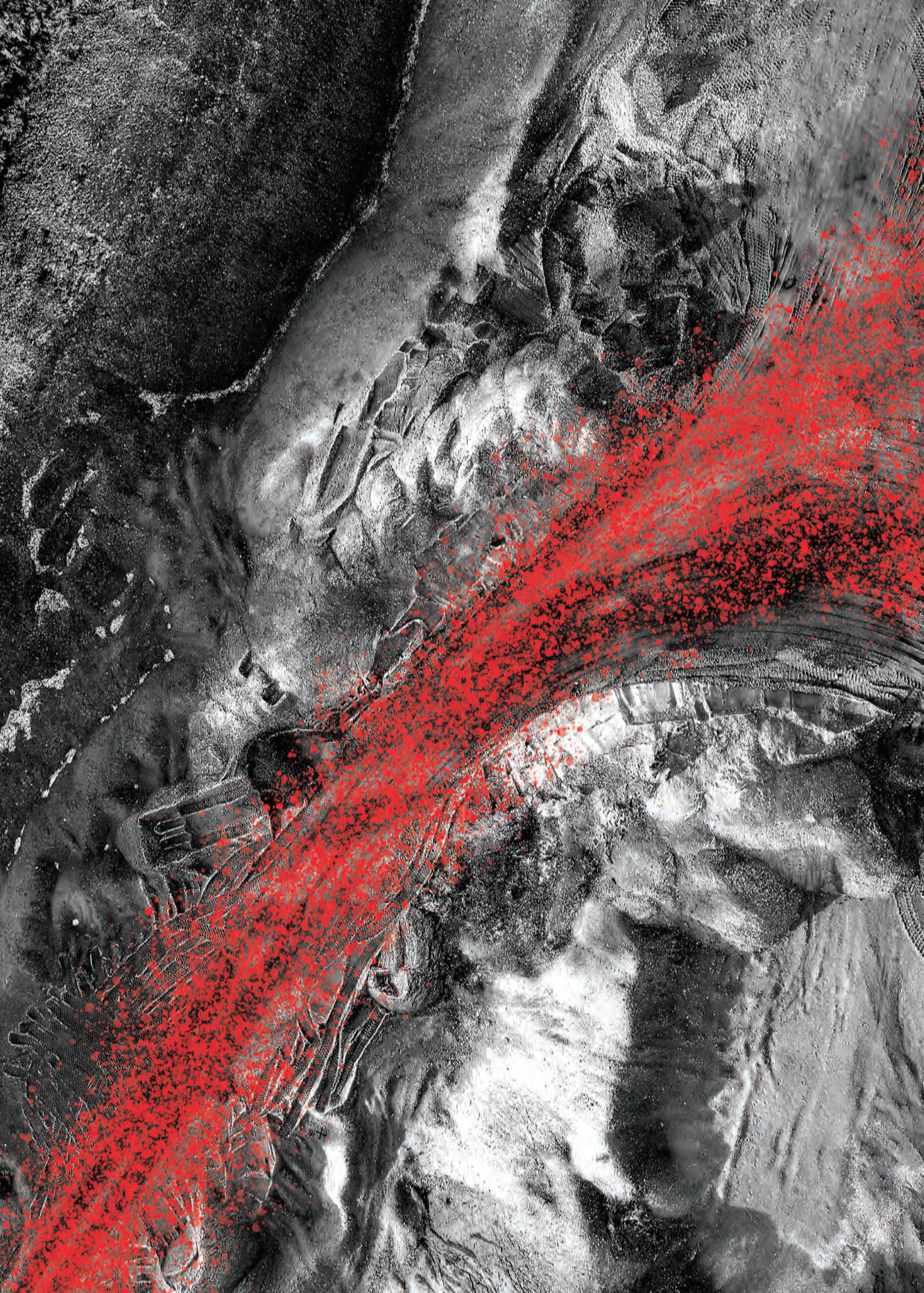
Mantengu

ANNUAL REPORT **2023**



CONTENTS

The reports and statements set out below comprise the annual report presented to the shareholders:

CHAIRMAN'S REPORT

Dear Shareholders and Stakeholders,

I am pleased to present to you the Chairman's Report for Mantengu Mining Limited, highlighting the journey of our company to date. Over the years, Mantengu has grown from, essentially, a humble startup to being on the way to becoming a leading player in the mining industry, achieving remarkable milestones and overcoming numerous challenges along the way.

Given the considerable achievements of Mantengu during this reporting period, it is worth briefly looking back to the events that have brought the business to this exciting stage of its life. Mantengu (then Mine Restoration Investments Limited) was suspended from trading on the Johannesburg Stock Exchange on 29 July 2016 on the back of the late submission of its annual financial statements, predominantly as a result of constrained underlying investments it had made up to that point, and it was subsequently on 17 December 2017 classified by the JSE as a "cash shell".

The strategy of the business back in 2016 and 2017 was to make every effort to return value to its long-suffering shareholders and to restore the company to trading on the basis of a solid underlying investment. Following the unsuccessful attempt in December 2017 by Mantengu to acquire the first target, negotiations were entered into with Langpan Mining Co (Pty) Ltd as the new target for acquisition by Mantengu. Since the transaction with Langpan was to involve certain related parties, Langpan was required to obtain a Competent Persons Report and fairness opinion to ensure the transaction would be concluded on independently justifiable commercial terms. The JSE approved the CPR on 17 December 2021, the Langpan asset valuation of the chrome and PGM resource then being stated as R851million.

The shareholders approved the Langpan acquisition on 30 June 2022, such acquisition becoming unconditional on 27 July 2022 and Mantengu, accordingly, being re-instated on the JSE on 5 August 2022. There followed on 9 December 2022 a successful fully underwritten rights issue and on 29 March 2023 a 1000:1 share consolidation of the Mantengu share register.

Whilst all the necessary corporate actions were being undertaken, it had been necessary to raise sufficient capital during the second half of 2022 in anticipation of the requirement to fund the upgrade of the existing LG plant on the Langpan mine as well as the construction of both a jig plant and a new, state of the art MG plant. These debt capital raises were successfully undertaken and have been deployed resulting in the LG plant having been commissioned in May 2023, with the commissioning of the JIG and MG processing plants being expected later in 2023. The commissioning of the processing plants represents a significant milestone in the life of the business and a return to revenue generation and the beginnings of a return of value to shareholders.

The above account necessarily does not do justice to the difficulties and obstacles overcome in the task of getting Mantengu to where it is today, a task which would by no means have been possible without the unstinting support of our shareholders, employees, stakeholders and service providers. This group of people are too numerous to list here but, on behalf of the board, I would like to express our sincere gratitude to you all for staying the course.

I have had the privilege of chairing the board since 1 February 2023 (having fulfilled other non-executive roles in the past) and would like to thank each member of the board for their invaluable contributions, insights and dedication to Mantengu. On behalf of the board, I would like to extend a special thanks to our two executive directors, Mike Miller as group chief executive officer and Magen Naidoo as group chief financial officer. For Mike and Magen, no detail has been too trivial or an hour too late in the service of Mantengu from head office, to finance, to operations.

In conclusion, Mantengu's resilience and achievements to date have been underpinned by unwavering adherence to good governance, transparency and ethics. As a listed company, a number of these values are imposed on us by rules; however, it is my invariable experience in Mantengu that these are the kind of values we would hold one another to whether or not they were imposed on us from outside. With such a culture, we can be certain that we will be able to overcome the challenges and take advantage of the opportunities the future will present to us.

Sincerely,
Alistair Collins
Chairman, Mantengu Mining Limited

CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholders and Stakeholders,

Having joined the Mantengu Board of Directors in April 2017, I am pleased to present my first CEO report. There has been much to say throughout this time but the resurrection of Mantengu has been an arduous, complicated, and often illogical process and out of an abundance of caution for stakeholder sanity, I chose not to provide a blow-by-blow account on the legal, financial, technical, and administrative work that has dominated the last 6 years. Mantengu has now successfully navigated these work streams and thus I am extremely proud of the fact that as at the date of this report, Mantengu is fully compliant, fully funded and actively trading on the JSE. This is a momentous achievement, and it would be remiss of me not to extend my deepest gratitude to the Board and company stakeholders for their unwavering loyalty and support, without which would have made this process impossible.

The Board is now focused on the redemption of Mantengu with the intention to return significant value to its stakeholders and for Mantengu to become relevant to broader society. The purpose of this report is to provide context and oversight to Mantengu's current and future operational plans.

Given that we are at the start of the journey, Mantengu's current focus is on solidifying its current Langpan investment with the primary goal of expediting the steady state of production. The complete Langpan operation includes the following core sections:

1. Crushing and cleaning: Langpan has invested in a state-of-the-art crushing and cleaning section that has the production capacity to feed all three of Langpan's production lines. The front-end section has the production capacity and flexibility such that it can prepare the suitable feedstock for each production line.
2. LG Wash Plant: Langpan successfully commissioned the LG Wash Plant in May 2023. The plant is currently operational and Langpan is in the process of scaling up the operations to steady state. Steady state is expected to commence on or about 1 July 2023. The LG Wash Plant will produce a 44% chrome concentrate.
3. MG Wash Plant: Langpan has procured and commissioned the MG Wash Plant and Mill with site establishment expected to commence on or about 1 July 2023. The MG Wash Plant will be commissioned simultaneously with LG Wash Plant operations. The MG Wash Plant will produce a 42% chrome concentrate and is expected to upgrade the PGM's to approximately 5 grams per tonne.
4. JIG Plant: Langpan has procured a JIG Plant that is expected to be cold commissioned imminently. The JIG Plant will produce a 44% chrome chip with the discard from the JIG Plant complementing the feedstock for the LG Wash Plant.

The various production lines are anticipated to be commissioned over the next 60 days with the complete operation expected to reach steady state on or about October 2023. Whilst the operating teams are focused on getting the complete operation to steady state, management is aggressively pursuing natural expansion opportunities in a bid to lengthen Langpan's life of mine. Achieving steady state production and securing the intrinsic expansion opportunities will provide Mantengu a solid foundation, from which, to grow the Group.

Mantengu's vision underpins the starting point for its redemption strategy. Mantengu fundamentally believes that the next wave of significant growth will stem from the rural or unchartered areas of South Africa. To gain access to such areas, Mantengu acknowledges that it will have to behave and invest differently. To succeed in such areas, Mantengu believes that the biggest barriers to entry relate to finding suitable funding and empowerment structures.

South African financial and capital markets are largely illiquid, and it is extremely difficult, near impossible, for small to large companies to raise debt or equity funding. In the mining sector, this is hugely prevalent with the impact of the lack of access to funding being easily seen by the number of mines that are in liquidation, business rescue or simply having been handed over to funding sharks.

If we accept the notion that South Africa is a developing economy, then it is obvious that the cornerstone of such

CHIEF EXECUTIVE OFFICER'S REPORT

development must be the creation of new broad-based wealth. Given that South Africa is the most unequal country in the world, this is something that South Africa has not got right. This inequality is exacerbated by the biggest barrier to securing funding – the need for an existing balance sheet and a clear track record of its utilisation. This is a totally defeatist concept and set of rules as how do you create new wealth if the starting point is that you need wealth.

Mantengu has developed an innovative funding model that circumvents such barriers to entry which allows Mantengu to deploy funds into new companies with no existing balance sheet nor track record. Although in its infancy, Mantengu has deployed funds into Langpan and thus has proven that the model works. Whilst the model makes the capital raise and investment process far easier, the model does require i.) credible intrinsic value, ii.) existing markets, iii.) best of breed operators and most importantly iv.) a competent and highly trustworthy management team. South Africa is resource and people talent rich, thus Mantengu believe that its funding model will gain huge impetus in the sector.

It is an empirical fact that BBBEE transactions erode shareholder value, the only question is how fast. There are many reasons for why this is the case but the biggest contributor, arguably, is that existing shareholders must effectively pay, ala dilution, for the inclusion of new BBBEE participants in corporate structures. The flexibility of Mantengu's funding model allows for Mantengu to identify the correct BBBEE partners for the project rather than for obtaining funding alone. With this obstacle removed, Mantengu will be freed to create new broad-based wealth on a basis that is value accretive rather than dilutive to existing shareholders.

The Board acknowledges that Mantengu's vision is bold but believes that such a bold vision is required to enhance stakeholder value and to become a leader in society. We were told that the resurrection of Mantengu was impossible, yet it is now done. The Board is committed to this bold vision and looks forward to reporting on its success going forward.

Sincerely,
Mike Miller
Chief Executive Officer, Mantengu Mining Limited

CHIEF FINANCIAL OFFICER'S REPORT

Dear Shareholders and Stakeholders,

OVERVIEW

Mantengu had not yet commenced production for the fiscal year ended February 2023. We have not provided a mineral reserve and resource statement, as there have been no change to the reserves indicated in the CPR. On 27 July 2022, the acquisition of Langpan Mining Co. (Pty) Ltd was completed.

FINANCIAL PERFORMANCE

During the fiscal year, the Group mainly incurred governance, regulatory, corporate, legal and audit related costs to complete the acquisition of Langpan and be fully reinstated onto the Johannesburg Stock Exchange. We endeavoured to keep these costs to a minimum. The completion of these processes provided the Group with a platform from which to fully focus on the completion of the remaining capex builds, operations and ramp up production of the refurbished LG plant to a steady state level.

CAPEX

On 30 May 2023, we released an announcement on SENS outlining the commissioning of the first Langpan chrome beneficiation plant (old LG plant) after a major refurbishment project. The successful commissioning of the Chrome Plant has enhanced the production capacity of this plant. In addition to this, Langpan has commissioned the build of two new separate pieces of plant, namely a JIG processing plant and an MG processing plant. We are nearing completion of these capex builds and expect these two new pieces of plant to be in production later this calendar year.

SIGNIFICANT ACCOUNTING MATTERS

The Langpan transaction was accounted for as a reverse takeover in accordance with International Financial Reporting Standards (IFRS). Although legally Mantengu acquired Langpan, the financial statements had to be presented such that Langpan acquired Mantengu. The accounting entries to record the entire transaction and adjust earnings per share retrospectively were complex to say the least. Complying with IFRS unfortunately does not allow us to record the mineral reserve at the fair value of R851 million but rather at the book value of R95 million.

The Mantengu Board strongly believes in total transparency to shareholders investors, capital markets and the public. Therefore, we provided, in the Directors Report, the information that would have resulted had we been able to apply normal acquisition principles and not reverse takeover accounting.

GOING CONCERN

The February 2023 year end marks a significant milestone for the Group with respect to the audit opinion on the going concern assumption. It is the first audit opinion in many years that confirmed the Mantengu Group's status as a going concern. We are confident that not only do we have access to significant funding lines to execute Board approved acquisitive targets, but also to fund the ongoing Langpan operations.

OUTLOOK

We continue to explore new mining opportunities and evaluate strategic acquisitions that we believe will enhance shareholder returns in the long term.

Chrome prices have been at record highs recently and is due at some point for a demand side correction. Slowing GDP growth globally is also a demand side risk that we need to watch closely.

On the production side, once we are fully ramped up to steady state production, we will be looking to reduce the cost per ton of chrome concentrate produced by driving operational efficiency and leveraging advanced technologies. A critical component of this will be investing in renewable energy sources to reduce the input cost considering the increasing unreliability of energy supply by South Africa's state-owned energy supplier Eskom together with increasing prices.

CONCLUSION

Mantengu has demonstrated its resilience in navigating some of the most challenging market conditions to start up operations. With our robust growth strategy and focus on operational excellence, we are well positioned to drive sustainable growth and deliver long term value to our shareholders.

Sincerely,

Magen Naidoo

Chief Financial Officer, Mantengu Mining Limited

CORPORATE GOVERNANCE

The Board and each individual Director supports implementing best governance principles and practices throughout the Group. The Board continues to subscribe to the values of good corporate governance as set out in the King IV Report on Corporate Governance for South Africa, 2016 (**"King IV Report" or "King IV"**) and those prescribed by the Listings Requirements of the JSE Limited (**"JSE"**). The aim is to maintain the highest standards of integrity to ensure that the principles set out in the King IV Report are observed and implemented.

The Board is of the opinion that Mantengu currently complies in all material respects with the principles embodied in the King IV Report and the additional requirements for corporate governance stipulated by the JSE Listings Requirements.

An overview of the Board composition, committees and company secretary is provided below.

1. THE BOARD

The Board is responsible for the strategic direction and control of the Company. The Board currently comprises five Directors of which two are executive Directors and three are non-executive Directors, of whom two are independent non-executive Directors.

The Board consists of members with varied backgrounds and skills in order to contribute to the strategy and direction of the Company. The Board comprises an appropriate balance of power between executive and non-executive Directors, and there is no individual that has unfettered powers of decision making and no individual dominates the Board's deliberations and decisions.

The Board is chaired by Alistair Collins who is a non-executive Director. The Group Chief Executive Officer of the Company is Michael Miller and Magen Naidoo is the Group's Chief Financial Officer. Vincent Madlela is the lead independent Director and Jonas Tshikundamalema is an independent non-executive Director.

2. COMMITTEES

The Board has delegated certain specific responsibilities to the following committees, which are detailed herewith:

Name of committee member	Combined Audit & Risk Committee	Combined Remuneration & Nomination Committee	Combined Social & Ethics Committee
Vincent Madlela	X (Chair)	X	X
Jonas Tshikundamalema	X	X	X (Chair)
Alistair Collins	X	X (Chair)	X

Combined Audit & Risk Committee ("CARC")

The objective of the CARC is to assist the Board with its responsibility of safeguarding assets, maintaining effective and efficient internal controls, reviewing the financial information and overseeing the preparation of the annual financial statements.

