SYLVANIA
PLATINUM LIMITED

ANNUAL REPORT
30 June 2023

CONTENTS

REPORTING SCOPE

This 2023 annual report presents a review of the financial, operational and non-financial performance of Sylvania Platinum Limited (Sylvania, the Company or the Group) for the 12 months ended 30 June 2023. The report seeks to provide a comprehensive overview of the Company's financial performance, operational achievements and non-financial performance to elucidate the Company's business model and investment proposition, demonstrating how capital is strategically deployed in the value creation process.

The reporting scope extends beyond financial data, encompassing sustainability efforts, corporate governance practices, and the Company's commitment to environmental and social responsibility. The report includes extensive information regarding the Company's sustainability goals, performance metrics and initiatives, demonstrating the Company's dedication to creating long-term value for shareholders while simultaneously contributing to a more sustainable and equitable future. This annual report is intended to serve as a valuable resource for our stakeholders, enabling them to assess our organization's financial health, operational efficiency, and our ongoing commitment to responsible business practices. The Company's non-financial performance reporting is guided by the parameters of the Global Reporting Initiative (GRI), the United Nations Sustainable Development Goals (UNSDGs) and the Sustainability Accounting Standards Board (SASB).

The consolidated financial statements, set out on pages 42 to 86, were approved on 6 September 2023. They include the Company's financial results and were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements represent the ongoing activities of the Sylvania Group.

Throughout the report, financial data is reported in United States Dollars ($/USD), unless otherwise stated. The Company is quoted on the London Stock Exchange's Alternative Investment Market (AIM), and in accordance with the AIM Rules for Companies (the AIM Rules), has chosen to adopt the Quoted Companies Alliance (QCA) Corporate Governance Code 2018 for Smaller Companies. In accordance with the AIM Rules, this was adopted and implemented from September 2018, and a summary is available on the Company's website (www.sylvaniaplatinum.com). The corporate governance statement may be found on page 31 of this report.

CORPORATE PROFILE

Sylvania Platinum Limited is a producer of platinum group metals (PGMs) including platinum, palladium and rhodium. The Company's core business is the retreatment of PGM bearing chrome tailings material. The Company also holds mining rights for a number of PGM projects on the Northern Limb of the Bushveld Igneous Complex in South Africa.

The Sylvania cash generating subsidiaries are incorporated in South Africa with the functional currency of these operations being South African Rand (ZAR). Revenues from the sale of PGMs are received in USD and then converted into ZAR.

The Group's reporting currency is USD as the holding company is incorporated in Bermuda. Corporate and general and administration costs are incurred in USD, Pounds Sterling (GBP) and ZAR.

In order to strengthen the Company's position as a low-risk specialist in the lower cost production of PGMs, Sylvania operates according to the following business priorities:

- Identifying projects that strike a balance between minimal operational and financial risk while holding the potential for substantial profit margins.

- Ensuring that management teams are consistently well-equipped with the appropriate blend of skills.

- Concentrating on generating cash flow, particularly during periods of economic uncertainty.

- Continuously embracing relevant practices and technology to sustain the Company's position as a lower quartile producer.

A predominant emphasis of the Company is placed on cash generation, which facilitates the distribution of capital returns to shareholders in line with the new Dividend Policy introduced in the first half of the 2023 financial year. In line with this policy update, the Board has declared a final dividend of five pence per Ordinary Share, to be paid on 1 December 2023. This follows the interim dividend of three pence per Ordinary Share declared in February 2023 and paid in April 2023 bringing the total annual dividend to eight pence per Ordinary Share.

The Annual General Meeting (AGM) is to be held on 24 November 2023.

VISION, MISSION AND VALUES

Vision: Being the best mid-tier platinum and associated metals producer in the world.

Mission: To grow our low cost and efficient business by leveraging our existing asset base, and continuing innovation through existing and future strategic partnerships, whilst proactively considering commodity and geographic diversification. Creating value for stakeholders by being an innovative, agile and sustainable operator of choice.

Values: We value the safety and health of all:

- Employees are at the heart of our Company and we place their safety and health above all else in everything we do.

We value the fundamental rights of people:

- We treat all people with dignity and respect.

We value honesty and integrity:

- We act honestly and show integrity by continuously striving towards "doing what we say we are going to do" and showing commitment towards our accountabilities of delivering high performance outcomes, thus projecting an image of professionalism and meeting the expectations of our colleagues, investors, business partners and social partners.

We respect the environment:

- We act in a manner that is sustainable and environmentally responsible, applying professional and innovative methods.

We value the culture, traditional rights and society in which we operate:

- Our actions will support the communities in which we work while honouring their heritage and traditions.

CHAIRMAN'S LETTER

Dear Shareholder

Sylvania has once again maintained its strong operational fundamentals and financial prudency during a difficult year for the PGM mining sector, which is best characterised as cyclical in nature. It was ever thus! Cycles in these metals are a long-standing feature dating back as many decades as I have been involved in the sector. The fall in the dollar basket price for South African producers of almost one-third in our FY2023, followed on from a sharp fall in FY2022 as palladium and rhodium prices fell from about $3,000 and $30,000 per ounce peaks, respectively, to levels that I consider as pre-COVID normal. Large portions of production in the PGM mining sector in Southern Africa are now unable to cover their operating and sustaining capital costs, and the cycle will repeat itself. However, I expect continued shorter term price weakness with recovery in the 2024 calendar year.

Some time back, your Board noted the synergies in becoming a co-producer of chrome concentrates as well as our traditional PGM concentrates from our host mines. After a lengthy gestation, we have formally commenced with delivering on this strategic aim; by securing additional chrome tailings and run-of-mine (ROM) resources on the Western Limb of the Bushveld Complex, in South Africa. Although announced to you in August 2023, as a post year-end event, we have entered into a strategic partnership through an unincorporated Joint Venture with Limberg Mining Company (Pty) Limited (LMC), a subsidiary of ChromTech Mining Company (Pty) Limited (ChromTech), the Thaba Joint Venture (Thaba JV), for treatment of chrome ore and PGMs, which will be elaborated on in more depth in this report. This sees us participate in not only the PGM revenues of these resources but also in full margin chrome concentrate production.

OVERVIEW OF THE YEAR

The FY2023, while challenging, was a successful one for Sylvania. Loadshedding and supply chain matters aside, the Company has performed exceptionally well, producing 75,469 4E PGM ounces, exceeding the higher end of the revised 74,000 4E PGM ounces production guidance target. The operations achieved an A^+ in areas such as safety, health, and environmental management.

The world has become a much messier place than we expected a year ago, with factors such as the lack of growth in China, the continued fallout from the Russia-Ukraine conflict, and other global concerns affecting metal prices. Additionally, there has been significant destocking of palladium and rhodium by metal holders, possibly due to Asian overbuying on the expectation of an increase in vehicle production, contributing to the decline in prices. While we believe we are nearing the bottom, the future remains somewhat uncertain, depending on the actions of central banks and the resolution of global concerns.

In reviewing what we can control, I am pleased with the exceptional production volumes achieved by the Sylvania Dump Operations (SDO) during this financial year. A respectable recovery on the prior year.

In line with our commitment to continuous improvement, our management team remains steadfastly devoted to optimising feed sources, refining blending strategies, and fine-tuning reagent regimes to further elevate our performance. Moreover, we have consistently achieved targeted ROM grades from the host mines and, through our collaborative efforts, we continue to explore avenues for enhancing this even further.

CHROME AND PGM RETREATMENT JOINT VENTURE AGREEMENT

As noted above, we recently announced that Sylvania has entered into the Thaba JV, a deal which, although only concluded post-period-end, is the realisation of over a year of discussions and negotiation. Through the Thaba JV, we aim to process chrome tailings from existing historical dumps and ROM chrome ore from the Limberg Chrome Mine to produce PGM and chromite concentrate, expanding our operations and leveraging our expertise in chrome and PGM recovery.

LMC's parent company, ChromTech, is a very reputable and efficient chrome processor for one of the major mining companies in South Africa. In effect, we are marrying the best of ChromTech's chrome processing knowledge and our PGM processing knowledge. This JV allows us to diversify our revenue streams, creating value for shareholders, and benefiting from the rising demand for chrome. The transaction takes us from what you might call a "pure PGM play" to a diversified platinum and associated metals producer.

The JV combines both partners' core skills in the beneficiation of chrome from host mines. LMC further contributes ChromTech's extensive experience of chrome operations, with particular experience in fine chrome beneficiation. It also leads us into the realm of full margin chromite concentrate sale as opposed to only being a toll producer of chromite for our host mines. This illustrates the first steps in the growth and development of the Group beyond our current host mine operations. It is a credit to the team that this deal was realised. It has been carefully thought through and well structured. It has been modelled on the 'Pool and Share' model which has become common practice in the South African mining industry over the last 20 years.

This partnership paves the way for further collaboration in the chrome mining sector.

PROJECTS AND EXPLORATION UPDATE

The Company's impressive PGM production for FY2023 is a testament to the unwavering dedication and proficiency displayed by all our operations, as well as the tireless efforts and strategic focus of our management team. The addition of the Lesedi and Tweefontein MF2 circuits also played a pivotal role in bolstering our overall performance. The Lannex MF2 commenced commissioning in August 2023 and is expected to further improve recoveries. The decision to conduct Project Echo has indeed proved a good one.

The construction of additional tailings facilities is currently underway at the SDO. These necessary installations enable the SDO to extend the life of operations in addition to reprocessing older tailings in an orderly manner with state-of-the-art impoundment. As a result of scheduling each of the construction of new dams and the increasing costs associated with these facilities, there will be an increased capital spend during FY2024/25, but these new dams will result in continuing production levels over subsequent years as well as an extension of operational life.

FY2023 saw the cost-effective upgrade of some of our exploration resources such as the Volspruit and Far Northern Limb Projects. We have taken a cautious approach to exploration. As in the past, we are conducting sensible work to take these assets up the value curve, with the assets remaining there for development, joint venturing, or disposal, depending on what is the best option for the Company in the future. In the face of the current prices and the general markets, enthusiasm for exploration is probably somewhat subdued and, as you know, we are cognisant of that in terms of what we spend on these projects.

HEALTH AND SAFETY

The safety and health of all of our employees is of critical importance and that is why we are very proud of our sustained good safety performance during the period. The quality of the people, and training and management, have all contributed to this continued safety performance. We have maintained a solid safety record, which is supported by our targeted health and safety campaigns which we run throughout the year. The Doornbosch plant has just recorded a phenomenal 11 years without a Lost-Time Injury (LTI), a remarkable achievement by industry and global standards, and both the Board and management are very proud of the Doornbosch team. We are committed to ensuring that all employees and contractors return home safe and healthy every day, in line with Company, and industry's goals of achieving zero harm.

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

Sylvania has always been committed to sustainability and the fundamentals which are now shaping our developing ESG strategy.

This is the second year we are preparing a standalone ESG report, which will be published in October 2023. Our ESG report, ***Supporting Our Strategy,*** presents the Company's operational and non-financial performance to stakeholders in a meaningful way, illustrating how we manage our material issues.

Sustainability and responsible business practices have always been important to the Board and formed part of our business model. We are in the process of aligning ourselves with the Global Industry Standard on Tailings Management (GISTM) and will continue to measure our compliance against this international standard. However, adhering to higher environmental regulations comes at a higher financial cost, and we urge shareholders to bear this in mind.

PERFORMANCE AND FINANCIALS

Despite the challenging market conditions, our management team has navigated the year successfully, delivering good results. The Company generated $45.4 million in net profit for the financial year. Sound management decisions and cost control have been instrumental in maintaining this positive financial performance.

However, it is important to note that the rising cost of imported consumables, fuel, and power, exacerbated by the declining value of the ZAR against the USD, continues to influence our cost structure. We have remained conservative in our financial operating structure, ensuring disciplined capital allocation and spending controls. Our focus on maintaining direct operating costs, a safe working mining and processing environment, and stable relationships with our employees and contractors will continue to be the main drivers of our business.

GUIDANCE

Despite some lower feed grades at the older dump operations, we are pleased to maintain our production guidance at 74,000 to 75,000 4E PGM ounces for FY2024. This has been made possible through process efficiencies, including the completion of the MF2 milling and flotation project, and with ongoing optimisation and commissioning efforts.

ASSET SALE

We concluded the unconditional sale of the Grasvally Chrome Mine in July 2022. The mine was originally included in the purchase of a package of strategic surface property rights adjacent to the Volspruit Project, while the mineral rights were purchased in a separate transaction. The Company has retained the rights it requires for any future development at the Volspruit Project and will see a modest profit on the sale, albeit over a period of time.

RETURNING VALUE TO SHAREHOLDERS

In HY1 FY2023 the Board reviewed its Dividend Policy. This review was undertaken due to the commentary from shareholders and analysts who felt the policy should be more in line with other players in the mining industry.

The new Dividend Policy allows for an annual dividend equating to a minimum of 40% of adjusted free cash flow for the financial year. Where annual dividends are declared, these will be paid in two tranches: with an interim dividend equating to one third of the forecast full dividend and the final dividend equating to the remaining unpaid balance of the minimum of 40% of actual adjusted free cash flow. The payment of dividends remains at the discretion of the Board.

We paid our first cash interim dividend of three pence per Ordinary Share under this policy amounting to $9.9 million on 6 April 2023 to all shareholders on the register at the close of business on 3 March 2023. A further $3.6 million was spent on the Share Buyback programme during the second half of the year. The purpose of the Share Buyback programme was to reduce the share capital of the Company and consequently, 1.2 million Ordinary Shares held in Treasury were cancelled in December 2022 and a further 3.6 million were cancelled post year-end in July 2023. Following this share cancellation, the Company's issued share capital now stands at 275,375,725 Ordinary Shares (of which 12,315,461 are held in Treasury), with these cancellations now marking a total reduction of 23.6 million Ordinary Shares in issue since we began the process of share buy-backs and share cancellations in FY2015. (At year-end, the Company's issued share capital was 279,000,000 Ordinary Shares, of which a total of 15,939,737 Ordinary Shares were held in Treasury. Therefore, the total number of Ordinary Shares with voting rights was 263,060,263)

Three years ago, I observed that several mining companies had to reconsider their ambitious or advancing dividend strategies and payouts. This was primarily because they came to the realisation that during adverse market cycles, when finances were stretched thin, maintaining substantial dividend payments became unsustainable. In such situations, the Board invoked the ultimate clause in their policy, which grants them discretion over dividend distribution. After all, predicting the trajectory of prices in such a volatile industry remains highly uncertain.

Therefore, I predict that we will go full circle, which is paying the dividend we think the Company can afford. The cycle has gone against the industry and the Company this year, and we cannot influence the markets, as we only contribute to approximately 1% of world PGM output. I have no doubt the cycle will repeat as it has done in the past, but for the time being a conservative approach is preferred and is necessary.

In applying the revised Dividend Policy, and taking into account the current cash balance, the cash generation potential and capital expenditures for FY2024, the Board has taken the decision to declare a final dividend of five pence per Ordinary Share for the 2023 financial year, payable on 1 December 2023 to all shareholders on the register at the close of business on 27 October 2023.

This maintains the full annual dividend at eight pence per Ordinary Share.

IN CONCLUSION

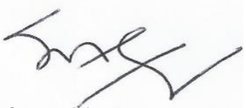
The long-term market outlook for PGMs remains positive, with the World Platinum Investment Council (WPIC) forecasting a deficit of 556,000 ounces of platinum in 2023. Demand for platinum is finally outstripping supply, and platinum is steadily regaining its market dominance over palladium. Palladium is currently trading at the lowest level since late 2018 having drifted below $1,250, while platinum has fared a little better. Rhodium, meanwhile, is currently at $4,100 on the Johnson Matthey base price, the lowest since 2019, with the two-way market trading some way below that level. The palladium and rhodium markets appear to be returning to their pre-2019 levels. There is a tightening on the demand side owing mainly to the new Euro 7 Standards that impose stricter emissions standards for all petrol and diesel vehicles, and the Chinese market has not recovered sufficiently to pick up the slack. However, I note a recent report by KGP Automotive Intelligence, which forecasts full battery electric (PGM free) vehicle penetration of only 38% by 2040, which is far short of the 65% needed to achieve net-zero emissions for the automotive sector. With that in mind, it appears PGMs are needed for a lot longer and in greater quantities for the time being as plug-in hybrid electric vehicles (PHEV), fuel cell electric vehicles (FCEV), hybrid electric vehicles (HEV) and clean(er) internal combustion engine (ICE) vehicles are rolled out.

Advancements in automotive powertrain technology is blurring the traditional drivers of demand and prices for 4E PGMs, which were historically led by the production of ICE vehicles. There are those that believe the ICE can, and will, be gone by as early as 2030, and believe that the rise of electric cars marks the demise of PGM use in automotive applications (where some 60% of demand currently arises), ultimately leading to the death of the PGM market. In addition, the hydrogen economy is also emerging as a significant consumer in the future for PGMs, particularly platinum, ruthenium and iridium, although the speed of the transition remains uncertain. Platinum is critical in the proton exchange membrane technology, which is used in hydrogen FCEV and is a market poised to grow with the transition of automakers to producing zero-emission vehicles. Researchers are also exploring the potential to use PGMs to improve the performance of lithium ion and lithium sulphur batteries which has the potential to positively impact PGM prices in the future.

As we navigate the volatile market conditions, we acknowledge that the commodity cycle repeats itself, and we must endure the tough times by keeping costs and capital expenditure in check. While we cannot predict PGM prices with certainty, we believe that better times will return, and we remain committed to balancing returns to shareholders with the necessary capital expenditure to secure longevity and potential earnings growth.

Additionally, diversification of our revenue stream, by benefiting from our sale of PGMs as well as chrome produced by the Thaba JV, is a major step forward for us in our diversification strategy. The chrome market's fundamentals are currently strong (but as cyclical as PGMs) and will add greatly to the Company's revenues in the not-too-distant future.

I extend my heartfelt gratitude to every member of the team for their dedication and hard work, as together, we forge ahead with the shared vision of driving our retreatment mining operations to even greater heights of success. With such a strong foundation and a steadfast pursuit of excellence, I am confident that we will continue to set new standards of achievement in the mining industry as we commence execution of the chrome and PGM plant projects for the Thaba JV. On behalf of the Board, I would like to express our gratitude to our dedicated employees and our host mine's management for their support. I want to also thank my fellow Non-Executive Directors namely: Eileen Carr, Adrian Reynolds and Simon Scott, for their support over another trying year, and to our Executive Directors Jaco Prinsloo and Lewanne Carminati for their deep commitment and leadership. I would also like to extend our thanks to you, our shareholders, for your continued trust and support. Together, we will weather these challenging times and position the Company for future success.



Stuart Murray
Chairman

CEO's REVIEW

Together with your Chairman, I am delighted with another year of solid production performance by the SDO which enabled us to increase FY2023 target production guidance not once but twice during the year, and our team has still managed to exceed final revised guidance, delivering 75,469 4E PGM ounces this year.

Our commitment to health and safety was maintained throughout the year and we continued to move towards our aim of achieving zero harm across all operations. Notably, our Doornbosch plant achieved 11 years LTI-free in June 2023, a significant achievement for the operation and a testament to Sylvania's high safety standards.

Throughout the year, the Company remained committed to delivering value for its shareholders and displayed strong discipline and diligence in managing its capital and cash resources. As part of this strategy, the Company published a new Dividend Policy in HY1 FY2023, paid a maiden interim dividend of three pence per Ordinary Share and has now declared a final dividend of five pence per Ordinary Share, thus maintaining the level of dividend declared in FY2022. During the year, we also conducted Share Buyback programmes in which 3.6 million Ordinary Shares ($3.6 million) were bought back in the market and 1.2 million Ordinary Shares ($1.3 million) were bought back from employees and for tax purposes. In addition to the dividend and Share Buybacks, all capital projects were funded from cash generated from operations, totalling approximately $14.5 million (ZAR257.2 million), meaning the Company ended the financial year with a stable cash position of $125.0 million including $0.8 million in financial guarantees.

With a 28% decrease in the average basket price received in comparison to the previous period, primarily attributable to the drop in palladium and rhodium prices in particular, the Board will maintain vigilant oversight and control of its cash position in the upcoming year. The objective is to guarantee that the Company retains ample cash reserves to cover working capital for the pipeline period, finance capital projects, facilitate growth and exploration, and safeguard against potential future challenges in addition to returning value to shareholders.

The post period announcement of the Thaba JV represents a major step in the delivery of the Company's growth strategy, expanding Sylvania Metals' operations and adding attributable annual production of approximately 6,500 4E PGM ounces and introducing 200,000 tons of chromite concentrate to the existing production profile.

HEALTH, SAFETY AND ENVIRONMENT

During the period under review the operations continued to focus on health, safety and environmental compliance. The Group is proud to report that there were no significant health or environmental incidents reported during the year and that the Company remains fatality-free since inception in 2006. We unfortunately experienced one LTI at the Mooinooi operation (an ankle sprain), and one LTI at the Lesedi operation (a knee sprain) during March 2023.

As mentioned above, the Board and management are exceptionally proud of the Doornbosch team, having achieved the considerable milestone of 11 years LTI-free. Additionally, Lannex achieved three years LTI-free during the period and Millsell and Tweefontein are now both LTI-free for more than a year.

The Company remains steadfast in its commitment to achieving the paramount objective of zero harm to its valued employees. In pursuit of this unwavering commitment, each recorded injury undergoes a comprehensive investigation, leading to the diligent implementation of corrective measures aimed at preventing any potential recurrences in the future.

The mental health and well-being of employees and their dependents remains an important concern for the Company, which is supported by the Employee Assistance Programme (EAP). The EAP is available to all employees and their immediate family members, as well as those living in the same household. Although there is a focus on treatment and prevention, the programme will enhance the corporate culture of caring and wellness. Regular health and wellness circulars are uploaded to the Company's SharePoint system and on screens across all operations, including at the head office. The EAP's reporting lines are confidential and each case is treated with the utmost discretion to protect any person's right to privacy.

Through the collaborative efforts of management and all employees, we continuously strive to maintain high safety standards and a safe working environment at all operating sites, with each plant continuing to operate in accordance with legislated safety and occupational regulations pertaining to the industry and country.

OPERATIONAL PERFORMANCE

It is extremely heartening that the SDO exceeded the Company's increased guidance for the financial year. PGM plant feed tons were 12% higher than the previous period. PGM feed grades decreased slightly by 5% year-on-year while recovery efficiencies increased by 5%. At Mooinooi, the management team worked diligently with the host mine to explore blending opportunities as a means of stabilising recoveries and improving the ROM ore feed grade, while reagent optimisation continued at all plants in order to improve efficiencies and further contribute to an increase in metal recoveries. As part of our secondary milling and flotation (MF2) roll-out programme, the Lesedi MF2 plant was fully commissioned with optimisation of the fine grinding and flotation circuit resulting in improved performance, PGM concentrate grades and recovery efficiencies during the year. Additionally, the Tweefontein MF2 circuit was optimised following commissioning in Q2 FY2023 and continues to contribute to improved recoveries. All of which resulted in increased production and, subsequently, the increase in the production guidance for FY2023.

