thungela

INTEGRATED ANNUAL REPORT

for the year ended 31 December 2024

thungela

Responsibly creating value together for a shared future

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GROUP PERFORMANCE IN 2024

Delivering on our purpose of **responsibly creating value together for a shared future**

SAFETY

Fatality
None
(2023: One)

TRCFR Group
1.93
(2023: 2.80)

South Africa
1.07
(2023: 1.40)

Australia[1]
13.21
(2023: 22.63)

CREATING SHARED VALUE

Nkulo Community Partnership Trust
R102 million contribution
(2023: R156 million)

Sisonke Employee Empowerment Scheme
R102 million contribution
(2023: R156 million)

FINANCIAL[2]

Adjusted EBITDA△
R6.3 billion
(2023: R8.5 billion)

Dividends per share
R13.00
(2023: R20.00)

Share buyback
R460 million
(2023: R442 million)

Earnings per share
R26.76
(2023: R37.66)

Headline earnings per share
R25.59
(2023: R34.97)

OPERATIONAL SOUTH AFRICA

Export saleable production
13.6Mt
(2023: 12.2Mt)

Export equity sales
12.6Mt
(2023: 11.9Mt)

FOB cost per export tonne△
R1,151
(2023: R1,134)

OPERATIONAL AUSTRALIA[2]

Export saleable production
4.1Mt (100% basis)
(2023: 1.0Mt)

Export equity sales
4.1Mt (100% basis)
(2023: 0.9Mt)

FOB cost per export tonne△
R1,674
(2023: R1,886)

[1] The total recordable case frequency rate (TRCFR) for Australia in 2023 reflects the performance for 12 months.
[2] The Group financial results and operational performance for Australia in 2023 include the results of the Ensham Business for the four months from the acquisition date of 31 August 2023 to 31 December 2023.
△ This symbol denotes alternative performance measures. Refer to Annexure 1 in the Annual Financial Statements for the year ended 31 December 2024.

ABOUT THIS REPORT

REPORTING SCOPE AND BOUNDARY

This Integrated Annual Report provides information on the performance of Thungela Resources Limited, its subsidiaries, joint operations and associates (collectively, Thungela or the Group or the Company) for the financial year ended 31 December 2024.

Any material events after this date and up to the board approval date of 17 April 2025 have also been included, such as macroeconomic updates and events after the reporting period.

OUR STAKEHOLDERS AND REPORTING UNIVERSE

This report is primarily prepared for the providers of financial capital. However, for transparency, it is also relevant to other stakeholders, such as labour unions, regulators, governments, customers, suppliers, employees and society. It is supplemented by additional disclosures and more granular reporting in our annual reporting suite, which is comprised of the Annual Financial Statements and the Environmental, Social and Governance (ESG) Report. These reports should be read together for a complete understanding of our business and performance and are made available on our website at www.thungela.com/investors.

REPORT	REPORTING STANDARDS AND FRAMEWORKS
Integrated Annual Report	• International Financial Reporting Standards (IFRS) • Companies Act 71 of 2008, as amended (Companies Act of South Africa) • King IV Report on Corporate Governance for South Africa (2016) (King IV^{TM})[1] • the Johannesburg Stock Exchange Limited (JSE) Listings Requirements • the UK Listing Rules • the UK Disclosure Guidance and Transparency Rules • Integrated Reporting Framework • The Resources and Reserves information in this report has been developed in line with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 (the SAMREC Code), the South African Code for the Reporting of Oil and Gas Resources, 2015 (the SAMOG Code) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 (the JORC Code) • Certain financial information may have been extracted from the Annual Financial Statements for the year ended 31 December 2024
Annual Financial Statements	• IFRS, as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (collectively, the IFRS Accounting Standards)
ESG Report	• Global Reporting Initiatives (GRI) Sustainability Reporting Standards, specifically the GRI 12: Coal Sector Standard, 2022 • International Sustainability Standards Board (ISSB) IFRS Sustainability Disclosure Standards, IFRS S2 Climate-related Disclosures • Sustainability Accounting Standards Board Coal Standard

[1] Copyright and trademarks are owned by the Institute of Directors in South Africa, and all its rights are reserved.

For further detail guiding our Annual Financial Statements and ESG disclosures, refer to the specific reports.

REPORTING PURPOSE AND PROCESS

Our reporting purpose encompasses our approach to value creation and is enhanced by integrated thinking. It includes information on our financial, operational and ESG performance, strategy, business model, material matters, business risks and opportunities, stakeholder engagement, governance, remuneration practices and 2025 guidance, among other matters. The six capitals are integrated into our business model, refer to pages 26 and 27, and trade-offs have also been included for balanced reporting.

The investor relations team, which reports to the office of the chief executive officer, prepares and owns the integrated reporting process. The Group executive committee approves the content and commitments. The audit committee review the Integrated Annual Report in detail and the annual reporting suite is reviewed by the subcommittees, before being recommended to the board of directors (board). The Integrated Annual Report is signed off by the board, who is the owner of the report.

As a responsible miner of coal, we recognise the importance of the 17 United Nations (UN) Sustainable Development Goals (SDGs). This is evidenced by linking the UN SDGs to our business model and material matters.

MATERIALITY

We are committed to the double materiality determination process. This allows us to identify material matters that impact our ability to create value (financial materiality) and our influence on the environment, communities and society (impact materiality). Material matters that influence our ability to create and sustain value for our stakeholders over the short, medium or long term are identified through our annual materiality workshop and grouped into themes. The outcomes of this process are available on pages 30 to 33.

COMBINED ASSURANCE AND CONTROLS

We utilise a combined assurance model with internal and external assurance providers to ensure the information we provide and our underlying processes support the credibility and integrity of our reporting. The Group's internal audit function assesses financial, operating, compliance and risk management controls, with oversight from the audit committee. To establish the effectiveness of the control environment, the roles of senior management, internal control functions, internal and external audits, as well as the board subcommittees, are considered.

Report and nature of assurance	Independently externally assured by
Annual Financial Statements: financial information	PricewaterhouseCoopers Incorporated (PwC) – refer to pages 46 to 52 of the Annual Financial Statements
ESG Report: selected key sustainability information	Deloitte & Touche – refer to pages 169 to 173 of the ESG Report

BOARD RESPONSIBILITY STATEMENT

The board, supported by the subcommittees, acknowledges its responsibility to ensure the integrity of the annual reporting suite for the year ended 31 December 2024. This includes the Integrated Annual Report that is prepared in accordance with the Integrated Reporting Framework.

This report was prepared under the supervision of senior management, on behalf of the board, and is subject to a robust internal and external review process. The board reviewed the 2024 Integrated Annual Report to satisfy itself of its veracity and the balance achieved in the report, and to consider whether it reflects the collective mind of the board. The board believes the report presents a balanced view of the Group's performance for the financial year under review and addresses our strategy, business model, material matters, business risks and stakeholder engagement, all of which impact our value creation.

Guided by the audit committee, the board approved the 2024 Integrated Annual Report on 17 April 2025.

Sango Ntsaluba

Sango Ntsaluba
Chairman

July Ndlovu

July Ndlovu
Chief executive officer

23 April 2025

CHAIRMAN'S LETTER

As we reflect on 2024, a year that fortified Thungela's unwavering commitment to our purpose – to responsibly create value together for a shared future – and underpinned our achievements for the year. I am pleased to report that this commitment is exemplified by a business that has operated fatality-free for 25 consecutive months.

Subsequent to the period under review, escalating geopolitical and trade tensions, that include the introduction of punitive trade tariffs between major economies, have heightened the risk of a global recession, thereby increasing commodity price and foreign exchange rate volatility. Demand for our high-quality thermal coal product continues to feature in the global energy mix. Our resolve for growth has been undertaken in a world of geopolitical uncertainties, infrastructure complexities in South Africa and the impact of softer price environments. We however, continue to make significant progress in executing on our strategy.

Our geographic diversification strategy is highlighted by the establishment of the Thungela Marketing International business in the United Arab Emirates (UAE) that marked a significant milestone for our business. We have also acquired a further 15% interest in the Ensham Mine, that will enhance the Group's production profile and earnings. This is a clear demonstration of our ability to operate in various geographies.

In addition, our South African portfolio has shown growth for the first time in three years. Our two life extension projects, in South Africa, continue to progress, as Elders delivered first coal in March 2024 and Zibulo North remains on schedule to be completed during 2026. These projects enable us to maximise value from our existing assets and build a sustainable and long-life competitive business. We are pleased to report that we have signed an extension of the long-term agreement with Transnet Freight Rail (TFR), up to March 2028. This allows TFR time to focus on continuing to improve and stabilise the rail performance.

OUR FIRST VALUE IS SAFETY

Thungela remains unconditional and single-minded on operating a fatality-free business. We have seen substantial advancements resulting from our efforts to improve our safety culture and accountability across all levels of leadership in the business. Our three safety pillars remain the bedrock as we advance on our safety journey – back to basics, leadership visibility and critical controls.

In South Africa, we recorded a historic low total recordable case frequency rate (TRCFR) while in Australia, we materially improved the TRCFR since we took over operational control on 1 September 2023. While we celebrate accomplishments, we remain vigilant, recognising our commitment to ensure that all our employees return home unharmed, to their families each and every day.

DRIVING OUR ESG ASPIRATIONS

Our approach to ESG, through our ESG framework, guides our decision-making across the business. We have clear plans and targets which we monitor regularly. Our aim is unwavering to minimise our impact through all stages of the mining lifecycle while delivering shared value for all our stakeholders.

Environmental

We are committed to responsible environmental stewardship. This entails conserving natural resources, minimising mining's inherent negative impacts and restoring the land we disturb for sustainable, productive use.

Following the environmental incident at the Khwezela Kromdraai site in 2022, all milestones associated with the rehabilitation process have been completed and biomonitoring shows that the Wilge River has returned to a pre-incident condition.

As a company that produces coal, we are acutely aware of our role in addressing climate change. This begins with the transparent disclosure of our climate-related risks and opportunities. We are making good progress toward our de-carbonisation commitment to reduce Scope 1 and 2 greenhouse gas emissions by 30% by 2030. In addition, we have also pledged our pathway to net zero emissions by 2050. These targets have been set from a 2021 baseline and are outlined in detail in the ESG report.

Social

Our purpose, to responsibly create value together for a shared future, enjoins us to share the value we create in a meaningful way, with those most affected by our mining activities, especially our employees and communities. We are pleased to share with you our continued positive impact in several areas.

First, our ambition to "spike on social" in ESG is headlined by the significant cash contributions we have made to the Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust. Together the two trusts have received R1.7 billion since the listing of Thungela in June 2021.

Secondly, our employees are our ambassadors, and creating a workplace where people can be the best of themselves is at the heart of our people approach. As a result, Thungela has been recognised as a top employer of choice for a third consecutive year. This recognises the impressive work we have embarked on in creating an inclusive, fair and diverse culture that enables us to attract and retain the best talent to deliver our strategic priorities.

As we reflect on 2024, a year that fortified Thungela's unwavering commitment to our purpose – to responsibly create value together for a shared future – and underpinned our achievements for the year.

Thirdly, we believe in investing in uplifting the lives of the communities around our mines. In 2024, we launched a comprehensive early childhood education initiative in Mpumalanga. This initiative aims to improve access to quality education and skills development in our host communities schools, contributing to long-term socio-economic development.

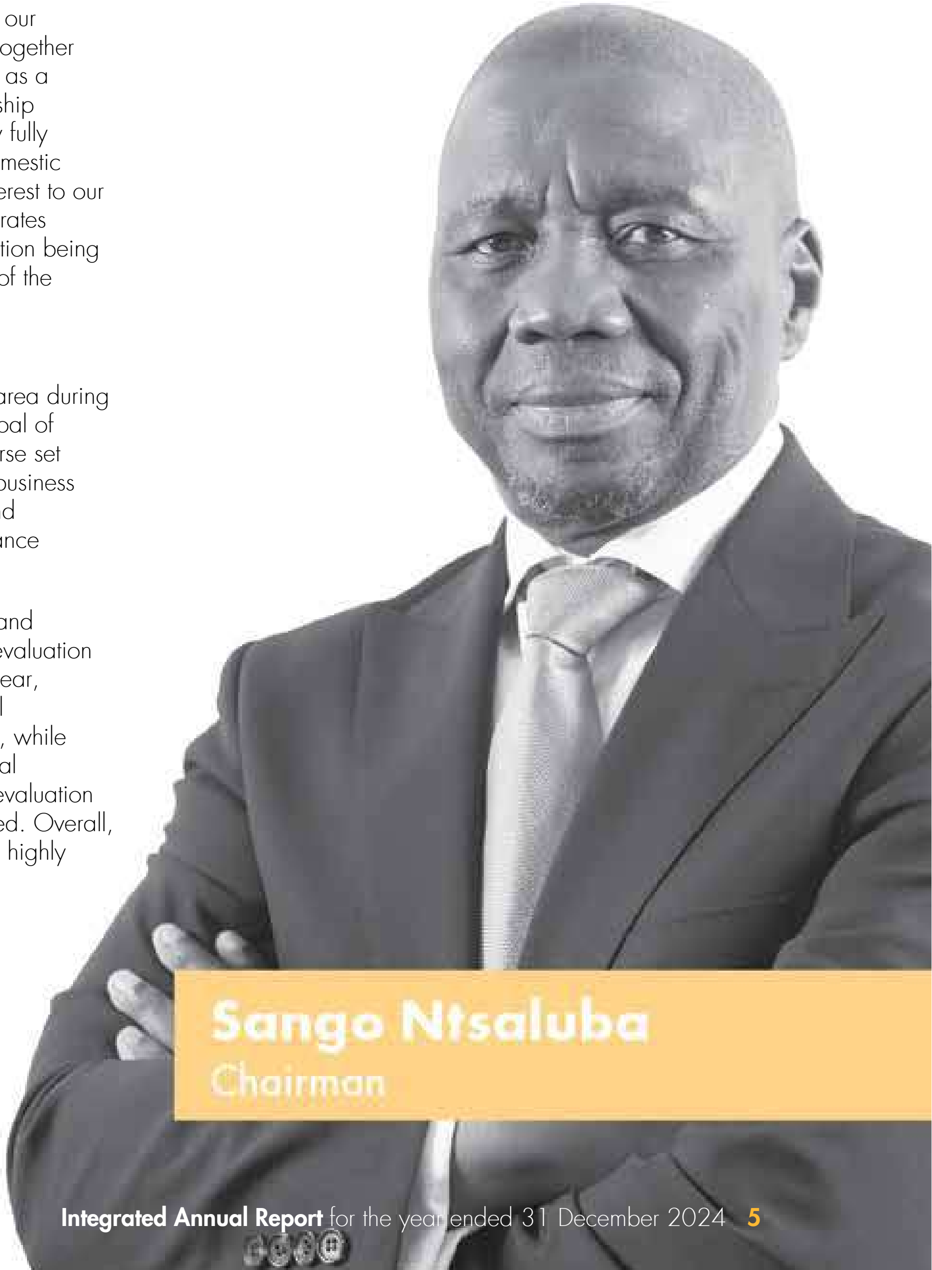
Lastly, we are pleased to deliver another significant transaction that empowers black entrepreneurs in our country. The Rietvlei coal mine was established, together with our black economic empowerment partners, as a domestic-focused coal project, with direct ownership benefits to local communities. With the mine now fully operational and a sustainable value accretive domestic contract in place, Thungela resolved to sell its interest to our black partners in November 2024. This demonstrates economic inclusion with the parties to the transaction being able to fully participate in the economic benefits of the operation.

Governance

Governance effectiveness has been a key focus area during the year and we have progressed towards our goal of becoming a world-class board. The board's diverse set of knowledge, skills and experience informs our business decisions with a commitment to demonstrating and entrenching a culture of ethics and good governance across the Group.

The performance and effectiveness of the board and individual directors are evaluated annually. The evaluation of the board and subcommittees alternate each year, between internal and external appraisals. Internal assessments focus less on individual performance, while external evaluations include 360-degree individual assessments. In 2024, an independent external evaluation of the board and its subcommittees was completed. Overall, the evaluation determined that the board remains highly effective.

The Thungela annual reporting suite provides a transparent account of our performance for 2024. The annual reports have been compiled in accordance with the various reporting frameworks, standards and best practices. This demonstrates our commitment to improve disclosure and meet the evolving reporting expectations of our stakeholders.



CREATING STAKEHOLDER VALUE

The strong 2024 results showcased operational excellence, with both the South African and Australian operations recording strong export saleable production. We are encouraged by the positive developments in Transnet aimed at ensuring reliability of the rail network. The margin contributions from our operation in Australia and the marketing business in Dubai demonstrates the benefits of our geographic diversification strategy.

Thungela's capital allocation framework remains the cornerstone of our strategy and prioritises returns to shareholders. Our approach acknowledges the diverse preferences of our shareholder base and we are accordingly committed to provide returns to our shareholders through a combination of dividends and share buybacks.

The board reaffirms its commitment to the dividend policy, which is to distribute a minimum of 30% of adjusted operating free cash flow△ to shareholders. Total returned to shareholders of R2.3 billion, including share buybacks of approximately R460 million, represents 64% of adjusted operating free cash flow for the financial year 2024, that is above the stated dividend policy of a minimum of 30%.

INVESTING IN OUR FUTURE

In South Africa, our two life extension projects, Elders and Zibulo North Shaft, progress well and remain on schedule and within budget. These projects are crucial for our future growth, competitiveness and sustainability, and their timely execution positions us well for the years ahead.

The Lephalale Coal Bed Methane (LCBM) project, situated in the Waterberg coal field in Limpopo in South Africa, is a significant methane gas resource that we are evaluating for development opportunities. A capital investment will be made in 2025 which will demonstrate the value in the use of the gas.

In line with our geographic diversification strategy, the Group acquired the remaining interest in the Ensham Mine from Bowen Investment, in Australia, and have also entered into an agreement with our co-investors, Audley Capital and Mayfair, to acquire their interest in Sungela Holdings. On completion of this transaction, the Group will own 100% of the Ensham Business. This allows us to fully implement, in a uniform manner, well-established mining practices and processes.

OUR BOARD

We honour the memory of Thero Setiloane, a valued board member, who sadly passed away on 1 May 2024. Thero served as chairman of the social, ethics, and transformation committee, and a member of the audit committee and the health, safety, environment, and risk committee. I thank him posthumously, for his wise leadership and contribution.

We welcome Tommy McKeith to the board of directors, who brings 30 years of invaluable experience to the board. Tommy was appointed as an independent non-executive director, and assumed the roles of chairman of the social, ethics, and transformation committee, and a member of both the audit committee and the health, safety, environment and risk committee, effective 1 October 2024.

We acknowledge that a well planned and managed leadership transition is underway at Thungela. Our current chief executive officer, July Ndlovu, is set to retire at the end of 2025. July's exceptional leadership, extensive mining experience, and strategic guidance has been instrumental in Thungela's growth and success. Under his stewardship, Thungela has navigated complex market dynamics, strengthened its operational excellence, and made significant strides in safety performance and sustainability initiatives. July led the completion of the Group's first major acquisition in Ensham, a strategic decision to reduce the Group's exposure to a single geography.

Following a comprehensive selection process, I am pleased to announce that the board has appointed Moses Madondo as our incoming chief executive officer designate, effective 1 August 2025. Moses brings over 25 years of mining experience, having served in various senior leadership positions, most recently as the chief executive officer of De Beers Group Managed Operations.

To ensure a smooth transition, July will work closely with Moses to facilitate a seamless handover of responsibilities. On behalf of the board and all Thungela stakeholders, I would like to express our deepest gratitude to July for his outstanding contribution to our company and the coal industry, and we wish him well in his future endeavours. At the same time, we warmly welcome Moses and look forward to working with him.

IN CLOSING

As we move into 2025, Thungela is well-positioned to navigate the evolving global energy landscape. Our focus remains steadfast on safety and building operational resilience while executing our strategy. Strengthening our ESG practices and enhancing our disclosures remain at the forefront of our agenda, reflecting our commitment to responsible mining, environmental stewardship, and positive community impact.

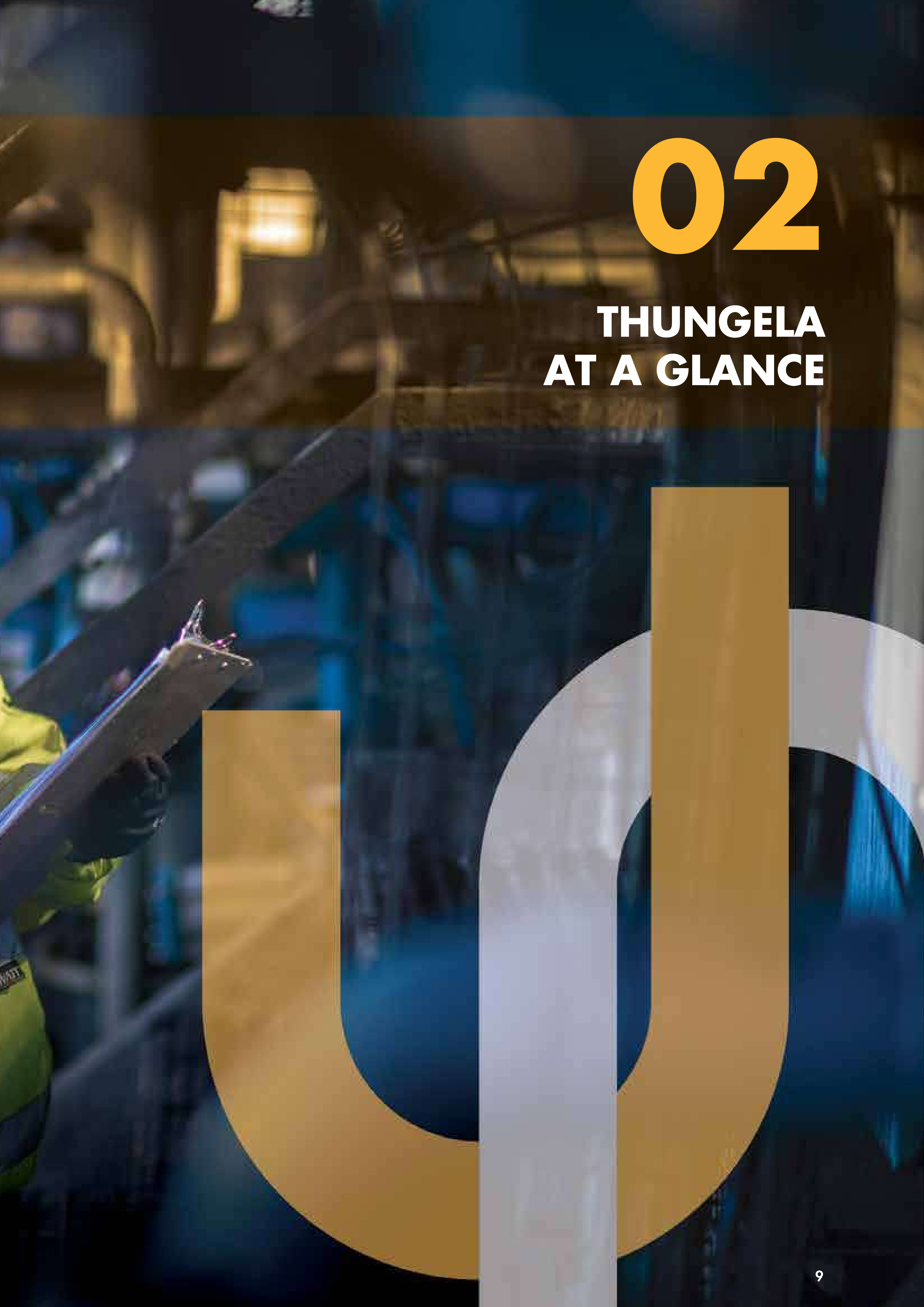
We recognise that our success is built on our people, and we remain committed to developing a diverse and talented workforce that will successfully drive Thungela's strategy into the future.

Lastly, on behalf of the board, I sincerely thank our employees, shareholders, and all stakeholders for their continued support and trust. I want to also thank my board colleagues for their support during the year.

Sango Ntsaluba

Sango Ntsaluba
Chairman

23 April 2025



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THUNGELA AT A GLANCE

ABOUT THUNGELA

Thungela, which means 'to ignite' in isiZulu, is a global pure-play producer and exporter of high-quality, cost-competitive 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, as an event after the reporting period.

The establishment of Thungela Marketing International in Dubai underscores the Group's commitment to capture 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 Richards 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.

WHO WE ARE

Who we are

We are a future-oriented, pure-play producer and exporter of thermal coal with an expanding global footprint.

Our culture

Our people are the heartbeat of our organisation. Our high-performance culture values excellence, agility and accountability.

Ambition

To create and deliver value for all our stakeholders.

VALUES

Safety

We are unconditional about protecting the lives of all our people – at work and at home – in health and wellbeing.

Care and Respect

We show humanity to all through our commitment to make a positive impact where we can.

Accountability

We take responsibility for our decisions, actions and performance, to grow in success and learn in failure.

Excellence

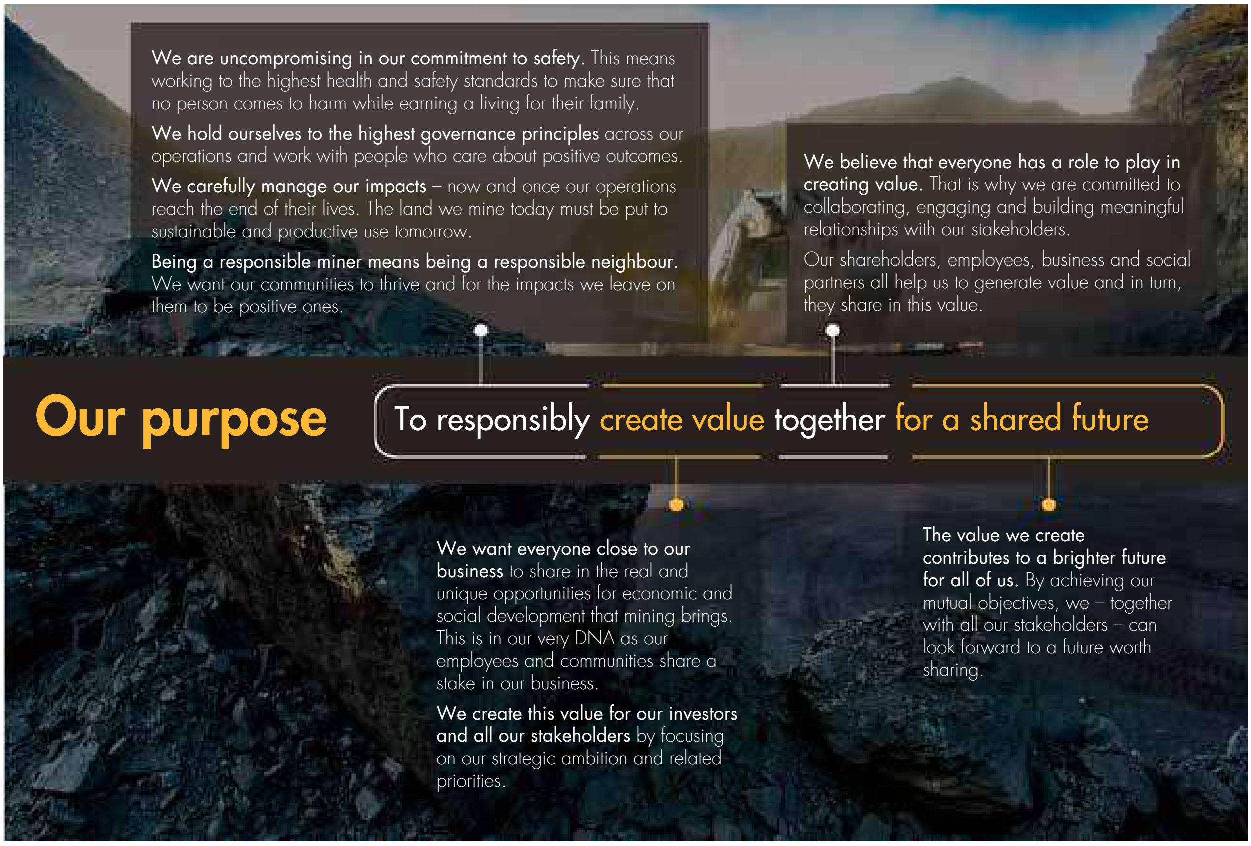
We are passionate about being the best at what we do and always seek to raise the bar.

Agility

We stay well-informed, ensuring our ability to be responsive, keep things simple and make quick decisions.

Entrepreneurship

We have an owner's mindset because we know that every small change adds to greater impact.



OUR CULTURE

Our business is built by our people, for our people and stakeholders. That is why we are passionate about giving them a working environment that supports their personal aspirations and professional goals.

We Enrich

We offer an enriching world of work in which employees are encouraged to fulfil their potential. Individual development plans, exciting career paths and opportunities to stretch and develop themselves are the tools we give our employees to do this.

We Energise

We are bold, ambitious and driven by an owner mindset. This creates an engaged workforce that drives our high-performance culture.

We Embrace

Being a good employer means creating a sense of belonging where people can bring their whole selves to work. We believe in embracing the differences that make our people, and our business, unique.

We Empower

We empower our employees with the trust and autonomy they need to achieve results. Where possible, we have flexible productive working arrangements. We also support a healthy work-life balance.

We Engage

We support agile decision-making and honest open communication. Our leaders strive to always be engaged and open to ideas, including dissenting views. This is how we grow together.

We Care

Core to our culture is the Thungela value of Care and Respect. Beyond caring for our people's safety and overall wellbeing, we care for our environment and communities in which we operate.

OUR SOUTH AFRICAN OPERATIONS

GREENSIDE COLLIERY

Market: export and domestic

Coal Resources

- Measured: 7.9Mt
- Indicated: 4.0Mt

Coal Reserves

- Proved: 10.4Mt
- Probable: 1.9Mt

Mining method: underground – bord and pillar

Life of mine (LOM): 4 years

KHWEZELA COLLIERY

Market: export

Coal Resources

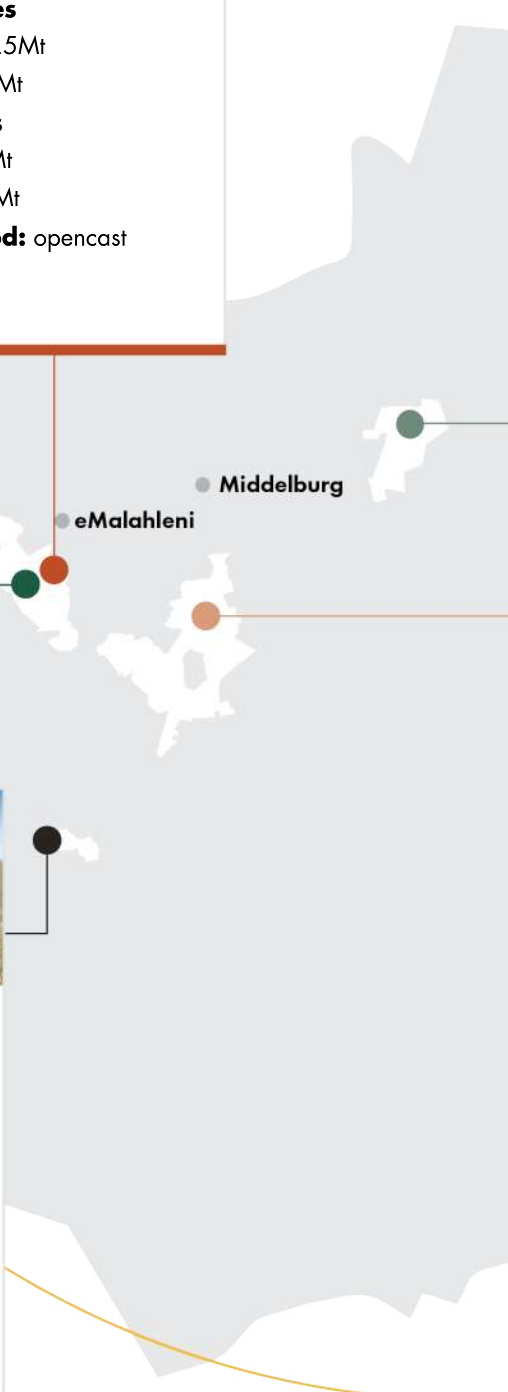
- Measured: 39.5Mt
- Indicated: 8.9Mt

Coal Reserves

- Proved: 21.9Mt
- Probable: 1.5Mt

Mining method: opencast

LOM: 5 years



ZIBULO COLLIERY

Market: export and domestic

Coal Resources

- Measured: 377.3Mt
- Indicated: 55.8Mt

Coal Reserves

- Proved: 21.3Mt
- Probable: 22.0Mt

Mining method: underground – bord and pillar, and opencast

LOM: 8 years

ISIBONELO COLLIERY

Market: domestic

Coal Resources

- Measured: 15.3Mt
- Indicated: —

Coal Reserves

- Proved: 3.9Mt
- Probable: —

Mining method: opencast

LOM: 1 year

MAFUBE COLLIERY[1]

Market: export

Coal Resources

- Measured: 29.5Mt
- Indicated: 1.2Mt

Coal Reserves

- Proved: 82.6Mt
- Probable: 33.0Mt

Mining method: opencast

LOM: 19 years

[1] Resources and Reserves are shown at 100%.

GOEDEHOOP COLLIERY

Market: export and domestic

Coal Resources

- Measured: 236.5Mt
- Indicated: 9.0Mt

Coal Reserves

- Proved: 2.6Mt
- Probable: 0.2Mt

Mining method: underground – bord and pillar

LOM: 1 year

OUR AUSTRALIAN OPERATION

ENSHAM MINE

Market: export

Coal Resources[1]

- Measured: 4.5Mt
- Indicated: 465.4Mt

Coal Reserves[1]

- Proved: 26.2Mt
- Probable: 42.6Mt

Mining method: underground - bord and pillar

LOM: 20 years

[1] Reserves and Resources are shown at 100%.

OPERATION

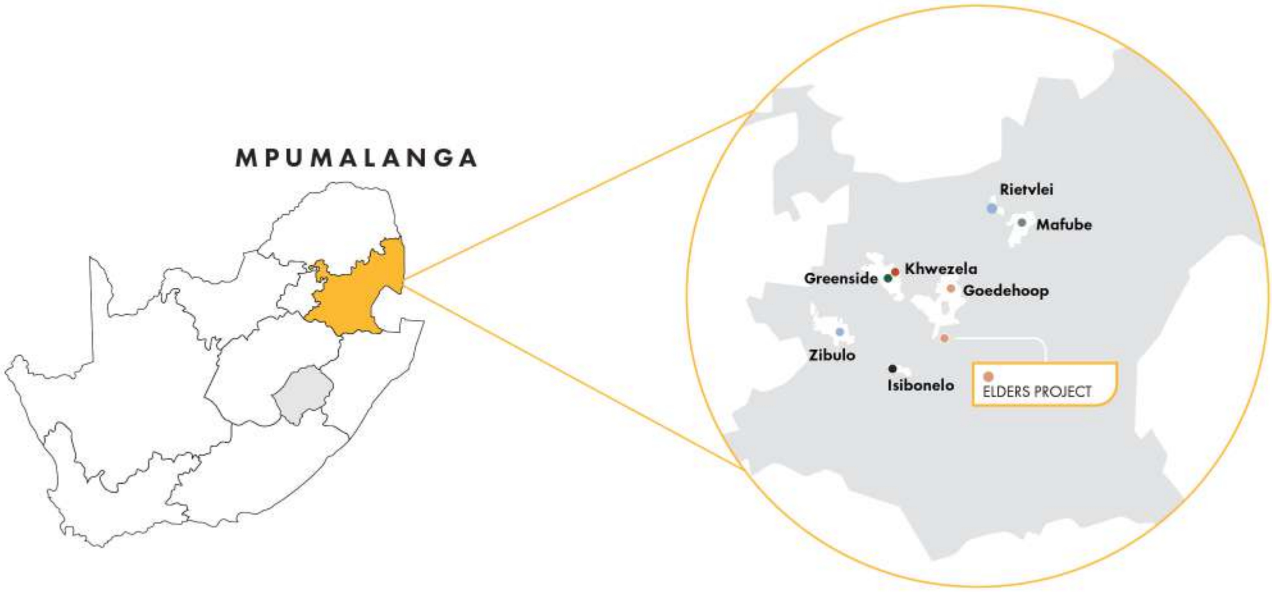
ENSHAM

Ensham is an underground thermal coal mine located in the Bowen Basin in Queensland, Australia. Thungela Resources Australia Pty Limited (Thungela Resources Australia) owns 72.5% of Sungela Holdings. Sungela Holdings owns 85% of the Ensham Mine. On 28 February 2025, a further 15% interest in the Ensham Mine was acquired. On 14 March 2025, we announced that we entered into an agreement with Audley Capital and Mayfair to acquire their 27.5% interest in Sungela Holdings. Upon completion of this transaction, the Group will own 100% of the Ensham Business.

Ensham extracts coal using a fully mechanised bord and pillar mining method, mining two main economical seams. The thermal coal mined from underground is crushed and does not require further beneficiation. The Blackwater rail system traverses the property, connecting the dedicated rail load-out terminal with the Port of Gladstone.

The current LOM plan for Ensham is scheduled to complete mining declared reserves by 2044. We are evaluating priority exploration targets and determining the optimal portions of the Mineral Development Licences for conversion into mining licences in order to take advantage of the full potential of Ensham's resources.

OUR PROJECTS
ELDERS



The Elders production replacement project is an underground mine that is designed to replace the volumes from the Goedehoop Colliery, as that operation nears the end of its life. It is anticipated that this project will sustain regional jobs and existing community suppliers.

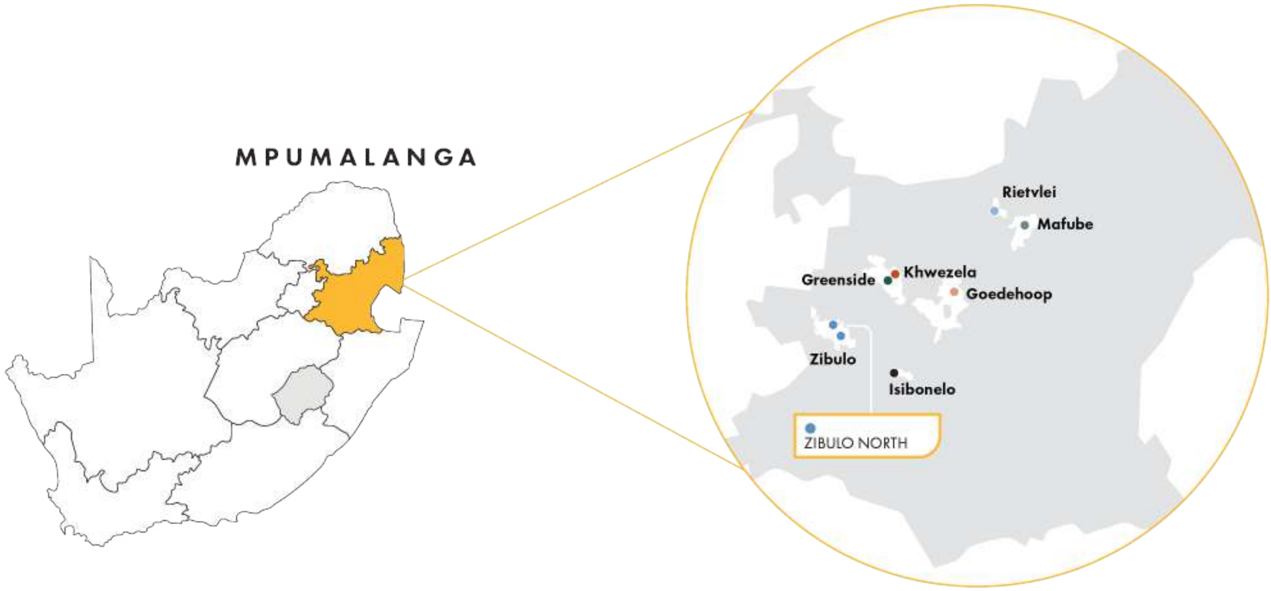
The Elders on-site infrastructure is planned to facilitate the production of up to 4.0Mtpa of run of mine (ROM) when it reaches steady state in 2026. Initially, the focus will be on extracting coal from the higher-quality No 2 Seam, with the flexibility to mine the No 4 Seam sequentially or simultaneously based on market demand. The No 2 Seam is well suited to produce a washed 5,700kcal/kg export product while the No 4 Seam is better suited for domestic customers as a lower-grade domestic product.

To date, we have incurred capital expenditure of R1.8 billion, with a further R100 million to be spent to complete the project. Project construction was completed in the last quarter of 2024 and ramp-up is in progress.

KEY STATISTICS

Expected capital expenditure (capex) to completion	R1.9 billion
LOM	12 years steady-state (No 2 Seam)
Production profile	4.0Mtpa ROM (No 2 Seam)
Quality	5,700kcal/kg

OUR PROJECTS
ZIBULO NORTH SHAFT



The Zibulo North Shaft project will enable access to the Zondagsfontein West reserves, extending the LOM to 2040, and ensuring the continued utilisation of the full wash capacity allocation of the Phola Coal Processing Plant. The new shaft will improve operational efficiency and optimise the cost structure by reducing travel distances to the coal face. This will further mitigate the loss of ROM production as the opencast operation reaches end of life in 2025, and will de-risk the Zibulo operation through access to additional panels.

The new shaft is positioned approximately 8km northwest of the existing shaft on the edge of the Zondagsfontein West resource area, which was acquired and licensed at the same time as the Zondagsfontein East (current Zibulo) mining area.

The on-site infrastructure is aimed at sustaining ROM production of up to 8Mtpa after the initial underground development has been completed. The export product quality will target a 5,700kcal/kg based on current operational strategies, while production beyond 2035 will target a domestic market.

A total investment of R1.8 billion has been incurred to date, with more than 70% of the project complete. We are expecting to spend a further R800 million in 2025 and 2026 to complete the project.

KEY STATISTICS

Expected capex to completion	R2.6 billion
LOM extension	Through to 2040
Production profile	Maintain 8Mtpa ROM
Quality	6,000kcal/kg 5,700kcal/kg

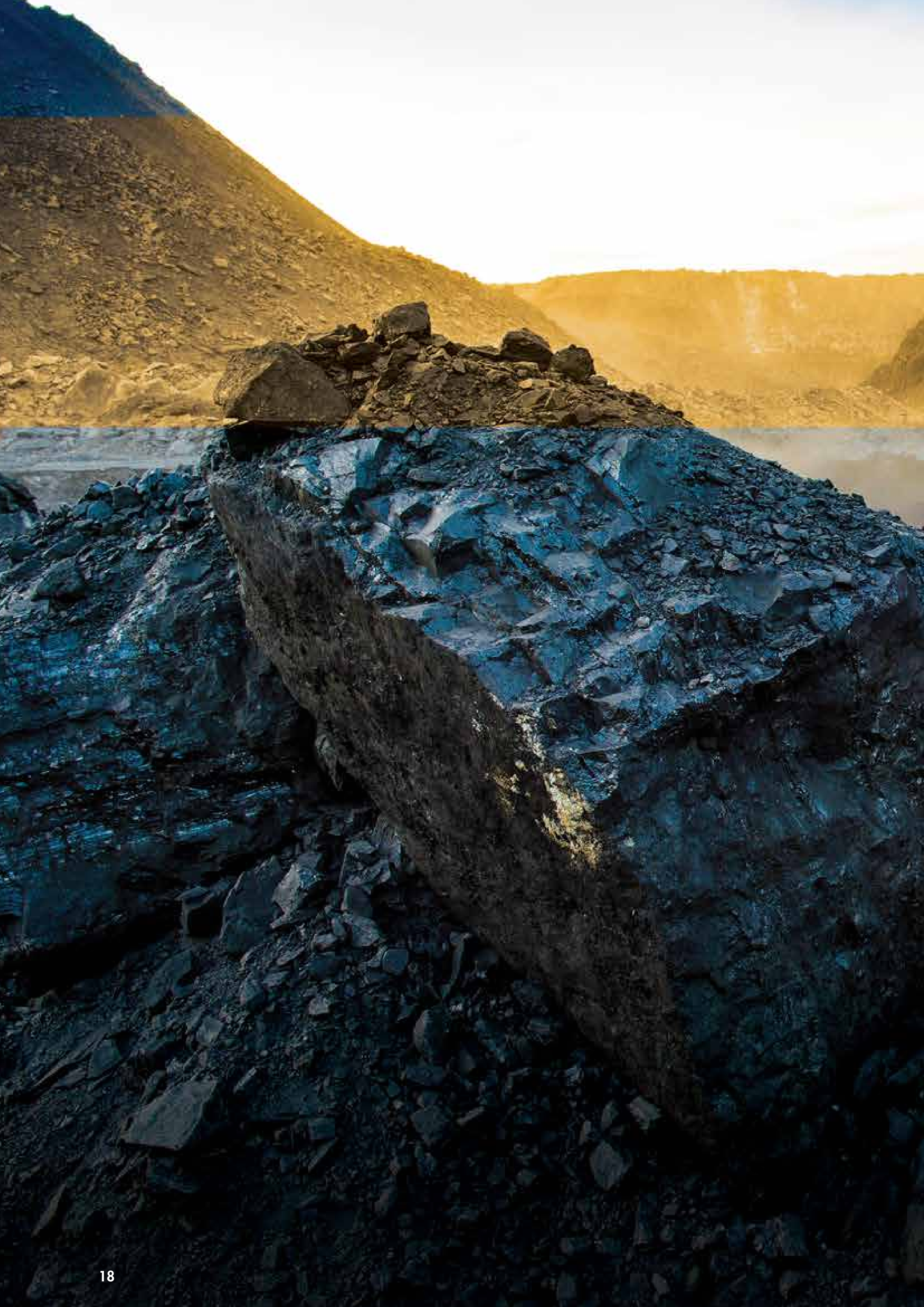
OUR PROJECTS
LEPHALALE COAL BED METHANE

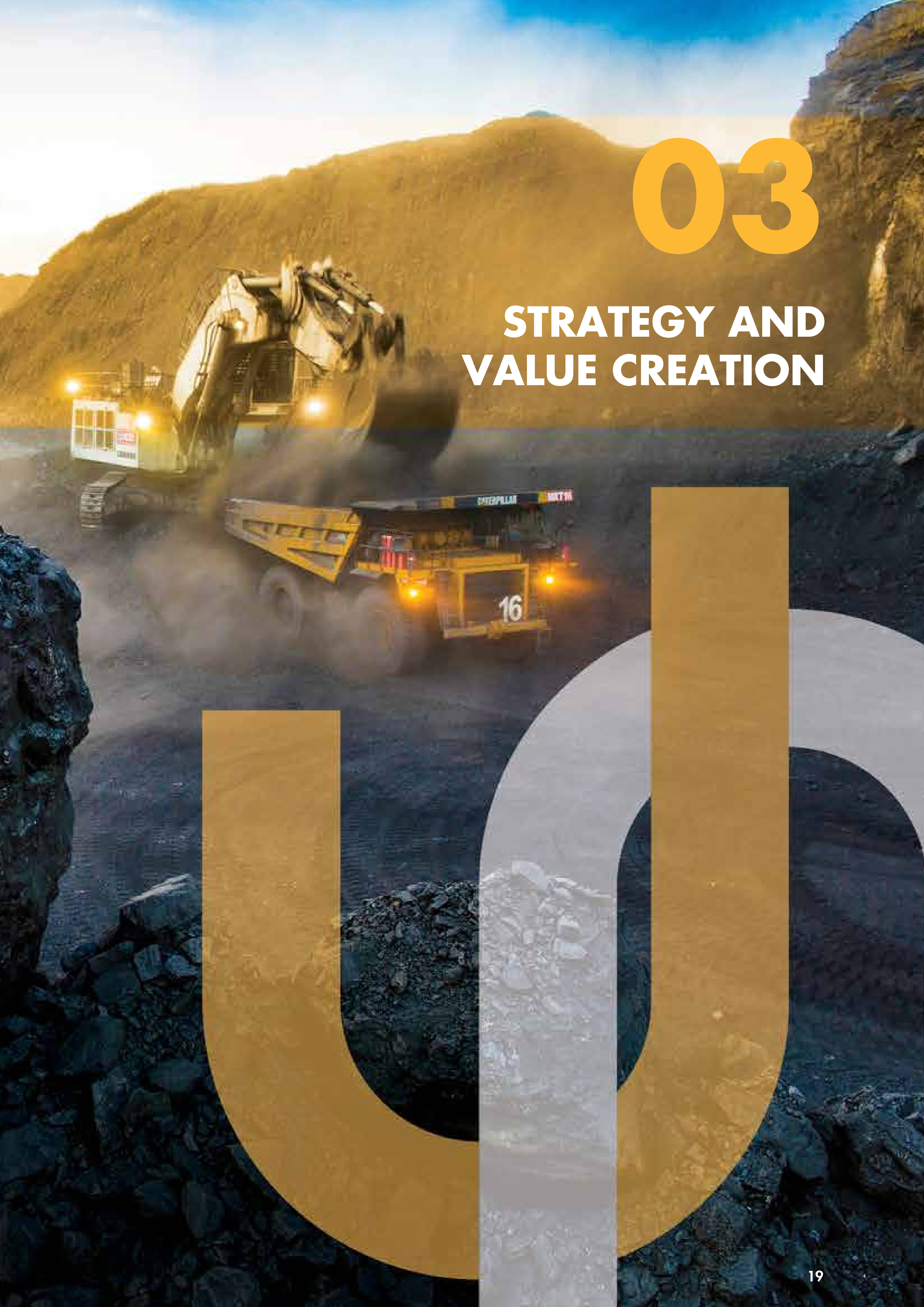
OVERVIEW

The LCBM project is located approximately 30km north-east of the town of Lephalale within the largely undeveloped Waterberg coalfield in Limpopo, South Africa. Thungela holds an exploration right, which covers a total area of approximately 132,000 hectares and owns approximately 12,500 hectares of surface rights within the exploration right footprint.

POTENTIAL DEVELOPMENT

Thungela has initiated a capital investment of R400 million for the acquisition of a modular liquefied natural gas (LNG) plant and the associated site infrastructure, which will demonstrate the value in use of the gas resource. The LNG will initially be used to generate power at one of our operations, in order to reduce the impact of load curtailment during periods of electricity shortage.





03

STRATEGY AND VALUE CREATION

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Our 2024 results demonstrate continued operational excellence and underscore the disciplined execution of our strategic priorities. Full-year export saleable production exceeded guidance in both South Africa and Australia. Notably, South African production grew for the first time in three years due to increased productivity and improved rail performance. The higher production and a focus on cost efficiencies resulted in a free-on-board (FOB) cost per export tonne△ below guidance. Our two key life extension projects, Elders and Zibulo North Shaft, remain on schedule and on budget. Safety remains our first value and we are unconditional about protecting the lives of our people. We are proud to report that we have been operating a fatality-free business for 25 consecutive months.

Our increased focus on accountability and our safety culture is delivering meaningful safety improvements. The Group total recordable case frequency rate (TRCFR) was 1.93, compared to 2.80 in 2023. South Africa achieved a historic low TRCFR of 1.07, compared to 1.40 in the prior year. In Australia, the TRCFR improved significantly to 13.21, compared to 22.63 in the full year 2023, reflecting a strong focus on improving conditions, leadership visibility and critical controls.

Group revenue increased by 16% year-on-year to R35.6 billion, as Ensham was included for the full 12 months in 2024, in comparison to the four months following acquisition in the prior year (September to December 2023). The Group generated adjusted EBITDA△ of R6.3 billion and net profit of R3.5 billion, with the Ensham Business contributing R676 million to net profit in 2024. The margin contribution from our operation in Australia and the marketing business in Dubai showcase the benefits of our geographic diversification strategy. The Group ended the year with net cash△ of R8.7 billion.

While the impact of a softer price environment across the Richards Bay and Newcastle Benchmark coal prices continues to impact our financial results, it is encouraging to note the improvement in the performance of Transnet Freight Rail (TFR) post the annual maintenance shutdown period, which was completed in July 2024. TFR achieved a run rate of 51.9Mtpa for 2024, an 8.4% increase in performance from 2023 for the industry, with an average annualised run rate of 56.2Mt in the second half of the year, from an annualised run rate of 47.3Mt in the first half of the year.

In South Africa, export saleable production of 13.6Mt ended above the guidance range of 11.5Mt to 12.5Mt, and increased by 11% year-on-year, from 12.2Mt in 2023. The higher production output in 2024 was particularly notable given that three underground mining sections were removed in 2023 in response to the rail constraints. In line with the improved rail performance, our South African operations ramped up production without adding additional capacity or material cost to the business.

FOB cost per export tonne excluding royalties△ of R1,130 was below the low end of the guidance range of R1,170, mainly due to higher production volumes.

In Australia, Ensham recorded strong export saleable production of 4.1Mt (on a 100% basis), an increase of 52% from the annualised run rate of 2.7Mt at the date of acquisition. The improvement is mainly attributable to productivity projects and the reconfiguration of the mine to include a fault development crew dedicated to traversing geological faults, while the remaining sections mine in productive areas. FOB cost per export tonne excluding royalties△ of R1,433 was below the low end of the guidance range of R1,590, mainly driven by higher production and cost initiatives implemented during the year.

Global thermal coal market landscape

The softer thermal coal price environment continued throughout the year. Milder winter conditions in the Northern Hemisphere led to subdued demand in Europe, where coal and gas stock levels remained elevated, impacting the South African coal market. The market for high calorific value product from Australia was shaped by high stock levels brought upon by sluggish seaborne demand in the main Asian coal markets, such as China, India, Japan and South Korea.