The CARC has the power to make decisions regarding its statutory duties and is accountable for its performance in this regard. In addition to its statutory duties, the CARC is responsible for, inter alia, the following:

- the recommendation of the Group's annual financial statements to the Board for approval;
- risk governance and ensuring that it dedicates sufficient time to this responsibility;
- overseeing the management of financial and other risks that affect the integrity of external reports issued by the organisation;
- ensuring that the Group has established appropriate financial reporting procedures and that those procedures are operating;
- ensuring suitability of the appointment of external auditors and the designated individual partner, specifically taking into account any information pursuant to paragraph 22.15(h) of the JSE Listings Requirements;
- ensuring that the appointment of the auditor is presented and included as a resolution at the annual general meeting of the Company pursuant to Section 61(8) of the Companies Act; and
- ensuring, on an annual basis, that the Financial Director has the appropriate expertise and experience.

The CARC has reviewed the financial reporting procedures of the Company and is satisfied that there are appropriate financial reporting procedures established, and that these have been operating sufficiently for the past financial period.

The CARC currently consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema and one non-executive Director, Alistair Collins. The CARC is chaired by Vincent Madlela.

The CARC met five times during the 2023 financial year.

Committee member	Meeting Dates				
	25 Apr 2022	30 Jun 2022	17 Aug 2022	28 Nov 2022	27 Jan 2023
Vincent Madlela	X	X	X	X	X
Michael Miller*	X	X	X	X	X
Jonas Tshikundamalema	X	X	X	X	X
Alistair Collins**					X

The CARC has considered and is satisfied that the Group Chief Financial Officer, Magen Naidoo, has the necessary experience and expertise to execute his function.

Combined Remuneration & Nomination Committee ("CRNC")

The CRNC is responsible for considering the nomination of new Directors and the remuneration of the executive Directors and making recommendations to the Board in this regard. The CRNC consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema and one non-executive Director, Alistair Collins. The CRNC is chaired by Alistair Collins.

The CRNC met five times during the 2023 financial year.

Committee member	Meeting Dates				
	25 Apr 2022	30 Jun 2022	17 Aug 2022	28 Nov 2022	27 Jan 2023
Vincent Madlela	X	X	X	X	X
Michael Miller*	X	X	X	X	X
Jonas Tshikundamalema	X	X	X	X	X
Alistair Collins**					X

**Michael Miller was appointed as an executive Director on 1 February 2023 and thus resigned from the CARC accordingly.*
***Alistair Collins was appointed as a non-executive Director and member of the CARC on 1 February 2023 and attended the 27 January 2023 meeting as an invitee.*

The Remuneration Policy and Implementation Report will be tabled for a separate non-binding advisory vote by shareholders at the annual general meeting to be held on 16 August 2023.

The CRNC will take into account any feedback received from shareholders during the annual general meeting and will endeavour to liaise with shareholders who have raised concerns on the Remuneration Policy or the Implementation Report, as the case may be, with a view of resolving concerns raised, where possible. The Remuneration Policy records the measures that the Board commits to take in the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the votes exercised. In such instances, the announcement on the voting results will provide an invitation to dissenting shareholders to engage with the Company and will specify the manner and timing of such engagement. With regards to dissenting shareholders, the remuneration committee members will reach out directly to the shareholder representatives with a view of scheduling a separate meeting for their concerns to be addressed.

The Remuneration Policy addresses remuneration on an organisation-wide basis and is a key component of the Company's HR strategy, which must always fully support the overall business strategy.

Mantengu obtained shareholder approval for the Mantengu Performance Share Plan ("PSP") at the General Meeting on 30 June 2022. The PSP is intended to incentivise, motivate and retain employees of the Company, the Company's subsidiaries and associates and other entities identified by the Board by providing such employees with the opportunity to own shares in the Company. Summary of the principal proposed amendments to the PSP are included in Annexure A to the notice of Annual General Meeting attached and forms part of this annual report.

The CRNC believes that alignment creates synergy and that the long-term success of the Group is directly linked to the calibre of employees that it employs and the working environment that it creates.

The Board acknowledges the importance of a broader diversity at a board level. The CRNC reviews and assesses the size, structure, and composition of the Board on an ongoing basis. This review ensures that the Board is adequately diversified, and that this diversification is assessed for relevance on an annual basis. This annual assessment interrogates the following key attributes to ensure that the Board has the highest level of skill, experience and diversity to execute Mantengu's business mandate.

1. Experiential attributes: Skill, education, functional experience, industry experience and accomplishments;
2. Demographic attributes: Gender, race, ethnicity, culture, religion; and
3. Personal attributes: Personality, interests and values.

The CRNC recognises that having a healthy diversification of these attributes will create a more thorough and constructive decision-making philosophy and management of Mantengu's business mandate. This, in turn, provides Mantengu's stakeholders with the highest chances of success.

In compliance with King IV and the JSE Listings Requirements, the CRNC has adopted a policy on the promotion of broader diversity at Board level, without introducing voluntary targets with regard to gender and racial diversification.

The CRNC if fully committed to maintaining a diverse Board with appropriate skills and experience without setting numerical targets. When canvassing for new appointments, diversity and inclusion are key considerations within these processes, alongside recruiting for skills and experience relevant to managing Mantengu effectively. The CRNC will continually look to improving diversity of the Board provided that the appointment is consistent with the priority of identifying, attracting and retaining the highest levels of talent.

The CRNC is also required to assess the relationship between executive and non-executive Directors. The CRNC believes that there is an appropriate balance of power between the executive and non-executive Directors. The CRNC is satisfied that the current members of the Board collectively possess the skills, knowledge, and experience required to adequately discharge the responsibilities of the Board to effectively achieve Mantengu's vision and in so doing promote and create value for Mantengu stakeholders.

The Board is currently comprised of 40% African males, 40% White males and 20% Indian males, with two of the three non-executive Directors being African males. The CRNC is satisfied that the Board has the requisite skill, experience and diversity to adequately promote Mantengu's vision and objectives.

Combined Social & Ethics Committee ("CSEC")

The purpose of the CSEC is to ensure that the Mantengu Group is, and remains, a good and responsible corporate citizen, and to perform the statutory functions required of a social and ethics committee in terms of the Companies Act.

The CSEC has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and confirms that there are no instances of material non-compliance to disclose.

The CSEC consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema (Chair) and one non-executive Director, Alistair Collins.

The CSEC met five times during the 2023 financial year.

Committee member	Meeting Dates				
	25 Apr 2022	30 Jun 2022	17 Aug 2022	28 Nov 2022	27 Jan 2023
Vincent Madlela	X	X	X	X	X
Michael Miller*	X	X	X	X	X
Jonas Tshikundamalema	X	X	X	X	X
Alistair Collins**					X

4. COMPANY SECRETARY

Neil Esterhuysen & Associates has been appointed as the Company Secretary. Having worked closely with Neil Esterhuysen & Associates since 2016, the Board has continually assessed its competence, qualification, skill and professionalism. The Board has thus satisfied itself of the competence, qualifications and experience of the Company Secretary.

**Michael Miller was appointed as an executive Director on 1 February 2023 and thus resigned from the CSEC accordingly.*
***Alistair Collins was appointed as a non-executive Director and member of the CSEC on 1 February 2023 and attended the 27 January 2023 meeting as an invitee.*

5. COMPLIANCE WITH APPLICABLE LAWS

The Directors are satisfied that the Company is in compliance with and operating in conformity with the provisions of the Companies Act relating to its incorporation and the Company's MOI.

6. KING IV REGISTER

A full register of the King IV principles, and the extent of Mantengu's compliance therewith, together with an explanation for each principle, is set out below.

Part 5.1: LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

LEADERSHIP	STATUS ✔
Principle 1: The governing body should lead ethically and effectively	
The Board adheres to and promotes the highest standards of integrity and good corporate governance. The Board sets the tone for the ethical culture within the Group. The Board's ethical approach is further strengthened by the diverse experience of its non-executive directors, the majority of whom are independent. The Board has established the various committees referred to in paragraph 2 above. The combined inputs of the committees produce conformity with this principle such that the Board does exhibit the requisite levels of integrity, competence, responsibility, accountability, fairness and transparency.	

ORGANISATIONAL ETHICS	STATUS ✔
Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	
The Combined Social & Ethics Committee (**"CSEC"**) consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema (Chair) and one non-executive Director, Alistair Collins, with the objectivity to ensure conformity with this principle so as to support the establishment and maintenance of an ethical culture. The CSEC duties include (a) setting the direction of how ethics should be approached by the organisation; (b) providing codes of conduct and ethics policies; (c) setting out parameters for engaging internal and external stakeholders; and (d) providing for arrangements that familiarise employees and other stakeholders with the organisation's ethical standards.	

RESPONSIBLE CORPORATE CITIZENSHIP	STATUS ✔
Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	
The Board is fully committed to responsible corporate citizenry. The CSEC framework ensures tangible monitoring and adherence in this regard. The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by being cognisant of both quantitative and qualitative factors.	

PART 5.2: STRATEGY, PERFORMANCE AND REPORTING

STRATEGY AND PERFORMANCE	STATUS ✔
Principle 4: The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	
The Board acknowledges that the Company's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. The Chief Executive Officer and Chief Financial Officer provide executive leadership and are held accountable to the Board for the implementation of the company's strategy, objectives and vision.	

REPORTING	STATUS ✔
Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.	
The Board has kept its shareholders updated in line with all the JSE Listing Requirements specific to the acquisition of Langpan Mining Co Proprietary Limited, the completion of the Rights Issue and completion of the 1000:1 consolidation of shares. In each instance due regard has been given to the quantitative and qualitative aspects of each communication to ensure that stakeholders have accurate, adequate and timely information to make informed decisions. The Annual Report is prepared by the Executive Directors and submitted to the company's designated advisor, external auditors and company secretary before submission to the Board for approval. This robust process ensures that all communication is accurate, free from material error and disseminated on a timeous basis.	

PART 5.3: GOVERNING STRUCTURES AND DELEGATION

PRIMARY ROLE AND RESPONSIBILITIES OF THE GOVERNING BODY	STATUS ✔
Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation.	
The Board adheres to the requirements of King IV and strives to continually review and enhance, where possible, the general governance of the business. The Board is the overarching custodian of the Company's governance structures, which commits the Company to highest standards of good corporate governance, transparency, and timeous communication. The Board and the Committees have unfettered access to all Group and Company information.	

PART 5.3: GOVERNING STRUCTURES AND DELEGATION (CONT.)

COMPOSITION OF THE GOVERNING BODY	STATUS ✔
Principle 7: The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	
The Board, with the assistance of the CRNC, has adopted a broader diversity policy specifically focussing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience. The CRNC reviews and assesses the size, structure, and composition of the Board on an ongoing basis. This review ensures that the Board is adequately diversified, and that this diversification is assessed for relevance on an annual basis. This annual assessment interrogates the diversity of the Board to ensure that the Board has the highest level of skill, experience and diversity to execute the Company's business mandate.	

COMMITTEES OF THE GOVERNING BODY	STATUS ✔
Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	
The Board is assisted in fulfilling its duties by well-structured committees, namely the Combined Audit and Risk Committee, the Combined Remuneration and Nomination Committee, and the Combined Social and Ethics Committee. These committees all meet independently but report directly to the Board and decisions taken by such committees all require approval of the Board prior to implementation. The committees are appropriately constituted and all committees are empowered to obtain such external independent advice as may be required to enable them to discharge their duties.	

EVALUATIONS OF THE PERFORMANCE OF THE GOVERNING BODY	STATUS ✔
Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	
The Board and its committees conduct continual self-evaluation reviews of the performance of the Board, its committees, Chief Executive Officer, Chief Financial Officer, Company Secretary and the External auditor.	

APPOINTMENT AND DELEGATION TO MANAGEMENT	STATUS ✔
Principle 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	
The Board's delegated authority is delegated through the Chief Executive Officer thus the authority and accountability of management is accordingly considered to be the authority and accountability of the Chief Executive Officer. The Chief Executive Officer is the highest decision-making officer in the Company.	

Part 5.4: GOVERNANCE FUNCTIONAL AREAS

	STATUS ✔
Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	
The Board has delegated responsibility to monitor risk activities of the Company to the Combined Audit and Risk Committee. The Combined Audit and Risk Committee comprises three non-executive directors, two of which, are independent. The Combined Audit and Risk Committee is empowered to obtain such external independent advice as may be required to enable the committee to discharge its duties.	

TECHNOLOGY AND INFORMATION GOVERNANCE	STATUS ✔
Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	
Given the Boards ultimate responsibility of the company, it is responsible for ensuring that effective information and technology systems, internal control, auditing and compliance policies, and procedures and processes are implemented in order to avoid or mitigate material information technology related business risks.	

COMPLIANCE GOVERNANCE	STATUS ✔
Principle 13: The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	
Given that the Company is domiciled in South Africa and listed on the JSE, it is legislated and regulated by South African law with specific focus on the Companies Act and JSE Listings Requirements. The Combined Audit and Risk Committee is responsible for compliance with financial reporting requirements and accounting standards. This includes the Company's statutory and regulatory compliance. Compliance reports are required for both the Combined Audit and Risk Committee as well as the Combined Social and Ethics Committee.	

REMUNERATION GOVERNANCE	STATUS ✔
Principle 14: The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	
The CRNC consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema and one non-executive Director, Alistair Collins. The CRNC recently commissioned and obtained shareholder approval for a Performance Share Plan, the purpose of scheme is to ensure that Mantengu's critical management are fairly remunerated and incentivised in line with shareholder expectations.	

ASSURANCE	STATUS ✔
Principle 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	
The Combined Audit and Risk Committee oversees the assurance framework and receives regular reports on assurance matters from the external auditor and executive management.	

STAKEHOLDERS	STATUS ✔
Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	
The Board has delegated authority to the Chairman, Chief Executive Officer, and Chief Financial Officer to proactively deal with stakeholder relationships. Stakeholder perceptions are closely managed through a continual engagement with the Committees and Board which allows the delegated authorities to effectively and timeously manage and mitigate any potential issues, reducing the likelihood of reputational risk.	

RESPONSIBILITIES OF INSTITUTIONAL INVESTORS	STATUS N/A
Principle 17: The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.	
Mantengu is not an Institutional Investor, as defined by the King IV Report on corporate governance.	

MANTENGU MINING LIMITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of Business and principle activities	Mantengu is a resource investment company which is focused on unlocking new value in the mining, mining services and energy sectors. Mantengu intends to be a "Next Generation" conglomerate because it's funding, empowerment and business models transcend the typical extractive models by creating and introducing new growth into financially unchartered parts of South Africa.
Directors	MJ Miller J Tshikundamalema A Collins M Naidoo VS Madlela
Registered office	5 Saint Michaels Lane Bryanston 2021
Business address	5 Saint Michaels Lane Bryanston 2021
Postal address	PostNet Suite 446 Private Bag X21 2021
Bankers	Nedbank
Auditor	HLB CMA South Africa Inc. Registered Auditors
Company Secretary	Neil Esterhuysen & Associates Incorporated

Company registration number	1987 /004821 /06
Level of assurance	These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Companies Act, 2008 (Act 71 of 2008) as amended (Companies Act).
Preparer	The financial statements were compiled under the supervision of the Chief Financial Officer, M Naidoo.
Issued	14 June 2023

INDEX

THE CEO & CFO RESPONSIBILITY STATEMENT

The directors, whose names are stated below, hereby confirm that:

(a) the annual financial statements set out on pages 12 to 49, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;

(d) the internal financial controls are in the process of being improved to take account of the fact that the Group is on the journey towards steady state production. Notwithstanding that fact, we, the executive directors have fulfilled our role and function in compiling the annual financial statements with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and

(f) we are not aware of any fraud involving directors.

MJ Miller *Chief Executive Officer*

M Naidoo *Chief Financial Officer*

COMBINED AUDIT & RISK COMMITTEE REPORT

The report of the CARC is presented as required by the Companies Act.

FUNCTIONS AND RESPONSIBILITIES OF THE CARC

The role of the CARC is to assist the board of directors of Mantengu ("Board") by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication with management and the external auditors.

The CARC is guided by its terms of reference as approved by the Board, dealing with membership, structure and levels of authority and has the following responsibilities:

- ensuring compliance with applicable legislation and the requirements of any regulatory authority;
- nominating for appointment a registered auditor who, in the opinion of the audit committee, is independent of Mantengu;
- considering whether the expertise and experience of the Chief Financial Officer is appropriate;
- considering matters relating to financial accounting, accounting policies, reporting and disclosure and ensuring the integrity of the Mantengu annual report;
- considering internal and external audit policy, including determining fees and the terms of engagement;
- considering and evaluating, on an on-going basis, the need for an internal audit function and audit plans; reviewing and approving external audit plans, findings, problems, reports, fees and determining and approving any non-audit services that the auditor may provide to Mantengu;
- ensuring compliance with the Code of Corporate Practices and Conduct; and
- ensuring compliance with the Mantengu code of ethics.

The members of the CARC adopted an audit mandate which will be reviewed annually. The CARC has established a policy, as well as required procedures with regard to the use of the external auditors, for non-audit services. During the year under review, no non-audit services were performed.

The CARC also assesses and monitors all risk matters including compliance risk matters, which responsibilities have been assumed with the adoption by the CARC of a risk mandate.

The CARC is informed of regulatory and other monitoring and enforcement requirements designed to ensure that Mantengu's financial information complies with financial reporting and other regulatory requirements.

MEMBERS OF THE COMBINED AUDIT AND RISK COMMITTEE

The current CARC members are:

- V Madlela (Chair),
- A Collins, and
- J Tshikundamalema.