Focus remains on final PGM concentrate quality through optimisation of mass pull, concentrate grade and metal recoveries to contribute positively towards the revenue stream of the Group. Additionally, decreasing metal prices and the resultant impact on margins have reinforced the importance of managing operating costs and prudent capital spend. Operating costs continue to be reviewed on a regular basis.

The SDO cash cost per 4E PGM ounce increased by 4% in ZAR (the functional currency) from ZAR10,899/ounce to ZAR11,355/ounce while the USD cash cost decreased 11% to $640/ounce against $716/ounce in the prior year. The increase in ZAR costs was primarily driven by higher electricity costs, reagent price increases and an increase in community upliftment expenditure. The effect of high global inflation and the consequences of supply chain disruptions owing to the Russia-Ukraine conflict continues to directly impact the cost of reagents, fuel and transport which also impacts operating costs.

The development of a new formal planned maintenance system has been successfully implemented at Millsell and is anticipated to be rolled out to selected priority operations during FY2024. This is expected to further improve plant availability and runtime, resulting in improved process stability and increased efficiencies.

Focus and engagement with the host mine on the preferred source of ROM and associated grades remains a priority for the Mooinooi operation and is producing positive results. The declining feed grades of the surface sources are being managed to ensure a consistent grade is maintained, with focus on improving recoveries through stability and blending opportunities as well as pursuing higher PGM grade third party chrome tailings material to supplement feed grades at existing operations.

Lannex, in particular, achieved a step change improvement in recovery, following the implementation of a new flotation reagent regime, whilst Mooinooi achieved significantly improved recovery efficiencies due to better quality ROM material received from the host mine during the period. Overall operational performance has been excellent with production guidance significantly exceeding expectations for the financial year. Management continues to focus on optimisation of feed sources, blending strategy and reagent regimes to further enhance performance. ROM grades received from the host mine remain on target and collaboration is ongoing regarding further improvements in this area.

Water consumption at the Lesedi re-mining operation and the re-mining operation of Dam 6A at the Mooinooi Plant, which commenced during the year remain focus areas, as well as optimal blending to ensure the planned grade profile is achieved.

The Company experienced localised power supply constraints to operations during the year as a result of continuing vandalism and cable theft at substations of the national power utility and by the re-implementation of loadshedding in the country. However, fortunately, load curtailment by the power utility only impacted the performance of the Lesedi operation, which experienced over 300 hours of downtime. The procurement, installation and commissioning of the back-up generator for Lesedi is expected to be completed by the end of Q1 FY2024.

Power challenges in South Africa have been a concern, and as a tailings reprocessing company, we rely on fossil fuels through diesel generators as backup in the absence of utility power in the short to near term. Longer term, we are exploring alternative options such as biofuels to mitigate our environmental impact. Furthermore, we are committed to the longer-term energy transition into more sustainable sources and are actively working with our partners, such as LMC, to incorporate solar power into our operations.

Mitigation against power challenges is crucial to our operations, along with sustainability, environmental management and good governance.

JOINT VENTURE AGREEMENT

The Thaba JV leverages the distinct strengths of each entity within the mining and processing sector to yield both PGMs and chromite concentrate. Sylvania Metals brings its proven track record in PGM recovery, sales, and distribution, while LMC contributes its expertise in chrome operations, particularly in fine chromite beneficiation. This alliance is poised to capitalise on the resources of the Middle Group Reef situated on the northern sector of the Western Limb of the Bushveld Complex in South Africa. By merging knowledge and resources, the partnership aims to extract optimal value from this region while expanding Sylvania Metals' commodity portfolio.

The Thaba JV envisions a mutual enhancement of value for both companies' shareholders. The Thaba JV adds a valuable dimension to Sylvania Metals' existing production profile. The collaboration's viability is underlined by an attractive investment return, surpassing our 20% internal rate of return (IRR) threshold, with a cash payback period of less than three years post-commissioning based on consensus metal pricing forecasts. Beyond financial gains, the JV is strategically aligned with Sylvania Metals' growth strategy, allowing it to tap into new resources, bolster production capabilities, and fortify distribution channels, thereby solidifying our standing within the mining and processing domain.

CAPITAL PROJECTS

Capital expenditure for the year increased 3% to ZAR257.2 million (FY2022: ZAR249.6 million), in line with the roll-out of planned projects.

Construction and commissioning of the Tweefontein MF2 plant has been completed which resulted in improved performances and a steady increase in recoveries at the operation, as the new flotation circuit was optimised.

Based on the successful roll-out of the MF2 programme and the installation of ultra-fine screening circuits at various operations since 2017 to improve process and PGM recovery efficiencies, a project was initiated to also roll-out this technology at Lannex, which is the last MF1 circuit in the Group to be converted. Construction of the Lannex MF2 plant is on target to commence commissioning in the latter part of Q1 FY2024, with commissioning of the fine grinding circuit to follow during Q2 FY2024.

Approximately ZAR15.9 million ($0.9 million) is budgeted in FY2024 for the necessary expansion of the Company's tailings facilities to ensure integrity and capacity at the tailings deposition facilities and to cater for the remaining materials that need to be processed.

The Company has also budgeted to install new emergency backup power generation capacity at two of its plants in order to reduce the impact of power interruptions and bolster supply capacity during peak day time running hours. While the Company is fully committed to reducing its carbon footprint in line with ESG objectives, standalone emergency backup plants operating fully on renewable technologies are not currently viable. However, the Company is investigating the possibility of introducing renewable technologies.

As part of its commitment to further improve the viability of its exploration projects at Volspruit and the Far Northern Limb projects, and to further unlock the economic potential from these owned assets, the Company anticipates spending approximately ZAR9.0 million ($0.5 million) during FY2024 to perform further resource optimisation and exploration drilling as detailed in the mineral asset and development section, as well as on the required regulatory Social and Labour Plan (SLP) spend.

The Company's project focused on creating chromite ore pellets suitable for ferrochrome (FeCr) smelters has progressed well. Pilot-scale work has been completed and potential industry partners are being engaged with to assess the commercial viability of the technology. Sylvania is funding the development costs in exchange for holding the license for any future chrome pellet production in South Africa.

FINANCIAL PERFORMANCE

When interpreting financial results, it is important to note that the Group generates revenues in USD, which are converted to ZAR, and incurs costs in ZAR, USD and GBP. The average USD:ZAR exchange rate was ZAR17.75:$1 against the ZAR15.21:$1 recorded in the previous period, and the spot price was ZAR18.89:$1 at 30 June 2023 (FY2022: ZAR16.38:$1).

The average gross basket price for PGMs in the financial year was $2,086/ounce, a 28% decrease on the previous year's basket price of $2,890/ounce. The decrease in the overall PGM basket price was primarily due to a circa 58% decrease in rhodium prices and a circa 57% decrease in palladium prices.

Revenue on 4E PGM ounces delivered decreased by 18% in dollar terms to $116.6 million year-on-year (FY2022: $142.5 million) with revenue from base metals and by-products contributing $13.3 million to the total revenue (FY2022: $12.4 million). Net revenue, after adjustments for ounces delivered in the prior year but invoiced in FY2023, decreased 14% to $130.2 million (FY2022: $151.9 million).

Group cash costs decreased by 14% year-on-year from $897/ounce (ZAR13,643/ounce) to $771/ounce (ZAR13,685/ounce). Direct operating costs increased 17% in ZAR (the functional currency) from ZAR730.8 million to ZAR856.9 million and indirect operating costs decreased 10% from ZAR265.1 million to ZAR239.5 million. The decrease in indirect costs is attributable to the decrease to the annual rehabilitation closure cost adjustment of ZAR22.2 million (FY2022: ZAR23.0 million increase) and the reduction in mineral royalty taxes which accounted for ZAR87.1 million (FY2022: ZAR105.3 million).

General and administrative costs, included in the Group cash costs, are incurred in USD, GBP and ZAR and are impacted by exchange rate fluctuations over the reporting period. These costs decreased 2% to $2.8 million from $2.9 million in the reporting currency year-on-year mainly due to the depreciation of the ZAR against the USD in USD terms. However, in ZAR terms there was a 14% increase to ZAR49.5 million from ZAR43.5 million in FY2022. The increase relates mainly to administrative and shared services employee costs (ZAR2.6 million), professional services and fees (ZAR0.6 million), and overseas travel (ZAR2.8 million).

All-in sustaining costs (AISC) decreased by 17% to $874/ounce (ZAR15,509/ounce) from $1,052/ounce (ZAR16,008/ounce), aided by the higher PGM ounce production. Similarly all-in costs (AIC) decreased by 18% to $1,033/ounce (ZAR18,345/ounce) from $1,256/ounce (ZAR19,109/ounce) recorded in the previous period as a result of the decrease in capital spend on strategic projects and exploration, and an increase in production. Group EBITDA decreased 20% year-on-year to $66.0 million (FY2022: $82.8 million). The taxation expense for the year was $21.6 million (FY2022: $24.8 million) (as per the statement of profit or loss and other comprehensive income and includes deferred taxation movements and dividend withholding tax) and depreciation amounted to $4.2 million.

The Group net profit for the year was $45.4 million (FY2022: $56.2 million).

Capital spend for the year was ZAR257.2 million ($14.5 million) (FY2022: ZAR249.6 million ($16.4 million)) primarily associated with various tailings facilities, Lannex MF2 projects and stay-in-business capital in line with the Company's business plan for the year.

Basic earnings per share (EPS) decreased 18% to 17.01 US cents per share from 20.62 US cents per share in FY2022.

The cash balance on 30 June 2023 was $125.0 million (FY2022: $121.3 million), including $0.8 million in financial guarantees (FY2022: $0.9 million). Cash generated from operations before working capital movements was $64.0 million, with net changes in working capital of $13.7 million, mainly due to the movement in trade receivables of $12.1 million. Net finance income amounted to $5.1 million and $19.8 million was paid in income tax for the period, including dividend withholding tax of $1.8 million.

At the corporate level, 3.6 million Ordinary Shares were bought back through the Share Buyback programme for a cost of $3.6 million. The Company cancelled 1.2 million Ordinary Shares held in Treasury in December 2022, and then a further 3.6 million Ordinary Shares held in Treasury were cancelled, post year-end on 13 July 2023. Bonus share awards of 1.8 million Ordinary Shares vested and were exercised by various persons displaying management responsibilities (PDMRs) and employees. These bonus share awards were granted in August 2019 and had a three-year vesting period. 0.7 million of the exercised Ordinary Shares were repurchased to satisfy the tax liabilities of PDMRs and certain employees and a further 0.5 million Ordinary Shares were repurchased from PDMRs and certain employees during September 2022 and May 2023, respectively.

The Company paid its first cash interim dividend of three pence per Ordinary Share amounting to $9.9 million in April 2023. Dividends of $35.5 million were paid out during the financial year which included the FY2022 dividend paid in December 2022 and a further $1.0 million was paid through the Employee Dividend Entitlement Plan (EDEP).

The impact of exchange rate fluctuations on cash held at year end was a $3.8 million loss due to the ZAR depreciating against the USD by 15%.

The Company remains debt free with a cash balance of $125.0 million including $0.8 million in financial guarantees, allowing for continued funding of capital expansion projects as identified.

For more details on the financial performance of the Group, please refer to the Directors' Report and the accompanying consolidated annual financial statements.

MINERAL ASSET DEVELOPMENT

The Group owns various mineral asset development projects on the Northern Limb of the Bushveld Igneous Complex located in South Africa for which it has approved mining rights. In the 2021 financial year, a new phase of targeted studies was commissioned on both the Volspruit and Far Northern Limb PGM opportunities to determine how best to optimise the respective projects. In October 2022, significant progress was reported in the Exploration Results and Resource Statement and work has continued during FY2023 towards unlocking mineral potential on these projects.

Volspruit Project

Earlier resource statements for Volspruit reported relatively low in-situ grades and consequently, low PGM concentrates would have necessitated capital-intensive in-house smelting and refining facilities using unproven technologies. This was one of the primary reasons for the relatively slow progress on this project in earlier years. Based on the improved metal prices in recent years and an improved focus on unlocking the potential and further value from existing assets, the Company initiated a resource optimisation study in 2021.

The primary objective was to improve the ore feed grades for the project to enable the production of a higher grade, saleable PGM concentrate, eliminating the need for expensive and complicated downstream processing infrastructure.

The Statement of Exploration Results, Mineral Resources, and Scoping Study released in October 2022 provided a revised Mineral Resource Estimate (MRE) defining a narrower mineralised zone of the Volspruit North Body, on which a Preliminary Economic Assessment (PEA) was completed. Based on the results of this initial study, there is approximately 15.7 million tons of ROM feed material at a grade of 2.13 g/t 3E and a stripping ratio of 6.7 over the life of mine.

Far Northern Limb Projects

The Company currently holds approved mining rights for PGMs and Base Metals for both the Hacra and Aurora project areas. Similarly to Volspruit, historical MREs for the project areas did not provide sufficient ore feed grades to produce a saleable PGM concentrate and consequently, limited progress was made in previous years to develop these projects.

As reported last year, the Company commissioned a targeted review of both the Hacra and Aurora projects through infill drilling projects, relogging programmes and selected optimisation studies, which was reported in the Statement of Exploration Results, Mineral Resources, and Scoping Study released in October 2022. A proof-of-concept study that included the reinterpretation of the mineralisation at Aurora enabled the identification of the near surface T-zone on the La Pucella farm. This represents approximately 12% of the potential strike length held under mining rights on Aurora.

A Joint Ore Reserves Committee (JORC) compliant Measured and Indicated Resource of 16.2 million tons (including 10% geological loss) at a grade of 2.63 g/t 3E was declared for this proof-of-concept study over the limited area. Initial economic evaluation of the resource indicated a need for increased resource volume, and further studies during the 2023 financial year were conducted to determine the continuity of mineralisation along the remaining strike length. At the end of the 2023 financial year, 30,385 metres (76%) of the 40,230 metres of historic core available within the mining right had been relogged. This programme will be completed in Q2 FY2024. A technical study, to be completed in the third quarter of FY2024, will assess the continuity of the T-Zone mineralisation and allow for targeted resource upgrade drilling programmes to be designed.

As reported in the Statement of Exploration Results, Mineral Resources, and Scoping Study released in October 2022, the Hacra North underground target has provided for some significant drilling results. Work continues to evaluate the underground potential with a technical review of the project expected to be completed during the first quarter of FY2024.

CORPORATE ACTIVITIES

Dividend Approval and Payment

On 2 December 2022, the Board paid a dividend for FY2022 totalling $25.6 million, equating to eight pence per Ordinary Share, to shareholders on the register on the record date of 28 October 2022.

The Board published a new Dividend Policy in HY1 FY2023 and, as a result, the Board declared its first interim dividend of three pence per Ordinary Share in February 2023, which was paid out on 6 April 2023. In accordance with this new Dividend Policy, I am happy to announce that, despite the challenging year we have faced, the Board has declared the payment of a final cash dividend for FY2023 of five pence per Ordinary Share, payable on 1 December 2023. Further to the dividends paid to shareholders, and in accordance with the Company’s EDEP whereby eligible employees receive an equivalent dividend paid on shares bought back by the Company in the market, held in Treasury and ring-fenced for the EDEP, a total of ZAR16.9 million ($1.0 million) was paid out during the financial year.

Transactions in Own Shares

One of the Company’s strategic goals is to return capital to shareholders and to continue to review opportunities to do so as and when they arise.

At the commencement of the financial year, shares in the Company were valued at 88 pence per Ordinary Share and at the close of FY2023, the share price had depreciated 9% to 80 pence per Ordinary Share, largely influenced by the macroeconomic environment and volatile PGM prices.

While many share price determinants are beyond the Company's influence, management diligently tracks it and remains committed to optimising business strategies for the benefit of shareholders.

During H2 FY2023, the Company concluded its fourth Share Buyback programme in which it bought back 3.6 million shares in the market at the average price of 79.36 pence per share. In terms of the programme, Ordinary $0.01 Shares of the Company’s issued share capital, up to a maximum consideration of $10.0 million were to be purchased. The total consideration of the programme amounted to $3.6 million at 30 June 2023 and the Board has taken the decision to reinstate this Share Buyback programme to acquire Ordinary $0.01 Shares to a maximum consideration of $6.4 million. This is the balance of the $10.0 million originally allocated to the programme.

1.8 million Ordinary Shares were exercised by various PDMRs and employees which vested from bonus shares awarded to them. All shares awarded were issued from shares held in Treasury.

THANK YOU AND OUTLOOK

The impressive performance results were driven by robust production efforts across all operations, with all plants surpassing production throughput goals. Additionally, the contribution of the Tweefontein MF2 circuit further bolstered the overall performance. We continue to drive operational enhancements, particularly in optimising feed sources, throughput, recoveries and cost-saving initiatives, and plans for improvement include test work to fine-tune reagent regimes across all operations. Notably, the construction of the Lannex MF2 plant remains on schedule for commissioning in the latter part of Q1 FY2024, followed by the commissioning of the fine grinding circuit in Q2 FY2024. I strongly believe that our operations will continue to deliver a robust production performance in FY2024 and, in line with this, Sylvania will maintain an annual production guidance of between 74,000 to 75,000 4E PGM ounces for the coming financial year.

Weak PGM prices coupled with rising input costs is of great concern to the Board, as it is to the industry as a whole. However, as illustrated in this report, we have maintained our cautious cash management approach and will continue to manage our capital allocation policies and production costs to the best of our ability. We believe the long-term fundamentals of PGMs remain strong, as are those for chrome, and we will continue to seek to unlock full value with the support of current and future specialist industry partners.

I greatly appreciated the stellar efforts of management and production teams, and our hard-working employees, who have continued to champion our safe working and strong production strategy. I also extend my appreciation to you, our valued shareholders, for your ongoing support of the

Company over the years. We are optimistic about what the future holds despite the current challenges that the PGM sector may face, and I look forward to sharing the journey ahead with you.

Jaco Prinsloo
Chief Executive Officer

ESG: SUPPORTING OUR STRATEGY

Sylvania's second ESG report will be released in October 2023 and outlines the operational and non-financial performance of Sylvania Platinum Limited for the 12 months ended 30 June 2023.

Below is a condensed version of the report and gives a brief outline of how the Company is progressing on our environmental, social and governance responsibilities. This provides stakeholders with insight into the Company's influence and impact on the environment, the communities in which it operates, the contribution to the South African economy and the commitment of the Board and management to good governance. It highlights the material issues which could affect the prospects of the Company and how management are navigating these issues for the benefit of shareholders, clients, communities and employees.

As mandated by the Board, Sylvania's Executive Committee acknowledges its responsibility for ensuring the integrity of the ESG report, and has been diligent in the collection of data, defining assumptions, as well as the preparation and presentation of the report.

The Board believes the Sylvania 2023 ESG Report is aligned with global trends for sustainability reporting and addresses all material matters linked to the Company's core business. It offers a balanced view of how the Company addresses impacts on society, the environment and the economy in the short, medium and long term.

AT A GLANCE – ESG PERFORMANCE FOR FY2023

ENVIRONMENTAL

Measure	FY2023 total	Higher, lower or consistent with FY2022
Power consumption (kWh)	96,113,178	Higher
Energy intensity (kWh/tons treated)	36.74	Consistent
Diesel consumption (l)	99,292.00	Lower
GHG emissions scope 1 & 2 (CO_2e/t)	99,387.99	Higher – addition of Lesedi and Tweefontein MF2 plants
GHG emission intensity (CO_2 / tons treated)	0.038	Lower
Water consumption (m³)	6,623,556	Insufficient comparable data
Water recycled/re-used (m³)	5,872,600	Insufficient comparable data
Water consumption intensity (water consumed (m³)/total tonnes treated)	2.53	Insufficient comparable data
Tonnes treated (total feed SDO) (tonnes)	2,615,994	Higher
Reportable environmental incidents	Nil	Lower

SOCIAL

Measure	FY2023 total	Higher, lower or consistent with FY2022
Serious injuries	Nil	Consistent
Lost time injuries	2	Consistent
Medical treatment cases	2	Lower
First aid cases	8	Higher
Employment numbers	641	Higher
Female employees and %	23%	Higher
Employee participation and representation (% unionised employees)	84%	Higher

GOVERNANCE

Measure	FY2023 total	Higher, lower or consistent with FY2022
Training and development		
Community-based employees training	10	Higher
External training provided (sessions)	1,323	Higher
Interns (number)	3	Consistent
Bursaries (internal and external)	18	Higher
Regulatory compliance		
MHSA, sections 54 and 55	5	Higher – only instructions received, no stoppages
Environmental directives	Nil	Consistent
Material legal compliance risks	Nil	Consistent
Permits and licences (number of fines)	Nil	Consistent
Economic contribution: national and local governance		
Salaries and wages	247,825,705	Higher
Contributions and employee tax paid	124,732,514	Higher
Employee dividend participation scheme	17,010,114	Higher
Income tax	367,927,842	Higher
Value added tax	239,263,797	Lower
Dividend withholding tax	47,544,341	Higher
Mineral royalty tax	99,345,722	Lower
Carbon tax	Nil	Consistent

OUR ESG STORY

Sylvania is a responsible participant in the South African mining industry. Our business model is inherently beneficial to the environment as it is built on reprocessing what would otherwise be waste products. Sylvania was the first company to beneficiate both chrome and PGM minerals, which were historically uneconomical to recover. Through this process the operations also clean up smaller, older tailings facilities, which were historically constructed to lower environmental standards.

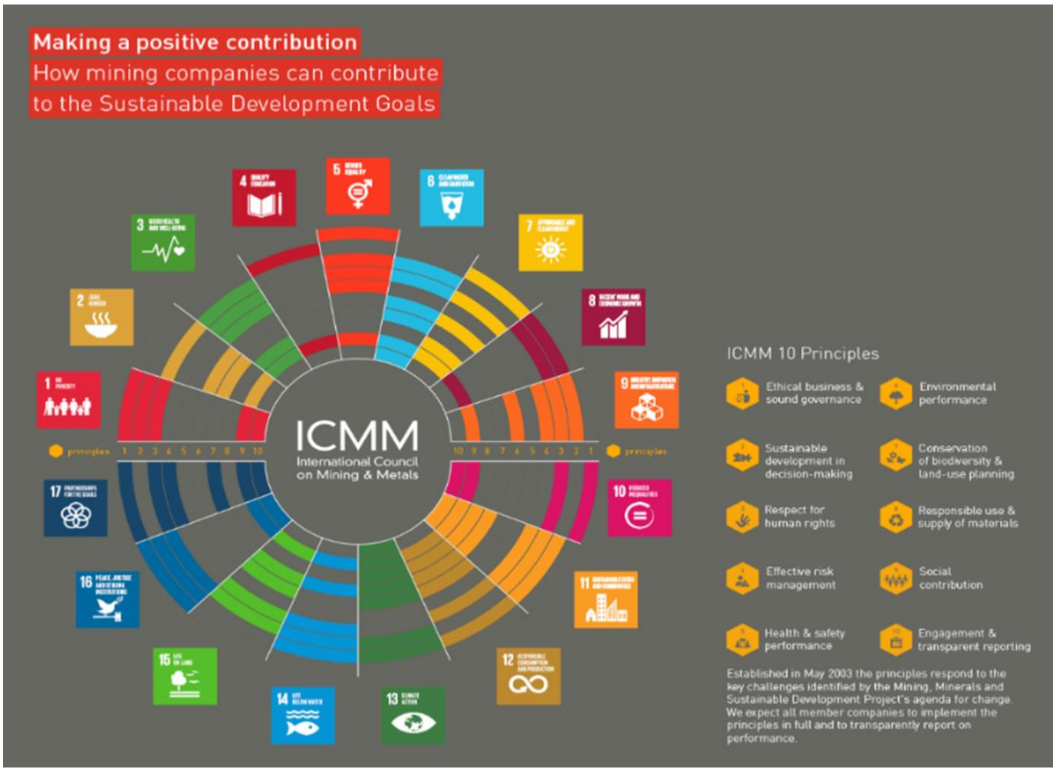
The newer tailings facilities, built in the last decade, comply with higher regulatory standards and the material deposited is partially rehabilitated through the further extraction of the metals prior to deposition. The larger tailings dams consolidate many smaller dams and therefore create a smaller environmental footprint with a lower risk of contamination.

