IKWEZI MINING

ANNUAL REPORT 2022

THE STAR

Ikwezi Mining Ltd derives its heritage and name from isiXhosa word **"Ikwezi"** which translates to "**morning star"** or **"rising star"**.

www.ikwezimining.com

TABLE OF CONTENTS

OUR MISSION:

To establish the Company as an international mid-tier coal producer with a diversified operational base and product range, focusing on the thermal, anthracite, coking and metallurgical coal markets that will:

Maximise stakeholder value by developing our existing core assets as safe and environmentally responsible entities, which benefit the communities in which we operate; and provide secure and sustainable employment opportunities, empowerment for local economic development initiatives and support to community improvement efforts in the region through focus on the export, domestic and high margin specialised coal markets that will allow us to expand this strategy, and diversify into other markets and commodities that will ensure the long-term success of the Company

SCOPE OF THE REPORT

This report contains forward-looking statements which are not historical facts. Any statement that expresses or implies the company's intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. Forward-looking statements involve inherent risks, uncertainties and assumptions including, without limitation, risks related to the timing or ultimate completion of any proposed transactions or projects, and the possibility that benefits may not materialise as expected. If such risks or uncertainties materialise or such assumptions prove incorrect, actual results could differ materially from those expressed or implied by such forward-looking statements and assumptions. Forward-looking statements, including Ikwezi's future business prospects, revenues and income are necessarily estimates in the best judgement of the board of directors of Ikwezi Mining Limited and may not reflect the actual outcome of performance or achievements of the company. The forward-looking statements in this report are made as of the date of this report, and Ikwezi Mining Limited expressly disclaims any obligation to update or correct these statements due to events occurring after issuing this report.

The contents of this report have been informed by regulatory obligations and the stated interests of our stakeholders. The financial and non-financial activities and performance of the company's projects are covered in this report.

Any queries regarding this report or its contents should be sent to: notices@ikwezi.co.za

COMPANY OVERVIEW

Ikwezi Mining is a visionary mining company operating in the KwaZulu Natal province of South Africa. We operate the Kliprand Colliery, the Emoyeni coal beneficiation plant in Dannhauser, Kwa-Zulu Natal and utilize the Ikwezi Ngagane rail siding near the Ngagane power station in Newcastle.

We hold a 70 percent interest in the Newcastle Project- Kliprand Colliery. A Mining Right for the Newcastle Project covering an area of 12,182 hectares was granted in February 2012.

The Newcastle Project consists of a number of open cast and underground areas each with different access, different land ownership and different community groupings. Over the life of the mine, each of the opencast and underground areas will be mined separately although they will all share a common infrastructure and processing facility.

The Kliprand Colliery is the initial open cast area within the Newcastle Project where mining operations commenced in May 2018, followed by the Goedehoep pit in May 2022.

New Opencast Pits

We continue to make efforts to bring new opencast pits into production. The commencement of mining at Goedehoep opencast pit in May 2022 is a step in that direction.

Mining activities at the new Goedehoep pit

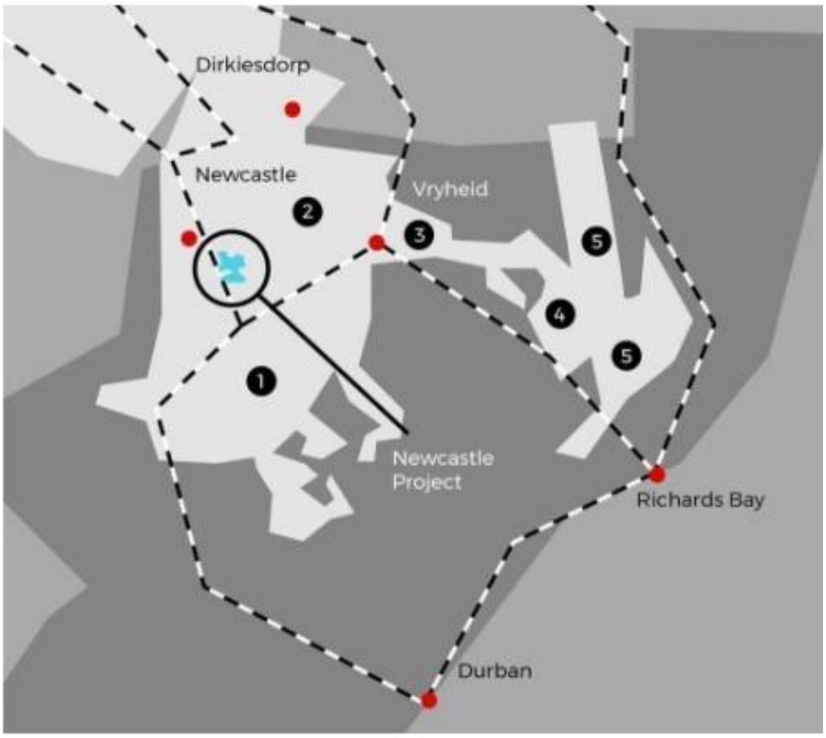
Kliprand mining activities

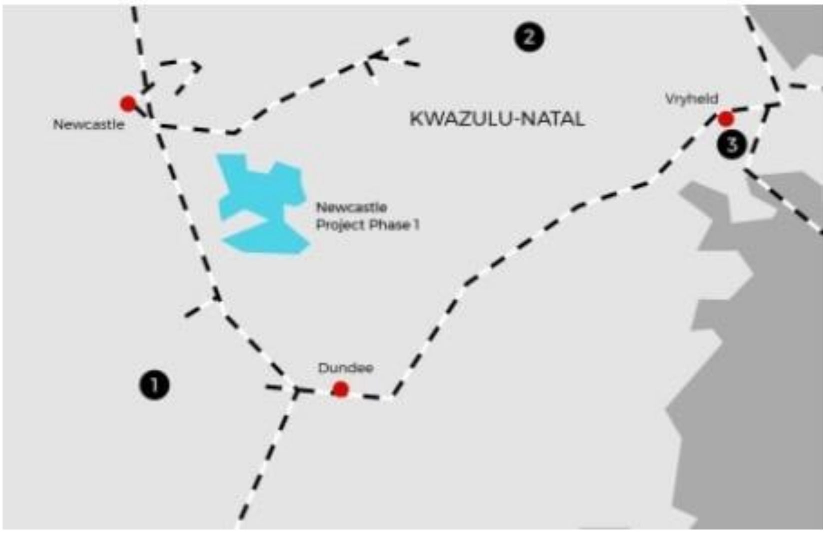
Emoyeni Coal wash plant.

The coal wash plant was commissioned during the last quarter of 2020. The coal wash plant has a processing capacity of approximately 2 million tons Run of Mine (ROM) per annum with the frontend crushers and screens designed to process approximately 4 million tonnes per annum (mtpa) ROM. The plant has been designed to allow the addition of a second 2 mtpa module at a later stage to enhance the processing capacity.

The plant has operated at a steady state capacity of 76 000 tons per month.

MAP OF OPERATIONS





Chairman's Report

The financial year ended 30 June 2022 was a turbulent period with mining operations suffering from the effects of the heavy rains and floods experienced in the KwaZulu Natal Province of the Republic of South Africa where the mining operations are located.

Despite this, the company has managed to advance its plans efficiently. This involves the commencement of operations at the Goedehoep pit during May 2022 as well as the rewash circuit addition at Emoyeni Washplant to assist in producing a high value low ash product without the requirement of rewashing coal.

OPERATIONS

The Kliprand Colliery is an opencast operation, in the Klipriver Coalfield of KwaZuluNatal. The Colliery has a planned mine extension to the west called Geodehoep. The Kliprand Colliery is an easily accessible and well-established operating mine with existing infrastructure including power, water supply, buildings, workshops, weighbridge and management facilities.