We remain confident in the long-term fundamentals of the role of coal in the energy mix in support of global energy demand. The International Energy Agency confirmed in its '*World Energy Outlook 2024*' report published in October 2024, that the outlook for coal demand remains firm. There is strong energy demand from emerging markets, with countries such as China and India continuing to invest in new coal-fired power stations to meet the energy needs required to sustain economic growth, as well as demand that is maintained due to delays in projected closure dates for existing coal-fired power stations. Seaborne traded thermal coal demand is expected to remain close to one billion tonnes in 2025. It is important to note that the higher coal demand in these regions more than offsets the decline in the use of coal in developed economies.

Ongoing geopolitical tensions and uncertainties continue to impact the energy markets, leading to coal and gas supply volatility. Seaborne thermal coal market supply may be impacted by in-country supply in key emerging markets, such as China and India.

Progress on our strategic priorities

We have made significant progress in 2024 towards building a sustainable and long-life business across our geographies. In South Africa, our two life extension projects, Elders and Zibulo North Shaft, are key to improving our life of mine and long-term competitiveness, and remain on schedule and within budget. Total expansionary capital expenditure for these two projects since commencement is R3.6 billion. The construction phase of the Elders project is complete, and the ramp-up is progressing well, with the deployment of two production sections to date. The mine is anticipated to produce at a run rate of 4Mt of run of mine coal per annum, upon reaching steady state in early 2026. The Zibulo North Shaft project is ongoing with completion expected in 2026, which will extend the current underground operation's life to 2038. The mine is expected to produce at a run rate of up to 8Mt of run of mine coal per annum on completion of the project.

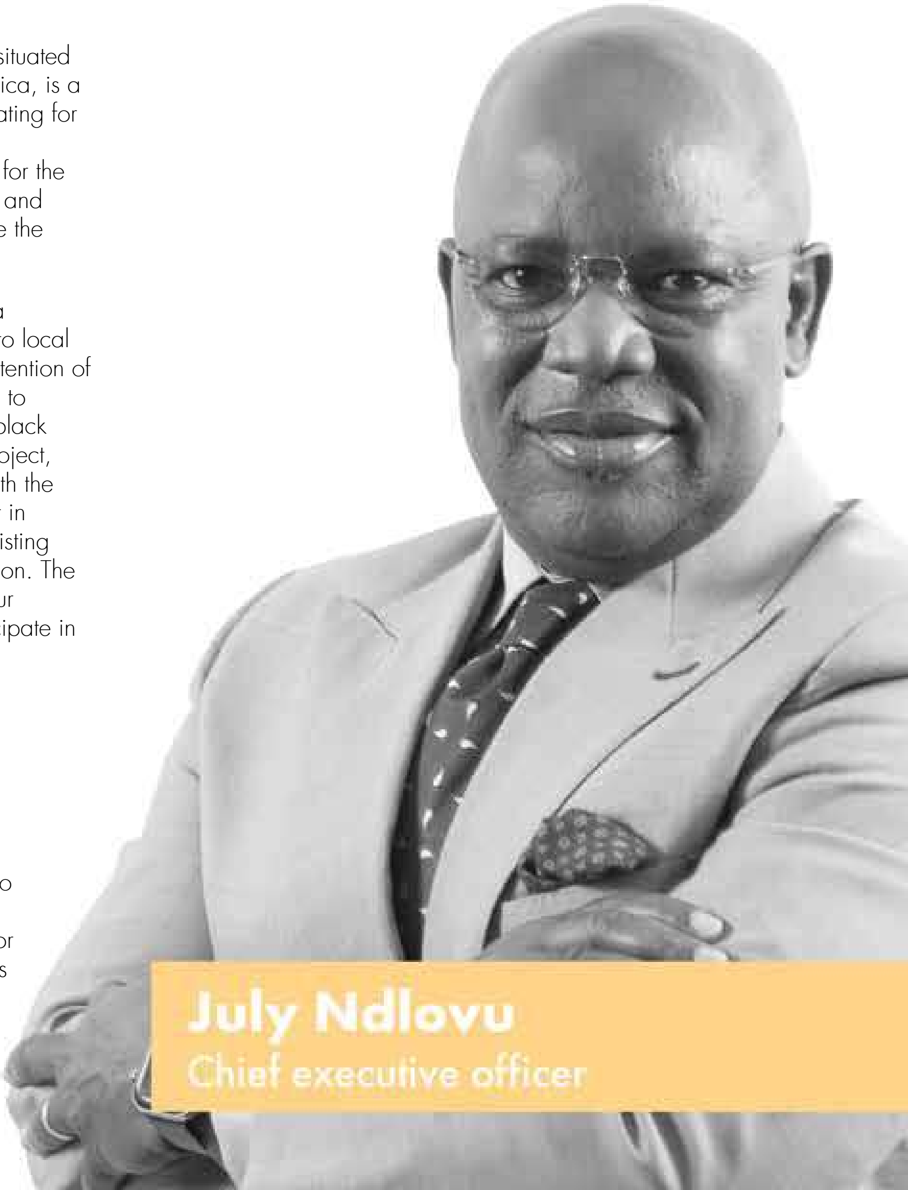
The Lephalale Coal Bed Methane (LCBM) project, situated in the Waterberg coal field in Limpopo in South Africa, is a significant methane gas resource that we are evaluating for development opportunities. A capital investment of approximately R400 million will be made in 2025 for the acquisition of a modular liquefied natural gas plant and associated site infrastructure, which will demonstrate the value in use of the gas.

The Rietvlei coal mine was established to develop a domestic-focused coal project with a direct benefit to local communities through an equity shareholding. The intention of Thungela, with an effective 34% shareholding, was to ensure the sustainability of the operation while our black economic empowerment partners developed the project, and at the appropriate time to exit our position. With the mine now fully operational and a domestic contract in place, Thungela resolved to sell its interest to the existing partners for a total cash consideration of R186 million. The transaction demonstrates economic inclusion and our partners, together with the local communities, participate in the full economic benefits of the operation.

In December 2024, we announced our intention to acquire a further 15% interest in the Ensham Mine for a total consideration of AUD48 million. We are pleased to advise that the relevant conditions precedent have been met, and the transaction was completed on 28 February 2025. On 14 March 2025, we also announced that we had entered into an agreement with Audley Capital and Mayfair 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. Upon completion of this transaction, the Group will own 100% of the Ensham Business.

These transactions enable us to further execute our geographic diversification strategy in Australia, enhancing the Group's production profile and earnings, as well as maximising value through Thungela Marketing International.

The resource development plan at Ensham, which was initiated post acquisition, is progressing well. This will assist us to identify the full potential of the asset and the related capital required to extract value from brownfield opportunities.



July Ndlovu
Chief executive officer

Shareholder returns and capital allocation

In 2024, we completed two share buybacks for a total consideration of R601 million, or 3.2% of issued share capital. The share buybacks acknowledge the diverse preferences of our shareholder base and reflect our confidence in the Group's attractive long-term outlook and robust financial position.

The Group generated cash flows from operating activities of R5.3 billion for the year. After investing R1.7 billion in sustaining capital expenditure△, this resulted in an adjusted operating free cash flow△ of R3.6 billion for the year. We remain committed to building a long-life competitive business with an expansionary capital spend of R1.7 billion during 2024.

Driving our ESG aspirations informs our approach to our existing business, how we plan future projects and how we evaluate potential acquisitions. In Australia, we contributed R970 million into an investment vehicle, similar to the green fund in South Africa, to secure the necessary financial surety for the Ensham rehabilitation liabilities, while we pursue acceptance into the Queensland Financial Provisioning Scheme. In South Africa, we contributed a further R204 million into the green fund in 2024. Including these investment contributions, as well as the ongoing spend on rehabilitation activities, the Group environmental liability coverage△ has increased to 54%, compared to 40% in 2023.

At 31 December 2024, the Group's net cash△ position was R8.7 billion. We continue to reserve R900 million to fund our life extension projects to completion and R400 million for the LCBM project. Given the current weak market conditions, the board considers it appropriate to maintain a cash buffer of R5.4 billion. The Group holds undrawn credit facilities of R3.2 billion.

The board reaffirms its commitment to the dividend policy, which is to distribute a minimum of 30% of adjusted operating free cash flow△ to shareholders. A final dividend of R11 per share has been declared, taking total dividend to R13 per share. The board has also approved a share buyback of up to R300 million. Total returned to shareholders, including share buybacks of R460 million, is 64% of adjusted operating free cash flow△ for 2024.

Since listing the business in 2021, the Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust have together received R1.7 billion, including R204 million relating to 2024, demonstrating Thungela's ability to deliver strong returns to all of our stakeholders.

Looking ahead

In line with our purpose - to responsibly create value together for a shared future - we are confident that our disciplined capital allocation approach will ensure that Thungela delivers value for our people, communities and stakeholders over the long term.

In particular, our focus remains on operating a fatality-free business and delivering operational excellence by controlling the controllables. As we position the business to take advantage of the long-term fundamentals supporting coal demand globally, we remain committed to productivity improvements and to enhancing the cost competitiveness of our operations, driven by the Elders and Zibulo North Shaft projects. We are confident that executing our strategic priorities will create meaningful shareholder value.

July Ndlovu

July Ndlovu
Chief executive officer

OUR STRATEGY

Our five strategic pillars enable us to deliver on our purpose to responsibly create value together for a shared future.

Safety

Safety is our first value. We do not waver in our commitment to operating a business that is free of fatalities and injuries.

Drive our ESG aspirations

ESG remains at the heart of our strategy and informs our approach to our existing business, how we plan future projects, and how we evaluate potential acquisitions. We maintain a broad ESG perspective, recognising the socio-economic implications in and around our business while managing a transition to a low-carbon future.

Maximise the full potential of our existing assets

We are continuously improving the competitive positioning and cash generation of the assets we own and operate today – through productivity initiatives and the execution of approved capital projects, on schedule and within budget.

Create future diversification options

We continue to develop a future pathway for our business by pursuing geographic diversification and leveraging our core skills. We also consider the divestment or winding down of high-cost tonnes or stranded resources within our portfolio.

Optimise capital allocation

The ongoing implementation of an efficient capital allocation strategy, based on our approved investment evaluation criteria, ensures that any capital allocation options compete with additional shareholder returns in the form of additional dividends and share buybacks.

OUR INVESTMENT EVALUATION CRITERIA

Our investment evaluation criteria have been designed and implemented to optimally balance responsible stewardship with the need to upgrade our portfolio and create shareholder value. They have been and continue to be critical to all investment decisions, ensuring that any investment competes with additional shareholder returns. We continue to evaluate all merger and acquisition opportunities against these criteria.

Responsible stewardship

Environmental	Social	Governance
• Consider the impact on global carbon output • No net loss of biodiversity	• Support existing regional communities and the supplier base	• Improved transparency and accountability

Upgrade our asset portfolio

Cost/margin curve	Payback	Capital intensity
• Target lower half of global seaborne cost curve	• Target short payback periods	• Competitive capex per tonne when compared to alternative options

Maximise shareholder value

Net present value/capex	Internal rate of return	Closure costs
• Net present value • Capital efficiency	• Internal rate of return higher than our nominal weighted average cost of capital	• Cash flows to fund closure cost provisions beyond current life of mine

STRATEGIC FOCUS AREAS

We continue to execute on our strategy and monitor several focus areas.

Safety

Initiatives	Outcomes
Relentless drive to operate a business free from fatalities and injuries	• No fatalities in 2024 • Group TRCFR of 1.93

Drive our ESG aspirations

Initiatives	Outcomes
Implement optimised rehabilitation and closure plans	• Ongoing optimisation of rehabilitation activities, planning and associated costs
Operate with a credible pathway to net zero by 2050	• 4MW solar photovoltaic plant commissioned in November 2024 • Delivering carbon and energy intensity reductions across the business • Identifying emissions off-setting opportunities that support our strategy
Continue to create shared value	• R204 million total contribution to employee and community trusts[1] based on the 2024 financial performance

Maximise the full potential of our existing assets

Initiatives	Outcomes
Deliver productivity improvements	• Productivity initiatives successfully implemented across our South African portfolio as well as at Ensham during 2024
Enable an optimised cost structure	• Cost containment initiatives implemented during 2024, with a focus on targeting cost reduction across the Group
Optimise use of rail and port infrastructure to enhance marketing optionality	• Improved rail performance increases our ability to optimise our products to achieve improved realised prices • Thungela Marketing International achieved higher premiums and lower discounts in the second half of the year • Supported several TFR initiatives, through the coal industry forums
Develop and deliver production replacement and life extension projects	• The Elders and Zibulo North Shaft projects are on schedule and in line with budget

Create future diversification options

Initiatives	Outcomes
Divestment of stranded resources and high-cost tonnes	• Divestment of our 34% interest in Rietvlei Mining Company Proprietary Limited (RMC) to a 100% historically disadvantaged South African company aligns with our focus on high-margin operations
Geographic diversification	• Ongoing evaluation of opportunities that includes Australia, given our presence in this region
Diversification where we have demonstrated our 'right to win'	• Ongoing evaluation of various options in accordance with our investment evaluation criteria

Optimise capital allocation

Initiatives	Outcomes
Maintain liquidity buffer throughout the commodity cycle	• The liquidity buffer remains in line with the needs of the Group
Evaluate projects and acquisition opportunities which deliver superior returns over time	• Several acquisition opportunities were evaluated during 2024, focusing on value-adding transactions • The Elders and Zibulo North Shaft extension projects remain on schedule and in line with budget
Shareholder approval for share buybacks	• Two share buybacks were completed in 2024, amounting to R441 million and R160 million, respectively. Announced a share buyback of up to R300 million

[1] Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust

BUSINESS MODEL

Our business model is designed to deliver on our purpose – to responsibly create value together for a shared future. Thungela seeks to create and preserve value for our stakeholders by effectively managing various resources and relationships, known as the six capitals, as referred to in the Integrated reporting framework.

CAPITAL INPUTS

The resources and relationships we rely on are informed by our strategic intent and values

Financial

Strategic pillar: Optimise capital allocation

Value: Accountability – we take responsibility for our decisions, actions and performance to grow in success and learn from failure

- Equity capital
- Cash flow and working capital management
- Self-insurance structure
- Capital allocation

Social and relationship

Strategic pillar: Drive our ESG aspirations

Value: Care and Respect – we show humanity to all through our commitment to make a positive impact where we can

- Social contract with host communities and government
- Ongoing interactions with regulators and tax authorities
- Engagement with trade unions
- Regular engagement with shareholders and the investor community
- Relationships with suppliers

Natural

Strategic pillar: Maximise the full potential of our existing assets

Value: Entrepreneurship – we have an owner's mindset because we know that every small change adds to greater impact

- In situ 784.9Mt Coal resources and 201.3Mt Coal reserves
- Land managed: 70,047 hectares
- Freshwater abstraction: 1170ML
- Energy consumed: 3.74 million GJ
- Electricity: 484,256MWh
- Diesel: 54,007kl

Manufactured

Strategic pillar: Maximise the full potential of our existing assets

Value: Excellence – we are passionate about being the best at what we do and always seek to raise the bar

- Six mining operations in South Africa
- One mine in Australia
- Port infrastructure (23.56% ownership in RBCT)
- Rail entitlement in South Africa and Australia

Human

Strategic pillar: Safety

Value: Safety – we are unconditional about protecting the lives of all our people – at work and at home – in health and wellbeing

- Employees: 4,754
- Contractors: 2,349
- Inclusive culture, promoting diversity and skills development training

Intellectual

Strategic pillar: Create future diversification options

Value: Agility – we stay well-informed, ensuring our ability to be responsive, keep things simple and make quick decisions

- Integration of Ensham
- Establishment of Thungela Marketing International
- Intellectual property (processing plants)
- Brand excellence
- Partnerships and joint ventures
- Leadership and talent management

BUSINESS ACTIVITIES

We are a future-oriented, leading thermal coal business

Resource conversion

- Evaluation of resources aligned with long-term business planning and strategy
- Successful track record in developing resources

Mining

- Effective, efficient and responsible open-pit and underground coal mining

Processing

- Production of high-quality export thermal coal through wash plants
- Production of domestic thermal coal to meet customer specifications

Sales and marketing

- High calorific value thermal coal destined for export markets
- Focus on margin-driven commercial opportunities
- Guaranteed access to key export markets through a leading global coal export terminal
- Establishment of Thungela Marketing International to enhance the value of our coal

Closure and rehabilitation

- The remediation and/or redevelopment of the land to a sustainable state

Stewardship

- Sustainable and responsible use of resources
- Collaborative partnerships aimed at empowering and uplifting surrounding communities and employees
- A well-established leadership team guided by codes of governance

OUTPUTS

What we produce

Primary

- Export saleable production: 17.7Mt
- Export equity sales: 16.7Mt
- Domestic saleable production: 9.5Mt

Secondary

- Greenhouse gas (GHG) emissions (Scope 1 and 2): 1065ktCO_2 equivalent
- Total waste to landfill: 3,977 tonnes

We require inputs of each capital to deliver on our strategy as we advance on some of our prioritised UN SDGs. We consider the availability of the capitals and the trade-offs between them as we seek to maximise positive outcomes and limit value erosion.

OUTCOMES

To create and preserve value for all our stakeholders

TRADE-OFFS

Navigating organisational decisions to achieve strategic balance

Financial

- Revenue: R35.6 billion (2023: R30.6 billion)
- Adjusted EBITDA: R6.3 billion (2023: R8.5 billion)
- Adjusted operating free cash flow: R3.6 billion (2023: R6.8 billion)
- Net cash at 31 December 2024: R8.7 billion (2023: R10.2 billion)
- Capex: R3.4 billion (2023: R3.3 billion)
- EPS: R26.76 per share (2023: R37.66 per share)
- HEPS: R25.59 per share (2023: R34.97 per share)
- DPS: R13 per share (2023: R20 per share)
- Share buybacks: R460 million (2023: R442 million)

Trade-offs:

- Limited access to funding
- Cash buffer maintained
- Dividend payments decrease financial capital in the short term, offset by longer-term shareholder value

Social and relationship

- Sisonke Employee Empowerment Scheme contribution: R102 million (2023: R156 million)
- Nkulo Community Partnership Trust contribution: R102 million (2023: R156 million)
- Local procurement spend – South Africa: R2.3 billion (2023: R2.0 billion)
- BEE Level 5 (2023: 5)
- Group social spend: R61 million, including Thuthukani of R33 million (2023: R126 million)
- Whistleblower calls: 248 (2023: 69)
- Level 3-5 social incidents: 16 (2023: 16)

Trade-offs:

- Balancing profitability with social responsibility and legal obligations

Natural

- Reportable environmental incidents: One (2023: Two)
- Land rehabilitated: 310 hectares (2023: 163 hectares)
- Clean treated water discharged into Olifants River: 827ML (2023: 3,701ML)
- Potable water to eMalahleni Municipality: 7,082ML (2023: 6,581ML)

Trade-offs:

- Balancing economic growth through coal-fuelled energy with our obligations as a responsible corporate citizen

Manufactured

- 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)
- Advancements of projects: Zibulo North Shaft, Elders and Lephalale coal bed methane
- Total rail tonnes: 12.5Mt (2023: 12.3Mt)

Trade-offs:

- Prioritising capital expenditure to enhance production delivery negatively impacts financial capital in the short term

Human

- Fatalities: None (2023: One)
- TRCFR: 1.93 (2023: 2.80)
- Learning and development spend: R195 million (2023: R185.5 million)
- Voluntary turnover: 4.1% (2023: 3.8%)
- Historically disadvantaged persons in senior management: 67% (2023: 65%)
- Women in senior management: 36% (2023: 34%)

Trade-offs:

- Fair remuneration supports the retention of future-fit employees, positively impacting human and social capital while negatively impacting financial capital in the short term
- Investment in employee training positively impacts human capital but negatively impacts financial capital in the short term

Intellectual

- Ensham integration 100% completed (people, systems, processes)
- Thungela Marketing International fully established (people, systems, processes, offices, customers, brand)
- Trusted brand reputation
- Succession plans in place for chief executive officer and chief financial officer and all other critical roles

Trade-offs:

- Strategic diversification and investment in systems, processes and the brand reduce financial capital in the short-term, offset by long-term gains in all the capitals

MATERIAL MATTERS

Our materiality approach is driven by material matters that significantly influence our ability to create and preserve value over the short, medium and long term. We apply the double materiality lens in our materiality assessment. This allows us to identify material matters that have a significant bearing on enterprise value (financial materiality) as well as the broader impact we have on society and the environment (impact materiality).

Workshops are conducted annually, involving senior internal stakeholders representing a diverse range of functions in the business. The process culminates in material matters being identified, prioritised and grouped into key themes based on the double materiality lens, which takes into account financial materiality and impact materiality. The material matters identified during the workshops are reviewed by the Group executive committee and proposed to the board for final approval.

The materiality determination process

Identification
External and internal analysis, stakeholder engagement, and a review of global, local and industry-specific matters

1

Impact assessment
Internal stakeholders evaluate the impact by applying the double materiality lens

2

Prioritisation
Ranking discussed in a multi-disciplinary material matters workshop

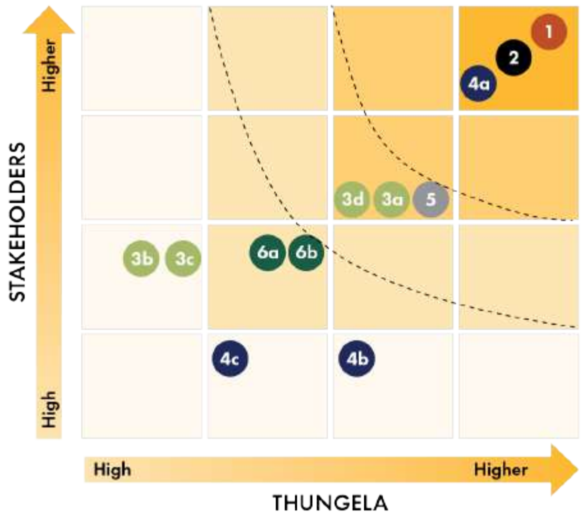
3

Integration
Review and approval of the matters solidifies alignment with our strategic priorities

4

MATERIALITY MATRIX

Material matters ranked by relevance for Thungela and its stakeholders



Key material theme	Material matter
1 Safety	Eliminating fatalities
2 Rail infrastructure	Reliability of rail infrastructure (TFR)
3 Stewardship	a. Responsible mine closure and environmental provisions b. Engaging our employees c. Empowering sustainable communities d. Complying with regulation and practising good governance
4 Capital allocation and shareholder returns	a. Driving business sustainability b. Maintaining production profile c. Price and foreign exchange
5 Growth	Successfully integrating and ramping up of Ensham
6 Climate change	a. Reducing operational GHG emissions (Scope 1 and 2) b. Executing on our pathway to net zero

The most recent workshop held resulted in the identification of 12 material matters, grouped into six overarching themes.

SAFETY

Material matter	Impact on value creation	Our response	Link to strategy
Eliminating fatalities	• All employees and contractors return home safely every day	• Introduced safety as a standalone strategic pillar to reinforce it as our first value • Safety is included as a metric on the business performance scorecard and is a metric that is included for all employees as a performance measure • Developed a safety strategy	Safety **Link to top 10 key residual risks** Employee safety and health **UN SDG**

RAIL INFRASTRUCTURE

Material matter	Impact on value creation	Our response	Link to strategy
Reliability of rail infrastructure in South Africa (TFR)	• The performance of rail networks operated by TFR materially affects our ability to export coal to customers	• Created additional stockpile capacity, utilising physical infrastructure advantages, such as rapid load-out terminals • Managed stockpile capacity with free-on-truck sales • Engaged industry and supported TFR through the procurement of batteries and locomotives as well as signalling and security interventions	Maximise **the full potential of our existing assets** Create **future diversification options** **Link to top 10 key residual risks** Coal transport networks **UN SDG**

STEWARDSHIP

Material matter	Impact on value creation	Our response	Link to strategy
Responsible mine closure and environmental provisions	• Our proactive approach in going beyond compliance impacts financial performance and our reputation. Our purpose is intrinsically linked to our social licence to operate	• An integrated approach to mine closure planning • Execution of concurrent rehabilitation and closure plans • Understanding the impact of the National Environmental Management Act (NEMA) Financial Provisioning Regulations • Achieving our ESG scorecard targets • Cash collateralisation of environmental liability over time	**Drive our ESG aspirations** **Link to top 10 key residual risks** Environmental management Employee safety and health Community relations Legislative risk **UN SDG** 4 Quality education; 5 Gender equality; 6 Clean water and sanitation; 8 Decent work and economic growth; 12 Responsible consumption and production; 15 Life on land; 16 Peace, justice and strong institutions; 17 Partnerships for the goals
Engaging our employees	• The value of engaged employees is evidenced in higher productivity and improved performance	• Enhancing value for employees through the Sisonke Employee Empowerment Scheme • Fostering a high-performance and inclusive culture that drives performance through the contributions of diverse people • Recognised as a 'Top Employer' in South Africa	
Empowering sustainable communities	• Community investment aligns with our purpose and is linked to reputational value	• Enhancing value for communities through the Nkulo Community Partnership Trust • Preferential local procurement • Enterprise and supplier development through Thuthukani • Community projects as part of social and labour plans and corporate social investment	
Complying with regulations and practising good governance	• Compliance with regulatory and governance practices is key to ensuring the Group's operational and financial position, and maintaining our reputation with stakeholders	• Evolving governance frameworks • Enhancing risk management and internal controls • Independent board evaluation • Code of Ethics training • Compliance awareness across multiple jurisdictions	

CAPITAL ALLOCATION AND SHAREHOLDER RETURNS

Material matter	Impact on value creation	Our response	Link to strategy
Driving business sustainability	• Long-term growth and profitability	• Reaffirming our commitment to the dividend policy and capital allocation framework • Maintaining adequate balance sheet flexibility, including an appropriate liquidity buffer • Reserving cash for the execution of key life extension projects • Share buybacks	**Maximise the full potential of our existing assets**
Maintaining production profile	• Impact on the Group's operational and financial performance, as well as the credibility of management	• Productivity improvements at Ensham and at our South African operations • Extended LOM and the competitiveness of the South African portfolio with the Elders and Zibulo North Shaft projects	**Create future diversification options**
Price and foreign exchange	• Impact on earnings and cash flow	• Thungela Marketing International commenced with the marketing functions of our South African and Australian assets • Maintain appropriate cash buffer • Optimise foreign currency management	**Optimise capital allocation** **Link to top 10 key residual risks** **Commodity price and foreign exchange rate fluctuations** **UN SDG**

GROWTH

Material matter	Impact on value creation	Our response	Link to strategy
Successfully integrating and ramping up of Ensham	• Geographic diversification strengthens our business and resilience, positively impacting our operational and financial performance and benefiting our stakeholders	• The benefits of Ensham's full integration include system standardisation and consistency in reporting and operational practices	**Create** future diversification options **Link to top 10 key residual risks** Strata and geotechnical failure **UN SDG**

CLIMATE CHANGE

Material matter	Impact on value creation	Our response	Link to strategy
Reducing operational GHG emissions (Scope 1 and 2)	• Costs to meet intermediate emission reduction target	• Reducing carbon intensity of existing operations annually • Improving ESG performance	**Drive** our ESG aspirations **Link to top 10 key residual risks** ESG and climate change Environmental management **UN SDG**
Executing on our pathway to net zero	• Declining coal demand in the long term	• Developing a detailed climate strategy and pathway to achieve net zero by 2050 • Setting intermediate emission reduction target for 2030 • Increased ESG and climate-related disclosures, including the recommendations of the Task Force on Climate-Related Financial Disclosures	

BUSINESS RISKS AND OPPORTUNITIES MANAGEMENT

RISK MANAGEMENT

Thungela is exposed to a diverse range of risks that stem from both internal and external sources. Our risk assessment entails a dynamic and iterative process of identifying and evaluating risks. This includes assessing the likelihood and consequence of an adverse event on our strategic objectives, relative to the specified risk tolerances.

Central to the responsibilities of both the board and the Group executive committee is the oversight of risk management. To this end, the board has endorsed a comprehensive integrated risk management process. This process involves systematically applying management policies, procedures and practices throughout the organisation. It encompasses crucial tasks such as effective communication, consultation on risk-related topics and the establishment of context. Furthermore, it ensures that we identify, analyse, evaluate, treat, monitor and review risks as an integral part of our business processes.

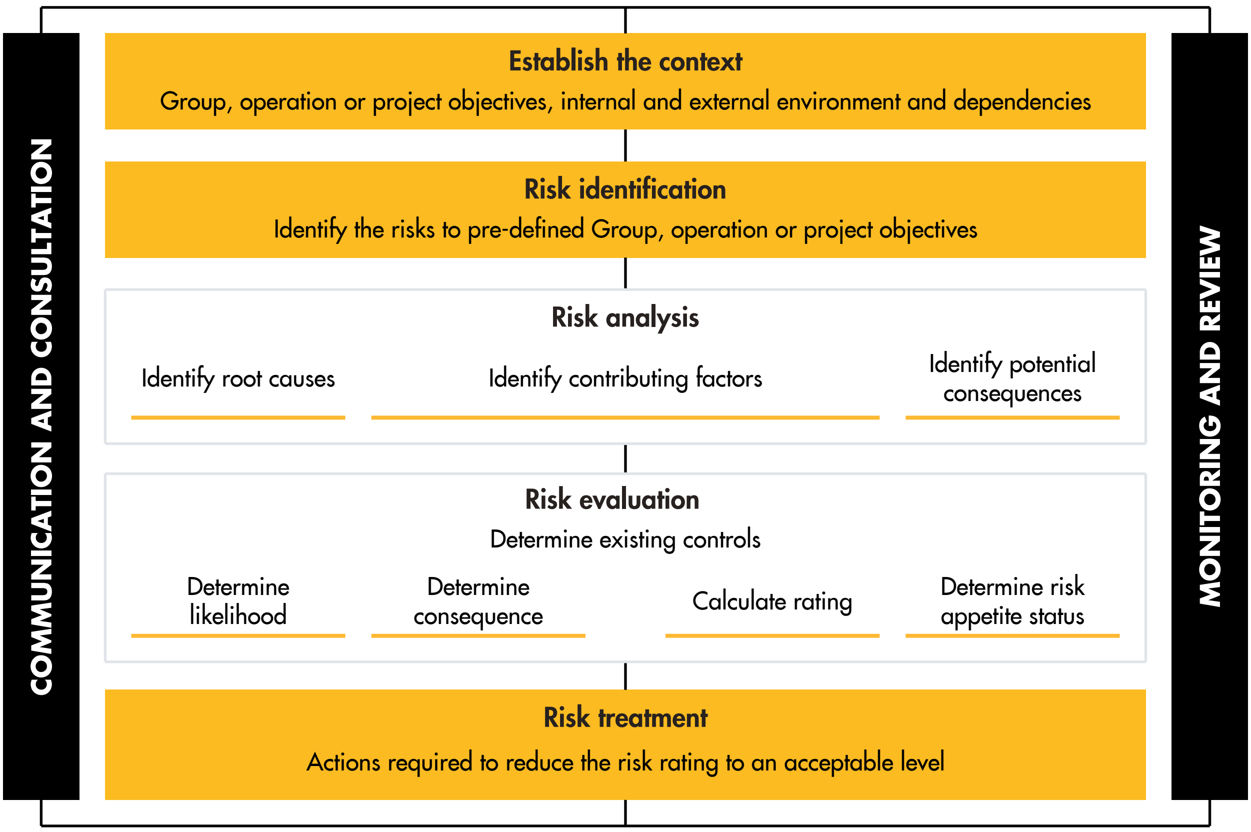
Both the health, safety, environment and risk committee and the audit committee are responsible for monitoring and assisting in this process. They regularly evaluate the integrated risk management process and lines of defence so that risk is recognised, managed, mitigated and reported in a timely and appropriate manner. Effective risk management is integrated into our management practices and provides sustainable value creation and predictable operational performance.

The Ensham Mine and Thungela Marketing International was incorporated into the Thungela integrated risk reporting process in 2024.

By effectively managing risk, we safeguard our people, assets, legal position, values, reputation and the environment. In doing so, we not only mitigate risk, but identify opportunities to best serve the long-term interests of our stakeholders.

RISK ASSESSMENT PROCESS

The risk assessment process is an iterative process and is undertaken on a consistent basis, as illustrated below:



RISK MANAGEMENT FRAMEWORK

Thungela's integrated risk management framework includes the following key principles:

- The board considers risk in a manner that enables the organisation to set and achieve its strategic objectives
- Risk is owned by the Group executive committee
- Risk management is integrated across the organisation and embedded in critical business processes to support day-to-day activities and executive decision-making at both operational and corporate levels

RISK RATING

The purpose of a risk rating is to prioritise and assess risks over time. It is a combination of consequence (what could happen if the risk event occurs) and likelihood (the probability of the risk event occurring). This is measured in terms of a 5x5 risk matrix.

RISK APPETITE AND TOLERANCE

Risk appetite and tolerance are core considerations in our integrated risk management process. The process evaluates the relationship between the potential consequences of a risk materialising and the actual condition of the controls or management actions in place to mitigate those consequences.

When risks exceed our appetite limits, they threaten the achievement of our objectives and may require a change to our strategy. Risks that are approaching the limits of our risk appetite require specific management actions to ensure they remain within acceptable appetite limits.

Our risk matrix combines the assessment of the consequences of risks, the status of management actions and the internal control environment that prevents or mitigates those risks. Risks that have significant consequences will be within the risk appetite if adequate controls or management actions are in place. Risks exceed our risk appetite if a significant consequence is not properly managed or if effective management actions have not yet been implemented.

TOP 10 KEY RESIDUAL RISKS

A residual risk refers to the risk that remains after all identified mitigation measures have been applied. Our top 10 key residual risks and their ratings against the 5x5 risk matrix are detailed below.

Risk ranking table

1	Coal transport networks	6	Strata and geotechnical failure
2	Community relations	7	Legislative exposure
3	Relocation and resettlement	8	Commodity price and foreign exchange fluctuations
4	Employee safety and health	9	Cyber and information security
5	ESG and climate change	10	Environmental management

Residual risk rating	Consequence type				
Likelihood	**Insignificant**	**Minor**	**Moderate**	**High**	**Major**
Almost certain				2,3	1
Likely			10	5,6,7,8	
Possible					4
Unlikely					9
Rare					

Risk level	
High	A high risk exists that management's objectives may not be achieved. An appropriate mitigation strategy must be devised immediately.
Significant	A significant risk exists that management's objectives may not be achieved. An appropriate mitigation strategy should be devised as soon as possible.
Medium	A moderate risk exists that management's objectives may not be achieved. An appropriate mitigation strategy should be devised as part of the normal management process.
Low	A low risk exists that management's objectives may not be achieved. Monitor the risk; no further mitigation is required.

The table below outlines the top 10 key residual risks that have been identified as having a potential impact on our ability to achieve our strategic objectives.

Key risk	Mitigation	Change from 2023	Link to strategic pillar
1. Coal transport networks Frequent and unscheduled disruptions by TFR materially affects our export capability and our profitability.	• We continue to engage TFR at all levels to seek sustainable solutions. • We have implemented several actions to mitigate the operational and financial impacts on our business, including the prioritisation of the highest margin coal on the available trains. • Free-on-truck sales, as required, to manage stock levels and to ensure incremental revenue generation for the Company.	Unchanged	Create future diversification options
2. Community relations The demands and expectations with regard to employment and procurement from various host communities.	• We have social commitments through the Social and Labour Plan (SLP) and Corporate social investment (CSI) programmes. • We regularly engage with host communities. • The Nkulo Community Partnership Trust ensures that our host communities benefit from our financial success. • Host community procurement spend is aimed at supporting economic activity and growth around our operations.	Increased	Drive our ESG aspirations
3. Relocation and resettlement Legal action and community unrest could result from an inability to complete household and grave resettlements, as well as livelihood restoration projects. This could result in disruptions to operations and reduced access to resources.	• We undertake fact-finding mediation processes to verify and assess complaints and claims. • We undertake post-resettlement working group engagements as well as cultural heritage studies. • Our relocation and resettlement practices align with the Department of Mineral and Petroleum Resources guidelines on Mine Community Resettlement, the International Finance Corporation's Performance Standards 5 (land acquisition and involuntary resettlement) and 8 (cultural heritage), the South African Human Rights Commission, the National Heritage Act and, with regards to grave relocations, the Mpumalanga Cemeteries, Crematorium and Exhumation of Bodies Act.	Increased	Drive our ESG aspirations
4. Employee safety and health There are inherent safety and health risks associated with mining activities.	• We continuously review and upgrade our safety systems, culture and programmes. • We have developed a safety strategy founded on three core fundamentals: back to basics, work management and safety culture.	Unchanged	Safety
5. ESG and climate change Future shareholder and industry expectations in relation to ESG matters could impact the profitability of the Group.	• We apply a fit-for-purpose ESG framework, incorporating environmental stewardship, shared value for stakeholders and responsible decision-making and leadership. Our chief executive officer continues to lead engagements with stakeholders on significant ESG matters.	Unchanged	Drive our ESG aspirations
6. Strata and geotechnical failure Fall of ground in our underground mines and slope failure in our opencast mines could result in safety-related incidents, significant business interruptions and property damage.	• Underground operations – ground support is designed by a competent person and installed using fit-for-purpose equipment and according to mine standards and procedures. • Opencast operations – drilling, blasting and excavation are completed according to the slope design to mitigate the rock fall and slope stability risks.	Unchanged	Safety

Increased Unchanged Decreased

Key risk	Mitigation	Change from 2023	Link to strategic pillar
7. Legislative exposure We continue to encounter competing applications for our existing mineral and prospecting rights. Additionally, we are facing general criminality with illegal miners at several of our operations.	• Specialist law firm acts on our behalf. • Ministerial engagement between the chief executive officer and the Minister of Mineral Resources and Energy.	—	**Maximise the full potential of our existing assets**
8. Commodity price and foreign exchange fluctuations The volatility of the benchmark coal prices and currency exchange rates impacts our profitability and cash generation. A prolonged weakness in benchmark coal prices could undermine the sustainability of our business.	• Our portfolio is positioned on the lower half of the global seaborne cost curve to improve margins and reduce cash requirements during periods of lower prices. • A price risk management steering committee is constituted specifically to monitor decisions and expenditure on swaps, related financial instruments and fixed-price transactions. • Establishment of Thungela Marketing International.	↑	**Optimise capital allocation**
9. Cyber and information security The global increase in cyberattacks continues and represents a threat to our business in terms of financial loss and reputational damage. Cyberattacks impacting the operational technology environment could result in the occurrence of safety-related incidents as a result of the unavailability of safety monitoring systems.	• Critical systems are continually assessed to protect our information and safeguard infrastructure critical to our sustainability. • Security solutions have been deployed by a managed security services provider.	—	**Maximise the full potential of our existing assets**
10. Environmental management Our licence to operate and ability to sustain the business could be influenced by our level of compliance with environmental legislation.	• Annual performance assessments of environmental management programmes. • Quarterly reviews on water, surface and groundwater monitoring and long-term hydrogeological and geochemical modelling for all mines to address volumes and quality. • We engage regularly with various regulators in South Africa and Australia to ensure compliance with material aspects relating to environmental regulations.	↓	**Drive our ESG aspirations**

↑ Increased — Unchanged ↓ Decreased

EVENT RISKS

These are very high-severity, low-likelihood events that are distinctive to a mining business and could result in multiple fatalities or injuries, an unplanned fundamental change to our business or the way we operate. These events have significant financial consequences. Event risks are not rated in the 5x5 risk matrix as they are always treated with the highest priority.

Event risk	Mitigation
Underground fires, gas and explosion An underground gas-related incident, an underground explosion or exposure to an irrespirable atmosphere could result in potential fatalities, injuries, significant business interruptions and property damage.	• We ensure compliance with mandatory critical control processes, including but not limited to the monitoring and management of ventilation systems and stone dusting controls. • We have emergency preparedness and response procedures. • Competent persons conduct event risk reviews.
Shaft conveyance and shaft integrity failures Mechanical failure of the shaft conveyance or structural integrity failure of the shaft could result in potential fatalities, injuries, significant business interruptions and property damage.	• We maintain compliance with shaft management standards, regulations and guidelines. • We conduct shaft management tests, including live condition monitoring of mechanical components and daily inspections by competent persons. • Competent persons conduct event risk reviews.

SAFETY AS A KEY RISK

While our risk assessment identifies various critical factors, safety transcends risk categorisation. At Thungela, safety is an unwavering commitment, not a ranked priority. We hold the wellbeing and safety of our people to be paramount. Every incident is unacceptable, and we continuously strive for excellence through proactive risk management, robust training programmes and open communication. Safety is our first value and the foundation upon which we build sustainable operations and long-term value creation.

STAKEHOLDER ENGAGEMENT

Our stakeholders are at the core of our purpose – to responsibly create value together for a shared future. Our stakeholder engagement strategy acknowledges the critical role of stakeholders in our business, and our work is underpinned by maintaining and strengthening stakeholder relationships based on respect, trust and transparency. The long-term sustainability and success of our business hinges on stakeholder buy-in and support.

Stakeholder engagement is crucial to fostering environmental care, driving economic benefits, ensuring regulatory compliance and identifying and managing current and potential risks, impacts and opportunities.

Through collaboration we are also able to enhance operational processes and performance, drive innovation, influence policy, share and learn from best practice, ensure investment security and drive improved socio-economic outcomes in communities. We conduct annual stakeholder mapping, where we evaluate stakeholders and categorise them based on their interest or influence on the business. This activity feeds into our materiality assessment, which is based on the issues that are most material to our stakeholders, as well as our ability to create value.

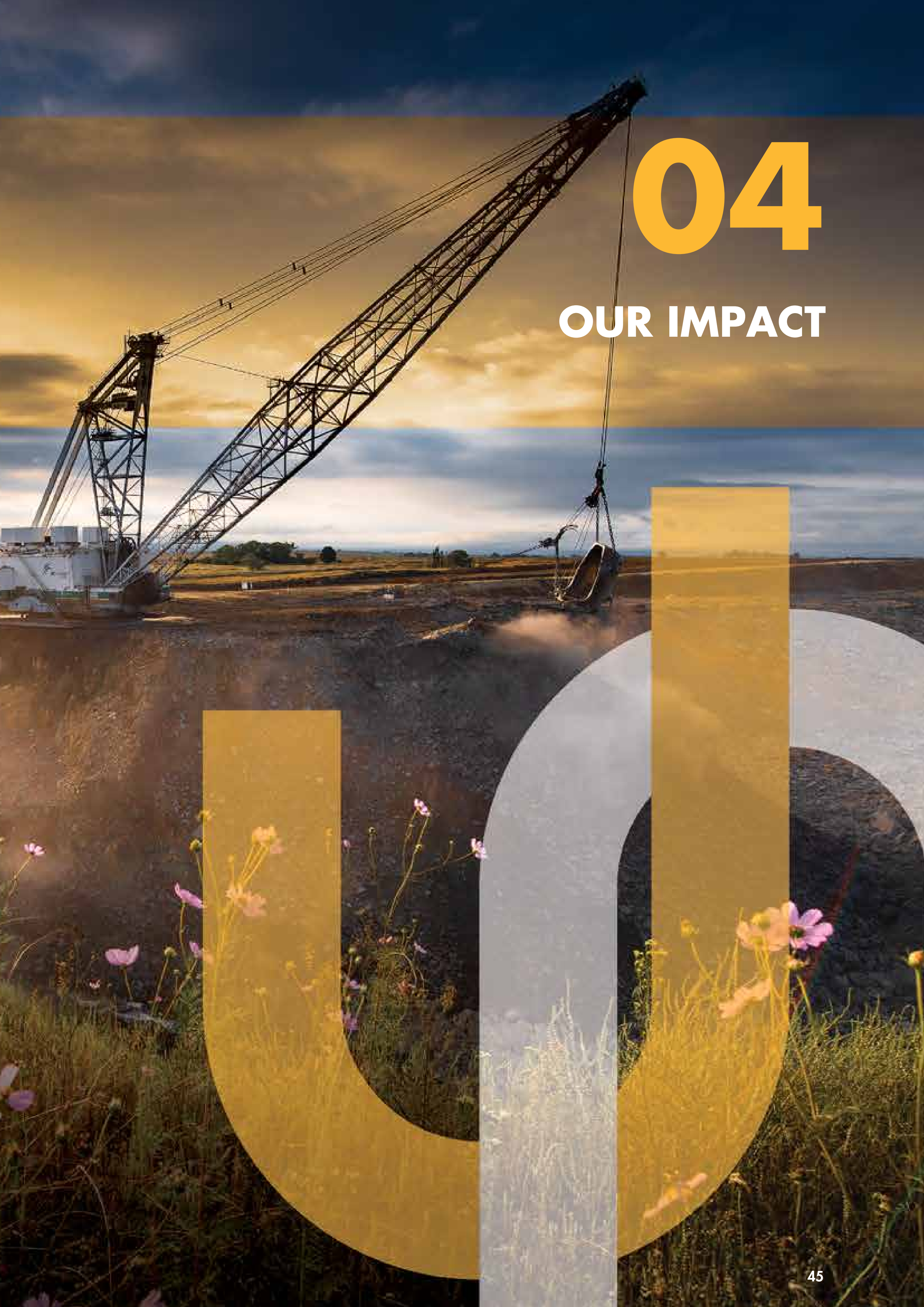
The information below provides details about our key stakeholders, their interests, and how we engage with them.

Interests	Engagement methods	Our response
OUR PEOPLE AND TRADE UNIONS		
• Employee safety, health and wellbeing • Conditions of employment • Labour relations • Life of mine • Skills development • Career progression • Inclusion and diversity • Transformation deliverables • Sisonke Employee Empowerment Scheme • Wage negotiations	• Site toolbox talks, mine information meetings and town hall sessions • Union and management forums • Various site forum meetings (for example: employment equity, skills development, and women in mining forums) • Employee engagement briefs • Employee newsletter • One-on-one meetings • Performance reviews • Sisonke Employee Empowerment Scheme annual general meeting	• Cultivating a robust safety and health culture and ongoing wellness support • An attractive employee value proposition • Regular, transparent engagement • Ongoing investment in training, career growth and tailored development plans • Meeting and exceeding internal and legislated targets for employment equity
COMMUNITIES		
• Socio-economic development • Skills development • SLP project implementation • Nkulo Community Partnership Trust • Employment and procurement opportunities • Enterprise and supplier development (ESD) opportunities • Management of grievances • Mine closure • Land and labour tenant claims • Livelihood restoration-related to resettlement • Cultural rights related to grave relocation • Land use and access • Access to graves	• Community engagement forums • Online platforms • Post-resettlement working groups and engagements with next of kin • Mine business forums • Public participation forums • Farm dweller engagement platform • Community newsletter • Traditional authorities forum	• Collaborating with local municipalities and provincial government to understand and address challenges • SLP consultations with stakeholders including local municipalities and communities • Generating jobs and business opportunities by prioritising host community employment and procurement • Investing in long-term programmes that contribute towards the achievement of our four impact goals, including the Thungela Education Initiative and Thuthukani ESD programme • Strengthening the capacity of host community organisations to drive local progress • Building relationships through agreements with host communities, traditional authorities and First Nations people • Implementing post-resettlement livelihood restoration programmes • Implementing our grave relocation framework

Interests	Engagement methods	Our response
INDIGENOUS PEOPLES AND TRADITIONAL AUTHORITIES		
• Formal recognition of traditional authorities as key stakeholders • Access to land for cultural practices • Protection or preservation of culturally significant items and areas • Collaboration on issues such as youth empowerment, education, local employment, procurement and CSI	• A quarterly forum for traditional authorities • Ad hoc meetings • Site visits and meetings with First Nations Peoples representatives as per the cultural heritage management plans	• Cultural heritage management plans in place at all sites • Effective and collaborative working relationships with First Nations Peoples and traditional authorities
GOVERNMENTS AND REGULATORS		
• Legal compliance with all relevant legislation and regulations • Permitting and licensing • Payment of taxes, royalties and other levies • Health and safety • New mining projects • Employment and procurement opportunities • Socio-economic development projects, particularly infrastructure-related investments, public-private development partnerships, SLP projects and municipal capacity building • Impact of operations on host communities and municipalities • Nkulo Community Partnership Trust • Land access • Spatial planning • Collaboration, joint monitoring and technical support on the implementation of local economic development projects (LED) • Collaboration on emergency preparedness and response plans • Impacts of mine closure and alignment to the provincial just energy transition plans	• Engagement forums • Business forums • Site inspections and visits • Ad hoc meetings • Public participation forums • Future forums • Integrated development planning forums • LED forums • One-on-one engagement on specific projects • Annual reports • Presidential Climate Commission stakeholder consultations and workshops	• Maintaining an effective governance and compliance framework • Paying royalties and taxes to host governments and transparent engagement with tax authorities when necessary • Elevation of safety to a standalone strategic business pillar and implementation of our safety strategy • Ongoing consultation and engagement with relevant authorities at various levels on projects, concerns and policy development • Generating jobs and business opportunities by prioritising host community employment and procurement • Inclusion of green economy skills development opportunities for employees and Thuthukani participants

Interests	Engagement methods	Our response
SHAREHOLDERS AND INVESTMENT COMMUNITY		
• Capital allocation framework and shareholder returns • Transnet Freight Rail (TFR) performance • Thermal coal market dynamics • Ensham opportunities • Progress on Elders and Zibulo North Shaft projects • Climate change and related disclosures, including pathway to net zero • Thungela Marketing International	• Stock Exchange News Service announcements on the Johannesburg Stock Exchange • Regulatory News Service announcements on the London Stock Exchange • Interim and annual results announcements, presentations and financial statements • Chief financial officer's pre-close call • Annual reporting suite • Meetings, roadshows, conferences • Investor relations page on our website • Annual general meeting	• Through our disciplined capital allocation framework, we are committed to shareholder returns through dividends and share buybacks • Transparent disclosure and consistent reporting on financial and business performance • A dedicated management team with a strong track record of executing strategic priorities and achieving operational excellence by controlling the controllables • Timely communication on corporate actions • Effective engagement with the investment community and management as well as investor relations
BUSINESS PARTNERS AND CUSTOMERS		
• Market development and Thungela response • Security of supply • Business continuity • Supplier relationship management • Logistics	• Various engagements • Board meetings • Operational committee meetings • Technical forums • Coal conferences	• We launched Thungela Marketing International in 2024 • Industry engagement and support to TFR – for example, procurement of batteries and locomotives, signalling and security interventions etc. • Creation of additional stockpile capacity and utilisation of physical infrastructure advantages – for example, rapid load-out terminals • Free-on-truck sales to manage stockpile capacity
SUPPLIERS		
• Procurement and payment processes • Responsible sourcing and supply chain stewardship • Inclusive procurement opportunities • Creating sustainable host community businesses through ESD and job creation targets • Collaboration on development projects and stakeholder engagements • Market and industry development opportunities • Supplier relationship management • Supplier development training opportunities	• Supplier roadshows • Individual supplier engagements • Digital platforms for supplier engagements • Advertising through existing market channels • ESD programme • Collaboration with original equipment manufacturers on their provision of technical support for small, medium and micro-sized enterprises (SMMEs) • Community and business engagement forums	• Building an agile, lean and effective supply chain function through optimisation, automation and digitalisation • Publication of our responsible sourcing policy • Achieved ambitious inclusive procurement targets • Ongoing implementation of our Thuthukani ESD programme • Significant supplier contracts include contributions to local expenditure, employment and investment in communities • Communicating our approach to inclusive procurement, initiatives, progress and successes to host communities

Interests	Engagement methods	Our response
MEDIA		
• Company performance • TFR performance • Growing geographic footprint • Markets and industry trends • Significant social and environmental projects and community involvement • Decarbonisation and the future of coal • Job creation • Public private partnerships • Thought and industry leadership	• Results presentations • Press releases • Media statements • Interviews • Website • Annual reports • Social media	• Media engagements on the back of annual and interim financial results • Proactive interviews on achievements • Regular media engagement • Media events and site visits • Media responses
CIVIL SOCIETY		
• Environmental rights, protection and disclosures • Climate change and the responsible energy transition • Community impacts and benefits • Partnerships in development projects • Adequacy of closure provisions	• Meetings • Subject-specific forums • Requests for information through the Promotion of Access to Information Act	• Rigorous management of environmental risk and regular and transparent disclosure. • Climate change targets and implementation of our pathway to net zero by 2050 • Resolving grievances related to mining impacts and positive social investment. • Engage with and respond to various stakeholder groups as appropriate • Implementation of our socio-economic strategy and social impact goal
INDUSTRY BODIES		
• Safety, health and environmental compliance, improvement and innovation • Policy and regulation • Community development	• Meetings • Seminars • Workshops	• We play an active role in industry bodies and in many instances take on leadership positions



04

OUR IMPACT

APPROACH TO ESG

DRIVING OUR ESG ASPIRATIONS

Driving our ESG aspirations is one of the five pillars of our business strategy. While we recognise that the demand for coal may decline over time, we firmly believe that while it is still in use, it is essential that coal be produced responsibly. Operating sustainably is an integral part of our way of doing business. Through our ESG framework, we have embedded ESG into how we work, across existing sites and in any new projects or initiatives we consider.

We aim to minimise our impact and take care of the environment through all stages of the mining lifecycle, delivering shared value for all our stakeholders while providing a safe and decent working environment for our employees and contractors. We invest intentionally and meaningfully in host communities and adhere to the highest ethical standards.

Our code of conduct is the foundation of our business culture and guides the behaviour we expect from all employees, business partners, board members and suppliers. We use strong management systems to oversee our risks and impacts, have committed and engaged leadership, and are committed to effective and transparent stakeholder engagement.

Our aspiration is to 'spike in the social element of ESG'. We do this by generating employment and economic opportunities in the regions where we operate, the taxes and royalties we pay, and the execution of our socio-economic development approach. The Sisonke Employee Partnership Scheme and the Nkulo Community Partnership both receive dividend contributions, allowing employees and communities to benefit from our success.

