29 Metals

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ASX ANNOUNCEMENT
Friday, 19 April 2024

2023 Annual Report
2023 Sustainability & ESG Report

29Metals Limited ('**29Metals**' or, the '**Company**') today released its 2023 Annual Report which accompanies this release.

An interactive flipbook-style version of the 2023 Annual Report will also be available on 29Metals' dedicated Annual General Meeting ('**AGM**') website page at: https://www.29metals.com/investors/agm.

As previously, the 2023 Annual Report includes 29Metals' 2023 Sustainability & ESG Report. A standalone version of the 2023 Sustainability & ESG Report, incorporating additional Global Reporting Initiative ('**GRI**') data tables, is available on 29Metals' website at: https://www.29metals.com/sustainability.

- ENDS -

Authorised for release by the Company Secretary, Clifford Tuck

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2023
Annual Report

Working together to unlock value

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Jingjie, Ronish & Jean
Perth Office

At the heart of our culture is our Values – guiding our behaviors and our commitment to collaboration across our people, communities and other stakeholders.

Chanel
Capricorn Copper

We adopt a systematic and disciplined approach to exploration, seeking to identify, prioritise, test and prove economic mineralisation. This approach has delivered with 10+ years mine life at both sites.

Jack & Ewen
Golden Grove

We employ a team of skilled underground miners, base metals concentrator operators and innovators.

On any assessment, 2023 was a challenging year for the Company, our team and our shareholders. Production bottleneck issues at Golden Grove and the Extreme Weather Event at Capricorn Copper[1] had a material impact on the business and our performance.

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Our response to the challenges is what matters. We are proud to have a team with shared values, that works together to find solutions to difficult challenges.

T — Transparency

We will communicate openly and clearly with each other, our shareholders, regulatory stakeholders, business partners and the community

E — Excellence

We will strive for excellence in all that we do through a focused approach on mining fundamentals and a commitment to sustainability

A — Accountability

We will do what we say we will do. We will drive personal ownership and accountability across all levels of the Company, ensuring that we all understand the role we play in the success of 29Metals

M — Mutual Respect

We will embrace diversity and deeply respect the differences and different perspectives of our workforce, our stakeholders and the community. We will earn the respect of our stakeholders and the community through our actions

S — Safety First

Safety is non-negotiable – always front of mind in everything we do

TEAMS

The keystone of our Values – **collaboration** – across our workforce, with the community and our other stakeholders

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Visit our website for more information about 29Metals

Important Information

This 2023 Annual Report contains forward looking statements and non-IFRS financial information which should be read in conjunction with the important information on page 207.

Acknowledgement of Country

29Metals acknowledges First Peoples, the traditional custodians of the land on which we work throughout Australia. We pay our respects to their Elders past and present and extend that respect to Aboriginal and Torres Strait Islander peoples today. We recognise their connections to land, water and community, and their rich contribution to society.

We specifically acknowledge the Boon Warrung and Woimurrung (Wurundjeri) People of the Kulin Nation, the traditional custodians of the lands where our head office is located, the Badimia People and the Southern Yamatji Nation – Widi mob, who are the traditional custodians of the land where the Golden Grove Mine is located, and the Kalkadoon people, the traditional custodians of the land where the Capricorn Copper Mine is located.

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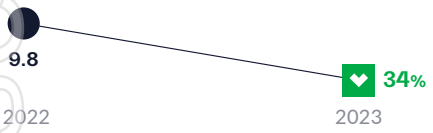
2023 highlights

A year of two halves:

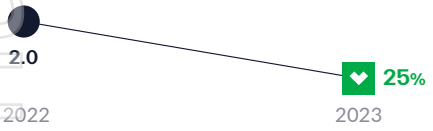
- **First half** was overwhelmed by the impact of the Extreme Weather Event at Capricorn Copper[1], and lower than plan development progress at Golden Grove
- **Improved performance** in the second half, with de-risking projects for Golden Grove completed in the first half of the year, and commencement of the Capricorn Copper restart

Safety & Our People

TRIFR 6.5/mwhrs



LTIFR 1.5/mwhrs



Safely managed the Extreme Weather Event at Capricorn Copper[1] with no health and safety incidents during the event

Female participation

Board & Management[2]: 26% ▲ from 2022 (23%)

29Metals Group[2]: 16% ▲ from 2022 (15%)

Operational

Cu production 24.2kt

Zn production 51.5kt

C1 Costs (US$)[3] $3.61/lb

AISC (US$)[3] $4.96/lb

Completion of debottlenecking projects at Golden Grove, resulting in improvements in mill throughput, development rates, and ore production from Xantho Extended in the second half

Mineral Resources and Ore Reserves

Group Ore Reserves tonnes[4] ▲15.1%

Group Mineral Resources tonnes[4] ▲0.3%

Targeted investment in resource conversion[4]

Delivering significant increase in geological confidence in 29Metals' estimates, with proportion of year-on-year Measured and Indicated Resource tonnes for key *in-mine* and *near-mine* growth opportunities increasing:

- by 30% at ESS (Capricorn Copper)
- by 45% at Cervantes (Golden Grove)

Financial

Group revenue by commodity

$450m ▼ from 2022 ($721m)

Cu Copper	59% of sales (consistent with 2022)
Zn Zinc	24% of sales
Other	17% of sales

Successful $151m[5] capital raise

Continuing focus on cost management

Approximately $20 million in sustainable cost improvements identified and implemented in 2023

EBITDA[3] $(21)m ▼ from 2022 $152m

Operating cash flow $37m (outflow) ▼ from 2022 $156m (inflow)

2023 financial results has been overwhelmed by the direct and indirect financial impacts of the Extreme Weather Event at Capricorn Copper[1], with impacts to production, revenue, recovery costs and non-cash accounting impairment charges

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
2. As at 31 December 2023.
3. *C1 Costs*, *AISC* and *EBITDA* are non-IFRS financial information. Refer to the Important Information regarding the use of non-IFRS financial information on page 207.
4. After depletion for production. Refer to pages 61 to 77 for the Group's 2023 Mineral Resources and Ore Reserves estimates, including Competent Persons' statements.
5. Gross proceeds.

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Suspension of Operations at Capricorn Copper

On 26 March 2024, following the impact of successive tropical cyclones affecting northwest Queensland in the period since late January 2024, 29Metals announced that it had taken the difficult decision to suspend mining and milling operations at Capricorn Copper. The decision was guided by key priorities – the health and safety of our workforce, managing our environmental responsibilities, conserving cash and preserving the value of the asset.

Rainfall associated with successive tropical cyclones in the period from late January 2024, resulted in a significant accumulation of water held in regulated structures on site, increasing water levels to levels similar to those immediately following the Extreme Weather Event in March 2023.[6] With water at these levels, dewatering of the Esperanza South underground mine ('ESS'), could not continue which, in turn, would delay the restart of mining at ESS – critical to successfully completing the Recovery Plan announced on 23 May 2023.

During the suspension period, 29Metals' focus will be managing the water inventory (and related compliance activities) and preparing the asset for a restart.

29Metals is committed to restarting operations at Capricorn Copper as soon as possible. Planning for a successful restart has commenced. Key drivers for a successful and sustainable restart at Capricorn Copper will be:

- reducing water inventory held on site, including completing the dewatering of ESS and implementing further measures to enhance the resilience of the site to future weather events;
- establishing long term tailings storage capacity;
- completing the design, procurement and installation of the new water treatment plant, providing a reliable and sustainable source of water suitable for mining and milling operations; and
- identifying and implementing opportunities to enhance productivity and reduce costs.

The continuing support of the Queensland government will also be critically important, building upon the Prescribed Project and Critical Infrastructure Project status conferred late last year[7] to secure the regulatory approvals required to support the restart and the enablers outlined above.

During the suspension, 29Metals will also continue to progress the growth potential at Capricorn Copper, including targeted exploration activity to test the new mineralised zone identified last year east of the Mammoth orebody[8], and evaluation of the potential to produce a cobalt product.

In parallel to the ongoing Capricorn Copper recovery plan, seeking to return the site to full operations following the Extreme Weather Event[6], 29Metals is evaluating opportunities to realise the substantial opportunity that Capricorn Copper presents, including potential to increase the future mining rate of the Esperanza sub level cave the potential future recovery of cobalt.

From a balance sheet perspective, the decision will enable 29Metals to reduce cash outflows in the nearer term (after initial one-off termination and redundancy costs), and we will continue to focus on productivity and sustainable cost reduction initiatives, progressing the Capricorn Copper insurance claim, and offtake finance arrangements to provide additional liquidity.

As we work through the ramp down in mining and milling operations, and enter into the suspension, we will focus on supporting our workforce who have worked tirelessly since the Extreme Weather Event[6] last year and who, along with our business partners and local community, will be heavily impacted by the suspension.

6. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
7. Refer to 29Metals' ASX release entitled 'Capricorn Copper Conferred Prescribed Project Status' released to the ASX announcements platform on 16 November 2023.
8. Refer to 29Metals' ASX release entitled 'Exploration Update – Capricorn Copper" released to the ASX announcements platform on 12 April 2023.

Kobi, Bailey & Tyezae
Capricorn Copper

Chair letter

29Metals' Vision and strategy remain clear and compelling.

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Our foundation – our assets and our people – positions 29Metals to overcome recent challenges and deliver shareholder value.

Dear Shareholder

2023 – Resilience and teamwork in the face of adversity

On behalf of the Board, I am pleased to present 29Metals' 2023 Annual Report.

On any measure, 2023 was a challenging year for 29Metals – for our team and our shareholders.

In the Annual Report last year, we outlined:

- the challenges that lay ahead to recover operations at Capricorn Copper following the March 2023 Extreme Weather Event;[1] and
- our plans to improve productivity and reduce costs at Golden Grove, and to advance the organic growth opportunities in our portfolio.

There is no doubt that the direct and indirect impacts of the Extreme Weather Event[1] dominated the performance and results in 2023. However, that impact is not the full story of 2023.

During the year, our team worked tirelessly to deliver. The resilience, dedication and teamwork shown in the face of significant hardship is something the Board and I acknowledge and greatly appreciate. That commitment is the backbone of our culture; a culture that will be a foundation for future success.

29Metals suffered a further setback earlier this year with the decision to suspend operations at Capricorn Copper. This was a difficult decision for everyone at 29Metals, but we have the opportunity to bring Capricorn Copper back better than before.

Across 29Metals, we are committed to a successful and sustainable restart at Capricorn Copper as soon as possible.

2023 – Extending the potential of our business

In 2023, the team delivered important milestones that will underpin future performance.

Debottlenecking projects at Golden Grove completed in the first half are a critical enabler to support continuing improvement in productivity and the path to unlocking the significant value at Xantho Extended, our highest-grade ore source. We have seen the start of the expected improvement in the second half of 2023.

At Golden Grove, our productivity and cost improvement focus delivered results.

A targeted and disciplined approach to exploration activity also delivered strongly in 2023, with:

- continued resource extension and conversion exploration success supporting substantial Group Mineral Resources and Ore Reserves; and
- identification of a new mineralised zone east of Mammoth at Capricorn Copper.

This is work in progress, but these achievements continue to demonstrate the potential of 29Metals and will undoubtedly contribute to our future success.

CEO transition

Reflecting on the Company's progress in the period since the IPO in 2021 and the challenges of 2023, the Board determined that the time was right to transition to new leadership.

As announced earlier this year, James Palmer will join 29Metals as CEO, commencing on 1 May 2024. James brings a wealth of operating, technical and business improvement experience to 29Metals. That experience, combined with the injection of a new perspective, will serve 29Metals well.

With the transition, we say farewell to Peter Albert – 29Metals' foundation Managing Director & CEO. The Board and I acknowledge Peter's contribution, leadership and stewardship. Peter has led 29Metals through its formation and successful IPO, and the successes and challenges since, and leaves with our sincere thanks.

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Board and Management female participation[2]

26%

2023	▲3%
2022	23%

Capital raise[3]

$151m

Significant improvement in safety performance – TRIFR

Increased focus on mental health, safety and wellbeing

2024 – Our priorities

The priorities for 29Metals and the Board in 2024 are clear:

- build upon and extend productivity and costs improvement at Golden Grove;
- addressing the water challenges at Capricorn Copper, and moving to a successful and sustainable restart as soon as possible; and
- continue to unlock the organic growth potential of our assets.

These priorities are an important first step in restoring the confidence of our shareholders.

The Board is also reviewing our remuneration arrangements. We are examining changes to Directors' fees and the way performance-based remuneration is delivered to ensure that our remuneration arrangements are right-sized for the Company and to strengthen the link between shareholder value and executive remuneration outcomes.

29Metals' Vision

29Metals' Vision and strategy remain intact. There is no better time to be a company that produces copper and the other metals that are critical to the global energy transition.

The Board are unanimous in the view that 29Metals is strongly placed to deliver against this Vision, and that we have the team and assets to do it.

Our shareholders

The Board and I greatly appreciate the support of our shareholders during the challenging year that was 2023. That support was reflected in our successful capital raising last year.

We recognise that the job of all of us at 29Metals is to deliver against the Vision and to deliver shareholder value.

I look forward to seeing many of you at our 2024 Annual General Meeting to be held on 21 May 2024.

Yours sincerely

Owen Hegarty OAM
Non-executive Director
Chair of the Board of Directors

Carib
Capricorn Copper

Scaling of underground work area. An important pre-commencement task undertaken to ensure no loose rocks can fall from the walls into the work area.

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
2. As at 31 December 2023.
3. Gross proceeds.

Managing Director & CEO report

2023: A year of two halves

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Without a doubt, 2023 was a tough year for 29Metals – it was also a year where considerable progress was made to recover from challenges faced to unlock the potential of our assets to build for a successful future.

Safety

Despite the magnitude of the Extreme Weather Event at Capricorn Copper[1], we successfully navigated the event with:

- no health and safety incidents to the workforce;
- no uncontrolled release of mine-affected water from regulated structures; and
- no loss of containment of tailings.

These achievements are a testament to the dedication of the site team and 29Metals' significant investment over the past nearly two years in water management infrastructure and management plans.

Looking at safety performance more broadly, TRIFR improved throughout the year to 6.5 mwhrs at year end (2022: 9.8 mwhrs). This significant reduction is the result of our sustained focus on leading indicators including the continued roll out of the Group's Critical Risk Management Framework.

Given the challenges of the year, our commitment to the mental health and wellbeing of our people was more important than ever. The extension of mental health first aider training and mental health awareness training was just part of 29Metals' focus on supporting mental health during the year.

Operating performance – a year of two halves

The direct and indirect impacts of the Extreme Weather Event[1] were significant, with impacts to production, revenue, recovery costs, and non-cash accounting impairment charges.

Through the second half of 2023, we saw significant operational improvement as we remained focused on executing our plans to deliver positive outcomes.

At Capricorn Copper, we formulated a recovery plan and, early in the second half, successfully completed phase 1 of that plan with the restart of mining at Mammoth and Greenstone, and the restart of milling operations. Phase 2 of the Recovery Plan progressed in late 2023 and early 2024.

Ultimately, however, the accumulation of more water on site as a result of successive tropical cyclones affecting northwest Queensland made delivery of phase 2 unachievable in the near term. This led to the difficult decision to suspend mining and milling operations at Capricorn Copper, as announced on 26 March 2024.

At Golden Grove we completed major debottlenecking projects which have delivered improvements in development rates in the high-grade Xantho Extended ore body, and identified sustainable costs improvements of approximately $20 million as part of a continuing focus on cost management and capital discipline.

With these enablers now firmly in place, we are well positioned to deliver improved productivity and support progressively higher metal production at Golden Grove.

Advancing our growth opportunities

Our Australian-based, low-risk, brownfield, organic growth opportunities continue to highlight the potential of our business, with a disciplined and targeted exploration program for the year delivering excellent results.

As evidenced by our 2023 Mineral Resources and Ore Reserves estimates which included a significant increase in geological confidence in 29Metals' Mineral Resources estimates, with the proportion of our Mineral Resources estimates in the *Measured* and *Indicated* categories in our key *in-mine* and *near-mine* growth opportunities increasing 45% and 30% year-on-year at Cervantes (Golden Grove) and ESS (Capricorn Copper), respectively.[2]

Drilling activity undertaken in Q1 2023 also identified a new mineralised zone east of Mammoth at Capricorn Copper. Additional drilling was undertaken in the December quarter to further define the mineralisation, and we look forward to updating the market with these results in due course.

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TRIFR

6.5/mwhrs

2023	❤34%
2022	9.8/mwhrs

Improved mill throughput, development rates, and ore production from Xantho Extended

Message from 29Metals' incoming CEO

2024 priorities

The progress made at Golden Grove in the second half of 2023 sets us up to deliver on the key performance drivers for 2024. We await the outcome of our application for approval of the proposed new long-term tailings storage facility ('TSF 4') submitted late-2023, and have recently submitted our application seeking regulatory approvals for the future development of Gossan Valley – which has the potential to become the third mining front at Golden Grove.

Building upon the significant investment in operational de-risking projects undertaken in 2023, we will continue to focus on productivity improvements at Golden Grove. This includes sustaining and increasing development rates, and progressive ore-feed increases from Xantho Extended, the Group's highest-grade ore-source.

Following the decision to suspend operations at Capricorn Copper, our 2024 redefined priorities focus on managing water inventory, and planning for a successful and sustainable restart.

Across the Group, we will continue to focus on identifying and implementing sustainable cost reductions, building on the approximately $20 million in savings identified and implemented in 2023.

Looking to the future

I will retire at the end of April. This being my last report to you, I'd like to take this opportunity to thank the Board and the 29Metals team for their support over the past years. Together we have built the foundations for a company that I am confident will overcome current challenges to realise its potential.

I remain a strong supporter of 29Metals' Vision and future. As we have said from the IPO – right time, the right assets and the right team – that is the 29Metals story. I look forward to watching the Company grow and flourish in the years to come.

Peter Albert
Managing Director & CEO

In a few short days I will start in my new role as CEO of 29Metals, and I am delighted to have this early opportunity to communicate directly with the owners of 29Metals – its shareholders.

Looking at 29Metals from the outside, I see a company that has faced some significant challenges in its short life as a listed company. I also see potential, strong Values, a clear and compelling Vision, a foundation of copper-focused assets with upside, and a team that has demonstrated resilience through significant adversity.

My initial focus will be to work with the team to deeply understand the current challenges and opportunities. The immediate priorities are clear:

- maintaining the focus on health and safety;
- continuing to drive improvement in productivity and sustainable cost reductions at Golden Grove, to deliver on the significant potential of what is a world-class VHMS system;
- completing the ramp down in mining and milling activity at Capricorn Copper and supporting the team as the site transitions into suspension and plans for a successful and sustainable restart; and
- ensuring that the Group has the right capability to navigate the current challenges and position 29Metals for future success.

I very much look forward to working with the team and the Board to deliver against these immediate priorities – an important first step to realising 29Metals' potential and deliver on the Vision.

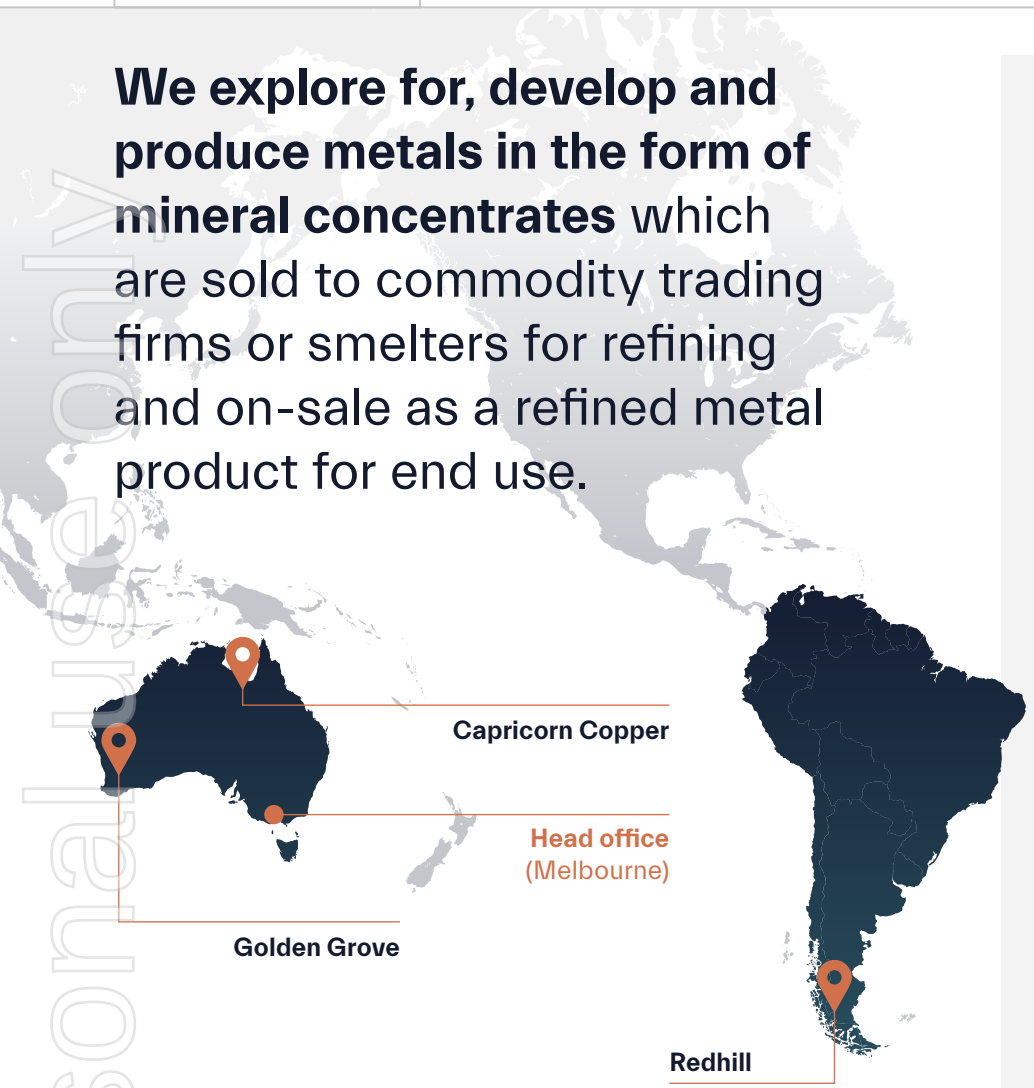
I also look forward to the opportunity to meet and speak to 29Metals' shareholders in person at the Company's upcoming AGM, my first as the Company's CEO.

James Palmer
Incoming CEO

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

About 29Metals

We explore for, develop and produce metals in the form of mineral concentrates which are sold to commodity trading firms or smelters for refining and on-sale as a refined metal product for end use.



Our People

Our people are at the heart of everything we do. 29Metals strives to promote a culture that prioritises safety, where our people feel safe, respected and valued.

Gender Diversity[1]

Board & Management

Male	74%
Female	26% ▲ (2022: 23%)

Group[2]

Male	84%
Female	16% ▲ (2022: 15%)

Read more about our people » page 12

1. As at 31 December 2023.
2. Employees only, excludes Non-executive Directors.

Ewen, Boris & Jack
Golden Grove

Our Golden Grove site has around 450 people on-site in total, small enough so there's a real community feel to it.

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Our Commitments

Conducting business responsibly, ethically, safely and sustainably

Promoting an inclusive workplace, reflecting the Company's Values where all people feel respected and valued

Being transparent with our investors and other stakeholders

Managing our impact on finite natural resources and protecting the environment through all stages of our business

Promoting opportunities for local businesses and employment

Our Assets

29Metals owns two long-life, producing assets: Golden Grove in Western Australia and Capricorn Copper in Queensland.

In addition to its operating assets, 29Metals has a portfolio of organic growth opportunities at Golden Grove and Capricorn Copper, as well as the Redhill exploration project in Chile.

Golden Grove Operating Mine

Western Australia, Australia

Metals produced

Cu Copper | Zn Zinc | Au Gold | Ag Silver | Pb Lead

Capricorn Copper Operating Mine

Queensland, Australia

Metals produced

Cu Copper | Ag Silver

Prospective for

Pb Lead | Co Cobalt | Zn Zinc

Redhill Exploration Project

Chile, South America

Prospective for

Cu Copper | Au Gold | Ag Silver

Read more about our assets page 18

Our vision & strategy

To be a leading ASX-listed copper producer, developer and explorer, offering investors exposure to attractive market dynamics for copper and other metals critical to the global energy transition.

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Progress against our strategy

Our strategy is focused on delivering against our operating plan and converting our pipeline of organic growth opportunities. Operating and financial results delivered in 2023 reflect the direct and indirect impacts of the Extreme Weather Event at Capricorn Copper[1].

Execute Our Plan → Deliver Organic Growth → External Growth

Execute our plan

Opportunities

Deliver operating plan and continuous improvement

Progress in 2023

Reduced incidence of minor injuries with TRIFR

6.5/mwhrs ▲ 34% improvement

Copper production 24.2kt

Increase in copper production (>7%) at Golden Grove, offset by lower production at Capricorn Copper

Zinc production 51.5kt

Completion of debottlenecking projects to support higher Xantho Extended mining rates

Completed TSF 3 lift at Golden Grove with applications submitted for TSF 4

Revenue $450m

Achieved approximately $20 million in sustainable cost improvements during the year

Successful completion of phase 1 of the Recovery Plan[2]

Priorities in 2024

- Continued improvement in development and production rates at Xantho Extended, 29Metals' highest grade ore source at Golden Grove
- Continued focus on cost management and capital discipline, linking to remuneration outcomes for Leaders
- Enhance Group access to liquidity

Following the decision to suspend mining and milling operations at Capricorn Copper, 29Metals' has commenced planning to restart operations as soon as possible. Key drivers of a successful restart are expected to be:

- reducing water inventory held on site and further enhancing resilience;
- establishing long terms tailings storage capacity;
- new water treatment plant; and
- enhance productivity and reduce costs.

Refer to page 3

Our strategic enablers

Highly experienced Board and Management team

track record of value creation, and safe and efficient operations

High-grade, long mine life copper portfolio

complemented by diversified by-product revenue

Substantial pipeline of organic growth opportunities

across the portfolio

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1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
2. Information regarding the Capricorn Copper Recovery Plan was set out in 29Metals' Investor Presentation entitled "Strategic Update" released to the ASX Announcements platform on 23 May 2023.
3. Refer to pages 61 to 77 for the Group's 2023 Mineral Resources and Ore Reserves estimates, including Competent Persons' statements. Ore Reserves cited for Cervantes are part of the Ore Reserve estimate for Golden Grove (refer page 70).

Deliver organic growth

Opportunities	Progress in 2023	Priorities in 2024
Productivity and operational improvements	▪ Completed derisking and debottlenecking projects, improving ventilation and related infrastructure to support increases in development and mining rates at Xantho Extended ▪ Re-established and enhanced water management and diversion infrastructure at Capricorn Copper ▪ Increased mechanical evaporation capacity and implementation of water recycling at Capricorn Copper	▪ Productivity improvements at Golden Grove – continue development rate improvements and increase contribution of ore-feed from Xantho Extended ▪ Progress approvals for long term tailings storage solutions at both operating sites (Golden Grove – TSF 4, Capricorn Copper – TSF 3)
In-mine and *near-mine* growth opportunities	▪ At Golden Grove, successful conversion drilling program at Cervantes supporting an Ore Reserves estimate[3] of 2.9Mt @ 1.5% Cu, 4.8% Zn, 0.6 g/t Au, 33 g/t Ag and 0.4% Pb ▪ At Capricorn Copper, drilling extended known mineralisation at Esperanza South and identified a new mineralised zone east of Mammoth	▪ Progress regulatory approvals for future Gossan Valley development ▪ Resource conversion drilling at Amity, Hougoumont, Xantho Extended, and Oizon (Golden Grove) ▪ Resource conversion and extension drilling at Mammoth ▪ Exploration drilling to target the area east of Mammoth
Exploration	▪ Maintained Group Mineral Resources estimates[3] (+0.3%) after production depletion ▪ Increased Group Ore Reserves estimates[3] (+15.1%) after production depletion	▪ Strategic exploration approach focusing on resource conversion within the Group's substantial 128.3Mt Mineral Resources estimates[3]

External growth

Opportunities

Logical regional bolt on opportunities

Opportunistic M&A where we see value and returns

Commitment to Sustainability & ESG

integral to *Our Approach* (refer to page 25 of this Annual Report)

Transition to a green economy underpins attractive supply-demand

outlook for copper and other future-facing metals in our portfolio

Strong balance sheet

low leverage creates platform for growth objectives

Significant investment

delivering meaningful environmental and operational improvements

Our people

2023 was a year that tested our people and highlighted the strength and resilience of our workforce.

We are incredibly proud of the manner in which our people pulled together during the year to respond to operational challenges which arose at both Golden Grove and Capricorn Copper, not least the Extreme Weather Event at Capricorn Copper[1].

Our people demonstrated 29Metals' commitment to a safe and inclusive workplace:

- continuing focus on managing critical risks;
- significant safety improvement over of year, with Group TRIFR reducing by 34% and LTIFR reducing by 25%[2]; and
- roll out of mental health first aider training at both sites, and mental health awareness training in collaboration with the Black Dog Institute across the business.

Our 29Metals' TEAMS Awards program continued in 2023, recognising individuals and teams that epitomised our Values in their day-to-day work.

Greg
Capricorn Copper

Melanie
Golden Grove

Our workforce-led working group, *InDiVisible*, continued its work during the year, as an important forum for members of our team to identify and discuss barriers to promoting an inclusive workplace and a diverse workforce.

InDiVisible

represents our commitment to

Inclusion, Diversity and Visible leadership

to achieve an inclusive workplace and a diverse workforce

During the year, we also completed our third annual workforce engagement survey. The voluntary survey saw an increase in participation by our employees and, in 2023, included contractor personnel working at our sites. Overall, the survey participation rate and results indicated that 29Metals has a workforce committed to improving productivity.

Our focus during 2024 includes activities to help strengthen and grow the 29Metals business, with a specific focus on people development, attraction and retention.

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
2. TRIFR and Lost-time Injury frequency rate ('LTIFR') are reported on a 12-month rolling average basis at 31 December, reported per million work hours ('mwhrs').

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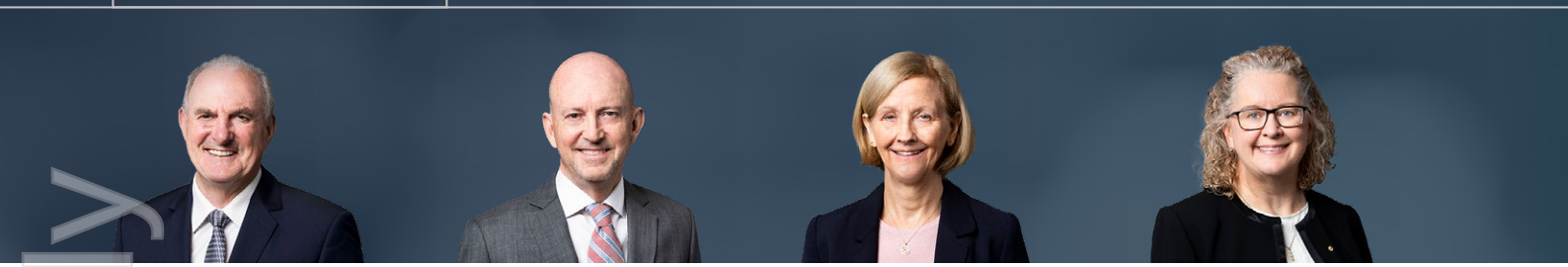
William & Anthony
Golden Grove

Development work being undertaken at Xantho Extended, 29Metals' highest grade ore source.

Board of Directors



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Owen Hegarty OAM

Chair and Non-executive Director

BEc (Hons)
FAusIMM FAICDD

Owen has more than 40 years' experience in the global mining industry with a career spanning executive and directorship roles across multiple mineral commodities and assets in Australia, Asia, Africa, Europe and the Americas.

Owen co-founded and is Executive Chairman of EMR Capital, a specialist resources private equity manager with deep operational, investment, sustainability and ESG management expertise applied across the EMR investment portfolio companies.

Owen was formerly the Managing Director and Chief Executive Officer of ASX-listed Oxiana Limited, leading the company to its merger with Zinifex Limited in 2008 to form OZ Minerals Limited (formerly ASX: OZL).

Prior to Oxiana, Owen's career included 25 years with the Rio Tinto Group, including as Managing Director of Rio Tinto Asia and Rio Tinto's Australian copper and gold business.

Owen currently serves as a director on a number of EMR Capital portfolio companies. Owen's previous non-executive directorship roles include ASX listed Fortescue Metals Group Limited (ASX: FMG) and Highfield Resources Limited (ASX: HFR), Tigers Realm Coal Limited (ASX: TIG) and Hong Kong listed G-Resources Limited and CST Mining.

Owen has served and continues to serve on a number of government and industry mining advisory bodies and is the recipient of a number of awards and citations in recognition of his achievements and service to the mining industry.

Owen was included in the 2021 Queen's Birthday honours list, being awarded the Medal of the Order of Australia recognising his services to the minerals and mining sector.

Owen was appointed as a Director on 27 May 2021.

Special responsibilities:

Nil.

Other listed directorships:

Tigers Realm Coal Limited (ASX: TIG) (2009–2022).

Peter Albert

Managing Director & Chief Executive Officer

BSc (Minerals Engineering) (Hons)
EMBA
MAICD FAusIMM, MIOM3, Chartered Engineer

Peter is an experienced mining executive, with more than 35 years' experience in the mining industry across multiple commodities and spanning Australia, Asia, Africa and Europe. Peter's experience includes more than 25 years in CEO and executive roles for listed mining companies in Australia and Asia with significant experience in project management, development and operation of large-scale underground and open pit mining operations, sustainability and ESG performance, and corporate strategy.

Prior to his appointment as 29Metals' Managing Director & CEO, Peter joined EMR Capital as the CEO of EMR Capital's copper portfolio in preparation for 29Metals' initial public offering and ASX-listing in 2021.

Peter's earlier executive career included roles as CEO of ASX-listed Highfield Resources Limited (ASX: HFR), Jinchuan International and G-Resources Limited, and Executive General Manager – Asia for ASX-listed Oxiana Limited (later, OZ Minerals Limited). Peter also held previous roles with Fluor Australia, Shell-Billiton Australia, Davy John Brown and Johannesburg Consolidated Investments.

Peter was appointed as a Director on 27 May 2021 and commenced his role as Managing Director & CEO with effect on and from 2 July 2021.

Peter will retire as Managing Director & CEO on 30 April 2024.

Special responsibilities:

N/a.

Other listed directorships:

Highfield Resources Limited (ASX: HFR) (2016–2020).

Fiona Robertson AM

Independent Non-executive Director

MA (Oxon) Geology
FAICD, MAusIMM

Fiona has more than 40 years' experience as a finance executive and non-executive director, most of this spent within the resources sector.

Fiona's senior and executive finance roles included serving as CFO of ASX-listed companies Petsec Energy Limited, Climax Mining Limited and Delta Gold Limited.

Fiona's earlier career included credit risk management, corporate banking and resource financing roles with Chase AMP and Chase Manhattan Bank in Australia, New York and London.

Fiona is currently an independent non-executive director of ASX-listed Bellevue Gold Limited (ASX: BGL) and Whitehaven Coal Limited (ASX: WHC), where Fiona also chairs the audit & risk committee for both companies. Fiona also serves as a member of Whitehaven Coal's governance & nomination and remuneration committees, and previously served on its health, safety, environment and community committee. Fiona serves on the nomination and remuneration committee and health, safety & sustainability committee for Bellevue Gold.

Fiona was previously an independent non-executive director of ASX-listed Drillsearch Energy Limited (ASX: DLS) and ASX-listed Heron Resources Limited (ASX: HRR), where Fiona also held roles on board committees focussed on audit, risk, ESG, people, remuneration and nomination matters.

Fiona's successful career in the mining industry, and contribution to the empowerment and encouragement of women developing careers within the mining industry was recognised in 2022 when Fiona received the NSW Mining Industry and Suppliers "Outstanding Contribution in Mining" award. In 2020 Fiona was named as one of "100 Global Inspirational Women in Mining" by Women in Mining UK.

Fiona was included in the 2023 Kings Birthday honours list recognising her significant service to the mining sector.

Fiona was appointed as a Director on 27 May 2021.

Special responsibilities:

Chair of Audit, Governance & Risk Committee.

Member of Sustainability Committee.

Other listed directorships:

Bellevue Gold Limited (ASX: BGL) (2020–current);

Whitehaven Coal Limited (ASX: WHC) (2018–current).

Jacqueline 'Jacqui' McGill AO

Independent Non-executive Director

BSc, MBA
GAICD, FAusIMM

Jacqui has more than 30 years' experience in the mining sector, including in executive and senior leadership roles spanning operations, business development, technology and project management across copper, iron ore and energy, where Jacqui developed extensive experience in managing financial performance, risk management and sustainability.

Jacqui's executive career includes 16 years with BHP where Jacqui held roles as President Olympic Dam and President BHP-Mitsui Coal, as well as other senior leadership roles in BHP's copper, uranium and iron ore divisions.

Jacqui is currently an independent non-executive director of ASX-listed New Hope Corporation Limited (ASX: NHC) and Mineral Resources Limited (ASX: MIN), and Johannesburg-listed Gold Fields Limited (JSE: GFI).

At New Hope Corporation, Jacqui is chair of the sustainability committee and serves as a member of the audit and risk, and nomination and remuneration committees.

At Goldfields, Jacqui is chair of the social, ethics and transformation committee and serves as a member of a number of the board's other standing committees.

Jacqui is also a non-executive director of the Royal Automobile Association of South Australia and the Adelaide Festival Centre.

Jacqui was included in the 2020 Australia Day honours list recognising her services to the resources sector, and diversity and inclusion.

Jacqui was appointed as a Director on 27 May 2021.

Special responsibilities:

Chair of Sustainability Committee.

Member of Remuneration & Nominations Committee.

Other listed directorships:

New Hope Corporation Limited (ASX: NHC) (2020–current);

Gold Fields Limited (JSX: GFI; NYSE: GFI) (2021–current);

Mineral Resources Limited (ASX: MIN) (2024–current).

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Martin Alciaturi

Independent Non-executive Director

BSc (Eng) (Hons)
Grad Dip (Applied Finance)
FCA MAICD

Martin is an experienced finance professional with combined experience of more than 40 years' in investment banking and corporate finance, and as a mining executive.

Martin is currently the executive Finance Director for Sierra-Rutile Holdings Limited (ASX: SRX), a minerals sands mining company. Martin also serves as a member of Sierra Rutile Holdings' sustainability and social accountability committee.

Previously Martin spent 11 years as chief financial officer and executive director with Aquila Resources Limited (ASX: AQA, delisted 2014), where Martin's responsibilities included strategy, business development, investor relations, finance and administration.

Prior to Aquila, Martin spent 30 years in investment banking and corporate finance, including as Head of Corporate Finance at Macquarie Capital in Perth, Partner-in-charge for Corporate Finance at EY in Perth (including head of the EY natural resources team), and as an executive director with Poynton Corporate.

Martin has also served as a member of the Australian Government's Takeovers Panel between 2006 and 2015.

Martin was appointed as a Director on 27 May 2021.

Special responsibilities:

Chair of Remuneration & Nominations Committee.

Member of Audit, Governance & Risk Committee.

Other listed directorships:

Sierra Rutile Holdings Limited (ASX: SRX) (executive director) (2022–current).

Tamara Brown

Independent Non-executive Director

BEng

Tamara has an engineering background and more than 25 years' experience in the finance and mining sectors.

Tamara is currently a Partner of Oberon Capital Corporation, a Canadian boutique energy and mineral resources investment banking firm.

Prior to joining Oberon Capital, Tamara held various senior management and executive roles, including interim Chief Executive Officer with formerly TSX-listed Superior Gold Inc. (TSX.V: SGI) (2020–2021), and corporate development and investor relations roles with Newcrest Mining Limited (formerly ASX: NCM) (2018–2020), Primero Mining Corp. (TSX: P, NYSE: PPP, formerly ASX: PPM) (2010–2018) and IAMGOLD Corporation (TSX: IMG, NYSE: IAG) (2009–2010).

