EXXARO CMD - 22 June 2026

ANDA MWANDA
Good morning again, ladies and gentlemen, and welcome to Exxaro's 2026 Capital Markets Day, and thank you for joining us today, both in person and online. To all our shareholders, the investment community, business partners, our colleagues, we welcome you. My name is Anda Mwanda, the manager of investor relations at Exxaro, and I have the privilege of facilitating this session today.

But before we begin, there's just a brief safety announcement that we'd like to make. Please note that we have not planned any emergency drill for today. If the alarm is activated, please remain calm, and wait for the Exxaro floor marshals wearing red reflective vests, to lead you to the assembly point. It's in front of the building at the parking area, where the roll coal will be conducted. We will all remain at the assembly point until instructions are issued to re-enter the building, by an Exxaro safety official. If you feel unwell at any time, please inform your host, who will escort you to the onsite clinic for medical assistance. In the event of this situation, please note that visitors should always be accompanied by their host. For our ablution facilities. If you exit the auditorium, you will turn right, the ablution facilities are clearly marked, and they will be on your passage to the left. In terms of the use of cell phones, at Exxaro, we do not allow people to text while walking. Therefore, if you receive a coal or a text, please move to a safe space and answer your coal, and please would kindly request that for this session, all cell phones are put on silent. Please take note of our disclaimer.

Today's program provides a comprehensive view of Exxaro's portfolio, our strategic priorities, and the opportunities we see to create long-term value. We will begin today with a strategic overview from our CEO. This will be followed by presentations across coal, metals, the renewable energy businesses. After lunch, we will cover business development, our pathway towards carbon neutrality by 2050, and capital allocation. Earlier this morning, we released our FD pre-close message. Our finance director will provide additional context, after the CEO, at the end. We have built in several opportunities for questions and answers throughout the day, and I'll take you through this quickly. The first Q&A section will be after the coal section, the second one after synergy, and then after decarbonization, at the end of the capital markets day. We will have two comfort breaks. The first one is after the metal section, and the second one will be after decarbonization. At 1 o'clock we will have our lunch. The timing of comfort breaks and the lunch is as follows. All comfort breaks will be about 15 minutes, and our lunch session will be about 45 minutes. And thank you for your indulgence.

And now to the business of the day, and to formally open today's Capital Markets Day, and share his perspective on Exxaro strategic overview. Please join me in welcoming our CEO, Ben Magara.

BEN MAGARA
Thank you, Anda, and good morning, everyone. Thank you so much for joining us today. I realize some

of you are online, and some are here present with us today. We are very certain it's not because this was not, this was your only option this morning. So we know you had so much, and you do have so much on your own diaries. So just having you here from all the distances you have traveled, and making the time online, we absolutely appreciate your continued interest in Exxaro, and thank you for joining us. So, for many of you, a little bit older than some of us, I don't know, I know what that means, but the last Capital Markets Day was hosted in 2021, so this is five years on, and we're very pleased that we're able to spend time with you today, and it's your company, and we look forward to hearing your thoughts on it as well. So at the time we introduced then in 2021, our Sustainable Growth and Impact Strategy. We outlined our ambition to diversify our portfolio and reposition Exxaro for a low carbon future. Today provides an opportunity to reflect on the progress that we have made, against those ambitions, and the changes in the environment since then, and how we have accelerated our disciplined execution of our strategy, and this always works within the context of the various macro and local macroeconomics that we all face today.

I would like to share a few stories around the pictures you see on this particular slide, number four. It shows four pictures there, and they tell a full story. Top left is our leadership workshop, of the top 200 of this company, Exxaro, reflecting on our ambitions, reflecting on the culture, drawing the line on ethics, and making a clear, and focused ignition on our culture, and what excites us. That's the top left picture. On the top right, you will see a long train loading at Tshipi, loading manganese at Tshipi. Bottom right is an anchor for a wind turbine. The diameter of that concrete excavated area is about 25 meters. The steel center takes about 16 tons of steel, and the base itself takes about 60 tons of steel. So there's 76 tons of steel in there to anchor a wind turbine, that will produce six megawatts at Karreebosch. It takes 600 cubic meters of concrete. The fourth one, which is bottom left, is our solar plant at Lephalale, now supplying 68 megawatts on a reasonably good intense day, to our own operation. So we now have 68 megawatts of green electrons, a first in Exxaro, to our own operations. You will see the 20th anniversary and we are talking about how we are celebrating Exxaro for the past 20 years. We listed on the Johannesburg Stock Exchange in November 2006, and we have provided opportunities to many, to our own employees, communities, and you name it. Exxaro has provided opportunities for us to reflect on this impact that the company has given us today on this Capital Markets Day. We have gone beyond the minerals we extract, the resources we mine, and the ore bodies that we mine. Our shareholders have walked this journey with us. Since listing, through your support Exxaro has created meaningful impact over the past two decades. I'm not going through every number, but we thought this would be a wonderful read, either as you fly back to Cape Town, or drive around with somebody, but we are really proud of the value we have created, and the contribution we have made to our employees, to our communities, and to the wider South African economy. These figures on this slide, tell part of that story. They reflect a business that supports more than 20,500 employees, including contractors. Multiply that by 6 or 10 in terms of economic linkages, and our contribution to society. We have invested 5 billion in the last 20 years, in learning and development, and we continue to do so to create opportunities through education, enterprise development, and community initiatives. Underpinning all this is our unwavering commitment to safety. My 22,500 colleagues know our commitment to safety, and to zero harm, ensuring that every employee and contractor, or even visitor, as you would have heard from Anda this morning, that they are able to return home safely every day, and we take that very seriously. A safe mine is also a profitable business. I cannot forget Tim Clark's last comments at our results in March, where he says, "If I see safety improving, if I see costs improving, I know the business is well", and we continue to focus in those areas. Consequently, we have created significant value for our shareholders, and Exxaro remains a consistent dividend payer, with over 200 billion of stakeholder value created since our listing, distributing over 85 billion rands in dividends. Yes, please, you can clap a bit. All that is a company that today is a 75 billion rand market cap company. I can remine you that at listing in 2006, we were 20 billion. Last year, January, February, we were 51 billion. It doesn't come without hard work, and while we are proud of what has been achieved over the past 20 years, today's Capital Markets Day is about the future. It is about how we build on this great foundation that our forefathers and mothers did. It is about how we are accelerating disciplined execution of Exxaro's strategy.

So, on the next slide, number six, before reflecting on that progress that I've shared with you, it is important that we possibly recognize the environment in which we operate. The world today is materially different from the one we faced in 2021. Globally, we are seeing increasing competition for critical metals, and as a result, increasing geopolitical fragmentation, and trade realignment. However, headwinds for some commodities are also tailwinds for some, and most relevant for Exxaro, the coal we mine, stays the lifeline for energy security, globally, and even in our domestic market. We remain the lifeline, when trouble hits, people run back to coal, and we can see today, that even international energy agencies and many experts highlight that coal will go beyond 2050. So we are seeing a pragmatic approach to this energy transition, and these trends reinforce the importance of the strategic choices that we have made, and as the world adopts a more pragmatic approach to energy security, Exxaro's own long life coal assets, remain critical in supporting global and domestic energy needs, generating cash flows which are critical to invest in the future growth, and the diversification strategy that you see us going through right now. And again, let me emphasize that we believe that the runway for coal goes beyond 2050. Ladies and gentlemen, I do not need to tell you that South Africa is endowed with world-class mineral resources, exceptional solar, and wind resources, and an established industrial infrastructure. And business, we are encouraged by the progress being made through the reforms both in the energy and logistics sectors. I am, however, concerned about the relentless attack on our country's ethical fabric, and as Exxaro, we are doing all we have to, to keep the integrity of our supply chains. The imminent local government elections and attendant service delivery challenges, pose real short-term risks for us, and as a country. Our diversification is adding manganese and renewable energy to our strong coal base, driving attractive long-term growth opportunities, while our commitment to carbon neutrality by 2050, stays unchanged, and we are unwavering at making sure we are carbon neutral by 2050. Through an accelerated and workable decarbonization road map, and diversification of our earnings, we are reducing Exxaro's carbon intensity. So, the diversification strategy is to add to coal, the manganese and future-facing minerals, in order to reduce our group carbon intensity per earnings that we make. We are positioning Exxaro for the long term relevance, and sustainability, in a long term carbon future. Delivering on this strategy requires capable leadership, clear accountability, and relentless focus on disciplined execution.

So, let me introduce our team, as I go through this now, to deliver on this next phase. You can see them all young, and mature, and agile. We had to create a structure, and a team, that's focused on the future that we want to deliver, and over the past year we have strengthened our executive team, and aligned the organization around strategic priorities, and today we have dedicated leadership across each of the three pillars of coal, manganese, and renewable energy. So those are our three profit and loss pillars, and the executives in charge of those, we all coal them bosses, because they bring the money. We also have strong functional capabilities in sustainability, in strategy, technical services, people, and governance, and I think you can see Michelle doing a lot of our heavy lifting on ethics and governance. Caroline Coal, Metals Johan, Energy with Leon, Neo with Sustainability, Richard with Strategy and Business Development, Joseph with P&P, or Human Resources, and Mervyn Govender, our technical services, and Fortune with Commercial. I deliberately left the man with deep pockets and short hands, because to deliver on this requires clear accountability and capital allocation framework that has helped us deliver the dividends we are continuing to do so for the past two years, Koppies. So this structure is aligned to our strategy. It enables efficient decision making, stronger cross-functional collaboration, and greater accountability for delivery. It is important that it has also strengthened both our leadership bench, but also our succession plans, ensuring that Exxaro has the capability to execute through this next phase of our growth. Ultimately, leadership is not measured in the structure I'm showing you, and my team knows that, it is measured in the results that we deliver. Over the past year this team has focused on restoring stability, strengthening the foundations, and accelerated the disciplined and prudent execution of our strategy.

So let me now turn to some of the key milestones and achievements that this team has delivered in the past year. We successfully concluded the Manganese transaction, we doubled our renewable energy business, we secured a long-term contract, coal supply contract at Matla. We advanced our logistics initiatives that support the long-term competitiveness, and sustainability of our coal business, and there are many I could highlight, but we also strengthen the resilience of our business by refinancing our largest corporate facilities, concluding also an insurance premium, a program on much more favorable terms. Importantly, we delivered on our commitment to shareholders. I remember standing here when we got many questions, Nomanja, Abhishek, and everybody, we traveled around, whether it's in Pretoria, or Joburg, or Cape Town, and they kept saying, "What don't you, just give us the 18 billion, we think we can do more with it". We had committed that we'll diversify the portfolio, and we have done that, but we also committed that we will not need the 12 to 15 billion cash that we had, once we have delivered on the majority of the manganese transactions that we finally did, and therefore, importantly, we have delivered on our commitment to shareholders that we will be reviewing our capital allocation framework, and enhanced the dividend policy to return more capital to our shareholders. Alongside these achievements, we delivered our best safety performance on record, and maintained operational discipline. We continue to do the best work of our lives at Exxaro, because Nare wants me to say, because we dig Africa. Together these milestones demonstrate a more agile and execution-focused organization.

If you look at the next one, we just simply highlight the three portfolios, so we have simplified our portfolio through disposal of non-core assets, such as Ferro alloys. I will not steal Richards thunders about some of the assets we have declared to be non-core, Richard will talk about that. But we have also structured our team in these three focused business pillars, and I must emphasize that we do see the coal runway beyond 2050, therefore coal stays the foundation of our portfolio. It is long life high quality cash generative business that provides a defensive earnings base, with exceptional export optionality, and Michelle Phillips know this, because we talk on a weekly basis, monthly basis, and at morning or night, if needs be, because Exxaro has the capacity to even double our exports, if the rail logistics would work, because that is the most cost-effective route to port. As we continue to generate the cash flows required to invest in our future growth. So our future-facing mineral business, metals business, provides exposure to commodities that are essential, as you know, to infrastructure development, and also to energy transition. We are building a scalable business positioned for long-term demand growth, and enhanced portfolio diversification.

Leon and his renewable team. Our renewable business represents an important growth platform, providing increased exposure to stable, predictable, and inflation-linked earnings, while supporting South Africa's transition to a low-carbon economy. Together, these three businesses create a diversified natural resources portfolio that balances cash generation, growth, and sustainability, and underpinning these pillars is our foundation, is our people. These are the glue, the nuts and bolts, the engine room that makes Exxaro tick, and their unwavering commitment to safety and ethics, and focused growth, and focusing on impact beyond the surface, remains our bedrock, which will catapult Exxaro on this next phase of growth that we have. These principles guide how we allocate capital, and our people drive that. How we operate our assets and our people drive that, and how we create long-term value to all our stakeholders, and our stewardship, and our people drive that.

As I get to a close from my introduction, and I'll be back again as I conclude in the afternoon. The portfolio we are building is also changing the composition of our earnings, and this is a quite an important slide for me, apart from the pillars that I showed you earlier. This slide shows how the various earnings from various businesses are delivering value to us. We all know we also have equity accounted investments in iron ore and zinc. The addition of manganese and the growth of our renewable energy business, strengthens the diversification of our portfolio. So, looking ahead to 2030, from 2021 where coal was provided the majority of earnings, we still expect in 2030 coal to continue to provide the earnings that it continues to provide. However, looking ahead to 2030 we expect energy, and our future-facing metals to contribute more than half of the total group earnings, not by shrinking coal, but by growing others. So, importantly, coal stays the foundation of our portfolio, generating the cash flows required to fund the growth, and support our shareholder commitments and returns, that we've already highlighted. And as energy and metals grow, we will contribute a larger share of earnings from manganese, and energy, including the iron ore assets I spoke about, to enhance that diversification and drive the resilience of our earnings, most importantly reducing the carbon intensity of our earnings profile, that's the aim for this diversification program. This shift reflects growth in these businesses, rather than a decline in coal, as I said, and we expect coal to remain a significant contributor to the portfolio, even as its share of earnings decreases over time.

Now going into the presentation of the day, and how we are going to cover this morning. You will see that I've got numbers on deliver, diversify, decarbonize, and impact and strategic levers, and we don't have a number on people, which is our slide number 11. We know they say culture eats strategy for breakfast. Thank you, Ziningi. Our people is our strength in safety, health, and ethics are critical. We are creating a one Exxaro way with our culture programs, business transformation as we drive to standardize the group in order to make sure we have a one Exxaro way in everywhere where we operate. So that's our bedrock, but today we're going to focus on those four areas I've highlighted, and showcase our leaderships in those areas, so for me it's really about introducing that team, with Caroline coming through just now on coal, and Johan on manganese, and then we will diversify with, continue to diversify with Leon coming through on renewable energy, and Richard doing business development. Neo will come through with decarbonize, and impact, what we are making, and how we are impacting society, and Riaan typically will then bring in the bottom line impact. So to take you through the coal opportunities that we see ahead. I am pleased to hand over to Caroline Shirindza, our executive head of coal, and as I said earlier on, just coal her boss. Thank you.

CARLINE SHIRINDZA

Some of us are of normal height. Thank you, Ben. Good morning, everyone. My name is Caroline Shirindza, and I look after the coal business. Coal remains the foundation of Exxaro's portfolio. Ben has alluded to that. Coal still provides the cash flows that support shareholder returns, diversification, and future growth. So, today I will take you through the market outlook, the strength of our asset base, and the opportunities we see to create long term value. So let me start with the global context. To better understand the long term outlook for coal, we commissioned an independent assessment of global coal market fundamentals, drawing on the views of leading market forecasters. While these organizations that we consulted with, differ in their assumptions and scenarios, they are broadly aligned on one point, the fact that coal demand is expected to decline over time. This is as countries advance their energy transition plans. However, the analysis also highlights that coal demand does not disappear. It continues to play a role in global energy systems well beyond 2050, particularly in markets where affordability, reliability, and energy security remain priorities. The most important finding is that supply is declining faster than demand. So as mines deplete and investment in replacement capacity is constrained, significant new capacity will still be required for us to maintain supply. So the chart shows by 2050, only around 20% of today's mining capacity remains, 20%. So even in declining demand environment, approximately 3 billion tons of new capacity will still be required to replace depleted production.

So turning to South Africa, we do acknowledge and appreciate that the energy transition is progressing, and it must, but this slide highlights an important reality for the South African energy market. While the integrated resource plan continues to forecast a gradual reduction in coal-fired generation, as we see renewables and alternate sources being introduced, the transition is admittedly slower than originally projected. The pace at which energy generation technologies are deployed, remains very uncertain. So, ladies and gentlemen, coal still represents about 69% of installed generation capacity today, significantly higher than earlier forecasts suggested. So this highlights the reality that South Africa must balance its decarbonization ambitions, with its immediate context, with energy security, but importantly also with affordability. So without investment in replacement mines, South Africa's coal production capacity declines materially from the early 2030s, while domestic demand gradually declines, supply declines even faster. This creates a future supply gap, particularly in export markets, where additional volumes are required from the early 2030s. From 2032 onward, we see that the additional volumes are required to meet export demand, and by 2045 only a small portion of export supply would still be coming from today's existing mines. Firstly, the global seaborne coal demand is declining, but we see supplies declining faster. Secondly, in South Africa, the pace of the energy transition is more gradual than initially anticipated, and when we look at Mpumalanga, the Mpumalanga coalfields become progressively harder, and more expensive to mine, as we see stripping ratios increase, and yields deteriorate. So against this backdrop, resource quality and longevity matter more than ever. Luckily, Exxaro is uniquely positioned. We are uniquely positioned because we've got more than 9 billion tons of long life resource. We are the only producer with an established production footprint in the Waterberg, I mean, we know that the Waterberg hosts more than 50% of South Africa's remaining coal reserves. We have high-quality infrastructure. This infrastructure can support operations well beyond the tenure of our mining rights. We've got an established rail allocation, we've got access to domestic and export markets, we've got premium coal products. Over time as supply tightens, and other assets are constrained Exxaro becomes increasingly strategic.