ESG issues are often interrelated and are part of a complex ecosystem that is continually evolving. Each element has the potential to influence others, similar to the energy trilemma. For example, a rapid and disorderly transition to variable renewable energy, while reducing carbon emissions, is likely to negatively impact energy security and grid stability, increase the cost of electricity and affect the most vulnerable people in society. Likewise, climate change, biodiversity and ecological services are intricately linked. Our approach to ESG dictates a balanced view, where all elements require careful management and consideration in the decisions we make.

Full details related to our ESG approach and performance are included in the ESG Report available at www.thungela.com/investors.

OUR CONTRIBUTION TO SOCIETY

Total wages and benefits
R6.7 billion
(2023: R4.7 billion)

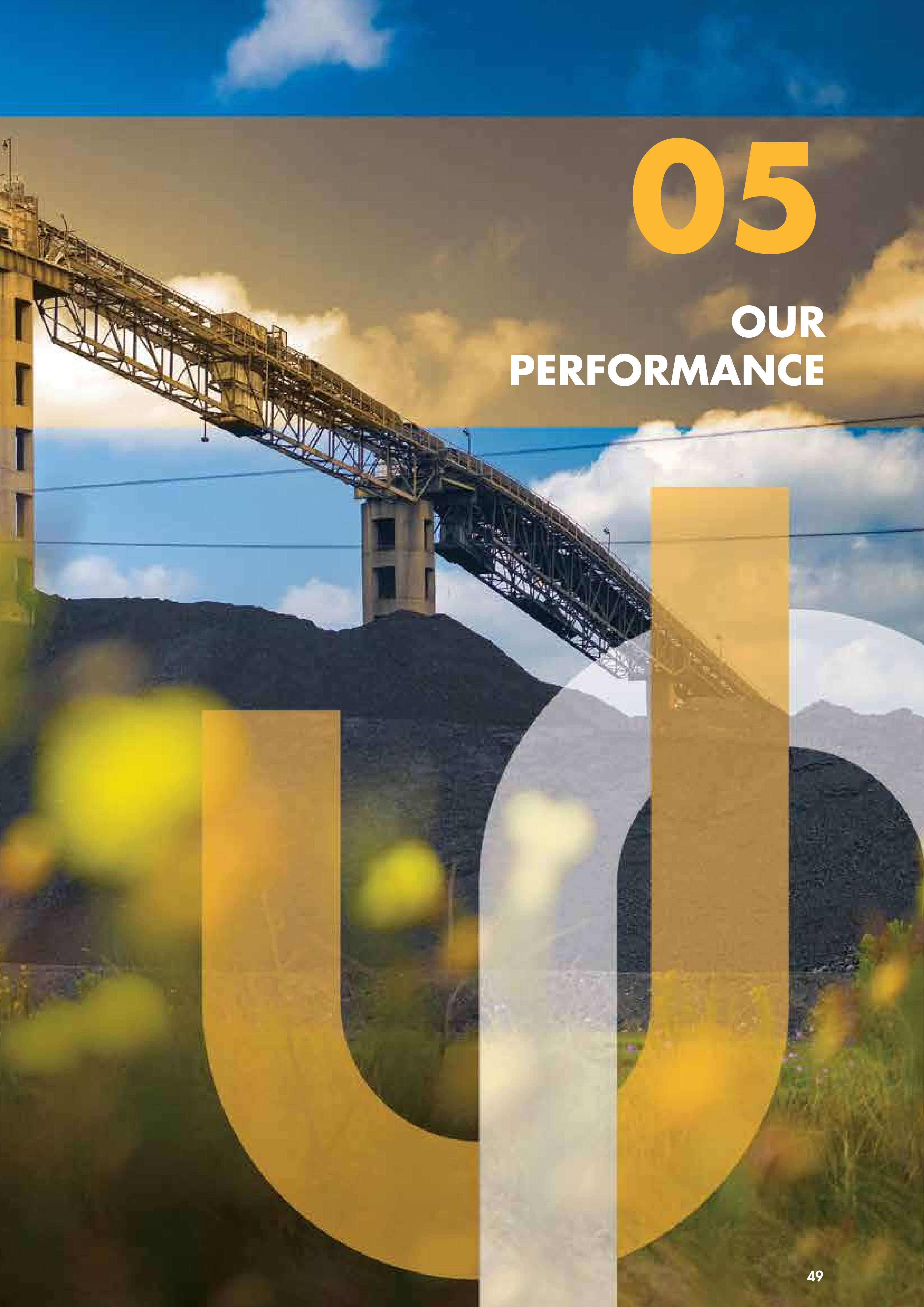
Group social spend
R61 million
(2023: R126 million)

Total taxes and royalties
R4.5 billion
(2023: R5.6 billion)

Group supplier spend, with % local spend
R9.7 billion, 24%
(2023: R9.6 billion, 21%)

Nkulo Community Partnership Trust
R102 million
(2023: R156 million)

Sisonke Employee Empowerment Scheme
R102 million
(2023: R156 million)



05

OUR PERFORMANCE

ESG PERFORMANCE

PERFORMANCE DASHBOARD

Key performance indicators	2024	2023
Safety and health		
Fatalities	—	1
Total recordable case frequency rate (TRCFR) – Group	1.93	2.80
TRCFR – South Africa	1.07	1.40
TRCFR – Australia[1]	13.21	22.63
Environment		
Total energy consumed (million GJ) – Group[1]	3.74	3.37
Total energy consumed (million GJ) – South Africa	3.13	3.14
Total energy consumed (million GJ) – Australia[1]	0.61	0.23
Energy intensity (MJ/total tonne moved)[2]	14.79	15.33
Total scope 1 and 2 emissions ($ktCO_2e$) – Group[1]	1,065	845
Total scope 1 and 2 emissions ($ktCO_2e$) – South Africa[3]	741	743
Total scope 1 and 2 emissions ($ktCO_2e$) – Australia[1]	324	102
Carbon intensity (kg CO_2/total tonne moved)[2,3]	3.50	3.63
Freshwater abstraction (ML) – Group	1,170	718
Freshwater abstraction (ML) – South Africa	373	369
Freshwater abstraction (ML) – Australia[1]	797	349
Water efficiency (reuse/recycle) (%)[2]	97	96
Water treatment (%)[4]	64	56
Number of level 3 – 5 environmental incidents	1	2
People		
Historically disadvantaged people in senior management (%)[2,5]	67	65
Women in senior management (%)[2,5]	36	34

1 Energy and emission data and freshwater abstraction for Ensham for the period from 1 September 2023 to 31 December 2023 has been included in the Group totals for 2023 and reflected in the Australian data. The TRCFR for Australia in 2023 reflects the performance for 12 months.
2 These indicators are for South Africa only.
3 Total scope 1 and 2 emissions and carbon intensity for 2023 have been restated due to updated fuel use emission factors to improve accuracy of reporting.
4 The water treatment metric for 2023 has been restated due to a calculation error that was corrected
5 These metrics reflect employees in senior management, including the Group executive committee.

SAFETY

In 2024, we elevated safety to a standalone strategic pillar, reinforcing its significance to our business. This sent a clear message to all levels of leadership that the elimination of fatalities comes before all else.

More specific safety performance metrics were included in each leaders' performance contract, while we continued with frontline leadership development to improve safety culture and undertook an intensive review of our critical controls, which was supported by an independent third party.

We are pleased to report that these actions contributed to an improved safety performance and at 31 December 2024, we had been fatality free for 22 months. The Group TRCFR improved to 1.93 in 2024 from 2.80 in 2023.

Group total recordable injuries fell to 26 in 2024, from 48 in 2023. In South Africa, the TRCFR improved to 1.07, from 1.40 in the previous year.

Ensham achieved a significant improvement in its TRCFR, achieving a rate of 13.21 in 2024, from 22.63 in 2023.

ENVIRONMENTAL STEWARDSHIP

All milestones associated with the rehabilitation process following the incident at the Khwezela Kromdraai site on 14 February 2022 have been completed. Biomonitoring shows that the Wilge River, apart from macro-invertebrate populations, has returned to pre-incident condition. The fish breeding facility at Loskop Dam Nature Reserve continues to operate, with 6,500 fish released into the river system to date. This will continue until the biomonitoring indicates that fish varieties and abundance have returned to pre-incident levels.

We reported one level 3 environmental incident in 2024 (2023: two level 3 incidents). No level 4 or 5 incidents occurred and no regulatory stoppages or pre-directives were issued.

WATER MANAGEMENT

After achieving a 52% reduction in freshwater abstraction in 2023 to 369ML, abstraction remained stable at 373ML in 2024. Freshwater abstraction at Ensham was 797ML, in line with their permitted allocation. We are investigating options to reduce this abstraction. We have consistently achieved our target of 75% water reuse and recycling for the last four years, achieving 96% in 2024, and we also achieved our water treatment target of 40%.

We provide for post-closure water treatment costs using a combination of active and passive water treatment methods, based on research and development activities at our operations. We are actively working to prove the efficacy of passive water treatment technologies in collaboration with academia and the relevant government departments. The biological sulphate reduction passive treatment plant, commissioned in 2022, continues to yield positive results and a techno-economic assessment of the feasibility of scaling the plant for field application will be carried out in 2025.

Other nature-based post-closure water management solutions include phytoremediation, a process that uses trees to stabilise water levels. We have planted over 250,000 trees across our South African sites to date.

GREENHOUSE GAS EMISSIONS REDUCTION AND BASELINE UPDATE

In 2023, we published our target to reduce our scope 1 and 2 emissions by 30% by 2030 (from a 2021 baseline), and our pathway to achieve net zero by 2050.

In line with the Greenhouse Gas Protocol and ISO 14064, we have updated our baseline to include Ensham's 2021 emissions. We have also updated liquid fuel combustion emission factors to improve the accuracy of our reporting.

The 2021 baseline has increased from 819kt carbon dioxide equivalent (ktCO_2e) to 1,331ktCO_2e. Ensham contributes 496ktCO_2e, while the emission factor update contributes 16ktCO_2e to the increase.

Total scope 1 and 2 emissions for the Group in 2024 were 1,065ktCO_2e, 20% lower than the 2021 adjusted baseline. In South Africa, scope 1 and 2 emissions were 741ktCO_2e, relatively stable from 743ktCO_2e in 2023. Carbon intensity was 3.6% lower at 3.50kg CO_2e per total tonne moved compared to 3.63kg CO_2e per total tonne moved in 2023.

Scope 1 and 2 emissions at Ensham were 324ktCO_2e in 2024 compared to 496ktCO_2e in 2021. The reason for the 34% decrease is that the mine moved into a methane-rich area in 2021, and was only able to commence with pre-draining and flaring the methane towards the end of 2021. The mine has since implemented a system of pre-drainage and flaring of the methane ahead of mining in each section, resulting in the sustained reduction of these emissions.

Energy intensity in South Africa decreased by 3.5% to 14.79GJ per total tonne moved, down from 15.33GJ per total tonne moved in 2023. Total energy consumption for the Group in 2024 was 3.74 million GJ compared to 3.37 million GJ in 2023. The increase is a result of the addition of the energy consumption of the Australian business from 1 September 2023 to 31 December 2023, compared to the full year of 2024, to the Group total.

We continue to drive efficiency across our operations and to work towards our 2030 target. Central to our pathway to net zero is the incorporation of a minimum of 19 megawatts (MW) of renewable electricity by 2030. The 4MW solar plant at the Zibulo Colliery was commissioned in October 2024. In addition, a feasibility study for a 4MW plant at Elders is complete and the necessary permit applications have been made.

CREATING VALUE FOR A SHARED FUTURE

We are committed to being a trusted social partner by building positive relationships and upholding our responsibility to leave a legacy that lasts beyond the life of our mines.

The Nkulo Community Partnership Trust (the trust) handed over its first two projects in 2024. The trust donated approximately R6 million worth of essential medical equipment and supplies to the Witbank Tertiary Hospital for use in the care of critically ill patients. It also donated a 16,000 litre honeysucker truck to the Steve Tshwete Local Municipality. These vacuum trucks are used to drain septic tanks, unblock sewage pipes and empty pit latrine systems in rural areas.

We contributed R204 million to the Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust, collectively, based on our performance in 2024.

In South Africa, our socio-economic development strategy identifies four impact goals. These are improving access to quality education and skills development, improving access to income generation opportunities, improving the quality of community services, and reducing communities' and suppliers' reliance on mines. By focusing our efforts on these impact goals, we can achieve measurable improvements in the quality of the lives of people living in host communities.

One of these projects is the R160 million, five-year education initiative, which we developed and launched in January 2024. The programme will improve access to quality education for learners in 45 no-fee schools in Mpumalanga, supporting learners from grade R to grade four, as well as their dedicated educators.

Our enterprise and supplier development (ESD) programme, Thuthukani, is the primary vehicle through which we drive small, medium and micro enterprise development in South Africa, which contributes to our impact goals. It offers business skills training, mentorship and support, technical enablement and loan funding from a financial institution at preferential rates to improve access to income-generating opportunities and reduce communities' reliance on the mines. A significant milestone in 2024 was the signing of a R200 million co-funding agreement with Absa to support entrepreneurial development and economic growth in host communities. During 2024, we spent R32 million on ESD initiatives. This benefited 11 suppliers, 22 enterprise development beneficiaries and 35 businesses that were aided through the programme's technical enablement initiative.

In 2024, three operations submitted updated Social and Labour Plans (SLPs) to the Department of Mineral and Petroleum Resources (DMPR) for approval as part of the five-year cycle. Recognising the potential risks during the 2024 election year, a proactive decision was made to temporarily suspend the execution of some projects for the safety of our employees and contractors. Consequently, a restricted number of corporate social investment and SLP projects were executed, including: the renovation and expansion of the Zamelani Abadala Old Age Group Centre in the Govan Mbeki Local Municipality by the Zibulo Colliery, the official opening and handover of an art studio for the world-renowned Ndebele artist, Dr Esther Mahlangu and several infrastructure improvement projects at schools by Goedehoop and Mafube.

OUR PEOPLE

We achieved Top Employer certification for the third consecutive year. We continue to make considerable improvements in key areas such as leadership and career development, diversity, equity and inclusion and wellbeing.

We depend on agile, highly-motivated individuals and teams who are equipped with the knowledge, skills and insights needed to excel in an ever-changing business environment. Learning and development plays a crucial role in our people strategy as it contributes to the overall efficiency, safety, and sustainability of our operations. In 2024, we spent R195 million on training, or 4.6% of our wage bill, compared to R186 million, or 4.4% of our wage bill, in 2023.

We saw an increase in the percentage of historically disadvantaged people in senior management, from 65% in 2023 to 67% for the year, while the representation of women in senior management improved to 36% from 34% in 2023.

GOVERNANCE

We honour the memory of Thero Setiloane, a valued board member, who sadly passed away on 1 May 2024. Thero served as chairman of the social, ethics, and transformation committee, and a member of the audit and the health, safety, environment, and risk committees. We welcome Tommy McKeith to the board of directors. Tommy was appointed as an independent non-executive director, assuming the roles of chairman of the social, ethics, and transformation committee, and member of both the audit and the health, safety, environment and risk committee, effective 1 October 2024.

Furthermore, we are pleased to share that ESG metrics related to the Ensham Mine have been integrated into the 2024 report where possible. While progress has been made, some areas require further attention to ensure accurate data collection and alignment. As we navigate these changes, we remain committed to upholding our governance standards and advancing our sustainability efforts.

Full details related to our ESG approach and performance are included in the ESG Report available at www.thungela.com/investors.

MARKET IN CONTEXT

MACROECONOMIC ENVIRONMENT

Thermal coal markets had a turbulent start to the year, with prices reaching multi-year lows during the first half of 2024. However, the second half of 2024 saw a modest recovery in energy commodity prices, including coal, on the back of heightened geopolitical risks. Several factors impacted thermal coal prices, including a milder than expected winter in the Northern Hemisphere, which led to elevated coal and gas stock levels and healthy inventory reserves as Asian import hubs entered the summer season. Once the Northern Hemisphere summer was in full effect, a robust restocking campaign emerged in North and Southeast Asia due to increased energy demand. This activity supported the Richards Bay and Newcastle Benchmark coal prices in the second half of the year.

Australian coal markets were impacted by high stocks at the start of the year due to a delayed La Niña effect and a reduction in demand from Northeast Asian markets. This was due to the earthquakes in Japan and the extended coal plant maintenance period following the events. In addition, the increased usage of nuclear and gas-fired power further curbed coal demand. This, coupled with Northeast Asia's diversification of its import base, introduced new coal regions into the market.

While the South African coal market was on the positive end of Asia's import base diversification strategy, which had a positive effect on demand, the second half of the year felt the impact of a weakened steel market.

The lull in infrastructure development and the depressed property market in China resulted in an oversupplied steel market, which led to cheap exports to other Asian markets, including India, where domestic steel production was already under pressure. India had strong domestic coal output in 2024 which increased competition for seaborne coal imports. Improved coal availability, coupled with sluggish demand in the second half of 2024, resulted in wider discounts to the index.

Continued geopolitical tensions and uncertainties weighed on strategic energy security in 2024, which led to overall price volatility. Adequate gas storage levels and continued Russian gas supply in the first half of the year, coupled with the mild European winter, resulted in reduced coal demand and lower prices. In the second half of the year, Europe saw a warmer summer, gas supply interruptions and the end of the piped gas transit deal from Russia, culminating in support for coal indices. The prolonged tensions in the Middle East, which threatened to overflow into Iran, piqued concerns around both oil and gas supplies, which in turn elevated energy commodity prices and firmed up coal prices.

According to McCloskey's January 2025 seaborne trade outlook, expectations for seaborne coal demand over the next five years are that it will marginally reduce, but remain above one billion tonnes per annum. Emerging economies in Southeast Asia are likely to drive demand for thermal coal in the near future as the more developed economies pursue renewable energy goals. China and India will continue to dominate as the largest importers of seaborne coal.

PERFORMANCE IN SOUTH AFRICA

Thermal coal price and exchange rate	2024	2023
Richards Bay Benchmark coal price (US$/tonne)	105.30	121.00
Average realised export price (US$/tonne)	91.56	103.67
Average realised export price (Rand/tonne)	1,679	1,913
Realised price as a % of Richards Bay Benchmark coal price	86.9	85.7
ZAR:US$ average exchange rate	18.34	18.45

The Richards Bay Benchmark coal price averaged USD109.56 per tonne during the second half of the year, compared to USD101.05 per tonne in the first half of the year. The average Richards Bay Benchmark coal price for 2024 was USD105.30 per tonne, compared to USD121.00 per tonne in 2023.

The discount to the Richards Bay Benchmark coal price in the first half of the year was 15.2%, attributable mainly to the need to reduce high stocks of our low-grade coal. The discount in the second half of the year narrowed to 11.1% with a key focus on high grade market placement. The average discount for the full year was 13.1%, compared to 14.3% in 2023. Our focus in 2025 will be on the continued prioritisation of the highest margin coal on rail given the ongoing rail constraints.

Following the establishment of Thungela Marketing International, the Group has additionally benefited from the 1% commission which was previously paid to Anglo American Marketing Limited (AAML) as well as premiums achieved on certain coals from South Africa.

PERFORMANCE IN AUSTRALIA

Thermal coal price and exchange rate	2024	2023
Newcastle Benchmark coal price (US$/tonne)	134.85	172.79
Average realised export price[1] (US$/tonne)	124.00	155.85
Average realised export price[1] (Rand/tonne)	2,274	2,929
Realised price as a % of Newcastle Benchmark coal price[1]	92.0	110.6
ZAR:US$ average exchange rate[1]	18.34	18.79

[1] Figures presented for 2023 include the Ensham Business for the four months from acquisition date of 31 August 2023 to 31 December 2023.

The Newcastle Benchmark coal price had a comparable trend to the Richards Bay Benchmark coal price, recording a first half average of USD130.66 per tonne, compared to USD139.03 per tonne in the second half of the year. The average Newcastle Benchmark coal price for 2024 was USD134.85 per tonne, compared to USD172.79 per tonne in 2023.

The discount achieved against the Newcastle Benchmark coal price in 2024 was 8.0%, compared to a 10.6% premium achieved for the four months from acquisition date to 31 December 2023. The premium achieved in 2023 was attributed to a higher proportion of fixed price contracts at the time of the acquisition of the Ensham Business. The discount in 2024 was mainly due to lower demand in the traditional Asian markets, which resulted in higher spot sales and buyers sourcing greater volumes from new suppliers.

THUNGELA MARKETING INTERNATIONAL

Following the expiration of the agreement with AAML in June 2024, Thungela assumed full marketing rights for our South African coal. This provided us with an opportunity to leverage our equity coal both in South Africa and Australia, by maximising value from the extraction of the resource to the delivery of the product to the market.

Thungela Marketing International is based in the Dubai Multi Commodity Centre (DMCC) in the UAE, one of the leading international commodity trading hubs. We have successfully recruited a diverse and experienced marketing team, and we have also built strong banking relationships with various banks in the UAE to further enhance our ability to transact in the region and with our customers.

TRANSNET FREIGHT RAIL PERFORMANCE

TFR's performance showed significant improvement, resulting in 51.9Mt being railed for the industry in 2024, compared to 47.9Mt in 2023. This improvement was mainly as a result of the performance in the second half of the year, which coincided with the completion of the annual maintenance shutdown period in July 2024. During the second half of the year, TFR railed at an annualised run rate of 56.2Mt for the industry, up from an annualised run rate of 47.3Mt in the first half of the year.

The improvement in rail performance seen in the second half of the year has been due to collaborative efforts between TFR, the coal industry and the National Logistics Crisis Committee. These efforts include the fitment of critical spares and the introduction of additional locomotives on the North Corridor line. The ongoing line maintenance, which included improvements to the signalling system that was hard-hit by crime, among other challenges, resulted in improved train cycle times. Significant efforts are still required to restore the line to its historical performance levels, and Thungela, together with industry, remains dedicated to supporting TFR in addressing these critical challenges.

The mutual cooperation agreement remains a key enabler to ensure that security efforts remain effective, with a key focus on decreasing crime-related incidents. This agreement has also provided great value when major incidents, such as derailments, occur on the line, ensuring that resolution time is swift. The agreement will remain in place in 2025 to provide continuous support to TFR.

Rail performance remains the most significant risk to our South African business, and achieving a consistent and continued improvement in TFR performance is a priority for Thungela.

We are pleased to report that we have signed an extension of the long-term agreement with TFR, up to March 2028. This allows TFR time to focus on continuing to improve and stabilise the rail performance.

REVIEW OF FINANCIAL PERFORMANCE

For the year ended 31 December 2024

Net profit for the year **R3.5 billion** (2023: R5.0 billion)	**Headline earnings per share** **R25.59** (2023: R34.97)	**Adjusted EBITDA**△ **R6.3 billion** (2023: R8.5 billion)
Net cash△ **R8.7 billion** (2023: R10.2 billion)	**Total dividend per share** **R13.00**	**Total dividend of** **R1.8 billion** **to shareholders**

We are pleased with our full-year performance, which demonstrates the importance of remaining focused on managing the elements within our control. During the first six months of 2024, our business was impacted significantly by weak prices and poor rail performance, but our consistent focus on operational excellence and productivity improvements meant that we were well positioned to respond when these external factors improved in the second half. Ultimately, this operational readiness enabled us to outperform on volume and cost guidance for the full year. We continued to deliver on the disciplined execution of our strategic priorities, including our capital projects, which remain on schedule and within the spend previously guided.

TFR performance improved markedly in the second half of 2024, resulting in a total of 51.9Mt railed for the industry, compared to 47.9Mt in 2023. After a very weak first half, with a run rate of 47.3Mtpa, the annual maintenance shutdown period in July was successful and the ramp-up in performance following the shutdown was faster and more sustained than in recent years. The average run rate in the second half of the year was 56.2Mtpa.

The improved rail run rate enabled us to deliver stronger than anticipated production, with our South African operations delivering 13.6Mt of export saleable production, exceeding the guidance range of between 11.5Mt and 12.5Mt. This performance was driven mainly by productivity improvements at Zibulo and Khwezela, without reintroducing previously decommissioned sections. The higher achieved production somewhat countered the impact of inflation on unit costs, and we achieved an FOB cost per export tonne△ of R1,151 (R1,130 per tonne excluding royalties).

Ensham produced 4.1Mt (on a 100% basis), exceeding the revised guidance range of between 3.5Mt and 3.8Mt, as the mine navigated fault zones more effectively than expected. As a result of the increased production, FOB cost per export tonne△ was R1,674 (R1,433 per tonne excluding royalties).

Export equity sales from our South African operations amounted to 12.6Mt, compared to 11.9Mt in the previous year. This improvement materialised mainly in the second half of 2024, corresponding to the improved rail performance. At Ensham, we realised 4.1Mt of export equity sales, on a 100% basis, in line with the production.

Seaborne thermal coal prices softened in 2024, with the Richards Bay Benchmark coal price averaging USD105.30 per tonne, down from USD121.00 per tonne in 2023. Prices were especially soft in the first half of the year due to a milder than expected winter in the Northern Hemisphere, and higher coal and gas stockpile levels across Europe. The second half of the year saw a partial recovery in energy prices, including coal, on the back of geopolitical uncertainty.

Thungela Marketing International commenced with the marketing of coal from our South African operations in July 2024. The average discount to the Richards Bay Benchmark coal price narrowed to 13.1% in 2024, compared to 14.3% in 2023, on the back of direct market access and the saving of the 1% marketing fee previously paid to AAML.

The Newcastle Benchmark coal price averaged USD134.85 per tonne in 2024, compared to USD172.79 per tonne in 2023. The discount to the Newcastle Benchmark coal price in 2024 was 8.0%, compared to a premium of 10.6% for the period from acquisition on 31 August 2023 to 31 December 2023. The 2023 premium was driven by a relatively higher proportion of fixed price contracts in the sales book, which were concluded based on a higher Newcastle Benchmark coal price at the start of that year.

Thungela generated a net profit of R3.5 billion in 2024, comprising R2.9 billion generated in South Africa (including the margin earned by Thungela Marketing International) and R676 million generated in Australia. The net profit was supported by net finance income of R894 million, with net financing gains of R658 million earned from positive movements on cash held in foreign currency as well as derivatives held over future conversions of foreign currency. Profit was negatively impacted by impairment losses of R278 million recognised at Goedehoop as the mine nears the end of its life during 2025.

Capital expenditure for the Group was R3.4 billion. At our South African operations, sustaining capital expenditure△ amounted to R1.1 billion, while expansionary capital expenditure totalled R1.7 billion, which pertains to our two ongoing life extension projects. Sustaining capital expenditure△ at Ensham was R605 million (on an 85% basis). Both sustaining and expansionary capital expenditure were in line with our guidance.

The Group generated adjusted operating free cash flow△ of R3.6 billion for the year and at 31 December 2024 had a net cash△ balance of R8.7 billion.

ADVANCING OUR STRATEGIC PRIORITIES

Long-term value creation goes beyond the financial performance of our business, and we are pleased with the improvement in the Group's TRCFR during the period to 1.93, compared to 2.80 in 2023.

We also continue to make good progress in driving our ESG aspirations. In South Africa, we contributed a further R204 million to the green fund (as required by the providers of the financial guarantees) as we continue to set aside funds to cover future environmental liabilities.
We contributed R970 million to an investment vehicle in Australia, similar to the green fund, to be used as cash collateral for the Ensham rehabilitation liability, while we continue to pursue acceptance into the Queensland Financial Provisioning Scheme. We also spent R625 million on ongoing rehabilitation in South Africa, mainly at the Kromdraai and Bokgoni sites at Khwezela, as well as R292 million on rehabilitation activities at Ensham.

As a result of these activities, our environmental liability coverage△ for our South African operations increased to 69% and, when combined with the Ensham Mine, our Group coverage increased to 54%, compared to 40% at 31 December 2023.

The Elders and Zibulo North Shaft projects are progressing well, and are on schedule and within budget. The successful completion of these projects is crucial as they will enhance our cost competitiveness, extend the life of our South African business and support host communities through sustaining jobs and local suppliers.

Elders delivered first coal in March 2024, and ramp-up activities continue towards steady state capacity, which is expected to be reached in early 2026. We have incurred capex of R1.8 billion on the project up to the end of December, of which R1.7 billion has been paid in cash. R519 million was spent in 2024, predominantly on developing the portal into the coal reserve and on surface infrastructure. We expect to spend a further R100 million to complete the project in 2025. The mine is expected to produce at a run rate of 4Mt of run of mine coal per annum when it reaches steady state.

The Zibulo North Shaft project is progressing well and we expect completion in 2026, which will extend the life of Zibulo's underground operation through to 2038. The mine is expected to produce at a run rate of 8Mt of run of mine coal per annum when it reaches steady state. To date, we have spent R1.8 billion, including R1.1 billion in 2024. We are expecting to spend a further R800 million in 2025 and 2026.

During 2024, we obtained the necessary licences to develop a demonstration plant at the LCBM project. The aim of this plant is to demonstrate the marketability of the gas. Once commissioned, the modular liquefied natural gas plant will supply gas to a power generation facility to be deployed at one of our existing operations, partially substituting the Eskom electricity usage. We expect to spend approximately R400 million on the demonstration plant and related infrastructure in 2025.

We continue to progress towards our objective of geographic diversification, with further advancements at both Ensham and Thungela Marketing International in 2024.

Thungela assumed operational control of Ensham in 2023, following the acquisition of an 85% interest in the Ensham Business through our 72.5% held subsidiary, Sungela Holdings. The improvement in operational performance at Ensham since the acquisition has resulted in Ensham contributing significantly to the Group's profit. In December 2024, Thungela Resources Australia signed an agreement to acquire the remaining 15% of the Ensham Mine and related companies for a total consideration of AUD48 million. The conditions precedent relating to this transaction have been met and the transaction was completed on 28 February 2025. This increases the Group's effective participation in the earnings generated by Ensham to 92.5%.

Thungela Resources Australia also entered into an agreement with our co-investors on 14 March 2025 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. Upon the completion of this transaction, the Group will own 100% of the Ensham Business.

The marketing team in the UAE was fully established during the year, and Thungela Marketing International has taken over the marketing activities for our South African coal from AAML. Thungela Marketing International is now responsible for the marketing of all of our South African and Australian export coal.

DISCIPLINED CAPITAL ALLOCATION

Prioritising shareholder returns through a combination of dividends and share buybacks is a cornerstone of Thungela's capital allocation framework.

Demonstrating our commitment to shareholder returns, the board has declared a final ordinary cash dividend of R1.5 billion, or R11 per share. This represents 58% of adjusted operating free cash flow$^{\triangle}$ generated in the second half of the year.

Furthermore, the board announced a share buyback of up to R300 million, to be completed before the next AGM on 5 June 2025. The share buyback will be subject to ongoing favourable market conditions.

Together with the interim dividend of R281 million and share buyback of R160 million already completed, this brings total shareholder returns relating to 2024 performance to R2.3 billion in aggregate, representing 64% of adjusted operating free cash flow$^{\triangle}$ for 2024.

The Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust will receive R172 million in total in relation to our performance for the second half of the year, taking the full-year contribution to the trusts to R204 million.

CONCLUSION

Our full-year performance underscores the importance of maintaining focus on the elements under our control. Our commitment to operational excellence and productivity enhancements enabled us to navigate the price and rail weakness experienced in the first half, while setting us up for a better performance in the second half of the year.

We continued to execute on our strategic priorities, including the acquisition of a further 15% in the Ensham Mine. This acquisition, together with our life extension projects in South Africa, demonstrates our commitment to disciplined capital allocation through investments that enhance long-term value creation.

This focus on controlling the controllables has allowed us to successfully navigate a challenging year, while enabling strong shareholder returns and delivering on our purpose to responsibly create value together for a shared future.

FINANCIAL OVERVIEW

Rand million (unless otherwise stated)	2024	2023
Revenue	35,554	30,634
Operating costs	(31,751)	(23,737)
Profit for the reporting period	3,544	4,970
Attributable to non-controlling interests	(48)	(192)
Attributable to the equity shareholders of the Group	3,592	5,162
Earnings per share (cents/share)	2,676	3,766
Headline earnings per share (cents/share)	2,559	3,497
Dividends per share (cents/share)	1,300	2,000
APMs△		
Adjusted EBITDA	6,255	8,454
Adjusted EBITDA margin (%)	18	28
FOB cost per export tonne (Rand/tonne) – South Africa	1,151	1,134
FOB cost per export tonne excluding royalties (Rand/tonne) – South Africa	1,130	1,084
FOB cost per export tonne (Rand/tonne) – Ensham Business[1]	1,674	1,886
FOB cost per export tonne excluding royalties (Rand/tonne) – Ensham Business[1]	1,433	1,544
Adjusted operating free cash flow	3,589	6,806
Net cash	8,671	10,176
Capital expenditure	(3,396)	(3,288)
Environmental liability coverage (%)	54	40
OPERATIONAL OVERVIEW		
kt		
South Africa		
Run of mine	25,235	24,095
Export saleable production	13,595	12,214
Domestic saleable production	6,500	8,087
Total saleable production	20,095	20,301
Export equity sales	12,551	11,926
Third-party export sales	468	–
Domestic sales from thermal export stockpiles	1,095	1,491
Other industrial and domestic sales	5,476	7,271
Total sales	19,590	20,688
Ensham		
Run of mine (85%)[1]	3,423	839
Export equity saleable production (85%)[1]	3,458	860
Commodity purchases from Bowen (15%)[1,2]	610	152
Total saleable production	4,068	1,012
Export equity sales (100%)[1,3]	4,068	884
Total sales	4,068	884

1 Results for the Ensham Business presented for the year ended 31 December 2023 reflect the results for four months from the acquisition date of 31 August 2023.
2 Commodity purchases from Bowen reflect 15% of the operations of the Ensham Mine, to align with the sales made through Ensham Coal Sales.
3 The sales volume reflects 100% of the coal sold from the Ensham Mine. This includes tonnes sold in Australia at export parity prices, which are considered export equity sales.

The table above reflects the financial results as disclosed in the consolidated financial statements for the year ended 31 December 2024, including the alternative performance measures as included in Annexure 1 of the Annual Financial Statements. The Group acquired a controlling interest in the Ensham Business on 31 August 2023, and the consolidated results for the year ended 31 December 2023 include the results of the Ensham Business for the four months from the acquisition date to 31 December 2023. Refer to note 2A and note 15 of the Annual Financial Statements for further detail.

REVENUE

Revenue increased by 16% to R35.6 billion (2023: R30.6 billion). Revenue in South Africa declined by R1.7 billion due to a 13% year-on-year decrease in the Richards Bay Benchmark coal price. Revenue in Australia increased to R9.3 billion, compared to R2.6 billion for the four months to 31 December 2023, as the Group accounted for a full 12 months of Ensham's performance, although this was partly offset by the impact of a weaker Newcastle Benchmark coal price.

Our South African operations achieved an average realised export price of USD91.56 per tonne in 2024 compared to USD103.67 per tonne in 2023. The realised export price as a percentage of the Richards Bay Benchmark coal price averaged 86.9% for 2024 (2023: 85.7%).

The Ensham Business achieved an average realised export price of USD124.00 per tonne, compared to USD155.85 per tonne achieved in the four months to 31 December 2023. The realised export price as a percentage of the Newcastle Benchmark coal price averaged 92.0% for 2024, a discount of 8.0%, compared to a premium of 10.6% realised in 2023. The premium realised last year resulted from the composition of the sales book, which included a higher proportion of fixed price contracts that were concluded above the benchmark price.

The stronger average exchange rate of the South African rand to the US dollar of R18.34 (2023: R18.45) had a negative impact on reported revenue, as the majority of export sales are undertaken in US dollars.

OPERATING COSTS

Operating costs increased by R8.1 billion to R31.8 billion from R23.7 billion in 2023, mainly as a result of the Group accounting for a full 12 months of the operations of the Ensham Business.

The Ensham Business recognised operating costs of R8.2 billion in 2024, an increase of R6.0 billion over the amount recognised in 2023 for the four months from the acquisition date.

Operating costs in South Africa increased from R21.6 billion in 2023 to R23.5 billion in 2024. The movements in operating costs detailed in the remainder of this section relate to costs incurred in South Africa only.

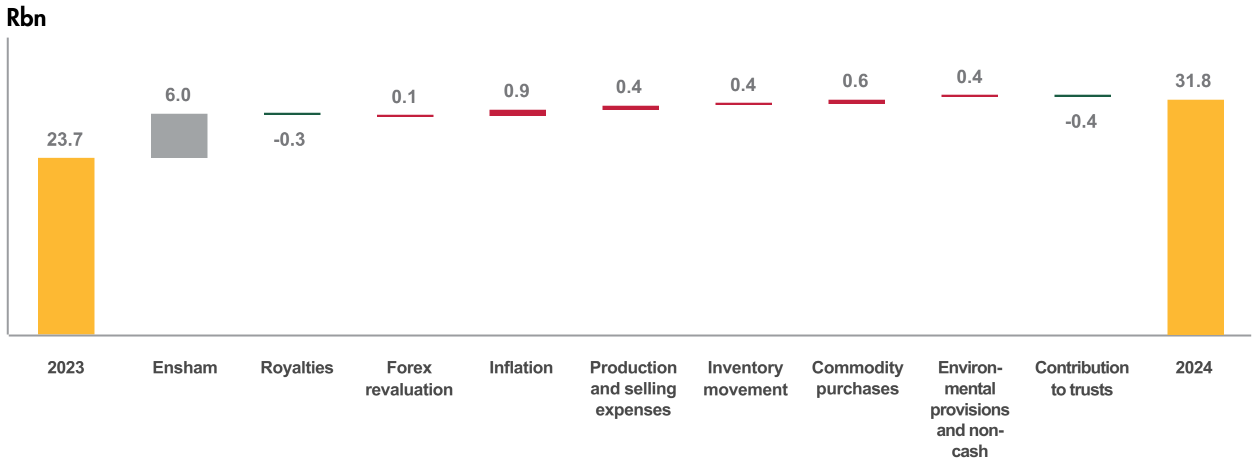
Royalties decreased by R322 million, from R603 million in 2023, due to the lower realised prices in the year.

Our operations were impacted by inflation of 4.9%, contributing to the higher operating costs. The costs incurred to produce the incremental export saleable production of 1.4Mt amounted to R1.2 billion, which was offset by a reduction in costs of approximately R700 million due to lower domestic production. Selling expenses reduced year-on-year.

Stockpiles were utilised to meet our sales obligations, resulting in an increase in the inventory production movement cost of R389 million.

The increase in commodity purchases of R558 million relates primarily to volumes bought from third parties in order to fulfil our sales obligations when port stocks were affected by poor rail performance at the start of the year.

Environmental provisions were impacted by the annual independent cost assessment, as well as changes in the planned timing of rehabilitation work. The resultant non-cash charge for 2024 was R310 million higher than in 2023.

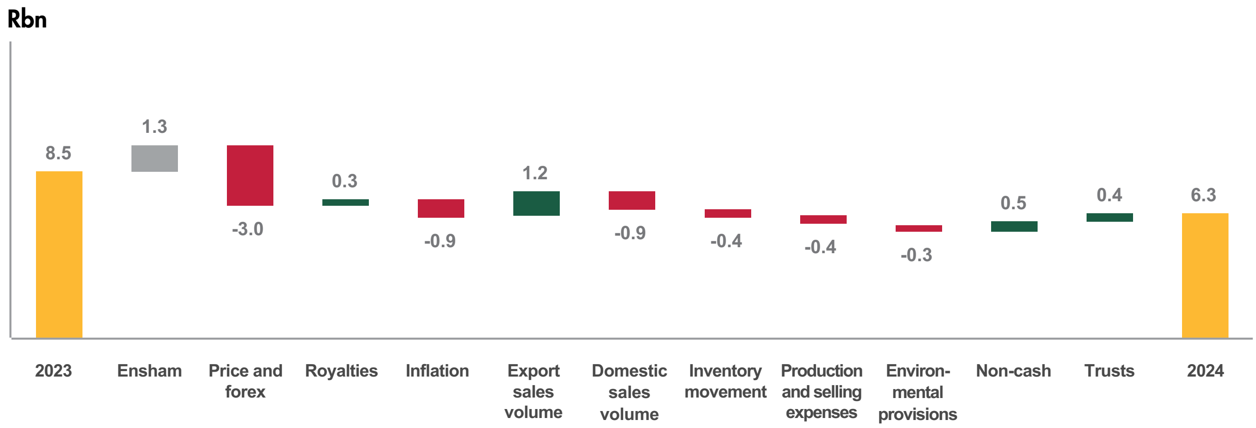


ADJUSTED EBITDA$^{\triangle}$

The Group generated adjusted EBITDA$^{\triangle}$ of R6.3 billion (2023: R8.5 billion) at an adjusted EBITDA margin$^{\triangle}$ of 18%, compared to 28% in 2023. The decline in earnings was mainly driven by lower benchmark coal prices and a stronger average exchange rate of the South African rand to the US dollar.

The impact of inflation on operating costs in South Africa remains elevated, although it was lower than in the previous year (4.9% compared to 7.1% in 2023). The positive impact from the higher export volumes sold was countered by the lower domestic sales and the costs associated with the variances in production.

The South African business, including the margin earned by Thungela Marketing International, contributed R4.2 billion to adjusted EBITDA$^{\triangle}$, while the remainder was contributed by Ensham.



PROFIT

Profit for the reporting period decreased to R3.5 billion (2023: R5.0 billion), primarily driven by weaker benchmark coal prices in the year.

Profit attributable to the equity shareholders of the Group was R3.6 billion (2023: R5.2 billion). In 2024, non-controlling interests were allocated a loss of R48 million (2023: R192 million) based on losses incurred at the underlying statutory entities.

Profit was positively impacted by the disposal of the Group's interest in Rietvlei Mining Company. Total cash received for the disposal was R186 million, with a non-cash profit of R601 million recognised due to historical losses incurred in the entity.

The Group entered into and settled several contracts for the sale of foreign currency in 2024. Net finance income of R894 million incudes R658 million from positive movements on cash held in foreign currency as well as derivatives held over future conversions of foreign currency.

The Group recognised impairment losses of R278 million at Goedehoop, as the mine approaches the end of its life during 2025.

The Group incurred an income tax expense of R1.5 billion for 2024, which resulted in an effective tax rate of 29% (2023: 31%). This was higher than the statutory tax rate in South Africa of 27%, primarily due to non-deductible expenses incurred across the Group and an increase in the deferred tax asset that was not recognised in RMC, based on ongoing losses in that entity until its disposal.

EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE

Profit attributable to the equity shareholders of the Group of R3.6 billion is equivalent to R26.76 per share, compared to R37.66 per share in 2023.

Headline earnings attributable to the equity shareholders of the Group of R3.4 billion are equivalent to R25.59 per share, compared to R34.97 per share in 2023.

To determine the headline earnings for the year, the earnings attributable to the equity shareholders of the Group were adjusted by the after tax impact of the profit on disposal of RMC, offset by the impairment losses recognised in our South African operations.

These per share figures are based on a weighted average number of shares outstanding (WANOS) of 134,238,447 (2023: 137,056,628), with the decrease largely attributable to the impact of the share buybacks undertaken in 2024.

ADJUSTED OPERATING FREE CASH FLOW△ AND CASH AND CASH EQUIVALENTS

The Group generated adjusted operating free cash flow△ of R3.6 billion (2023: R6.8 billion).

The difference between the adjusted EBITDA△ and the adjusted operating free cash flow△ generated is mainly attributable to sustaining capital expenditure△, tax payments, cash spent on environmental and other provisions and the impact of derivatives.

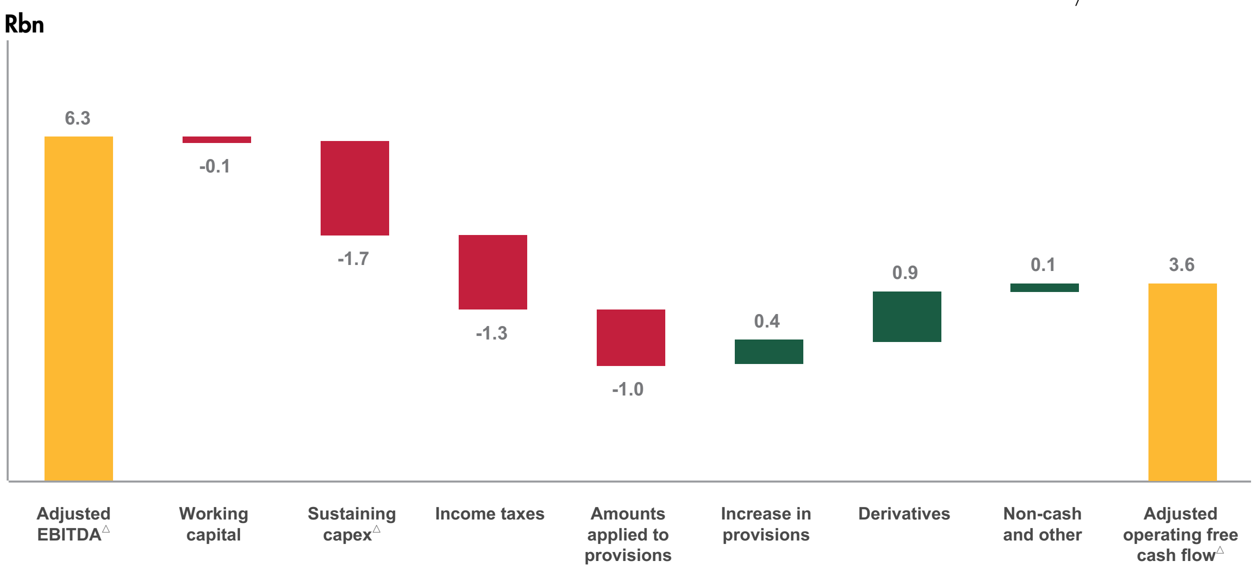
Sustaining capex△ reduced adjusted operating free cash flow△ by R1.7 billion (including sustaining capex△ of R605 million at Ensham).

The Group paid income taxes of R1.3 billion.

Amounts applied to reduce environmental and other provisions of R1.0 billion mainly relate to the continued rehabilitation work focused on the Khwezela Colliery and at Ensham. This is offset by a non-cash increase in provisions of R443 million, resulting mainly from the annual assessment of the environmental provisions.

Adjusted operating free cash flow△ was positively impacted by the cash inflows from the settlement of derivative contracts related to the sale of foreign currency, amounting to R905 million.

The Group ended the year with cash and cash equivalents of R10.1 billion. After deducting the cash held in the Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust of R872 million, and R560 million held in escrow for the acquisition of the remaining 15% interest in the Ensham Mine, net cash△ amounted to R8.7 billion at the end of the year.



ENVIRONMENTAL PROVISIONS

Environmental provisions are comprehensively assessed on an annual basis and determined with assistance from specialist independent environmental consultants. The environmental provisions recognised at 31 December 2024 amounted to R12.0 billion (2023: R11.7 billion).

Investments ringfenced in the environmental rehabilitation trusts and the green funds in South Africa and Australia equated to R6.4 billion (2023: R4.7 billion).

In South Africa, in line with our commitment to the providers of financial guarantees, we contributed R204 million to the green fund in 2024. In Australia, we contributed R970 million to an investment vehicle, similar to the green fund, to secure the financial surety required by the Queensland Financial Provisioning Scheme.

Our environmental liability coverage$^{\triangle}$ for the South African operations has increased to 69%. When combined with the Ensham Mine, Group coverage has increased to 54% (2023: 40%), as we continue our efforts to cash collateralise our rehabilitation obligations.

In South Africa, our environmental provisions are based on our interpretation of the currently enforceable environmental laws. On 1 February 2024, the Minister in the Department of Forestry, Fisheries and the Environment published a notice deferring the transition date of the 2015 NEMA Financial Provisioning Regulations, but a revised date has not yet been published. We await confirmation of a revised transition date.

In Australia, mining companies in Queensland are required to contribute to the Queensland Financial Provisioning Scheme in relation to their regulatory environmental rehabilitation costs. This contribution can be made by way of a payment into a pooled fund (pool) or the provision of a financial surety, as determined by the scheme manager. Ensham is required to obtain financial surety for the environmental rehabilitation costs, while acceptance into the pool is actively pursued.

SOUTH AFRICAN OPERATIONS

OPERATIONAL PERFORMANCE

Run of mine increased by 4.7% to 25,235kt (2023: 24,095kt). This was achieved through focused productivity improvement drives at Khwezela, Mafube and Zibulo. These volumes were partially offset by volumes lost as the Rietvlei Colliery transitioned to care and maintenance during the year, before being sold.

The strong run of mine performance drove export saleable production, which increased by 11% to 13,595kt (2023: 12,214kt). Export saleable production was further enhanced by higher yields from Zibulo, and the resumption of a secondary production operation at Greenside.

Export equity sales increased by 5.2% to 12,551kt (2023: 11,926kt), enabled to a degree by the improved rail performance of TFR in the second half of the year. This is evident when considering sales volumes of 6,033kt in the first six months, compared to 6,518kt in the second half of the year.

We continued to mitigate the risk of breaching on-mine stockpile capacity through the sale of lower quality export coal into the domestic market through free-on-truck sales of 1,095kt (2023: 1,491kt).

Domestic saleable production decreased by 20% to 6,500kt (2023: 8,087kt). Higher production from Isibonelo, as it recovered from operational challenges in the previous year, was offset by a decline at the other operations as a result of reduced domestic demand. Domestic sales decreased by 25% to 5,476kt (2023: 7,271kt).

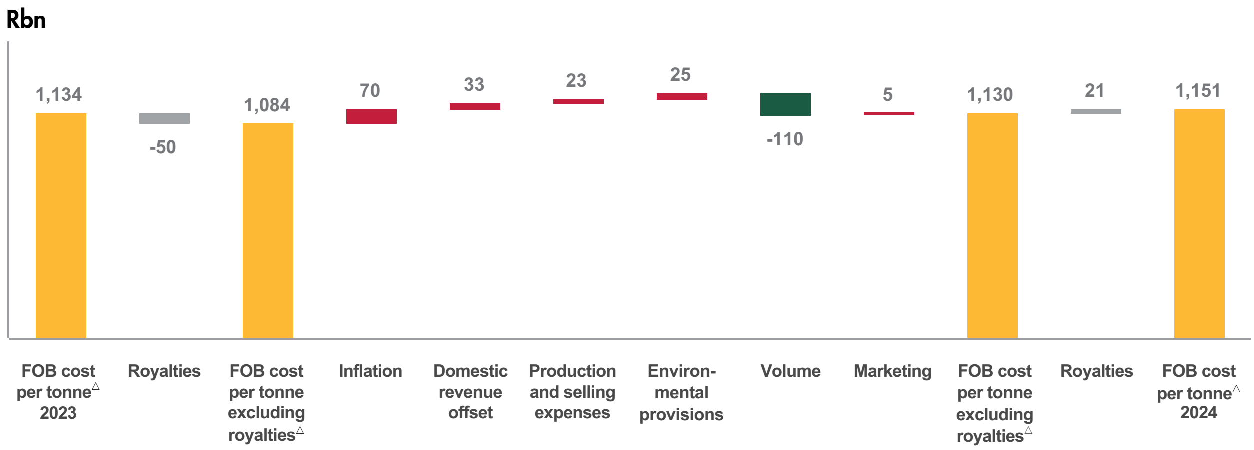
FOB COST PER EXPORT TONNE△

The FOB cost per export tonne excluding royalties△ was R1,130 in 2024, compared to R1,084 in the previous year.

FOB cost△ was below the low end of the 2024 full-year guidance, mainly due to the positive impact of higher production volumes. The FOB cost△ was impacted by inflation and a lower domestic revenue offset.

The non-cash charge related to the annual assessment of the environmental provisions and costs relating to supplementary operating activities further increased the FOB cost△.

The FOB cost per tonne△ increased by 1.5% to R1,151, compared to R1,134 in 2023.



CAPITAL EXPENDITURE

The South African business incurred capital expenditure of R2.8 billion (2023: R3.0 billion) comprising both sustaining capex△ and expansionary capex (mainly from life extension projects).

Stay-in-business capex of R903 million (2023: R1.1 billion) was spent mainly on machine overhauls.

Stripping and development capex was R192 million (2023: R250 million) and was spent on accessing life-of-mine reserves at Zibulo, Khwezela and Mafube.

Expansionary capex of R1.7 billion in 2024 included R519 million spent on the Elders project and a further R1.1 billion on the Zibulo North Shaft project.

ENSHAM BUSINESS

OPERATIONAL PERFORMANCE

In 2024, Ensham produced 4,068kt of export saleable production on a 100% basis, or 3,458kt on an 85% basis. This compares to 860kt (on a 85% basis) for the last four months of 2023, following the acquisition of Ensham.

Ensham recognised 4,068kt (2023: 884kt for the four months from acquisition) of export equity sales, which includes sales made in Australia at export parity prices or better. The sales included 610kt tonnes (2023: 152kt for four months) purchased from Bowen in line with its 15% ownership of the Ensham Mine.