Tamara is currently an independent non-executive director of TSX-listed Lithium Royalty Corp. (TSX: LIRC) and TSX-listed Orla Mining Ltd (TSX: OLA). At Lithium Royalty, Tamara serves on a number of board committees, including as chair of the audit committee and member of the compensation, nominating and governance committees for Lithium Royalty Corp. At Orla Mining, Tamara chairs the environmental, sustainability, health and safety committee, and also serves as a member of the technical, and human resources and compensation committees.

Tamara was previously a non-executive director of TSX-listed Lundin Gold (TSX: LUG), ASX-listed Titan Minerals Limited (ASX: TTM), and Superior Gold Inc. (TSX.V: SGI) where Tamara chaired the governance committee and human resources and compensation committee.

Tamara was appointed as a Director on 17 April 2023.

Special responsibilities:

Member of Audit, Governance & Risk Committee (effective 17 April 2023).

Member of Sustainability Committee (effective 17 April 2023).

Other listed directorships:

Lithium Royalty Corp. (TSX: LIRC) (2023–current);

Orla Mining Ltd (TSX: OLA) (2022–current);

Titan Minerals Limited (ASX: TTM) (2022–2023);

Superior Gold Inc. (TSX.V: SGI) (2017–2023)

Creagh O'Connor

Non-executive Director

BEc, LLB, ACA

Creagh has more than 30 years' experience as an executive and adviser in the mining industry and investment banking.

Creagh is a current director and co-founder of GP Securities, a private investment group based in Adelaide. Through GP Securities, Creagh is a founding shareholder of EMR Capital, a specialist resources private equity manager, where Creagh is also currently a non-executive director and senior advisor.

Prior to co-founding GP Securities, Creagh held various executive and senior roles in investment banking and corporate advisory, including as Global Head of the Metals & Mining advisory group of Standard Chartered Bank following its acquisition of Gryphon Partners Pty Ltd in 2011, a boutique corporate advisory firm co-founded by Creagh in 2003.

Earlier executive and senior management roles included roles as head of corporate business development at formerly ASX-listed Normandy Mining Group (1993–2001) (ASX: NDY), Executive Director of Australian Magnesium Corporation Limited (1996–2001) (1996–2001) (ASX: ANM) and Managing Director of Queensland Metals Corporation Limited (1997–2000) (formerly ASX: QMC).

Creagh was previously a non-executive director of formerly ASX-listed Bondi Mining Limited (ASX: BOM) and Chesser Resources Limited (ASX: CHZ), Solstice Media Limited and the Queensland Mining Council.

Creagh was appointed as a Director on 17 April 2023.

Special responsibilities:

Member of Remuneration & Nominations Committee (effective 17 April 2023).

Other listed directorships:

Nil.

Executive Leadership

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Peter Albert
Managing Director & Chief Executive Officer

BSc (Minerals Engineering) (Hons)
EMBA
MAICD FAusIMM, MIOM3, Chartered Engineer

Refer to page 14.

Ed Cooney
Chief Operating Officer

BEng (Mining) MBA
MAusIMM

Ed is a mining engineer with more than 20 years' experience in base and precious metals mining, operations and development projects, spanning Australia and Indonesia, including ten years in senior operational leadership roles.

At 29Metals, Ed has executive accountability for site safety and sustainability, operations, project studies and development, Group risk management, Group planning, and Group geology and exploration.

Prior to joining 29Metals, Ed joined EMR Capital in 2019 as Operations Director, responsible for providing operational leadership and oversight to EMR Capital's portfolio companies with a particular emphasis on the 29Metals assets.

Ed's prior roles include a series of senior operations leadership roles at the privately-owned Martabe Gold Mine in Indonesia (2013–2019), including General Manager Operations (2015–2019) and Director Operations (2016–2019), and with BHP as Manager Mining (2010–2012) and Manager Resource Planning and Development (2009–2010) at the Cannington Mine in Australia.

Earlier, Ed's career included roles in Australia and Indonesia with Xstrata, PT Petrosea, Barrick Gold and Mount Isa Mines.

Ed holds a Bachelor of Engineering (Mining) from the University of New South Wales and an MBA from the University of California, Los Angeles, and the National University of Singapore. Ed is a member of the Australasian Institute of Mining and Metallurgy.

Peter Herbert
Chief Financial Officer

BComm
Grad Dip (Applied Finance)

Peter is a corporate finance executive with 20 years' experience across private equity, investment banking and professional services with a Big Four firm.

At 29Metals, Peter has executive accountability for Group accounting and financial reporting, management reporting, treasury, concentrate marketing and logistics, Group commercial and ICT.

Prior to 29Metals, Peter was with EMR Capital (2018-2021) as an investment director responsible for corporate finance and strategic initiatives.

Peter's earlier roles include Executive Director Energy and Natural Resources Group (Mining and Metals) with Standard Chartered Bank (2011–2018), Associate Director Mining and Metals M&A with Gryphon Partners (2009–2011), Executive for General Industrials with Macquarie Capital Advisers (2007–2009), and various roles with KPMG Corporate Finance (2003–2007).

Peter holds a Bachelor of Commerce (Accounting and Corporate Finance) from the University of Western Australia and a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australia. Peter also completed the Chartered Accountant requirements from the Institute of Chartered Accountants.

Clifford Tuck
Chief Governance & Legal Officer, Company Secretary

LLB (Hons), BScApp (Hons)
FGIA MAICD

Clifford is a legal and governance professional with more than 20 years' experience, principally in the resources sector.

At 29Metals, Clifford has executive accountability for Group legal and governance, Group company secretariat, Group insurance, share registry and Sustainability & ESG.

Prior to 29Metals, Clifford's roles included working as an adviser to ASX-listed and private equity clients in relation to corporate transactions, governance and ESG matters (2017-2021), General Counsel & Company Secretary (consultant) for Lattice Energy Limited (the proposed IPO vehicle for the upstream oil & gas assets of ASX-listed Origin Energy Limited) (2017), General Counsel & Company Secretary of formerly ASX-listed Drillsearch Energy Limited (2014–2016) and various in-house roles with ASX-listed Newcrest Mining Limited (2005–2014), including Acting General Counsel and Deputy General Counsel (2011–2014). Clifford commenced his professional career with Australian law firm Allens (2001–2005).

Clifford was also formerly a non-executive director of ASX-listed Aurelia Metals Limited (ASX: AMI) where he also served as a member of the audit committee.

Clifford holds a Bachelor of Laws from the Queensland University of Technology and a Bachelor of Applied Science from the University of Queensland. Clifford is a fellow of the Governance Institute of Australia.

Clifford was appointed as Company Secretary on 27 May 2021.

Incoming CEO

James Palmer
Incoming Chief Executive Officer

James has more than 25 years' experience across operational, technical, strategy and business development roles in a career that spans multiple commodities. James will join 29Metals from BHP where he has spent the past two decades in various leadership roles, most recently as BHP's Group Performance & Improvement Officer.

With a chemical engineering background, James' career history includes roles with BHP, WMC and MIM (now Glencore), including Asset President and General Manager roles in operations, technical, strategy and business development.

James has a degree in chemical engineering from the University of Queensland and has completed post graduate training with the Australian Institute of Management (Lean Six Sigma), DuPont (safety leadership) and the London Metals Exchange.

James has also held director and executive roles with industry bodies, including formerly acting as a director of the Queensland Resources Council, member of the NSW Minerals Council Executive Committee and Deputy Chair of the WA Chamber of Mines & Energy (Eastern Regional Council).

James is a member of the Australian Institute of Company Directors.

Senior Management

Brett Milner
General Manager Operations, Golden Grove

Josh Moran
General Manager Operations, Capricorn Copper

Grace Fong
Group Financial Controller

Tara Garrood
Group Manager, Sustainability & ESG

Tom Hennessy
Group Manager, Business Analysis & Planning

Adrianna Quinn
Group Manager, Human Resources

Michael Slifirski
Group Manager, Investor Relations

Kristian Stella
Group Manager, Business Development

Lucas Williams
Group Manager, Geology

Scott Campbell
Marketing Manager

Naomi Dolmatoff
Manager, Group Governance & Secretariat

David Star
Commercial Manager

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Our assets

2023 proved to be a year of extremes and the most challenging in 29Metals' short history. It was also a year where considerable progress was made to recover from challenges faced as we build for a sustainable future.

Business performance in the first half was impacted by:

- the Extreme Weather Event at Capricorn Copper in March 2023[1] resulting in significant loss and damage to surface infrastructure, significant increase in water inventory held on site and suspension of operations from 7 March until the partial restart of operations on 1 August 2023;
- lower than plan production at Golden Grove, largely due to constraints on milling rates to manage tailings capacity in the first half of the year, ventilation commissioning failures, and remediation works following damage to the Gossan Hill portal; and
- macroeconomic headwinds, including lower commodity prices, and continuing inflationary and labour market pressures across the mining sector.

Despite the challenging start to the year, the Group saw significant improvement in safety performance with Group TRIFR dropping by 34% on a 12-month rolling basis to 6.5/mwhrs from 9.8 in 2022.

Performance improvement shown in the second half of the year, with completion of de-bottlenecking projects at Golden Grove supporting improvement in development and production rates, and successful completing phase 1 of the Capricorn Copper recovery plan[2].

Read our full Operating and Financial Review page 88

Nicholas
Golden Grove

Mill Shift Supervisor at Golden Grove inspecting the primary stockpile feed conveyor which feeds the mill.

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
2. Details regarding the phased recovery plan for Capricorn Copper were outlined in 29Metals' investor presentation entitled "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Golden Grove

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TRIFR

7.1/mwhrs

2023	❤ 37%
2022	11.3/mwhrs

LTIFR

1.6/mwhrs

2023	No change
2022	1.6/mwhrs

Products

- Cu Copper
- Zn Zinc
- Au Gold
- Ag Silver
- Pb Lead

Mining Method

Underground
Long Hole Open Stoping

Processing Method

Conventional flow sheet with crushing, grinding, gravity, flotation

EBITDA[1]

$39.5m
❤ from 2022, $111m

Metal Production

Cu Copper	Zn Zinc
18.1kt (2022: 16.9kt)	**51.5kt** (2022: 57.6kt)

Mineral Resources[2]		Ore Reserves[2]	
59.2Mt @		16.7Mt @	
Cu	Copper 1.7%	Cu	Copper 1.7%
Zn	Zinc 3.9%	Zn	Zinc 4.7%
Au	Gold 0.7 g/t	Au	Gold 0.7 g/t
Ag	Silver 28 g/t	Ag	Silver 26 g/t
Pb	Lead 0.2%	Pb	Lead 0.2%

Golden Grove is a world class VHMS system with a history of discovery and resource extension over its 30+ years of continuous operations.

Golden Grove's multiple copper and zinc orebodies provide production flexibility. The operation is on grid power with a fly-in fly-out ('**FIFO**') workforce, with underground mining conducted by a mining contractor.

2023 Highlights

- Completed ventilation upgrades to support continuing improvement in development and mining rates at Xantho Extended – a key driver of metal production growth
- Tailings Storage Facility ('**TSF**') 3 lift completed and applications submitted for long term TSF (TSF4)
- Sustainable cost improvements implemented in 2023 for the Group of approximately $20 million was predominantly attributable to Golden Grove, predominately attributable to Golden Grove
- Safely achieved guided copper production
- Introduced increased automation and remote drilling and loading following extension of the underground fibre optic network
- Xantho Extended underground fuel bay constructed and commissioned supporting increased productivity
- Strong resource conversion at Cervantes with the proportion of Mineral Resources estimates[2] in the Measured and Indicated categories increasing 45% year-on-year (in the aggregate)

2024 Priorities

Operations

- Identify further productivity improvements to build upon the significant progress achieved in 2023
- Progress regulatory approvals for the proposed new long term TSF4
- Continuing focus to identify and implement sustainable cost reductions

Organic growth

- Gossan Valley – progress regulatory approvals for development to support a future investment decision
- Cervantes – progress design and schedule optimisation towards a future investment decision
- Continue resource conversion and extension drilling, seeking to further extend planning horizon and mine life

1. *EBITDA* is non-IFRS financial information. Refer to the Important Information regarding the use of non-IFRS financial information on page 207.
2. As at 31 December 2023. Refer to pages 61 to 77 for further information regarding 29Metals' 2023 Mineral Resources and Ore Reserves estimates, including Competent Person's statements.

Our assets continued

Capricorn Copper

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TRIFR

5.6/mwhrs

2023	❤ 20%
2022	7.0/mwhrs

LTIFR

1.4/mwhrs

2023	❤ 22%
2022	1.8/mwhrs

Products

Cu Copper Concentrate (including silver by-product)

Mining Method

Underground
Long Hole Open Stoping and Sub Level Caving

Processing Method

Conventional flow sheet with crushing, grinding, flotation

EBITDA[1]

$(30.8)m
❤ from 2022, $65.9m

Copper Metal Production

6.1kt[2]
❤ from 2022, 23.8kt

Mineral Resources[3]

64.8Mt @
- Cu Copper 1.8%
- Ag Silver 9 g/t
- Co Cobalt[4] 396 ppm

Ore Reserves[3]

19.0Mt @
- Cu Copper 1.7%
- Ag Silver 12 g/t

1. *EBITDA* is non-IFRS financial information. Refer to the Important Information regarding the use of non-IFRS financial information on page 207.
2. Full year production result heavily impacted by Extreme Weather Event, with full year result reflecting production until 8 March 2023 and partial production from commencement of the phase one restart in August 2023.
3. As at 31 December 2023. Refer to pages 61 to 77 for 29Metals' 2023 Mineral Resources and Ore Reserves estimates, including Competent Person's statements.

Capricorn Copper is a high-grade, long-life underground copper operation, with exploration tenements covering an area of approximately 1,900 km² located within the highly prospective Mt Isa Inlier.

The operation is on grid power with a FIFO workforce with underground mining conducted by a mining contractor.[5]

2023 Highlights

- Significant safety performance improvement – 20% reduction in TRIFR
- Navigated the Extreme Weather Event[6] with:
  - no health and safety incidents;
  - no uncontrolled release of mine-affected water from regulated structures; and
  - no loss of containment of tailings
- Successful completion of phase 1 of the Recovery Plan[7]
- Reinstatement and enhancement of water management infrastructure[8]
- Progressed phase 2 of the Recovery Plan[7]
- Significant reduction of water levels held on site at year end (aggregate volume of water reduction prior to rainfall from late January 2024 of more than 500 ML)
- Declared a '*Prescribed Project*' and a '*Critical Infrastructure Project*' by the Queensland Government
- Extended known mineralisation at Esperanza South
- Identified new mineralised zone east of Mammoth

2024 Priorities

Following the announcement of the suspension of mining and milling operations, the priorities for 2024 will be on water management and planning for a successful and sustainable restart of operations as soon as possible.

The key drivers of a successful and sustainable restart at Capricorn Copper are expected to be:

- reducing water inventory held on site and further enhance resilience;
- establishing long term tailings storage capacity;
- completing the design, procurement and installation of the new water treatment plant; and
- enhance productivity and reduce costs.

For further information, refer to page 3

Organic growth

- Complete a three-hole drilling program to follow up the new mineralised zone east of Mammoth
- Resource conversion and extension drilling at Mammoth
- Evaluate opportunity to increase the mining rate at Esperanza South
- Continue evaluation of potential to commercialise cobalt mineralisation at Capricorn Copper

4. 29Metals does not currently recover any cobalt from processing operations.
5. Prior to suspension of mining and milling operations announced on 26 March 2024. Refer to page 3 for further information regarding the suspension of mining and milling operations at Capricorn Copper.
6. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
7. Information regarding the Capricorn Copper Recovery Plan was set out in 29Metals' Investor Presentation entitled "Strategic Update" released to the ASX Announcements platform on 23 May 2023.
8. Reinstated and enhanced diversion infrastructure damaged during the Extreme Weather Event in March 2023 successfully prevented further ingress of water into ESS during the rainfall in the period from late January 2024.

Exploration

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Our exploration portfolio

Substantial prospective exploration interests across three jurisdictions

- **Golden Grove:** Tenements covering 129 km² contain drill ready targets
- **Capricorn Copper**: One of the largest tenement packages in the Mount Isa region with approximately 1,900 km² of highly prospective, relatively under explored ground
- **Redhill:** Historic mine site with significant known high-grade copper, gold and silver mineralisation, and 227 km² regional tenement position in Chile, providing exposure to one of the world's largest copper producing countries

The third pillar of our organic growth strategy[1]

29Metals adopts a systematic and disciplined approach to exploration seeking to identify, prioritise, test and prove economic mineralisation with the objectives of:

- Increasing mineral inventory through drilling activities to support our existing operations
- Identifying extensions to, or repeats of, known mineralisation within our existing Mineral Resources and Ore Reserves estimates[2]
- Discovering new deposits with the potential to be new ore sources at our existing operating mines (to extend mine life, provide additional operating flexibility and/or increase production) or potential new mines.

Exploration opportunities exist in the prospective tenement packages around our existing operations at Capricorn Copper and Golden Grove, as well as the regional tenement package at Redhill in Chile.

1. Refer to page 11 for further information regarding 29Metals' organic growth strategy.
2. As at 31 December 2023. Refer to pages 61 to 77 for further information regarding 29Metals' 2023 Mineral Resources and Ore Reserves estimates, including Competent Person's statements. Ore Reserves cited for Cervantes are part of the Ore Reserve estimate for Golden Grove (refer page 70).

2023 Highlights

Targeted exploration budget sustained Group Mineral Resources estimates after depletion from production

Group Mineral Resources estimates[2] at 31 December 2023

128.3Mt

Group Ore Reserves estimates[2] increased year-on-year after depletion from production

35.7Mt

▲ from 2022 (31.0Mt)

Targeted infill drilling program successfully converted Cervantes Mineral Resources to a higher confidence category, with 82% of Mineral Resource estimates in Indicated category (2022: 56%). Contributed 2.9Mt (@1.5% Cu, 4.8% Zn, 0.6g/t Au, 33g/t Ag and 0.4% Pb) to Golden Grove's Ore Reserves estimates[2]

Identified a new mineralised zone east of Mammoth at Capricorn Copper, as well as successful extension to Esperanza South with a 21% increase in Mineral Resources estimates[2] to 22.7Mt (2022: 18.8Mt)

2024 Priorities

As in 2023, a targeted approach to exploration, continuing a focus on resource conversion within, and extension of, the Group's substantial 128.3Mt Mineral Resource[2].

Golden Grove

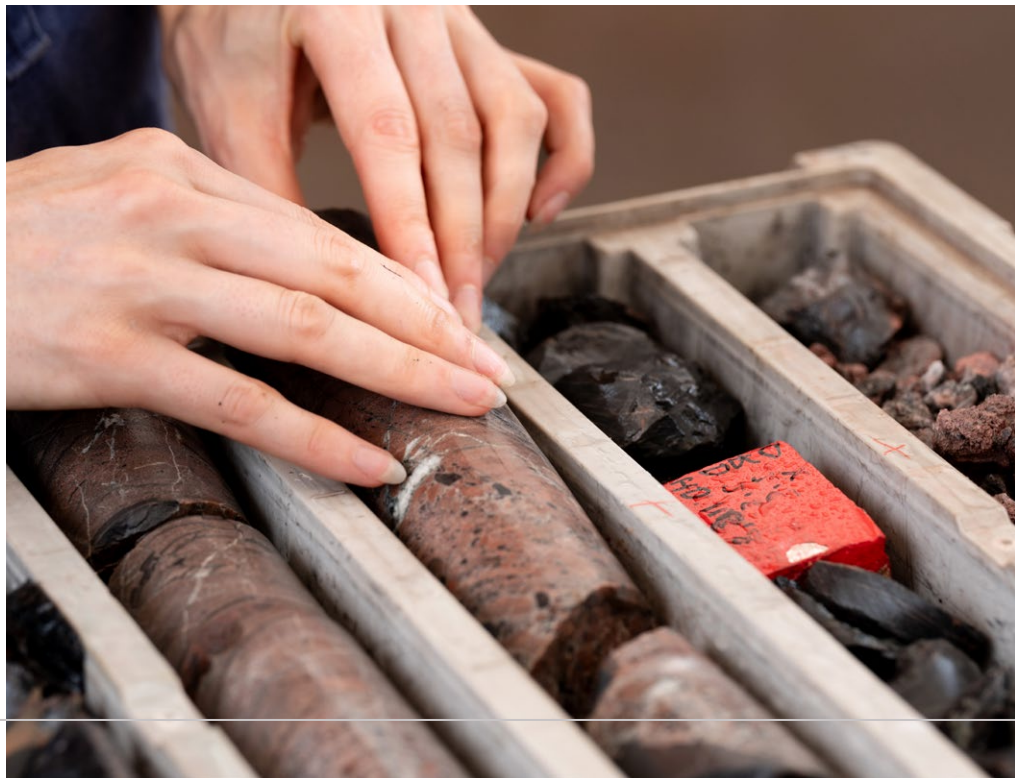
- Resource conversion drill programs targeting improved geological confidence in near-to-medium term production sources, including Amity, Hougoumont, Xantho Extended, and Oizon

Capricorn Copper

- Three-hole drilling program to follow up the new mineralised zone identified east of Mammoth, seeking to confirm structural orientation and grade distribution
- Resource conversion and extension drilling programs at Mammoth and Esperanza South

Redhill

- Continued desktop review and evaluation of target areas for potential future field programmes, and maintain tenement obligations



Sustainability & ESG report

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Jonathan
Golden Grove

I am a Senior Planning and Design Engineer within the Mine Technical Services team.

There is a great bunch of people to work with here. The successful completion of the portal rehabilitation, and ventilation improvements and upgrades for the lower Xantho Extended mining area, were definite highlights for the year.

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About this report

This report covers the Sustainability & ESG performance of 29Metals Limited ('**29Metals**') and its subsidiaries (together with 29Metals, the '**Group**') for the year ended 31 December 2023, ('**Reporting Period**'), unless otherwise stated.

This report includes progress against the Sustainability & ESG priorities and Sustainability & ESG performance highlights and performance metrics for the Reporting Period.

29Metals aims to report Sustainability & ESG performance in a way that enables investors and other stakeholders to compare 29Metals to other companies through comparative performance data. This report considers the Global Reporting Initiative ('**GRI**') Standards (2021) throughout and aligns with the disclosure format requirements of the GRI 1 content index in **Appendix C** to the standalone version of this Sustainability & ESG Report.

29Metals continues to assess the evolving Sustainability & ESG international reporting frameworks that may be applicable to current or future Group activities with the aim to provide clear and meaningful information to investors and other stakeholders.

29Metals' 2023 Sustainability & ESG Report, as in previous years, is presented in two forms:

- a *standalone* Sustainability & ESG Report, which includes additional GRI and performance tables

  a copy of which is available on our website at https://www.29metals.com/sustainability; and

- a shortened Sustainability & ESG Report included in 29Metals' 2023 Annual Report, which excludes the additional GRI and performance tables in the standalone version.

Our 2023 Annual Report is available on our website at https://www.29metals.com/investors

Feedback

We welcome feedback and invite readers to send any comments or enquiries about this report to us at contactus@29metals.com

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2023 performance snapshot

2023 Sustainability & ESG performance highlights

Safe and inclusive workplace

Total Recordable Injury Frequency Rate (TRIFR)

6.5/mwhr

a 34% decrease from 2022 (9.8/mwhr)

Physical and mental wellbeing
Extended mental health first aid and awareness training across the Group

+10%
increase of number of women in supervisory and leadership roles

Significant progress achieved on Critical Risk Management (CRM)

Read more pages 34–43

Responsible environmental stewardship

Climate Change
Progressed actions against our TCFD roadmap

No significant impacts to biodiversity at our operations

No loss of containment of tailings or mine-affected water from regulated structures during the Extreme Weather Event at Capricorn Copper[1]

Material reduction in water inventory at Capricorn Copper post the Extreme Weather Event[1], to year end[2]

Technical closure studies conducted at both sites to support rehabilitation outcomes

Read more pages 44–53

Partnering with stakeholders

>97% of goods and services for mining operations procured in Australia

Increase in meaningful stakeholder engagement at Capricorn Copper and Golden Grove

Community Consultative Committee established at both operations

Formalised goods and services pre-qualification process to include stronger Sustainability & ESG measures

Read more pages 54–58

Responsible and ethical business practices

29Metals has robust governance policies and business processes that clearly articulate and promote positive behaviours and ethics

Continuous improvement

29Metals is committed to a culture of continuous improvement, applying what we learn and collaborating with industry

1. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
2. Water reduction performance cited is to 31 December 2023 and prior to the impact of successive tropical cyclones referred to in 29Metals' announcement regarding the suspension of mining and milling operations. Refer to page 3 for further information.

TEAMS

The keystone of our Values – **collaboration** – across our workforce, with the community and our other stakeholders

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Our Approach to Sustainability & ESG

At 29Metals, we recognise that sustainability is essential in building credibility and trust with stakeholders. From the Board to our on-site workforce, we are committed to caring for our people, minimising our environmental impact, and partnering with our stakeholders.

29Metals' *Our Approach to Sustainability & ESG* is intended to provide investors and other stakeholders with insights into how 29Metals considers Sustainability & ESG, and to provide a framework for engaging with stakeholders and setting our Sustainability & ESG priorities.

Core dimensions

Safe and inclusive workplace

29Metals is committed to:

- providing a healthy and safe workplace for employees, contractors and business partners, minimising incidents and accidents and eliminating serious injuries and illnesses
- identifying and removing any barriers to an inclusive workplace and a diverse workforce, and promoting an environment that provides the opportunity for all workplace participants to perform and succeed

Responsible environmental stewardship

29Metals is committed to:

- implementing enduring strategies for key environmental performance priorities, including the responsible use of natural resources, reducing waste generation at our operating sites and identifying opportunities to reduce emissions intensity
- formally integrating Climate Change risks and opportunities into our business processes, through our roadmap to align with Task Force on Climate-Related Financial Disclosures ('TCFD') recommendations

Partnering with stakeholders

29Metals is committed to:

- building and maintaining long-term and sustainable relationships with key stakeholders, reflective of our long-life mines, including:
  - engaging with the communities around our operating sites to identify priorities and opportunities for sustainable benefits
  - utilising collaboration to realise meaningful benefits for the community and other stakeholders

These core dimensions are not intended to be mutually exclusive. In many instances, performance or activities in one core dimension will influence or overlap with performance or activity in another.

Critical enablers

Responsible and ethical business practices

Responsible and ethical business practices are fundamental to delivering high performance in Sustainability & ESG. Our governance framework is designed to promote and facilitate responsible and ethical behaviour in everything that we do.

Continuous improvement

A culture of continuous improvement is critical to strong Sustainability & ESG performance – improving upon what we do well, learning from challenges and past performance, and challenging ourselves to do better.

Foundation

The foundation to *Our Approach to Sustainability & ESG* and everything we do at 29Metals is our Values.

T Transparency | **E** Excellence | **A** Accountability | **M** Mutual Respect | **S** Safety First

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Our Approach to Sustainability & ESG continued

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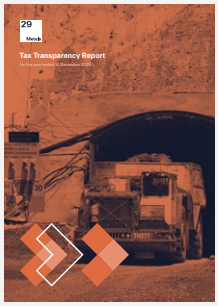
Case study
Reporting transparency

One of Our Values is **Transparency**. 29Metals is committed to publicly reporting performance, including our Sustainability & ESG performance, to highlight where we have performed well, in addition to the areas where our performance requires improvement. During the Reporting Period, 29Metals extended the scope of its public reporting to include voluntary tax transparency reporting. Our first voluntary Tax Transparency Report was published in September 2023. A copy of the report is available on our website at www.29metals.com/about/corporate-governance.



Producing metals critical to energy transition sits at the heart of 29Metals' strategy

"The metals required to support decarbonisation are typically characterised by their scarcity, unique properties, and potential for innovation."

A World Bank[3] report released last year counted dozens of metals which could see a growing market with the rising use of wind, solar and batteries. Goldman Sachs[4] estimates that demand for "green" uses of copper currently drives 7% of global consumption, up from just 4 % in 2020, and will account for a total demand growth of 47 % between 2023 and 2040.

Copper is an essential component in renewable energy technology:

- in wind turbines, copper plays a central role in the inner workings of the generator, carries the electrical current where it needs to go, and grounds the towers from lightning strikes. It is estimated that the carbon output required to produce copper for a single wind turbine is offset in 3 to 5 days by the very same wind turbine[5]; and
- in solar, copper is used in the heat exchangers of solar thermal units as well as in the wiring and cabling that transmits the electricity in photovoltaic solar cells.

These are significant benefits in the development of renewable energy. Our copper-focused assets mean we are well positioned to help make the move to a net zero emissions future.

29Metals operates mature operating assets that require minimal expansion into undisturbed land to produce critical metals (copper, zinc and silver).

Nearer-term expansion and extension at each of 29Metals' operating sites (Golden Grove and Capricorn Copper) are underground with limited additional surface disturbance, disruption to waterways, or impacts to stakeholders, infrastructure and visual amenity.

Utilising existing infrastructure, such as the processing plants, will support proposed mining expansions/extensions, thereby avoiding the need to build new facilities with imported materials. As such, impacts to biodiversity are minimised and our sites are now subject to modern rehabilitation and closure requirements.

Through the actions against our TCFD roadmap, 29Metals is also evaluating opportunities to further reduce the carbon footprint of our products in future.

Copper's role in decarbonisation

Wind turbine (3 MW)

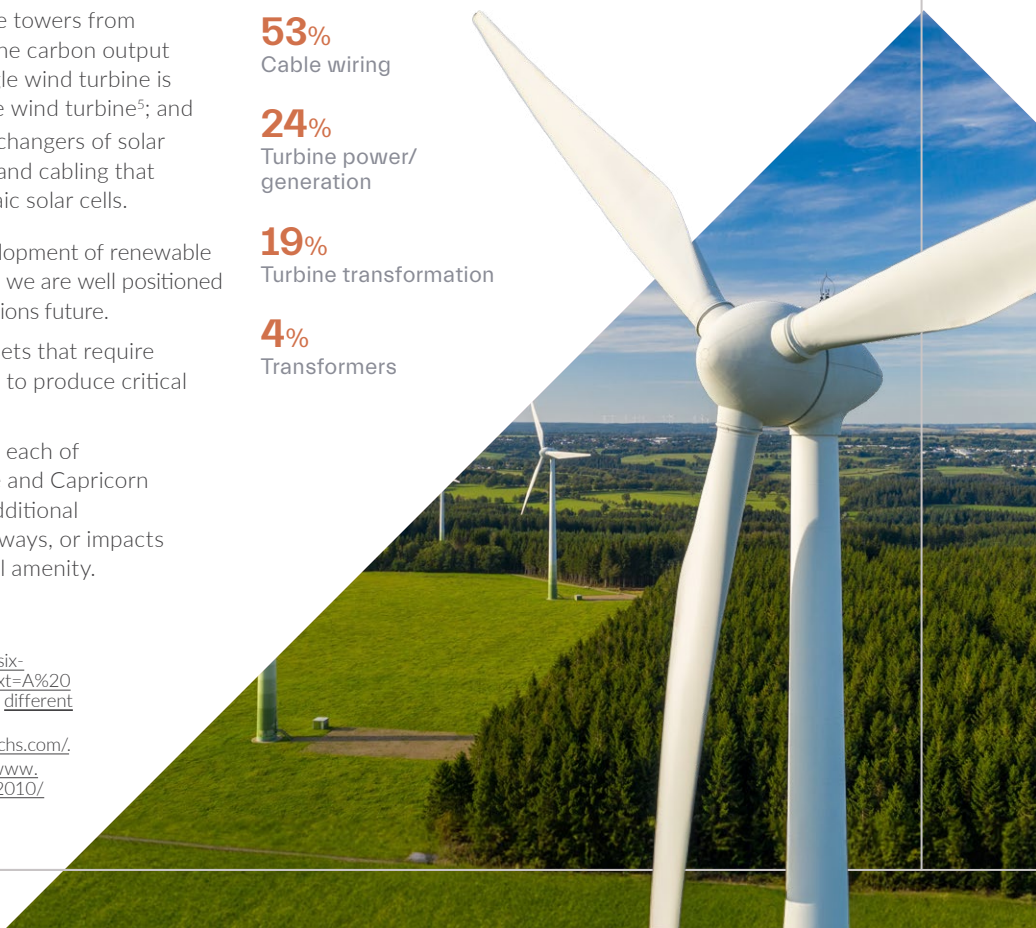
4.7 tonnes
of copper

53%
Cable wiring

24%
Turbine power/ generation

19%
Turbine transformation

4%
Transformers



3. https://www.carbonbrief.org/explainer-these-six-metals-are-key-to-a-low-carbon-future/#:~:text=A%20World%20Bank%20report%20released,in%20different%20low%2Dcarbon%20technologies.
4. Goldman Sachs Group, https://www.goldmansachs.com/.
5. Copper Development Association Inc.: https://www.copper.org/publications/newsletters/discover/2010/September/pdf/dc_july.pdf.

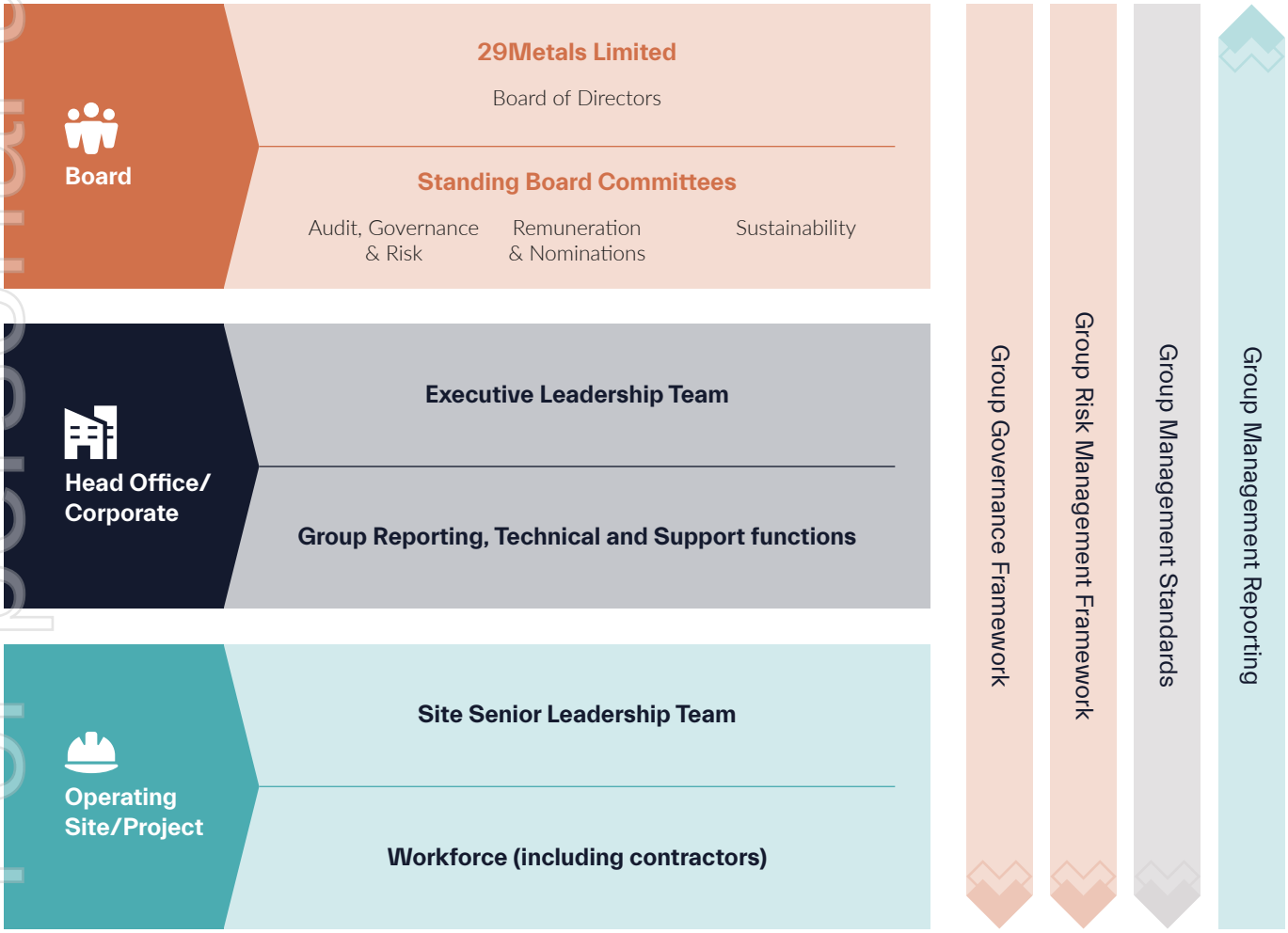
Governance

Ultimate responsibility for the governance of 29Metals, including risk management, rests with 29Metals' Board of Directors. Senior management, through the CEO, are delegated authority for the day-to-day management of 29Metals, other than certain matters which are expressly reserved for the Board.

The Board and Group leadership teams operate under a comprehensive framework of standards and policies that clearly outline the Group's commitments and expectations in the realm of Sustainability & ESG.

29Metals prepares an annual Corporate Governance Statement which reports on the Group's corporate governance practices during the Reporting Period.

Our 2023 Corporate Governance Statement is available at
https://www.29metals.com/about/corporate-governance



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Governance continued

Sustainability & ESG governance at 29Metals has two key components – our leadership and our governance framework.

Our leadership

Leadership	Description
The Board of Directors	29Metals has a majority-independent Board of Directors. The Board has ultimate responsibility for: ▪ the Group's strategy, including in relation to Sustainability & ESG; and ▪ the Group's governance framework. Through the Group's governance framework, the Board oversees the implementation and execution of the Group's strategy (including in relation to Sustainability & ESG) by Management. Information regarding the background, skills and experience of 29Metals' Directors is set out in the 2023 Annual Report, a copy of which is available on our website at https://www.29metals.com/investors/results-and-reports
Board Committees	The Board has established three standing Board Committees ('**Committees**'), each of which plays an important role in Sustainability & ESG: ▪ the Audit, Governance & Risk Committee – provides advice and recommendations to the Board regarding governance matters, and oversees the Group's risk management framework, Whistleblower Policy, and Anti-bribery & Corruption Policy; ▪ the Remuneration & Nominations Committee – provides advice and recommendations to the Board regarding people and remuneration matters, including links between Sustainability & ESG performance and executive remuneration, inclusion and diversity objectives and strategies, the composition of the Board, and oversees the Group's Inclusion & Diversity Policy, Code of Conduct, and Workplace Behaviour Policy; and ▪ the Sustainability Committee – provides advice and recommendations to the Board regarding Sustainability & ESG matters (including modern slavery risks), and oversees Management's development and implementation of systems and processes to manage Sustainability & ESG risks. Each of the Committees is chaired by an independent Non-executive Director, and a majority of Committee members of each Committee are independent Non-executive Directors. Copies of the Charters of the Board and the standing Committees are available on our website at https://www.29metals.com/about/corporate-governance
Executive Leadership Team – Head Office/Corporate	The CEO has the delegated authority of the Board for the day-to-day management of the Group, other than those matters expressly reserved to the full Board. The Executive Leadership Team, led by the CEO, has responsibility for the implementation and execution of the Group's strategy, including in relation to Sustainability & ESG, across the Group. The role of the Executive Leadership Team includes the development and implementation of management systems and processes to manage Sustainability & ESG risks and achieve the Group's Sustainability & ESG objectives. Information regarding the background, skills and experience of the Executive Leadership Team, and the names of the Senior Management Team, is available on our website at https://www.29metals.com/about#leadership
Site Senior Leaders – Operating Site/Project	The Site Senior Leaders are responsible for implementing the Group's management systems and processes to manage Sustainability & ESG risks and achieve the Group's Sustainability & ESG objectives at the sites.

Further information regarding corporate governance at 29Metals is set out in our 2023 Corporate Governance Statement, a copy of which is available on our website at https://www.29metals.com/about/corporate-governance

29Metals' 2023 Appendix 4G identifies, on an if not why not basis, the extent to which 29Metals has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (the 'ASXCGC Principles and recommendations') during the Reporting Period. It serves as a guide to corporate governance disclosures and should be read alongside the 2023 Corporate Governance Statement. A copy is available on our website at https://www.29metals.com/investors/asx-announcements

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Our governance framework

29Metals has established a robust framework of corporate governance policies and practices, and internal controls and risk management processes, collectively designed to promote the responsible management and conduct of the Group and its business activities. 29Metals' corporate governance framework is reviewed periodically having regard to legal and regulatory requirements, leading market practice, stakeholder interests and the best interests of the Group.

