915	6,184	—	20,099
Financial liabilities					
Lease liabilities		—	—	(66)	(66)
Loans and borrowings		—	—	(66)	(66)
Trade and other payables[3]		—	—	(4,864)	(4,864)
Total financial liabilities		—	—	(4,996)	(4,996)
Net financial assets		13,915	6,184	(4,996)	15,103

1 The carrying amounts of the financial assets held at amortised cost are deemed to approximate their fair values.
2 Trade and other receivables exclude prepayments and other tax receivables.
3 Trade and other payables exclude other tax and employee related payables, and deferred income.

Fair value hierarchy

IFRS 13 defines a fair value hierarchy to be applied to financial instruments measured at fair value, based on the inputs used to measure their fair value.

The financial instruments carried at fair value can be analysed in terms of the fair value hierarchy as follows:

			2024
Rand million	**Level 2**	**Level 3**	**Total**
Financial assets			
Environmental rehabilitation trusts	**4,266**	**—**	**4,266**
Financial asset investments at FVPL	**2,152**	**—**	**2,152**
Investment in insurance structure	**—**	**1,489**	**1,489**
Financial liabilities			
Derivative financial instruments	**(462)**	**—**	**(462)**
Net financial assets carried at fair value	**5,956**	**1,489**	**7,445**

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10. FINANCIAL INSTRUMENTS CONTINUED

Fair value hierarchy continued

The financial instruments carried at fair value can be analysed in terms of the fair value hierarchy as follows continued:

Rand million	Level 2	Level 3	2023 Total
Financial assets			
Environmental rehabilitation trusts	3,740	—	3,740
Financial asset investments at FVPL	933	—	933
Investment in insurance structure	—	1,445	1,445
Derivative financial instruments	66	—	66
Total financial assets carried at fair value	4,739	1,445	6,184

There were no transfers of financial instruments between level 2 and level 3 in the years presented.

The fair value hierarchy as included in IFRS 13 is as follows:

Fair value hierarchy	Valuation technique
Level 1	The fair value is based on quoted prices in active markets for identical financial instruments
Level 2	The fair value is determined using directly observable inputs other than level 1 inputs
Level 3	The fair value is determined on inputs not based on observable market data

The movements in the fair value of the level 3 financial assets can be analysed as follows:

Rand million	2024	2023
Balance at the start of the reporting period	1,445	1,259
Additions	—	200
Fair value gains/(losses)	44	(14)
Balance at the end of the reporting period	1,489	1,445

11. ENVIRONMENTAL AND OTHER PROVISIONS

The Group has raised several provisions in relation to our obligations at the reporting date. These comprise environmental provisions in relation to our obligation to perform rehabilitation and decommissioning activities, contributions to the Nkulo Community Partnership Trust, and various other provisions in relation to contractual obligations.

Accounting policy

Environmental provisions

An obligation to incur environmental restoration, rehabilitation and decommissioning costs arises when environmental disturbances are caused by the development or ongoing production of a mining asset. Costs for the restoration of site disturbances, rehabilitation, remediation and environmental monitoring activities, including water treatment costs where required, are estimated using the work of external consultants in conjunction with internal experts.

Such costs arising from the decommissioning of infrastructure and other site preparation work, discounted to their net present value, are provided for and capitalised at the start of each project, as soon as the obligation to incur these costs arises. These costs are recognised in the statement of profit or loss and other comprehensive income over the life of the operation, through the depreciation of the asset and the unwinding of the discount on the provision. Costs for the restoration of subsequent site disturbances, which are created on an ongoing basis during production, are provided for at their net present values and recognised in the statement of profit or loss and other comprehensive income as extraction progresses.

The amount recognised as a provision represents our best estimate of the costs required to complete the restoration and rehabilitation activities, the application of the relevant regulatory framework and the timing of expenditure. These estimates are inherently uncertain and could materially change over time. Changes in the measurement of the provision relating to the decommissioning of infrastructure or other site preparation work are added to or deducted from the cost of the related asset in the current period. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognised immediately in the statement of profit or loss and other comprehensive income. If the asset value is increased and there is an indication that the revised carrying value is not recoverable, an impairment test is performed on the asset.

Environmental rehabilitation trusts

Contributions have historically been made to dedicated environmental rehabilitation trusts to fund the estimated cost of rehabilitation and restoration activities for premature closure and end of life closure of the relevant mines, and as required thereafter. The Group exercises full control of these trusts and therefore the trusts are consolidated. The trusts' assets are disclosed separately on the statement of financial position as non-current assets.

The trusts' assets are held in unit trusts through a reputable investment manager and are classified as FVPL financial assets. Fair value gains and losses are recognised as they are generated within net finance income.

Other environmental investments

The Group has agreements with financial institutions to provide financial guarantees or sureties related to funding the costs of rehabilitation and restoration activities. A portion of the premium contributions made under these agreements is invested and held as collateral against the financial guarantees. Contributions are invested in either money market funds or interest-linked corporate accounts, and are classified as FVPL financial assets.

The other environmental investments are recognised as financial asset investments, and fair value gains and losses are recognised as they are generated within net finance income.

Nkulo Community Partnership Trust

The Group founded the Nkulo Community Partnership Trust (also referred to as the trust) in June 2021, which subscribed for 5.0% of the ordinary shares, as well as a C preference share, issued by South Africa Coal Operations Proprietary Limited (SACO). The trust is managed by a board of trustees comprised of both Thungela and community representatives.

The C preference share entitles the trust to a preference dividend of a minimum of R6 million per annum up to 2024, subject to the availability of cash flows in SACO. The trust is also entitled to 5.0% of the dividends declared by SACO on ordinary shares. The Group recognises a provision for the constructive obligation it has to the beneficiaries of the Nkulo Community Partnership Trust at the point that the dividends on ordinary shares or preference dividends are declared by SACO.

Other provisions

Other provisions related to contractual obligations are recognised when the Group has an obligation as a result of past events. Other provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the time value of money where relevant.

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11. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Environmental and other provisions can be analysed as follows:

2024

Rand million	Environmental provisions				
	Environmental rehabilitation	Decommissioning	Trust contributions[1]	Other	Total
Balance at the start of the reporting period	11,134	562	668	719	13,083
Amounts charged/(credited)[2]	880	(54)	94	(407)	513
Adjustments to decommissioning assets	52	(15)	—	—	37
Unwinding of discount	955	56	—	3	1,014
Amounts applied[3]	(917)	—	(6)	(93)	(1,016)
Disposal of investment in subsidiary[4]	(455)	(15)	—	—	(470)
Currency movements	(233)	—	—	(9)	(242)
Balance at the end of the reporting period	11,416	534	756	213	12,919
Classified as:					
Current	176	12	756	186	1,130
Non-current	11,240	522	—	27	11,789

1 Trust contributions reflect amounts contributed to the Nkulo Community Partnership Trust, but not yet distributed to beneficiaries.
2 Amounts charged/(credited) to provisions relate to amounts recognised through the statement of profit or loss and other comprehensive income in relation to changes in the provisions in the reporting period.
3 Amounts applied to provisions relate to cash paid to settle these obligations, which reduces the provision but is not charged through the statement of profit or loss and other comprehensive income.
4 Refer to note 9 for further detail related to the disposal of investment in subsidiary.

2023

Rand million	Environmental provisions				
	Environmental rehabilitation	Decommissioning	Trust contributions[1]	Other	Total
Balance at the start of the reporting period	6,987	579	392	457	8,415
Acquisition of the Ensham Business[2]	3,898	—	—	198	4,096
Amounts charged/(credited)[3]	137	(142)	276	37	308
Adjustments to decommissioning assets	13	63	—	—	76
Unwinding of discount	845	62	—	4	911
Amounts applied[4]	(860)	—	—	—	(860)
Currency movements	114	—	—	6	120
Other movements	—	—	—	17	17
Balance at the end of the reporting period	11,134	562	668	719	13,083
Classified as:					
Current	648	11	668	621	1,948
Non-current	10,486	551	—	98	11,135

1 Trust contributions reflect amounts contributed to the Nkulo Community Partnership Trust, but not yet distributed to beneficiaries.
2 Refer to note 8 for further detail related to the acquisition of the Ensham Business.
3 Amounts charged/(credited) to provisions relate to amounts recognised through the statement of profit or loss and other comprehensive income in relation to changes in the provisions in the reporting period.
4 Amounts applied to provisions relate to cash paid to settle these obligations, which reduces the provision but is not charged through the statement of profit or loss and other comprehensive income.

Environmental provisions

Thungela is obliged to undertake decommissioning, rehabilitation, remediation, closure and ongoing post-closure monitoring activities when environmental impacts are caused by the development or ongoing production of a mining property, as well as the decommissioning of infrastructure established on our operating sites. A provision is recognised for the present value of such costs, based on the Group's best estimate of the obligations that exist at the reporting date. It is anticipated that most of these costs will be incurred over a period of up to 20 years post closure of the mines. In South Africa, water treatment costs may be incurred up to 50 years post closure of the mines. The environmental rehabilitation and decommissioning provisions are collectively referred to as the 'environmental provisions'. The environmental provisions are determined per operating site, with the assistance of specialist independent environmental consultants, and taking account of the current land disturbances and the expected costs of rehabilitation.

The disturbed areas and expected costs are reassessed each year and any required change in the environmental provisions is recognised on the completion of the assessment. A non-cash cost of R826 million (2023: credit of R5 million) has been recognised in the statement of profit or loss and other comprehensive income, and a debit to the decommissioning assets of R37 million (2023: R76 million) has been recognised related to the annual assessment performed by the independent consultants, and other factors influencing the provisions. At our South African operations, increases in the disturbed areas have been partially offset by the rehabilitation work performed in the year. In Australia, the independent assessment was performed from first principles in line with our existing methods for rehabilitation, leading to an increase in the estimated closure costs. The environmental provisions are also impacted by the planned timing of rehabilitation activities, which impacts the net present value recognised.

South Africa

In South Africa, the environmental provisions have been determined based on the legal obligations under the existing Mineral and Petroleum Resources Development Regulations, 2004, published under the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA Regulations) as a base. This base is then adjusted for our interpretation of the likely increase in costs required to transition to the Financial Provisioning Regulations, 2015, published under the National Environmental Management Act 107 of 1998 (NEMA Financial Provisioning Regulations), for example, costs related to the ongoing pumping and treatment of polluted or extraneous water. The Group's environmental provisions are in line with currently enforceable laws and regulations. The 2015 NEMA Financial Provisioning Regulations have been subject to numerous amendments, and drafts of the replacement regulations were published in November 2017, May 2019, August 2021, and finally in July 2022, with the transition date deferred until 19 February 2024. On 1 February 2024, the Minister in the Department of Forestry, Fisheries and the Environment published a notice of intention to defer the transition date, however a revised date was not published. We await the publication of the updated transition date.

The current draft of the NEMA Financial Provisioning Regulations intends to alter the way companies calculate the financial provisioning required for environmental obligations, and it is likely that compliance with these regulations will substantially increase the required quantum of financial provisioning to be made by mining right holders with existing operations. This likely increase is mainly attributable to the change that specifies that latent (or residual) environmental impacts that may become known in the future will include the pumping and treatment of polluted or extraneous water.

It is important to note that financial provisioning as specified in the NEMA Financial Provisioning Regulations, as well as the existing MPRDA Regulations, does not translate into the environmental provisions as recognised in the statement of financial position, but rather the level of cash or other funding required to be made available to fund the closure of our operations should the Group not be able to do so. The financial provisioning as required by the current MPRDA Regulations amounts to R4,807 million (2023: R4,536 million), compared to the total environmental provisions recognised for our South African operations of R7,973 million (2023: R7,841 million). This difference is due to additional costs which we believe we are likely to incur through a combination of our interpretation of the NEMA Financial Provisioning Regulations, as well as actual costs to be incurred in the period up to, and post mine closure, most significantly in relation to water treatment costs.

We have provided for water treatment costs using a combination of active and passive water treatment methods, based on activities currently being performed at our operations. The NEMA Financial Provisioning Regulations require the treatment of water to be provided for using the costs of currently available technologies which the Department of Mineral and Petroleum Resources (DMPR) has approved, based on evidence that the technology is able to consistently achieve the discharge requirements.

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11. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Environmental provisions

South Africa continued

Thungela is actively working to prove the efficacy of passive water treatment technologies in collaboration with academia and the relevant government departments. A 50,000 litre per day passive treatment demonstration plant commissioned in 2022 is yielding positive results. We will continue to treat different water qualities to optimise process parameters and inform the design of a full-scale plant.

Our long-term post-closure water management strategy includes nature-based solutions such as phytoremediation, a biological process that uses trees to stabilise water levels by taking up mine-impacted water and reducing ingress. We are also creating artificial wetlands using Dongalock™ technology, to improve the quality of seepage from mineral residue facilities. This initiative has been rolled out in areas of the Goedehoop Colliery and the Kromdraai site at the Khwezela Colliery.

The NEMA Financial Provisioning Regulations, as well as the MPRDA Regulations, require the Group to make financial provisioning available, which is set aside purely to fund the rehabilitation and decommissioning activities required, to undertake the agreed work programmes, and rehabilitate the mining areas. This financial provisioning can be put aside through a number of vehicles and cannot be accessed for the general use of the Group. Thungela currently maintains the required financial provisioning through two mechanisms, being the environmental rehabilitation trusts and holding financial guarantees with financial institutions for the benefit of the DMPR.

Environmental rehabilitation trusts

Investments held in the environmental rehabilitation trusts can be analysed as follows:

Rand million	2024	2023
Investments in unit trusts	4,266	3,740
Total environmental rehabilitation trusts	**4,266**	3,740
Balance at the start of the reporting period	3,740	3,446
Growth on assets	526	294
Balance at the end of the reporting period	**4,266**	3,740

The rehabilitation trusts aim to achieve their objectives by investing in a diversified portfolio of equity and debt securities of predominantly South African listed companies as well as South African sovereign and corporate debt, through unit trust investments. Each mine's portfolio is managed separately according to each individual mine's risk and life-of-mine profile. The fair value of the environmental rehabilitation trusts is determined based on an externally provided investment statement, reflecting the market performance of the respective instruments in which the funds are invested.

Investments in the unit trusts are recognised as FVPL financial assets. The movement in the environmental rehabilitation trusts' assets includes fair value movements as well as dividend and interest income, where applicable.

These funds are not available for the general use of Thungela and can only be accessed to the extent of actual rehabilitation costs incurred, with approval from the DMPR. All income from these assets is reinvested to further increase the level of financial provisioning held as required by the MPRDA Regulations.

Other environmental investments

The Group also holds a significant value of guarantees to further contribute to the financial provisioning as required by the MPRDA Regulations. These guarantees are primarily held with two financial institutions, and a portion of the annual fee payable on these guarantees is invested in the green fund. The fair value of the other environmental investments is determined based on externally provided investment statements, reflecting the market performance of the underlying money market funds in which the funds are invested. These investments are included in financial asset investments in the statement of financial position.

Other environmental investments in South Africa can be analysed as follows:

Rand million	2024	2023
Balance at the start of the reporting period	933	658
Contributions[1]	209	210
Disposal of investment in subsidiary[2]	(24)	—
Growth on assets	91	65
Balance at the end of the reporting period	1,209	933

1 Includes contributions to the green fund of R204 million (2023: R205 million).
2 Refer to note 9 for further detail related to the disposal of investment in subsidiary.

The Group has invested an additional R204 million (2023: R205 million) in long-term investments, referred to as the green fund, through two financial institutions to secure the guarantees required to further fund the financial provisioning as required by the MPRDA Regulations. These investments are held as collateral in favour of the financial institutions for the guarantees provided to the Group. The green fund requires an investment of 5.8% and 6.7% of the guarantee amounts annually into the respective funds to reduce the value of the unfunded guarantees over the life of mine. Of the annual investment amount required, 0.8% and 0.7%, respectively, is related to fees, which are not considered part of the investment.

The annual requirement for funding is expected to decrease as the investment value increases, however, the Group is able to contribute to these funds in excess of the required annual investment amount in order to increase our financial provisioning held, and to maximise our return on these investments.

These funds are not available for the general use of Thungela and can only be accessed to fulfil mine closure obligations, or to the extent that the growth on these funds has exceeded the required annual investment amount. The growth on the funds is reinvested to further increase the level of financial provisioning held as required by the MPRDA Regulations.

Thungela's exposure to our environmental obligations in South Africa can be analysed as follows:

Rand million	2024	2023
Environmental provisions	(7,973)	(7,841)
Environmental rehabilitation trusts	4,266	3,740
Other environmental investments	1,209	933
Guarantees	3,221	3,221
Total financial provisioning available	8,696	7,894
Real pre-tax discount rate (%)	4.3 – 5.0	4.7

The guarantees of R3,221 million (2023: R3,221 million) are primarily in place to meet any immediate closure obligations under the existing MPRDA Regulations, and are issued in favour of the DMPR. Once Thungela has to comply with the NEMA Financial Provisioning Regulations, it is expected that the level of guarantees required to be held as financial provisioning will increase, which, if required, may be sourced from the existing providers on the market at similar terms to our current guarantees.

11. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Environmental provisions continued

Australia

Mining in Queensland is subject to both Commonwealth and State (Queensland) regulation, and mine rehabilitation is primarily the subject of State regulation. Mining companies in Queensland are required to rehabilitate land disturbed by mining to a safe, structurally stable, non-polluting condition, which is able to sustain a post-mining land use. This rehabilitation must occur progressively throughout the life of the mine.

Regulatory environment

Coal mining is considered an 'environmentally relevant activity' for the purposes of the Environmental Protection Act 1994 (Qld) (EPA). Accordingly, before a mining lease may be issued under the Mineral Resources Act 1989 (Qld) for the purposes of conducting coal mining, the leaseholder must, among other things, obtain an environmental authority issued under the EPA.

One requirement for the issue of an environmental authority, in the case of large coal mines, is to submit a progressive rehabilitation and closure plan and schedule (together 'the rehabilitation and closure plan') for approval. The rehabilitation and closure plan must include milestones for carrying out environmentally relevant activities on the affected land in such a way that it maximises the progressive rehabilitation of the land to a stable condition.

The rehabilitation and closure plan must be prepared in accordance with the requirements set out in the EPA, as well as a detailed statutory guideline issued by the Department of Environment, Science and Innovation (DESI). The rehabilitation and closure plan may be amended, if required, based on changes in the life-of-mine plan of the operation.

Under the EPA, DESI must determine the environmental rehabilitation costs for the mining activity being undertaken (environmental rehabilitation costs determination). The application must state the period to be covered in the determination (determination period), as well as the estimate of the total cost of rehabilitation for the period, calculated according to the methodology set out in the statutory guidelines.

The environmental rehabilitation costs determination will remain current for the determination period, unless an application for a new determination is made at least three months before the determination period ends, in which case the environmental rehabilitation costs determination will remain current until the new determination has been made.