In terms of King IV, a minimum of three independent non-executive directors is recommended. In terms of the Listings Requirements of the JSE Limited ("JSE"), the CARC must be constituted in terms of King IV and the Companies Act. The CARC consists of three non-executive board members, of whom two are independent non-executive members. Mr. V. Madlela acts as lead independent non-executive director and chairs the CARC.

The external auditors, the Chief Executive Officer and the Chief Financial Officer are all invited to attend the CARC meetings.

FREQUENCY OF MEETINGS

In terms of its mandate, the CARC intends meeting a minimum of three times per year and provision is be made for additional meetings to be held when, and if, necessary. The CARC met three times during the 2023 financial year.

INDEPENDENCE OF EXTERNAL AUDIT

A responsibility of the CARC is the assessment of the independence of the external auditor. The CARC duly satisfied itself that, in accordance with the Companies Act, HLB CMA South Africa Inc., remains independent of Mantengu.

In addition, and in accordance with paragraph 22.15(h) of the Listings Requirements the audit committee confirms that, based on the requirements for the JSE-accreditation of Auditors, effective 15 October 2017, we were in our assessment of the suitability for the appointment of the audit firm and designated individual partner satisfied that:

- the audit firm has met all the criteria stipulated in the requirements, including that the audit regulator has completed a firm-wide independent quality control (ISQC 1) inspection on the audit firm during its previous inspection cycle;
- the auditors have provided to the audit committee, the required IRBA inspection decision letters, findings report and the proposed remedial action to address the findings, both at the audit firm and the individual auditor levels; and
- both the audit firm and the individual auditor understand their roles and have the competence, expertise, experience and skills required to discharge their specific audit and financial reporting responsibilities.

The audit committee has ensured that the issuer has established appropriate financial reporting procedures and that those procedures are operating, which includes consideration of all entities included in the consolidated group IFRS financial statements, to ensure that it has access to all the financial information of the issuer to effectively prepare and report on the financial statements of the issuer.

EXPERTISE AND EXPERIENCE OF THE CHIEF FINANCIAL OFFICER

The CARC is satisfied with the expertise and experience of the Chief Financial Officer and is satisfied that appropriate financial reporting procedures are in place and are operating.

FINANCIAL STATEMENTS

Management has reviewed the consolidated and separate annual financial statements of Mantengu Mining Limited, and the CARC has reviewed these without management or the external auditor being present. The quality of the accounting policies are discussed with the external auditor and a private discussion was held with the external auditor. The CARC considers the financial statements of Mantengu Mining Limited to be a fair presentation of its financial position as at 28 February 2023 and of the results of the operations, changes in equity and cash flows for the period then ended, in accordance with International Financial Reporting Standards and the Companies Act and similarly recommended the financial statements to the Board for approval.

V Madlela

Chair of the CARC 14 June 2023

DIRECTOR'S RESPONSIBILITIES & APPROVAL

The directors are required in terms of the Companies Act, 2008 (Act 71 of 2008), as amended (Companies Act) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The external auditors are engaged to express an Independent opinion on the consolidated and separate financial statements.

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

With regard to a system of internal control: this will be enhanced once projects become operational and revenue is generated. The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year ending 28 February 2024 and, in light of this review and the current financial position, they are satisfied that the Group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The directors are satisfied that the Group has complied with and operates in conformity with:

- the provisions of the Companies Act and any other applicable laws relating to its incorporation; and
- the company's memorandum of incorporation and other relevant constitutional documents.

The external auditors are responsible for independently auditing and reporting on the Group's consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the Group's external auditors and their report is presented on pages 8 to 11.

The consolidated and separate financial statements set out on pages 16 to 49, which have been prepared on the going concern basis, were approved by the board of directors of the company ("the Board") on 14 June 2023 and were signed on their behalf by:

MJ Miller *Chief Executive Officer*

M Naidoo *Chief Financial Officer*

COMPANY SECRETARY'S REPORT

Neil Esterhuysen & Associates Inc.
T: 012 664 4113/8170/7342 **F:** 086 658 8854 **E:** neil@nea.co.za
www.nea.co.za

nea.inc
ATTORNEYS

OUR REF : NEA/W59/SH
YOUR REF : Mantengu Mining Limited
DATE : 2023/06/14

MANTENGU MINING LIMITED
FORMERLY MINE RESTORATION INVESTMENTS
5 ST MICHAELS LANE
BRYANSTON
GAUTENG
2191

IN RE: MANTENGU MINING LIMITED COMPANY SECRETARY'S REPORT 2023

I the undersigned certify that, in accordance with Section 88(2)(e) of the Companies Act 71 of 2008, the Company has filed the required returns and notices with the Registrar of Companies, and that all such returns and notices appear to be true, correct and up to date.

MC Motshepe

Clifton Motshepe
NEIL ESTERHUYSEN & ASSOCIATES INC.
E-MAIL: clifton@nea.co.za

DIRECTORS
BD Esterhuysen B.Comm LLB (Adv Cert. in Corp. Law - Unisa)
S Huggett LLB Conveyancer and Notary

NON-EXECUTIVE DIRECTOR
LE Companie LLB LLM

ASSOCIATES
S Hartzer B.Comm LLB
MC Motshepe BA Law LLB

REG NR: 2012/046043/21
VAT REG NR: 4580262261

Units 23 & 24, Norma Jean Square
244 Jean Avenue
Centurion, 0157

PO Box 814, Irene, 0062

Member of the Phatshoane Henney Group of Associated Law Firms

HLB SOUTH AFRICA INC.
Member of HLB International
10th largest auditing and accounting network in the world
CMA

Network of the Year

Head Office:
CMA Office & Conference Park
No.1 2nd Road
Halfway House Estate
Midrand, 1685
Tel International: +27 11 315 0215
Tel Local: 010 786 0153
E-Mail: info@hlbcma.co.za
www.hlbsouthafrica.co.za

Formed in 1969, HLB International services clients through its member firms in 156 countries, their 40,831 staff including partners in 1,128 offices worldwide

BBBEE LEVEL 1 | JSE Accredited Auditors | One of only 18 SA Audit Firms

HLB CMA South Africa Inc., Reg. 1997/013001/21, is a member of HLB International, the global advisory, auditing and accounting network

Independent Auditor's Report

To the Shareholders of Mantengu Mining Limited and its subsidiaries

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Mantengu Mining Limited and its subsidiaries (the Group) set out on pages 16 to 50, which comprise the consolidated and separate statement of financial position as at 28 February 2023, the consolidated and separate statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of Mantengu Mining Limited and its subsidiaries as at 28 February 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
1) Acquisition of Langpan Mining Co Proprietary Limited A significant related party transaction occurred during the year wherein Mantengu Mining issued shares to the shareholders of Langpan Mining Co to legally acquire Langpan. The transaction constituted a reverse takeover where the legal acquirer (Mantengu) is regarded as the accounting acquiree and vice versa. Consequently, the consolidated financial statements were accounted for in terms of IFRS 3 and as a business combination.	Our audit procedures included extended procedures and a critical analysis of the accounting treatment of the transaction. IFRS specialists were used to guide the audit team during the audit engagement.
2) Plant and equipment Significant capital expenditure to the amount of R 54 million was incurred during the current financial year outside the ordinary course of business for the purposes of setting up an MG plant to process the chrome and generate the final product. IDC funding was obtained to the value of R 39 million to fund this capital expenditure primarily.	Project funding and related assets were verified to supporting documentation, and physical inspections, along with alternative procedures, were conducted for assets that were located off-site to address the existence assertion.

Other Information

Mantengu Mining Limited and its subsidiaries' directors are responsible for the other information. The other information comprises the information included in the document titled "Mantengu Mining Limited separate and consolidated financial statements for the year ended 28 February 2023", which includes the Audit and Risk Committee's Report, the Company Secretary's Report and the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion and findings do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The board of directors, which constitutes the accounting authority, is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing Mantengu Mining Limited and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting authority either intend to liquidate Mantengu Mining Limited and its subsidiaries or to cease operations, or have no realistic alternative but to do so.

HLB CMA

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

A further description of our responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to the auditor's report.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that HLB CMA South Africa Incorporated has been the auditor of Mantengu Mining Limited for 1 year.

HLB CMA South Africa Incorporated
Registered Auditors

Jeandre Du Toit
Director
Registered Auditor

14 June 2023

CMA Office & Conference Park
No. 1 2nd Road
Halfway House Estate
Midrand, 1685

Annexure – Auditor's responsibility for the audit

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated and separate financial statements, and the procedures performed on reported performance information for the selected objectives and on the group's compliance with respect to selected subject matters/focus areas.

Financial statements

In addition to our responsibility for the audit of the consolidated and separate financial statements as described in the auditor's report, we also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company and its subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority.
- Conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Mantengu Mining Limited and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Mantengu Mining Limited and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Mantengu Mining Limited and its subsidiaries to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Communication with those charged with governance

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the accounting authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the accounting authority, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB CMA

DIRECTOR'S REPORT

The directors have pleasure in submitting their report on the consolidated and separate financial statements of Mantengu Mining Limited ("Mantengu" or "the Company" or "the Group") for the year ended 28 February 2023.

1. NATURE OF BUSINESS

Mantengu operated as a cash shell until the finalisation of the acquisition of Langpan Mining Co Proprietary Limited ("Langpan") on 27 July 2022. The activities of the Group are undertaken through the Company and its principal subsidiaries. Mantengu is a resource investment company which is focused on unlocking new value in the mining, mining services and energy sectors. Mantengu intends to be a "Next Generation" conglomerate because it's funding, empowerment and business models transcend the typical extractive models by creating and introducing new growth into financially unchartered parts of South Africa.

Langpan is a mining company that owns the chrome processing plant and its 100% held subsidiary, Memor Mining Proprietary Limited ("Memor''). The mining rights are registered in Memor and are in relation to the chrome and platinum mining and associated beneficiation operations on the Langpan 371 KQ farm in Limpopo Province.

The Board has satisfied itself that the Group is in a position to continue as a going concern and that it has access to sufficient funds and borrowing facilities to meet its foreseeable cash requirements.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The Group's business and operations, and the results thereof, are clearly reflected in the attached consolidated and separate financial statements.

3. SHARE CAPITAL

Refer to note 12 of the consolidated and separate financial statements for detail of the movement in authorised and issued share capital.

4. DIVIDENDS

No dividends were declared or paid to shareholders during the year.

5. DIRECTORATE

Directors	Office	Designation	Changes
MJ Miller	Chief Executive Officer	Executive	Appointed 2 Mar 2023
M Naidoo	Chief Financial Officer	Executive	Appointed 2 Mar 2023
MM Movundlela	Chief Executive Officer	Executive	Resigned 28 Feb 2023
TA Makgolane	Financial Director	Executive	Resigned 31 Jan 2023
J Tshikundamalema	Other	Independent Non-executive	Appointed 25 Apr 2022
A Collins	Chairman	Non-executive	Appointed 1 Feb 2023
VS Madlela	Other	Lead Independent Non-executive	

Michael Millers' appointment as Chief Executive Officer followed the resignation of Mahlatsi Movundlela as Chief Executive Officer on 28 February 2023. Michael Millers' change in function from Financial Director to Chief Executive Officer on 2 March 2023 followed his change in function from non-executive Chairman to Financial Director on 1 February 2023.

Following the resignation of Alistair Collins as an independent non-executive director with effect from 3 November 2021, on 25 April 2022, the Board appointed Jonas Tshikundamalema as an independent non-executive director. Alistair Collins was reappointed to the Board as Chairman on 1 February 2023.

Additionally, Board subcommittees were also reconstituted as follows:

- Combined Audit and Risk Committee: Vincent Madlela (Chair), A Collins and Jonas Tshikundamalema.
- Combined Remuneration and Nomination Committee: Alistair Collins, Jonas Tshikundamalema and Vincent Madlela.

- Combined Social and Ethics Committee: Alistair Collins, Jonas Tshikundamalema (Chair) and Vincent Madlela.

The Group continues to evaluate the Board and its subcommittees and will be looking to include additional independent members to the Board to strengthen the governance structure of the Company.

6. SECRETARY

The company secretary is Neil Esterhuysen & Associates Incorporated.

Postal address: PO Box 814, Irene, 0062

Business address: Units 23 & 24, Norma Jean Square
244 Jean Ave, Centurion, 0157.

7. AUDITORS

HLB CMA South Africa Inc. were appointed as auditors for the company and its subsidiaries with effect from 2 March 2023.

8. DIRECTORS' INTERESTS IN SHARES

The interest of the directors (including directors who have resigned during the reporting period) in the Company's share capital at year end and at the date of approval of these statements are as follows:

Notes:

	BENEFICIAL				
	DIRECT	INDIRECT	NO. OF SHARES 2023	NO. OF SHARES 2022	SHARE HOLDING
A Collins[1]	-	16 876 750	16 876 750	-	11%
MJ Miller[2]	-	22 133 375	22 133 375	-	14%
J Tshikundamalema[3]	-	999 625	999 625	-	1%
	-	**40 009 750**	**40 009 750**	**-**	**26%**

1. *Held by the Alistair Collins Family Trust*
2. *Held by Disruption Capital Proprietary Limited, which is wholly-owned by MJ Miller.*
3. *Held by Putisolve Proprietary Limited, which is wholly-owned by J Tshikundamalema.*

9. LITIGATION AND SPECIAL RESOLUTIONS

Save as set out below, there was no litigation brought against the Group for the period ended 28 February 2023. Langpan previously reported that there was a legal dispute with its mining contractor, ASB Minerals Proprietary Limited ("ASB") regarding a fraudulent R18 million mining services claim. Langpan has investigated the matter fully and has obtained a legal opinion which concludes that the Mantengu Group faces no legal risk and that the ASB claim is nothing more than a ruse. As a result, Langpan has laid criminal charges against the relevant ASB directors and stakeholders with the South African Police Services and has lodged a R69 million counter claim. Taking these facts into account, management considers the ASB matter resolved and that no claim or consideration for contingent liability is warranted. There has been no communication with ASB for a period greater than 24 months.

Other than for the special resolutions approved in the 28 February 2022 Annual General Meeting below, there were no new resolutions that have been tabled within the Mantengu Group.

- Special resolution number 1 - General approval to acquire securities.
- Special resolution number 2 - Approval of non-executive Directors' fees.
- Special resolution number 3 - Financial assistance for the subscription of securities.
- Special resolution number 4 - Financial assistance to related and inter-related companies.

10. GOING CONCERN

At 28 February 2023, the Group had accumulated losses totaling R20.5 million but the Group's total assets of R252.5 million exceeded its liabilities of R173.8 million. For the period ended 28 February 2023, the Company experienced a net loss after tax of R5.8 million (28 February 2022: R7.8 million) and the Company's total assets of R551.3 million exceeded its liabilities of R22.3 million.

The Group and Company financial results and financial position for the period ended 28 February 2023 was anticipated due to the following reasons:

1. The Company completed the acquisition of Langpan on 27 July 2022 for a consideration of R550 million.

2. The Company was non-operational thus incurred primarily operational and listings related costs.
3. Given that the Company was suspended on 26 July 2016, the Company has incurred significant historical losses related to maintaining the listing, catching up of outstanding financial compliance and canvassing the market for investment opportunities, thus the significant accumulated losses.
4. As at 28 February 2023, the Group has access to significant funding to deploy throughout its operations.

Given the fact that the Company has been fully reinstated onto the JSE, the acquisition of Langpan completed, the Group being fully funded and the successful commissioning of the Chrome Plant, the Board is confident that the Group and Company will have sufficient resources to operate as a going concern. As a result of these facts, the Board believes that it is appropriate to prepare the results on a going concern basis. Accordingly, the audited results do not include the adjustments that would result if the Group or Company were unable to continue as a going concern.

11. BUSINESS COMBINATIONS

The Board strongly believes in total transparency to shareholders, investors, capital markets and the general public and have therefore provided the below disclosure which would have resulted had we applied normal acquisition principles under IFRS 3.

	Reverse Takeover Accounting	Normal Acquisition	Differences
Revenue	4 492	330	4 162
Cost of sales	(5 503)	(2 092)	(3 411)
Gross loss	**(1 011)**	**(1 762)**	**751**
Other income	5 617	5 617	-
Depreciation	(243)	(202)	(41)
Director's remuneration	(3 478)	(5 103)	1 625
Employee benefits	(240)	(378)	138
Administrative expenses	(9 395)	(6 757)	(2 639)
Other expenses	(7 041)	(7 578)	538
Profit (loss) before taxation	**(15 791)**	**(16 163)**	**(372)**
Finance costs	(6 311)	(6 311)	-
Profit (loss) before taxation	**(22 102)**	**(22 474)**	**(372)**
Taxation	5 196	5 196	-
Profit (loss) after taxation	**(16 906)**	**(17 276)**	**(372)**

11. BUSINESS COMBINATIONS (CONT.)

Non-Current Assets	Reverse takeover accounting	Normal aquisition	Difference
Property, plant and equipment	167 084	860 826	(693 742)
Goodwill	39 195	-	39 195
Right-of-use assets	8 083	8 083	-
Deferred taxation	5 196	5 196	-
Environmental rehabilitation funds	854	854	-
	220 412	**874 959**	**(654 547)**
Current Assets			
Cash and cash equivalents	17 976	17 976	-
Prepayments	4 899	4 899	-
Trade and other receivables	9 258	9 258	-
	32 133	32 133	-
Total Assets	**252 545**	**907 092**	**(654 547)**
Equity and liabilities			
Capital and reserves			
Share capital	99 189	650 020	(550 831)
Accumulated loss	(20 473)	(129 645)	109 173
	78 716	**520 375**	**(441 659)**
Non-Current Liabilities			
Deferred taxation	-	212 924	(212 924)
Lease liability	8 053	8 053	-
Other financial liabilities	77 368	77 368	-
	85 421	**298 345**	**(212 924)**
Current Liabilities			
Trade and other payables	17 600	17 600	-
Lease liability	41	41	-
Other financial liabilities	69 254	69 254	-
Current taxation	1 513	1 478	35
	88 408	88 372	35
Total Assets	**252 545**	**907 092**	**(654 547)**

12. EVENTS AFTER THE REPORTING PERIOD

On 1 March 2023, the Board took the decision to terminate the services of Ngubane & Co (JHB) Inc. ("Ngubane") as the Company's external auditor with immediate effect. On 2 March 2023, the Board took the decision to appoint HLB CMA South Africa Inc. ("HLB CMA") as the Company's external auditor.