The governance framework is supported by the following:

- Group Constitution;
- Board and Committee charters;
- Core corporate governance policies;
- Annual Tax Transparency Report; and
- Sustainability & ESG policies and position statements.

Copies of our corporate governance framework documents are available on our website at
https://www.29metals.com/about/corporate-governance

29Metals has a Sustainability Policy and Health & Safety Policy, along with detailed position statements that cover the critical focus areas within the broader spectrum of Sustainability & ESG. These critical focus areas include:

- Responsible use of natural resources;
- Tailings management; and
- Impacts of Climate Change.

In addition, as part of our annual review of the corporate governance framework, 29Metals adopted new standalone policies – an Environment Policy and a Community Policy. Previously, environment and community matters were incorporated into the broader Sustainability Policy. As an outcome of the 2023 corporate governance review, the Sustainability Policy was adjusted to align with 29Metals' *Our Approach to Sustainability & ESG* and the new standalone policies were adopted. These updated and new policies were adopted in early 2024.

Copies of policies and position statements related to Sustainability & ESG are available on our website at
https://www.29metals.com/sustainability

Health, Safety, Environment and Community Management System

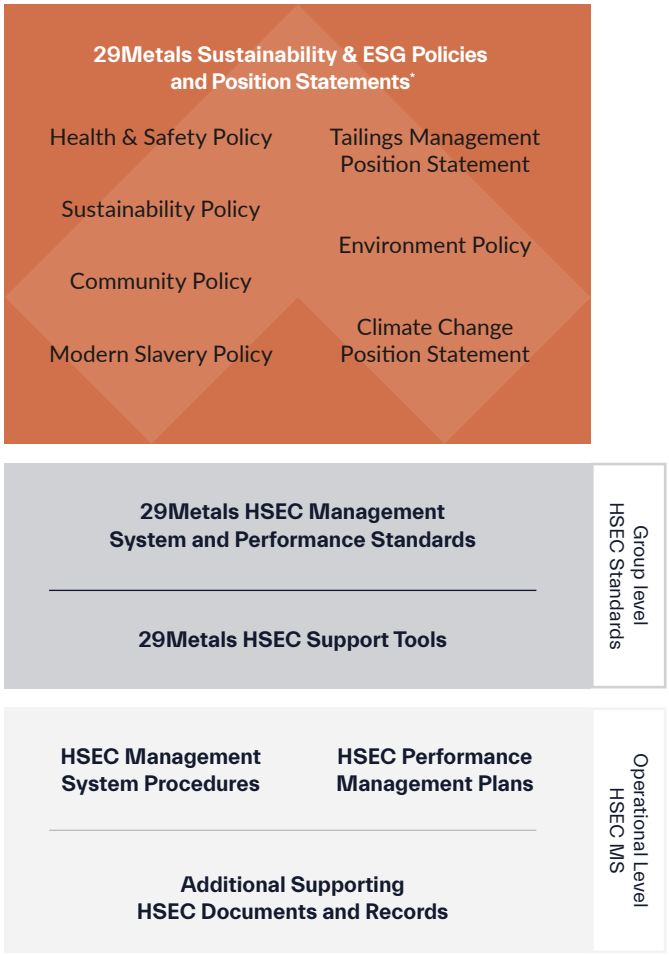
29Metals has adopted a conventional hierarchical structure to govern Health, Safety, Environment and Community ('**HSEC**') matters. Our HSEC Management System ('**MS**') is vital to facilitating consistent Sustainability & ESG performance across the Group. Informed by *Our Approach to Sustainability & ESG*, in 2022 we developed and rolled out HSEC MS Standards that define our HSEC requirements and expectations. The HSEC MS encompasses 29Metals' Health & Safety and Sustainability Policies and Position Statements (available on our website), Group HSEC MS and Performance Standards, and relevant operational procedures and supporting documentation.

In 2023, we continued to refine our Group HSEC MS to better inform and align with the operational level HSEC MS. Each component of the hierarchical structure is designed to meet the requirements of higher order policies, standards and plans to achieve a robust and sustainable management system. This has been achieved by addressing the actions identified during the 2022 assessment of the HSEC baseline against MS Standards.

29Metals' HSEC Performance Standards were developed in 2023 and are planned to be completed during 2024. The HSEC Performance Standards will define the minimum mandatory requirements that must be achieved across the Group.

These HSEC Performance Standards provide the framework to assist 29Metals to:

- formalise planning processes across the Group;
- achieve a minimum level of performance in HSEC across exploration, operations and future closure sites;
- identify, assess, control, and reduce health, safety, environmental, community, and social risks and hazards;
- improve HSEC performance at existing 29Metals' operations;
- retain Group and operational knowledge;
- rationalise resources and reduce complexity;
- support compliance to relevant regulatory and other requirements;
- assist 29Metals' operations to demonstrate duty of care and due diligence processes; and
- maintain and enhance the Group's reputation.



* These documents are all available on our website at
https://www.29metals.com/about/corporate-governance

Governance continued

Risk management

29Metals has established a comprehensive risk management framework that identifies and assesses risks and opportunities that affect the Group's business performance and objectives, particularly in the realm of Sustainability & ESG considerations. The framework also includes controls and measures to effectively mitigate identified risks and capitalise on potential opportunities. Additionally, it involves evaluating the efficiency of implemented controls and measures in minimising risks.

The assessment of risks and uncertainties considers various factors, such as the potential for harm or injury, environmental implications, regulatory compliance, impact on stakeholder relationships, and harm to the Group's reputation. The Board sets the Group's risk appetite. It oversees Management's implementation of the risk management framework and the effective management of material business risks.

In 2023, 29Metals underwent a substantial risk review process across all Group activities, including matters relating to Sustainability & ESG. This was done to ensure that the identification and understanding of material risks were up-to-date and the appropriate mitigation measures are in place.

Jingie & Jean
Perth Office

29Metals' Perth Office provides support services to the Golden Grove operation.

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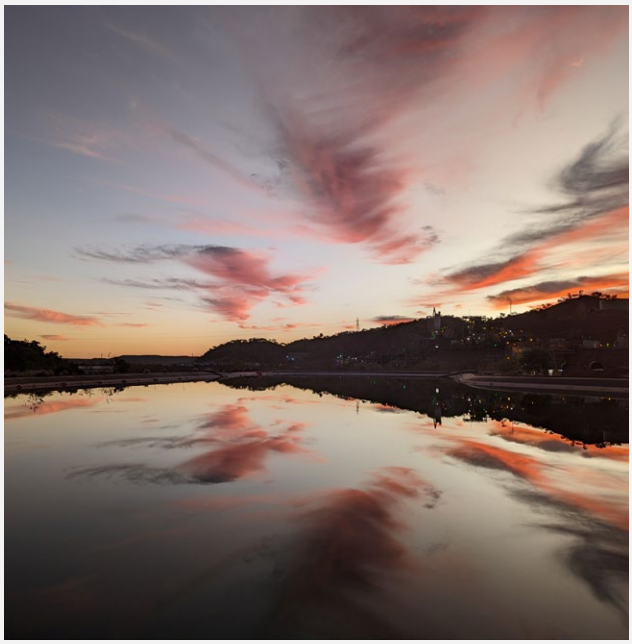
Case study
Prioritising risk management

Risk management formed a critical foundation to the formulation and commencement of the *Capricorn Copper Recovery Plan*[6] following the Extreme Weather Event in March 2023[7]. Two particular examples included:



Reinstatement of clean-water diversion infrastructure

Prior to the Extreme Weather Event[7], 29Metals had established water diversion infrastructure so as to assist to prevent surface run-off from entering the Esperanza South sub level cave underground mine (the '**ESS**'). This infrastructure was overwhelmed and damaged by the Extreme Weather Event[7]. Prior to reinstatement of this infrastructure, 29Metals closely evaluated the efficacy and capacity of the infrastructure to mitigate the risk of water inflow to ESS in future events. Through that risk evaluation, the design for the reinstated diversion infrastructure included a number of enhancements, including increased pumping capacity and all-weather access (to enable access for maintenance during weather events).

Saturated cave

The ESS was inundated when surface water run-off during the Extreme Weather Event[7] overwhelmed and damaged established infrastructure (refer above). Phase 2 of the Capricorn Copper Recovery Plan[6] involved the progressive dewatering and rehabilitation of the ESS to enable mining in ESS to recommence.[8]

Detailed risk assessments were undertaken as part of the planning of the Capricorn Copper Recovery Plan[9], as well as during the early part of the execution phase. These risk assessments included risks associated with a "saturated cave" following a prolonged period of inundation and involved input from academic and industry experts (included feedback from other mine operators in Australia with experience reinstating operations after an inundated cave). These risks assessments resulted in the development and implementation of various controls to ensure the work could be undertaken safely.

6. Information regarding the Capricorn Copper Recovery Plan was released to the ASX announcements platform on 23 May 2023, a copy of which is available via the Group's website at: https://www.29metals.com/investors/asx-announcements.
7. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
8. Progressive dewatering of ESS suspended with suspension of mining and milling operations as announced on 26 March 2024. Refer to page 3.

Materiality

Our approach

Materiality is assessed against *Our Approach to Sustainability & ESG* on a triennial basis (unless significant changes to the operations, business, or adoption of new reporting framework trigger a review outside of the regular timeframe).

In 2022, 29Metals undertook a comprehensive materiality assessment which included input from a range of internal and external stakeholders to define and prioritise Sustainability & ESG subject matter. For this report, the outcome of the materiality assessment from 2022 was reviewed by a third party and senior leaders at 29Metals to assess whether any changes to the material topics was warranted. Despite the challenges during 2023 (the direct and indirect impacts of the Capricorn Copper Extreme Weather Event[9]), it was determined that the material topics remain valid for this 2023 report.

Below is an overview of 29Metals' process to assess materiality.

Identification	Prioritisation	Validation
A list of potential material topics is formulated based on peer reviews and 29Metals' current understanding of material risks, stakeholder expectations and industry trends.	In 2022, stakeholders were invited to rate the importance of each identified material topic by way of a survey, interviews and written statements. Stakeholders were also invited to provide feedback on their perception of key Sustainability & ESG risks for 29Metals.	Senior leaders within the Group reviewed and validated the outcomes of the materiality assessment and/or review.

2023 material topics

2023 material topics, and where further information related to metrics, outcomes and management can be found, is outlined in the table below:

Our Approach to Sustainability & ESG

Core dimension	Material topic	Read more
Safe and inclusive workplace	Health, safety and hygiene including psychological safety Inclusion and diversity	Pages 34–43
Responsible environmental stewardship	Water management Waste management (tailings) Action on Climate Change (progress against TCFD roadmap and emissions data)	Pages 44–53
Partnering with stakeholders	Cultural heritage/First Peoples	Pages 54–58
Critical enablers		
Responsible and ethical business practices **Continuous improvement**	Sustainability & ESG governance, including risk management	Pages 27–31

9. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Performance and priorities

Setting and reporting performance against our Sustainability & ESG priorities remains a key component of *Our Approach to Sustainability & ESG*.

Overall, 29Metals made progress against the majority of the 2023 Sustainability & ESG priorities. However, the impact of the Extreme Weather Event at Capricorn Copper[10], along with formulating and successfully implementing the Capricorn Copper Recovery Plan as a business-critical activity, impacted tangible progress on a number of the 2023 Sustainability & ESG priorities. While most have been progressed, some remained incomplete at year-end. Details on the extent of progress achieved on 2023 priorities is set out in the section of this report dealing with each of the core dimensions in *Our Approach to Sustainability & ESG*.

For the purposes of setting Sustainability & ESG priorities for 2024, we reviewed our performance against the 2023 priorities to identify areas for improvement in 2024, and to inform our approach to setting priorities for 2024 and beyond. The review continued to consider feedback from internal and external stakeholders received during 2022 and 2023, as well as 2022 materiality assessment inputs from stakeholders.

Key learnings from performance against the 2023 priorities included the:

- importance of resilience and adaptability in the face of business-critical challenges;
- "getting back to basics" through the strengthening of management systems and collection of quality data to better inform decision making;
- value of promoting mental health support and training for all staff and contractors, particularly those in leadership positions;
- benefit of focusing on, and formalising engagement with, the local community and supply chain to solidify the Group's social licence to operate; and
- value in giving staff a platform to suggest and implement continuous improvement ideas through the establishment of the Performance Improvement Program ('**PIP**').

To support improved delivery in 2024, the Group's senior leadership are collaborating with functional teams, both at head office and on-site, to incorporate actions for implementing the proposed priorities into departmental "plans on a page" which will be tracked and reported against internally.

A summary of 29Metals' 2024 Sustainability & ESG priorities is set out below.

Sustainability & ESG priorities in 2024

Safe and inclusive workplace

- Continued focus on eliminating serious injuries and incidents and reducing incidence of minor injuries
- Continue mental health awareness training
- Improve representation of gender, ethnicity, culture in leadership roles
- Identify barriers to inclusion and diversity in 29Metals' workplaces
- Improve female participation as a proportion of total 29Metals' workforce
- Improve cultural competency

Responsible environmental stewardship

- Reduce water inventory at Capricorn Copper
- Implement the 29Metals roadmap for aligning with the TCFD recommendations
- Implement long-term tailings strategies at both operating sites, including implementation of recommendations for enhancing tailings management practices aligned to the International Council on Mining and Metals ('**ICMM**') Global Industry Standard for Tailings Management ('**GISTM**')
- Continued focus on progressive rehabilitation and closure planning

Partnering with stakeholders

- Design and implement an agreed community engagement program at each operating site
- Continue to identify opportunities to collaborate with subject matter experts, Original Equipment Manufacturers ('**OEMs**') and peers to improve Sustainability & ESG outcomes
- Continue stakeholder and community engagement regarding priorities for Sustainability & ESG activities

Responsible and ethical business practices

- Continuing engagement with our workforce, highlighting workplace behaviour
- Fostering an environment where workplace participants have the confidence to raise concerns

Continuous improvement

- Continuing improvement in data management and use to inform business decisions
- Refresh management systems and processes to promote compliance and continuous improvement

10. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Safe and inclusive workplace

29Metals is committed to:

- providing healthy and safe workplaces for employees, contractors and business partners, minimising incidents and accidents, and eliminating serious injuries and illnesses; and
- promoting a diverse workplace that better reflects the community in which we conduct our business, by:
  - fostering a workplace which encourages and supports inclusivity and diversity, and does not tolerate bias or inappropriate behaviour; and
  - promoting a workplace environment that provides the opportunity for all workplace participants to perform and succeed.

Tyezae & Kobi
Capricorn Copper

First aid training is undertaken across the business, providing critical skills to help our team respond to injuries and incidents, and to preserve life.

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Our performance

2023 Sustainability & ESG priorities	Progress
Continued focus on eliminating serious injuries and incidents, and reducing incidence of minor injuries	Significant reduction in TRIFR and in Lost Time Injury Frequency Rate ('**LTIFR**')
Group wide roll-out of mental health first aid training	Extended roll out of mental health first aid training Group-wide roll out of mental health awareness training
Improve female participation as a proportion of total 29Metals' workforce	Proportion of female employees is ~16%, marking a slight increase of 1% compared to 2022
Continue to identify and address inclusion and diversity barriers	Physical barriers audit completed at each operating site during the year, with actions prioritised. The close out of remaining audit findings will be progressed in 2024
Improve number of women in leadership roles	+10% increase year-on-year of number of women in superintendent levels or above Development plans are now in place for over 50% of all females in superintendent and above positions The number of women in manager or above roles was maintained at 2022 level
Improve cultural competency	Continued the roll out of cultural competence training across the business

Safe and inclusive workplace continued

Safety

The safety of our people, workplace and the communities around where we conduct our business comes first. We believe a safe and inclusive workplace is key to our success.

Case study
Management of Critical Risks

Historically, our two operations adopted different processes for risk management resulting in differences in the way that:

- critical risks were identified;
- bowtie risk assessments were conducted;
- preventative and mitigating critical controls were designed;
- critical risks were verified and audited; and
- corrective actions and continuous improvement was managed.

To address this, 29Metals has developed a Group critical risk management ('**CRM**') framework as a key component of 29Metals' HSEC MS in 2022. The intent of CRM is to systematically validate the existence of essential controls for activities associated with the risk of fatality and serious injury.

29Metals CRM program was progressed during 2023 through the development and implementation of a critical risk governance and assurance program, as detailed below:

Critical Control Engagement ('CCE') program:
The CCE program is focused on the supervisor level and incorporates a "Train the Trainer" program to ensure CRM consistency across the operations. In 2023, the CCE "Train the Trainer" program was completed at both Capricorn Copper and Golden Grove. The full implementation of the frontline CCE program will be a key focus in 2024.

Critical Control Verification ('CCV') management review committee:
The CCV committee comprises the Chief Operating Officer, site General Managers and senior safety personnel. The CCV process was implemented successfully at both Capricorn Copper and Golden Grove in 2023. This included the monthly senior safety review committee reviewing:

- CCV results and actions;
- significant incidents investigations (and learnings); and
- discuss safety initiatives and improvements.

Once the establishment of CCE and CCV programs are completed at both Capricorn Copper and Golden Grove, a third-party external audit of the CRM process will be undertaken.

Within 29Metals, there exists a well-established correlation between safety and employee engagement, linked to short term incentive outcomes. Recognising that a secure work environment fosters engagement, we assess opportunities each year to cultivate a positive workplace culture for our employees.

The following highlights shows our efforts in promoting a safe workplace:

Capacity

Ten new Emergency Response Team ('**ERT**') team members were trained up to the level of Certificate III in Emergency response at Capricorn Copper.

Underground Specialist ('**BG4**') training was rolled out for ERT team members at Golden Grove.

Topic-specific training

Leadership training programs held at Golden Grove.

Regulatory awareness

Continual refinement and updates to relevant site procedures and plans in response to updated regulatory requirements in WA, including preparation of principal mine hazard plans that will be rolled out in early-2024.

Risk reviews

Both operating sites updated their risk assessments and risk registers in 2023 as a part of a Group-wide update to 29Metals' understanding of current risks.

Progress was made on the ongoing implementation of the Mine Safety Management System ('**MSMS**') regulatory requirements at Golden Grove during the Reporting Period, in response to the updates to WA's WHS Act and regulations. In 2023, Golden Grove conducted the following activities:

- modifications to the MSMS Improvement Project to identify gaps, and additional processes and procedures that will be implemented across the site in 2024;
- HSEC MS Standards were reviewed to align with updated regulatory requirements;
- 100% of supervisors and managers completed the statutory supervisor training programs;
- development of Principal Mine Hazard Management Plans; and
- upgrade of the controlled documents management system.

In 2024, Golden Grove will complete the following activities to enhance safety compliance:

- implementation of the Principal Mine Hazard Management Plans;
- conduct a Training Needs Analysis for 29Metal's MSMS improvement project; and
- integrate new training management software called "Peopletray" to enhance compliance with internal processes and pinpoint areas requiring further improvement.

Golden Grove had three Health and Safety audits from the WA Department of Energy, Mines, Industry Regulation and Safety ('**DEMIRS**'), and all improvement notices and defects were closed within the due dates.

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Lagging safety indicators 2023

Lagging safety indicators at 29Metals are used to gain an insight into our safety performance related to incidents or accidents during the Reporting Period. Our approach to measuring safety performance is measuring lagging indicators such as Total Recordable Injuries ('**TRI**'), Total Recordable Injury Frequency Rate ('**TRIFR**'), Lost Time Injuries ('**LTI**'), Lost Time Injury Frequency Rate ('**LTIFR**'), Significant Incidents ('**SI**') and Significant Incident Frequency Rate ('**SIFR**').

These lagging indicators are reported on a rolling twelve-month and per million work hour basis.

There was a material improvement in safety performance across the Group in 2023, as measured by lagging indicators, with the Group's TRIFR reduced by ~34%, and LTIFR by ~25%, compared to 2022, and zero fatalities. The Group's SIFR was relatively static compared to 2022.

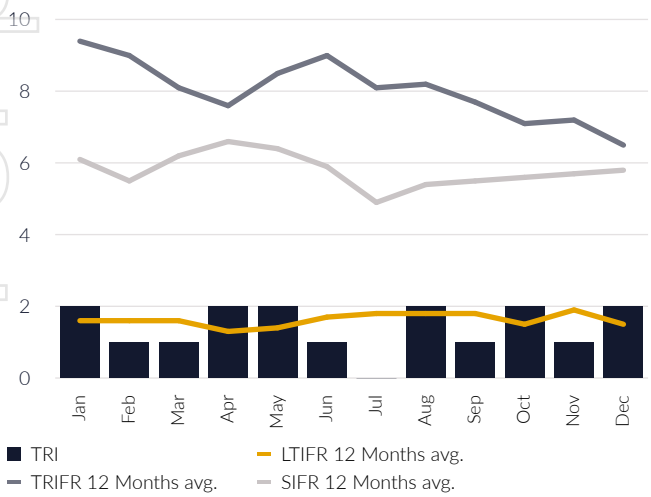
Despite the challenges at Capricorn Copper in 2023, the site recorded a five month recordable injury-free period. Safety has been our focus as we work through the Capricorn Copper Recovery Plan[11] and activities at the site.

29Metals lagging indicator performance is outlined in **Table 1**:

Table 1 Lagging indicator performance for comparison of 2022 and 2023

	2023		2022	
Safety Indicators	Capricorn Copper	Golden Grove	Capricorn Copper	Golden Grove
Work hours	711,409	1,826,648	1,142,412	1,858,012
Total Recordable Injuries	4	13	8	21
Significant Incidents[12]	4	11	4	13
Lost Time Injuries	1	3	2	3
TRIFR[13]	5.6	7.1	7.0	11.3
LTIFR	1.4	1.6	1.8	1.6
SIFR	5.6	6.0	3.5	7.0

Lagging safety indicators 2023



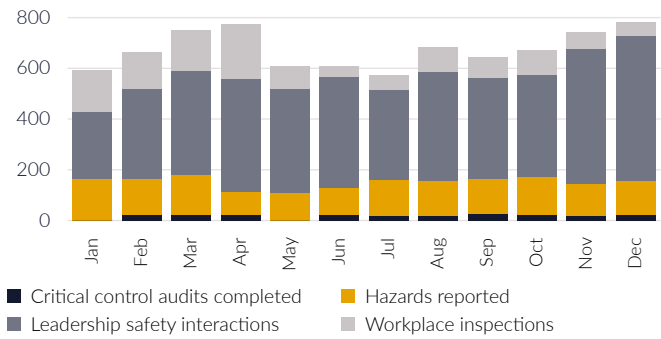
Leading safety indicators 2023

Leading safety indicators are measures that seek to gain foresight into potential problems before they become significant incidents or accidents. These indicators enable us to take appropriate preventative actions that reduce risk exposure in the long run.

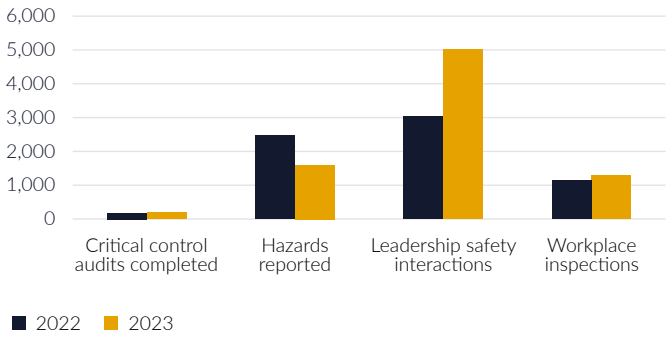
29Metals employs four main types of leading indicators covering safety hazard identification and precautionary measures. These leading indicators are: verification of critical risk controls; safety inspections; hazard identification; and leadership oversight. These leading indicators are tracked and reported on regularly.

29Metals performance against these leading indicators is shown in the figure below. During the Reporting Period, the total number of critical control audits completed, leadership safety interactions, and workplace inspections increased, however, there was a slight decrease in the number of hazards reported in 2023 compared to 2022.

Number of leading safety indicators 2023



Number of leading safety indicators 2022–2023



11. Information regarding the Capricorn Copper Recovery Plan was set out in 29Metals' Investor Presentation entitled "Strategic Update" released to the ASX Announcements platform on 23 May 2023.
12. Page 10 of the 2022 Sustainability & ESG Report incorrectly referred to SI as Significant Injuries and SIFR as Significant Injury Frequency Rate. The correct terminology has been used above
13. Calculated, TRIFR = number of TRI / million work hours.

Safe and inclusive workplace continued

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Case study
Emergency Response improvements

The ERT capacity and capability notably improved at both of our operations during the Reporting Period.

ERT membership at Golden Grove had a steadily declining level in previous years due to staff turnover. However, in 2023 we appointed two new Emergency Services Officers ('**ESOs**') and we saw an increase in personnel volunteering for ERT training and becoming ERT members.

In addition, ERT training compliance has increased at Golden Grove by 20% in 2023, with 50% fully competent with BG4 Underground Search and Rescue course through BASELINE emergency services training. BG4 competency training includes a combination of the major disciplines of rescue – ropes and vertical rescue, firefighting, first aid, breathing apparatus, hazardous materials, and search and rescue skills. It is widely regarded as the most difficult course a rescue member can complete.

"BG4 is a self-contained breathing apparatus designed to let a rescue team respond to mine incidents over long periods of time in irrespirable atmospheres," said ERT Co-ordinator, Brad Mason. "We need to have a BG4 team on site to maintain operations underground, as per emergency response capability requirements from DEMIRS."

The ERT capacity at Capricorn Copper expanded during the Reporting Period, with ten members fully trained to the level of Certificate III in Emergency Response. This course is nationally accredited and designed to develop emergency response skills and knowledge.

Case study
HSEC System Software

SAI 360[14], a cloud-based reporting software, was implemented at Golden Grove during the Reporting Period as a tool in the HSEC MS. The application of this system will assist 29Metals' management of both internal and external incidents and events. SAI 360 is a convenient and accessible program to all 29Metals' employees and contractors any time on their tablets and mobile phones. The use of SAI 360 has notably improved performance with both internal and external standards through its effectiveness in enhancing safety measures.

Physical and mental health and wellbeing

The health and wellbeing of our workforce and the members of the community we operate in are a key focus of our Group.

29Metals is committed to the physical and mental health and wellbeing of our workforce. We meet this commitment to our workforce through the following activities:

- programs that promote a healthy work culture;
- voluntary vaccination programs;
- presentations and training focused on good health practices in work settings;
- strong focus on hygiene monitoring and implementation of improvement measures; and
- mental health and wellbeing programs and training.

Comprehensive health and hygiene monitoring guidelines have been developed and implemented throughout our sites to ensure the wellbeing of our workforce during the Reporting Period.

Case study
Mental Health and Wellbeing

We are committed to ensuring every employee and contractor returns home safely, and this commitment extends to the mental health and wellbeing of the entire team.

One of our non-negotiable Sustainability & ESG priorities is mental health awareness. To increase capability and skills in this area, online mental health awareness training, provided by the Black Dog Institute, was made available across the Group. This was mandatory for all office employees, and those at site with a leadership role or supervisory responsibilities. Training was also made available to all contractors and employees on a voluntary basis. The training was delivered as a four-part eLearning program to assist personnel understand the warning signs of mental health issues and what to do, how to have effective conversations about mental health, and where to go for support.

In addition, comprehensive mental health first aid training was undertaken at both operations in 2023, resulting in an increase of qualified mental health first aiders available to support our workforce. Following the Extreme Weather Event in March 2023[15], and the resulting uncertainty for Capricorn Copper employees, a mental health specialist was deployed to site to provide additional support to the site team.

14. Global Standards and Assurance divisions to Intertek Group.
15. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Hygiene

Guidelines and procedures for health and hygiene monitoring are in place at Capricorn Copper and Golden Grove, defining requirements such as occupational exposure limits, monitoring programs, instrument calibration and action/records management.

29Metals conducts hygiene monitoring in its operational high-risk areas to determine the effectiveness of risk reduction controls.

Upon detecting an exceedance, the staff working in that area are promptly notified. Subsequent investigations are conducted to identify the source and any opportunities for improvement.

The use of PPE is compulsory for personnel performing work in high-risk areas. These personnel undergo specific training to enhance their proficiency in managing exposure to potentially hazardous atmospheric conditions and to understand the importance of protective controls (such as PPE).

Table 2 outlines the hygiene monitoring exceedances recorded at 29Metals' operations in the Reporting Period (and the prior corresponding period).

Due to the Extreme Weather Event at Capricorn Copper[16] and cessation of operations, hygiene monitoring was only undertaken in Q4.

Table 2 Hygiene monitoring program exceedances

	2023		2022	
	Capricorn Copper	Golden Grove	Capricorn Copper	Golden Grove
Respirable Crystalline Silica ('**RCS**') Exceedances	3	5	29	9
Noise Exceedances	5	10	21	6
Diesel particulate matter ('**DPM**') exceedances	0	0	0	0
Inhalable dust exceedances	0	1	2	3
Lead and inorganic compounds, dust and fumes exceedances	0	0	0	1
Total[17]	**8**	**16**	**52**	**19**

16. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.
17. Note: There are differences in the way exceedances are measured in Queensland and Western Australia. In Queensland, exceedances are assessed against exposure potential without consideration of the exposure protection provided by PPE. In Western Australia, exposure is measured after factoring in the benefit of PPE to reduce exposure.

Jonathan
Golden Grove

Senior Planning and Design Engineer within the Mine Technical Services team.

Safe and inclusive workplace continued

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Case study

Initiatives to reduce or prevent toxic exposure and health risks

During the Reporting Period, new measures were adopted at both 29Metals operations to further improve hygiene performance, including new monitoring and management equipment.

Capricorn Copper

Real time monitoring (silica/dust)

- Real-time monitors, in conjunction with GoPro footage, are used to assess activities and identify spikes in dust exposure during hygiene testing. This approach enables a precise evaluation of tasks contributing to exposure, that allows us to identify targeted controls to reduce exposure levels.
- Increased training and awareness (silica/dust).
- Regular safety presentations emphasising dust management practices, including measures such as watering down, suspending activities when dust control is challenging, and the proper use of Respiratory Protective Equipment ('**RPE**'). This training enhances awareness and adherence of safety protocols.

Esperanza South sub-level cave (ESS) gas management following flooding (toxic gases)

- Precautions were taken following the Extreme Weather Event[18] with gas monitors required at all times, due to the possible reaction of the water with the sulphide ores. No gases have been detected to date.
- Chiller Plant (heat reduction).
- The Mammoth mine chiller plant has been connected to mains power and will operate full time during the hottest months of the year from October until the end of April to minimise the risk of heat related illness in lower sections of the underground mining areas.

Heat monitoring

- Temperature and humidity monitors that collect data every 15 minutes have been installed in locations underground. Data will be analysed to assess the rate of change due to seasonal factors and production activities such that controls including schedule management or adjustments to ventilation may be made.

Golden Grove

Ventilation upgrades (booster fan project)

- Excavation of a fan chamber for new booster fans to increase volumetric flows into Xantho Extended, the Group's highest-grade ore source, was implemented in Q1 and commissioning of the newly installed booster fans started in Q3 of the Reporting Period. This ventilation upgrade, combined with already completed de-bottlenecking projects, is expected to progressively enable higher mining rates from Xantho Extended over the next two years. Regular ventilation system information sessions are held during the daily shift start meetings.
- Upgrades to mine control monitoring (e.g., CCTV on key regulators) have been installed.
- Operational documents used by Supervisors/Operators for area/equipment management have been reviewed and updated.

In 2024, Golden Grove will implement:

- A Management and Quality System ('**MaQS**') (for air quality monitoring).
- Permanent air quality monitoring stations will be installed underground once received.
- Integration of equipment location technology and vent systems to manage fleet (e.g., vent doors interlocked with location tracking to open/not open if the equipment capacity for an area is under/overcapacity) – Engineering controls has been scoped and is currently under review by relevant management teams.

18. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Inclusion and diversity

We are committed to promoting an inclusive workplace, where all people feel respected and valued, and embracing the benefits of diversity.

To achieve this, we continue to operate under the guidance of our Inclusion & Diversity Policy. We set meaningful and measurable inclusion and diversity objectives, and we assess and publicly report our progress against them. In addition, we uphold a policy of non-discrimination in all aspects of employment, irrespective of race, religion, disability, gender, gender identity, pregnancy, childcare responsibilities, sexual orientation, or age.

In 2023, we conducted a barrier assessment, focusing on advancing inclusion and diversity: enhance female participation in the workforce; increase female representation in leadership roles; and improve cultural competency. This initiative has led to completed actions and remains an ongoing priority, with continued discussion via our workforce-led **InDiVisible** working group.

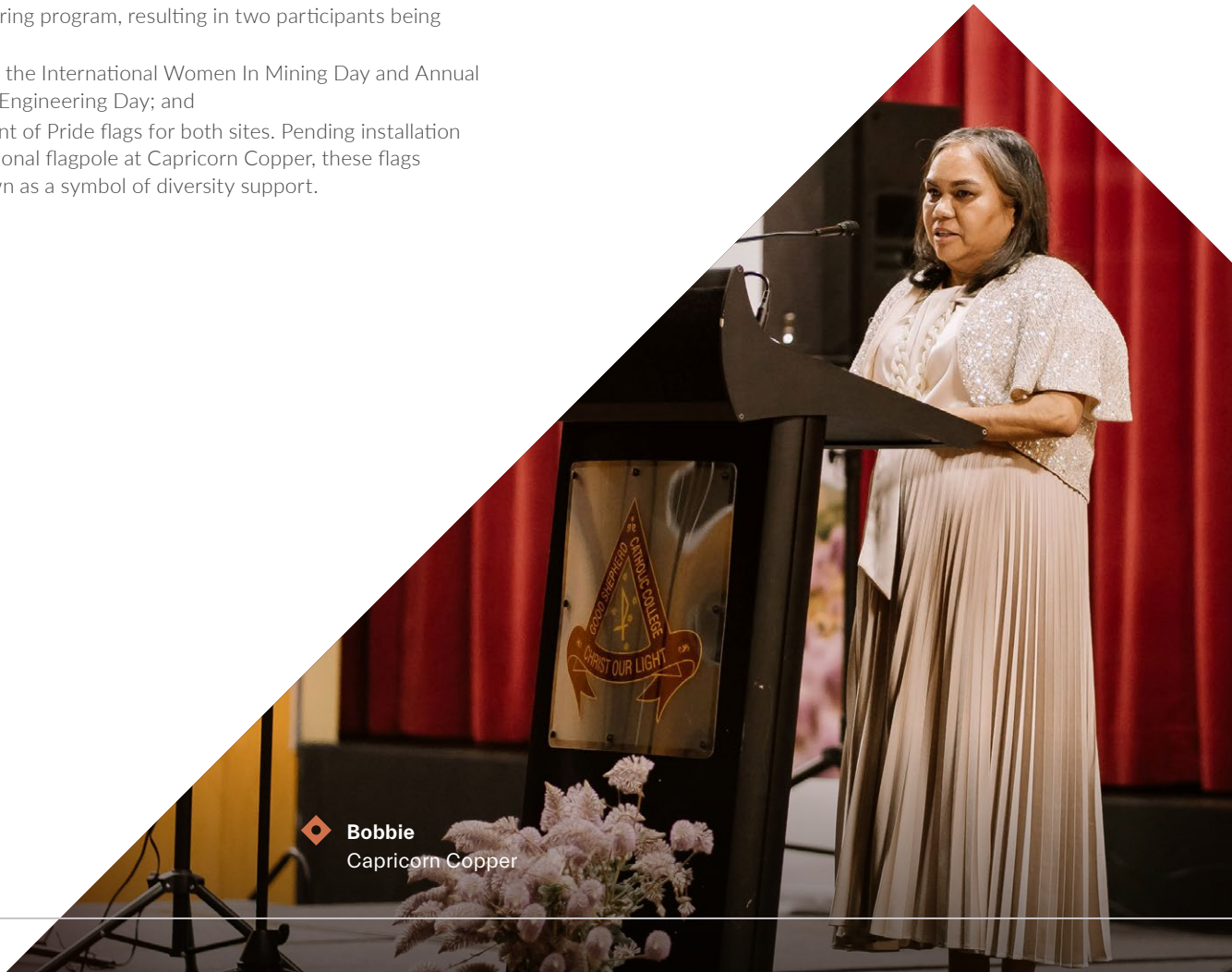
Examples of completed inclusion and diversity initiatives implemented in 2023 included:

- new lighting was installed at Golden Grove to ensure all employees feel safe walking around at night;
- female toilet facilities were installed underground at both sites and sanitary disposal units are available in all female accommodation rooms;
- offering female employees at Golden Grove the opportunity to be sponsored for participation in the Women in Mining WA Mentoring program, resulting in two participants being accepted;
- celebrating the International Women In Mining Day and Annual Women in Engineering Day; and
- procurement of Pride flags for both sites. Pending installation of an additional flagpole at Capricorn Copper, these flags will be flown as a symbol of diversity support.

Notably, there has been a greater than 10% year-on-year increase in the number of women in superintendent roles or higher at 29Metals.

As part of our commitment to inclusion and diversity, the Group is actively engaged in various groups with inclusion and diversity objectives, including:

- 29Metals is an active member of the Women in Mining Network ('**WIMnet**'), and sponsors social events through this network, which in 2023 included two WIMnet events in Queensland, sponsoring tables at the WIMnet Victoria Annual Lunch, and sponsoring and attending the Mt Isa International Men's Day event in 2023;
- submission of 29Metals' annual Workplace Gender Equality Agency ('**WGEA**') Report (12-months ended 31 March 2023). Reporting results are available via the WGEA website at: www.wgea.gov.au;
- Josh Moran, General Manager Operations at Capricorn Copper, participated as a panellist at the 2023 Women in Mining Summit held in Brisbane, with the panel discussing ways to work together to drive positive change including:
  - the importance of the entire workforce, including men, truly understanding the issues, that women in mining face;
  - why diversity alone isn't enough;
  - how men can advocate for an equitable and safe work environment for women; creating accountability and driving change; and
- Bobbie Hart (pictured below), a member of our Human Resources team, was awarded the Regional Diversity and Inclusion Prize at the Woman in Mining and Resources Queensland event in Mt Isa.



Bobbie
Capricorn Copper

Safe and inclusive workplace continued

Employee proportion by gender

Board and Management roles by gender

During the Reporting Period, we conducted our third annual workforce engagement survey. The survey was conducted by a third party, and that third party also processed and analysed the results. Gaps and opportunities were identified based on the survey results with priority action plans being developed for implementation across the Group.

During the Reporting Period we continued our focus on improving gender diversity and we are starting to see results. In 2023, the proportion of female employees at 29Metals was approximately 16%, marking a slight increase of 1% compared to 2022. This figure aligns with the industry comparison group[19] range of 16%. However, it is pleasing to note that the ratio of females represented in 29Metals Board and management[20] reached 26%, a slight increase from 2022 and a result that compares favourably to industry benchmarks[21].