The most recent environmental rehabilitation costs determination for Ensham, which was issued in December 2022 and is in force until 30 June 2025, amounts to approximately R3,196 million (AUD274 million) (2023: R3,414 million or AUD274 million), on a 100% basis.

Holders of environmental authorities for resource activities must contribute to the 'Financial Provisioning Scheme' established under the Mineral and Energy Resources (Financial Provisioning) Act 2018 (Qld) and the Mineral and Energy Resources (Financial Provisioning) Regulation 2018. The nature and amount of the contribution to be made by a holder is determined by the scheme manager, and will be based on the scheme manager's assessment of the risk of the State of Queensland incurring costs and expenses because the holder has not rehabilitated or restored the environment after carrying out the resource activities. The scheme manager may determine that this contribution is to be made by way of a payment into a pooled fund (pool), or the provision of a financial surety, or both.

To the extent that the scheme manager determines the contribution is to be made by payment into the pool, an annual contribution into the pool of up to 2.8% of the environmental rehabilitation costs determination, depending on the risk category allocated to the holder of the environmental authority, is required. However, to the extent that the scheme manager determines that financial surety is required, the holder will be required to obtain this financial surety outside of the pool as a condition of holding the relevant mining lease. The scheme manager may be approached to reassess the required contribution at any time.

Environmental provisions for Ensham

An assessment of the environmental liability for the rehabilitation of the Ensham Mine was prepared by an independent third-party consultant in 2024. This assessment was done from first principles based on an understanding of various inputs, including the volume of material to be moved, the distance to be moved and the method by which the rehabilitation would be completed, as well as the related costs. The costs to be incurred for rehabilitation will be spent over the course of the rehabilitation and closure plan as agreed with DESI, which impacts the net present value of the liability recognised in the statement of financial position. Based on the assessment performed, the environmental provisions recognised on the statement of financial position amount to R3,977 million (2023: R3,855 million).

Sungela, as the new owner of a portion of the mining leases related to the Ensham Mine, has not yet been accepted into the Queensland pool, however, this acceptance is being actively pursued. On this basis, we are required to maintain financial surety for the current environmental rehabilitation costs determination of R3,196 million or AUD274 million (2023: R3,414 million or AUD274 million), on a 100% basis.

Other environmental investments

The Group has invested R970 million in long-term investments through three financial institutions to secure the required financial surety, issued in favour of the State of Queensland. These investments are held in the name of the financial institutions to build up the required cash collateral for the rehabilitation liability over the remaining life of mine.

The fair value of the other environmental investments is determined based on externally provided investment statements, reflecting the net returns earned on the underlying contributions to the account in which the funds are invested. These investments are included in financial asset investments in the statement of financial position.

Other environmental investments in Australia can be analysed as follows:

Rand million	2024	2023
Contributions	970	—
Growth on assets	12	—
Currency movements	(39)	—
Balance at the end of the reporting period	943	—

The surety agreements require an annual investment of between AUD10 million and AUD45 million over the next five years, as well as an annual fee equivalent to 2.0% of the surety amount payable to the financial institutions, which is not considered part of the investment. Should our application into the Queensland pool be successful, the annual investment amounts will become discretionary, based on our assessment of required funding.

These funds are not available for the general use of Thungela and can only be accessed to fulfil mine closure obligations, or to the extent that the growth on these funds has exceeded the rehabilitation costs determination.

Thungela's exposure to our environmental obligations in Australia can be analysed as follows:

Rand million	2024	2023
Environmental provisions	(3,977)	(3,855)
Other environmental investments	943	—
Total financial provisioning available	943	—
Real pre-tax discount rate (%)	2.4	4.1

Thungela will continue to assess the required rehabilitation activities at the Ensham Mine, and ensure rehabilitation costs and methods are optimised in line with our existing methods where possible.

Sensitivity analysis

The Group has determined that the expected cash flows and the discount rates used to value the environmental provisions have a significant impact on the amounts recognised in the statement of financial position and the statement of profit or loss and other comprehensive income.

The impact that reasonably possible changes in these inputs, keeping all other inputs constant, would have on the statement of profit or loss and other comprehensive income can be analysed as follows:

Rand million	2024	2023
5.0% increase in expected cash flows	666	601
0.5% increase in discount rate	(436)	(424)

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2024

11. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Contingent liabilities

Thungela is subject to various claims that arise in the ordinary course of business. Additionally, Thungela has provided indemnities against certain liabilities as part of agreements relating to sales or other disposals of business operations in the past. Having taken appropriate legal advice, the Group believes that any material liability arising from the indemnities provided is remote.

Total financial guarantees amounting to R3,295 million (2023: R3,246 million) have been issued in favour of the DMPR and other counterparties, where relevant, including the amount identified for rehabilitation purposes noted above.

In 2023, Thungela was formally served with an application for certification for a class action in relation to coal workers pneumoconiosis. The class action has not yet been certified and no provision has been raised in the summarised consolidated financial statements related to this matter.

No contingent liabilities were secured against the assets of Thungela for any of the years presented.

12. STATED CAPITAL

Thungela has one class of authorised and issued shares, being ordinary shares. Thungela's ordinary shares began trading on the JSE and LSE from 7 June 2021. Thungela has 140,492,585 shares in issue, and has not issued additional shares in the years presented.

Accounting policy

Ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any group entity purchases Thungela's issued shares, reflected as treasury shares for the Group, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the shareholders of the Group until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the shareholders of the Group.

The shares issued by Thungela, and the resultant stated capital, can be analysed as follows:

Number of shares	**2024**	2023
Authorised		
Ordinary no par value shares	**10,000,000,000**	10,000,000,000
Issued		
Ordinary no par value shares	**140,492,585**	140,492,585
Reconciliation of shares in issue		
Shares in issue at the start of the reporting period	**140,492,585**	140,492,585
Shares in issue at the end of the reporting period	**140,492,585**	140,492,585
Adjusted for:		
Treasury shares held by Group companies[1]	**(6,925,889)**	(3,592,017)
Net shares in issue at the end of the reporting period	**133,566,696**	136,900,568
Rand million		
Balance at the start of the reporting period	**11,323**	11,323
Balance at the end of the reporting period	**11,323**	11,323
Adjusted for:		
Treasury shares held by Group companies	**(980)**	(493)
Net balance at the end of the reporting period	**10,343**	10,830

[1] Treasury shares held by Group companies include 5,686,373 (2023: 2,900,285) shares held directly by subsidiaries, and 1,239,516 (2023: 691,732) shares held in separate broker accounts for employees. The shares held in employee broker accounts relate to share awards granted in terms of the Thungela share plan, which have not yet vested. These shares are considered treasury shares for Thungela until the awards have vested, in line with the rules of the Thungela share plan.

Subsidiaries of the Group have purchased 919,731 (2023: 1,458,205) Thungela shares at an average price of R134.85 per share (2023: R177.96 per share) in the year in relation to share awards granted under the Thungela share plan. The purchases were made in terms of Thungela's MOI and the shares are held in separate broker accounts for employees, or in the broker accounts of the subsidiary holding the shares, in terms of the rules of the Thungela share plan, until vesting date. The number of treasury shares held in relation to the Thungela share plan was reduced in the year by the vesting of awards.

The Group undertook share buybacks in the year as a method of returning value to our shareholders. The buybacks took place on the JSE through the order book operated by the JSE trading system. The buybacks were done in terms of the Thungela MOI, and in line with the approval granted by shareholders through a special resolution passed at the AGM. The shares, which are considered treasury shares, were purchased by TOPL and are currently held in a separate broker account. A total of 4,510,667 (2023: nil) shares were purchased in relation to the share buybacks at an average price of R132.95 per share (2023: Rnil), reflecting a total value of R601 million (2023: Rnil).

Of the treasury shares held by Group companies, 5,686,373 (2023: 2,900,285) shares are held directly by subsidiaries and so do not carry voting rights.

The total number of ordinary shares in issue, which carry voting rights at the reporting date, is 134,806,212 (2023: 137,592,300).

The resolution to place the unissued shares of Thungela under the control of the directors was not approved by the requisite majority of votes at the AGM held on 4 June 2024, and so the directors do not have the authority to issue shares at their discretion.

13. DIVIDENDS

Thungela has declared and paid ordinary dividends to shareholders from retained earnings.

Accounting policy

Dividends are recognised in the year in which the dividends are declared directly in the statement of changes in equity. Dividends proposed or declared subsequent to the reporting date are not recognised as dividends paid in the year.

Treasury shares are held by subsidiaries in respect of awards granted in terms of the Thungela share plan. Dividends declared on shares held in relation to the forfeitable share awards are paid to the employees on the dividend payment dates. Dividends declared on shares held in relation to the conditional share awards will be paid to the subsidiary holding the share, in line with the rules of the Thungela share plan.

Treasury shares are also held by a subsidiary in relation to the share buybacks undertaken in the year. Dividends declared on these shares are paid to the subsidiary on the dividend payment dates.

Dividend policy

Any dividend proposed by the board in respect of a financial period will be dependent on and influenced by, among other considerations, the Group's operating results, financial condition, investment strategy, capital requirements and strategic initiatives. The Group will seek to ensure that there is sufficient cash available in order to fund sustaining capital expenditure$^{\triangle}$ and life extension opportunities without resorting to excessive leverage, recognising the nature of the Group's assets and single commodity price exposure.

Thungela's dividend policy is to target a dividend payout of a minimum of 30% of adjusted operating free cash flow$^{\triangle}$. The board is committed to delivering attractive shareholder returns, while maintaining disciplined capital allocation. Therefore, in any given financial year, we might declare dividends above the targeted minimum 30% payout ratio, subject to the board being satisfied that subsequent to the dividend declaration, the we have adequate balance sheet flexibility and sufficient funding available to withstand market and coal price volatility, as well as infrastructure constraints.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

13. DIVIDENDS CONTINUED

Dividends paid

Dividends paid in the year can be analysed as follows:

Rand million	2024	2023
Dividends paid to the shareholders of the Group	1,630	6,920
Dividend declared on 19 August 2024 of R2 per ordinary share	268	—
Dividend declared on 18 March 2024 of R10 per ordinary share	1,362	—
Dividend declared on 18 August 2023 of R10 per ordinary share	—	1,379
Dividend declared on 27 March 2023 of R40 per ordinary share	—	5,541
Dividends paid to non-controlling interests	44	1
Total dividends paid	**1,674**	6,921

Dividend declaration

A final ordinary cash dividend relating to the year ended 31 December 2024 of R11 per share (2023: R10 per share), was declared by the board on 17 March 2025. The dividend, amounting to a return of R1,545 million to shareholders, has not been recognised as a liability in these summarised consolidated financial statements. The final dividend was declared from retained earnings and will be paid in April 2025 to shareholders on the South African register and May 2025 to shareholders on the UK register. Together with the interim dividend of R2 per share, this equates to a total dividend of R13 per share for the year ended 31 December 2024.

14. RELATED PARTY TRANSACTIONS

Thungela has a number of related party relationships with other companies and individuals. The related parties comprise the entities in which the Group has an investment as disclosed in note 15, as well as the directors and prescribed officers noted below. Transactions with these related parties are assessed on a consistent basis as those involving other parties.

Directors

Sango Ntsaluba (chairman)#
July Ndlovu (chief executive officer)
Deon Smith (chief financial officer)
Ben Kodisang#
Kholeka Mzondeki#
Thero Setiloane# (passed away 1 May 2024)
Seamus French#
Yoza Jekwa#
Tommy McKeith# (appointed 1 October 2024)

Prescribed officers

Johan van Schalkwyk
Carina Venter
Lesego Mataboge
Leslie Martin
Mpumi Sithole
Bernard Dalton

Independent non-executive

The Group enters into various sale and purchase transactions with related parties in the ordinary course of business. These transactions are subject to terms that are no less nor more favourable than those arranged with independent third parties.

Transactions and balances with related parties

The transactions undertaken with related parties in the year, and outstanding balances at the reporting date, can be analysed as follows:

Rand million	2024	2023
Loans to related parties		
RBCT[1]	180	59
Transactions recognised in the statement of profit or loss and other comprehensive income		
RBCT		
Expenses for services provided	(362)	(393)
Pamish[2]		
Expenses for services provided	—	(81)
Investment income	—	4

[1] The loan to RBCT is deemed part of the equity investment in RBCT.
[2] The interest in Pamish Investments No. 66 Proprietary Limited (Pamish) is held through TOPL. Although TOPL legally owns 49% of Pamish, the contractual agreements resulted in TOPL obtaining 85% of the benefits related to the operations of Pamish. The contract with Pamish was amended in 2023, which resulted in TOPL obtaining 100% of the benefits related to the operations of Pamish. From July 2023, TOPL's share of the assets, liabilities, revenue and expenses of Pamish has been consolidated at 100%.

No transactions have been entered into with key management in the year other than their fixed and variable remuneration.

15. INVESTMENTS IN OTHER ENTITIES

The Group holds a number of investments in other entities, which result in us obtaining control, joint control or significant influence over the entities.

Accounting policy

Investments in subsidiaries

The results of subsidiaries are consolidated for the duration of the period in which the Group exercises control over the subsidiary. All intra-group transactions and resultant profits or losses between group companies are eliminated on consolidation.

Investments in joint operations

Joint arrangements are arrangements in which the Group shares joint control with one or more parties. Joint control is the contractually agreed sharing of control of an arrangement and exists only when decisions about the activities that significantly affect the arrangement's returns require the unanimous consent of the parties sharing control. Joint arrangements are classified as either joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangement. In joint operations, the parties have rights to the assets and obligations for the liabilities relating to the arrangement, whereas in joint ventures, the parties have rights to the net assets of the arrangement.

Joint arrangements that are not structured through a separate vehicle are always joint operations. Joint arrangements that are structured through a separate vehicle may be either joint operations or joint ventures, depending on the specific facts and circumstances of the arrangement. In these cases, consideration is given to the legal form of the separate vehicle, the terms of the contractual arrangement and, when relevant, other facts and circumstances. When the activities of an arrangement are primarily designed for the provision of output to the parties, and the parties are substantially the only source of cash flows contributing to the continuity of the operations of the arrangement, this indicates that the parties to the arrangements have rights to the assets and obligations for the liabilities.

The joint arrangements within the Group, being Mafube Coal Mining Proprietary Limited, Phola Coal Processing Plant Proprietary Limited and Pamish, are accounted for as joint operations. These arrangements are primarily designed for the provision of output to the parties sharing joint control, indicating that the parties have rights to substantially all of the economic benefits of the assets. The liabilities of the arrangements are in substance satisfied by cash flows received from the parties; this dependence indicates that the parties effectively have obligations for the liabilities. It is primarily these facts and circumstances that give rise to the classification as joint operations.

The Group accounts for joint operations by recognising our share of the assets, liabilities, revenue and expenses of the joint operation, including our share of such items held or incurred jointly.

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For the year ended 31 December 2024

15. INVESTMENTS IN OTHER ENTITIES CONTINUED

The investments in other entities held by the Group can be analysed as follows:

Legal entity name	Nature of business	Operation	Shareholding %
Direct subsidiaries			
South Africa Coal Operations Proprietary Limited[1]	Investment holding company		100
Thungela Resources Holdings Proprietary Limited	Investment holding company		100
Thungela Treasury Proprietary Limited	Investment holding company		100
Thungela International Proprietary Limited	Investment holding company		100
Indirect subsidiaries			
Thungela Operations Proprietary Limited	Mining company		100
	Mining operation	Isibonelo	
	Mining operation	Goedehoop	
	Mining operation	Greenside	
	Mining operation	Khwezela	
Anglo American Inyosi Coal Proprietary Limited[2]	Mining company		100
	Mining operation	Zibulo	
	Project	Elders	
Butsanani Energy Investment Holdings Proprietary Limited	Investment holding company		67
Rietvlei Mining Company Proprietary Limited[3]	Mining company		—
	Mining operation	Rietvlei	
Thungela Inyosi Coal Sercurityco Proprietary Limited	Dormant		100
Newshelf 1316 Proprietary Limited	Dormant		100
Blue Steam Investments Proprietary Limited	Dormant		100
Main Street 1756 (RF) Proprietary Limited	Investment holding company		100
Thungela Resources Australia Pty Limited[4]	Investment holding company		100
Sungela Holdings Pty Ltd[4,5]	Investment holding company		72.5
Sungela Pty Ltd[4,6]	Investment holding company		100
Ensham Resources Pty Limited[4,7]	Mining company		100
	Mining operation	Ensham Mine	
Ensham Coal Sales Pty. Ltd.[4,7]	Marketing company		85
Nogoa Pastoral Pty. Ltd.[4,7]	Agricultural company		85
	Agricultural operation	Nogoa Pastoral	
Thungela Marketing International Holdings Limited[8]	Investment holding company		100
Thungela Marketing International DMCC[8]	Marketing company		100

1 Thungela holds 90% of the shares in SACO. The Sisonke Employee Empowerment Scheme Trust and the Nkulo Community Partnership Trust, which are controlled by the Group, hold 10% collectively of the shares in SACO. Effectively, Thungela owns 100% of SACO.

2 Thungela Resources Holdings Proprietary Limited holds a 27% interest in Anglo American Inyosi Coal Proprietary Limited (AAIC). Effectively, Thungela owns 100% of AAIC.

3 Butsanani Energy legally owned 51% of RMC. However, Butsanani Energy economically owned only 45% of RMC based on various contractual arrangements. Effectively, Thungela owned 34% (being 67% of 51%) of RMC. The results of RMC were however reflected at an effective ownership of 30% (being 67% of 45%) to reflect the underlying contractual agreements. On 30 November 2024, Butsanani Energy disposed of its interest in RMC. Refer to note 9 for further detail.

4 The place of business and incorporation of this entity is Australia.

5 Thungela Resources Australia subscribed for 75% of the shares in Sungela Holdings on 31 August 2023, on completion of the acquisition of the Ensham Business. On 31 December 2024, the shareholding has reduced to 72.5% (2023: 73.5%) based on the vesting of the LTIP shares. Refer to note 2 and note 8 for detail related to the acquisition of the Ensham Business.

6 The shareholding in this entity is held through Sungela Holdings as part of the Ensham Business. Refer to note 2 for detail related to the shareholding structure in the Ensham Business. Effectively, Thungela is entitled to 92.5% (2023: 93.5%) of the earnings of Sungela.

7 The shareholding in this entity is held through Sungela as part of the Ensham Business. Refer to note 2 for detail related to the shareholding structure in the Ensham Business. Effectively, Thungela is entitled to 78.6% (2023: 79.5%) of the earnings of this entity.