Sylvania's values run through every aspect of the business. Management prioritises safe, healthy working conditions and strengthen and support the communities we operate in, working to build a socially inclusive economy for all stakeholders, shareholders, employees and hosting communities.

Value	Our intention
We value the safety and health of all	Employees are at the heart of our company. We place their safety and health above all else in everything that we do.
We value the fundamental rights of people	We treat all people with dignity and respect.
We value honesty and integrity	We act honestly and show integrity by continually striving towards 'doing what we say we are going to do' and showing commitment to delivering high performance outcomes, thus projecting an image of professionalism and meeting the expectations of our colleagues, investors, business partners and social partners.
We respect the environment	We act in a manner that is sustainable and environmentally responsible, applying professional and innovative methods.
We value the culture, traditional rights and society in which we operate	Our actions will support the communities in which we work while honouring their heritage and traditions.

Sylvania believes that a sustainable business in the mining industry is one with a diverse and inclusive workforce where employees can thrive; and one which acts in a responsible manner, reducing its impact on the environment and benefiting the communities in which it operates.

This approach aligns not only with the Company values, but with the ten principles for sustainable development outlined by the International Council on Mining and Metals (ICMM), which integrate with the 17 United Nations Sustainable Development Goals (UNSDGs).



ENVIRONMENT

Climate action and positive energy management

Sylvania has proactively navigated the challenges posed by South Africa's complex energy landscape to ensure the successful continuation of our operations, maintaining high production rates and a robust workforce during FY2023. An ageing infrastructure and lack of alternative energy producers means South Africa has experienced an average of Stage 4 loadshedding (24 hours of outages over a 4-day period) every day in 2023. However, thanks to the acquisition of diesel site generators, our production capabilities and electrical infrastructure at our operations have remained largely operational. Although this approach potentially increases our carbon footprint, it underscores the importance of short-term energy alternatives in maintaining macroeconomic resilience and supporting the nation's capacity to combat climate change in the long run.

Our carbon transition journey continues to follow the Task Force on Climate-Related Financial Disclosures (TCFD) principles outlined in our last ESG report whilst focusing on operational energy security. We have short-term goals for Scope 1 and 3 energy sources, to be implemented by 2025.

Water security and stewardship

We recognise that water is a precious resource and have implemented effective water management strategies, overcoming production and financial losses caused by shortages at certain operations in prior years by securing, managing, monitoring and controlling consumption. The installation of additional flow meters has enhanced the accuracy of water monitoring, while an integrated approach with host mines in managing water resources has enabled sustainable usage. Most notably, the operations’ efforts to recover and recirculate water from the tailings stream into return water dams demonstrates the commitment to environmental sustainability.

Sylvania has also initiated a feasibility study into the construction and use of thickeners to lower water volume losses of the tailings.

Tailings management and rehabilitation

Sylvania's operations achieve economic benefits while also taking environmental responsibility into account. The continuous reworking of mineral waste dumps, with redepositing (or recycling) tailings onto the same or enhanced tailings storage facilities (TSFs) is inherently good for the environment. The current TSFs are designed to operate at an appropriate level of risk, compliant with the DMRE Mandatory Code of Practice for Mine Residue Deposits (DME 16/3/2/5-A1). The Company acknowledges the Global Industry Standard on Tailings Management (GISTM) and is in the process of aligning practices with the GISTM, while still ensuring compliance with the regulatory standards applicable in South Africa. Sylvania will continue to measure compliance against this international standard.

The Company has made significant progress on the revegetation project as an alternative method to rehabilitating and/or capping TSFs as reported on in the prior year. This is a three-year trial project with the organic method showing the most promising results, leading to improvements in drainage, water holding capacity, nutrient levels, and overall plant cover. Positive ecological impacts are also being observed, evidenced by the presence of locusts, dragonflies and butterflies.

Environmental restoration

Environmental restoration	FY2020	FY2021	FY2022	FY2023
Total area: vegetation cleared (ha)	156	157	185	180
Rehabilitation provisioning — USD	3,646,044	4,539,937	5,936,804	4,040,854

SOCIAL

Female empowerment

Female representation is notably increasing at the junior management and core and critical skills levels, which is likely to show up at higher levels in future years. Female representation in junior management has increased to 27% in FY2023. At the core and critical skills levels, 22% of the workforce is female and we are increasing the number of women in the current internship and learnership intakes. Our FY2023 intake includes 60% female representation in internships.

Workforce diversity and labour practices

Women currently represent 23% of the workforce, with 96% of them also historically disadvantaged persons (HDPs). A well-supported employee equity forum, with representatives from all levels of the organisation, meets quarterly to discuss concerns around employment equity, skills development and other matters, and to propose improvements on an ongoing basis.

Employee participation and representation

84% of our total workforce belongs to recognised unions for collective bargaining and labour matters. There are no instances of child, forced or slave labour, neither were there any cases raised of misconduct, inappropriate behaviour or concerns about corruption. During FY2023, Sylvania maintained “unavailable” labour percentage levels below industry norms, specifically in terms of absenteeism, which was recorded at levels below 0.01%. No industrial action occurred at any of the Sylvania operations during the period.

Employee health and safety

Sylvania prioritises the safety, health and wellbeing of our employees: the Company has not had a fatality since commencement of operations. Doornbosch achieved an exceptional 11 years LTI-free this year; Lannex achieved three years, and Millsell and Tweefontein are now both LTI-free for more than a year.

More than 99% of employees were declared medically fit for duty in FY2023 and, following a promotional drive last year, 88% of all employees are now members of a recognised medical aid scheme. However, 10 incidents were recorded in FY2023 (including two LTIs), compared to nine in the previous year. Management have intensified safety campaigns and awareness programmes to reduce this number going forward.

Four DMRE instructions (Section 54/55) received during FY2023 indicated that some of the risk mitigation measures require improvement. We are implementing focused training interventions and over inspections aimed at trackless mobile machinery and tracking management, equipment safeguarding, equipment handling, working in elevated position, and slip and fall, to improve current control effectiveness.

Training and development

In addition to regular training provided for employees, by the Company, the host mine and external service providers, training and development programmes are offered to persons living in the local communities. The success of this training is measured not only by the number of people participating, but by how many of them find employment as a result. To date 31 participants have found employment (49%), with Sylvania providing two of those appointments from September 2022. The programme currently has 24 participants, 11 of whom are women.

Communities, customers and local stakeholder relationships

Engagement with employees and local communities is facilitated by the Employment Engagement Forums and Community Liaison Officers (CLOs). A further 58 members of the local community were employed by Sylvania this year and the Company continued with ongoing contributions to Corporate Social Investment (CSI) projects, including maintenance work and provision of supplies (food and equipment) to nine community organisations.

Gender-based violence

The elimination of gender-based violence (GBV) is a priority across the operations and host communities. The Company has a zero-tolerance approach to GBV, while acknowledging that many incidents go unreported. Sylvania supports the work of the non-profit Gatsheni Lifeway Hope organisation, which campaigns against GBV, helping expand its reach and make a positive difference.

GOVERNANCE

Process and code of conduct

Sylvania’s senior leadership team, under the guidance of the CEO, is responsible for managing key strategic and tactical decisions that may impact our ESG priorities at a project and operational level. ESG is embedded into the business with relevant decisions taken at monthly operational meetings, quarterly technical reviews, monthly risk and safety Executive Committee meetings, and monthly social and ethics Executive Committee meetings.

This year the Company launched various ESG awareness training campaigns including ten members of the Executive Committee and senior management, as well as campaigns driven by the safety department covering all senior and middle management employees. An internal ESG dashboard is being developed which will monitor and display ESG performance on a quarterly basis.

Sustained resources, growth and diversification

In August 2023 our subsidiary, Sylvania Metals, entered into an unincorporated JV agreement with Limberg Mining Company, a subsidiary of ChromTech Mining Company. The Thaba JV will process PGM and chrome ores from historical tailings dumps and current arisings from the Limberg Chrome Mine, located on the northern part of the Western Limb of the Bushveld Complex, South Africa. The venture is expected to add attributable 4E PGM ounces and chromite concentrate to Sylvania Metals’ existing annual production profile.

The JV Board will meet quarterly, and progress will be included in the Sylvania quarterly announcements as well as the half year and annual results maintaining transparent reporting. Both parties to the JV are committed to a positive ESG impact with options for renewable or green energy solutions being explored to minimise the carbon footprint of the new chrome and PGM processing plants.

Stakeholders and engagement

Sylvania prides itself on providing clear and transparent reporting to all stakeholders, returning value to shareholders and building a sustainable business. This is made possible through effective Board and management structures and oversight and policies aligned with the Group’s culture and ethical values to prevent bribery and corruption. Communication with shareholders is provided through investor roadshows, individual and group meetings, half year and annual roadshows, regulatory news service (RNS) releases and the Company's website.

Strategic and operational risk reviews are undertaken bi-annually and are used to guide management on short and long-term risk focus areas, controls and action plans to mitigate these risks.

Economic contribution

Unemployment in South Africa is currently the highest in the world, rising to 33% in Q3 FY2023 largely due to the power crisis as many businesses struggled to stay open. Youth unemployment rose to 62%. In 2021, over 80% of unemployed people in South Africa were HDPs.

Sylvania is committed to changing this. We invest heavily in community training programmes and our recruitment initiatives focus on the communities surrounding our operations. More than two-thirds of our new employees in FY2023 were from our hosting communities. In addition to providing employment, internships and learnerships, Sylvania has contributed to the wider South African economy through the payment of taxes and local procurement.

GOVERNANCE REPORT

DIRECTORS

The names of the Directors who held office during, or since the end of, the financial year and until the date of this report, are as follows:

SA Murray	(Independent Non-Executive Chairman)
JJ Prinsloo	(Chief Executive Officer)
L Carminati	(Chief Financial Officer)
E Carr	(Independent Non-Executive Director)
AJ Reynolds	(Independent Non-Executive Director)
SJ Scott	(Independent Non-Executive Director)

SA Murray

Independent Non-Executive Chairman

Mr Murray has over 30 years of executive experience in the Southern African platinum sector, commencing his career at Impala Platinum's Refineries in 1984. He held a number of positions at Impala Platinum, Rhodium Reefs, Barplats, and Middelburg Steel and Alloys, before joining Aquarius Platinum Limited in 2001 as Chief Executive Officer, holding that position until 2012. He was a Non-Executive Director of Talvivaara Mining Company Plc, the former Finnish nickel miner, and is the Chairman of Imritec Limited, an aluminium by-products recycler.

Special responsibilities

- Independent Non-Executive Chairman of the Board; and
- Member of the Remuneration Committee

E Carr

Independent Non-Executive Director

Ms Carr joined the Board of Sylvania Platinum Limited on 1 May 2015. She is a Chartered Certified Accountant with an MSc in Management from London University and is a SLOAN Fellow of London Business School. Ms Carr has over 35 years of experience within the resources sector having worked worldwide on a host of large-scale mining operations. She was appointed Finance Director of Cluff Resources in 1993 and has, since that time, held several executive directorships in the resources sector, including CFO for Monterrico Metals plc, the AIM-listed copper exploration company developing the Rio Blanco project in Peru. Her first non-executive role was for Banro Corp in 1998 and, more recently, she has been a Non-Executive Director for Bacanora Lithium Plc. Currently, Ms Carr is Non-Executive Chairman of Oriole Resources Plc.

Special responsibilities

- Chairman of the Audit Committee

AJ Reynolds

Independent Non-Executive Director

Mr Reynolds joined the Board on 1 August 2021 and has over 40 years' experience in the mining and minerals industry, commencing his directorship career in 2010 at Morila, a Randgold Resources subsidiary. He is currently a director of Resolute Mining Limited and has previously held directorship positions at Mkango Resources Limited, Somilo SA (a Randgold Resources subsidiary), Aureus Mining Limited, Digby Wells Environmental, Geodrill Limited, Acacia Mining Plc, and GT Gold Corporation. Mr Reynolds is a fellow of the Institute of Materials, Minerals and Mining as well as of the Geological Society of South Africa. He is a registered Professional Natural Scientist and holds a Master's of Science in Geology obtained from Rhodes University in 1979, as well as a Graduate Diploma in Engineering obtained from the University of Witwatersrand in 1987.

Special responsibilities

- Chairman of the Remuneration Committee; and
- Member of the Audit Committee

SJ Scott

Independent Non-Executive Director

Mr Scott joined the board on 1 January 2022 and has over 25 years of experience in the mining industry, including 15 years in platinum group metals, with Anglo American Platinum and Lonmin, where he held a number of senior positions, including CFO and CEO. He currently serves on the Board of First Quantum Minerals Limited and AngloGold Ashanti Holdings plc and has previously held executive directorship positions at Lonmin plc, Aveng Limited, Anglo-American Platinum Limited, JP Morgan Chase and Chubb Holdings Limited. Mr. Scott is a Chartered Accountant and professional member of the South African Institute of Chartered Accountants. He holds both a Bachelor of Accountancy and Bachelor of Commerce degree obtained from the University of Witwatersrand and has also completed a Management Development Program at the University of Cape Town.

Special responsibilities

- Member of the Audit Committee

JJ Prinsloo

Chief Executive Officer

Mr Prinsloo has been appointed as CEO and admitted to the Sylvania Board since March 2020. Since January 2012, he has served in senior positions at Sylvania, initially as Executive Officer: Operations and as Managing Director of the South African Operations from March 2014, until his appointment to his current position. Prior to joining Sylvania, Mr Prinsloo was principal metallurgist at Anglo American for Anglo Operations Limited, following eight years at Anglo American Platinum Limited from 2002 in various senior metallurgical positions across the group. During the past 20 years in the mining industry, he has been exposed to various operational and technical aspects of both the South African and international mining landscape and he has gained experience in both the precious and base metals sectors. Mr Prinsloo is a metallurgical engineer and holds a Bachelor of Engineering in Metallurgy from Pretoria University, a Postgraduate Diploma in Business Administration and an MBA from the Gordon Institute of Business Science (UP).

Special responsibilities

- Chief Executive Officer

L Carminati

Chief Financial Officer

Ms Carminati is a qualified Chartered Accountant and holds a Postgraduate Certificate in Mining Tax. She joined Sylvania in 2009 and in 2011 was appointed as Executive Officer: Finance for the South African operations before being appointed CFO and admitted to the Sylvania Board since March 2020. She has gained substantial and diverse experience in the various aspects of financial management at a senior level, with a particular focus on compliance, governance and financial reporting. She has also taken a leadership role in corporate finance transactions.

Special responsibilities

- Chief Financial Officer

Meetings of Directors

During the financial year under review, there were three formal Directors' meetings and five information/strategy sessions. All other matters that required formal Board resolutions were dealt with via written circular resolutions and through the holding of conference calls. In addition, the Directors met on an informal basis at regular intervals during the year to discuss the Group's affairs.

The number of formal meetings of the Group's Board of Directors attended by each Director was:

	Board meetings		Audit Committee meetings		Remuneration Committee meetings		Information/strategy meetings*	
	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended
SA Murray	3	3	-	1	2	2	5	5
JJ Prinsloo	3	3	-	4	-	2	5	5
L Carminati	3	3	-	5	-	-	5	5
E Carr	3	3	5	5	-	2	5	5
AJ Reynolds	3	3	5	4	2	2	5	5
SJ Scott	3	3	5	5	-	2	5	5

**1x Nominations Committee Meeting, 2x Strategy Meetings, 1x Board Information Meeting and 1x Budget Meeting.*

Directors' interest in shares and options

The following relevant interests in the shares and options of the Company or related body corporate were held by the Directors as at the reporting date:

Shares and options

2023	Common Shares
SA Murray	1,050,000
JJ Prinsloo	1,463,144
L Carminati	1,326,831
E Carr	70,000
AJ Reynolds	20,000
SJ Scott	20,000

Directors and key management personnel

The key management personnel of the Group are the Directors of the Company and those Executives that report directly to the Chief Executive Officer or as determined by the Board. Details of Directors and key personnel remuneration is as follows:

Short Term Benefits				Share-based payment	
2023	Cash salary/ Consulting fees	Bonus [1]	Directors' fees	Equity shares/ share options [2]	Total
	$	$	$	$	$
Directors					
SA Murray	-	-	125,000	-	125,000
JJ Prinsloo	295,269	33,792	75,000	75,812	479,873
L Carminati	264,595	30,708	75,000	63,292	433,595
E Carr	-	-	85,000	-	85,000
AJ Reynolds	-	-	80,000	-	80,000
SJ Scott	-	-	75,000	-	75,000
Sub-total	559,864	64,500	515,000	139,104	1,278,468
Other key management	1,748,070	209,289	-	284,352	2,241,711
Total	2,307,934	273,789	515,000	423,456	3,520,179

1 Cash bonuses were awarded to Directors and key personnel based on individual performance.

2 Share-based payments include shares issued and bonus shares granted.

Indemnification and insurance of Directors and Officers

During the year, the Company paid premiums in respect of a contract insuring all Directors and Officers of the Company against liabilities incurred as Directors or Officers. Due to confidentiality clauses in the contract the amount of the premium has not been disclosed. The Company has no insurance policy in place that indemnifies the Company's auditors.

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity (the Group) consisting of Sylvania Platinum Limited (the Company or Sylvania) and the entities it controlled at the end of, or during, the financial year ended 30 June 2023. Sylvania is a limited company incorporated and domiciled in Bermuda. Unless otherwise stated, the consolidated financial information contained in this report is presented in USD.

Principle activities

The principal activity of the Group is the low-cost extraction of PGMs from chrome dumps and current arisings, as well as investment in mineral exploration. Further information is provided in the CEO's review.

Business review

Principle risks and uncertainties

The Group is exposed to a variety of risks both in the mining and exploration industry as well as various other non-industry specific risks. The Board and the Audit Committee guide risk management and the alignment thereof with the Group's risk and overall strategy; however, all employees should be made aware of internal and external risk factors.

The Board and management recognise that the risk profile is dynamic and evolving, hence risk assessments are performed on an ongoing basis by those members of the management team responsible for risk management. Identified risks are linked to the Group's business plan and strategy to ensure that the necessary mitigating factors are put in place. A risk register is maintained for all principal risks, which is reviewed and considered by the Board and management on a regular basis. A minimum of two formal risk workshops are held annually and considered in all safety, operations and Executive meetings. Short-term and long-term risks and the effect thereof on the Group's business plan and strategy is assessed, including extraordinary risks.

The Board also considers financial indicators including solvency and liquidity. The Group's ability to continue as a going concern is formally assessed bi-annually and as part of the annual budgeting process. Further consideration of the Group's solvency and liquidity ratios are performed when dividend payments are made.

Principal risks described below are known risks, however risks may also exist that the Board and management are not aware of. The disclosure below is not in any particular order of importance or relevance and immaterial risks are not noted.

<u>Geopolitics and economics</u>

Risk and impact:

Political instability and geopolitical uncertainty have caused an increase in inflation as well as higher interest rates worldwide. The various currencies with which we operate have also fluctuated significantly reflected in the approximately 17% depreciation in the average USD/ZAR ratio in the past 12 months. The impact of the ongoing war in Ukraine as well as the impact of China as the largest consumer of minerals and metals has had a noticeable effect on the supply and demand landscape. New governments, for example in Australia, may pass new policies which impact the wider mining sector. The cumulative effect of the volatile global economy has negatively influenced the commodity prices especially in the mining sector, such as rhodium prices which reached some of the lowest levels in recent years.

Deteriorating infrastructure and the ever-present load curtailment and loadshedding challenges in South Africa, as a result of the failures of the local power utility, could have further dire effects on the mining industry if the risk is not manged and appropriate mitigating factors implemented timeously.

Mitigation:

The Board and management constantly monitor the market in which the Group operates. The medium- and long-term strategies include diversification, both vertically and laterally, in terms of services, technology, research and development as well as new and long-term partnerships. The multi-layered diversification will enable the Company to capitalise on the potential of Africa becoming an alternative supplier of PGMs in the wake of the war in Ukraine and sanctions against Russia.

The Board and management monitor the market in which the Group operates, and the Group makes use of external advisors to ensure optimal management of foreign exchange exposure. Cash management is aligned with the Treasury Policy which includes detailed long- and short-term cashflow forecasts. Cash is held in ZAR for the operational and capital requirements expenditure and surplus cash is held in USD to limit the impact of exchange rate fluctuation. The Company is in the fortunate position that the national power utility conundrum currently has no material effect on the operations, however the Board and management monitor the situation continuously and preventative plans are in place to avoid operational disruptions and financial loss.

Environmental, social and governance

Environmental

Risk and impact:
Climate change continues to be a major role player and driver of all environmental trends and risks. The frequency and duration of extreme weather conditions are on the increase with a concerning impact on the economy, communities and value chains. As climate change continues, water scarcity escalates and unfortunately water saving technologies are expensive and tend to be energy intensive. On the other hand, severe flooding can cause contamination of the communities' water supply and can potentially affect our tailings dams negatively.

Tailings dam related risks remain a key risk focus. In 2020, the ICMM committed to implement the GISTM and set clear deadlines for Companies to comply.

The interplay between mitigating climate change and accelerating renewable energy is challenging, as the mining of metals and minerals is crucial to escalate the transition. However, the detrimental effects of mining, if not managed responsibly, are well known.

Mitigation:
The Board views ESG not only as a risk, but also as an opportunity to incorporate the principles into the Company's strategy. The principles of a circular economy supported by circular business models and closed material loops are embedded in the Board's medium- and long-term strategic objectives.

The Board and management recognise the importance of water to maintain operations, but also to ensure the basic human right of access to clean and safe water for the communities in which the Company operates.

Although the Company is not required to comply with GISTM, management has proactively engaged with consultants to perform a gap analysis with regards to the Company's tailings dams. Management regularly consults with the local communities and an open communication channel is kept through various platforms, including community liaison officers.

Social

Risk and impact:
Health and safety and the related risks are inherent in how the mining and metals industry operates. The COVID-19 pandemic has demonstrated that wellbeing needs a new approach across all sectors and has highlighted the importance of, not only physical, but also psychological wellbeing. Health and safety and employee wellbeing is a key focus area for the Company and forms part of the measurable key performance indicators (KPIs) of management.