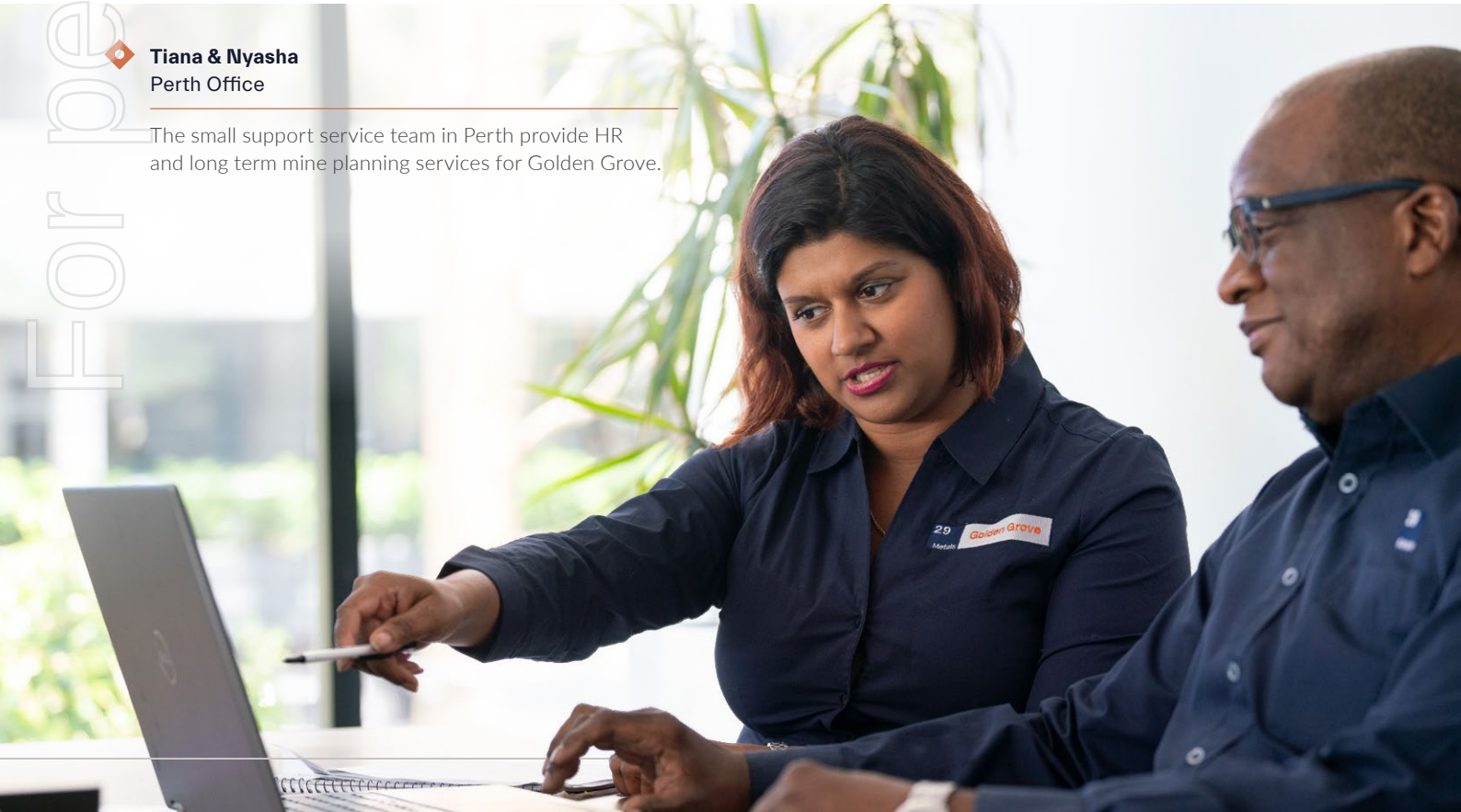
Performance recognition

Recognising performance is a key part of how we promote 29Metals' Values and a positive workplace culture.

Recognising and promoting performance starts with our performance planning and review processes. Performance planning, includes personal and professional development plans, and team priorities for the year, which are developed by our team members in consultation with their leaders. All employees participate in bi-annual performance reviews with their leaders.

We also employ other means to recognise the performance of our team, including recognising behaviours and performance that personify our Values.

19. The Industry Comparison Group is generated by a combination of the Australian and New Zealand Standard Industrial Classification (ANZSIC) industry class and equivalent-sized organisations. ANZSIC is the national framework for classifying industries according to the primary activities of organisations.
20. Board and management count includes executives.
21. In 2023, the ratio of females represented in the 29Metals Board and management significantly deviated from the industry comparison range of 19%. The Industry Benchmark Report provides a comparative summary of your submission to the WGEA annual Gender Equality Reporting for 2022–23.



Tiana & Nyasha
Perth Office

The small support service team in Perth provide HR and long term mine planning services for Golden Grove.

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Case study
TEAMS Awards recognise the spirit of TEAMS

29Metals' culture and values are promoted through the Transparency, Excellence, Accountability, Mutual Respect, and Safety First (**TEAMS**) awards.

This award aims to reward and recognise individuals who contribute to making our Group a great place to work and live, and who stand out for exemplifying our Values. Individuals are nominated by their colleagues, assessed against the TEAMS awards framework, and recognised if they have displayed our TEAMS values. Recipients receive a certificate of recognition and a gift card. Over 30 awards were distributed across the Group during the Reporting Period.

Accountable, transparent and safe behaviour

Capricorn Copper Environmental Field Technician, Baeden Chong, was a recipient of a TEAMS Award in 2023. Baeden, a valued member of the site Environment and Community Department, was nominated for the TEAMS Award for being 'Accountable', 'Transparent', and always putting 'Safety First' during the intensive rounds of sampling following the Extreme Weather Event in March 2023[22].

Putting safety first

Golden Grove Mine Surveyor, Callum Illich, who received a TEAMS Award for 'Safety First' and 'Excellence'. Callum's vigilance, knowledge and willingness to speak up, resulted in a change to a production drill program design at Scuddles, ensuring a safer work environment for his teammates.

22. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

Safe and inclusive workplace priorities in 2024

Topic	2024 priority
Health and safety	Continued focus on eliminating serious injuries and incidents and reducing incidence of minor injuries
	Continue mental health awareness training
Inclusion and diversity	Improve female participation as a proportion of total 29Metals' workforce
	Improve cultural competency
	Identify barriers to inclusion and diversity in 29Metals workplaces
	Improve representation of gender, ethnicity, culture in leadership roles

Responsible environmental stewardship (including action on Climate Change)

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29Metals is committed to:

- implementing enduring strategies for key environmental performance priorities, including:
  - responsible use of natural resources;
  - reducing waste generation at our operating sites; and
  - identifying opportunities to reduce carbon emissions intensity.
- formally integrating Climate Change risks and opportunities into our business processes, through our roadmap to align with TCFD recommendations.

Deanntha
Golden Grove

Water sampling is a critical activity to understand and manage potential environmental impacts from our operations to this critical natural resource.

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Our performance

2023 Sustainability & ESG priorities	Progress
Water management Continued focus on improved water management: ▪ reduce water inventory at Capricorn Copper[23] ▪ reduce freshwater draw and increase water efficiency at both operations	Progress on water management at both operations occurred during the Reporting Period Capricorn Copper significantly reduced water inventory on-site, as at 31 December 2023, reflecting investment in water management infrastructure and the hard work of our team Post 31 December 2023, rainfall from successive tropical cyclones resulted in a further accumulation of water held on site. Refer to page 3 Freshwater drawn at Capricorn Copper also significantly reduced as we implemented a new water strategy for the site utilising water treatment and recycling for operations – a key step in establishing a sustainable water balance at the site Golden Grove evaluated water security opportunities, including potential to store and re-use water used in mining operations
Progress against our TCFD roadmap Implement 2023 actions in 29Metals' roadmap for aligning with TCFD recommendations	Continued to advance activities in accordance with our TCFD roadmap, with an expert third party engaged to assist with our assessment of emissions reduction opportunities across the business The setting of emission reduction targets has been delayed, reflecting the priority placed on the Capricorn Copper Recovery Plan during the Reporting Period Initial Scope 3 emissions baseline studies were completed ahead of plan in early 2023, to identify the materiality of Scope 3 emissions to the business
Waste management (tailings) Advance progress towards long term tailings storage facilities ('**TSFs**') at both operations	Continued focus on tailings capacity at both operations Golden Grove completed a lift on its TSF3 during the Reporting Period, as well submitting its application for a new long term tailings storage facility (TSF4) Activities supporting short, medium and long-term tailings solutions at Capricorn Copper progressed during the Reporting Period, including submission of an application to authorise the interim resumption of tailings deposition in the Esperanza Pit to provide tailings capacity until an application, approval and construction of a proposed new long term tailings storage facility (TSF3) at the site Proposed TSF4 (Golden Grove) and TSF3 (Capricorn Copper), subject to regulatory approvals, will be modern, engineered TSFs, designed to provide tailings capacity for the life of the respective mines
Mine closure and rehabilitation Continued focus on progressive rehabilitation and closure planning	During the Reporting Period, both Capricorn Copper and Golden Grove operations progressed new or updated holistic rehabilitation and closure plans in line with recent changes to the relevant state policies and guidelines

23. Water reduction performance cited is to 31 December 2023 and prior to the impact of successive tropical cyclones referred to in 29Metals' announcement regarding the suspension of mining and milling operations. Refer to page 3 for further information.

Responsible environmental stewardship continued

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Environmental performance

29Metals is committed to effectively managing the environmental impact of its operations. During the Reporting Period, this commitment was reflected in the significant investment in infrastructure, organisational capacity and capability.

29Metals operations and exploration activity are subject to policy, guidelines and site-specific permits and licences with obligations for the ongoing protection of the environment directly or indirectly impacted by mining and exploration activities.

Environmental compliance and performance at our operations are upheld by our committed site environment teams, who implement their Environmental Management System ('**EMS**') that includes the delivery of training and education for relevant site staff.

Compliance

During the Reporting Period, we continued efforts to enhance internal systems and processes related to environmental compliance and performance improvement.

The number of environmental incidents that triggered notifications to the relevant regulatory body during the Reporting Period is outlined in **Table 3**. The number of reportable incidents at Golden Grove decreased by 40% compared to 2022, with no enforcement actions received by the operation in 2023. The number of reportable incidents at Capricorn Copper increased in 2023, many of which were a direct and indirect result of the impacts of the Extreme Weather Event in March 2023[24].

Table 3 Reportable environmental incidents in 2023

Site	Reportable incidents	Enforcement action
Capricorn Copper	6	A pre-enforcement letter was issued by the regulator, following surface water quality exceedances in Gunpowder Creek in 2022 and 2023. The pre-enforcement action requested further information to inform investigations and next steps. In mid-2023, the regulator advised 29Metals that it was investigating the failure to meet Design Storage Allowance in the Esperanza Pit at 1 November 2022 and certain alleged non-compliance in early 2023 (including during the Extreme Weather Event[24]).
Golden Grove	3	Engagement with regulatory authorities regarding one reportable incident from 2022 remains ongoing.
Redhill	Nil	N/A

24. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

The Queensland Department of Environment, Science and Innovation ('**DESI**') issued an Environmental Protection Order ('**EPO**') to Capricorn Copper in January 2023. This EPO was disclosed in the 2022 Annual Directors' Report, and was related to the forecast heavy wet season and volume of water held in two regulated structures on site. The EPO covered the remainder of the wet season and expired on 1 May 2023.

Training and inspections

Our Environmental team conducts inspections of various mine areas throughout the year to ensure compliance of our activities with local regulations.

For example, at Golden Grove, inspections and training conducted during the Reporting Period included:

- approximately 45 inspections and 52 Safety Leadership Interactions with a focus on environmental matters were conducted;
- an Environmental Awareness Training package was drafted in 2023 which will be rolled out in 2024; and
- as part of the EMS, toolbox topics on environmental awareness, biodiversity in the region, and sustainability efforts in the region were delivered in the Reporting Period.

Approvals summary

In both Western Australia and Queensland, mining operations are obligated to obtain environmental approvals for proposed new or changed developments under State-based mining, environment, biodiversity and water legislation. Across the Group, there is an ongoing focus on implementing long-term approvals plans to enhance planning and certainty regarding approval requirements for the Life of Mine ('**LOM**') given the depth, complexity and timing associated with these application processes.

At 29Metals, we engage with government agencies throughout the life of our projects as part of the planning and approvals processes for each of our operations. Our dedicated Environment teams provide support across the operations during all stages of approvals. In turn, the site teams are supported by subject matter experts in our corporate offices.

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Responsible use of natural resources

We are dedicated to responsibly managing our use of finite natural resources and safeguarding the environment throughout all phases of our business, including exploration, development, operations, rehabilitation, and closure.

Water

The responsible and efficient management of water at our operations is a high priority.

To guide this process, water management plans ('**WMPs**') that outline the correct procedures for water abstraction, reuse and discharge are in place at both operations to support compliance with the regulations and stakeholder expectations. The WMPs safeguard water resources used by or interacting with mining activities to mitigate the risk of significant impact to environment.

Several water management programs were implemented at 29Metals' operations in 2023, as described below:

Golden Grove

In 2023, technical experts were engaged to update the site Water Balance Model ('**WBM**') for Golden Grove to include upcoming key projects such as the potential development of the Gossan Valley project. The purpose of a WBM model is to allow forecasting and estimation of on-site water movements and to minimise the potential for non-compliance with conditions relating to water supply.

In addition, the WBM updates will allow 29Metals to include site observations through the Group-operated dashboard. The WBM will be a key tool for Golden Grove to inform future water management activities and needs at the site. The project is in its final stages with the model and dashboard expected to be completed in early 2024.

A water storage options assessment project was also completed in 2023 to identify alternative locations for water storage on site. The assessment compared the feasibility of all water storage options and recommended the best placed for timely design, permitting, procurement and construction. The report was completed in 2023, with implementation to commence in 2024.

During the Reporting Period, a new licence was obtained which allows for abstraction of groundwater from a new water production bore at the future Gossan Valley project site.

The current groundwater monitoring schedule was modified in 2023 to eliminate regional monitoring bores, as the historical data indicated that there is no impact or risk to water quality and quantity.

Dust suppression materials have been investigated and assessed for implementation on-site as another means to reduce reliance on water resources.

Capricorn Copper

Water reduction and management initiatives[25], including preparation of the interim water treatment solution and increasing mechanical evaporation capacity on-site, progressed as part of the Recovery Plan[26]. On-site water treatment contributes to a reduction of overall water levels and is intended to transition the site to a more sustainable long-term water balance, enhance water management flexibility and significantly reduce reliance on freshwater abstraction.

Water management strategies implemented during the Reporting Period as part of the Capricorn Copper Recovery Plan[26] included:

- procuring and commissioning a significant increase in the high-efficiency mechanical evaporation on site;
- implementing water treatment recycling in disused settling ponds for use in mining and mineral processing operations, enabling 29Metals to accelerate plans to discontinue abstraction of raw water from environmental sources for operations; and
- evaluating options for automated on-site water treatment plant solutions for long term management.

Throughout 2023, Capricorn Copper has focussed on establishing processes and infrastructure for recycling water for use in processing and mining, with the aim of achieving 100% recycled water for future mining and milling operations.

Total water use, reuse, and recycling at Golden Grove and Capricorn Copper for 2023 compared to the prior corresponding period is set out in **Table 4**, and shows that:

- water use at Capricorn Copper decreased significantly, principally due to the suspension of operations (March to August) and phased restart of operations (from August); and
- Golden Grove water use increased year-on-year, primarily due to increased evaporation combined with decreased rainfall.

Table 4 Water data at 29Metals operations in 2022 and 2023

	Capricorn Copper		Golden Grove	
	2023	2022	2023	2022[27]
Total Water Withdrawn (ML)	760	1,492	1,741	1,010
Total Water Returned to the Environment (ML)	227	1,060	87	259
Total Water Consumed (ML)	351	723	1,173	740
Total Water Recycled from within the process (ML)	1,028	2,292	1,408	1,318
Total Water Reused from Tailings Facility (ML)	0	0	2,481	2,803

Capricorn Copper water reduction Update

29Metals implemented a number of measures to reduce the volume of water held on site following the Extreme Weather Event in March 2023, as part of the Capricorn Copper Recovery Plan.

Rainfall associated with successive tropical cyclones from late January 2024 resulted in further accumulation of water held on site. Refer to page 3.

25. Water reduction performance cited is to 31 December 2023 and prior to the impact of successive tropical cyclones referred to in 29Metals' announcement regarding the suspension of mining and milling operations. Refer to page 3 for further information.
26. Information regarding the Capricorn Copper Recovery Plan was set out in 29Metals' Investor Presentation entitled "Strategic Update" released to the ASX Announcements platform on 23 May 2023.
27. 2022 water consumption and recycling data for Golden Grove has been restated to align with updated data sources from flowmeters.

Responsible environmental stewardship continued

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Biodiversity

29Metals is committed to minimising the impact of its business on natural habitat and ecosystems.

At Golden Grove, interactions with aspects of biodiversity are managed through the implementation of our Biodiversity Management Plan ('**BMP**'). The BMP reflects our commitment to continual improvement and provides a robust and comprehensive method for identifying and managing impacts.

The objectives of the BMP are to:

- list all the sensitive biodiversity values in the environment;
- list the management controls to minimise the operations impacts on the biodiversity values of the area; and
- minimise the adverse impacts of the operations on flora and fauna of the area.

There are no areas of known high biodiversity value in the surrounding region of Golden Grove, however there are vegetation communities and fauna species that must be considered prior to any new disturbance.

During the Reporting Period, an ecological survey was conducted at Capricorn Copper as part of the studies to support preparation of the site's *Progressive Rehabilitation and Closure Plan* ('**PRCP**'). The desktop review and field work confirmed the following updates to biodiversity values in the region surrounding the operation:

- three fauna species of conservation significance listed under both the EPBC Act, and the *Queensland Nature Conservation Act 1992* (QLD) (the '**NC Act**') are known to occur either at Capricorn Copper (or within 50 km): the Ghost bat (*Macroderma gigas*), the Orange leaf-nosed bat (*Rhinonicteris aurantia*), and the Purple-necked rock wallaby (*Petrogale purpureicollis*);
- there is one conservation significant flora taxon identified at Capricorn Copper – the Convolvulaceae (*Ipomoea antonschmidii*), listed as near threatened under the NC Act;
- one critically endangered species – the Northern bluetongue (*Tiliqua scincoides intermedia*), and one endangered species, the Night Parrot (*Pezoporus occidentalis*), listed under the EPBC Act may occur within 50 km of Capricorn Copper; and
- ten fauna species of conservation significance under the EPBC Act and/or NC Act may or are likely to occur within 50 km of Capricorn Copper. These include seven birds, two reptiles, and one mammal.

Case study
Managing impacts to Protected Ecological Communities

A portion of the Golden Grove operation intersects with the Minjar and Chulaar Hills vegetation complexes (Banded Ironstone Formation ('**BIF**') which is considered a protected ecological community). Golden Grove is not directly impacting the vegetation community, and the risk of indirect impact to BIF was considered low. Previous flora studies and the information obtained from the DBCA database have also reported that no significant impacts on the nearby conservation significant vegetation communities, the Minjar and Chulaar Hills Vegetation Complex, from current or proposed mining activities.

The currently understood biodiversity values in the region surrounding Golden Grove include:

- two listed vulnerable fauna species known to exist in the local area under the *Environment Protection and Biodiversity Conservation (EPBC) Act 1999*: Malleefowl (*Leipoa ocellata*) and the Western Spiny Tailed Skink (*Egernia stokesii badi*). The Malleefowl is further listed as vulnerable under the International Union for Conservation of Nature Red List;
- twelve fauna species of conservation significance listed under either the *Wildlife Conservation Act 1950* (WA) or *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) (the '**EPBC Act**') that may exist over the managed leases, comprising eight bird, three reptile and one mammal species; and
- identified flora species listed under the *Western Australia Biodiversity Conservation Act 2016* including one Threatened Flora (Declared Rare Flora). There are also 10 species listed on the Western Australia Department of Biodiversity, Conservation and Attractions' ('**DBCA's**') priority flora list (nine Priority-3 species and one Priority-4 species, as defined by the Department).

As another important measure to protect biodiversity values in the vicinity of Golden Grove operations, 29Metals implements management and eradication programs for introduced species and feral pests. This includes the Muralgarra pastoral lease which covers 126,778 ha that is managed as grazing land by 29Metals as the leaseholder. Introduced flora on the tenements are not listed as Declared Pests (within the Shire of Yalgoo) under the *Biosecurity and Agriculture Management Act 2007* (BAM Act), nor are they listed as Weeds of National Significance ('**WONS**').

Case study
Malleefowl protection

In 2023, Golden Grove developed a *Malleefowl Management Plan* with the objective of providing guidelines for the effective protection of Malleefowl, and minimising adverse impacts on the species and its associated habitats from the operations at Golden Grove.

The Malleefowl is a ground-dwelling bird found in semi-arid to arid shrublands and low woodlands dominated by mallee vegetation. This species has been formally recognised as rare, threatened with extinction, or having high conservation value, and is protected under Commonwealth and State legislation.

To avoid, mitigate and manage risks to Malleefowl during exploration and mining operations, Golden Grove implements the following controls:

- land clearing and disturbance procedures;
- buffer zones with reduced road speeds in work areas adjacent to active Malleefowl mounds;
- regular feral animal control programs to decrease populations of feral animals near the mine operations;
- significant efforts to control fires on its leases; and
- promptly close trenches to prevent fauna entrapment.

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Mine closure and rehabilitation

The successful rehabilitation of the lands disturbed by mining activities to a safe and stable landform aligned with regulatory and community expectations for closure and post-mining land use objectives remains a priority for 29Metals.

Where possible, land disturbed by our operations is rehabilitated progressively to minimise risks of environmental impacts and demonstrate the success of proposed land management.

Our mine closure plans ('**MCPs**') include rehabilitation plans for disturbed lands, remediation requirements for contaminated lands and end-uses for land and infrastructure. Rehabilitation and post-mine land use considerations are integral to initial approvals and are progressively updated and implemented during each mine's operational life.

As part of Capricorn Copper's transition to the PRCP framework implemented in Queensland, a gap analysis was completed in 2023. Studies required for the PRCP are underway with submission due in June 2024. The analysis and studies that will be undertaken to support the development of the PRCP include:

- soil studies and rehabilitation monitoring;
- closure specific floodplain modelling;
- groundwater modelling of closure scenarios;
- geochemical testing of waste rock;
- final void water balance assessments;
- final landform design; and
- geotechnical studies.

At Golden Grove, the following MCPs were submitted to DEMIRS during the Reporting Period:

- the MCP for the fifth lift of TSF3; and
- MCPs were developed to incorporate the proposed Waste Rock Dump ('**WRD**') extension (now approved) and LOM TSF4 projects (currently under assessment by DEMIRS).

The 2023–2025 Rehabilitation Plan for Golden Grove will be updated in 2024 to include the outcomes of the rehabilitation material investigations conducted by technical experts in 2023. The updates will include a more efficient use of topsoil and trials of proposed soil blending ratios. This will allow a greater understanding of potential growth mediums and topsoil conservation leading to better rehabilitation success in the future.

At Golden Grove, a preliminary capping material inventory was also conducted on the waste rock currently stored on the WRD to understand its suitability as capping material for the proposed final landforms. Initial results indicated the material is suitable for use in capping to prevent or minimise seepage post closure. Further detailed material characterisation and mapping of material is scheduled for 2024.

The Golden Grove team also submitted the site's annual Mining Rehabilitation Fund ('**MRF**') report to the regulator for the past financial year with no material changes. The purpose of the MRF is to calculate an annual mining rehabilitation levy for each of the mining tenements associated with Golden Grove.

Table 5 shows a summary of disturbed and rehabilitated land at each operating site for 2023 and the prior corresponding period.

Table 5 29Metals' operational sites land disturbance and rehabilitation

	Capricorn Copper		Golden Grove	
	2023	2022	2023	2022
Mining lease area (ha)	1,293	1,293	12,917	12,917
Disturbance (ha)	245	245	723	712
In progress rehabilitation area (ha)	0.32	0	0	0
Completed rehabilitation area (ha)	15.5	15.5	1.3	1.3

There were no changes to the Capricorn Copper disturbance area, and a minor area rehabilitated completed during the Reporting Period (0.32 ha). Golden Grove cleared 11 ha of new area to support approved expansion projects and rehabilitated 429 drill holes related to the extensive exploration campaign that took place over the Reporting Period. Note that exploration drill pads were previously rehabilitated, with only the holes closed out in 2023. This has significantly reduced the exploration historical disturbance area, however, it did not result in an overall increase in the area of completed rehabilitation.

Responsible environmental stewardship continued

Waste management

29Metals is committed to the effective management of waste, including the responsible management of tailings.

At 29Metals, waste is handled in accordance with our waste management plans. Our waste management plans describe controls to manage mineral and non-mineral waste to meet regulatory commitments and Group standards. The primary objective of these plans is to ensure that our waste management practices do not adversely impact environmental values or the health, welfare and amenity of people.

At our operations, waste streams are categorised as tailings generated from processing, waste rock generated from mining and non-mineral industrial (general and hazardous) waste generated from all other mining adjacent activities.

Wastes at 29Metals are generally managed in accordance with established management plans including:

- Tailings Management Plans ('**TMP**');
- Waste Rock Management Plans ('**WRMP**'); and
- Non-Mineral Waste Management Plans ('**NWMP**').

Tailings

Tailings are the residual material from the processing of mined ore. Tailings includes the waste rock and the water left behind from mining operations and extraction of the metal. Tailings typically have the consistency of fine sand and contain waste processing chemicals and residual metals and minerals.

TSFs are engineered structures specifically designed and constructed to safely store tailings. TSFs have a finite storage capacity, with capacity increased through progressive extensions of the facility wall height (referred to as 'lifts').

In some cases, other facilities may be used to store tailings, such as decommissioned open pit mining areas such as the Esperanza Pit ('**EPit**') at Capricorn Copper. Tailings may also be utilised as backfill in the form of paste (employed at both Capricorn Copper and Golden Grove) or cemented hydraulic fill (employed at Golden Grove). Information regarding 29Metals' TSFs is included in **Table 6**.

Table 6 TSFs at 29Metals operating sites

		TSF	Construction method	Status
Site	Capricorn Copper	Esperanza TSF ('**ETSF**')	Engineered TSF, upstream lifts	In use. Lift application underway to increase capacity
		Esperanza Pit ('**EPit**')	NA, previously mined open cut pit	At capacity, tailings deposition ceased in January 2022 Application underway to resume tailings deposition in this facility for an interim period pending application, approval and construction of a proposed new TSF (TSF3)
		Mammoth	Engineered TSF, upstream lifts	Decommissioned in the 1980s
	Golden Grove	TSF 1	Engineered TSF, upstream lifts	At capacity, no longer in use
		TSF2	Engineered TSF, upstream lifts	Existing tailings being reclaimed for use in paste backfill underground
		TSF3	Engineered TSF, upstream lifts	In use. Additional lift approved in Q1 2023

TSFs are regulated structures and are subject to comprehensive regulatory requirements, including periodic inspections and management system audits.

At Capricorn Copper, the ETSF is monitored using a TSF Tilt Sensor, which provides instantaneous live monitoring of the TSF, including seismic activity. This monitoring is managed by the Processing team, while the Environment team performs monthly inspections of the TSF and works through actions with the Process department. Annual audits and surveys of the structures by qualified engineers are also required by relevant permit conditions which are implemented in partnership between the relevant departments.

Effectively managing and reusing our mine wastes

Waste rock is extracted during the mining process to access the mineral bearing ore. When exposed to surface conditions some of this waste rock is susceptible to oxidation processes that can potentially lead to Acid and Metalliferous Drainage ('**AMD**'). 29Metals implements monitoring and management programs to prevent adverse impact to the receiving environment.

Reviews and updates to 29Metals' monitoring and management programs were undertaken during the Reporting Period.

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Golden Grove

Golden Grove developed an Interim Waste Rock Management Plan (the '**IWRMP**') as part of Gossan Hill WRD extension design in partnership with geochemical subject matter experts. The IWRMP was developed to provide an understanding of the nature of the waste rock to be deposited on the WRD and outline methods for the management of the material to reduce risk to the surrounding environment. The IWRMP was updated in Q4 2023. The updated plan – the Operational Waste Rock Management Plan ('**OWRMP**') – is a live working document. The OWRMP is being implemented with the approval and construction of the proposed WRD extension.

A staged geochemical sampling and test work campaign started in 2023 to characterise the waste rock, determine robust AMD classification criteria, and inform management on the IWRMP/OWRMP. Stage 1 of the campaign, comprising a comprehensive sampling program to determine the variability of sulphur and carbon across the different lithologies associated with the decline, waste rock and ore, was completed in Q3 2023. Stage 2 of the campaign started in Q4 2023 and involves the selection of a subset of samples from Stage 1 that was subject to both standard and specialised geochemical test work as well as static leachate test work. This will be used to develop an initial set of AMD classification criteria for the identification of Potentially Acid-Forming ('**PAF**') and Non-Acid Forming ('**NAF**') materials. Stage 3 of the campaign is scheduled to commence in 2024.

Mining waste during the Reporting Period is set out in **Table 7**.

Table 7 Mineral waste tonnage at 29Metals' operations

		Capricorn Copper		Golden Grove	
	Unit	2023	2022	2023	2022
Total waste mined	Tonnes	130,227	300,501	567,308	868,661
Solids in tailings	Tonnes	431,257	1,630,181	1,368,044	1,335,631
Total mineral waste generated	Tonnes	561,484	1,930,682	2,761,325	2,204,292
Total mineral waste reused	Tonnes	33,773	183,367	541,253	647,433
Percentage of mineral waste reused	Percentage	6%	9%	20%	29%

Other mining waste management

Industrial waste associated with mining operations and surface activities are included in the category of other mining waste at 29Metals' operations.

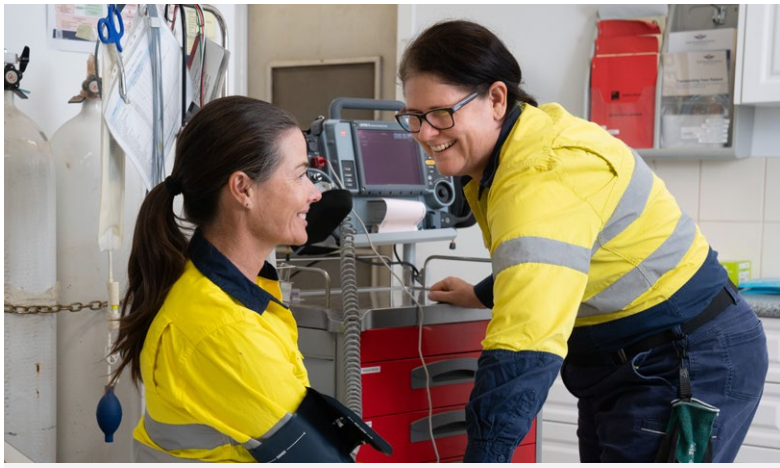
Waste management plans at both of our operations serve as the guiding framework for managing other mining waste in accordance with our regulatory commitments. Our waste management approach aims to reduce waste through the prevention, reduction, recycling and reuse of waste produced across our operations. We continue to investigate options to minimise the volumes of non-mineral general waste, while conducting waste educational sessions with our workforce to ensure they are informed about specific waste management procedures.

Non-mineral waste, or general waste is segregated into materials for landfill or for off-site recycling which is tracked by licenced waste removal contractors with volumes reported in Appendix B5 to the standalone version of this Sustainability & ESG Report.

The Golden Grove non-mineralised waste management plan was updated in 2023 to include legal requirements, identification of waste streams generated, demarcation of segregated material disposal areas, and responsible personnel.

Waste management initiatives at Golden Grove

- As part of the recycling program at Golden Grove, furniture removed during the upgrade of the mess was donated to the nearby Yalgoo Community in Q4 2023 for re-use; and
- Golden Grove formulated a plan to review the waste disposal and recycling procedures in 2023. As a result, potential vendors have been identified who can help to improve the removal and recycling of all the waste streams. Conversations with some of these vendors began in 2023 and the collaboration is expected to start in 2024.



Case study
Collaborative partnership with Yalgoo Hospital reduces wastage and cost

The Golden Grove Nursing team identified an opportunity to work together with the Yalgoo Hospital in a shared resource approach to reduce waste and cost.

"Under the new partnership, Golden Grove will acquire an initial stock of the different cartridges we require for our iStat machine on site, which is used to analyse blood samples," explained Occupational Health Nurse Jessie Vanderelst.

"As the cartridges approach their expiry date we will swap them with the hospital – who use the cartridges more frequently – for newer cartridges."

The new approach will reduce waste and cost with all cartridges being used before their expiry date.

Responsible environmental stewardship continued

Action on Climate Change

We are committed to contributing to the global effort to minimise contributions to global warming while seeking to mitigate the risks posed by Climate Change.

TCFD

As part of our 2021 Sustainability & ESG Report, we launched our roadmap for reporting aligned to TCFD recommendations. An outline and progress of our three-year TCFD Roadmap is set out below.

29Metals Actions

TCFD Recommendation Element	2022	2023	2024
Governance	Continue to build and enhance Board and Management climate education sessions	Continuous improvement in internal oversight *Continuous improvement through developing and actioning the Capricorn Copper Recovery Plan*	Continuous improvement in internal oversight
Strategy		Integrate climate change into strategy to consider risks and opportunities	Undertake climate scenario analysis, and disclose on process and outcomes in annual reporting
Risk Management	Integrate climate change risks and opportunities into risk management framework	Continuous improvement in risk management actions and monitoring	
Metrics and Targets	Completed emissions profile assessment (Scope 1 and Scope 2) for existing operations to inform development of emissions reduction plan and target setting	Set credible external medium-term absolute emissions or emissions intensity reduction targets (Scope 1 and Scope 2) *The project was scoped in September 2023 and is ongoing* Integrate reduction target(s) metrics into internal and external reporting processes Assess emissions profile (Scope 3) for existing operations to inform the development of an emissions reduction plan *Work was completed in 2022 to assess Scope 3 emissions and establish a 2021 baseline. The results were presented in the 2022 Sustainability & ESG Report.*	Monitor and report progress against targets, with related metrics integrated into internal and external reporting processes

Greenhouse gas emission profile

In 2022, we transitioned to reporting emissions on a calendar year basis, in-line with our annual reporting for emissions calculations as per the Greenhouse Gas Protocol.

The Reporting Period for the National Pollution Inventory ('**NPI**') and National Greenhouse Gas Emissions Reporting Scheme ('**NGERS**') results are from July–June annually and are reported in Appendix B2 – B3 to the standalone version of this Sustainability & ESG Report.

This year, we removed the emissions intensity of greenhouse gases against ore mined as it closely resembled the intensity against ore milled and did not provide additional insights into our operations. These calculations are still able to be made from the data provided in Appendix B1 to the standalone version of this Sustainability & ESG Report for transparency. Instead, we have introduced emissions intensity against the total material mined, encompassing both ore containing our products and the waste material moved to access the ore.

Additionally, we have also introduced the total electricity imported alongside the already reported Scope 2 emissions indicator. This addition of electricity usage and Scope 2 emissions enhances transparency, distinguishing reductions in Scope 2 emissions resulting from the emissions intensity of the electricity grid, from improvements in energy efficiency of our operating activities.

Capricorn Copper's greenhouse gas emissions in 2023 were nearly half that of 2022. However, the emissions intensities tripled for the amount of material moved and doubled for the ore processed. These heightened intensities reflect the impact of an Extreme Weather Event in March 2023[28], where production significantly decreased while energy consumption for non-productive activities, such as operating dewatering pumps and repairing infrastructure damage, increased.

28. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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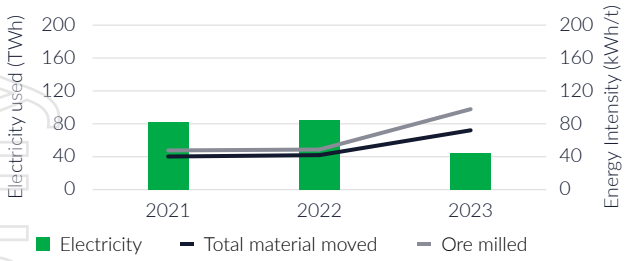
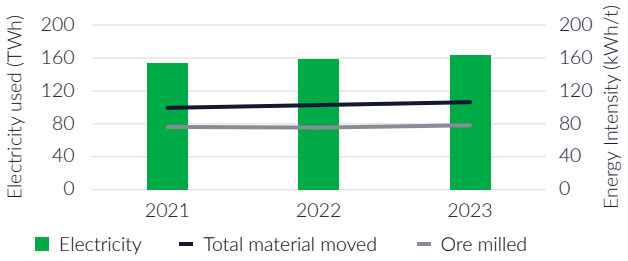
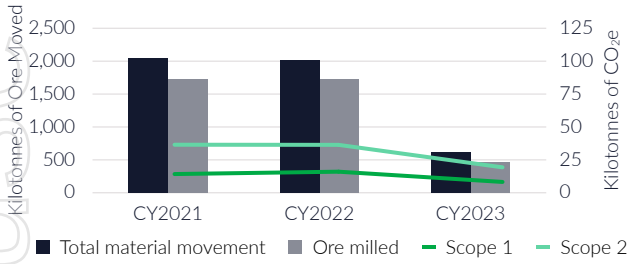
Electricity used and intensity
Capricorn Copper



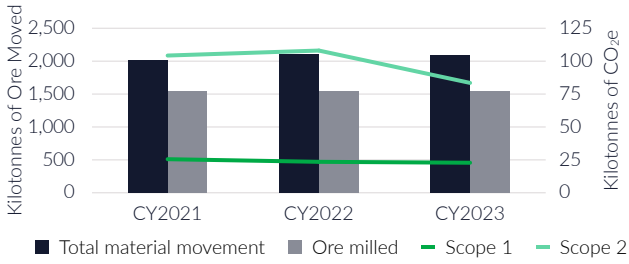
Golden Grove



Mining and milling intensity
Capricorn Copper



Golden Grove



Golden Grove reduced Scope 1 and 2 emissions while maintaining similar production levels, resulting in reduced emission intensities for material mined and ore processed. Despite the reduction in Scope 2 emissions, this is not reflected in the electrical energy intensity, showing that the decrease in greenhouse gas emissions is attributed to the reduction in emissions associated with generating electricity provided in the grid.

Using the GHG protocol, an emissions profile assessment for Scope 1 and 2 emissions was completed for the calendar year 2021 period and has been adopted by 29Metals as a baseline for reporting and emissions reduction purposes. 2023 emissions are shown in the charts above alongside emissions for the prior corresponding period and the 2021 (baseline) year.

Industry collaboration and special projects

In addition to the calculation of emissions across our operations and offices, there have been a number of initiatives during the Reporting Period to assess opportunities to reduce the Group's emissions profile. This is in recognition that meaningful action on Climate Change will require innovation and investment that, in turn, will require collaboration with other mining industry participants and beyond.

Targeted collaboration highlights included:

- engaging a third party to assess Scope 1 and 2 emissions and assist 29Metals to develop a practical emissions reduction road map, considering the dominance of Scope 2 and limited market-ready mobile plant electrification options. This project is ongoing into 2024;
- support of the CopperString 2032 project which, once constructed, will link northwest Queensland to the east coast electricity market and, importantly, provide access to renewable energy projects proposed to be developed along the CopperString 2.0 corridor;
- consideration of opportunities to replace diesel powered equipment such as dewatering pumps with battery/electric at Capricorn Copper; and
- investigating behind the meter solution power options and opportunities, including criteria to look at emissions reduction options, in conjunction with evaluating power supply options at Golden Grove before existing power supply arrangements fall due for renewal.

Responsible environmental stewardship priorities in 2024

Topic	2024 priority
Water management	Reduce water inventory at Capricorn Copper[29]
Climate Change	Implement actions in 29Metals' roadmap to align with TCFD recommendations, including setting credible external emission reduction targets (Scope 1 and Scope 2)
Tailings management	Implement long-term tailings strategies at both operating sites[29], including implementation of recommendations for enhancing tailings management practices aligned to the ICMM's Global Industry Standard for Tailings Management
Closure planning	Continued focus on progressive rehabilitation and closure planning

29. Water reduction and long term tailings capacity are two of the key enablers identified by 29Metals for a successful and sustainable restart of operations at Capricorn Copper. Refer to page 3.

Partnering with stakeholders

We are committed to building and maintaining long-term and sustainable relationships with key stakeholders, reflective of our long-life mines, including:

- engaging with the communities around our operating sites to understand community concerns, priorities and opportunities for sustainable benefits;
- utilising collaboration to realise meaningful benefits for stakeholders;
- open and frequent communications with our workforce, and encouraging feedback and the raising of concerns; and
- maintaining positive relationships with regulatory authorities, built on a foundation of delivery against our obligations.