OPERATING COSTS AND FOB COST PER EXPORT TONNE△

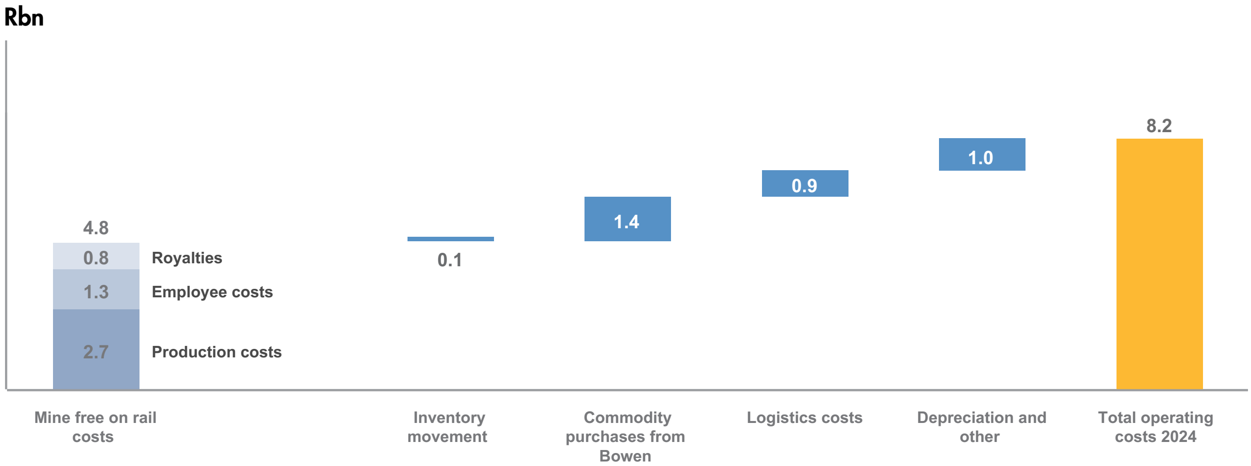
The Ensham Business incurred total operating costs of R8.2 billion, of which R2.7 billion related to production costs.

As Ensham Coal Sales manages all coal sales from the Ensham Mine, 100% of revenue from the mine is recognised and the cost for the proportion of coal sales reflecting Bowen's 15% participation in the Ensham Mine is accounted for as a commodity purchase. The Ensham Business therefore incurred R1.4 billion relating to coal purchases from Bowen.

The mine incurred R915 million in logistics costs, consisting mainly of rail and port costs to sell its product, and depreciation for the year amounted to R1.0 billion.

The FOB cost excluding royalties△ in 2024 decreased by 7.2% to R1,433 per tonne (2023: R1,544 per tonne), despite an increase in the non-cash charge related to the annual assessment of environmental provisions. The unit cost improvement was largely due to the improved production rates achieved.

Including royalties, the FOB cost per tonne△ was R1,674 (2023: R1,886 per tonne).



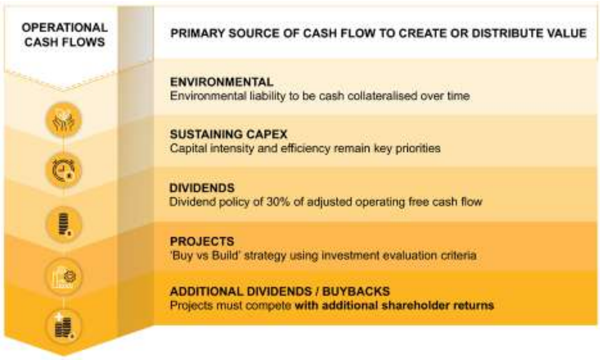
This graph does not reflect historical financial information, other than the net cash△ balance at 31 December 2024. This is accordingly a conceptual representation of the intended utilisation of the net cash△ on hand at the reporting date.

CAPITAL EXPENDITURE

The Ensham Business incurred capital expenditure of R605 million (on an 85% basis) in 2024.

Stay-in-business capex was spent mainly on machinery overhauls and building new mining equipment to address operational requirements.

CAPITAL ALLOCATION



Thungela's capital allocation framework remains the cornerstone of our strategy and prioritises returns to shareholders. Our approach acknowledges the diverse preferences of our shareholder base and we are accordingly committed to provide returns to our shareholders through a combination of dividends and share buybacks. We also ensure that we are able to maintain balance sheet flexibility during periods of weaker prices, while remaining agile to take advantage of supportive market conditions.

In 2024, we purchased 4,510,667 ordinary shares, or 3.2% of the issued share capital, through two share buybacks announced at our 2023 annual results and 2024 interim results, respectively. The total consideration for these shares was R601 million. These shares are held as treasury shares by a subsidiary of the Group.

The capital allocation framework also seeks to cash collateralise our environmental liabilities over time. In South Africa, we contributed a further R204 million to the green fund, as required by the providers of the financial guarantees. In Australia, we contributed R970 million into an investment vehicle, similar to the green fund in South Africa, to be used as cash collateral for the Ensham rehabilitation liability, while we pursue acceptance into the Queensland Financial Provisioning Scheme.

The Group generated cash flows from operating activities of R5.3 billion for the year. After investing R1.7 billion in sustaining capex△, this resulted in an adjusted operating free cash flow△ of R3.6 billion for 2024.
At 31 December 2024, the Group's net cash△ position was R8.7 billion.

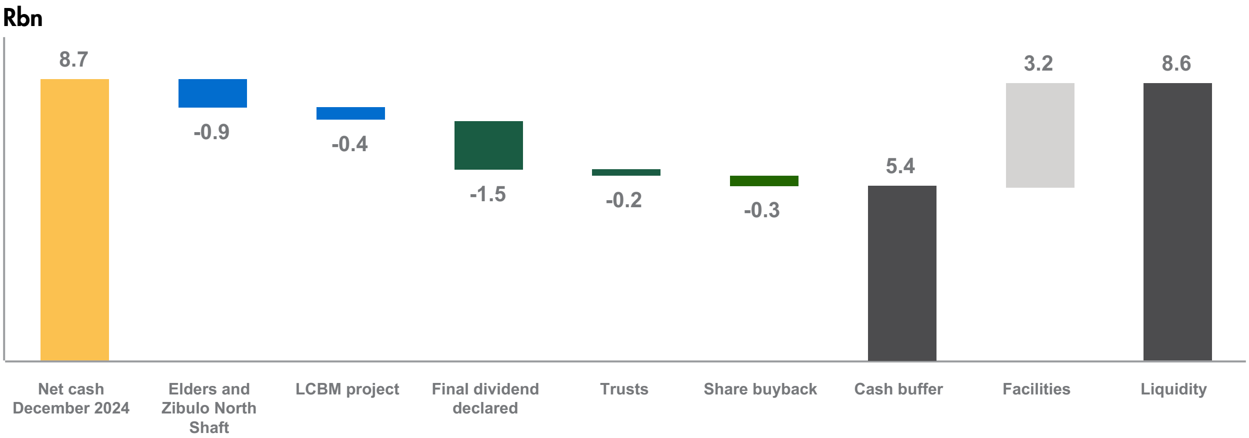
Thungela has consistently delivered on, and surpassed, our commitment to distribute a minimum of 30% of adjusted operating free cash flow△ to shareholders. In line with past practice, recognising the strength of our balance sheet, the board has declared a final dividend of R11 per share, or R1.5 billion. The board has also approved a further share buyback of up to R300 million, to be completed by the date of the next AGM, subject to favourable market conditions.

Together with the interim dividend of R281 million and a share buyback of R160 million already completed, this brings total shareholder returns relating to 2024 performance up to R2.3 billion in aggregate, representing 64% of adjusted operating free cash flow△ generated in 2024.

The Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust will also receive a further R172 million collectively, adding to the R32 million they received based on our interim results.

The board continues to reserve R900 million for the completion of the Elders and Zibulo North Shaft projects, and R400 million for the LCBM project.

The softer coal price environment experienced in 2024 has continued to deteriorate, and we expect energy prices to further weaken in the near term. This is a result of coal and gas inventories that remain elevated, and constrained economic activity in our export markets. Accordingly, the board considers it appropriate to maintain a cash buffer of R5.4 billion at this time. The Group also holds undrawn credit facilities of R3.2 billion.



This graph does not reflect historical financial information, other than the net cash△ balance at 31 December 2024. This is accordingly a conceptual representation of the intended utilisation of the net cash△ on hand at the reporting date.

OPERATIONAL GUIDANCE – 2025

	South Africa	Ensham
Export saleable production (Mt) (Ensham on a 100% basis)	12.8 – 13.6	3.7 – 4.1
FOB cost per export tonne△ (Rand/tonne)	1,220 – 1,300	1,650 – 1,780
FOB cost per export tonne excluding royalties△ (Rand/tonne)	1,210 – 1,290	1,470 – 1,580
Capital – sustaining△ (Rand million) (Ensham on a 100% basis)	1,400 – 1,700	700 – 950
Capital – expansionary (Rand million)	1,100 – 1,200	nil

Royalties are calculated using an assumed Richards Bay Benchmark coal price of USD102.00 per tonne and an assumed Newcastle Benchmark coal price of USD125.00 per tonne.

SOUTH AFRICAN OPERATIONS

Export saleable production guidance for 2025 of 12.8Mt to 13.6Mt is informed by improved productivity and performance of TFR. The range is based on expected rail performance of between 54Mtpa, at the lower end of the guidance, and 58Mtpa at the upper end. The midpoint of the guidance is aligned with the improved annualised run rate observed in the second half of 2024.

Our production footprint is entering a period of transition as the Goedehoop mine and Zibulo opencast operations reach end of life in 2025. The Elders and Zibulo North Shaft projects will continue to ramp up to full production during 2026.

FOB cost per export tonne excluding royalties△ is expected to be between R1,210 and R1,290. Including royalties, the range is between R1,220 and R1,300 per tonne, based on an assumed Richards Bay Benchmark coal price of USD102 per tonne.

Sustaining capital expenditure△ is expected to range between R1,400 million and R1,700 million. Expansionary capital expenditure is expected to be between R1,100 million and R1,200 million, which includes ongoing spend primarily on the Zibulo North Shaft project, and R400 million related to the LCBM project.

ENSHAM

Export saleable production guidance for 2025 is between 3.7Mt and 4.1Mt (on a 100% basis). The guidance is consistent with 2024 production as it allows for the mine to traverse known geological faults during the year. We have made good progress on improving productivity and will seek further opportunities as our South African and Australian operations continue to share best practices.

FOB cost per export tonne excluding royalties△ is expected to be between R1,470 and R1,580. Including royalties, the range is between R1,650 and R1,780 per tonne, based on an assumed Newcastle Benchmark coal price of USD125 per tonne. We have already started to review opportunities for further productivity improvement and cost savings at Ensham.

Sustaining capital expenditure△ is expected to be between R700 million and R950 million (on a 100% basis). This includes once-off capital expenditure of approximately R250 million, predominantly on land in order to secure outstanding mining licences.

SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

Rand million	2024	2023
Revenue	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	–	565
Acquisition and integration costs	–	(454)
Expenses for conditional shares granted to non-controlling interests	(9)	(123)
Fair value adjustments to acquisition related derivatives	–	(159)
Profit on disposal of investment in subsidiary	601	–
Impairment losses	(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	(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	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[1]		
Basic (cents/share)	2,676	3,766
Diluted (cents/share)	2,642	3,692

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

The consolidated financial statements from which this extract was derived have been prepared under the supervision of Deon Smith CA(SA), chief financial officer. The summarised consolidated financial statements are derived from the consolidated and separate financial statements on which PricewaterhouseCoopers Incorporated has expressed an unqualified opinion. A copy of the independent auditor's opinion, together with the Annual Financial Statements is available on www.thungela.com/investors/financial-results

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

Rand million	2024	2023
Assets		
Non-current assets		
Intangible assets	300	313
Property, plant and equipment	19,722	19,477
Environmental rehabilitation trusts	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	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	11,323	11,323
Contributed capital	965	965
Merger reserve	2,606	2,606
Treasury shares	(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	11,789	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	1,130	1,948
Derivative financial instruments	462	—
Current tax liabilities	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	Stated capital	Contributed capital	Merger reserve	Treasury shares
Balance at 1 January 2023	11,323	965	2,606	(302)
Purchase of shares by Group companies	—	—	—	(259)
Total comprehensive income/(loss) for the reporting period	—	—	—	—
Dividends paid	—	—	—	—
Movements in share-based payments reserve[2]	—	—	—	—
Conditional shares granted to non-controlling interests in the Ensham Business	—	—	—	—
Non-controlling interests arising from the acquisition of the Ensham Business	—	—	—	—
Change in ownership of the Ensham Business	—	—	—	—
Treasury shares issued to employees on vesting of share awards	—	—	—	68
Balance at 31 December 2023	**11,323**	**965**	**2,606**	**(493)**
Purchase of shares by Group companies	**—**	**—**	**—**	**(724)**
Total comprehensive (loss)/income for the reporting period	**—**	**—**	**—**	**—**
Dividends paid	**—**	**—**	**—**	**—**
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	**—**	**—**	**—**	**—**
Disposal of investment in subsidiary	**—**	**—**	**—**	**—**
Treasury shares issued to employees on vesting of share awards	**—**	**—**	**—**	**237**
Balance at 31 December 2024	**11,323**	**965**	**2,606**	**(980)**

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.

	Share-based payments reserve	Other reserves[1]	Retained earnings	Total equity attributable to shareholders of the Group	Non-controlling interests	Total equity
	83	145	11,453	26,273	(114)	26,159
	—	—	—	(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)	—	—	—
	214	308	9,686	24,609	(13)	24,596
	—	—	—	(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)	—	—	—
	246	(49)	11,449	25,560	544	26,104

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

Rand million	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]	9	(283)
Profit on disposal of investment in subsidiary	(601)	—
Impairment losses	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[1]	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	(1,016)	(860)
Settlement of derivative financial instruments	905	344
Income tax paid	(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	(3,333)	(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	—	(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	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)
Repayment of loans and borrowings	113	(1)
Settlement of derivative related to the acquisition of the Ensham Business	—	(55)
Purchase of shares by Group companies	(724)	(259)
Dividends paid to the equity shareholders of the Group	(1,630)	(6,920)
Dividends paid to non-controlling interests	(44)	(1)
Issue of shares by subsidiary to non-controlling interests	—	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.

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).

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 a loss on the revaluation of the cash balances held in foreign subsidiaries of R98 million (2023: R23 million gain) recognised in other comprehensive income.

REVIEW OF OPERATIONAL PERFORMANCE

For the year ended 31 December 2024

UNDERGROUND OPERATIONS

GOEDEHOOP COLLIERY

	2024	2023
Fatalities	—	—
TRCFR	1.10	0.38
Total saleable production (kt)	3,378	4,087
Export saleable production (kt)	2,258	2,458
Domestic production (kt)	1,120	1,629
FOB cost per tonne△ (Rand/tonne)	1,420	1,309
FOB cost per tonne excluding royalties△ (Rand/tonne)	1,388	1,238
Capex (Rand million)	—	18

Safety

Goedehoop recorded a TRCFR of 1.10, compared to 0.38 for the prior period as three recordable incidents were reported in 2024, compared to one in 2023.

Performance

Export saleable production of 2,258kt for the year was 8.1% lower than the comparative period, largely due to adverse geological conditions as the mine nears end of life.

Domestic saleable production decreased by 31% to 1,120kt as demand from domestic customers reduced.

FOB cost per tonne excluding royalties△ of R1,388 was 12% higher than the comparative period due to the lower production.

GREENSIDE COLLIERY

	2024	2023
Fatalities	—	—
TRCFR	1.11	2.27
Total saleable production (kt)	2,312	1,940
Export saleable production (kt)	2,312	1,940
Domestic production (kt)	—	—
FOB cost per tonne△ (Rand/tonne)	1,177	1,317
FOB cost per tonne excluding royalties△ (Rand/tonne)	1,143	1,271
Capex (Rand million)	21	87

Safety

Greenside recorded a TRCFR of 1.11, compared to 2.27 in the prior period as three recordable incidents were reported in 2024, compared to six in 2023. This improvement is the result of focused safety initiatives on site.

Performance

Export saleable production of 2,312kt for the year was 19% higher than the comparative period. This increase was driven by the resumption of an additional production and processing unit.

FOB cost per tonne excluding royalties△ of R1,143 was 10% lower than the comparative period, mainly as a result of the higher production.

ZIBULO COLLIERY

	2024	2023
Fatalities	—	1
TRCFR	0.79	1.44
Total saleable production (kt)	5,004	4,247
Export saleable production (kt)	5,004	4,247
Domestic production (kt)	—	—
FOB cost per tonne△ (Rand/tonne)	1,054	1,088
FOB cost per tonne excluding royalties△ (Rand/tonne)	1,049	1,077
Capex (Rand million)	1,508	1,017

Safety

Zibulo recorded a TRCFR of 0.79, compared to 1.44 in the prior year as three recordable incidents were reported in 2024, compared to eight in 2023, driven by an increased focus on critical controls.

Performance

Export saleable production of 5,004kt in 2024 was 18% higher than the prior period, driven by productivity improvements resulting in a 15% increase in run of mine year-on-year, as well as improved yields in the underground operation, despite challenging geological conditions.

FOB cost per tonne excluding royalties△ of R1,049 was 2.6% lower than the comparative period, mainly as a result of the higher production levels.

ENSHAM MINE

	2024	2023[1]
Fatalities	—	—
TRCFR	13.21	22.63
Total saleable production (kt)	4,068	1,012
Export saleable production (kt) (85%)	3,458	860
Commodity purchases from Bowen (kt) (15%)	610	152
Domestic production (kt)	—	—
FOB cost per tonne△ (Rand/tonne)	1,674	1,886
FOB cost per tonne excluding royalties△ (Rand/tonne)	1,433	1,544
Capex (Rand million)	605	289

[1] The 2023 figures reflect the results for the last four months of the year following the acquisition of Ensham on 31 August 2023.

Safety

The business has implemented a focused approach, aligned with Thungela's standards and best practice. This has yielded early results, reducing TRCFR to 13.21 in 2024, compared to 22.63 for the comparative period.

Performance

Ensham produced 4,068kt of export saleable production on a 100% basis in 2024. This represents a significant improvement over the run rate of 2.7Mtpa at the time when Ensham was acquired. Total saleable production includes 610kt of commodity purchases from Bowen, compared to 152kt in the four months from acquisition in 2023.

The FOB cost per tonne△ was R1,674 per tonne, or R1,433 per tonne excluding royalties. The lower cost compared to the prior year is attributable to an improved productivity focus as well as the introduction of an additional production unit in 2024.

OPENCAST OPERATIONS

KHWEZELA COLLIERY

	2024	2023
Fatalities	—	—
TRCFR	0.46	0.49
Total saleable production (kt)	2,239	1,642
Export saleable production (kt)	2,239	1,627
Domestic production (kt)	—	15
FOB cost per tonne△ (Rand/tonne)	1,130	1,371
FOB cost per tonne excluding royalties△ (Rand/tonne)	1,112	1,373
Capex (Rand million)	133	422

Safety

Khwezela maintained a solid safety performance and recorded a TRCFR of 0.46 in 2024, compared to 0.49 in the prior period with one recordable incident reported in each year.

Performance

Export saleable production increased by 38% to 2,239kt due to productivity improvements and a higher yield in the current period. Khwezela produced 1,258kt of run of mine in the second half of 2024, representing a 28% improvement from the first half.

The FOB cost per tonne excluding royalties△ of R1,112 has decreased by 19% compared to the prior period, mainly due to the higher production levels and a favourable movement on the non-cash cost relating to the environmental provisions.

MAFUBE COLLIERY (ATTRIBUTABLE)

	2024	2023
Fatalities	—	—
TRCFR	1.92	2.15
Total saleable production (kt)	1,700	1,510
Export saleable production (kt)	1,700	1,510
Domestic production (kt)	—	—
FOB cost per tonne△ (Rand/tonne)	970	964
FOB cost per tonne excluding royalties△ (Rand/tonne)	949	921
Capex (Rand million)	145	127

Safety

Mafube recorded an improved TRCFR of 1.92 in 2024, compared to 2.15 in the prior period driven by higher hours in 2024, with four recordable incidents reported in both years.

Performance

Export saleable production at 1,700kt was 13% higher than the prior period as a result of improved equipment performance and fewer operational challenges compared to 2023.

FOB cost per tonne excluding royalties△ of R949 increased by 3.0%, mainly due to the impact of above-inflationary costs relating to maintenance.

ISIBONELO COLLIERY

	2024	2023
Fatalities	—	—
TRCFR	1.67	2.86
Total saleable production (kt)	4,194	4,050
Domestic production (kt) (incl. coal purchases)	4,194	4,050
FOR cost per tonne (Rand/tonne)	556	516
Capex (Rand million)	45	63

Safety

Isibonelo recorded an improved TRCFR of 1.67 in 2024, compared to 2.86 in the prior year as three recordable incidents were reported in 2024, compared to five in 2023. Focused safety initiatives delivered the improvement.

Performance

Domestic saleable production was 3.6% higher at 4,194kt in 2024. Productivity improvement in 2024 was attributed to improved equipment performance and the impact of lower rainfall compared to the prior year.

The free-on-rail (FOR) cost per tonne of R556 increased by 7.8% mainly due to higher maintenance, fuel, and transportation costs.


thungela
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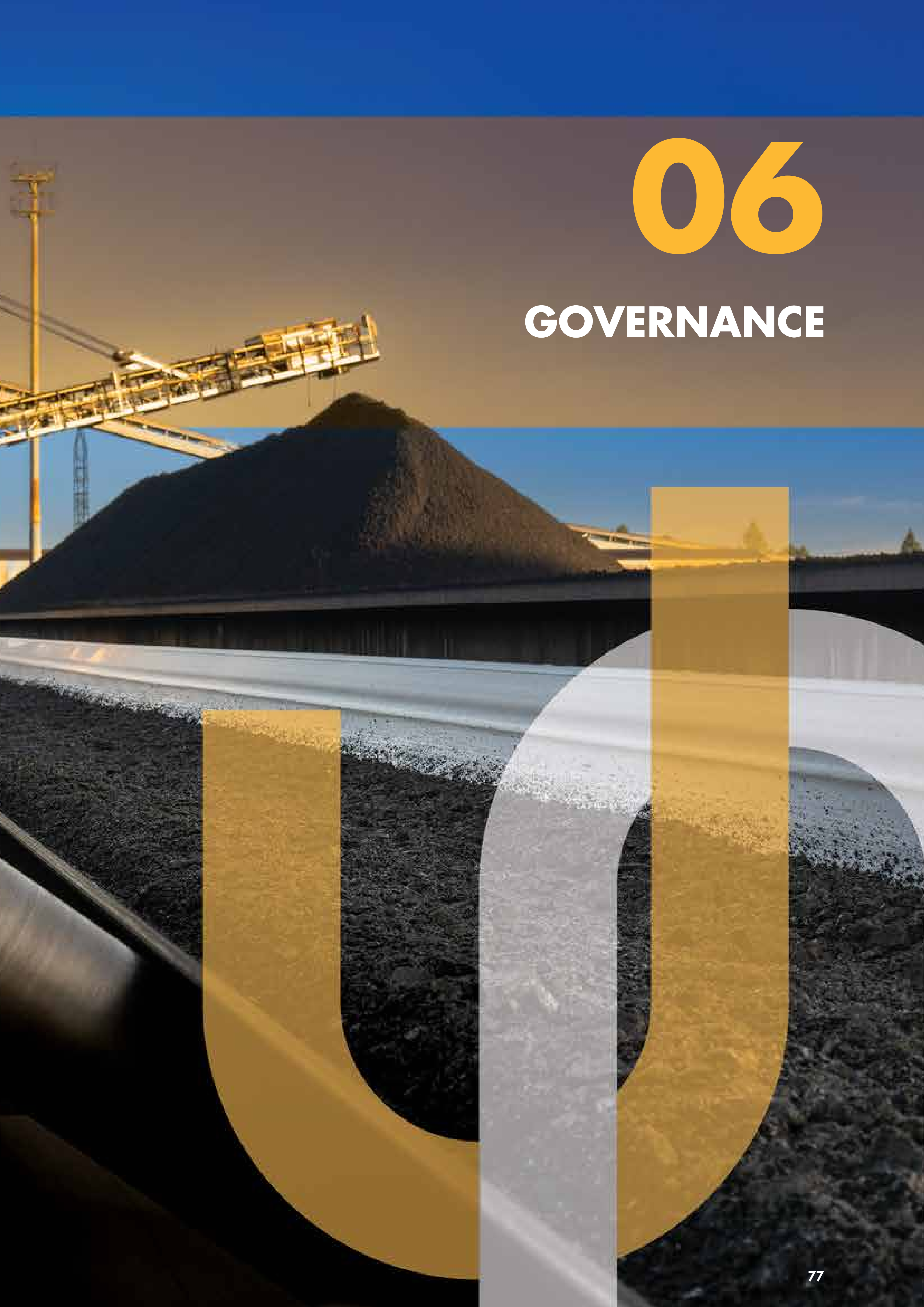


06 GOVERNANCE

BOARD OF DIRECTORS

Sango Siviwe Ntsaluba
Independent non-executive chairman

BCom, BCompt (Hons), CTA, HDip Tax Law, MCom in Development Finance, CA(SA)

Age: 64
Nationality: South African

Appointed: 1 January 2021

Sango is the founder and chief executive officer of Aurelian Capital and also co-founded SNG-Grant Thornton, a leading auditing and accounting firm. He has a wealth of knowledge and experience, having spent over three decades in leadership positions in operations, investment and finance. He also has extensive board experience in listed, public sector and unlisted companies locally and abroad. Sango brings invaluable experience to the board on governance, analytical analysis, sensitivities to emerging world trends, and a strong understanding of social and environmental matters.

Skills and experience
Leadership, investment, auditing, operations, taxation, board experience, governance, financial services, transport, logistics, mining, sustainability, food production

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

Benjamin (Ben) Monaheng Kodisang
Independent non-executive director

BCom, BCompt (Hons), CA(SA)

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

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

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

Yoza Noluyolo Jekwa
Independent non-executive director

MBChB, MBA

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

Thero Micarios Lesego Setiloane
Independent non-executive director

BSc, BEng

Age: -
Nationality: South African
Appointed: 7 March 2021
Passed away: 1 May 2024

Thero served as a non-executive director on the board of Foskor and was also a director and board member of the Oppenheimer Memorial Trust. He previously held the positions of chief executive officer for Business Leadership South Africa, and executive vice president of business sustainability at AngloGold Ashanti Limited. Thero was also an executive director at Real Africa Holdings Limited and the deputy chief executive officer for the commercial division of Transtel, he held various board positions that included chairmanship of Rand Refinery Proprietary Limited, Nuclear Fuels Corporation of South Africa Proprietary Limited, the Agricultural Research Council, and Swiss Re Life & Health Africa Limited.

Skills and experience
Governance, mining, leadership, retail, fund management, sustainability, large-scale industrial, agriculture, education, research, IT, digital technology, board experience

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

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

Gideon (Deon) Frederick Smith
Chief financial officer, executive director

BCom (Hons), CTA, CA(SA)

Age: 47
Nationality: South African

Appointed: 1 July 2017

Deon was previously the chief financial officer of Anglo American's South African coal business and subsequently assumed responsibility for strategy, business development and finance. Prior to joining the Thungela team, he was responsible for several finance functions across Anglo American and its divisions for over 14 years, including corporate finance, capital management, shared accounting services, and risk and audit. Prior to joining Anglo American, Deon spent six years with KPMG where he completed his articles and managed a software joint venture.

Skills and experience
Strategy, finance, auditing, risk management, investment banking, legal, IT/tech/digital, financial services, corporate finance, mergers and acquisitions

EXECUTIVE MANAGEMENT

Johan van Schalkwyk
Chief operating officer

BEng

Age: 50

Johan has held a number of management roles at several collieries of Anglo American's South African coal business and was the general manager at Kumba Iron Ore Limited's Sishen mine. Under his leadership, these mines achieved prestigious safety, productivity and efficiency awards within the Anglo American Group. He was previously the head of operations and business services for Anglo American's South African coal business.

Leslie Martin
Executive head: technical

BEng

Age: 53

Leslie is a mechanical engineer, having commenced his career at Anglo American in 1996 as a junior engineer in the coal business. He has held various roles, including general manager and head of the safety and sustainable development department, and has experience in underground and opencast mining, process plants, projects and construction. Leslie successfully integrated the operational risk management process into the operating model of Anglo American's South African coal business.

Lesego Mataboge
Executive head: human resources

BA, PGDip

Age: 52

Lesego has extensive experience in human resources within the natural resources sector, having worked at Kumba Iron Ore Limited and ArcelorMittal SA Limited. He was previously head of human resources at Anglo American's South African coal business.

Mpumi Sithole
Executive head: corporate affairs

BA (Hons)

Age: 46

Mpumi previously held the position of head of corporate affairs at Anglo American's South African coal business. Prior to this, she was media and external relations manager at Anglo American Platinum Limited. Before joining Anglo American, Mpumi was head of communications at Sanofi. Mpumi has held leadership positions at various companies and has extensive experience in communications and brand management, reputation management, media relations, stakeholder engagement, socio-economic development, and ESG strategic management.

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

Carina Venter
Executive head: safety, health and environment

National Diploma in Safety Management, MBA

Age: 47

Carina has held several management roles in Anglo American's South African coal business, having started her career at SasCoal Engineering. She was previously the head of safety and health at Anglo American's South African coal business.

Bernard Dalton
Executive head: marketing

Age: 63

Bernard is a seasoned marketing professional, with more than 36 years of experience in the mining and metals industries, having spent a number of years with BHP Billiton Aluminium, BHP Energy Coal South Africa Limited and South 32 Limited (South 32). He has worked in Singapore on commodity trading and risk management, is known for his extensive commercial knowledge, and is a director at the RBCT. Prior to joining Thungela, he was group manager marketing and sales for South 32, where he established the marketing strategy and structure for domestic and export sales across Johannesburg and London.

Dan Reynolds
Executive head: Australia

Appointed:
1 January 2025

B.Eng (Metallurgy)

Age: 51

Dan has over three decades of mining industry experience across diverse commodities, including various operational roles in both underground and opencut coal mines in central Queensland.
He has also held several global leadership positions covering Australia, South Africa, Chile and Brazil, and was most recently a mining executive for Anglo American in Australia prior to joining Thungela.

Francois Klem
Company secretary

Retired from role:
31 October 2024

CIS, Diploma in Business Management, Diploma in Company Secretaryship

Age: 61

Francois previously worked as a company secretary for Massmart Holdings Group, Central News Agencies, and Anglo American Platinum Limited. He also worked as the corporate governance manager for Anglo American's South African coal business prior to the demerger.

Tovi Ellis
Company secretary

Appointed:
1 November 2024

BCom, CIS, Certificate in Advanced Company Law

Age: 42

Tovi previously worked as Group Company Secretary for Omnia. Prior to joining Omnia, Tovi gained valuable experience in various company secretarial positions in financial services firms, such as Alexander Forbes and Momentum Investments. She has also fulfilled a number of other roles at public and private institutions, such as the SABC and SA Express Airways.

GOVERNANCE STRUCTURE

Board

Audit committee

- Duties include overseeing and reporting on the effectiveness and integrity of the Group's accounting and financial reporting, external audit, internal audit, integrated reporting and combined assurance

Remuneration and human resources committee

- Oversees human resource development, talent management and skills retention
- Reviews the remuneration report for board and shareholder approval, and considers all remuneration-related matters, including salary increases and incentive awards

Investment committee

- Reviews and evaluates all investments and related financing, divestments, corporate restructuring and financing proposals, and makes recommendations to the board
- Monitors project execution and post investment reviews

Nomination and governance committee

- Nominates, elects and appoints board members
- Responsible for board succession planning, board performance evaluations, reviewing and recommending sound governance principles, and monitoring regulatory compliance

Social, ethics and transformation committee

- Oversees transformation, employment equity and compliance with the Ten Principles of the United Nations Global Compact (UNGC)
- Manages broad-based black economic empowerment (B-BBEE), ethics and responsible business practices, stakeholder relations and responsible corporate citizenship

Health, safety, environment and risk committee

- Oversees Group risk, information management (IM) as well as sustainability with a focus on safety, health and the environment
- Determines the Group's risk appetite and reviews legal matters

GOVERNANCE PHILOSOPHY

PURPOSE AND APPROACH

OUR COMMITMENT

When our leaders live our values, they enhance accountability, ensure ethical and effective leadership, and ensure that the Group fulfils its role as a responsible corporate citizen.

We are committed to applying sound governance principles and ethical standards as outlined in the King IV Report on Corporate Governance for South Africa, (2016) (King IV™). We also adhere to the performance standards set by the International Finance Corporation, and industry standards that apply in the geographies where we operate. We manage our business with integrity, diligence, and fairness. This commitment is reflected through our responsible operations, taking accountability for our actions, and the transparent and accurate reporting of all aspects of our performance. The board ensures these principles are practised, communicated throughout the organisation, and shared with all our stakeholders.

The board sets the tone and leads the Group ethically, effectively and responsibly. It is responsible for establishing an ethical culture throughout the organisation, which is facilitated through the implementation of our business integrity policy, code of conduct and antitrust policy. When making decisions, our board members ensure they are well-informed, act independently, demonstrate courage, maintain awareness and insight, and manage any conflicts of interest that may arise. The board works with our executive team to deliver on our purpose and safeguard the interests of all stakeholders. This is done by steering the Group's strategic direction to create economic value for stakeholders in the short, medium and long term by securing Thungela's long-term sustainability. The board guides and oversees the Group's performance regarding its critical role in society as an employer and as a contributor to transformation and economic growth.

GOVERNANCE DESIGNED TO EMBED AN ETHICAL CULTURE

Clear governance structures are in place to rigorously monitor and manage this crucial area. We take a zero-tolerance stance on unethical behaviour.

To embed an ethical culture, we have a Group-wide code of ethics and a whistleblowing policy and procedure, which have been approved by the board and are communicated throughout the organisation. Our values, principles, leadership code and policies set out our expectations for leaders, employees, contractors, suppliers and other stakeholders, and guide their conduct. Our policy is to address unethical behaviour promptly and fairly while recognising and rewarding ethical conduct.

WHISTLEBLOWING

HAIBO is our independently managed whistleblowing service, it is integral to the elimination of unethical behaviour. It is available both to internal and external stakeholders, including employees, contractors, business partners and members of the general public.

It allows for the anonymous reporting of illegal, inappropriate and unscrupulous behaviour, and guarantees the confidentiality and protection of whistleblowers. Our policy on whistleblowing can be accessed on our website.

Reporting is actively encouraged via a range of internal and external communication platforms as, well as during return-from-leave induction and mandatory training on aspects such as human rights, our code of conduct, bullying, victimisation and harassment.

Whistleblowers can make reports in the language of their choice using a toll-free hotline and a dedicated email address. In 2024, the hotline was contacted 248 times. This resulted in 59 official reports, 30 had no evidence of wrongdoing and 48 were resolved by the end of the year.

The social, ethics and transformation committee regularly reviews a summary of reports to identify possible trends and corrective actions. It also reviews feedback on incidents and the outcomes of investigations. Incidents that have a substantial financial impact, or significant impact on the control environment, are reported to the audit committee for any sign of perversive internal control breakdowns.

EDUCATION AND AWARENESS

Awareness of Group policies, ethics, the code of conduct, business integrity, antitrust behaviour and our whistleblowing service is created regularly through *Thungela Weekly*, our weekly electronic newsletter, which is sent to employees and contractors via SMS or email. External service providers are also made aware of our internal policies in agreements, which make specific reference to relevant policies and requirements around anti-money laundering and anti-terrorism practices.

Board members are also regularly made aware of policies and procedures applicable to them. Copies of these, as well as details about our whistleblowing service, are shared via email and our online board portal. Board members, prescribed officers and the company secretary also attend refresher training presented by our sponsor, Rand Merchant Bank (RMB). This training covers the JSE Listings Requirements, the board's responsibilities and any changes that impact the board or the Group.

THE ROLE OF THE BOARD

The Board remains committed to upholding sound corporate governance principles, best practices, and responsible corporate citizenship. To this end, it ensures a clear division of responsibilities at Board level, promoting a balanced distribution of power and authority. This structure prevents any single individual from exercising unfettered decision-making power, with the majority of directors being non-executive. The executive committee, led by the chief executive officer, is responsible for executing on the board-approved strategy.

STRATEGIC DIRECTION

The guiding principles of King IV steer the board's responsibilities in providing strategic direction. The board prioritises value creation by developing strategies that aim to increase and preserve value, while safeguarding against value erosion. The responsibility for implementing the strategy is delegated to the Group executive committee, which is provided with clear definitions of its organisational leadership role is accountable for delivering operational business performance. The Group executive committee's performance is measured against agreed key performance indicators (KPIs). The King IV principles provide the board with a structured framework to evaluate the governance effectiveness of itself and its committees, and to implement any necessary enhancements.

RESPONSIBILITIES

The board's collective responsibility for its primary governance roles includes:

- Strategic direction: The board provides clear strategic direction by setting and steering the strategic direction of the Group. It delegates the formulation and development of the Group's short, medium and long-term strategy, and governs risk with the aim of supporting the achievement of a good performance against strategic objectives. The board and executive committee work together to create value for all stakeholders, ensuring that our strategy and business model are fit for purpose in the short, medium and long term. They also ensure we retain the flexibility to adapt to changing market conditions and secure the sustainability of the business.
- Accountability: Our governance framework designates the board as the custodian of corporate governance, providing the board with effective control to ensure business accountability. The roles and responsibilities are set out in our board charter, which is based on the Thungela memorandum of incorporation (MOI) and governance framework. The charter and the MOI are available on our website. The Thungela approval framework ensures that business matters are managed and approved at the appropriate levels and that the board retains overall control and oversight of the business. The framework is reviewed annually to confirm its relevance based on current market and economic conditions. The executive committee is responsible for implementing and executing the board-approved strategy while ensuring accountability for performance through reporting and disclosure.
- Policy and planning: The board reviews and approves business policies and processes that contribute to value creation through good governance, corporate social responsibility, and an ethical culture and ensures the integrity of risk management and internal controls.
- Oversight and monitoring: The board's oversight and monitoring of performance contribute value to the business and its stakeholders by ensuring a fair and transparent approach.

By mandating its committees to act on its behalf, the board is able to:

- Ensure adequate succession planning at senior levels
- Effectively review operational performance and management
- Ensure the implementation of, and compliance with, governance processes and procedures, with zero tolerance for fraud and corruption
- Ensure the business operates safely
- Focus on climate change, driving the pathway to net zero emissions

COMMITMENTS

The board has committed to operating in line with all relevant regulations, and acknowledges:

- Its responsibility for ensuring that the business complies with all statutory obligations specified in its MOI, the Companies Act of South Africa, the JSE Listings Requirements and other regulatory requirements
- Its endorsement of the King IV principles and recognises the need to conduct affairs with integrity and in accordance with generally accepted corporate practices
- It is ultimately responsible for the Group's performance
- To ensure that the Group complies with regulations across the multiple jurisdictions in which we operate
- Its responsibility to ensure that the Group complies with the UK Listing Rules, Market Abuse Regulations and the UK Disclosure Guidance and Transparency Rules
- Its responsibility regarding climate change, with a particular focus on water management, land rehabilitation, the environment, carbon emissions, and climate change reporting requirements

BOARD COMPOSITION AND MEMBERSHIP

The board comprises eight members, including two executive directors, and six independent non-executive directors. This is in accordance with the board charter, which requires that there be a majority of non-executive directors who bring an independent view to its decision-making.

The knowledge and experience of the board is diverse, with board members having accounting, financial, mining technical, engineering, sustainability and management skills, as reflected in their curricula vitae which are available on our website at www.thungela.com/about-us/who-we-are.

New board members are required to retire and avail themselves for re-election at the AGM following their appointment to the board. Tommy McKeith will retire for election due to his appointment to the board on 1 October 2024, he will replace Thero Setiloane, who passed away on 1 May 2024.

Non-executive board members already appointed are required to retire by rotation, and Sango Ntsaluba and Ben Kodisang were re-elected as non-executive board members at the 2024 AGM. Kholeka Mzondeki and Seamus French will stand for re-election in 2025.

Our current chief executive officer and executive director, July Ndlovu, will reach the retirement age of 60 in July 2025, in accordance with the Company's retirement policy, he is scheduled to retire from the employment of Thungela in 2025. Following a comprehensive selection process, the board of directors has appointed Moses Madondo as the incoming chief executive officer designate, effective 1 August 2025.

Any non-executive director whose term of office exceeds nine years will be subject to a rigorous annual review by the nomination and governance committee, taking into account their performance and independence. A statement confirming such a director's independence would be included in the Integrated Annual Report and will be subject to shareholder approval at the upcoming AGM.

The mandatory retirement age for non-executive directors is 70. At this age, the director shall vacate office at the end of the financial year in which they turn 70, unless the board decides otherwise based on a recommendation from the nomination and governance committee.

The nomination and governance committee follows a transparent and formal process in recommending suitable candidates for the board's consideration. Directors shall be appointed and removed in accordance with the provisions of the Thungela MOI, the Companies Act of South Africa and any other applicable law or regulatory provisions.

The need for additional skills or experience relevant to the size of the business is assessed annually by the chairman in consultation with the company secretary and the nomination and governance committee. Where gaps are identified, the necessary processes are followed to scope, identify and nominate the necessary talent to the board.

EVALUATION OF BOARD AND DIRECTORS' PERFORMANCE

The performance and effectiveness of the board, the board committees and individual directors are evaluated annually against the principles of King IV and other measures. This annual evaluation provides the board with a mechanism and outcomes through which to assess its governance performance and make improvements where necessary.

The board and committee evaluations alternate each year between internal and external appraisals. Internal assessments focus less on individual performance, while external evaluations include 360-degree individual assessments.

In 2024, an independent external evaluation of the board and its committees was completed. Overall, the evaluation determined that the board remains highly effective.

INCLUSION AND DIVERSITY

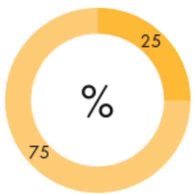
The Group recognises and embraces the benefits of having a diverse and inclusive board and workforce as an essential element in maintaining a competitive advantage. In this regard, the board has adopted the Thungela inclusion and diversity policy, which is applicable to the board and employees. A summary of this policy is available on the Group's website at www.thungela.com/our-people.

In terms of this policy, when considering the composition of the board, cognisance is taken of the benefits of all aspects of diversity specifically including, but not limited to, gender and race diversity.

This is to attain the appropriate balance of knowledge and experience, skills, race, gender, culture, age and independence for the board to effectively discharge its role and responsibilities.

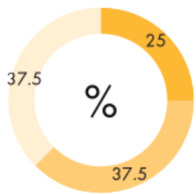
All board appointments are made on merit, in the context of the skills, experience, independence and knowledge that the board as a whole requires to be effective. The nomination and governance committee annually reviews and considers whether the board's size, diversity and demographics make it effective. The assessment done in 2024 provided positive feedback to the board and expressed confidence in the independence of individual board members.

BOARD COMPOSITION



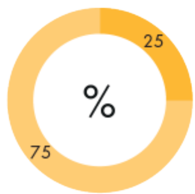
- Executive directors
- Independent non-executive directors

AGE DIVERSITY



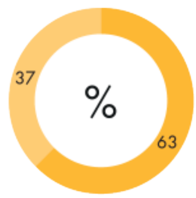
- 40 to 49
- 50 to 59
- 60 to 69

GENDER DIVERSITY



- Female
- Male

ETHNICITY



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KEY FOCUS AREAS FOR 2024

During the year, the Thungela board addressed the following areas, in addition to their normal statutory responsibilities set out in the Thungela's MOI, read with the board charter, the aim was to create long-term value for shareholders and other stakeholders:

- Reviewed and approved the 2024 interim and annual results, including all documents published as part of the annual results, such as the Integrated Annual Report, ESG Report, Climate Change Report, Remuneration Report, and Notice of AGM
- Monitored the Group's performance in terms of safety, health and the environment, with the objective of operating a fatality-free business
- Agreed on the Group's strategy at the annual strategy workshop, and continuously reviewed the strategy for relevance
- Reviewed and approved the 2025 budget
- Reviewed and considered feedback on the board and committee evaluation process
- Approved the going concern analysis and solvency and liquidity assessments in preparation for the interim and annual results
- Approved the final and interim dividend declarations in line with the proposed capital allocation structure
- Nominated the independent external auditor and audit partner for appointment by the shareholders at the AGM
- Recommended the 2025 non-executive directors' fees for shareholder approval at the AGM on 5 June 2025
- Reviewed the progress on key capital projects, Elders and the Zibulo North Shaft
- Engaged with the executive on the Group's talent management process, planning and people development
- Appointed a new company secretary, Tovi Ellis, to replace the previous company secretary, who has reached retirement age
- Appointed a new independent non-executive director, Tommy McKeith, to the board, and as a member of relevant board committees to fill the vacancies left by the untimely passing of Thero Setiloane

KEY FOCUS AREAS FOR 2025

Key focus areas for the board in the year ending 31 December 2025 will be, among others:

- Operating a fatality-free business
- Prioritising safety, health and the environment
- Continued development and training for board members
- Appointing a lead independent non-executive director
- Ongoing focus on infrastructure challenges, such as TFR and power availability
- Reviewing the strategy of Thungela to ensure a sustainable business plan and continued assessment of diversification options
- Clearly defining B-BBEE aspirations
- Assessing and addressing social risks and impacts related to mine closures
- Focusing on the pathway to zero emissions and decarbonisation
- Continuing efforts in rehabilitation, water management and high-risk underground water structures
- Reviewing financial and business performance against set targets
- Continuing to identify and address risks and opportunities for the business
- Maintaining focus on talent attraction and retention
- Continued focus on key capital projects, Elders and the Zibulo North Shaft
- Considering the appropriateness of the board's size and skills and potential need to appoint additional members to broaden the board's skill sets

Board committees

All the committees have clear mandates and oversight responsibilities for various aspects of the business, as well as individual terms of references, that have been approved by the board. All committees are constituted in line with the applicable King IV requirements.

The board may also appoint ad hoc subcommittees to assist it in making strategic decisions on urgent or business-critical matters.

Board and board committee compositions are subject to continuous reviews, while the responsibilities delegated to each are formally documented in their respective terms of reference, which are available on our website.

The current composition of each committee is set out below:

Audit committee	Remuneration and human resources committee	Social, ethics and transformation committee	Health, safety, environment and risk committee	Investment committee	Nomination and governance committee
Kholeka Mzondeki* Ben Kodisang Tommy McKeith[1] Thero Setiloane[2]	**Ben Kodisang*** Seamus French Yoza Jekwa	**Tommy McKeith[1*]** Yoza Jekwa Thero Setiloane[2] July Ndlovu Lesego Mataboge[3]	**Seamus French*** Sango Ntsaluba July Ndlovu Tommy McKeith[1] Thero Setiloane[2]	**Yoza Jekwa*** Sango Ntsaluba Seamus French Kholeka Mzondeki	**Sango Ntsaluba*** Kholeka Mzondeki Ben Kodisang
See pages 42 to 45 of the Annual Financial Statements for full report.	See pages 98 to 102 for full report.	See pages 91 to 92 for full report.	See pages 93 to 94 for full report.	See page 95 for full report.	See pages 96 to 97 for full report.

*Chairperson

Board and committee meetings and attendance: 1 January to 31 December 2024

Member	Board	Audit committee	Remuneration and human resources committee	Social, ethics and transformation committee	Health, safety, environment and risk committee	Investment committee	Nomination and governance committee
SS Ntsaluba	5/5	Invitee	Invitee	Invitee	5/5	3/4	2/2
KW Mzondeki	5/5	5/5	–	–	–	4/4	2/2
BM Kodisang	5/5	5/5	2/2	–	–	–	1/2
SG French	5/5	–	2/2	–	5/5	2/4	–
YN Jekwa	5/5	1/5	2/2	3/3	–	4/4	–
TD McKeith	1/5	1/5	–	–	1/5	–	–
TML Setiloane	2/5	2/5	–	2/3	2/5	–	–
J Ndlovu	5/5	Invitee	Invitee	3/3	5/5	Invitee	Invitee
GF Smith	5/5	Invitee	Invitee	–	Invitee	Invitee	–
LE Mataboge[3]	–	–	–	2/3	–	–	–

1 Tommy McKeith (chairperson – appointed 1 October 2024).
2 Thero Setiloane (passed away 1 May 2024).
3 Lesego Mataboge, the executive head of human resources, attended the social, ethics and transformation meetings as a member.

GOVERNANCE PRACTICES

CODES, REGULATIONS AND COMPLIANCE

The board is responsible for our compliance with laws, codes and standards, all of which are integral to our culture and the achievement of our strategic objectives. It has delegated the implementation of an effective compliance framework to the legal and risk and assurance teams. Supervision of risk management is delegated to the health, safety, environment and risk committee, while the nomination and governance committee reviews and monitors compliance.

Thungela complies with various codes and regulations referenced in the Companies Act of South Africa, the JSE Listings Requirements and the UK Listing Rules, and King IV. Internal audits are regularly performed to assess compliance with these and other legal and industry obligations.

KING IV

The board is committed to good corporate governance practices in the execution of its fiduciary duties. These include those set out in King IV. Following a rigorous self-assessment process, the board is satisfied that Thungela has adopted all 16 principles of King IV and consistently monitors their application.

As a JSE-listed company, we are required to report on the extent to which the King IV principles are applied. Details may be found in the Thungela King IV register available at https://www.thungela.com/investors/corporate-governance.

INTERNAL ASSURANCE

The internal risk and assurance function provides independent and objective assurance over risk management, internal controls, governance, and the processes in place for an effective and efficient internal control environment.

REGULATORY COMPLIANCE

We recognise the importance of complying with legislation and adhering to non-binding codes and standards, embedding a culture of compliance, and providing the board and management with the assurance that all relevant legal and regulatory requirements have been met.

The compliance function is divided between the legal and risk and assurance disciplines, and is aligned with our strategic objectives.

The compliance function provides reports to the nomination and governance committee on the level of regulatory compliance achieved. Representatives of this function attend committee meetings by invitation.

ANNUAL COMPLIANCE CERTIFICATE

The annual compliance certificate confirming our adherence to the JSE Listings Requirements was submitted to the JSE in April 2025.

TRADING IN SECURITIES

A code published on our website sets out how trading in Thungela shares should be conducted by directors, prescribed officers, the company secretary and restricted employees. In line with the JSE Listings Requirements, it prohibits directors and restricted employees from trading in any Thungela securities without obtaining prior approval from the chairman, chief executive officer or company secretary.

Directors, prescribed officers and the company secretary of any major Thungela subsidiary must also publicly disclose their own and their associates' dealings in these shares.

The JSE defines a period during which trading is prohibited. For Thungela, these closed periods are as follows:

- from 1 January each year to the date on which the annual financial results are published
- from 1 July each year to the date on which the interim financial results are published
- any period when Thungela is trading under a cautionary announcement
- any period when there exists price-sensitive information related to Thungela securities

This prohibition applies equally to directors, prescribed officers, restricted employees, restricted employees' associates and any person (internal or external), with access to price-sensitive information. The company secretary regularly reviews and updates an insider list for relevance. At the start of a closed period, directors, restricted employees and insiders are formally advised of the commencement and duration of the closed period. Trading embargoes are also imposed on individuals who possess price-sensitive information at any given time.

There were no instances of non-compliance with the dealing code and the JSE Listings Requirements in 2024.

SPONSOR

We understand our sponsor's role and responsibilities and have cultivated a good working relationship with RMB. We are satisfied that RMB executed its mandate with due care and diligence during the year under review.

COMPANY SECRETARY

Our company secretary, Tovi Ellis*, has been appointed in line with the requirements of the Companies Act of South Africa and the JSE Listings Requirements. The company secretary's duties include:

- Ensuring that board procedures are followed and reviewed regularly
- Ensuring the board conducts its affairs in line with all applicable rules and regulations
- Providing the board and individual members with detailed guidance on how their responsibilities should be properly discharged in the best interests of the Group and in line with good governance practices
- Providing counsel and guidance to the board on its individual and collective powers and duties
- Eliciting responses, input and feedback for board and board committee meetings
- Preparing and circulating board and board committee papers
- Preparing and circulating minutes of shareholder, board and board committee meetings
- Maintaining statutory records
- Reporting to the board on any non-compliance with the Thungela MOI or the Companies Act of South Africa
- Certifying in the relevant Annual Financial Statements that all companies in the Group have filed the required notices and returns in accordance with the Companies Act of South Africa
- Ensuring that interim and Annual Financial Statements and reports are properly distributed
- Carrying out the other functions required of a company secretary by the Companies Act of South Africa, the JSE Listings Requirements and the UK Listing Rules
- Considering the regulatory universe and providing the board with updates and proposed changes to laws and regulations
- Assisting the nomination and governance committee with the appointment of directors and advising on legal and regulatory compliance
- Advising the board on regulatory filing and public disclosure relating to governance processes
- Drafting and distributing the notice of the AGM to all shareholders
- Drafting and releasing announcements on both the JSE Stock Exchange News Service (SENS) and the Regulatory News Service (RNS) of the London Stock Exchange
- Assisting with director induction and training programmes
- Assisting with the board evaluation process by an external service provider and executing the internal process
- Acting as a business integrity implementation manager and supporting human resources with the implementation of the code of conduct, and the training and awareness process
- Taking responsibility for the rollout of awareness on our antitrust policy, including dawn raids
- Assisting in the drafting of the governance sections of the Integrated Annual Report and the ESG Report, as well as the individual board committee reports

The board is satisfied with the competence, qualifications and experience of the company secretary and that in executing her duties of governance and administration, Tovi maintained an arm's length relationship with the board and its directors.

INFORMATION TECHNOLOGY AND GOVERNANCE

The health, safety, environment and risk committee is responsible for reviewing and approving an information technology governance framework for implementation by management. The IM function is responsible for managing corporate information by implementing processes, roles, controls and metrics that treat it as a valuable business asset. Quarterly progress updates are presented to the health, safety, environment and risk committee, which reports into the quarterly board meeting.

* Tovi Ellis, was appointed as Company Secretary on 1 November 2024, following the retirement of Francois Klem.

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.

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

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

HEALTH, SAFETY, ENVIRONMENT AND RISK COMMITTEE REPORT

The committee has overall oversight of risk, information management and sustainability, with a focus on health, safety and the environment. It determines the Group's risk appetite and reviews legal matters.