Community unrest and local protests in the areas where the Company operates is a reality and could potentially lead to downtime at the mining sites and pose a financial risk.

Mitigation:
Management and the Board monitor the wellbeing of employees, including mental health, and various support programmes are available to assist employees and their families. It is the Board's ambition to go beyond zero harm and to focus on opportunity and positive contributions. In alignment with ISO 45003:2021, wellness programmes are in place to support employees and contractors with work and personal life support services, which include daily monitoring of wellbeing at the various operations as well as annual physical medical surveillance processes.

Management engages with the local communities on a regular basis and consults with the various community leaders on relevant topics. The Company appoints community liaison officers, who, in collaboration with management, engage in numerous community projects to aid the local communities through feeding schemes, donations of school and sporting kit, training and skills development workshops, to mention a few, and also to be a sounding board for the unique challenges that the community members face.

Cost management and supply chain

Risk and impact:
The effects of inflation and supply chain challenges have the potential to affect capital projects and daily operations negatively. The rise in the cost of energy, not only in South Africa but worldwide, contributes to an increased cost base in general. The mismanagement of capital projects and uncontrolled operational cost with resultant lower margins could potentially lead to financial and other losses. Capital projects undertaken to sustain current- and expand on future operations, as well as continuing with the low-cost business model, remain key focus areas of the Group.

Mitigation:

Capital projects are carefully selected to ensure that they are aligned with the Group strategy. For any new projects, a business case supported by an advanced project plan is required and vigilant project management is undertaken throughout the projects to ensure that risks are identified timeously and addressed efficiently.

The Board and management continue to emphasise the importance of controlling operational costs without compromising the promotion of our ESG strategy. The new mission statement of the Group underpins the principle of a low cost but efficient operating model.

Human capital

Risk and impact:

The Group is reliant on a small team with a specialised skill set to ensure the success of the Company. Corporate intelligence and the continuation thereof is a key factor for operational excellence. A fast turnover in management might affect employee morale negatively. The lack of a succession plan for both key management and the Board can potentially lead to the unnecessary disruption of the operations and potentially lead to a loss of investor confidence.

Mitigation:

The Group creates a supportive work environment for all employees with emphasis on employee health which is supported by the employee assistance plan. The Company incentivises key management through the granting of bonus share awards, regular salary benchmarking and opportunities to further any relevant studies. Succession planning is a focus area of the Board and forms part of the Executive strategy workshops.

Group financial results

A summary of the Group's performance for the period is summarised below and a more detailed description is further provided.

		2023	2022	+- % Change
Average 4E Gross basket price	$/oz	**2,086**	2,890	(28)
Net Revenue	$ 000	**130,196**	151,944	(14)
Group cash cost	ZAR/oz	**13,685**	13,643	0
Group cash cost	$/oz	**771**	897	(14)
Gross profit	$ 000	**64,001**	83,201	(23)
General administration costs	$ 000	**(2,790)**	(2,860)	(2)
Profit before income tax expense	$ 000	**66,977**	80,929	(17)
Group EBITDA	$ 000	**65,964**	82,768	(20)
Cash generated from operations				
(before working capital changes)	$ 000	**63,962**	85,203	(25)
Changes in working capital	$ 000	**(13,716)**	(6,735)	104
Net finance income received	$ 000	**5,094**	1,512	237
Taxation paid	$ 000	**(19,785)**	(23,832)	(17)
Net increase/(decrease) in cash and cash equivalents	$ 000	**6,639**	19,694	(66)
Cash and cash equivalents, end of year	$ 000	***124,160**	121,282	2
Production				
Plant feed	T	**2,615,994**	2,393,355	9
Total 3E and Au	Oz	**75,469**	67,053	13
PGM plant recovery	%	**55.86**	53.24	5
Capital expenditure				
Property, plant and equipment	$ 000	**12,869**	14,498	(11)
Exploration and evaluation assets	$ 000	**1,622**	1,907	(15)
Total capital expenditure	$ 000	**14,491**	16,405	(12)

**An additional $823,144 restricted cash is held which serves as guarantees to Eskom and the DMRE*

Net Revenue

Net Revenue decreased 14% year-on-year mainly due to the 28% decrease of the gross basket price from $2,890/ounce in FY2022 against $2,086/ounce recorded in the current year.

Cash costs
Cash costs for the Group remained aligned year-on-year at ZAR13,685/ounce compared to ZAR13,643/ounce in the previous year.

General and administration
General and administrative costs, included in the Group cash costs, are incurred in USD, GBP and ZAR and are impacted by exchange rate fluctuations over the reporting period. These costs decreased 2% to $2.8 million from $2.9 million in the reporting currency year-on-year mainly due to the depreciation of the ZAR against the USD in USD terms. However, in ZAR terms there was a 14% increase to ZAR49.5 million from ZAR43.5 million in FY2022. The increase relates mainly to administrative and shared services employee costs (ZAR2.6 million), professional services and fees (ZAR0.6 million), and overseas travel (ZAR2.8 million).

Mining and income tax
Income tax paid for the financial year amounted to ZAR349.7 million ($19.8 million) compared to ZAR362.0 million ($23.8 million) for the previous financial year, as a result of decreased taxable profits at the operations and after mining capital allowances. Income tax is paid in ZAR on taxable profits generated at the South African operations. Mineral royalty tax of ZAR99.3 million ($5.6 million) was paid for the financial year against ZAR105.3 million ($6.9 million) in the prior year.

Profit
The consolidated profit before tax of the Group at 30 June 2023 was $67.0 million (FY2022: $81.0 million), a 17% decrease on the prior year. The decrease in profit is as a result of the decreased revenue due to the lower basket prices compared to the prior year. Group EBITDA decreased by 20% from $82.8 million to $66.0 million.

Capital
Capital expenditure decreased in USD terms during the current financial year from $16.4 million in the prior year to $14.5 million in the current year, mainly due to the weakening of the ZAR against the USD, however increased in ZAR terms year-on-year from ZAR249.6 million to ZAR257.2 million. Capital expenditure was mainly incurred for the MF2 projects at Lannex and Tweefontein ($2.6 million) and tailings facilities ($5.3 million).

Cash
The cash balance on 30 June 2023 was $124.2 million (FY2022: $121.3 million). Financial guarantees amounting to $0.8 million (FY2022: $0.9 million) were reclassified to 'other financial assets' during the period under review. Cash generated from operations before working capital movements was $64.0 million, with net changes in working capital of $13.7 million mainly due to the movement in trade receivables of $12.1 million. Net finance income amounted to $5.1 million and $19.8 million was paid in income tax for the period, including dividend withholding tax of $1.8 million. Major spend items include $1.6 million (FY2022: $1.9 million) on exploration activities as well as $12.9 million (FY2022: $14.5 million) on capital projects and stay-in-business (SIB) capital for the SDO plants.

At corporate level, 3.6 million Ordinary Shares equating to $3.6 million were bought back from the market through the Share Buyback programme which was announced in Q4 FY2023. The Company cancelled 1.2 million Ordinary Shares held in Treasury in December 2022 and a further 3.6 million Ordinary Shares held in Treasury were cancelled post the reporting period. Shares bought back from PDMRs and employees amounted to 0.5 million and 0.7 million Ordinary Shares were bought back for tax purposes.

The impact of exchange rate fluctuations on cash held at year end was $3.8 million loss due to the ZAR depreciating against the USD by 15%.

The Company remains debt free with a cash balance of $124.2 million (excluding $0.8 million held as guarantees), allowing for continued funding of capital expansion projects as identified.

For more details on the financial performance of the Group, please refer to the consolidated annual financial statements.

Review of operations and exploration
A detailed review of operations and exploration activities has been included in the CEO's review.

Corporate matters
Dividend approval and payment
On 2 December 2022, the Board paid a dividend for FY2022 totalling $25.6 million, equating to 8 pence per Ordinary Share, to shareholders on the register on the record date of 28 October 2022.

The Board reviewed the Company's Dividend Policy and effective 1 July 2022, the new Dividend Policy will pay out a minimum of 40% of adjusted free cash flow for the financial year. Where annual dividends are declared, these will be paid in two tranches with an interim dividend equating to one third of the forecast full dividend and the final dividend equating to the remaining unpaid balance of the minimum of 40% of actual adjusted free cash flow. However, the payment of dividends remains at the discretion of the Board.

As a result of the new Dividend Policy, the Board declared its first interim dividend of 3 pence per Ordinary Share, which was paid on 6 April 2023 totalling $9.9 million. Payment of the interim dividend was made to shareholders on the register at the close of business on 3 March 2023 and the ex-dividend date was 2 March 2023.

Further to the dividends paid to shareholders, in accordance with the Company's EDEP whereby eligible employees receive an equivalent dividend paid on shares bought back by the Company in the market and ring-fenced for the EDEP, a total of ZAR16.9 million ($1.0 million) was paid out during the financial year.

Likely developments and expected results
Additional comments on production forecasts and operating cash costs are included in the operational performance and outlook section in the CEO's review.

Environmental and legislation
The Group is subject to significant environmental legal regulations in respect of its exploration and evaluation activities in South Africa. There have been no known reportable breaches of these regulations and principles by the Group and its operations.

Company secretary
The Company Secretary role is held by Conyers Corporate Services (Bermuda) Limited.

Going concern
The Group identified the principal risks as the decrease in metal prices, the impact of the volatile global macro-economy on the supply and demand landscape, increased interest rates and cost base and potential impact of ongoing load curtailment and loadshedding by the national power utility. The new territory of hydrogen technology and the uncertainty with regards to EVs adds additional uncertainty to the PGM market. Management has produced forecasts and budgets that have been sensitised to reflect plausible downside scenarios for the global volatile economy.

Load curtailment for industrial users by the national power utility continues to be a challenge for the mining industry in South-Africa, with the impact evident in the steeper cost curve. Primary mines are more dependent on power and fuel compared to dump operations like Sylvania. Sylvania is in the fortunate position that the load curtailment and loadshedding currently impacts only one plant due to its reliance on a smelter, however the installation and commissioning of a back-up generator is in progress.

The impact of the challenging global macro-environment and the dynamics around supply and demand have caused a rise in global interest rates, a decrease in commodity prices and an increase in the cost base world-wide. The development of hydrogen technology, although positive for platinum, raises questions around the cost effectiveness thereof and the manner in which supporting infrastructure might possibly be rolled out. The development in technology on EV batteries is a reality, however the rate at which EV's will replace ICEVs is still unpredictable. The above all adds to the uncertainty of the current volatile PGM market.

After considering the aforementioned risks, the financial position and strong cash position, operational performance, budgets and forecasts as well as the timing of cash flows and sensitivity analyses, the Directors are satisfied that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from date of signing the financial statements.

Events after the reporting period
On 9 August 2023 Sylvania entered into an unincorporated Joint Venture Agreement (JV) with Limberg Mining Company (Pty) Ltd, a subsidiary of ChromTech Mining Company (Pty) Ltd. The JV will process PGM and chrome ores from the Limberg Chrome Mine, located on the northern part of the Western Limb of the Bushveld Complex. Sylvania will provide a medium-term loan to Limberg Mining Company (Pty) Ltd in order to fund 50% of the project, which will be payable with effect from the first anniversary of the Commissioning Date in equal quarterly instalments.

The Directors are not aware of any further matters or circumstances arising since the end of the reporting period, not otherwise dealt with in the financial statements, which significantly affect the financial position of the Group or the results of its operations.

Statement as to disclosure of information to auditors
The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Signed in accordance with a resolution of the Directors

Jaco Prinsloo
Chief Executive Officer
6 September 2023

CORPORATE GOVERNANCE

The Company is quoted on AIM and has adopted the Quoted Companies Alliance (QCA) Corporate Governance Code 2018 (the Code) for Smaller Companies. In accordance with the AIM Rules the QCA was adopted and implemented from September 2018 and is disclosed on the Company's website (https://www.sylvaniaplatinum.com/governance/corporate-governance), where it also reflects how the Company has incorporated each of the ten principles.

The Board understands the importance of good corporate governance and that it creates shareholder value by improving performance while reducing/mitigating the Group's various risks. As such, the Board has incorporated the QCA principles into the Group strategy.

The Group Vision, Mission and Values are the foundation of this strategy, summarised below:

Vision:
Being the best mid-tier platinum and associated metals producer in the world.

Mission:
To grow our low cost and efficient business by leveraging our existing asset base and continuing innovation through existing and future strategic partnerships, whilst proactively considering commodity and geographic diversification.

Creating value for stakeholders by being an innovative, agile and sustainable operator of choice.

Values:
Safety and health of all, fundamental rights of all people, honesty and integrity, respect for the environment and understanding the value of the culture, traditional rights and society in which we operate.

The communication of the Group's governance and strategy to the shareholders is key and is affected through relationships between the Board and shareholders as well as formal platforms to promote trust in the Group and the Board. The shareholders are granted the opportunity to respond to these engagements to promote open communication channels.

The Company provides a summary of its current Corporate Governance Code compliance as guidance, as detailed below.

The Company's QCA code disclosures within the Annual Report and Company website are detailed in the table below:

	QCA 1	QCA 2	QCA 3
Principle:	Establish a strategy and business model which promote long-term value for shareholders.	Seek to understand and meet shareholder needs and expectations.	Take into account wider stakeholder and social responsibilities and their implications for long-term success.
Disclosure:	*Annual Report:* - Key performance features - CEO report. *Website:* Strategy page	*Annual Report:* - Chairman's Letter *Website:* Vision, mission and values	*Annual Report:* ESG strategy *Website:* Vision, mission and values
	QCA 4	**QCA 5**	**QCA 6**
Principle:	Embed effective risk management, considering both opportunities and threats, throughout the organisation.	Maintain the board as a well-functioning, balanced team led by the Chairman.	Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities.
Disclosure:	*Annual Report:* - Directors' Report *Website:* Board Charter	*Annual Report:* - Directors' Report *Website:* Board of Directors page	*Annual Report:* - Directors' Report *Website:* Board of Directors page
	QCA 7	**QCA 8**	**QCA 9**
Principle:	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.	Promote a corporate culture that is based on ethical values and behaviors.	Maintain governance structures and processes that are fit for purpose and support good decision-making by the board.
Disclosure:	*Website:* Board Charter	*Annual Report:* - Corporate profile *Website:* Vision, mission and values	*Annual Report:* - Corporate governance statement
	QCA 10		
Principle:	Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.		
Disclosure:	*Annual Report:* - Audit committee Report - Directors' Report *Website:* Announcements *Other:* Investors roadshows		

Shareholder relations and expectations

The Company is committed to communicate with shareholders through investor roadshows, individual meetings, on-line, through RNS and on the Company's website. The interactions are conducted quarterly as well as in line with the half year end annual reporting cycles. The goal is to maintain an open and transparent relationship with shareholders on the strategy and performance of the Company.

Board appointments, succession planning, corporate governance, risk management and sustainability matters are dealt with by the full Board of Directors. In addition, the Directors have established Audit and Remuneration Committees to address specific areas in more detail.

Stakeholder and social responsibilities

All stakeholders are engaged with on a regular basis, whether formally or informally. Two-way communication ensures that healthy and transparent relationships, built on trust and integrity, are maintained with all stakeholders. The Company is committed to "doing what we say we are going to do" and show commitment towards delivering high performance outcomes portraying an image of professionalism. Refer to the Company website https://www.sylvaniaplatinum.com/ and our ESG Report for more detail on the various engagements with our employees and communities in which the Company operates.

The Board

The Board, led by the Chairman, is committed to maintaining the highest standards of corporate governance throughout its operations and to ensuring that all its practices are conducted transparently, ethically and efficiently to ultimately deliver long-term value to shareholders. The Board and management continue to review, analyse and improve the Company's procedures resulting in the continued success of the Company and increasing shareholder value.

The Board is responsible for providing leadership aligned with the Group's culture and ethical values, creating an environment where strategy, performance, risk management and sustainability is equally valued and balanced to optimise results. The Board is responsible for the management of the Group by developing, reviewing and approving the Group's strategy, budgets and corporate actions. Regular Board meetings are held to review strategy, planning, operational and financial performance. Furthermore, the Board ensures that its obligations to shareholders and other stakeholders are met and that good relationships are maintained.

The Board comprises six members, representing a balance of sector expertise, financial and market experience and personal attributes. The composition of the Board and the respective skills supports the delivery of the Group's strategy and business plan. The Board is made up of the Independent Non-Executive Chairman, three Independent Non-Executive Directors and two Executive Directors. The details of the Board members are outlined in the Directors' section of the governance report. There is a clear division of responsibilities at the head of the Group through the separation of the positions of the Chairman and the Chief Executive Officer and the roles and responsibilities of the Board members are clearly defined.

During the reporting period there were three formal Board meetings, a Board Information meeting, two strategy discussions, one Nominations Committee meeting and one Budget meeting. The Board receives detailed information packs ahead of all Board meetings on all operational, financial, treasury and corporate activities to enable them to make informed decisions when necessary.

All announcements released via RNS, including quarterly, half year and annual results are approved by the entire Board. The Board has not appointed a Senior Independent Director but will do so if and when it is appropriate considering the Company's size and stage.

The Executive Board members lead by example in living the values and promoting the culture of the Group, which facilitate improved performance, reduce and mitigate risk and create sustainable growth. Group results are disclosed on the Group website on a quarterly basis, supported by more detailed reports bi-annually, promoting transparency.

Audit committee

Detailed feedback with regards to the Audit Committee is included in the Audit Committee Report.

Remuneration committee

The purpose of the Remuneration Committee is to determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chairman, Executive Directors and senior management. It also reviews the Board and Executives' KPIs, as well as performance related pay and bonus share allocations. No Director is involved in reviewing their own remuneration. Directors' interest in shares is set out in the Directors' report. Succession planning for Senior Executives is reviewed annually. The Independent Non-Executive Directors may, if needed, seek independent professional advice, at the Group's expense, in the execution of their duties.

The Remuneration Committee comprises Adrian Reynolds as Chairman and Stuart Murray as a member. During the year the Remuneration Committee met twice and invited Eileen Carr, Jaco Prinsloo as well as Simon Scott to attend.

Nominations committee

The role of the Nominations Committee is undertaken by the full Board of Directors. The Nominations Committee is charged with finding suitable candidates for nomination for appointment to the Board of Directors.

AUDIT COMMITTEE REPORT

Dear Shareholder,

I am pleased to present the first Audit Committee Report for Sylvania Platinum Limited for the period ended 30 June 2023.

This report is prepared in accordance with the Quoted Companies Alliance (QCA) Corporate Governance Code for Small and Mid-sized Quoted Companies, revised in April 2018. The Audit Committee has been established to assist the Board in fulfilling its obligations in respect of financial reporting and results, other public announcements, the internal and external audit process and the control environment. The Audit Committee comprises myself as Chair, together with both Adrian Reynolds (Non-Executive Director) and Simon Scott (Non-Executive Director) as members. A summary of the relevant qualifications and experience of the Audit Committee can be found in the Director's Report.

The Audit Committee meets at least four times a year and more often if required. For the current period's meetings, the Chairman of the Board, CEO, CFO, Group Financial Manager, external auditor as well as the internal auditor were invited to attend the relevant meetings to provide input on certain key matters. Detailed feedback of the items discussed at each Audit Committee meeting is relayed to the Board together with its recommendations as appropriate. Minutes of each Audit Committee meeting are available to the full Board.

The main matters considered by the Audit Committee during 2022/2023 include:

Group Financial Statements
An essential element of the integrity of the Financial Statements lies around the key assumptions and estimates or judgements made. The key assumptions and estimates are reviewed by the Audit Committee prior to the publication of the Interim and Annual Financial Statements, as well as significant matters throughout the year. The Audit Committee was satisfied that the judgement exercised by management on material items contained within the Reports, are reasonable.

Key judgements and estimates in the FY2023 Group Financial Statements considered by the Audit Committee include:

- The assessment of the recoverability of long-lived assets;
- Rehabilitation provision;
- Carrying value of property, plant and equipment;
- Recognition and measurement of deferred tax assets;
- Asset held for sale;
- Going concern; and
- Various other reporting matters including IFRS 2, share-based payments.

Insurance
The Audit Committee recommended that the Group insurance programme go out on tender during FY2023. After careful consideration of proposals received from various insurance brokers, the Audit Committee agreed with management's recommendation to change insurance brokers based on the Group's unique insurance requirements.

The Directors and Officers insurance was renewed, commencing December 2022, and the Audit Committee was satisfied that the insurance was still applicable and sufficient.

External Audit
The Audit Committee agreed that The Group's external auditor, PricewaterhouseCoopers (PwC), was still independent and objective. The Audit Committee recommended to the Board that PwC be re-appointed as external auditor for a third term. The audit fee was approved, including the additional work that had to be performed to comply with ISA315 (revised).

PwC presented their detailed audit plan and final audit findings and recommendations for the year ended 30 June 2023. The Audit Committee agreed with their approach at the planning stage, the materiality threshold, identification of key risk areas and significant judgements and estimates.

The Audit Committee suggested a formal feedback session between an independent PwC audit partner and the Audit Committee on completion of the annual external audit and release of results in September 2023.

Internal Control Environment
The planning and reporting of the Group's internal audit function is monitored by the Audit Committee and the Board of Directors. Since 2020 the internal audit function has been outsourced and is currently performed by BDO. An internal audit plan was tabled at the May 2023 Audit

Committee meeting, which is aligned with management's requirements, the Group's risk profile and the current market trends. The internal audit function is discussed with the external auditors during the year end and half year reporting periods.

The Group's financial support function is responsible for intermittently testing the control environment. Management at various organisational levels are responsible for ensuring that the integrity of the control environment remains at a high level and to highlight any possible shortcomings.

BDO also facilitates the bi-annual risk review process and is responsible for the updating and maintenance of a system generated risk register.

The Group utilises the services of an external Whistleblower company and receives quarterly written reports. There were no matters reported during the period under review.

The Audit Committee was satisfied that the overall control environment is deemed to be at a satisfactory level, in line with the size of the Group, and that management review and manage the overall risk of the Group in line with the required standards.

IT Governance and Cyber Security
IT Governance and Cyber Security was a key focus of the Audit Committee over the past 12 months. The Audit Committee acknowledged the increased risk and ever-changing environment of especially Cyber Security.

A Cyber Security assessment was completed during the period and the Audit Committee agreed that an annual IT risk assessment will be conducted in future to identify potential increased risk areas and exposure. Regular monitoring and risk assessments are conducted by management and feedback is provided on various platforms and is reported on quarterly at the Audit Committee meetings. IT Governance and Cyber Security remains a priority of the Audit Committee and management.

Environmental, Social and Governance (ESG)
The Group's ESG reporting has developed significantly since the first report was published in 2021. The Audit Committee acknowledge the importance of ESG and the responsibility toward shareholders. The Audit Committee is dedicated to support all relevant projects and to be transparent in the reporting thereon.

Finally, I would like to complement our CFO, Lewanne Carminati, and her team for their excellent work during the year under review and to thank both PwC and BDO for their continuing efforts and commitment to the Group.

For and on behalf of the Audit Committee of Sylvania Platinum Limited.