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Our performance

2023 Sustainability & ESG priorities	Progress
Develop a framework for stakeholder engagement, including community partnership arrangements, contributions to support community programs and the promotion of local business and employees	There has been a concerted effort to enhance engagement at Capricorn Copper to keep the community and key stakeholder informed of recovery efforts and operational projects Golden Grove has a detailed stakeholder engagement register, and have contributed to community programs, scholarships, the SHINE program, as well as supporting local businesses
Continue to identify opportunities to collaborate with subject matter experts, OEMs and peers to improve Sustainability & ESG outcomes	Collaboration continued with Byrnecut to understand S&ESG collaboration opportunities and share knowledge. Byrnecut are our largest contractor and have a global reach, meaning partnerships will have greater impact than work independently. A measure of success includes Byrnecut facilitating metal health first aid training for 29M employees at the same time as for their own employees, resulting in efficiencies in resources and being able to impact a larger proportion of the total workforce
Continue stakeholder and community engagement regarding priorities for Sustainability & ESG activities	Stakeholder and community engagement continued, including with First Peoples, and new initiatives have been developed Community Consultative Committees were established to seek stakeholders' engagement on operations matters

29Metals is committed to building and maintaining long-term and sustainable relationships with key stakeholders. We continue to conduct regular formal and informal stakeholder engagement activities, including one-on-one meetings, consultation groups, and written communications.

During and following the Extreme Weather Event at Capricorn Copper[30] our stakeholders expressed concerns about the impact of the event on the site, including the volume of water held on site. To work in partnership and instil trust, we had regular engagement with the workforce, contractors and suppliers, regulators and the local community on the recovery plan and water management.

When operations were suspended at Capricorn Copper following the Extreme Weather Event[30], we implemented a flexible working arrangement for our employees since all the workforce was not needed on site during that period.

Our critical employees, comprising approximately 50% of the total workforce, were retained on site. Additionally, 36 team members were seconded to other sites, while some employees were stood down or placed on annual leave.

No redundancies were made during this time. We also conducted consultation meetings with our workforce at Capricorn Copper following the event. These meetings were facilitated by department managers, and human resources representatives for individuals, ensuring firsthand information was communicated to them.

To strengthen Sustainability & ESG measures with our goods and services providers, a revision to the pre-qualification process occurred during the Reporting Period. New suppliers for goods and services, as well as those which had not previously undergone a prequalification process, went through the new process to ensure the new standards are being met.

We strongly believe in clear communication and people related items such as performance objectives and development. Therefore, information on business key results and projects is communicated quarterly to the workforce through the Town Hall process.

30. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

Partnering with stakeholders continued

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Cultural heritage

29Metals is committed to working with First Peoples to identify, manage and protect cultural heritage, with our primary objective to avoid impacts to cultural heritage.

Both operations strive to maintain a positive relationship with First Peoples communities. This involves conducting cultural heritage surveys, engaging with these groups to identify and address any potential concerns or impacts on culturally significant matters, and keeping First People's stakeholders informed regarding our operating activities.

Prior to any ground disturbing works cultural heritage surveys and clearances are completed with the relevant First Peoples group. If a new potential heritage site is discovered, the established protocol requires halting of operations, the creation of a buffer zone around the area, the submission of a heritage notice, and the formulation of additional heritage management plans in consultation with traditional owners.

Case study

A cultural heritage survey for the Gossan Valley project

At Golden Grove, a cultural heritage survey was conducted in the Gossan Valley project area by Heritage Link in collaboration with the Badimia People. The main objective of this survey was to identify sites of potential heritage significance and historic conservation sites. This work was one of the last remaining steps prior to compiling a submission for regulatory approvals. The survey was a collaborative effort between Environmental Officer Luke Tebbit and Health & Safety Advisor Jeff Holt, accompanying the Heritage team. This collaboration not only enriched the team's knowledge and experience, but also reinforced the strong working relationships that 29Metals has established with the Badimia People.

Community partnerships

We are focused on ensuring communities benefit from our growth and development. We aim to create positive and lasting socio-economic capacity, prosperity, and benefits for communities.

We continue to promote local community engagement through initiatives such as internship opportunities. During the Reporting Period, ongoing support was provided to programs that offer education opportunities for underprivileged girls in the Geraldton region, as well as the Capricorn Copper internship program for Kalkadoon people, called the Indigenous Internship Program. This Kalkadoon Indigenous Internship Program provides hands on experience for Kalkadoon people from the region to support a potential career in the mining industry.

Both 29Metals' operations have Community Advisors in place to provide a direct liaison between the site and the community. At Capricorn Copper, a community newsletter and email address was created to ensure quicker access to, and response from, the Community Advisor.

At 29Metals we communicate with the communities in the areas of our operations through multiple channels. These include Community Consultative Committee ('**CCC**') meetings for each operation. The purpose of CCC is to provide an open, honest and transparent formal communication process between the local community and the operation to discuss community interests and opportunities. The CCC is comprised of representatives of community and other interested/relevant stakeholders that are active participants in the local community and represent the community's values and issues. At Capricorn Copper, the environmental regulator (DESI) also generally participates in CCC meetings.

A copy of the minutes of the meetings is forwarded to each CCC member.

Community consultation and the Extreme Weather Event

During and following the Extreme Weather Event in March 2023[31], keeping community and other stakeholders informed was a key priority. Similarly, updating the community regarding our actions to address the damage caused by the event and to reinstate water management infrastructure was a focus of the site team throughout the balance of 2023.

Engaging transparently with the community and other stakeholders will form an important part of 29Metals' work during the suspension of mining and milling operations announced on 26 March 2024, as well as 29Metals' plans for a successful and sustainable restart.

Refer to page 3

31. Refer to: "Impact of Extreme Rainfall on Capricorn Copper Operations" released to the ASX announcements platform on 9 March 2023; "Capricorn Copper Operations Update" released to the ASX announcements platform on 15 March 2023; and "Strategic Update" released to the ASX announcements platform on 23 May 2023.

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Case study
Kalkadoon Internship Program

Capricorn Copper recommenced the four-month Community Internship Program during the Reporting Period. It is as an employee attraction and development initiative designed to engage First People local youths in an Environmental Field Technician role to expose them to the profession and provide transferrable skills. Twenty-five applications were received for the two available roles at the end of 2023. While two were hired for the Environmental Field Technician roles, Capricorn Copper worked with the Youth Justice Group to find placements for the remaining applicants throughout the local community and are happy to report that all have been awarded professional placements. The program has also facilitated the longer-term placement of two local candidates with our contractors, Steelcon and Programmed.

Case study
Building capacity in the mid-west of WA

29Metals is proud to support students through the Geraldton University Hollomby Foundation. The Foundation provides support to people from the Mid-West of Western Australia to fulfil their dreams and build capacity in our region, and also grants awards each year to individuals to recognise performance of those students who are being support.

Emma Smith was presented the 2023 award in recognition of her performance in her Bachelor of Education studies.

Direct and indirect economic benefits

29Metals is a significant employer in the regions where we operate. We aim to create positive social changes in communities through local procurement, business development, mentoring and capacity building.

We invest in our local communities and contribute to local prosperity and sustainability. We contribute to building more diversified regional economies and communities by offering new opportunities for local businesses.

As detailed in **Table 8** (over-page) there was an increase in the proportion of total spending on suppliers located in the host state and Australian suppliers during the Reporting Period. However, the overall local expenditure experienced a slight decrease in 2023 compared to 2022. This reduction was attributed to the fact that, despite the business being local, some of the recipients of the payments were located in other states, leading to these expenditures not being classified as local spending.

Modern slavery

29Metals acknowledges its responsibility to identify and address modern slavery in its operations and supply chains and is fully committed to meeting its obligations under the *Modern Slavery Act 2018* and other applicable laws in any jurisdiction where 29Metals conducts business.

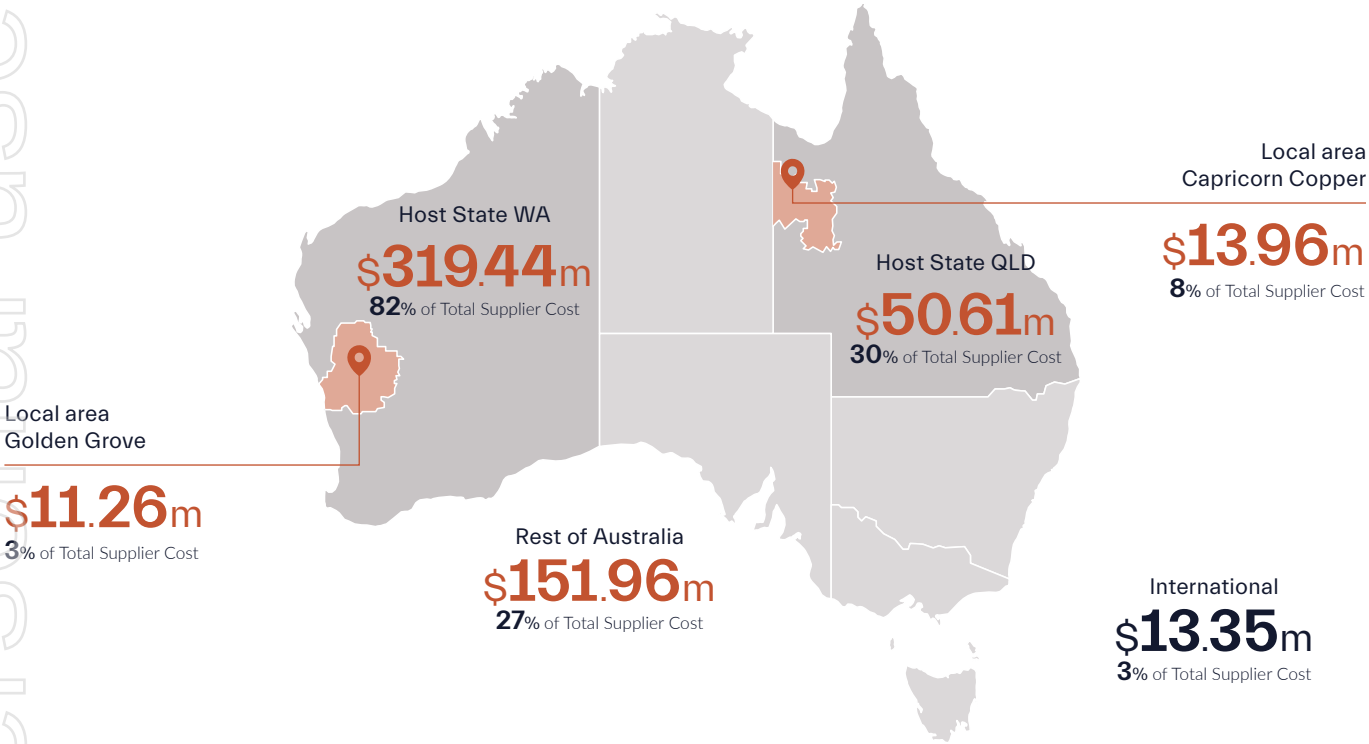
29Metals is committed to developing and maintaining systems and processes to detect and reduce the risk of modern slavery in 29Metals' supply chain. We prohibit the use of all forms of modern slavery in our operations and require each person working for 29Metals' to respect and work to uphold human rights. We require that our suppliers, contractors, consultants, joint venture partners and business partners follow the same high standards as we do. Suppliers must not engage in any form of modern slavery and must adhere to all applicable laws in the jurisdictions in which they operate.

Partnering with stakeholders continued

Table 8 29Metals' direct and indirect economic contributions

	Capricorn Copper		Golden Grove	
	2023	2022	2023	2022
Total Local Spend	15,726,407	21,332,093	18,622,292	19,623,985
Total taxes	1,335,147	1,164,218	2,164,658	-12,950,485
Proportion of total spend to Australian suppliers (%)	100	89	97	94
Proportion of total spend to suppliers in host state (%)	30	30	82	72
Proportion of total spend to suppliers in host region (%)	8	8	3	4

Origin supplier costs



Partnering with Stakeholder priorities in 2024

Topic	2024 priority
Community engagement	Design and implement an agreed community engagement program at each operating site
	Continue to identify opportunities to collaborate with subject matter experts, OEMs and peers to improve Sustainability & ESG outcomes
	Continue stakeholder and community engagement regarding priorities for Sustainability & ESG activities
Responsible and ethical business practices	Continuing engagement with our workforce, highlighting workplace behaviour
	Fostering an environment where workplace participants have the confidence to raise concerns

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Abbreviations

Term	Description
AMD	Acid and Metalliferous Drainage
ASX	Australian Securities Exchange
AUD	Australian dollar
BAM Act	*Biosecurity and Agriculture Management Act 2007* (WA)
BG4	Underground search and rescue training to assist rescue team in retaining knowledge of the process of benching (inspecting, assembling, and testing)
BIF	Banded Ironstone Formation
BMP	Biodiversity Management Plan
CCC	Community Consultative Committee
CCE	Critical Control Engagement
CCV	Critical Control Verification
CEO	Chief Executive Officer
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
CRM	Critical Risk Management
Cth	Commonwealth
CY	Calendar Year
DBCA	WA Government, Department of Biodiversity, Conservation and Attractions
DEMIRS	WA Government, Department of Energy, Mines, Industry Regulation and Safety
DESI	Queensland Government, Department of Environment, Science and Innovation (formerly, the Queensland Government, Department of Environment and Science)
DPM	Diesel particulate matter
DSA	Design Storage Allowance
EPBC Act	*Environment Protection and Biodiversity Conservation Act 1999* (Cth)
EMS	Environmental Management System
EP Act WA	*Environmental Protection Act 1986* (WA)
EP Act QLD	*Environmental Protection Act 1994* (QLD)
EPit	Esperanza Pit
EPO	Environmental Protection Order
ERT	Emergency Response Team
ESG	Environmental Social and Governance
ESO	Emergency Services Officer
ESS	Esperanza South sub-level cave
ETSF	Esperanza Tailings Storage Facility
GHG	Greenhouse gas
GISTM	Global Industry Standard on Tailings Management
GJ	Gigajoule
GRI	Global Reporting Initiative
HSEC	Health, Safety, Environment and Community
ICMM	International Council on Mining and Metals
IFRS	International Financial Reporting Standards
ISO	International Organisation for Standardisation
IWRMP	Interim Waste Rock Management Plan
km	Kilometers
km^2	Square kilometers
LOM	Life Of Mine
LPG	Liquefied petroleum gas
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate, reported per million workhours on a rolling 12-month basis

Term	Description
MAQS	Management and Quality System
MCD	Mill Creek Dam
MCP	Mine Closure Plan
ML	Megalitre
mmhr	Million man hours
MP	Mining Proposal
MRF	Mining Rehabilitation Fund
MS	Management System
MSMS	Mine Safety Management System
mtpa	Million tonnes per annum
MWh	Megawatt hour
MWh/kt	Megawatt hour per kilotonne
NAF	Non-Acid Forming
NC Act	*Nature Conservation Act 1992* (QLD)
NGERS	National Greenhouse Emissions Reporting Scheme
NPI	National Pollutant Inventory
NWMP	Non-Mineral Waste Management Plan
OH&H	Occupational Health and Hygiene
OEM	Original Equipment Manufacturer
OWRMP	Operational Waste Rock Management Plan
PAF	Potentially Acid-Forming
PIP	Performance Improvement Program
PPE	Protective Personal Equipment
PRCP	Progressive Rehabilitation and Closure Plan
Q	Quarter
Qld	Queensland
RCS	Respirable Crystalline Silica
RFI	Request For Information
RL	Relative Level
ROM	Run Of Mine
RPE	Respiratory Protective Equipment
SAI 360	Cloud-hosted reporting software, implemented at Golden Grove
SIFR	Significant Incident Frequency Rate
TCFD	Task Force on Climate-Related Financial Disclosures
tCO_2-e	Tonnes of carbon dioxide equivalent
tCO_2-e/kt	Tonnes of carbon dioxide equivalent per kilotonne
TEAMS	Transparency, Excellence, Accountability, Mutual Respect, and Safety First
TEL	Temporary Emission Licence
TRI	Total Recordable Injuries
TRIFR	Total Recordable Injury Frequency Rate, reported per million workhours on a rolling 12-month basis
TSF	Tailings Storage Facility
WA	Western Australia
WBM	Water Balance Model
WGEA	Workplace Gender Equality Agency
WHS	Work Health Safety
WIMNET	Women in Mining Network
WMP	Water Management Plan
WONS	Weeds Of National Significance
WRD	Waste Rock Dump

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Rebecca
Capricorn Copper

My role as Laboratory Technician opened the door for me to learn a new skill set and the opportunity to constantly learn and grow.

I'm constantly exposed to new challenges which help me to develop, both professionally and personally – like conducting sample preparation to submit to the wet laboratory for data analysis. I am grateful for the supportive small team I work with, and I value that Capricorn Copper acknowledges and supports inclusion and diversity.

Mineral Resources & Ore Reserves Estimates

29Metals' 2023 Mineral Resources and Ore Reserves estimates as at 31 December 2023 saw an increase in Mineral Resources of 0.4Mt and Ore Reserves of 4.7Mt (each, after production completion) on prior year.

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The Mineral Resources and Ore Reserves estimates reported in this release have been prepared and are reported in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (2012 Edition) (the '**JORC Code**').

Competent persons statements for estimates are included with the underlying asset estimates. JORC Table 1 disclosures are included in the Mineral Resources and Ore Reserves estimates as published and released to the ASX announcements platform on 23 February 2024.

Summary

Mineral Resources estimates

- Mineral Resource tonnes maintained after depletion from production **Mineral Resources tonnes totalling 128.3Mt** (2022: 127.9Mt)
- **Contained metal** in Mineral Resources estimated at 2,260kt Cu, 2,309kt Zn, 1,292koz Au, 76,405koz Ag, 139kt Pb and 26kt Co (2022: 2,240kt Cu, 2,473kt Zn, 1,323koz Au, 78,087koz Ag, 153kt Pb and 22kt Co[1])
- **Growth in estimated Mineral Resources tonnes and contained metal in key areas**, including:
  - Esperanza South ('**ESS**') at Capricorn Copper – a 21% increase in estimated tonnes (+3.9Mt), an 18% increase in estimated contained Cu (+66kt) and an 18% increase in estimated contained Ag (+1,999koz);
- **Strong conversion of Mineral Resources** reflecting increased geological confidence, with Measured and Indicated Resources tonnes after depletion from production increasing to 94.4Mt (2022: 92.7Mt), including:
  - ESS at Capricorn Copper – the proportion of Measured and Indicated increased 30% year-on-year; and
  - Cervantes at Golden Grove – the proportion of Measured and Indicated increased 45% year-on-year

Ore Reserves estimates

- **Increase in Ore Reserves tonnes to 35.7Mt** (2022: 31.0Mt) after depletion from production, including:
  - an 11% increase in Golden Grove Ore Reserves tonnes to 16.7Mt (2022: 15.1Mt);
  - Cervantes Ore Reserves estimate of 2.9Mt @ 1.5% Cu, 4.8% Zn, 0.6 g/t Au, 33 g/t Ag and 0.4% Pb;
  - a 19%[2] increase at Capricorn Copper to 19Mt (2022: 16Mt);
  - an increase in ESS Ore Reserves tonnes to 13.5Mt @ 1.5% Cu, 16g/t Ag and 1,200ppm As and;
- **Contained metal** in Group Ore Reserves estimated at 591kt Cu, 780kt Zn, 368koz Au, 21,444koz Ag, 41kt Pb (2022: 540kt Cu, 744kt Zn, 330koz Au, 18,985koz Ag and 37kt Pb).

1. Capricorn Copper does not currently recover any cobalt from processing operations.
2. Aggregated Ore Reserves tonnages for Capricorn Copper are rounded to the nearest 1Mt. Percentage change has been calculated using unrounded estimated tonnes.

Mineral Resources & Ore Reserves Estimates continued

Competent Persons

The table below sets out information regarding the Competent Persons for 29Metals' 31 December 2023 Mineral Resources and Ore Reserves estimates. Competent persons statements for 29Metals' 31 December 2023 Mineral Resources and Ore Reserves estimates are included with the corresponding estimate.

Estimate	Competent Person	Qualification	Membership	Employer
Golden Grove				
Mineral Resources	**Luke Ashford-Hodges**[2]	BSc (Hons) – Geology	MAusIMM	Golden Grove Operations Pty Ltd[1]
Ore Reserves	**Nyasha Gwatimba**	BSc (Hons) – Mining Engineering	MAusIMM	Golden Grove Operations Pty Ltd[1]
Capricorn Copper				
Mineral Resources	**Danny Kentwell** (*Estimation and Reporting* – Pluto, Esperanza, and Mammoth, excl D Lens, G Lens, Mammoth North)	BSc Surveying; MSc – Geostatistics	FAusIMM	SRK Consulting
	Oliver Willetts (*Estimation and Reporting* – Mammoth North, D Lens)	BSc Geology, MSc – Geophysical Hazards	MAusIMM	SRK Consulting
	Robert Lidbury (*Estimation and Reporting* – Esperanza South, Greenstone, Mammoth G Lens)	BSc – Geology	MAIG	Capricorn Copper Pty Ltd[1]
	Rosemary Gray (*Sampling Techniques and Data, and Reporting of Exploration Results*)	BSc – Geology	MAIG	Capricorn Copper Pty Ltd[1]
Ore Reserves	**Christopher Desoe**	BE – Mining	FAusIMM (CP) RPEQ	Australian Mine Design and Development Pty Ltd
Redhill				
Mineral Resources	**Tim Callaghan**	BSc (Hons); M. Econ. Geol	MAusIMM MAIG	Resource and Exploration Geology

1. Wholly owned subsidiary of 29Metals Limited.
2. Luke Ashford-Hodges was a full-time employee of Golden Grove Operations Pty Ltd at the time of completing the Mineral Resources estimates. Mr Ashford-Hodges ceased to be an employee of Golden Grove Operations Pty Ltd in October 2023. In January 2024, Mr Ashford-Hodges assisted by overseeing the depletion and reporting of the 2023 Mineral Resources estimates.

Each of the Competent Persons identified in the table above has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person for the purposes of the JORC Code.

Estimate Reporting Dates

The table below sets out the reporting date for the Mineral Resources and Ore Reserves estimated reported in this release, and the previous reporting date for the corresponding estimates.

	Updated estimate date	Last reported estimates date[1]
Golden Grove		
Mineral Resources	31 Dec 2023	31 Dec 2022
Ore Reserves	31 Dec 2023	31 Dec 2022
Capricorn Copper		
Mineral Resources	31 Dec 2023	31 Dec 2022
Ore Reserves	31 Dec 2023	31 Dec 2022
Redhill		
Mineral Resources	16 May 2016[2]	16 May 2016

1. Reported in 29Metals' Annual Mineral Resources and Ore Reserves Estimates (released to ASX on 23 February 2023).
2. No material changes to the Mineral Resources estimates for Redhill have occurred since 16 May 2016.

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Group Mineral Resources and Ore Reserves Estimates

Mineral Resources

Mineral Resources estimates at the Group level are the aggregation of 31 December 2023 Mineral Resources estimates for **Golden Grove**, **Capricorn Copper** and **Redhill**, as reported in subsequent sections of this release. Mineral Resources estimates have been depleted for production to 31 December 2023.

		2023								
			Grade				Contained Metal			
Category	Asset	Tonnes Mt	Cu %	Zn %	Au g/t	Ag g/t	Cu kt	Zn kt	Au koz	Ag koz
Measured	Golden Grove	23.6	1.8	3.2	0.7	29	417	753	542	21,913
	Capricorn Copper	7.3	1.8	–	–	10	134	–	–	2,337
	Red Hill	–	–	–	–	–	–	–	–	–
	Total	**30.9**		*Grades not additive*			**550**	**753**	**542**	**24,251**
Indicated	Golden Grove	27.0	1.7	4.6	0.6	28	455	1,229	563	23,910
	Capricorn Copper	36.6	1.9	–	–	10	698	–	–	11,371
	Red Hill	–	–	–	–	–	–	–	–	–
	Total	**63.5**		*Grades not additive*			**1,153**	**1,229**	**563**	**35,281**
Inferred	Golden Grove	8.6	1.5	3.8	0.5	25	131	326	147	6,922
	Capricorn Copper	21.0	1.7	–	–	8	352	–	–	5,277
	Red Hill	4.3	1.7	–	0.3	33	71	–	40	4,611
	Total	**33.9**		*Grades not additive*			**554**	**326**	**187**	**16,810**
Measured, Indicated & Inferred	Golden Grove	59.2	1.7	3.9	0.7	28	1,002	2,309	1,252	52,745
	Capricorn Copper	64.8	1.8	–	–	9	1,186	–	–	19,049
	Red Hill	4.3	1.7	–	0.3	33	71	–	40	4,611
	Total	**128.3**		*Grades not additive*			**2,260**	**2,309**	**1,292**	**76,405**
Category					2022					
Measured	Golden Grove	24.7	1.7	3.2	0.7	29	422	787	563	22,604
	Capricorn Copper	7.4	1.8	–	–	7	130	–	–	1,682
	Red Hill	–	–	–	–	–	–	–	–	–
	Total	**32.0**		*Grades not additive*			**552**	**787**	**563**	**24,285**
Indicated	Golden Grove	26.5	1.7	4.7	0.6	28	444	1,244	521	23,824
	Capricorn Copper	34.2	2.0	–	–	9	668	–	–	10,366
	Red Hill	–	–	–	–	–	–	–	–	–
	Total	**60.7**		*Grades not additive*			**1,112**	**1,244**	**521**	**34,190**
Inferred	Golden Grove	10.3	1.6	4.3	0.6	30	161	442	199	9,785
	Capricorn Copper	20.6	1.7	–	–	8	343	–	–	5,215
	Red Hill	4.3	1.7	–	0.3	33	71	–	40	4,611
	Total	**35.2**		*Grades not additive*			**576**	**442**	**239**	**19,612**
Measured, Indicated & Inferred	Golden Grove	61.4	1.7	4.0	0.7	28	1,027	2,473	1,284	56,213
	Capricorn Copper	62.2	1.8	–	–	9	1,141	–	–	17,263
	Red Hill	4.3	1.7	–	0.3	33	71	–	40	4,611
	Total	**127.9**		*Grades not additive*			**2,240**	**2,473**	**1,323**	**78,087**

Note:
Estimates reported in the table above are subject to rounding (one significant figure). Additional elements – Pb, Co, As, S and Fe – not shown in the table above are reported in underlying Mineral Resources estimates for assets (where applicable).

Mineral Resources & Ore Reserves Estimates continued

Ore Reserves

Ore Reserves estimates at the Group level are the aggregation of the 31 December 2023 Ore Reserves estimates for **Golden Grove** and **Capricorn Copper**, as reported in subsequent sections of this release. Ore Reserves estimates have been depleted for production to 31 December 2023.

		2023								
			Grade				Contained Metal			
Category	Asset	Tonnes Mt	Cu %	Zn %	Au g/t	Ag g/t	Cu kt	Zn kt	Au koz	Ag koz
Proved	Golden Grove	5.2	1.8	3.1	0.6	22	93	161	106	3,625
	Capricorn Copper	2	1.8	–	–	13	30	–	–	700
	Total	**6.9**		*Grades not additive*			**123**	**161**	**106**	**4,325**
Probable	Golden Grove	11.6	1.6	5.3	0.7	27	184	619	262	10,219
	Capricorn Copper	17	1.6	–	–	12	280	–	–	6,900
	Total	**28.8**		*Grades not additive*			**468**	**619**	**262**	**17,119**
Proved & Probable	Golden Grove	16.7	1.7	4.7	0.7	26	277	780	368	13,844
	Capricorn Copper	19	1.7	–	–	12	310	–	–	7,600
	Total	**35.7**		*Grades not additive*			**591**	**780**	**368**	**21,444**
Category		2022								
Proved	Golden Grove	5.2	1.8	3.2	0.7	23	92	169	109	3,862
	Capricorn Copper	1	1.7	–	–	10	20	–	–	400
	Total	**6.6**		*Grades not additive*			**112**	**169**	**109**	**4,262**
Probable	Golden Grove	9.9	1.7	5.8	0.7	28	168	575	221	8,823
	Capricorn Copper	14	1.7	–	–	13	250	–	–	5,800
	Total	**24.4**		*Grades not additive*			**418**	**575**	**221**	**14,623**
Proved & Probable	Golden Grove	15.1	1.7	4.9	0.7	26	260	744	330	12,685
	Capricorn Copper	16	1.7	–	–	12	280	–	–	6,300
	Total	**31.0**		*Grades not additive*			**540**	**744**	**330**	**18,985**

Note:
Golden Grove estimates reported in the table above, other than silver, are rounded to one decimal place. Estimates for silver are rounded to zero decimal places.
For Capricorn Copper, estimated Proved and Probable Ore Reserves tonnes have been rounded to the nearest 1Mt, and aggregate estimates of contained Cu metal have been rounded to the nearest 10kt, estimates of contained silver have been rounded to the nearest 100koz. Additional metals – Pb and As – are reported in underlying Ore Reserves estimates for assets (where applicable).

The combined total of Ore Reserves estimates for Golden Grove and Capricorn Copper are rounded to the nearest 0.1Mt.

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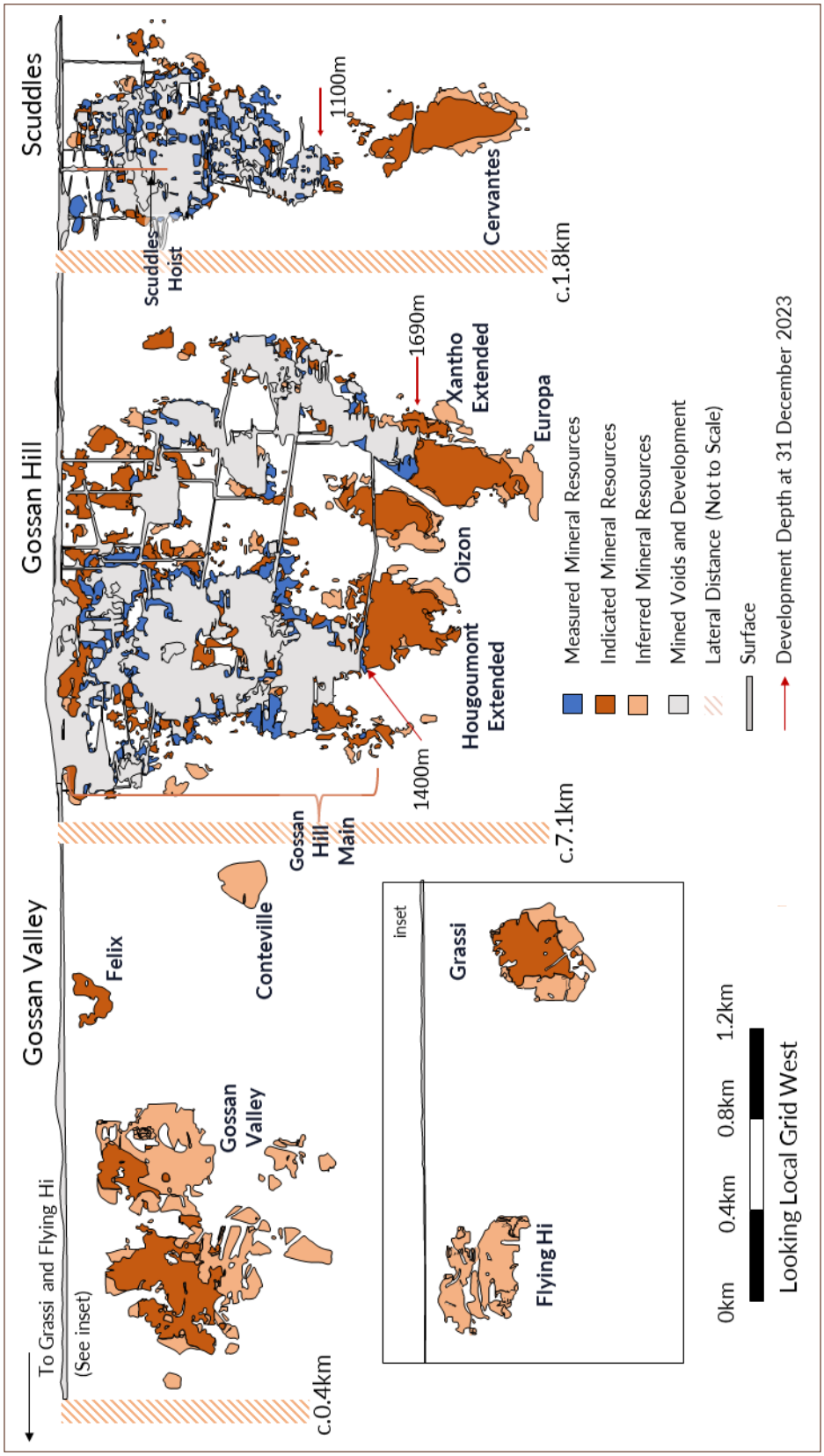
Golden Grove Mineral Resources and Ore Reserves Estimates

The outline of deposits included in the 31 December 2023 Mineral Resources estimates for Golden Grove is depicted below for illustrative purposes.



Mineral Resources & Ore Reserves Estimates continued

Mineral Resources

The 31 December 2023 Mineral Resources estimates for Golden Grove are set out in the table below and incorporate the results of resource conversion, resource extension and grade control drilling completed since the cut-off for the previous Mineral Resources estimates for Golden Grove (31 May 2022 to 31 May 2023 for estimates other than Scuddles & Cervantes, or 31 May 2023 to 31 August 2023 for Scuddles, or 31 December 2022 to 31 August 2023 for Cervantes), depletion from production, updated resource modelling and geological interpretation, updates to the metallurgical and economic assumptions, and changes to cut-off values.

JORC Code *Table 1* disclosures for these estimates are set out in 29Metals' December 2023 Mineral Resources and Ore Reserves estimates ASX release dated 23 February 2024.

				Grade					Contained Metal				
Project Area	Deposit	Category	Tonnes Mt	Cu %	Zn %	Au g/t	Ag g/t	Pb %	Cu kt	Zn kt	Au koz	Ag koz	Pb kt
Gossan Hill Mine	Gossan Hill Main	Measured	14.2	1.7	2.4	0.7	25	0.2	245	343	336	11,431	29
		Indicated	6.6	1.5	2.3	0.5	25	0.2	98	155	108	5,403	13
		Inferred	0.9	1.3	2.4	0.3	23	0.2	12	23	10	687	2
		Total	**21.8**	**1.6**	**2.4**	**0.6**	**25**	**0.2**	**355**	**521**	**455**	**17,521**	**44**
	Xantho Extended & Europa	Measured	2.2	2.1	5.7	0.6	24	0.2	47	128	43	1,692	4
		Indicated	5.8	2.0	7.5	0.9	35	0.4	119	434	165	6,498	21
		Inferred	1.5	1.9	5.0	0.7	31	0.2	29	78	34	1,534	4
		Total	**9.6**	**2.0**	**6.7**	**0.8**	**32**	**0.3**	**195**	**640**	**241**	**9,724**	**29**
	Hougoumont Extended & Oizon	Measured	0.0	2.2	0.1	0.3	17	0.0	0	0	0	1	0
		Indicated	4.7	2.1	2.4	0.5	22	0.2	98	111	76	3,241	8
		Inferred	1.0	2.3	1.2	0.2	10	0.1	24	12	7	329	1
		Total	**5.7**	**2.1**	**2.2**	**0.5**	**20**	**0.2**	**121**	**123**	**83**	**3,571**	**9**
Scuddles Mine	Scuddles	Measured	6.7	1.7	4.0	0.6	35	0.3	114	272	139	7,551	20
		Indicated	0.8	1.6	3.0	0.4	23	0.2	13	25	10	621	2
		Inferred	0.1	0.9	4.0	0.1	9	0.0	1	4	0	26	0
		Total	**7.7**	**1.7**	**3.9**	**0.6**	**33**	**0.3**	**128**	**302**	**149**	**8,198**	**22**
	Cervantes	Measured	–	–	–	–	–	–	–	–	–	–	–
		Indicated	4.2	1.8	5.0	0.7	34	0.3	73	208	88	4,576	14
		Inferred	0.9	1.5	5.2	0.7	34	0.2	14	48	21	1,023	2
		Total	**5.1**	**1.7**	**5.0**	**0.7**	**34**	**0.3**	**87**	**256**	**109**	**5,599**	**16**

Note:
Estimates reported in the table above, other than silver, are rounded to one decimal place. Estimates for silver are rounded to zero decimal places.

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Project Area	Deposit	Category	Tonnes Mt	Grade Cu %	Grade Zn %	Grade Au g/t	Grade Ag g/t	Grade Pb %	Contained Metal Cu kt	Contained Metal Zn kt	Contained Metal Au koz	Contained Metal Ag koz	Contained Metal Pb kt
Gossan Valley Deposits	Gossan Valley, Felix & Conteville	Measured	0.0	0.2	5.2	0.3	10	0.0	0	0	0	0	0
		Indicated	2.8	1.0	6.5	0.7	13	0.1	28	180	64	1,196	3
		Inferred	2.6	1.1	4.8	0.5	24	0.2	29	128	42	2,006	5
		Total	**5.4**	**1.1**	**5.7**	**0.6**	**18**	**0.1**	**57**	**308**	**107**	**3,202**	**8**
	Grassi	Measured	–	–	–	–	–	–	–	–	–	–	–
		Indicated	1.4	1.1	7.2	0.5	15	0.2	15	103	21	675	3
		Inferred	0.2	1.2	2.8	0.5	19	0.1	3	6	4	138	0
		Total	**1.7**	**1.1**	**6.6**	**0.5**	**15**	**0.2**	**18**	**109**	**24**	**813**	**3**
Other	Oxide	Measured	0.2	4.5	2.3	1.4	91	0.9	9	5	9	585	2
		Indicated	0.7	1.6	2.1	1.5	81	0.5	11	14	31	1,700	4
		Inferred	0.3	0.5	3.2	1.5	81	0.5	1	8	12	653	1
		Total	**1.1**	**1.9**	**2.4**	**1.5**	**83**	**0.6**	**21**	**26**	**52**	**2,939**	**7**
	Flying Hi	Measured	–	–	–	–	–	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–	–	–	–	–	–
		Inferred	1.0	1.8	2.0	0.5	17	0.0	18	20	17	526	0
		Total	**1.0**	**1.8**	**2.0**	**0.5**	**17**	**0.0**	**18**	**20**	**17**	**526**	**0**
	Surface Stockpiles	Measured	0.2	0.7	2.0	2.2	97	0.4	2	4	15	653	1
		Indicated	–	–	–	–	–	–	–	–	–	–	–
		Inferred	–	–	–	–	–	–	–	–	–	–	–
		Total	**0.2**	**0.7**	**2.0**	**2.2**	**97**	**0.4**	**2**	**4**	**15**	**653**	**1**
Total		Measured	23.6	1.8	3.2	0.7	29	0.2	417	753	542	21,913	57
		Indicated	27.0	1.7	4.6	0.6	28	0.3	455	1,229	563	23,910	68
		Inferred	8.6	1.5	3.8	0.5	25	0.2	131	326	147	6,922	15
		Total	**59.2**	**1.7**	**3.9**	**0.7**	**28**	**0.2**	**1,002**	**2,309**	**1,252**	**52,745**	**139**

Note:
Estimates reported in the table above, other than silver, are rounded to one decimal place. Estimates for silver are rounded to zero decimal places.

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Mineral Resources & Ore Reserves Estimates continued

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Changes in the Mineral Resources estimates

Changes to the Golden Grove Mineral Resources estimates, relative to the last estimates (31 December 2022), are outlined below. Material changes comprise:

- Mining depletion during the period 1 January 2023 to 31 December 2023, accounting for a 1.56Mt reduction in the Golden Grove Mineral Resources estimates. Reconciled mined tonnes for the corresponding period total 1.52Mt, producing a positive variance of 0.04Mt.

  Contrasting to previous reporting years, depletion incorporated in the 2023 Golden Grove Mineral Resources estimates exceed the reconciled mined tonnes for the period. This was due to the inclusion of non-recoverable shapes during the mining depletion process.

  Prior to reporting the 2023 Mineral Resources estimates, a substantial amount of work was invested into assessing the viability and economics of several remnant mining stopes and scheduled stopes within the life-of-mine plan (the '**LOM**'). In total, forty Gossan Hill and eight Scuddles stope designs were identified and flagged during this process, and subsequently 'stamped' as non-recoverable during the depletion stage of reporting, accounting for 246kt of the 1.56Mt mining depletion recorded.