In the next couple of slides, I'll explore with you these opportunities. Our coal business has consistently delivered, delivered strong operational and financial performance, as you can see. This is a business with a proven track record of industry-leading safety, with premium product quality, strong price realization, and cost-competitive operations. These strengths show up in resilient EBITDA margins that are above 25%, I mean, our return on capital is above 20%. Our performance underpins our ability to definitely create shareholder value. Our performance is supported by a defensive base of long term contracted volumes, giving the business stability and protection, through the changing market conditions. So, over time, the coal business has demonstrated that it can operate well, we can generate quality earnings, and convert our strengths into real value. The strategic position I've just described is underpinned, thank you, I'm well taken care of, but for safety reasons I'll sip and put down. The strategic position I've just described is underpinned by a high-quality coal portfolio. Today, Exxaro operates five operating mines, with a combined life of more than 45 years, both in Mpumalanga and Limpopo. Our operations are supported by infrastructure that has been developed over decades, and can sustain long life production profiles. The portfolio provides a strong defensive earnings base, supplying approximately 30% of South Africa's coal-fired electricity demand through long-term supply contracts. I already mentioned ladies and gentlemen, that we produce premium quality export coal, and we have the capacity to supply the seaborne market for decades. Looking ahead, the logistics reforms that we participating, create opportunities to unlock additional value, while LIFEXtension opportunities provide further optionality across the portfolio, and at the core of this business is Grootegeluk Complex. If there is one asset that best represents the depth of Exxaro coal position, it is Grootegeluk. Grootegeluk provides us with scale, longevity, a product range, and strategic relevance, it has a resource base of 4.2 billion tons, world-class beneficiation infrastructure, and a broad project range that spends power station coal, metallurgical, and semi-soft coking coal. Also, not forgetting the premium RB one export coal, that we get from Grootegeluk. We also supply Medupi and Matimba Power Station, supporting more than eight gigawatts of South Africa's base load generation from Grooteluk, and beyond that it has export linkage and meaningful upside as rail reforms continue. As such, Grootegeluk is not just the largest asset in the portfolio, it is the defensive bedrock of the coal business. An asset that anchors current value and helps define the longer term future of coal in Exxaro. But we also have Mpumalanga. Mpumalanga plays a completely different, but equally important role. Where Grootegeluk gives us scale and longevity Mpumalanga gives us flexibility, it gives us the product mix and export leverage. The Mpumalanga region has a combined resource base of about 3 billion, about 31 years of combined life. We've got four established mines, strong beneficiation infrastructure. We also have domestic and linked access to RBCT in Maputo, for our export market. It also brings strategic alternatives because it sits close to the industrial demand centers, and gives us blending flexibility. It also provides regional processing and market advantages that support both domestic supply and export participation. Ladies and gentlemen, the portfolio works. It works because the regions play different, but equally important roles. The Waterberg anchors the long-term story, while Mpumalanga strengthens flexibility, near to medium-term export leverage, and is well positioned to supply, and serve varied customers well into the future.

So before I get into our performance, our operational performance, I would like to spend a moment unpacking how value is created through our coal business. So coal mining is often viewed as simply extracting tons from the ground, but in reality, value is generated across an integrated pit, to market value chain, where each stage contributes to our ability to deliver sustainable returns, and remain cost competitive. So, as you can see, the process begins with our resource base, where the quality, the scale, and the longevity of our reserves provide the foundation for long-term value creation and support the sustainability of our operation. We then move through the mining process, where we drill, we blast, we load and haul our coal. This is where operational excellence, equipment productivity, and cost discipline become critical drivers of performance. The next stage is then crashing and screening, and then beneficiate and product handling. Here we transform the run off main coal into marketable products that meet specific customer requirements, so all our mines have specific customer requirements that we need to achieve. Benefaction plays an important role in maximizing value from our resource base. We also have a blending approach, which is another key capability for us. It allows us to optimize product specification, it allows us to improve resource utilization, and ensure that we consistently adapt and meet customer quality requirements, while maximizing realized value. Then, once the product is ready for market, logistics becomes a critical component, whether in supplying domestic customers, in supplying Eskom power station, or our export market. Efficient rail and transport infrastructure becomes essential. The final stage is delivery to our customers, and here product quality, reliability of supply, and the proactive management of customer relations, ultimately determine the value we realize in the market. The reason I wanted to include this slide is that it is important for us to remember that our performance is not determined by any single point in the process, rather it is the result of how effectively we manage, and optimize the entire value chain, from pit to the customer. Our mines are well positioned on the industry cost curve, particularly at Grootegeluk, where we've got scale, quality, and infrastructure, there we creating a real advantage. Across Mpumalanga we are focused on improving the margins through operational optimization, through cost discipline, and better product mix, but competitiveness at the operation is only part of the job. The bigger task is converting that strength into realized value, that is why logistics matter so much. The real value of a ton is not decided only at the mine, it is decided by what reaches the market, at what cost, and at what margin. Protecting a leading cost position and unlocking expert value go hand in hand. One without the other is not enough. The future of coal in Exxaro is not only built on the current operations, it is also built on having a runway. So the extension of the life of our existing operations is important, because it is one of the clearest ways to create additional value from assets and infrastructure we already have, infrastructure we already understand very well. So we are not going to simply add years of mining to our assets. We are going to make sure the assets are extended in the right sequence, at the right capital intensity. That is especially meaningful in a market where future supply is tightening. So LIFEX is about shaping the future quality of the coal portfolio, and protecting Exxaro's commitment to keep participating in a changing market. One of the clearest signs of future value in coal sits in the Waterberg. The resource base extends well beyond current Eskom coal supply agreements, that gives us a strategic horizon that is much longer than the current contract book, it creates room for future supply flexibility, for future export participation, and broader industrial optionality, as South Africa works through the balance between energy security, affordability, and decarbonization. For Exxaro, the message is simple. The future of coal is not bound by the current contract book, Waterberg gives us much longer strategic horizon. The improved Waterberg line will unlock Grootegeluk export value, that is why we view logistics as a strategic lever, not just an external dependency we can simply wait on. We are actively participating in industry initiatives that will help improve rail performance, while positioning ourselves for long-term structural reform, better rail performance, additional allocation, alternative routes, and broader reform all have a direct bearing on how much more value this business can unlock from the resource base that we already have. What we see on this slide is that Mpumalanga exports are directly linked to the improvements shown in TFR. This is, however, not true for the Waterberg region, as the line from Grootegeluk to Richards Bay coal terminal continues to be constrained. Instead, we've had to use multimodal channels to evacuate our coal, through a combination of trucking and rail, this puts pressure on our margins. The export upside only matters if it remains profitable after logistics, product mix, the exchange rate, and the price, are taken into account. So as the rail reforms take shape, we can move coal on cheaper rail, and we'll be able to reduce volumes channeled through multimodal systems, which have proven to be more expensive than the direct lane. So you can agree with me, how important the Waterberg line is to our portfolio.

This slide we show the diversification within our coal portfolio. The foundation of our earnings is highly defensive, with about two thirds of coal revenue coming from utilities, supported by long term take or pay, and our cost plus structures. This part of the portfolio gives us stable, predictable earnings, and limits direct exposure to short term coal price swings. Beyond that defensive base, the remaining revenue comes from businesses that enhance value, and give us more upside. Industrial customers that we have provide a medium term contracted revenue stream, that is linked to South African industrial activity. We've seen the steel industry sales give us higher margin exposure, through semi-served coking coal and the metallurgical linked pricing. And then export gives us access to seaborne pricing with additional upside as the logistics reform improves our ability to move more product efficiently. We have a balanced earning space within coal. We are stable at the core, but with enough commercial flexibility to enhance value over time.

Before I conclude, I would like to show you our capital profile to 2030, as we have done this in our financial results in March. The increase you see in 2026 is mainly driven by truck and shovel replacement at Grootegeluk mine, that is done to sustain production levels, to drive operational efficiency, to improve reliability, availability, and sustainability, and reduce the total cost of ownership. However, beyond 2027 sustaining capital normalizes, while supporting strong free cash flow generation. To ensure a strong coal business we need disciplined sustaining capital, well sequenced, tied to assets that continue to carry value, with a focus on protecting the reliability of our core assets, the continuity of our operations, and the extensions of our coal runway. Let me conclude. Coal remains the foundation of Exxaro's earnings. We can generate cash, we've proven that, and we can have sustainable returns. We have long life resource exposure. We've got strategic support for South Africa's energy system, 30% comes from Exxaro. We have a defensive, stable, and predictable domestic earnings, strong free cash flow generation, and we still have potential upside when the logistics challenges that we're experiencing in the Waterberg, become cleared up, the logistic, our value unlock lever. Thank you.

ANDA MWANDA

Thank you so much, Caroline. We are right at 11.12, 12 minutes past 11, and now we're going to be transitioning into our questions and answers that Ben, both Ben and Caroline, will take.

BEN MAGARA

No Caroline, will take, that's why she's on the center.

ANDA MWANDA

As you normally do it. So start here in the room, and please, if you have any questions, kindly raise your hand, and the mic is going to be transferred to you, and before you ask your question, kindly introduce yourself. So, move from the room, go to online, back to the room, and go back to online. Thank you, Brian. I see your hand is up.

BRIAN MORGAN

Thanks, Anda. It's Brian Morgan, RMB Morgan Stanley. Thanks for the time, I really appreciate these engagements. Just a question, maybe a bigger picture question is, you presented a fairly bullish picture on long-term supply and demand in the global coal markets, and I suppose it makes sense that you're looking at life of mine extensions, and you're highlighting your resources outside of your reserves, it all make sense, but out of thoughts in that sort of scenario, or growth might make sense, you know, be it organic or requisites of growth might make sense. Could you just chat to us a little bit about that strategy. Why are we not hearing about it, and if that might be something that you'd look at in the future.

ANDA MWANDA

So we'll take another one. Yes, Nkateko, please. Can we…

NKATEKO MATHOSI

Good morning. Nkateko Mathosi from Invested Bank, and it's a follow-up from Brian question, and I agree with him that you've painted such a bullish picture, as far as the market is concerned. I cover the commodities, and they can't talk about 2050, but as far as coal is concerned, we're talking, it will remain very relevant beyond 2050. So, my question as well was around growth, and why we're not hearing about growth, but adding on to what Brian has asked, I think what you've also painted is a picture of how instrumental Grootegeluk will be in that declining supply environment. So, if you can talk a little bit more around the rail capacity from the Waterberg, because that could easily become the constraint, and what investment would need to go into that, if supply starts to decline, and you want to produce more out of Grootegeluk, how much volume can actually move within that line. And then also I have a question on Leeuwpan, and your cost curve, I mean, Leeuwpan is so high on the cost curve. What optionality do you have to actually shift it a bit into the left, if even possible. Thank you.

CAROLINE SHIRINDZA
Okay, Anda I can answer this round.

ANDA MWANDA
Thank you Caroline you can answer the question.

CAROLINE SHIRINDZA
Okay, so let me start with the question on coal growth, as you know, all our mines, we've identified coal within close proximity to our reserves for life optionality, so utilizing our existing infrastructure, all the mines we're looking at opportunity to do that. But if you look in the Waterberg, we've got a whole reserve there that we coal Thabametsi. So the life-ex of Grootegeluk, we've always limited it to 17 years looking at the current mining rights, but when you look at the total resource base, we've got unscheduled reserves within Grootegeluk plus Thabametsi reserve, which takes us beyond the mining right, beyond the contracted tons that we have with the power station. So giving us a life well beyond 46 years. So we are looking at growth in terms of life-ex for each operation, and all the mines we're seeing an increase because of life-ex. So with the life-ex operations, we're not targeting to mine the current base, and then extend, there'll be an overlap with some of the life-ex projects that can be mined much earlier, while we're mining the current reserves, and that will give us that additional volumes.

Okay, and then I think, let me talk about the rail capacity at GG. So our direct line from Waterberg to RBCT is constrained, it is true. It's constrained in terms of capacity. The capacity currently takes it to 3.9 million tons. So coal is not our problem, at GG we've got plenty of coal that we can actually export, way beyond the 3.49, but currently from that line we hardly even get to 2 million tons. That's why the rail reforms and our participation with Transnet, and other players, the chrome manufacture, the chrome producers, who can also use that line. That's why we're collaborating and in partnership to improve the performance of that line. So we also still have an opportunity for multimodal, where should we need to export much more than the 3.9 million tons from Grootegeluk, we can use that optionality to do so.

ANDA MWANDA
Thank you, Caroline.

CAROLINE SHIRINDZA
Okay, there's the last question on Leeuwpan. So you have seen Leeuwpan, its way out in terms of cost. We've just concluded the section 189 process, so that work has been concluded. We are busy with transitioning the mine to contract a mining model, that will give us a bit of flexibility, but we're also working on efficiencies, we're also working on our cost competitiveness to be able to bring Leeuwpan closer to the third, and in the future to even the second quarter, so we are working on Leeuwpan. I mean, we've got, we already have mines within our portfolio that are doing so well in terms of costs, so the learnings are internal.

BEN MWANDA
So maybe just to add on what Caroline has just covered. On the growth, I think she covered it very clearly around Thabametsi, is our growth in Grootegeluk, if it's only underground, it could possibly do a good 535 million tons on its own. If we get an IPP who wants to produce power there, then we can have an open pit mine. Otherwise, it would stay an underground mine for export only. To unlock all that, as Caroline highlighted, the public sector participation with Transnet is critical, so doubling that 4 kilo, 3.9, she's much more accurate than me I coal it 4 million tons a year, doubling that depends on logistics. So our growth is really about logistics, and no doubt, as we see possibly the Arab BCT entitlement is available. If Transnet continues to improve, we expect that the coal industry is not able to meet that entitlement, and Exxaro will be more than able to fill some of the gaps that would exist. So I think you're absolutely correct, Brian, about the opportunity for growth is there, we need to unlock logistics, and I think Nkateko, you've just touched on that. So that's really, so our efforts are driving logistics, particularly from Lephalale to Mpumalanga, that is the belt, because it's much more expensive on this multimodal system, and we think that that growth will come from that area.

ANDA MWANDA
Are there any further questions in the room, before we go online. Yes, Brian.

BRIAN MORGAN
Sorry, Ben, if I can just follow up on that. There's always the opportunity to allocate capital to acquisitions, I mean, you're talking about it from an organic perspective, but if you that excited about the coal market in the long run, then surely acquisitions make sense.

BEN MWANDA
You have a target for us. I think these are the kind of conversations we would possibly have in our own

engine rooms, but we definitely see a prospective and exciting coal industry, in South Africa, that we don't think our expansion plans are outside South Africa, and those growth plans around what is possible, I think if knowing that it can come with rail, it can come with export with port capacity, I think it's something that we know Exxaro will be interested in. I mean, these are, this is a sector that is very cash generative. so we don't, we want to be very clear with our capital discipline, because Riaan is already looking at me, that it's very important that its cash generative, and we have promised our shareholders the money they must continue to benefit, and we're not going to compromise on that.

ANDA MWANDA
Okay. Thank you. Okay. We have a question here with Nomandla, and then we're going to go to Andrew on the other side.

NOMANDELA
Hi, everyone. Nomandla from PSG Asset Management. I'd like to ask that question from a different angle. As you're speaking, Ben, it seems to me that with the Mpumalanga mine, obviously you're the natural producer within that region, but the reason thereof is to be not able to double production is because of the logistic capacity constraints, and obviously that rests on an exogenous factor that management can't control. So maybe ask the question from an organic expansion optionality, because it feels that to me that's the obvious growth optionality that sits within the Exxaro. Is it possible for you guys to find alternative means of being able to, I guess, improve your ability to be able to take product out of Lephalale, because Lephalale product is obviously much better on the cost curve, and then obviously, then you utilize the optionality's that Ben was talking about, where if other people within the Mpumalanga regions aren't able to actually meet their own allocation of export, as their mine lives actually come into ending, that you actually are able to do that, because for me, what it feels like, it's obviously must be organic growth optionality first, given the asset that has the ability to actually give you that, is actually also your anchor asset. So are you thinking about that alternative means, because perhaps the return on invested capital that you can actually achieve by improving the flexibility of the Lephalale asset, could actually by design, be a better optionality than actually buying another mine that obviously will be in the Mpumalanga region, that you've highlighted the challenges that are structural, that seems to be structural, that exist within that region. Thanks.

BEN MWANDA
Oh, thank you. Thanks, Nomandla. I think there are two things, and Caroline touched on the intermodal system that we use, in how we move coal from Lephalale to Mpumalanga before Transnet then picks up whatever we will not have managed to move through the railway line from Lephalale. So when she touched on that, it depends on things that, as you put it, outside management control, like diesel prices. I think we have seen diesel prices this year go up by, I think, about 70%, right. So the impact of that on intermodal becomes more, so they continuously monitor the margins you make out

of that logistics, such that you know whether intermodal still works or doesn't, and that gets monitored by Caroline and her team continuously, in the commercial team. They also look at intermodal up to Maputo, as another route rather than Richards Bay, and all that they monitor to see, whether the price, the exchange rate, and diesel costs still make the margins we want out of this business. So I think there are many options that they are looking at. If you think of organic growth, I think the future benefit of why the turnaround at Leeuwpan is not only to extract value out of Leeuwpan alone, but it's a beautiful, and Caroline coined it, it’s a beautiful processing hub, and also coal handling hub, from all the coal from Mpumalanga, from Lephalale, it can come in there, and we can use it. In the uniqueness of GG that we have not highlighted is, they produce that coal at about 30 CV, so any low energy coal in Mpumalanga, which generally also gives us, I think, a lower sulfur. We are able to blend, where GG might have high sulfur, it's got high energy, so that blend is something no one else has, because we are able to do that, and actually sell a premium RB1 or RB2, when most can only sell RB3, which is much lower margin. So I think the organic opportunities, to beef up our processing plans right now, I don't think, what we will see happening is, I think we're seeing a trend, you'd have seen in our pre close that at Transnet this year is at about 60, so as that 60 goes to 66, 72, or 75, we think some peers will start faltering, not able to meet their requirements, and only then do they sometimes release capacity to others, because if they release it at 60, they are released, the problem is not the port, they will be releasing railing, and no one has got enough railing, because of that. So, I think hopefully we continue to monitor that, and maybe Caroline, you might have more insights I might have left out.

CAROLINE SHIRINDZA

No, I think you've, you've covered it. We continue to look at opportunities, that's why when we had challenges, and we still have challenges with Transnet, we've actually looked at other opportunities to take our coal to Maputo, and also the tracking optionality, but it's all dependent on the margins.

ANDA MWANDA

Thank you, thank you, Caroline. I'll take Andrew quickly, and then we move online. I've got a number of questions online.

ANDREW

It's just a quick one in terms of reconciling return on capital, with your LIFEX guidance that you gave on your slide 23. I am surprised that from, looks like 2028 you started, you've got a LIFEX program at Leeuwpan, given your comments earlier and given your comments about to focus on return on capital, maybe you could square that circle for me. And then also, if we just look at your Capex guidance on slide 28, it's quite noticeable that your guidance and what you actually achieved for the last few years, is quite a big divergence. And then we've seen this big spend on truck and shovel, so it almost suggests of a lack of planning, or some other reason. Maybe you could just explain why the big disconnect between guidance and what you delivered, and how much of that future guidance out to 2030, are you factoring in LIFEX within that, you know what sort of lead time on that LIFEX do we need to allow on the Capex spend profile. Thank you.

ANDA MWANDA

Thank you, Andrew. I think maybe Caroline can touch on the on the Capex guidance, because we also did say our results, that indeed truck and replacement.

CAROLILNE SHIRINDZA

Okay, so what you're seeing in 26, 27 it's because of the truck and shovel replacement strategy, so the capital then normalizes, so we will remain within the guidance, even with LIFEX included, so what you saw with Leeuwpan with the first block that we're going to include as LIFEX. That block is within, is basically within where we're mining. We're going to have to mine around it, so acquiring it earlier helps us straighten our pit, and then we actually just continue mining with that block in. So that's why we needed the block much sooner, otherwise, we'd have to mine around, and then come back to mine it. So it makes, when it makes business sense, we will invest and bring the timing to where it needs to be. So our capital will normalize, and we will remain within guidance when we look at the other years as well.