Operational highlights of the year:

- *94 614 tons of ROM coal produced in June 2022 from both pits*
- *556 671 cubic meters of total mining in June 2022 from both pits*
- *93 136 of ROM coal feed tons processed in January 2022*

INVESTING IN OUR PEOPLE AND COMMUNITY

The Company has been actively supporting local communities through various upliftment projects such as improvements to local schools, hosting and sponsoring various local sporting events, the Mpushini project and localised recruitment amongst others.

Young graduates in mining and engineering studies are afforded internships wherein practical experience is gained towards completion of studies.

Mining operations are expanding, creating additional employment opportunities through the various mining contractors, who endeavour to recruit and train candidates from the local communities. Subcontracted ancillary services are sourced locally as far as possible, thereby contributing directly to the investment into local communities and small business owners.

Our Social and Labour Plan is on track and will continue to expand in line with the growth of the business and our increased footprint within the greater local community.

Various local community forums have been established and regular communication with key role players ensure that an informed and involved community co-exists within the sphere of influence related to mining activities.

RECENT CORPORATE DEVELOPMENTS

*ASX has reviewed the Company's in-principle application for delisting of its ordinary shares ("**the Delisting**") and accordingly a market announcement was made by Ikwezi Mining on 25 October 2022, after obtaining the requisite ASX in-principle decision. The Board of Directors considered Delisting due to certain factors (which are more fully described in recent market announcements), including but not limited to the following matters:*

(a) Low levels of trading liquidity;

(b) No physical presence or Australian operations;

(c) Lack of legitimate investor interest;

(d) Negative thermal coal perception;

(e) Costs: The Company estimates that Delisting will save it approximately AUD$250,000 per year[1];

(f) Management time and effort; and

(g) Speculative trading.

*In accordance with the next steps, the Company has called for an Extraordinary General Meeting (**EGM**), to be held on 24 November 2022, to consider a special resolution[2] ("**the Resolution**") for approval of Delisting. Based on outcome of the Resolution, Ikwezi would run a buy-back program ("**the Buy-back**") for a period of 30 days as previously announced on 25 October 2022. Further, it is expected that the shares would be delisted effective on or around 29 December 2022[3], on completion of the Buy-Back and compliance with ASX Listing Rules insofar as relevant to the Delisting.*

ACKNOWLEDGEMENTS

I would like to thank our internal and external stakeholders for their continued support, employees and management for their dedicated efforts and commitment to work.

Finally, I also extend my appreciation to my Board colleagues for their efforts during the year.

Nitin Agrawal
Chairman

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[1] This is an estimate only. The actual cost savings may differ depending on various factors, some of which are out of the Company's control.

[2] A special resolution will be passed if at least 75% of the votes cast in person, or by proxy, by Shareholders at the EGM are entitled to vote the Resolution are cast in favour of the Resolution.

[3] The Delisting date of the Company is subject to ASX's continued discretion and this is an indicative date only.

IKWEZI MINING LIMITED

ARBN 151 258 221

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Directors' Report
30 June 2022

The directors of Ikwezi Mining Limited (**Directors**) present their report on the Consolidated Entity consisting of Ikwezi Mining Limited (the **Company** or **Ikwezi** or **Ikwezi Mining**) and the entities it controlled at the end of, or during, the year ended 30 June 2022 (**Consolidated Entity** or **Group**).

DIRECTORS

The following persons were directors of Ikwezi during the financial year or up to the date of this report:

Mr Nitin Agrawal	*Executive Director and Chairman*
Mr Harjinder Singh Kapila	*Independent Director*
Mr Sanjay Goel	*Executive Director*

INFORMATION ABOUT DIRECTORS

Mr Nitin Agrawal – Executive Director and Chairman

Nitin acts as Executive Director and Chairman of Ikwezi. With experience in business development, and mining of coal and other resources spanning over 15 years, Nitin led the successful launch, and followed it with expansion, of the operations of Ikwezi.

Nitin provides strategic vision for building and scaling the business of Ikwezi. He holds a bachelor's degree in Science and IT.

Mr Harjinder Singh Kapila – Independent Director

Harjinder is an Independent Director of Ikwezi Mining, providing advice on business structuring, policy matters, compliances, risk mitigation strategies and legal matters. A Law Graduate and Member of the Institute of Company Secretaries of India, Harjinder has over 25 years of extensive experience in the fields of legal management, company secretarial functions, corporate governance and compliance.

Mr Sanjay Goel – Executive Director

Sanjay is an Ace Master Mariner by qualification, and is a shipping captain and competent shipping professional with over 3 decades of experience in shipping, international logistics, lighter age operations of bulk cargo and port operations.

Directors' Report
30 June 2022

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was coal mining and beneficiation.

DIVIDENDS

No dividends have been declared, provided for, or paid in respect of the financial year ended 30 June 2022 (2021: Nil).

FORWARD - LOOKING STATEMENTS

This document contains reference to certain intentions, expectations, estimates, future plans, strategies and prospects of the Group which may or may not be achieved and are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Group may be influenced by several factors, many of which are outside the control of the Group. No representation or warranty, expressed or implied, is made by the Group or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved and each of those persons expressly disclaims all liability with respect to such forward-looking information. Given the risks and uncertainties that may cause the Group's actual future results, performances or achievements to be materially different from those expected, planned or intended, readers of this document should not place undue reliance on these intentions, expectations, future plans, strategy and prospects.

SUMMARY REVIEW OF OPERATIONS

Financial performance

For the financial year ended 30 June 2022 the Group recorded a net profit of $15,856,826 (2021: loss $1,505,968) and a net cash inflow from operations of $10,706,933 (2021: outflow of $ 3,924,937).

The company's performance during the financial year was positively impacted by an increase in quantity of washed coal sold as compared to the previous patterns of sales of run-of-the-mine (**ROM**) coal, which was discounted due to its elevated ash and sulphur levels.

Mining Operations

Overall production in tonnes during the current year increased compared to the previous year for the Kliprand pit. Heavy rains and floods experienced in the KwaZulu Natal Province of the Republic of South Africa where the mine is located negatively affected production volumes in the second part of the year. The Emoyeni Washplant averaged monthly production of approximately 76,000 feed tons.

The new Goedehoep pit was made operational from May 2022, although production was hampered by the KZN floods. The Company is working toward stabilizing operations of this pit.

Company overview and future developments

The Newcastle Project (previously, "Ntendeka Colliery") consists of a number of underground areas each with different access, different land ownership and different community groups. Over the life of the mine, each of the opencast and underground areas is likely to be mined, with its timing dependent on market, technical, socio-economic and other pertinent factors although they are expected to share a common infrastructure and central processing facility.

The Kliprand Colliery is the initial opencast area, followed by the Goedehoep pit within the Newcastle Project area. They are located on the farm Kliprand and Goedehoep which are owned by the Company.

Funding arrangements

During the current financial year, the loan from Zarbon Coal (Pty) Ltd was fully repaid. The Company has no long-term external debt at the date of the report but it could resort to borrowings in the future in line with the funding needs of the business.

Arbitration proceedings update

The matter with Stefanutti Stocks Mining Services (''SSMS''), a division of Stefanutti Stocks Ltd a company that is listed on the Johannesburg Stock Exchange was settled during the financial year, with no claims outstanding.

Operations costs rationalisation

Operational costs remained unchanged during the year and further rationalisations, where possible, were made. To assist the cash position of the Company, the Chairman and Directors of the Company have agreed to forgo their salaries and Directors fees. This will be re-evaluated in the coming financial year.

Investments held as collateral

The Company has provided an investment-collateralised insurance guarantee to the relevant regulatory authority to cover its environmental rehabilitation liabilities.

Other

The directors would like to thank the shareholders for their continued support of the Company.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs of the Group occurred during the financial year and to the date of this report other than as referred to in the Summary Review of Operations.

POST REPORTING DATE EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year to be reported on. Refer Note 34.

FUTURE DEVELOPMENTS

The Company continues to focus on identifying and evaluating opportunities in minerals and commodities both in coal and other industries with the view of diversifying both its business, its operations and its geographic base.