  When isolated and removed from the mining depletion, the figure assigned to depletion for the period 1 January to 31 December 2023 drops to 1.32Mt. Mining depletion of 1.32Mt aligns with previous years and produces a negative variance of 0.21Mt when comparing ('non-recoverable' corrected) mining depletion against reconciled mined tonnes.
- Primary contributing factors to this difference are attributed to barren post mineralisation intrusives within designed mine shapes, and to a lesser extent:
  - below cut-off material included within designed mine shapes; and
  - external dilution when mining adjacent to filled stopes;
- Drilling results – increase in Mineral Resources estimated tonnes of 0.35Mt, reflecting analysis of data from drilling results and associated geological interpretations;
- Updated metallurgical modelling – 0.2Mt increase due to annual updates to the site recovery models. Specifically, changes in assumed recoveries in material with relatively low copper or zinc to iron ratios; and
- Economic cut-off assumptions:
  - 3.54Mt increase as a result of decrease to the foreign exchange (AUD/USD) applied (refer below); and
  - 4.76Mt reduction in Mineral Resources estimated tonnes as a result of increases to the net smelter return ('**NSR**') cut-off value.

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Economic cut-off assumptions

The following economic cut-off assumptions were applied for the purposes of the 31 December 2023 Mineral Resources estimates for Golden Grove. Cut-offs for the prior estimates (31 December 2022) are also provided for the purposes of comparison.

Cut-off assumptions (NSR)

Orebody	31-Dec-23 $A/t	31-Dec-22 $A/t
ABCD	144.81	132.82
ABCD Oxide	144.81	132.82
Amity	150.10	140.53
Cambewarra	146.99	136.01
Catalpa/Ethel	147.99	137.46
D Zinc	146.76	135.67
GG4	146.76	135.67
Hougoumont Main and Hangingwall	150.10	140.53
Hougoumont Extended	155.12	147.86
Oizon	154.70	147.24
Tryall	145.58	133.94
Tryall Cu-Au Oxide	144.81	133.94
Xantho	151.06	141.93
Xantho Extended & Europa	155.50	148.41
Scuddles – Zinc	147.76	137.12
Scuddles – Copper	147.76	137.12
Scuddles Oxide	144.81	133.94
Cervantes – Zinc	151.64	144.55
Cervantes – Copper	151.64	144.55
Gossan Valley	135.62	139.90
Grassi	135.62	139.90
Felix	135.62	139.90
Flying Hi	135.62	149.90

Commodity Price and Foreign Exchange

Pricing/FX	Unit	31-Dec-23	31-Dec-22
Copper	US$/t	8,818	8,818
Zinc	US$/t	3,307	3,307

Competent Persons Statement

The information regarding the 31 December 2023 Mineral Resources estimates for Golden Grove set out in this report are based on and fairly represent information and supporting documentation compiled by Luke Ashford-Hodges, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM Membership No. 328075).

Mr Ashford-Hodges was a full-time employee of Golden Grove Operations Pty Ltd (a wholly owned subsidiary of 29Metals Limited) at the time of completion of the Mineral Resource estimates, Mr Ashford-Hodges ceased to be an employee of Golden Grove Operations Pty Ltd in October 2023. In January 2024 Mr Ashford-Hodges assisted by overseeing the depletion and reporting of the 2023 Mineral Resources up to the 31st of December 2023.

Mr Ashford-Hodges has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

Mr Ashford-Hodges consents to the inclusion of the information regarding the 31 December 2023 Mineral Resources estimates for Golden Grove in the form and context in which the estimates appear.

Mineral Resources & Ore Reserves Estimates continued

Ore Reserves

The 31 December 2023 Ore Reserves estimates for Golden Grove are set out below and incorporate changes to the Golden Grove Mineral Resources estimates (refer above), the inclusion of Cervantes below the existing Scuddles Mine, depletion for production, and changes to cut-off values and other economic assumptions (including commodity price and foreign exchange assumptions).

JORC Code *Table 1* disclosures are set out in 29Metals' December 2023 Mineral Resources and Ore Reserves estimates ASX release dated 23 February 2024.

				Grade					Contained Metal				
Project Area	Deposit	Asset	Tonnes Mt	Cu %	Zn %	Au g/t	Ag g/t	Pb %	Cu Metal kt	Zn Metal kt	Au Metal koz	Ag Metal koz	Pb Metal kt
Gossan Hill Mine	Gossan Hill Main	Proved	2.5	2.0	1.5	0.7	18	0.1	50	37	51	1,440	3
		Probable	0.4	1.5	2.9	0.6	26	0.1	6	12	7	340	0
		Total	**2.9**	**1.9**	**1.7**	**0.6**	**19**	**0.1**	**56**	**49**	**59**	**1,780**	**3**
	Xantho Extended & Europa	Proved	2.5	1.7	4.8	0.5	19	0.2	42	120	39	1,532	4
		Probable	4.2	1.7	6.9	0.8	31	0.4	70	286	106	4,114	15
		Total	**6.7**	**1.7**	**6.1**	**0.7**	**26**	**0.3**	**112**	**406**	**146**	**5,646**	**19**
	Hougoumont Extended & Oizon	Proved	–	–	–	–	–	–	–	–	–	–	–
		Probable	1.7	2.1	2.3	0.5	23	0.2	35	39	27	1,261	3
		Total	**1.7**	**2.1**	**2.3**	**0.5**	**23**	**0.2**	**35**	**39**	**27**	**1,261**	**3**
Scuddles Mine	Scuddles	Proved	–	–	–	–	–	–	–	–	–	–	–
		Probable	0.8	1.3	3.6	0.8	32	0.3	11	30	21	851	2
		Total	**0.8**	**1.3**	**3.6**	**0.8**	**32**	**0.3**	**11**	**30**	**21**	**851**	**2**
	Cervantes	Proved	–	–	–	–	–	–	–	–	–	–	–
		Probable	2.9	1.5	4.8	0.6	33	0.4	43	141	60	3,070	11
		Total	**2.9**	**1.5**	**4.8**	**0.6**	**33**	**0.4**	**43**	**141**	**60**	**3,070**	**11**
Gossan Valley Deposits	Gossan Valley, Felix & Conteville	Proved	–	–	–	–	–	–	–	–	–	–	–
		Probable	1.0	1.2	6.7	1.0	11	0.1	12	64	31	350	1
		Total	**1.0**	**1.2**	**6.7**	**1.0**	**11**	**0.1**	**12**	**64**	**31**	**350**	**1**
	Grassi	Proved	–	–	–	–	–	–	–	–	–	–	–
		Probable	0.6	1.1	8.2	0.5	13	0.2	6	47	8	233	1
		Total	**0.6**	**1.1**	**8.2**	**0.5**	**13**	**0.2**	**6**	**47**	**8**	**233**	**1**
Other	Surface Stockpiles	Proved	0.2	0.7	2.0	2.2	97	0.4	2	4	15	653	1
		Probable	–	–	–	–	–	–	–	–	–	–	–
		Total	**0.2**	**0.7**	**2.0**	**2.2**	**97**	**0.4**	**2**	**4**	**15**	**653**	**1**
Total		Proved	5.2	1.8	3.1	0.6	22	0.2	93	161	106	3,625	8
		Probable	11.6	1.6	5.3	0.7	27	0.3	184	619	262	10,219	33
		Total	**16.7**	**1.7**	**4.7**	**0.7**	**26**	**0.2**	**277**	**780**	**368**	**13,844**	**41**

Note:
Estimates reported in the table above, other than silver, are rounded to one decimal place. Estimates for silver are rounded to zero decimal places.

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Changes in Ore Reserve estimates

Changes in the 31 December 2023 Ore Reserves estimates for Golden Grove relative to the previous estimates comprise:

- Depletion – 1.3Mt reduction for mining and processing depletion in the period 31 December 2022 to 31 December 2023;
- Economic Analysis – 0.3Mt increase as a result of metallurgical and block model updates, cut-off value and foreign exchange rate;
- Design updates – 0.2Mt decrease, reflecting the 31 December 2023 Mineral Resources estimates and the impact of new drilling information and geological model updates;
- Cervantes design updates – 2.9Mt increase attributable to the incorporation of Cervantes in the Scuddles estimates.
- Xantho Extended – a decrease in contained Zinc metal due to mining depletion of 30kt and diamond drilling and geological model updates of 35kt.

Economic cut-off assumptions

The following assumptions were applied for the purposes of the Golden Grove 31 December 2023 Ore Reserves estimates.

Cut-off assumptions (NSR)

Orebody	31-Dec-23 $A/t	31-Dec-22 $A/t
ABCD	159.14	132.82
Amity	152.18	140.53
Cambewarra	170.90	151.78
D-Zinc Extended	148.34	151.44
Tryall	160.43	149.71
Catalpa/Ethel	156.67	137.46
Hougoumont Main & Hangingwall Remnant	165.66	146.31
Hougoumont Extended	193.67	163.63
Xantho	165.61	157.7
Xantho Extended	169.95	164.19
Qizon	190.31	163.01
GG4	154.46	141.45
Scuddles	163.52	142.9
Cervantes	176.50	160.32
Gossan Valley	171.38	155.00

Commodity Price and Foreign Exchange

Pricing/FX	Unit	31-Dec-23	31-Dec-22
Copper	US$/lb	3.60	3.60
Lead	US$/lb	1.00	1.00
Zinc	US$/lb	1.20	1.20
Gold	US$/oz	1,700	1,600
Silver	US$/oz	22	22
AUD:USD		0.70	0.73

Competent Persons Statement

The information regarding the 31 December 2023 Ore Reserves estimates for Golden Grove set out in this report are based on and fairly represent information and supporting documentation compiled by Nyasha Gwatimba, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM Membership No. 312232).

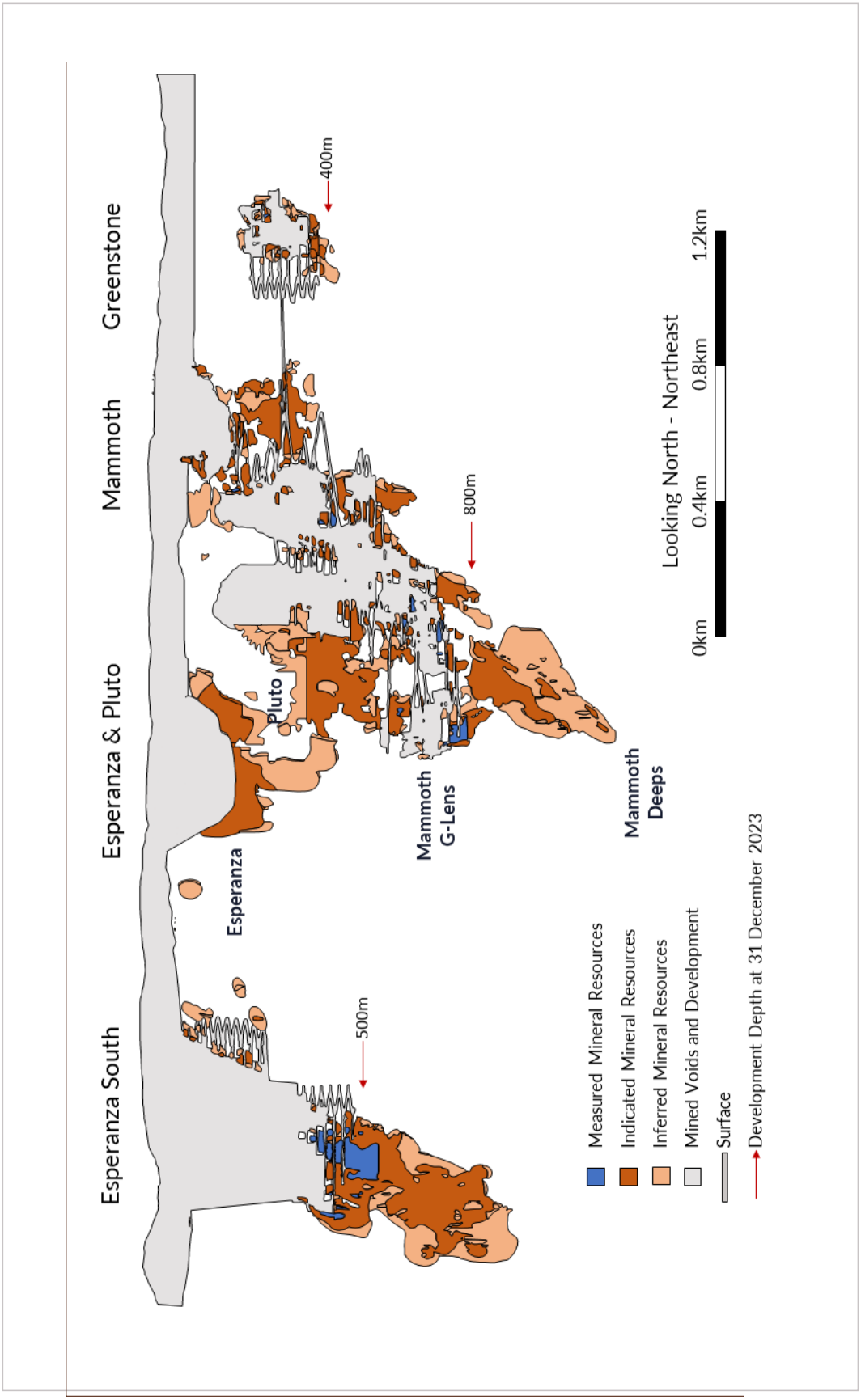
Mr Gwatimba is a full-time employee of Golden Grove Operations Pty Ltd (a wholly owned subsidiary of 29Metals Limited) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

Mr Gwatimba consents to the inclusion of the information regarding the 31 December 2023 Ore Reserves for Golden Grove in the form and context in which the estimates appear.

Mineral Resources & Ore Reserves Estimates continued

Capricorn Copper Mineral Resources and Ore Reserves Estimates

The outline of deposits included in the 31 December 2023 Mineral Resources estimates for Capricorn Copper is depicted below for illustrative purposes.



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Mineral Resources

The 31 December 2023 Mineral Resources estimates for Capricorn Copper are set out in the table below and incorporate the results of additional resource conversion, resource extension and grade control drilling completed since the cut-off date of the previous Mineral Resources estimates for Capricorn Copper (June-July 2022 to March 2023), depletion through mining and processing, and updated resource modelling and geological interpretation.

JORC Code *Table 1* disclosures for these estimates are set out in 29Metals' December 2023 Mineral Resources and Ore Reserves estimates ASX release dated 23 February 2024.

			Grade						Contained Metal					
Orebody	Category	Tonnes Mt	Cu %	Ag ppm	Co ppm	As ppm	S %	Fe %	Cu kt	Ag koz	Co kt	As kt	S kt	Fe kt
Esperanza South	Measured	2.7	2.0	20	999	1,395	15.4	14.4	53	1,717	3	4	411	385
	Indicated	13.8	1.9	19	655	1,150	12.9	15.1	261	8,337	9	16	1,774	2,081
	Inferred	6.3	1.9	16	596	1,075	10.6	14.0	119	3,134	4	7	667	876
	Total	**22.7**	**1.9**	**18**	**679**	**1,158**	**12.6**	**14.7**	**434**	**13,187**	**15**	**26**	**2,852**	**3,341**
Esperanza	Measured	–	–	–	–	–	–	–	–	–	–	–	–	–
	Indicated	2.7	2.3	11	1,472	2,203	6.0	21.3	62	972	4	6	162	575
	Inferred	1.3	1.7	9	1,103	1,352	7.7	18.5	22	368	1	2	100	241
	Total	**4.0**	**2.1**	**10**	**1,351**	**1,924**	**6.5**	**20.3**	**84**	**1,337**	**5**	**8**	**260**	**812**
Pluto	Measured	–	–	–	–	–	–	–	–	–	–	–	–	–
	Indicated	2.3	2.3	1	239	277	0.9	11.2	53	52	1	1	21	258
	Inferred	0.9	1.6	1	238	259	0.4	13.6	14	26	0	0	4	122
	Total	**3.2**	**2.1**	**1**	**239**	**272**	**0.7**	**11.8**	**67**	**72**	**1**	**1**	**22**	**378**
Greenstone	Measured	0.4	1.7	1	55	110	1.0	2.2	6	12	0	0	4	8
	Indicated	1.0	1.7	1	92	123	0.8	2.6	18	35	0	0	9	27
	Inferred	0.4	1.7	1	63	95	0.8	2.9	7	14	0	0	3	12
	Total	**1.8**	**1.7**	**1**	**78**	**114**	**0.9**	**2.6**	**31**	**62**	**0**	**0**	**15**	**47**
Mammoth	Measured	4.2	1.8	4	89	2,143	6.6	8.0	75	606	0	9	280	339
	Indicated	17.7	1.8	4	112	1,568	4.8	7.5	322	2,261	2	28	841	1,331
	Inferred	11.0	1.6	4	138	1,856	4.9	8.0	172	1,471	2	20	540	881
	Total	**33.0**	**1.7**	**4**	**118**	**1,738**	**5.0**	**7.7**	**568**	**4,337**	**4**	**57**	**1,662**	**2,551**
Stockpile	Measured	0.1	1.3	9	298	927	7.6	9.0	2	43	0	0	11	13
	Indicated	–	–	–	–	–	–	–	–	–	–	–	–	–
	Inferred	–	–	–	–	–	–	–	–	–	–	–	–	–
	Total	**0.1**	**1.3**	**9**	**298**	**927**	**7.6**	**9.0**	**2**	**43**	**0**	**0**	**11**	**13**
Total	Measured	7.3	1.8	10	419	1,756	9.5	10.1	134	2,337	3	13	694	733
	Indicated	36.6	1.9	10	417	1,341	7.5	11.4	698	11,371	15	49	2,738	4,167
	Inferred	21.0	1.7	8	348	1,469	6.6	10.7	352	5,277	7	31	1,383	2,244
	Total	**64.8**	**1.8**	**9**	**396**	**1,428**	**7.4**	**11.0**	**1,186**	**19,049**	**26**	**93**	**4,827**	**7,149**

Note:
Estimates reported in the table above, other than silver, are rounded to one decimal place. Estimates for silver are rounded to zero decimal places.

Mineral Resources & Ore Reserves Estimates continued

Changes in Mineral Resource estimates

Changes to the Mineral Resources estimates for Capricorn Copper, relative to the last estimates (31 December 2022), are outlined below.

Material changes comprise:

- Depletion – 0.5Mt reduction as a result of mining and processing volumes for the period 31 December 2022 to 31 December 2023; and:
- Drilling and model – increase of 3.0Mt, reflecting analysis of resource conversion, resource extension and grade control drilling at ESS, Greenstone, and Mammoth G-Lens.

Economic cut-off assumptions

The following cut-off assumptions were applied for the purposes of the 31 December 2023 Mineral Resources estimates for Capricorn Copper. The cut-offs applied for the previous estimates (31 December 2022) are also provided for the purposes of comparison.

Cut-off assumptions

Orebody	31-Dec-23 Cut-off (%Cu)	31-Dec-22 Cut-off (%Cu)
Esperanza South	0.8	0.8
Esperanza	1.0	1.0
Pluto	1.0	1.0
Greenstone	1.0	1.0
Mammoth	1.0	1.0

Mineral Resource estimates for Capricorn Copper apply copper grade for cut-off purposes, specific to each deposit and mining method. ESS utilises a cut-off of 0.8% Cu due to sub-level caving ('**SLC**') mining method, while all other deposits utilise a 1.0% Cu cut-off due to long-hole stoping mining method.

Competent Persons Statement

Information that relates to:

- The sampling techniques, sample and geology data and interpretations (section 1 of the JORC Code Table 1); and reporting of these results (section 2 of the JORC Code Table 1), for inclusion in the 31 December 2023 Mineral Resources estimates for Capricorn Copper is based on and fairly represents information and supporting documentation compiled by Rosemary Gray.

  Ms Gray was a full-time employee of Capricorn Copper Pty Ltd (a wholly owned subsidiary of 29Metals Limited), and member of the Australian Institute of Geoscientists (MAIG, Membership No. 8014).
- The estimation and reporting of Mineral Resources for Greenstone, ESS, and Mammoth G Lens (section 3 of the JORC Code Table 1) is based on information compiled by Mr Robert Lidbury.

  Mr Lidbury is a full-time employee of Capricorn Copper Pty Ltd (a wholly owned subsidiary of 29Metals Limited), and member of the Australian Institute of Geoscientists (MAIG, Membership No. 3014).
- The estimation and reporting of Mineral Resources for Mammoth North and Mammoth D Lens (section 3 of the JORC Code Table 1) is based on information compiled by Mr Oliver Willetts.

  Mr Willetts is a full-time employee of SRK Consulting, and Member of the Australasian Institute of Mining and Metallurgy (MAusIMM, Member No. 312940).
- The estimation and reporting of Mineral Resources for Esperanza, Pluto and Mammoth excluding G Lens & D Len (section 3 of the JORC Code Table 1) is based on information compiled by Mr Danny Kentwell.

  Mr Kentwell is a full-time employee of SRK Consulting, and a Fellow of The Australasian Institute of Mining and Metallurgy (FAusIMM, Member No. 20341).

Ms Gray, Mr Lidbury, Mr Willetts, and Mr Kentwell each have sufficient experience that is relevant to the style of mineralisation, type of deposit and the activity being undertaken to qualify as Competent Persons as defined in the JORC Code.

Ms Gray, Mr Lidbury, Mr Willetts, and Mr Kentwell each consent to the inclusion of the 31 December 2023 Mineral Resources estimates for Capricorn Copper in the form and context in which the estimates appear.

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Ore Reserves

The 31 December 2023 Ore Reserves estimates for **Capricorn Copper** are set out below and incorporate changes to the Capricorn Copper Mineral Resources estimates (refer above), depletion for mining and processing, changes to cut-off grades and economic parameters, changes to stope and sub-level cave designs, and changes to dilution and recovery assumptions.

JORC Code *Table 1* disclosures are set out in 29Metals' December 2023 Mineral Resources and Ore Reserves estimates ASX release dated 23 February 2024.

			Grade			Contained Metal		
Deposit	Category	Tonnes Mt	Cu %	Ag g/t	As ppm	Cu kt	Ag koz	As kt
Esperanza South	Proved	1.0	1.7	17	1,200	17	600	1
	Probable	12.5	1.5	16	1,200	185	6,300	14
	Total	**13.5**	**1.5**	**16**	**1,200**	**202**	**6,900**	**16**
Esperanza	Proved	–	–	–	–	–	–	–
	Probable	0.2	2.1	10	2,200	4	100	0
	Total	**0.2**	**2.1**	**10**	**2,200**	**4**	**100**	**0**
Pluto	Proved	–	–	–	–	–	–	–
	Probable	1.1	2.8	1	300	31	–	0
	Total	**1.1**	**2.8**	**1**	**300**	**31**	**–**	**0**
Greenstone	Proved	–	–	–	–	–	–	–
	Probable	0.0	1.8	1	200	0	–	0
	Total	**0.0**	**1.8**	**1**	**200**	**0**	**–**	**0**
Mammoth Deeps	Proved	0.1	2.7	2	1,400	3	–	0
	Probable	2.2	2.0	5	2,300	43	300	5
	Total	**2.3**	**2.0**	**4**	**2,300**	**45**	**300**	**5**
Mammoth Nth	Proved	–	–	–	–	–	–	–
	Probable	0.6	1.4	3	800	8	100	0
	Total	**0.6**	**1.4**	**3**	**800**	**8**	**100**	**0**
Mammoth Remnants	Proved	0.4	1.9	6	3,200	8	100	1
	Probable	0.8	1.8	5	1,900	14	100	1
	Total	**1.2**	**1.9**	**5**	**2,400**	**22**	**200**	**3**
Stockpile	Proved	0.1	1.3	9	900	2	0	0
	Probable	–	–	–	–	–	–	–
	Total	**0.1**	**1.3**	**9**	**900**	**2**	**0**	**0**
Total	Proved	2	1.8	13	1,700	30	700	3
	Probable	17	1.6	12	1,300	280	6,900	22
	Total	**19**	**1.7**	**12**	**1,300**	**310**	**7,600**	**25**

Note:
Estimates of ore tonnes and grade reported in the table above, other than aggregated total tonnes, and silver and arsenic grades, are subject to rounding to one decimal place. Estimates for aggregated total tonnes and silver grade are rounded to zero decimal places and estimates for arsenic are rounded to the nearest 100ppm. Estimates of contained silver and arsenic metal have been further rounded reflecting relative confidence. Aggregate estimates of contained Cu metal have been rounded to the nearest 10kt, estimates of contained silver have been rounded to the nearest 100koz.

Mineral Resources & Ore Reserves Estimates continued

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Changes in Ore Reserve Estimates

Changes to Ore Reserves estimates for Capricorn Copper, relative to the last estimates (31 December 2022) are outlined below.

Material changes comprise:

- Depletion – 0.5Mt, reflecting the actual mining and processing activities in the 12-months to 31 December 2023;
- Mineral Resources estimates – increases in Mineral Resources estimates for ESS (refer above);
- Economic cut-off assumptions – changes to cut-off grades for all deposits, reflecting changes in key economic assumptions, including:
  - increase in copper price to US$3.63/lb from US$3.60/lb;
  - reduction in foreign exchange rate to US$0.69/AUD from US$0.73/AUD;
  - increased forecast mining cost for ESS, Mammoth Deeps and Remnants, Esperanza Deeps and Pluto and lower mining costs for Greenstone;
  - increased combined forecast costs for processing and site services;
  - minor reduction in selling costs from changes in the copper price, exchange rate, freight cost, percentage royalty and payable percentage; and
  - revisions to dilution assumptions for cutoff calculation; and
- Mine design:
  - the addition of the Mammoth North deposit
  - changes to stope designs for Mammoth Deeps, Mammoth Remnants, Greenstone, Esperanza Deeps and Pluto based on depleted and revised Mineral Resource estimates and revised cut-offs; and
  - update to the SLC design for ESS based on revised Mineral Resources estimates, revised cut-off and shutoff grades, and incorporating transverse SLC as the predominant method below 4675 level rather than longitudinal SLC.

Economic cut-off assumptions

The following economic cut-off assumptions were applied for the purposes of the 31 December 2023 Ore Reserves estimates for Capricorn Copper. Cut-off for the prior estimates (31 December 2022) are also provided for the purposes of comparison.

For the purposes of Ore Reserves estimates, an initial set of cut-off grades were applied to create stope shapes. These cut-off grades are shown under "Stope optimisation cut-off" in the table below. A final, revised set of cut-off grades, shown under "Final Head Grade (Diluted)" in the table below was subsequently applied to exclude any stopes for which the overall stope grade was lower than or equal to the final cut-off.

Cut-off assumptions	31-Dec-23		31-Dec-22	
Orebody	Stope Optimisation Cut-off	Final Head Grade %Cu (Diluted)	Stope Optimisation Cut-off	Head Grade %Cu (Diluted)
Esperanza South Total	N/A	1.27	1.17	1.17
Esperanza South Shutoff	N/A	0.96	0.99	0.99
Esperanza South Development	N/A	0.81	0.87	0.83
Greenstone	1.08	0.96	1.11	1.06
Greenstone Development	0.65	0.60	0.64	0.60
Mammoth (Remnants and Deeps)	1.29	1.36	1.44	1.36
Mammoth North	1.03	1.28	N/A	N/A
Mammoth Development	0.65	0.60	0.64	0.60
Pluto	1.62	1.55	1.74	1.59
Pluto Development	0.72	0.66	0.71	0.67
Esperanza	1.81	1.64	1.71	1.55
Esperanza Development	0.71	0.65	0.70	0.66

Commodity Price and Foreign Exchange			
Pricing/FX	Unit	31-Dec-23	31-Dec-22
Copper	US$/lb	3.63	3.60
AUD:USD		0.69	0.73

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Competent Persons Statement

The information regarding the 31 December 2023 Ore Reserves estimates for Capricorn Copper set out in this report is based on and fairly represents information and supporting documentation compiled by Christopher Desoe, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM (CP) Membership No. 104206).

Mr Desoe is a full-time employee of Australian Mine Design and Development Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

Mr Desoe consents to the inclusion of the information regarding the 31 December 2023 Ore Reserves estimates for Capricorn Copper in the form and context in which the estimates appear.

Redhill Mineral Resources Estimates

The Mineral Resources estimates for Redhill are set out in the table below. These Mineral Resources estimates were first reported and effective on 16 May 2016. There have been no material changes to the Mineral Resources estimated for Redhill since 16 May 2016. No further field work was conducted at Redhill during 2023.

JORC Code *Table 1* disclosures for these estimates are set out in 29Metals' December 2023 Mineral Resources and Ore Reserves estimates ASX release dated 23 February 2024.

			Grade			Contained Metal		
Deposit	Category	Tonnes Mt	Cu %	Au g/t	Ag g/t	Cu t	Au oz	Ag koz
Cristina	Inferred	1.3	2.3	0.3	41	29,601	10,481	1,719
Angelica	Inferred	0.6	1.5	0.4	53	8,840	7,382	978
Gorda	Inferred	0.4	0.6	1.6	56	2,018	18,210	637
Cutters	Inferred	0.3	3.0	0.1	51	9,542	612	520
Franceses	Inferred	1.7	1.2	0.1	14	21,249	3,124	757
Total	**Inferred**	**4.3**	**1.7**	**0.3**	**33**	**71,249**	**39,809**	**4,611**

Note:
Estimates reported in the table above, other than silver, are subject to rounding to one decimal place. Estimates for silver are rounded to zero decimal places.

Economic cut-off assumptions

The following assumptions were applied in estimation of the Redhill Mineral Resources:

Cut-off assumptions

Orebody	Cut-off (% Cu)
Cristina	0.4
Angelica	0.4
Gorda	0.4
Cutters	0.4
Franceses	0.4

Commodity price for estimates

Pricing/FX	Unit	
Copper	US$/lb	3.00
Gold	US$/oz	1,300
Silver	US$/oz	22

Competent Persons Statement

The 16 May 2016 Mineral Resources estimates for Redhill are based on and fairly represents information and supporting documentation compiled by Tim Callaghan, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM Membership No. 222210).

Mr Callaghan is a full-time employee of Resource and Exploration Geology. Mr Callaghan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

Mr Callaghan consents to the inclusion of the information regarding the Redhill Mineral Resources estimates in the form and context in which the estimates appear.

Annual Financial Report

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Evan & Ewan
Golden Grove

Ewan (Crew Relief Supervisor) and Evan (Process Operator) work together to perform checks on the scats crusher – a small crusher used to crush rocks recirculating from the SAG mill.

Daily inspections are completed on the scats crusher to ensure it is running at optimal settings to maximise SAG mill throughput.

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Directors' Report

The Directors present their report, together with the Consolidated Financial Statements of 29Metals Limited ('**29Metals**' or, the '**Company**') and its controlled entities (together, the '**Group**'), for the year ended 31 December 2023 ('**FY2023**' or, the '**Reporting Period**').

Corporate Information

29Metals was incorporated on 27 May 2021 and is a *for-profit* company limited by shares that is incorporated and domiciled in Australia.

Directors

The names and details of the Directors of the Company in office during the Reporting Period and since the end of the Reporting Period are as follows.

Name	Position	Appointed
Owen Hegarty OAM	*Non-executive Director, Chair of Board of Directors*	27 May 2021
Peter Albert [1]	*Managing Director & Chief Executive Officer*	27 May 2021
Fiona Robertson AM	*Non-executive Director*	27 May 2021
Jacqueline ('Jacqui') McGill AO	*Non-executive Director*	27 May 2021
Martin Alciaturi	*Non-executive Director*	27 May 2021
Tamara Brown	*Non-executive Director*	17 April 2023
Francis ('Creagh') O'Connor	*Non-executive Director*	17 April 2023

1. On 14 December 2023, 29Metals announced a CEO transition whereby Mr Albert will retire as Managing Director & CEO on 30 April 2024.

Nature of Operations and Principal Activities

During FY2023 the nature of operations and principal activities of 29Metals and its controlled entities was mining and mineral production, mineral concentrate sales and mineral exploration.

Information regarding the activities of the Group during the Reporting Period is set out in the Operating and Financial Review.

Consolidated Result

The net loss after tax attributable to 29Metals shareholders for FY2023 was $440,463,000 (2022: net loss after tax of $47,222,000).

Operating and Financial Review

The Operating and Financial Review for FY2023 commences from page 13 of this document and contains further information on the activities and results of the Group during the Reporting Period. The Operating and Financial Review forms part of this Directors' Report.

Dividends

Paid during the year

There were no dividends paid to shareholders during the Reporting Period.

Declared after end of year

There is no final dividend for the year ended 31 December 2023.

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Directors' Report

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group during the year ended 31 December 2023.

Subsequent Events

There have not been any events that have arisen in the interval between the end of the financial year and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

Environmental Regulation and Performance

29Metals' operating and exploration activities are subject to environmental regulation in each jurisdiction in which those activities are undertaken, comprising Western Australia and Queensland, in Australia, and Chile (as applicable).

29Metals takes its responsibilities for environmental stewardship seriously and has management systems and processes in place for environmental management and performance. 29Metals' environmental performance is overseen by the Board's standing Sustainability Committee.

Environmental incidents are reported to management and the Board (directly, and via the Sustainability Committee).

The Company reports its sustainability performance in its *Annual Sustainability & ESG Report* which is published in the Company's Annual Report to shareholders in advance of the Annual General Meeting. A standalone version of the *Annual Sustainability & ESG Report*, incorporating additional data tables, is published on the Company's website at: https://www.29metals.com/sustainability. The Company's sustainability reporting is intended to be aligned to the *Global Reporting Initiative* reporting framework.

Reportable environmental incidents during the year ended 31 December 2023 are tabled below (by site).

Site	Reportable incidents [1]	Enforcement action [2]
Golden Grove (WA, Australia)	0 [3]	Not applicable
Capricorn Copper (Qld, Australia)	6	▪ Environmental Protection Order ('**EPO**') issued in January 2023 in relation to non-compliance with regulated water levels in the Esperanza Pit (the '**EPit**') at 1 November 2022 [4] ▪ Pre-enforcement letter issued in relation to alleged receiving water contaminant levels ▪ Regulatory investigation commenced (refer below)
Redhill (Chile)	Nil	Not applicable

1. Reportable incidents exclude administrative notifications and periodic reporting.
2. Enforcement action as result of reportable incidents.
3. Enforcement action at Golden Grove for the reporting period excludes action in relation to the Golden Grove ROM pad reportable incident (reported in the Directors' Report for the year ended 31 December 2022. During the Reporting Period, 29Metals submitted an application to increase the capacity and footprint of the Golden Grove ROM pad and WRD, which application has been approved (subsequent to the Reporting Period).
4. The issue of the January EPO at Capricorn Copper was disclosed in the Director's Report for the year ended 31 December 2022. Under the EPO, 29Metals was required to take certain action to manage water inventory and to cease importing raw water for use in operations if water levels in either the EPit of the Mill Creek Dam exceeded the prescribed *maximum operating level* (or MOL). The EPO expired on 1 May 2023.

On 30 May 2023, the Queensland Department of Environment, Science and Innovation ('**DESI**') (formerly, the Department of Environment and Science), notified 29Metals that it was undertaking an investigation into the failure to meet the regulated water level in the EPit and certain other matters. The other matters relate to alleged non-compliances during and following the extreme weather event in March 2023, involving alleged breaches of water quality requirements for water releases and the alleged release of contaminants (including from sumps and other infrastructure that was damaged or inundated during the extreme weather event). 29Metals has participated in an interview and provided records to DESI in connection with the investigation. No notification of enforcement action in relation to these matters has been received.

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Directors' Report

Indemnification & Insurance of Directors and Officers

29Metals has entered into a deed of indemnity, insurance and access with each of its Directors and executives, pursuant to which:

- each Director and each executive have rights of access to Company information;
- to the maximum extent permitted by law, the Company agrees to indemnify each Director and executive from and against all liability incurred by the Director or executive in the performance of their role as a Director or executive of the Company (and any subsidiary of the Company) on the terms set out in the deed; and
- to the extent permitted by law, requires the Company to use its reasonable endeavours to ensure that the Director or executive is insured under a directors and officers insurance policy throughout the duration of the Director or executive's appointment and after the Director or executive ceases to hold office for the later of a period of seven years or until after the date that any claim against the Director or executive that commenced during the seven-year period is finally resolved.

The Group maintains directors' and officers' liability insurance for the benefit of persons defined in the policy which include current and former directors and officers, including executives of the Company, and directors, senior executives and secretaries of its controlled entities to the extent permitted by the *Corporations Act 2001* (Cth). The terms of the insurance contract are highly commercially sensitive and prohibit disclosure of the premiums payable and other terms of the policy.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia ('**EY**'), as part of the terms of its audit engagement agreement, against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify EY during or since the end of the Reporting Period.

Information on Directors

The names and details of the Company's Directors in office during the Reporting Period and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Mr Owen Hegarty OAM, 75 BEc (Hons) FAusIMM FAICD *Chair and Non-executive Director*	Owen has more than 40 years' experience in the global mining industry with a career spanning executive and directorship roles across multiple mineral commodities and assets in Australia, Asia, Africa, Europe and the Americas. Owen co-founded and is Executive Chairman of EMR Capital, a specialist resources private equity manager with deep operational, investment, sustainability and ESG management expertise applied across the EMR investment portfolio companies. Owen was formerly the Managing Director and Chief Executive Officer of ASX-listed Oxiana Limited, leading the company to its merger with Zinifex Limited in 2008 to form OZ Minerals Limited (formerly ASX: OZL). Prior to Oxiana, Owen's career included 25 years with the Rio Tinto Group, including as Managing Director of Rio Tinto Asia and Rio Tinto's Australian copper and gold business. Owen currently serves as a director on a number of EMR Capital portfolio companies. Owen's previous non-executive directorship roles include ASX listed Fortescue Metals Group Limited (ASX: FMG) and Highfield Resources Limited (ASX: HFR), Tigers Realm Coal Limited (ASX: TIG) and Hong Kong listed G-Resources Limited and CST Mining. Owen has served and continues to serve on a number of government and industry mining advisory bodies and is the recipient of a number of awards and citations in recognition of his achievements and service to the mining industry. Owen was included in the 2021 Queen's Birthday honours list being awarded the Medal of the Order of Australia recognising his services to the minerals and mining sector. Owen was appointed as a Director on 27 May 2021. **Special responsibilities:** Formerly: Member of Sustainability Committee (ceased 17 April 2023). Formerly: Member of Remuneration & Nominations Committee (ceased 17 April 2023). **Other listed directorships:** Tigers Realm Coal Limited (ASX: TIG) (2009 - 2022).
Mr Peter Albert, 65 BSc (Minerals Engineering) (Hons) EMBA MAICD FAusIMM, MIOM3, Chartered Engineer *Managing Director & CEO*	Peter is an experienced mining executive, with more than 35 years' experience in the mining industry across multiple commodities and spanning Australia, Asia, Africa and Europe. Peter's experience includes more than 25 years in CEO and executive roles for listed mining companies in Australia and Asia with significant experience in project management, development and operation of large-scale underground and open pit mining operations, sustainability and ESG performance, and corporate strategy. Prior to his appointment as 29Metals' Managing Director & CEO, Peter joined EMR Capital as the CEO of EMR Capital's copper portfolio in preparation for 29Metals' initial public offering and ASX-listing in 2021. Peter's earlier executive career included roles as CEO of ASX-listed Highfield Resources Limited (ASX: HFR), Jinchuan International and G-Resources Limited, and Executive General Manager – Asia for ASX-listed Oxiana Limited (later, OZ Minerals Limited). Peter also held previous roles with Fluor Australia, Shell-Billiton Australia, Davy John Brown and Johannesburg Consolidated Investments.