ECarr

Eileen Carr
Chair of the Audit Committee
6 September 2023

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Directors have elected to prepare the Group financial statements under the International Financial Reporting Standards (IFRS).

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs.

The Directors are also responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- making an assessment of the Group's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group. They are also responsible for safeguarding assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Legislation in Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Responsibility Statement

We confirm that to the best of our knowledge:

1. the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flows of the Group and the undertakings included in the consolidation taken as a whole; and
2. the sections of the annual report include a fair review of the development and performance of the business and the position of the Group, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

Jaco Prinsloo
Chief Executive Officer
6 September 2023

Independent auditor's report

To the Shareholders of Sylvania Platinum Limited

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Sylvania Platinum Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

Sylvania Platinum Limited's consolidated financial statements set out on pages 42 to 86 comprise:

- the consolidated statements of financial position as at 30 June 2023;
- the consolidated statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated statements of changes in equity for the year then ended;
- the consolidated statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 financial statements* section of our report.

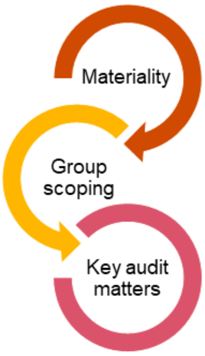
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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)*.

Our audit approach

Overview

<table>
<tr>
<td rowspan="3">
</td>
<td>Overall group materiality

• Overall group materiality: $3,264,000 which represents 5% of consolidated profit before tax, adjusted for once off profit on sale of Grasvally.</td>
</tr>
<tr>
<td>Group audit scope

• We conducted full scope audit procedures at 2 components and audits of material financial statement line items at 10 components based on their financial significance to the consolidated financial statements.</td>
</tr>
<tr>
<td>Key audit matters

• We have determined that there are no key audit matters to communicate in our report in respect of the consolidated financial statements.</td>
</tr>
</table>

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken since the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Materiality - continued

Overall group materiality	$ 3,264,000
How we determined it	5% of consolidated profit before tax adjusted for once off profit on sale of Grasvally.
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The consolidated financial statements are a consolidation of the Company and 16 subsidiaries (each considered a component for purposes of our group audit scope). Financially significant components were identified based on scoping benchmarks such as their contribution to key financial statement line items which included consolidated profit before income tax expense, consolidated revenue and consolidated total assets as well as the risks associated with the entity.

Based on our scoping assessment, we conducted full scope audits on 2 components and audits of material financial statement line items for 10 components. For the components that were considered to be financially inconsequential, we performed analytical procedures in order to obtain sufficient appropriate audit evidence in respect of the consolidated financial statements.

The group engagement team performed audit procedures over the consolidated financial statements, the consolidation process, financial statement disclosures and significant accounting positions taken by the group to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial statements as a whole.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team, and component auditors operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

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

We have determined that there are no key audit matters to communicate in our report in respect of the consolidated financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sylvania Platinum Limited Annual Report June 2023", and the other sections of the document titled "Sylvania Platinum Limited Environment, Social and Governance Report Embedding Our Strategy 30 June 2023", which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 that we 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 financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's 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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 the Group's 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 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 the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 directors 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 directors, we determine those matters that were of most significance in the audit of the consolidated 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.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: MM Mokone
Registered Auditor
Johannesburg, South Africa
7 September 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note(s)	2023 $	2022 $
Revenue	9	**130,196,100**	151,944,273
Cost of sales	10(b)(c)	**(61,290,716)**	(61,823,181)
Royalties tax		**(4,903,977)**	(6,920,404)
Gross profit		**64,001,407**	83,200,688
Other income	10(a)	**1,792,134**	82,132
Other expenses	10(b)(c)	**(4,020,070)**	(3,608,140)
Operating profit before net finance costs and income tax expense		**61,773,471**	79,674,680
Finance income	10(d)	**5,780,364**	1,711,371
Finance costs	10(d)	**(576,958)**	(457,363)
Profit before income tax expense		**66,976,877**	80,928,688
Income tax expense	11	**(21,625,108)**	(24,777,844)
Net profit for the period		**45,351,769**	56,150,844
Items that are or may be subsequently reclassified to profit and loss:			
Foreign operations - foreign currency translation differences	21	**(17,183,248)**	(17,747,559)
Total other comprehensive loss (net of tax)		**(17,183,248)**	(17,747,559)
Total comprehensive income for the year		**28,168,521**	38,403,285

		Cents	Cents
Earnings per share attributable to the ordinary equity holders of the Company:			
Basic earnings per share	13	**17.01**	20.62
Diluted earnings per share	13	**16.95**	20.40

The notes on pages 47 to 86 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2023

	Note(s)	2023 $	2022 $
ASSETS			
Non-current assets			
Exploration and evaluation expenditure	14	**46,464,143**	46,087,453
Property, plant and equipment	15	**48,650,611**	46,298,978
Other financial assets	16	**6,352,325**	283,450
Other assets		**30,024**	-
Deferred tax asset	11	**11,088**	-
Total non-current assets		**101,508,191**	92,669,881
Current assets			
Cash and cash equivalents	17	**124,159,854**	121,282,425
Trade and other receivables	18	**35,714,003**	52,939,589
Other financial assets	16	**1,800,402**	1,029,205
Inventories	19	**5,103,550**	4,258,960
Current tax asset	25(b)	**1,472,104**	3,486,226
		168,249,913	182,996,405
Assets held for sale	12	**-**	3,771,661
Total current assets		**168,249,913**	186,768,066
Total assets		**269,758,104**	279,437,947
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	20	**2,790,000**	2,801,557
Reserves	21	**17,461,465**	38,663,288
Retained profit		**219,112,582**	209,221,487
Total equity		**239,364,047**	250,686,332
Non-current liabilities			
Borrowings and leases	22	**380,833**	35,031
Provisions	23	**4,040,854**	5,936,804
Deferred tax liability	11	**12,118,702**	11,614,765
Total non-current liabilities		**16,540,389**	17,586,600
Current liabilities			
Trade and other payables	24	**13,522,940**	11,110,196
Borrowings and leases	22	**330,729**	48,957
		13,853,669	11,159,153
Liabilities directly associated with the assets classified as held for sale	12	**-**	5,862
Total current liabilities		**13,853,669**	11,165,015
Total liabilities		**30,394,057**	28,751,615
Total liabilities and shareholder's equity		**269,758,104**	279,437,947

The notes on pages 47 to 86 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Issued capital	Share premium reserve	Reserve for own shares	Retained earnings	Share-based payment reserve	Foreign currency translation reserve	Non-controlling interest reserve	Equity reserve	Total Equity
	$	$	$	$	$	$	$	$	$
Balance as at 01 July 2022	**2,801,557**	**173,609,067**	**(17,994,924)**	**209,221,487**	**4,671,159**	**(52,101,508)**	**(39,779,293)**	**(29,741,213)**	**250,686,332**
Profit/(loss) for the period	-	-	-	45,351,769	-	-	-	-	45,351,769
Total other comprehensive income*	-	-	-	-	-	(17,183,248)	-	-	(17,183,248)
Total comprehensive income for the period	-	-	-	45,351,769	-	(17,183,248)	-	-	28,168,521
Share transactions	-	-	-	-	-	-	-	-	-
-Shares issued	-	-	-	-	-	-	-	-	-
-Treasury shares acquired	-	-	(4,912,348)	-	-	-	-	-	(4,912,348)
-Share based payments	-	-	-	-	882,216	-	-	-	882,216
-Share options and bonus shares exercised	-	-	763,901	-	(763,901)	-	-	-	-
-Shares cancelled	(11,557)	-	11,557	-	-	-	-	-	-
Dividends declared and paid	-	-	-	(35,460,674)	-	-	-	-	(35,460,674)
Balance at 30 June 2023	**2,790,000**	**173,609,067**	**(22,131,814)**	**219,112,582**	**4,789,474**	**(69,284,756)**	**(39,779,293)**	**(29,741,213)**	**239,364,047**

*Deferred tax on the FCTR movement amounts to $1,679,539).

The notes on pages 47 to 86 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Issued capital	Share premium reserve	Reserve for own shares	Retained earnings	Share-based payment reserve	Foreign currency translation reserve	Non-controlling interest reserve	Equity reserve	Total Equity
	$	$	$	$	$	$	$	$	$
Balance as at 01 July 2021	2,861,557	173,609,067	(8,840,725)	175,776,721	4,420,761	(34,353,949)	(39,779,293)	(29,741,213)	243,952,926
Profit/(loss) for the period	-	-	-	56,150,844	-	-	-	-	56,150,844
Other comprehensive income*	-	-	-	-	-	(17,747,559)	-	-	(17,747,559)
Total comprehensive income for the period	-	-	-	56,150,844	-	(17,747,559)	-	-	38,403,285
Share transactions	-	-	-	-	-	-	-	-	-
-Shares issued	-	-	-	-	-	-	-	-	-
-Treasury shares acquired	-	-	(9,865,070)	-	-	-	-	-	(9,865,070)
-Share based payments	-	-	-	-	901,269	-	-	-	901,269
-Share options and bonus shares exercised	-	-	650,871	-	(650,871)	-	-	-	-
-Shares cancelled	(60,000)	-	60,000	-	-	-	-	-	-
Dividends declared and paid	-	-	-	(22,706,078)	-	-	-	-	(22,706,078)
Balance at 30 June 2022	2,801,557	173,609,067	(17,994,924)	209,221,487	4,671,159	(52,101,508)	(39,779,293)	(29,741,213)	250,686,332

*Deferred tax on the FCTR movement amounts to $366,321.

The notes on pages 47 to 86 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2023

	Note(s)	2023 $	2022 $
Cash flows from operating activities			
Receipts from customers	25(a)	**141,184,750**	160,657,030
Payments to suppliers and employees	25(a)	**(63,506,882)**	(68,726,242)
Cash generated from operations		**77,677,868**	91,930,788
Finance income		**5,093,760**	1,604,100
Finance costs		**(4)**	(91,841)
Taxation paid	25(b)	**(19,784,637)**	(23,831,718)
Net cash inflow from operating activities		**62,986,987**	69,611,329
Cash flows from investing activities			
Purchase of plant and equipment		**(12,869,246)**	(14,497,650)
Purchase of other assets		**(15,274)**	-
Proceeds from sale of property, plant and equipment		**-**	3,006
Payments for exploration and evaluation capitalised	14	**(1,621,616)**	(1,907,396)
Loan to related party: TS Consortium		**(584)**	(70,767)
Loan to Forward Africa Mining		**(238,944)**	(702,728)
Transfer to guarantee asset		**(823,144)**	-
Assets held for sale cash		**-**	7,148
Net cash outflow from investing activities		**(15,568,808)**	(17,168,387)
Cash flows from financing activities			
Repayment of borrowings	26(a)	**-**	(117,635)
Payment of lease liabilities	26(a)	**(405,905)**	(59,697)
Payment for treasury shares	26(b)	**(4,912,348)**	(9,865,070)
Dividends paid		**(35,460,674)**	(22,706,078)
Net cash outflow from financing activities		**(40,778,927)**	(32,748,480)
Net increase in cash and cash equivalents		**6,639,252**	19,694,462
Effect of exchange fluctuations on cash held		**(3,761,823)**	(4,547,472)
Cash and cash equivalents at the beginning of reporting period		**121,282,425**	106,135,435
Cash and cash equivalents at the end of the reporting period		**124,159,854**	121,282,425

The notes on pages 47 to 86 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

Sylvania Platinum Limited ("Sylvania" or "the Company") is a limited company incorporated and domiciled in Bermuda whose shares are publicly traded on the Alternative Investment Market (AIM) of the London Stock Exchange. Sylvania's registered office is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. These consolidated financial statements comprise the Company, its subsidiaries (collectively the Group) and investments in joint arrangements.

2. BASIS OF ACCOUNTING

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). It was authorised for issue by the Company's board of Directors on 6 September 2023.

Details of the Group's significant accounting policies are included in note 6.

The related changes to significant accounting policies are described in note 5.

3. FUNCTIONAL AND PRESENTATION CURRENCY

The presentation currency of the Group's consolidated financial statements is in US Dollars. The functional currency of the parent entity is US Dollars. All amounts have been rounded to the nearest US Dollar, unless otherwise indicated.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continuously evaluated, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are recognised prospectively.

JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Information about assumptions and estimation uncertainties at 30 June 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- *Note 14* – exploration and evaluation assets: determining whether future economic benefits are likely either from future exploration, sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves;
- *Note 15* – impairment of property, plant and equipment: determining the fair value of cash generating units;
- *Note 23* – provision for restoration and rehabilitation and decommissioning of plant and equipment: determining the provision as there are numerous factors that will affect the ultimate liability payable.

Note 14 – Exploration and evaluation assets

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether future economic benefits are likely either from future exploration or sale for activities that have not reached a stage which permits a reasonable assessment of the existence of reserves (refer to accounting policy note 6 (k)).

The determination of a Joint Ore Reserves Committee (JORC) resource or South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC) is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available that suggests that the recovery of expenditure is unlikely, the amount capitalised is written off to profit or loss in the period in which the new information becomes available.

Key assumptions used in the assessment of impairment of exploration and evaluation assets

An impairment assessment of the exploration and evaluation assets was done based on an independent valuation by a third party. The valuations were based on the differing levels of confidence per project. The Early Stage Projects were valued using a Cost approach, whilst the advanced Projects were valued using a Discounted Cash flow approach. Sensitivities were performed on key assumptions resulting in sufficient headroom.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS - continued

Note 14 – Exploration and evaluation assets - continued
Discount rate – Ranges between 13.81% and 17.5% was used for the pre-tax discount rate (2022: range between 12.35% and 17.5%).

Commodity price – The Group has used forecast long-term commodity prices obtained from a reputable publication, $1,596/oz (2022: $2,200/oz) for platinum, $1,168/oz (2022: $800/oz) for palladium and $7,918/oz (2022: $10,000) for rhodium.

Platinum group metals are priced in USD. The USD/ZAR exchange rate used in the discounted cash flow model long-term: 18.76 ZAR/$1 (2022: 15.00 ZAR/$1).

Note 15 – Impairment of property, plant and equipment
The Group assesses each asset or cash generating unit (CGU) (individual dump operations) at the end of each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, operating costs, future capital requirements, exploration potential, closure and rehabilitation costs and operating performance.

These estimates and assumptions are inherently uncertain and could change over time, which may impact the recoverable amount of assets and/or CGUs. Refer to note 15.

Value in use for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed its cash generating units as being an individual mine site or retreatment plant (ie individual dump operations), which is the lowest level for which cash inflows are largely independent of those of other assets. Refer to the Key assumptions used in the assessment of impairment of assets for further details on assumptions and estimates in relation to impairment. Due to the specialised nature of the dump operation assets and the lack of an active market for the assets, it is not possible to determine a fair value less cost to sell.

Key assumptions used in the assessment of impairment of assets
The recoverable amounts of the Group's CGU's have been based on cash flow projections as at 30 June 2023. The internal financial model is based on the known and confirmed resources for each operation.

The discounted cash flow model is sensitive to changes in the available resources, discount rates, commodity price and operating costs. Changes in key assumptions could cause the carrying value of assets to exceed their recoverable amounts. Sensitivities were performed on key assumptions resulting in sufficient headroom.

Resources – The resources for each plant, including the PGM grade and expected recoveries that have been modelled are based on extensive test work, sampling and surveying. Where the useful life of a plant is possibly longer than the material currently available to be processed, alternative feed sources have been considered and the likelihood of these materialising assessed by management.

Discount rate – The discount rate reflects management's estimate of the time value of money and the risk associated with the plants. A range between 13.81% and 17.5% was used for the pre-tax discount rate (2022: range between 12.35% and 17.5%).

Commodity price – The Group has used forecast long-term commodity prices obtained from a reputable publication, $1,596/oz (2022: $2,200) for platinum, $1,168/oz (2022: $800/oz) for palladium and $7,918/oz (2022: $10,000) for rhodium. Sensitivities have also been run at lower prices.

Operating costs – Operating costs, being the cost incurred to support and sustain the operations, are calculated on a Rand/ton basis, contractor rates and planned labour.

Exchange rates – Platinum group metals are priced in USD. The USD/ZAR exchange rate used in the discounted cash flow model long-term 18.76 ZAR/$1 (2022: 15.00 ZAR/$1).

Note 23 – Provision for restoration and rehabilitation and decommissioning of plant and equipment
The Group assesses its restoration and rehabilitation and decommissioning of plant and equipment provision annually. Significant estimates and assumptions are made in determining the provision as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates, and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

	30 June 2023	**30 June 2022**
Long term CPI	**5.00%**	7.00%
Pre-tax discount rate (various due to expected life of mine)	**8.75% - 12.20%**	10.63%

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS - continued

Note 23 – Provision for restoration and rehabilitation and decommissioning of plant and equipment – continued

	30 June 2023	30 June 2022
Decrease in total environmental rehabilitation provisions as a result of a 1% increase in discount rate ($)	**335,640**	464,245
Increase in total environmental rehabilitation provisions as a result of a 1% decrease in discount rate ($)	**372,219**	420,302

The 1% change applied in the sensitivity analysis was deemed appropriate and reasonable in relation to movements in market rates.

An increase/(decrease) in the provision leads to an increase/(decrease) in the cost of the related asset. However, any reduction to the related asset will not exceed its' carrying amount and any excess is recognised as a gain.

If the change in estimate results in an increase in the restoration and rehabilitation liability and therefore an addition to the carrying value of the asset, the Group is required to consider whether this is an indication of impairment of the asset as a whole and test for impairment in accordance with IAS 36.

The provision at the reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

5. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES
A number of new or amended standards became effective for the current reporting period. Where these were applicable, the group did not have to change its accounting policies nor make retrospective adjustments as a result of adopting these standards.

6. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF CONSOLIDATION
(i) Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the holding company, using consistent accounting policies.

(ii) Non-controlling interests
Where ownership of a subsidiary is less than 100%, a non-controlling interest/s exists. A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(iii) Loss of control
If the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, the carrying amount of any non-controlling interest and other components of equity, including the cumulative translation differences recognised in equity. The consideration received and any investment retained is recognised at fair value and any resulting surplus or deficit is recognised in profit or loss. The holding company's share of the components previously recognised in other comprehensive income is reclassified to profit or loss or retained earnings, as appropriate.

(iv) Joint arrangements
Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. A joint arrangement is classified as a joint operation, when the jointly controlling parties, known as the 'joint operators', have rights to the assets and obligations for the liabilities relating to the arrangement.

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of the jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

(v) Transactions eliminated on consolidation
All intra-group balances, transactions and any unrealised gains and losses resulting from intra-group transactions and dividends are eliminated.

(B) REVENUE RECOGNITION
Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from contracts with customers
Revenue is recognised when the control of the goods has passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Control of ownership is considered to pass to the customer at the time of delivery of the goods to the customer.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(B) REVENUE RECOGNITION - continued

Revenue from contracts with customers – continued

For PGM concentrate sales, the sales are initially recognised at the date of delivery. Adjustments to the sales price occur based on movements in the metal market price up to the date of final pricing. Final pricing is based on the monthly average market price in the month prior to the month of settlement. The period between initial recognition and final pricing is typically four months. Revenue is initially recorded at the estimated fair value of the consideration receivable.

The revenue adjustment mechanism embedded within sales arrangements has the characteristics of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value recognised as an adjustment to revenue in profit or loss and trade receivables in the statement of financial position. In all cases, fair value is determined with reference to month end prices. Foreign exchange gains and losses on the translation of revenue is recognised in profit and loss.

(C) INTEREST INCOME

For all financial assets measured at amortised cost, interest income is recorded using the effective interest method. The 'effective interest rate' (EIR) is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or liability. Interest income is included in finance income in profit or loss.

(D) BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets.

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(E) LEASES

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group uses the definition of a lease in IFRS 16.

Group as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and make certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in index or rate, or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'borrowings' in the statement of financial position.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(E) LEASES - continued

Leases of low-value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for leases where the underlying asset value is $5,000 and below when it is new. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Income'.

(F) EMPOLYEE BENEFITS

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave due to be settled wholly within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(G) SHARE-BASED PAYMENT TRANSACTIONS

Equity settled transactions

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares (equity-settled transactions).

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/ or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

The charge or credit recognised in profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The Group does not subsequently reverse the amount recognised for services received from an employee if the vested equity instruments are later forfeited, except for awards where vesting is only conditional upon a market condition or non-vesting condition. These are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification. If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Where an award is settled net of withholdings tax and the number of equity instruments equal to the monetary value of the tax obligation is withheld, the entire transaction is classified as equity settled. The payments made are accounted for as a deduction from equity except to the extent that the payment exceeds the fair value of the equity instruments withheld.

The dilutive effect of outstanding shares and bonus shares issued is reflected as additional share dilution in the computation of earnings per share (refer note 13).

(H) FOREIGN CURRENCY TRANSLATION

The functional currency of the parent company as well as the presentation currency of the Group is US dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transaction balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency by applying the exchange rates ruling at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All resulting exchange differences are taken to the statement of profit or loss and other comprehensive income.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(H) FOREIGN CURRENCY TRANSLATION - continued

Group companies

As at the reporting date on consolidation, the assets and liabilities of foreign subsidiaries are translated into the presentation currency of the Group at the rate of exchange ruling at the reporting date and their statements of profit and loss and other comprehensive income are translated at the average exchange rate for the year. The exchange differences arising on the translation for consolidation are recognised in other comprehensive income.

Monetary assets and liabilities that are receivable from or payable to a foreign subsidiary and for which settlement is neither planned nor likely to occur in the foreseeable future, forms part of the net investment in a foreign operation and the resulting exchange differences are recognised in other comprehensive income. The repayment of such a balance is not considered to be a partial disposal and the cumulative exchange differences recognised in other comprehensive income is not reclassified to profit or loss, until the foreign entity is disposed of.

(I) INCOME TAX

Income tax expense comprise of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income.

Current tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are recognised for all taxable temporary differences, except:

• temporary differences on the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

• in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled by the holding company or investor and it is probable that the temporary differences will not reverse in the foreseeable future; and

• in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profits will be available to allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Royalties, resource rent taxes and revenue-based taxes

Royalties, resource rent taxes and revenue-based taxes are accounted for under IAS 12 when they have the characteristics of an income tax. This is considered to be the case when they are imposed under government authority and the amount payable is based on taxable income – rather than based on quantity produced or as a percentage of revenue – after adjustment for temporary differences. For such arrangements, current and deferred income tax is provided on the same basis as described above for other forms of taxation. Obligations arising from royalty arrangements that do not satisfy these criteria are recognised as current liabilities and included in expenses.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(J) PROPERTY, PLANT AND EQUPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation and, for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The capitalised value of finance leases is also included as right-of-use assets within property, plant and equipment. Upon completion of construction, the assets are transferred into property, plant and equipment or properties. When a construction project moves into the production stage, the capitalisation of certain construction costs cease and costs are either regarded as part of the cost of inventory or expensed.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows (for the current and comparative periods):

• property – five years
• mining property – ten years
• plant – ten years
• leasehold improvements – three years
• computer equipment and software – three years
• furniture and fittings – six years
• office equipment – five years
• equipment – five years
• motor vehicles – five years
• construction in progress – not depreciated
• leased assets – over the period of the remaining lease

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period, and adjusted for prospectively if appropriate.