BEN MWANDA

Indeed, so I think maybe I could add, that if you just look at our spend for 2022 to 2025, you will see that, yes, there's a bit of a hockey stick, was actually we underspend consistently for those four years, and that is the lump that we have got in the two years in 2026 and 27. So accepting that that underspend is actually just simply moved the hockey stick to the 2026, 27 period. So the shovel track approval then came in 2025 last year. So, if I was ticking some of the big achievements we did last year, it's making sure that those tracks actually, and shovels, come in on time. So I'm very pleased that we have that bunch, but it's actually critical to create the life, the assets we need to deliver, but on average, if you then look at the total number, we're still hovering around the guidance that we have given, and also 2028, 29, 30 you'll actually see that we are slightly under spending than our previous guidance, so on average, we are equal. So, I think Riaan can always cover that a little bit later. You spoke a bit about capital, return on capital, and I think that's an important aspect. So, I'm really glad you raised that, on slide 23, because what we are doing with this Life Extension, is we are not putting capital in new planned capacity, equipment and plant, so if you think of Belfast, which is producing at about 3.5 million tons, million tons a year. The processing plant, is was designed, I think, at about 3, and we're maximizing now at 3.5, we will maintain that 3.5 without spending more capital. What we are seeing with our neighbors is their contiguous coal deposits that provide us with Life Extension opportunity. There is no incentive for them to put a new plant, so it's much easier for them to, because it's better for us, and it's more cost effective for them, to sell those deposits to us in the farm boundaries, so that we can extract using our infrastructure, so it's not new capital, it's simply spend on farm acquisitions, to bring in production that extends Life of our mines, and it's not key today to be thinking of upgrading Belfast from 3.5 to 4, because there's no logistics. If there was, there may be, but I think at this juncture, and given the life of Belfast, we possibly don't, we think you sweat that asset and infrastructure better, by making sure the plant lasts as long as you need it to, and then you watch it from then. Thank you. But I think I've no doubt the deep-pocketed man will come in later, and share some more insights.

ANDA MWANDA

Thank you so much. Thanks, Ben. I think going online, there's a question from Philip Petello Ghashane from Depopo Hub, and his question is, with coal usage holding a larger than forecasted share of the energy mix heading towards 2030, what does this mean for the workforce stability, skills retention, and entry level employment opportunities within the coal division. That's the first one. And then the second one is from Thobela Bixa at Nedbank, and his question is, what does the light shaded copper and zinc mean in slide nine, that's for Ben. Does this mean zinc is back. Previously, Exxaro wanted to sell zinc, their zinc exposure, so…

BEN MWANDA

I'll start with that and give to the boss on the labor issues. Thobela, you would know that we are invested in zinc, and lead in through Black Mountain, and I did not want to steal Richards thunder, by declaring what the plan is, but that gray shaded is saying, it is non-core, it remains non-core. If there's a buyer at a price, there's always the right price for a for a seller and a buyer. It's non-core to Exxaro, and we think that our attention is better placed in the assets we have chosen. So Black Mountain is non-core, that's why it's gray, and copper is still prospective. We don't expect to, require to spend too much money. We're looking for an advanced exploration project, which we can take up the value curve, but the singer for this is Richards, and I'm now, he gets paid for that part, so he must deliver on his case. Thanks, Tobela. I think Caroline can touch on the labor and the prospects for our region.

ANDA MWANDA

Maybe Caroline, before you go there, there's another question along the same lines, and it says, "Hi, Caroline. Caroline makes an important point from that slide, that supplies contracting faster than demand. The gap widens from 2032, and by 2045 only 6% of South Africa's export supply comes from today's existing capacity. At what point in the supply tightening curve, measured by mine closure announcements, seaborne supply volumes, or API for price, etc., would you expect the market to re-rate Exxaros coal assets, from ESG impaired, to strategic energy security asset, and is there anything Exxaro can do to accelerate that re-rating, or is it entirely dependent on events outside your control.

BEN MWANDA
Caroline take whatever you want, I'll take the rest.

CAROLINE SHIRINDZA
Okay, so let me start with the easier one, of the energy mix, and what that means for Exxaro. So we are in a very unique position as Exxaro. We are unique in a sense of our long-term contracts that we have with the power utility. So when we look at the plans, where there's depletion of mines, and, yes, there is power stations that will be decommissioned, the Exxaro power stations that we supply coal to, they are actually the ones that go much further. So, we're seeing, the first one will be Matla, that comes to depletion. It's well beyond 2040, and then we'll see Medupi and Matimba, but the capacity that's shown as the base of South African coal, in that capacity until the very end, that is Exxaro. So our people, our skills, our portfolio, we remain intact because, precisely of that advantage that we have that other companies don't have. So that 2071 we are there, as Exxaro.

ANDA MWANDA
Thank you, Caroline. I am just also..

CAROLINE SHIRINDZA
I'll do the next one.

ANDA MWANDA
Ja, you can do the next one, and then quickly then we're, so we're gonna, I think maybe let me just say there's maybe one or two questions that are not answered here, because of time. We'll address them at the at the end of the session, to manage our time because Johan is also now ready to come in on the metal section, so Caroline, you can quickly just….

CAROLINE SHIRINDZA
Please read that that question again.

ANDA MWANDA
It says I'll actually just say. At what point in the supply tightening curve measured by mine closure announcement, would you expect the market to re-rate Exxaro from ESG impaired strategic energy security, and is there anything that Exxaro can do, to accelerate that re-rating.

CAROLINE SHIRINDZA
Okay, so we've got an opportunity that we've got strong resources. So our 9 billion tons secures us well into the future, so as the mines deplete, as resources get constrained in other areas, as markets

change, we've got long term contracts. So that benefit actually says with Exxaro, we are comfortable that we'll still be participating in both domestic, and exports, into the future.

ANDA MWANDA

Thank you, Caroline.

BEN MAGARA

Maybe let me just add that, in the re-rating is to, it's a day like today, that we are hoping our investors see how attractive our coal business is. So our job is to do exactly that, and hopefully our investors vote with their money. So we have a distinguished asset base, long life, and in South Africa, Medupi and Matimba are the lowest cost power producers in the country. We'll be the last ones to be touched in any journey, but we remain very responsible in a stewardship, and driving, and accelerating carbon neutrality by 2050, and Neo Monareng will touch on that later, but it's really about, are we attractive enough to beat the competition, and I think that's the foot Caroline has been putting this morning. Thank you.

ANDA MWANDA

Thank you and thank you, Ben, and thank you for all the questions. We will now allow you to go, and Johan of Metals perspective to tell the story.

JOHAN MEYER

My name is Johan, and I'm actually wearing green, not because of Bafana, Bafana, or the Springboks, we also have green for 20 years in Exxaro, and who knows what the next 20 years will look like. I will be unpacking the Exxaro’s Metals portfolio with a particular focus of our new manganese business. Manganese is in the house, and I'm glad to know that I'm also being called boss. The portfolio is comprised of high quality, long life assets that generate cash today, while creating future growth opportunities for Exxaro. I will discuss the market outlook, our asset base, and operational performance, and the priorities that we will drive to create value, for our stakeholders, not only now but also into the future. Our metals portfolio consists of the new manganese assets, investments in Sishen Iron Ore, since 2006, and selected non-core interests, like we discussed just now, such as Black Mountain mining interest, but it still needs to be managed today, as part of our metals portfolio. The portfolio combines long life resource, and reserve, strong cash generation with these bulk commodities, and I think that emphasis on long term, whether it's iron ore or manganese, needs to be acknowledged. Both manganese and iron ore, are both important ingredients for steel and stainless steel making. Being an ex-steel making and stainless steel manufacturer in my life, I do understand the importance of both iron ore and manganese. These businesses will continue to provide attractive dividend flows for Exxaro’s metals portfolio going forward.

This slide is telling a story. South Africa is the dominant global manganese jurisdiction, holding about 80% of global resources and contributing only 42% at this point in time, to world production. This resource endowment provides strategic advantage going forward for us in South Africa, but very importantly for us as Exarro, Tshipi was production of approximately 3.5 million tons per year, is one of the largest global producers, and well positioned to benefit from the long term manganese demand and growth. As said, manganese remains a primarily a steel making commodity with 97%, currently being utilized in the steel and stainless steel manufacturing production. Batteries, which is widely spoken about, represents an emerging source of future demand, and we acknowledge that. The Tshipi manganese ore is predominantly used in the production of silica manganese, which is used and widely used in the construction industry. So it's foundational to the steel and stainless steel industry, which has a long-term horizon. Steel is expected to remain the dominant end-use, market for manganese through 2050 as depicted on the slide. Although the mix of steel products is evolving, manganese remains an essential alloying element, and with limited replacement and recycling capability. In parallel, as discussed, batteries and other emerging applications are expected to contribute on the incremental demand and growth, and obviously we will watch technologies as they evolve going forward. This supports a constructive long-term demand outlook for commodities, and reinforce the strategic value of these high-quality manganese assets, including our iron assets, iron ore assets, as well.

On this slide, China is currently the largest consumer of manganese products, and dominates the alloy production. However, we need to recognize at the same time India is emerging as the growth market, supported by rapid industrialization, and increasing steel production. We do monitor that also from a coal perspective, also feeding that market. This geographic diversification and broadening the demand base supports a constructive long-term outlook for the manganese, and creates opportunities for producers like Tshipi to access multiple growth markets. We now move a little bit closer to, what did we buy. As you would be aware, Exxaro is invested in a world-class manganese position through Tshipi, and related assets in the manganese field. Similar to what Caroline has discussed on Grootegluk, Tshipi is a long life operation with substantial resource and reserves, producing 3.5 tons annually, as mentioned. Our shareholding in Jupiter Mines is 19.9%, and our own marketing capabilities that we have obviously onboarded now as Exxaro Manganese Marketing and Trading, with 100% ownership. Situated in Singapore, NMT strengthens our strategic position, enhances our ability to capture value and influence across the manganese value chain. Collectively, these world-class manganese assets position Exxaro as the world's fourth largest manganese producer, as we have it today. The Tshipi mine value chain is typically to bulk opencast mining, similar to our coal operations. People are at the heart of our business, and it's actually great to see that it complements the coal and the manganese that we're going to mine into the future. Always being mined in accordance with Life of mine plans, before being crushed and screened to size, quality manganese ore is then loaded via Tshipi rapid loader station, designed for 5 million tons per annum, or via road transport ports, and I'll elaborate on those optionality's a little bit later on. The manganese ore product is further shipped to customers, and predominantly sold in a cost insurance and freight or CIF terms, which is slightly different to what we have been doing in coal, but we acknowledge our journey there. As a result, value creation extends beyond the mine, with operational performance, logistics optimization, and marketing capabilities, all representing an important value drivers, and the profitability of our manganese business. Our focus at Tshipi is centered about four priorities, and we want to take this at a right pace, because, we also have to learn a lot from what we just acquired: firstly, integration and disciplined resource and reserve management, and Life of Mine planning, that we will do together. Second governance structures that ensures continuity and effective oversight. Third logistics partnerships to improve product flow, and reduce cost, and lastly, margin optimization through operational efficiency improvements, and discipline cost management. So we have a clear plan in the short term to make sure that we learn from these assets, as we build the future.

On the next slide, the governance framework at Tshipi provides institutional continuity, strong share hold alignment, and balanced representation, strategic and material decisions require shareholder approval, supported by clearly defined governance, and escalated processes to manage potential deadlocks, which we hope we don't have, because we want to work together. To ensure board continuity, at board level, Mr. Macozoma, the former Chair of Tshipi, has been appointed as Exxaro's nominated Chair for a year, to enable that business continuity to work together as we unfold the journey going forward. This governance structure supports effective and disciplined decision making, operational stability, and long-term value creation for all stakeholders, and I do apologize, not representing you tomorrow on site visits, because we have a board meeting tomorrow. So, if you don't see me tomorrow, we have to attend board meetings, because we have governance that we need to do on Tshipi. Tshipi has consistently delivered strong operational performance, safety performance has improved significantly, production and sales have remained in line with mine plan, and operation has maintained competitive position, cost position over time. It was mentioned before by our CEO, safety and production, if those are in quality, I think it's a good asset that we can see that we are delivering the results early, on participating on this journey. Despite periods of commodity price volatility, Tshipi has continued to generate healthy margins, demonstrating the resilience, and quality of the asset through the different market cycles of manganese.

This slide must give you comfort regarding our logistics optionality for Tshipo and the manganese field. Logistics represents one of the most significant potential opportunities for us to unlock additional value within the manganese business. Like in coal and the manganese, we have to move the tons with our partners, while a significant portion of our product continues to be transported by road, rail offers a meaningful cost advantage through the Mecca, or the manganese export capacity location framework. By increasing rail allocation and improving logistics efficiency, through transient partnerships, which was mentioned before by Caroline, this partnership we can reduce cost, expand margin, and strengthen the competitiveness of our manganese business. So, rail, and logistics, and marketing, are essential to unlocking the value for the manganese business. In conclusion, Exxaro has established a high-quality, now differentiated, and global significant manganese platform, with a clear path for long-term value creation. The portfolio combines high quality, long life assets, resilient cost position, through strong marketing capabilities, and future growth opportunities. Disciplined execution, and logistics optimization remain the key value levers that we need to unlock for the business, and build optionality and future fazing metals ultimately creating sustainable value for shareholders over the long term. I thank you.

ANDA MWANDA
Alright, ladies and gentlemen, we've come to, we are a bit ahead on time now. So, Johan has actually bought us some time. So right, 11.54, so just six minutes ahead of our comfort break, and I do recommend that we do take that comfort break, and then we will be back here in 15 minutes, roughly, so around 10 past, 10 past 12. Thank you. And then we'll have the opportunity to ask, Johan's going to come up on stage with Leon, after Leon does the synergy section. Thank you so much. We come back at 10 past.

LEON GROENEWALD
Good afternoon, ladies and gentlemen, and welcome to the renewable energy element of our Capital Markets Day, it’s really good to have all of you here, didn't expect such a big crowd. Good stuff. So I will start by reflecting on the progress that we've made, and then I'll share our view of the market that we find ourselves in, explain how we are going to address that, and close off as to how we're executing today to build a stronger energy business for the future. So if you look at renewables, as Caroline has said, renewables are becoming increasingly relevant in South Africa's energy mix, and this is consistent with the global energy trends, but there's also a need for resilience, and a low carbon systems as well. So what we are looking at, wind, solar, and battery storage, remains core to what we are busy with, the balance of the future, though, is mixed, and that will require technologies that support both affordability and reliability, and that includes coal, just to be very clear about that, there's no silver bullet in this world. The growth that we are seeing is driven by three practical things, and one of that is cost, so it's not just sexy, it's energy security, and it's decarbonization. Currently, the immediate grid that we are facing is, problem that we are facing is grid capacity. So, firstly, the grid needs to be expanded, currently, we're starting to see constraints in the grid. As you see more renewables penetrating the grid, you'll have to invest in different technologies to stabilize the grid, and that's where you will see the advent of gas, and battery energy storage, more and more in our business. Now as we move towards a more liberalized market, we've seen that regulatory reform is opening the market, and is an enabler for the broader ecosystem, and you'll see more of us, independent power producers, there, private off-takers, and energy solutions, which are different to what we've seen in the past. We are seeing a lot of activity in the public sector, as well as increasing public off-take. You'll

see that in our storyline also coming to a head. There's growing energy, or interest, in battery storage, especially on the Eskom side. We see that in the private sector, and I think that's a good thing, because it balances the opportunities for clients.

Now, if you look at scale in South Africa, the renewable energy pipeline is very large. You look at the NERSA registration there's some 220 gigawatts of projects registered, so that's fairly significant. So, from an off-taker perspective, that's wonderful. What we do need to solve, though, is the grid, and there are plans underway, there's an ITP program, which is underway; preferred bidders have been awarded, and it's also important to note that private sector is playing its part. The execution risk and timing is not certain, so we are working. Everybody's working hard at this, and we're monitoring this space very closely.

So, with us, so, talking to the market now, let's talk about what our plans are, what's our strategy. So, what we are building with Cennergi, is more than a collection of projects. We're building a scaled energy solutions business, where we are active, we are active in the public sector, such as REAP, REAP is good, and then private sector as well, and that's where we include Exxaro, and we'll talk a bit about Exxaro's role in our life, it's important, but it's not the only role. Alongside that, I'll talk later in terms of our asset rollout, we are building an asset management company, and also ops and maintenance capability, which strengthens our long-term value proposition. What's really important for us, it's not just about megawatts, and you'll see that with a lot of our competitors, there's a lot of chase in terms of getting megawatts on board. For us, it's solving problems for customers, getting back to our strategy, lower cost, lower emissions, security of supply, that's what we're striving for. From a tech perspective, wind and solar is first and foremost our focus. We see battery storage is becoming increasingly cheaper, and you see that with the Eskom grid windows as well, and that certainly bodes well for the off-taker. What we believe makes us a bit different in terms of our growth approach is that we've got both a buy and a build strategy. A lot of our competitors do not have that. So we are developing our own pipeline organically, that makes sense for us, but M&A, we also do, and where the risk and reward makes financial and strategic sense, we certainly do that.

So, paging on to saying is now we've talked strategy, now we're saying is okay, so, what have you done. So, I'm very happy this picture gives me an immense proud. It's up there with Rassie in the Boks, winning. This slide shows you, and on the next slide we'll do that furthermore, is to show that our growth is deliberate and disciplined, and you'll hear the D word a lot discipline. We're not only focusing on adding capacity, but we are focusing on building a high quality, high margin portfolio. I'll share a bit about the margins later. Portfolio quality is central to the investment case, long term BPAs provide this. It's predictable earnings, and we have very nice EBITDA margins, 75 to 80%, that's not something to be scoffed at. At the same time, Cennergi is becoming increasingly material to Exxaro's earnings, with a clear trajectory with our current projects that are in construction and under consideration of, north of

3 billion rand by 2030, so it's not small change. So diversification is another important strength. We're not reliant on a single customer or segment. The portfolio is balanced, and it's balanced in mining, utility, and private sector customers. The growth is also aligned with Exxaro's broader objectives, and one of those very key ones is decarbonization. So, strengthening energy security, and long-term cost competitiveness is quite important, and that is what we can provide to our off-takers, including Exxaro. Overall, the business is scaling with discipline, anchored in strong fundamentals, and positioned for sustained value, a accretive growth. So, let's look at our track record, and enough about the concepts. Let's see what we practically put down. So, the first one, which we're very proud of, is LSP. It's an important milestone for us. It's Exxaro's first scope to decarbonization project, delivering the group's first green electrons, and describing our ability then to execute. Secondly, you'll see the next one, you'll just see KB, that's Karreebosch, it's 140 megawatt wind project, which is under construction. COD is planned for early next year, and there's a 20 year PPA with Northam, and that talks to the private customer segment that we are targeting. Then we have Sishen and Gouda, we are in the process of a acquiring that from Corona, a majority stake. What we did in line with our strategy as well, is we increased our stake in O&M capacity there, and we bought the majority stake in the O&M company, and that's directly allowed to both generating capacity, and also the services business that we want to expand. Corona, the last asset, there is a Bid Windows Seven project. It's in the public space, and it includes our exposure, and also with, to government, remember, all government deals are backed by national treasury, so from a credit perspective, that's quite a good thing to have. Our partner there is an international partner that is well renowned, so that certainly helps us in terms of gaining those learnings. So, if you see, as our customer base is evolving, we are anchored in the public sector with utility opportunities, but we are increasingly expanding our private sector clients, and this includes Exxaro as well. This improves resilience and additional growth avenues for us. The key message here is, we are converting pipeline into high-quality earnings generating assets, while strengthening the business behind these assets.