Following the resignation of Mahlatsi Movundlela as Chief Executive Officer on 28 February 2023, Michael Miller was appointed as the Company's Chief Executive Officer and Magen Naidoo was appointed as Chief Financial Officer (replacing Michael Miller as Financial Director), respectively with effect from 2 March 2023.

On 31 March 2023, the Company consolidated its Authorised and Issued Share Capital on a 1000:1 basis. The result of the consolidation was that the Authorised and Issued Share Capital was reduced to 155,000,000 and 153,362,857, respectively. This was done to simplify and neaten the legacy balance sheet and share register effects of the acquisition of Langpan on 27 July 2022.

On 30 May 2023, the Company released an announcement on SENS outlining the commissioning of the first Langpan chrome beneficiation plant ("Chrome Plant"). The successful commissioning of the Chrome Plant has enhanced the production capacity of the plant to a throughput of 36,000 tonnes per month or 100 tonnes per hour. The Chrome Plant is expected to produce approximately 18,000 tonnes of chrome concentrate, with a chrome content of between 42% and 44%, per month.

Statement of Financial Position as at 28 February 2023

		GROUP		COMPANY	
		2023	2022	2023	2022
	Notes	R '000	R '000	R '000	R '000
ASSETS					
Non-Current Assets					
Property, plant and equipment	3	167 084	112 497	209	-
Right-of-use assets	4	8 083	-	-	-
Goodwill	6	39 195	-	-	-
Investment in subsidiary	7	-	-	550 000	-
Deferred taxation	15	5 196	-	-	-
Environmental rehabilitation funds	8	854	976	-	-
		220 412	113 473	550 209	-
Current Assets					
Related party loan	9	-	1 471	-	-
Trade and other receivables	9	9 258	2 682	-	57
Prepayments	10	4 899	-	-	-
Cash and cash equivalents	11	17 976	192	1 136	12
		32 133	4 345	1 136	69
Total Assets		**252 545**	**117 818**	**551 345**	**69**
EQUITY & LIABILITIES					
Equity					
Share capital	12	99 189	50 320	650 020	85 020
Accumulated loss		(20 473)	(3 567)	(120 984)	(115 223)
		78 716	46 753	529 036	(30 203)
Liabilities					
Non-Current Liabilities					
Other financial liabilities	14	77 368	-	-	-
Lease liability	5	8 053	-	-	-
		85 421	-	-	-
Current Liabilities					
Loan from group company	13	-	-	3 173	1 471
Other financial liabilities	14	69 254	60 693	12 464	21 408
Trade and other payables	16	17 600	9 004	6 672	7 393
Lease liability	5	41	-	-	-
Current taxation		1 513	1 368	-	-
		88 408	71 065	22 309	30 272
Total Liabilities		**173 829**	**71 065**	**22 309**	**30 272**
Total Equity and Liabilities		**252 545**	**117 818**	**551 345**	**69**

Statement of Profit or Loss and Other Comprehensive Income

		GROUP		COMPANY	
		2023	2022	2023	2022
	Notes	R '000	R '000	R '000	R '000
Revenue		4 492	–	–	–
Cost of sales		(5 503)	(5 686)	–	–
Gross loss		**(1 011)**	**(5 686)**	**–**	**–**
Other income	17	5 617	22 968	6 094	758
Administrative Expenses		(9 395)	(5 034)	(4 298)	–
Depreciation		(243)	(84)	(5)	–
Directors remuneration	26	(3 478)	(1 560)	(4 653)	(2 954)
Employee benefits		(240)	–	(378)	–
Other operating expenses		(7 041)	(2 057)	(685)	(2 637)
Operating (loss) profit	18	**(15 791)**	**8 547**	**(3 925)**	**(4 833)**
Finance costs	19	(6 311)	(383)	(1 836)	(3 004)
(Loss) profit before taxation		**(22 102)**	**8 164**	**(5 761)**	**(7 837)**
Taxation	20	5 196	(514)	–	–
(Loss) profit for the year		**(16 906)**	**7 650**	**(5 761)**	**(7 837)**
Other comprehensive income		–	–	–	–
Total comprehensive (loss) income for the year		**(16 906)**	**7 650**	**(5 761)**	**(7 837)**

EARNINGS PER SHARE

Basic (loss) earnings per share (cents)	25	(12)	6	(7)	(908)
Diluted basic (loss) earnings per share (cents)	25	(12)	6	(7)	(908)

Statement of Changes in Equity

		Share Capital R '000	Accumulated Loss R '000	Total Equity R '000
Group				
Balance at 01 March 2021		**48 391**	**(11 218)**	**37 173**
Profit for the year		-	7 650	7 650
Total comprehensive income for the year		**-**	**7 650**	**7 650**
Issue of shares		1 929	-	1 929
Balance at 01 March 2022		**50 320**	**(3 567)**	**46 753**
Loss for the year		-	(16 906)	(16 906)
Total comprehensive loss for the year		**-**	**(16 906)**	**(16 906)**
Issue of shares		26 688	-	26 688
Acquisition of Langpan		5 181	-	5 181
Rights offer		15 000	-	15 000
Balance at 28 February 2023	Note: 12	**99 189**	**(20 473)**	**78 716**
Company				
Balance at 01 March 2021		**85 020**	**(107 386)**	**(22 366)**
Loss for the year		-	(7 837)	(7 837)
Total comprehensive loss for the year		**-**	**(7 837)**	**(7 837)**
Balance at 01 March 2022		**85 020**	**(115 223)**	**(30 203)**
Loss for the year		-	(5 761)	(5 761)
Total comprehensive loss for the year		**-**	**(5 761)**	**(5 761)**
Acquisition of Langpan		550 000	-	550 000
Rights offer		15 000	-	15 000
Balance at 28 February 2023	Note: 12	**650 020**	**(120 984)**	**529 036**

Statement of Cash Flows

		GROUP		COMPANY	
		2023	2022	2023	2022
	Notes	R '000	R '000	R '000	R '000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash paid to suppliers and employees		(23 362)	10 240	(4 584)	(2 588)
Cased used in operations	21	(23 362)	10 240	(4 584)	(2 588)
Finance costs		(6 458)	–	(1 836)	–
Net cash from operating activities		**(29 820)**	**10 240**	**(6 420)**	**(2 588)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	3	(21 991)	(23)	(214)	–
Short term loan payments received		–	–	–	1 125
Environmental rehabilitation funds		122	–	–	–
Net cash from investing activities		**(21 869)**	**(23)**	**(214)**	**1 125**
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from loans	-	–	(1 702)	1 702	1 471
Proceeds from other financial liabilities		66 252	(8 327)	2 710	–
Repayment of lease liabilities		(126)	–	–	–
Proceeds from rights issue		3 346	–	3 346	–
Net cash from financing activities		**69 472**	**(10 029)**	**7 758**	**1 471**
Total cash movement for the year		**17 783**	**188**	**1 124**	**8**
Cash & cash equivalents at the beginning of the year		192	4	12	4
Cash & cash equivalents acquired on reverse acquisition		1	–	–	–
Total cash & cash equivalents at the end of the year	11	**17 976**	**192**	**1 136**	**12**

ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the going concern and historical cost basis in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncement as issued by the Financial Reporting Standards Council, International Financial Reporting Interpretations Committee (IFRIC) and the requirements of the South African Companies Act and the JSE Listings Requirements. The directors are satisfied that the Group and Company will be able to settle its obligations and realise its assets as measured in terms of IFRS as applicable to a going concern.

No segment disclosure has been provided in accordance with IFRS 8 as the Group has only one segment. The Group has only one asset that mines and processes chrome ore to produce chrome concentrate.

1.1 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee;
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

1.2 BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date;
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

1.3 GOODWILL

Goodwill is initially recognised and measured as set out above. Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.4 PROPERTY, PLANT AND EQUIPMENT

Plant and equipment, computer equipment and motor vehicles are stated at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

- Plant and equipment - 5 to 15 years
- Computer equipment - 3 years
- Motor vehicles - 5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work in progress are assets in the course of construction for production and supply purposes, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

1.5 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

1.6 MINERAL RESERVES

Mineral reserves are recognised as assets when it is probable that future economic benefits will be generated through their extraction or production. The reserves were recognised at their fair value on acquisition date and do not include any other costs. The mineral reserves were measures based on their quantity and quality using reliable geological and technical information. A competent persons report (CPR) was performed by Bara Consulting (Pty) Ltd in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) 2016 Edition and The South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code) 2016 Edition.

Mineral reserves are amortised based on the units of production method as this reflects the pattern of extraction. The amortisation expense is recognised in the statement of comprehensive income and is calculated based on the volume or quantity of minerals extracted. Mineral reserves are subjected to impairment test whenever indicators of impairment exist.

1.7 INVESTMENT IN SUBSIDIARY

Investments in subsidiaries are measured at cost less accumulated impairment losses.

1.8 CASH AND CASH EQUIVALENTS

In the statement of financial position, cash and bank balances comprise cash and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

1.9 LEASES

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented. The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

1.10 REVENUE RECOGNITION

The Group recognises revenue from the sale of chrome concentrate chips, lump or run of mine. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer. At year end the Group had not recognised any revenue from the sale of chrome concentrate. The Group's chrome processing plant was commissioned in May 2023 and will produce revenue from the sale of chrome concentrate. Up to year end, the Group engaged in ad hoc sales from the buying and selling of chrome concentrate when the opportunity presented itself. The recognition of this ad hoc revenue was on the same basis as would be any sale of chrome concentrate.

1.11 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.12 TAX

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.13 EARNINGS PER SHARE

The group presents basic and diluted earnings per share (EPS) and basic and diluted headline earnings per share (HEPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of Mantengu by the weighted average number of ordinary shares outstanding during the year.

HEPS is calculated by adjusting the profit or loss attributable to ordinary shareholders of Mantengu for all separately identifiable remeasurements, for example, gains and losses arising on disposal of assets, net of related tax (both current and deferred) and related non-controlling interest, other than remeasurements specifically included in headline earnings. The result is divided by the weighted average number of ordinary shares outstanding during the year. Diluted EPS and HEPS are determined by adjusting the basic and headline earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

1.14 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.14.1 FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met.
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e., assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired. Interest income is recognised in profit or loss and is included in the "finance costs" line item.

A financial asset is held for trading if either:

- It has been acquired principally for the purpose of selling it in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking.
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

1.14.2 FINANCIAL LIABILITIES AND EQUITY

Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

Compound instruments
The component parts of convertible loan notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL. A financial liability is classified as held for trading if either:

- It has been acquired principally for the purpose of repurchasing it in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking.
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss. However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between:

(1) the carrying amount of the liability before the modification; and

(2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

1.15 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

1.15.1 CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

The following are the critical judgements, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

The Group has exercised judgement and concluded that Mantengu was a business at the time of the Langpan transaction in accordance with IFRS 3 paragraph B8 and B12B. Being and investment holding Company, Mantengu broadly has two processes:

(1) Process of capital raising and securing of funding to position the Company to be able to acquire investments.

(2) Process of seeking out suitable targets to acquire as investments to provide a return to shareholders.

The inputs into the above processes are as follows:

(1) A suitably skilled Board of Directors to be able to execute the above processes.

(2) Adequate governance throughout the Group to be able to attract suitable funders and capital providers.

(3) Compliance with laws and regulations to be able to attract suitable funders and capital providers.

(4) Ongoing maintenance of JSE Listing to use as a platform to attract funders and capital providers and demonstrate the listing as a positive to a potential target.

1.15.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

As the group had not begun production or trading at year end, there are no key sources of estimation uncertainty concerning the future, at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. NEW STANDARDS AND INTERPRETATIONS

At the date of approval of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the entity.

Management anticipates that all of the pronouncements will be adopted in the entity's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the entity's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the entity's annual financial statements.

2.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/Interpretation	Effective date: Years beginning on or after	Impact
Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	The impact of the amendments are not material.
Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	The impact of the amendments are not material.
Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 January 2022	The impact of the amendments are not material.
Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	The impact of the amendments are not material.

2.2 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE OR RELEVANT

The following standards and interpretations have been published and are mandatory for the Group's accounting periods beginning on or after 01 March 2023 or later periods.

Standard/Interpretation	Effective date: Years beginning on or after	Impact
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2022	Unlikely there will be a material impact.
Disclosure of accounting policies: Amendments to IAS and IFRS Practice Statement 2.	01 January 2022	Unlikely there will be a material impact.
Definition of accounting estimates: Amendments to IAS 8	01 January 2022	Unlikely there will be a material impact.
Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2022	Unlikely there will be a material impact.

3. PROPERTY, PLANT AND EQUIPMENT

Group	2023 R'000			2022 R'000		
	Cost	Accumulated Depreciation	Carrying Value	Cost or Revaluation	Accumulated Depreciation	Carrying Value
Motor vehicles	459	(169)	290	459	(76)	383
Computer equipment	250	(36)	214	23	(10)	13
Plant & equipment	2	(1)	1	17 236	–	17 236
Capital - Work in Progress	71 714	–	71 714	–	–	–
Mineral reserve	94 865	–	94 865	94 865	–	94 865
Total	**167 290**	**(206)**	**167 084**	**112 583**	**(86)**	**112 497**

Company	2023 R'000			2022 R'000		
	Cost	Accumulated Depreciation	Carrying Value	Cost or Revaluation	Accumulated Depreciation	Carrying Value
Computer equipment	**228**	**(19)**	**209**	**13**	**(13)**	**-**

Reconciliation of property, plant and equipment – Group – 2023 – R'000

	Opening Balance	Additions	Transfers	Depreciation	Total
Motor vehicles	383	–	–	(93)	290
Computer equipment	13	214	–	(13)	214
Plant & equipment	17 236	–	(17 235)	–	1
Capital - Work in Progress	–	54 479	17 235	–	71 714
Mineral reserve	94 865	–	–	–	94 865
	112 497	**54 693**	**-**	**(106)**	**167 084**

Reconciliation of property, plant and equipment – Group – 2022 – R'000

	Opening Balance	Additions	Depreciation	Total
Motor vehicles	–	459	(76)	383
Computer equipment	–	23	(10)	13
Plant & equipment	–	17 236	–	17 236
Mineral reserve	–	94 865	–	94 865
	-	**112 583**	**(86)**	**112 497**

Reconciliation of property, plant and equipment – Company – 2023 – R'000

	Opening Balance	Additions	Depreciation	Total
Computer equipment	**-**	**214**	**(5)**	**209**

3. PROPERTY, PLANT AND EQUIPMENT (CONT.)

Langpan capex build

During the year, Langpan undertook a major project to refurbish the old LG processing plant as well as commission the build of two new separate pieces of plant, namely a JIG processing plant and an MG processing plant. At year end, Langpan had spent R54.5 million on the build and refurbishments. At the date of approval of these AFS, this capex spend has increased to R79.3 million. We anticipate incurring a further R65.8 million to complete the build of the two new pieces of plant and expect these to be in production later this calendar year.

R37 .2 million of the capex spend was funded as part of a loan agreement with the Industrial Development Corporation of South Africa Limited (IDC) and as such, legal title to these assets remains with the IDC until paid off by Langpan. The duration of the loan agreement is for a period of 5 years and commenced late in calendar 2022. Refer to note 14.

Fair value of mineral reserve

On 27 July 2022, Mantengu acquired 100 per cent of the issued share capital of Langpan, obtaining control. Langpan mines and processes chrome ore to produce chrome concentrate, with Platinum Group Metals ("PGMs") as a by-product. A Competent Persons Report (CPR) was performed by Bara Consulting (Pty) Ltd in accordance with (1) The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) 2016 Edition and (2) The South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code) 2016 Edition. The total reserves indicated in the CPR are 2.17 million tonnes and the value indicated was R851 million.

The Group was unable to record the mineral reserve at the fair value of R851 million on acquisition. This is because the mineral reserve had to be recorded at the pre-combination value of R94 865 012 in accordance with IFRS 3, paragraph B22(a) because of the Langpan acquisition being classified as a reverse takeover in accordance with IFRS 3, paragraph B19. The Group does not consider the value of the mineral reserve recorded in the statement of financial position of R94 865 012 to be indicative of the value of the 2.17 million tonnes of ore at Langpan. The fair value is R851 million.

The mineral reserve will be amortised on a units of production basis over the useful life of the mine.

4. RIGHT-OF-USE ASSETS

Group	2023 R'000			2022 R'000		
	Cost	**Accumulated Depreciation**	**Carrying Value**	**Cost or Revaluation**	**Accumulated Depreciation**	**Carrying Value**
Surface	6 165	(34)	6 131	–	–	–
Road	2 055	(103)	1 952	–	–	–
Total	**8 220**	**(137)**	**8 083**	**-**	**-**	**-**

Reconciliation of right-of-use assets – Group – 2023 – R'000

	Opening Balance	**Additions**	**Depreciation**	**Total**
Surface	–	6 165	(34)	6 131
Road	–	2 055	(103)	1 952
	-	**8 220**	**(137)**	**8 083**

Langpan leases a farm road and land surface area for the purpose of providing transportation routes for mining and excavation materials related to the mining activities and for the construction and maintenance of mining infrastructure and the conducting of mining and prospecting operations thereon respectively.