Major maintenance and repairs

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets and overhaul costs. Where an asset or part of an asset that was separately depreciated and is now written off is replaced, and it is probable that future economic benefits associated with the replacement item will flow to the Group, the expenditure is capitalised.

Where part of the asset was not separately considered as a component, the replacement value is used to estimate the carrying amount of the replaced assets which is immediately written off. All other day to day maintenance costs is expensed as incurred.

(K) EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation activity involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred when the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and
(ii) at least one of the following conditions is also met:

• the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
• exploration and evaluation activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, gathering exploration data through geophysical studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Where a decision has been made to proceed with development in respect of a particular area of interest and once JORC or SAMREC compliant reserves are established, the relevant exploration and evaluation assets are tested for impairment and the balance is then transferred to mine 'construction in progress'. No amortisation is charged during the exploration and evaluation phase.

Upon transfer of 'exploration and evaluation assets' into 'construction in progress', all subsequent directly attributable expenditure on the construction, installation or completion of infrastructure facilities is capitalised.

The Group assesses at each reporting date whether there is an indication that an asset (or cash-generating unit (CGU)) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the assets or CGU's recoverable amount.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(K) EXPLORATION AND EVALUATION ASSETS - continued

An asset's recoverable amount is the higher of an assets or CGU's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the asset is tested as part of a larger CGU.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. In calculating 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 or CGU. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. Impairment losses are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. An impairment loss in respect of goodwill is not reversed.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent 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 in previous years.

(L) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured either at: amortised cost; FVOCI for equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(L) FINANCIAL INSTRUMENTS - continued

(ii) Classification and subsequent measurement - continued

Financial assets - business model assessment
The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

• the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
• how the performance of the portfolio is evaluated and reported to the Group's management;
• the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
• how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
• the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payment of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
• contingent events that would change the amount or timing of cash flows;
• terms that may adjust the contractual coupon rate, including variable-rate features;
• prepayment and extension features; and
• terms that limit the Group's claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent solely with the payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par value, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - subsequent measurement and gains and losses
i) Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

ii) Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

iii) Financial assets at FVTPL
These assets are subsequently measured at fair value. Subsequent movements in fair value are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Financial liabilities - classification, subsequent measurement and gains and losses
Financial liabilities are classified and measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(L) FINANCIAL INSTRUMENTS - continued

(iii) De-recognition

Financial assets
The Group derecognises a financial asset when: (i) the contractual rights to the cash flows from the financial asset expire; or (ii) it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or (iii) the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Impairment

Financial instruments
The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

For trade receivables, the simplified approach permitted by IFRS 9 is applied, which requires lifetime ECLs to be recognised from initial recognition of the trade receivables.

For all other financial assets, the general expected credit loss model is used. This means that the probability of default occurring in the next 12 months is considered, together with the loss which may arise from such events of default, unless there has been a significant increase in credit risk. Financial assets at amortised cost are stated net of the loss allowance in the statement of financial position. Such financial assets are written off when there is no reasonable expectation of recovery.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information such as macro-economic conditions, economic growth and inflationary outlook in the short term.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when:
• the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
• the financial asset is more than 90 days past due.

The Group considers the bank balances to have low credit risk when the banks credit risk rating is equivalent to P-3 or higher per Moody Investor Service.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECL
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
• significant financial difficulty of the borrower;
• a breach of contract such as a default or being more than 90 days past due;
• the restructuring of a loan or advance by the Group on terms the Group would not consider otherwise;
• it is probable that the borrower will enter bankruptcy or other financial reorganisation.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(L) FINANCIAL INSTRUMENTS - continued

(iv) Impairment - continued

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due.

(v) Off-setting
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(M) TRADE AND OTHER RECEIVABLES
Trade receivables (relating to the sale of PGM concentrate) is measured at fair value through profit or loss from the date of recognition up to date of settlement, as it fails the IFRS 9 amortised cost requirement of cash flows representing solely payment of principal and interest. The fair value changes due to non-market variability (that is, changes based on quantity and quality of the contained metal) are considered to be variable consideration within the scope of IFRS 15 as Sylvania's right to consideration is contingent upon the physical attributes of the contained metal. The historic and current year differences between the initial assay and final assay are not significant. Therefore, the variable consideration is not considered to be constrained.

The fair value changes due to market variability (that is, changes in the commodity prices and exchange rates) are not in the scope of IFRS 15 and are therefore not presented as revenue from contracts with customers. The changes in commodity prices are accounted for as other revenue and disclosed separately from revenue from contracts with customers and changes in exchange rates are accounted for as other income or expenses. Trade and other receivables (including trade receivables not relating to the sale of PGM concentrate) are measured at amortised cost. Impairment of receivables measured at amortised cost is determined using the expected credit loss model (note 28).

(N) INVENTORIES
Inventories are valued at the lower of cost and net realisable value.
Costs incurred in bringing each product to its present location and condition, are accounted for as follows:
• raw materials purchased are measured on a first-in, first-out basis; and
• finished goods and work in progress – cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(O) PROVISIONS
Where applicable, provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Rehabilitation provision
The Group records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the production location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred by the development/construction of the mine. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability.

The periodic unwinding of the discount is recognised in profit or loss as a finance cost. Changes in rehabilitation costs relating to the asset will be recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. Additional disturbances as a result of producing inventories are treated as a cost of producing inventories and recognised in profit or loss when sold. For closed sites, changes to estimated costs are recognised immediately in profit or loss.

6. SIGNIFICANT ACCOUNTING POLICIES - continued

(P) CASH AND CASH EQUIVALENTS
Cash include notes and coins on hand and cash held with banks rated by Moody's as BA1, B1 and Baa3. Cash equivalents are highly liquid financial assets with original maturities three months or less, which are subject to insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

(Q) ASSETS HELD FOR SALE
Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, contractual rights under insurance contracts, financial assets, deferred tax assets, employee benefit assets, investment property (measured at fair value) or biological assets (measured at fair value), which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.

(R) ISSUED CAPITAL
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares (employee share plan shares) are deducted from equity and no gain or loss is recognised in profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments.

(S) EARNING PER SHARE
Basic earnings per share is calculated as net profit or loss attributable to members of the holding company, divided by the weighted average number of ordinary shares.

Diluted earnings per share are calculated as net profit or loss attributable to members of the holding company, adjusted for:
• the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
• other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares,
• divided by the sum of the weighted average number of ordinary shares and dilutive potential ordinary shares.

7. NEW STANDARDS AND INTERPRETATIONS

Updates to the interpretations and amendments to certain IFRSs became effective during the period under review of which detail is provided below.

New accounting standards, amendments to accounting standards and interpretations issued which are relevant to the group, but not yet effective on 30 June 2023, have not been adopted. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date. The group continuously evaluates the impact of these standards and amendments. The effect of the implementation of the new, amended or revised standards are not expected to have a material impact, although assessments of the effect of the implementation of these new, amended or revised standards are ongoing.

International Financial Reporting Standards and amendments effective for the first time for June 2023 year-ends

Number	Effective date	Executive summary
Annual improvements cycle 2018 -2020	Annual periods beginning on or after 1 January 2022	These amendments include minor changes to: IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS. IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for de-recognition of a financial liability. Fees paid to third parties are excluded from this calculation. IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives. IAS 41, 'Agriculture' has been amended to align the requirements for measuring fair value with those of IFRS 13. The amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value.
Amendments to IAS 37 Onerous Contracts Cost of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.
Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use	Annual periods beginning on or after 1 January 2022	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.

7. NEW STANDARDS AND INTERPRETATIONS – continued

International Financial Reporting Standards and amendments effective for the first time for June 2023 year-ends

Number	Effective date	Executive summary
Amendment to IFRS 3, 'Business combinations' Asset or liability in a business combination clarity	Annual periods beginning on or after 1 January 2022	The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, the Board added a new exception in IFRS 3 for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework. The Board has also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.
Amendments to IAS 1, Presentation of financial statements', on Classification of Liabilities as Non-current	Deferred until accounting periods starting not earlier than 1 January 2024	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.
Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Annual periods beginning on or after 1 January 2023. Earlier application is permitted.	The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'	Annual periods beginning on or after 1 January 2023. Earlier application is permitted.	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.

8. SEGMENT REPORTING

SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM), who is responsible for allocating resources and assessing performance of the reportable operating segments. The CODM considers each segments net profit/(loss) as a measure for assessing the respective segment's performance. The CODM is identified as the Board. Segments reported are based on the Group's operations and performance is evaluated on PGM ounce production and operating costs. Operating costs consist of costs incurred in the production and delivery of PGMs.

In applying IFRS 8 Operating Segments, judgements have been made by the CODM with regards to the identification of reportable segments of the Group. These judgements are supported by the nature of the operations and the location of the operations. The segments, as described below, are managed separately based on location and support function grouping.

Sylvania Dump Operations
This reportable segment comprises the six tailings operational plants located in the Western as well as Eastern Limb. A single operational segment exists for all the six tailings operational plants. Segment performance is evaluated on PGM ounce production.

Exploration projects
This reportable segment comprises the Group's exploration projects on the Northern Limb. The CODM reviews the exploration projects as a reportable segment and makes relevant decisions based thereon. The three exploration projects have similar economic characteristics (all in the PGM market) as they are all currently in the exploration phase with geological and drilling costs being the main activity. The projects operate in the same jurisdiction.

Other
The 'Other" column is not a segment as defined however it is part of the CODM's review and comprises corporate, administration and other expenditure not allocated to the reported segments. These have been appropriately aggregated into this column.

The following tables present revenue and profit information as well as certain assets and liability information regarding reportable segments for the years ended 30 June 2023 and 30 June 2022:

	Reportable segments					
	SDO $	Exploration projects $	Other $		Consolidated $	
30 June 2023						
Segment assets	168,239,679	53,245,968	48,272,457		269,758,104	
Capital expenditure*	45,627,032	47,238,978	2,248,744	(a)	95,114,754	
Other assets**	122,612,647	6,006,990	46,023,713	(b)	174,643,350	
Segment liabilities	21,344,657	7,649,856	1,399,544	(c)	30,394,057	
Segment revenue	130,196,100	-	5,780,364		135,976,464	
Net profit/(loss) for the year after tax	43,709,547	(55,592)	1,697,814	(d)	45,351,769	
Included within the segment results:	-	-	-			
Depreciation***	4,064,860	137	125,557		4,190,554	(e)
Direct operating costs***	57,225,856	-	-		57,225,856	(f)
Royalties tax	4,903,977	-	-		4,903,977	
Other items:	-	-	-		-	
Income tax expense	18,565,166	279	3,059,663		21,625,108	
Foreign exchange loss on revenue	1,153,829	-	-		1,153,829	
Capital expenditure during the year	13,767,870	1,623,307	381,217		15,772,394	

** Capital expenditure consist of property, plant and equipment*
*** Other assets consist of trade receivables $34,420,448, cash and cash equivalents $124,975,950, inventory $5,103,550 and other receivables $10,132,311.*
**** The sum of depreciation amounting to $4,064,860 and direct operating costs amounting to $57,225,856 agree to the cost of sales as per the consolidated statement of profit or loss. Refer note 10(b) and 10(c) for more detail.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

8. SEGMENT REPORTING - continued

SEGMENT INFORMATION – continued

	Reportable segments					
	SDO $	Exploration projects $	Other $		Consolidated $	
30 June 2022						
Segment assets	190,598,062	53,485,435	34,488,308		278,571,805	
Capital expenditure*	41,862,164	48,166,856	1,805,613	(a)	91,834,633	
Other assets**	148,735,898	5,318,579	32,682,695	(b)	186,737,172	
Segment liabilities	19,159,697	8,860,674	731,244	(c)	28,751,615	
Segment revenue	151,944,273	-	1,711,371		153,655,644	
Net profit/(loss) for the year after tax	58,939,745	10,751	(2,799,652)	(d)	56,150,844	
Included within the segment results:					-	
Depreciation	2,974,782	795	-		2,975,577	(e)
Direct operating costs	58,850,728	-	-		58,850,728	(f)
Royalties tax	6,920,404	-	-		6,920,404	
Other items:					-	
Income tax expense	23,462,055	-	1,315,789		24,777,844	
Foreign exchange loss on revenue	795,783	-	-		795,783	
Capital expenditure during the year	14,508,884	1,907,396	834,536		17,250,816	

** Capital expenditure consist of property, plant and equipment*

*** Other assets consist of trade receivables $51,646,827, cash and cash equivalents $121,268,556 inventory $4,258,962 and other receivables $2,304,941.*

	2023 $	2022 $
Major items included in Other		
(a) Capital expenditure		
Property, plant and equipment	**2,248,744**	1,805,613
	2,248,744	1,805,613
(b) Other assets		
Cash and cash equivalents	**43,448,886**	31,952,430
Other financial assets	**2,077,423**	47,950
Current tax liability	**(8,809)**	-
Other receivables	**506,213**	682,315
	46,023,713	32,682,695
(c) Liabilities		
Borrowings	**187,782**	63,286
Other	**1,177,016**	543,467
Trade payables	**34,746**	124,491
	1,399,544	731,244

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

8. SEGMENT REPORTING - continued

SEGMENT INFORMATION – continued

	2023 $	2022 $
Major items included in Other		
(d) Unallocated income and expenses		
Administrative salaries and wages	**1,723,283**	1,826,460
Auditor's remuneration	**47,829**	155,844
Consulting fees	**9,092**	176,189
Depreciation	**125,557**	116,905
Finance income	**(5,780,364)**	(1,711,371)
Finance cost	**16,306**	457,364
Foreign exchange loss	**3,632**	983
Legal expenses	**109,503**	136,043
Other income	**(122,222)**	(82,132)
Overseas travelling expenses	**246,282**	101,268
Profit on disposal of property, plant and equipment	**4,586**	3,006
Share-based payments	**581,486**	595,511
Income tax expense	**428,084**	10,770
Dividend tax	**2,631,579**	1,315,789
VAT write-off	**32,231**	(61,715)
Other	**(63,667)**	(241,262)
Profit on disposal of discontinued operations	**(1,691,011)**	-
	(1,697,814)	2,799,652
Reconciliations of total segment amounts to corresponding amounts for the Group		
(e) Depreciation		
Included within cost of sales	**4,064,860**	2,975,577
Included within general and administrative costs	**125,694**	116,905
	4,190,554	3,092,482
(f) Cost of sales		
Direct operating costs	**57,225,856**	58,850,728
Total segment revenue		
Revenue generated in South-Africa	**130,196,100**	151,944,273
The sales of concentrate are to two customers. Revenue is split according to customer as detailed below:		
Customer 1	**121,362,209**	130,401,718
Customer 2	**8,833,891**	21,542,555
	130,196,100	151,944,273
Finance income by geographical location is detailed below:		
Mauritius	**513,881**	8,763
South Africa	**5,266,483**	1,702,608
	5,780,364	1,711,371
Analysis of location of non-current assets:		
South Africa	**101,508,191**	92,669,881
Total non-current assets	**101,508,191**	92,669,881

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

9. REVENUE

	2023 $	2022 $
Disaggregated revenue information		
Revenue from contracts with customers - PGM sales	**132,952,997**	151,963,950
Other sales - provisionally-priced sales	**(2,756,897)**	(19,677)
	130,196,100	151,944,273

Other sales comprise subsequent movements in provisionally priced sales of $8.3 million (2022: 0.02 million). Foreign exchange gains and losses relating to provisionally priced sales are recognised in "Other income" or "Other expenses".

10. INCOME AND EXPENSES

	2023 $	2022 $
(a) Other income		
Profit on sale of held for sale asset	**1,691,011**	-
Rent received	**49,081**	54,348
Scrap sales	**35,367**	27,784
Other	**16,675**	-
	1,792,134	82,132
(b) Cost of sales and other expenses		
Included in cost of sales:		
Depreciation - Property, plant and equipment	**4,064,997**	2,975,577
Electricity cost	**7,620,551**	7,457,168
Consumables	**6,279,765**	5,194,788
Maintenance	**2,468,467**	3,103,554
Share-based payments operations	**300,730**	305,758
Other*#	**19,169,017**	21,397,064
Included in other expenses:		
Computer expenses	**215,595**	139,224
Consulting	**14,604**	195,411
Director's fees	**515,000**	532,750
Foreign exchange loss	**3,632**	982
Foreign exchange loss on revenue	**1,153,829**	795,783
Insurance	**211,405**	217,584
Lease payments	**3,817**	2,721
Legal expenses	**112,399**	136,043
Other depreciation - Property, plant and equipment	**125,557**	116,905
Professional fees	**21,941**	46,015
Public relations and promotional expenses	**149,406**	120,571
Share registry expenses	**77,140**	76,101
Travel	**246,282**	101,268
	42,754,134	42,915,267
(c) Staff costs		
Salaries and wages included in cost of sales	**20,276,677**	20,117,033
Salaries and wages included in other expenses	**1,698,489**	1,803,509
Share-based payments admin	**581,486**	595,511
	22,556,652	22,516,053

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

10. INCOME AND EXPENSES - continued

** Includes individually immaterial amounts relating to amongst others contractors' cost, rehabilitation costs, transport, equipment hire, laboratory cost, cleaning and waste disposal, safety and security, surveyor cost and repairs and maintenance.*
 # Included the "other" category in the prior year for comparability purposes.

	2023 $	2022 $
(d) Net finance income		
Interest income on other financial assets	**686,604**	152,414
Interest on cash and cash equivalents	**5,093,760**	1,558,573
Other interest	**-**	384
Finance income	**5,780,364**	1,711,371
Interest expense on borrowings	**-**	(3,735)
Unwinding of discount on rehabilitation provision	**(505,086)**	(365,523)
Interest on leases	**(70,582)**	(10,858)
Other interest	**(1,290)**	(77,247)
Finance cost	**(576,958)**	(457,363)
Net finance income	**5,203,406**	1,254,008

11. INCOME TAX

	2023 $	2022 $
Income tax recognised in profit or loss		
Current tax:		
Current year tax	**19,567,796**	22,850,836
Deferred tax:		
Relating to recognition, origination and reversal of temporary differences*	**(574,267)**	733,609
Change in rate	**-**	(122,390)
Normal income tax	**18,993,529**	23,462,055
Dividend withholding tax	**2,631,579**	1,315,789
Total tax expense	**21,625,108**	24,777,844
The prima facie income tax expense on pre-tax accounting profit or loss from operations reconcile to the income tax expense in the financial statements as follows:		
Accounting profit before income tax	**66,976,877**	80,928,688
Tax expense at rate of 27% (2022:28%)	**18,083,803**	22,660,032
Non-deductible expenses	**555,967**	786,922
Adjustment in respect of prior year	**167,693**	-
Change in tax rate	**-**	(122,390)
Benefit of tax losses and temporary differences not brought to account	**186,066**	137,491
Income tax expense	**18,993,529**	23,462,055

Sylvania Platinum Limited is a Bermudan incorporated company and has no tax liability under that jurisdiction with respect to income derived. The tax rate used for the current tax in the above reconciliation is the current corporate tax rate of 27% payable by South African entities on taxable profits under South African tax law.

The tax rate used for the deferred tax in the above and below reconciliation and for the income tax FY2023 is the corporate tax rate of 27% (FY2022: 28%) that was payable by South African entities on taxable profits under South African tax law. The rate change is as a result of the announcement on 23 February 2022 by the Finance Minister in the Budget Speech that there was a reduction in the South African corporate income tax rate from 28% to 27% for years of assessment ending on or after 31 March 2023 (i.e. for years of assessment beginning on or after 1 April 2022 with the possible exception where a financial year has changed). The rate change has been substantively enacted.

11. INCOME TAX – continued

	2023 $	2022 $
Deferred tax assets comprise:		
Unrealised gains and losses on foreign exchange	**(5,607,447)**	(5,122,306)
Rehabilitation provision	**(1,091,030)**	(1,405,093)
Other temporary differences *	**(801,463)**	(616,374)
Deferred tax liabilities comprise:		
Exploration and evaluation assets	**7,512,883**	7,512,883
Property, plant and equipment	**12,043,196**	11,204,339
Other temporary differences	**51,475**	41,316
Deferred tax liabilities net	**12,107,614**	11,614,765
Deferred tax recognised in the Statement of Financial Position		
Deferred tax asset	**(11,088)**	-
Deferred tax liability	**12,118,702**	11,614,765
Deferred tax liabilities net	**12,107,614**	11,614,765

** Mainly made up of temporary differences on leave pay provisions $323,876 (2022:$377,252), Incentive bonus provisions $270,878 (2022:$178,888) and Lease liabilities $191,319 (2022:$5,589). Included in the movement are items that are accounted for in other comprehensive income.*

Unrecognised deferred tax assets	2023 $	2022 $
Deferred tax assets have not been recognised in respect of the following items:		
Exploration and evaluation assets	**27,880**	159,842
Unrealised gains and losses on foreign exchange	**678,335**	2,593,371
Tax losses	**1,427,301**	1,514,499
Deductible temporary differences	**3,222,459**	340,285
	5,355,975	4,607,997

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because of the uncertainty of the timing of probable future profits which will be utilised.

Reconciliation of deferred tax assets/(liabilities)	**Opening balance ($)**	**Charged profit or loss ($)**	**Exchange differences ($)**	**Closing balance ($)**
2023				
Other temporary differences**	**616,084**	**224,350**	**(90,446)**	**749,988**
Rehabilitation provision	**1,402,609**	**(132,775)**	**(178,804)**	**1,091,030**
Unrealised gains and losses on foreign exchange	**5,101,573**	**1,262,289**	**(756,415)**	**5,607,447**
Property, plant and equipment	**(11,222,148)**	**(2,299,401)**	**1,639,682**	**(11,881,867)**
Exploration and evaluation assets	**(7,512,883)**	**-**	**-**	**(7,512,883)**
Prior year adjustments	**-**	**(161,329)**	**-**	**(161,329)**
	(11,614,765)	**(1,106,866)**	**614,017**	**(12,107,614)**
2022				
Other temporary differences	604,851	61,474	(29,837)	636,488
Rehabilitation provision	1,037,239	568,264	(167,922)	1,437,581
Unrealised gains and losses on foreign exchange	4,655,475	1,642,134	(1,039,070)	5,258,539
Property, plant and equipment	(9,939,197)	(3,005,481)	1,387,798	(11,556,880)
Exploration and evaluation assets	(7,512,883)	-	-	(7,512,883)
Change in rate	-	122,390	-	122,390
	(11,154,515)	(611,219)	150,969	(11,614,765)

***Mainly made up of temporary differences on leave pay provisions $323,876 (2022:$377,252), Incentive bonus provisions $270,878 (2022:$178,888) and Lease liabilities $191,319 (2022:$5,589). Included in the movement are items that are accounted for in other comprehensive income.*

12. ASSETS HELD FOR SALE

In 2019 the Board committed to a plan to sell 100% of the shares in, and shareholder claims against Grasvally Chrome Mine (Pty) Ltd (Grasvally), an insignificant part of the Exploration segment of the Group to Forward Africa Mining (Pty) Ltd ("FAM"). On the 8th of July 2022 all of the conditions precedent for the sale of 100% of the shares in, and claims against Grasvally to FAM were fulfilled and the sale was completed.