COMMITTEE

Seamus French (chairperson)
Thero Setiloane (passed away 1 May 2024)
Tommy McKeith (appointed 1 October 2024)
Sango Ntsaluba
July Ndlovu

The chief financial officer and other Group executive committee members attend meetings where appropriate. The committee convenes at least four times a year prior to scheduled board meetings. Attendance at meetings is set out on page 88.

ROLES AND RESPONSIBILITIES

The committee has various roles and responsibilities as set out in its terms of reference and detailed below:
- Safety, health and environment (SHE)
- Risk and Assurance
- IT governance
- Legal and regulatory

Safety, health and environment

- Review and develop framework policies and guidelines for the management of sustainable development issues, including SHE and climate change
- Review and oversee climate change-related risks and opportunities, including performance against targets and the implementation of the pathway to net zero
- Review SHE elements of the Group's strategy and business plan, external SHE reporting and regulatory disclosures, and the findings of external auditors
- Consider the performance of individual operating units
- Consider material local and international regulatory and technical developments, and provide strategic guidance
- Consider the impact of Thungela's activities, products and services on the environment
- Monitor regulatory compliance with, more specifically in relation to:
  - Mine Health and Safety Act
  - MPRDA
  - National Environment Management Act
  - National Environmental Management Waste Act
  - National Health Act
  - National Water Act
  - Occupational Health and Safety Act

Risk and assurance

- Commission and consider sustainable development audits for legal and internal compliance
- Ensure management systems, such as hazard identification and risk assessment, medical surveillance and incident investigations, and other systems that aid in identifying and managing risks are in place
- Oversee the development and annual review of the risk management plan and the biannual review of the executive risk register
- Ensure that the risk management plan is disseminated and integrated into day-to-day activities across the business
- Ensure that frameworks and methodologies are implemented to enable the business to better anticipate unpredictable risks
- Prioritise and rank risks to focus responses and interactions
- Review the reports concerning the existence and effectiveness of controls to address controllable risks
- Report risks with financial implications to the audit committee

IT governance

- Review and approve an information management governance framework for management's implementation
- Manage IM risks effectively

Legal and regulatory

- Manage legal risks effectively

The committee

- Every year the committee reports to shareholders at the AGM and through the use of the Integrated Annual Report

KEY FOCUS AREAS IN 2024

- Ensure Thungela's safety and health objectives are achieved
- Review the Ensham health and safety systems and controls, aligning these to the Group's standards
- Guide response plans to address the risks identified
- Review rehabilitation and water management plans
- Review climate change risks and opportunities and the organisation's management thereof
- Review the pathway to net zero emissions and decarbonisation
- Successfully completing IM separation and transition services
- Manage IM risks effectively
- Obtain the Mafube Mine Residue Dump licence
- Manage the risks of community relations effectively
- Manage the TFR risk effectively

KEY ACCOMPLISHMENTS IN THE 2024 FOCUS AREAS

- Maintain a fatality-free business
- Alignment of Ensham's health and safety systems and controls to the Group's standards
- Successfully completed the IM separation and transition services
- A total of 250,000 trees have been planted through the company's water management projects in South Africa
- Opened a fish breeding facility at Kromdraai
- Development of safety culture KPI's with the objective to implement and improve safety plans

KEY FOCUS AREAS FOR 2025

- Continue to run a fatality-free business
- Manage TFR risk effectively
- Ensure Thungela's safety and health objectives are achieved
- Continue to align Ensham's reporting with the group
- Continue to guide response plans to address the risks identified
- Continue to improve rehabilitation and water management plans
- Review climate change risks and opportunities and the organisation's management thereof
- Review the pathway to net zero emissions and decarbonisation
- Ensure improvements in the safety culture initiative
- Continue to manage IM risk effectively
- Continue to manage legal risk effectively

Seamus French

Seamus French
Health, safety, environment and risk committee chairperson

23 April 2025

INVESTMENT COMMITTEE REPORT

The committee's purpose is to consider and, if appropriate, recommend to the board proposed new investments, the disposal of existing investments, and other business opportunities that align with the Group's overall strategy, such as material acquisitions, mergers, investments, divestments, and disposals.

The committee is responsible for reviewing investment strategies, policies and capital allocation.

COMPOSITION

Yoza Jekwa (chairperson)
Sango Ntsaluba
Seamus French
Kholeka Mzondeki

The chief executive officer and the chief financial officer have standing invitations to the committee's meetings. This committee meets at least four times a year before the board's scheduled meetings. The attendance at meetings is set out on page 88.

ROLES AND RESPONSIBILITIES

The duties and responsibilities of the committee members are set out in the terms of reference, and are in addition to the duties and responsibilities they have as members of the board of directors

The committee is required to:

- Consider, monitor and evaluate:
  - investments (including related financing), divestments, corporate restructuring and financing proposals
  - acquisitions and disposals
  - significant capital projects
  - capital allocation decisions, such as buybacks and dividends proposed
  - major commercial and procurement agreements that require board approval, making such recommendations as it considers appropriate in accordance with the Thungela approvals framework
  - proposed plant and mine closures and make the necessary recommendations to the board
- Ensure that investments, disposals or acquisitions are in line with the Company's overall strategy
- Conduct planning and forecasting to enable the board to make informed decisions regarding significant investment and divestment matters
- Assess the risks and impacts of proposed projects, activities and outputs in the context of the economic, social and natural environments in which the Company operates
- Monitor the execution of investments, mergers and acquisitions, divestments, disposals, and takeover activities approved by the board
- Confirm that appropriate due diligence procedures have been followed when acquiring or disposing of assets
- Track the performance of investments, mergers and acquisitions, and takeover activities approved by the board
- Perform such other investment-related functions as may be determined by the board from time to time

KEY FOCUS AREAS IN 2024

In 2024, the committee:

- Considered and recommended the acquisition of the remaining 15% interest in the Ensham business in Australia to the board for approval
- Reviewed the quarterly capital expenditure report
- Reviewed the quarterly merger and acquisitions pipeline, including asset disposals
- Reviewed the quarterly capital allocation update
- Monitored Transnet's performance and marketing efforts

KEY ACCOMPLISHMENTS IN THE 2024 FOCUS AREAS

On 28 February 2025, the Group obtained the remaining 15% interest in the Ensham business.

KEY FOCUS AREAS FOR 2025

In 2025, we plan to:

- Consider and recommend significant investments and capital allocations for board approval
- Consider and recommend for board approval the possible disposal of assets in line with the requirements set out in the Thungela approvals framework
- Track the performance of major acquisitions and projects post acquisition
- Consider and evaluate proposed mine and plant closures and make the necessary recommendations to the board
- Consider and evaluate major commercial and procurement agreements and make the necessary recommendations to the board in accordance with the Thungela approvals framework requirements
- Ongoing monitoring of existing projects

Yoza Jekwa

Yoza Jekwa
Investment committee chairperson

23 April 2025

NOMINATION AND GOVERNANCE COMMITTEE REPORT

The committee is responsible for nominating, electing, and appointing board members, as well as planning for the succession of the board, chief executive officer, and chief financial officer. It also conducts board performance evaluations, recommends training and development, reviews and recommends sound governance principles, and monitors regulatory compliance.

COMPOSITION

Sango Ntsaluba (chairperson)
Kholeka Mzondeki
Ben Kodisang

The chief executive officer and the executive head of human resources, Lesego Mataboge, have standing invitations to the meetings. The members of the committee are all independent non-executive directors, in accordance with the recommendations of King IV. The committee meets at least twice a year prior to scheduled meetings of the board. Attendance at meetings is set out on page 88.

ROLES AND RESPONSIBILITIES

The primary purpose of the nomination and governance committee is to oversee the succession planning for the board, chief executive officer and chief financial officer. It also conducts ongoing skills assessments, development and training, and oversees the implementation of good corporate governance processes and procedures that meet international standards.

The committee is responsible for monitoring and ensuring Group compliance with all applicable laws, including the requirements set out in the Companies Act of South Africa, the JSE Listings Requirements, the London Stock Exchange Listing Rules, our code of conduct, the King IV Code, and other laws applicable in jurisdictions where Thungela operates.

Nominations

The committee has the duty to:

- Conduct a transparent process, preparing a description of the role and capabilities required for a specific appointment, then identifying and assessing suitable candidates, conducting preliminary interviews, and nominating candidates for board approval to fill board vacancies or add skills to the board if and when a lack of skills are identified, including the chief executive officer position
- Oversee the recruitment and appointment of a company secretary should a vacancy arise
- Evaluate the independence of directors who have served for nine years or longer and recommending to the board, if appropriate, that they continue to serve on the board
- Recommend for re-election directors retiring by rotation for re-election at the AGM
- Review notifications from board members to serve on other boards in accordance with the guidelines approved by the board
- Implement succession planning for the leadership of the Company, both executive and non-executive, having line if sight of the pipeline, and updating the board regularly on its status
- Ensure that the board is an appropriate size and composition bearing in mind the Company's growth, economic circumstances and other factors
- Ensure that the board is appropriately equipped to make decisions by having access to a variety of perspectives and skills that equip it to act in the best interests of the Group as a whole and make recommendations to the board when necessary
- Consider the nomination for the appointment of a lead independent non-executive director should the size or circumstances of the Company justify the said appointment
- Oversee the development and implementation of an annual process for evaluating the performance of the board, its committees, individual directors, and the company secretary
- Implement corrective processes in the event of poor performance
- Ensure that induction and ongoing training and professional development are provided to both new and current directors
- Review the Nomination and Governance Committee Report for inclusion in the Integrated Annual Report
- Annually review the terms of reference of this committee and recommend changes for board approval

Governance

The committee is also responsible for:

- Promoting sound corporate governance and delivering governance outcomes, such as an ethical culture, effective control and legitimacy with due regard to our contribution to the UN SDGs
- Reviewing shareholder proposals for inclusion in the Notice of the AGM and making recommendations to the Board
- Approving governance policies and procedures that define the role of the board, duties of directors and prescribed officers, nomination, selection, appointment and removal of directors, conflicts of interest procedures, and processes to enhance corporate governance
- Updating the board regularly on regulatory changes that impact the business
- Reviewing the governance sections in the integrated reports
- Reviewing the Notice and the minutes of the AGM of the Company and recommend these to the board for approval
- Reviewing the governance policy every three years and recommend it to the board for approval
- Ensuring that the Company and all the Group companies comply with policies regulating governance such as business integrity, antitrust, code of conduct, the dealing code, insider trading and price-sensitive information
- Reviewing developments in corporate governance and best practices, considering their impact and implication for the Company's processes and structures and making recommendations to the board where necessary
- Evaluating and monitoring the regulatory governance requirements and code of business conduct within the Company
- Apply the principles of good governance and best practices as set out in the King Code, along with all applicable governance-related legislation and standards of the jurisdictions in which Thungela operates
- Regularly reviewing and making recommendations to the Board regarding the Governance section of the Group's Approvals Framework

KEY FOCUS AREAS IN 2024

In 2024, the committee:

- Reviewed the internal board evaluation feedback and considered action plans going forward
- Reviewed the revised corporate governance policy and recommended it for board approval
- Recommended for the non-executive directors retiring by rotation for re-election at the June 2025 AGM of shareholders
- Considered and recommended the minutes of the 2024 AGM of shareholders for board approval
- Reviewed notifications from board members to serve on other boards
- Discussed and agreed processes for succession planning for the chief executive officer and chief financial officer positions
- Reviewed declarations of business interest for board members and the independence of non-executive directors
- Considered and recommended the appointment of the new company secretary for board approval to replace the retiring company secretary
- Scoped, interviewed and proposed to the board the appointment of a new independent non-executive director to replace Thero Setiloane, who sadly passed on 1 May 2024, and provided the necessary recommendations for board committee appointments
- Scoped and interviewed candidates to succeed the chief executive officer, and recommended two final candidates for board interviews

KEY ACCOMPLISHMENTS IN THE 2024 FOCUS AREAS

Appointment of a designate chief executive officer.

KEY FOCUS AREAS FOR 2025

In 2025, we plan to:

- Implement actions in response to matters identified in the internal assessment process
- Review and recommend for board approval the notice of the 5 June 2025 AGM of shareholders
- Monitor the succession planning process for the chief executive officer and chief financial officer and implement processes for board succession
- Consider improvements to Group-wide corporate governance processes aligned with international best practices
- Recommend for re-election the non-executive directors to retire by rotation at the June 2026 AGM of shareholders
- Consider and recommend for board approval the minutes of the 5 June 2025 AGM of shareholders
- Review declarations of business interest for board members and monitor the independence of non-executive directors
- Consider the changes to the Companies Act when promulgated and ensure effective compliance through the Group
- Prepare for the introduction of the King V Report on Corporate Governance for South Africa and ensure continued effective compliance by the governing body and its committees
- Consider the appropriateness and potential benefits of appointing a lead independent director

Sango Ntsaluba

Sango Ntsaluba
Nomination and governance committee chairperson

23 April 2025

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.

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 this report and further detail can also be found in our 2024 ESG Report.

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%	**140%**	**120%**
(prev: 100%)	(prev: 80%)	(prev: 80%)

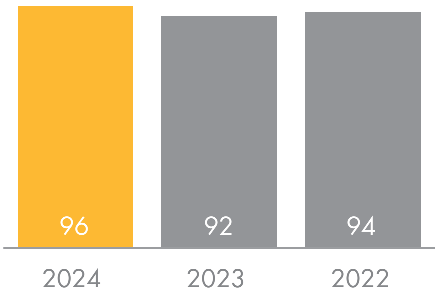
- Adjusted the total guaranteed package of the chief financial officer by 13% over a two-year period, with the first tranche implemented on 1 January 2025

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.

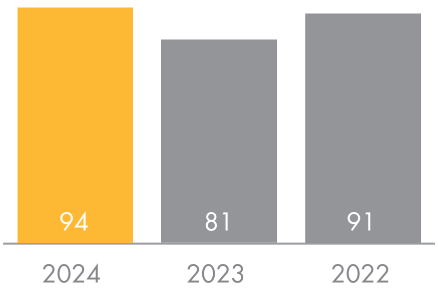
SHAREHOLDER ENGAGEMENT

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:

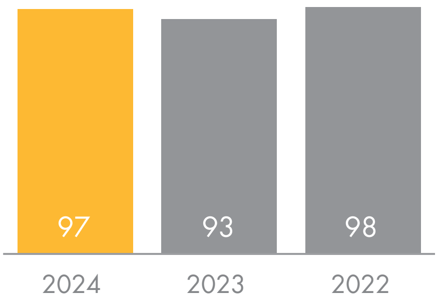
Remuneration policy (%)



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

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.

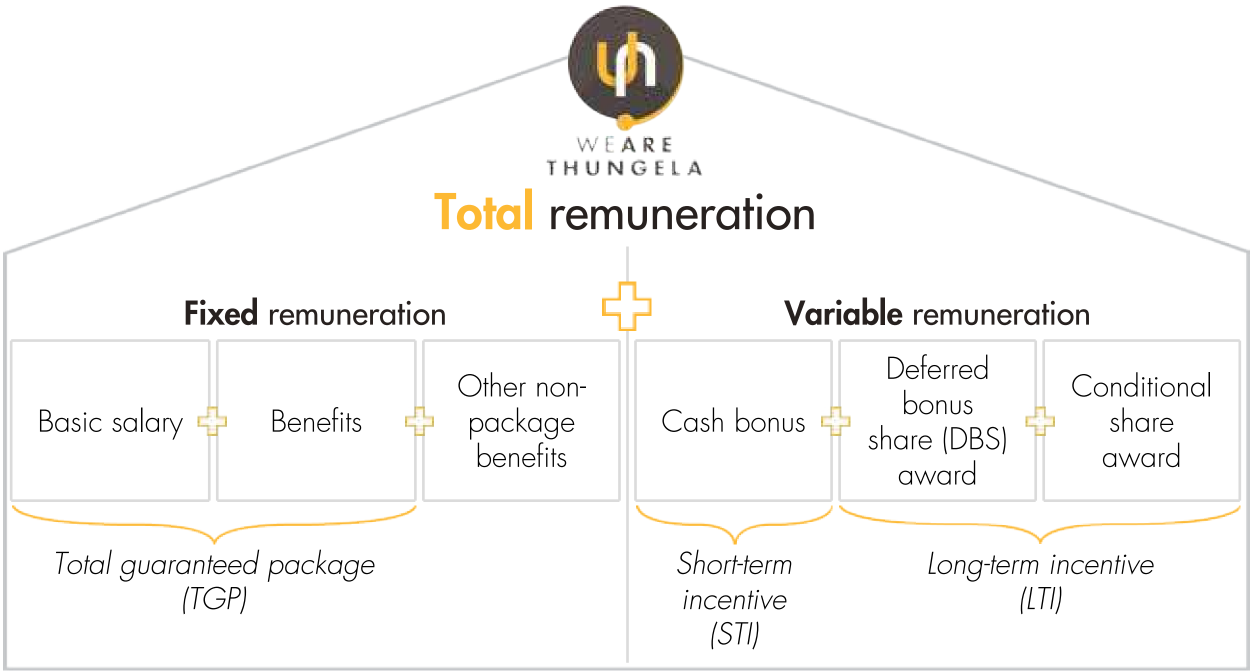
7. **Communication**
Transparent communication of the reward policy and its implementation to all our stakeholders through ongoing engagement using various channels.

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.

Annual increases

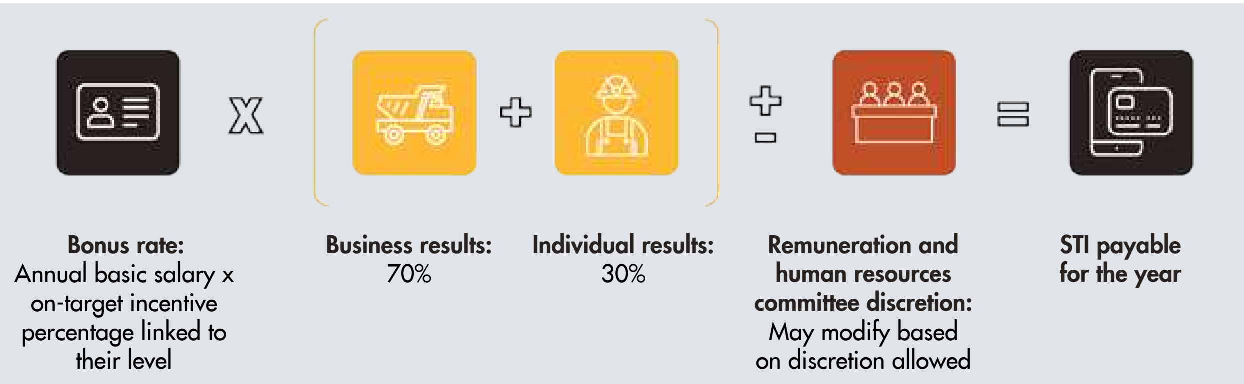
The annual increase in total guaranteed packages are set per country and are determined by considering Group performance, affordability, prevailing consumer inflation and average industry and sector increases. Collective bargaining agreements in South Africa and Australia govern the determination of 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

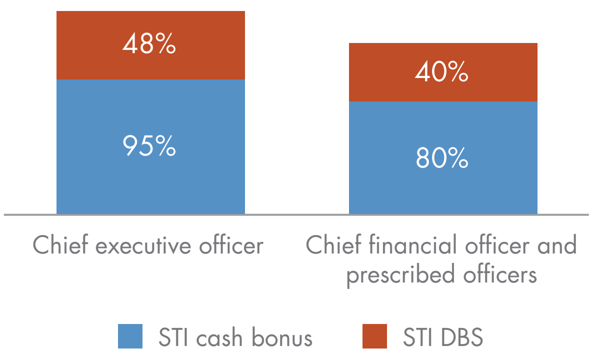
The Group's annual STI is designed to encourage and reward employees who demonstrate accountability for Thungela's success by consistently delivering on their individual objectives, aligned to those of the Group. These need to be delivered in a manner that aligns with our values, thereby ensuring the 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.

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.

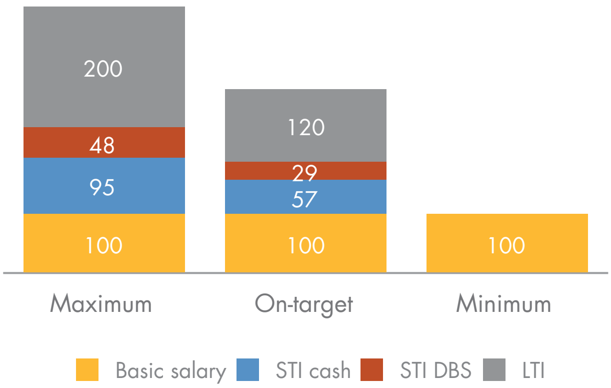
Remuneration mix scenarios

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

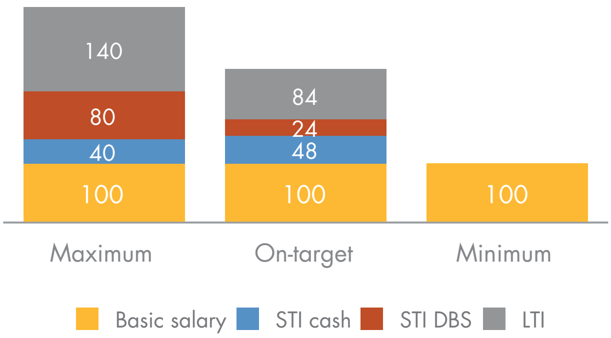
The maximum award values for the annual cash and DBS portions of the STI award and the conditional share award are aligned with the policy percentages provided earlier.

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.

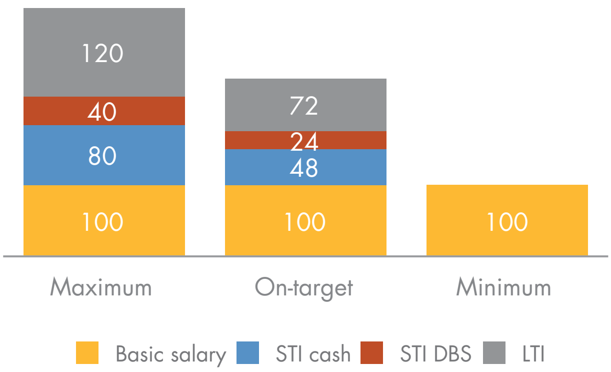
Chief executive officer (%)



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

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.

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

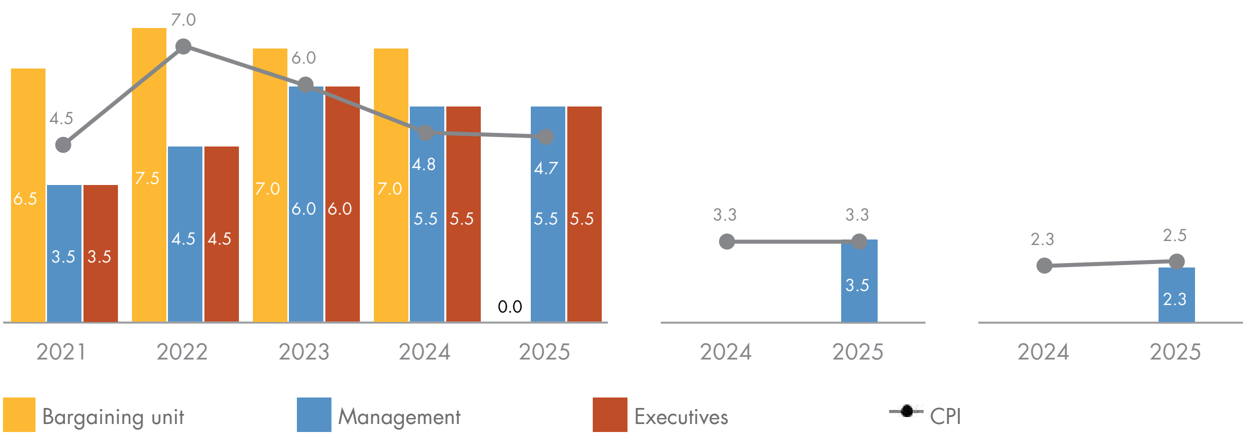
Basic salary increases are based on market insights and benchmarking from Bowmans, RemChannel and Mercer, supported by an analysis of the historical and forecasted CPI environment for the individual countries and regions of operation. Based on the outcomes of the analysis performed, the committee approved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

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.	
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.	
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.	
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.	
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.	
Overall performance	30		

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

Deon Smith – chief financial officer

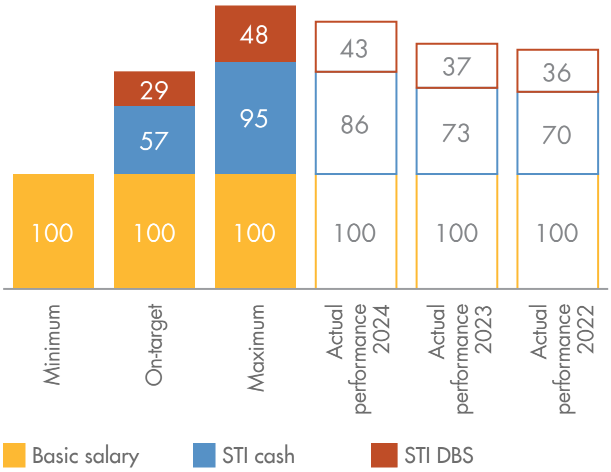
Individual deliverable category	Weighting (%)	Performance description	Level of achievement
Safety	2	In 2024, our intentional focus on the elimination of fatalities has led to us operating fatality free for the 22 months up to 31 December 2024. We have also achieved our lowest ever TRCFR in South Africa 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

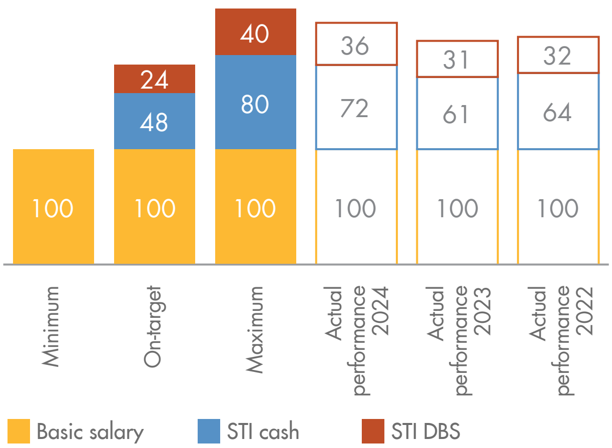
2024 STI performance outcomes for the executive directors

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**				

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

				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	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.

Lesego Mataboge – executive head of human resources

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)
				Share movements							
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

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)
				Share movements							
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.

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.

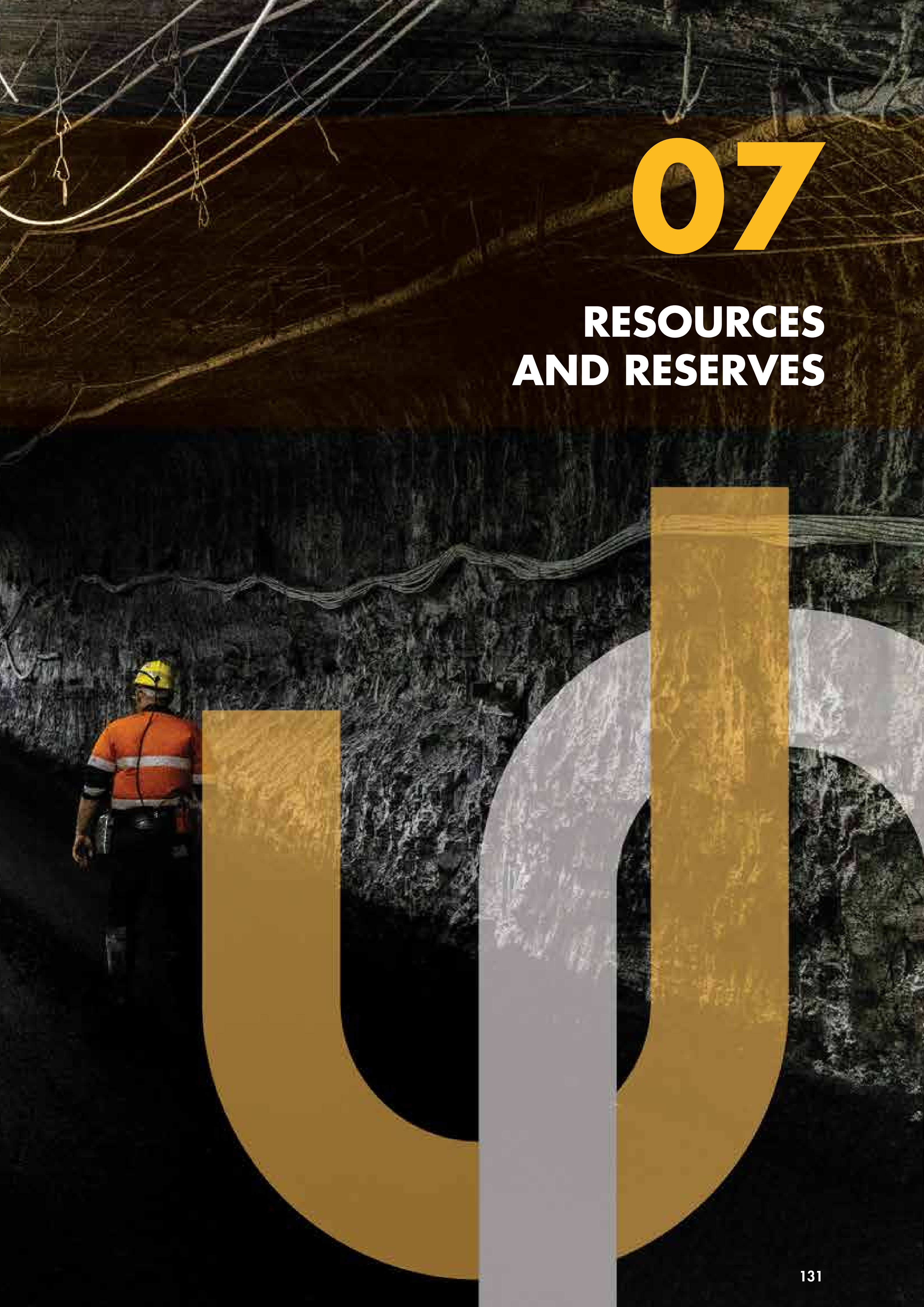
2 At 31 December 2024, a discrepancy was noted between Deon Smith's shareholding and the share register. This discrepancy is due to a collar hedge transaction, as announced on the JSE SENS and LSE RNS on 29 April 2024. This strategy can cause temporary differences in reported shareholdings, which will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

07

RESOURCES AND RESERVES



RESOURCES AND RESERVES

As at 31 December 2024

INTRODUCTION

For the reporting of South African Coal Resources, Coal Reserves and Gas Resources, Thungela conforms to the South African Codes for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 (the SAMREC Code) and the Reporting of Oil and Gas Resources, 2015 (the SAMOG Code) adopted by the JSE. These codes are accepted as the minimum standards, recommendations and guidelines for the public reporting of Coal Resources, Coal Reserves and Gas Resources. The reporting of the Australian Coal Resource is based on the SAMREC Code (2016 Edition) and the Coal Reserve is based on the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 (the JORC Code). The JORC Code conforms to the standards of the Committee for Mineral Reserves International Reporting Standards (CRIRSCO), accepted by the JSE as compliant. The Group also conforms to the JSE Listings Requirements Section 12, Part 1.

The estimates (tonnes and qualities) for individual assets are reported on a 100% basis and the attributable ownership is stipulated in the Coal Resources and Coal Reserves statement. Resources are reported on an exclusive basis.

STATEMENT BY THE LEAD COMPETENT PERSON

By signing this statement, the lead competent person, Bart Van de Steen, confirms that the information disclosed in this section of the Integrated Annual Report is compliant with the various codes and the relevant JSE Listings Requirements Section 12, Part 1. The Coal Resources, Coal Reserves and Gas Resources are published in the form and context in which they are intended. The lead competent person has not been unduly influenced by Thungela or any person. The lead competent person has more than 30 years of relevant experience in the main commodity under consideration and is registered as a professional engineer with the Engineering Council of South Africa (ECSA).

Bart Van de Steen

Bart Van de Steen
Head of resource development and operational excellence
PhD
ECSA, Registration No: 20050122

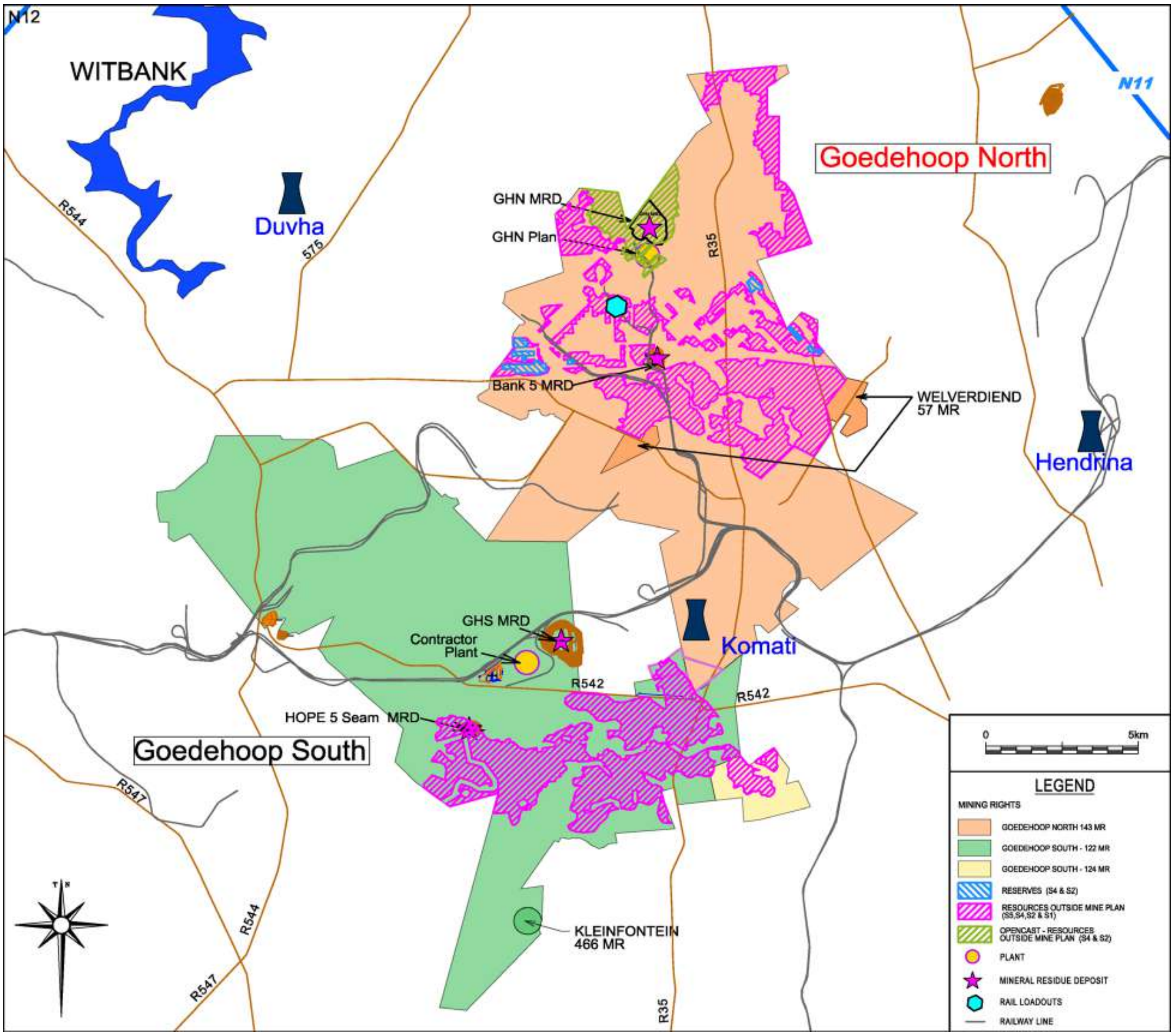
COMPETENCY

Pursuant to the requirements of the JSE Listings Requirements Section 12, Part 1, clause 8 of the SAMREC Code, clause 5 of the SAMOG Code and clause 9 of the JORC Code, a written consent statement by the coal competent person has been signed in the individual asset competent person's report. A written consent statement by the qualified reserves evaluator for Gas Resources has also been received. They have consented to the inclusion of their estimates in the form and context in which they appear in this section of the Integrated Annual Report.

A list of the competent persons and qualified reserves evaluator, their affiliation and relevant years of experience is available at the end of this section.

OVERVIEW OF ASSETS – SOUTH AFRICA

GOEDEHOOP



The greater Goedehoop Colliery comprises the currently active Goedehoop North (GHN) Colliery (formerly known as Bank Colliery) and the closed Goedehoop South (GHS) Colliery. Since 2006, the two collieries have been managed as one operation. The collieries have their own processing plants (the GHS plant is now dismantled) and train loading facilities. There are also GHN and GHS mineral residue deposits (MRDs).

The GHN Colliery is an underground bord and pillar coal mine located approximately 165km east of Johannesburg in the Mpumalanga province of South Africa.

LEGAL TENURE

Goedehoop Colliery is covered by three converted, executed and registered mining rights (MRs), three new order executed and registered mining rights (NOMRs), and one MR that is granted, awaiting execution and registration (Komati Power Station MR).

Thungela Operations Proprietary Limited (TOPL) owns 100% of the MRs and has the exclusive right to mine coal on or under these areas.

A section 102 application was executed in January 2024 for the exclusion of portions of the farm Wilmansrust, in favor of Puckree Group Proprietary Limited (Puckree Group). The registration is pending.

GHN and GHS operate under several environmental management programme reports (EMPr), environmental authorisations (EAs) and water use licences (WULs). All the required permits are in place for the activities at the operation.

The colliery does not require a waste management licence (WML) and no longer holds a valid air emission licence as incineration activities have ceased.

GHN and GHS await the outcome of several land claims, which require validation or claimant verification while others require gazetting, negotiation and settlement.

There are currently no known impediments to tenure security.

The surface rights are owned by various entities, including TOPL. Some of the TOPL-owned surface rights are leased to third-party tenants.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 include 18 vertically cored, collar surveyed boreholes targeting the mineable No 4 Seam around the western block at GHN. Additional cover is provided by underground in-seam, non-core directional drilling ahead of the mining faces.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed with logging, sampling and analytical results uploaded to Minescape Geological Database (Minescape GDB), which includes validation processes during importing of data.

Coal samples collected during 2024 were sent to the South African National Accreditation System (SANAS) accredited laboratory, Bureau Veritas (BV), based in Middelburg, Mpumalanga.

For 2025, the planned exploration expenditure is estimated at R0.7 million, focusing only on the GHN west block reserves.

GEOLOGICAL SETTING AND MODELLING

The Goedehoop Colliery is located in the Witbank Coalfield where, generally, five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, with inter-seam partings consisting of mainly siltstone and sandstone. The No 4 Seam and No 2 Seam are the only contributors to the GHN Colliery's export product.

The typical qualities of the No 4 Seam reported resources, on, a raw air-dried basis, are 27% ash, 22MJ/kg calorific value, 1.3% sulphur, 2.7% inherent moisture and 21% volatile matter. The typical qualities of the No 2 Seam reported resources, on a raw air-dried basis, are 31% ash, 21MJ/kg calorific value,1.0% sulphur, 2.4% inherent moisture and 20% volatile matter.

The Goedehoop area has been intruded by transgressive Karoo dolerites in the form of sills and dykes and stringers. Minor faulting occurs infrequently.

The Ogies Dyke, a major west-east trending intrusion of up to 20m thick and over 100km in length, sub-divides GHN into two domains. Resources declared south of the Ogies Dyke host more complex structures.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, this software uses pre-defined criteria with interpolators to construct the coal seam model with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameters applied for the resources reported are a 1.5m minimum thickness cut-off on the underground No 4 Seam and a 2.0m minimum thickness cut-off on the underground No 2 Seam, with an overall maximum thickness cut-off of 4.5m on both seams. The cut-off parameter for the opencast resources reported is a 0.5m minimum thickness cut-off. Resources with ash greater than 50% and dry ash free volatiles less than 24%, are excluded.

MINING ACTIVITIES

GHN Colliery has two sections mining the No 2 Seam and two sections mining the No 4 Seam, using mechanised bord and pillar mining. The minimum practical mining height in the No 4 Seam is 2.7m while in the No 2 Seam maximum mining height is 4.5m. The roof conditions are generally good and the pillar design appropriate.

Due to varying seam height restrictions of the No 4 Seam and No 2 Seam, the continuous miner (CM) equipment is adapted to ensure maximum productivity. The cutting heights in the No 2 Seam are dictated by an in-seam parting and safety factors, rather than actual seam heights.

Mining equipment, other than CMs, used underground includes shuttle cars, roof bolters, feeder breakers and a series of conveyor systems, all supported by the required ancillary equipment.

The remaining life of mine (LOM) is estimated at one year with a total run of mine (ROM) reserve of 2.8Mt. There are no Inferred Coal Resources included in the LOM plan.

PRODUCTION AND COAL PROCESSING

The annual production ROM for GHN Colliery for 2024 was 3.5Mt (2023: 3.9Mt).

The 5,850kcal/kg net as received (NAR) export product is produced in a single-stage processing wash plant, which treats the coarse and finer coarse coal separately.

Product and waste streams are sampled using automatic samplers as the coal leaves the plant. Saleable product is sent directly onto a stockpile. Coal is then loaded onto trains and dispatched to the Richards Bay Coal Terminal (RBCT).

GOEDEHOOP NORTH MINERAL RESIDUE DEPOSITS

The GHN MRD facility consists of coarse and fine fraction material, derived from previously mined and beneficiated coal. The coarse material, together with some of the as-arising discard from the coal handling preparation plant (CHPP), is currently being reclaimed and sold to a third party. The contractor has mined and beneficiated 1.4Mt during 2024.

The estimated Coal Resource is derived from a geological model constructed in Datamine's Minescape 3D modelling software, using borehole data together with a flown digital terrain map (DTM) of the topography and a pre-mined topography surface as the estimated base.

Nine vertically stacked horizontal layers have been defined to reflect the variation in raw coal qualities. An assumed bulk density of 1.6g/cm^3 for the coarse fraction was used to estimate the tonnage. No fines material is included in the Coal Resources or Coal Reserves.

The material is loaded and transported directly to the contractor's plant for beneficiation.

GOEDEHOOP SOUTH MINERAL RESIDUE DEPOSIT

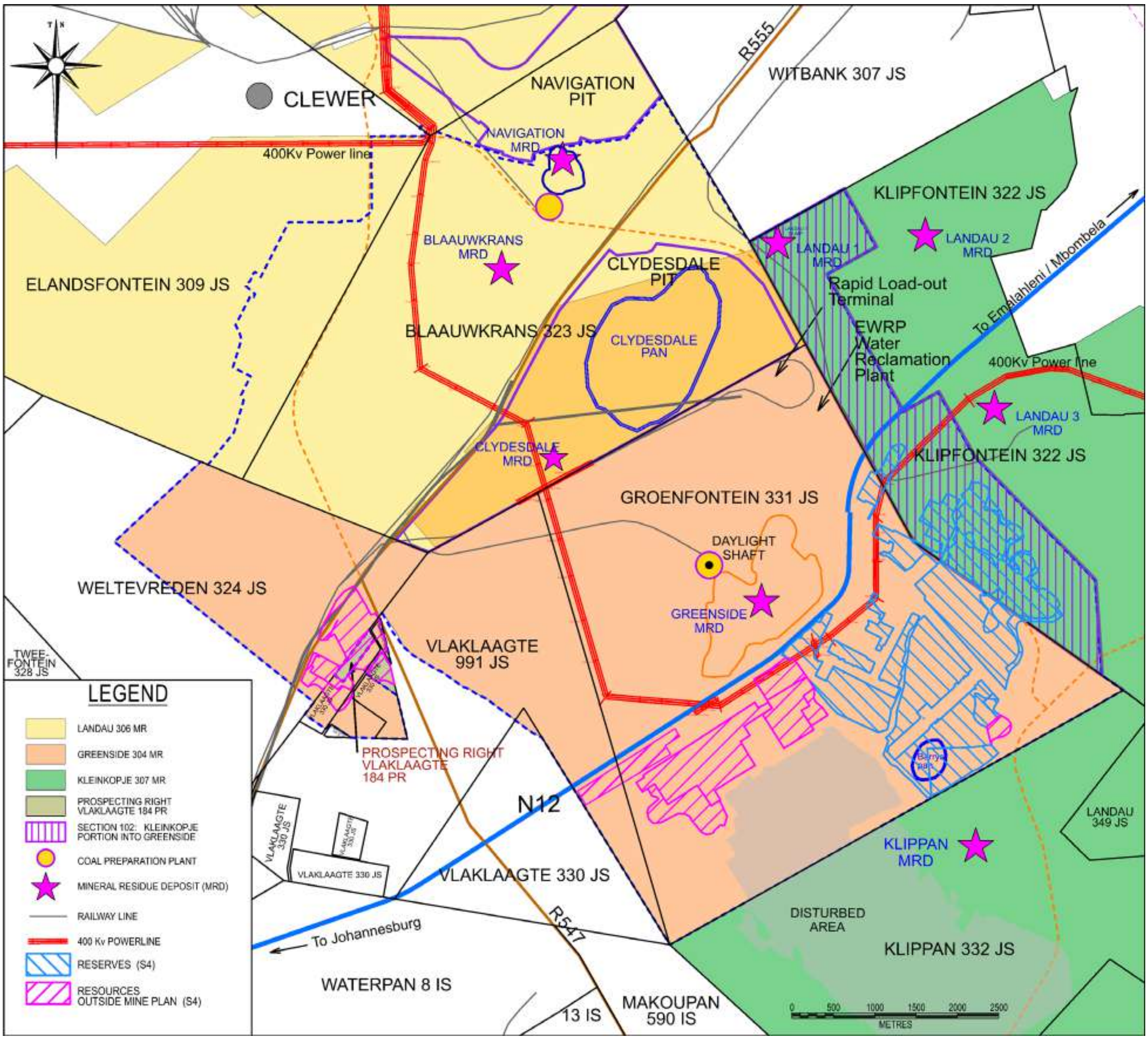
The GHS MRD Coal Resources and Coal Reserves were declared for the first time in 2021. The contractor has mined and beneficiated 2.6Mt for 2024 to produce a saleable 4,800kcal/kg product.

The GHS MRD comprises original coarse material and high-quality fines slimes compartments, all enclosed by coarse residue.

The estimated Coal Resource is derived from a geological model constructed in Datamine's Minescape 3D modelling software, using borehole data, a flown DTM of the topography and pre-mined topography surface as the estimated base.

Eight vertically stacked horizontal layers have been defined to reflect the variation in raw coal qualities. An assumed bulk density of 1.6g/cm^3 was used to estimate the tonnage. No fines material is included in the Coal Resources or Coal Reserves.

GREENSIDE



The Greenside Colliery is an underground coal mine located approximately 120km east of Johannesburg, close to the town of eMalahleni in the Mpumalanga province of South Africa.

It forms part of the South African Coal Estate (SACE) complex, together with Khwezela North (also known as Landau) and Khwezela South (also known as Kleinkopje).

The rapid load-out terminal (RLT) and the eMalahleni Water Reclamation Plant (EWRP) lie approximately 2.5km northeast of the colliery. The colliery hosts an MRD, a CHPP complex and two inclined shafts to the underground workings.

LEGAL TENURE

The Greenside Colliery holds one granted and executed converted MR and one granted NOMR, pending execution and registration.

There are a number of properties in the Greenside MR and Landau MR which are common to both. There is accordingly an overlap of the Greenside and Landau MRs. Through Thungela's resource optimisation strategy for the SACE complex, comprising the Greenside, Landau and Kleinkopje MRs, resources have been rationalised over the life of these mines to ensure profitable mining of the reserves.

Approval for a section 102 application, submitted to the Department of Minerals and Energy (DMRE) in February 2021, for certain portions under the Kleinkopje MR (Khwezela South) to be included into the Greenside MR has subsequently been approved.

Since receiving the original WUL, a selection of licences and an exemption have been issued for water use related activities. Greenside has a main WUL, which supersedes the previous WUL, an east block integrated water use licence (IWUL), a 3A dump WUL, and a WUL for the removal of underground mine water. The colliery operates under one consolidated EMPr and several EAs.

The colliery does not require a WML in terms of the National Environmental Management: Waste Act 59 of 2008.

There are currently no known impediments to tenure security.

The surface rights are owned by a number of different entities, including TOPL. The TOPL-owned properties are commonly leased to third-party tenants.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 24 vertically cored, collar surveyed, standard downhole geophysical surveyed surface boreholes, targeting the mineable No 4 Seam. Additional cover is by annual underground in-seam panel and directional non-core drilling, ahead of the mining faces.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results uploaded to Minescape GDB, which includes validation processes during importing.

Coal samples collected during 2024 were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

For 2025, the planned exploration expenditure is estimated at R7.7 million.

GEOLOGICAL SETTING AND MODELLING

The Greenside Colliery is located in the Witbank Coalfield where five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, with inter-seam partings consisting of mainly shale or siltstone and sandstone, with thicknesses ranging between 1.5m and 23m. The No 4 Seam and the re-processing MRD are currently contributing to the colliery's export product.

The typical qualities of the No 4 Seam reported resources, on a raw air-dried basis, are 25% ash, 23MJ/kg calorific value, 1.6% sulphur, 2.5% inherent moisture and 23% volatile matter.

The colliery is sub-divided into two distinct domains, by a major northwest, southeast trending normal fault system with a measured maximum throw of 30m in the southeast. The throw gradually decreases to an approximately 1m throw towards the northwest. Mining has been constrained by the fault system, with development from the east and west stopping on approaching the fault zone.

Several dolerite dykes have been identified by drilling and mining, but the impact on mining is limited to occasional cases of poor ground conditions experienced during mining.

The coal seams are modelled in the Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameters applied for the No 4 Seam resources reported are a minimum total overburden thickness of 20m, a 2.0m minimum thickness cut-off and a maximum thickness cut-off of 4.5m. Resources with ash greater than 45% and volatiles less than 17% are excluded.

MINING ACTIVITIES

The Greenside Colliery is an underground coal mine with four sections (one prime section and three conventional sections) mining the No 4 Seam at relatively shallow depths, using the mechanised bord and pillar mining technique. The practical mining height averages at 3.0m. The roof conditions are generally good.

Mining equipment used underground includes CMs, shuttle cars, roof bolters and a series of conveyor systems. Mining activities are further supported by the required ancillary equipment. An incline shaft is used to access the underground workings.

Based on a 12.3Mt total ROM reserve, the LOM is estimated at four years. There are no Inferred Coal Resources included in the LOM plan.

The overall mine plan is to fully extract the exposed reserves in the south-eastern portion (east block) of the mine.

PRODUCTION AND COAL PROCESSING

The annual production ROM for the Greenside Colliery for 2024 was 3.1Mt (2023: 3.1Mt).

The washing plant complex produces a primary product 5,700kcal/kg NAR. The middlings product produced is a 4,800kcal/kg NAR.

The plant (also known as the No 4 Seam plant) consists of three modules, with modules 1 and 2 being identical and joined by a spiral plant circuit. Module 3 is separate and has its own spiral plant circuit. The plant is well maintained and quality control is good, with sufficient numbers of automatic samplers being used.

A flotation plant recovers the ultra-fines material from the No 4 Seam plant discard stream using froth flotation.

The primary product is transported via a conveyor to RLT, from where it is railed to the RBCT for export. The middlings product is sold to the export and domestic markets.

GREENSIDE MINERAL RESIDUE DEPOSIT

The Greenside MRD consists of discard material, derived from the No 5 Seam, No 4 Seam, No 2 Seam, and No 1 Seam. The Bullnose, West Flanks and portions of the East Flank, reported as mineable reserves in 2021, were depleted. The East Flank resources were sterilised with waste piled on top. The South Flank East and the middle portions are being mined.

Due to the forecast production of 2025, a portion of the South Flank West and South West has been transferred from coal inventory to reportable resources and converted to reportable reserves.