Right now we're done with looking over the shoulder, now let's see where we think the growth will come from, because everybody says, everybody has these lofty targets, so do we. So this slide brings together how we intend the Synergy business to 2030, but in a highly disciplined way. So our growth ambitions are clear, but every megawatt, and Koppies is here, he keeps me very honest, strict investment criteria, nothing for mahala. So we're not chasing growth for its own sake. We're focusing on opportunities that meet the return thresholds, that meet our strategic priorities. Central to this, and you'll see that in the middle block, is Exxaro's decarbonization aspirations for scope two. So these projects are strategically important to the group, both in terms of emissions, but as with Koppies instructions, also long-term cost competitiveness. So the investment in Scope Two project is not just an ESG project, it does help in terms of saving costs. Now, just to give you a sense of what it's going to cost, this is reflected in our capital allocation, with approximately 2 billion rand of equity earmarked for Exxaro's, from Exxaro's commitments, and in the broader growth pipeline, there's a 3 billion rand per annum allocated for our growth pipeline. At the same time, so here's the centerpiece to saying is, we're supplying to Exxaro through various means, but it does not mean, if you look at the blue block, are we stepping away from the market, and the answer is no. We continue to pursue attractive external opportunities across private and public sectors, to maintain our growth momentum, diversify earnings, and capture value in this market that is rapidly evolving. So, the balance is clear, we will prioritize strategic internal demand from Exxaro, and in the wider market, where returns and risk are compelling to us, and then I repeat the D word again, what underpins this is, disciplined execution, deploying capital very carefully, that translates into sustainable high growth earnings over time.

Okay, so let's talk pipeline. It's good to have these projects, but usually what you need to do is a pipeline, and to see how our pipeline stacks up, let me take you through the pipeline. So, the slide highlights both the depth and quality of our pipeline, and how it supports sustained growth beyond 2030, so this is a long-term game. The pipeline is diversified across development stages, from early stage, far left, to projects that are closer to construction. The balance is important because it supports a consistent flow of projects into execution over time. So renewable energy development, not as long as mining, but it takes its time, depending on when in the journey you are, and how close to financial close you need to be, anything from 12 months to 60 months. So a deep pipeline therefore gives us visibility and resilience in our growth. From a technology perspective, you'll see that it's well balanced between PV and wind, and if you look at where we find ourselves, I think the wind portion in our portfolio is particularly pleasing. This also allows us to look at site conditions, where the grid is not constrained. We've taken a proactive view on that, and we've deliberately located those opportunities in areas where the grid is available, and this helps with execution risk. We can go to the next slide. One of the things I think closing argument on this is to saying is, what we see happening in this market is that there will be consolidation as well. So, you'll recall that I said that there will be M&A opportunities, and we believe we are well positioned. We've done that twice now before, when we bought out the minority stake from Tata, and now buying out the majority stake from Acciona as well. So we were cutting our teeth in this space as well.

So let's talk at how do you unlock value. So we talked about strategy, now we talked about how we're going to grow, where we're going to get this. Now the question is, where you're going to make the money. So if you look at it, this slide is really about how we unlock value across the full life cycle of our projects, and not just at the point of generation. So, part and parcel of this is we're a long-term investor. So a key differentiator that is, that we are not just an asset owner, we play across the value chains from development on the far left side, through to portfolio operations, and portfolio optimization, should that become necessary. At the front, you need to get it right. We create value through disciplined project development, and this is where early stage expertise, and execution in a disciplined manner is quite important. Now, as these projects move into operations, the value becomes more stable, and recurring, and they are long-term cash flows, and we support them with

O&M and asset management capability. There are also things we do to unlock value over time. Some of that is refinancing. You'll see that the bankers are getting better terms to us, Farm downs, should the need be there for capital recycling, and selective divestments. There's also other sources of revenue, including services offering, and because we are a long-term shareholder, we can extend the Life of these assets, well beyond the PPA horizon. What ties this together, discipline again. We are deliberate in how and when we realize value, ensuring that we are aligned with portfolio return targets, Koppies, rather than being transactional and just chasing gigawatts. So, the outcome of all of this, oftentimes we don't measure ourselves in ROC, we measure it in equity IRR over time, and you'll see the sum of the parts being a long-term shareholder playing across the value chain, that is how we get to the margins, and that's how we ensure that we get to the returns that we promised. So, the message is that Synergy is extracting value at every stage, building the business that is growing, both in scale quality, also very key in this process.

This one also, it's way up there, it's not with Russie, it's with the Blue Bulls. So let's look at the cash flows here. So the slide is about how the portfolio transitions into strong cash flow generation platform over time, and what it, and why it matters for sustainable growth and shareholder returns. So, firstly, renewable assets, are by nature long-term investments. So, in the early years, cash flow is largely dedicated to servicing debt. Once the debt is repaid, the profile changes, and that you can see here. So, post 2030 we see that there's a clear shift in the cash flow profile, that is when our bid window two assets, which we've long term invested in Amakhala, Tsitsikaama, Gouda, Shishen, then are fully de-geared, unlocking significant cash flows at a portfolio level, so this creates an important inflection point for our business. Firstly, it provides the opportunity for us to self-fund equity contributions into new projects. So we have then less reliance on external capital, and we can support the growth efficiently. Secondly, another D word, but you love this one, it underpins more divvies, so certainly we can pay more divvies once there is free cash flow. So that's an important perspective. And then the last one is, in this business we don't have a lot of, stay in business capital, so effectively what happens is the EBITDA translates directly into free cash flow, whether you service debt, or you return it to capital, and to shareholders. So the key takeaway here is that our journey requires patience, not a short-term game, disciplined capital deployment, and this results eventually if your patient in the business that delivers a lot of cash, and increasingly allows it its ability to grow itself. So, if we look at the unpacking of the, so it's Synergy by the numbers in this space, so I'll talk you through the detail, at the very back of the slides think it's slide 92. There's also more detail about the portfolio in terms of cost, megawatts, gearing, etc. So to understand the quality of the business, it's useful to look at what's under the hood of the current operating assets, and we use Tsitsikamma and Amakhala, it's in the public domain. So, let's give you a sense of what's happened there is. So in 2025 we generated 703 gigawatt hours of electricity, with 98% of availability, 98% is high for wind, and that translated into 1.4 billion rands of revenue, and a 79%, I'll speak like Ben, I'll talk about 80% margin, so, I'd like to round up a bit. So that's stable high margin profile, and we're looking to replicate this, on scale. So, the first value driver is appropriate and predictable cost structure. Costs are usually determined at financial close, and in our case, with our current two assets, it's approximately 20% of revenue, that gives you visibility of returns. The second value driver is debt amortization, so project finance cost is significant, so you've got to manage this. So, in the early years, as debt is repaid over the PPA, the cash flows were previously servicing debt, and now it gets to the bottom line, where you actually start distributing that to shareholder.

The third one is the cash conversion, which I spoke about. So that EBITDA effectively translates, there is not a big working capital element, or stay in business, so that is very good. So, in this case, more than 1 billion rand of EBITDA translated into cash from operations, which is quite a hefty sum of money. EBITDA, as I've spoken about, converts very well into free cash flow over time, so this is fully aligned with the Capital Markets Day theme of accelerating disciplined strategy execution, high quality business, in our case very defensive, but predictable, and meaningful growth. So, in all of these businesses, you've got to do risk management. We live in a world which is topsy-turvy, to say the least. So, here we highlight that risk management is embedded in how we structure. They've got a fancy word in our world, they call it risk allocation, where it is best suited, so make of that what you want. So it's how we structure our business, and it's central to protecting our value across the portfolio. So on revenue, the biggest contributor, currently the assets in our portfolio is 100% take or pay, and the tenur range anything from eight years, those are the reap assets, to 25 years, those are the new assets. So this provides a high degree of revenue certainty, with inflation linked PPAs, that offer a natural hedge against the cost escalation as well. So from an off-taker perspective, the portfolio is supported by strong counterparties, investment-grade private customers, and also the public sector, which is backed by national treasury. And then on the cost side, downside protection in construction, is supported by contracting and hedging strategies, in particular for interest and FX, and that makes an important component for us to observe to manage the risk. Our contracting strategy also plays an important part, so maintenance are in place for the key components of the commercial life of the assets, while CPC structure transfer appropriate construction risk, and delivery risk to con, to contractors. So on the real source risk, and we've done this with most acquisitions, before we buy, we have a look at the resource, it's not uncommon, like in mining companies, and we do extensive studies before we make the investment decision, that reduces variability and improves your confidence in the long-term asset. So debt funding structures are designed to enhance returns and manage downside risks, typically high gearing in this game, because it's predictable, you can get it high, you'll see it in the backup slides as well, and there's limited recourse financing, so effectively, what this means is that we don't have to look at the mothership, to bail us out. So lender participation is also an additional labor layer of rigorous due diligence going through lenders legal, and lenders technical is not easy, so that's good for us. So the overall message is, yes, we're growing, but it's not only built for growth, we're really looking at de-risking our portfolio. So it's structured for resilience, there's multiple layers of protection, cross revenue cost, contracts, resources, and funding.

So, I conclude very proudly so. We've shown you an energy business that has moved from strategic intent, so, from 2021 we had a nice story. It moved now into a stable cash generative reality. We are operating a high performing portfolio that supports Exxaro's decarbonization strategy, while we are delivering earnings value growth. The strength of the portfolio lies in its defensive positioning, long-term PPAs with utilities and private off-takers, reduce exposure. We don't have commodity price volatility, and it provides predictability in terms of earnings. So we're delivering a double mandate as well, so Exxaro's decarb strategy, as well as contributing to South Africa's broad energy transition. So our pathway to 1600 megawatts by 2030 is about scale, but it's also about disciplined execution, and integration into the value chain. So ultimately we're trying to build a very high quality cash generative business that supports Exxaro's valuation, what Ben alluded to now, and as the debt amortizes, and the value unlocked becomes increasingly meaningful, creating opportunities for self-funded growth, and sustainable shareholder returns. So, in simple terms, we are not just adding megawatts, we're building a resilient, yielding, generating platform. Its execution is with discipline. We believe that this business will be one of the cornerstones of Exxaro's diversified future. Thank you very much.

ANDA MWANDA

Thank you so much. We see Exxaro is harnessing wind, harnessing solar, and we are mining the ore bodies underneath the ground. So that brings us to our Q&A session right now, covering Cennergi and metals. So we'll take questions in the room. I see Brian is the first one to raise his hand, all the time. So we're gonna give you Brian.

BRIAN MORGAN

Thanks, Anda. It's Brian Morgan again from RMB Morgan Stanley. Just Johan, if you can just chat to us now that you've taken ownership of Tshipi, chat to us about the mine and the mine plan. If you can give us a bit of color on stripping ratios, you know, the next 5 to 10 years, when do you need to go underground. What do you, how should we be thinking about this, and modeling this in the medium term.

ANDA MWANDA

Thank you. Are there any other questions in the room. I've got one.

CHENGI

Thank you. My name is Chengi Wemu Daong from McCloskey Dow Jones, and I've got a three part question, that's directed to Johan, first the pending Mokala deal. Can you provide an update on the sale transaction, and, you know, what are the key hurdles there, and, you know, how much additional Capex should you pencil in for this integration. And secondly, my question is on rail and infrastructure, on the manganese, 40-6% of manganese from CP is transported on road. How does Exxaro plan to leverage the existing relationship with Transnet to optimize your exports there, and essentially, you know, what is the MPCs current deal with logistics and expansion plans. And lastly, Johan, your presentation shows a demand for manganese in batteries, so as part of your sustainable growth plan, are you considering to pivot a portion of the manganese portfolio towards battery grade manganese sulfate, or any other downstream beneficiation, and maybe to throw in a bonus question, given that Exxaro now owns a portion of nearly 20% of Jupiter, of course, with a direct stake in Tshipi. What is the long-term vision for this partnership. What are we seeing there, are there any commercial Synergies you can unlock by aligning your marketing rights with is, what do we see with this relationship going forward. Thank you, four questions. Thanks.

JOHAN MEYER

Can I answer. Thanks, Brian. I think one thing that we have taken over, it's a well-run business for 10 years, by well-structured CEO management team knowing how to manage that mine. So stripping ratios aside for now, between 10 and 12, which is bigger than what we know from a coal perspective, but that has been the plan, and this outlines a Life of Mine plan nearly to 2050, for an opencast mine. Thereafter, only, we have long term resources, even to go underground mining. So that has been factored into the Life of Mine, hence the 25 years, including striping ratios, associated cost, including logistical cost, long-term forecast on price, which we manage the cost, and to manage accordingly. So, very proud to say, looking at the Life of Mine, that we have a good 25 years ahead of us, and all dependent on what the prices will do going forward. We do need to acknowledge that Tshipi is one of the last opencast mines with that type of longevity, because most of the others potentially don't have that Life of Mine, which gives us the opportunity why others have to go underground, that we can still operate at the good cash cost margin, given that we're still on open cast mining. Hopefully, that gives you some color, but very confident that there's a good resource in the reserves. Obviously, with our technical services and what we bring to the table, we will see how we can, similar to Total Coal or Democo Sand that we bought over, we're going to see how we're going to leverage, and still create more value if we can. Then, on the Mokala transaction, that has been announced, it's still in progress, and I think, as part of a business development, I don't want to steal the thunder of Richard, and Richard did say to me beforehand, and don't pass all the questions to me, but I think the Mokala matter is clearly there. From an operations point of view, I do the integration on the sales as they come through, it's like playing the ball in the rugby team, once that is done, it's handed over to us, and we have a plan. So we have a plan for Mokala in the eventuality that the deal has gone through. So, from an operations point of view, we really do understand the asset, we do know how to manage that, similar to Tshipi. Once that one arrives, we'll have a plan to integrate, but I think on the Mokala matter, Richard will deal with that in a little bit more color.

On the rail versus road, if I think about iron ore sitting on the board of SIOC on behalf of Exxaro, sitting on our newly magnesium in the house, our coal, I think we are quite a big substantial voice, together with Transnet, to build this country. It's not about rail as well, I just want to make that very clear. Manganese has a port issue as well. To actually efficiently load this volumes on port, is rudimentary compared to coal, so there's a lot of opportunities that we have to work with Transnet to see whether we cannot unlock value through the logistics market, and then one step ahead, it's also what ship sizes we can utilize to actually utilize going forward, because that has a price impact on CIF. So there's a long term partnership, including the MPC, how we built the PE export channel, but understanding export channels, we are nearly 1000 kilometers on all the export challenge. Have optionality. We just learned from GEMCO, where one of the ports was impacted by a storm. Keep the optionality's that you just don't bank on one port alone, and make sure that you have export channels throughout. So, that I think GP has done very well to have quite substantial export channels.

Demand on battery grades that will come with time. We need to acknowledge we are a silicon manganese player. Battery minerals are actually looking at 44%, manganese quality, but we have, the value in use is not fully understood yet, and that's the part I think, the same that we brought in the Kumba days, the value news for that $15 that Kumba got for their quality, maybe we can add that type of thinking towards the KMF journey as well, because battery manufacturers are predominantly looking at 44%, rather than the 36%, so we acknowledge that, but as this portfolio grows, who knows what that means for us. On the JMS sides, 99.9, I work with what I have currently. We are joined by the EPS, 50/50 nearly per JV, and we're working together, and I must say, there is a healthy relationship between myself and Brad and the JMS team, working together to give direction to the CEO, Ezekiel, and his team. That is where I am at this point in time, creating the value that we already have bought into, and Koppies will remine me, it is a lot of money, so we need to bring back the money and pay back the money. Future optionality's will be determined as we unfold, and I think the similar analogy I want to give, the ISCO Heavy Mine, and also Tyco Limited over time, it took five years. There's some thinking around that we are, we have been on this journey before, and I think we need to take it day by day, but for now, deliver the value of the money that we've spent.

ANDA MWANDA

Okay. Thank you. Thanks, Johan, and Nkateko got a question there. If can get a mic to her.

NKATEKO MATHONSI

Just checking. It's afternoon. Nkateko Mathonsi, Investec Bank. My question is for Leon on the margins of the current renewable energy business, which is around 79, 80%. So, if you can talk to the new energy business that are coming through, and what margins they come in at, including even the latest bid round over time, what is happening to those margins that will be very helpful. You also talked about the potential for you to extend Life beyond the PPA period. If you can just talk to at what Capex level that would actually happen at, maybe relative to the Capex that was invested initially. Thank you.

LEON GROENEWALD

Easy question, as always. So, on the margins, it's true, if you look at an L game, we measure equity IRR. So, is there downward pressure on that, yes. When we started Bid window two it was not uncommon to get to 20%, on your 20 year PPA. Early days, nobody knew what was going to happen, so that risk was absorbed. Nowadays, it's probably in the range of 11 to 13%, that's what we see. So, does the margin then reduce. So, from a modeling perspective, I would use numbers and back solve it. So the only way then for us as integrated players to make those margins, is to play in that whole value chain, so you take that bit by bit, you include a refi, you include a development fee, you participate in the O&M bit, and over time you gain your margins there, you also do the refinancing, and you'll see the terms, if you look at the back end where Koppies analysis of the debt is, if you look at the, what we paid for debt early on, and what we paid for debt now, is a lot different, and also the tenure of the debt is a lot longer. So I would give you that guidance to say is that's more or less what you need to think about in terms of the business. If you look at the, I think the value between, or post PPA, these assets are designed to get to probably 30 years, I think you can possibly get 25 to 30 years from solar, maybe slightly longer on wind, and there are different ways and means of achieving that. What we're seeing from the repowers from overseas, where they're leading the charge, some of them completely repower, and they have less wind turbines at the sites, and they just use higher generating units that create that, so that's almost a new build. Then there are different ways, and if I can, I think that's where we are well set up from the Exxaro perspective is, essentially, especially on the wind side, it's mechanical equipment, and with our long history of coal, how we manage the truck feed, how we manage the shovel fleets, that is part of the DNA that we want to transfer to this business. So, if you run it longer, you can either make it completely new, get high generating capacity, or you can just run it longer. What you typically see is the solar does continue to degrade, and you'll replace the panels, etc., over time, so that's a fairly new build. On wind it's less so, I think a lot of the structures will last, I think you can probably work at 40%, but it depends still. I think in SA Inc, we will probably get to that stage, early 20, 30s where people will have to start making decisions, and that will also be determined by sow him, because in a liberalized markets, you will have to decide what capacities you are chasing, and what availabilities are important to you, so it's a different market dynamic, but I think there are various optionality's, and depending on what you're solving for, those are there.

ANDA MWANDA

Good, thank you. Are, there is Makhosi, okay Tim. We're gonna go from, okay, we're gonna go to Tim first, and then Makhosi, and then, okay, so we're gonna go Tim, and then Steve, and then Makhosi.