A key focus of the Company, however, remains on ramping up production through commencement of mining at new open cast pits and increased utilisation of the Emoyeni Washplant.

ENVIRONMENTAL REGULATION

The Group's environmental obligations are regulated under South African laws. The Group has a policy of complying with its environmental performance obligations.

During the financial year, the Group did not materially breach any particular or significant South African law.

DIRECTORS' SHAREHOLDINGS

During the financial year, the interests of the Directors in shares and options of Ikwezi were as follows:

	Number of fully paid ordinary shares	**Number of share options**
Mr. Sanjay Goel	-	-
Mr. Harjinder Singh Kapila	-	-
Mr. Nitin Agrawal	30,059,709 (i)	-

(i) Mr Nitin Agrawal has an indirect majority beneficial interest in 30,059,709 shares of the Company.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's directors held during the year ended 30 June 2022, and the number of meetings attended by each director (includes matters decided by circular resolution).

Full board meetings	No. to attend	No. attended
Mr. Nitin Agrawal	4	4
Mr. Harjinder Singh Kapila	4	4
Mr. Sanjay Goel	4	4

SHARE OPTIONS

During the year end up to the date of this report the Company had no share options on issue.

REMUNERATION REPORT

This remuneration report is set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Service agreements
- D Share-based compensation
- E Key management personnel equity holdings
- F Other transactions with key management personnel of the Group

This remuneration report outlines the director and executive remuneration arrangements of the Company and Group. For the purpose of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Details of Directors and Executives

Current Directors

Mr. Nitin Agrawal	*Executive Chairman*
Mr. Sanjay Goel	*Executive director*
Mr. Harjinder Singh Kapila	*Independent director*

No remuneration was paid to the directors of Ikwezi Mining Limited.

A. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The remuneration committee charter adopted by the Board aims to align rewards with achievement of strategic objectives and the creation of value for shareholders. The remuneration framework applied provides a mix of fixed and variable pay and a blend of short and long term incentives as appropriate.

Remuneration of executives consists of an un-risked element (base pay) and cash bonuses based on performance in relation to key strategic, non-financial measures linked to drivers of performance in future reporting years. As such, remuneration is not linked to the financial performance of the Company.

At present the functions of the remuneration committee in relation to the remuneration of the Company's executives (including share and benefit plans) are carried out by the full board.

Non-executive directors

The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at General Meetings and is currently set at $500,000. The Company's policy is to remunerate non-executive directors at market rates (for comparable companies) for time, commitment and responsibilities. Fees for non-executive directors are not linked to the performance of the Company, however, to align directors' interests with shareholders' interests, Directors are encouraged to hold shares in the Company.

In addition to Directors' fees, non-executive Directors are entitled to additional remuneration as compensation for work outside the scope of non-executive directors duties (whether performed in a consulting or part-time employee capacity). Non-executive Directors' fees and payments are reviewed annually by the board.

Retirement benefits and allowances

No retirement benefits or allowances are paid or payable to non-executive directors of the Company other than Superannuation benefits.

Other benefits

No motor vehicle, health insurance or other similar allowances are made available to non-executive directors.

Executives

Base pay

Executives are offered a competitive level of base pay which comprises the fixed (un-risked) component of their pay and rewards. Base pay for senior executives is reviewed annually to ensure market competitiveness. There are no guaranteed base pay increases included in any senior executives' contracts.

Short term incentives

Payment of short-term incentives is dependent on the achievement of key performance milestones as determined by the remuneration committee. These milestones require performance in relation to key strategic, non-financial measures linked to drivers of performance in future reporting years.

Short-term bonus payments may be adjusted up or down in line with under or over achievement relative to target performance levels at the discretion of the remuneration committee.

For the period ended 30 June 2022, no short-term incentives were paid or payable to Directors or Key Management Personnel of the Company or Group.

Long term incentives

Long-term performance incentives may comprise of options granted at the discretion of the remuneration committee in order to align the objectives of directors with shareholders and the Company (refer section D for further information).

No options were issued to Directors in the current or prior period.

B. DETAILS OF REMUNERATION

Amounts of remuneration

Details of the remuneration of the Directors and Executive Officers of Ikwezi Mining Limited and the Group are set out in the following table.

Salaries for the Directors have not been accrued in the current year in line with their agreement to forgo these in an effort to assist the Company during this period. This decision will be re-evaluated during the next financial year.

	Short-term employee benefits	Post-employment benefits	
2022	**Cash salary and fees $**	**Superannuation $**	**Total $**
Non-executive directors			
Mr Harjinder Singh Kapila	-	-	-
Executive directors			
Mr Nitin Agrawal	-	-	-
Mr Sanjay Goel	-	-	-
Total	-	-	-

	Short-term employee benefits	Post-employment benefits	
2021	**Cash salary and fees $**	**Superannuation $**	**Total $**
Non-executive directors			
Mr Harjinder Singh Kapila	-	-	-
Mr Blair Sergeant	-	-	-
Executive directors			
Mr Tushar Agrawal	-	-	-
Mr Nitin Agrawal	-	-	-
Mr Sanjay Goel	-	-	-
Total	-	-	-

During the year to 30 June 2022 no at-risk short-term or long-term incentives were paid or payable to Directors or Executives of the Company / Group.

No cash bonuses were forfeited during the year by Directors or Executives or remained unvested at period-end.

C. SERVICE AGREEMENTS

Remuneration and other terms of agreement for the Company's non-executive directors are formalised in letters of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

D. SHARE-BASED COMPENSATION

Option holdings

There were no share-based payment arrangements in existence during the current and prior reporting periods.

E. KEY MANAGEMENT PERSONNEL EQUITY HOLDINGS

Fully paid ordinary shares of Ikwezi Mining Limited

Shares and option holdings

The numbers of shares and options over ordinary shares in the Group held during the financial year by each director of Ikwezi Mining Limited and other KMP of the Group, including their personally related parties, are noted below.

(i) Mr Nitin Agrawal has an indirect majority beneficial interest in 30,059,709 shares of the company

Other than as noted above no director or other KMP of the Group has an interest in shares or options over ordinary shares of the Company.

F. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL OF THE GROUP

No transactions were entered into with any member of key management personnel. Please refer to note 32 for a summary of related party transactions.

NON-AUDIT SERVICES

Details of amounts paid or payable to the auditor for all services provided during the year by the auditor are outlined in Note 31 to the financial statements.

The directors are of the opinion that the non-audit services do not compromise the auditor's independence as all non-audit services are reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence.

INSURANCE AND INDEMNITY OF OFFICERS AND AUDITORS

During the year the Company has not paid a premium in respect of a contract insuring the directors of the Company (as named above) against liabilities incurred as such a director or executive officer. The Company has, during or since the financial year, indemnified or agreed to indemnify directors and auditors of the Company.

This report is made in accordance with a resolution of the directors.

Nitin Agrawal
Chairman
30 September 2022

EYESURE - FINANCIAL SERVICES
REGISTERED AUDITORS AND ACCOUNTANTS
IRBA NO: 903623
PR-D3BD805
TELL: 011-475-7010/7919 / 0519
FAX: 011-675-5236
EMAIL: INFO@EYESURE.CO.ZA
WEBSITE: WWW.EYESURE.CO.ZA

Independent Auditor's Report
to the Members of Ikwezi Mining Limited

We have audited the accompanying financial report of Ikwezi Mining Limited, which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 21 to 56.

Directors' Responsibility for the Financial Report
The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards.*

Auditor's Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. We have placed reliance on the audited financial statements of the subsidiary entities that were used for the consolidated figures.

Opinion

In our opinion:

a) the financial report of Ikwezi Mining Limited presents fairly, in all material respects, the consolidated entity's financial position as at 30 June 2022 and its performance for the year then ended in accordance with International Standards on Auditing; and
b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 3.