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Directors' Report

	Peter was appointed as a Director on 27 May 2021 and commenced his role as Managing Director & CEO with effect on and from 2 July 2021. Peter will retire as Managing Director & CEO on 30 April 2024. **Special responsibilities***:* N/a. **Other listed directorships***:* Highfield Resources Limited (ASX: HFR) (2016-2020).
Ms Fiona Robertson AM, 68 MA (Oxon) Geology FAICD, MAusIMM ***Independent Non-executive Director*** *Chair of Audit, Governance & Risk Committee* *Member of Sustainability Committee*	Fiona has more than 40 years' experience as a finance executive and non-executive director, most of this spent within the resources sector. Fiona's senior and executive finance roles included serving as CFO of ASX-listed companies Petsec Energy Limited, Climax Mining Limited and Delta Gold Limited. Fiona's earlier career included credit risk management, corporate banking and resource financing roles with Chase AMP and Chase Manhattan Bank in Australia, New York and London. Fiona is currently an independent non-executive director of ASX-listed Bellevue Gold Limited (ASX: BGL) and Whitehaven Coal Limited (ASX: WHC), where Fiona also chairs the audit & risk committee for both companies. Fiona also serves as a member of Whitehaven Coal's governance & nomination and remuneration committees, and previously served on its health, safety, environment and community committee. Fiona serves on the nomination and remuneration committee and health, safety & sustainability committee for Bellevue Gold. Fiona was previously an independent non-executive director of ASX-listed Drillsearch Energy Limited (ASX: DLS) and ASX-listed Heron Resources Limited (ASX: HRR), where Fiona also held roles on board committees focussed on audit, risk, ESG, people, remuneration and nomination matters. Fiona's successful career in the mining industry, and contribution to the empowerment and encouragement of women developing careers within the mining industry was recognised in 2022 when Fiona received the NSW Mining Industry and Suppliers "Outstanding Contribution in Mining" award. In 2020 Fiona was named as one of "100 Global Inspirational Women in Mining" by Women in Mining UK. Fiona was appointed as a Director on 27 May 2021. **Special responsibilities:** Chair of Audit, Governance & Risk Committee. Member of Sustainability Committee. **Other listed directorships:** Bellevue Gold Limited (ASX: BGL) (2020 - current); Whitehaven Coal Limited (ASX: WHC) (2018 - current).
Ms Jacqueline 'Jacqui' McGill AO, 56 BSc, MBA GAICD, FAusIMM ***Independent Non-executive Director*** *Chair of Sustainability Committee* *Member of Audit, Governance & Risk Committee* *Member of Remuneration & Nominations Committee*	Jacqui has more than 30 years' experience in the mining sector, including in executive and senior leadership roles spanning operations, business development, technology and project management across copper, iron ore and energy, where Jacqui developed extensive experience in managing financial performance, risk management and sustainability. Jacqui's executive career includes 16 years with BHP where Jacqui held roles as President Olympic Dam and President BHP-Mitsui Coal, as well as other senior leadership roles in BHP's copper, uranium and iron ore divisions. Jacqui is currently an independent non-executive director of ASX-listed New Hope Corporation Limited (ASX: NHC) and Mineral Resources Limited (ASX: MIN), and Johannesburg-listed Gold Fields Limited (JSE: GFI). At New Hope Corporation, Jacqui is chair of the sustainability committee and serves as a member of the audit and risk, and nomination and remuneration committees. At Goldfields, Jacqui is chair of the social, ethics and transformation committee and serves as a member of a number of the board's other standing committees. Jacqui is also a non-executive director of the Royal Automobile Association of South Australia and the Adelaide Festival Centre. Jacqui was included in the 2020 Australia Day honours list recognising her services to the resources sector, and diversity and inclusion. Jacqui was appointed as a Director on 27 May 2021. **Special responsibilities:** Chair of Sustainability Committee. Member of Audit, Governance & Risk Committee. Member of Remuneration & Nominations Committee. **Other listed directorships:** New Hope Corporation Limited (ASX: NHC) (2020 – current); Gold Fields Limited (JSX: GFI; NYSE: GFI) (2021 – current); Mineral Resources Limited (ASX: MIN) (2024 – current).

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Directors' Report

Mr Martin Alciaturi, 62 BSc (Eng) (Hons) Grad Dip (Applied Finance) FCA MAICD ***Independent Non-executive Director*** *Chair of Remuneration & Nominations Committee* *Member of Audit, Governance & Risk Committee*	Martin is an experienced finance professional with combined experience of more than 40 years in investment banking and corporate finance, and as a mining executive. Martin is currently the executive Finance Director for Sierra-Rutile Holdings Limited (ASX: SRX), a minerals sands mining company that listed on the ASX on 25 July 2022 following a de-merger from ASX-listed Iluka Resources. Martin also serves as a member of Sierra Rutile Holdings' sustainability and social accountability committee. Previously Martin spent 11 years as chief financial officer and executive director with Aquila Resources Limited (ASX: AQA, delisted 2014), where Martin's responsibilities included strategy, business development, investor relations, finance and administration. Prior to Aquila, Martin spent 30 years in investment banking and corporate finance, including as Head of Corporate Finance at Macquarie Capital in Perth, Partner-in-charge for Corporate Finance at EY in Perth (including head of the EY natural resources team), and as an executive director with Poynton Corporate. Martin has also served as a member of the Australian Government's Takeovers Panel between 2006 and 2015. Martin was appointed as a Director on 27 May 2021. **Special responsibilities:** Chair of Remuneration & Nominations Committee. Member of Audit, Governance & Risk Committee. **Other listed directorships:** Sierra Rutile Holdings Limited (ASX: SRX) (executive director) (2022 - current).
Ms Tamara Brown, 51 BEng, CBE ***Independent Non-executive Director*** *Member of Audit, Governance & Risk Committee* *Member of Sustainability Committee*	Tamara has an engineering background and more than 25 years' experience in the finance and mining sectors. Tamara is currently a Partner of Oberon Capital Corporation, a Canadian boutique energy and mineral resources investment banking firm. Prior to joining Oberon Capital, Tamara held various senior management and executive roles, including interim Chief Executive Officer with formerly TSX-listed Superior Gold Inc. (TSX.V: SGI) (2020-2021), and corporate development and investor relations roles with Newcrest Mining Limited (ASX: NCM) (2018-2020), Primero Mining Corp. (TSX: P, NYSE: PPP, formerly ASX: PPM) (2010-2018) and IAMGOLD Corporation (TSX: IMG, NYSE: IAG) (2009-2010). Tamara is currently an independent non-executive director of TSX-listed Lithium Royalty Corp. (TSX: LIRC) and TSX-listed Orla Mining Ltd (TSX: OLA). At Lithium Royalty, Tamara serves on a number of board committees, including as chair of the audit committee and member of the compensation, nominating and governance committees for Lithium Royalty Corp. At Orla Mining, Tamara chairs the environmental, sustainability, health and safety committee, and also serves as a member of the technical, and human resources and compensation committees. Tamara was previously a non-executive director of TSX-listed Lundin Gold (TSX: LUG), ASX-listed Titan Minerals Limited (ASX: TTM), and Superior Gold Inc. (TSX.V: SGI) where Tamara chaired the governance committee and human resources and compensation committee. Tamara was appointed as a Director on 17 April 2023. **Special responsibilities:** Member of Audit, Governance & Risk Committee (effective 17 April 2023). Member of Sustainability Committee (effective 17 April 2023). **Other listed directorships:** Lithium Royalty Corp. (TSX: LIRC) (2023 - current); Orla Mining Ltd (TSX: OLA) (2022 - current); Titan Minerals Limited (ASX: TTM) (2022 – 2023); Superior Gold Inc. (TSX.V: SGI) (2017 - 2023)
Mr Creagh O'Connor, 62 BEc, LLB, ACA ***Non-executive Director*** *Member of Remuneration & Nominations Committee*	Creagh has more than 30 years' experience as an executive and adviser in the mining industry and investment banking. Creagh is a current director and co-founder of GP Securities, a private investment group based in Adelaide. Through GP Securities, Creagh is a founding shareholder of EMR Capital, a specialist resources private equity manager, where Creagh is also currently a non-executive director and senior advisor. Prior to co-founding GP Securities, Creagh held various executive and senior roles in investment banking and corporate advisory, including as Global Head of the Metals & Mining advisory group of Standard Chartered Bank following its acquisition of Gryphon Partners Pty Ltd in 2011, a boutique corporate advisory firm co-founded by Creagh in 2003. Earlier executive and senior management roles included roles as head of corporate business development at formerly ASX-listed Normandy Mining Group (1993-2001) (ASX: NDY) and Executive Director of Australian Magnesium Corporation Limited (1996-2001) (1996-2001) (ASX: ANM) and Managing Director of Queensland Metals Corporation Limited (1997-2000) (formerly ASX: QMC). Creagh was previously a non-executive director of formerly ASX-listed Bondi Mining Limited (ASX: BOM) and Chesser Resources Limited (ASX: CHZ), Solstice Media Limited and the Queensland Mining Council. Creagh was appointed as a Director on 17 April 2023. **Special responsibilities:** Member of Remuneration & Nominations Committee (effective 17 April 2023). **Other listed directorships:** Nil.

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Directors' Report

Information on Company Secretary

Mr Clifford Tuck

LLB (Hons), BScApp (Hons)

FGIA MAICD

Chief Governance & Legal Officer, Company Secretary

Clifford is a legal and governance professional with more than 20 years' experience, principally in the resources sector.

At 29Metals, Clifford is the Chief Governance & Legal Officer, and Company Secretary, with executive accountability for Group legal and governance, Group company secretariat (including subsidiary administration), Group insurance, share registry and Sustainability & ESG.

Prior to 29Metals, Clifford's roles included working as an adviser to ASX-listed and private equity clients in relation to corporate transactions, governance and ESG matters (2017-2021), General Counsel & Company Secretary (consultant) for Lattice Energy Limited (the proposed IPO vehicle for the upstream oil & gas assets of ASX-listed Origin Energy Limited) (2017), General Counsel & Company Secretary of formerly ASX-listed Drillsearch Energy Limited (2014–2016) and various in-house roles with ASX-listed Newcrest Mining Limited (2005–2014), including Acting General Counsel and Deputy General Counsel (2011–2014). Clifford commenced his professional career with Australian law firm Allens (2001–2005).

Clifford was also formerly a non-executive director of ASX-listed Aurelia Metals Limited (ASX: AMI) where he also served as a member of the audit committee.

Clifford holds a Bachelor of Laws from the Queensland University of Technology and a Bachelor of Applied Science from the University of Queensland. Clifford is a fellow of the Governance Institute of Australia.

Clifford was appointed as Company Secretary on 27 May 2021.

Directors' Meetings

The number of meetings of the Board and each of the Board's standing Committees held during 2023, and director attendance at those meetings, is set out below.

	Board		Audit, Governance & Risk Committee		Sustainability Committee		Remuneration & Nominations Committee	
	Held [1]	Attended [2]	Held [1]	Attended [2]	Held [1]	Attended [2]	Held [1]	Attended [2]
Owen Hegarty OAM	6	6	7	7 [3]	4	3 [4]	4	4 [3]
Peter Albert	6	6	7	7 [3]	4	4 [3]	4	4 [3]
Fiona Robertson AM	6	6	7	7	4	4	4	4 [3]
Jacqui McGill AO	6	6	7	7	4	4	4	4
Martin Alciaturi	6	6	7	7	4	3 [3]	4	4
Tamara Brown	5	5	5	5	3	3	3	3 [3]
Creagh O'Connor	5	5	5	5 [3]	3	3 [3]	3	3

1. Number of meetings held during the time the Director was a member of the Board or Board Committee.
2. Number of Board or Committee meetings that the Director attended as a member (unless otherwise stated).
3. Attended meeting as an invitee. All Directors have a standing invitation to attend meetings of all Committees.
4. Attended one meeting as a member of the Committee and the remaining meetings as an invitee.

During the Reporting Period, each of the Directors was invited to attend briefing sessions with the Management teams of Golden Grove and Capricorn Copper. These meetings provide the Directors with direct access to, and engagement with, senior leaders at the Company's operating sites. In addition, following the extreme weather event at Capricorn Copper in March 2023, the Board held regular update meetings with senior Management to discuss the impact of the event and the actions being undertaken to formulate and implement recovery of operations, and to monitor business performance and the financial position of the Group. In the aggregate, 11 update meetings were held during the period March to August 2023 (inclusive).

With limited exceptions, all Directors attended each of the briefing sessions and additional update meetings outlined above.

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Directors' Report

Director Interests in the Shares and Options of the Company and Related Bodies Corporate

As at the date of this report, the interests of the Directors in the 29Metals shares and performance rights were:

	Number of shares	Number of options	Number of performance rights
Owen Hegarty OAM	72,728	-	-
Peter Albert	596,215	-	938,759 [1]
Fiona Robertson AM	108,466 [2]	-	-
Jacqui McGill AO	107,102 [2]	-	-
Martin Alciaturi	197,557 [2]	-	-
Tamara Brown	18,983 [2]	-	-
Creagh O'Connor	436,364	-	-
Total	1,537,415	-	938,759

1. Cited performance rights held by Mr Albert excludes the proposed award of 803,010 performance rights to Mr Albert under the 2023 STI (which award is subject to shareholder approval to be sought at the Company's 2024 AGM). Refer to the Remuneration Report included in this Directors' Report for further information regarding the performance rights awarded to Mr Albert.
2. Includes shares issued to eligible Non-executive Directors under the NED Salary Sacrifice Share plan during the Reporting Period. Refer to the Remuneration Report included in this Directors' Report for further information regarding the NED Salary Sacrifice Share Plan and shares issued to participating NEDs during the Reporting Period.

Shares Under Performance Rights

As at 31 December 2023, there were 5,142,144 unvested performance rights on issue. The 5,142,144 unvested performance rights at 31 December 2023 includes 383,907 performance rights awarded under the 2022 STI in respect of which the award performance conditions were satisfied at 31 December 2023. Accordingly, these 383,907 performance rights will vest with new shares to be issued and allotted to 2022 STI Award participants.

A total of 633,280 performance rights lapsed during the financial year and up to the date of this report.

Refer to Note 34(e) to the Consolidated Financial Statements for further information regarding the movement in performance rights during the year and the performance rights at year end.

Shares Issued on the Exercise of Options

There are currently no options on issue and no shares were issued on the exercise of options during the Reporting Period and up to the date of this report (2022: Nil).

Shares Issued on the Vesting of Performance Rights

671,564 performance rights vested during the Reporting Period, resulting in the issue of 671,564 new fully paid ordinary shares. No amount was paid on the vesting of performance rights and issue of shares and no amount remains unpaid on the shares.

383,907 performance rights were awarded under the 2022 STI in respect of which the award performance conditions were satisfied at 31 December 2023. Accordingly, these 383,907 performance rights will vest with new shares expected to be issued and allotted to 2022 STI Award participants on or about the date of this report. No amount will be paid on the vesting of performance rights and issue of shares and no amount will remain unpaid on the shares.

Further details regarding shares issued and performance rights awarded to Key Management Personnel ('**KMPs**') during the year is provided in the Remuneration Report.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-Audit Services

During the Reporting Period, non-audit services were provided by the Group's auditor, EY, relating to tax governance matters. The Directors have considered the non-audit services provided by EY during the year ended 31 December 2013 and written advice provided by resolution of the Audit, Governance & Risk Committee and are satisfied that the provision of non-audit services during the year is compatible with, and did not compromise, the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth), for the following reasons:

- all non-audit services were subject to review by the Committee to ensure they were not considered to be material, did not impact, in the Committee's opinion, the integrity, objectivity or independence of EY which included obtaining relevant confirmations from Ernst & Young Australia; and

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Directors' Report

- none of the services undermined the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*. These include reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for 29Metals or its controlled entities, acting as advocate for the Company or jointly sharing economic risk and rewards.

EY received or are due to receive the following amounts for the provision of non-audit services:

	2023
	$
Tax governance services	26,000

Corporate Governance

The Board of 29Metals has ultimate responsibility for the management of 29Metals' business, including ensuring that appropriate governance arrangements are in place. The Board has created a framework for managing the Company, including adopting corporate governance policies and processes, internal controls and a risk management framework, that are designed to promote the responsible management and conduct of the Company.

29Metals' corporate governance framework has been developed having regard to the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council (the '**ASXCGPR**'). Annually, 29Metals publishes a corporate governance statement that sets out the extent to which the Company has followed the ASXCGPR for the relevant reporting period. 29Metals will publish its 2023 corporate governance statement and Appendix 4G in April 2024. A copy of 29Metals' corporate governance statement will be made available on the 29Metals website.

29Metals' 2022 corporate governance statement was released to the ASX announcements platform on 28 April 2023 and is available on 29Metals' website at https://www.29metals.com/about/corporate-governance.

Further information regarding 29Metals' corporate governance framework, including copies of the charters of the Board and each of its Committees, and key corporate governance policies, is available on the 29Metals website at https://www.29metals.com/about/corporate-governance.

Likely Developments

The Operating and Financial Review on pages 13-33 of this document sets out information on the Group's business strategies and likely developments.

Other than the information set out in the Operating and Financial Review, further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

Rounding of Amounts

29Metals is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and, in accordance with that Instrument, amounts in the Directors' Report and the Consolidated Financial Statements are rounded to the nearest thousand dollars except where otherwise stated.

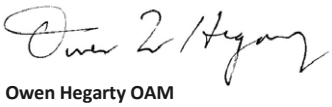
Auditor's Independence Declaration

The auditor's independence declaration is set out on page 12 and forms part of the Directors' Report for FY2023.

Remuneration Report

The Remuneration Report is set out on pages 35 - 59 of this document and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors on 23 February 2024.



Owen Hegarty OAM

Chair of the Board of Directors
Non-executive Director

Fiona Robertson AM

Chair of the Audit, Governance & Risk Committee
Independent Non-executive Director

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Auditor's Independence Declaration

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Auditor's independence declaration to the directors of 29Metals Limited

As lead auditor for the audit of 29Metals Limited for the financial year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
2. No contraventions of any applicable code of professional conduct in relation to the audit; and
3. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of 29Metals Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Fiona Drummond
Partner
23 February 2024

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Operating and Financial Review

This is the Operating and Financial Review for the Group for the year ended 31 December 2023 (the '**Reporting Period**'). The prior period results are for the year ended 31 December 2022 ('**2022**'), unless otherwise stated.

OVERVIEW OF 2023

2023 proved to be a year of extremes and the most challenging in 29Metals' short history but also a year where considerable progress was made to recover from challenges faced to unlock the potential of our assets as we build for a sustainable future.

Through the first half of 2023, the Group's operations faced significant headwinds resulting from:

- the impact of an extreme weather event at Capricorn Copper in March 2023 (the '**Extreme Weather Event**'), which resulted in:
  - inundation of areas on the site, resulting in significant loss and damage to surface infrastructure;
  - a significant increase in the water inventory held on site, including an estimated 500 ML of water in one of the underground mines, Esperanza South ('**ESS**');
  - suspension of operations from 7 March 2023 until the partial restart of operations ('**Phase 1**'[1]) in August 2023;
- impacts to production at Golden Grove from:
  - constraints on milling rates to manage tailings capacity pending approval and construction of increased tailings storage capacity; and
  - commissioning failures affecting ventilation booster fans installed to support increasing activity in the Group's highest grade ore source, Xantho Extended ('**XE**'), which required supplier action to rectify;
  - remediation works required to fix damage to the Gossan Hill portal limiting development and mining activity; and
- macroeconomic headwinds, including lower commodity prices, continuing inflationary and labour market pressures across the mining sector.

Collectively, these challengers had a material impact on the Group's 2023 operating and financial results. In the face of these challenges, 29Metals demonstrated considerable resilience to recover and improve its operations through the second half of 2023 and deliver:

- considerably improved safety performance under challenging operating conditions;
- de-risking and de-bottlenecking projects to deliver a restart and/or lift in production following each interruption with 59% of Group copper and 57% of Group zinc production delivered in the second half;
- more efficient operations, delivering cost efficiencies, reducing the impact of industry-wide inflation and lower copper and zinc prices.

A summary of achievements realised and the impact of the above matters on the Group's performance for the Reporting Period is provided below.

KEY OPERATING RESULTS

- Continued improvement in safety performance with a 34% reduction in the Group total recordable injury frequency rate ('**TRIFR**') to 6.5/mwhrs[2] at 31 Dec 2023 (31 Dec 2022: 9.8/mwhrs).
- Group copper production of 24.2kt (2022: 40.8kt), 41% lower than the prior period, reflecting:
  - increased copper production at Golden Grove to 18.1kt (2022: 16.9kt) from a higher proportion of copper ore milled; and
  - a 74% reduction in copper production at Capricorn Copper to 6.1kt (2022: 23.8kt) impacted by the Extreme Weather Event.
- Zinc production of 51.5kt (2022: 57.6kt), 11% lower than the prior period reflecting a lower proportion of zinc ore mined.
- XE de-risking projects were completed, with upgrades to ventilation and related infrastructure, despite commissioning delays, delivering progressively higher activity levels through the year with:
  - Development advance of 2,329m (2022: 1,714m), comprising 927m in the first half and 1,402m in the second half; and
  - Ore production of 331kt (2022: 182kt), comprising 112kt in the first half and 219kt in the second half,
- The ramp up in activity levels and ore production from XE contributed to improved operational and financial performance, with second half copper and zinc metal production at Golden Grove exceeding the first half by 44% and 32%, respectively.

[1] Refer to 29Metals' announcement entitled '*Strategic Update*' released to the ASX announcements platform on 23 May 2023.

[2] *TRIFR* is reported on a 12-month rolling average basis at 31 December, reported per million work hours ('**mwhrs**').

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- Significant progress towards recovering operations at Capricorn Copper, achieving the Phase 1 restart with:
  - The recommencement of mining and milling at the Mammoth and Greenstone orebodies in August 2023;
  - Establishment of interim water treatment solutions to facilitate campaign milling activity; and
  - Commencement of dewatering and rehabilitation of ESS underground operations.
- Continued progress towards the establishment of long-term tailings storage solutions at both operations with:
  - Regulatory submissions for approval of TSF4 at Golden Grove – a new facility which will provide long-term tailings capacity; and
  - Advancing groundwater and flora and fauna studies as well as designs for TSF3 at Capricorn Copper, ahead of a regulatory submission.

KEY FINANICAL RESULTS

The Extreme Weather Event at Capricorn Copper had a material impact on the Group's financial results for the Reporting Period. Information regarding the financial impacts of the Extreme Weather Event is set out at Note 7 to the Consolidated Financial Statements.

- Total revenue of $449,748,000[3] was 38% lower than the prior period, reflecting lower production and sales volumes and lower realised copper and zinc prices.
- Group Site Operating Costs[4] of $383,932,000 (2022: $475,294,000) was 19% lower than the prior period, reflecting:
  - broadly flat Site Operating Costs at Golden Grove year-on-year, despite cost inflation pressures, reflecting a focus on cost savings initiatives through the year; and
  - Capricorn Copper Site Operating Costs (excluding Recovery Expenses) 57% lower than the prior period, reflecting lower activity resulting from the impact of the Extreme Weather Event.
- Group AISC unit costs increased to US$4.96/lb of payable copper (2022: US$3.64/lb), reflecting the combined impact of reduced payable copper volumes, lower by-product metals sales volumes and lower realised zinc prices during the Reporting Period.
  - Reported Group AISC unit costs are after approximately $20 million in sustainable cost improvements identified and implemented during the Reporting Period; and
  - Group AISC excludes Capricorn Copper Recovery Expenses[4] of $47,106,000 (2022: Nil).
- An EBITDA[4] loss and Net Loss After Tax ('**NLAT**') of $21,186,000 and $440,463,000, respectively.
- The NLAT is after non-cash impairment charges recorded during the Reporting Period, including:
  - impairments recognised at 30 June 2023 in relation to Capricorn Copper, following the Extreme Weather Event,[5] comprising:
    - $27,000,000 from damage or loss to assets; and
    - $170,000,000 in relation to the Capricorn Copper business segment;
  - a $8,760,000 write-down of the net realisable value ('**NRV**') recognised for ore stockpiles, ROM stockpiles and concentrate inventory.
  - a $5,092,000 write-down of capitalised Exploration and Evaluation expenditure where no follow up work is planned.
  - a $58,072,000 de-recognition of deferred tax assets ('**DTA**') due to reduced certainty as to the timing of utilising the DTA.
- Other income includes an initial unallocated progress payment of $24,000,000 from 29Metals' insurers in response to the insurance claim for loss and damage suffered resulting from the Extreme Weather Event. 29Metals' insurers have confirmed indemnity under the policy for damage to property on surface and associated business interruption. In relation to loss and damage underground, the insurers have not accepted indemnity under the policy at this stage. 29Metals does not agree with the insurers' position and continues to press its claims in connection with surface and underground loss and damage resulting from the Extreme Weather Event:
- Total Liquidity[4] at 31 December 2023 was $161,859,000 (31 December 2022: $171,962,000) after:
  - Drawing down its working capital facility of US$40,000,000; and
  - Successfully completing a 1 for 2.20 accelerated pro-rata non-renounceable entitlement offer (the '**Entitlement Offer**').
- At 31 December 2023 the Company's Net Drawn Debt[4] was $55,352,000 (31 December 2022: $26,397,000).

[3] Total revenue cited inclusive of quotational period ('**QP**') adjustments and net of treatment and refining charges ('**TCRCs**').

[4] *EBITDA, Net Drawn Debt, Recovery Expenses, Site Operating Costs* and *Total Liquidity* are a non-IFRS financial information metric. Refer to important information on page 18 regarding the use of non-IFRS financial information metrics in this report.

[5] Refer to 29Metals' Appendix 4D and Half-Year Financial Report for the six months ended 30 June 2023, as released to the ASX announcements platform on 30 August 2023.

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MARKET OUTLOOK AND STRATEGY

Business Strategy

29Metals' Vision is to be a leading ASX-listed copper producer, developer and explorer, offering investors exposure to attractive market dynamics for copper and other metals critical to the global energy transition.

In the near-to-medium term, 29Metals is focused on delivering against our operating plan, including returning operations at Capricorn Copper to levels consistent with those prior to the Extreme Weather Event, identifying and implementing operational and productivity improvements, securing key approvals to support current operations and future growth opportunities, and advancing our organic growth pipeline.

29Metals may evaluate external growth opportunities on an opportunistic and selective basis. External growth opportunities will only be pursued where 29Metals is confident the opportunity will enhance shareholder value and enhance its ability to deliver sustainable returns to shareholders.

Key Performance Drivers

The key performance drivers for the Group in 2024, and the medium term, are advancing regulatory approvals, delivering productivity improvements at its operations and managing cost and capital.

Regulatory approvals

- An ongoing focus on implementing long-term approvals plans to mitigate the Company's exposure to the increasingly complex regulatory landscape, being experienced by 29Metals and the sector generally.
- At Capricorn Copper, there is a significant near-term focus on resolving the regulatory approvals required to support continuity of tailings capacity, for an interim period of up to 11-12 months as 29Metals' transitions the site to a proposed new long term tailings storage facility (to be called **TSF3**). 29Metals is advancing studies and design work to support an application for TSF3.
- At Golden Grove, work is focused on advancing regulatory approval of the proposed new long-term tailings facility, TSF4 (approval applications submitted in the Dec-Qtr 2023) and progressing its applications for approvals of the development of the Gossan Valley project.

Productivity Improvements

- The Group seeks to find ways to improve operational efficiencies and reduce its costs, to offset industry-wide inflationary presses which are expected to continue in 2024, building on the successes delivered in 2023. 29Metals is working closely with its mining contractor at both sites, Byrnecut (Australia) Pty Ltd, to identify and implement productivity improvement measures.
- Continuing improvements in productivity at Golden Grove are expected in 2024, realising the benefit of investment in operational de-risking projects completed in 2023, including ventilation and chiller plant upgrades, and establishing underground fuel bays, to support higher rates of development and ore production at XE.
- At Capricorn Copper, productivity improvements will be realised from achieving production rates consistent with those prior to the Extreme Weather Event ('**Phase 2**'[6]) through completing the progressive dewatering and rehabilitation of ESS and continuing efforts to reduce water inventory held on site. Work to evaluate opportunities to improve scale and efficiency will also be advanced, including potential plant debottlenecking opportunities and cobalt commercialisation studies.

Costs and Capital Management

- As widely reported across the sector, inflationary and labour market pressures persist and are expected to continue in 2024.
- Building on the successful cost reduction initiatives realised in 2023, the internal focus on reducing cost (and improving productivity) will continue in 2024. 29Metals' objective is to deliver more improvements than those realised in 2023. This will be achieved by linking remuneration outcomes for leaders across the business and extending efforts across all operations, offices and administrative functions.

Market Outlook

29Metals explores for, develops and produces metals (in the form of mineral concentrates) including copper, zinc, gold, silver and lead. The outlook for copper, zinc, gold and silver is set out below.

Copper

The near-term outlook for copper is expected to be supported by:

- global economic growth and, in turn, demand for copper;
- increasing use of renewable energy technologies, related distribution networks and adoption of electric vehicles, increasing copper demand; and
- ongoing disruptions to traditional sources of supply, particularly from South American producers.

[6] Refer to 29Metals' announcement entitled '*Strategic Update*' released to the ASX announcements platform on 23 May 2023.

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Over the medium-to-long term, increasing urbanisation, decarbonisation, electrification and the global transition to a greener economy are expected to drive significant incremental demand for copper metal.

The supply outlook for copper is subject to a range of impediments, including permitting challenges associated with the development of new copper mines, declining head grades for new and existing operations, deeper and more complex ore bodies, increased capital intensity, a lack of new discoveries, water scarcity, and increased risk of resource nationalisation in copper-producing nations.

Zinc

The outlook for zinc is expected to be relatively stable over the short to medium term, with demand supported by:

- requirements for galvanised steel in the construction of renewable energy sources, particularly wind and solar power capacity; and
- government infrastructure programs, given refined zinc's end use in construction, transportation and infrastructure.

Short term downside risks include macroeconomic uncertainty, tapered demand and growth in mined zinc supply from new projects.

Gold and Silver

The outlook for gold and silver is expected to be positive over the short to medium term, with demand driven by:

- continued market volatility, concerns in relation to geopolitical tensions and US interest rate cut speculation are expected to support a positive outlook for both gold and silver; and
- for silver, industrial demand is also expected to benefit from its use in electromagnetic shielding associated with 5G developments, solar installations and rising use in the energy transition.

Basis of Preparation

The Consolidated Financial Statements is a general purpose financial report which:

- has been prepared in accordance with Australian Accounting Standards ('**AAS**') and other authoritative pronouncements of the Australian Accounting Standards Board ('**AASB**') and the *Corporations Act 2001* (Cth);
- complies with International Financial Reporting Standards ('**IFRS**') and interpretations adopted by the International Accounting Standards Board ('**IASB**');
- has been prepared on a historical cost basis except for certain financial instruments which have been measured at fair value through the profit or loss;
- is presented in Australian dollars with all values rounded to the nearest thousand dollars ($'000) unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument* 2016/191;
- adopts AAS and Interpretations that have been issued or amended and are effective from 1 January 2023. The adoption of AAS and Interpretations that have been issued or amended during the year did not have a significant impact on the financial report; and
- does not early adopt AAS and Interpretations that have been issued or amended but are not yet effective. Refer to Note 37 for further details.

Going Concern

The Consolidated Financial Statements for the year ended 31 December 2023 have been prepared on a going concern basis, which assumes that the Group will be able to realise its assets and meet its debts as and when they become due and payable.

For the purposes of assessing the appropriateness of preparing the Consolidated Financial Statements for the year on a going concern basis, the Directors have had regard to the significant impact of the Extreme Weather Event at Capricorn Copper in March 2023 on the Group's financial results for the year ended 31 December 2023, along with continuing recovery efforts, reflected in:

- a Group loss after tax of $440,463,000 (2022: $47,222,000), including non-cash impairments of:
  - $170,000,000 to the Capricorn Copper segment; and
  - $27,000,000 to physical assets at Capricorn Copper damaged or lost;
- net cash outflows from operating activities of $36,524,000 (2022: $155,690,000 operating cash inflow), including operating costs associated with recovery activities at Capricorn Copper; and
- the Group required and obtained covenant relief under the Group corporate debt facilities (refer to Note 26).

As a result of the impact of the Capricorn Copper Extreme Weather Event, the Group took steps during the Reporting Period to manage financial risk, including:

- drawing on the Group's US$40,000,000 working capital facility in May 2023;

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- on 28 June 2023, the Group required and obtained covenant relief under the Group Syndicated Facility Agreement dated 20 October 2021, in respect of the Debt Service Coverage Ratio ('**DSCR**') and Net Total Leverage Ratio ('**NTLR**') covenants under the Group debt facilities for the 30 June 2023 calculation date (refer to Note 26);
- in August 2023, the Group and its lenders agreed to amend the Syndicated Facility Agreement dated 20 October 2021, which amendments:
  - provided further relief for DSCR under the Group debt facilities for the 31 December 2023, 30 June 2024 and 31 December 2024 calculation dates;
  - provided further relief for the NTLR under the Group debt facilities for the 31 December 2023 calculation date; and
  - included a change to the fixed repayment profile under the facility by increasing the total repayments for the quarters ended 30 September 2023 to 30 June 2025 to US$50,000,000 from US$45,000,000, with the last repayment on 30 September 2026 reducing from US$50,000,000 to US$45,000,000; and
- in September and October 2023, the Group received proceeds from an issue of 219,130,402 shares amounting to $151,200,000 (before transaction costs) (refer Note 30).

In addition, on 28 June 2023 the Group negotiated an extension of the Group's environmental bank guarantee facility by one year to 29 October 2024.

Further information regarding the financial impacts of the Extreme Weather Event at Capricorn Copper in March 2023 is disclosed in Note 7.

The Group's current assets at 31 December 2023 amounted to $306,660,000 (2022: $344,956,000) and include cash and cash equivalents of $161,859,000 (2022: $171,962,000).

The Group's current assets at 31 December 2023 exceed current liabilities by $46,149,000 (2022: $121,201,000). Current interest-bearing liabilities are $99,836,000 at 31 December 2023 (2022: $33,742,000).

The NTLR is the ratio of total net debt on the calculation date to EBITDA for the 12 months calculation period ending on that calculation date, with a covenant of less than 2:1. The key assumptions for the compliance with the NTLR at 30 June 2024 and 31 December 2024 are:

- receipt of regulatory approvals required to maintain continuous tailings deposition and production at Capricorn Copper on a timely basis (relative to remaining capacity in existing tailings storage facilities);
- achieving planned production and EBITDA;
- receipt of further proceeds from the ongoing insurance claim related to the loss and damage suffered as a result of the Capricorn Copper Extreme Weather Event during the first half of 2024; and
- ongoing management of working capital in line with expectations.

Should the Company be unable to comply with the NTLR covenant requirements, as a result of the key matters not being achieved, and the Company is unable to renegotiate the covenant requirements with the Company's lenders, there is significant uncertainty as to whether the Group would be able to continue as a going concern, and, whether it will realise its assets and settle its liabilities in the normal course of business.

These Consolidated Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

The Directors, in considering the appropriateness of the going concern basis for the preparation of the Consolidated Financial Statements, have reviewed the Group's cashflow forecasts prepared by Management which indicate the Group will have sufficient cash to continue as a going concern for the 12 months from the date of this report.

The Directors, at the date of signing, consider that the going concern basis of preparation for the Consolidated Financial Statements is appropriate on the basis of:

- the matters outlined above;
- other funding and liquidity options available to the Group; and
- ongoing engagement with the Group's lenders.

Segment Information

The Group has determined that it has three reportable segments: Golden Grove, Capricorn Copper and Exploration (which includes Redhill and regional exploration activities at Golden Grove and Capricorn Copper).

The following summary describes the operations of each reportable segment.

Reporting segments	Description
Golden Grove	Base and precious metals mining, mineral production and associated activities
Capricorn Copper	Base and precious metals mining, mineral production and associated activities
Exploration	Exploration for mineral resources at Redhill (Chile), and regional exploration at Golden Grove (Western Australia) and Capricorn Copper (Queensland)

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Non-IFRS Financial Information

29Metals' results are reported under IFRS. This report includes certain metrics, such as *AISC, C1 Costs, Drawn Debt, EBITDA, Net Drawn Debt, Recovery Expenses, Site Operating Costs* and *Total Liquidity*, which are non-IFRS financial information within the meaning of ASIC Regulatory Guide 230: '*Disclosing non-IFRS financial information*'.

The non-IFRS financial information metrics used in this report have been calculated by reference to information prepared in accordance with IFRS. However, these non-IFRS financial information metrics do not have a standardised meaning prescribed by IFRS and may be calculated differently by other companies.

The non-IFRS financial information metrics included in this report are used by 29Metals to assess the underlying performance of the business. The non-IFRS information has not been subject to audit by 29Metals' external auditor.

Non-IFRS financial information should be used in addition to, and not as a substitute for, information prepared in accordance with IFRS. Although 29Metals believes these non-IFRS financial information metrics provide useful information to investors and other market participants, readers are cautioned not to place undue reliance on any non-IFRS financial information presented. Refer to page 33 for definitions of the non-IFRS financial information metrics used in this report.

Rounding

Certain figures, amounts, percentages, estimates, calculations of value and fractions presented are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures presented.

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OPERATIONAL REVIEW

Safety Performance

Key metrics at		31-Dec-2023	31-Dec-2022	VAR
TRIFR	/mwhrs[1]	6.5	9.8	(3.3)
LTIFR	/mwhrs[1]	1.5	2.0	(0.5)

1. TRIFR and *Lost-time Injury frequency rate* ('**LTIFR**') are reported on a 12-month rolling average basis at 31 December, reported per million work hours ('mwhrs').

29Metals continued to implement actions to improve safety performance and reduce risks of injury to our workforce, through:

- the roll out of the Group's updated critical risk management framework;
- progressively completing improvement actions from baseline assessments of performance against 29Metals' HSEC Management System Standards undertaken in 2022; and
- maintaining a focus on leading indicators, including close out of actions following significant incidents investigations, workplace inspections and leadership interactions, and critical control verifications.

Performance against lagging safety indicators improved significantly during the period with TRIFR reducing by 33% and LTIFR reducing by 23% at 31 December 2023 (on a rolling 12-month basis). Additionally, there were no health and safety incidents during the Extreme Weather Event despite the challenging operating environment.

Golden Grove

Golden Grove, located in Western Australia, is a long-life operating asset. Golden Grove hosts a world-class volcaniclastic-hosted massive sulphide system. Operating since 1990, when production at the Scuddles underground mine began, Golden Grove has a history of discovery, resource extension, production growth and mine-life extension.

For the year ended 31 December		2023	2022	VAR
Ore mined	kt	1,524	1,522	2
Ore milled	kt	1,540	1,547	(7)
Milled Grades				
Copper	%	1.4%	1.3%	0.1%
Zinc	%	3.9%	4.3%	(0.4%)
Metal Production				
Copper	kt	18.1	16.9	1.2
Zinc	kt	51.5	57.6	(6.1)
Gold	koz	14.0	26.6	(12.6)
Silver	koz	775	1,321	(546)
Lead	kt	1.17	2.80	(1.63)
Costs				
Site Operating Costs [1]	$'000	307,537	301,913	5,624
C1 Costs [1]	$'000	178,995	78,505	100,490
C1 Costs [1]	US$/lb	3.18	1.62	1.56
AISC [1]	$'000	231,786	148,049	83,737
AISC [1]	US$/lb	4.12	3.05	1.07
Capital				
Sustaining capital	$'000	19,689	23,532	(3,843)
Capitalised development	$'000	16,334	26,104	(9,770)
Growth capital	$'000	14,189	10,133	4,056
Financial				
Revenue	$'000	375,141	433,775	(58,634)
EBITDA [1]	$'000	39,542	110,557	(71,015)

1. *Site Operating Costs, C1 Costs, AISC* and *EBITDA* are non-IFRS financial information metrics. Refer to page 18 for important information regarding the use of non-IFRS financial information metrics in this report.

- Ore mined and milled was consistent with the prior period despite the impacts of:
  - an approximate 2-week suspension of operations at Gossan Hill, following discovery of damage to the portal in March 2023;
  - delayed commissioning to underground ventilation booster fans, required to support mining activity rates at depth; and
  - constrained milling rates in the first half to manage available tailings capacity, with milling rate constraints lifted in May 2023.