	Carrying value date of sale $	Carrying value 2022 $
Exploration and evaluation assets	**3,175,157**	3,662,478
Property, plant and equipment	**13,771**	15,885
Cash and cash equivalents	**1,730**	1,995
Trade and other receivables	**-**	60,771
Other financial assets	**26,469**	30,532
Assets held for sale	**3,217,127**	3,771,661
Trade and other payables	**(47,603)**	(5,862)
Liabilities directly associated with assets held for sale	**(47,603)**	(5,862)

13. EARNINGS PER SHARE

	2023 Cents per share	2022 Cents per share
Basic earnings per share	**17.01**	20.62
Diluted earnings per share	**16.95**	20.40
	$	**$**
Reconciliation of earnings used in calculating earnings per share		
Earnings attributable to the ordinary equity holders of the company used in calculating basic earnings per share	**45,351,769**	56,150,844
Earnings attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	**45,351,769**	56,150,844
	No of shares	**No of shares**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**266,545,150**	272,353,604
Effect of dilution:		
Share options and bonus shares	**961,356**	2,874,461
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**267,506,506**	275,228,065

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

14. EXPLORATION AND EVALUATION ASSETS

	Deferred exploration expenditure $
2023	
Balance at beginning of financial year	**46,087,453**
Foreign currency movements	**(1,244,926)**
Direct expenditure for the year	**1,621,616**
Balance at end of financial year	**46,464,143**
2022	
Balance at beginning of financial year	45,351,817
Foreign currency movements	(1,609,585)
Direct expenditure for the year	1,907,396
Assets held for sale	437,825
Balance at end of financial year	46,087,453

Ultimate recovery of exploration and evaluation expenditure carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively, by sale of the respective areas.

The projects comprise Hacra and Aurora, located within the northern portion of the Northern Limb in the Waterberg and Capricorn district, as well as Volspruit, located at the southern end of the Northern Limb of the Bushveld Igneous Complex. The projects are PGM and Base Metal mining projects for which Mining Rights for PGM's and Base Metals have been awarded.

Specialist consultants have been appointed to assist Sylvania in evaluating the respective resources and in exploring the economic potential. Extensive work was conducted during the reporting period, with the view to possibly upgrade the mineral resource either for development or sale. This work will continue into the next reporting period.

15. PROPERTY, PLANT AND EQUIPMENT

	Property	Mining Property	Construction in progress	Plant	Equipment	Leasehold improvements	Computer equipment and software	Furniture and fittings	Office equipment	Motor vehicles	Total
	$	$	$	$	$	$	$	$	$	$	$
2023											
At 1 July 2022											
Cost	2,908,806	2,002,843	7,583,338	85,975,718	1,038,159	65,584	568,425	78,335	329,019	1,052,086	101,602,313
Accumulated depreciation	(297,105)	(1,912,971)	-	(50,946,169)	(726,332)	(36,320)	(458,707)	(62,059)	(201,257)	(662,415)	(55,303,335)
Net carrying value	2,611,701	89,872	7,583,338	35,029,549	311,827	29,264	109,718	16,276	127,762	389,671	46,298,978
Year ended 30 June 2023											
Opening net carrying value	2,611,701	89,872	7,583,338	35,029,549	311,827	29,264	109,718	16,276	127,762	389,671	46,298,978
Additions*#	220,696	-	921,370	12,607,819	126,536	-	44,588	6,017	49,672	174,080	14,150,778
Re-classification	-	-	(6,299,906)	6,299,906	-	-	-	-	-	-	-
Disposals	(676,014)	-	-	(66,876)	(13,792)	-	(2,300)	-	(2,026)	(36,755)	(797,763)
Depreciation charge*	(106,475)	-	-	(3,707,115)	(93,074)	(8,676)	(61,355)	(4,055)	(37,759)	(130,100)	(4,148,609)
Exchange differences*	(313,637)	(11,958)	(700,312)	(5,708,164)	(29,717)	(3,371)	(13,450)	(2,285)	(17,595)	(52,284)	(6,852,773)
Closing net carrying value	1,736,271	77,914	1,504,490	44,455,119	301,780	17,217	77,201	15,953	120,054	344,612	48,650,611
At 30 June 2023											
Cost	2,093,900	1,736,350	1,504,490	92,164,048	1,010,544	41,485	427,772	53,414	296,779	1,022,619	100,351,401
Accumulated depreciation	(357,629)	(1,658,436)	-	(47,708,929)	(708,764)	(24,268)	(350,571)	(37,461)	(176,725)	(678,007)	(51,700,790)
Net carrying value	1,736,271	77,914	1,504,490	44,455,119	301,780	17,217	77,201	15,953	120,054	344,612	48,650,611

** Include movement relating to right of use assets. Refer note 29.*
 # The additions per above does not agree to the amounts reflected in the cashflow statement due to the inclusion of the right of use asset and asset relating to the rehabilitation provision in the Property, Plant and Equipment note.

15. PROPERTY, PLANT AND EQUIPMENT - continued

	Property $	Mining Property $	Construction in progress $	Plant $	Equipment $	Leasehold improvements $	Computer equipment and software $	Furniture and fittings $	Office equipment $	Motor vehicles $	Total $
2022											
At 1 July 2022											
Cost	3,276,681	2,283,707	3,608,994	87,416,315	1,055,236	67,903	638,735	80,325	325,277	1,111,239	99,864,412
Accumulated depreciation	(268,525)	(2,181,232)	-	(55,245,222)	(739,395)	(30,994)	(493,502)	(64,486)	(189,077)	(736,542)	(59,948,975)
Net carrying value	3,008,156	102,475	3,608,994	32,171,093	315,841	36,909	145,233	15,839	136,200	374,697	39,915,437
Year ended 30 June 2022											
Opening net carrying value	3,008,156	102,475	3,608,994	32,171,093	315,841	36,909	145,233	15,839	136,200	374,697	39,915,437
Additions*#	37,794	-	8,375,598	6,500,273	121,318	6,493	61,266	8,492	47,091	185,097	15,343,422
Disposals	-	-	-	(45,594)	-	-	(517)	-	-	-	(46,111)
Re-classification	-	-	(3,604,164)	3,604,381	-	-	(217)	-	-	-	-
Depreciation charge*	(66,314)	-	-	(2,685,369)	(83,825)	(9,836)	(79,535)	(5,925)	(38,142)	(119,373)	(3,088,319)
Exchange differences*	(367,935)	(12,603)	(797,090)	(4,515,235)	(41,507)	(4,302)	(16,512)	(2,130)	(17,387)	(50,750)	(5,825,451)
Closing net carrying value	2,611,701	89,872	7,583,338	35,029,549	311,827	29,264	109,718	16,276	127,762	389,671	46,298,978
At 30 June 2022											
Cost	2,908,806	2,002,843	7,583,338	85,975,718	1,038,159	65,584	568,425	78,335	329,019	1,052,086	101,602,313
Accumulated depreciation	(297,105)	(1,912,971)	-	(50,946,169)	(726,332)	(36,320)	(458,707)	(62,059)	(201,257)	(662,415)	(55,303,335)
Net carrying value	2,611,701	89,872	7,583,338	35,029,549	311,827	29,264	109,718	16,276	127,762	389,671	46,298,978

** Include movement relating to right of use assets. Refer note 29.*
 # The additions per above does not agree to the amounts reflected in the cashflow statement due to the inclusion of the right of use asset and asset relating to the rehabilitation provision in the Property, Plant and Equipment note.

15. PROPERTY, PLANT AND EQUIPMENT - continued

Non-current assets pledged as security

Leased assets are pledged as security for the related lease liability (refer to note 22). No other non-current assets are pledged as security for any liabilities.

Impairment of property, plant and equipment

Given the constant pressure on the commodity price and the ongoing effects of the Russian invasion of Ukraine, as well as the recent downgrading of the United States of America's (USA) credit rating, the directors performed an impairment assessment of the Group's property, plant and equipment at year end. No impairment was considered necessary in the current year.

Commitments for plant construction

At 30 June 2023, commitments signed for continued improvements of the plants amounted to $3,561,207 (2022: $1,709,764).

16. OTHER FINANCIAL ASSETS

	2023 $	2022 $
Loans and receivables:		
Loans receivable (a)	**7,068,571**	1,029,205
Rehabilitation debtor (b)	**261,012**	283,450
Restricted cash (c)	**823,144**	-
Balance at the end of the financial year	**8,152,727**	1,312,655
Non-current asset	**6,352,325**	283,450
Current asset	**1,800,402**	1,029,205
Balance at the end of the financial year	**8,152,727**	1,312,655

a) Loans receivable consist of:
   - A loan amounting to $317,073 (2022: $348,420) was granted to TS Consortium by Sylvania South Africa (Pty) Ltd. The loan is unsecured, bears interest at 7% per annum and is repayable on demand. The Group's interest in the TS Consortium Joint Operation is currently 75% in the assets and liabilities.
   - A loan amounting to $902,285 (2022: $680,785) was granted to Forward Africa Mining (Pty) Ltd. The loan is secured over the Grasvally Plant and bears interest at the Johannesburg inter-Bank Offer Rate (JIBOR) + 3%, compounded monthly in arrears. The loan is repayable in 15 equal instalments commencing at the end of the quarter following the first anniversary of the effective date*.
   - A loan amounting to $5,849,213 (2022: $nil) was granted to Forward Africa Mining (Pty) Ltd relating to the sale of shares and claim agreement in respect of the Grasvally Chrome Mine (Pty) Ltd sale. The loan is secured over the Grasvally Plant, bears interest at the Johannesburg Inter-Bank Offer Rate (JIBOR) + 3%, compounded monthly in arears. The loan is repayable in 15 equal instalments commencing at the end of the quarter following the first anniversary of the effective date*.

   **Effective date being the first day of the month following the month during which the last of the Conditions Precedent is fulfilled.*

b) Contribution paid to the host mine for rehabilitation purposes. The debtor is ZAR denominated and was translated at a spot rate of ZAR18.89:$1 (2022: ZAR16.38:$1).

c) Restricted cash relate to guarantees with ESKOM and DMRE, which was reallocated from Cash and Cash equivalents. The prior year is considered to be immaterial. Refer note 17.

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets. The South African Revenue Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. ZARONIA has been published for the purposes of observing the rate and how it behaves. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.

16. OTHER FINANCIAL ASSETS - continued

The Group has pledged part of its short-term deposits, excluding interest earned, with a carrying value of $719,414 (2022: $798,772) in order to fulfil collateral requirements of the guarantees held below.

The restricted cash balances relate to funds set aside to serve as collateral against guarantees made to the Department of Mineral Resources and Energy (DMRE) in South Africa for environmental and rehabilitation obligations as well as deposits to Eskom and Growthpoint, refer to the below table.

Bank guarantees are held as follows:

	2023* $	2022 $
Eskom	**635,258**	-
The Department of Mineral Resources	**66,014**	-
Growthpoint	**18,142**	-

**Re-allocated from Cash and Cash Equivalents for accuracy of reporting. The prior year is considered to be immaterial.*

17. CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash at bank and on hand	**104,062,026**	94,134,130
Short-term deposits	**20,097,828**	26,260,051
Restricted cash*	**-**	890,239
Assets held for sale	**-**	(1,995)
	124,159,854	121,282,425

**Re-allocated to other financial assets for accuracy of reporting. The balances with Eskom and DMRE are included in other financial assets. The prior year is considered to be immaterial.*

Cash at banks earn interest at floating rates on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The fair value of cash and short-term deposits is $124,159,854 (2022:121,282,425).

At 30 June 2023, the Group had $1,709,764 (2022: $1,709,764) of undrawn borrowing facilities available. The Group only deposits cash surpluses with major banks of high-quality credit standing. Refer note 28.

18. TRADE AND OTHER RECEIVABLES

	2023 $	2022 $
Financial instruments		
Trade receivables (not subject to provisional pricing) - fair value	**9,301,077**	13,638,124
Trade receivables (subject to provisional pricing) - fair value	**24,999,154**	37,837,471
Trade receivables – amortised cost	**120,217**	138,668
Assets held for sale	**-**	(60,771)
Non-financial instruments		
Other receivables	**1,293,555**	1,386,097
	35,714,003	52,939,589

Trade receivables are due from major minerals mining and processing companies.

Trade receivables (not subject to provisional pricing) are non-interest bearing and are generally on terms not exceeding 30 days.

18. TRADE AND OTHER RECEIVABLES - continued

Trade receivables (subject to provisional pricing) are non-interest bearing but are exposed to future commodity price and exchange rate fluctuations over a period. It relates to revenue from contracts with customers and the Group has an unconditional right to the consideration due as the performance conditions have been met.

Other receivables are non-interest bearing and are generally on 30 – 90-day terms. Included in other receivables are pre-paid expenditure, VAT receivable and advances.

Trade receivables at amortised cost were considered in the ECL calculation, refer note 28.

19. INVENTORIES

	2023 $	2022 $
Stores and consumables	**5,103,550**	4,258,960

Inventories of $9,354,689 (2022: $8,355,238) were recognised as an expense during the current year and included in cost of sales.

Stores and consumables
Included in stores and consumables are critical spares and consumables that are held in stock for engineering breakdowns.

20. ISSUED CAPITAL

Authorised capital	2023 No of shares	2023 $	2022 $
Ordinary shares with a par value of $0.01	**1,000,000,000**	**10,000,000**	10,000,000

Issued capital	2023	2022	2023 $	2022 $
Share capital				
Ordinary shares				
Ordinary shares fully paid	**279,000,000***	280,155,657	**2,790,000***	2,801,557

**Including 15,939,737 treasury shares.*

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the holding company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

Date	Details	Number of shares	$
1 July 2022	Opening balance	280,155,657	2,801,557
	Cancellation of shares	(1,155,657)	(11,557)
30 June 2023	Closing balance	279,000,000	2,790,000
1 July 2021	Opening balance	286,155,657	2,861,557
	Cancellation of shares	(6,000,000)	(60,000)
30 June 2022	Closing balance	280,155,657	2,801,557

On 2 May 2023, the Company announced the intention to conduct a Share Buyback programme ("Share Buyback") on-market which had a closing date of 30 June 2023.

The table below shows the movement in the treasury share account for the year. The shares are being held to be issued as bonus shares to senior management in recognition of the achievement of performance criteria. Refer to note 27 for further details.

	2023 No of shares	2022 No of shares
Balance at beginning of financial year	**14,024,869**	13,681,792
Shares purchased	**4,825,525**	8,728,077
Shares cancelled	**(1,155,657)**	(6,000,000)
Share options exercised and shares issued to directors	**(1,755,000)**	(2,385,000)
Balance at end of financial year	**15,939,737**	14,024,869

Of the 15,939,737 shares held in the treasury share account 7,500,000 shares are ring-fenced for the Employee Dividend Entitlement Plan ("EDEP").

21. RESERVES

- Reserve for own shares
  The reserve comprises the cost of the Company's shares held by the Group as treasury shares. Refer to notes 20 and 27 for further details.
- Foreign currency translation reserve
  The foreign currency translation reserve comprises the exchange differences arising from the translation of the financial statements of foreign controlled entities.
- Share-based payment reserve
  This reserve comprises the value of equity benefits provided to employees, consultants and directors as part of their remuneration. Refer note 27.
- Non-controlling interests reserve
  This reserve comprises the differences between the carrying value of non-controlling interests and the consideration paid/received, where there has been a transaction involving non-controlling interest that does not result in a loss of control.
- Equity reserve. This reserve arises from the recyclable reserves in the former holding company (Sylvania Resources Proprietary Limited) as at the date that Sylvania Platinum Limited was introduced as the ultimate holding company.

22. BORROWINGS AND LEASES

	Future minimum lease payments	Finance charges	Present value of minimum lease payments due
	$	$	$
Balance at 30 June 2023			
Due within one year	**377,504**	**(46,775)**	**330,729**
Due between one and five years	**401,848**	**(21,015)**	**380,833**
	779,352	**(67,790)**	**711,562**
Balance as at 30 June 2022			
Due within one year	68,411	(19,454)	48,957
Due between one and five years	50,915	(15,884)	35,031
	119,326	(35,338)	83,988

All instalment sale agreements were settled during the period. Prior to settlement, these were repayable in monthly instalments of $10,458 at rates varying between 7.25% and 7.5%. p.a. Refer to note 15 for further detail on non-current assets pledged as security.

The Group entered into new commercial lease agreements during the period. Refer note 29.

23. PROVISIONS

	2023	2022
	$	$
Balance at the beginning of financial year	**5,936,804**	4,539,937
Foreign currency movements	**(718,977)**	(707,815)
Unwinding of discount factor	**505,086**	365,523
Change in estimate	**(1,006,045)**	1,739,159
De-recognition *	**(676,014)**	-
Balance at end of financial year	**4,040,854**	5,936,804

 # The total movement of $1,006,045 in the estimate comprises a decrease in the rehabilitation provision for the period $1,368,157, recognised in profit or loss, an increase in the decommissioning assets $246,682 and an increase in the restoration expense $115,430.
** The de-recognition relates to the sale of Grasvally Resource (Pty) Ltd and the related rehabilitation provision.*

A provision is made for the present value of closure, restoration and environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the financial period when the related environmental disturbance occurs. The provision is based on the estimated future costs using information available at the reporting date. These estimates are reviewed regularly to take into account any material changes to the assumptions (refer note 4). However, actual costs will ultimately depend on future market prices for the rehabilitation work required.

Rehabilitation is performed and paid for on an on-going basis as mining properties are depleted. The majority of the rehabilitation will be undertaken progressively over the life of the mine during the depletion of each respective mining property. It is expected that the life of each mine could vary therefore, the timing of rehabilitation work is inherently uncertain. Refer note 16 (2022: note 17) for detail of the guarantees in place with regard to the rehabilitation provision.

24. TRADE AND OTHER PAYABLES

	2023	2022
	$	$
Trade payables	7,565,101	5,766,225
Accrued expenses	5,595,474	3,783,734
Other trade payables	362,365	1,566,099
Liabilities directly associated with assets held for sale	-	(5,862)
	13,522,940 -	11,110,196

Other trade payables are made up mainly of VAT payable to the local authorities. Trade and other payables are non-interest bearing and are normally settled on 30-day terms, predominately payable in ZAR and located in South Africa. The asset held for sale was sold during the period, refer note 12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

25. NET CASH INFLOW FROM OPERATING ACTIVITIES

	2023 $	2022 $
(a) Reconciliation of profit before tax to net cash flow from operating activities		
Profit before income tax expense	**66,976,877**	80,928,688
Adjusted for:		
Loss/(gain) on sale of property, plant and equipment	**7,768**	(3,006)
Interest and penalties	**23,160**	7,850
Forgiveness of debt	**41,264**	2,306
Foreign exchange loss	**3,632**	982
Finance income	**(5,780,364)**	(1,711,371)
Finance cost	**576,958**	457,363
Depreciation	**4,190,554**	3,092,481
Rehabilitation provisions	**(1,252,727)**	1,526,312
Share-based payments	**882,216**	901,269
Profit on sale of discontinued operations	**(1,691,011)**	-
Profit on asset adjustment	**(16,675)**	-
Net operating profit before working capital changes	**63,961,652**	85,202,874
Changes in working capital:		
Decrease in trade and other receivables	**12,142,479**	9,514,549
Increase in inventories	**(1,571,002)**	(961,106)
Increase/(decrease) in trade and other payables	**3,144,739**	(1,825,529)
Cash generated from operating activities	**77,677,868**	91,930,788
Finance income received	**5,093,760**	1,604,100
Finance cost paid	**(4)**	(91,841)
Taxation paid	**(19,784,637)**	(23,831,718)
Net cash inflow from operating activities	**62,986,987**	69,611,329
(b) Taxation paid		
Balance receivable at the beginning of the year	**3,486,226**	4,329,860
Income tax recognised in profit or loss	**(19,567,796)**	(22,850,836)
Interest paid	**(24,457)**	-
Dividend tax	**(1,842,105)**	(1,315,789)
Foreign currency movements	**(364,401)**	(508,727)
Balance receivable at the end of the year	**(1,472,104)**	(3,486,226)
Taxation paid	**(19,784,637)**	(23,831,718)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

26. NET CASH OUTFLOW FROM FINANCING ACTIVITIES

	2023 $	2022 $
(a) Borrowings and leases		
Balance owing at the beginning of the year	**(83,988)**	(283,606)
Cash flow items		
Repayment of borrowings (instalment sale agreement)	**-**	117,635
Lease payments during the year	**405,905**	59,697
Non-cashflow items		
Additions of leases	**(1,085,634)**	-
Foreign currency movements	**52,156**	22,286
Closing balance	**(711,561)**	(83,988)
(b) Treasury shares		
Treasury shares opening balance	**(17,994,924)**	(8,840,725)
Cash flow items		
Purchase of treasury shares	**(4,912,348)**	(9,865,070)
Non-cashflow items		
Share options & bonus shares exercised	**763,901**	650,871
Shares cancelled	**11,557**	60,000
Closing balance	**(22,131,814)**	(17,994,924)
(c) Bonus shares		
Share Based payments opening balance	**(4,671,159)**	(4,420,761)
Non-cashflow items		
Share options & bonus shares exercised	**763,901**	650,871
Bonus shares expensed	**(882,216)**	(901,269)
Closing balance	**(4,789,474)**	(4,671,159)

27. SHARE-BASED PAYMENT PLAN

	2023 $	2022 $
Expense arising from equity-settled share-based payment transactions	**(882,216)**	(901,269)

Share bonus award:
On 24 August 2020, 1,435,000 ordinary shares of $0.01 each in Sylvania Platinum Limited were allocated to certain employees and senior management in recognition of the achievement of performance criteria. These shares have a vesting period of three years and will vest on 26 August 2023. Employees are required to achieve a minimum of a three rating on their performance appraisals.

On 20 August 2021, 520,349 ordinary shares of $0.01 each in Sylvania Platinum Limited were allocated to certain employees and senior management in recognition of the achievement of performance criteria. These shares have a vesting period of three years and will vest on 19 August 2024. Employees are required to achieve a minimum of a three rating on their performance appraisals.

On 20 August 2022, 767,000 ordinary shares of $0.01 each in Sylvania Platinum Limited were allocated to certain employees and senior management in recognition of the achievement of performance criteria. These shares have a vesting period of three years and will vest on 19 August 2025. Employees are required to achieve a minimum of a three rating on their performance appraisals.

27. SHARE-BASED PAYMENT PLAN - continued

Bonus shares

	Nominal value at issue date $	Balance at the start of the year Number	Issued during the year Number	Balance at the end of the year Number
2023				
24 August 2020	**0.10**	**1,435,000**	**-**	**1,435,000**
20 August 2021	**0.10**	**520,349**	**-**	**520,349**
27 August 2022	**0.10**	**-**	**767,000**	**767,000**
Total		**1,955,349**	**767,000**	**2,722,349**
2022				
22 August 2019	0.10	1,780,000	-	1,780,000
24 August 2020	0.10	1,435,000	-	1,435,000
20 August 2021	0.10	-	520,349	520,349
		3,215,000	520,349	3,735,349

The fair values of the bonus shares are based on the share price at grant date.