8 The place of business and incorporation of this entity is the UAE.

Legal entity name	Nature of business	Operation	Shareholding %
Indirect joint operations			
Mafube Coal Mining Proprietary Limited	Mining company		50
	Mining operation	Mafube	
Phola Coal Processing Plant Proprietary Limited	Mining company		50
	Processing operation	Phola Coal Processing Plant	
Pamish Investments No. 66 Proprietary Limited[1]	Mining company		49
	Processing operation	Pamish plant	
Indirect associates			
Richards Bay Coal Terminal Proprietary Limited	Port logistics	Richards Bay Coal Terminal	23
Colliery Training College Proprietary Limited[2]	Training provider for companies in the mining industry		23
Indirect trusts			
Nkulo Community Partnership Trust	Community trust		100
Sisonke Employee Empowerment Scheme Trust	Employee trust		100
Anglo American Thermal Coal Environmental Rehabilitation Trust	Rehabilitation trust		100
Mafube Rehabilitation Trust	Rehabilitation trust		50

1 The interest in Pamish is held through TOPL. Although TOPL legally owns 49% of Pamish, the contractual agreements result in TOPL obtaining 100% of the benefits related to the operations of Pamish.
2 The investment in Colliery Training College Proprietary Limited is considered immaterial to the Group and has not been equity accounted.

The place of business and incorporation of all subsidiaries, joint operations, associates and trusts is South Africa, except where specifically noted otherwise.

16. EVENTS AFTER THE REPORTING PERIOD

The Group monitors activity between the reporting date and the date of the approval of the Annual Financial Statements to ensure that any events that may impact the Group are considered.

Accounting policy

The Group assesses relevant events that occur between the reporting date and the date that the Annual Financial Statements are authorised for issue. An assessment will be performed to determine if the event is an adjusting or non-adjusting event, and adjustments or disclosure may be made if required.

Extension of existing facility agreements

The Group has secured the extension of our existing facility agreements of R3,200 million to 28 February 2028. The facilities remain undrawn at the date of approval of the Annual Financial Statements.

Acquisition of the remaining 15% interest in the Ensham Mine

In December 2024, Thungela announced that we have entered into a share sale and purchase agreement with Bowen, in terms of which Thungela Resources Australia will acquire Bowen's 15% interest in the Ensham Mine and related companies.

The transaction was subject to the fulfilment of a number of conditions precedent, as detailed in note 8, before becoming effective. All conditions precedent have been met and the transaction became effective on 28 February 2025.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2024

16. EVENTS AFTER THE REPORTING PERIOD CONTINUED

Extension of the long-term rail agreement

Thungela has signed an extension to the long-term rail agreement with TFR, which is now due to expire in March 2028.

Acquisition of the co-investors' shareholding in Sungela Holdings

On 14 March 2025, Thungela Resources Australia entered into an agreement with our co-investors to acquire their 27.5% interest in Sungela Holdings, for an upfront cash consideration of USD1.7 million, as well as contingent deferred consideration of up to USD15.5 million, payable over a period of up to six years. The transaction is subject to a number of conditions precedent, and is not yet effective.

Share buyback and declaration of dividend

The Group will implement a share repurchase (share buyback), subject to favourable market conditions, in the period commencing 18 March 2025 and, unless revised or terminated earlier, ending 4 June 2025, being the last trading day prior to the Group's next AGM, that will take place on 5 June 2025. The aggregate purchase price of all shares repurchased will be no greater than R300 million.

The board has also declared a final ordinary cash dividend of R11 per share, or R1,545 million, from retained earnings on 17 March 2025. Combined with the interim dividend for 2024, this represents a total dividend payment of R1,826 million to shareholders related to 2024.

The dividend will be paid in April 2025 to shareholders on the South African register, and in May 2025 to shareholders on the UK register.

ANNEXURES 2 – 5

ANNEXURE 2

BOARD AND AUDIT COMMITTEE MEMBERS UP FOR RE-ELECTION

Kholeka Winifred Mzondeki
Independent non-executive director

BCom, FCCA (UK)

Age: 57
Nationality: South African

Appointed: 12 February 2021

Kholeka has over 20 years' experience in governance and senior financial management. She has served as financial director and chief financial officer in several organisations, including the Fortune 500 company, 3M. In addition, she has served and is serving on several boards and was chairman of Trudon Proprietary Limited (Yellow Pages), a subsidiary of Telkom SA SOC Limited. Kholeka was part of the team that pioneered Trudon's digital journey. She has been a finalist in the Nedbank/BWA Businesswoman of the Year Award and has also served as an audit member at the United Nations World Food Programme, on a pro bono basis.

Skills and experience
Management, risk management, retail, consumer, sustainability, IT, digital technology, governance, finance, accounting, strategy, board experience, leadership

Seamus Gerard French
Independent non-executive director

BEng

Age: 62
Nationality: Irish

Appointed: 4 June 2021

Seamus was chief executive officer designate and Europe Hub managing director of the international engineering and construction company, Laing O'Rourke plc. Prior to joining Laing O'Rourke, he was chief executive officer of Anglo American's bulk commodities and other materials division, responsible for the coal, iron ore and nickel businesses.

Skills and experience
Governance, mining, executive management, leadership, board experience, sustainability, community development

Thomas (Tommy) David McKeith
Independent non-executive director

BSc, (Hons), GDE (Mining and Mineral Engineering), MBA

Age: 61
Nationality: Australian

Appointed: 1 October 2024

Tommy is an experienced chairman, non-executive director and chair/member of board committees, with over 35 years of mining company leadership, corporate development, project development and exploration experience. Having worked in bulk, base and precious metals across numerous jurisdictions, Tommy brings deep and strategic insights to the boards on which he serves, with a strong focus on value creation.

Skills and experience
Executive management and leadership, mining, project development, exploration, corporate development, entrepreneurship, board experience

Chairperson	Committee					
C	Audit	Health, safety, environment and risk	Social, ethics and transformation	Remuneration and human resources	Nomination and governance	Investment

Benjamin Monaheng (Ben) Kodisang
Independent non-executive director

BCom, BCompt (Hons), CA(SA)

C

Age: 54
Nationality: South African

Appointed: 16 March 2021

Ben is the founder and chief executive officer of ALT Capital Partners and has over 25 years of investment and business experience across asset classes throughout the African continent. He serves on several boards including Absa Bank Botswana Limited, Vukile Property Fund Limited and Sphere Private Equity Proprietary Limited. Prior to this, he was chairman of the South African Property Owners Association and Wesgro. In addition, Ben was chief executive officer of Sanlam Alternatives, and a managing director of STANLIB Asset Management Limited and Old Mutual Property Proprietary Limited.

Skills and experience
Operations, finance, business development, risk management, investment banking, fund management, sustainability, asset and investment property management, governance

Yoza Noluyolo Jekwa
Independent non-executive director

MBChB, MBA

C

Age: 49
Nationality: South African

Appointed: 12 August 2022

Yoza is the chief executive officer and founder of Thrive Capital Partners, an investment firm focused on infrastructure and impact investing in South Africa and Sub-Saharan Africa. Prior to this, Yoza was the chief executive officer of Mergence Investment Managers Proprietary Limited, a mid-sized diversified asset management company with c.R35 billion of assets under management. She has extensive investment banking experience, having worked as an originator and structurer of acquisition financing and investments for mid to large-cap corporates. She has served as a dealmaker at Rand Merchant Bank and as a principal in acquisition and leverage finance at Nedbank Limited. She currently serves as an independent non-executive director on the boards of Brait plc, Broll Property Group and Northam Platinum Limited.

Skills and experience
Corporate finance, risk management, investment banking, fund management, sustainability, healthcare, infrastructure, impact investing, executive management, leadership, board experience

July Ndlovu
Chief executive officer, executive director

BSc (Hons) (Engineering), MBL, Senior Executive Programme (Columbia Business School)

Age: 59
Nationality: South African

Appointed: 1 September 2016

July is an experienced mining executive and has worked in different commodities over the last three decades. He was previously chief executive officer of Anglo American plc's (Anglo American) South African coal business, and prior to that occupied the position of executive head of processing at Anglo American Platinum Limited.

Skills and experience
Operations, mining, risk management, executive management, sustainability, large-scale industrial, board experience

Chairperson	Committee					
C	Audit	Health, safety, environment and risk	Investment	Nomination and governance	Remuneration and human resources	Social, ethics and transformation

ANNEXURE 3

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT

The committee assists the board in monitoring the Group's activities relating to ethics, training, talent and skills development, preferential procurement, enterprise development, diversity and socio-economic development. It is responsible for the management of B-BBEE and oversees the execution of the stakeholder engagement framework related to material issues and the opportunities thereof. In addition, the committee oversees participation in the UNGC to ensure the Group meets fundamental responsibilities in human rights, labour, environment and anti-corruption.

COMMITTEE

Tommy McKeith (chairperson – appointed 1 October 2024)
Thero Setiloane (passed away 1 May 2024)
Yoza Jekwa
Lesego Mataboge
July Ndlovu

The board chairman has a standing invitation to attend all committee meetings, while Group executive committee members and heads of department participate when required. The committee meets at least twice a year prior to scheduled board meetings. Attendance at meetings is set out on page 88 of our integrated annual report.

ROLES AND RESPONSIBILITIES

The committee has various roles and responsibilities as set out in its terms of reference and detailed below:
- Stakeholder engagement
- Good corporate citizenship and community development
- Ethics and responsible business management
- Transformation

Stakeholder engagement

- Provides oversight and reporting on ethics and stakeholder relations based on material issues
- Reviews and provides the board with assurance on the integrity of sustainability-related information in our Integrated Annual Report, ESG Report and Climate Change Report. The Climate Change Report has now been integrated into the ESG report.

Good corporate citizenship and community development

The committee is responsible for ensuring that the company is meeting its commitment in terms of the Mineral and Petroleum Resources Development Act (MPRDA) social requirements and its own commitment to good corporate citizenship as well as the sustainability of the communities in which we operate, including:
- Monitoring policies and activities that promote equality, prevent unfair discrimination and reduce corruption
- Monitoring activities that secure our licence to operate by meeting the MPRDA's requirements
- Monitoring policies that manage social risks and impacts, including those associated with human rights, life extension projects and mine closure
- Review and approve our approach to socio-economic development, KPIs and objectives
- Consider and make recommendations to the board on our business's impact on host communities
- Periodically review sponsorships, donations and charitable contributions
- Review the identified social impacts of mine closure

Ethics and responsible business management

- Finalise Thungela's membership to the UNGC
- Incorporate human rights training into Thungela operational standard induction training while also communicating with non-connected employees
- Implement Voluntary Principles on Security and Human Rights based on the outcome of a gap analysis
- Perform an annual review of policies and processes relating to ethics and their effectiveness
- Provide guidance and input into the risk management framework, ensuring that appropriate ESG risks are considered and reviewed as part of the annual materiality assessment for integrated reporting
- Continue to improve ESG disclosures while also preparing the business to align with the International Sustainability Board (ISSB) S1 and S2. The ISSB standards are global sustainability-related financial reporting standards developed to better meet investor needs on sustainability reporting. The standards were launched in June 2023 and we are aligning our reporting to comply with these in 2027, in line with the expectations of our listing on the London Stock Exchange
- Roll out phase one of the Green Engine project as social mitigation for mine closure

ANNEXURE 3

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT CONTINUED

TRANSFORMATION

The committee oversees compliance with the MPRDA, particularly aspects associated with transformation. In addition the committee:

- Sets the Group's ambition and monitors status and compliance with B-BBEE and MPRDA
- Publishes our B-BBEE annual verification certificate and ensures the submission of the compliance report to the B-BBEE commission
- Ensures the correct balance of transformation activities, including investment in skills that facilitate enterprise and supplier development, socio-economic development and maintaining Company stability
- Considers material external developments in the fields of transformation and sustainable development, have these assessed and provide appropriate strategic guidance
- Make recommendations to the board on possible participation, cooperation and consultation on transformation, community and social development issues with government, non-governmental and labour unions

The committee

- The committee is further responsible to review strategic people issues, including progress on transformation and major employee relations issues
- Review performance in human resources development, diversity and retention against internal transformation targets and legislative imperatives and make recommendations to the remuneration and human resources committee
- Every year, the committee presents to the shareholders at the AGM, the Integrated Annual Report and the ESG report

KEY FOCUS AREAS IN 2024

Continue to align ESG disclosures with the ISSB S1 and S2 reporting standards

- Optimise our B-BBEE scorecard
- Launch the Thungela Education Initiative
- Promote talent retention and attraction
- Become a UNGC participant
- Consider responsible mine closure and social risks and impacts
- Train our workforce on human rights
- Continue to drive the talent strategy through annual talent reviews and succession planning process, including tracking and delivering on talent KPIs
- Review the root causes for whistleblowing incidents

KEY ACCOMPLISHMENTS IN THE 2024 FOCUS AREAS

- Achieved level 5 B-BBEE status ahead of our 2025 target
- The Thungela Education Initiative was launched successfully in January 2024. It focuses on the foundation to intermediary phase at 45 lower quintile schools declared as no-fee schools in host communities in Mpumalanga
- Concluded a co-funding agreement with Absa, one of Africa's leading financial services groups. Absa reserved R200 million for beneficiaries of our Thuthukani enterprise and supplier development programme. This allows small, medium and micro-sized enterprises who require substantial funding, an opportunity to access finance
- Successfully launched online training on human rights. More than 200 employees and contractors have completed the training
- Relocated 91 graves enabling Mafube to access critical areas essential to the current business plan. Our grave relocation framework has been implemented in accordance with the South African Human Rights Commission, the National Heritage Act, the Mpumalanga Cemeteries, Crematorium and Exhumation of Bodies Act and the International Finance Corporation's performance standards 5 and 8

KEY FOCUS AREAS FOR 2025

- Continue to optimise our B-BBEE scorecard
- Develop and implement the green economy strategy as part of our enterprise and supplier development strategy to reduce reliance on mines
- Continue to drive the talent strategy through annual talent reviews and succession planning processes, including tracking and delivering on talent KPIs
- Continue to review root causes for whistleblowing incidents
- Promote talent retention and attraction
- Implement education initiative interventions
- Become a UNGC participant

Tommy McKeith

Tommy McKeith
Social, ethics and transformation committee chairperson

23 April 2025

ANNEXURE 4

REMUNERATION REPORT

REMUNERATION AND HUMAN RESOURCES COMMITTEE

Chairperson
Ben Kodisang
Members
Seamus French
Yoza Jekwa

The purpose of Thungela's remuneration and human resources committee (the committee) is to support the board in executing its duties as it relates to remuneration and other human resources matters. The committee regularly assesses and refines the Group's remuneration and human resources practices, to ensure that these continue to support the delivery of the Group's strategy in a fair and responsible manner. By providing oversight, the committee ensures transparency in the Group's remuneration and human resources disclosures, enabling stakeholders to assess the efficacy of the management of remuneration, human resources, and the associated governance practices. Attendance at meetings is set out on page 88 of our integrated annual report.
The committee confirms that it has complied with its mandate as outlined in the terms of reference on our website, www.thungela.com. Additionally, it has followed the provisions and guidance outlined in King IV concerning remuneration governance, in alignment with the applicable JSE Listings Requirements.

Section 1:
Background statement
Provides the overall context of the Group's performance and its impact on remuneration, while also providing an overview of committee activities and decisions.
1

Section 2:
Remuneration philosophy and policy
Describes the Group's remuneration policy as it relates to executive director, prescribed officer, and non-executive director remuneration.
2

Section 3:
Implementation report
Outlines the detail of the implementation of the remuneration policy including disclosures on executive director, prescribed officer, and non-executive director remuneration.
3

1 SECTION 1: BACKGROUND STATEMENT

PURPOSE AND REMUNERATION

In 2024, the committee continued its efforts to drive a clearer and fairer alignment between remuneration decisions and the Group's purpose – to responsibly create value together for a shared future – and strategic priorities. These efforts, including a detailed review of the Group's remuneration and related policies, enabled the committee to ensure that the purpose and strategic priorities are fully considered in remuneration decisions.

KEY PERFORMANCE CONSIDERATIONS FOR REMUNERATION

A focus on controlling the controllables has enabled Thungela to deliver strong operational and financial results in 2024. This was achieved in the context of a softer coal price environment, constrained TFR capacity in South Africa (notwithstanding the rail performance improvements seen in the second half of the year), and other exogenous market challenges that impacted the operating environment.

The committee was informed by the Group's strong performance and achievements, driven by productivity improvements and cost efficiencies, despite ongoing challenges, when making remuneration decisions related to 2024.

A detailed analysis of our financial and operational performance is set out on pages 50 to 75 of our integrated annual report and further detail can also be found in our 2024 ESG Report.

REMUNERATION REPORT CONTINUED

Key performance indicators

Financial	
Adjusted EBITDA△	**R6.3 billion** (2023: R8.5 billion)
Adjusted operating free cash flow△	**R3.6 billion** (2023: R6.8 billion)
Operational	
FOB cost per export tonne excluding royalties△ – South Africa	**R1,130** (2023: R1,084)
FOB cost per export tonne excluding royalties△ – Ensham	**R1,433** (2023: R1,544)
Export saleable production	**17.7Mt** (2023: 13.1Mt)
Safety	
TRCFR – South Africa	**1.07** (2023: 1.40)
TRCFR – Australia	**13.21** (2023: 22.63)
Fatalities	**None** (2023: One)
Environmental, social and governance	
Representation of historically disadvantaged persons in management – South Africa	**73.9%** (2023: 72%)
Improvement in energy intensity – South Africa	**3.5%** (2023: 5.1%)
Water abstraction – South Africa	**373ML** (2023: 369ML)

OUR COMMITTEE ACTIVITIES

The board chairman, chief executive officer, chief financial officer, executive head of human resources, and the head of reward for the Group are standing invitees to all committee meetings. The management employees are not part of any discussions regarding their own remuneration.

Members of the committee continue to have access to various sources of information and advice necessary to inform independent judgements on remuneration and related matters, in the context of various market trends related to executive remuneration. The committee continually compares the Group's remuneration strategy with local and global remuneration trends. This extends to regulations, compliance, and stakeholder perceptions, as well as risks associated with the current structure of the remuneration strategy.

An established South African law firm, Bowmans, is appointed as the independent reward advisor to the committee. The firm was invited to attend committee meetings and provided specialised advice regarding evolving our remuneration policy and governance framework. They also conducted market research to inform proposals related to executive remuneration and non-executive directors' fees. We are satisfied that the advice was independent and objective. Bowmans will continue as the committee's independent reward advisor until 31 December 2025.

Deloitte provided assurance on elements of executive remuneration, specifically the procedures followed in determining the performance outcomes of the short-term incentive (STI) award and aspects of the conditional share award. ShareForce was used as an independent expert in determining the shareholder performance outcomes of the conditional share award.

The Group's independent external auditor, PwC, has not provided advice to the committee.

The committee utilised additional benchmarking data and market research from RemChannel and Mercer and were satisfied with the integrity of the data provided.