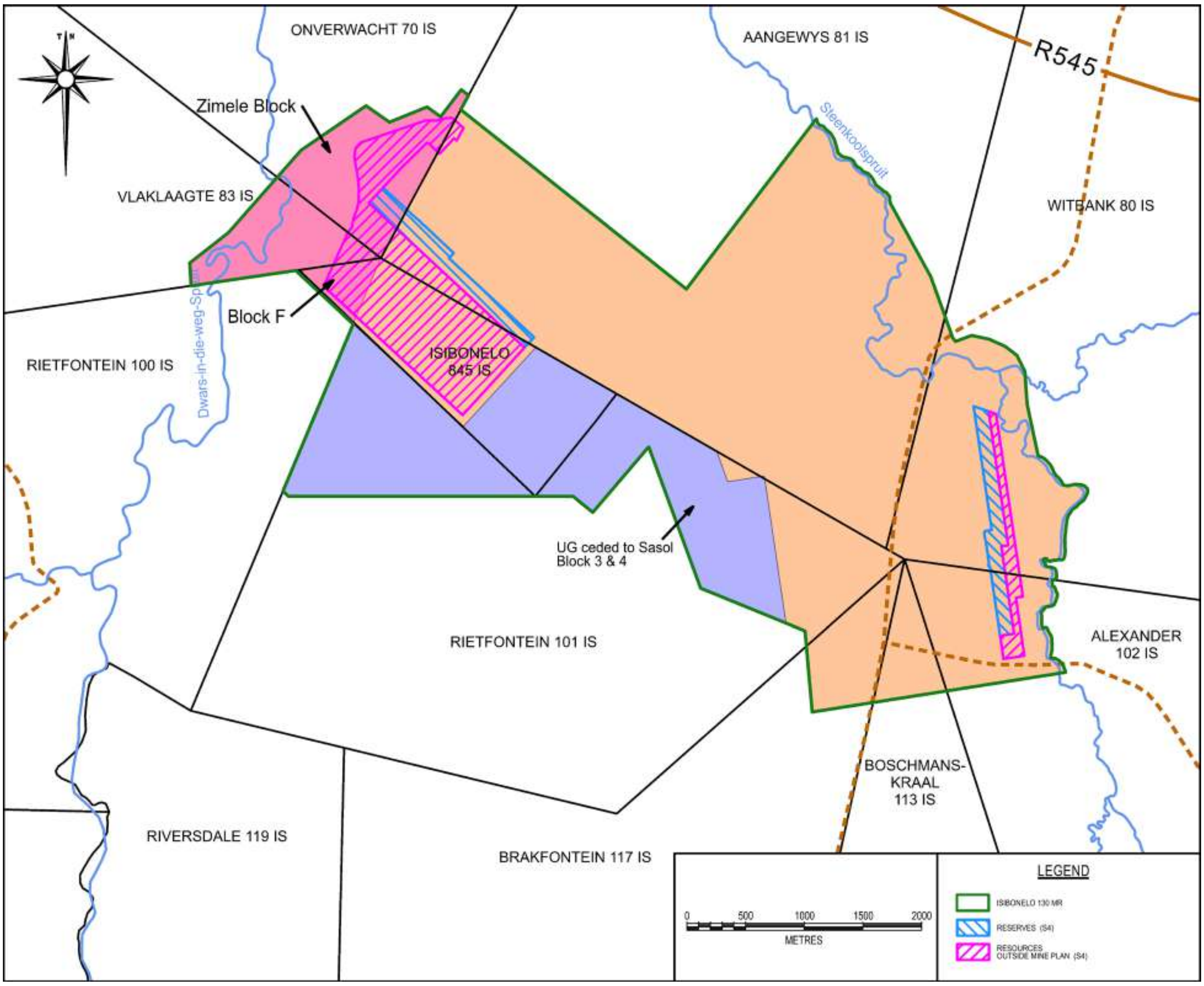
New and old slimes areas are excluded. Volumes towards the base of the MRD are excluded from the estimate due to uncertainty of the base surface.

The estimated Coal Reserves is derived from a geological model constructed in Datamine's Minescape 3D modelling software, using borehole data together with a DTM flown top surface.

Eleven vertically stacked horizontal layers define the variation in raw coal qualities. An assumed bulk density of 1.6g/cm^3 was used to estimate the tonnage.

A domestic product is derived from washing MRD material through the No 5 Seam plant and blending it with material derived from the No 4 Seam middlings. The product is then sold to the export market.

ISIBONELO



Isibonelo Colliery has opencast reserves and resources reported.

The colliery is located approximately 150km east of Johannesburg, 13km northeast of the town of Secunda in the Mpumalanga province of South Africa.

The opencast operation is constrained by the MR boundary, a 70m corridor between the opencast resource and the coal inventory, and the rivers to the west and east of the resource area, which form part of the MR boundary.

The operation consists of a north and south pit, with the main offices and workshops approximately 16km south of the opencast operations.

LEGAL TENURE

The Isibonelo Colliery holds one granted and executed converted MR and two section 102 applications have been granted, which include the Zimele Block and the Block F Triangle areas into the current MR.

An additional section 102 application is pending approval by the DMRE, which relates to the underground Block 4 sale transaction. In addition, a section 102 pertaining to a portion of portion RE/4 of the farm Rietfontein 101 IS, is yet to be submitted.

Isibonelo Colliery operates under one WUL. The licence includes and supersedes all activities previously licensed under numerous water use related licences issued to the colliery. The colliery operates under two approved EMPrs and two approved EAs.

Three land claims are currently registered, of which two require validation and/or investigation. TOPL has fulfilled its obligations in this regard and any further action required is the responsibility of the Restitution Management Support Office (RMSO). A third land claim is currently in the Land Claims court. In addition, four land claims have been dismissed.

There are currently no known impediments to tenure security.

The surface rights are owned by a number of different entities of which the majority are owned by TOPL and leased to a number of tenants.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 28 vertically cored, collar surveyed, downhole geophysical surveyed surface boreholes. Additional geotechnical holes and overburden identification holes were also drilled.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results uploaded to Minescape GDB, which includes validation processes during importing of data.

Coal samples collected during 2024 were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

No exploration activities are planned for 2025. The coal supply agreement with Sasol Mining Proprietary Limited (Sasol) ends in 2025.

GEOLOGICAL SETTING AND MODELLING

The Isibonelo Colliery is located in the Highveld Coalfield where four coal seams are present. These consist of, from the bottom upwards, the underdeveloped No 2 Seam sequentially to the No 5 Seam at the top. Only the No 4 Seam is declared as Coal Resources and Coal Reserves.

The typical qualities of the No 4 Seam reported resources, on a raw air-dried basis, are 27% ash, 21MJ/kg calorific value, 0.8% sulphur, 5.3% inherent moisture and 23% volatile matter.

No faulting was detected during exploration drilling or mining activities. A sill identified on the aeromagnetic survey, as well as in boreholes, is situated above the No 4 Seam and has little effect on the coal seam. Three thin dolerite dykes were intersected during mining, but with little effect on the mining or coal seam.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. There are no washability analyses since the colliery produces a raw product.

The cut-off parameter applied for the No 4 Seam reported resources is a 0.5m minimum thickness cut-off. Resources with ash greater than 50%, calorific value less than 17.5MJ/kg and raw dry ash free volatiles less than 24% are excluded.

MINING ACTIVITIES

The colliery is an opencast operation consisting of a north pit and a south pit. Both pits support a dragline operation and are assisted by a pre-strip truck and shovel fleet.

The main equipment used in the pits includes two draglines, hydraulic shovels, haul trucks, dozers, excavators and rotary drills, with the required ancillary support equipment. The mine layout was designed to suit the available mining equipment.

The revised mining schedule accelerates the mining of the south pit due to lower costs, with reserves converted to resources outside of mine plan (RoMP) in the north pit. This is due to constraints in the financial and economic modifying factors related to the coal supply agreement (CSA) with Sasol coming to an end in 2025. A potential continuation of the mining activities is currently under discussion.

The remaining LOM is estimated at one year with total ROM reserves of 3.9Mt. There are no Inferred Coal Resources included in the LOM plan. The terms of the CSA with Sasol determine the LOM.

PRODUCTION AND COAL PROCESSING

The total delivered tonnage for 2024 was 4.2Mt (2023: 4.0Mt) with a 100% saleable raw product.

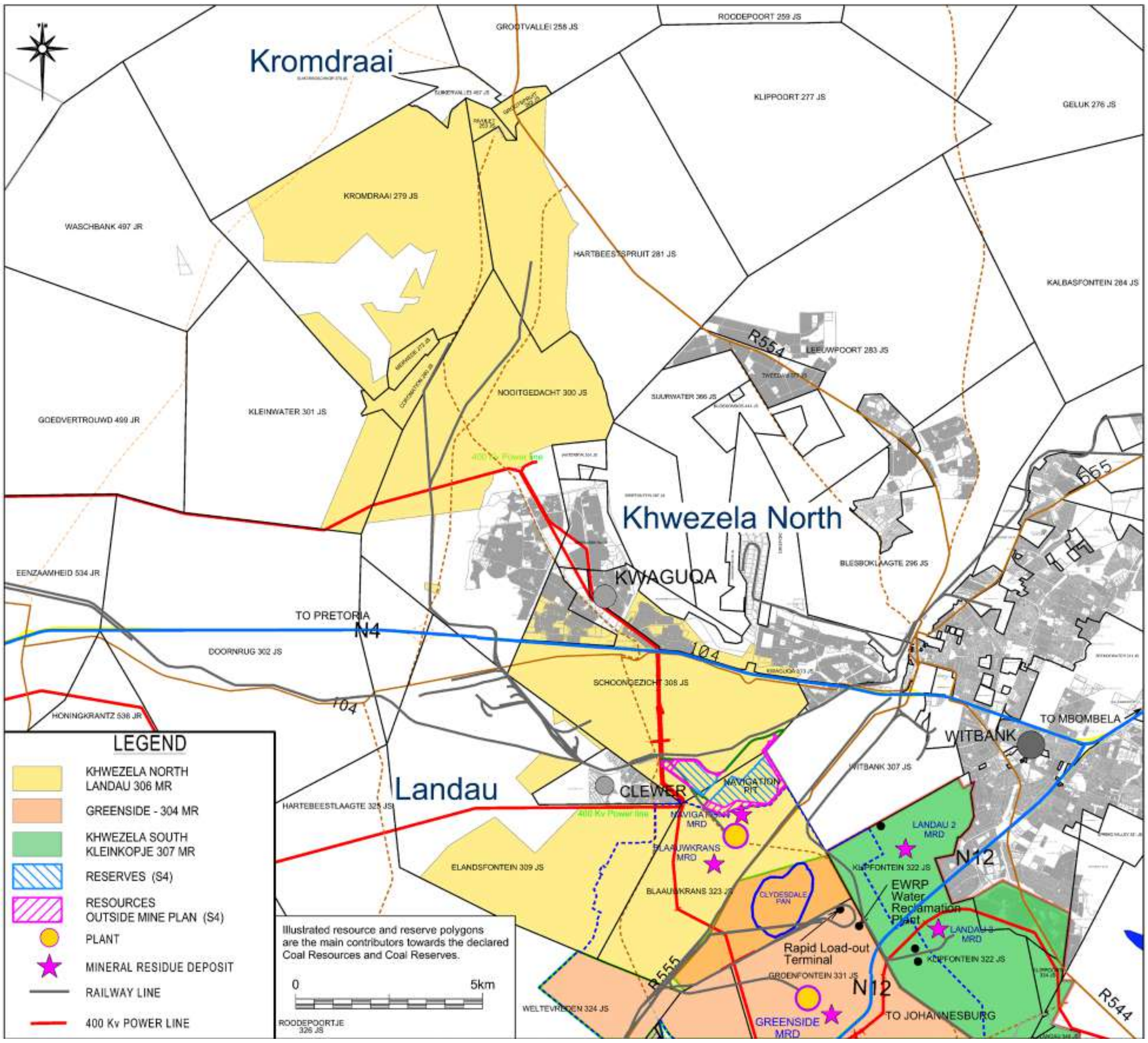
The colliery's full production is solely supplied to Sasol Synfuels Operations under the CSA. The CSA contract was revised on 1 June 2019 and expires on 31 December 2025. The targeted supply for 2025 is 3.9Mtpa over the 12-month period.

The coal from the pit is transported to the ROM tip by truck. The coal is crushed, screened and sized at the crushing and screening plant. There is an automatic satellite sampling plant at the point of sale. The coal analysis is critical to ensure quality compliance.

The final product is transported by a 14km conveyor from the crusher plant to point of sale at the Isibonelo bunker. From there it is transported by a 22km long conveyor directly to the coal stockyard situated at the Sasol Synfuels Operations plant, just south of the town of Secunda.

KHWEZELA

KHWEZELA NORTH



Khwezela North (also known as Landau) consists of the current operating Navigation pit as well as the Kromdraai pit, which is currently being rehabilitated. The Clydesdale SACE life extension project lies on the southern boundary of the Landau MR. Coal Resources are not reported for this project due to current environmental permitting considerations. An active MRD (Blaauwkrans), receives as-arising material from the Navigation plant. Inactive or dormant MRDs are also located in the area.

The Navigation pit is located approximately 120km east of Johannesburg, 22km west of the town of eMalahleni in the Mpumalanga province of South Africa. It forms part of the SACE complex, together with Khwezela South (formerly known as Kleinkopje) and the Greenside Colliery (refer to the Greenside overview).

The Navigation pit is constrained by the MR boundary, Eskom powerlines, the Transnet railway to the north, the Clewer settlement in the west, the Navigation CHPP and the Navigation MRD to the south.

The RLT as well as the EWRP lie south of the pit.

LEGAL TENURE

Khwezela North holds one granted and executed converted MR – the Landau MR.

A section 102 application was granted during November 2024 for the exclusion of a portion of the farm Elandsfontein, in favor of Saldomate Proprietary Limited. The granted application is pending execution and registration.

Khwezela North operates under numerous approved EMPrs, EAs and WULs.

The colliery does not have a WML. For the Kromdraai rehabilitation programme, a WML was awarded in May 2024. An integrated water use license application (IWULA) amendment was submitted to the Department of Water and Sanitation, to ensure that the Kromdraai section has an IWUL with conditions based on the current status pertaining to the rehabilitation phase. The IWUL is pending a decision by the regulator.

Three land claims were settled by financial compensation or dismissed and no further action is required.

There are currently no known impediments to tenure security.

The surface rights are owned by a number of different entities, of which the majority are owned by TOPL and leased to various tenants.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 22 vertically cored and collar surveyed surface boreholes.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results uploaded to Minescape GDB, which includes validation processes during importing of data.

Coal samples collected during 2024 were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

For 2025, the planned exploration expenditure is estimated at R6.1 million.

GEOLOGICAL SETTING AND MODELLING

Khwezela North is located in the Witbank Coalfield where five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, and all contribute to the resource and reserve base. At the Navigation pit, all seams, with the exception of the No 3 Seam, to a greater or lesser extent, have previously been mined underground, with the select portion of the No 2 Seam mined most extensively. The No 4 Seam, No 2 Seam, and No 1 Seam currently contribute to the colliery's export product, with the No 5 Seam reported as a resource.

The typical qualities of the No 5 Seam reported resources, on a raw air-dried basis, are 22% ash, 25MJ/kg calorific value, 1.6% sulphur, 2.5% inherent moisture and 26% volatile matter. The typical qualities of the No 4 Seam reported resources, on a raw air-dried basis, are 23% ash, 24MJ/kg calorific value, 1.7% sulphur, 2.4% inherent moisture and 23% volatile matter. The typical qualities of the No 2 Seam reported resources, on a raw air-dried basis, are 34% ash, 20MJ/kg calorific value,1.0% sulphur, 2.2% inherent moisture and 20% volatile matter.

The typical qualities of the No 1 Seam reported resources, on a raw air-dried basis, are 16% ash, 28MJ/kg calorific value,1.4% sulphur, 2.0% inherent moisture and 28% volatile matter.

Northwest-southeast striking faults encountered at the Greenside Colliery extend into the Navigation area, but do not impact mining. Northeast-southwest trending dolerite dykes are encountered, but with little impact on mining.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameter applied for the reported resources is a 1.0m minimum thickness on all seams. Resources with ash greater than 50% and volatiles less than 17% are excluded.

MINING ACTIVITIES

The Navigation pit is an opencast operation with a pre-strip operation allocated to a truck and shovel fleet. The overall stripping ratio is low compared to other similar opencast operations. The main operational risk is the potential for spontaneous combustion in the old workings.

The primary mining equipment includes a dragline, hydraulic shovels, haul trucks, overburden drills and a coaling drill, and is supported by the necessary ancillary equipment.

The main boxcut is in the north of the pit near the railway line where the overburden is the shallowest. The boxcut is constrained by available spoil space and is developed in two parts. The development of a third boxcut commenced recently.

The LOM is estimated at five years and the total ROM reserves at 23.4Mt. Inferred Coal Resources make up 2% of the LOM plan (equivalent to 0.5Mt reserves).

PRODUCTION AND COAL PROCESSING

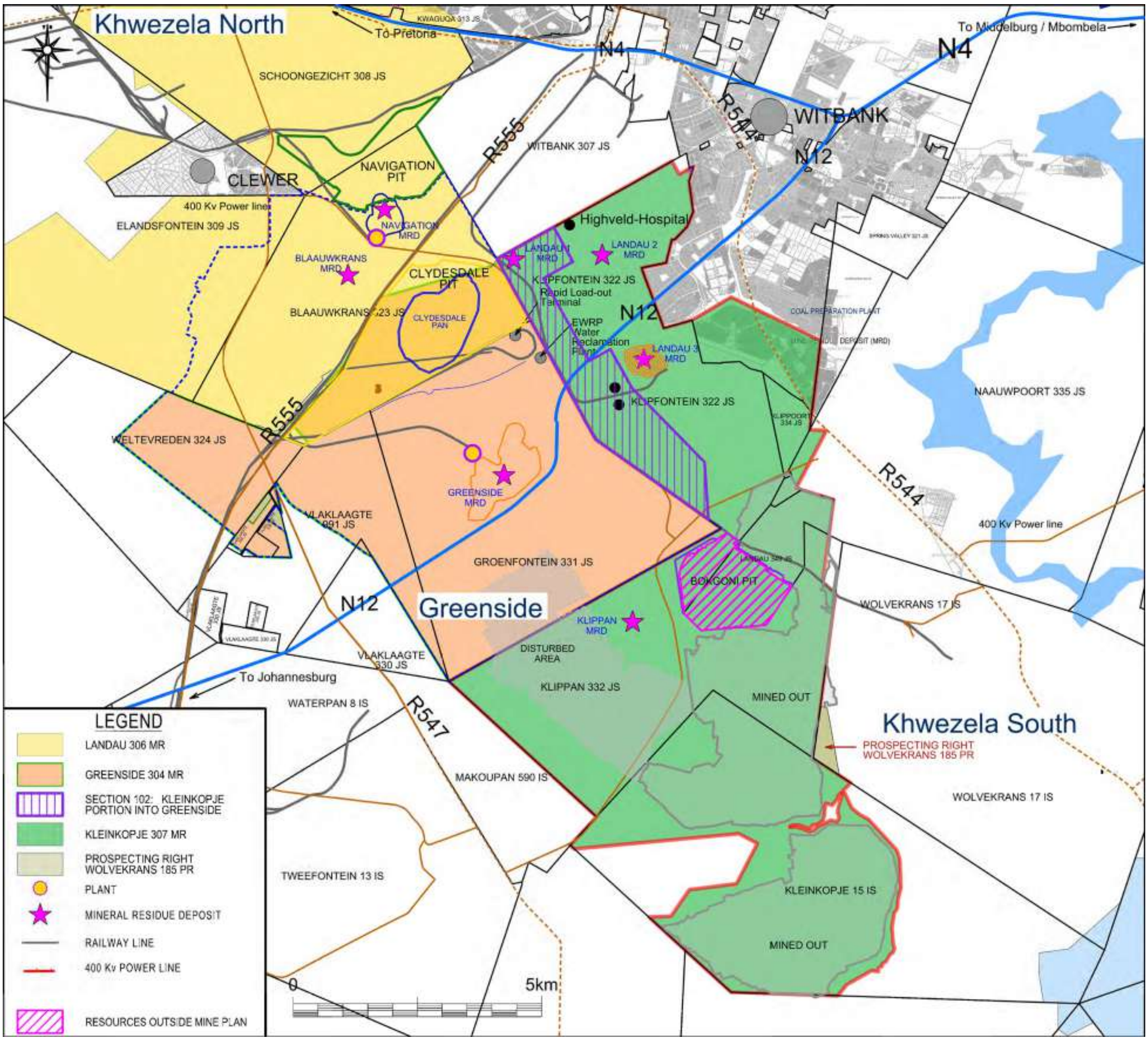
The annual production ROM for 2024 was 4.3Mt (2023: 3.0Mt). Due to the constraints influencing pit extensions, little room is left for expansion of the resources and reserves footprint.

The CHPP produces a primary export product at a calorific value of 5,700kcal/kg NAR.

The plant consists of two identical modules, A and B. The fines are treated in a Teeter Bed Separation module in series with spirals, and the fines product coal is added back to the export product.

The primary product is stockpiled and transported to the RLT via a conveyor, from where it is railed to the RBCT for export.

KHWEZELA SOUTH



The resources at Khwezela South (also known as Kleinkopje) are limited to the Bokgoni 2A pit, which was placed on care and maintenance with effect from the first quarter of 2021. No Coal Reserves are declared over the area. The remaining Coal Resource from the Bokgoni 2A pit is declared under RoMP. Other coal remnants within the MR are contained in the old 5W pit in the south, NorthWest and Landau 1 and 2 Blocks, as well as in the MRD at Klippan.

LEGAL TENURE

Khwezela South holds one granted and executed converted MR (Kleinkopje MR), and one prospecting right (PR) for which a renewal application has been submitted and is awaiting adjudication.

Approval for a section 102 application, submitted to the DMRE in February 2021 for certain portions under the Kleinkopje MR (Khwezela South) to be included into the Greenside MR, has subsequently been approved. The Kleinkopje MR has an authorised EMPr and EA.

Two land claims require validation or gazetting by the department, while two claims have been settled. An objection has been submitted against one land claim, which required claimant verification, and the objection is pending.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities have been suspended since 2020. Previous activities included vertical cored and collar surveyed surface boreholes and aeromagnetic surveying with a minimal amount of standard downhole geophysics due to the flat-lying strata and the high density of cored boreholes.

Logging and sampling of the vertical cored boreholes were done as soon as possible after drilling to avoid deterioration of the coal core. The core was photographed and logging, sampling and analytical results uploaded in Minescape GDB, which includes validation processes during importing.

Coal samples were sent to SANAS-accredited laboratories.

There is no 2025 budget for exploration activities at Khwezela South.

GEOLOGICAL SETTING AND MODELLING

Khwezela South is located in the Witbank Coalfield where five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, with the exception of the No 3 Seam, which is not part of the resource base. A small graben with a 10m throw lies to the northeast of the Bokgoni 2A pit. No major dolerite intrusions have been encountered.

The typical raw air-dried qualities of the reported resources range from 20% to 30% ash, 21MJ/kg to 26MJ/kg calorific value, 1.0% to 2.0% sulphur, 1.9% to 2.3% inherent moisture and 21% to 27% volatile matter between the seams.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameter applied for the resources is a 0.5m minimum thickness on all seams. Resources with ash greater than 50% and volatiles less than 17% are excluded.

MINING ACTIVITIES

The Bokgoni 2A Pit was put on care and maintenance in 2021 and no mining has taken place since then.

PRODUCTION AND COAL PROCESSING

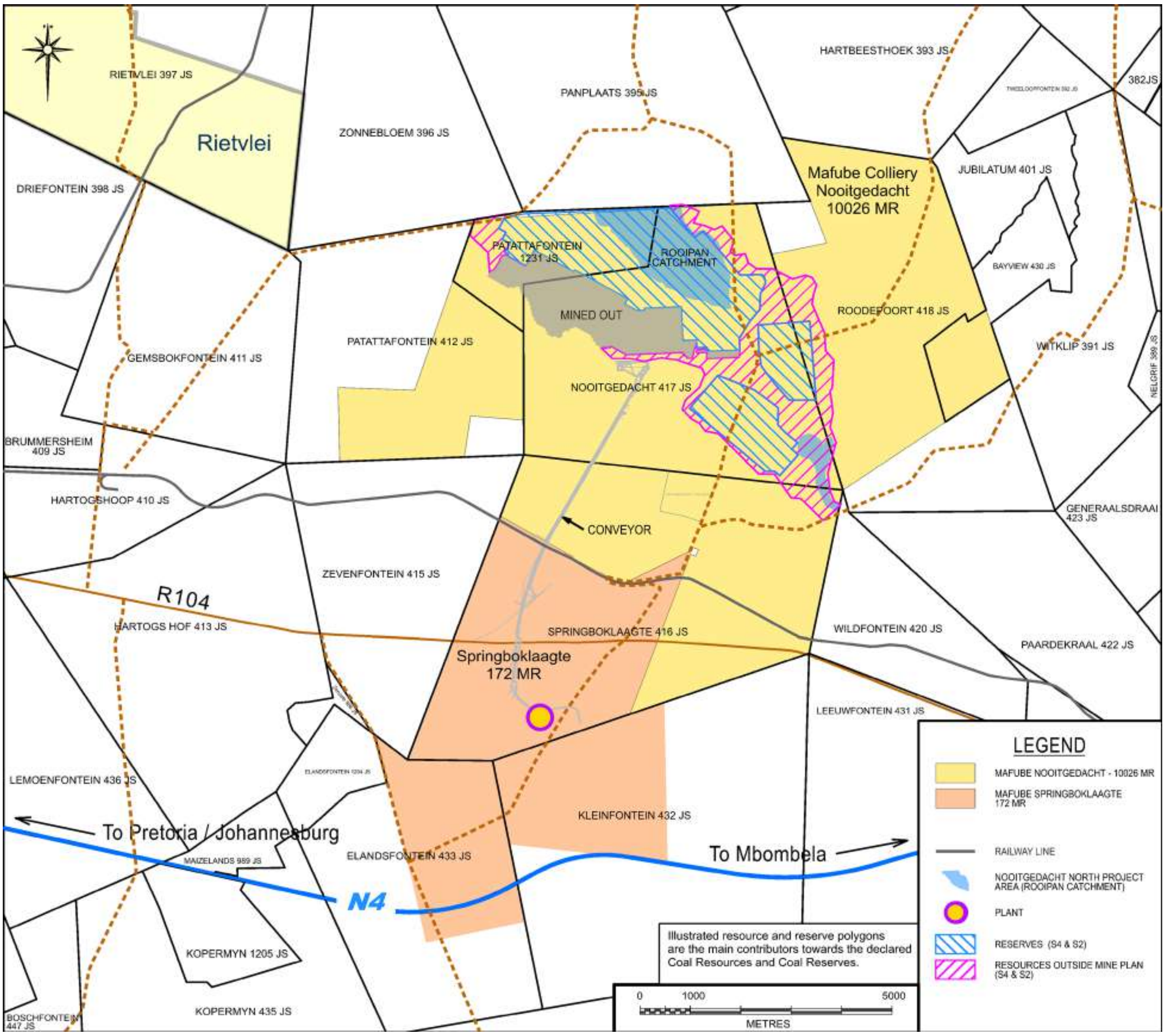
No coal processing has taken place since the mine was placed on care and maintenance.

KHWEZELA SOUTH MINERAL RESIDUE DEPOSIT

The rehabilitation of the Khwezela South (also known as Landau 3) MRD started in 2024 and will continue during 2025.

No Coal Resources or Coal Reserves are reported over the MRDs at Khwezela South.

MAFUBE



The Mafube Colliery is an opencast operation in which South Africa Coal Operations Proprietary Limited (SACO) holds a 50% direct interest and Exxaro Coal Mpumalanga Proprietary Limited (Exxaro) holds the remaining 50%. The JV is termed Mafube Coal Mining Proprietary Limited (Mafube Coal Mining).

The colliery is located approximately 160km east of Johannesburg and 30km east from the town of Middelburg in the Mpumalanga province of South Africa.

The opencast operation is constrained primarily by the MR boundary. Internal to the MR, the coal sub-crop defines the resource limit.

The operation consists of six planned pits. The mining strategy is to schedule the mining pits to maximise the Coal Reserve recovery by maintaining steady-state production up to the end of the LOM.

The declared resources and reserves are as evaluated and estimated through Exxaro.

LEGAL TENURE

The Mafube Colliery holds one granted and executed NOMR and one granted and executed converted MR. Mining operations currently occur in the Nooitgedacht Reserve MR.

The Mafube Colliery operates under numerous approved EMPrs, EAs and WULs. The environmental management plan, IWUL, and NEMA licences for the current mining areas are in place and compliant.

The application processes for authorisation in terms of the National Environmental Management: Waste Act (NEMWA) and NEMA for the mining of Pan 11 (Nooitgedacht North) catchment was concluded and the final Environmental Impact Assessment (EIA)/EMPr was submitted to the DMRE in October 2023.

The record of decision has been submitted to the DMRE for review and the drafting of the EA. Mafube is currently awaiting the final EA issuance. The WUL application was submitted to the Department of Water and Sanitation in August 2024, following the completion of the additional technical specialist studies. Approval is anticipated in quarter one of 2025.

Several land claims are registered. Some have been dismissed, others require validation or claimant verification, and a few require further negotiations prior to settlement.

There are various competing applications over Mafube's MRs. Mafube has lodged objections and appeals against the applications and the outcomes from the DMRE are pending.

Mafube Coal Mining is aware of a legal challenge in respect of the competing application pertaining to the remaining extent of portion 1 of the farm Patattafontein 412 JS. If not resolved, the reserve base will be reduced by approximately 3%.

The surface rights are owned by a number of different entities, with some portions of the surface rights owned by Mafube Coal Mining and leased to a number of tenants for agricultural purposes.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 168 vertically cored and collar surveyed boreholes.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results captured in an acQuire GIM Suite SQL database, managed by Exxaro.

Coal samples collected during 2024 were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

For 2025, the planned exploration expenditure is estimated at R22.6 million.

GEOLOGICAL SETTING AND MODELLING

The Mafube Colliery is located close to the northern edge of the Witbank Coalfield where four coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 4 Seam at the top. The No 2L Seam is the main source of the declared Coal Resources and Coal Reserves, with the No 4 Seam (split into the No 4U and No 4L) and No 1 Seam also contributing.

The typical qualities of the No 4U Seam reported resources, on a raw air-dried basis, are 34% ash, 18MJ/kg calorific value, 0.8% sulphur, 4.0% inherent moisture and 20% volatile matter. The typical qualities of the No 4L Seam reported resources, on a raw air-dried basis, are 40% ash, 16MJ/kg calorific value, 0.9% sulphur, 3.9% inherent moisture and 20% volatile matter.

The typical qualities of the No 2L Seam reported resources, on a raw air-dried basis, are 27% ash, 21MJ/kg calorific value, 1.0% sulphur, 4.1% inherent moisture and 21% volatile matter. The typical qualities of the No 1 Seam reported resources, on a raw air-dried basis, are 34% ash, 19MJ/kg calorific value, 0.7% sulphur, 3.3% inherent moisture and 21% volatile matter.

No faulting was detected during exploration drilling or mining activities. Dolerite intrusives, tentatively identified from the aeromagnetic survey, have not been confirmed by drilling or mining activities.

The geological model is constructed using the Geovia Minex Dassault Systems software and is managed and maintained by Exxaro. The gridded coal seam surfaces, interpreted from boreholes, were constructed using set criteria or relationships between the seams, using the growth algorithm. Raw and washability quality grids were also constructed.

The cut-off parameter applied for the No 4U Seam, No 4L Seam and No 2L Seam reported resources is a minimum thickness of 1.0m on all seams. A 0.8m minimum thickness cut-off is applied to the No 1 Seam. Resources with ash greater than 50% are excluded.

MINING ACTIVITIES

Currently, the No 2 Seam and No 1 Seam are being extracted.

The main equipment used in the pits are dozers, excavators, haul trucks, coal and overburden drills, with articulated dump trucks used for topsoil removal.

The LOM is estimated at 19 years with total ROM reserves of 115.6Mt. This is in line with the Mafube plant capacity of 5.8Mtpa ROM. Only 0.2% of the LOM plan is derived from Inferred Coal Resources (equivalent to 0.1Mt reserves).

PRODUCTION AND COAL PROCESSING

The actual ROM production for 2024 was 5.7Mt (2023: 4.8Mt). After processing, this produced a 5,800kcal/kg NAR export product together with a 4,800kcal/kg NAR middlings export product. An additional raw domestic product has been identified and included in the declared saleable products, to be included for the remainder of the LOM.

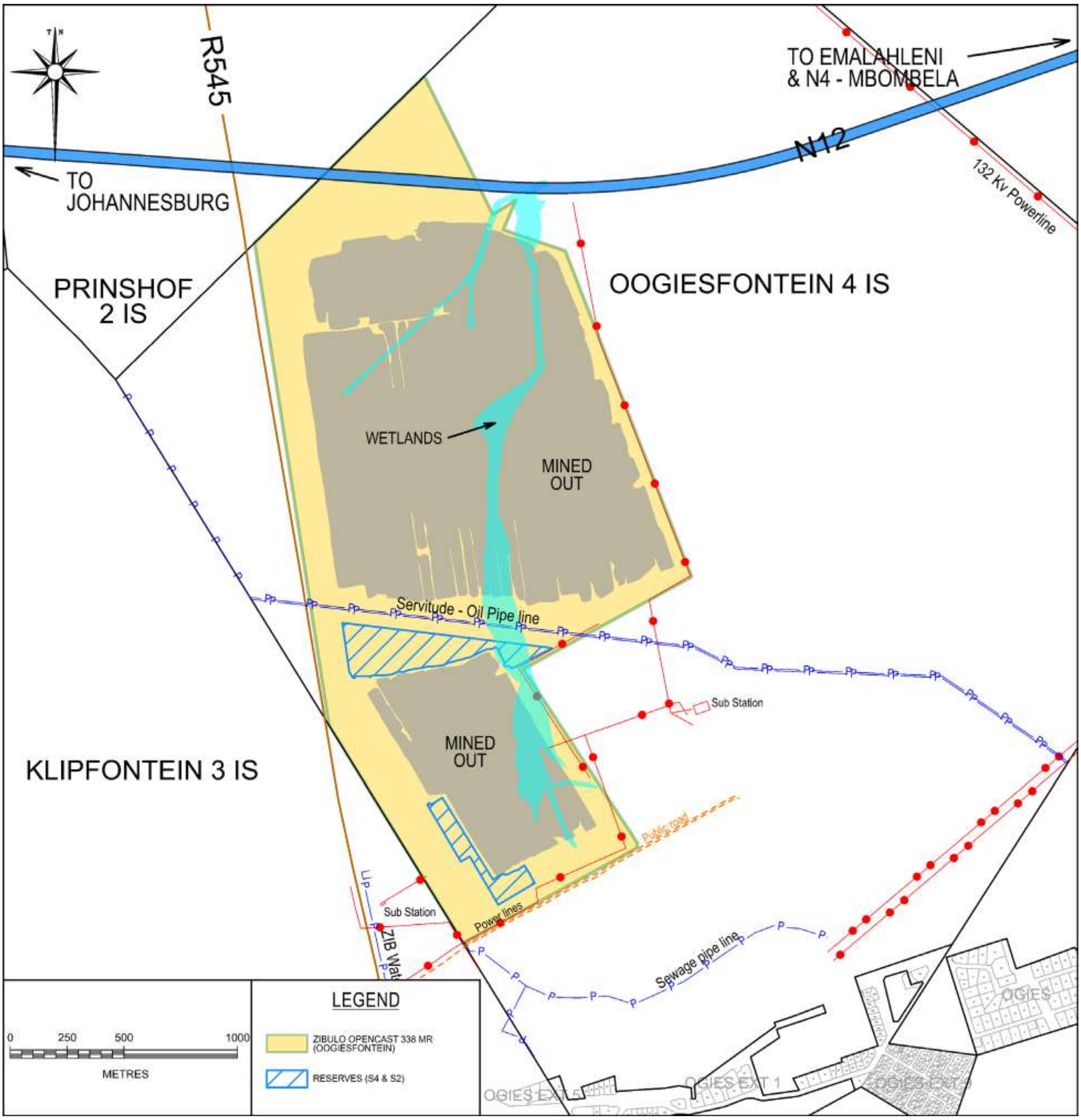
The CHPP is operated by Mafube on behalf of the JV.

ROM coal is transported from the pit to the CHPP by a 7km overland conveyor. The CHPP is a single module, treating coarse and finer coal in separate dense medium cyclones. Both saleable export products are transported by a 14km overland conveyor to the RLT.

The CHPP also uses filter presses to process ultrafines. This product is sold on demand to the inland market.

ZIBULO

ZIBULO OPENCAST



Zibulo Opencast (OC) is located approximately 100km east of Johannesburg, close to the town of Ogies in the Mpumalanga province of South Africa. The Zibulo MR is held by Anglo American Inyosi Coal Proprietary Limited (AAIC).

Zibulo OC forms part of the Zibulo Colliery, which includes the underground (UG) bord and pillar operation situated 16km southwest of Ogies, as well as the Zondagsfontein West project area to the west of the underground operation.

The pit is constrained by the MR boundary as well as the N12 highway in the north and the R545 road in the south.

LEGAL TENURE

Zibulo OC holds one granted and executed NOMR. The pit operates under several EMPrs, EAs and WULs. It does not require a WML, and all of the required environmental permits are in place. An amendment to the WUL has been submitted to license additional activities.

The surface rights are owned by AAIC and a third party.

No land claims are recorded over the Zibulo OC MR.

There are currently no known impediments to tenure security.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 12 vertically cored, collar surveyed, downhole geophysical surveyed surface boreholes. Some of the production (drill and blast) holes were used for the structural interpretation.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results are uploaded in Minescape GDB, which includes validation processes during importing of data.

Coal samples collected during 2024, were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

No exploration expenditure is planned for 2025 due to the complete depletion of the reserve by the end of 2025.

GEOLOGICAL SETTING AND MODELLING

Zibulo OC is located in the Witbank Coalfield where typically five coal seams are present. However, at Zibulo OC only three seams occur, which consist of, from the bottom upwards, the No 1 Seam sequentially to the No 4 Seam at the top. The No 5 Seam has been eroded and the No 3 Seam is not present. The No 4 Seam and No 2 Seam both contribute to the colliery's export product.

The typical qualities of the No 4 Seam, on a raw air-dried basis, are 22% ash, 24MJ/kg calorific value, 1.5% sulphur, 3.4% inherent moisture and 23% volatile matter. The typical qualities of the No 2 Seam, on a raw air-dried basis, are 25% ash, 23MJ/kg calorific value,1.0% sulphur, 3.0% inherent moisture and 22% volatile matter.

Zibulo OC is sub-divided into two distinct domains, north and south, by the Strategic Fuel Fund (SFF) pipeline servitude. No faults or dolerites are present in the area. Granted WULs to mine the wetlands to the east and south are available.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameter applied for the resources is a 0.5m minimum thickness on all seams. Resources with ash greater than 50% and volatile matter less than 17% are excluded.

MINING ACTIVITIES

The Zibulo OC pit is a truck and shovel contractor-operated mini-pit. The northern portion of the pit is depleted. The boxcut development in the southern pit commenced in 2021. Rock engineering aspects are well managed, with adequate risk controls implemented.

Zibulo OC has the required infrastructure including a substation and electrical reticulation, haul roads, mining equipment and a ROM crushing plant.

The remaining LOM is estimated at one year with total ROM reserves of 0.8Mt. There are no Inferred Coal Resources included in the LOM plan.

PRODUCTION AND COAL PROCESSING

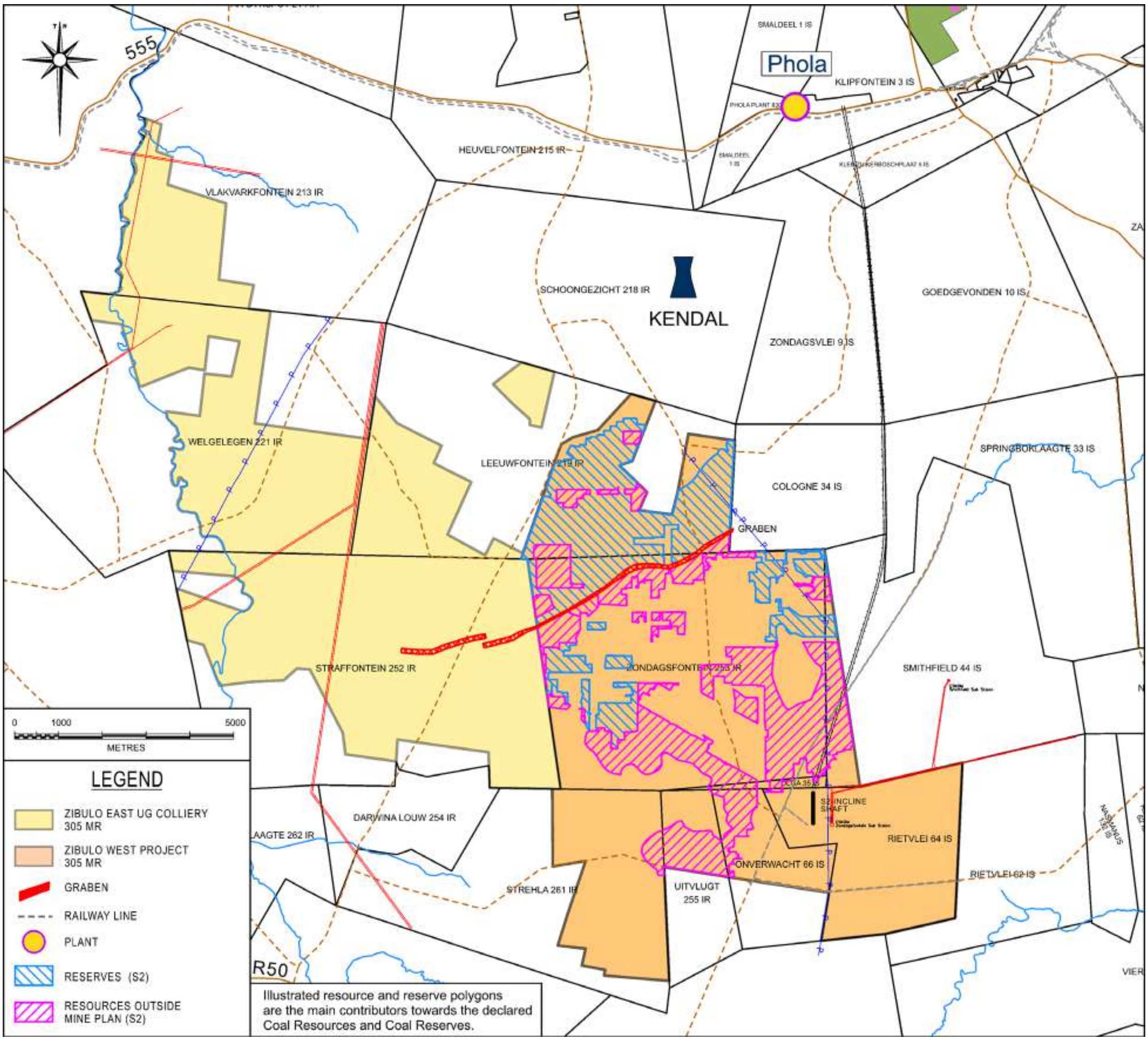
The actual production ROM for 2024 was 1.1Mt (2023: 0.9Mt). The coal is combined with the Zibulo UG coal, producing a saleable 6,000kcal/kg NAR export product and a 4,800kcal/kg NAR middlings export product.

The Zibulo OC operation supplements the underground production ROM to the Phola Coal Processing Plant (PCPP) so that the maximum allocated throughput capacity of 8Mtpa can be achieved. The Zibulo OC coal is trucked to the PCPP which is situated on the western border of Ogies.

The PCPP is a 50:50 JV between AAIC and Seriti Power Proprietary Limited. The plant has a nominal capacity of 16Mtpa, of which the Zibulo Colliery is entitled to 8Mtpa according to the JV agreement. The ROM from both the Zibulo OC and the Zibulo UG operations is processed at the PCPP.

The PCPP has dedicated ROM and product stockpiles for each of the JV partners. There are two rail loops connected to Transnet Freight Rail with two load-out facilities. Fine coal is fed to spirals and the spirals product stream is split between the export and middlings product, depending on the quality produced.

ZIBULO UNDERGROUND



Zibulo UG is a bord and pillar operation located approximately 100km east of Johannesburg, 16km southwest of Ogies in the Mpumalanga province of South Africa.

It forms part of the Zibulo Colliery which includes the Zibulo OC operation and the Zondagsfontein West Project.

The Zibulo MR is held by AAIC.

LEGAL TENURE

Zibulo UG holds one granted and executed NOMR, which comprises the current underground mine and the Zondagsfontein West life extension project.

A section 102 application was submitted to exclude a portion of the farm Straffontein from the Zibulo MR in favor of Mnambithi Mining Proprietary Limited.

The colliery operates under several EMPrs, EAs and WULs. All the required environmental permits are in place for the operation. An amendment to the WUL has been submitted to license additional activities. Due to the inclusion of the Zondagsfontein West Project area in the LOM, an amendment to the current EMPr of Zibulo UG, to cover the underground workings and surface infrastructure, has been submitted to the DMRE and is awaiting approval.

The surface rights for Zibulo UG are currently owned by numerous different entities, including AAIC.

A purchase agreement has been concluded to secure surface rights for portion RE/11 of the farm Leeuwfontein 219 IR and is currently in the registration process. Subsequently, a purchase agreement has been concluded to secure portion RE/2 of the farm Zondagsfontein 253 IR, among others. The aforementioned portions are critical for the Zibulo life extension project.

Five land claims are registered over the Zibulo UG MR, which require either dismissal, gazetting, validation or approval by the RMSO. The claims do not impact the current underground mining.

There are currently no known impediments to tenure security.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 16 vertical cored, collar surveyed, standard downhole geophysical surveyed surface boreholes. Additional cover is by underground in-seam panel and directional non-core drilling ahead of mining faces.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results captured in Minescape GDB, which includes validation processes during importing.

Coal samples collected during 2024 were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

For 2025 the planned exploration expenditure is estimated at R19.8 million.

GEOLOGICAL SETTING AND MODELLING

Zibulo UG is located in the Witbank Coalfield where five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, with inter-seam partings consisting of mainly siltstone and sandstone, with thicknesses ranging between 1m and 20m. The No 2 Seam is currently the only underground contributor to the colliery's export product.

Pre-Karoo paleo-highs influence the No 2 Seam thickness and elevation, particularly where the seam truncates against these paleo-highs.

The No 4 Seam and No 5 Seam are declared as RoMP and are considered to be economic Coal Resources for future mining, with the select No 4 Seam as a domestic product and the highly vitrinitic No 5 Seam as a possible metallurgical coal. However, the No 5 Seam potential is restricted by thickness, weathering and extensive sill influence.

The typical qualities of the No 5 Seam reported resources, on a raw air-dried basis, are 18% ash, 25MJ/kg calorific value, 1.7% sulphur, 4.5% inherent moisture and 30% volatile matter. The typical qualities of the No 4 Seam reported resources, on a raw air-dried basis, are 33% ash, 18MJ/kg calorific value,1.1% sulphur, 4.0% inherent moisture and 22% volatile matter. The typical qualities of the No 2 Seam reported resources, on a raw air-dried basis, are 29% ash, 20MJ/kg calorific value,1.1% sulphur, 1.6% inherent moisture and 22% volatile matter.

Faulting is minimal across Zibulo UG, except for the major graben structure in the north, striking east-west across the colliery. The graben consists of a series of sub-parallel faults with varying throws along strike. The graben was also intersected in the neighbouring underground workings of Khutala Colliery and has a magnetic signature clearly visible on the aeromagnetic survey. Five fence line patterns were drilled to better define the extent of the graben at Zibulo UG.

Dolerite intrusions and associated stringers occur throughout the area and large sills appear close to the surface, affecting mostly the No 5 Seam.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data is treated separately in the resource estimation process.

The cut-off parameters applied for the underground resources reported are a 1.5m minimum thickness on the No 5 Seam, a 2.0m minimum thickness on both the No 4 and No 2 Seam and an overall average 4.5m maximum thickness. A minimum thickness of 30m total overburden is also applied to the underground resources reported. Resources with ash greater than 50% and dry ash free volatiles less than 24% are excluded.

MINING ACTIVITIES

Zibulo UG is a bord and pillar operation targeting a selective mining horizon between 3.3m and 4.5m thick in the No 2 Seam. The current configuration comprises four conventional and two prime sections.

The operation is equipped with CMs, shuttle cars, feeder-breakers and conveyor belt systems. The UG infrastructure consists of a vertical shaft for transporting man and material, and an incline shaft for the conveyance of coal.

A graben in the north divides the reserve into two domains, the coal quality on either side is similar and both domains are scheduled to be mined.

The optimal LOM is estimated at eight years and is supported by a total ROM reserve base of 42.5Mt.

There are no Inferred Coal Resources included in the current underground colliery. A 25% Inferred Coal Resources in mine plan is included in the overall LOM with the inclusion of the Zondagsfontein West project in the total LOM. The Inferred Coal Resources in mine plan are envisaged to be mined from 2035 and an action plan is in place to reduce the percentage, before mining commences in the area.

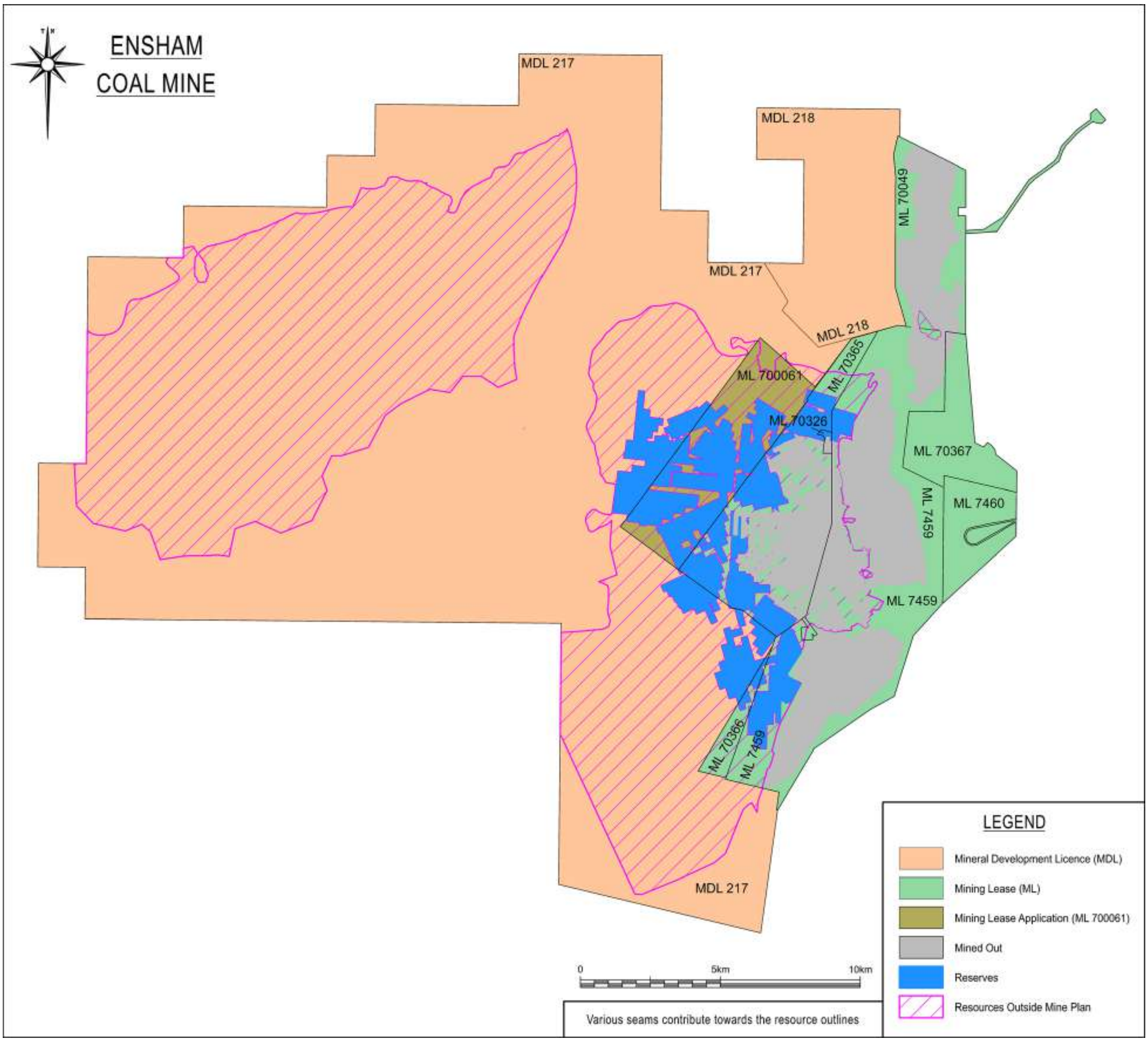
PRODUCTION AND COAL PROCESSING

The actual production ROM for Zibulo UG for 2024 was 5.3Mt (2023: 4.7Mt), producing a combined saleable 6,000kcal/kg NAR export product and a 4,800kcal/kg NAR middlings export product.

The underground ROM coal is transported to the PCPP via a 16km long overland conveyor. The product coal from both the Zibulo OC and the Zibulo UG is loaded for export at the PCPP RLT and railed to the RBCT. The majority of the middlings coal is railed to the RBCT for blending with other coal products, with a small amount sold free on rail or free on truck to inland customers.

OVERVIEW OF ASSET – AUSTRALIA

ENSHAM



The Ensham Mine is the primary asset of the Ensham joint venture and comprises several tenements located within the Bowen Basin in Queensland, Australia, approximately 40km northeast of the town Emerald and 200km west of Rockhampton. The mine is situated directly north of the Capricorn highway and the Central railway line.

Thungela acquired a majority interest in the Ensham Mine, through its wholly owned subsidiary, Thungela Resources Australia Pty Limited (Thungela Resources Australia), and assumed operational control of the Ensham Mine from 1 September 2023. Thungela Resources Australia holds a controlling interest (72.5%) in Sungela Holdings Pty Ltd and its wholly owned subsidiary, Sungela Pty Ltd (Sungela).

Pursuant to the acquisition, Sungela owned 85% of the Ensham Mine, through an unincorporated joint venture, with the remaining 15% being owned by LX International.

In December 2024, Thungela Resources Australia announced its intention to acquire LX International's 15% interest in the unincorporated joint venture, subject to the receipt of regulatory approvals and the fulfilment or waiver of certain conditions precedent to the transaction.

The colliery reports mainly underground resources and reserves, with some opencast resources declared as well. Subject to some regulatory approvals, Ensham has a LOM through to 2044.

Open cut mining commenced in 1994. The open cut is on care and maintenance, while rehabilitation continues in accordance with the Progressive Rehabilitation and Closure Plan (PRCP) schedule. The underground mining commenced in 2011 as a bord and pillar operation.

LEGAL TENURE

The Ensham deposit comprises nine tenements, including seven mining leases and two mineral development licences (MDL).

Environmental approvals are in place for the current operations which are within existing mining leases. Future underground operations are planned to extend into MDL217. Ensham has submitted a mining lease application to convert a portion of MDL217 into a mining lease to allow for the extension. The application process commenced in quarter one of 2020, with approval anticipated in 2025.