The right-of-use asset is depreciated over the lease term of 10 years.

5. LEASE LIABILITY

Future lease payments at 28 February 2023 are as follows:

R'000	Within 1 Year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	5 - 10 Years	Total
Road	211	334	354	375	398	2 001	3 673
Surface	909	964	1 020	1 083	1 148	6 660	11 784
Lease payments	**1 120**	**1 298**	**1 374**	**1 458**	**1 546**	**8 661**	**15 457**
Unearned interest	**1 079**	**1 058**	**1 019**	**963**	**888**	**2 357**	**7 363**
Net present values (NPV)	**41**	**240**	**357**	**495**	**658**	**6 304**	**8 094**

Non-current liabilities	8 053	–	–	–
Current liabilities	41	–	–	–
	8 094	–	–	–

6. GOODWILL

Group	2023 R'000			2022 R'000		
	Cost	**Accumulated Imparment**	**Carrying Value**	**Cost or Revaluation**	**Accumulated Imparment**	**Carrying Value**
Goodwill	**39 195**	**-**	**39 195**	**-**	**-**	**-**

Reconciliation of goodwill - Group - 2023 - R'000

	Opening Balance	**Recognised on reverse takeover**	**Total**
Goodwill	**-**	**39 195**	**39 195**

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. As the Langpan transaction was concluded on 27 July 2022, the Group is still within the first year of the acquisition. The Group performed an impairment test which indicated that no impairment was necessary. Refer to note 22 for the calculation of goodwill.

7. INVESTMENT IN SUBSIDIARY

Name of Company	**% Holding 2023**	**% Holding 2022**	**Carrying Amount 2023**	**Carrying Amount 2022**
Langpan Mining Co Proprietary Limited	**100%**	**-%**	**550 000**	**-**

During the year the Group acquired a 100% interest in Langpan Mining Co Proprietary Limited. Langpan in turn holds 100% of the issued share capital of its subsidiary, Memor Mining Proprietary Limited.

	GROUP		COMPANY	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

8. ENVIRONMENTAL REHABILITATION FUNDS

Rehabilitation funds	854	976	–	–

The rehabilitation funds have been pledged to Constantia Insurance Company Limited as security for the issue of a rehabilitation guarantee to the Department of Mineral Resources (South Africa) in support of the mining license.

Constantia Insurance Company Limited has issued a guarantee of R2 847 278 for the purpose of executing the environmental management program in the event that the company is not in the financial position to rehabilitate in accordance with the Mineral and Petroleum Development Act 28 of 2002.

9. TRADE AND OTHER RECEIVABLES

VAT	9 258	2 682	–	57

10. PREPAYMENTS

Insurance	4 899	–	–	–

The prepayment relates to insurance payments made in advance.

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Bank balances	17 976	192	1 136	12

12. SHARE CAPITAL

	2023	2022	2023	2022
Authorised		Number of shares		
Ordinary shares	150 000 000 000	1 000 000 000	150 000 000 000	1 000 000 000

	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Issued				
Ordinary shares	99 189	50 320	650 020	85 020

	2023	2022	2023	2022
Movement for the year		Number of shares		
Opening balance	863 053 100	863 053 000	863 053 100	863 053 000
Cancelled shares	(196 500)	–	(196 500)	–
Acquisition f Langpan	137 500 000 000	–	137 500 000 000	–
Rights offer	15 000 000 302	–	15 000 000 302	–
Closing balance	**153 362 856 902**	**863 053 000**	**153 362 856 902**	**863 053 000**

	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Movement for the year				
Opening balance	50 320	48 391	85 020	85 020
Issued shares	28 688	1 929	–	–
Acquisition f Langpan	5 181	–	550 000	–
Rights offer	15 000	–	15 000	–
Closing balance	**99 189**	**50 320**	**650 020**	**85 020**

13. LOAN FROM GROUP COMPANY

Langpan Mining Co Proprietary Limited	–	–	3 173	1 471

The loan bears no interest and has no fixed terms of repayment.

	GROUP		COMPANY	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000
14. OTHER FINANCIAL LIABILITIES				
Held at amortised cost				
The Gamsy Family Trust	9 171	–	9 171	14 842
Gillian Gamsy	686	614	–	–
Growth Equities Proprietary Limited	2 103	–	2 103	3 843
POCOT Trust	498	–	498	1 128
Opsisolve Investments Proprietary Limited	200	–	200	533
KAG Trust	100	–	100	222
Douglas Welsh	94	–	94	436
JS Geyer	79	–	79	202
Parkview Trust	79	–	79	202
These loans are unsecured and bear interest at the prime rate				
Sikhova Importers	–	2 665	–	–
Plane Tree Capital	–	3 068	–	–
Palugen Proprietary Limited	318	318	–	–
United Minerals and Energy Proprietary Limited	15	15	–	–
Scott Gaskell	91	91	–	–
Metorient Proprietary Limited	14 000	27 749	–	–
Disruption Capital	1 246	–	–	–
Kianalily Proprietary Limited	165	–	140	–
Piet Human	1 571	1 571	–	–
Simeka Holdings Proprietary Limited	9 820	9 820	–	–
Andru Mining Proprietary Limited	–	12 275	–	–
Liability relating to Memor Acquisition	2 100	2 100	–	–
These loans are unsecured and bear no interest.				
RWE Supply On 14 April, the Group entered into a contract with RWE Supply & Trading GMBH to deliver 240 000 metric tonnes of chrome concentrate over a period of 2 years. The amount bears interest at the secured overnight financing rate plus 5% and is repayable over the duration of 2 years beginning 31 July 2023.	64 435	–	–	–
IDC loan The loan with the Industrial Development Corporation of South Africa Limited (IDC) and is secured by the assets that formed part of the agreement. Legal title to these assets remains with the IDC until paid off by Langpan. The loan bears interest at prime plus 2.8%. The loan is repayable in monthly instalments over the 5-year period which commenced late in calendar 2022.	39 513	–	–	–
Nedbank vehicle loan This relates to an instalment sale agreement over a period of 5 years. The loan bears interest at 12.85%.	338	407	–	–
	146 622	**60 693**	**12 464**	**21 408**

	GROUP		COMPANY	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

14. OTHER FINANCIAL LIABILITIES (CONT.)

Split between non-current and current portions				
Non-current liabilities	77 368	-	-	-
Current liabilities	69 254	60 693	12 464	21 408
	146 622	**60 693**	**12 464**	**21 408**

As a condition to the acquisition of Memor by Langpan an agreement was reached with the creditors to quantify and freeze their claims and interest against Memor and allow Langpan to fully operate the asset with proceeds from any sale of chrome being dedicated towards settling the amounts owed to such creditors. The creditors of Memor party to the compromise agreement are Andru Proprietary Limited, Metorient Proprietary Limited, Piet Human and Simeka Holdings Proprietary Limited.

15. DEFERRED TAXATION

Deferred taxation asset
Temporary differences at the end of the year attributable to the following items:

Prepayments	(1 309)	-	-	-
Income received in advance	5 393	-	-	-
Assessed loss	1 112	-	-	-
Total deferred taxation asset	**5 196**	**-**	**-**	**-**

Reconciliation of deferred taxation asset				
At beginnin of year	-	-	-	-
Charged to profit or loss	5 196	-	-	-
Total deferred taxation asset	**5 196**	**-**	**-**	**-**

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred taxation balances (after offset) for financial reporting purposes:

Deferred tax liability	(1 309)	-	-	-
Deferred tax asset	6 505	-	-	-
Total net deferred tax asset	**5 196**	**-**	**-**	**-**

16. TRADE AND OTHER PAYABLES

Financial instruments:				
Trade payables	11 943	7 186	2 509	2 914
Employees tax	602	-	602	731
Accrual for employees	-	-	-	24
Accrual for directors remuneration	2 855	-	3 855	3 724
Non-financial instruments:				
VAT	2 200	1 818	706	-
	17 600	**9 004**	**706**	**-**

Fair value of trade and other payables
All amounts are short-term and the carrying value of trade and other payables is considered a reasonable approximation of fair value.

	GROUP		COMPANY	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000
17. OTHER INCOME				
Management fees	2 500	–	6 000	–
Discount received	–	–	–	718
Sale of spares and other items	2 930	–	–	–
Sundry income	151	–	58	40
Other	36	22 968	36	–
	5 617	**22 968**	**6 094**	**758**

18. OPERATING (LOSS) PROFIT

Operating (loss) profit for the year is stated after charging (crediting) the following, amongst others:

	GROUP 2023 R '000	GROUP 2022 R '000	COMPANY 2023 R '000	COMPANY 2022 R '000
Rent				
Surface rights	750	1 164	–	–
Access road	110	–	–	–
	860	**1 164**	**-**	**-**
Depreciation				
Depreciation of property, plant and equipment	106	86	5	–
Depreciation of right-of-use assets	137	–	–	–
Total depreciation and amortisation	**243**	**86**	**5**	**-**
Adminstration and other operating costs				
Advisory and professional fees	7 999	4 207	3 137	1 558
Audit fees	1 535	834	949	615
Investor services	502	–	497	236
Other expenses	3 142	2 053	925	174
Remuneration, other than to directors	240	-	378	54
SARS penalties	475	-	240	–
	13 893	7 094	6 126	2 637

The advisory and professional fees relates to consulting fees, accounting and audit fees, legal fees and technical fees related to the listing.

R0.9 million relates to rent paid for surface rights and road access. The rental agreements were initially on a long-term basis but due to the site not being operational, it was agreed with the the parties to work on a month-to-month basis until operations resume. New Agreements were subsequently signed in January 2023.

	GROUP		COMPANY	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000
19. FINANCIAL COSTS				
Vehicle loan	21	36	-	-
Lease liabilities	181	-	-	-
SARS	559	-	525	-
Other financial liabilities	5 252	347	1 311	3 004
Other interest paid	298	-	-	-
Total finance costs	**6 311**	**282**	**1 836**	**3 004**
20. TAXATION				
Reconciliation of tax expenses				
Reconciliation between accounting loss & tax expense				
Accounting loss	(22 102)	8 164	(5 761)	(7 837)
Tax at the applicable tax rate of 28%	(6 189)	2 286	(1 613)	(2 194)
Tax effect of adjustments on taxable income				
Disallowed expenses	700	-	514	-
Deferred tax asset not raised	293	-	1 099	2 194
Tax losses utilised	-	(1 772)	-	-
	(5 196)	**514**	**-**	**-**

No provision has been made for 2023 tax as the company has no taxable income. The assessed loss carried forward is R23 192 037 (2022: R 14 433 896). The Group has unused tax losses of R34 103 298.

21. CASH USED IN OPERATIONS

(Loss) Profit before taxation				
Adjustments for:				
Depreciation property, plant and equipment	106	84	5	-
Depreciation right-of-use assets	137	-	-	-
Finance costs	6 311	383	1 836	3 004
Other income	-	-	-	(40)
Changes in working capital:				
Trade and other receivables	(5 727)	(7)	57	259
Prepayments	(4 899)	-	-	-
Trade and other payables	(1625)	1 616	(721)	2 026
	(23 362)	**10 240**	**(4 584)**	**(2 588)**

22. BUSINESS COMBINATIONS

On 27 July 2022, Mantengu acquired 100 per cent of the issued share capital of Langpan, obtaining control. Langpan mines and processes chrome ore to produce chrome concentrate, with Platinum Group Metals ("PGMs") as a by-product. Langpan, through its wholly-owned subsidiary, Memor Mining (Pty) Ltd, indirectly owns the mining right in relation to the chrome and PGM mining and associated beneficiation operations, respectively, on Langpan farm. The aquisition of Langpan constitutes a reverse takeover in accordance with IFRS 3, paragraph 819. A reverse acquisition occurs when the entity that issues securities (the legal acquirer) is identified as the acquiree for accounting purposes. The entity whose equity interests are acquired (the legal acquiree) must be the acquirer for accounting purposes for the transaction. This means that although Mantengu acquired Langpan, the transaction had to be accounted for as Langpan acquiring Mantengu. Langpan therefore needed to fair value the assets and liabilities of Mantengu at acquisition date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed of Mantengu are as set out below:

Trade and other receivables	615 418	–	–	–
Cash and cash equivalents	1 196	–	–	–
Other financial liabilities	(24 410 437)	–	–	–
Trade and other payables	(10 220 104)	–	–	–
Total identifiable assts acquired & liabilities assumed	**(34 013 927)**	**-**	**-**	**-**
Goodwill	39 194 718	–	–	–
Total consideration	**5 180 791**	**-**	**-**	**-**
Satisfied by:				
Cash	–	–	–	–
Deemed equity instruments that would have had to be transferred	5 180 791	–	–	–
Deemed consideration transferred	**5 180 791**	**-**	**-**	**-**

IFRS 3, paragraph 820 requires that the acquisition date fair value of the consideration transferred by the accounting acquirer (Langpan) for its interest in the accounting acquiree (Mantengu) is based on the number of equity interests the legal subsidiary (Langpan) would have had to issue to give the owners of the legal parent (Mantengu) the same percentage equity interest in the combined entity that results from the reverse acquisition. This application results in the following calculation of the deemed consideration:

CPR valuation of Langpan	851 000 000	–	–	–
Cost of mineral reserve on books of Longpan at 31 July 2022	94 865 012	–	–	–
Langpan equity at 31 July 2022	74 439 680	–	–	–
Deemed value of Langpan equity at 31 July 2022	**830 574 668**	**-**	**-**	**-**
Number of Mantengu shares issued to Langpan shareholders as consideration (99.38%)	137 500 000 000	–	–	–
Number of shares held by Mantengu shareholders prior to Langpan acquisition (0.62%)	863 053 100	–	–	–
	138 363 053 100	**-**	**-**	**-**
Deemed cost of Mantengu investment in Langpan (R830 574 668 multiplied by 0.62%)	5 180 791	–	–	–
Net cash clow arising on acquisition:				
Cash consideration	–	–	–	–
Less: cash and cash equivalent balance acquired	1 196	–	–	–
	1 196	**-**	**-**	**-**

22. BUSINESS COMBINATIONS (CONT.)

137.5 billion ordinary shares were issued as the consideration paid of R550 million for the acquisition of Langpan.
The acquisition by Mantengu of a 100% shareholding in Langpan was considered to be a related party acquisition. At the time of the acquisition, Mike Miller and Alistair Collins were current and former Directors of Mantengu, respectively, and were indirectly shareholders in Lang pan and hence, they were considered to be Related Parties in terms of paragraph 10.1 (b) (ii) of the Listings Requirements. Alistair Collins was subsequently appointed as the non-executive Chairman of the Board with effect from 1 February 2023. Mike Miller is now the Chief Executive Officer having been appointed with effect from 2 March 2023.

In terms of paragraph 10.4(f) of the Listings Requirements, Mantengu obtained an opinion from an independent expert on the acquisition and this opinion was included as annexure 4 to the Circular to Mantengu shareholders on the acquisition.
Acquisition-related costs amount to R4.7 million. These consist of:
(1) Merchantec Capital - Transaction Sponsor and Designated Adviser - R0.9 million
(2) Letsema - Independent Expert - R0.3 million
(3) Ngubane & Co (Johannesburg) Inc. - Auditors - R0.4 million
(4) HLB CMA (South Africa) Inc. - Reporting Accountants - R0.3 million
(5) Bara Consulting - Competent Person - R1.7 million
(6) CAS - Geological and Technical Services - R0.2 million
(7) Mark Mining - Geological and Technical Services - R0.1 million
(8) JSE - Documentation inspection fees - R0.2 million
(9) JSE - Listing fees - R0.3 million
(10) Other - R0.4 million

The preparation and presentation of consolidated financial statements under reverse takeover principles are dictated by IFRS 3 paragraph 821 and 822. Application of these paragraphs mean that these consolidated financial statements prepared need to be issued under the name of the legal parent (accounting acquiree) (Mantengu) but are actually a continuation of the financial statements of the legal subsidiary (accounting acquirer) (Langpan), with one adjustment, which is to adjust retroactively the accounting acquirer's (Langpan's) legal capital to reflect the legal capital of the accounting acquiree (Mantengu). That adjustment is required to reflect the capital of the legal parent (the accounting acquiree) (Mantengu). It also means that comparative information presented in these consolidated financial statements is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree) (Mantengu).
Because the consolidated financial statements represent the continuation of the financial statements of the legal subsidiary (Langpan) except for its capital structure, the consolidated financial statements need to reflect the following:

(a) the assets and liabilities of the legal subsidiary (the accounting acquirer) (Langpan) recognised and measured at their pre-combination (prior to transaction) carrying amounts.
(b) the assets and liabilities of the legal parent (the accounting acquiree) (Mantengu) recognised and measured at fair value in accordance with IFRS 3.
(c) the retained earnings and other equity balances of the legal subsidiary (accounting acquirer) Langpan before the business combination.
(d) the amount recognised as issued equity interests in the consolidated financial statements is determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) (Langpan) outstanding immediately before the business combination to the fair value of the legal parent (accounting acquiree) (Mantengu). However, the equity structure (ie the number and type of equity interests issued) reflects the equity structure of the legal parent (the accounting acquiree) (Mantengu), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) (Langpan) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) (Mantengu) issued in the reverse acquisition.