TIM CLARK

Thanks very much. It's Tim Clark from SPG Securities. Just one question for each of you. On manganese, it's a contract mine, right, so it's all contractor mined, and I would imagine that Jupiter doesn't want to recapitalize the mine. I just wonder if you could speak to that contractor model, and whether it's optimal for you, or whether you would, you know, reconsider or look at owner, because the real value that Exxaro spoke about bringing to the mines, was its ability to run open cost mines efficiently, bring costs down, etc. So that's the first question. And maybe just on top of that, with the 46% trucking, some of its partially trucked, I think, it's not trucked all the way to port, so it's trucked to a rail siding. If you could give us a bit more detail for the modeling, that'll help us, just in a little bit more granularity on trucking versus, because it's such a big portion of costs. And then Leon just on the renewables business, I suppose the concern that I've got for the business is that, yes, it does turn cash flow positive early 20, 30s as you get to the last four years or five years of your contract, of your PPA contract, but you've also outlined a wonderful growth profile and pipeline, and so, it kind of doesn't look like you're going to generate cash for the center or for shareholders, and for dividends for shareholders for quite a long time. I just want to make sure that, that understanding is fair because, you know, there's two things: there's the growth, and then the cash flow, and obviously, you know, or are you sort of committed to giving Riaan some money, or a certain level of money, before you invest, you know, as a limiting factor to investing.

ANDA MWANDA
Right, and then I think we can take you, Steve.

STEVE FRIEDMAN
J, thanks. It's Steve Friedman from UBS. My question really is probably directed a bit more towards Ben, but maybe Leon and Johan, Leon, you highlighted an IRR target of 15%, I'm just curious to see how you guys evaluate the various opportunities in manganese versus renewables, how you look at deploying that capital and that relative to, you know, returning the cash to shareholders, just given the different structures of those businesses.

ANDA MWANDA
Thank you. I think maybe we can take those. Let's take, …… Okay.

MAKHOSI NYAMELA
Yes. Makhosi Nyamela from FNB Wealth and Investments. My question is just to clarify the capital requirements for the energy business. So, you mentioned on slide 49 that the Capex requirements about four, about 3 billion per annum. I just want to clarify that, that's the gross low value, so that would include, kind of, the debt financing component, or is that for the full equity value. Thank you.

ANDA MWANDA
Thank you, Makhosi. I think let's start with you, Johan, and then we come to Leon, and then Ben is going to touch on the question from Steve.

JOHAN MEYER
Thank you, Tim, for the question. I think a very valid question, but we need to acknowledge that the contractor mining was the plan that we bought into, and Tshipi has been at tenure, and there is a contract established for that until middle of next year, which the board and the management is currently considering how to do that. Like we did with Belfast, or any other mine, for that matter, we're reevaluating, and it's always backed against the owner mining type of methodology. But back to the, we spend this type of money, we have to work what we have currently, and we're not intending to now immediately go out there and say we want to buy our own trucks, etc., because we have this relationship already with the contractor mining. However, given that we have a Life of Mine at 25 years, we have to do the study. There has been done various studies, but obviously it has impact on cost, cash flow, which is the shareholder matter, but if you contract with any mining contractor, you also have to repay new equipment. So if you look at the owner mining versus contract mining, I think it's definitely something that Exxaro is going to look into the medium term, but on the short term we're going to manage the contract mining, but at the right time, we'll see how that might, but it has to make business sense at the right time. Hopefully, that makes, in the timing wise, where we are currently, I think we're just journeying along with the JV partner, and making sure that we do the right studies at the right time, and bring it back to the GP board for evaluation.

On the optimal trucking versus rail. I think we need to make sure that we have a strategy long term to say, can we not put everything on rail. If you look at the infrastructure that was developed at Tshipi, 5 million tons, which we are underutilizing less than 50% off, one should move that to rail, but it has the same challenges, like moving it to port and offloading a port into harbor. Hence, the tracking is being utilized. So, I think the analogy of 46% tracking for now is a broad reference for modeling purposes, but do appreciate that we're going to work with Transnet to see whether we can issue more on rail. Obviously, the Luderitz example is going to be trucked, that comes at a cost, going through border control, etc., but that's an optionality. So, sometimes you will still have trucking because you want to have that optionality going forward. So over time we will explore and give you guidance on what we're going to put on rail versus trucking. We do understand the impact on the business, hopefully that gives some color. On the IRR, etc., I'll leave that to the broader outcome.

ANDA MWANDA
Comes to Leon. Okay, can go Leon, and then I will go to online, please, to give the opportunity for those that are also interested in questions.

LEON GROENWALD
So, Tim, your question is, it unbridled growth, or do we, is there some discipline in the process. The principle in this company is simple, Exxaro owns the cash, so Exxaro decides where it wants to distribute the cash. Currently, Riaan is already through the group model. We're already paying

dividends, as part of the model, and we will continue to do this. So, there is no unilateral declaration of independence where we say, as well, it's our money, our cash. We're very aware that Exxaro has helped this business to be where it is in the future. So we will be guided by the growth here. I think the comfort that we're trying to give to the market is that we can pay a decent dividend and still growth. The tempo at that point in time will be determined by the circumstances of the company. What we will have then is a company of size, and a company of optionality's, and having optionality certainly helps us to decide what is best for the company, but also fully recognize, seeing that we are a full subsidiary of Exxaro.

BEN MAGARA

Maybe I could just add that, Leon, that you possibly see in Riaans presentation later, around how we look at the whole business, including what Steve mentioned earlier, that each business, from what we can see, coal versus metals, versus renewable energy, we tend to have quite different multiples and returns, and therefore the capital allocation needs to consider each of those business units with its competitors, versus its own competitors, and versus its own competition for capital. We expect each BU, each commodity as coal, and as metals alone, and as renewable energy alone, to deliver value, within its competitive environment, so that the capital allocation is more justifiable, because I think we do realize that the multiples are quite different, and then it's important that they are generative themselves for their own returns. So one of the graphs that Leon showed was critical in showing, at what point can he swim alone, and that is quite critical in terms of how we look at capital allocation for each of the business units. Thanks.

ANDA MWANDA

We can then go and address….

LEON GROENEWALD

Mkhosis' question. So the 3 billion is the equity portion. We typically, you're looking at between 70 and, if you're really aggressive, 85% gearing, so that 3 billion rand per annum is our equity portion, and that's been done with the capital allocation model, with the needs of coal on Caroline side, with Johans needs on manganese and other offerings, so we're balancing all of that. So there's quite a detail process that we go through in terms of the corporate model, to ensure that we've got a robust still remaining cash flow, and for shareholders, I mean, we've got a new revised dividend policy of one and a half to two and a half covers. So in that process, that's one of the key filters of that.

ANDA MWANDA

Thank you. And then going to online, so let me group the questions related to Manganese. So Johan, just also, just mindful of the time now that we are eating into our lunch, so please bear with us a little bit, so that we can just conclude a bit of these questions. And so we've got a question from Jandre

Pieterse, from Umthombo Wealth, and his question is around, is on manganese, and he's asking, are you not concerned that the increased rail allocation for manganese would further oversupply the manganese market, given how large South African supply is, versus the total global demand. And then while you take note of that, Johan, I also want to then give to Leon the question that is, at what margin in returns is the pipeline expected to come at. This is from Thobela Bixa from Netbank. Will the energy business continue to be managed off balance sheet, is the question, and I think Cesi Suana's question was already answered, talking about the margins versus, I mean, Amakhala, and the going, from a continuity perspective. What margins are we expecting. I think that one was largely covered. And then, could you please elaborate on unlocking margins at Tshipi through logistics. How much improvement are you targeting. How much reduction in tracking can we expect. What is the Capex that you are expecting on a per megawatt basis for future renewable energy business, so that's for you, Leon. So we've got two questions, it says, can you please elaborate on unlocking margins at Tshipi Logistics, and how much improvement are you targeting, and then how much reduction in tracking can we expect. And then for you, Leon, what is the Capex you're targeting on a per megawatt basis for future renewable energy business.

JOHAN MEYER

Thank you. I'll handle the first two, just to complete the manganese journey. Obviously, as I said, unlocking the value for the manganese business includes marketing and logistics. With that comes a disciplined approach. How you going to feed the market at the right price, including the logistics that we have, but unlocking the long-term view of moving it by rail, definitely improves our South African competitiveness against others in the world. So we cannot shy away from that we're competing in the world, so we have to be more competitive and obviously disciplined to the market to ensure that we can create value. So for me and for Exxaro, I think unlocking it, and creating more value through the rail allocation, definitely is going to unlock value for the game, but we need to make sure from a marketing point of view that we also have an approach. How are we going to make sure that we maintain the value over the long term, but it's a long term game on the rail, because you don't just switch the finger or within tomorrow, we can move everything by rail, because it's a long term relationship that we need to build. On the improvement on logistics, it's three months, I think, give us time to understand, it's a good question and number needs to be cast in the what's the improvement optionality’s that we have at Tshipi. For now, business continuity is top of mind that decisions are made, and that we maintain the outcome that we want, but we do want to improve, and that we will give guidance on, whether it's on the rail allocation versus road versus cost on mine, owner mining versus contract mining. All of these we're going to look at to see what value we can bring. We have some plans in place, and that will be playing out together with our joint venture partners, into the budgets that we need to jointly approve going forward.

BEN MAGARA

So we have not yet guided on what unlocking margins means, and then quantified it, so it's not something we could comment on today, but we can see the opportunities, and Johan has gone to length around that. What we are finding is, we are finding exactly what we bought, and we're making good money out of it, and the prices seem to be slightly smiling. So, I think we are getting what we bought, and we are very excited that we can unlock value with the synergies and competencies we have, and I think Joahn highlighted that. On the railing capacity, maybe I could just add a comment that we are involved in the Manganese Producers Consortium, is that correct, but any increase in railing is actually quite beneficial, not just for our margins, but also for the community roads in that area, it will take away from road tracking to railing, that should be more efficient, but if anything else, it should be safer for our roads. So, we welcome any increase in railing capacity and ports, that that may be coming through in line with the consortium that we are part of as Exxaro, thanks.

ANDA MWANDA

Leon over to you.

LEON GROENEWALD

Okay, so let's look at, will operating margins in future decrease, I think the answer is, yes. These were Bid Window Two projects, our first two, so it's suffice to say I don't think we'll get the 20% IRRs, more or less, that we got there. So you can expect the margins to decrease, as if you do a backs of in terms of your equity IRR. On the, we continue this in terms of off balance sheet, the answer is, yes. There's no ways that this business can be competitive only on an equity basis, so you will always introduce gearing into the business, and the reason for that is, because the income stream is predictable. The moment it is less predictable, you'll have less gearing in it, and your cost of debt is always lower than the cost of equity. Now, on the cost, it's difficult to tell you what the Capex per megawatt is. I think what you can see is, if you just read the press, I think possibly slightly north of 30 million rand per megawatt for wind, and probably 15 to 18 for solar. So solar is lower, your capacity usage on solar is less, wind is higher, and it generates a lot more per installed megawatt than solar. Hope that helps.

ANDA MWANDA

Thank you. Thank you, ladies and gentlemen.

RICHARD LILLEIKE

I am Richard Lilleike. I am the executive head of strategy and business development at Exxaro. I have done every unenviable task of presenting business development, where I need to balance the sharing of information with my corporate legal team only taking one inhaler per slide. So let's get going. In this session, I will be expanding on strategic priorities discussed earlier, with a focus on how business development is driving the execution of our growth strategy, supporting Exxaro’s growth ambitions and portfolio evolution. Over the past three years, we have made significant progress in delivering on our sustainable growth and impact strategy, reshaping the portfolio through disciplined capital allocation, strategic transactions, and active portfolio management. As Johan highlighted earlier, we announced a transformational milestone in March this year, that was the completion of the Nissan Bentley Holdings transaction, acquiring, amongst others, a 50.1% strategic interest in the world-class Tshipi Borwa mine. We entered a sector where transactions have been contemplated by many over the last decade, and I hesitate to say, none have concluded successfully. This transaction provides Exxaro with a meaningful position in a globally significant commodity, which is strategically important for both steel production and domestic steel, while simultaneously establishing a platform from which Exxaro can build scale in a sector where size, quality assets, and market position matter. Importantly, this transaction reflects the type of opportunities we are seeking, high-quality assets in attractive commodities, where we can leverage our operational expertise and create long-term shareholder value. In 2025 we disposed of our Ferro alloys business to a consortium consisting of a level one BEE entity management and employees, to deliver on our promise of closing a truly empowered deal. In 2024 alongside Anglo American we completed the sale of a portion of the Moranbah South mining lease to neighboring Stanmore Resources for 75 million US dollars, unlocking value from a non-core asset that demonstrates our disciplined approach to portfolio optimization. This transaction is in addition to the ongoing sales process being managed by Anglo American, for the Australian coal assets, with an offer from Dhalimar for Moranbah South expected shortly. You may recall our involvement in the Khoemacau copper process in 2023, where, together with another South African strategic partner, and a developer, development finance institution, we were able to demonstrate South Africa's competitiveness in a global auction process. While we submitted a final offer, we ultimately elected not to proceed once the transaction no longer met our risk-adjusted return requirements, following the final bids submitted by an international competitor. While we were not successful in that process, it demonstrated both our ability to compete for world-class assets, and our willingness to walk away when value cannot be justified. We view the ability to walk away from transactions, as an important element of disciplined capital allocation.

Turning to Mokala, I had a much longer speech, but I see it's been redacted. Let's see what's left. Mokala, as you know, is a joint venture between Glencore and Ntsimbintle, and remains strategically attractive, remains a strategically attractive asset within the manganese sector. As previously disclosed, discussions remain ongoing with the relevant shareholders regarding the valuation of certain contractual arrangements, associated with the transaction consistent with our disciplined investment approach, we remain committed to the valuation parameters committed to the market when the transaction was announced in May 2025. Exxaro maintains a clear and disciplined growth strategy, with manganese and copper remaining our preferred commodities. While our manganese strategy is focused on building scale and market relevance, our copper focus has evolved towards earlier stage opportunities, particularly in exploration, where we believe attractive long-term value can be added.

These two commodities align well with our expertise in bulk mining, including both open pit and underground mining, with relevant technical expertise in primary beneficiation. Within our vision of becoming a diversified natural resources champion, we have a clear aspiration of becoming a market leader in the manganese sector, but not at any cost and not within any time frame. This ambition will be pursued with the same capital discipline that underpins all of our investment decisions. In unpacking what it means to be a natural resources champion in Africa, we continue to consider a long-term vision of a commodity profile, which enables us to be globally significant, while this longer term ambition provides direction, it does not detract from our near and medium term priorities, which remain focused on discipline, execution, and value creation. We also remain open to strategic partnerships, where they are complementary to our investment aspirations. The mineral investments criteria, approved by the Exxaro board, remain largely unchanged from those presented at the previous Capital Markets Day in 2021, reflecting the consistency of our strategic approach and investment discipline. A number of refinements have, however, been made, most notably we have updated our definitions of key earnings contributors, point number two, which will require investments to generate returns greater than our cost of capital. Previously, this was set at 1.5 times our weighted average cost of capital, which, in hindsight, was a conservative position. We have also retained our portfolio level requirement on achieving return on capital employed in excess of 20% for the group. Within the life cycle criteria, point number five, we have now expanded the framework to include exploration opportunities, primarily to support our copper strategy, recognizing that acquisitions of producing copper mines have become increasingly challenging given elevated valuations that we are seeing right now. We have also refined our geographical focus. While our previous approach considered opportunities globally, we are now prioritizing South Africa, and surrounding Southern African jurisdictions. We believe Exxaro has a competitive advantage, being an African mining entity in this region, and a clear, strong, and differentiated competitive position in South Africa.

Let me now turn to manganese. Following the completion of the Ntsimbintle transaction, Exxaro has established itself as a meaningful manganese producer and marketer, requiring us to refine our manganese strategy to reflect our enhanced position in the sector. As Johan highlighted earlier, we continue to hold a strong and fundamentally positive outlook on the commodity. At the same time, we find ourselves, not unsurprisingly, in a world of fragmented supply and coordinated demand. South Africa hosts the bulk of the world's manganese reserves, but given the fragmented supply, does not realize the full position, the full benefits of the strategic position. Therefore, success in manganese, requires moving beyond a passive mining approach, to becoming an active market shapeper with integrated capabilities across the value chain. This can only be achieved by creating scale to unlock this value. There's value to be created in the mining logistics, and value chains, and freight value chains. This slide illustrates the market dynamics that continue to shape the manganese sector. Given the importance of logistics within the global supply chain, disruptions can have a significant impact on market pricing. This can be seen during the COVID 19 period, the 2022, 23 Gabonese rail impact, and more recently the tropical cyclone Megan in 2025, which destroyed port infrastructure affecting Australian supply. The key point to note is that after every peak, the manganese price experiences a sharp correction as a result of this fragmented supply base, and flooding the market with lower grade product. In our view, scale is an important differentiator in this environment. Larger, lower cost producers are generally better positioned to manage through commodity cycles, optimize production and marketing decisions, and capture value across the broader supply chain. It is also important to maintain a long-term perspective. Over the period 2019 to 2025, manganese prices averaged approximately 4.6 to 4.8 dollars per DTM a CIF basis. As Johan referenced earlier, the cost curve places CP CIF costs at around $3 per DMTU, demonstrating the asset's ability to remain profitable throughout the cycle. Consistent with the assumptions used at the time of the transaction announcement, and still relevant today, Exxaro's long-term semi carbon at FOB price assumption remains 4.2 dollars per DMTU, which is broadly aligned with current spot prices. So what does it take to become a market leader in manganese. Scale is certainly part of the answer, but not at any cost. Our objective is to build a portfolio of complementary assets that can create a sustained competitive advantage and deliver attractive returns throughout the commodity cycle. As we evaluate growth opportunities, we focus on three investment criteria, in addition to the underlying technical attributes of the asset. The first being cost positioning, the Kalahari manganese semi carbonate producers are all generally positioned quite close to each other on the cost curve. However, value in use can become a differentiator. In other words, having a higher grade product, lower iron content, or oxide ores, for example, can all contribute to an appealing basket of products, which could attract premium pricing. The second is scale in logistics and marketing access, rail and shipping impacts costing, and given that more than 60% of CIF costs, sit in the freight and logistics disciplines, cost management in these areas, became an important source of competitive advantage. The third is the ability to unlock synergies, as we build scale. This must be demonstrated across any acquisition or merger. Ultimately, growth must be pursued within the same disciplined capital allocation framework that underpins all of Exxaro investment decisions. Riaan will cover this in more detail later. Scale alone is not the only objective, creating sustainable shareholder value is. As mentioned earlier, copper remains a strategic focus for Exxaro. Following our participation in the Khoemacau process in 2023, we refined our approach to the sector, with the focus having shifted away from producing assets, towards exploration. Exxaro's exploration team has decades of institutional knowledge, having been very active in mapping and assessing the southern African geotechnical landscape, and assets within those regions. We have a very strong geological understanding of the copper belt, spanning the DRC, Zambia, Botswana, and Namibia. Our initial focus was on advanced stage feasibility projects, or suitably de-risked opportunities. It soon became apparent that many projects in this phase had already had access to strategic partners or capital. Therefore, over the last year we have increasingly focused on earlier stage projects where there is naturally increased risk, however, at the same time lower investment outlays, and the ability to provide longer term support for Exxaro to unlock value. We currently have promising opportunities that have progressed to advanced discussions, and we are hoping to advance these select opportunities further over the course of the next year.