Eyesure

Registered Auditors

Per: D.J. Smith
Wilgeheuwel
30 September 2022

Group Directors
DJ Smith, I Smith, S Jordaan
890 Dragme Street Wilgeheuwel Roodepoort 1735
Po Box 78, Wilgeheuwel, 1736

Consolidated Statement of Profit or Loss

For the year ended 30 June 2022

	Note	Year ended 30/06/22 $	Year ended 30/06/21 $
Revenue	(5)	**75,012,179**	18,057,223
Cost of Sales		**(59,672,723)**	(18,198,989)
Gross Profit		**15,339,456**	(141,766)
Other income	(6)	**3,663,180**	115,545
Investment income	(7)	**79,868**	77,191
Administrative and other expenses	(8)	**(1,173,178)**	(543,161)
Depreciation		**(116,151)**	(84,820)
Finance costs	(9)	**(230,427)**	(119,611)
Net foreign exchange loss		**(1,705,922)**	(809,346)
Profit / (Loss) before income tax expense		**15,856,826**	(1,505,968)
Income tax (expense) / benefit	(10)	**-**	-
Profit / (Loss) for the period from continuing operations		**15,856,826**	(1,505,968)
Attributable to:			
Owners of the Company		**11,218,194**	(924,704)
Non-controlling interests		**4,638,632**	(581,264)
		15,856,826	(1,505,968)
Profit / (Loss) per share			
Basic and diluted Profit /(Loss) per share (cents per share)		**39.00**	(3.70)

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

	Note	Year ended 30/06/22 $	Year ended 30/06/21 $
Profit / (Loss) for the period		**15,856,826**	(1,505,968)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		**-**	-
Items that may be reclassified subsequently to profit or loss			
Exchange rate differences on translating foreign operations		**(1,257,968)**	3,496,856
		(1,257,968)	3,496,856
Other comprehensive income / (loss) for the period		**(1,257,968)**	3,496,856
Total comprehensive income / (loss) for the period		**14,598,858**	1,990,887
Attributable to:			
Owners of the Company		**9,960,226**	2,572,151
Non-controlling interests		**4,638,632**	(581,264)
		14,598,858	1,990,887

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2022

	Note	**30/06/2022** **$**	30/06/2021 $
Assets			
Current assets			
Cash and cash equivalents	(27)	**1,843,000**	214,165
Trade and other receivables	(12)	**16,226,275**	287,739
Inventories	(13)	**6,442,006**	11,164,955
Other financial assets	(14)	**983,827**	816,063
Other current assets	(15)	**369,475**	221,690
Total current assets		**25,864,583**	12,704,612
Non-current assets			
Property, plant and equipment	(16)	**19,246,771**	18,976,888
Right-of-use asset	(28)	**401,823**	475,630
Total non-current assets		**19,648,594**	19,452,518
Total assets		**45,513,177**	32,157,130
Liabilities			
Current liabilities			
Trade and other payables	(17)	**4,715,444**	3,158,648
Short term borrowings	(18)	**-**	5,353,574
Provisions	(19)	**2,833,098**	219,493
Lease liability	(28)	**25,057**	18,440
Total current liabilities		**7,573,599**	8,750,155
Non-current liabilities			
Provisions	(19)	**401,869**	420,266
Lease liability	(28)	**473,060**	520,919
Total non-current liabilities		**874,929**	941,185
Total liabilities		**8,448,528**	9,691,340
Net assets		**37,064,649**	22,465,790
Equity			
Issued capital	(20)	**40,460,209**	40,460,209
Reserves	(21)	**(6,645,716)**	(5,387,748)
Accumulated losses	(21)	**1,392,016**	(9,826,178)
Equity attributable to owners of the Company		**35,206,509**	25,246,283
Non-controlling interests	(22)	**1,858,140**	(2,780,493)
Total equity		**37,064,649**	22,465,790

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2022

	Note	**Year ended 30/06/22 $**	Year ended 30/06/21 $
Cash flows from operating activities			
Receipts from customers		**61,564,698**	18,057,223
Payments to suppliers and employees		**(50,857,765)**	(21,982,160)
Net cash inflow/ (outflow) from operating activities	(27)	**10,706,933**	(3,924,937)
Cash flows from investing activities			
Payments for property, plant and equipment		**(4,798,034)**	(3,341,709)
Receipts from/ (payments to) acquire financial assets		**(163,317)**	(230,855)
Interest received		**10,749**	4,891
Net cash outflow from investing activities		**(4,950,602)**	(3,567,673)
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		**-**	-
(Repayments of) / Proceeds from borrowings		**(5,353,574)**	5,353,574
Net cash (outflow)/ inflow from financing activities		**(5,353,574)**	5,353,574
Net (decrease) / increase in cash and cash equivalents		**402,757**	(2,139,035)
Cash and cash equivalents at the beginning of the period		**214,165**	2,548,000
Effects of exchange rate changes on cash and cash equivalents		**1,226,078**	(194,800)
Cash and cash equivalents at the end of the period	(27)	**1,843,000**	214,165

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes In Equity

For the year ended 30 June 2022

	Issued Capital	Share based payments reserve	Foreign currency translation reserve	Accumulated Profit/ (losses)	Attributable to owners of the parent	Non-controlling interests	Total
	$	$	$	$	$	$	$
Balance at 1 July 2020	**40,460,209**	**140,000**	**(9,024,604)**	**(8,901,474)**	**22,674,132**	**(2,199,229)**	**20,474,904**
Profit/(loss) for the year	-	-	-	(924,704)	(924,704)	(581,264)	(1,505,968)
Exchange differences on translation of foreign operations		-	3,496,856	-	3,496,856	-	3,496,856
Total comprehensive income for the year	-	-	3,496,856	(924,704)	2,572,152	(581,264)	1,990,887
Balance at 30 June 2020	**40,460,209**	**140,000**	**(5,527,748)**	**(9,826,178)**	**25,246,283**	**(2,780,493)**	**22,465,790**
Profit/(loss) for the year	-	-	-	11,218,194	11,218,194	4,638,632	15,856,826
Exchange differences on translation of foreign operations	-	-	(1,257,968)	-	(1,257,968)	-	(1,257,968)
Total comprehensive income for the year	-	-	(1,257,968)	11,218,194	9,960,226	4,638,632	14,598,858
Balance at 30 June 2021	**40,460,209**	**140,000**	**(6,785,716)**	**1,392,016**	**35,206,509**	**1,858,140**	**37,064,649**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes To The Consolidated Financial Statements

For the year ended 30 June 2022

1. CORPORATE INFORMATION

Ikwezi Mining Limited ("Company" or "Ikwezi") is a company limited by shares incorporated in Bermuda whose shares are publicly traded on the ASX. The consolidated financial statements of the Group as at and for the year to 30 June 2022 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been early adopted by the Group for the annual reporting period ending 30 June 2022. It is not expected that these Australian Accounting Standards and Interpretations will have a material impact on the Group when they are adopted in future reporting periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statement are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Accounting Standards and Interpretations and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ("IFRS").

The financial statements were authorized for issue by the directors on 30 September 2022.

Historical cost convention

The consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern

These consolidated financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The Consolidated Entity has incurred a net profit after tax of $15,856,826 (30 June 2021: loss $1,505,968) and had a net cash inflow from operating and investing activities of $5,756,331 (30 June 2021: net cash outflow of $7,492,610) for the year ended 30 June 2022. As at 30 June 2022 the Consolidated Entity had cash assets of $1,843,000 (30 June 2021: $214,165) and net current assets of $18,290,984 (30 June 2021: net current assets of $3,954,457).

The Directors believe that at the date of signing the financial statements, there are reasonable grounds to believe that the Company and Consolidated Entity will have sufficient funds to meet their obligations as and when they fall due and that the use of the going concern basis of preparation is appropriate.

The Directors have reviewed the Consolidated Entity's overall position and outlook going forward and believe that the use of the going concern basis remains appropriate given the following:

- The Company reported positive results for the year ended 30 June 2022, with an increase in net operating cash flows during the year;

- Ikwezi has no short-term or long-term external debt; and

- Current assets substantially exceed current liabilities.