23. RELATED PARTIES

Relationships

Shareholder with significant influence	Disruption Capital Limited Proprietary Limited The Gamsy Family Trust Alistair Collins Family Trust
Subsidiary	Langpan Mining Co Proprietary Limited
Subsidiary of Langpan Mining Co Proprietary Limited	Memor Mining Proprietary Limited

Related party balances
Loan accounts – Owing to related parties

Michael Miller	(2 192)	–	(2 192)	(2 563)
Disruption Capital Limited Proprietary Limited	(1 246)	–	–	–
Langpan Mining Co Proprietary Limited	–	–	(3 173)	(14 842)
The Gamsy Family Trust	(9 171)	–	(9 171)	(14 842)
Gillian Gamsy	(686)	(614)	–	–
	(13 295)	**(614)**	**(14 536)**	**(18 876)**

Related party transactions
Interest received from related party

Langpan Mining Co Proprietarty Limited	–	–	–	40

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

Categories of financial assets

Group - 2023 – R'000

	Notes	Amortised cost	Fair value
Environmental rehabilitation trust fund	8	854	854
Cash and cash equivalents	11	17 976	17 976
		18 830	**18 830**

Group - 2022 – R'000

	Notes	Amortised cost	Fair value
Environmental rehabilitation funds		976	976
Cash and cash equivalents	11	192	192
		1 168	1 168

Group - 2023 – R'000

	Note	Amortised cost	Fair value
Cash and cash equivalents	11	1 136	1 136

Group - 2022 – R'000

	Note	Amortised cost	Fair value
Cash and cash equivalents	11	1 136	1 136

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT.)

Company - 2023 – R'000

	Note	Amortised cost	Fair value
Cash and cash equivalents	11	1 136	1 136

Company - 2022 – R'000

	Note	Amortised cost	Fair value
Cash and cash equivalents	11	12	12

Categories of financial liabilities
Group – 2023 – R'000

	Note	Amortised cost	Fair value
Trade and other payables	16	15 400	15 400
Other financial liabilities	14	146 622	146 622
		162 022	**162 022**

Group – 2022 – R'000

	Note	Amortised cost	Fair value
Trade and other payables	16	7 186	7 186
Other financial liabilities	14	60 693	60 693
		67 879	**67 879**

Company – 2023 – R'000

	Note	Amortised cost	Fair value
Trade and other payables	16	5 966	5 966
Loan from group company	13	3 173	3 173
Other financial liabilities	14	12 464	12 464
		21 603	**21 603**

Company – 2022 – R'000

	Note	Amortised cost	Fair value
Trade and other payables	16	7 393	7 393
Loan from group company	13	1 471	1 471
Other financial liabilities	14	21 408	21 408
		30 272	**30 272**

Capital risk management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders from the capital projects in the mining industry. The Group monitors capital through the optimisation of the debt and equity balance. The capital structure of the Group consists of borrowings and equity. The directors review capital structure on a regular basis. As part of these reviews the costs of capital and the risk associated with each class of capital is considered.

Financial risk management
Credit risk

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.
Deposits and cash balances are maintained by Nedbank.

Financial risk management
Credit risk

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.
Deposits and cash balances are maintained by Nedbank.

Group		2023 R'000			2022 R'000		
		Gross carrying amount	Credit loss allowance	Amortised cost/fair value	Gross carrying amount	Credit loss allowance	Amortised cost/fair value
Related party loan		–	–	–	1 471	–	1 471
Cash and cash equivalents	11	17 976	–	17 976	192	–	192
Environmental rehabilitation funds	8	854	–	854	976	–	976
Prepayments	10	4 899	–	4 899	–	–	–
		23 729	**-**	**23 729**	**2 639**	**-**	**2 639**
Company							
Cash and cash equivalents	11	1 136	–	1 136	12	–	12

Liquidity risk

Ultimate responsibility for liquidity risk management is with management, which has established an appropriate framework for the management of the Group's requirements. The Group manages liquidity risk by continuously monitoring forecasts and actual cash flows.

Group – 2023 – R'000

	Note	Less than 1 year	1 to 2 years	Carrying amount
Non-current liabilities				
Other financial liabilities	14	–	77 368	77 368
Current liabilities				
Trade and other payables	16	15 400	–	15 400
Other financial liabilities	14	69 254	–	69 254
		84 654	**77 368**	**162 022**

Group – 2022 – R'000

	Note	Less than 1 year	Carrying amount
Current liabilities			
Trade and other payables		7 186	7 186
Other financial liabilities	14	60 693	60 693

Company – 2023 – R'000

	Note	Less than 1 year	Carrying amount
Current liabilities			
Trade and other payables	16	5 966	5 966
Loan from group company	13	3 173	3 173
Other financial liabilities	14	12 464	12 464
		21 603	21 603

Company – 2022 – R'000

	Note	Less than 1 year	Carrying amount
Current liabilities			
Trade and other payables	16	7 393	7 393
Other financial liabilities	14	21 408	21 408
		28 801	28 801

Liquidity risk relating to other financial liabilities includes interest that will be payable in the coming 12 months.

Interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the year, the Group's borrowings at variable rate were denominated in the Rand.

At 28 February 2023, if interest rates on borrowings had been 1 % higher/lower with all other variables held constant, post tax loss for the year would have been R395 130 (2022: R228 000) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

25. EARNINGS AND HEADLINE EARNINGS PER SHARE

Earnings				
Net (loss) profit attributable to ordinary shareholders	(16 905 722)	7 650 574	(5 760 208)	(7 836 708)
Number of shares				
Number of share in issue at beginning of period (6)	55 753 424 658	137 500 000 000	863 053 100	863 053 100
Number of shares issued for acquisition of Langpan (2)	82 259 678 144	–	81 746 575 342	–
Number of share cancelled	(196 500)	–	(196 500)	–
Number of share issued – Rights offer (3)	3 452 054 864	–	3 452 054 864	–
	141 464 961 166	**137 500 000 000**	**86 061 486 806**	**863 053 100**
Adjusted for the effects of 1 000:1 share consolidation				
Weighted average number of shares in issue (1)	**141 464 961**	**137 500 000**	**86 061 487**	**863 053**
Basic (loss) earnings per share (cents)	**(12)**	**6**	**(7)**	**(908)**
Diluted basic (loss) earnings per share (cents) (4)	**(12)**	**6**	**(7)**	**(908)**
Headline (loss) earnings and diluted headline (loss) earnings per share (cents) (4) (5)	**(12)**	**6**	**(7)**	**(908)**

(1) On 31 March 2023, the Company consolidated its Authorised and Issued Share Capital on a 1 000 to 1 basis. As the consolidation occurred prior to the date of approval of the AFS, the weighted average number of shares have been adjusted retrospectively in accordance with International Accounting Standard 33 - Earnings per Share, paragraph 64.
(2) As the Langpan acquisition occurred on 27 July 2022, the number of shares issued of 137 500 000 000 has been adjusted for being outstanding for 217 of 365 days.
(3) As the Rights offer occurred on 7 December 2022, the number of shares issued of 15 000 000 302 has been adjusted for being outstanding for 84 of 365 days.
(4) There are no dilutive potential ordinary shares.
(5) There are no adjustments to Headline earnings that arise out of the SAICA Headline Earnings Circular 1/2021.
(6) The Group number of shares outstanding at the beginning of the period have been adjusted in accordance with IFRS 3, paragraph 826 and 827.

26. DIRECTORS' EMOLUMENTS

Executive
Group and company – 2023 – R'000

	Emoluments	Board fees	Bonus	Total
MJ Miller	628	223	–	851
J Tshikundamalema	96	115	–	211
MM Movundlela	1 948	–	275	2 223
TA Makgolane	882	–	98	980
A Collins	73	–	–	73
V Madlela	160	155	–	315
	3 787	**493**	**373**	**4 653**

Group and company – 2022 – R'000

	Emoluments	Board fees	Total
MJ Miller	–	90	90
TA Makgolane	916	–	916
A Collins	–	80	80
V Madlela	–	50	50
MM Movundlela	1 818	–	1 818
	2 734	**220**	**2 954**

27. COMMITMENTS

On 14 April 2022, the Group entered into a contract with RWE Supply & Trading GMBH to deliver 240 000 metric tonnes of chrome over a period of 2 years.

The only other commitment outstanding at the date of approval of the annual financial statements relates to R65.8 million that is required to be incurred to complete the capitalisation of the Langpan mining operation.

28. CONTINGENCIES

There are no contingencies as at 28 February 2023.

29. GOING CONCERN

At 28 February 2023, the Group had accumulated losses totaling R20.5 million but the Group's total assets of R252.5 million exceeded its liabilities of R173.8 million. For the period ended 28 February 2023, the Company experienced a net loss after tax of R5.8 million (28 February 2022: R7.8 million) and the Company's total assets of R551.3 million exceeded its liabilities of R22.3 million.

The Group and Company financial results and financial position for the period ended 28 February 2023 was anticipated due to the following reasons:

1. The Company completed the acquisition of Langpan on 27 July 2022 for a consideration of R550 million.
2. The Company was non-operational thus incurred primarily operational and listings related costs.
3. Given that the Company was suspended on 26 July 2016, the Company has incurred significant historical losses related to maintaining the listing, catching up of outstanding financial compliance and canvassing the market for investment opportunities, thus the significant accumulated losses.
4. As at 28 February 2023, the Group has access to significant funding to deploy throughout its operations.

Given the fact that the Company has been fully reinstated onto the JSE, the acquisition of Langpan completed, the Group being fully funded and the successful commissioning of the Chrome Plant, the Board is confident that the Group and Company will have sufficient resources to operate as a going concern. As a result of these facts, the Board believes that it is appropriate to prepare the results on a going concern basis. Accordingly, the audited results do not include the adjustments that would result if the Group or Company were unable to continue as a going concern.

30. EVENTS AFTER THE REPORTING PERIOD

On 1 March 2023, the Board took the decision to terminate the services of Ngubane & Co (JHB) Inc. ("Ngubane") as the Company's external auditor with immediate effect. On 2 March 2023, the Board took the decision to appoint HLB CMA South Africa Inc. ("HLB CMA") as the Company's external auditor.

Following the resignation of Mahlatsi Movundlela as Chief Executive Officer on 28 February 2023, Michael Miller was appointed as the Company's Chief Executive Officer and Magen Naidoo was appointed as Chief Financial Officer (replacing Michael Miller as Financial Director), respectively with effect from 2 March 2023.

On 31 March 2023, the Company consolidated its Authorised and Issued Share Capital on a 1000:1 basis. The result of the consolidation was that the Authorised and Issued Share Capital was reduced to 155,000,000 and 153,362,857, respectively. This was done to simplify and neaten the legacy balance sheet and share register effects of the acquisition of Langpan on 27 July 2022.

On 30 May 2023, the Company released an announcement on SENS outlining the commissioning of the first Langpan chrome beneficiation plant ("Chrome Plant"). The successful commissioning of the Chrome Plant has enhanced the production capacity of the plant to a throughput of 36,000 tonnes per month or 100 tonnes per hour. The Chrome Plant is expected to produce approximately 18,000 tonnes of chrome concentrate, with a chrome content of between 42% and 44%, per month.

ANNEXURE A: SHAREHOLDER ANALYSIS

Share Register – 28 February 2023

Shareholder spread	**Number of shareholdings**	**%**	**Number of shares**	**%**
1 – 1 000	65	9,48%	32 022	0,00%
1 001 – 10 000	109	15,89%	598 193	0,00%
10 001 – 100 000	181	26,38%	9 135 735	0,01%
100 001 – 1 000 000	200	29,15%	74 369 289	0,05%
1 000 000 shares and over	131	19,10%	153 278 717 703	99,95%
Total shares	**686**	**100,00%**	**153 362 852 942**	**100,00%**
Public/non-public shareholders				
Non-public shareholders				
Directors, associates and Executive Committee of the Company	5	1%	51 016 625 000	33,27%
Related holdings	7	1%	52 169 860 091	34,02%
Public shareholders	674	98%	50 176 371 881	32,72%
Total	**686**	**100%**	**153 362 856 972**	**100,00%**
Beneficial shareholders holding 5% or more				
Kianalily (Pty) Ltd			14 030 334 000	9%
The Gamsy Family Trust			33 993 034 006	22%
Alistair Collins Family Trust			16 876 750 000	11%
Disruption Capital (Pty) Ltd			22 133 375 000	14%
Its Really Me (Pty) Ltd			10 819 875 000	7%
Dev Maharaj Family Trust			6 905 250 000	5%
Ms Susan Lynne Tarr			7 275 157 933	5%
Pinotage Trustees sarl as Trustee			7 286 125 000	5%
Total			**119 319 900 939**	**78%**
Breakdown of non-public holdings				
Directors, associates and Executive Committee of the Company				
Siyembili Consulting & Business ser			187 000 000	0,12%
Alistair Collins Family Trust			16 876 750 000	11,00%
Disruption Capital (Pty) Ltd			22 133 375 000	14,43%
Its Really Me (Pty) Ltd			10 819 875 000	7,06%
Putisolve (Pty) Ltd			999 625 000	0,65%
Total			**51 016 625 000**	**33,27%**
Related Holdings				
Growth Equities (Pty) Ltd			3 580 013	0,00%
Kianalily (Pty) Ltd			14 030 334 000	9,15%
Mr Harry Douglas Welsh			307 690 591	0,20%
Mrs Jennifer Suzanne Geyer			1 664 609 595	1,09%
Parkview Trust			1 657 794 235	1,08%
Pocot trust			512 817 651	0,33%
The Gamsy Family Trust			33 993 034 006	22,17%
			52 169 860 091	**34,02%**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 28 FEBRUARY 2023

Notice is hereby given that the annual general meeting of shareholders of Mantengu will be held at 14:00 on Wednesday, 16 August 2023 (**"Annual General Meeting"**), to be conducted entirely by electronic facility as permitted by section 63(2)(a) of the Companies Act, 2008 (Act 71 of 2008), as amended (**"Companies Act"**), the JSE Limited (**"JSE"**) and the Company's memorandum of incorporation (**"MOI"**) for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions set out below.

The board of directors of the Company (**"the Board"**) has determined that, in terms of section 62(3)(a), as read with section 59 of the Companies Act, the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the Annual General Meeting is Friday, 11 August 2023. Accordingly, the last day to trade Mantengu shares in order to be recorded in the register to be entitled to vote will be Monday, 7 August 2023.

ACTION BY SHAREHOLDERS

Shareholders entitled to attend and vote at the Annual General Meeting may, in terms of section 58 of the Companies Act, appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the Company. A form of proxy which provides instructions for its completion is enclosed herewith. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the Annual General Meeting.

Forms of proxy must be completed by certificated shareholders or "own name" registered dematerialised shareholders who wish to be represented at the Annual General Meeting.

Dematerialised shareholders without "own name" registration must notify their Central Securities Depository Participant (**"CSDP"**) or broker of their intention to attend the Annual General Meeting in order for such CSDP or broker to issue them with the necessary letter of representation to enable them to attend the Annual General Meeting, or, alternatively, should the dematerialised shareholder not wish to attend the Annual General Meeting, they should provide their CSDP or broker with their voting instructions.

Forms of proxy must reach the Company's transfer secretaries, Computershare Investor Services Proprietary Limited (**"Computershare"** or **"Transfer Secretaries"**), at 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132) or via email to proxy@computershare.co.za, to be received by them by no later than 14:00 on Monday, 14 August 2023 (or 48 (forty-eight) hours before any adjournments of the Annual General Meeting which date, if necessary, will be announced on SENS). Thereafter, forms of proxy may be delivered to the chairperson of the Annual General Meeting, at alistair@mantengu.com, before voting on a particular resolution commences.

Annual General Meeting participants, which include proxies, are required to provide identification to the reasonable satisfaction of the chairperson of the Annual General Meeting. An official identification document issued by the South African Department of Home Affairs, a driving license or a valid passport will be accepted as sufficient identification.

Shareholders who have any doubt as to what action they are required to take in respect of the following resolutions, should consult their CSDP, broker, banker, attorney, accountant or other professional adviser immediately.

On a poll, ordinary shareholders will have one vote in respect of each share held.

ELECTRONIC PARTICIPATION AT THE ANNUAL GENERAL MEETING

In terms of section 61(10) of the Companies Act, every shareholder's meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders, or their proxies, may participate in a meeting by way of a teleconference call if they wish to do so.

The Annual General Meeting will be conducted solely by electronic facility. Should you wish to participate in the Annual General Meeting, you will need to contact the Company via email at alistair@mantengu.com (contact person: Alistair Collins) by Monday, 14 August 2023, in order for the Company to provide you with the details of teleconference dial-in facility. Please ensure that if you are participating in the Annual General Meeting via such teleconference facility that the voting proxies are sent via email to the Transfer Secretaries, Computershare, at proxy@computershare.co.za. The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder.

RECORD DATES

In in terms of section 59(1) of the Companies Act, the following dates apply to the Annual General Meeting:

	2023
Record date for determining those shareholders entitled to receive the notice of Annual General Meeting	Friday, 23 June
Last day to trade in order to be eligible to participate and vote at the Annual General Meeting	Monday, 7 August
Record date to determine eligible shareholders who may attend, speak and vote at the Annual General Meeting	Friday, 11 August

NOTICE OF ANNUAL GENERAL MEETING

VOTING THRESHOLDS
For the purpose of approving the ordinary resolutions (other than ordinary resolution number 4 and 6 which requires the support of at least 75%), the support of more than 50% of the voting rights exercised by shareholders present and in person, or represented by proxy, at the Annual General Meeting is required.

For the purposes of approving the special resolutions, the support of at least 75% of the voting rights exercised by shareholders present and in person, or represented by proxy, at the Annual General Meeting is required.

BUSINESS OF THE MEETING
Report from the Social and Ethics Committee:
In accordance with Regulation 43(5)(c) of the Companies Act, the chairperson of the Social and Ethics Committee, or in his absence, any member of that Committee, will present the Committee's report to the shareholders at the Annual General Meeting.