There are currently no known impediments to tenure security.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included 59 vertical boreholes, of which 25 were sampled.

Drill cuttings and cored holes are logged and sampled. The core is photographed and, where possible, geophysical wireline logging of boreholes is undertaken. The samples are analysed on a raw basis, with a small portion sent for limited float/sink analyses.

The borehole spacing is deemed sufficient to define the areas of resource confidence. Geostatistical and classical statistical analysis is used to assist in determining the variability of the deposit.

2D seismic surveys were completed across the mine leases and MDL area. Seven 3D seismic surveys were undertaken over the target areas covering $39km^2$.

For 2025 the planned exploration expenditure is estimated at AUD3.5 million.

GEOLOGICAL SETTING AND MODELLING

Ensham is located in the central part of the Bowen Basin. The economic seams occur in the Rangal Coal Measures, which has an average thickness of 100m and a strike length of over 80km. The economic seams, contributing towards the reported resources and reserves, are the Aries (A) Seam and Castor (C) Seam, with the Pollux (P) Seam included in the open cast resources. These seams have a typical economic thickness of 2m up to 6m. The Orion Seam at the bottom of the package is considered uneconomical and is not reported.

The typical qualities of the Aries and Castor Seams reported resources, on a raw air-dried basis, are between 10% and 15% ash and between 26MJ/kg and 28MJ/kg calorific value.

The project area is bound in the east by the sub-crop on the Comet Ridge and in the west by depth. Normal faulting occurs throughout the deposit, ranging in throw from 2m to more than 20m. There are two principal orientations of faults, east-west and northwest-southeast.

The coal seams are modelled in the Maptek Vulcan V2023.4.3D geological modelling software, using both grid and block modelling techniques.

The cut-off parameter applied for the underground resources reported is a 1.5m minimum thickness and a 0.5m minimum thickness for the opencast resources reports.

MINING ACTIVITIES

Ensham is an underground bord and pillar mine, with five production units, mining the coalesced Aries and Castor Seams, and one fault development unit. Surface infrastructure is in place to support the operation at the current production levels.

The combined Aries and Castor Seam is typically 5m to 6m thick over most of the underground area, thinning to less than 3m in the west where the seams splits come in. The depth of cover in the reserve area ranges from less than 50m in the mined-out south-eastern portion of the mine to over 200m in the west.

Mining equipment used underground includes CMs, shuttle cars, mobile bolters, load haul dumps (LHD), personnel carriers and a series of conveyor systems.

The orientation of the faults determines to a large extent the orientation of the panels and the overall mine layout. The underground workings are accessed through drifts from the final voids of the opencast.

Within the MDL boundary, the proved reserves were downgraded to probable reserves to reflect the necessity for mining lease approval prior to extracting the Coal Reserves.

The LOM is estimated at 20 years with the total ROM reserves at 68.8Mt. There are no Inferred Coal Resources in the mine plan.

PRODUCTION AND COAL PROCESSING

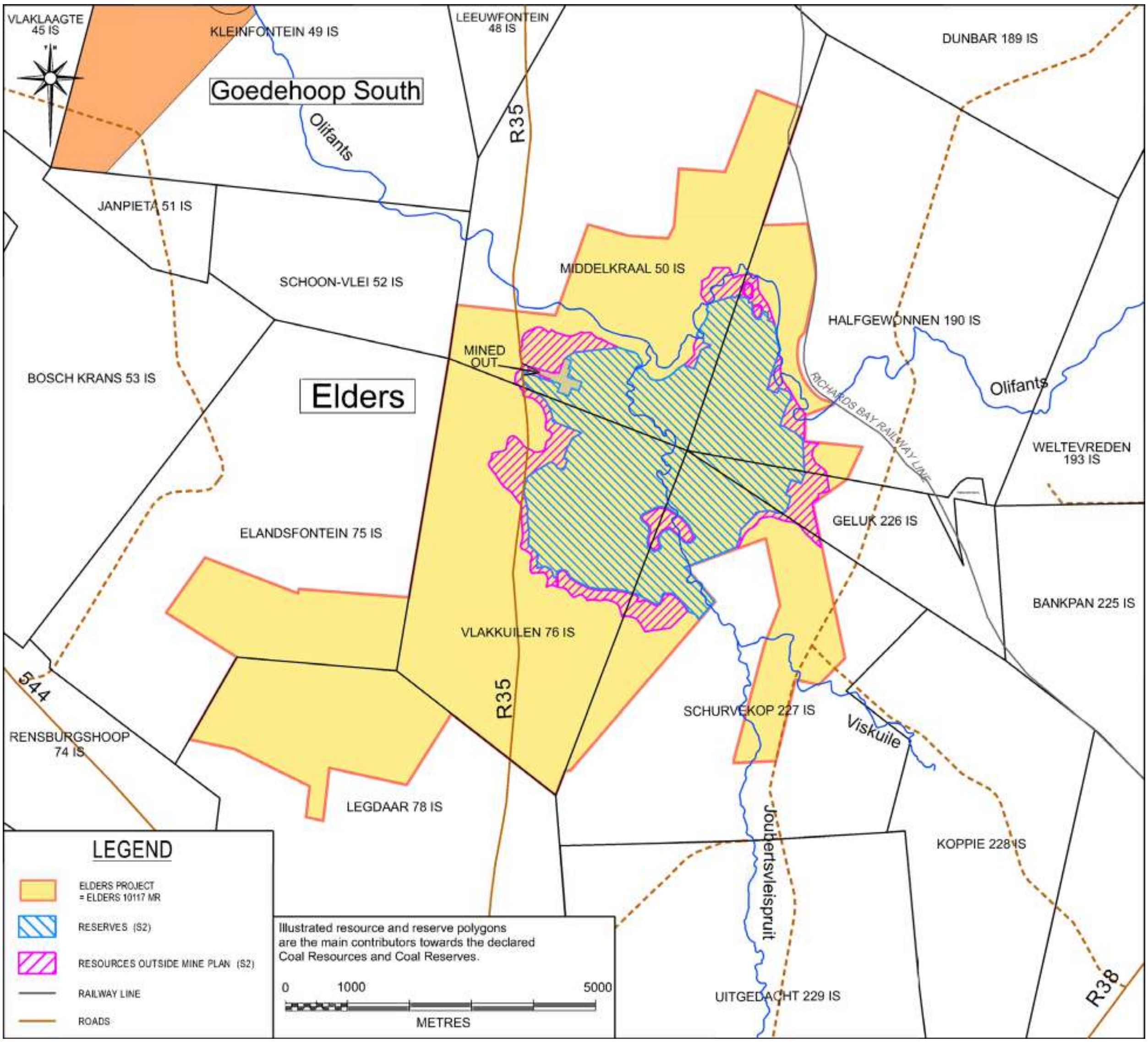
The total production for Ensham in 2024 was 4.1Mt ROM (2023: 2.9Mt for the full year).

The coal is not washed, but removed from underground via a conveyor belt, crushed and sized in a coal handling plant and transported via rail to the RG Tanna coal terminal in Gladstone, 340km from the Ensham Mine, for shipping as an export product. A product yield of a 100% is assumed and is considered representative of the remaining deposit.

There are no mine tailings as there is no coal washing process.

OVERVIEW OF ASSET PROJECTS – SOUTH AFRICA

ELDERS



The Elders project revised feasibility study (FS), covering the extraction of both the No 4 Seam and No 2 Seam, was completed in June 2022. Following this, the project was approved by the Thungela board in August 2022.

The Elders project area is located approximately 60km south of the town of Middelburg in the Mpumalanga province of South Africa.

Within the Elders MR, three distinct domains exist, with a far north opencast domain (not reported since only underground mining is envisaged at present), the central underground domain (resources and reserves reported) and the southwest underground domain (not reported due to the impact of transgressive sills compartmentalising and devolatilising the coal seams).

The focus area is the underground central area, with the economic target being the No 4 Seam and No 2 Seam, of which the No 2 Seam has the better quality.

The declared resources and reserves in this report are made up of these two economic seams.

The project area is constrained by the MR boundary, a railway line to the northeast, a paleo-high truncating the seams in the south and southeast as well as sub-crops in the north and west due to the pre-Karoo topography.

The Olifants River and Viskuile River flow through the north and centre of the study area and an extensive wetland is present in the area. The 1:100-year flood line of the rivers cuts across the planned mining areas.

LEGAL TENURE

AAIC holds one granted and executed NOMR.

A sale of a portion of the mining right and a property agreement were concluded with Sudor Coal Proprietary Limited for Portion 5 of the farm Middelkraal 50 IS and Portion of Portion RE of the farm Middelkraal 50 IS (also known as Pit 4). Subsequently, a tripartite agreement was concluded with Umcebo Mining Proprietary Limited (Umcebo) for the aforementioned portions and a section 102 application has been submitted to the DMRE during 2024 to abandon the portions in favour of Umcebo.

AAIC currently owns approximately 3,500ha of the total surface rights relating to the approved mining right area. The surface rights owned by AAIC sufficiently cover the planned surface infrastructure to facilitate the planned mining operations. Therefore, no additional surface rights will be acquired for the project.

The Elders project has two approved WULs and two EAs and EMPrs.

There are a number of land claims which are under investigation and registered with the Regional Land Claims Commissioner, requiring validation or gazetting, and AAIC has lodged a number of objections against certain land claims. There are currently no known impediments to tenure security.

The surface rights are owned by a number of different entities, the majority of which are owned by AAIC and leased to various tenants.

EXPLORATION ACTIVITIES AND EXPENDITURE

There were no exploration activities in 2024.

Previous logging and sampling of all the vertical cored boreholes was done as soon as possible after drilling, to avoid deterioration of the coal core. The core was photographed and logging, sampling and analytical results were uploaded to Minescape GDB, which includes validation processes during importing.

Coal samples were sent to SANAS-accredited laboratories.

For 2025, the planned exploration expenditure is estimated at R10.6 million.

GEOLOGICAL SETTING AND MODELLING

Elders is located close to the northern margin of the Highveld Coalfield where five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, with the No 4 Seam and No 2 Seam declared as Coal Resources and Coal Reserves.

The typical qualities of the No 4 Seam reported resources, on a raw air-dried basis, are 30% ash, 21MJ/kg calorific value, 1.0% sulphur, 3.3% inherent moisture and 22% volatile matter.

The typical qualities of the No 2 Seam reported resources, on a raw air-dried basis, are 26% ash, 22MJ/kg calorific value,1.0% sulphur, 3.0% inherent moisture and 24% volatile matter.

No faulting was detected during exploration drilling. However, dolerite intrusives were identified on two aeromagnetic surveys and a high resolution SkyTEM survey and results from the geophysics survey tool, the MagSQUID. Boreholes have confirmed some of these features and where the sills are close to the coal seams, devolatilisation and/or burning may be evident.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the boreholes information the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameter applied for the underground resources reported is a 2.0m minimum thickness on both No 4 Seam and No 2 Seam and an overall 4.5m maximum thickness. A 25m minimum overburden thickness is also applied. Resources with ash greater than 50% and dry ash free volatiles less than 24% are excluded.

MINING ACTIVITIES

The mine is an underground bord and pillar operation using primarily CMs. Access to the underground workings is via a boxcut with portals onto the No 2 Seam and No 4 Seam horizons. The mining operation will mine the No 2 Seam first, followed by the No 4 Seam.

The mine is designed with up to five CM sections at full production.

Construction on site commenced in quarter four of 2022, with the establishment of a site office and the initial phase of the boxcut development.

First coal was mined during the first quarter of 2024, and as at 31 December 2024, two CM sections were in operation.

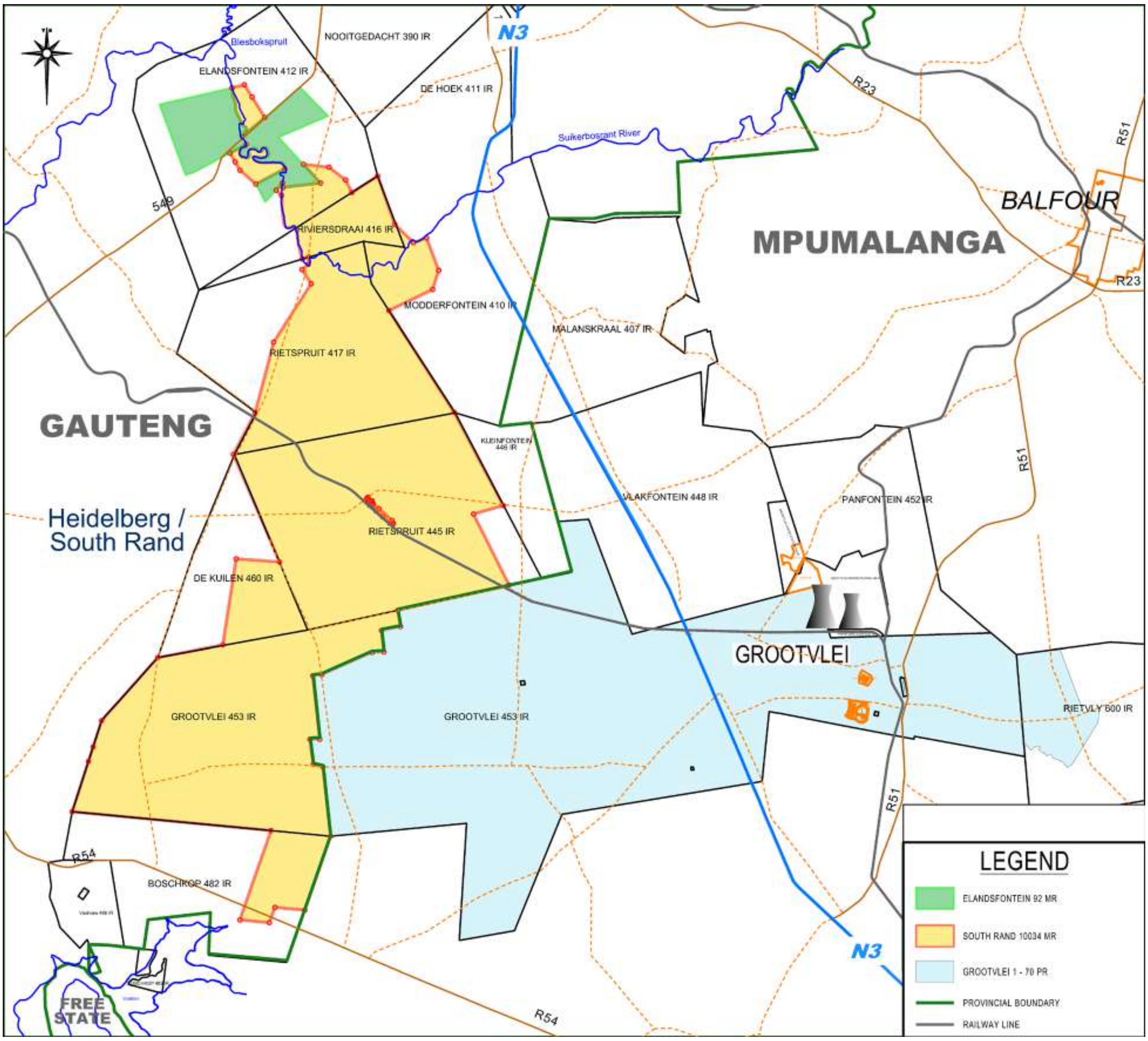
The LOM is estimated at 24 years (for the No 2 Seam and No 4 Seam together) and is supported by a ROM reserve base of 79.7Mt. Only 1% of the LOM plan is derived from Inferred Coal Resources (equivalent to 0.7Mt reserves).

PRODUCTION AND COAL PROCESSING

The mine will produce around 3.5Mtpa, peaking at 4.2Mtpa ROM over the LOM. A 5,700kcal/kg NAR single product, from the No 2 Seam, is earmarked for the export market, with a changeover to a domestic product of 4,500kcal/kg NAR, from the No 4 Seam, for the local market.

Coal from the colliery is currently transported by road and processed at the existing CHPP at Goedehoop North.

SOUTH RAND



The South Rand project is part of a disposal process with the abandonment of the granted MR, a pending MR and also the pending renewal PR. RoMP have been declared unchanged as the transaction is not complete.

The South Rand project area is divided into two portions. The northern portion, named the Heidelberg Project area, and the Balance Project area, which is situated to the south of the Heidelberg Project. The project area is bounded to the north by an east-west trending paleo-high, which divides the two project areas. The Heidelberg Project is situated in the Gauteng province and the South Rand Balance Project area is situated in both the Gauteng and Mpumalanga provinces.

South Rand is owned by AAIC.

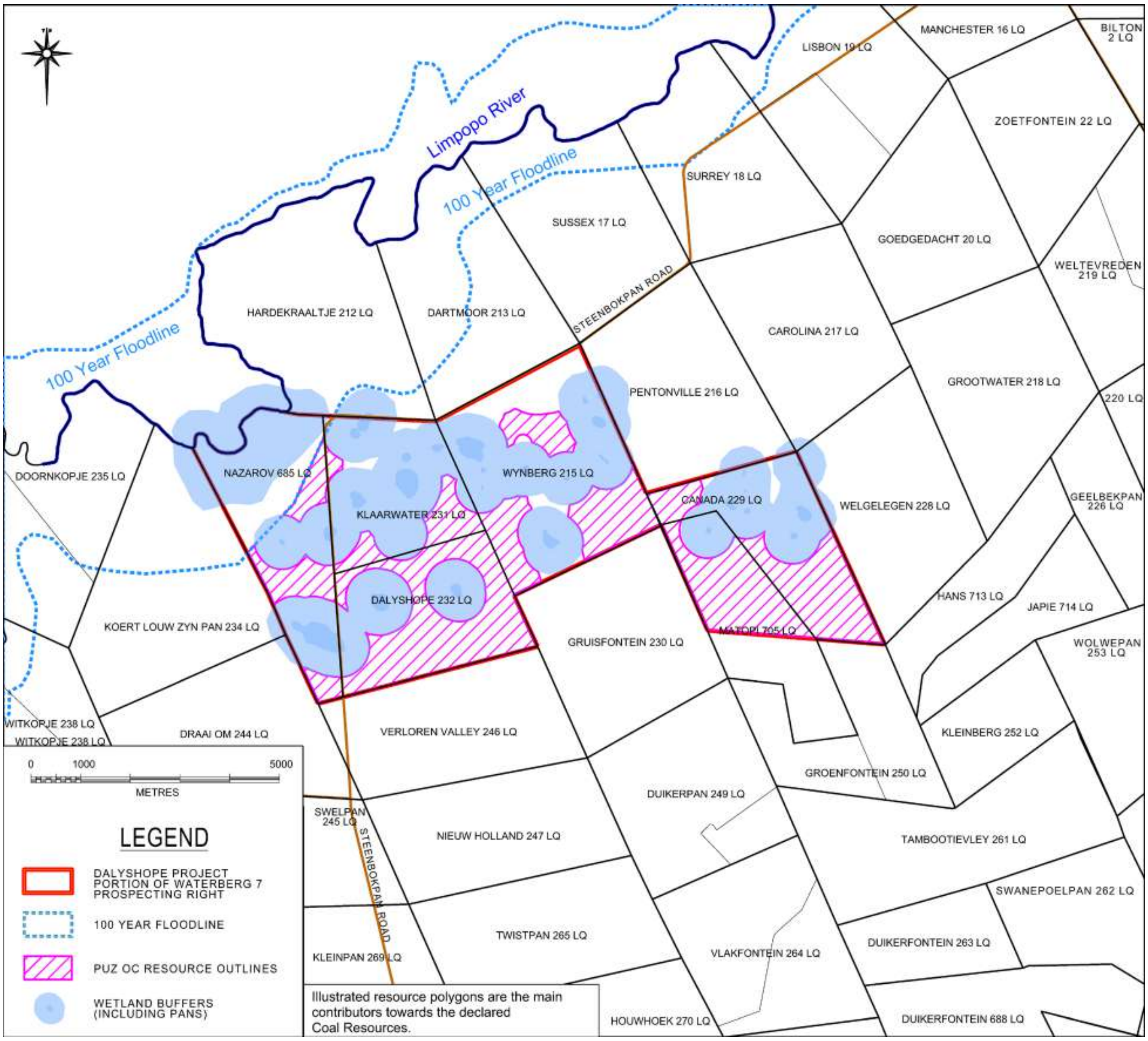
South Rand held one granted MR (92 MR), one pending MR (10034 MR) and one pending renewal PR (70 PR).

The area is well drilled with cored boreholes, quality analyses of the different coal seams and downhole geophysical surveys since the 2009 exploration programme. Exploration activities ceased at the end of 2013.

South Rand is located in the South Rand Coalfield and is structurally complex as a result of dolerite intrusions and faults.

The No 2 Seam is the main seam, with a select portion of the No 2 Seam, called the SM3, declared as Coal Resources.

WATERBERG COAL



The Waterberg project comprises a number of farms, collectively known as Dalyshope. It is a coal development project located close to the Botswana border, 55km northwest of the town of Lephalale in the Limpopo province.

Dalyshope is the main study area and does not include the other scattered areas which are part of the PR.

Dalyshope consists of two basic coal deposit types, i.e. the upper multiple seam coal deposit type (typical of the Waterberg Coalfield) and the lower thick interbedded seam coal deposit type (typical of the Witbank and Highveld Coalfields). Both these coal deposit types constitute the declared Coal Resources.

Dalyshope is constrained by the PR boundary and the 1:100-year flood line of the Limpopo River, which traverses the northwest corner of Dalyshope. A number of pristine pans, with high environmental sensitivity, are found across Dalyshope and the legal 500m buffer zones were added to the exclusion zones of the potential opencast portion of the resource.

LEGAL TENURE

The Waterberg project holds two converted PRs.

The Waterberg 5 PR pertains to the nearby farm Boompan 237LQ and other more distant farms, none of which are included in this report.

The Waterberg 7 PR consists of the Dalyshope study area and isolated farms. No resources have been declared over the isolated farms.

Both PRs have been renewed the permissible number of times and have now expired. However, a mining rights application (MRA) covering both PRs was accepted by the DMRE in 2020 and a decision is currently pending. Thungela may thus continue with prospecting activities unless the MRA is denied.

Various authorisations and licences were applied for in 2020 in support of the proposed mining operations, including an EA, a WML and a WUL as well as a Tree Permit. All of these applications await approval.

There are no known land claims or other impediments to tenure security on the Dalyshope study area.

The surface rights are owned by different entities. TOPL owns the surface rights of the farms covering the declared resources. Operations on any of the other farms would need surface rights to be acquired.

EXPLORATION ACTIVITIES AND EXPENDITURE

Past exploration activities included vertical cored and collar surveyed surface boreholes, and an aeromagnetic survey as well as a 2D seismic survey.

Standard downhole geophysical surveys were carried out on the majority of the boreholes. The downhole geophysics are required to accurately correlate the coal zones and interbeds, and establish the correct sampling intervals.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results captured in Datamine GDB, which includes validation processes during importing of data.

Exploration resumed in December 2019, and was managed under contract by Universal Coal Development IV Proprietary Limited (UCD). Exploration activities include surface drilling, downhole geophysics, geotechnical drilling and large diameter drilling.

Coal samples were sent to SANAS-accredited laboratories.

For 2025, there is no planned exploration expenditure.

GEOLOGICAL SETTING AND MODELLING

The Dalyshope study area is located close to the southwestern edge of the Waterberg Coalfield, within the Ellisras Basin.

At Dalyshope, the coal is found in the upper Grootegeluk Formation and the lower Goedgedacht Formation of the Ecca Group.

The interbedded Grootegeluk Formation is divided into the Prime Zone and the underlying Transition Zone. Coal Resources are derived from the Prime Zone.

The Goedgedacht Formation contains coal seams similar to the Witbank Coalfields. Three seams, ES1 Seam, ES2 Seam and ES3 Seam, are identified in the Dalyshope area, with the ES2 Seam being the target seam.

The typical qualities of the prime upper, prime middle and prime lower seams, on a raw air-dried basis, range between 52 and 57% ash, 10 and 13MJ/kg calorific value, 0.7 and 1.2% sulphur, 2.4 and 2.8% inherent moisture and 19 and 21% volatile matter. The typical qualities of the ES2 Seam, on a raw air-dried basis, are 30% ash, 21MJ/kg calorific value,1.9% sulphur, 3.0% inherent moisture and 22% volatile matter.

Several small displacement faults have been inferred by 2D seismic lines surveys in the southern portion of the Dalyshope area. Another anomaly in the north was identified by the low-resolution aeromagnetic survey and 2D seismic line, but no abnormal features were intersected by closely spaced boreholes drilled to target the anomaly. No dolerite intrusions have been intersected in any of the boreholes.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data is utilised to determine the percentage of material floating at a 1.8 cutpoint density.

STUDIES RELATED TO MINING AND COAL PROCESSING

TOPL signed a farm-out agreement with UCD over the Dalyshope project area. In terms of the agreement, UCD is appointed as contractor to conduct and fund the continuation of prospecting activities over Dalyshope, where for a minimum expenditure UCD can earn an agreed participating interest in the project.

Certain conditions are in place that must be met before UCD can earn the participating interest.

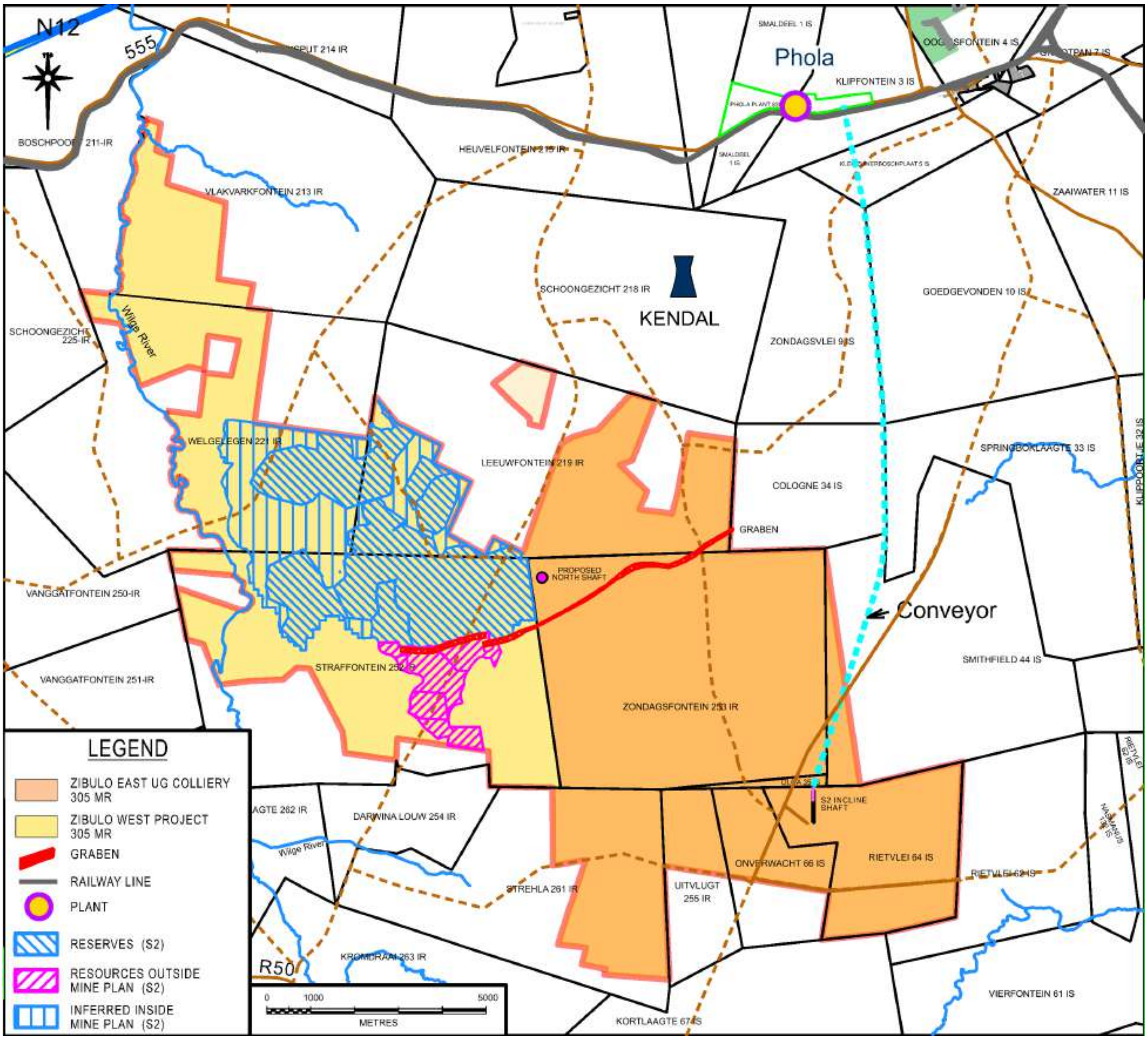
Various studies have been undertaken, or are in progress, to develop an appropriate exploitation plan. This work is managed by UCD, as part of the agreement.

The current plan envisages four open pits, but only two pits have been tentatively scheduled.

With borehole data being reviewed for the plant design parameters, a modular cyclone plant is under consideration to produce an export and domestic product.

A preliminary geotechnical assessment focused on civil aspects and studies is underway regarding the preparation of the block plan and layout. This is further supported by the associated mechanical, electrical and instrumentation designs and requirements. Water is planned to be sourced from multiple potential sources which may include the Gas Project (located in the northern part of the Coalfield) or the Mokolo and Crocodile River (West) water augmentation project. The respective pipeline routes are to be determined.

ZONDAGSFONTEIN WEST



Zondagsfontein West (ZFNW) project is an underground life extension project to the current Zibulo UG operation, with the North Shaft FS concluded in September 2022 and audited/reviewed in October 2022. The project was approved by the Thungela board in 2023 and the implementation phase started in 2024.

ZFNW forms part of the Zibulo Colliery, which includes the Zibulo OC operation situated 3km north of Ogies and the UG bord and pillar operation situated 16km southwest of Ogies. The project area is located approximately 90km east of Johannesburg, in the Mpumalanga province of South Africa.

The Zibulo MRs are owned by AAIC.

The Zibulo UG operation started in the southeast portion of the MR and is developing northwards, with plans to cross the graben structure (refer to the Zibulo overview) and then mine north of the graben, whereafter it is expected to expand into the ZFNW project area.

ZFNW is constrained by the MR boundary, the current Zibulo UG LOM in the east, and the Wilge River as part of the MR boundary in the west. Subcrops and pinch-outs against paleo-highs also restrict the resource base.

LEGAL TENURE

Zibulo UG holds one granted and executed NOMR, which comprises the current underground mine and also includes the ZFNW life extension project.

During the FS phase, an amendment to the current EMPr of Zibulo UG to cover the underground workings and surface infrastructure for the project was submitted to the DMRE and approval was obtained in May 2023.

Five land claims are registered over Zibulo UG MR, which require either dismissal, gazetting, validation or approval by the RMSO. The claims do not impact the project.

There are currently no known impediments to tenure security.

The surface rights for the Zibulo Colliery are currently owned by numerous different entities, including AAIC.

A purchase agreement has been concluded to secure surface rights for portion RE/11 of the farm Leeuwfontein 219 IR and is currently in the registration process. Subsequently a purchase agreement has been concluded to secure portion RE/2 of the farm Zondagsfontein 253 IR, among others.

EXPLORATION ACTIVITIES AND EXPENDITURE

Exploration activities for 2024 included eight vertical cored, collar surveyed, standard downhole geophysical surveyed surface boreholes.

Logging and sampling of the vertical cored boreholes are done as soon as possible after drilling to avoid deterioration of the coal core. The core is photographed and logging, sampling and analytical results captured in Minescape GDB, which includes validation processes during importing.

Coal samples collected during 2024 were sent to the SANAS-accredited laboratory, BV, based in Middelburg, Mpumalanga.

The planned exploration expenditure for 2025 is incorporated in the Zibulo UG estimated expenditure of R19.8 million.

GEOLOGICAL SETTING AND MODELLING

ZFNW is located towards the western edge of the Witbank Coalfield where five coal seams are present. These consist of, from the bottom upwards, the No 1 Seam sequentially to the No 5 Seam at the top, with inter-seam partings consisting of mainly siltstone and sandstone. The No 2 Seam is currently the only contributor to the declared UG Coal Resources and Coal Reserves. No opencast Coal Resources are declared at present.

The typical qualities of the No 2 Seam reported resources, on a raw air-dried basis, are 31% ash, 20MJ/kg calorific value, 1.0% sulphur, 3.9% inherent moisture and 22% volatile matter.

Pre-Karoo paleo-highs influence the No 2 Seam thickness and coal qualities, where the seam is truncated against these paleo-highs. A paleo-valley is also evident in the west.

Faulting is expected to be minimal except for the area adjacent to the graben structure. The magnetic signature of the graben, clearly visible on the aeromagnetic survey at Zibulo UG, disappears in the west.

Since no significant displacement has been identified by the drilling, it is assumed that the effect of the graben tails off to the southwest of the study area.

Dolerite intrusions and associated stringers, with minimal effect on the coal seams, occur at Zibulo UG and it is anticipated that these will continue in the ZFNW project area. Several dykes have been interpreted from the aeromagnetic survey. Based on experience from Zibulo UG, these are likely to be Pre-Karoo in age and would have no impact on the coal seams.

The coal seams are modelled in Datamine's Minescape 3D modelling software. Based on the borehole information, the software uses pre-defined criteria with interpolators to construct the coal seam model, with estimates of raw qualities as gridded surfaces. Washability data for each coal seam is utilised separately in the resource estimation process.

The cut-off parameter applied for the resources is a 2.0m minimum thickness. Resources with ash greater than 50% and dry ash free volatiles less than 24% are excluded.

MINING ACTIVITIES

An underground bord and pillar operation using CMs, similar to the Zibulo UG operation, is planned. Construction of a new access shaft north of the graben, in the Zibulo UG mining area, and an overland conveyor to tie into the current Zibulo UG overland conveyor are in the implementation phase.

All surface and underground access infrastructure for the planned mining operation were finalised during the FS.

The LOM for the extension is estimated at 16 years with the planned start of shaft bottom development in the north towards the west envisaged for 2025, and increase to at least 4.0Mtpa by 2029. There will be a simultaneous ramp-down in the Zibulo UG reserves from 2028.

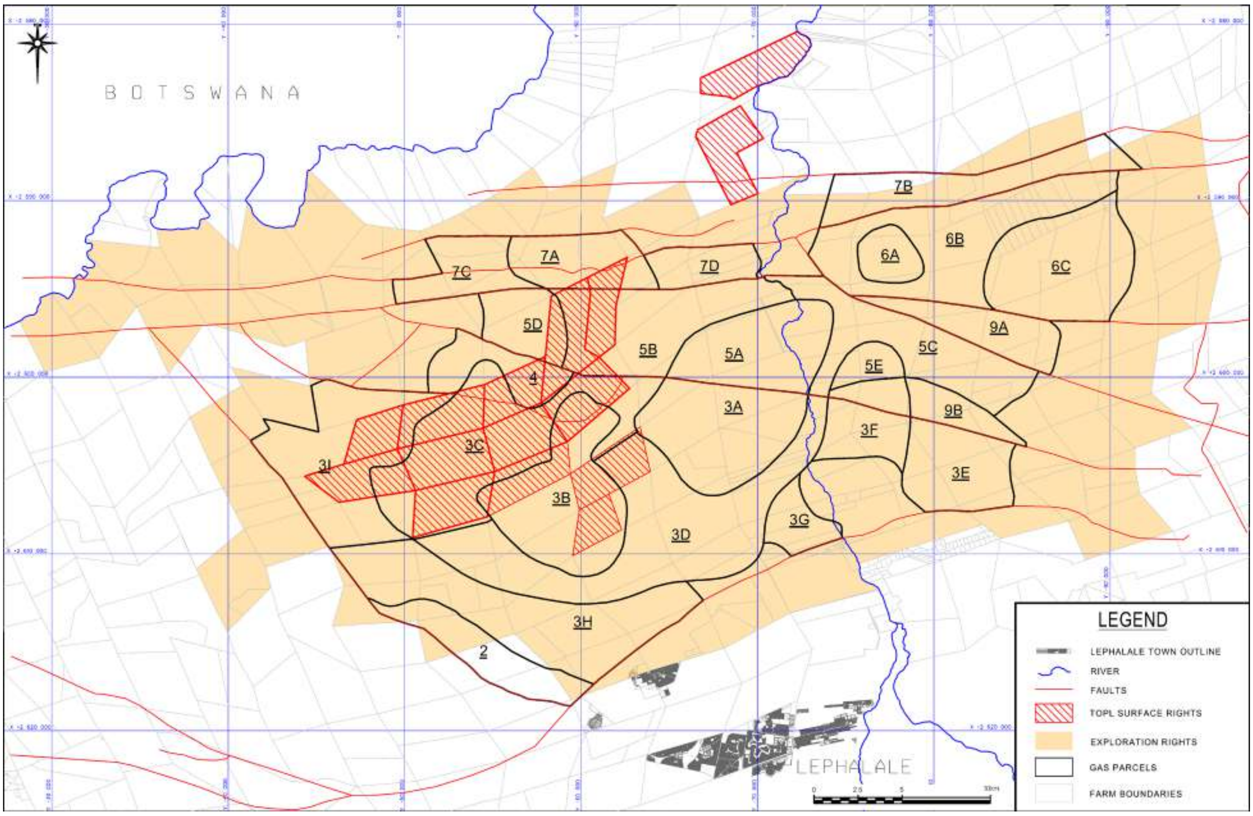
The LOM is supported by a total ROM reserve base of 85.1Mt, with a 33% Inferred Coal Resources in mine plan (equivalent to 28.1Mt reserves), included in the overall LOM as currently reported. The Inferred Coal Resources in mine plan is envisaged to be mined from 2035, and recent drilling has reduced the percentage to less than 10%. This will reflect in the 2025 Integrated Annual Report.

PRODUCTION AND COAL PROCESSING

ROM production is expected to peak at 8.4Mtpa, which is equivalent to the plant capacity. The export product quality will target a 5,700kcal/kg based on current operational strategies, while production beyond 2035 will target a domestic market.

Coal processing is scheduled to occur through the PCPP.

LEPHALALE COAL BED METHANE



The Lephalale Coal Bed Methane (LCBM) project is in the northwest of the Limpopo province, close to the Botswana border. The project covers a resource area of 83,400ha in the centre of the Waterberg Coalfields and is near the town of Lephalale.

Thungela holds an exploration right, which covers a total area of approximately 134,000ha, and owns approximately 12,500ha of surface rights within the exploration right footprint.

An application for a Bulk Sampling permit and amendment to the Exploration Work Program (EWP) was submitted during 2024 and subsequently granted, pending execution and registration.

The prospective coal formation in the Waterberg Basin is confined to the Grootegeluk or Beaufort No 1 Seam (BS1) formation. Faulting occurs throughout the basin affecting and compartmentalising the coal material and underlying basement.

Thungela has gathered degasification and permeability data from 85 cored holes and 31 percussion holes throughout the area. An additional 5-well pilot production test site has been operational for a ten-year period resulting in valuable historical production data.

Advanced Resource International Inc. has independently conducted an assessment on the gas-in-place (GIP) and recoverable resources for the project. All the resource definitions and estimations presented in this report are in accordance with the Petroleum Resource Management System (PRMS) classifications and definitions. The resource assessment was constrained to 25 parcels covering priority areas for development within the LCBM rights owned by Thungela.

The resources are classified as contingent resources, with an assigned maturity level of 'development pending'. Based on the level of certainty, the contingent resources are categorised as 2C resources, meaning that there is at least a 50% probability (P50) that the quantities recovered will equal or exceed the resources defined in the four different well spacing cases (16.2, 24.3. 32.4 and 40.5 hectare spaces requested by TOPL).

Total GIP (Tscf) = 3.54

Based on the PRMS, the resource attributable to the LCBM project is classified as 2C Contingent Resources and ranges between 725.5Bscf and 1,569.3Bscf, depending on the selected field development plan.

ESTIMATED COAL RESOURCES AND COAL RESERVES STATEMENT

CLASSIFICATION AND ESTIMATION OF COAL RESOURCES AND COAL RESERVES

Coal Resource classification for the South African assets is based on the South African guide to the systematic evaluation of coal exploration results, Coal Resources and Coal Reserves (SANS10320:2020) and outlined in the SAMREC Code, which classifies Coal Resources into categories (Reconnaissance, Inferred, Indicated and Measured) on a function of increasing geological confidence in the estimate and is based on the density of points of observation, physical continuity of the coals seams and the distributions of coal qualities. Coal Resources at the Group's South African based operations and projects exceed the minimum borehole density criteria outlined in SANS 10320:2020. Other geological parameters considered include seam depth, seam thickness and structural features (faults, dykes, sills, paleo-highs etc.). For the South African operations producing a saleable export product, cored drill holes with sampled and analysed washability data points of observations are used to define the resource classification category for each seam individually.

For the Australian Ensham Mine, Coal Resources are classified according to the guidelines in the SAMREC Code. The confidence categories are classified on a function of increasing geological confidence in the estimate and is based on the density of points of observation, physical continuity of the coal seams, and the distributions of coal qualities. In addition, statistical analysis is conducted to determine optimal ranges for each resource category.

All Coal Resources must have reasonable prospects for eventual economic extraction (RPEEE). Typically, the term "eventual" refers to a period of up to 50 years. Other parameters to consider include, but are not limited to, legal tenure and regulatory compliance (particularly environmental compliance), cultural and socio-political aspects, engineering parameters including mining methods and geotechnical considerations, marketing and commercial (including economic) assumptions, and infrastructure development requirements.

Geological factors applied during the Coal Resource estimation process are similar for most of the operations/projects where Coal Resources are declared. They include, but are not limited to, minimum/maximum seam thickness cutoffs, maximum raw ash percentage, coal qualities (e.g. calorific value, volatiles, sulphur), overburden ratio limits (opencast), depth below surface limits (underground), exclusion zones due to areas of structural complexity and/or igneous intrusions and geological loss percentages, which reflect the confidence in the resource estimate.

The South African Coal Resource estimates are derived from resource models, built in the 3D geological modelling software Minescape, a Datamine product. The resource models are reviewed internally every year. For the 2024 reporting cycle, the resources estimates for most operations are on a first principle report basis, resulting from a re-evaluation of the Coal Resources, except for the Elders where estimations are based on depletion.

The Ensham Coal Resource estimate is derived from a resource grid and block model, built in the 3D geological modelling package, Vulcan V2023.4.1, a Maptek product. For the 2024 reporting cycle, the resource estimate is on a first principle report basis, resulting from a re-evaluation of the Coal Resource. The resource estimates were managed and are signed off by the Group.

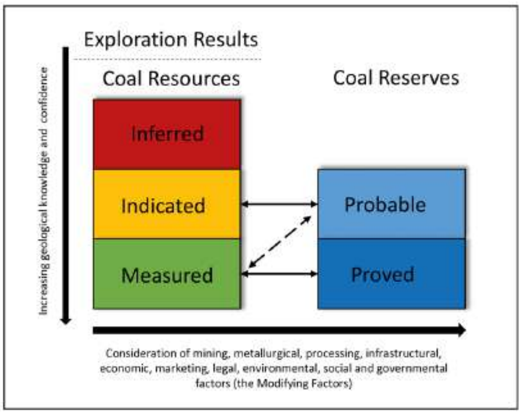
Coal Reserves are classified as either Proved or Probable Coal Reserves dependent upon the Coal Resource classification included in the Coal Reserves, along with other factors of uncertainty pertaining to accessing the reserves.

Modifying factors used to convert Coal Resource estimates to Coal Reserve (ROM and saleable) estimates include, but are not limited to, mining method, mining loss, mining extraction, practical mining heights, contamination/dilution, overall mining recovery, wash plant factors, surface moisture (correction factor), and commodity prices, among other financial parameters. Application of the modifying factors should create a reasonable schedule of the expected performance on a ROM and a saleable coal product basis. The modifying factors for each South African operation are signed off by the relevant responsible persons and this provides assurance that all factors are appropriate. The modifying factors are tracked and reconciled to ensure accurate estimations of Coal Reserves.

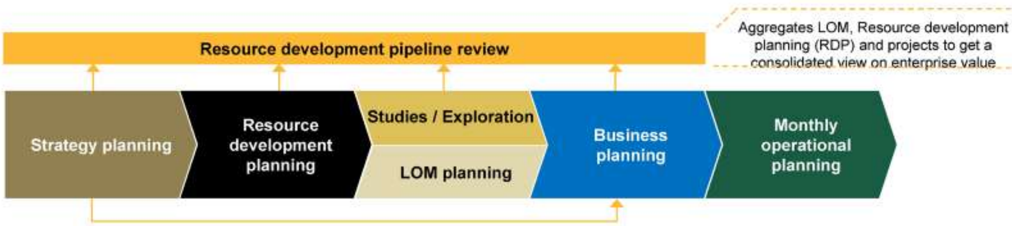
The South African Coal Reserve estimates are derived from a mining model scheduled in the scheduling software package XPAC, an RPM product. For the 2024 reporting cycle, estimations for most operations are on a first principle reporting basis, resulting from a re-evaluation of the Coal Reserves, except for Elders where estimations are based on depletion.

The Ensham Coal Reserve estimates are derived from a mining model scheduled in the software package Deswik, which is part of the Sandvik Mining and Rock Solution business area. The reserve estimates are in accordance with the requirements of the JORC Code, 2012 and were managed and are signed off by Measured Group Proprietary Limited.

The figure in the illustration below shows the relationship between Exploration Results, Coal Resources and Coal Reserves and sets out the framework for classifying tonnage and quality estimates as outlined in the SAMREC Code and the JORC Code.



The following flow chart illustrates the complete planning cycle and the LOM plan forms the basis for reporting reserves from first principle:



	Purpose	Planning Level	Horizon	Frequency	Lead
Strategy planning	• ***Formulates*** the overall company strategy • **Sets the framework** for all other plans	Thungela	Unlimited	Yearly	EXCO
Resource development planning	• ***Identifies full potential*** of resource value • ***Outlines path*** to reach full resource value	Asset	Asset Life	3 Years Cycle	Central
Studies / Exploration	• ***Investigates value-add-options*** in detail • ***Establishes roadmap*** for implementation	Asset	Depending on Asset	Ongoing	Projects
Life of mine planning	• Describes plan on ***how to exploit*** resource • Contains all ***approved projects and options*** • Basis of ***reserves Reporting***	Asset	Asset Life	Yearly	Operation
Business planning	• Translates LOM into ***detailed 2-year plan*** • Becomes the ***main benchmark for execution***	Asset	2 years	Yearly	Operation
Monthly operational planning	• Translates BP into **short-term plan** (monthly) • Allows **re-forecasting** using actuals	Asset	18 months	Monthly	Operation
Resource development pipeline review	• Aggregates LOM, RDP and projects to get a **consolidated view** on enterprise value	Thungela	Asset Life	Yearly (Trade Configuration)	Central

The conversion and modifying factors used during the conversion from Coal Resources to Coal Reserves and saleable product, per colliery and project, is tabulated on the following pages.

CONVERSION FACTORS RESERVES

Colliery/project	Country	Mineable Seam	Geological loss (%)	Mining loss (%)	Mining extraction (%)	Contamination (% or cm)	Surface moisture (%)	Contract moisture (%)	Derating factor (coal remaining)[1]
Goedehoop North UG	SA	S4	7.0	3.0	72.9	13.5%	3.6	8.0	–
		S2	10.0	3.0	68.5	9.4%	3.6	8.0	–
Greenside UG	SA	S4	7.0	3.0	71.0	7.5%	2.5	8.0	–
Isibonelo OC	SA	S4	5.0	6.0	94.0	2.0%	3.0	8.0	–
Khwezela North OC	SA	S4	10.0	5.0	70.0	4.0%	3.0	8.0	89.0
		S2	10.0	5.0	86.0	17.0%	3.0	8.0	83.0
		S1	10.0	4.0	90.0	8.0%	3.0	8.0	93.0
Mafube OC	SA	S4	10.0	10.0	95.0	10cm	4.4	8.0	–
		S2	10.0	10.0	95.0	10cm	4.4	8.0	–
		S1	10.0	10.0	95.0	10cm	4.4	8.0	–
Zibulo OC	SA	S4	8.0	5.0	95.0	3.0%	4.0	9.0	–
		S2	8.0	5.0	95.0	3.0%	4.0	9.0	–
Zibulo UG	SA	S2	8.5	5.0	67.0	10cm	4.0	9.0	–
Ensham UG	AUS	A&C	12.0	2.0	46.4	10cm	8.0	13.0	–
Elders UG	SA	S4	10.0	3.0	64.3	Sliding scale[2]	4.0	8.0	–
		S2	10.0	3.0	63.6	Sliding scale[2]	4.0	8.0	–
Zondagsfontein West UG	SA	S2	7.5	5.0	69.9	Sliding scale[2]	4.0	8.0	–

OC = Opencast
UG = Underground
SA = South Africa
AUS = Australia
[1] Previous UG mining of seams accounted for
[2] Contamination on a sliding scale dependent on thickness of mining height

MODIFYING FACTORS BENEFICIATION PROCESS

Colliery/project	Country	Product	Min. cutpoint RD	Max. cutpoint RD	Plant organic efficiency (%)	Product CV (MJ/kg) (AR)	Total loss of fines (%)	Coarse fines to spirals (%)	Coarse fines spiral efficiency (%)	Ultra fines to flotation (%)	Ultra fines to discards (%)
Goedehoop North UG	SA	Primary export	1.3	1.8	95.0	26.9	14.0	7.0	65.0	–	7.0
Greenside UG	SA	Primary export	1.4	1.7	96.0	26.2	17.0	11.0	70.0	6.0	–
		Secondary export	1.8	2.0	63.0	21.5		–	–	–	
Isibonelo OC	SA	Raw product	–	–	–	–	–	–	–	–	–
Khwezela North OC	SA	Primary export	1.4	1.9	96.0	26.4	20.0	7.8	60.0	–	11.2
Mafube OC	SA	Primary export	1.4	1.9	96.0	26.7	16.0	–	–	–	7.4
		Secondary domestic	1.6	1.9	89.0	21.6		8.6	46.0	–	
Zibulo OC	SA	Primary export	1.4	1.9	92.0	27.2	14.0	–	–	–	6.0
		Secondary export	1.5	1.9	97.0	21.5		8.0	90.0	–	
Zibulo UG	SA	Primary export	1.4	1.9	92.0	27.2	14.0	–	–	–	6.0
		Secondary export	1.5	1.9	97.0	21.5		8.0	90.0	–	
Ensham UG	AUS	Raw product	–	–	–	–	–	–	–	–	–
Elders UG	SA	Primary export	1.3	1.9	92.5	26.5	14.0	6.0	75.0	8.0	
		Secondary domestic	–	–	–	–	–	–	–	–	–
Zondagsfontein West UG	SA	Primary export	1.3	1.9	97.0	27.2	15.0	8.0	75.0	7.0	
		Secondary export	1.5	1.9	90.0	21.5	–	–	–	–	–

OC = Opencast
UG = Underground
SA = South Africa
AUS = Australia
AR = As Received

Risks that could result in a material change of the Coal Resources or Coal Reserves are also assessed and quantified. The main Coal Reserve risks for the South African operations are the coal price for the product, together with the rail capacity constraints. There are limited Coal Resource risks due to the conservative approach Thungela takes in environmentally sensitive areas.

ESTIMATED GAS RESOURCES STATEMENT

The reporting of Gas Resources in South Africa is in accordance with the SAMOG Code, providing the basis for minimum disclosure. The SAMOG Code adopted the classification principles of the PRMS and the Canadian Oil and Gas Evaluation Handbook.

The evaluation and disclosure of Gas Resources must be prepared by a qualified reserves evaluator (QRE), who is conversant with the content of the SAMOG Code.

The SAMOG Code definition for the project, defined as coal bed methane, means natural gas, primarily made up of methane, contained in coal deposits. The disclosed 2C Contingent Resources classification can be described in terms of certainty and maturity.

Based on the level of certainty, 2C Contingent Resources corresponds to P50, which means it has at least a 50% probability (P50) that the quantities recovered will equal or exceed the resources defined in each of the five well spacing cases.

The maturity level assigned to these resources is "Development Pending" and the PRMS describes this maturity level as a "discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future".