(a) Principles of consolidation

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

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

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Profit or loss of each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Segment Reporting

Management has determined that the Group has one reportable segment, being coal mining and development. As the Group is focused on coal mining, the Board monitors the Group based on actual versus budgeted revenues and expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing mining activities, while also taking into consideration the results of mining work that has been performed to date. The Group operates principally in South Africa.

(c) Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each group entity are expressed in Australian dollars ($), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated in Australian dollars using the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

(d) Revenue recognition

Revenue from the sale of coal is recognised when it is received or when the right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

(e) Income tax

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid / (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

(f) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Impairment testing is performed annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(h) Trade and other receivables

The Group makes use of the simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cashflows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

(i) Inventory

Inventory and work in progress are measured at the lower of cost and net realisable value. The production cost of inventory includes an appropriate proportion of depreciation and production overheads. Cost is determined on the following basis:

• Raw materials and consumables are measured at cost on a first in, first out (FIFO) basis or a weighted average cost basis.
• Work in progress and finished products are measured at raw material cost, labour costs and a proportion of production overhead expenses.

* Coal stocks are included within finished products and are measured at weighted average cost.

(j) Stripping activity asset

A stripping activity asset is accounted for as an addition to mine infrastructure, and classified as a tangible component of property, plant and equipment.

A stripping activity asset is initially measured at cost and subsequently carried at cost or its revalued amount less depreciation or amortisation and impairment losses. A stripping activity asset is amortised over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The units of production method is used for this purpose.

(k) Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Plant and equipment in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight-line basis so as to write down the net cost or fair value of each asset over its expected useful life to its estimated residual value.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The estimated useful lives are:

• Land and buildings	20 years
• Rail siding	20 years
• Plant & machinery	Unit of production method
• Mine infrastructure	Unit of production method
• Road earthworks	Unit of production method
• Office equipment	3 years
• Computer equipment	3 years
• Computer software	2 years
• Motor vehicles	5 years
• Other fixtures and fittings	6 years
• Stripping activity asset	Unit of production method

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value money is material).

(m) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the financial instrument.

Financial instruments (except for trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (‘FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For purposes of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL)

Classifications are determined by both:

- the contractual cash flow characteristics of the financial assets; and
- the entities’ business model for managing the financial asset

Financial assets at amortised cost

Financial assets are measured at amortised cost if the asset meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial asset and collect its contractual cash flows; and

- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI.

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

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

(n) Trade and other payables

Trade payables and other accounts payable represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Leases

At lease commencement the company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use is measured at cost, which is made up of the initial measurement of the lease liability and any initial direct costs incurred by the Company.

The Company depreciates the right-of-use on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if the rate is readily available.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

(p) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

The company has no defined contribution retirement benefit plans.

(q) 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 from the proceeds.

(r) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(s) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) / Value Added Tax (VAT), except:

(i) where the amount of GST / VAT incurred is not recoverable from the Australian Tax Office (ATO) / South African Revenue Service (SARS). In these circumstances the GST / VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) receivables and payables, with the exception of accrued expenses and expense provisions, are stated with the amount of GST / VAT included.

The net amount of GST recoverable from, or payable to, the ATO / SARS is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the cash flow statement on a gross basis. The GST / VAT components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO / SARS are classified as operating cash flows.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing this financial report management is required to make certain estimates and assumptions concerning future occurrences. There is an inherent risk that the resulting accounting estimates will not equate exactly with actual events and results.

(a) Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Income taxes

The consolidated entity is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity estimates its tax liabilities based on the consolidated entity's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Rehabilitation and restoration provisions

Certain estimates and assumptions are required to be made in determining the cost of rehabilitation and restoration of the areas disturbed during the mining activities and the cost of dismantling of mining infrastructure. The amount the Group is expected to incur to settle its future obligations includes estimates regarding the future expected costs of rehabilitation, restoration and dismantling, the expected timing of the cashflows and the expected life of mine, the application of relevant environmental legislation and the appropriate rate at which to discount the liability.

Changes in the estimates and assumptions used could have a material impact on the carrying value of the rehabilitation provision. The provision is reviewed at each reporting date and updated based on the best available estimates and assumptions at that time.

(b) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

Impairment of assets

The future recoverability of property, plant and equipment is dependent on a number of factors, including whether the Group decides to exploit the related mining lease itself or, if not, whether it successfully recovers the related asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

5. REVENUE

	Year ended 30/06/22 $	Year ended 30/06/21 $
Revenue from Coal Sales	**75,012,179**	18,057,223

Revenue relates to the sale of coal by Ikwezi Mining (Pty) Ltd.

6. OTHER INCOME

	Year ended 30/06/22 $	Year ended 30/06/21 $
Other income	**3,663,180**	115,545

Included in other income are gains/ matters of a non-recurring nature aggregating AUD 3.624 million (2021: Nil).

7. INVESTMENT INCOME

	Year ended 30/06/22 $	Year ended 30/06/21 $
Net gain/(loss) arising on financial assets designated as at FVTPL	43,860	68,774
Interest income	36,008	8,417
	79,868	77,191

8. ADMINISTRATIVE AND OTHER EXPENSES

	Year ended 30/06/22 $	Year ended 30/06/21 $
Administration and other expenses	**1,173,178**	543,161
	1,173,178	543,161

Administration and other expenses include all general administrative expenses incurred by the operations not specifically related to the Newcastle Project. These mainly include employees' costs, rent, non-mining/ processing related operating costs like communication, travel, audit fees etc.

9. FINANCE COSTS

	Year ended 30/06/22 $	Year ended 30/06/21 $
Other finance costs	**230,427**	119,611
	230,427	119,611

10. INCOME TAX

	Year ended 30/06/22 $	Year ended 30/06/21 $
Current tax expense	**-**	-
Deferred tax expense	**-**	-

The income tax expense for the year / period can be reconciled to the accounting profit / (loss) as follows:

	Year ended 30/06/21 $	Year ended 30/06/20 $
Accounting profit /(loss) before tax	**15,856,826**	(1,505,968)
Income tax expense calculated at statutory rate of 28%	**4,439,911**	451,790
Adjustment of accumulated tax losses carried forward/ unabsorbed depreciation	**(4,439,911)**	(451,790)
	-	-

11. PROFIT / (LOSS) PER SHARE

	Year ended 30/06/22 Cents	Year ended 30/06/21 Cents
Basic / diluted profit (loss) per share		
Profit / (Loss) attributable to the ordinary equity holders of the company	**39.00**	(3.70)
Profit / (Loss) used in calculation of basic / diluted profit (loss) per share	**$**	$
Profit / (Loss)	**15,856,826**	(1,505,968)
Weighted average number of ordinary shares used as the denominator in calculating basic profit/ (loss)per share	**40,649,974**	40,649,974
Weighted average number of ordinary shares used as the denominator in calculating diluted profit/ (loss) per share	**40,649,974**	40,649,974

12. TRADE AND OTHER RECEIVABLES

	30/06/22 $	30/06/21 $
VAT receivable	**2,006,042**	257,630
Other receivables	**14,220,233**	30,109
	16,226,275	287,739

No trade receivables were past due at the end of the current or previous financial year.

(a) Fair value

Due to the short-term nature of these receivables, their carrying value is assumed to approximate fair value.

13. INVENTORIES

	30/06/22 $	30/06/21 $
Finished products	**6,442,006**	11,164,955
	6,442,006	11,164,955

The cost of inventories recognised as an expense and included in cost of sales amounted to $11,165 million (2021: $15,912million). Inventories held at net realisable value amounted to $6,442 million (2021: $11,165 milion). There was no write-down of inventories at year end.

14. OTHER FINANCIAL ASSETS

	30/06/22 $	30/06/21 $
Financial assets carried at fair value through profit or loss (FVTPL)		
Non-derivative financial assets designated as at FVTPL	**983,827**	816,063
	983,827	816,063

The Group holds an interest in certain unit trust products which are ceded as security for the rehabilitation guarantee.