	2023	2022
Fair value at grant date (GBP)	**0.88**	1.20
Fair value at grant date (USD)	**1.04**	1.65
Share price at grant date (GBP)	**0.88**	1.20
Share price at grant date (USD)	**1.04**	1.65
Expected life (years)	**3**	3

28. FINANCIAL INSTRUMENTS

The ongoing impact of the Russian invasion of the Ukraine, the global volatile economy and the downgrade of the United States of America credit rating, amongst others, is already priced into the inputs, which for the Group mostly relates to commodity price risk used in the Level 2 fair valuation techniques as determined by the market and which is more clearly explained below.

	2023 $	2022 $
Financial assets – carrying amount		
Financial assets at amortised cost		
Trade and other receivables [1]	**120,217**	550,822
Cash and cash equivalents	**124,159,854**	121,282,425
Other financial assets	**8,152,727**	1,312,655
	132,432,798	123,145,902
Financial asset at fair value through profit and loss (FVPL)		
Trade and other receivables [2]	**34,300,231**	51,475,595
Financial liabilities – carrying amount		
Financial liabilities at amortised cost		
Borrowings	**(711,561)**	(83,988)
Trade and other payables [3]	**(13,202,296)**	(9,586,212)
	(13,913,857)	(9,670,200)

[1]Prepayments and Value Added Tax amounting to $731,830 (2022: $973,943) are excluded from the trade and other receivables balance as this analysis is required only for financial instruments.
[2]The fair value was determined using the commodity prices and foreign exchange rates.
[3]Value Added Tax amounting to $545,804 (2022: $1,523,984) are excluded from the trade and other payables balance as this analysis is required only for financial instruments.

28. FINANCIAL INSTRUMENTS – continued

IFRS establishes a fair value hierarchy that categorises the inputs to valuation techniques used to measure fair value into three levels:
• Level 1 – Quoted prices in active markets for the same instrument
• Level 2 – Valuation techniques for which significant inputs are based on observable market data
• Level 3 – Valuation techniques for which any significant input is not based on observable market data

The following financial instruments are carried at fair value:

Financial asset at fair value through profit or loss (FVPL)	2023 $	2022 $	Fair value hierarchy	Valuation technique and key inputs
Trade and other receivables	**34,300,231**	51,475,595	Level 2	Quoted market metal price & exchange rate

Financial risk management objectives and policies
The Group's principal financial liabilities comprise trade and other payables and borrowings. The Group has various financial assets such as trade and other receivables and cash and short-term deposits, which arise directly from its operations.

Risk exposures and responses
The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security. The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are market risks (foreign currency risk, commodity price risk and interest rate risk), liquidity risk and credit risk.

The Group's senior management oversees the management of financial risks. The Board ensures that the Group's financial risk taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group policies and the Group's risk appetite. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. At this stage, the Group does not currently apply any form of hedge accounting.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed-to-floating interest rates on the debt and the proportion of financial instruments in foreign currencies are all constant.

The following assumptions have been made in calculating the sensitivity analysis:
- The impact on equity is the same as the impact on profit before tax, unless stated otherwise.

Capital risk management
The Group manages its capital to ensure that all companies within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. Due to the inherent risks involved in mining, the Board prefers not to utilise funding from financing institutions.
The Group's overall strategy remains unchanged during the years ended 30 June 2023 and 30 June 2022.
The capital structure of the Group consists of equity attributable to equity holders of the holding company comprising issued capital, reserves and retained profits.
None of the Group's companies are subject to externally imposed capital requirements.
Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, commodity price risk and currency risk**.** Financial instruments affected by market risk include receivables, loans, borrowings and deposits.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's financing and operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency). The Group manages foreign currency risk through the strategic business model which has proved to be exceptionally successful.
The financial instruments exposed to foreign currency risk are as follows:

Financial assets	2023 $	2022 $
Trade and other receivables	24,999,154	37,837,471
Cash and cash equivalents	26,431,940	32,762,424

A reasonably possible strengthening/(weakening) of the Rand (ZAR) against the US dollar (USD) at 30 June 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below.

28. FINANCIAL INSTRUMENTS – continued

Market risk

The analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases. 15% was applied due to the movement in the spot exchange rate from 30 June 2022 ($/ZAR – 1:16.38) to 30 June 2023 ($/ZAR – 1:18.89), reflecting a net movement in spot rate of 15.32%.

	2023		2022	
	Profit/(loss)	Equity increase/ (decrease) $	Profit/(loss)	Equity increase/ (decrease) $
15% (2022:15%) appreciation	**(7,714,664)**	**7,714,664**	10,592,609	(10,592,609)
15% (2022:15%) depreciation	**(5,702,143)**	**5,702,143**	(10,600,868)	10,600,868

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises from cash balances, loans receivable and leases.

Cash and cash equivalents are exposed to ZAR deposit rates.

The Group does not engage in any hedging transactions to manage interest rate risk. In conjunction with external advice, management consideration is given on a regular basis to alternative financing structures with a view to optimising the Group's funding structure. The Group manages the risk by maintaining an appropriate mix between fixed and floating rate liquid funds.

The financial instruments exposed to movements in variable interest rates are as follows:

	2023 $	2022 $
Financial assets		
Cash and cash equivalents	**124,159,854**	121,282,425
Loans receivable	**6,751,498**	680,785
	130,911,352	121,963,210
Financial liabilities		
Leases/Borrowings	**(711,561)**	(83,988)

Credit risk

Credit risk is the risk that a contracting entity will not meet its obligation under a financial instrument or customer contract that will result in a financial loss to the Group. The Group is exposed to credit risk from its financing activities, including deposits with banks and financial institutions and its operating activities, primarily for trade receivables. The carrying amount of these financial assets represents the maximum credit exposure.

Receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The Group is subject to concentration risk due to the exposure to one customer at year end. However, this risk is not considered significant as the customers adheres to the stipulated payment terms and has never defaulted on a payment since inception. The credit risk exposure is 100% in South-Africa and the Group only operates in the mining industry.

Trade and other receivables

For trade receivables, the simplified approach permitted by IFRS 9 is applied, which requires lifetime ECLs to be recognised from initial recognition of the trade receivables.

For other receivables ECLs are calculated based on the general model, which take into account the Probability of default (PD), the exposure at default (EAD) and the loss given default (LGD). Rates are obtained from reputable ratings agencies.

Forward-looking macro-economic conditions and factors are considered when determining the ECLs for trade receivables, namely economic growth and inflationary outlook in the short term.

28. FINANCIAL INSTRUMENTS – continued

Credit risk – continued

Trade and other receivables - continued

The following table provides information about the exposure to credit risk and ECLs for trade receivables and other financial assets as at 30 June 2023.

2023	Weighted average loss rate %	Gross carrying amount $	Loss allowance	Credit impaired
Trade receivables - FVTPL	**-**	**34,300,231**	**-**	**No**
Trade receivables - Current	**0.6116000**	**681,683**	**4,169**	**No**
Other financial assets	**0.6116000**	**8,152,727**	**49,862**	**No**

Prepayments and Value Added Tax amounting to $731,830 are excluded from the trade and other receivables balance as this analysis is required only for financial instruments. The gross and net carrying values are the same amounts as the loss allowance and were not recognised. This is deemed immaterial for the Group.

2022	Weighted average loss rate %	Gross carrying amount $	Loss allowance	Credit impaired
Trade receivables - Current	0.1332289	550,821	729	No
Other financial assets	0.1332289	1,364,338	1,805	No

Prepayments and Value Added Tax amounting to $973,943 are excluded from the trade and other receivables balance as this analysis is required only for financial instruments.
The gross and net carrying values are the same amounts as the loss allowance and were not recognised. This is deemed immaterial for the Group.

Cash and cash equivalents

The Group held cash and cash equivalents of $124,159,854 at 30 June 2023. The cash and cash equivalents are held with banks rated with Moody's at Ba1, B1 and Baa3, refer below table.

Moody's rating	2023 $	2022 $
Ba1	123,270,598	100,390,269
B1	43,179	44,625
Baa3	846,077	20,847,531
	124,159,854	121,282,425

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the banks. No impairment has been recognised for the year.

28. FINANCIAL INSTRUMENTS – continued

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium- and long-term funding and liquidity management requirements.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Carrying amount $	Contractual cash flows $	Less than 1 year $	1-5 years $	Total $
2023					
Trade and other payables[1]	**13,202,296**	**13,202,296**	**13,202,296**	**-**	**13,202,296**
Leases	**711,561**	**826,798**	**400,486**	**426,312**	**826,798**
	13,913,857	**14,029,094**	**13,602,782**	**426,312**	**14,029,094**
2022					
Trade and other payables[1]	9,642,409	9,642,409	9,642,409	-	9,642,409
Leases	83,988	83,988	48,956	35,032	83,988
	9,726,397	9,726,397	9,691,365	35,032	9,726,397

[1]*Value Added Tax amounting to $320,388 (2022: $1,523,984) are excluded from the trade and other payables balance as this analysis is required only for financial instruments.*

Commodity price risk

Commodity price risk refers to the risk of changes in fair value or cash flows of financial instruments as a result of changes in commodity prices. It is applicable to the largest debtor of the Group. In terms of the agreement between the Group and the debtor, the commodity prices used in the calculation of the payment are based on the prices over the period following delivery, leaving the Group exposed to the commodity price fluctuations until the price is fixed. The subsequent re-measurement of the receivable every month following the month of delivery until the price is fixed, is recognised in other sales, refer note 9.

Sensitivity analysis

Commodity price risk sensitivity analysis presents the effect of a 10% change in the year-end commodity price on financial instruments in the statement of financial position, statement of comprehensive income and therefore equity.

Financial assets	Statement of financial position 2023 $	2022 $
Trade Receivables still subject to price fluctuation	**24,999,154**	37,837,471
Effect of 10% commodity price fluctuation	**≈2,499,915**	≈3,783,747

29. LEASES

A. The Group as a lessee

The Group has a commercial lease agreement whereby it leases its current office premises, in Johannesburg. This lease has an average life of three years with no renewal option. Lease payments are escalated at 9% per annum.

The Group has settled all instalment sale agreements during the previous reporting period, refer to notes 15 and 22.

The Group leases various items of office equipment. Office equipment with a value of $5,000 or less are regarded low value. The Group has elected not to recognise right-of-use assets and lease liabilities for low value assets. The cost relating to the leases are included in operating costs.

Containers are leased for office space on two of the operational plants. These leases are for a period of two to four years. Refer note 15.

Information about leases where the Group is a lessee is presented below:

Right-of-use assets	**2023 $**	**2022 $**
Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.		
Property		
Balance at 1 July	**69,905**	107,464
Additions	**194,268**	35,963
Depreciation charge for the year	**(101,943)**	(62,166)
Exchange rate difference	**(14,867)**	(11,356)
Balance at 30 June	**147,363**	69,905
Office equipment		
Balance at 1 July	**10,983**	16,621
Additions	**30,557**	-
Depreciation charge for the year	**(8,106)**	(3,869)
Exchange rate difference	**(2,815)**	(1,769)
Balance at 30 June	**30,619**	10,983
Plant		
Balance at 1 July	**17,887**	18,339
Additions	**793,344**	11,908
Depreciation charge for the year	**(275,413)**	(9,963)
Exchange rate difference	**(33,616)**	(2,397)
Balance at 30 June	**502,202**	17,887

B. The Group as lessor

The Group leases out certain portions of the property owned by Zoetveld Properties (Pty) Ltd to a third party exclusively for the grazing of livestock. This original lease expired on the 30th of April 2020 and is continuing for an indefinite period subject to termination by either party on a six months' notice to the other party. Lease payments escalate at 9% per annum. The Group has classified this lease as an operating lease, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the asset.

Rental income recognised by the Group during 2023 was, $49,081 (2022: $54,348).

30. KEY MANAGEMENT DISCLOSURE

Shareholding of key management personal

The number of shares in the Company held during the year by each director of the Group is set out below:

2023	Balance at the start of the year	Issued/Purchased during the year	Balance at the end of the year
SA Murray	**1,050,000**	**-**	**1,050,000**
JJ Prinsloo	**1,372,394**	**90,750**	**1,463,144**
L Carminati	**1,244,331**	**82,500**	**1,326,831**
E Carr	**70,000**	**-**	**70,000**
AJ Reynolds	**20,000**	**-**	**20,000**
SJ Scott	**20,000**	**-**	**20,000**
2022			
SA Murray	1,050,000	-	1,050,000
JJ Prinsloo	1,221,144	151,250	1,372,394
L Carminati	1,104,081	140,250	1,244,331
E Carr	50,000	20,000	70,000
AJ Reynolds	-	20,000	20,000
SJ Scott	-	20,000	20,000

All equity transactions with key management personnel other than those arising under the bonus shares granted have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

Director	Short Term Benefits			Share-Based payment[2]	
	Cash salary/ Consulting fees ($)	Bonus[1] ($)	Directors fees ($)	Equity shares/ bonus shares ($)	Total ($)
2023					
SA Murray	**-**	**-**	**125,000**	**-**	**125,000**
JJ Prinsloo	**295,269**	**33,792**	**75,000**	**75,812**	**479,873**
L Carminati	**264,595**	**30,708**	**75,000**	**63,292**	**433,595**
E Carr	**-**	**-**	**85,000**	**-**	**85,000**
AJ Reynolds	**-**	**-**	**80,000**	**-**	**80,000**
SJ Scott	**-**	**-**	**75,000**	**-**	**75,000**
Sub-total	**559,864**	**64,500**	**515,000**	**139,104**	**1,278,468**
Other key management	**1,748,070**	**209,289**	**-**	**284,352**	**2,241,711**
Total	**2,307,934**	**273,789**	**515,000**	**423,456**	**3,520,179**
2022					
SA Murray	-	-	125,000	-	125,000
JJ Prinsloo	318,999	61,253	75,000	79,725	534,977
L Carminati	289,886	56,193	75,000	69,810	490,889
RA Williams - resigned Dec 2021	-	-	42,500	-	42,500
E Carr	26,500	-	80,000	-	106,500
AJ Reynolds	-	-	71,250	-	71,250
SJ Scott – appointed January 2022	-	-	37,500	-	37,500
Sub-total	635,385	117,446	506,250	149,535	1,408,616
Other key management	1,734,634	232,863	-	266,723	2,234,220
Total	2,370,019	350,309	506,250	416,258	3,642,836

[1]*Cash bonuses were awarded to directors and key personnel based on individual performance.*

[2]*Share-based payments on bonus shares granted - refer to note 27.*

31. RELATED PARTY TRANSACTIONS

The consolidated financial statements include the financial statements of Sylvania Platinum Limited, a Bermudan registered company and the controlled entities listed in the following table:

Name of Entity	Country of incorporation	Class of shares	Equity Holding 2023 %	Equity Holding 2022 %
Aralon Holdings Limited	Mauritius	Ordinary	**100**	100
Sylvania (Mauritius) Limited	Mauritius	Ordinary	**100**	100
Sylvania South Africa (Pty) Ltd	South Africa	Ordinary	**100**	100
Sylvania Metals (Pty) Ltd	South Africa	Ordinary	**100**	100
Sylvania Properties (Pty) Ltd	South Africa	Ordinary	**100**	100
Sylvania Mining (Pty) Ltd	South Africa	Ordinary	**100**	100
Sylvania Northern Platinum (Pty) Ltd	South Africa	Ordinary	**74**	74
Sylvania Northern Mining (Pty) Ltd	South Africa	Ordinary	**74**	74
Sylvania Resources (Pty) Ltd	South Africa	Ordinary	**100**	100
Sylvania Exploration (Pty) Ltd	South Africa	Ordinary	**100**	100
Hacra Mining and Exploration Company (Pty) Ltd	South Africa	Ordinary	**67**	67
Pan Palladium South Africa (Pty) Ltd	South Africa	Ordinary	**100**	100
Volspruit Mining Company (Pty) Ltd	South Africa	Ordinary	**74**	74
Zoetveld Properties (Pty) Ltd	South Africa	Ordinary	**100**	100
Grasvally Chrome Mine (Pty) Ltd	South Africa	Ordinary	**-**	74
Grasvally Resources (Pty) Ltd	South Africa	Ordinary	**-**	100
PT Sands (Pty) Ltd	South Africa	Ordinary	**100**	100

Sylvania Platinum Limited is the ultimate holding company of the Group. Transactions between Sylvania Platinum Limited and its controlled entities during the year consisted of loan advances between Group companies. All intergroup transactions and balances are eliminated on consolidation.

Non-controlling interest
The non-controlling interests are all held by Black Economic Empowerment participants.

Investments in joint operation
The Group's interest in TS Consortium, which conducts research and development on technologies to create a chromite ore pellet suitable for ferrochrome smelters in South Africa, is 75% in the Joint Operation's assets and liabilities. Both parties are required to unanimously make decisions and neither party has power nor control over the other.

In relation to its interest in TS Consortium, the financial statements of the Group include:
• Assets, including its share of any assets held jointly;
• Liabilities, including its share of any liabilities incurred jointly;
• Revenue from the prospective sale of the output by the Joint Operation;
• Share of the prospective revenue from the sale of the output by the Joint Operation; and
• Expenses, including its share of any expenses incurred jointly.

Terms and conditions of loan to Joint Operation
The loan to TS Consortium is unsecured, bears interest at 7% and is repayable on demand.

Loans to related parties	2023 $	2022 $
Balance outstanding at 30 June		
Loan to joint operation (TS Consortium)	**317,073**	348,420

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – continued

31. RELATED PARTY TRANSACTIONS - continued

Terms and conditions of loans with Forward Africa Mining

Mr Sipho Ntuli is a director of both Forward Africa Mining (Pty) Ltd and Sylvania Metals (Pty) Ltd and is deemed to be person with significant influence over both entities.

The terms and conditions of the loans are more fully described in note 16, Other Financial Assets.

Loans to related parties - Forward Africa Mining (Pty) Ltd	2023 $	2022 $
Balance outstanding at 30 June		
Loan to Forward Africa Mining (Pty) Ltd	**6,751,498**	680,786

32. EVENTS AFTER THE REPORTING DATE

On 9 August Sylvania entered into an unincorporated Joint Venture Agreement with Limberg Mining Company (Pty) Ltd, a subsidiary of Chrom Tech Mining Company (Pty) Ltd, to process PGM and chrome ores from the Limberg Chrome Mine. This mine is located on the northern part of the Western Limb of the Bushveld Complex. The accounting implications are being assessed and therefore the financial impact thereof cannot be estimated.

The directors are not aware of any further matters or circumstances arising since the end of the reporting period, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Group or the results of its operations.

33. GOING CONCERN

The Group's financial risk management objectives and policies are detailed in note 28 and available borrowing facilities are set out in note 17.

The Group has sufficient cash reserves and resources to continue to meet its obligations even in the event if operations were to be placed under care and maintenance for 12 months. Considering the strong financial position, operational performance, budgets and forecasts as well as the timing of cash flows and sensitivity analyses, the directors are satisfied that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from date of signing the financial statements.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Shareholder's profile as at 30 June 2023

Shareholder's holding 3% or more fully paid shares

Shareholder	Number of shares	% Shareholding[1]
Hargreaves Lansdown, stockbrokers	43,572,931	16.46
Interactive Investor (EO)	38,003,152	14.36
Africa Asia Capital	27,250,000	10.29
AJ Bell, stockbrokers (EO)	16,337,360	6.17
Premier Miton Investors	16,152,462	6.10
Blackrock	11,090,000	4.19
HSDL. stockbrokers	10,652,100	4.02
Barclays Smart Investor (EO)	10,255,700	3.87
Acadian Asset Management	9,136,203	3.45
Banque Cantonale Vaudoise	7,955,019	3.01
Totals	190,404,927	71.92

[1]*The percentage shareholdings are calculated on the total number of ordinary shares with voting rights being 263,060,264 shares. The total issued number of shares is 279,000,000 including 15,939,736 shares held in treasury.*

GLOSSARY OF TERMS FY2023

The following definitions apply throughout the period:

3E PGMs	3E ounces include the precious metal elements Platinum, Palladium and Gold
4E PGMs	4E PGM ounces include the precious metal elements Platinum, Palladium, Rhodium and Gold
6E PGMs	6E ounces include the 4E elements plus additional Iridium and Ruthenium
AGM	Annual General Meeting
AIM	Alternative Investment Market of the London Stock Exchange
All-in sustaining cost	Production costs plus all costs relating to sustaining current production and sustaining capital expenditure.
All-in cost	All-in sustaining cost plus non-sustaining and expansion capital expenditure
CLOs	Community Liaison Officers
BCM	Bank cubic metres
DMRE	Department of Mineral Resources and Energy
EBITDA	Earnings before interest, tax, depreciation and amortisation
EA	Environmental Authorisation
EAP	Employee Assistance Program
EEFs	Employment Engagement Forums
EDEP	Employee Dividend Entitlement Programme
ESG	Environment, social and governance
EIA	Environmental Impact Assessment
EIR	Effective interest rate
EMPR	Environmental Management Programme Report
ESG	Environment, Social and Governance
GBP	Pounds Sterling
GHG	Greenhouse gases
GISTM	Global Industry Standard on Tailings Management
GRI	Global Reporting Initiative
IASB	International Accounting Standards Board
ICE	Internal combustion engine
ICMM	International Council on Mining and Metals
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
Lesedi	Phoenix Platinum Mining Proprietary Limited, renamed Sylvania Lesedi
LSE	London Stock Exchange
LTI	Lost-time injury
LTIFR	Lost-time injury frequency rate
MF2	Milling and flotation technology
MPRDA	Mineral and Petroleum Resources Development Act
MRA	Mining Right Application
NWA	National Water Act 36 of 1998
PGM	Platinum group metals comprising mainly platinum, palladium, rhodium and gold
PAR	Pan African Resources Plc
PDMR	Person displaying management responsibility
Pipeline ounces	6E ounces delivered but not invoiced
Pipeline revenue	Revenue recognised for ounces delivered, but not yet invoiced based on contractual timelines
Pipeline sales adjustment	Adjustments to pipeline revenues based on the basket price for the period between delivery and invoicing
Project Echo	Secondary PGM Milling and Flotation (MF2) program announced in FY2017 to design and install additional new fine grinding mills and flotation circuits at Millsell, Doornbosch, Tweefontein, Mooinooi and Lesedi.
Revenue (by products)	Revenue earned on Ruthenium, Iridium, Nickel and Copper
ROM	Run of mine
SDO	Sylvania dump operations
SLP	Social and Labour Plan
Sylvania	Sylvania Platinum Limited, a company incorporated in Bermuda
TCFD	Task Force on Climate-Related Financial Disclosures
tCO2e	Tons of carbon dioxide equivalent

TRIFR	Total recordable injury frequency rate
TSF	Tailings storage facility
UNSDGs	United Nations Sustainability Development Goals
USD	United States Dollar
WULA	Water Use Licence Application
UK	United Kingdom of Great Britain and Northern Ireland
ZAR	South African Rand

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