Mandated matters for 2024

- Review and approval of the remuneration policy and associated subsidiary policies for the Group, to ensure practices remain relevant, compliant, and appropriate
- Review and guidance on human resource matters and practices, with a specific focus on talent management and succession planning
- Approval of annual target setting for STIs and long-term incentives (LTIs) for both financial and non-financial targets to ensure that they maintain the right balance between various interests
- Approval of the 2024 STI and 2022 LTI performance scorecard outcomes
- Approval of annual salary increases for management employees in South Africa, Australia and the UAE, effective 1 January 2025
- Approval of remuneration for the executive directors and prescribed officers
- Recommendation of the non-executive directors' fees for board support
- Approval of the remuneration report

REMUNERATION POLICY CHANGES

Our remuneration strategy is critical for enhancing our employee value proposition and enabling Thungela to drive a high-performance culture. These are foundational to our ability to deliver on our strategic priorities and, consequently, our purpose. In 2024, a thorough review of our remuneration and related policies was conducted. This ensures that our remuneration delivers a fair balance between the remuneration outcomes and the effort and performance of executive directors and prescribed officers, aligning to our focus on value creation for all our stakeholders. The detailed review, along with our annual assessment, resulted in the following remuneration enhancements:

Minimum shareholding requirements (MSR)		
Changed the measurement approach for MSR to using market value as defined in the Thungela 2021 share plan at the point of assessment rather than the closing share price.	Reduced the interval between MSR measurements following the initial measurement from five to three years.	Increased differentiation between the chief financial officer as an executive director and the prescribed officers by increasing the MSR percentage for the chief financial officer to 150% of total guaranteed package from the original 100%.

Malus and clawback
Updating the definition of the clawback amount to the net (post-tax) value rather than the gross (pre-tax) value.

The Group's level of compliance with applicable legislation, standards and codes remains a committee priority across the countries of operation. Where appropriate, the committee takes guidance from independent remuneration consultants on new legislation and any changes required to the remuneration policy are made to remain compliant.

EXECUTIVE DIRECTOR AND PRESCRIBED OFFICER TOTAL REMUNERATION

The Group's remuneration philosophy is aimed at remunerating our employees in line with the market median, except where there are valid reasons for differentiation. The committee commenced a project in 2023 to review the roles and resultant remuneration of the executive directors and prescribed officers to ensure that they remain aligned with the changing structure of the Group. This was supported by a rigorous annual benchmarking analysis of total remuneration of the executive directors and prescribed officers.

Both reviews were supported by our independent reward advisors. The remuneration review included a comprehensive analysis of all remuneration elements, including fixed remuneration, STIs and LTIs. These elements are benchmarked against an appropriate comparator group and external survey data, representative of the Group's size and complexity.

In 2023, these analyses identified that four of our prescribed officers were graded lower than the complexity of their roles and were lagging the market in their total guaranteed package compared to the market median of the peer group based on these updated grades. The committee accordingly approved the following adjustments to their total guaranteed packages, in addition to the approved annual inflation-linked increase, over a two-year period:

Bernard Dalton	Executive head of marketing	5%
Lesego Mataboge	Executive head of human resources	7%
Mpumi Sithole	Executive head of corporate affairs	7%
Carina Venter	Executive head of safety, health and environment	7%

In the benchmarking analysis performed for 2024, two key issues were identified in relation to the total remuneration for executive directors and prescribed officers:

- The LTI opportunities for our executive directors and prescribed officers lag the market median by between 14% and 67%
- The total guaranteed package for the chief financial officer lagged the peer group market median by 11%, although within an acceptable tolerance range (80% to 120% of the peer group market median)

Based on the outcomes of the benchmarking analysis, the committee approved the following changes to align all executive directors and prescribed officers with the market median:

- Increased the conditional share opportunity of executive directors and prescribed officers as follows:

Chief executive officer	Chief financial officer	Prescribed officers
200% (prev: 100%)	140% (prev: 80%)	120% (prev: 80%)

- Adjusted the total guaranteed package of the chief financial officer by 13% over a two-year period, with the first tranche implemented on 1 January 2025

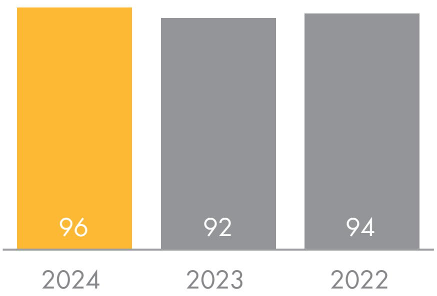
Based on the implementation of the decisions by the committee the average compa-ratio across our executive directors and prescribed officers is now 98% when compared to the market median of the associated peer group.

REMUNERATION REPORT CONTINUED

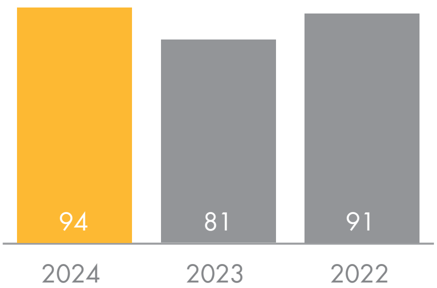
SHAREHOLDER ENGAGEMENT

At Thungela's most recent AGM on 4 June 2024, our shareholders took part in non-binding advisory votes on the remuneration policy and its implementation, and a special resolution on non-executive directors' fees. The graphs below represent the level of approval of shareholders of these items over the past three years:

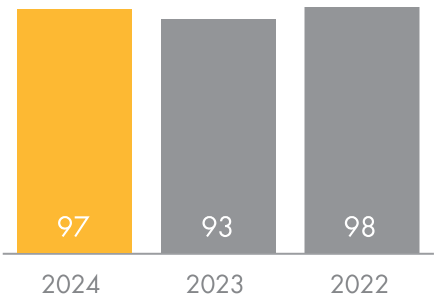
Remuneration policy (%)



Implementation report (%)



Non-executive director's fees (%)



The 2023 remuneration policy and implementation report received approval rates of 96% and 94%, respectively, at the 2024 AGM. These outcomes indicate that most of our shareholders are aligned to the purpose and decisions of the committee in relation to remuneration. The committee will continue to take advantage of any opportunities to constructively engage with shareholders to understand the reasons for the dissenting votes. During 2024, no major concerns were raised by shareholders regarding matters pertaining to remuneration.

The Group will again present its remuneration policy and implementation report, contained respectively in section 2 and section 3 of this report, for a vote in two separate, non-binding ordinary resolutions at the AGM scheduled for 5 June 2025.

If more than 25% of our shareholders vote against either or both sections, Thungela will note the outcome in the announcement of the results of the AGM. Any dissenting shareholders will also be invited to engage with Thungela, and the method of shareholder engagement will be communicated by the committee. A summary of concerns and the committee's response will be included in the remuneration report for the year ending 31 December 2025, if required.

The proposal relating to non-executive directors' fees, outlined in section 3 of this report, will be presented as a special resolution at the AGM.

KEY FOCUS AREAS FOR 2025

During 2025, the committee will continue to focus on the execution of the remuneration principles and policy, while increasing its focus on the effectiveness of the Group's talent management and human resources strategies and practices.

The key focus areas for 2025 will include:

- aligning with the governance and reporting requirements of the Companies Amendment Act of South Africa once fully promulgated;
- providing assurance that our talent management and succession planning efforts are driving the desired outcomes;
- expanding the pay gap measures allowing the committee to review and understand the level of pay fairness and equality in the Group at the required level of detail;
- driving the effective integration and alignment of remuneration and human resources practices across the Group; and
- reviewing the market trends associated with remuneration and human resources to identify opportunities to enhance our approach to remuneration and human resource management.

DRIVING FAIR AND RESPONSIBLE REMUNERATION

The Group is aware of its responsibility to ensure that it maintains fair and responsible remuneration practices. The Group, along with other stakeholders globally, believe that eliminating arbitrary factors in remuneration decisions and driving intentional actions to reduce remuneration gaps are extremely important for promoting a fairer and more equal society. The committee reviews our remuneration practices annually to determine if employees are paid fairly, and out-of-cycle adjustments are made where required, using an additional budget approved each year by the committee to address these pay matters.

The Group regularly review the minimum salaries of our employees to ensure alignment with local market practices and prescribed or regulated norms associated with the countries in which we operate. Based on the review in 2024, our minimum salaries continue to meet or exceed these norms.

In 2024, the Group continued our practice of reviewing both our vertical and horizontal pay gaps.

Vertical pay gaps

Internally, vertical pay gaps are measured using the Palma ratio and the 5:5 ratio, which was introduced as part of the Companies Amendment Act. The Group has seen an improvement in the outcomes of these metrics in 2024. Once the applicable sections of the Companies Amendment Act for South Africa come into effect, we will report on the outcomes of the applicable ratios.

Horizontal pay gaps

We have completed a detailed horizontal pay gap analysis for the second year in 2024. The methodology utilised for this analysis was consistent with the previous year, as it focused on determining the average total guaranteed package (TGP) of comparable groups. Comparable groups were constructed in line with the criteria outlined in the Employment Equity Act. This was then used to calculate comparable employee ratios. Our analysis in 2024 reaffirmed that there are no systemic issues of racial or gender pay discrimination in our South African environment.

The Group continues to analyse market trends for measuring fair and responsible remuneration by tracking them through ongoing analyses of income differentials, horizontal pay gaps and pay equity outliers, while investigating how to drive and track fair and responsible remuneration as part of our sustainability strategy. We are investigating extending these analyses across the Group in 2025.

CONCLUSION

Our 2024 results reflect our continued focus on operational excellence and the disciplined execution of our strategic priorities. Achieving these strategic priorities has required a re-evaluation of our remuneration policy to ensure that we are able to attract and retain the right leadership skills to deliver the Group's strategy.

The committee believes that the Group's remuneration policy has achieved its objectives in 2024 and that the approved changes will ensure that it remains competitive and aligned with market best practice. We will continue to engage with our stakeholders to understand how we can further improve our remuneration policy and principles, to ensure that we balance all stakeholder interests while delivering our strategy and purpose. The committee is confident that it has discharged its duties with diligence, ensuring that fair and responsible remuneration practices are executed equitably.

Lastly, I would like to thank the board, the committee members, management and its advisors for their support and efforts during the year.

Ben Kodisang

Ben Kodisang
Remuneration and human resources committee chairperson

23 April 2025

REMUNERATION REPORT CONTINUED

2 SECTION 2: REMUNERATION PHILOSOPHY AND POLICY

REMUNERATION PHILOSOPHY

Thungela's reward philosophy enables the effective delivery of our strategy by driving a high-performance culture. Our culture allows our employees to continually reinforce our purpose and values through their ongoing performance.

We have adopted a remuneration philosophy that is designed to attract, retain and incentivise employees who are committed to delivering on the Group's strategic objectives, thereby responsibly creating value for all stakeholders.

REMUNERATION PRINCIPLES

Our remuneration policy has been aligned with the recommendations of King IV and is based on the below principles, with the aim of delivering fair and responsible remuneration.

1. **Alignment with Group strategy and culture**
Remuneration practices are constantly reassessed to ensure that they are aligned with the Group's strategy and support the entrenchment of its values and leadership behaviours.

2. **Competitive pay level**
Remuneration is set at a competitive level within the relevant market to ensure that the Group attracts, motivates, and retains highly-talented individuals.

3. **Internal equity**
Reward is managed to adhere to the principle of responsible, equal, fair, and competitive pay.

4. **Link with shareholder interests**
Incentive-based rewards are linked to achieving excellence and aligned with shareholder interests over the short, medium, and long term.

5. **Risk-based approach**
Long-term incentive schemes are designed and applied to minimise stakeholder exposure to unreasonable risk.

6. **Relevance**
Performance measures and targets for incentive plans are structured to operate effectively throughout the business cycle and support the business strategy. These are also continually reviewed to ensure that they remain aligned with market trends, stakeholder expectations, and any legislative or regulatory requirements.

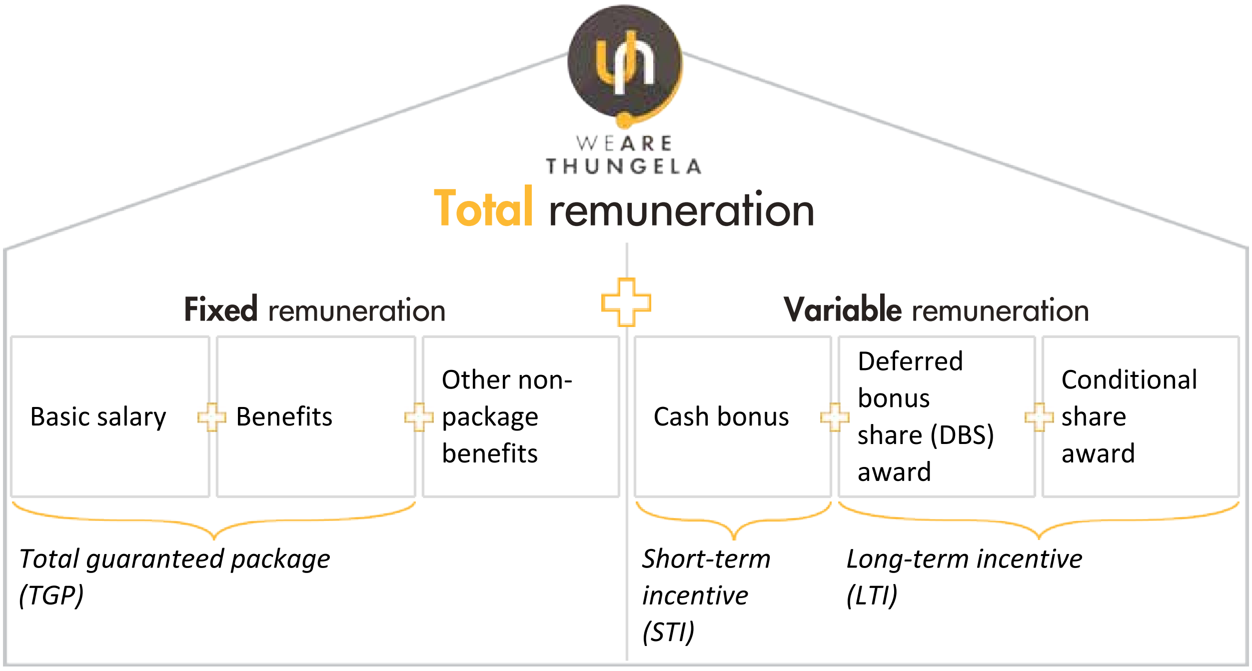
7. **Communication**
Transparent communication of the reward policy and its implementation to all our stakeholders through ongoing engagement using various channels.

APPLICATION OF THE REMUNERATION POLICY

Our remuneration policy applies to Thungela and its subsidiaries as a Group, unless otherwise agreed. In instances where Thungela does not have effective management control, this policy will apply as far as it has been agreed with the other shareholders.

COMPONENTS OF TOTAL REMUNERATION

Our approach to total remuneration is founded on our remuneration principles. It is comprised of fixed and variable remuneration. Our aim is to remain competitive relative to our peers regarding the fixed remuneration that we offer, while ensuring an appropriate balance with variable remuneration opportunities, which are aimed at motivating and rewarding the achievement of strategic objectives through discretionary effort.



Fixed remuneration

At Thungela, fixed remuneration is determined based on the size and complexity of the role, benchmarked against local market conditions. It is influenced by the individual's experience, performance, and potential. The Group's fixed remuneration is currently structured on a 'basic salary plus benefits' basis.

Composition of fixed remuneration

Basic salary
Basic salary is set in line with the applicable market conditions and benchmarked on an annual basis to determine whether it remains in line with the market applicable to the role. For executive directors and prescribed officers, the review of the basic salary forms part of the annual total remuneration benchmarking process.
Benefits
Guaranteed benefits include any allowances which enable the employee to fulfil their role, such as travel allowances, housing allowances, and position allowances. These vary according to local market conditions and practice. Core benefits are offered as a condition of service. These comprise of retirement benefits[1], medical aid or insurance, and death and disability cover. The structure of these benefits reflect the applicable local market practices and legislative requirements of the country of operation. Optional benefits vary according to the country of operation.
Other non-package benefits
These are mostly non-recurring benefits that are paid in specific situations. These include leave encashments, long service awards and travel or expense reimbursements.

[1] In South Africa, retirement benefits are provided through defined contribution funds, with contribution levels aligned with market best practice and the rules of the applicable fund.

REMUNERATION REPORT CONTINUED

Annual increases

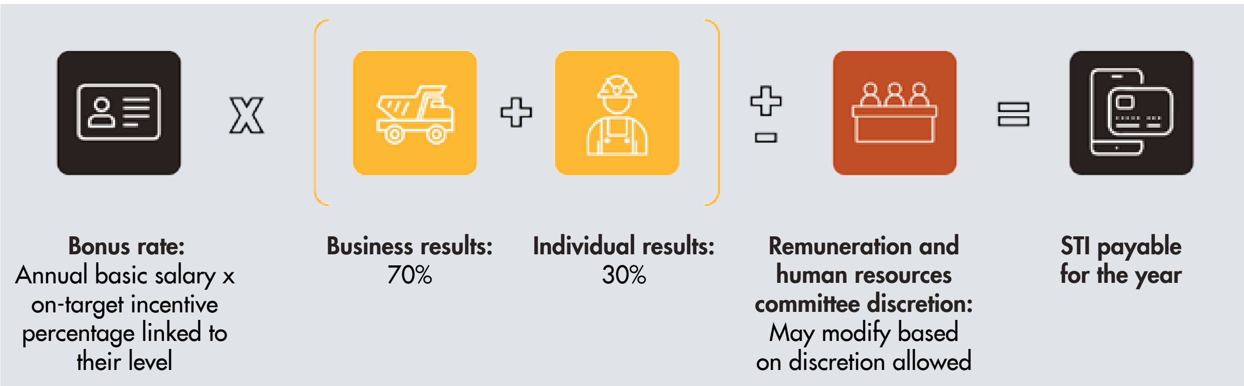
The annual increase in total guaranteed packages are set per country and are determined by considering Group performance, affordability, prevailing consumer inflation and average industry and sector increases. Collective bargaining agreements in South Africa and Australia govern the determination of the annual increase for unionised employees. Increases are implemented on 1 January each year, while in South Africa the increases for unionised employees occur between June and July.

Any remuneration deviations from internal pay ranges or market rates for a specific role are addressed accordingly. Market adjustments are informed by positioning current salaries within a tolerance pay range and comparative ratio for a specific discipline, job, or grade. Pay levels that are not within the tolerance pay range are adjusted to align more closely with the market's 50th percentile.

Short-term incentive

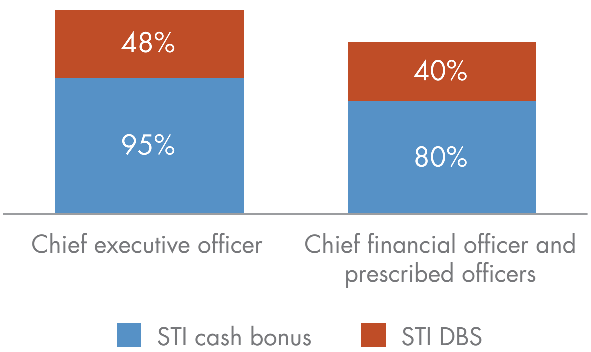
The Group's annual STI is designed to encourage and reward employees who demonstrate accountability for Thungela's success by consistently delivering on their individual objectives, aligned to those of the Group. These need to be delivered in a manner that aligns with our values, thereby ensuring the creation of stakeholder value. We are driving the continuous improvement of our performance management framework to ensure that the discretionary effort of our employees is rewarded in an effective and consistent manner.