COAL RESERVES[1] SOUTH AFRICA

At 31 December 2024

	Ownership %	Life (years)	Mining method	Classification	2024 ROM tonnes[2] Mt	2024 Yield[3] ROM %	2024 Saleable tonnes[2] Mt	2024 Saleable qualities[4] kcal/kg	2023 ROM tonnes[2] Mt	2023 Yield[3] ROM %	2023 Saleable tonnes[2] Mt	2023 Saleable qualities[4] kcal/kg
Goedehoop	100	1	UG									
Thermal (Export)				Proved	2.6	53.3	1.4	6,070	6.4	46.8	3.0	6,190
				Probable	0.2	48.4	0.1	6,080	0.2	46.3	0.1	6,190
				Total	2.8	53.0	1.5	6,070	6.6	46.8	3.1	6,190
Greenside	100	4	UG									
Thermal (Export)				Proved	10.4	60.1	6.3	6,190	15.0	56.2	8.3	6,300
				Probable	1.9	54.6	1.1	6,170	2.1	45.7	1.0	6,320
				Total	12.4	59.3	7.3	6,190	17.2	54.9	9.2	6,300
Isibonelo	100	1	OC									
Synfuel				Proved	3.9	100.0	3.9	4,800	7.4	100.0	7.4	4,820
				Probable	—	—	—	—	—	—	—	—
				Total	3.9	100.0	3.9	4,800	7.4	100.0	7.4	4,820
Khwezela North	100	5	OC									
Thermal (Export)				Proved	21.9	47.0	10.5	5,980	26.4	44.3	11.5	6,040
				Probable	1.5	51.7	0.6	5,990	2.1	35.0	0.7	6,040
				Total	23.4	47.3	11.1	5,980	28.5	43.6	12.2	6,040
Mafube	50	19	OC									
Thermal (Export)				Proved	82.6	54.1	44.6	5,860	82.6#	65.3#	46.9#	5,320^
				Probable	33.0	49.7	16.7	5,880	32.1#	64.2#	20.6#	5,370^
				Total	115.6	52.8	61.3	5,870	114.7#	65.0#	67.5#	5,330^
Thermal (Domestic)				Proved		100.0	11.4	4,780		100.0#	9.7#	4,470^
				Probable		—	—	—		100.0#	0.6#	4,520^
				Total		100.0	11.4	4,780		100.0#	10.3#	4,470^
Rietvlei	0	-	OC									
Thermal (Domestic)				Proved	—	—	—	—	20.9	78.1	16.3	5,510
				Probable	—	—	—	—	2.5	78.1	1.9	5,510
				Total	—	—	—	—	23.4	78.1	18.2	5,510
Zibulo	100	8										
Thermal (Export)			UG	Proved	20.5	61.3	12.6	5,620	24.7	64.4	16.0	5,560
				Probable	22.0	42.3	9.3	5,490	24.3	69.7	17.0	5,600
				Total	42.5	51.5	21.9	5,560	49.0	67.0	32.9	5,580
Thermal (Domestic)			UG	Proved		—	—	—		—	—	—
				Probable		—	—	—		—	—	—
				Total		—	—	—		—	—	—
Thermal (Export)			OC	Proved	0.8	78.0	0.6	5,680	2.4	77.1	1.8	5,730
				Probable	—	—	—	—	—	—	—	—
				Total	0.8	78.0	0.6	5,680	2.4	77.1	1.8	5,720
Thermal (Domestic)			OC	Proved		—	—	—		—	—	—
				Probable		—	—	—		—	—	—
				Total		—	—	—		—	—	—
Total	70											
Thermal (Export)				Proved	142.7	55.0	76.0	5,870	185.8	61.1	87.5	5,590
				Probable	58.6	47.5	27.8	5,760	63.2	65.5	39.4	5,510
				Total	201.3	53.0	103.8	5,840	249.2	62.5	126.9	5,570
Total	50											
Thermal (Domestic)				Proved		100.1	11.4	4,780		86.3	26.0	5,120
				Probable		—	—	—		83.3	2.5	5,280
				Total		100.0	11.4	4,780		86.0	28.5	5,130
Total	100											
Synfuel				Proved		100.0	3.9	4,800		100.0	7.4	4,820
				Probable		—	—	—		—	—	—
				Total		100.0	3.9	4,800		100.0	7.4	4,820

Mining method: OC = Opencast/Cut, UG = Underground.
Reserve Life = The scheduled extraction period in years for the total Coal Reserve in the approved LOM plan.
For the multi-product operations, the ROM tonnes apply to each product.
The saleable tonnes cannot be calculated directly from the ROM Reserve tonnes and should not be directly applied to the ROM tonnes.
Ownership percentages for totals are weighted by saleable tonnes and should not be directly applied to the ROM tonnes.
Mafube 2023 reserves were reported on an air-dried basis. ^Mafube 2023 reserves energy was reported on Net as Received (NAR) basis.
Rietvlei Coal Reserves have been excluded following the sale of the Company's interest in the operation.

Table footnotes appear at the end of the section.

COAL RESERVES[1] MRDS SOUTH AFRICA

At 31 December 2024

	Ownership %	Life (years)	Classification	2024 ROM tonnes[2] Mt	2024 Yield[3] ROM %	2024 Saleable tonnes[2] Mt	2024 Saleable qualities[4] kcal/kg	2023 ROM tonnes[2] Mt	2023 Yield[3] ROM %	2023 Saleable tonnes[2] Mt	2023 Saleable qualities[4] kcal/kg
Goedehoop North MRD	100	1									
Thermal (Domestic)			Proved	—	—	—	—	—	—	—	—
			Probable	0.5	100.0	0.5	3,020	1.9	100.0	1.9	3,020
			Total	0.5	100.0	0.5	3,020	1.9	100.0	1.9	3,020
Goedehoop South MRD	100	1									
Thermal (Export)			Proved	—	—	—	—	—	—	—	—
			Probable	1.1	100.0	1.1	3,070	3.2	100.0	3.2	3,340
			Total	1.1	100.0	1.1	3,070	3.2	100.0	3.2	3,340
Greenside MRD	100	1									
Thermal (Export)			Proved	—	—	—	—	—	—	—	—
			Probable	1.5	30.2	0.6	5,500	1.9	34.3	0.7	5,500
			Total	1.5	30.2	0.6	5,500	1.9	34.3	0.7	5,500
Total Reserves MRDs	100										
Total (Export)			Proved	—	—	—	—	—	—	—	—
			Probable	2.6	75.4	1.7	3,930	5.1	88.2	3.9	3,730
			Total	2.6	75.4	1.7	3,930	5.1	88.2	3.9	3,730
Total Reserves MRDs	100										
Total (Domestic)			Proved	—	—	—	—	—	—	—	—
			Probable	0.5	100.0	0.5	3,020	1.9	100.0	1.9	3,020
			Total	0.5	100.0	0.5	3,020	1.9	100.0	1.9	3,020

MRD = Mineral residue deposit.
Table footnotes appear at the end of the section.

COAL RESOURCES[5] SOUTH AFRICA

At 31 December 2024 (exclusive from Reserves)

				2024		2023	
				MTIS[5]	Coal quality[6]	MTIS[5]	Coal quality[6]
	Ownership %	Mining method	Classification	Mt	kcal/kg[6]	Mt	kcal/kg[6]
Goedehoop	100	OC/UG	Measured	236.5	5,520	243.8	5,240
			Indicated	9.0	5,780	5.8	5,520
			Total Measured and Indicated	245.5	5,530	249.6	5,250
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	5.9	5,470	6.8	5,540
			Total Inferred	5.9	5,530	6.8	5,540
Greenside	100	UG	Measured	7.9	5,650	8.5	5,620
			Indicated	4.0	5,580	4.0	5,570
			Total Measured and Indicated	11.8	5,630	12.5	5,600
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	1.6	5,140	1.6	4,950
			Total Inferred	1.6	5,140	1.6	4,950
Isibonelo	100	OC	Measured	15.3	5,000	16.4	5,260
			Indicated	—	—	—	—
			Total Measured and Indicated	15.3	5,000	16.4	5,260
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	—	—	—	—
			Total Inferred	—	—	—	—
Khwezela North	100	OC	Measured	10.7	5,020	10.7	5,030
			Indicated	3.9	5,090	4.5	5,080
			Total Measured and Indicated	14.6	5,040	15.1	5,040
			Inferred (in LOM plan)[7]	0.4	5,130	1.0	5,310
			Inferred (excl LOM plan)[8]	1.7	4,940	2.1	5,000
			Total Inferred	2.1	4,980	3.1	5,100
Khwezela South	100	OC	Measured	28.8	6,020	28.8	6,020
			Indicated	5.0	6,010	5.0	6,010
			Total Measured and Indicated	33.8	6,020	33.8	6,020
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	0.5	6,190	0.5	6,190
			Total Inferred	0.5	6,190	0.5	6,190
Mafube	50	OC	Measured	29.5	5,010	26.6	5,190
			Indicated	1.2	5,130	1.4	5,190
			Total Measured and Indicated	30.7	5,010	28.0	5,190
			Inferred (in LOM plan)[7]	0.1	5,270	0.2	4,690
			Inferred (excl LOM plan)[8]	0.2	4,520	0.5	5,050
			Total Inferred	0.3	4,700	0.7	4,950
Rietvlei	-	OC	Measured	—	—	5.0	4,910
			Indicated	—	—	0.8	4,960
			Total Measured and Indicated	—	—	5.8	4,910
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	—	—	—	—
			Total Inferred	—	—	—	—
Zibulo	100	UG	Measured	377.3	4,900	376.4	4,900
			Indicated	55.8	4,800	55.5	4,700
			Total Measured and Indicated	433.1	4,890	431.9	4,870
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	5.7	6,000	1.4	6,000
			Total Inferred	5.7	6,000	1.4	6,000
Total Resources	98		Measured	706.0	5,170	716.2	5,090
			Indicated	78.9	5,050	77.0	4,930
			Total Measured and Indicated	784.9	5,160	793.2	5,070
			Inferred (in LOM plan)[7]	0.5	5,160	1.2	5,210
			Inferred (excl LOM plan)[8]	15.6	5,580	12.9	5,440
			Total Inferred	16.1	5,570	14.1	5,420

Mining method: OC = Opencast/Cut, UG = Underground.
Ownership percentages for total is weighted by Total MTIS.
2024/2023 Zibulo MTIS and Coal Qualities excludes Project Zondagsfontein West (reported separately under Projects).
2024/2023 Total Resource excludes Project Zondagsfontein West.
Rietvlei Coal Resources have been excluded following the sale of the Company's interest in the operation.
Table footnotes appear at the end of the section.

COAL RESOURCES[5] MRDS SOUTH AFRICA

At 31 December 2024 (exclusive from Reserves)

			2024		2023	
			MTIS[5]	Coal quality[6]	MTIS[5]	Coal quality[6]
	Ownership %	Classification	Mt	kcal/kg[6]	Mt	kcal/kg[6]
Goedehoop North MRD	100	Measured	12.9	3,290	12.9	3,290
		Indicated	—	—	—	—
		Total Measured and Indicated	12.9	3,290	12.9	3,290
		Inferred (in LOM Plan)[7]	—	—	—	—
		Inferred (excl LOM Plan)[8]	—	—	—	—
		Total Inferred	—	—	—	—
Goedehoop South MRD	100	Measured	—	—	0.4	3,340
		Indicated	—	—	—	—
		Total Measured and Indicated	—	—	0.4	3,340
		Inferred (in LOM plan)[7]	0.4	3,130	0.4	3,130
		Inferred (excl LOM plan)[8]	0.5	3,070	0.6	3,070
		Total Inferred	0.9	3,090	1.0	3,090
Greenside MRD	100	Measured	—	—	—	—
		Indicated	—	—	—	—
		Total Measured and Indicated	—	—	—	—
		Inferred (in LOM plan)[7]	—	—	—	—
		Inferred (excl LOM plan)[8]	—	—	—	—
		Total Inferred	—	—	—	—
Khwezela South MRD	100	Measured	—	—	2.9	3,790
		Indicated	—	—	—	—
		Total Measured and Indicated	—	—	2.9	3,790
		Inferred (in LOM plan)[7]	—	—	—	—
		Inferred (excl LOM plan)[8]	—	—	—	—
		Total Inferred	—	—	—	—
Total Resources MRDs	100	Measured	12.9	3,290	16.2	3,380
		Indicated	—	—	—	—
		Total Measured and Indicated	12.9	3,290	16.2	3,380
		Inferred (in LOM plan)[7]	0.4	3,130	0.4	3,130
		Inferred (excl LOM plan)[8]	0.5	3,070	0.6	3,070
		Total Inferred	0.9	3,090	1.0	3,090

MRD = Mineral residue deposit.
Table footnotes appear at the end of the section.

COAL RESERVES[1] PROJECTS SOUTH AFRICA

At 31 December 2024

	Ownership %	Life (years)*	Mining method	Classification	2024 ROM tonnes[2] Mt	2024 Yield[3] ROM %	2024 Saleable tonnes[2] Mt	2024 Saleable qualities[4] kcal/kg	2023 ROM tonnes[2] Mt	2023 Yield[3] ROM %	2023 Saleable tonnes[2] Mt	2023 Saleable qualities[4] kcal/kg
Elders	100	23										
Thermal			UG	Proved	42.5	57.6	26.3	5,880	43.0	57.6	26.3	5,880
(Export)				Probable	37.2	34.6	0.1	5,900	37.2	34.6	0.1	5,900
				Total	79.7	46.9	26.4	5,880	80.2	46.9	26.4	5,880
Thermal			UG	Proved		—	—	—		—	—	—
(Domestic)				Probable		100.0	34.0	4,490		100.0	34.0	4,490
				Total		100.0	34.0	4,490		100.0	34.0	4,490
Zondagsfontein West	100	16										
Thermal			UG	Proved	—	—	—	—	—	—	—	—
(Export)				Probable	57.0	58.0	33.2	5,420	57.0	58.0	33.2	5,420
				Total	57.0	58.0	33.2	5,420	57.0	58.0	33.2	5,420
Thermal			UG	Proved		—	—	—		—	—	—
(Domestic)				Probable		—	—	—		—	—	—
				Total		—	—	—		—	—	—
Total Projects	100											
Thermal				Proved	42.5	57.6	26.3	5,880	43.0	57.6	26.3	5,880
(Export)												
				Probable	94.2	57.9	33.3	5,420	94.2	57.9	33.3	5,420
				Total	136.7	57.8	59.6	5,620	137.2	57.8	59.6	5,620
Total Projects	100											
Thermal				Proved		—	—	—		—	—	—
(Domestic)				Probable		100.0	34.0	4,490		100.0	34.0	4,490
				Total		100.0	34.0	4,490		100.0	34.0	4,490

*Reserve life = The scheduled extraction period in years for the total Coal Reserve in the approved LOM Plan.
For the multi-product reserves, the ROM tonnes apply to each product.
The saleable tonnes cannot be calculated directly from the ROM Reserve tonnes and should not be directly applied to the ROM tonnes.
Ownership percentages for totals are weighted by saleable tonnes and should not be directly applied to the ROM tonnes.
Table footnotes appear at the end of the section.

COAL RESOURCES[5] PROJECTS SOUTH AFRICA

At 31 December 2024 (exclusive from Reserves)

			2024		2023	
			MTIS[5]	Coal quality[6]	MTIS[5]	Coal quality[6]
	Ownership %	Classification	Mt	kcal/kg[6]	Mt	kcal/kg[6]
Elders	100	Measured	29.1	5,040	29.4	5,040
		Indicated	8.3	4,860	8.3	4,860
		Total Measured and Indicated	37.4	5,000	37.6	5,000
		Inferred	8.4	4,940	8.4	4,940
South Rand	100	Measured	79.5	4,860	79.5	4,860
		Indicated	171.8	4,850	171.8	4,850
		Total Measured and Indicated	251.3	4,850	251.3	4,850
		Inferred	233.5	4,590	233.5	4,590
Waterberg	100	Measured	892.1	2,930	892.1	2,930
		Indicated	532.3	2,850	532.3	2,850
		Total Measured and Indicated	1,424.4	2,900	1,424.4	2,900
		Inferred	672.1	2,980	672.1	2,980
Zondagsfontein West	100	Measured	6.5	4,910	6.5	4,910
		Indicated	7.4	4,780	7.4	4,780
		Total Measured and Indicated	14.0	4,840	14.0	4,840
		Inferred	44.8	4,670	44.8	4,670
Total Projects	100	Measured	1,007.2	3,160	1,007.5	3,160
		Indicated	719.8	3,370	719.8	3,370
		Total Measured and Indicated	1,727.0	3,250	1,727.3	3,250
		Inferred	958.8	3,470	958.8	3,470

South Rand unchanged pending the full completion of the disposal process.
Project Zondagsfontein West reported separately (excluded from Zibulo).
Projects Elders and Zondagsfontein West Inferred resources includes Inferred included LOM Plan and excluded LOM Plan.
Project Waterberg combined OC and UG MTIS and qualities.
Due to the uncertainty attached to Inferred Coal Resources, it cannot be assumed that all or part of an Inferred Coal Resource will necessarily be upgraded to an Indicated or Measured Coal Resource after continued exploration.
Table Footnotes appear at the end of this section.

COAL RESERVES[1] AUSTRALIA

At 31 December 2024

	Ownership %	Life (years)*	Mining method	Classification	2024 ROM tonnes[9] Mt	2024 Yield[3] ROM %	2024 Saleable tonnes[9] Mt	2024 Saleable qualities[4] kcal/kg	2023 ROM tonnes[9] Mt	2023 Yield[3] ROM %	2023 Saleable tonnes[9] Mt	2023 Saleable qualities[4] kcal/kg
Ensham	61.63	20	UG									
Thermal				Proved	26.2	100.0	26.2	6,130	32.0	100.0	32.0	6,680
(Export)				Probable	42.6	100.0	42.6	5,840	34.6	100.0	34.6	6,420
				Total	68.9	100.0	68.9	5,950	66.6	100.0	66.6	6,540

*Reserve life = The scheduled extraction period in years for the total Coal Reserve in the approved LOM Plan.
The saleable tonnes cannot be calculated directly from the ROM Reserve tonnes and should not be directly applied to the ROM tonnes.
2023 saleable qualities reported on an air-dried moisture basis

COAL RESOURCES[10] AUSTRALIA

At 31 December 2024 (exclusive from Reserves)

	Ownership %	Mining Method	Classification	2024 MTIS[10] Mt	2024 Coal quality[6] kcal/kg[6]	2023 GTIS Mt	2023 Coal quality kcal/kg
Ensham	61.63	OC/UG	Measured	4.5	6,150	66.4	6,420
			Indicated	465.4	6,180	969.8	6,380
			Total Measured and Indicated	469.9	6,180	1,036.2	6,380
			Inferred (in LOM plan)[7]	—	—	—	—
			Inferred (excl LOM plan)[8]	193.8	6,310	47.0	6,400
			Total Inferred	193.8	6,310	47.0	6,400

2023 coal qualities reported on an air-dried basis
Table footnotes appear at the end of the section.

GAS RESOURCES[1] PROJECTS SOUTH AFRICA

At 31 December 2024

	Ownership %	2024 Gas-in-place Tscf[2]	2024 2C Contingent Resources[5] Range[4] Bscf[3]	2023 Gas-in-place Tscf[2]	2023 2C Contingent Resources[5] Range[4] Bscf[3]
Lephalale CBM [1]	100	3.5	725.5 and 1,569.3	3.5	725.5 and 1,569.3

[1] Coal Bed Methane
[2] Tscf = Trillion standard cubic feet
[3] Bscf = Billion standard cubic feet
[4] Range = Value dependent on selected field development plan
[5] Resource Classification in accordance with the PRMS classification

TABLE FOOTNOTES

1. Coal Reserves are quoted on a ROM basis in million tonnes, which represents the tonnes delivered to the plant. Saleable reserve tonnes represent the estimated product tonnes. Rounding of figures may cause minor computational discrepancies.
2. ROM tonnes are quoted on an as delivered moisture basis and saleable tonnes on a product moisture basis.
3. Yield – ROM % represents the ratio of saleable reserve tonnes to ROM reserve tonnes and is quoted on a constant moisture basis or on an air-dried to air-dried basis.
4. The coal quality for Coal Reserves is quoted as kilocalories per kilogram (kcal/kg). Kilocalories per kilogram represent calorific value (CV) on a gross as received (GAR) basis. CV is rounded to the nearest 10kcal/kg.
5. Coal Resources are quoted on a mineable tonnes in situ (MTIS) basis in million tonnes, which are additional to those Coal Resources that have been modified to produce the reported Coal Reserves. Coal Resources are reported on an in situ moisture basis. Rounding of figures may cause minor computational discrepancies.
6. The coal quality for Coal Resources is quoted on an in situ heat content as kilocalories per kilogram (kcal/kg), representing CV rounded to the nearest 10kcal/kg.
7. Inferred (in LOM plan) refers to inferred Coal Resources that are included in the LOM extraction schedule of the respective operations and are not reported as Coal Reserves.
8. Inferred (excl LOM plan) refers to inferred Coal Resources outside the LOM plan but within the mine lease area.
9. ROM tonnes are quoted on an as delivered moisture of 12% and saleable tonnes on a product moisture of 12%.
10. Coal Resources are quoted on a MTIS basis in million tonnes, which are additional to those Coal Resources that have been modified to produce the reported Coal Reserves. Coal Resources estimated at 10% in situ moisture. Rounding of figures may cause minor computational discrepancies.

EXPLANATORY NOTES

OPERATIONS

Estimations for most operations are on a first principle report basis, resulting from a re-evaluation of the Coal Resources and Coal Reserves, except for Elders where estimations are based on depletion.

Goedehoop: Coal Reserves decreased primarily due to production and the downgrading of Coal Reserves due to prioritising higher yielding areas before moving operations to Elders. The decrease in Coal Reserves is partially offset by additional reserve blocks identified in the western mining area of Goedehoop North.

A portion of the Goedehoop South MR, which includes Coal Resources, was sold to the Puckree Group.

Greenside: Coal Reserves decreased due to production and downgrading due to an updated layout.

Isibonelo: Coal Reserves decreased due to production, offset by the reallocation of Coal Resources to Coal Reserves to accommodate the extension of the contract with Sasol to December 2025.

Khwezela North: Coal Reserves decreased primarily due to production and the decrease in the contamination factors as well as end of cut losses. Inferred in mine plan is converted to reportable Coal Reserves as a result of additional drilling information.

Mafube: Coal Reserves decreased due to production and the exclusion of No 4 Seam parting which was previously included. This is partially offset by the increase of both the Coal Reserves and Coal Resources due to additional drilling information.

Rietvlei: Coal Reserves and Coal Resources have been excluded following the sale of the Company's interest in the operation.

Zibulo OC: Coal Reserves decreased due to production and the overestimation of mining during the previous reporting period.

Zibulo UG: Coal Reserves decreased due to production, end of panel losses and the transfer to Coal Resources in areas with poor ground conditions. This is partially offset by the increase in Coal Reserves due to a change in the layout.

Goedehoop North MRD: Coal Reserves decreased due to production.

Goedehoop South MRD: Coal Reserves decreased due to production.

Greenside MRD: Coal Reserves decreased due to production, partially offset by the conversion of Inventory Coal to Coal Reserves for the 2025 forecast production.

Ensham: Coal Reserves decreased due to production, offset by a change in the layout. Coal Resources decreased as a result of the application of geological losses to the reportable resources and the reallocation of Coal Resources to Inventory Coal due to sparse borehole spacing in a defined area. Previously reported Coal Resources pertaining to structures, sealed panels, and remnants between mined out panels have been excluded.

PROJECTS

Elders: Coal Reserves decreased due to first coal production and the Coal Reserves and Coal Resources in the boxcut area have been excluded.

Zondagsfontein West: Reported on an unchanged basis as the LOM was not updated.

South Rand: Coal Resources are part of a pending sale process.

Lephalale Coal Bed Methane: Unchanged reporting of Gas Resources.

RESOURCE AND RESERVE RECONCILIATION

2023 vs 2024

The 2024 Coal Resources and Coal Reserves estimations are derived from first principle competent person's reports. Only significant and material changes to the resource and reserve base between 2023 and 2024 are recorded. These changes are tracked by the various reconciliation categories in the graphs below.

For the LCBM project, the resources are as reported in 2023. Since these resources are reported as unchanged, no reconciliation graph is required.

The comparison between the total Coal Reserves, including MRDs of 31 December 2023 and 31 December 2024, is illustrated in Figure 1.

Production includes the tonnes mined and adjustments for the over/underestimations of mining from the previous reporting period and the mining gains/losses during the reporting period.

Conversions from resources to reserves are mainly due to the extension of the Isibonelo contract with Sasol and the change in mine design at Ensham. In addition, resources to reserves conversions cater for the 2024 production outside of mine plan at various operations and to fulfil the contractual commitments at Goedehoop South MRD and Greenside MRD.

New information pertains to additional drilling information at Mafube and Khwezela, upgrading the classification.

Transfer refers to the reallocation of reserves to resources outside the mine plan, mainly due to geological conditions at Zibulo underground and due to prioritising higher yielding areas at Goedehoop before the move to Elders. For Mafube, the No 4 Seam parting previously reported, is excluded.

Reconciliation adjustments account for reserve losses due to coal sterilised at Greenside and Zibulo opencast as well as a reserve gain due to the change in the reported moisture percentage base from 2023 to 2024 at Mafube (see table footnotes).

Disposal of Coal Reserves at the Rietvlei Colliery following the sale of the Company's interest in the operation.

FIGURE 1: OPERATIONS – YEAR-ON-YEAR CHANGES IN COAL RESERVES 2023 vs 2024

The comparison between the total Coal Resources (excluding projects) of 31 December 2023 and 31 December 2024 is illustrated in Figure 2.

Conversion from resources to reserves are mainly due to the extension of the Isibonelo contract with Sasol and the change in mine design at Ensham. In addition, resources to reserves conversions cater for the 2024 production outside of mine plan at various operations and to fulfil the contractual commitments at Goedehoop South MRD.

New information pertains to the additional drilling information upgrading the classification and/or improved modelling techniques at Ensham, Isibonelo, Khwezela North, Mafube and Zibulo underground.

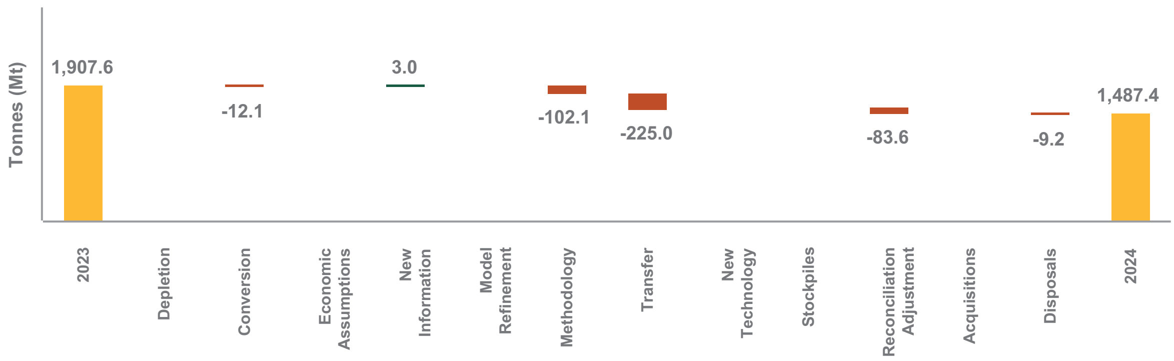
Methodology includes the resource estimation refinement at Mafube and at Ensham, the application of geological losses to the reportable resources.

Transfer refers to the reallocation of reserves to resources outside the mine plan due to geological conditions, mainly at Zibulo underground and at Goedehoop North because of prioritising higher yielding areas before the move to Elders. For Mafube, the No 4 Seam parting previously reported in resources, is also excluded. At Ensham, sparse borehole spacing, resulted in the reallocation of resources to reconnaissance inventory.

Reconciliation adjustment accounts for resources previously reported at Ensham that are now excluded due to structures, sealed panels and remnants between mined out panels.

Disposal of Coal Resources at the Rietvlei Colliery following the sale of the Company's interest in the operation.

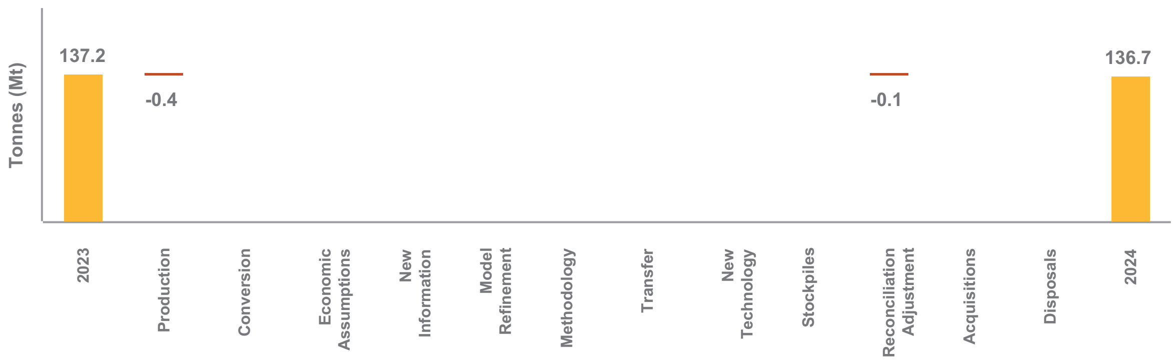
FIGURE 2: OPERATIONS – YEAR-ON-YEAR CHANGES IN COAL RESOURCES OUTSIDE MINE PLAN 2023 vs 2024



The comparison between the total Coal Reserves (Projects) of 31 December 2023 and 31 December 2024 is illustrated in Figure 3.

Zondagsfontein West is reported on an unchanged basis as the life of mine was not updated. At Elders, the first coal was mined and any reserve under the boxcut has now been excluded.

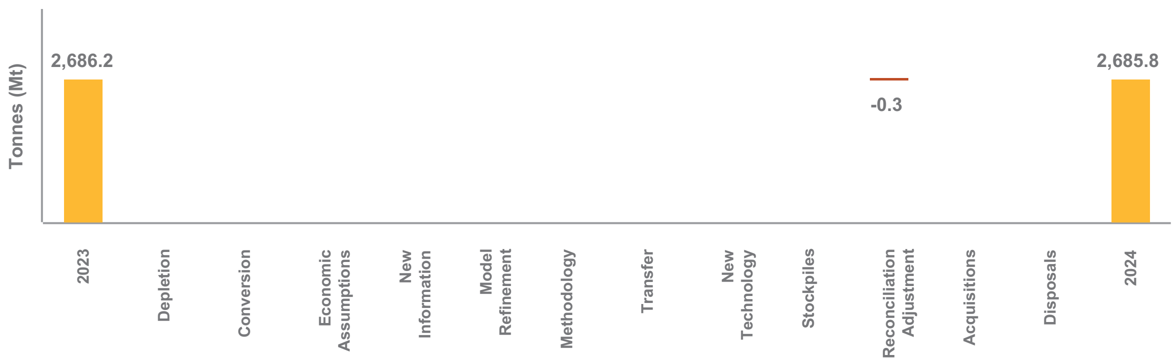
FIGURE 3: PROJECTS – YEAR-ON-YEAR CHANGES IN COAL RESERVES 2023 vs 2024



The comparison between the total Coal Resources (Projects) of 31 December 2023 and 31 December 2024 is illustrated in Figure 4.

Zondagsfontein West is reported on an unchanged basis as the life of mine was not updated. At Elders, the resource under the boxcut has now been excluded. The South Rand resources have been left unchanged pending the full completion of the disposal process.

FIGURE 4: PROJECTS – YEAR-ON-YEAR CHANGES IN COAL RESOURCES 2023 vs 2024



COMPETENT PERSONS REGISTER 2024

COAL RESOURCES

Asset	Competent person[1]	Relationship with Group[2]	Professional registration/ affiliation	Years of relevant experience
Goedehoop	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Goedehoop MRDs	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Greenside	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Greenside MRD	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Isibonelo	M.L. Lemekoana	Full-time employee	SACNASP (122617)	16
Khwezela North	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Khwezela South	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Khwezela MRD	L. Whitecross	Full-time employee	SACNASP (400535/14)	8
Mafube	J.K.R. Kgarume	Full-time employee at Exxaro[3]	SACNASP (117081)	11
Zibulo	M.L. Lemekoana	Full-time employee	SACNASP (122617)	16
Elders	M.L. Lemekoana	Full-time employee	SACNASP (122617)	16
South Rand	M.L. Lemekoana	Full-time employee	SACNASP (122617)	16
Waterberg	M.L. Lemekoana	Full-time employee	SACNASP (122617)	16
Zondagsfontein West	M.L. Lemekoana	Full-time employee	SACNASP (122617)	16
Ensham	N. Haniff	Full-time employee	SACNASP (400316/04)	18

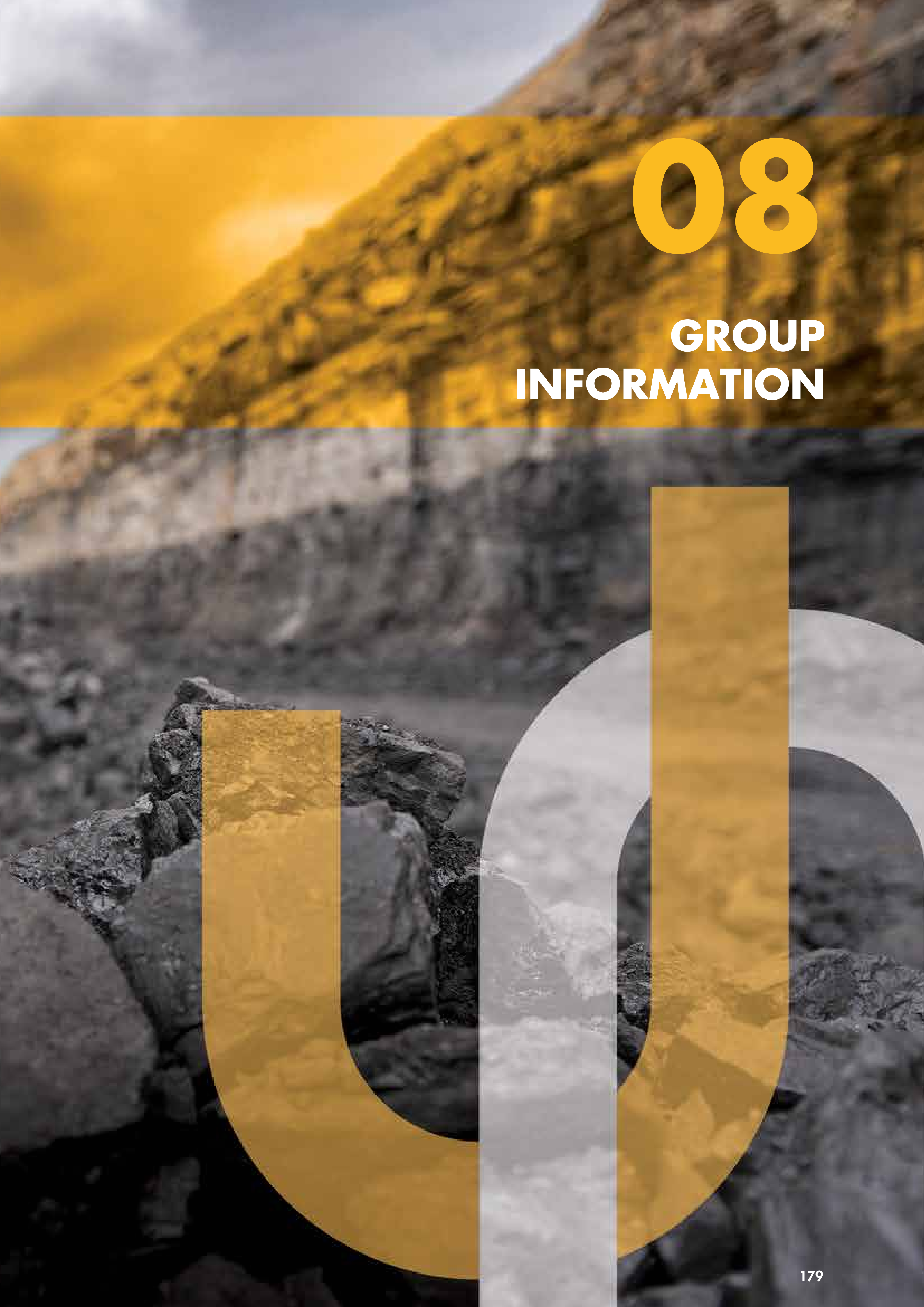
COAL RESERVES

Asset	Competent person[1]	Relationship with Group[2]	Professional registration/ affiliation	Years of relevant experience
Goedehoop	V.S. Mosebele	Full-time employee	SAIMM (707387)	7
Goedehoop MRDs	V.S. Mosebele	Full-time employee	SAIMM (707387)	7
Greenside	L.A. Masemola	Full-time employee	SAIMM (710962)	20
Greenside MRD	L.A. Masemola	Full-time employee	SAIMM (710962)	20
Isibonelo	M. Katuruza	Full-time employee	SACNASP (400214/14)	17
Khwezela North	E. Phelane	Full-time employee	SACNASP (008181)	17
Khwezela MRD	E. Phelane	Full-time employee	SACNASP (008181)	17
Mafube	D. Xaba	Full-time employee	SACNASP (400019/05)	24
Zibulo	T. Muofhe	Full-time employee	SACNASP (400059/17)	17
Zondagsfontein West	T. Muofhe	Full-time employee	SACNASP (400059/17)	17
Elders	K.R. Donaldson	Full-time employee at Mindset Mining Consultants Proprietary Limited[4]	ECSA (200590031)	37
Ensham	P.W. Brisbane	Associate with the Measured Group[5]	AusIMM (322150)	43

QUALIFIED RESERVES EVALUATOR REGISTER 2024

Asset	QRE[1]	Relationship with Group[2]	Professional registration/ affiliation	Years of relevant experience
Lephalale Coal Bed Methane	James Caballero	Full-time employee with Advanced Resources International, Inc.[6]	Society of Petroleum Engineers (SPE 0658617)	26

1 Competent person signed consent form, relevant to each asset, is included in the individual competent persons' report.
2 Thungela Resources Limited, 25 Bath Avenue, Rosebank, Johannesburg, 2196, Gauteng, South Africa.
3 Exxaro Resources Limited, The conneXXion, 263B West Avenue, Die Hoewes, Centurion, 0163, Gauteng, South Africa.
4 Mindset Mining Consultants Proprietary Limited, 298 Stokkiesdraai Street, Erasmusrand, Pretoria, 0181, Gauteng, South Africa.
5 Measured Group Propriety Limited, Level 14/116 Adelaide St, Brisbane, QLD, 4000, Australia.
6 Advanced Resources International Inc., 4501 Fairfax Drive, Suite 910, Arlington, VA 22203, USA.



08

GROUP INFORMATION

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

Distribution of shareholders	Number of shareholders	% of total shareholders	Number of shares	2023 % 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

Shareholding type	**Number of shareholders**	**% of total shareholders**	**Number of shares**	**2024 % of issued share capital**
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	2023 % of issued share capital
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**	**2024 % of issued share capital**
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	2023 % of issued share capital
Government Employees Pension Fund	20,962,781	14.92
Total	20,962,781	14.92

GLOSSARY

Term used	Definition
AAIC	Anglo American Inyosi Coal Proprietary Limited
AAML	Anglo American Marketing Limited
AGM	Annual general meeting
Anglo American	The Anglo American plc Group, and its subsidiaries
APM	Alternative performance measure
AUD	Australian dollar
B-BBEE	Broad-based black economic empowerment
Bowen	Bowen Investment (Australia) Proprietary Limited, a subsidiary of LX International
Bscf	Billion standard cubic feet
BV	Bureau Veritas
Capex	Capital expenditure
CA(SA)	Chartered Accountant South Africa
CHPP	Coal handling preparation plant
CM	Continuous miner, a machine used in mining operations to extract coal or ore continuously from a seam or face
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
Coal Reserves	Modified indicated and measured coal resources, including consideration of modifying factors that affect extraction. This represents the economically extractable material
Coal Resources	The in situ coal for which there are reasonable prospects for eventual economic extraction
Conditional shares	Shares or share awards allocated with a conditional right to receive a share on vesting subject to the fulfilment of the employment condition and the performance condition
Contingent Resources	The quantities of gas estimated to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies
CPI	Consumer price index
CSA	Coal Supply Agreement
CSI	Corporate social investment
CV	Calorific value of thermal coal
DBS	Deferred bonus shares
Demerger	The process to separate Thungela from Anglo American, as fully described in the Combined Prospectus and Pre-listing Statement of Thungela, published on 8 April 2021
DFFE	Department of Forestry, Fisheries and the Environment
DMRE	Department of Mineral Resources and Energy
DTM	Digital Terrain Map
EA	Environmental authorisation
EBITDA	Earnings before interest, tax, depreciation, and amortisation
ECSA	Engineering Council of South Africa

Term used	Definition
EIA	Environmental impact assessment
Employment condition	Condition of continued employment with the Group for the duration of the employment period
Employment period	Period commencing on the award date and ending on the date specified in the award letter during which the participant is required to fulfil the employment condition
EMPr	Environmental management programme report
Ensham Business	Thungela's interest in Sungela Holdings, Sungela, Ensham Resources, Ensham Coal Sales and Nogoa Pastoral, collectively
Ensham Coal Sales	Ensham Coal Sales Pty Limited
Ensham Mine	An unincorporated joint venture between Sungela and Bowen
Ensham Resources	Ensham Resources Pty Limited
Environmental provisions	The Group's obligations to undertake decommissioning, rehabilitation, remediation, closure and ongoing post-closure monitoring activities when environmental disturbances are caused by the development or ongoing production of a mining property, as well as the decommissioning of infrastructure established on the operating sites
ESD	Enterprise and supplier development
ESG	Environmental, social and governance
EUR	Euro
EWRP	eMalahleni Water Reclamation Plant
Exxaro	Exxaro Coal Mpumalanga Proprietary Limited
FCA	The Financial Conduct Authority of the UK or its successor from time to time
FOB	Free on board
FOR	Free on rail
Forfeitable shares	Share or share award where the vesting is subject to fulfilment of the employment condition
FS	Feasibility study
FSMA	The UK Financial Services and Markets Act 2000 (as amended from time to time)
Gas-in-place or GIP	The quantity of gas that is estimated to exist originally in naturally occurring accumulations before any extraction or production
Gas Resources	Naturally occurring accumulations of gases, typically hydrocarbons, within the Earth's crust that have the potential to be extracted and utilised for various purposes
GDB	Geological database
GHG	Greenhouse gas
GHN	Goedehoop North Colliery
GHS	Goedehoop South Colliery
GJ	Gigajoule
Goedehoop	Goedehoop Colliery
Greenside	Greenside Colliery
GRI	Global Reporting Initiative
Group	Thungela and its subsidiaries, joint arrangements and associates
HDP	Historically disadvantaged person(s)
HEPS	Headline earnings per share
HIV	Human immunodeficiency virus
IASB	International Accounting Standards Board
IFRS Accounting Standards	International Financial Reporting Standards as issued by the IASB and the IFRS Interpretations Committee (previously known as the IFRIC).

Term used	Definition
Indicated Coal Resource	The portion of the Coal Resource for which the derived quantities and qualities are estimated with sufficient confidence, although lower in confidence than a measured Coal Resource, in the geological evidence, to allow for the application of modifying factors to support mine planning and the evaluation of the economic viability of the resource. An indicated Coal Resource may only be converted to a probable Coal Reserve
Inferred Coal Resource	The portion of the Coal Resource for which the derived quantities and qualities are estimated with lower confidence in the geological evidence. An inferred Coal Resource is not converted to a Coal Reserve
Isibonelo	Isibonelo Colliery
ISIN	International Securities Identification Number
ISO	ISO International Organization for Standardization
IWUL	Integrated water use licence
JORC Code	Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012
JSE	Johannesburg Stock Exchange Limited
JSE Listings Requirements	The Listings Requirements issued by the JSE under the South African Financial Markets Act 19 of 2012 (as amended from time to time) to be observed by issuers of equity securities listed on the JSE
JV	Joint venture
kcal/kg	kilocalories per kilogram
Khwezela	Khwezela Colliery
King IV	The King IV Report on Corporate Governance™ for South Africa, 2016. Copyright and trademarks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved
km	Kilometre(s)
KPIs	Key performance indicators
kt	A measure representing 1,000 tonnes
$ktCO_2e$	Kilotonne of CO_2 equivalent
LCBM project	Lephalale coal bed methane project
LNG	Liquefied natural gas – natural gas converted into a liquid state for easy transportation and storage
LOM	Life of mine, the duration of time to extract possible resources
LOM plan	A design and financial/economic study of an existing operation in which appropriate assessments have been made of existing geological, mining, social, governmental, engineering, operational, and all other modifying factors, which are considered in sufficient detail to demonstrate that continued extraction is reasonably justified
LSE	London Stock Exchange
LTI	Long-term incentive
LTIP	Long-term incentive plan
Mafube	Mafube Colliery
Mafube Coal Mining	Mafube Coal Mining Proprietary Limited
MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the delegated acts, implementing acts, technical standards and guidelines thereunder as modified and as such legislation forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, and as modified by UK domestic law from time to time
MDL	Mineral development license

Term used	Definition
Measured Coal Resource	The portion of the Coal Resource for which the derived quantities and qualities are estimated with sufficient confidence in the geological evidence, to allow for the application of modifying factors to support detailed mine planning and the evaluation of the economic viability of the resource. A measured Coal Resource may be converted to a proved or probable Coal Reserve
Mineral Resource	A concentration or occurrence of material of intrinsic economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories
ML	Megalitres (million litres)
Modifying factors	Considerations used to convert mineral resources to mineral reserves, including, but not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors
MOI	Memorandum of incorporation
MPRDA	The South African Mineral and Petroleum Resources Development Act 28 of 2002
MPRDA Regulations	Mineral and Petroleum Resources Development Regulations, 2004, published under the Mineral and Petroleum Resources Development Act 28 of 2002
MR	Mining right
MRA	Mining right application
MRD	Mineral residue deposit
MSR	Minimum shareholding requirements
Mt	Million tonnes
MTIS	Mineable tonnes in situ
Mtpa	Mt per annum
MW	Megawatt
NAR	Net as received
NCI	Non-controlling interest
NED	Non-executive director
NEMA	The South African National Environmental Management Act 107 of 1998 (as amended from time to time)
NEMA Financial Provisioning Regulations	Financial Provisioning Regulations, 2015, published under the National Environmental Management Act 107 of 1998
Newcastle benchmark coal price	Newcastle benchmark price reference for 6,000kcal/kg coal exported from Newcastle, Australia. The NEWC Index is the main price reference for physical coal contracts in Asia and is the settlement price for a significant volume of index-linked contracts
NGO	Non-profit organisation independent of government, commonly focused on social, environmental, or humanitarian missions
Nkulo Community Partnership Trust	The Nkulo Community Partnership Trust, previously referred to as the CPP
Nogoa Pastoral	Nogoa Pastoral Pty Ltd
NOMR	New order mining right
OC	Opencast/cut operations/mine
Overburden	The material that lies above the mining area of economic interest
PCPP	Phola Coal Processing Plant Proprietary Limited

Term used	Definition
Performance condition	A performance condition to be satisfied in order for conditional awards to vest under the Thungela share plan
plc	Public limited company
PR	Prospecting right
PRMS	Petroleum Resource Management System
Proved and probable coal reserves	Proved coal reserves are modified measured coal resources, including consideration of modifying factors that affect extraction. It is the economically extractable material. Probable coal reserves are modified indicated or measured coal resources, including consideration of modifying factors that affect extraction
QRE	Qualified reserves evaluator
Queensland Financial Provisioning Scheme	Mechanism established under the Mineral and Energy Resources (Financial Provisioning) Act 2018 requiring a security deposit from the holders of an environmental authority (EA) to cover potential rehabilitation costs in the event such holders fail to comply with their environmental management and rehabilitation obligations
RBCT	Richards Bay Coal Terminal Proprietary Limited or the Richards Bay Coal Terminal
Reasonable prospects for eventual economic extraction (RPEEE)	An assessment done by the Competent Person in respect of technical and economic factors likely to influence the prospect of economic extraction. Multiple factors are considered including geological, mining, metallurgical, economic, legal, governmental, environmental, and socio-political factors
Reserve Life	The period in years in the approved LOM plan for scheduled extraction of proved and probable Coal Reserves
Richards Bay benchmark coal price	Benchmark price reference for 6,000kcal/kg thermal coal exported from the RBCT
Rietvlei	Rietvlei Colliery
RLT	Rapid load-out terminal
RMB	Rand Merchant Bank
RMC	Rietvlei Mining Company Proprietary Limited
RMSO	Restitution Management Support Office
RNS	Regulatory News Service of the LSE
ROM	Run of mine, representing the material extracted from mining operations before it is processed into saleable product
RoMP	Resources outside of mine plan
SACE	South African Coal Estate
SACNASP	South African Council for Natural Scientific Professions
SACO	South Africa Coal Operations Proprietary Limited
Saleable reserves	The reported saleable reserve product type is subject to prevailing market conditions and may be sold in accordance with the current environment
SAMOG Code	South African Code for the Reporting of Oil and Gas Resources, 2015
SAMREC Code	South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016
SANS 10320:2020	South African National Standard 10320: "The South African guide to the systematic evaluation of coal resources and coal reserves" Second Edition
SANAS	South African National Accreditation System
SASA	The share and asset sale agreement, related to the acquisition of the Ensham Business
Sasol	Sasol Mining Proprietary Limited
SDGs	Sustainable Development Goals, a global agenda set by the United Nations to address social, economic, and environmental challenges by 2030

Term used	Definition
SENS	The Stock Exchange News Service of the JSE
SFF	Strategic Fuel Fund
SHE	Safety, health and environment
Sisonke Employee Empowerment Scheme	Sisonke Employee Empowerment Scheme Trust, previously the SACO Employee Partnership Trust
SLP	Social and Labour Plan
SMMEs	Small, medium and micro-sized enterprises
Sponsor	JSE sponsor of Thungela, namely RMB
STI	Short-term incentive
Synfuel	A coal specifically for the domestic production of synthetic fuel and chemicals
Sungela	Sungela Pty Ltd
Sungela Holdings	Sungela Holdings Pty Ltd
t	A measure representing one tonne
TFR	Transnet Freight Rail, a division of Transnet SOC Limited
TGP	Total guaranteed package which is comprised of basic salary and retirement and benefits
The Companies Act of South Africa	The Companies Act 71 of 2008 (as amended)
Thermal domestic	Low to high-volatile thermal coal primarily for domestic consumption for power generation
Thermal export	Low to high-volatile thermal coal primarily for export in the use of power generation
Thungela or the Company	Thungela Resources Limited
Thungela Marketing International	Thungela Marketing International Holdings Proprietary Limited
Thungela Resources Australia	Thungela Resources Australia Proprietary Limited
Thungela Resources Holdings	Thungela Resources Holdings Proprietary Limited
Thungela share plan	Shareholder-approved share plan, structured in line with the requirements of Schedule 14 of the JSE Listings Requirements, that aims to attract, retain and incentivise highly skilled individuals
Thuthukani	Thungela's enterprise and supplier development programme
TOPL	Thungela Operations Proprietary Limited
Transnet	Transnet SOC Limited
TRCFR	Total recordable case frequency rate per million man hours
Trusts	The Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust, collectively
Tscf	A measure representing trillion standard cubic feet
TSF remuneration	Total single figure remuneration
TSR	Total shareholders' return
UAE	United Arab Emirates
UG	Underground
UIF	Unemployment Insurance Fund
UK	The United Kingdom of Great Britain and Northern Ireland

Term used	Definition
UK Listing Rules	The listing rules relating to admission to the UK Official List made under section 73A(2) of FSMA
UK Officials List	The official list of the FCA
UNGC	United Nations Global Compact, a voluntary initiative encouraging businesses to adopt sustainable and socially responsible practices
UN SDG	United Nations Sustainable Development Goal
US	United States of America
USD	United States dollar
VWAP	Volume-weighted average price
WANOS	Weighted average number of ordinary shares outstanding
WML	Waste management licence
WCMAS	Witbank Coalfields Medical Aid Scheme
WUL	Water use licence
ZAR	South African rand
ZFNW project	Zondagsfontein West project
Zibulo	Zibulo Colliery

APPENDIX 1
UK LISTING RULES DISCLOSURE TABLE

Disclosure as required by section 9.8.4 C of the UK Listing Rules has been provided below:

Listing Rule	Information per the Rule	Disclosure
9.8.4 (1)	Interest capitalised by the Group in the period under review, including any related tax relief	Not applicable
9.8.4 (2)	Published unaudited financial information (LR 9.2.18 R)	Not applicable
9.8.4 (4)	Long-term incentive schemes involving a director (LR 9.4.3 R)	Refer to the remuneration report on pages 103 to 129
9.8.4 (5)	Waiver of or agreement to waive any emoluments from the Company or subsidiary by a director	None
9.8.4 (6)	Details of waiver of future emoluments by a director	None
9.8.4 (7)	Non pro rata allotment of the Company's shares for cash, not specifically authorised by the shareholders	None
9.8.4 (8)	Non pro rata allotment of major subsidiaries' shares for cash, not specifically authorised by the shareholders	None
9.8.4 (9)	If the Company is a subsidiary of another company, details of the parent undertaking	Not applicable
9.8.4 (10)	Contracts of significance involving the Group and a director or controlling shareholder	None
9.8.4 (11)	Provision of services contract to the Company or subsidiaries by a controlling shareholder	Not applicable
9.8.4 (12)	Shareholder has waived or agreed to waive any dividends	One shareholder on the LSE has waived any dividends to be declared, the value of which is below 1% of the dividend declared
9.8.4 (13)	Shareholder has agreed to waive any future dividends	One shareholder on the LSE has waived any dividends to be declared, the value of which is below 1% of the dividend declared
9.8.4 (14)	Agreement between the Company and a controlling shareholder (LR 9.2.2.AD R)	Not applicable

FORWARD-LOOKING STATEMENTS DISCLAIMER AND THIRD-PARTY INFORMATION

This document includes forward-looking statements. All statements included in this document (other than statements of historical facts) are, or may be deemed to be, forward-looking statements, including, without limitation, those regarding Thungela's financial position, business, acquisition and divestment strategy, dividend policy, plans and objectives of management for future operations (including development plans and objectives relating to Thungela's products, production forecasts and resource and reserve positions). By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Thungela, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Thungela therefore cautions that forward-looking statements are not guarantees of future performance.

Any forward-looking statement made in this document or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause Thungela's business not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Thungela has no duty to, and does not intend to, update or revise the forward-looking statements contained in this document after the date of this document, except as may be required by law. Any forward-looking statements included in this document have not been reviewed or reported on by the Group's independent external auditor.

The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the market abuse regulation (EU) No. 596/2014 as amended by the market abuse (amendment) (UK MAR) regulations 2019. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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
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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)

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If you have any queries regarding your shareholding in Thungela Resources Limited, please contact the transfer secretaries on: +27 11 370 5000.

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