15. OTHER CURRENT ASSETS

	30/06/22 $	30/06/21 $
Prepayments	**26,303**	30,622
Deposits	**38,483**	116,143
Other current assets	**304,689**	74,925
	369,475	221,690

16. PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings	Rail Siding (in progress)	Beneficiation Plant	Mine Infrastructure	Road Earthworks	Office & Computer Equipment & Software	Motor Vehicles	Other Fixtures & Fittings	Total
	$	$	$	$	$	$	$	$	$
At cost									
Opening Balance	735,230	126,414	7,090,135	7,586,177	1,259,973	51,242	149,835	51,937	**17,050,943**
Additions	-	-	2,540,542	775,820	3,500	19,395	-	2,454	**3,341,711**
Disposals	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	78,989	13,930	781,288	1,740,983	138,841	(16,153)	(47,137)	(46,489)	**(2,644,252)**
Balance at 30 June 2021	**814,219**	**140,344**	**10,411,965**	**10,102,980**	**1,402,314**	**54,484**	**102,698**	**7,902**	**23,036,906**
Additions	222,787	-	2,098,402	2,100,243	57,544	5,357	313,699	-	**4,798,032**
Disposals	-	-	-	-	-	-	-	-	**-**
Effect of foreign currency exchange differences	(35,641)	(6,143)	(401,600)	(392,243)	(61,384)	(2,385)	(4,495)	(346)	**(904,237)**
Balance at 30 June 2022	**1,001,366**	**134,200**	**12,108,767**	**11,810,980**	**1,398,474**	**57,456**	**411,902**	**7,556**	**26,930,701**

During the year, the Management performed an impairment assessment for the Newcastle Project Cash Generating Unit ("CGU"). The Group prepared a value in use model for the purpose of impairment testing as at 30 June 2022. In calculating value in use, the cash flows include projections of cash inflows and outflows associated with the CGU which require management to make significant estimates and judgements. As a result of this testing, no impairment charge was identified for the year ended 30 June 2022.

Notes To The Consolidated Financial Statements

For the year ended 30 June 2022

	Land & Buildings	Rail Siding (in progress)	Beneficiation Plant	Mine Infrastructure	Road Earthworks	Office & Computer Equipment & Software	Motor Vehicles	Other Fixtures & Fittings	Total
	$	$	$	$	$	$	$	$	$
Accumulated depreciation									
Opening Balance	-	-	-	1,858,003	302,042	22,697	85,420	48,415	**2,316,577**
Depreciation charged to profit or loss			201,225	1,349,133	191,560	12,540	19,206	1,112	**1,774,776**
Effect of foreign currency exchange differences	-	-	-	68,392	14,051	(10,142)	(56,641)	(46,997)	**(31,337)**
Balance at 30 June 2021	**-**	**-**	**201,225**	**3,275,528**	**507,653**	**25,095**	**47,985**	**2,530**	**4,060,016**
Eliminated on disposals of assets	-	-	-	-	-	-	-	-	**-**
Depreciation charged to profit or loss	-	-	999,634	2,295,146	306,207	17,060	41,099	1,824	**3,660,970**
Depreciation related to exploration and evaluation	-	-	-	-	-	-	-	-	**-**
Effect of foreign currency exchange differences	-	-	4,532	(53,766)	13,306	449	(825)	(751)	**(37,058)**
Balance at 30 June 2022	**-**	**-**	**1,205,391**	**5,516,908**	**827,166**	**42,604**	**88,259**	**3,603**	**7,683,298**
Carrying amount									
At 30 June 2021	**814,219**	**140,344**	**10,210,740**	**6,827,450**	**894,661**	**29,389**	**54,713**	**5,372**	**18,976,888**
At 30 June 2022	**1,001,366**	**134,200**	**10,903,376**	**6,294,072**	**571,308**	**14,852**	**323,643**	**3,954**	**19,246,771**

Depreciation of AUD 3,544,819 is included in cost of sales.

17. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	30/06/22 $	30/06/21 $
Trade payables	**4,670,832**	3,118,546
Other – accruals	**44,612**	40,102
	4,715,444	3,158,648

(a) The average credit period on purchases is 30 days from the date of invoice. Group policy is to pay all undisputed invoices on the due date.

(b) The carrying amount of trade payables is a reasonable approximation of fair value due to their short-term nature.

18. SHORT TERM BORROWINGS

	30/06/22 $	30/06/21 $
Short term borrowings	**-**	5,353,574
	-	5,353,574

During the current year, the loan from Zarbon Coal (Pty) Ltd was fully repaid.

19. PROVISIONS

	30/06/22 $	30/06/21 $
Other Expenses (i)	**2,833,098**	219,493
Decommissioning (ii)	**401,869**	420,266
	3,234,967	639,759
Current	**2,833,098**	219,493
Non-current	**401,869**	420,266
	3,234,967	639,759

(i) The provision for other expenses predominantly represents the estimated amount due to the suppliers of mine related services.

(ii) The provision for decommissioning represents the cost to decommission the beneficiation plant and is included in the additions to the cost of the plant. The movement for the year represents an increase in the value of the provision adjusted for foreign exchange movements.

	Provision for decommissioning
Balance at 1 July 2020	276,971
Additional provisions recognised	112,774
Effect of foreign exchange movements	30,521
Balance at 30 June 2021	420,266
Additional provisions recognised	-
Effect of foreign exchange movements	(18,443)
Balance at 30 June 2022	401,869

Notes To The Consolidated Financial Statements

For the year ended 30 June 2022

20. ISSUED CAPITAL

(a) Share capital

	Number of shares	$
At 30 June 2022:		
Fully paid ordinary shares	40,649,974	40,460,209
At 30 June 2021:		
Fully paid ordinary shares	40,649,974	40,460,209

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll every holder is entitled to one vote per share held.

During the year ended 30 June 2021, a 100 to 1 share consolidation approved by shareholders was completed and accordingly the number of shares were reduced to 40.649 million.

(b) Movements in ordinary share capital

Description	Number of shares	$
Balance at 30 June 2022	**40,649,974**	**40,460,209**
Balance at 30 June 2021	**40,649,974**	**40,460,209**

There is no movement during the year ended 30 June 2022.

21. RESERVES AND ACCUMULATED LOSSES

	30/06/22 **$**	30/06/21 $
(a) Share based payments reserve		
Opening balance	**140,000**	140,000
Share-based payments	**-**	-
Balance at 30 June 2022	**140,000**	140,000
(b) Foreign currency translation reserve		
Opening balance	**(5,527,748)**	(9,024,604)
Exchange differences arising on translation of foreign operations	**(1,257,968)**	3,496,856
Balance at 30 June 2022	**(6,785,716)**	(5,527,748)

(c) Accumulated losses

Opening balance	**(9,826,178)**	(8,901,474)
Net profit / (loss) for the period attributable to the owners of the Company	**11,218,194**	(924,704)
Balance at 30 June 2022	**1,392,016**	(9,826,178)

(d) Nature and purpose of reserves

Share based payments reserve:

The reserve relates to share options previously granted to erstwhile employees.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (being Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

22. NON-CONTROLLING INTERESTS

	30/06/22 $	30/06/21 $
Opening balance	**(2,780,493)**	(2,199,229)
Share of profit/(loss) for the period	**4,638,632**	(581,264)
Balance at 30 June	**1,858,140**	(2,780,493)

23. OPTIONS

At 30 June 2022, there were no outstanding options on issue (2021: Nil). There were no options issued during the year ended 30 June 2022 (2021: Nil).

24. SHARE BASED PAYMENTS

There were no share-based payment options / arrangements in existence during the current and prior year.

25. KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION

The aggregate compensation made to directors and other members of key management personnel of the company and the Group is set out below:

	Year ended 30/06/22 $	Year ended 30/06/21 $
Short term employee benefits	-	-
Post-employment benefits	-	-
	-	-

26. FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed.

The Group holds the following financial instruments:

	30/06/22 $	**30/06/21 $**
Financial assets		
Cash and cash equivalents	1,843,000	214,165
Fair value through profit or loss (FVTPL):		
Designated as at FVTPL	983,827	816,063
Loans and receivables (including trade receivables)	16,226,275	287,739
Financial liabilities		
Trade and other payables	4,715,444	3,158,648
Borrowings	-	5,353,574

Notes To The Consolidated Financial Statements
For the year ended 30 June 2022

(a) Market risk

(i) Foreign exchange risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	30/06/22	**30/06/21**	**30/06/22**	**30/06/21**
	$	**$**	**$**	**$**
South African Rand	4,668,417	3,036,326	18,060,527	458,596
US Dollars	47,027	44,999	8,748	556

The Group is mainly exposed to the currency of South Africa (Rand) and the currency of the United States (US Dollars).

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

The sensitivity analysis includes loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Australian dollar strengthens 10% against the relevant currency. For a 10% weakening of the Australian dollar against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative

	South African Rand impact $	US Dollar impact $
Profit or loss	**(1,806,527)**	**(198,067)**
Equity	**1,376,474**	**626,703**

(ii) Interest rate risk

As at and during the year ended on balance date the Group had no significant interest-bearing assets or liabilities other than liquid funds on deposit and short-term borrowings. The Group's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

If interest rates had been 50 basis points higher/lower and all other variables were held constant the Group's profit for the year ended 30 June 2022 would decrease/increase by $972 (2021: $556). This is mainly attributable to the Group's exposure to variable interest rates on its cash balances and short-term borrowings.

(b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers. The Group trades only with recognised, trustworthy third parties. It is the Group's policy to perform credit verification procedures in relation to any customers wishing to trade on credit terms with the Group. These include taking into account the customers' financial position and any past experience to set individual risk limits as determined by the Board.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised in part (a) of this note.

As at 30 June 2022, all cash and cash equivalents were held with reputed and rated banks.

(c) Liquidity risk

Prudent liquidity risk management involves the maintenance of sufficient cash, committed credit facilities and access to the capital markets. It is the policy of the Board to ensure that the Group is able to meet its financial obligations and maintain the flexibility to pursue attractive investment opportunities through keeping committed credit lines available where possible, ensuring the Group has sufficient working capital. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows.

Contractual maturities of financial liabilities

As at the reporting date the Group had total financial liabilities of $4,715,444 (2021: $3,158,648), comprised of non-interest-bearing trade creditors and accruals with a contractual maturity term, not exceeding 12 months.

The following table details the Group's expected maturity for its non-derivative financial assets.

	Weighted average effective interest rate	Less than 1 month $	1-3 months $	Total $
30 June 2022				
Non-interest bearing	-	-	16,226,275	16,226,275
Variable interest rate instruments	8.25%	1,843,000	-	1,843,000
		1,843,000	16,226,275	18,069,275
30 June 2021				
Non-interest bearing	-	-	287,739	287,739
Variable interest rate instruments	7.00%	214,165	-	214,165
		214,165	287,739	501,904

The following table details the Group's expected maturity for its non-derivative financial liabilities.

	Weighted average effective interest rate	Less than 1 month $	1-3 months $	Total $
30 June 2022				
Non-interest bearing	-		4,715,444	4,715,444
Variable interest rate instruments	-		-	-
			4,715,444	4,715,444

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement and/or disclosure purposes.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key inputs
	30/06/22	30/06/21		
Unit trust	$983,827	$816,063	Level 1	Quoted unit prices in an active market

(e) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern.

27. CASH AND CASH EQUIVALENTS

	30/06/22 **$**	30/06/21 $
Cash at bank and in hand	**1,843,000**	214,165

(a) Cash balances not available for use

Prospecting Rights in which the Company has / had an interest require / required the Company to provide a pecuniary financial provision to rehabilitate the areas disturbed by prospecting activities. The Company has provided financial guarantees to certain regulatory bodies which are secured over cash held by the Company. The total value of these guarantees is $32,963 (2021: $30,298) and is classified as cash not available for use.

(b) Fair value

The carrying amount of cash and cash equivalents is a reasonable approximation of the fair value.

(c) Reconciliation of loss after income tax to net cash outflow from operating activities

	Year ended 30/06/22 $	Year ended 30/06/21 $
Profit / (Loss) for the period	**15,856,826**	(1,505,968)
Adjustment for:		
Net foreign exchange loss	**1,705,922**	809,346
Depreciation	**3,660,970**	1,825,339
Interest income recognised in profit and loss	**(36,007)**	(123,961)
Other gains and losses	**(821,987)**	34,911
Increase in current liabilities	**1,556,797**	1,786,833
Decrease in trade and other receivables, and other movements, net	**(11,215,588)**	(6,751,437)
Net cash inflow/ (outflow) from operating activities	**10,706,933**	(3,924,937)

(d) Non-cash transactions

No share-based payments were made during the year (2021: Nil).

28. LEASES

Right-of-use asset:

The Company has recognised a right-of-use asset which relates to the land that is being leased. The right-of-use asset has been presented separately in the balance sheet.

Lease liability:

The lease liabilities have been presented in the statement of financial position as follows:

	30/06/22 $	30/06/21 $
Current	25,057	18,440
Non-current	473,060	520,919
	498,117	539,352

29. COMMITMENTS & CONTINGENCIES

Capital expenditure commitments

Plant & Equipment	30/06/22 $	30/06/21 $
Not longer than 1 year	3,500,000	2,700,000
Later than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	3,500,000	2,700,000

Exploration and Evaluation Commitments

The Group does not have any tenement expenditure commitments at 30 June 2022.

Tenement expenditure commitments	30/06/22 $	30/06/21 $
Not longer than 1 year	-	-
Later than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	-	-

30. SUBSIDIARIES

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			30/06/22	30/06/21
Naledi Holdings Ltd	Holding company	Mauritius	100%	100%
Naledi Investments Ltd	Investment company	Mauritius	100%	100%
Ikwezi Mining Services Pty Ltd	Administrative services	Australia	100%	100%
Ikwezi Mining (Pty) Ltd	Coal mining	South Africa	70%	70%
Ikwezi Management Services (Pty) Ltd	Management services	South Africa	70%	70%
Bokamoso Resources (Pty) Ltd	Coal exploration	South Africa	60%	60%
Ikwezi Resources (Pty) Ltd	Coal exploration	South Africa	70%	70%

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Proportion of ownership interests and voting rights held by non-controlling interests	Profit (loss) allocated to non-controlling interests	Accumulated non-controlling interests
30/06/2022			
Ikwezi Mining (Pty) Ltd	30%	4,139,949	(1,976,388)
Individually immaterial subsidiaries with non-controlling interests			(487,579)
			(2,463,967)
30/06/2021			
Ikwezi Mining (Pty) Ltd	30%	(644,480)	(5,471,855)
Individually immaterial subsidiaries with non-controlling interests			(480,312)
			(5,952,167)

Summarised financial information in respect of Ikwezi Mining (Pty) Ltd, the South African subsidiary, are set out below. The summarised financial information below represents amounts before intragroup eliminations.