The calculation of the STI for executive directors and prescribed officers is outlined below:



Bonus rate

The individual STI is comprised of a cash bonus and a deferred bonus in the form of forfeitable shares. The maximum level of these bonuses is determined as a percentage of the employee's annual basic salary.



Business results *(70%)*

Business results are measured by an overall performance scorecard approved annually by the committee.

Remuneration outcomes based on the performance scorecard are scrutinised and adjusted by the committee where necessary to ensure that the final awards reflect the non-controllable aspects of the environment, which might not be fully considered in the scorecard approach.

The performance scorecard is split into four performance categories that are weighted as follows:

Performance category	Weighting
Safety and health	10%
ESG	10%
Production	30%
Finance	20%

Individual results *(30%)*

The individual results are allocated on a simple five-tier scale, with each tier relating to a specific remuneration outcome. It is structured as follows:

Rating scale	Remuneration outcome
Leading	30%
Strong	24%
Solid	18%
Developing	12%
Unsatisfactory	0%

If an employee is rated as *Developing*, they will forfeit 50% of the deferred component of their STI, while if an employee is rated as *Unsatisfactory*, they will forfeit 100% of the deferred component of their STI.

For executive directors, the committee approves a balanced scorecard on an annual basis. The balanced scorecard comprise of three sections, namely:

- key priorities
- top risks
- our pillars of sustainable value

The pillars of sustainable value are shared and drive the metrics in the STI performance scorecard, but the key priorities are specific outcomes to be achieved by the individual executive director. These are therefore the outcomes that drive the individual results. These key priorities are linked to the Group's five strategic pillars.

The ratings of the executive directors are discussed and approved by the committee on an annual basis.

In the case of exceptional performance by an employee in achieving corporate milestones that add significant value to the Group, Thungela may, in addition, approve discretionary cash bonuses of up to 25% of their annual basic salary. Such awards are not applicable to executive directors or prescribed officers. These awards are managed within the approved annual financial limitations, and payments are duly reported at the following committee meeting to uphold the required governance standards.

More details of the outcomes for the STI for the 2024 performance year and its impact on executive remuneration, and the composition of the 2025 STI performance scorecard are provided in the implementation report.

REMUNERATION REPORT CONTINUED

Long-term incentive

Thungela's LTI plans have a time horizon of more than a year and are divided into two categories: forfeitable and conditional share awards. These awards are granted and settled in ordinary shares for South African participants and are granted in units and settled in cash for participants in Australia and the UAE. All shares that are used in the allocation and settlement of these awards are purchased in the market to avoid shareholder dilution.

Forfeitable share awards

These are annual or ad-hoc awards of units or shares in Thungela, the vesting of which will be determined by the participant fulfilling the applicable employment condition. If the award is made in shares, then they are held by an escrow agent on behalf of the participant until the vesting date. These shares attract voting and dividend rights for the period they are held in escrow but can only be traded once they have vested. If the award is made in units, the participant will receive a cash settlement equivalent to the value of the dividends based on the number of units allocated, when dividends are declared.

Thungela's remuneration policy makes provision for three types of forfeitable shares:

Deferred bonus shares (DBS)	These make up a portion of the employee's annual STI. *Governance: remuneration policy*
Sign-on shares	Used to compensate new employees for remuneration forfeited because of joining Thungela. *Governance: remuneration policy and sign-on award policy*
Retention shares	Used in limited instances to retain key talent below the Group executive committee level. *Governance: remuneration policy and retention award policy*

All these awards vest in three equal tranches over a three-year period.

Conditional share awards

Each year, we award units or shares in Thungela to eligible participants, with the vesting contingent on continuous employment over a three-year period and the achievement of key performance conditions. These conditions are aimed at delivering value for all stakeholders. Dividends paid on the underlying units or shares are rolled up into the award and are settled as dividend equivalent shares or cash on the vesting date, if and to the extent the awards vest.

Maximum awards of conditional shares expressed as a percentage of the annual basic salary of the participant are as follows:

Chief executive officer	Chief financial officer	Prescribed officers
200%	140%	120%

Each conditional share award has specific performance conditions linked to it. The performance conditions consist of four performance categories with the following weightings:

Performance category	Weighting
Shareholders	25%
Financial	20%
Production sustainability	25%
ESG	30%

Performance conditions are measured over the three-year performance period applicable to the specific conditional share award. On the conclusion of the performance period, the committee will determine the level of achievement related to each performance condition.

For each performance condition, the following vesting rules apply:
- 0% will vest for performance below threshold
- 30% will vest for performance at threshold
- 60% will vest for performance at target
- 100% will vest for performance at stretch

Linear vesting will apply for performance between threshold and target, and target and stretch.

The weighted average of the outcomes for each of the performance conditions will determine the overall vesting percentage of the award. Any portion of the award that does not vest because of partial or non-fulfilment of the performance conditions will immediately lapse and the shares or units constituting that portion of the award will consequently be forfeited.

The implementation report contains more information on the performance outcomes achieved for the 2022 conditional share awards, and the composition of the performance conditions associated with the 2024 conditional share awards.

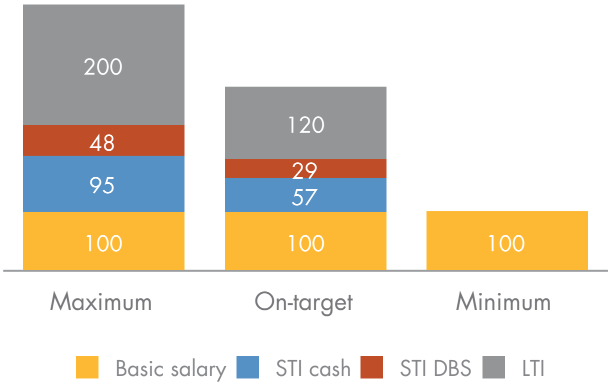
Remuneration mix scenarios

The graphs below illustrate the remuneration outcomes at different levels of performance, with each element disclosed as a percentage of annual basic salary.

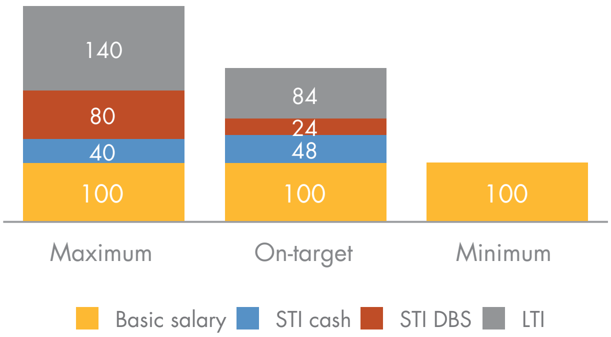
The maximum award values for the annual cash and DBS portions of the STI award and the conditional share award are aligned with the policy percentages provided earlier.

The 'on-target' values are determined as 60% of the maximum for both the STI and the LTI awards. The LTI value excludes share price movements and is disclosed based on the award value for the current year, multiplied by the applicable vesting percentage.

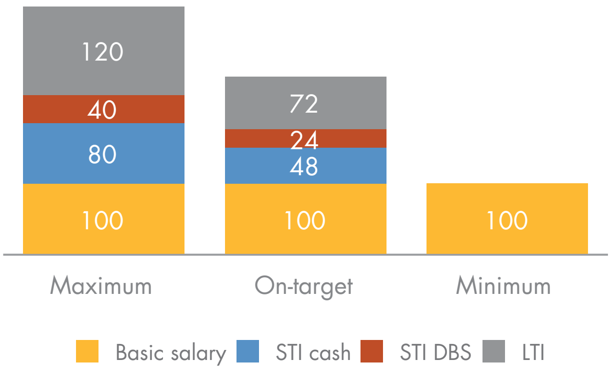
Chief executive officer (%)



Chief financial officer (%)



Prescribed officers (%)



Total remuneration benchmarking

The committee, in collaboration with management and our advisors, conducts an annual total remuneration benchmarking analysis to ensure alignment with and facilitation of the Group's strategy. This review includes a comprehensive analysis of all remuneration elements including fixed remuneration, STIs and LTIs for the executive directors and prescribed officers. These elements are benchmarked against an appropriate comparator group and external survey data that is representative of the Group's size and complexity.

We utilise the services of reputable benchmarking survey providers, such as RemChannel and Mercer, to provide points of comparison for determining external equity within our remuneration environment. Macroeconomic factors, such as the prevailing CPI, are taken into consideration when comparing remuneration to the external market, and external remuneration survey information is adjusted to consider both the assumed movement in salaries and the time that has elapsed between the date of the survey and the date when the analysis was performed.

We also use this data in conjunction with external benchmarks from the mining industry to develop pay bands and incentive plans, as well as for reviewing the Group's employee benefits.

To benchmark the remuneration of our executive directors and prescribed officers, we compare them against a select peer group of companies currently comprised of eight JSE-listed mining companies with primarily South African resident executives.

External remuneration comparator group
African Rainbow Minerals Limited
DRD Gold Limited
Exxaro Resources Limited
Harmony Gold Mining Co Limited
Northam Platinum Limited
Pan African Resources plc
Royal Bafokeng Platinum Limited
Tharisa plc

REMUNERATION REPORT CONTINUED

CHANGE OF CONTROL PROVISIONS AND THEIR IMPACT ON SHARE PLANS

In the case of a change of control, a portion of all outstanding awards vest early, on a time pro-rated basis, and adjusted to reflect the impact of applicable performance conditions. The balance of the awards will continue in force, based on the original conditions, unless this is not feasible. In this case, they will be exchanged for replacement awards with similar conditions and a similar fair value on the transaction date.

In the case of changes in capital structure, including rights offers, distributions of capital, share splits and consolidations, then all outstanding awards must be adjusted so that the participants are no worse off than before the transaction. The determination and verification that participants are no worse off will be performed by an independent expert.

MALUS AND CLAWBACK PROVISIONS

The malus and clawback provisions allow the board, following the recommendation of the committee, to apply its discretion to reduce or claw back any incentive award (in whole or in part) to ensure that the incentive outcomes are fair, appropriate, and correctly reflect business performance. This discretion can be applied in the case where certain trigger events have occurred.

Malus is the ability of the Group to reduce unvested or unpaid awards before the end of the vesting period or prior to payment. It can be enacted for the following periods related to each type of award:

STI cash	STI DBS	LTI conditional share award
From the end of the performance period to the STI payment date.	During the period prior to the vesting of the DBS awards.	During the performance period covered by the award (pre-vesting).

Clawback is the ability of the Group to recoup, in full or in part, the value of vested shares for payments for the duration of the clawback period. It can be enacted for the following periods related to each type of award:

STI cash	STI DBS	LTI conditional share award
Three years from the STI payment date.	Three years from the vesting of each tranche of the DBS awards.	Three years from the vesting date.

The malus and clawback provisions may be implemented based on various trigger events, including:
- any error that had a material impact on the calculation of the incentive award;
- material misstatements of Group results and performance measures that result in the incorrect or inappropriate determination of incentive award values;
- gross misconduct or behaviour by the participant that brings the Group into disrepute;
- material failings in risk management, especially in the case of events affecting the safety or health of employees, the environment, and/or communities;
- a participant deliberately misleading the Group, market or Group's shareholders regarding the financial performance or position of the Group; and
- actions by the participant that amount to poor performance.

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' TERMS OF EMPLOYMENT

Minimum shareholding requirements

Executive directors and prescribed officers are required to accumulate and hold a predetermined and market-aligned minimum shareholding. The MSR must be accumulated from personal investment shares and committed shares from the vested forfeitable and conditional shares.

They are required to accumulate and hold an appropriate percentage of their vested share incentive awards to meet the target. The extent to which targets have been met is calculated by multiplying the market value of a share in Thungela by the number of applicable MSR shares held and expressing this as a percentage of their annual total guaranteed package at the time. Market value is determined as the 20-day volume-weighted average price (VWAP) immediately prior to the date on which a determination is made of the level of MSR achievement.

MSR target holdings per executive director or prescribed officer are as follows:

- **200%** for the chief executive officer
- **150%** for the chief financial officer
- **100%** for prescribed officers

Current members of the Group executive committee are required to build up the target shareholding over five years, starting from 7 June 2021, the date of listing. Executive directors or prescribed officers who have been appointed post the listing date would be required to build up the target shareholding over five years, following the date of their appointment as an executive director or prescribed officer.

Contractual commitments

All executive directors and prescribed officers have permanent employment contracts with Thungela or its subsidiaries. These contracts prescribe a notice period of six months for executive directors and three months for prescribed officers. Executive directors and prescribed officers are subject to a restraint-of-trade period of six months from the date of termination of their contract.

External appointments

Executive directors and prescribed officers are not permitted to hold external directorships or offices without the applicable written approval. For the executive directors approval is governed by the committee, while for prescribed officers the approval lies with the chief executive officer.

Based on the relevant approval being received, the Group's policy on internal and external directorships stipulates the following:

- The executive director or prescribed officer may only retain fees payable from one external directorship. Fees for internal directorships or offices may never be retained and must be ceded to Thungela.
- The external appointments may not interfere with the executive director's or prescribed officer's duties and obligations to Thungela.

Sign-on awards

Sign-on awards compensate newly appointed executive directors or prescribed officers for the loss of forfeited awards from their previous employer. These awards will either be in cash or shares, or a combination of the two, depending on the vesting period of the forfeited awards. Cash sign-on awards are made with the stipulation that should the employee leave the Group as a fault or bad leaver during a stipulated period, they would need to repay the award on a pro-rated basis. Sign-on awards made in shares are made as forfeitable shares in Thungela and vest in three equal tranches over a three-year period, starting on the first anniversary of the executive director's or prescribed officer's appointment date with the Group.

Severance payments

There are no predetermined severance payment arrangements for any employee. Local legislation, market practice and, where applicable, agreements with recognised trade unions will determine whether severance payments are due and how the amount should be calculated.

Post-retirement medical aid benefits

The post-retirement medical aid subsidy is a benefit that provides qualifying Thungela retirees with the continuation of 50% contributions from the Company to the Witbank Coalfields Medical Aid Scheme (WCMAS).

Eligibility for the subsidy is limited to employees who were permanently employed by Thungela and a member of the WCMAS prior to 1 January 2002. In addition, employees need to be permanently employed and active members of the fund at the time of their retirement or death.

One prescribed officer, Leslie Martin, is eligible for this benefit.

Termination benefits

There are no contractual obligations to effect payment on termination, other than in respect of payments required under applicable local legislation or Group policy. The STIs and LTIs will be dealt with based on the nature of the termination and at the committee's discretion.

The committee makes the decision regarding the treatment of any mutual separation agreements.

REMUNERATION REPORT CONTINUED

Short-term incentives	STI cash
No fault/good leaver termination	
Death, retirement, disability, dismissal for operational reasons	STI cash payments will be pro-rated for the year and paid on termination.
Fault/bad leaver termination	
Resignation, dismissal	Not eligible for any STI cash for the period of the performance year employed.

Long-term incentives	Deferred bonus shares	Conditional shares
No fault/good leaver termination		
Death, normal retirement and early retirement at the Company's request, disability, dismissal for operational reasons	DBS awards will be accelerated to the termination date.	Awards will be accelerated but will be pro-rated to reflect the time served of the applicable vesting period and the committee's estimate of the level of achievement of performance conditions.
Fault/bad leaver termination		
Resignation, dismissal, early retirement at the employee's request	Any unvested DBS awards will immediately be forfeited.	The right to receive any shares awards will immediately be forfeited.

NON-EXECUTIVE DIRECTORS' FEES

Principle

The fees for non-executive directors are intended to reflect the responsibility, experience, time requirement and risk taken by directors in a growing, multinational coal company like Thungela. The fees are reviewed annually to ensure that they remain appropriate.

Basis of pay

Fees paid to non-executive directors are based on an annual retainer for board and board committee roles, excluding ad-hoc meeting fees depending on the requirements. The board chairman and the lead independent director's fees are determined on an 'all-inclusive' basis and additional fees are not paid for board committee membership. The other non-executive directors receive fees for their board roles in addition to the fees for their roles as chairpersons or members of board committees. If there is a change of committee membership for a non-executive director, the appropriate amended monthly fee will be paid on a pro-rated basis.

Non-executive directors do not participate in any STI or LTI arrangements and do not receive any fees linked to their level of performance. They are reimbursed for incidental travel or business expenses incurred as part of the execution of their duties.

Service contracts

Non-executive directors are not employed by the Group and are expected to disclose any conflicts of interest prior to and during their tenure. If any conflict identified is considered to impact their independence, they will not participate in any decision that is affected by this conflict.

Benchmarking

For the benchmarking of non-executive directors' fees, we make use of the same comparator group as for executive directors and prescribed officers.

The current fee policy, details of actual fees paid per non-executive director, and the fees proposed for 2025 are included in the implementation report. The proposed fees will be included in the Notice of the AGM for shareholder approval by a special resolution at the AGM on 5 June 2025.

NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY

The remuneration policy, as described in section 2 of the remuneration report, is subject to a non-binding advisory vote by shareholders at the AGM. If more than 25% (of those shareholders voting) vote against the policy, the committee will consult with dissenting shareholders to determine the reasons for their objections. Any such concerns will be considered by the committee when assessing changes for the subsequent year. A summary of the concerns and the committee's response thereto will be included in the following year's remuneration report.

3 SECTION 3: IMPLEMENTATION REPORT

INTRODUCTION

The committee is satisfied that the implementation of the remuneration policy has been carefully considered, to ensure that the remuneration outcomes of the executive directors and prescribed officers align with the execution of our strategic objectives and the creation and preservation of value for all our stakeholders. The disclosures in the implementation report highlight how we continue to deliver on our promises to stakeholders and how the decisions by the committee have translated into the remuneration outcomes of the executive directors, prescribed officers, and non-executive directors. There were no deviations from the Thungela remuneration policy in 2024.