Lastly, how are we thinking about our existing minority investments. At a high level Sishen Iron Ore Company, where Exxaro is a 20.6% shareholder, remains a core investment. SIOC is a producer of high quality iron ore and has been a consistent dividend payer. The pass through of the SIOC dividend enhances our shareholder returns. Kumba, our partner in SIOC, is building a longer-term business case, which could see production, and positive cash generation, beyond 2050. This is being facilitated by the UHDMS process, current, or project currently being tested and constructed on site. We note the developments with the Anglo-Tech merger, and look forward to partnering with the new majority shareholder of Kumba for the next 20 years and more. In contrast, our interest in Moranbah South Metallurgical coal joint venture in Australia, and our 26% stake in Black Mountain Zinc Mining and Plant, are currently not considered core to Exxaro's longer term strategy. Zinc does not form part of our long-term commodity focus. As communicated at our previous Capital Markets Day, we continue to evaluate options regarding our investment in Black Mountain, and therefore an exit of our stake is still being considered. Vedanta remains on track to develop one of the world's largest zinc refineries with the expansion of the Gamsberg complex, a development we have supported and can be proud of as a country. That brings me to the end of the business development overview. I hope that this has demonstrated that our continued value accretive growth aspirations are in line with the strategy, however, they are not at any cost. Our approach continues to be guided by disciplined, capital allocation, strategic focus, and long-term value creation. With that, I now hand over to Neo, who will take you through our decarbonization strategy. Thanks, Neo.

NEO MONARENG

Thank you, Richard. Good afternoon, everyone. I'm Neo Monareng, the executive accountable for sustainable. I'm here to talk about another D in Exxaro, which is decarbonization. My segment for today focuses on Exxaro's decarbonization position, our pathway to carbon neutrality by 2050, and how we are balancing climate ambition, with operational resilience and a just transition. Exxaro's carbon emissions management approach follows a clear mitigation hierarchy. First, we seek to avoid emissions where possible. Where avoidance is not operationally feasible, we focus on reducing emissions through technology, renewable energy, fleet optimization, and improved energy management across our operations. For residual emissions, we use carbon offsets as a final layer of mitigation. These include afforestation and other clean energy solutions that support both reduction, and biodiversity enhancement. This approach ensures that our offset expenditure represents genuine last resort mitigation, rather than a shortcut around structural changes. It provides shareholders with assurance that our capital is directed first to the most impactful emissions reduction opportunities. Our strategic objective to achieve carbon neutrality by 2050 rests on five pillars, and each playing a distinct role in reshaping the portfolio over time. The first pillar is asset reconfiguration, and this is where we deploy practical technologies, including renewable energy, fleet optimization, and energy management to structurally reduce scope one and scope two emissions at our operations. The second pillar is portfolio diversification, growth in our renewable energy business Cennergi, and exposure to future-facing minerals, such as manganese, will help reduce the carbon intensity of Exxaro's portfolio over time, and our examples include the acquisition of selected manganese assets from Ntsimbintle Holdings, and Cennergi projects, such as the Karreebosch wind farm on the western and northern Cape border. The third and fourth pillars are carbon offsets, and value chain partnerships. These addresses residual and hard to abate emissions, where collaboration is essential. The fifth pillar is our contribution to a just energy transition in South Africa. For Exxaro, this means optimizing our coal assets responsibly, investing in lower carbon growth platforms, and working with our suppliers, customers, government, communities, and other social partners. Our short and medium term emissions targets remain viable, a 40% reduction by 2030, and a 75% reduction by 2040. Our road map has been re-baseline to reflect the operations fully owned by Exxaro, the life extension opportunities as outlined by Caroline, and also the expected portfolio depletion. The road map further illustrates that our scope two footprint is higher than our scope one footprint, mainly due to electricity consumptions at our operations, and this is why Leon is important, our renewable energy remains one of the most important near-term levers in our decarbonization plan. Various technological interventions, as well as energy efficiency projects, will be implemented to mitigate scope one emissions. Our scope two profile is significantly mitigated through our renewable energy projects, especially in the short term, For example, the Lephalale Solar Plant, which is a behind the meter solar PV at Grootegeluk, that significantly reduces our reliance on carbon-intensive grid electricity. In line with the mitigation hierarchy, carbon offset projects will be used to address residual emissions that remain, after avoidance and reduction measures have been implemented. The reduction of scope three emissions remains an imperative to our business, despite the challenges associated with the use of our sole product by customers. Our response is a reliance on value chain influence through our MOU partners. We've got Eskom and the Council for Geosciences. We are participating in research and development work that they're doing, especially on the carbon capture utilization and storage technology.

In conclusion, our targets remain credible and on track. The 40% reduction by 2030, and 75% by 2040. This also includes our carbon neutrality by 2050. The strategy is executable, it is not just aspirational. However, scope two realization demands partnerships. Coal carbon intensive end use, means we cannot decarbonize unilaterally. Partnerships with Eskom and the Council for Geosciences remain central to our value chain strategy and scope three mitigation plan. We view carbon offsets as a strategic instrument, not a shortcut. They are sized to match residual emissions and generating, removal credits beyond 2050. This is a deliberate final layer in a sequenced mitigation hierarchy. Looking ahead, success for us means deploying technology intentionally, and growing our renewable energy solutions business, also, looking at our future-facing metals portfolio. While we ensure that the transition delivers for the employees and the community who depend on our operations. Exxaro is deliberately reshaping itself for a lower carbon world. Thank you. I will now hand over to Riaan.

ANDA MWANDA
We are going to go to the questions quickly, and then Riaan is only going to come after the Q&A for metals and decarbonization.

RICHARD LILLEIKE
Brilliant.

ANDA MWANDA
So again we will take questions in the room, and then we will go to online platforms. So, please, if you may raise your hand if you would like to answer a question. Please Tim.

TIM CLARK
Richard a question for you. Appreciate that you can't share much more on Makala, but just in terms of activity in your division, just in terms of how busy you guys have done. You've done a transformational deal, right. You've brought manganese in, and Ben's shown us a very nicely diversified pie chart of, sort of, diversification across the group. Suppose the question is, every mining company is looking at opportunities all the time. Then there's active desire, and kind of, you know, kind of, not just opportunistic, but active desire to effect another transaction, because you need to achieve something like a diversification goal, can you give us a sense of how much of this is active, versus an opportunistic, or let's say more passive, which is what most companies are doing most of the time.

RICHARD LILLEIKE
Thanks, Tim. I think, as you would have seen, we've dropped the targets of x percent of EBITDA by a certain time, so there isn't this pressure that we have to do deals by a certain time. There's an aspiration to become more diversified, and within that we have the capacity to think about what the next deals are. I think to answer your question, having done the manganese deal, it leads its way into a couple of other deals, which now become more, call it the visibility is better, so we don't stop working, we carry on with a number of opportunities, to see if we can unlock value. A lot of them we can't, and there's the challenges we found before with different shareholders, different interests, etc., are still there, the risks or the challenges haven't gone away, but there's a pathway of work that we are working towards, to say, if we want to be bigger in manganese, what is it, what are the copper opportunities that we are having good engagements with, and if they lead somewhere, that's great, they'll still need to meet our hurdle rates, etc., we'll invest. So there's a strong pipeline of opportunities which feed into our diversification strategy, but they measured, so we don't feel that we're under pressure to do anything by a certain time.Ja.

ANDA MWANDA
Thank you. We will take Brian, then please can you also send the mic to Nkateko.

BRIAN
Hello, Richard. On Moranbah South, the $3.9 billion that that Anglo agreed, I believe that was just for their, included their 50% share of Moranbah. Do you have a tag along, and if so, what would the value be, that you would be looking for your share of Moranbah South.

RICHARD LILLEIKE
So short answer is, we don't have a tag, we only have preemptive rights. So, what that means is, at the appropriate time, we'll receive the offer that Anglo has received for their 50% stake, and we'll have to opine on the valuation, and decide whether we want to preempt or not, that hasn't arrived, so at this stage we don't know what the value is, but given that the offers in the public, we are expecting that any day now.

NKATEKO MATHONSI
Good afternoon, Nkateko Mathonsi from Investec Bank. The question is for Richard, you talked a lot about manganese kneading scale for you to generate sufficient value. What level of scale, or what is the minimum as far as scale is concerned, where will you be comfortable that you will be able to manage this risk you have seen, related to prices and supply.

RICHARD LILLEIKE
Can I tell you, when we get there. Is there a number, yes, there is a number, but I don't think it's.. Ben’s more than welcome to tell you what it is, but I think it's one of these aspirational what is big enough, what's too big. At what point do you run into competition issues. At what point do you start not seeing benefits in scale in South Africa. So, I think there's a lot to unpack in what scale means to us. There is a number, I'm not going to say it now.

BEN MAGARA
I think, Nkateko, I think the reality is, I think market analysts have all spoken around the importance of consolidation in the manganese sector. I think we can all see the bleeding of our own economy, and our own jobs, and the fact that the fragmentation is not helpful with the supply, demand dynamics. So we said when we announced that this is a foot in the door, and we're very pleased that we bought into low-cost assets, that we think if we maintain that low-cost position, if there's anything that can be added to give us that competitive position of low cost, and drive the logistics as well, it is attractive. We fortunately, we have told our investors, and we're very happy to give back the cash as we

promised, and that's not going to change, but I think what may change is, if you said what would be your aspiration. I think if we are not top three, we would not be happy. Thank you.

ANDA MWANDA

We've got a question, Mandla.

MANDLA

Just to clarify on that point, if you're not, if you're not top three, then you won't be happy. So, is it fair to say that Tshipi is the largest transaction that you've made, and it's not feasible for you to buy an asset that's bigger than Tshipi, given the fact that a capital allocation point of view, you've promised investors that you won't build the cash, you already have the 4 billion that's earmarked for the assets, that's pending with Glencoe, and then obviously you bought another asset. I just want to get a sense of guardrails of this M&H strategy that you've got, because even though you can't communicate with us as to, like what's the ambition in terms of volumes, but fully you can make a promise to shareholders that the deal is the Tshipi asset was the largest that it gets. Can you give us a sense of that from a spending point of view.

BAN MAGARA

I think it's a challenge, and I think you would understand why, and I'm glad you're saying you can't quite give us direction, and you're right. I think the bottom line is that we're not doing, Richard was very clear, and I think I couldn't have put it better, saying we're not chasing size at any cost. We know we have a very stringent investment criteria, and we know how we have spent our shareholders' money. We must make the money back that we have already spent on the assets we have. Our priority, if you looked at, what are we going to worry about in the next two years, about making sure we make money that we spend on our assets to make sure our shareholders are comfortable, with the value we are making out of it. So it's not at any cost, it's not for any size, but we realize market commentary, that consolidation is possibly better for the fundamentals of managing supply and demand, and getting the fund, then getting the benefits out of that for all our stakeholders. So, I think that's the best we can give you today, but yes, I think not at any cost, but we really think industry does need a market leader.

BRIAN

Thanks. Just two very quick follow-up questions. The first one is, have you spoken to Kumba recently about going towards listed level. It was a conversation that happened a while ago, I believe, and the prior DFO of Kumba wasn't so keen, so the changes at Anglo and the group, had just wondered if that's come along. And secondly, can you just remind us if the tag is taken at Mokala, which we assume it is, and you're doing commercial discussions around off-take or marketing, or whatever. What's the total amount, or the maximum amount of cash that you'd have to spend on Mokala. Is it, was it one and a half, and then double that to three, is that the roundabout the number.

RICHARD LILLEIKE

Do you want to answer the first part. Well, on Mokala, you're absolutely right, it's one and a half roundabout there, which would double up. The point is, we said to the market, the total transaction side would not exceed 14.6, and I think we're going to come under that, because we settled, or we closed Ntsimbintle earlier, so the escalation has stopped ticking on that. So we're going to come under that, and there's no world in which we prepared to pay more than that, so yes, that's on the tag, that would be our price expectation on Makala. On the Kumba flip up.

BEN MAGARA

On the Kumba, I think the, as you say, as you all know, we're watching the Anglo-Tech transaction. We definitely think it's a good asset for us. We, it's been paying very good dividends, that we pass through to our shareholders. I think in that sense we'll see how the dominoes fall, but we really think that it remains a very good earnings business for Kumba, for ourselves,

ANDA MWANDA

Right. Maybe let's go online quickly, and the question from Zintile Siswana, says, slide 60 argues that the manganese market structure provides compelling case for further growth, because supply is fragmented, demand is coordinated, Chinese iron ore producer, and brackets, and there is unrealized opportunity to provide benefit for all stakeholders. The conclusion states that success requires beyond, moving beyond a passive mining approach, becoming active market shapeper. Does this imply there will be efforts to consolidate the market, history of the commodity market consolidation attempts is that producers who attempt to consolidate supply on the assumption of coordinated pricing discover that the new entrants and Chinese state-owned miners do not cooperate with a consolidation thesis, thereby leaving market with lots of supply. So, question is, does this imply there will be efforts to consolidate the market.

BEN MAGARA

I actually thought his first paragraph, he could have easily have been working for Exxaro, but I think you know what, a lot of these things will have to come in the wash, it's a matter of time. We watch what we see, what we have right now. We are very pleased with the transaction we have secured. Tshipi is a low-cost producer, and with very good earnings, the railing facilities are in place. Johan is busy maximizing value out of that, and we want to return our money to shareholders. I think Tim touched on the contractor model that we see there. We are continuously doing concept studies around, is it better to mine ourselves, so that there is more value to our own shareholders. So, there are many things that we can play around with, and we definitely agree with the thesis that we think supply demand dynamics do not favor our Kalahari manganese field.

ANDA MWANDA

Thank you, Ben. And then just to close the loop, Necessity, you asked the question.

BEN MAGARA

Richard did you have anything you might have wanted to add.

RICHARD LILLEIKE

No, I think the statement says it all. In the semi-carbonate space, you have five or six mines all selling the same product to a coordinated market, and it's used against us, so how do we change the dynamics in the market, At that Tshipi there were three marketing companies marketing the same, all prior to us arriving, so there's a lot that we can do better in this space.

BEN MAGARA

We can assure you it's top of mind for us, that we are not going to do it at any cost.

ANDA MWANDA

Wonderful, thank you. And then, of course, Richard, you've taken the question of tag along rights at Mokala, so that answers Necessity from Aluwani Capital. Have another question from Nomandla in the room, and please let me just remind everyone online, you remember to post your questions on the online platform, so that they can be sufficiently taken care of in the floor. Thank you, Nomandla.

NOMANDLA

Cool. Two questions, follow-up questions from my side, from the slide that Ben, I guess, presented earlier on, where the ambition is to get to 20% of earnings contribution from the metals. What are M&A's assumed there, from a manganese perspective, and is a potential copper acquisition also part of that journey to get to that 20%. How should we think about that. And then the second question is, can you tell us about the alignment that you've got in terms of your consolidation ambitions with your partner, Jupiter Mines, because from an Exxaro shareholder, obviously, if there's alignment within the shareholder, then there's a case to be made that perhaps you can de-risk your own consolidation ambitions, because you've got an asset that’s standalone, that you bought, that runs a net cash balance sheet and can actually, in theory, refund its acquisition if it buys assets that are potentially smaller than it, or is the aspiration to consolidate, is the framing that this is a pure Exxaro trying to buy assets on its own, in which case you would be using the balance sheet of Exxaro almost entirely. Could you give us a sense on the capital structure as you think about this consolidation effort, and how we should think about it.

BEN MAGARA
I think the pie chart with all at 40, and as I keep saying, around miners, we can't count much, so you say 40,20 20,20 as you would have seen on that earlier slide. If you look at Riaans numbers, which are more an accountant's numbers, you possibly see that the under 50% is about 47, possibly playing to 40 at some point, because as we all know, commodities prices will do what commodities price do, and sometimes coal is against manganese, and sometimes manganese is against iron ore. We do appreciate the pie chart to keep moving from the numbers that we have spoken about, but on average we expect coal to still deliver between 50 and 40%, and it will play around that, and we expect the other commodities, including renewable energy, provide over the 50%, in terms of earnings by 2030, even give or take, various prices. So you talk about the consolidation, I think, if you did a pro forma of that pie chart in 2025, as if the assets we targeted have now been in the house, fully, you possibly find that, that number sits somewhere around 13, 14% if it's just Tshipi, and if you top up Mokala, which is still remaining redacted, as Richard said, it will possibly up a little bit. So, is there scope for synergies, yes. Is there scope for optimizing and efficiencies, and what additional value we can make. Is there another asset in there, we think so. So, I don't think we can say, it's over with what we see. However, we think we do not need to break a bank and compromise our investors with whatever opportunities we need to do, given we remain a very cash generative business, we will continue to do so. So, if you did the pro forma for 2025, you possibly see that it's slightly lower. If you did the pro forma for 2026, 2027 you can assume whether Mokala is in or not. You will see that uptick, and could there be something else to take us to the 20, so maybe manganese would be sitting somewhere between 15 and 20, depending on where the world sits, because we are not going to pay for any price. We are not excited on size, but we definitely believe we can play around that 15, 20% range, but the pro forma does show, there may still be another spanner, another puzzle to fix before 2030.

ANDA MWANDA
Thank you, Ben.

BEN MAGARA
And Riaan will cover a little bit more around that, and we can see again when it comes through. Richard, is there anything else I might have missed on Jupiter.

RICHARD LIKKEIKE
So on the Jupiter side, Johan has talked about our working relationship there. It is an interesting question you ask, because given the existing shareholder relationship we're walking into, Jupiter does have rights to co-invest on further opportunities. Some are excluded, where there was already an investment by Ntsimbintle, but in general they have these rights to co-invest, so we would have to engage with them on, if there was a smaller asset, as you say, or some deal that we'd like to do. We

would engage with them to see if they'd like to co-invest, and use their balance sheet to come in with us, so that is an option or right that they have, which we would exercise on any discussion going forward.

ANDA MWANDA

Thank you. Thank you. Are there no further questions in the room. I think I will propose, given that we've just moved from lunch, and I think we, I think I would propose that Riaan will come into the capital location framework. I think from a timing perspective that sort of moves nicely. Are there any further questions that we would ask.

RICHARD LILLEIKE

Can I ask Neo a question.

BEN MAGRARA

I think it's possibly helpful in that sense with what Richard has just hinted. I think, accelerating our decarbonization program, make sure we're carbon neutral by 2050 is quite critical. The portfolio is getting bigger. If you look at what we say around the pie chart you spoke about, you're almost seeing, if coal is making 10 billion, then we're looking to be making 20 billion, including other minerals and resources. So I think there's definitely more emphasis on how we are decarbonizing, how we are reducing our carbon intensity, because of diversification, but the offset projects become even more critical because that residual still remains. So I think we're still very excited with the hard work that Neo and team are doing, and I can see Nomandla has got a comment or question.

NOMANDLA

Question for Neo, given the fact that nobody want to ask it.