	30/06/22 $	30/06/21 $
Current assets	25,262,937	12,710,630
Non-current assets	19,632,257	19,449,723
Current liabilities	(44,160,120)	(45,539,889)
Non-current liabilities	(874,930)	(941,185)
Equity attributable to owners of the Company	(1,836,530)	8,848,866
Non-controlling interests	1,976,386	5,471,855

	Year ended 30/06/22 $	Year ended 30/06/21 $
Revenue	78,753,872	18,249,798
Expenses	(63,324,768)	(20,217,898)
Profit/(loss) for the year	15,429,104	(1,968,100)
Profit/(loss) attributable to owners of the Company	10,972,215	(1,377,670)
Profit/(loss) attributable to non-controlling interests	4,636,889	(590,430)
Profit/(loss) for the year	15,429,104	(1,968,100)
Other comprehensive income attributable to owners of the Company	(1,656,469)	2,862,222
Other comprehensive income for the year	(1,656,469)	2,862,222
Total comprehensive income attributable to owners of the Company	9,135,746	1,484,552
Total comprehensive income attributable to non-controlling interests	4,636,889	(590,430)
Total comprehensive income for the year	13,772,635	894,122
Dividends paid to non-controlling interests	-	-
Net cash inflow (outflow) from operating activities	10,194,756	(3,883,564)
Net cash inflow (outflow) from investing activities	(3,750,602)	(3,567,664)
Net cash inflow (outflow) from financing activities	(5,353,574)	5,353,574
Net cash inflow (outflow)	1,090,580	(2,097,654)

31. REMUNERATION OF AUDITORS

During the period, the following fees were paid or are payable for services provided by the auditor of the Group, and its related parties and non-related audit firms:

	Year ended 30/06/22 $	Year ended 30/06/21 $
Auditor of the parent entity		
Audit or review financial statements	**14,676**	11,100
Other services – business structure	**-**	-
Total remuneration for audit and other assurance services	**14,676**	11,100

The auditor of Ikwezi Mining Limited is currently Eyesure Financial Services, Registered Auditors and Accountants.

32. RELATED PARTY DISCLOSURES

The following transactions and balances relate to related parties during the year:

	Year ended 30/06/22 $	Year ended 30/06/21 $
Cost of sales		
Zarbon Coal (Pty) Ltd	648,999	617,158
Zarbon Ngagane (Pty) Ltd	882,848	6,214,422
Interest paid		
Zarbon Coal (Pty) Ltd	191,500	80,063
Loans from related parties		
Zarbon Coal (Pty) Ltd	**-**	5,353,574

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on Consolidation.

33. PRIOR YEAR COMPARATIVES

Prior year reported amounts have been regrouped/reclassified only for purpose of consistency in reporting.

34. SUBSEQUENT EVENTS

No other events occurred subsequent to the date of this report that require disclosure or adjustment to the financial statements.

Directors' Declaration

The Directors declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

(b) in the Directors' opinion, the financial statements and accompanying notes are prepared in compliance with International Financial Reporting Standards, as stated in Note 3 to the financial statements.

Signed in accordance with a resolution of the Directors.

Nitin Agrawal
Chairman
30 September 2022

Details of Company Secretary, Registered Office and Share Registry

The company secretary is Mr Wayne Price – Partner/ Director, Castletons Accounting Services (Pty) Ltd.

The Company's registered office is at Cedar House, 3rd Floor, 41 Cedar Avenue, Hamilton HM 12, Bermuda.

The Company's agent in Australia, Ikwezi Mining Services Pty Ltd has a registered office c/- Unit 24, 589 Stirling Highway, Cottesloe, Western Australia, Australia (Tel +61 8 6153 1861)

The Company's Australian Share Registry is maintained by Computershare Investor Services Pty Ltd, Level 11, 172 St Georges Terrace, Perth WA 6000 (Tel: +61 8 9323 2000, Fax: +61 8 9323 2033).

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable at 30 August 2022.

SUBSTANTIAL HOLDERS

The following is a list of registered holders of five percent or more of the Company's share capital.

1	FINEVEST INVESTMENTS LIMITED	20,073,893	49.38%
2	BELVEDERE MINING HOLDINGS INC	9,985,816	24.57%
3	BELVEDERE RESOURCES DMCC/C	7,917,003	19.48%

The Company is incorporated in Bermuda as an exempted company and is subject to Bermudan law. It is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act 2001 dealing with the acquisition of shares (including substantial shareholdings and takeovers) and shareholders are not required to provide notifications relating to becoming a substantial shareholder, changes in substantial holdings or ceasing to be a substantial shareholder.

The Company's Director Mr Nitin Agrawal have a beneficial interest in 30,059,709 shares of the Company respectively as disclosed in the Directors' report which includes Finevest Investments Limited and Belvedere Mining Holdings.

Other than as outlined above, the Company is not aware of any other persons who are a substantial holder in the Company within the meaning of Section 671B of the Corporations Act 2001.

TWENTY LARGEST SHAREHOLDERS

ORDINARY FULLY PAID SHARES (TOTAL) AS AT 30 August 2022

Rank	Name	Units	% Units
1	FINEVEST INVESTMENTS LIMITED	20,073,893	49.38
2	BELVEDERE MINING HOLDINGS INC	9,985,816	24.57
3	BELVEDERE RESOURCES DMCC/C	7,917,003	19.48
4	INKESE PTY LTD	500,000	1.23
5	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	418,313	1.03
6	ICE COLD INVESTMENTS PTY LTD <BROWNS CHELTENHAM RD S/F A/C>	262,715	0.65
7	MR JAY HUGHES & MRS LINDA HUGHES <INKESE SUPER A/C>	175,000	0.43
8	MR VINCENT SWEENEY <INC GI-MFSF A/C>	170,337	0.42
9	ZERO NOMINEES PTY LTD	127,600	0.31
10	MR SIMON DAVID + MRS JENNIFER DALE YEO <CAPE SUPERANNUATION FUND A/C>	80,000	0.20
11	NEUTRAL PTY LTD	74,668	0.18
12	CITICORP NOMINEES PTY LIMITED	62,120	0.15
13	MR RHYS ERIC HARVEY	52,000	0.13
14	MR RODNEY GEOFF TREMLETT + MRS PATRICIA ANN TREMLETT <TREMLETT SUPER FUND	48,000	0.12
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	41,659	0.10
16	TOMREDA PTY LTD	32,600	0.08
17	BNP PARIBAS NOMS PTY LTD <DRP>	27,000	0.07
18	MCFADDEN SUPER HOLDINGS PTY LTD <MCFADDEN FAM SUPER A/C>	24,478	0.06
18	SMALL BUSINESS FINANCE PTY LIMITED	24,000	0.06
19	MRS ADRIANNE ANSLEY GRYGORCEWICZ	17,750	0.04
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**40,114,952**	**98.68**
Total Remaining Holders Balance		**535,022**	**1.32**
Total All		**40,649,974**	**100.00**

DISTRIBUTION OF EQUITY SECURITIES

ORDINARY FULLY PAID SHARES (TOTAL) AS AT 30 August 2022

Range	Total holders	Units	% Units
1 - 1,000	143	65,716	0.16
1,001 - 5,000	97	238,787	0.59
5,001 - 10,000	18	140,814	0.35
10,001 - 100,000	17	573,980	1.41
100,001 Over	9	39,630,677	97.49
Total	**284**	**40,649,974**	**100.00**

VOTING RIGHTS

Fully paid ordinary shares carry voting rights of one vote for each share held upon a poll.

UNQUOTED SECURITIES

The Company has no unlisted securities on issue as at 30 August 2022.

ON-MARKET BUY BACK

There is currently no on-market buy-back program for any of the Company's listed securities.

LIST OF TENEMENTS

Project name	Type	Reference number	Number of hectares	Ownership	Licensee
Ntendeka Colliery	Mining right	KZN 30/5/1/2/297 MR MPTRO: 77/2012 (MR)	12,182	70%	Ikwezi Mining (Pty) Ltd

CORPORATE DIRECTORY

Incorporation
Country of Incorporation: Bermuda
Company Registration Number: 45349

Registered and Principal Administrative Office
c/o Cedar House, 3rd Floor,
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Hamilton HM 12,
Bermuda

Australian Office
c/o Wembley Corporate Services Pty
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Share Registry
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Level 11, 172 St Georges Terrace Perth, WA,
Australia
Tel +61 8 9323 2000
Fax +61 8 9323 2033

Company Secretary
Mr. Wayne Price
Wayne@castletons.com.au

Directors
Mr. Nitin Agrawal – Chairman
Mr. Harjinder Singh Kapila – Director
Mr. Sanjay Goel – Director

ASX Code
IKW

Website
www.ikwezimining.com