BASIC SALARY

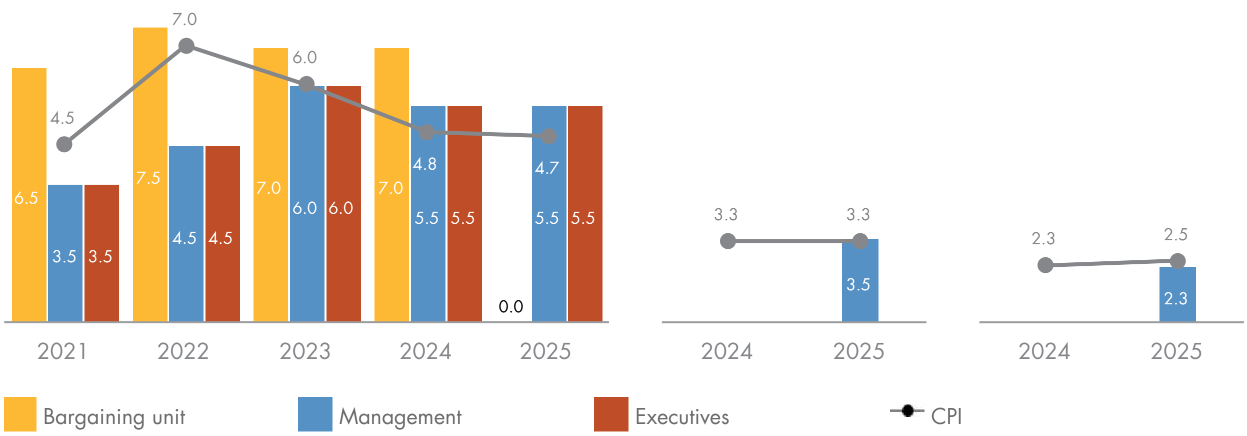
Basic salary increases are based on market insights and benchmarking from Bowmans, RemChannel and Mercer, supported by an analysis of the historical and forecasted CPI environment for the individual countries and regions of operation. Based on the outcomes of the analysis performed, the committee approved the following increases:

South Africa		Australia	United Arab Emirates
5.0% increase on total guaranteed package for executive directors, prescribed officers, and management employees, which equated to a 5.5% increase on basic salary effective 1 January 2025.	Increases for bargaining unit employees are affected in the middle of the calendar year, and for 2025 these will depend on the outcome of the wage negotiation process.	3.5% increase on basic salary for management employees effective 1 January 2025.	2.3% increase on basic salary for management employees effective 1 January 2025.

The figures below provide a comparative view of increases between executive, management, and bargaining unit employees against CPI for South Africa, Australia, and the UAE.

Basic salary adjustments

South Africa[1] Australia[1] UAE[1]



[1] For 2025, management and executive increases are as approved by the committee and the CPI forecast as per the International Monetary Fund (IMF).

ANNEXURE 4

REMUNERATION REPORT CONTINUED

Based on the outcome of the job evaluation process in 2023, the external reward advisory service provider completed a remuneration benchmarking analysis for the Group's executive committee. The evaluation identified that four of the prescribed officers were lagging in the market in relation to their total guaranteed package by between 10% and 15%. Based on the outcome of the analysis, the committee approved additional adjustments to their total guaranteed packages over a two-year period. The second tranche of these adjustments were implemented as of 1 January 2025:

Bernard Dalton	Executive head of marketing	2.5%
Lesego Mataboge	Executive head of human resources	3.5%
Mpumi Sithole	Executive head of corporate affairs	3.5%
Carina Venter	Executive head of safety, health and environment	3.5%

The first tranche of the adjustment for Deon Smith, the chief financial officer, of a 6.5% increase on his total guaranteed package was also implemented as of 1 January 2025.

No other adjustments were made to the basic salaries for executive directors or prescribed officers during 2024.

SHORT-TERM INCENTIVES

As indicated in section 2 of the report, we have not made any changes to the STI calculation during 2024.

2024 Short-term incentive outcomes

Business results

As part of the determination of the performance outcomes for 2024, the committee considered different non-controllable external factors when deciding on the appropriateness of the outcomes of the STI. A process was followed to normalise the non-controllable external factors, which was independently reviewed and approved by the committee to ensure that the outcomes are reflective of Thungela's actual performance.

The table below outlines the four performance categories, which comprise the business results (70%) component of the STI with the proportional weighting thereof. It further includes the outcome of the business results when compared to the weighting for each measure.

Business results performance

Performance category	Metric I Measure	Weighting (%)	Result	%
Safety and health 10%	TRCFR – South Africa	5		100
	TRCFR – Australia	2.5		100
	HIV % treatment	2.5		99
ESG 10%	Level 4 – 5 environmental incidents	2.5		100
	Energy intensity	2.5		100
	Inclusive procurement	2.5		100
	Inclusion and diversity	2.5		85
Production 30%	Export saleable production	20		100
	FOB cost per export tonne	10		100
Finance 20%	Adjusted EBITDA△	10		79
	Adjusted operating free cash flow△	10		100
Total		**70**		**96**

Individual results for the executive directors

The remaining portion of the STI (30%) is determined by individual results for each executive director and prescribed officer. For the executive directors, the committee approves a balanced scorecard which contain key individual priorities for the year. These key priorities are linked to the Group's strategic pillars and are focused on the role of each executive director in the execution of the strategy.

The following tables provide a description of the performance in 2024 for each executive director against their key priorities, by strategic pillar.

July Ndlovu – chief executive officer

Individual deliverable category	Weighting (%)	Performance description	Level of achievement
Safety	5	In 2024, our intentional focus on the elimination of fatalities has led to us operating fatality free for the 22 months up to 31 December 2024. We have also achieved our lowest ever TRCFR in South Africa and a significant reduction in Australia. This was supported by implementing an independent verification of our critical controls across the business, which has driven the delivery of various action plans.	Above stretch target
Drive our ESG aspirations	5	In 2023, we reported on our target to achieve our pathway to net zero by 2050. We have continued to explore various opportunities and this included the design of renewable energy projects to support operational energy needs. In South Africa, we have initiated an education programme supporting schools in our areas of operation and a passive rehabilitation programme through the planting of trees across our operations.	Target exceeded
Maximise the full potential of existing assets	9	Ensham delivered 4.1Mt of export saleable production in 2024, a step-up of 52% from the annualised run rate when we took operational control of the business. In South Africa, export saleable production grew 11% year-on-year and we exceed production guidance. The Elders and Zibulo North Shaft projects remain on schedule and within budget.	Target exceeded
Create future diversification options	6	Two approved commercial transactions were successfully completed in 2024. Thungela Marketing International has also been fully established and has delivered a higher-than-expected value uplift. The pipeline of potential merger and acquisition targets has continued to evolve in partnership with the board.	Target exceeded
Optimise capital allocation	5	Our disciplined approach to capital allocation drives our ability to maintain the required levels of liquidity to grow the business. We have been able to derive significant value from the successful implementation of various financial instruments.	Target exceeded
Overall performance	30		Target exceeded

Above stretch target | Target exceeded | Target met | Target not met | Below minimum threshold

REMUNERATION REPORT CONTINUED

Deon Smith – chief financial officer

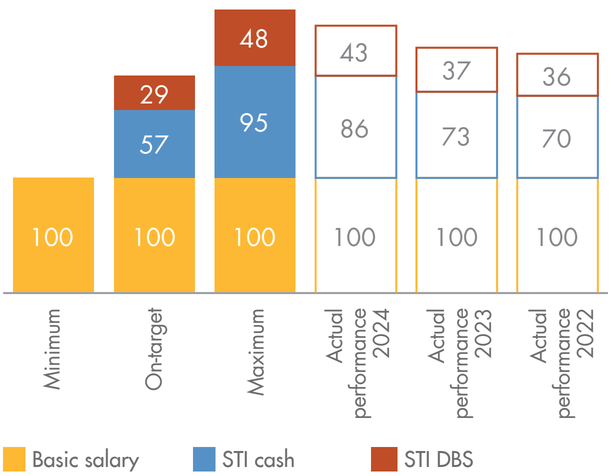
Individual deliverable category	Weighting (%)	Performance description	Level of achievement
Safety	2	In 2024, our intentional focus on the elimination of fatalities has led to us operating fatality free for the 22 months up to 31 December 2024. We have also achieved our lowest ever TRCFR in South Africa and a significant reduction in Australia. The chief financial officer continues to own and execute the strategies associated with group risk mitigation.	
Drive our ESG aspirations	3	Implementation of the approach for determining the commercial value of the Group's ESG commitments. Continuous improvement in the Group's governance framework.	
Maximise the full potential of existing assets	10	Completed the identification of various resource development opportunities at Ensham. The business has also delivered productivity improvements at all our operations, supported by the programmes put in place to manage operational costs. The Elders and Zibulo North Shaft projects remain on schedule and within budget.	
Create future diversification options	10	Executive owner of this strategic pillar. Drove the successful delivery of two commercial transactions during 2024 in line with the approved merger and acquisition strategy. This included the sale of our stake in RMC and the acquisition of the remaining 15% of Ensham. Ensured the effective evolution of our potential merger and acquisitions pipeline.	
Optimise capital allocation	5	Drove the capital allocation approach that enhances our ability to maintain the required levels of liquidity to grow the business. Secured extension of short-term facilities that were negotiated in 2023. Managed the design and implementation of financial instruments that have yielded significant value. These instruments make use of our ability to effectively manage our production and marketing approaches to deliver value.	
Overall performance	30		

Above stretch target | Target exceeded | Target met | Target not met | Below minimum threshold

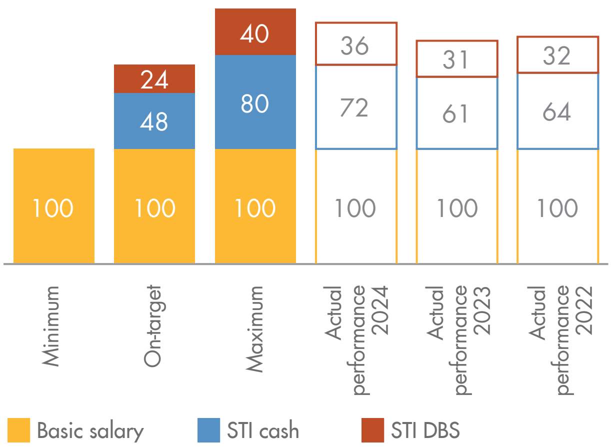
2024 STI performance outcomes for the executive directors

The performance outcomes for the executive directors in 2024, compared to minimum, on-target and stretch remuneration levels, as well as the performance in 2023 and 2022 are illustrated below:

Chief executive officer (%)



Chief financial officer (%)



2025 Short-term incentive performance scorecard

The STI performance scorecard for 2025 was proposed by the chief executive officer and approved by the committee. The details associated with the measures and targets for each of the four performance categories are outlined below:

Performance category	Performance area	Weighting (%)	Performance measure	Threshold	On-target	Stretch
Safety and health 10%	TFCFR – South Africa	5	5% improvement on average of the previous three years	1.27	1.23	1.14
	TFCFR – Australia	2.5	20% improvement year-on- year	10.89	10.57	9.83
	HIV and treatment – South Africa	2.5	% of employees who know their HIV status	88.35	95	97.85
ESG 10%	Level 4–5 environmental incidents	2.5	Number of incidents	1	0	0
	Energy intensity	2.5	% annual improvement against 2025 target	1.86	2	2.06
	Inclusive procurement – South Africa	2.5	% of addressable spend	18.6	20	20.6
	Inclusion and diversity – South Africa	2.5	% HDP in management	73.9	76.2	78.4
Production 30%	Export saleable production	20	Amount of export saleable production (Mt)	15.81	17	17.51
	FOB cost per export tonne△	10	FOB cost per export tonne△ (Rand/tonne)	1,408.12	1,316	1,276.52
Finance 20%	Adjusted EBITDA△	10	Adjusted EBITDA△ (Rand million)	3,657.48	4,204	4,498.28
	Adjusted operating free cash flow△	10	Adjusted operating free cash flow△ (Rand million)	797.79	917	981.19
Total		**70**				

REMUNERATION REPORT CONTINUED

LONG-TERM INCENTIVES

2022 Conditional share award vesting

The vesting of conditional share awards is based on achieving stretch performance conditions, measured over a three-year period. The performance period for the 2022 conditional share award, which was allocated in March 2022, was from 1 January 2022 to 31 December 2024.

The table below highlights the performance outcomes achieved for the 2022 award. This award vested in March 2025, at the end of the three-year vesting period.

Performance outcomes

Performance category	Performance area	Weighting (%)	Description	Weighted achievement (%)
Shareholders 25%	Relative TSR (local)	7.5	The stretch target for the relative TSR performance condition related to local peers was achieved	7.5
	Relative TSR (global)	7.5	The stretch target for the relative TSR performance condition related to global peers was achieved	7.5
	Dividend yield	10	The stretch target in relation to relative dividend yield performance condition was achieved	10
Financial 20%	Cash margin per export saleable tonne	20	The stretch target for the cash margin per export saleable tonne improvement performance measure was achieved	20
Production sustainability 25%	Life of business	15	The stretch target for the resource to reserve conversion measure was achieved	15
	Life capital intensity	10	The stretch target for the capex per attributable export saleable tonne measure was achieved	10
ESG 30%	Carbon emissions	10	The stretch measure related to the reduction on GHG emissions from a 2016 baseline was achieved	10
	Fresh water import	2.5	The stretch target related to the reduction in freshwater import measure was achieved	2.5
	Potable water usage	2.5	The stretch target related to the reduction in potable water usage measure was achieved	2.5
	Water treatment	2.5	The target for the water treatment measure was achieved, but not the stretch target	1.9
	Water reuse/recycle	2.5	The stretch target for the water reuse/recycle measure was achieved	2.5
	Inclusion and diversity	10	The stretch target for the HDP representation in middle management measure was achieved	10
Total		**100**		**99.4**

2024 Conditional share award allocation

The 2024 conditional share award was made in May 2024, and will be measured over the period from 1 January 2024 to 31 December 2027. Our executive directors will have an additional two-year holding period following the conclusion of the three-year vesting period.

The performance conditions for this award were changed to reflect our pathway to net zero and our new global footprint. This meant that our focus on carbon intensity shifted to focus on the implementation of renewable energy, while our inclusion and diversity metrics were split to reflect both a South African target related to HDP representation and a global target for female representation in middle management and above positions.

Performance conditions

Performance category	Performance area	Weighting (%)	Performance measure	Threshold	On-target	Stretch
Shareholders 25%	Relative local TSR	12.5	Performance against index return of local competitors	Index return	Index return + 3% p.a.	Index return + 6% p.a.
	Relative global TSR	12.5	Performance against index return of global competitors	Index return	Index return + 3% p.a.	Index return + 6% p.a.
Financial 20%	Cash margin per export saleable tonne	20	% change in cash margin from 2023 base (price and foreign exchange neutral)	(3)%	—%	3%
Production sustainability 25%	Life of business	15	% life extended because of resource to reserve conversion (additional LOM saleable tonnes/base LOM saleable tonnes) (adjusted for reserve depletion)	—%	10%	20%
	Life extension capital intensity	10	Capex per incremental saleable tonne from life extension projects relative to most recent projects (Mafube and Navigation weighted) (relative %)	(3)%	—%	5%
ESG 30%	Renewable energy implementation	10	MW of renewable energy implemented	17	19	20
	Fresh water import	2.5	ML reduction	123	137	151
	Potable water usage	2.5	ML reduction	249	269	296
	Water treatment	2.5	% change against a 40% target	(5)%	—%	5%
	Water reuse/recycle	2.5	% change against a 75% target	(8)%	—%	5%
	Inclusion and diversity	5	% HDP representation in middle management and above against a 70% target (South Africa only)	(3)%	—%	5%
		5	% female representation in middle management and above, against a 25% target (global)	(3)%	—%	5%

The TSR peer groups for the local and global metrics are outlined below:

Local TSR peer group	Global TSR peer group
Salungano Group Limited	Arch Resources Inc
Exxaro Resources Limited (excluding earnings and dividend per share from iron ore)	New Hope Corp Limited
	Peabody Energy Corp
	Whitehaven Coal Limited
	Yankuang Energy Group Company Limited
	Banpu Power Public Company Limited
	PT Adaro Energy Tbk

The committee is cognisant that the number of companies within our local relative TSR peer group has declined over the last three years. Given the risk that this poses to the integrity of a critical shareholder performance area, we have concluded an investigation to consider alternatives that could effectively measure the creation of shareholder value for the 2025 award. The outcome is the replacement of the local relative TSR metric with an absolute TSR metric measured on Group performance against its cost of equity.

The committee have also taken the opportunity to review the global relative TSR peer group and have concluded that it remains a valid comparator group for the conditional share awards. No changes have therefore been made to the global relative TSR peer group.

REMUNERATION OUTCOMES FOR OUR EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

The disclosures that follow set out the details of the 2024 remuneration outcomes for the executive directors and prescribed officers of Thungela. The disclosures cover the following three components:

1 **Total single figure of remuneration**	The schedules are aligned with the total single figure (TSF) remuneration disclosure requirements of King IV and set out the total remuneration for the years ended 31 December 2024 and 31 December 2023.
2 **Statement of unvested awards and cash flows**	The schedules of unvested awards and cash flows are aligned with King IV disclosure requirements, which state that the value of awards at year-end represents the fair value of shares. The value on settlement represents the cash value of all awards that were settled during 2024.
3 **Minimum shareholding requirements**	The MSR achievement tables outline the percentage fulfilment target MSR as at 31 December 2024.

King IV recommends that the implementation report should contain details of payments made due to the termination of employment of executive directors or prescribed officers. During 2024, no such termination payments have been made.

Remuneration outcomes for July Ndlovu – chief executive officer

1 **Schedule of total single figure of remuneration**

Rand thousand	2024	2023
Basic salary	8,578	8,131
Retirement and benefits[1]	1,348	1,276
Other[2]	29	81
Fixed remuneration	**9,955**	9,488
STI cash[3,4]	7,456	5,924
STI DBS[5,6]	3,767	2,993
LTIP restricted[7]	38,607	—
Total variable remuneration on current policy	**49,830**	8,917
Thungela retention and milestone awards[8]	—	58,704
Total Anglo American policy and demerger	—	58,704
Total remuneration	**59,785**	77,109

1 Retirement and benefits include pension fund contributions, medical aid contributions and recurring cash allowances.
2 Other payments such as Unemployment Insurance Fund (UIF), leave encashments and long service awards.
3 Thungela cash component of the STI, which is attributable to the 2024 financial year, to be paid in the 2025 financial year.
4 Thungela cash component of the STI, which is attributable to the 2023 financial year, but paid in the 2024 financial year.
5 Thungela deferred bonus component of the STI, which is attributable to the 2024 financial year to be awarded in the 2025 financial year.
6 Thungela deferred bonus component of the STI, which is attributable to the 2023 financial year but awarded in the 2024 financial year.
7 Thungela 2021 LTIP awards granted to executive directors on 16 November 2021. The performance was measured on 16 November 2024 and the awards were therefore reflected in the final year of the performance period. The awards to the executive directors are subject to a further two-year holding period before they may be disposed of.
8 Thungela milestone awards were granted on 11 November 2021. The final tranche of this award vested in full on 4 June 2023 based on the achievement of the employment condition.