Presentation of the Annual Financial Statements:
The consolidated audited annual financial statements of the Company (as approved by the Board), incorporating the reports of the external auditors', the audit and risk committee and the directors for the year ended 28 February 2023, which accompany this notice of Annual General Meeting, have been distributed to shareholders as required and are accordingly, presented to shareholders at the Annual General Meeting for consideration.

The complete annual financial statements are set out on pages 32 to 64 of the 2023 Annual Report, of which this notice forms part, and copies thereof have been distributed to all shareholders who have requested such copies. The 2023 Annual Report is also available on the Company's website: http://www.mantengu.com/annual-reports

Any matters raised by shareholders, with or without advance notice to the Company:
As per section 61(8)(d) of the Companies Act, any matters raised by shareholders, with or without advance notice to the Company must be considered.

Ordinary resolution number 1 – confirmation of Directors appointments and re-election of Director:
Alistair Collins was appointed as a non-executive Director and Chairman of the Board subsequent to the end of the last accounting period and his appointment must be ratified by shareholders.

Magendren (Magen) Naidoo was appointed as an executive Director and the Financial Director of the Company subsequent to the end of the last accounting period and his appointment must be ratified by shareholders.

Jonas Tshikundamalema retires by rotation in terms of the Company's MOI, and being eligible, offers himself for re-election as a Director of the Company.

Accordingly, shareholders are required to consider and, if deemed fit, approve the separate ordinary resolutions set out below:

Ordinary resolution number 1.1 - confirmation of Director's appointment:
"**RESOLVED** that the appointment of Alistair Collins as a non-executive Director and Chairman of the Board on 1 February 2023 be and is hereby approved."

Alistair, who previously served as an independent non-executive director from 7 September 2017 to 3 November 2021, was a founding director of Langpan Mining Co Proprietary Limited (**"Langpan"**), the Company's wholly owned subsidiary. Alistair is a senior South African and English law qualified corporate and finance lawyer with 20 years' experience. Alistair has diverse experience having advised on acquisition-, leveraged-, trade and commodity-, asset backed-, securitisation-, capital markets and structured finance-transactions. Alistair has previously held senior positions at Allen & Overy LLP, Baker & McKenzie, Pinsent Masons and Lloyds Banking Group and was a partner at Bowman Gilfillan. Alistair will provide strategic oversight and turnaround strategy of the business. The appointment Alistair brings a wealth of skill and inherent experience to the Mantengu group.

Ordinary resolution number 1.2 - confirmation of Director's appointment:
"**RESOLVED** that the appointment of Magendren (Magen) Naidoo as an executive Director and the Financial Director of the Company on 2 March 2023 be and is hereby approved."

Magen is a qualified Chartered Accountant who obtained a Bachelor of Commerce (Honours) Accounting from the University of Natal Durban. He has more than 22 years of experience and was previously an Audit Partner at Deloitte where he spent over 17 serving large listed clients whose operations span the globe. Magen has wide industry experience across many sectors, including significant experience in the mining industry, having serviced clients such as the Anglo American group for a number of years. Magen has a proven track record of driving change and implementing best practice.

Ordinary resolution number 1.3 - re-election of Director:
"**RESOLVED** that the re-election of Jonas Tshikundamalema as an Independent non-executive Director of the Company, be and is hereby approved."

Jonas has an extensive knowledge and understanding of Mantengu's wholly-owned subsidiary, Langpan Mining Co Proprietary Limited (**"Langpan"**), owing to his strategic role and function within the Langpan business. This inherent strategic knowledge and understanding of the business will result in Jonas being well placed to execute his Independent non-executive leadership and oversight roles and responsibilities to the Company.

Ordinary resolution number 2 – appointment of external auditors:
"**RESOLVED** that the appointment of HLB CMA South Africa Inc as the independent registered auditors of the Company and its subsidiaries, with Jean-André du Toit as the designated audit partner, who will undertake the audit during the financial year ending 28 February 2024 as recommended by the Combined Audit and Risk Committee, be and is hereby approved. The appointment is pursuant to the termination of Ngubane & Co (Jhb) Inc. as the Company's external auditors on 3 March 2023.

Ordinary resolution number 3 – appointment of members of the Combined Audit and Risk Committee:
Shareholders are required to consider and, if deemed fit, approve the appointments of the following non-executive Directors as members of Mantengu's Combined Audit and Risk Committee, with effect from the conclusion of this Annual General Meeting, by way of separate ordinary resolutions, as set out below:

Ordinary resolution number 3.1 – appointment of Vincent Madlela:
"**RESOLVED** that the appointment of Vincent Madlela as a member and Chairman of the Combined Audit and Risk Committee until the conclusion of the next Annual General Meeting of the Company, be and is hereby approved."

Ordinary resolution number 3.2 - appointment of Jonas Tshikundamalema:
"**RESOLVED** that, subject to the approval of ordinary resolutions number 1.3, the appointment of Jonas Tshikundamalema as a member of the Combined Audit and Risk Committee until the conclusion of the next Annual General Meeting of the Company, be and is hereby approved."

Ordinary resolution number 3.3 - appointment of Alistair Collins:
"**RESOLVED** that, subject to the approval of ordinary resolution number 1.1, the appointment of Alistair Collins as a member of the Combined Audit and Risk Committee until the conclusion of the next Annual General Meeting of the Company, be and is hereby approved."

Ordinary resolution number 4 – General authority to issue ordinary shares, and to sell treasury shares, for cash:
"**RESOLVED** that the Board and/or any of the Company's subsidiaries from time to time, including Langpan Mining Co. Proprietary Limited (**"Langpan"**) be and are hereby authorised by way of a general authority, to

- allot and issue, or issue any options in respect of, all or any of the authorised but unissued ordinary shares in the capital of the Company; and/or
- sell or otherwise dispose of or transfer, or issue any options in respect of, ordinary shares in the capital of the Company purchased by subsidiaries of the Company,

for cash, to such person/s on such terms and conditions and at such time as the Board may from time to time deem fit, subject to the Companies Act, the MOI of the Company and its subsidiaries and the Listings Requirements of the JSE Limited (**"Listings Requirements"**).

This resolution is subject to the following:

- the general authority will be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given;
- the equity securities which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue may only be made to "public shareholders" as defined in paragraphs 4.25 to 4.27 of the Listings Requirements, and not, subject to the following, to related parties:
  - related parties may participate in a general issue for cash through a bookbuild process provided:
    - o related parties only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and not be allocated shares; and
    - o equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;
- the equity securities which are the subject of a general issue for cash , in terms of this authority, may not exceed 30% of the number of listed equity securities, excluding treasury shares, as at the date of this notice, being 46,008,857 securities. Any equity securities issued under this authority will be deducted from the aforementioned 46,008,857 listed securities. In the event of a sub-division or consolidation, the authority shall be adjusted accordingly to represent the same allocation ratio;
- in determining the price at which securities may be issued in terms of this authority, the maximum discount permitted will be 10% (ten percent) of the weighted average traded price of such securities on the JSE measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed in writing between the Company and the party/ies subscribing for the securities (the JSE should be consulted for a ruling if the Company's securities have not traded in such 30 business-day period); and
- an announcement giving full details, including the number

of securities issued, the average discount to the weighted average traded price of the securities over 30 (thirty) business days prior to the date that the issue is agreed in writing between the Company and the parties subscribing for the securities and in respect of the issue of options and convertible securities the impact on the statement of financial position, net asset value per share, net tangible asset value per share, the statement of comprehensive income, earnings per share and headline earnings per share and, if applicable, diluted earnings and headline earnings per share, or in respect of an issue of shares, an explanation, including supporting information (if any), of the intended use of the funds, will be published when the Company has issued securities representing, on a cumulative basis within the earlier of the Company's next Annual General Meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given, 5% (five percent) or more of the number of securities in issue prior to the issue; and

- whenever the Company wishes to use repurchased shares, held in treasury by a subsidiary of the Company, such use must comply with the Listings Requirements as if such use was a fresh issue of ordinary shares."

Voting requirement in terms of the Listings Requirements:
In terms of the Listings Requirements, the minimum percentage of voting rights required for ordinary resolution number 4 to be adopted is at least 75% of the voting rights exercised by shareholders present or represented by proxy at the Annual General Meeting.

Ordinary resolution number 5.1 - non-binding advisory endorsement of the Company's Remuneration Policy:
"**RESOLVED** that, the Company's Remuneration Policy, as reflected on page 9 of this Annual Report, be and is hereby endorsed, by way of a non-binding advisory vote, in terms of King IV, on the same basis as set out in the audited annual financial statements, proposed as being reasonable by the Remuneration Committee of the Company."

Ordinary resolution number 5.2 - non-binding advisory endorsement of the Company's Implementation Report:
"**RESOLVED** that, the Remuneration Implementation Report as set out on page 9 of this Annual Report be and is hereby endorsed by way of a non-binding advisory vote as recommended in terms of King IV".

Note: The King Report on Corporate Governance recommends that the Company's Remuneration Policy and Implementation Report be tabled for a non-binding advisory vote at each annual general meeting. Failure to pass these resolutions will not have legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when assessing the Company's Remuneration Policy going forward, and will, in the event that either the Remuneration Policy or the Implementation Report, or both, have been voted against by 25% of more of the voting rights exercised by shareholders, provide dissenting shareholders with information as to how to engage with the Company in regard to this matter as well as to the timing of such engagement.

Ordinary resolution number 6 – Approval of amendments to the Performance Share Plan
"**RESOLVED** that, the proposed amendments to the Performance Share Plan, as set out in **Annexure A** to this notice of Annual General Meeting and the rules governing the Performance Share Plan tabled at this Annual General Meeting, be and are hereby approved."

Voting requirement in terms of the Listings Requirements
In terms of Schedule 14 of the Listings Requirements, the percentage of voting rights required for ordinary resolution number 6 to be adopted is at least 75% of the voting rights exercised in favour of such resolution by shareholders present or represented by proxy, and entitled to exercise voting rights on such resolution, at the Annual General Meeting, but excluding the Votes attaching to all shares subject to the Performance Share Plan under the rules thereof.

Ordinary resolution number 7 - authorisation of Directors:
"**RESOLVED** that each of the directors of the Company be and is hereby individually authorised to sign all such documents and to do all such things as may be necessary, including without limitation to sign and file any agreement, addendum and document required, to give effect to the resolutions set out in this notice of Annual General Meeting."

Special resolution number 1 – general approval to acquire shares:
"**RESOLVED**, by way of general authority, that the Company and/or any of its subsidiaries from time to time be and are hereby authorised to acquire ordinary shares in the Company in terms of sections 46 and 48 of the Companies Act, the MOI of the Company and its subsidiaries and the JSE Listings Requirements, as amended from time to time.

The JSE Listings Requirements currently provide, inter alia, that:

- the acquisition of the ordinary shares must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited);
- this general authority shall only be valid until the earlier of the Company's next Annual General Meeting or the expiry of a period of 15 (fifteen) months from the date of passing of this special resolution;
- in determining the price at which the Company's ordinary shares are acquired in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market value at which such ordinary shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date on which the transaction is effected (the JSE should be consulted for a ruling if the Company's securities have not traded in such five business

day period);

- at any point in time, the Company may only appoint one agent to effect any acquisition/s on the Company's behalf;
- the acquisitions of ordinary shares, in aggregate, in any one financial year, may not exceed 20% (twenty percent) of the Company's issued ordinary share capital;
- the Company may only effect the repurchase once a resolution has been passed by the Board confirming that Board has authorised the repurchase, that the Company has passed the solvency and liquidity test as defined in the Companies Act and that since the test was done there have been no material changes to the financial position of the group;
- neither the Company nor its subsidiaries may acquire ordinary shares during a prohibited period, as defined in paragraph 3.67 of the Listings Requirements, unless:
  - the Company had a repurchase programme in place and the programme has been submitted to the JSE prior to the prohibited period commencing;
  - only one independent third party has been instructed to execute the repurchase programme prior to the prohibited period commencing;
  - the repurchase programme includes the name and date of appointment of the independent third party instructed to execute the repurchase programme, the commencement and termination date of the repurchase programme and the fixed number of securities to be traded during the period.
- an announcement, will be published on SENS once the Company or any of its subsidiaries have cumulatively repurchased, 3% (three percent) of the number of ordinary shares in issue at the time that this general authority is granted (**"initial number"**) and for each 3% (three percent) in aggregate of the initial number acquired thereafter."

Additional disclosure requirements in respect of special resolution number 1 in terms of paragraph 11.26 the Listings Requirements:
The Listings Requirements require the following disclosures, which are contained in the Annual Report of which this notice of Annual General Meeting forms part:

- Major shareholders Page 9
- Share capital of the Company Page 51

Material changes:
There have been no material changes in the affairs or financial position of the Company and its subsidiaries since the Company's financial year-end, being 28 February 2023 and the date of this notice of Annual General Meeting. On 30 May 2023, the Company released an announcement on SENS regarding the commissioning of the first Langpan chrome beneficiation plant (**"Chrome Plant"**)

Directors' responsibility statement
The Directors, whose names are given on page 21 of the Annual Report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 1 and certify that to the best of their knowledge and belief there are no facts in relation to this special resolution that have been omitted which would make any statement in relation to this special resolution false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution together with this notice of Annual General Meeting contains all information required by law and the Listings Requirements in relation to this special resolution.

Adequacy of working capital
At the time that the contemplated repurchase is to take place, the directors of the Company will ensure that, after considering the effect of the maximum repurchase and for a period of 12 months thereafter:

- the Company and its subsidiaries will be able to pay their debts as they become due in the ordinary course of business;
- the consolidated assets of the Company and its subsidiaries, fairly valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the Company and its subsidiaries;
- the issued share capital and reserves of the Company and its subsidiaries will be adequate for the purpose of the ordinary business of the Company and its subsidiaries; and
- the working capital available to the Company and its subsidiaries will be sufficient for the group's requirements.

Special resolution number 2 – approval of non-executive Directors' fees:
"**RESOLVED** that, as a special resolution:

- the Company be and is hereby authorised to pay remuneration to its non-executive Directors for their services as directors of the Company, as contemplated in section 66(8) and 66(9) of the Companies Act; and
- the annual remuneration structure and amounts payable to non-executive Directors of the Company as set out below, be and are hereby approved:

Proposed fee for meetings:	2023/ 2024		2024/2025	
	Meeting Fee	Annual Retainer	Meeting Fee	Annual Retainer
Board members				
- Chairman	R20,000	R880,000	R20,000	R1,200,000
- Lead independent director	R10,000	R240,000	R10,000	R480,000
- Independent director	R10,000	R144,000	R10,000	R480,000
- Member	R10,000		R10,000	
Combined Audit and Risk Committee				
- Chairman	R12,500	-	R12,500	-
- Member	R10,000	-	R10,000	-
Combined Remuneration and Nomination Committee				
- Chairman	R12,500	-	R12,500	-
- Member	R10,000	-	R10,000	-
Combined Social and Ethics Committee				
- Chairman	R12,500	-	R12,500	-
- Member	R10,000	-	R10,000	-

Special resolution number 3 – financial assistance for subscription of securities:
"**RESOLVED** that, in terms of section 44 of the Companies Act, the shareholders of the Company hereby approve of Mantengu providing, at any time and from time to time during the period of two years commencing on the date of this special resolution number 3, financial assistance by way of a loan, guarantee, the provision of security or otherwise, as contemplated in section 44 of the Companies Act, to any person for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by the Company, or a related or inter-related company, or for the purchase of any securities of the Company, or a related or inter-related company, provided that:

- the Board, from time to time, determines (i) the specific recipient, or general category of potential recipients of such financial assistance; (ii) the form, nature and extent of such financial assistance; (iii) the terms and conditions under which such financial assistance is provided; and
- the Board may not authorise the Company to provide any financial assistance pursuant to this special resolution number 3 unless the Board meets all of those requirements of section 44 of the Companies Act which it is required to meet in order to authorise the Company to provide such financial assistance."

Special resolution number 4 – financial assistance to related or inter-related companies:
"**RESOLVED** that, in terms of section 45 of the Companies Act, the shareholders of the Company hereby approve of Mantengu providing, at any time and from time to time during the period of two years commencing on the date of this special resolution number 4, any direct or indirect financial assistance (which includes lending money, guaranteeing a loan or other obligation, and securing any debt or obligation) as contemplated in section 45 of the Companies Act to a director or prescribed officer of the Company, or to a related or inter-related company or corporation or to a member of any such related or inter-related corporation or to a person related to any such company, corporation, director, prescribed officer or member provided that:

- the Board, from time to time, determines (i) the specific recipient or general category of potential recipients of such financial assistance; (ii) the form, nature and extent of such financial assistance; (iii) the terms and conditions under which such financial assistance is provided, and
- the Board may not authorise the Company to provide any financial assistance pursuant to this special resolution number 4 unless the Board meets all those requirements of section 45 of the Companies Act which it is required to meet in order to authorise the Company to provide such financial assistance. "

Special resolution number 5 – increase in authorised share capital and MOI amendment:
"**RESOLVED** that, in terms of the Listings Requirements and pursuant to sections 16(1)(c) and 36(2)(a) of the Companies Act and clause 2.3 of Mantengu's MOI, and with effect from the date of filing of the required notice of amendment of the MOI with the Companies and Intellectual Property Commission:

- the Company's authorised share capital comprising 155 000 000 no par value ordinary shares be and is hereby increased to 400,000,000 no par value ordinary shares, by the creation of an additional 245,000,000 no par value ordinary shares; and
- clause 3.1.1.1 of Mantengu's MOI be amended from:

3.1.1 The authorised share capital of the Company immediately following the date of the adoption of this MOI consists of, and the Company is authorised to issue no more than:

3.1.1.1 155,000,000 (one hundred and fifty-five million) Ordinary Shares of a single class of shares with no nominal or par value, which is designated "**ordinary shares**", each of which rank pari passu in respect of all rights **[L.R. SCH. 10.5(a)]** and entitles the holders of these ordinary shares shall be referred to as **"ordinary shareholders"**, to:

"3.1.1.1 400,000,000 (four hundred million) Ordinary Shares of a single class of shares with no nominal or par value, which is designated **"ordinary shares"**, each of which rank pari passu in respect of all rights **[L.R. SCH. 10.5(a)]** and entitles the holders of these ordinary shares shall be referred to as "ordinary shareholders"), to:

Other business
To transact such other business as may be transacted at an Annual General Meeting or raised by shareholders with or without advance notice to the Company.