BEN MAGARA

Good for you. We thought you were nicely answered. Now Neo was spot on there.

NOMANDLE

Neo a quick one for you. So, the path to carbon neutrality, is Exxaro pursued its strategy to actually, I guess, reducing its carbon intensity. How should we think about that being a contributor to a potential acceleration of the company's Capex intensity, because if you think about it up until this point, say, in the last five years, what investors have seen in Exxaro is a very steady Capex profile, so if we think to 2020, 30, and you mentioned that by that time you would have achieved 75%, how should we think about the costs now, versus what you've achieved, say, in the last five years.

NEO MONARENG

Thank you. And my job is quite easy, because Caroline and Leon, they've covered that. You've seen Caroline's Capex, or stay in business costs, going up. It's purely because of the trucks and the shovel replacement, but that's also making sure that we buy the right technology that supports decarbonization, that will address our scope one. When we look at our scope two, most of, almost 70, 80% of our scope two will be addressed by the renewable business. Lephalale is already contributing green electrons, and we're looking at wilt solar and wilt wind. So if you look at our scope one, scope two, that Capex has already been addressed by what is included in the coal business, and also what's included in the energy business.

ANDA MWANDA

Thank you. I will then welcome Riaan and….

RIAAN KOPPESCHAAR

Thank you. Good afternoon, ladies and gentlemen. So, I'll talk to you, probably the most interesting part, the capital allocation in the group, and making sure we keep all of them honest. So since 2018 Exxaro has evolved its capital allocation framework in response to the portfolio diversification, and also the changing market conditions. So historically the group was focused on maintaining a strong balance sheet, and funding expansion capital ahead of dividends. However, as the business diversified, the framework was repositioned to strike a balance between the sustainability of our operations, and support functions, to ensure asset reliability, operational continuity, and our ambition to be carbon neutral by 2050. Also, the balance to deliver consistent and superior returns to our shareholders, and then lastly to support the growth and diversification across both minerals and the energy business. So this evolution was done in a very prudent manner, ensuring that the group maintains a strong balance sheet, and the flexibility required to navigate commodity cycles. So today, capital allocation remains one of the key disciplines within the group. To illustrate this, if we look at the evolution of the framework, so in 2018 we enhanced the shareholder value proposition by introducing the pass through of the SIOC dividend, and implementing a dividend cover of two and a half to three and a half times cover on the group adjusted earnings, and then by 2021 the framework further shifted with dividends being prioritized ahead of growth and expansion. Then in 2023 we introduced the 12 to 15 billion rand cash buffer, that was an additional layer of prudence, ensuring that we've got sufficient balance sheet flexibility to support the long-term diversification and growth. So this disciplined approach to enable us to fund most of the strategic initiatives, notably the manganese acquisition, and the expansion of the energy business, while still maintaining consistent shareholder distributions. So our increased confidence in the group diversified earnings base, the balance sheet resilience, and long-term cash generation, resulted in two key enhancements on the right-hand side of the slide. So firstly the removal of the cash buffer, the 12 to 15 billion, and then a revision of the dividend cover ratio, to one and a half to two and a half times cover, while still maintaining the pass through of the SIOC dividend. So importantly, these enhancements do not represent a departure from our financial discipline, but rather reflect the confidence in the resilience of the business, the strength of our balance sheet, and our enhanced liquidity position. At the center of the capital allocation framework is the group's ability to generate free cash flow across commodity cycles, supported by the diversified portfolio, our strong liquidity position, and also disciplined investment criteria for new investments. So here we illustrate how we expect to allocate our free cash flow based on internal projections. So we forecast up till 2030 that about 5 to 10, 15% will be applied towards debt servicing, 15 to 25%, to sustaining capital, including any sustaining capital associated with the manganese business, and we expect 30 to 40%, to be returned as ordinary dividends through the SIOC pass through, and the enhanced dividend cover ratio, of one and a half to two and a half times, and this includes the earnings associated with the coal business, the minerals business, as well as the energy business. And then lastly a further 30 to 40%, to be allocated to growth opportunities in the new energy, and also in the minerals growth businesses. So to the extent that surplus capital is available, we foresee that special distributions to shareholders will still be considered, either through share repurchases or through special dividends. So our commodity price forecast up until 2030 is also included in the additional slides. So, as pointed out earlier this morning, we believe prices for coal will remain very supportive as the role of coal continues to be reinforced in the global energy mix. Manganese, we definitely see weaker Chinese steel production to place pressure on prices in the near term, but however, we anticipate supply tightening from 2030 onwards, and together with the slow, but growing demand from battery technologies will support a constructive outlook for manganese prices in future. So Exxaro’s capital deployment remains centered on disciplined investment, sustainable returns, and long-term value creation.

The group applies this framework across five key priorities, so firstly, debt servicing, ensuring resilient balance sheet structure, liquidity, and also financial flexibility. Secondly, sustaining capital, where we invest to maintain the coal business, and the other businesses' operational reliability, our safety, our environmental stewardship across the entire asset portfolio. So this also includes, as we pointed out earlier, on selective life extension opportunities within our mining operations. As mentioned earlier, we expect an increase in the capital in 2026, and 2027, due to the fleet replacement at Grootegeluk. For the manganese mines, we do not forecast significant sustaining capital, as pointed out it's mainly a contractor remining model, but if you look on average over the past five years, the capital was about 60% per annum for the mine. Also very important is we are also completing a feasibility study to replace our current ERP system. So our current system has been running for almost 16 years. The system will not be supported going forward, so we are looking at a solution to support the integration of our business processes, also improve productivity, and enhance data security insights, across our businesses. We are busy with this study and will give you guidance probably by the end of the year. Then, as I already explained, shareholder returns with ordinary dividends prioritized after sustaining capital in line with the dividend policy. And then fourth on our circle is the growth and expansion, where we allocate capital to opportunities across renewable energy, the transition metals to support our diversification aligned to our investment criteria. Then, as pointed out, to the extent that we've got access cash, that may be applied through special distributions, either special dividends or share buybacks. So we aim to, as explained earlier, achieve a return on capital employed, in excess of 20% on our mining portfolio, and then equity returns in excess of 15% on the energy portfolio, while still preserving financial flexibility.

On the next slide, we focus on the balance sheet and also our liquidity position. So, as pointed out, during the year, we refinanced our 10 billion corporate facility, with a new facility, the new facility is a 13 billion facility, comprising of a term bullet facility, an amortizing facility, and also a revolving credit facility. So it again has a five year tenure and provides us with flexibility, and also funding capacity. So this facility, when we raised it, was 1.85% oversubscribed, and we secured improved commercial terms, and also a 14% improvement in the pricing margins. So this successful refinancing also reflects the confidence from Exxaro's lending partners in the group's diversified portfolio, the balance sheet strength, the discipline capital allocation, and long-term earnings resilience. So, as you can see on the slide, we've got total available liquidity of about 20 billion rand, consisting of a combination of the term loans, as well as also near term note program that they have not been drawn down as yet, and in addition to this, we also have cash on hand of about 8 billion rand as at the end of May. In the additional slides we set out further details of the terms and condition of Exxaro and Cennergis' debt facilities.

On this slide, we look at the risk and returns for the various portfolios. So, when evaluating and analyzing projects, we utilize a portfolio return framework, which is designed to align with the different risk profiles of our energy and mining businesses. So, starting with the overall principle, is we use weighted average cost of capital as a key metric, ensuring that investments deliver returns in excess of WACC consistent with the risk return characteristics of each portfolio. So for the energy business, the focus is on lower risk and stable returns, where, according to our calculations, the cost of capital is probably about 3 to 5% lower than the mining portfolio, reflecting the lower risk, the higher gearing potential of these assets, because these assets are infrastructure type assets with high predictability of cash flows. So normally, we typically structure them through 25% equity and 75% project finance, and also mentioned by Leon, traditional metrics like ROCE are not appropriate due, to the non-recourse nature of the project finance debt on the balance sheet. So we target an overall equity IRR of 15% across the energy portfolio. Overall, the energy portfolio delivers long-term predictable cash flow, lower volatility on a risk-adjusted basis, and also, very importantly, societal returns through our decarbonization strategy. In contrast, the mining portfolio, including coal and metals, is positioned for higher returns, with higher risk exposure. We target the ROCE above 20% for these portfolios as they are supported with favorable, and supply demand fundamentals, we're looking at cash generative assets that supply synergistic opportunities across the operations, and finally also exposure to structurally attractive commodity markets. So, unlike energy, the mining business relies more on traditional corporate funding structures, making ROCE appropriate performance metric. So, in conclusion, our capital allocation has evolved, as we strike a balance between sustaining and decarbonizing our operations, delivering risk, and superior returns to our shareholders, and positioning the business for growth in coal, energy, as well as select minerals. The balance sheet remains resilient under pinned by strong cash flow generation, and also sufficient liquidity. So, through the disciplined capital allocation, we can build a diversified portfolio delivering superior risk-adjusted returns to our shareholders.

So our capital allocation framework is also supported by clear financial guardrails, and internal performance thresholds, designed to preserve liquidity, maintain disciplined leverage, and ensure we get the required returns. So our key performance indicators that we aim to maintain as we implement our strategy, is for the net debt EBITDA ratio, excluding project financing, to remain below one and a half times. So our covenant with the banks is a covenant of three times the coal business, the EBITDA margin to be at least 25%, and then a ROCE of more than 20% on our mining investments, and the 15% equity IRR on the energy business. So the capital allocation framework, together with prudent financial management measured against these KPIs, supports the diversification or decarbonization ambitions, and positions the group to achieve a more balanced EBITDA contribution from energy, and metals into the future. So as Ben pointed out, there, there you can see, more or less 50% of earnings coming from energy and metals by 2030, although it is not growth at all cost. So, thanks very much.

BEN MAGARA
Thank you. I'm not sure I would see the numbers that well, but thanks, Koppies. Ja, ladies and gentlemen, it's really has been a great day to be with you. I will go through the conclusions, and then after that, we'll possibly take questions, so that we can close the Capital Markets Day properly, and then we'll immediately then move and ask Riaan to go through the pre close. So if there are any questions for the pre close that we also announced today, Riaan will then take that up, and we'll take that up after we have closed the Capital Markets Day.

So ja, in concluding this day I really want to return to where this journey began, in 2021 when we introduced our sustainable growth and impact strategy, and outlined our ambition then, to build a diversified natural resources business, while continuing to power better lives in Africa and beyond. Today, you would have seen how that strategy has evolved, possibly from initially a dream to an ambition and to reality, that we have here today, and the various pies you saw in that graph. The world needs responsible miners like Exxaro, to mine coal responsibly, and we will mine that coal to demand. Therefore, we are strengthening our coal business with life extension opportunities in every operation, taking cognizance of the demand dynamics and making sure there is energy security, and while still driving our decarbonization. We are establishing a globally significant position in manganese, and are also expanding our renewable energy platform to at least get to 1600 megawatts. All this we're doing, maintaining our stringent trend lines and focus, on disciplined capital allocation, as we accelerate our decarbonization by reducing our carbon intensity. Together these achievements are really transforming Exxaro into a natural resources champion, one that is leveraging on the strength of its existing portfolio, to build a more diversified, resilient, and focused, and sustainable business that we are all very proud of. You look at that and you can see the demand, and if you look at South Africa as a map today, and where Exxaro is beginning to operate. If I had shown you earlier where it was and where in 2001, in 2021 never mind 2001, it would still have been a big difference, but the difference five years ago to now, almost some of those numbers, this is really creating a diversified natural resources portfolio of long life, high quality assets that sit at the lower end of the cost curve anchored in South Africa at a jurisdiction we know, and love, and connected to the global commodity and energy markets. This is critical for us in managing risk, and in managing what we can, and ensuring management concentration in the areas we operate. Our footprint gives us exposure to commodities and solutions required for energy security, and industrial development, and also for the energy transition that we know we have to drive, but it is about having responsible companies like Exxaro to drive that. So today, Exxaro is a diversified natural resources champion with embedded optionality. If I look at what we saw with GG, and how we need to drive the logistics, we can unlock a lot of value in Exxaro, just from our long life call assets, and we have a long life call franchise providing this case generation, and really the defensive earnings that we continue to drive. A globally significant manganese platform, providing that diversification is something that we think will continue to grow, and Nomandla, you'll hear it in due course. And the renewable energy business that's strengthening the defensive nature of our portfolio for long-term annuities, I think I remember in my young days when Exxaro owned Arnot, and we owned quite a few around that. If you think the prospect of Matla now has given us real strength in those annuities, our renewable business is anchored not only in providing those annuities, but actually also in decarbonizing our business, and we have seen that happening. The new green electrons at GG, at 68 megawatts, are reducing our electricity costs on that mine by 100 million runs a year. So it makes, this decarbonization makes money, and I think it's through responsible and disciplined capital allocation framework, with a proven track record of sustainable and superior returns, that we continue to do that for our shareholders. So these businesses are complementary. They are driven by a strong leadership that you have seen here today, and a clear and streamlined strategic direction from the board. And I want to thank the board for their support as well. So, throughout this transformation, we stay committed to shareholder returns. Since listing, we have maintained a consistent dividend track record. I think we should have paid 40 dividends, because of interims, if it's 20 years, and as you heard, Riaan, we paid 46 times, which includes special dividends, some buybacks, you name it. So I think we want to maintain that consistent track record in paying dividends, and returning substantial capital to our shareholders who continue to support us. While we are able to invest in a sustainable future that we know we need, and our objectives remain clear, balancing growth, resilience, and stakeholder returns for all our stakeholders, including shareholders.

So, slide 84, as we close, is I would like to repeat this slide. Koppies spoke to it, and I think, Riaan, for those who don't know who Koppies is. I think it is important that we, I repeat it again. These matrix's provide a clear framework of how we measure success in this new dawn and next phase of our execution. They reflect a portfolio that remains anchored by our long life quality coal assets, while we are able to grow our export business, but also driving these future facing metals and renewable energy business. This dashboard keeps us awake. It reflects our commitment to keeping financial discipline, operational efficiency, reducing carbon intensity, and creating long-term value. So, as we celebrate Exxaros 20 years since listing, we are proud of what we have achieved and the predecessors that came before us, but we're even more excited about what lies ahead, and we hope you join us in that excitement. So, to my 22,500 colleagues, let's keep doing the best work of our lives, together, safely, we dig Africa. Thank you.

ANDA MWANDA

Right, thank you, thank you so much. And I see Tim has already got his hand up, and we're gonna go to this Q&A, and then, of course, we will then transition into our FD pre-close session.

TIM CLARK

So just two quick questions. The first one is, can you just give us your sense and thoughts on the replacement BEE deal, and obviously there's uncertainty on the mineral legislation, and how you think about that, and how we should think about it. And then secondly, just on slide 74, Riaan, if I look at the amount of dividends you've paid historically over the last few years, it's higher than the 30 to 40% of dividends that you show. So the difficulty I've got is a timing issue, right, so let's just say you earn some cash, and you're sitting in a net cash position, but over time you want to invest more, you want to grow, you want to buy some stuff in manganese or consolidate, etc. Will you do those through debt, or, because you've given away your accumulation target, and so you've got this difficulty of deals taking a long time, but earnings being reported every six months, and I'm trying to work out how you're going to balance that, you know, how we as investors should think of certainty on that. Thanks.

ANDA MWANDA

Thank you. Would note that, are there any further questions. There is Nomandla. Any further questions, please remember to raise your hand, so that you can get your mic.

NOMANDLA

I guess to slightly ask the question that Tim asked on the balance sheet positioning, Riaan. So if we think about your net debt to EBITDA target of less than 1.5 times, and then considering the company's consolidation efforts, or growth aspirations, that 1.5 times, if you're assuming that Exxaro 100% funds whatever consolidation effort. I guess what I'm trying to understand is, how conservative it is, within the context of the company that's trying to actually buy other businesses. The recalibration of that 1.5

times, what are the key assumptions that you put in there, for your own purposes in terms of capital allocation. And then the second question that I've got is, if we think about the decision making framework that led to you guys moving from, I guess, say, 1.5 times work target on returns for growth aspirations, to now saying that you just wanted to be greater than work. What are sort of the decision making framework that led to that. In other words, what are the key factors that actually led to Exxaro actually pushing to, I guess, evolve that decision. Ja, that'd be very useful from an FDs perspective.

ANDA MWANDA
You can take those question, then we'll move to Nkatego after that.

RIAAN KOPPESCHAAR
Okay, ja. So on the BEE transaction, remember the current transaction will only unwind in the end of next year. So there are ongoing discussions between us and the current shareholders. Obviously, I think transformation for us going forward is very, very important, but they have also been with us for 20 years, but we're also mindful that we don't want to incur facilitation cost, all of that again. So I think we, at the moment in those discussions, but we're also waiting for the minerals bill, you know. We don't know how the minerals bill will work out, whether there may be more requirements for ESOPs for community schemes, but I think, although it doesn't sound like it, there is good alignment between the two parties on the way, probably going forward,.

Then, the other one was the, on, so by removing the cash buffer, our base case scenario is almost that we will be debt free, cash free, always, and to the extent that you do a major acquisition, that will cause us to move into a net debt position, that is how we model it. It's a normal course of business, if nothing happens, debt free, cash free, and then acquisitions, we've got the facility, we've got the cash generation that we can employ towards that. And then on returns, I think in the current landscape, you know, to always get opportunities on a standalone basis, to achieve WACC times one and a half times is very difficult, if you put them together as a, as a portfolio, then it's more achievable. So that was the thinking, just on a standalone basis to get that specific opportunities is very, very difficult.

BEN MAGARA
Indeed, I think Tim, I could just add on what Riaan said on the BEE unwind, that I think while we accept that it's December 2027, we also know that this is a great BEE success story, as an Exxaro, and these shareholders are founding shareholders of this company, so, and we know they have been paid handsomely for their work, for their risk, and for the work they put in, and really, and they remain very proud of Exxaro. So we think they will possibly, like any shareholder out there today, I think they possibly will find that Exxaro remains the most attractive to invest in. So, is there a way to continue, we definitely think that the opportunities exist to the extent it does not compromise any new legislation that comes through, and anything that we think is possibly appropriate as we evolve. I think we know

our employees. I think I remember Lindy was going through a meeting today around our employees and the ESOP, we have, the community trusts, so I think all those are things we will reflect on, but we really think that having founding members that have made their money handsomely, who are still proud to be part of this company, should find a workable arrangement, that we seem to be evolving through current discussions.

ANDA MWANDA
Thank you, Nkatego.

NKATEGO
Yes, my question is for Riaan, and it's relating to GG to unlock greater value from that operation, I think from the presentation today it became clear that you need rail, and over time you need higher capacity for rail. So, my question is, and in my mine the solution is private participation, right. My question is, could that, the private participation, could it potentially require capital allocation from Exxaro, how are you thinking about that?