2 Statement of unvested awards and cash flows for the 2024 financial year

Award type	Award date	Vesting date	Award price (Rand/ share)	Share Movements: Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	347,425	35,115	(79,951)	(302,589)	—	—	—	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	97,352	9,840	—	—	—	107,192	—	8,350,686
LTIP 2023	26-Apr-23	26-Apr-26	164.06	52,867	5,345	—	—	—	58,212	—	4,534,948
LTIP 2024	24-May-24	24-May-27	120.63	—	72,435	—	—	—	72,435	—	5,642,976
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	5,306	—	—	—	(5,306)	—	646,433	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	5,307	—	—	—	—	5,307	—	689,061
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	4,663	—	—	—	(4,663)	—	568,096	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	4,663	—	—	—	—	4,663	—	605,444
DBS 2023 (2)	27-Mar-23	27-Mar-26	195.56	4,663	—	—	—	—	4,663	—	605,444
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	8,561	—	—	—	8,561	—	1,111,560
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	8,561	—	—	—	8,561	—	1,111,560
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	8,562	—	—	—	8,562	—	1,111,690
				522,246	148,419	(79,951)	(302,589)	(9,969)	278,156	1,214,529	23,763,369
Vested awards committed to MSR[2]											
Held 2021 LTIP award				—	—	—	302,589	—	302,589	—	39,288,156

1 The LTIP awards granted include a total of 51,625 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

3 Minimum shareholding requirements as at 31 December 2024

MSR fulfilment date[1]	2026
Number of MSR shares[2]	556,233
Market value of MSR shares[3] (R'000)	71,537
Total annual guaranteed package[4] (R'000)	9,926
MSR target holdings based on time elapsed (%)	120
Achieved MSR target holdings[5] (%)	**721**

1 The MSR fulfilment date is the financial year by which the executive is required to meet 100% of the MSR requirements.
2 The number of MSR shares is comprised of all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the market value of the MSR shares on 31 December 2024 is R128.61 per share.
4 Total annual guaranteed package is comprised of the basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual total guaranteed package as at 31 December 2024.

Remuneration outcomes for Deon Smith – chief financial officer

1 Schedule of total single figure of remuneration

Rand thousand	2024	2023
Basic salary	5,539	5,251
Retirement and benefits[1]	896	848
Other[2]	25	37
Fixed remuneration	6,460	6,136
STI cash[3,4]	4,055	3,222
STI DBS[5,6]	2,027	1,611
LTIP restricted[7]	16,185	—
Total variable remuneration on current policy	22,267	4,833
Thungela retention and milestone awards[8]	—	29,352
Total Anglo American policy and demerger	—	29,352
Total remuneration	28,727	40,321

1 Retirement and benefits include pension fund contributions, medical aid contributions and recurring cash allowances.
2 Other payments such as UIF, leave encashments and long service awards.
3 Thungela cash component of the STI, which is attributable to the 2024 financial year, to be paid in the 2025 financial year.
4 Thungela cash component of the STI, which is attributable to the 2023 financial year, but paid in the 2024 financial year.
5 Thungela deferred bonus component of the STI, which is attributable to the 2024 financial year to be awarded in the 2025 financial year.
6 Thungela deferred bonus component of the STI, which is attributable to the 2023 financial year but awarded in the 2024 financial year.
7 Thungela 2021 LTIP awards granted to executive directors on 16 November 2021. The performance was measured on 16 November 2024 and the awards were therefore reflected in the final year of the performance period. The awards to the executive directors are subject to a further two-year holding period before they may be disposed of.
8 Thungela milestone awards were granted on 11 November 2021. The final tranche of this award vested in full on 4 June 2023 based on the achievement of the employment condition.

2 Statement of unvested awards and cash flows for the 2024 financial year

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movements: Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	145,650	14,721	(33,518)	(126,853)	—	—	—	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	50,294	5,083	—	—	—	55,377	—	4,314,090
LTIP 2023	26-Apr-23	26-Apr-26	164.06	27,312	2,761	—	—	—	30,073	—	2,342,807
LTIP 2024	24-May-24	24-May-27	120.63	—	37,420	—	—	—	37,420	—	2,915,168
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	2,647	—	—	—	(2,647)	—	322,485	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	2,647	—	—	—	—	2,647	—	343,686
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	2,712	—	—	—	(2,712)	—	330,404	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	2,712	—	—	—	—	2,712	—	352,126
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	2,712	—	—	—	—	2,712	—	352,126
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	4,607	—	—	—	4,607	—	598,173
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	4,607	—	—	—	4,607	—	598,173
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	4,608	—	—	—	4,608	—	598,303
				236,686	73,807	(33,518)	(126,853)	(5,359)	144,763	652,889	12,414,652
Vested awards committed to MSR[2]											
Held 2021 LTIP award				—	—	—	126,853	—	126,853	—	16,470,594

1 The LTIP awards granted include a total of 23,249 shares, which were shares added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

3 Minimum shareholding requirements as at 31 December 2024

MSR fulfilment date[1]	2026
Number of MSR shares[2]	197,237
Market value of MSR shares[3] (R'000)	25,367
Total annual guaranteed package[4] (R'000)	6,435
MSR target holdings based on time elapsed (%)	90
Achieved MSR target holdings[5] (%)	**394**

1 The MSR fulfilment date is the financial year by which the executive is required to meet 100% of the MSR requirements.
2 The number of MSR shares is comprised of all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the market value of the MSR shares on 31 December 2024 is R128.61 per share.
4 Total annual guaranteed package is comprised of the basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual total guaranteed package as at 31 December 2024.

Remuneration outcomes for prescribed officers

1 Schedule of total single figure of remuneration

	Johan van Schalkwyk		Leslie Martin		Lesego Mataboge		Mpumi Sithole		Carina Venter		Bernard Dalton	
Rand thousand	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Basic salary	**4,319**	4,094	**3,751**	3,556	**2,758**	2,526	**2,758**	2,526	**2,758**	2,526	**3,274**	3,028
Retirement and benefits[1]	**704**	667	**627**	593	**474**	435	**443**	410	**414**	390	**547**	517
Other[2]	**25**	810	**39**	26	**125**	243	**129**	103	**150**	215	**31**	39
Fixed remuneration	**5,048**	5,571	**4,417**	4,175	**3,357**	3,204	**3,330**	3,039	**3,322**	3,131	**3,852**	3,584
STI cash[3,4]	**3,162**	2,512	**2,746**	2,182	**2,019**	1,428	**2,019**	1,428	**2,019**	1,428	**2,397**	1,858
STI DBS[5,6]	**1,581**	1,256	**1,373**	1,091	**1,009**	714	**1,009**	714	**1,009**	714	**1,198**	929
LTIP vested[7]	**13,766**	—	**12,877**	—	**9,662**	—	**9,543**	—	**9,184**	—	**12,249**	—
Variable remuneration	**18,509**	3,768	**16,996**	3,273	**12,690**	2,142	**12,571**	2,142	**12,212**	2,142	**15,844**	2,787
Total remuneration	**23,557**	9,339	**21,413**	7,448	**16,047**	5,346	**15,901**	5,181	**15,534**	5,273	**19,696**	6,371

1 Retirement and benefits include pension fund contributions, medical aid contributions and recurring cash allowances.
2 Other payments such as UIF, leave encashments and long service awards.
3 Thungela cash component of the STI, which is attributable to the 2024 financial year, to be paid in the 2025 financial year.
4 Thungela cash component of the STI, which is attributable to the 2023 financial year, but paid in the 2024 financial year.
5 Thungela deferred bonus component of the STI, which is attributable to the 2024 financial year, to be awarded in the 2025 financial year.
6 Thungela deferred bonus component of the STI, which is attributable to the 2023 financial year but awarded in the 2024 financial year.
7 Thungela 2021 LTIP awards granted to prescribed officers on 16 November 2021, which vested on 16 November 2024 based on the achievement percentage of the performance condition. The awards were settled using Thungela shares owned by the Group.

2 Statement of unvested awards and cash flows for the 2024 financial year

Johan van Schalkwyk – chief operations officer

Award type	Award date	Vesting date	Award price (Rand/share)	Share movements Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	116,312	11,755	(26,766)	—	(101,301)	—	13,765,793	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	39,216	3,964	—	—	—	43,180	—	3,363,895
LTIP 2023	26-Apr-23	26-Apr-26	164.06	21,296	2,153	—	—	—	23,449	—	1,826,771
LTIP 2024	24-May-24	24-May-27	120.63	—	29,179	—	—	—	29,179	—	2,273,161
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	2,082	—	—	—	(2,082)	—	253,651	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	2,083	—	—	—	—	2,083	—	270,457
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	1,798	—	—	—	(1,798)	—	219,051	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,799	—	—	—	—	1,799	—	233,582
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,799	—	—	—	—	1,799	—	233,582
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	3,592	—	—	—	3,592	—	466,385
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	3,592	—	—	—	3,592	—	466,385
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	3,593	—	—	—	3,593	—	466,515
				186,385	57,828	(26,766)	—	(105,181)	112,266	14,238,495	9,600,733

1 The LTIP awards granted include a total of 18,406 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

Leslie Martin – executive head of technical

Award type	Award date	Vesting date	Award price (Rand/share)	Share movements Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	108,801	10,996	(25,038)	—	(94,759)	—	12,876,801	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	34,060	3,443	—	—	—	37,503	—	2,921,634
LTIP 2023	26-Apr-23	26-Apr-26	164.06	18,496	1,871	—	—	—	20,367	—	1,586,671
LTIP 2024	24-May-24	24-May-27	120.63	—	25,342	—	—	—	25,342	—	1,974,243
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	1,860	—	—	—	(1,860)	—	226,605	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,860	—	—	—	—	1,860	—	241,502
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	1,562	—	—	—	(1,562)	—	190,299	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,562	—	—	—	—	1,562	—	202,810
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,563	—	—	—	—	1,563	—	202,940
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	3,120	—	—	—	3,120	—	405,101
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	3,120	—	—	—	3,120	—	405,101
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	3,120	—	—	—	3,120	—	405,101
				169,764	51,012	(25,038)	—	(98,181)	97,557	13,293,705	8,345,103

1 The LTIP awards granted include a total of 16,773 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

REMUNERATION REPORT CONTINUED

Lesego Mataboge – executive head of human resources

				Share movements							
Award type	Award date	Vesting date	Award price (Rand/ share)	Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	81,639	8,252	(18,787)	—	(71,104)	—	9,662,323	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	24,192	2,445	—	—	—	26,637	—	2,075,129
LTIP 2023	26-Apr-23	26-Apr-26	164.06	13,138	1,329	—	—	—	14,467	—	1,127,037
LTIP 2024	24-May-24	24-May-27	120.63	—	18,630	—	—	—	18,630	—	1,451,352
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	1,350	—	—	—	(1,350)	—	164,471	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,350	—	—	—	—	1,350	—	175,284
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	1,207	—	—	—	(1,207)	—	147,049	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,207	—	—	—	—	1,207	—	156,717
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,207	—	—	—	—	1,207	—	156,717
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	2,043	—	—	—	2,043	—	265,263
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	2,043	—	—	—	2,043	—	265,263
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	2,043	—	—	—	2,043	—	265,263
				125,290	36,785	(18,787)	—	(73,661)	69,627	9,973,843	5,938,025

1 The LTIP awards granted include a total of 12,367 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

Mpumi Sithole – executive head of corporate affairs

				Share movements							
Award type	Award date	Vesting date	Award price (Rand/ share)	Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	80,631	8,150	(18,555)	—	(70,226)	—	9,543,011	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	24,192	2,445	—	—	—	26,637	—	2,075,129
LTIP 2023	26-Apr-23	26-Apr-26	164.06	13,138	1,329	—	—	—	14,467	—	1,127,037
LTIP 2024	24-May-24	24-May-27	120.63	—	18,630	—	—	—	18,630	—	1,451,352
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	1,343	—	—	—	(1,343)	—	163,618	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,344	—	—	—	—	1,344	—	174,505
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	1,207	—	—	—	(1,207)	—	147,049	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,207	—	—	—	—	1,207	—	156,717
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,207	—	—	—	—	1,207	—	156,717
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	2,043	—	—	—	2,043	—	265,263
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	2,043	—	—	—	2,043	—	265,263
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	2,043	—	—	—	2,043	—	265,263
				124,269	36,683	(18,555)	—	(72,776)	69,621	9,853,678	5,937,246

1 The LTIP awards granted include a total of 12,265 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

Carina Venter – executive head of safety, health and environment

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movements: Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	77,600	7,843	(17,858)	—	(67,585)	—	9,183,990	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	24,192	2,445	—	—	—	26,637	—	2,075,129
LTIP 2023	26-Apr-23	26-Apr-26	164.06	13,138	1,329	—	—	—	14,467	—	1,127,037
LTIP 2024	24-May-24	24-May-27	120.63	—	18,630	—	—	—	18,630	—	1,451,352
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	1,323	—	—	—	(1,323)	—	161,182	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,324	—	—	—	—	1,324	—	171,908
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	1,109	—	—	—	(1,109)	—	135,110	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,110	—	—	—	—	1,110	—	144,122
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,110	—	—	—	—	1,110	—	144,122
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	2,043	—	—	—	2,043	—	265,263
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	2,043	—	—	—	2,043	—	265,263
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	2,043	—	—	—	2,043	—	265,263
				120,906	36,376	(17,858)	—	(70,017)	69,407	9,480,282	5,909,459

1 The LTIP awards granted include a total of 11,958 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

Bernard Dalton – executive head of marketing

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movements: Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end fair value[3] (Rand)
Conditional shares[4]											
LTIP 2021	16-Nov-21	16-Nov-24	36.34	103,495	10,458	(23,816)	—	(90,137)	—	12,248,717	—
LTIP 2022	07-Mar-22	07-Mar-25	135.54	29,000	2,932	—	—	—	31,932	—	2,487,631
LTIP 2023	26-Apr-23	26-Apr-26	164.06	15,749	1,592	—	—	—	17,341	—	1,350,933
LTIP 2024	24-May-24	24-May-27	120.63	—	22,117	—	—	—	22,117	—	1,723,003
Forfeitable shares – Deferred bonus shares[5]											
DBS 2022 (2)	22-Mar-22	22-Mar-24	159.72	1,247	—	—	—	(1,247)	—	151,923	—
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,248	—	—	—	—	1,248	—	162,040
DBS 2023 (1)	27-Mar-23	27-Mar-24	195.56	1,447	—	—	—	(1,447)	—	176,289	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,447	—	—	—	—	1,447	—	187,878
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,447	—	—	—	—	1,447	—	187,878
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	—	2,656	—	—	—	2,656	—	344,855
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	—	2,657	—	—	—	2,657	—	344,985
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	—	2,657	—	—	—	2,657	—	344,985
				155,080	45,069	(23,816)	—	(92,831)	83,502	12,576,929	7,134,188

1 The LTIP awards granted include a total of 15,386 shares, which were added to the LTIP awards as dividend equivalent share awards granted related to the dividends paid by Thungela in the year ended 31 December 2024.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the fair value of unvested awards on 31 December 2024 is R129.84 per share.
4 Conditional shares were granted under our remuneration policy. Conditional shares were calculated at a vesting rate of 60% which is the 'on target' percentage as stated in section 2 of this remuneration report.
5 Deferred bonus shares are forfeitable shares that are granted under our remuneration policy as part of our annual STI process.

3 Minimum shareholding requirements at 31 December 2024

	Johan van Schalkwyk	Leslie Martin	Lesego Mataboge	Mpumi Sithole	Carina Venter	Bernard Dalton
MSR fulfilment date[1]	2026	2026	2026	2026	2026	2026
Number of MSR shares[2]	4,377	90,069	—	18,713	98	8,846
Market value of MSR shares[3] (R'000)	563	11,584	—	2,407	13	1,138
Annual total guaranteed package[4] (R '000)	5,023	4,379	3,232	3,200	3,172	3,821
MSR target holdings based on time elapsed (%)	60	60	60	60	60	60
Achieved MSR target holdings[5] (%)	**11**	**265**	**—**	**75**	**—**	**30**

1 The MSR fulfilment date is the financial year by which the executive is required to meet 100% of the MSR requirements.
2 The number of MSR shares is comprised of all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the market value of the MSR shares on 31 December 2024 is R128.61 per share.
4 Total annual guaranteed package is comprised of the basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual total guaranteed package as at 31 December 2024.

NON-EXECUTIVE DIRECTORS' FEES

The remuneration of non-executive directors is inclusive of board attendance fees, board committee attendance fees and ad-hoc board fees for any additional work and meetings conducted.

The fees paid to non-executive directors in the year ending 31 December 2024 are as follows:

					2024 (R '000)			2023 (R '000)
Director	Chairing	Appointment date	Board	Committee	Total	Board	Committee	Total
Sango Ntsaluba[1]	Board	1 January 2021	1,715	—	1,715	1,622	—	1,622
Kholeka Mzondeki[2]	Audit committee	12 February 2021	569	701	1,270	540	670	1,210
Ben Kodisang[3]	Remuneration and human resources committee	16 March 2021	569	625	1,194	540	590	1,130
Seamus French[4]	Health, safety, environment and risk committee	4 June 2021	569	610	1,179	540	554	1,094
Yoza Jekwa[5]	Investment committee	12 August 2022	569	698	1,267	540	381	921
Tommy Mckeith[6]	Social, ethics and transformation committee	1 October 2024	146	160	306	—	—	—
Thero Setiloane[7]		7 March 2021	277	299	576	540	590	1,130

1 The board chairman's fee is inclusive of all committee appointments. The board chairman also chairs the nomination and governance committee.
2 Kholeka Mzondeki also serves on the nomination and governance committee, as well as the investment committee.
3 Ben Kodisang also serves on the audit committee and nomination and governance committee.
4 Seamus French also serves on the remuneration and human resources committee, and the investment committee.
5 Yoza Jekwa also serves on the social, ethics and transformation committee, and the remuneration and human resources committee.
6 Tommy McKeith was appointed to the board on 1 October 2024. He also serves on the audit committee and the health, safety, environment, and risk committee.
7 Thero Setiloane passed away on 1 May 2024. At the time of his passing, he chaired the social, ethics and transformation committee and served on the audit committee and the health, safety, environment and risk committee.

The following table outlines the non-executive directors' fees for the board and each committee chairperson and member, along with the proposed non-executive directors' fees for 2025:

Position	Proposed fees for the year ending 31 December 2025	**Fees for the year ended 31 December 2024**
Board		
Chairman[1,2]	1,840,582	**1,752,935**
Lead independent director[1]	1,315,121	**1,252,496**
Member	613,527	**584,312**
Audit committee		
Chairperson	368,116	**350,587**
Member	221,180	**200,163**
Investment committee		
Chairperson	296,210	**268,063**
Member	191,031	**181,935**
Social, ethics and transformation committee		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Remuneration and human resources committee		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Nomination and governance committee[2]		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Health, safety, environment and risk committee		
Chairperson	269,952	**257,097**
Member	191,031	**181,935**
Ad-hoc meeting fees[3]		
Per meeting	26,586	**25,320**

1 The board chairman and the lead independent director's fees are inclusive of all committee appointments.
2 The board chairman is also the chairperson of the nomination and governance committee.
3 Ad-hoc meeting fees to deal with time-critical board matters are limited to four additional meetings per year.