By order of the board

Neil Esterhuysen & Associates Inc.
Company Secretary
Centurion
30 June 2023

Registered office
5 Saint Michaels Lane
Bryanston
2021
(PostNet Suite 446
Private Bag X21
Bryanston, 2021)

Transfer Secretaries
Computershare Investor Services Proprietary Limited
2nd Floor, Rosebank Towers
15 Biermann Avenue
2nd Floor, Rosebank Towers
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

EXPLANATORY NOTES TO THE ANNUAL GENERAL MEETING:

Ordinary resolutions number 1 – rotation / appointment of directors
In accordance with the Companies Act, the Listings Requirements and the MOI, the appointment of a Director during the financial year must be confirmed by shareholders at the next Annual General Meeting. In accordance with the MOI, one-third of the non-executive Directors are required to retire at each Annual General Meeting and may offer themselves for re-election.

Ordinary resolution number 2 – appointment of auditors
In terms of the Companies Act, Mantengu, as a public company, must appoint an auditor and the auditor must be appointed or reappointed, as the case may be, at each annual general meeting of the Company. HLB CMA South Africa Inc. have confirmed that they are willing to continue in office and this resolution proposes the re-appointment of that firm as the Company's auditors for the ensuing year. Section 90(3) of the Companies Act requires the designated auditor to meet the criteria set out in section 90(2) thereof. The Board is satisfied that Jean-Andre du Toit, the designated audit partner, meets all relevant criteria and, on the recommendation of the Combined Audit and Risk Committee, proposed that HLB CMA South Africa Inc. be re-appointed.

Ordinary resolution number 3 – appointments to the Combined Audit and Risk Committee
At each annual general meeting, a public company must, in terms of section 94(2) of the Companies Act, appoint, or re-appoint, as the case may be, an audit committee comprising at least 3 members who are non-executive directors and who meet the criteria set out in section 94(4) of the Companies Act. Regulation 42 to the Companies Act specifies that one-third of the members of the audit committee must have appropriate academic qualifications or experience in the areas as set out in that Regulation. The King IV Code, however, recommends that appointees to an audit committee should be independent non-executive directors and accordingly, the majority of the Directors proposed for appointment to the Audit and Risk Committee are Independent non-executive Directors.

Ordinary resolution number 4 – General authority to issue ordinary shares, and to sell treasury shares, for cash
Subject to the MOI, the requirements of the Companies Act and the Listings Requirements, the Board requires authority from shareholders to issue ordinary shares in the Company for cash. Once granted, the general authority allows the Board, from time to time and when appropriate, to issue ordinary shares as may be required, inter alia, in terms of capital-raising exercises.

In terms of the Listings Requirements, this resolution requires the approval of at least 75% of the votes cast by shareholders present or represented by proxy at the Annual General Meeting in order to be adopted.

Ordinary resolution number 5 – non-binding advisory endorsement of the Company's Remuneration Policy and Implementation Report
King IV recommends that every year, companies table their Remuneration Policy and Implementation Report to shareholders, as disclosed in three parts, namely:

- a background statement;
- an overview of the Remuneration Policy; and
- an Implementation Report,

and that shareholders be requested to pass the separate non-binding advisory votes on the Remuneration Policy and the Implementation Report at the Annual General Meeting.

Voting on ordinary resolution numbers 5.1 and 5.2 enables shareholders to express their views on the Remuneration Policy adopted and on its implementation.

The Remuneration Committee prepared, and the Board considered and accepted, the Remuneration Policy and Implementation Report, as set out in the 2023 Annual Report.

The Remuneration Policy also records the measures that the Board will adopt in the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the voting rights exercised by shareholders. In such event, the Company will, in its announcement of the results of the Annual General Meeting, provide dissenting shareholders with information as to how to engage with the Company in regard to this matter and the timing of such engagement.

Ordinary resolution number 6 – Approval of amendments to the Performance Share Plan
The approval of the proposed amendments will give effect to the amendments to the rules governing the Performance Share Plan, as set out in Annexure A to this notice of Annual General Meeting.

In terms of the Listings Requirements, this resolution requires the approval of at least 75% of the votes cast by shareholders present or represented by proxy at the Annual General Meeting in order to be adopted.

Special resolution number 1 – general approval to acquire shares
Section 48 of the Companies Act authorises the board to approve the acquisition of the Company's own shares subject to the provisions of sections 46 and 48 of the Companies Act being met. The JSE has certain requirements relating to such repurchases and these are set out in this resolution. At this stage, the Directors do not have any specific intentions to utilise this general authority. It is the intention of the Directors of the Company to use such authority should prevailing circumstances in their opinion warrant it.

Special resolution number 2 – approval of non-executive Directors' fees
In terms of section 66(9) of the Companies Act, a company's shareholders are required to pre-approve the payment of remuneration to non-executive directors for their services as directors for the ensuing financial year by means of a special resolution passed by shareholders of the company within the previous two years. Executive Directors are not specifically remunerated for their services as Directors but are remunerated as employees of the Company and accordingly, the resolution sets out the remuneration to be paid to non-executive Directors.

Special resolution number 3 – financial assistance for the subscription of securities
Section 44 of the Companies Act requires that shareholders approve the provision of financial assistance to any person for the purpose of, or in connection with, the subscription for any option or securities issued or to be issued by the Company or a related or inter-related company.

Special resolution number 4 – financial assistance to related and/or inter-related companies
Section 45(2) of the Companies Act authorises the Board to provide direct or indirect financial assistance to a related or inter-related company, subject to subsections 3 and 4 of section 45 of the Companies Act unless otherwise provided for in the MOI.

The main purpose of this resolution is to approve the granting of inter-company loans as well as granting letters of support and guarantees to subsidiaries in appropriate circumstances and avoids the necessity of referring individual instances to shareholders for approval.

Special resolution number 5 – increase in authorised share capital and MOI amendment
Sections 16(1)(c) and 36(2)(a) of the Companies Act read with clause 2.3 of Mantengu's MOI, require Special Resolution Number 5 to be approved by Shareholders should the Company wish to increase the authorised share capital. The number of issued shares is at the date of this notice are 153 362 857 and the Company requires the increase in authorised share capital to have the flexibility for any future Share issuances as and when required.

ANNEXURE A

SUMMARY OF THE PRINCIPAL PROPOSED AMENDMENTS TO THE PERFORMANCE SHARE PLAN

The Performance Share Plan (**"PSP"**), which is constituted and administered through the rules of the PSP (**"Rules"**), is intended to incentivise, motivate and retain employees, directors and consultants of Mantengu Mining Limited (**"Mantengu"** or **"the Company"**), the Company's subsidiaries and associates and other entities identified by the directors of the Company (the **"Employer Companies"** and, collectively, the **"Group"**) by providing such employees, directors and consultants of the Group ("Employee") with the opportunity to own shares in the Company through the award of a right, subject to the fulfilment of certain employment and performance conditions, to receive a number of ordinary shares in the Company (**"Conditional Shares"**) at a future date, as determined in accordance with the Rules.

The combined nomination and remuneration committee (**"Remuneration Committee"**) of the board of directors of Mantengu (**"Board"**) has proposed certain amendments to the Rules, which Rules were approved by shareholders in the general meeting held on 30 June 2022 (**"approval date"**). The Board is recommending to shareholders the approval of these amendments, as set out below. In addition, further amendments which are administrative in nature and do not require shareholder approval, will be made to the Rules.

The amendments will be effective on and as from the date on which they are approved by shareholders at the annual general meeting.

The Rules reflecting the proposed amendments will be made available for inspection by shareholders during normal business hours at the Company's registered address, 5 St Michaels Lane, Bryanston, Johannesburg, 2021 (contact person: Thoko Thabete) from the date of distribution of the notice of annual general meeting to which this **Annexure A** is attached, up to and including the date of the annual general meeting.

The principal terms of the amendments that require shareholder approval include:

- Reducing the maximum aggregate number of ordinary shares in the capital of the Company ("Shares") which may utilised for the purposes of the PSP from 86 300 000 Shares, which equated to approximately 10% of the number of Shares in issue at the approval date, to 50 000 000 Shares and removing the reference to the percentage such number of Shares bears to the total number of Shares in issue at the approval date.
- The proposed change in the overall limit from 86 300 000 Shares to 50 000 000 Shares takes into consideration the adjustments permissible in terms of Schedule 14.3(b) and (a) of the Listings Requirements of the JSE Limited (**"JSE"**), which were effected pursuant to: (i) the Mantengu Rights Offer as referred to in the announcement released on SENS on 12 December 2022 (being an adjustment up from 86 300 000 Shares to 1 586 300 030 Shares); and (ii) the subsequent Share Consolidation as referred to in the announcement released on SENS on 31 March 2023 (being an adjustment down from 1 586 300 030 Shares to 1 586 300 Shares), respectively.
- Reducing the maximum number of Shares available to any single participant of the PSP from 8 630 000 Shares, which equated to approximately 1% of the number of Shares which were in issue at the approval date, to 5 000 000 Shares and removing the reference to the percentage such number of Shares bears to the total number of Shares in issue at the approval date.

The proposed change in the individual limits from 8 630 000 Shares to 5 000 000 Shares takes into consideration the adjustments permissible in terms of Schedule 14.3(b) and (a) of the JSE Listings Requirements, which were effected pursuant to: (i) the Mantengu Rights Offer as referred to in the announcement released on SENS on 12 December 2022 (being an adjustment up from 8 630 000 Shares to 158 630 003 Shares); and (ii) the subsequent Share Consolidation referred to in the announcements released on SENS on 31 March 2023 (being an adjustment down from 158 630 003 Shares to 158 630 Shares), respectively.

The amendments that do not require shareholder approval include:

- The change of name of the PSP from 'Mine Restoration Investments Limited Performance Share Plan' to 'Mantengu Mining Limited Performance Share Plan'.
- Introducing new Rule 3.2A ('Remuneration Committee Discretion') which states that notwithstanding any other provision of the Rules, any exercise of a discretion by the Remuneration Committee in terms of the Rules, will be subject to and must comply with the Company's Remuneration Policy (being the policy in force from time to time regulating the remuneration of Employees), which will be aligned with the Rules, as approved by the shareholders of the Company.

The Rules currently provide the Remuneration Committee with the discretion regarding, inter alia,

- determining which Employees will participate in the PSP;
- the basis on which Awards are made;
- the aggregate quantum of Conditional Shares which will be provided for, in the Awards made to all Employees in respect of a particular year or ad hoc allocation of Awards;
- the number of Conditional Shares that may comprise an Award to an Employee;
- the time when Awards may be made;
- the condition/s to Vesting of an Award of Conditional Shares;
- in the case of exceptional circumstances that make it inappropriate for Shares to be delivered, settle the Vesting of Conditional Shares on the settlement date by making payment, in cash, of an equivalent amount in value to the relevant Shares which would, otherwise, have been delivered, in lieu of Shares;
- where a Participant ceases to be an Employee prior to the Vesting Date by reason of Retirement or Early Retirement, to treat the Vesting of such Participant's Award in terms of the "good leavers" provisions, or to provide that the Employee may continue to participate in the PSP post his retirement; and
- in the event that of a change in control of the Company, the extent to which Awards will Vest.
- Amending Rule 8.5 and Rule 8.6 to align with the recent amendments to the JSE Listings Requirements governing the provisions of Purchase Programmes.
- Amending the definition of the "Remuneration Committee" to correctly reflect that such committee is a Combined Nomination and Remuneration Committee, and other amendments which are minor in nature.

FORM OF PROXY

To be completed by registered certificated shareholders and dematerialised shareholders with own-name registration only.

For use in respect of the Annual General Meeting to be held at 14:00 on Wednesday, 16 August 2023, to be conducted entirely by electronic facility as permitted by section 63(2)(a) of the Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act"), the JSE Limited and the Company's Memorandum of Incorporation ("MOI") to consider and, if deemed fit, to pass with or without modification, the resolutions contained in the notice of the Annual General Meeting, forming part of the Annual Report .

Shareholders who have dematerialised their shares with a Central Securities Depository Participant ("CSDP") or broker, other than those with own-name registration, must arrange with their or broker concerned to provide them with the necessary Letter of Representation to attend the Annual General Meeting or the shareholders concerned must instruct their CSDP or broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the shareholder and the CSDP or broker concerned.

I/We (full name in block letters) ____

of (address)____

Telephone (Work) ______________________ (Home) ______________________

Mobile ______________________

Email address: ____

Being the holder(s) of__________ ordinary shares in the Company, appoint (see note 1):

1. ____ or failing him,

2. ____ or failing him,

3. the chairperson of the Annual General Meeting,

as my/our proxy to attend and act on my/our behalf at the Annual General Meeting convened for purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat (**"resolutions"**) and at each postponement or adjournment thereof and to vote for and/or against such resolutions, and/or to abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 2):

FORM OF PROXY

	Number of votes (one vote per ordinary share)		
	For	Against	Abstain
Ordinary resolution number 1.1 – Appointment of Alistair Collins as a non-executive Director and Chairman of the Board			
Ordinary resolution number 1.2 – Appointment of Magendren Naidoo as an executive Director and Financial Director			
Ordinary resolution number 1.3 – Re-election of Jonas Tshikundamalema as an independent non-executive director			
Ordinary resolution number 2 - Appointment of HLB South Africa Inc. as the Company's external auditors and Jean-Andre du Toit as the individual designated audit partner			
Ordinary resolution number 3.1 - Appointment of Vincent Madlela as a member and chairman of the Combined Audit and Risk Committee			
Ordinary resolution number 3.2 - Appointment of Jonas Tshikundamalema as a member of the Combined Audit and Risk Committee			
Ordinary resolution number 3.3 - Appointment of Alistair Collins as a member of the Combined Audit and Risk Committee			
Ordinary resolution number 4 – General authority to issue ordinary shares, and to sell treasury shares, for cash			
Ordinary resolution number 5.1 - Non-binding advisory endorsement of the Company's Remuneration Policy			
Ordinary resolution number 5.2 – Non-binding advisory endorsement of the Company's Implementation Report			
Ordinary resolution number 6 - Approval of amendments to the Performance Share Plan			
Ordinary resolution number 7- Authorisation of Directors			
Special resolution number 1 - General approval to acquire securities			
Special resolution number 2 - Approval of non-executive Directors' fees			
Special resolution number 3 - Financial assistance for the subscription of securities			
Special resolution number 4 - Financial assistance to related and inter-related companies			
Special resolution number 5 – Increase in authorised share capital and MOI amendment			

(Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable).

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak, and on a poll, vote in place of that shareholder at the Annual General Meeting.

Signed at ____ on _________________________2023

Signature(s): ____

Capacity: ____

NOTES

1. The form of proxy must only be completed by shareholders who hold shares in certificated form or who are recorded on the sub-register in electronic form with "own name" registration.
2. A member may insert the name of a proxy or the names of two alternate proxies of the member's choice in the space(s) provided, with or without deleting "the chairperson of the Annual General Meeting". The person whose name stands first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the shares held by the shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he/she deems fit in respect of all the shareholders' votes exercisable thereat. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
4. The completion and lodging of this form of proxy will not preclude the relevant member from attending the Annual General Meeting and speaking and voting in person to the exclusion of any proxy appointed in terms hereof, should such member wish to so do.
5. The chairperson of the Annual General Meeting may reject or accept any form of proxy, which is completed and/or received, other than in compliance with these notes.
6. Members, who have dematerialised their shares with a CSDP or Broker, other than with own-name registration, must arrange with the CSDP or Broker concerned to provide them with the necessary Letter of Representation to attend the Annual General Meeting or the members concerned must instruct their CSDP or Broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the member and the CSDP or Broker concerned.
7. Any alteration to this form of proxy, other than the deletion of alternatives, must be signed, not initialled, by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. on behalf of a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by the company or waived by the chairman of the Annual General Meeting.
9. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been recorded by the Company.
10. Where there are joint holders of shares:
    - any one holder may sign the form of proxy; and
    - the vote(s) of the senior holder (for that purpose seniority will be determined by the order in which the names of ordinary shareholders appear in the Company's register of ordinary shareholders) who tenders a vote (whether in person or by proxy), will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
11. A vote given in terms of an instrument of proxy shall be valid in relation to the Annual General meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the ordinary shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall or have been received by the transfer secretaries not less than 48 (forty-eight) hours before the commencement of the Annual General Meeting. Forms of proxy may be delivered to the Chairperson of the Annual General Meeting, at alistair@mantengu.com, before voting on a particular resolutions commences.

Summary of the rights established in terms of section 58 of the Companies Act

Summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act:

- A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the relevant shareholders' meeting.
- A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.
- The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
  a. the date stated in the revocation instrument, if any; and
  b . the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
- If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder, must be delivered by the Company to:
  a. the shareholder; or
  b. the proxy or proxies, if the shareholder has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.
- The completion of a form of proxy does not preclude any shareholder from attending the AGM.

Mantengu

Next Generation Mining

MANTENGU.COM