RIAAN KOPPESCHAAR
Ja, so, I think Caroline also addressed it in her presentation. We've got now the technical report on that line, to know what capital may be required, so we're currently busy studying that. Now I think for GG, there's two solutions, there's, the one is more a rolling stock solution, you know, where you need more efficiency on the railway line, additional rolling stock, so those are options currently in discussion with Transnet, and then there's, and that should theoretically, could get the line back to the 4 million tons that we spoke about earlier, so currently we're only moving just over 1 million tons. Theoretically, Mittal should be moving also a million tons, but that is due to the efficiencies on the line. And then there's obviously your longer dated opportunities to improve the total capacity on the line, but what we think is, there will be through these concessioning type of models, where you should be able to do it, not through, it could be that you've got an equity stake in the concession, but third parties could carry most of the risk, and you, in exchange for that, will give off-take, and pay a tariff. I think that is probably the base case that we assume.

BEN MAGARA
Because we think they are more competent counterparties, like train operating companies that could take those leases, and we may take a slice, but we can assure them of off-take, which I think might be helpful. I don’t know if you covered this one.

ANDA MWANDA
So we go to Brian, he's got his hand up, and I just want to remind the people joining us online, to

remember to post their questions on the online platform, and we will recognize those questions. Thank you.

BRIAN MORGAN

Thanks very much. Just those return hurdles that you provided a 20% ROCE on mining, and a 15% IR on the energy business. That's portfolio, that's portfolio hurdle is not individual assets, right. And obviously, GG is very high return business provides very undemanding return hurdle for the for the rest of the portfolio. Just your thoughts on that.

RIAAN KOPPESCHAAR

Look, your, what you must remember, GG is now in a capital intensive phase. The next couple of years that has got an impact on your returns, but we think if you look at, through the cycle, that the 20% is appropriate, that especially now with the higher Capex cycle coming up 20% is appropriate, and then, as you pointed out, we look at it over the overall portfolio.

BEN MAGARA

I think it's, were you also commenting that, what's the story with the others, because they must be a lot lower, and what's the thinking, and I'd like to pass that to Riaan again.

RIAAN KOPPESCHAAR

No, so, remember, we look at it as a total portfolio, so, especially with the blending of the coal, you know, we don't look at it separately, GG from the rest of Mpumalanga, and if we, we look at the total product that the whole portfolio can sell the returns, and part of that, then we look at the overall portfolio return, that's why we don't look per mine, because it could be that one of the mines, you spend capital, but you use some of the GG coal to upgrade the coal to RB one, and then the two in total give you 20%, whereas if the Mpumalanga line didn't get the GG goal, you couldn't actually sell that goal.

BEN MAGARA

Ja, I really think that's something that I think we continuously have to highlight to the market around, as we said, GG can produce a 30 CV, and, but slightly high sulfur, I think, and then we get Leeuwpan and Belfast, giving us a very low sulfur, but also low energy content. The blend gives us a premium RB one for our customers, which is exceptionally high premium, and you get a price realization that's quite exceptional. So, I think as a portfolio there are real benefits, that's one. The second one is obviously most of these, the optionality when export coal prices fly, sits in Mpumalanga, because that's the, those are the swing producing assets. So in the potential you are able to keep them running in high regime, high price regimes, you actually have a massive kick in your, in the export optionality and margins that one would get. So importance is to drive their cost, drives efficiency, and that's why I think Caroline and Team are adamant around what we are doing at Leeuwpan to make sure that, as a minimum, it must wash its face, because we know in periods like we just seen now, if this was sustained at low diesel prices, it could have been, it could be different, it could be very exciting. So, I think we saw that during the Russia-Ukraine time, when it was only the coal price that went up, and diesel prices didn't go up. This time it's slightly different, because the diesel prices have also eroded the margins a bit more. So, I think the portfolio makes sense.

ANDA MWANDA
And then we're going to go to Nomandla, and then I'm going to quickly just run the online ones, and then we'll come back to the room.

NOMANDLA
Riaan, on the non-core assets that have been identified, can you give us a sense on, I guess, potential value realization, out book values that are on the balance sheets, a fair proxy of what can be anticipated, and I guess on the timing thereof, of I guess the non-core strategy diversion, because I guess the potential bull case scenario here is you've got a number of equity investment within RE, or a number of, I guess, built-on acquisition within manganese, but perhaps they can be potentially funded by non-core asset that weren't giving us dividend anyways as shareholders. So, what are sort of your thinking on timing from these non-core assets that you've identified, and against the potential value that can be unlocked from against diversing out of those assets, ja.

RIAAN KOPPESCHAAR
Okay, so firstly, the obviously the Moranbah one, we need to follow now the process with Anglo, so we can't really point what the outcome of that will be. And then Black Mountain, I think, obviously Black Mountain, it's always more difficult to dispose of these assets, because it's a minority stake, and they don't come with off-take. If it's a minority asset with off-take, it's easier to dispose. Now, as you may recall, a couple of years ago we were looking to sell Black Mountain, but we, we couldn't get the deal through, so your, I mean, if you probably get the, the valuation, the valuation of Black Mountain in the books is very small. Now I think our acquisition cost for that asset was 200 million rand, but obviously we're looking for something substantially higher than 200 million, you know, that's not reflective of the of the value of the asset. So in the financials there may be director valuations for the assets, it will be somewhere in between those values.

ANDA MWANDA
Right. So we are going to go online quickly, and we have a question from Thobela Bixa from Nedbank, and his first question is, the different businesses have different return profile targets. How do you decide on priority in allocating capital to them. That's number one, and then number two, you spent close to 80% of your total free cash flow since 2023, when you announced the cash buffer, given you

intended to spend only, you intend to spend only 30 to 40%, does this mean we should expect potentially far less than the manganese purchase price. So the first one is the different businesses have differing return profile targets. How do you decide on priority. How do you prioritize capital allocation. And then the second one is, you spent close to 80% of your total free cash flow, given that you intended to spend, you intend to spend only 30 to 40%, does this mean we should expect potentially far less than the manganese purchase price.

RIAAN KOPPESCHAAR
So the prioritization is obviously the investment criteria, that's the first thing we look at, and the project with the highest return will always get preference, but I think up till date we haven't had that project where we didn't have sufficient resources to enable us to actually implement a growth opportunity, that's the reality. And then secondly, the what was the second one, the…

ANDA MWANDA
It's the cash buffer, so you spend close to 80% of your total free cash flow since 2023, when you announced the cash buffer. Given that you intend to spend only 30 to 40%, does this mean we should expect potentially far less than the manganese purchase price.

RIAAN KOPPESCHAAR
Expect less on dividend.

ANDA MWANDA
Less acquisition. Think it's an acquisition.

BEN MAGARA
I think, I think he's saying, we have spent on the current transaction. We have spent 10. 6 billion, on Tshipi. We are likely to be spending a lot less than that going forward in any acquisitions, and we have a 13 billion facility that we have secured on much more favorable terms, and I think in most companies, like Riaan said earlier on, some element of debt is not bad, but however, we do not expect to spend the same amount we spent on the first transaction, far from it. So I think if that is his question and answer, I think we have covered that, unless Riaan wants to add anything else. We don't intend to be spending the same kind of check.

ANDA MWANDA
Thank you. I think he will clarify when he needs to. Are there any further questions before we move to the…

BEN MAGARA
Pre close.

ANDA MWANDA
Pre close. Yes, Ntuthuko, can send the mic to Ntuthuko.

NTUTHUKO SITHOLE
It's not Nomandla this time. Ntuthuko Sithole from SPG Securities. You've clarified everything with regards to the current portfolio, but I'm still trying to kind of make sense of the plans around copper, right. It's the only one that doesn't appear to sit around the operating assets plan, and it makes sense, and I'm just trying to understand how copper fits into the strategy going forward. Is it another source of production, or will you be looking at deposits and turning them into resources. You've previously looked at the Kalahari Copper Belt, and I'm just trying to, like, see, like, where does it fit into the into the long-term strategies and production, and how much are you willing to allocate in Capex to it.

BEN MAGARA
On copper.

ANDA MWANDA
On copper, yes.

BEN MAGARA
We are looking at advanced exploration projects. We don't think it's, because we think we can take it up the value curve with the competencies, I think Johan was highlighting his competencies, and those are sitting in Exxaro quite strongly. So, we think we can take it up the value curve. We will be spending 10 million, $30 million It's something that we think is affordable within reach of Riaan shorthand, and without compromising investor dividends. So, I think we, I guess you never know until you find it, and it's opportunistic for us, so it's not like we are desperate to go find it. We are desperate right now to make sure we get value for our manganese investment, but we think that there may be opportunity that we don't compete with the mergers in the portfolios they are looking at, we are looking at much easier, lower portfolios of 50, 100,000 tons of copper catheter per year in terms of its prospect from its exploration potential, so I think it's not, it's not money that we think would be meaningful to impact our balance sheet.

RIAAN KOPPESCHAAR
And even in the targets, copper is not in there, so it's not in those 50% numbers.

BEN MAGARA

It's not in the 50% number. So it's really for us, it's an entry that we think could we put some, so you could think of what exploration money looks like, and I think you'd be, you would not be far off.

ANDA MWANDA

And then let's take Nomandla.

NOMANDLA

Sorry, Ben, just to ask a further question, on, I mean, we know that you've got African experience in mining projects. Do you have a specific jurisdiction that you prefer, I mean, there's the DRC, there's, I guess, nearby South Africa. Like, do you have your own priority ranking on where you would look to find copper deposits that you think you'd invest in, and what sort of the risk, I guess, criteria that you and Riaan will basically toss and turn about.

BEN MAGARA

Ja, I think it's opportunistic. I did operate in the DRC for three to five years, I would say. I was traveling there once a month for a week, not that my home affairs enjoyed it, but it was, it's really something that we think, I think, that if you look at the grades in the DRC, they're incomparable. You look at mine, as mining around point 3, point 5 grams per ton, and in the DRC, you're looking at, they still stockpile 1%, grade of copper today in some of the assets. So is it impossible to operate, I think without a local partner it's quite difficult to operate, so I wouldn't go there alone. And again, as we said, we are looking for something to give us lessons, rather than something to just go on a big bang and produce. We tried it in Khoemacau, we didn't succeed, gladly so, because I think the check was too big, and we accept that. So Zambia, I think, is an attractive jurisdiction, again, it does have prospects for assets that can produce between 50 and 100,000, and fits some of our investment criteria's, so our team is continuously looking. So it would be more around, I can say SADEC, but that's all there is copper, anyway, therefore that could be quite big, but I think if we played around, Zambia, Zambia, let me start again, Zambia, DRC, and Botswana, I think you're not far off, but we are not going there alone, and we're not going to spend money where we own 100%, because it's a world, we need lessons on, and not a lot of money to spend, on something we don't know yet, and take it up the value curve. So, I think it's opportunistic, and we're not desperate for it. We have three good pillars that we want to see value by 2030, I hope that helps, but yes, I've operated there, and it is possible, I've come out, and I enjoyed there, but I think when I think of investors' money, I have a head for my investors. Thank you.

ANDA MWANDA

Thank you. We have no further questions online, and I think our questions here as, well we do not have. And then Riaan can come and do the pre close, but thank you so much.

BEN MAGARA

Ja, thank you again. Thanks everybody for the Capital Markets Day. We look forward to seeing you again sometime, and it's really great that we have had the opportunity to spend a day with you, and five years on. So Riaan can touch on the Capital Markets Day, and then we could come to a close in good time.

RIAAN KOPPESCHAAR

Okay, thanks very much. I'm not going to take too much time on the FD pre-close. I think the document was published. It is on SENS, perhaps just a couple of highlights again. I think on the safety front going very well, so up until the end of May, our l0st time injury frequency rate is sitting at 0.03, so it's even better than the 2025 performance, so very commendable performance. Then, if we look at prices, the Richards Bay API 4 price, so we expect that the average price for the first six months will be about $105 per ton, compared to $92 per ton for the first half of 2025. Manganese also higher, so we expect for 37 manganese, that the price will be $4.73 for this six months, CIF China, compared to $4.07 cent in the first half of 2025. Then I think two things that we must just point out, so remember the, if we look at the first half of 2025, the average rand dollar was sitting at 18 rand 38 to rand per dollar, it's now sitting at 16.40 so it's almost a two rand swing, in the rand dollar exchange rate, which obviously will have an impact on your export sales. And then the other one is also on diesel, the diesel price, the average for the year is going to be much higher than 2025, you know, if you look at the diesel price from the first of January up till now, the diesel price is almost 70% up, so it has got an impact on the operational cost of the mine, but not only the operational cost of the mine, remember, even if we do a calculation to evacuate coal via truck, that is also something that we need to take into account when we look at exports. I think if we look at the production forecast, so the production forecast compared to the first half of 2025, about 8% higher that we foresee, and remember also we had the adverse weather conditions, the first half of last year, that we didn't have again this year. So definitely higher production at Grootegeluk, the first six months of this year. But lower production at Leeuwpan in line with the optimization project that we put in place. Also on metallurgical coal production, you will see higher metallurgical coal production, and this is also supported by improved export demand. So remember some of the coal that we can't now sell to the metals market anymore, is now earmarked for exports. Then also the ramp up of Matla is actually going very well. Normally the production and sales are the same, so you can see on forecast, it's about 3.8 million tons for the first six months on Matla. So if you look at the, on the sales side compared to the first half of 2025, there's an uplift of about 6%, supported by, as you can see in our forecast, higher exports. We also almost see a flat position at Grootegeluk on Matimba and Madupi, because as a result of the unit four coming on board, there's more off-take from Madupi, but we did have, there are problems at Matimba, stacking and reclaiming, so we think those two will almost balance out. Metallurgical sales, as I pointed out, lower due to the problems at ArcelorMittal, as well as the Farochrome Smelters, but as I pointed out, some of that coal is now going through exports, that we then get us to the higher export numbers. On Capex side, I think we did cover the Capex, mainly due to the fleet replacement at Grootegeluk. Then, if we look at the full guidance for the full year, the guidance that we gave in March is still appropriate, so production and sales between 39.4 to 42.8 for the full year, and export sales between 4.3 to 8 million tons, and as I pointed out, we just going to do about almost 4 million tons for the first six months of this year.

Then we did touch on it, the performance RBCT, about a 7% improvement, so on an annualized basis up until January to May, TFR is performing just over 60 million tons per annum through RBCT. Then the next one on wind, you'll recall we gave you a bit higher guidance in March, because that assumed that the acquisition of the ACCIONA energy assets would have been completed, the Gouda wind farm, and also the Sishen wind farm. So, at this point in time, we're still waiting for certain of the conditions president to be fulfilled. So, at the moment, the guidance that we give here is the generation for the year of 830 to 860 gigawatt hour, includes only our own operations, as well as the Lephalale Solar project. So I think that is, that's very broad. Anda, we are happy to take questions if there's any detailed questions.

ANDA MWANDA

I do have a question online, and this question is, what is the all in logistics cost premium per ton, including tracking, third party siding, handling, and related costs, and the break even net back on Grootegeluk being moved, via Mpumalanga multimodal route, rather than directly rail, and to reach the top end of the 7.3 to 8 million tons export guidance. What second half 2026 direct rail run rate, do you need, versus the current three to four trains per week.

RIAAN KOPPESCHAAR

Look, we, the…

ANDA MWANDA

Sorry the question is from Marco Ras from Optimum Investment Group.

RIAAN KOPPESCHAAR

So obviously we almost achieve 4 million tons, the first six months of the year, so I assume if they continue with that run rate, we should be able to get to the 8 million ton for the full year. I mean, if you see a substantial increase, obviously, then you can perhaps move more through RBCT, but to, the cost to move the Grootegeluk or the other coal through multimodal depends on various, firstly, it's the location of the operation, it's the quality of coal that you also move, but we did point out in the past that to move it via road could be two and a half times more expensive than moving it through RBCT, and the added complication that we have now is also the diesel cost, so to move it to a central location on a road, there's also now a higher diesel cost that we need to take into account. So, if it was not for higher diesel costs, then it would have been easier, then you can use multimodal.

ANDA MWANDA

Thank you. And then Nomandla, you have a question.

NOMANDLA

Two questions from my side. Just looking ahead to the second half of the year, can you just comment on, I guess, the market dynamics of the seaborne market, where you sort of seeing demand from each countries, and that's, I guess, the level of tightness of the seaborne markets, just given the, I guess, the elevated cost base that everybody's facing. And then the second question, I guess, being Transnet improving rail capacity. How should we think about the second half for Grootegeluk specifically, because there seems to still be constraints, instead of the actions that Exxaro is taking on to help improve that specific part of the rail for the remainder of the year.

BEN MAGARA

I think, on the, is the FD, is pre close, right, but the seaboard market, as you would have seen in the last few months, given the Iran and US issues, I think continuously highlight to us how important coal is, and that it remains a lifeline in times of uncertainty. And we saw the coal prices go up, I think, to about $130 a ton. They've now come down, and every time, I wanted to say something a bit, every time there is an announcement, whether the deal has been brokered or not, the energy prices change, and what we are seeing now, with the prospect that they are saying, what we are seeing today, and maybe in the last, I don't know what has happened in the last four hours, but what we were seeing up to this morning was the fact that there's a prospect of ceasefire and a resolve, which has now brought our coal prices to somewhere around 105, $106 a ton. Thanks, Melis. So, I think unfortunately, I think this volatility will continue until there is some level of certainty of what's happening in the Middle East, and we'll continue to see that volatility. It's helpful on coal, but it's not helpful on diesel, and I think that's why I said earlier on that, what we saw during the Russia-Ukraine was, no impact, not as much on our diesel, but it was fantastic on coal prices, but right now we're not seeing that benefit, because the diesel prices are quite high. So what do we see going forward, we do see some stability, because I think the marginal cost of production in this country, particularly, where we compete, is possibly somewhere around the 90, $96 a ton. So we don't, we think that there may be a floor price momentarily, but because sometimes you have over demand, sometimes you have got deficits, it's likely that we saw it dropping to below $80 a ton last year, and we don't know where, but I think the underlying dynamic of supply demand tension, possibly should maintain this number around higher than what we are seeing today.

ANDA MWANDA

Then the second question was around the Transnet.

BEN MAGARA

Is Transnet in GG, yes, there is continual pressure around how we can get that right. So we are well wired with different levels of engagements with Transnet in order to get GG at the maximum. We still think there's scope for operational improvements and efficiencies, improving cycle times of those trains, without excessive and additional investment. We can operate better, and we think we can be prioritized more, and we're putting pressure to exactly do that, prioritize more, I think we are seeing 3, 4, 5, trains a week, a day, we want more, and I think that a week, I think, is that right, and we want more. I think our expectation is somewhere north of 8 up to 11, and we should be getting that, and we deserve it. So, we are not making, we are not shy to call on what we think we rightfully deserve, and we still think we want more, we want to see more improvement, and we think that cycle times alone, and better operational management, can deliver what we are expecting in the short term. In the long term, I think the study that we told you that we now have, we believe that from that study and the public sector participation, and our involvement in some train operating companies, that have the competence to run logistics should give us even the longer term optionality we expect GG to imbed. Okay, I think 4o'clock is coming.

ANDA MWANDA

Ja, it's there, and I don't think we have any further questions. We don't have questions online. And ladies and gentlemen, this brings us to the end of our Capital Markets Day. And on behalf of Exxaro, would really like to thank you for coming and to join us, and to hear what the horizon has for us, and our company, and thank you so much, and we have come to the end of our meeting. Thank you.