The 2025 fees were benchmarked against the comparator group outlined in section 2. All the fees were found to be in the relevant tolerance range and therefore a general increase of 5.0% is proposed in line with the approved total guaranteed package increase for the executive directors. Based on the approval of shareholders at our AGM on 4 June 2024, the fees for the investment committee chairperson and the members of the audit committee will increase by an additional 5.5% in 2025.

The proposed non-executive directors' fees for 2025 were recommended by the committee and were approved by the board on 15 November 2024 for onward recommendation to the AGM. These fees will be voted on by the shareholders at the AGM on 5 June 2025 by special resolution.

ANNEXURE 4

REMUNERATION REPORT CONTINUED

DIRECTORS' INTERESTS IN THUNGELA RESOURCES LIMITED SHARES

According to the register of directors' interests, maintained by Thungela in accordance with the provisions of section 30(4)(d) of the Companies Act of South Africa, the directors of Thungela disclosed their interests in the ordinary shares of Thungela as at 31 December 2024

The table below shows the number of Thungela shares held by each director as at 31 December 2024:

	Direct beneficial	Indirect beneficial	2024	2023
Non-executive directors				
Sango Ntsaluba	3,710	—	3,710	3,710
Kholeka Mzondeki	788	—	788	788
Thero Setiloane	—	—	—	—
Ben Kodisang	—	—	—	—
Seamus French	—	30,816	30,816	26,487
Yoza Jekwa	—	—	—	—
Tommy McKeith	—	—	—	—
Executive directors				
July Ndlovu[1]	596,550	—	596,550	772,764
Deon Smith[2]	219,130	—	219,130	330,868

[1] At 31 December 2024, a discrepancy was noted between July Ndlovu's shareholding and the share register. This discrepancy is due to a collar hedge transaction, as announced on the JSE SENS and LSE RNS on 5 June 2024. This strategy can cause temporary differences in reported shareholdings, which will be rectified upon the transaction's expiration on 3 June 2026.

[2] At 31 December 2024, a discrepancy was noted between Deon Smith's shareholding and the share register. This discrepancy is due to a collar hedge transaction, as announced on the JSE SENS and LSE RNS on 29 April 2024. This strategy can cause temporary differences in reported shareholdings, which will be rectified upon the transaction's expiration on 28 April 2026.

NON-BINDING ADVISORY VOTE ON THE IMPLEMENTATION REPORT

The implementation report, as disclosed in section 3 of the remuneration report, is subject to a non-binding advisory vote by shareholders at the AGM. If more than 25% (of those shareholders voting) vote against the implementation report, the committee will consult with dissenting shareholders to determine the reasons for their objections. Any such concerns will be considered by the committee when considering changes for the subsequent year. A summary of the concerns and the committee's response thereto will be included in the following year's remuneration report.

ANNEXURE 5

SHAREHOLDER INFORMATION

For the year ended 31 December 2024

THUNGELA'S PUBLIC AND NON-PUBLIC SHAREHOLDING

Ordinary shares

The Thungela share register at 31 December can be analysed as follows:

				2024
Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
1 to 1,000 shares	39,582	92.73	3,302,155	2.35
1,001 to 10,000 shares	2,308	5.41	7,170,067	5.10
10,001 to 100,000 shares	590	1.38	19,073,635	13.58
100,001 to 1,000,000 shares	186	0.43	54,292,677	38.64
1,000,001 shares and above	20	0.05	56,654,051	40.33
Total	**42,686**	**100.00**	**140,492,585**	**100.00**

				2023
Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
1 to 1,000 shares	45,034	93.42	3,777,928	2.69
1,001 to 10,000 shares	2,271	4.71	7,018,797	5.00
10,001 to 100,000 shares	680	1.41	22,259,141	15.84
100,001 to 1,000,000 shares	204	0.42	55,774,076	39.70
1,000,001 shares and above	17	0.04	51,662,643	36.77
Total	48,206	100.00	140,492,585	100.00

				2024
Distribution of shareholders	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
Banks and nominee accounts	472	1.11	7,528,175	5.36
Brokerage accounts	154	0.36	19,517,974	13.89
Individuals and private trusts	39,888	93.44	19,682,660	14.01
Insurance and assurance companies	59	0.14	2,845,718	2.03
Investment companies	85	0.20	1,876,861	1.33
Mutual funds	472	1.11	43,280,415	30.80
Other corporations	236	0.55	1,629,428	1.16
Pension and provident funds	419	0.98	29,907,199	21.29
Private corporations	891	2.09	13,031,880	9.28
Sovereign wealth funds	10	0.02	1,192,275	0.85
Total	**42,686**	**100.00**	**140,492,585**	**100.00**

				2023
Distribution of shareholders	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
Banks and nominee accounts	230	0.48	7,071,245	5.03
Brokerage accounts	150	0.31	16,950,517	12.07
Individuals and private trusts	45,073	93.50	20,591,226	14.66
Insurance and assurance companies	114	0.24	3,353,774	2.39
Investment companies	79	0.16	2,326,694	1.66
Mutual funds	580	1.20	47,183,503	33.58
Other corporations	262	0.54	381,853	0.27
Pension and provident funds	663	1.38	30,127,075	21.44
Private corporations	1,044	2.17	11,125,673	7.92
Sovereign wealth funds	11	0.02	1,381,025	0.98
Total	48,206	100.00	140,492,585	100.00

ANNEXURE 5

SHAREHOLDER INFORMATION CONTINUED

For the year ended 31 December 2024

Shareholding type	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
				2024
Non-public shareholders				
Directors and prescribed officers	11	0.03	1,048,288	0.75
Treasury shares held by Group companies	2	0.00	5,686,373	4.05
Public shareholders	42,673	99.97	133,757,924	95.20
Total	42,686	100.00	140,492,585	100.00

Shareholding type	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
				2023
Non-public shareholders				
Directors and prescribed officers	11	0.02	1,219,028	0.87
Treasury shares held by Group companies	2	0.00	2,900,285	2.06
Public shareholders	48,193	99.98	136,373,272	97.08
Total	48,206	100.00	140,492,585	100.00

Major shareholders

According to Thungela's share register at 31 December, the following shareholders held shares equal to or in excess of 5.0% of the issued ordinary share capital of the Company:

Beneficial shareholding of more than 5.0%	Number of shares	% of issued share capital
		2024
Government Employees Pension Fund	20,263,512	14.42
Total	20,263,512	14.42

Beneficial shareholdings of more than 5.0%	Number of shares	% of issued share capital
		2023
Government Employees Pension Fund	20,962,781	14.92
Total	20,962,781	14.92

FORM OF PROXY FOR SOUTH AFRICAN SHAREHOLDERS

Thungela Resources Limited (Thungela or the Company)

(Incorporated in the Republic of South Africa)

This FOP is for use and completion by certificated shareholders and dematerialised shareholders with "own name" registration only.

For use and completion by registered shareholders of Thungela at the annual general meeting (AGM) of the Company to be held as a hybrid meeting at the Johannesburg Stock Exchange, Gwen Lane, in Sandown, Johannesburg, South Africa, and by electronic communication at 12:00 (CAT) on Tuesday 5 June 2025.

Each shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies (who need not be a shareholder of Thungela) to attend, participate in and speak and vote in place of that shareholder at the AGM, and at any adjournment thereat.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, must not complete this form or proxy but should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement, in order to furnish them with their voting instructions or to obtain the necessary letter of authority to attend the AGM either in person or virtually, in the event that they wish to attend the AGM.

Please note the following:

- The appointment of your proxy may be suspended at any time to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the AGM.
- The appointment of the proxy is revocable.
- You may revoke the proxy appointment by:
  - cancelling it in writing, or making a later inconsistent appointment of a proxy; and
  - delivering a copy of the revocation instrument to the proxy, and Thungela.

Kindly note that AGM participants (including a proxy or proxies) are required in terms of section 63(1) of the Companies Act 71 of 2008, as amended to provide reasonably satisfactory identification before being entitled to attend or participate in the AGM. Forms of identification include a green barcoded identification document issued by the South African Department of Home Affairs, a smart identity card issued by the South African Department of Home Affairs, a valid driver's licence, or a valid passport.

A proxy may not delegate his/her authority to act on behalf of a shareholder of Thungela to another person.

I/We		(please print name in full)
of (address)	contact number	
being the holder/s or custodians of		ordinary shares in the Company, do hereby appoint:
1.		or failing him/her
2.		or failing him/her

3. The chairperson of the AGM, as my/our proxy to act, attend, participate and speak, for me/us and/or on my/our behalf at the AGM, which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote for me/us and/or on my/our behalf or to abstain from voting on such resolutions in respect of the ordinary share/s in the issued capital of the Company registered in my/our name/s with the following instructions:

Continued overleaf

FORM OF PROXY FOR SOUTH AFRICAN SHAREHOLDERS CONTINUED

Number of votes (one vote per share)

	In favour	Against	Abstain
Ordinary resolution number 1: Re-appointment of independent external auditor			
Ordinary resolution number 2: Appointment and re-election of retiring directors			
2.1 To re-elect Ms KW Mzondeki as a director of the Company			
2.2 To re-elect Mr SG French as a director of the Company			
2.3 To elect Mr TD McKeith as a director of the Company			
Ordinary resolution number 3: Election of audit committee members			
3.1 Re-election of Ms KW Mzondeki as a member of the committee			
3.2 Election of Mr TD Mckeith as a member of the committee			
3.3 Re-election of Mr BM Kodisang as a member of the committee			
Ordinary resolution number 4: Election of social, ethics and transformation members			
4.1 Election of Mr TD McKeith as a member of the committee			
4.2 Election of Ms YN Jekwa as member of the committee			
4.3 Election of Mr J Ndlovu as a member of the committee			
Ordinary resolution number 5: Approval of the remuneration policy			
5.1 Non-binding advisory vote: Approval of the remuneration policy			
5.2 Non-binding advisory vote: Approval of the implementation of the remuneration policy			
Ordinary resolution number 6: General authority for directors to allot and issue ordinary shares			
Ordinary resolution number 7: Authorisation to sign documents to give effect to resolutions			
Special resolution number 1: General authority to acquire the Company's own ordinary shares			
Special resolution number 2: Remuneration payable to non-executive directors			
Special resolution number 3: Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act of South Africa			

Insert an "X" in the relevant space above according to how you wish your votes to be cast. An "X" in the relevant space above indicates the maximum number of votes exercisable. If you wish to cast your votes in respect of less than all of the shares that you own in Thungela, however, then insert the number of ordinary shares held in respect of which you desire to vote.

Signed at	on	2025
Signature	Assisted by me (where applicable)	

Each shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of the Company) to attend, speak and, on a poll, vote in place of that shareholder at the AGM. Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act of South Africa

Please note that in terms of section 58 of the Companies Act of South Africa:

- This FOP must be in writing, dated and signed by the shareholder appointing the proxy.
- You may appoint an individual as a proxy, including an individual who is not a shareholder of Thungela, to participate in, and speak and vote at the AGM, on your behalf.
- Your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this FOP.
- This form or proxy should be delivered to Thungela, or to Thungela's South African transfer secretaries, Computershare Investor Services Proprietary Limited, before your proxy exercises any of your voting rights as a shareholder at the AGM. Any FOP not received by Thungela, or the South African transfer secretaries must be sent to the chairperson of the AGM by email before your proxy may exercise any of your voting rights as a shareholder at the AGM.
- The appointment of your proxy or proxies will be suspended at any time to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the AGM.
- The appointment of your proxy is revocable unless you expressly state otherwise in this FOP.
- As the appointment of your proxy is revocable, you may revoke the proxy appointment by:
  - Cancelling it in writing or making a later inconsistent appointment of a proxy.
  - Delivering a copy of the revocation instrument to the proxy and to Thungela.
- Please note that the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the proxy and Thungela as aforesaid.
- If this FOP has been delivered to Thungela, as long as that appointment remains in effect, any notice that is required by the Companies Act of South Africa or Thungela's MOI to be delivered by Thungela to you must be delivered by Thungela to you or, if you have directed Thungela to do so, in writing, and paid any reasonable fees charged by Thungela for doing so, your proxy or proxies:
  - Your proxy is entitled to exercise, or abstain from exercising, any voting rights of yours without direction at the AGM, except to the extent that this FOP provides otherwise.
  - The appointment of your proxy remains valid only until the end of the AGM or any adjournment or postponement thereof, unless it is revoked by you before then on the basis set out above.

Explanatory notes

- An FOP is only to be completed by those ordinary shareholders who are:
  - Holding ordinary shares in certificated form.
  - Recorded on sub-register electronic form in "own name".
- If you have already dematerialised your ordinary shares through a CSDP or broker and wish to attend the AGM, you must request your CSDP or broker to provide you with a letter of representation or you must instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement entered into between you and your CSDP or broker.
- A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies to attend, participate in and speak and vote in his/her stead at the AGM. A proxy need not be a shareholder of the Company. Satisfactory identification must be presented by any person wishing to attend the AGM, as set out in the notice of AGM (to which this FOP is included).
- A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space. The person whose name stands first on the FOP and who is present at the AGM of shareholders will be entitled to act to the exclusion of those whose names follow.
- On a show of hands, a shareholder of the Company present in person or by proxy shall have one (1) vote irrespective of the number of shares he/she holds or represents, provided that a proxy shall, irrespective of the number of shareholders he/she represents, have only one (1) vote. On a poll, a shareholder who is present in person or represented by proxy shall be entitled to one vote in respect of each ordinary share in Thungela held by him/her.

NOTES TO THE FORM OF PROXY CONTINUED

Instructions on signing and lodging the proxy form

- A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided, with or without deleting "the chairperson of the AGM", but any such deletion must be initialled by the member.
- Should this space be left blank, the chairperson of the AGM will exercise the proxy. The person whose name appears first on the FOP and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
- A member's instructions to the proxy must be indicated by the insertion of an "X" or the relevant number of votes exercisable by the member in the appropriate box provided. An "X" in the appropriate box provided indicates the maximum number of votes exercisable by that member. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the member's votes exercisable thereat.
- A member or his/her proxy is not obliged to use all the votes exercisable by the member or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the member or by the proxy.
- Forms of proxy are requested, for administrative purposes only, to be lodged at, or posted to the South African transfer secretaries at the address below, to be received by 12:00 on Friday 31 May 2024. Any forms of proxy not received by this time and date may be emailed to the South African transfer secretaries (who will provide same to the chairperson of the AGM) at any time prior to the AGM, prior to your proxy exercising any of your voting rights as a shareholder at the AGM.
- The completion and lodging of this FOP will not preclude the relevant member from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
- Documentary evidence establishing the authority of a person signing this FOP in a representative capacity or other legal capacity must be attached to this FOP, unless previously recorded by the South African transfer secretaries or waived by the chairperson of the AGM.
- Any alteration or correction made to this FOP must be initialled by the signatory/ies.
- Notwithstanding the foregoing, the chairperson of the AGM may waive any formalities that would otherwise be a prerequisite for a valid proxy.
- If any shares are jointly held, all joint members must sign this FOP. If more than one of those members is present at the AGM, either in person or by proxy, the person whose name appears first in the register shall be entitled to vote.

For shareholders on the South African register, details of the South African transfer secretaries are as follows:

Computershare Investor Services Proprietary Limited
15 Biermann Avenue, Rosebank, 2196, South Africa

Private Bag X9000, Saxonwold, 2132

Email: proxy@computershare.co.za

www.computershare.com

Tel: +27 11 370 5000

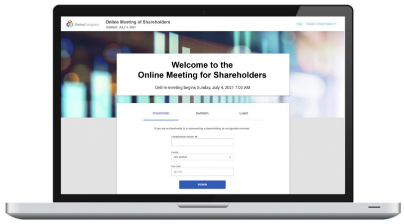
HOW TO PARTICIPATE IN VIRTUAL/HYBRID MEETINGS

Attending the meeting online

Our online meetings provide you with the opportunity to participate online using your smartphone, tablet or computer.

You will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.



Visit https://meetnow.global/za

Access

Access the online meeting at https://meetnow.global/za, select the applicable meeting from the drop down option. Click 'JOIN MEETING NOW'.

If you are a shareholder:

Select 'Invitation' on the login screen and enter the applicable information included in the email received from noreply@computershare.com. Accept the Terms and Conditions and click Continue.

If you are a guest:

Select 'Guest' on the login screen. As a guest, you will be prompted to complete all the relevant fields, including title, first name, last name and email address.

Please note, guests will not be able to ask questions or vote at the meeting.

If you are a proxy holder:

You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the email invitation from noreply@computershare.com to access the meeting.

Contact

If you have any issues accessing the website please email proxy@computershare.co.za.

Navigation

When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder.
The image highlighted in blue indicates the active page.

The webcast will appear and begin automatically once the meeting has started.

Voting

Resolutions will be put forward once voting is declared open by the chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears.

To change your vote, select 'Change Your Vote'.

Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.

CORPORATE INFORMATION

THUNGELA RESOURCES LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 2021/303811/06
JSE share code: TGA
LSE share code: TGA
ISIN: ZAE000296554
Tax number: 9111917259
('Thungela' or the 'Group' or the 'Company')

REGISTERED OFFICE
Thungela Resources Limited
25 Bath Avenue
Rosebank
Johannesburg
2196
South Africa
Tel: +27 11 638 9300

POSTAL ADDRESS
PO Box 1521
Saxonwold
2132

This notice is available at: www.thungela.com

DIRECTORS
Executive
July Ndlovu (Chief executive officer)
Gideon (Deon) Frederick Smith (Chief financial officer)

Independent non-executive
Sango Siviwe Ntsaluba (chairman)
Kholeka Winifred Mzondeki
Thero Micarios Lesego Setiloane (passed away 1 May 2024)
Benjamin (Ben) Monaheng Kodisang
Seamus Gerard French (Irish)
Yoza Noluyolo Jekwa
Thomas (Tommy) David McKeith (Australian) (appointed 1 October 2024)

PREPARED UNDER THE SUPERVISION OF
Gideon (Deon) Frederick Smith CA(SA)

GROUP COMPANY SECRETARY
Altovise (Tovi) Alaxa Ellis (appointed 1 November 2024)

INVESTOR RELATIONS
Hugo Nunes
Email: hugo.nunes@thungela.com

Shreshini Singh
Email: shreshini.singh@thungela.com

MEDIA
Hulisani Rasivhaga
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SA TRANSFER SECRETARIES
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Rosebank, 2196
Private Bag X9000
Saxonwold, 2132
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Tel: +27 11 370 5000

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Tel: +44 03 7070 2000

SPONSOR
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(a division of FirstRand Bank Limited)
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Email: sponsorteam@rmb.co.za

UK FINANCIAL ADVISER AND CORPORATE BROKER
Panmure Liberum Limited
Tel: +44 20 3100 2000

If you have any queries regarding your shareholding in Thungela Resources Limited, please contact the transfer secretaries on: +27 11 370 5000.

www.thungela.com