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- Ore mined from XE, Golden Grove's highest grade ore source, increased to 331kt in the Reporting Period (2022: 182kt). The increase from 112kt of XE ore mined in the first half to 219kt in the second half provides the initial signs of the productivity benefits of debottlenecking projects completed during the year.
- Whilst total ore mined was broadly flat year-on-year, there was a higher relative proportion of copper ores in mill feed resulting in:
  - higher copper production of 18.1kt (2022: 16.9kt) and lower zinc production of 51.5kt (2022: 57.6kt), respectively; and
  - lower gold production of 14.0koz (2022: 26.6koz), attributable to lower grades mined and unfavourable final assay results.
- Absolute AISC costs increased to $231,786,000 (2022: $148,049,000), as well as C1 and AISC unit costs, reflecting a combination of:
  - 33% lower by-product credits, consistent with lower zinc, gold, silver and lead production year-on-year, and lower zinc prices; and
  - marginally higher Site Operating Costs, 2%, from cost inflation, including unit rates under Golden Grove's underground mining contract,

  partly offset by cost containment efforts, lower sustaining and mine development capital and an increase in payable copper sold.
- The marginal increase in Site Operating Costs was after implementation of productivity improvement and cost reduction initiatives in the Group during the year, including:
  - demobilisation of equipment and people from site;
  - in-sourcing of services previously undertaken by contractors – including operation of the paste plant; and
  - retender of contracts to achieve lower costs – including village and site services contracts.
- Total capital expenditure was lower than the prior period, and included:
  - ventilation upgrades to support higher mining activity levels at depth; and
  - capacity expansion in relation to TSF3, to support operations prior to the completion of TSF4.

Golden Grove performance improved significantly in the second half of the Reporting Period, with increasing production from XE and removal of milling constraints supporting improvement in metal production, revenue, unit rates and EBITDA:

- second half copper and zinc production exceeded first half production by 44% and 32%, respectively; and
- second half EBITDA of $27,830,000 exceeding first half EBITDA by 138%.

The contribution of ore and metal production for the Reporting Period by half year, is tabled below.

Golen Grove 2023 ore and metal production breakdown		H1-2023	H2-2023	2023
Ore mined	kt	706	818	1,524
Ore milled	kt	702	838	1,540
Metal Production				
Copper	kt	7.4	10.7	18.1
Zinc	kt	22.1	29.4	51.5
Gold	koz	6.3	7.7	14.0
Silver	koz	391	384	775
Lead	kt	0.8	0.4	1.2

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Capricorn Copper

The Extreme Weather Event at Capricorn Copper had a material impact on the Group's financial results for the Reporting Period. Information regarding the financial impacts of the Extreme Weather Event is set out at Note 7 to the Consolidated Financial Statements.

The Capricorn Copper mine, located in Queensland, is a high-grade copper and silver mine with multiple ore sources employing a combination of sub-level cave and open stope mining. Capricorn Copper currently has a mine life of more than 10 years, and approximately 1,900km^2 of exploration tenements in the highly prospective Mt Isa region.

For the year ended 31 December		2023	2022	VAR
Ore mined	kt	491	1,714	(1,223)
Ore milled	kt	458	1,731	(1,273)
Milled Grade				
Copper	%	1.7%	1.6%	0.1%
Metal Production				
Copper	kt	6.1	23.8	(17.7)
Silver	koz	36	234	(198)
Costs				
Site Operating Costs [1]	$'000	76,395	173,380	(96,985)
C1 Costs [1, 2]	$'000	96,401	219,814	(123,413)
C1 Costs [1, 2]	US$/lb	4.76	3.00	1.76
AISC [1, 2]	$'000	117,478	272,357	(154,879)
AISC [1, 2]	US$/lb	5.80	3.71	2.09
Capital				
Sustaining capital	$'000	8,479	22,636	(14,157)
Capitalised development	$'000	8,910	18,300	(9,390)
Growth capital	$'000	0	0	0
Extreme Weather Event				
Recovery Expenses [1, 2, 3]	$'000	47,106	0	47,106
Profitability				
Revenue	$'000	74,607	286,913	(212,306)
EBITDA [1]	$'000	(30,845)	65,891	(96,736)

1. *Site Operating Costs, C1 Costs, AISC, Recovery Expenses* and *EBITDA* are non-IFRS financial information metrics. Refer to page 18 for important information regarding the use of non-IFRS financial information metrics in this report.
2. C1 Costs and AISC are cited excluding Recovery Expenses.
3. 29Metals reported recovery costs of $60,940,000 for the year ended 31 December 2023 in its Dec-Qtr-2023 report which included capitalised costs in relation to the Extreme Weather Event.

- Operating and financial results for the period were impacted by the Extreme Weather Event in March 2023 and subsequent suspension of operations, resulting in lower ore mined and ore milled, lower copper and silver production, and lower absolute C1 Costs and AISC (and higher C1 Costs and AISC unit costs, excluding Recovery Expenses).
- After the Extreme Weather Event, Capricorn Copper has made material progress towards re-establishing operations to levels consistent with those prior to the Extreme Weather Event, with:
  - the resumption of partial mining and milling operations from August 2023;
  - ongoing water management and reduction initiatives; and
  - commencement of dewatering and rehabilitation of ESS.
- Capital investment during the period included LOM TSF studies and new high-efficiency mechanical evaporators.
- Recovery expenses include physical remediation works and allocation of Site Operating Costs to support these activities. Recovery Expenses exclude capital remediation works in relation to the Extreme Weather Event and are not included in C1 Costs and AISC.

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Exploration Activities

Exploration activity during the Reporting Period was limited following the Extreme Weather Event at Capricorn Copper. Activity focused on resource conversion and extension drilling.

2023 Drilling	Unit	Exploration	Resources Extension	Resource Conversion
Golden Grove	Meters	0	768	15,255
Capricorn Copper	Meters	417	948	1,530

An overview of exploration performance for the Reporting period is set out below.

Golden Grove

Drilling focused on resource conversion and resource extension at the Cervantes, Tryall, Amity, and XE orebodies.

- Cervantes drilling focussed on converting the core of the known mineralisation with the aim of increasing confidence in the resource classification. The programme returned encouraging results which were reported in August 2023[7], including:
  - S23/008: 6.6m @ 17.8% Zn, 0.9% Cu, 1.5% Pb, 88g/t Ag, 0.7g/t Au, from 680.3m; and 36.7m @ 2.1% Zn, 2.4% Cu, 39g/t Ag, 1.3g/t Au, from 695m.
  - S23/010: 64m @ 2.9% Cu, 30g/t Ag, 0.2g/t Au, from 719.9m.
  - S23/014: 36.9m @ 18.4% Zn, 0.8% Cu, 1.4% Pb, 103g/t Ag, 1.2g/t Au, from 734.7m.
  - S23/015: 15.1m @ 3.5% Cu, 24g/t Ag, 0.3g/t Au, from 520.9m; and 40.9m @ 2.3% Cu, 11g/t Ag, 0.2g/t Au from 648m.
- Resource conversion drilling at XE focused on mineralisation at depth, with the orebody remaining open down-plunge.

Capricorn Copper

Drilling focused on ESS, Greenstone, and Mammoth. Activity was suspended after the Extreme Weather Event, as the site's focus transitioned to recovery efforts.

- At Mammoth, activity focused on resource extension and returned encouraging results which were reported in April 2023[8]. The drilling identified a new mineralised trend not previously identified approximately 310 metres laterally from the known Mammoth mineralisation. Key results included:
  - UDMAM22_110: 228m @ 1.2% Cu, 3g/t Ag, 50ppm Co, from 427m; including, 36m @ 3.9% Cu, 6g/t Ag, 188ppm Co, from 427m.

  A targeted drilling program to follow up these results commenced in late December 2023 and is continuing in the Mar-Qtr 2024.
- ESS drilling focused on down plunge resource extension and resource conversion. All drilling in the program intersected mineralisation, with resource extension drilling at depth intersecting broad copper, silver, and cobalt mineralisation outside 29Metals' current Mineral Resources estimates. Resource conversion drilling to the north is expected to extend mineralisation at depth and improve overall resource confidence. Key results include:
  - SDESS22_003_W3A: 70.0m @ 2.8% Cu, 26g/t Ag, 1083ppm Co, from 821m;
  - SDESS22_003_W2: 48.1m @ 2.7% Cu, 23g/t Ag, 1221ppm Co, from 878.9m; and
  - SDESS22_003A_W1: 23.0m @ 3.0% Cu, 10g/t Ag, 779ppm Co, from 737m. [9]
- Work on Capricorn Copper's regional tenement holdings advanced during the Reporting Period with field work (mapping and soil sampling) on prioritised targets and survey work undertaken on the southern extents of the mine site and Esperanza Fault Zone, to provide a greater understanding of the structures controlling mineralisation.

Redhill

No field exploration activity was undertaken in 2023, with work relating to Redhill limited to ongoing desktop evaluation of the ground southeast of the known Cutters mineralisation seeking to identify potential for additional mineralisation. Multiple scenarios have been developed for potential future project activities. In 2024, 29Metals will evaluate strategic options for Redhill.

[7] Refer to 29Metals' announcement entitled '*Cervantes – 2023 Drilling Program Update*' released to the ASX announcements platform on 17 August 2023 for full information regarding the drilling results, including Competent Person's statements and JORC Code Table 1 disclosures.

[8] Refer to 29Metals'announcement entitled '*Exploration Update – Capricorn Copper*' released to the ASX announcements platform on 12 April 2023 for full information regarding the drilling results, including Competent Person's statements and JORC Code Table 1 disclosures.

[9] Refer to 29Metals'announcement entitled '*Exploration Update – Capricorn Copper*' released to the ASX announcements platform on 12 April 2023 for full information regarding the drilling results, including Competent Person's statements and JORC Code Table 1 disclosures.

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FINANCIAL REVIEW

Price and FX

For the year ended 31 December		2023	2022	VAR
Copper	US$/t	8,477	8,823	(346)
Zinc	US$/t	2,646	3,493	(847)
Gold	US$/oz	1,943	1,801	142
Silver	US$/oz	23	22	1
Lead	US$/t	2,137	2,155	(18)
Australian dollar (period average)	AU$:US$	0.664	0.695	(0.031)
Australian dollar (at period end)	AU$:US$	0.684	0.678	0.006

Source: *FactSet*.

Average metal prices for copper and zinc during the Reporting Period were 4% and 24% lower than the prior period, respectively, in US$ terms. The average Australian dollar exchange rate for the Reporting Period of 0.664 was 4% lower than the prior period, partly offsetting the impact of lower metal prices on the Australian dollar value of US$ receipts.

Net Revenue

For the year ended 31 December		2023	2022	VAR
Copper concentrate	$'000	321,535	516,475	(194,940)
Zinc concentrate	$'000	92,380	181,627	(89,247)
Lead concentrate	$'000	25,462	0	25,462
Shipping revenue	$'000	9,873	15,911	(6,038)
Quotational Period ('**QP**') price adjustment	$'000	498	6,675	(6,177)
Total revenue	**$'000**	**449,748**	**720,688**	**(270,940)**
Copper metal revenue as a % of revenue[1]	*%*	*59%*	*59%*	*0%*
TCRCs netted off against revenue	*$'000*	*60,101*	*78,209*	*(18,108)*

1. Measured as copper revenues excluding unrealised QP gains/(losses) and TCRCs, divided by total revenue excluding unrealised QP gains/(losses) and TCRCs.

29Metals generates revenue from the sale of copper, zinc and lead concentrates produced at Golden Grove, and from the sale of copper concentrates produced at Capricorn Copper. Total concentrate revenue is reported net of TCRCs.

Revenue of $449,748,000 was 38% lower than the prior period, reflecting:

- a 38% reduction ($194,940,000) in copper concentrates revenue, on lower sales volumes and copper prices; and
- a 49% reduction ($89,247,000) in revenue from zinc concentrates, on lower sales volumes, lower payable precious metals content and materially lower zinc prices.

Lower copper and zinc concentrate sales revenue was partly offset by lead concentrates sales of $25,462,000 (2022: Nil).

A portion of the Group's sales are conducted on a Cost Insurance and Freight Incoterms ('**CIF**') basis, where the performance obligation includes providing freight and shipping services. As a result, a portion of the revenue generated from CIF sales is recognised as shipping revenue. Total shipping revenue for the period was $9,873,000 (2022: $15,911,000).

29Metals generally receives payment (and records revenue) for its mineral concentrates on a provisional basis based on the prevailing commodity prices at the time of shipment. Final payments for mineral concentrates include adjustments for the QP that applies to the shipment. Total QP adjustments for the period were $498,000 (2022: $6,675,000), reflecting a reduction in metal prices between the time of shipment and final invoice payments during the period.

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Gross profit / (loss)

For the year ended 31 December		2023	2022	VAR
Revenue	**$'000**	**449,748**	**720,688**	**(270,940)**
Mining costs	$'000	(257,241)	(284,455)	27,214
Processing costs	$'000	(95,365)	(136,826)	41,461
Site services costs	$'000	(31,326)	(54,013)	22,687
Depreciation and amortisation ('**D&A**')	$'000	(116,851)	(188,989)	72,138
Stockpile movements	$'000	12,275	17,995	(5,720)
Government royalties	$'000	(20,455)	(31,842)	11,387
Other production and selling costs	$'000	(23,142)	(38,669)	15,527
Inventory write down – NRV adjustment	$'000	(8,760)	0	(8,760)
Cost of sales	**$'000**	**(540,865)**	**(716,799)**	**175,934**
Gross (loss) / profit	**$'000**	**(91,117)**	**3,889**	**(95,006)**

Cost of sales of $540,865,000 was a decrease of 25% from the prior period, reflecting:

- a 19% reduction in Site Operating Costs, with lower activity levels resulting from the suspension of operations at Capricorn Copper, partly offset by higher unit rates under contract mining agreements at both operations as a result of the impacts of industry-wide inflation;
- a 38% reduction in D&A, with lower production rates resulting in lower depreciation of TSF assets;
- a stockpile movement credit of $12,275,000 (2022: $17,995,000), reflecting zinc concentrate inventories unsold at the end of the Reporting Period;
- a 36% reduction in royalty expenses and a 40% reduction in other production and selling costs, each reflecting lower sales volumes and commodity prices;
- the benefit of productivity and cost reduction initiatives; and
- a $8,760,000 (2022: Nil) inventory write down expense against ore on the ROM pad and concentrate stockpiles, being the difference between the cost attributed to these inventories and the assessed NRV at current commodity prices.

D&A

For the year ended 31 December		2023	2022	VAR
Property Plant & Equipment ('**PPE**')	$'000	27,667	63,823	(36,156)
Mine properties	$'000	67,867	92,756	(24,889)
AASB16 leases amortisation	$'000	24,085	32,774	(8,689)
Intangibles amortisation	$'000	45	46	(1)
Total D&A	*$'000*	**119,664**	**189,399**	**(69,735)**

Total D&A of $119,664,000 (2022: $189,339,000) includes D&A in relation to the Extreme Weather Event and head office charges not included in cost of sales. D&A was lower in the second half of the Reporting Period reflecting the impairment of PPE and Mine properties assets reported at the half-year.

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(NLAT)/Net Profit After Tax ('NPAT')

For the year ended 31 December		2023	2022	VAR
Gross (loss) / profit	**$'000**	**(91,117)**	**3,889**	**(95,006)**
Other income	$'000	916	201	715
Net loss on derivative financial instruments	$'000	(7,240)	(4,652)	(2,588)
Net foreign exchange loss	$'000	4,230	(12,198)	16,428
Administration expenses	$'000	(34,698)	(33,884)	(814)
Other expenses	$'000	(544)	0	(544)
Extreme Weather Event				
– Other income – Insurance proceeds	$'000	24,000	0	24,000
– Other income – proceeds from sale of gas	$'000	4,625	0	4,625
– Recovery expenses	$'000	(47,106)	0	(47,106)
– Inventories – NRV write down	$'000	(1,620)	0	(1,620)
– Depreciation and amortisation	$'000	(2,409)	0	(2,409)
– Asset impairment expense	$'000	(27,000)	0	(27,000)
Impairment expense relating to Capricorn Copper cash-generating unit ('**CGU**')	$'000	(170,000)	0	(170,000)
Write off of exploration and evaluation expenditure	$'000	(5,092)	0	(5,092)
Loss before net finance costs and income tax expense	**$'000**	**(353,055)**	**(46,644)**	**(306,411)**
Net finance costs	$'000	(29,336)	(19,172)	(10,164)
Loss before income tax expense	**$'000**	**(382,391)**	**(65,816)**	**(316,575)**
Income tax (expense)/benefit	$'000	(58,072)	18,594	(76,666)
(NLAT)/NPAT	**$'000**	**(440,463)**	**(47,222)**	**(393,241)**
Earnings per share ('**EPS**') (Basic)	cents	(79.9)	(9.8)	(70.1)

The Group recorded a loss before income tax expense of $382,391,000 (2022: $65,816,000), including:

- a $7,240,000 loss (2022: loss of $4,652,000) in realised and unrealised derivative financial instrument losses attributable to the Group's pre-IPO gold hedges;
- $34,698,000 (2022: $33,884,000) in administration expenses comprising corporate head office costs, Group insurance costs and other expenses directly relating to off-site administration expenses;
- $49,510,000 relating to the impacts of the Extreme Weather Event at Capricorn Copper, comprising:
  - $47,106,000 for Recovery Expenses incurred during the Reporting Period;
  - $1,620,000 for the NRV write-down of ROM inventories (as reported at the half-year);
  - $2,409,000 D&A;
  - a $27,000,000 non-cash asset impairment expense as a result of damage or loss to assets (as reported at the half-year);
  - $24,000,000 in insurance proceeds reported as other income; and
  - $4,625,000 other income from the on-sale of gas under the Capricorn Copper long term gas supply arrangements;
- non-cash impairment charges of $170,000,000 in relation to the Capricorn Copper CGU, as reported at the half-year (refer below);
- other expenses of $544,000 relate to an estimated increase in stamp duty payable in relation to the acquisition of the Golden Grove, LP Group on 2 July 2021. Refer to Note 22; and
- $29,336,000 (2022: $19,172,000) net finance costs, reflecting the impact of higher interest rates during the Reporting Period.

Due to uncertainties with respect to the timeframes for utilising accumulated tax losses, 29Metals has de-recognised DTAs of $58,072,000 at 31 Dec 2023. The de-recognition is recorded as income tax expense for the Reporting Period. Accordingly, no income tax benefit has been recognised in connection with tax losses incurred for the Reporting Period.

NLAT for the Reporting Period was $440,463,000 (2022: $47,222,000).

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Impairment and NRV Assessment

As a result of impairment indicators, a formal assessment of the carrying value of the Golden Grove and Capricorn Copper CGUs was completed at the half-year ended 30 June 2023 and at 31 December 2023, whereby each CGU's fair value less costs of disposal ('**FVLCD**') was compared against the carrying value.

For Capricorn Copper, the FLVCD included the forecast costs associated with the recovery of operations following the Extreme Weather Event.

A non-cash impairment charge of $170,000,000 was recorded for the Capricorn Copper CGU at the half-year. As a result of the impairment test performed as at 31 December 2023, no further impairment loss adjustment was required to be recognised.

D&A expenses for Capricorn Copper on a look-forward basis will reflect the value of assets post impairment.

There was no impairment recorded for the Golden Grove CGU.

A summary of the key assumptions and sensitivities in relation to the impairment assessment are included in Note 21 of the Consolidated Financial Statements.

Write downs at 31 December 2023 include a write-down of surface ore and concentrate stockpiles at both operating sites, predominantly as a result of changes in metal price assumptions, and comprise:

- an NRV write down of $990,000 relating to Capricorn Copper ore stockpiles;
- an NRV write down of $3,970,000 relating to Golden Grove zinc, copper and lead ROM ore and concentrate stockpiles; and
- an NRV write down of $3,800,000 relating to Golden Grove gold ore stockpiles.

For the year ended 31 December		2023	2022	VAR
Extreme Weather Event				
– Inventories – NRV write down	$'000	(1,620)	0	(1,620)
– Asset impairment expense	$'000	(27,000)	0	(27,000)
Impairment expense relating to Capricorn Copper cash-generating unit ('**CGU**')	$'000	(170,000)	0	(170,000)
Capricorn Copper Inventories – NRV write down	$'000	(990)	0	(990)
Golden Grove Inventories – NRV write down	$'000	(3,970)	0	(3,970)
Golden Grove Inventories – gold stockpiles	$'000	(3,800)	0	(3,800)
Total asset impairment expense and NRV write down	**$'000**	**(207,380)**	**0**	**(207,380)**

EBITDA

The Group recorded an EBITDA loss of $21,186,000 for the Reporting Period (2022: $151,579,000 EBITDA). A reconciliation of Group EBITDA to Group NLAT/NPAT for the Reporting Period is set out in the following table.

For the year ended 31 December		2023	2022	VAR
(NLAT)/NPAT	**$'000**	**(440,463)**	**(47,222)**	**(393,241)**
Add: Income tax expense / (benefit)	$'000	58,072	(18,594)	76,666
Add: Extreme Weather Event – asset impairment as a result of damage or loss	$'000	27,000	0	27,000
Add: Impairment expense relating to Capricorn Copper CGU	$'000	170,000	0	170,000
Write off of exploration and evaluation expenditure	$'000	5,092	0	5,092
Write down of inventory – stockpile	$'000	3,800	0	3,800
Add: Net finance costs	$'000	29,336	19,172	10,164
Add: Depreciation and amortisation	$'000	119,664	189,399	(69,735)
Add: Unrealised foreign exchange loss	$'000	(927)	4,172	(5,099)
Add: Net loss on derivative financial instruments	$'000	7,240	4,652	2,588
EBITDA[1]	**$'000**	**(21,186)**	**151,579**	**(172,765)**

1. *EBITDA* is a non-IFRS financial information metric. Refer to page 18 for important information regarding the use of non-IFRS financial information metrics in this report.

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A split of EBITDA[1] by reportable segment is tabled below.

For the year ended 31 December		2023	2022	VAR
Golden Grove	$'000	39,542	110,557	(71,015)
Capricorn Copper	$'000	(30,845)	65,891	(96,736)
Exploration, Corporate and Other	$'000	(29,883)	(24,869)	(5,014)
Total EBITDA [1]	**$'000**	**(21,186)**	**151,579**	**(172,765)**

1. EBITDA is a non-IFRS financial information metric. Refer to page 18 for important information regarding the use of non-IFRS financial information metrics in this report.

Derivative Financial Instruments

During the Reporting Period, the Group continued to cash settle outstanding pre-IPO commodity hedges for gold. The fair value of the outstanding pre-IPO gold hedges at 31 December 2023 was a liability of $11,033,000 (31-Dec-2022: $6,782,000 liability), with the increase in the amount reflecting the increase in the gold price in AUD terms.

Remaining gold hedges will cash settle over the period to October 2025. The volume and pricing of outstanding gold hedges at 31 December 2023 is summarised below.

Outstanding Gold Hedges	Ounces	$/ounce
Jan-Dec 2024	10,008	2,590
Jan-Oct 2025	10,842	2,590

Cashflows

For the year ended 31 December		2023	2022	VAR
Cashflow (used in) / from operating activities	$'000	(36,524)	155,690	(192,214)
Cashflow (used in) investing activities	$'000	(84,944)	(113,611)	28,667
Cashflow (used in) / from financing activities	$'000	112,742	(72,399)	185,141
Net increase / (decrease) in cash and cash equivalents	**$'000**	**(8,726)**	**(30,320)**	**21,594**
Effects of movements in exchange rates on cash held	$'000	(1,377)	4,810	(6,187)
Cash and cash equivalents at the beginning of the Reporting Period	$'000	171,962	197,472	(25,510)
Cash and cash equivalents at the end of the Reporting Period	**$'000**	**161,859**	**171,962**	**(10,103)**

Lower cashflows from operating activities primarily reflect the combined impacts of lower production and lower metal prices, together with cash outflows in relation to recovery activities following the Extreme Weather Event at Capricorn Copper.

Cashflows from operating activities includes the initial unallocated progress payment of $24,000,000 under the insurance claim in relation to the loss and damage suffered resulting from the Extreme Weather Event.

Financing cashflows include net proceeds of $146,052,000 derived from the Entitlement Offer, and drawdown of the Group's US$40,000,000 working capital facility, partly offset by payments for AASB16 lease liabilities, and net interest and principal payments under the Group's debt facilities.

Net Drawn Debt and Total Liquidity

29Metals repaid US$32,000,000 ($48,534,000) of principal against the Group's term loan facility during the Reporting Period, reducing the drawn amount to US$106,000,000 at 31 Dec 2023 (2022: US$138,000,000). Drawn Debt at 31 Dec 2023 includes US$40,000,000 from the Group's working capital facility drawn down during the Reporting Period.

Net Drawn Debt [1]		31-Dec-2023	31-Dec-2022	VAR
Term loan facility	$'000	153,207	198,359	(45,152)
Working capital facility	$'000	58,997	0	58,997
Insurance premium funding	$'000	5,007	0	5,007
Drawn Debt [1]	**$'000**	**217,211**	**198,359**	**18,852**
Cash and cash equivalents [2]	$'000	161,859	171,962	(10,103)
Net Drawn Debt [1]	**$'000**	**55,352**	**26,397**	**28,955**
US$ balances included in cash and cash equivalents	*US$'000*	*13,759*	*47,152*	*(33,393)*

1. *Drawn Debt* and *Net Drawn Debt* are non-IFRS financial information metrics. Refer to page 18 for important information regarding the use of non-IFRS financial information metrics in this report.
2. Excludes cash balances set aside for rental security deposits and IPO proceeds retained by 29Metals under the Cash Backed Indemnity Deed. Refer to Note 38 of the Annual Financial Report for further information regarding the Cash Backed Indemnity Deed.

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At 31 December 2023, the Group had Total Liquidity of $161,859,000 (31 December 2022: $230,962,000).

Total Liquidity [1]		31-Dec-2023	31-Dec-2022	VAR
Cash and cash equivalents	$'000	161,859	171,962	(10,103)
Available to be drawn under the working capital facility	$'000	0	59,000	(59,000)
Total Liquidity [1]	**$'000**	**161,859**	**230,962**	**(69,103)**

1. Total Liquidity is a non-IFRS financial information metric. Refer to page 18 for important information regarding the use of non-IFRS financial information metrics in this report.

In the context of ongoing engagement regarding the impacts of the Extreme Weather Event and ongoing recovery efforts, 29Metals' lenders provided covenant relief under the Group's corporate debt facilities at 31 December 2023.

Final settlement of stamp duty in relation to the acquisition of Golden Grove remained outstanding at the end of the Reporting Period. 29Metals has recognised a $26,978,000 accrual for stamp duty at 31 December 2023, an increase of $544,000 from the amount recognised at 30 June 2023 following engagement with RevenueWA on its assessment of stamp duty payable.

MATERIAL BUSINESS RISKS

29Metals' business, and operating and financial performance, is subject to risks and uncertainties, some of which are beyond 29Metals' control.

29Metals has a risk management framework in place to:

- identify and evaluate risks and opportunities to 29Metals' business performance and objectives;
- identify and implement controls and other actions to mitigate the impact of risks and capture opportunities; and
- review the effectiveness of controls and other actions to mitigate risk.

Risks and uncertainties are assessed by reference to the potential for: harm or injury; impact on delivery against the Group's operating plans; financial impact; environmental harm; non-compliance with regulatory obligations; harm to relationships with stakeholders; and harm to the reputation of the Company. In most instances, identified risks have the potential to impact across more than one of these dimensions outlined above.

The table below outlines those risks that 29Metals' has identified as having the potential to have a material adverse impact on 29Metals business performance and/or operating and financial results. The risks outlined in the table are not intended to be an exhaustive description of the risks and uncertainties that may impact on 29Metals.

Additional risks and uncertainties that 29Metals may be unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect 29Metals' operating and financial performance or position. Many of the risks described below are outside the control of 29Metals, its Directors and Management. There is no guarantee that 29Metals will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate.

Material business risk	Discussion
Regulatory approvals	29Metals' mining operations are subject to a range of regulatory approval and licencing requirements prescribed under applicable laws in each jurisdiction in which 29Metals operates. 29Metals' business performance and future operating and financial results are dependent upon 29Metals obtaining, in a timely fashion, and maintaining regulatory approvals and licences required to support current and future mining operations. Regulatory frameworks are complex and subject to change, including as a result of changes in government or government policy, changes in community expectations, and the intervention of the Courts. In addition, regulatory approval and licencing processes may be protracted due to internal government decision-making processes (which involve the exercise of discretion and may be unpredictable), and statutory and other rights of stakeholders, including the public, non-government organisations and anti-mining groups, in relation to proposed approvals and licences. Failures or delays in obtaining relevant regulatory approvals and licences in a timely manner, or failures to maintain relevant regulatory approvals and licences, may result in a range of adverse impacts on 29Metals, including: ▪ requiring 29Metals to change operating plans to maintain operations within existing approval and licence parameters, such as reducing production rates to extend existing tailings storage facilities' capacity, and, in certain circumstances may result in 29Metals suspending operations or entering a period of care and maintenance pending further approvals; ▪ delays or changes to development plans; ▪ changes to the economic viability of 29Metals' development projects which, in turn, may adversely impact 29Metals' growth objectives and result in a revision of Mineral Resources and Ore Reserves estimates, or an impairment of the carrying value of 29Metals' assets; and ▪ any failure to obtain or maintain relevant regulatory approvals and licenses which causes any of the above events may adversely impact 29Metals' operational and financial position. 29Metals has ongoing regulatory approval processes at both of its operating sites, including approvals relating to increases in tailings storage capacity at Capricorn Copper, as well as approvals that will be required to support the production outlook for Golden Grove. At Capricorn Copper specifically, regulatory approvals are required to maintain continuous capacity for the storage of tailings produced from mineral processing. The applicable regulatory approval process is underway, and the Company is engaging very closely with regulatory stakeholders. Existing tailings capacity at Capricorn Copper is expected to be fully utilised at approximately the end of April 2024. If regulatory

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Material business risk	Discussion
	approvals are not obtained prior to full utilisation of existing tailings storage capacity, 29Metals may need to place Capricorn Copper into a state of care and maintenance.
Metal prices	29Metals' revenue is dependent upon the market prices for the metals that 29Metals produces from its mining operations (in the form of mineral concentrates). Market prices for metals are subject to fluctuation, including material fluctuations, due to a range of factors outside of 29Metals' control, including changes in the current or forecast supply and demand for relevant metals, the availability and cost of substitute products, currency exchange rates, inventory levels maintained by users, the cyclicality of consumption, actions of other participants in commodities markets, adverse weather incidents and operational challenges which affect supply, general global, regional and local economic activity, and other international macroeconomic and geopolitical events. Metals price fluctuations may have an adverse impact on the operating performance and financial condition of 29Metals. 29Metals' exposure to commodity prices may be exacerbated by: ▪ the nature of contractual arrangements for the sale of mineral concentrates, which typically apply a quotational periods concept where the price received by 29Metals is determined as the price prevailing in the months (typically 1 to 3 months) following shipment. As a result, the realised metal price for 29Metals' products will generally differ (potentially materially) from the market price for the relevant metals at the time of production out-turn and shipment; and ▪ links between the charges that 29Metals pays for the treatment and refining of mineral concentrates ('**TCRCs**') and underlying commodity prices, whereby, if underlying commodity prices increase, the price paid for TCRCs may also increase.
Underground mining risks	29Metals undertakes mining operations by applying underground mining techniques. Underground mining operations are subject to various risks, including geotechnical risks and seismicity, factors affecting productivity (including ventilation) and maintaining development rates to provide access to ore for mineral processing. Geotechnical risks 29Metals is subject to geotechnical risks which arise from changes in the stresses, seismicity and/or stability of the rock formations that surround ore and waste material once that material has been extracted by mining, along with general seismicity risks which may result in sudden movement of underground workings. Geotechnical conditions can be unpredictable and failures in current or historic mined areas, in the form of the material collapsing into stopes or development voids, may occur without warning. These events are beyond the control of 29Metals, and the occurrence of one or more of these events may result in property or equipment damage, injury to employees, major operational disruptions, the incurring of additional costs to restore access to affected areas and financial or regulatory penalties. Productivity risks Productivity in underground mining operations is subject to various factors, including labour and equipment availability. In addition, to maintain productivity, 29Metals must extend and expand infrastructure to support underground mining operations, notably ventilation infrastructure to ensure that temperature and air quality in the underground mining operations are suitable for human health and safety. Maintaining adequate ventilation infrastructure to support 29Metals' underground mining operations, particularly as development and mining activity progresses to greater depths, is, in turn, dependent on the availability and timely supply of ventilation assets by suppliers, and the ability to successfully operate ventilation assets to meet 29Metals' requirements. An inability to maintain adequate ventilation may adversely impact 29Metals' ability to continue its underground mining operations, or to continue underground mining at planned mining rates, and accordingly impact its revenue, operational performance and financial condition as a result. Development rate risks 29Metals' underground mining operations rely upon development activities to progressively access new production areas in accordance with the mine plan and schedule. 29Metals' ability to execute planned development activities is dependent upon a number of factors, including labour availability, the performance of mining equipment and the availability and performance of mining contractors. If 29Metals is unable to access new production areas, it may require adjustments to the mine plan and schedule which may impact 29Metals' ability to meet its production estimates and adversely affect its future financial performance.
Extreme weather events	The frequency and severity of extreme weather or natural environmental disasters, such as heavy rainfall and flooding, including as a result of Climate Change, are difficult to predict. Extreme weather events may impact 29Metals operations directly or indirectly, adversely impacting 29Metals' operating and financial performance. For example, an extreme weather event in March 2023 at Capricorn Copper resulted in flooding of the Esperanza South sub-level cave underground mine and caused major damage to key site infrastructure such as the workshop, warehouse and water treatment plant, as well as a significant increase in mine-affected water inventory held on site, resulting in the suspension of mining activities and significant additional costs to reduce accumulated water inventory on site and reinstate affected infrastructure. Extreme weather events such as the Capricorn Copper event, or other extreme weather events of a different nature which may occur in the future, may have a material adverse effect on 29Metals' cash flow, operating performance and financial condition.
Regulatory compliance	29Metals' business activities are subject to complex regulatory compliance and reporting requirements, including regulation covering environmental matters, native title, mining permitting and licensing, workers compensation, health and safety matters, and corporate reporting. The regulatory requirements applying to 29Metals vary between the jurisdictions in which 29Metals conducts its business and are subject to change as a result of a number of factors, including changes in government, changes in government policy and interpretation, and community expectations. Any failure to comply with regulatory requirements may damage 29Metals' reputation and brand, including through negative publicity and disputes, which may require costly remediation and adversely affect its financial performance and share price. In addition to the financial and reputational consequences of non-compliance, there are material costs associated with the increasingly complex compliance requirements, including compliance costs associated with addressing long term compliance challenges that are a result of long-term mining operations. Significant increases in compliance costs may be difficult to absorb for 29Metals and may adversely affect its operational and financial performance.
Operating costs and capital expenditure	29Metals' business, operating performance and financial performance may vary according to a variety of factors, including the cost of key production inputs and factors specific to each mine site (such as changing ore characteristics, metallurgy and geotechnical conditions). Many of these factors are beyond the control of 29Metals. The price of key production inputs is driven by changes in international markets (including commodity prices, exchange rate movements and capital markets conditions) and domestic markets (including wage increases and general cost escalation) and are outside of 29Metals' control. For example, demand for key production inputs and consumables or general cost inflation of such inputs may result in price increases for which impacts may include: ▪ changes in operating plans to reduce production input and consumable requirements; ▪ delays to development projects and/or deferral of investment decisions by 29Metals;

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Material business risk	Discussion
	▪ changes to the economic assumptions underpinning 29Metals Ore Reserves and Mineral Resources estimates which, in turn, may result in an adverse revision of mineral inventory; and ▪ review of the carrying value of its assets, which may result in impairment charges. As such, macroeconomic factors influencing demand for key production inputs mean that 29Metals could face higher operating and capital costs in the future, which could adversely impact its profitability. If 29Metals' operating costs and capital expenditure exceed budgeted amounts this could adversely impact its financial position and its reputation.
Unexpected failure of equipment	29Metals' mines and associated processing plant and equipment are subject to general risks arising from incidents such as critical mechanical failures, fire, damage via corrosion of aged infrastructure, loss of power supply, failure to meet contractual specifications (including in relation to performance) and difficulties during commissioning. The occurrence of any such incident could interrupt 29Metals' operations and adversely affect 29Metals' operating and financial performance. The impact of equipment failure is also influenced by the availability and performance of specialised suppliers and contractors to repair or replace damaged equipment, including lead times, as well as 29Metals' ability to exercise its contractual rights (which is subject to the liquidity and financial strength of its counterparties). Unexpected costs or delays in replacing or repairing the specialised equipment used by 29Metals may impact 29Metals' ability to meet its forecasts and profitability and may have a material adverse effect on 29Metals' financial performance, general prospects and competitive position.
Mineral exploration and project development	29Metals aims to grow its production and extend mine-life through its pipeline of organic growth opportunities. The time between discovery of economically viable deposits to commercial production is highly variable and has been extending in recent years as a result of various factors, including capital requirements, changes to regulatory approval requirements and the complexity and depth of target deposits. Expansion of existing operations and development of new projects are capital intensive and often involve significant expenditure prior to a final decision to proceed, including significant investment in studies and regulatory approval requirements. While the exploration and development phases of a project are both time and capital intensive, there is no guarantee that an investment by 29Metals in mineral exploration and project development will result in a profitable mining operation. The actual costs to expand operations or develop a new project, along with the operating performance once brought into commercial production, may also vary significantly from estimates, reflecting the duration of the period between an estimate and commencing commercial production, and changes in material considerations (for example, changes in market conditions, commodity prices and capital costs) over that period. Cost overruns and delays in the project development phase may adversely affect 29Metals' profitability, operational performance and financial position.
Mineral Resources and Ore Reserves estimates	The estimation of Mineral Resources and Ore Reserves is imprecise and involves: ▪ interpretation of geological data obtained through exploration drilling and other exploration activities; ▪ the exercise of technical judgement and material assumptions regarding (among other things) future commodity prices, operating costs, and capital costs, orebody characteristics and metallurgical recovery performance; and ▪ statistical and other analyses. There can be no guarantee that 29Metals' Mineral Resources estimates will be converted to Ore Reserves, or that material included in 29Metals' Ore Reserves estimates will be successfully produced. Nor can there be any guarantee that 29Metals' exploration activities will result in the discovery of new material, or reclassification of material previously discovered, to be included in Mineral Resources and Ore Reserves estimates. In addition, changes in factors outside of 29Metals' control, such as adverse changes to long term forecasts of commodity prices, may result in an adverse change to 29Metals' Mineral Resources and Ore Reserves estimates.
Changes in currency foreign exchange rates	29Metals' mineral concentrate products are priced in US dollars while its operating costs are primarily Australian dollar costs. In addition, 29Metals has debt facilities denominated in US dollars and its cash reserves comprise a combination of Australian and US dollars. As a result, 29Metals' financial performance is exposed to relative movements in the US dollar to Australian dollar exchange rate and any adverse movements may therefore adversely affect the operational performance and financial condition of 29Metals.
Attracting and retaining qualified and experienced workforce	29Metals' business is dependent upon 29Metals' ability to attract and retain a workforce with the appropriate skills and experience to execute 29Metals' business plans and ensure 29Metals meets its obligations. The market for personnel with the requisite skills and experience is highly competitive, particularly in Western Australia, and is subject to general labour market conditions and other factors, such as changes in Government policy regarding skilled migration, which are outside of 29Metals' control. Tight general labour market conditions are expected to remain in the nearer term. Impacts associated with attracting and retaining a suitably skilled and experienced workforce include: ▪ changes to 29Metals' operating plans to manage available human resources; ▪ risks associated with staff turnover, including additional costs to train new personnel and the potential for health and safety incidents as a result of new personnel being unfamiliar with the specific environment and risks at 29Metals' operating sites; and ▪ incurring additional costs to implement attraction and retention strategies in the competitive landscape. Each of the above factors may adversely affect 29Metals' operational performance, margin or otherwise affect its overall financial condition.
Occupational health and safety	Site safety and occupational health and safety outcomes are critical to 29Metals' reputation and its ability to retain necessary regulatory approvals. Certain events (including accidents, seismic events and underground fires) may be outside the control of 29Metals, and a serious site incident could have adverse operational and financial impacts upon 29Metals' business, as well as its personnel and reputation. In addition, 29Metals' business is subject to various OH&S legislative and regulatory requirements, which may become more stringent or the subject of stricter interpretation or enforcement. If 29Metals fails to comply with these requirements, it could result in fines, penalties and compensation for damages as well as reputational damage to 29Metals, and possible suspension of operations.
Reliance on contractual counterparties	29Metals is reliant upon contractual counterparties, both in the delivery of 29Metals' operating and business plans, and the sale of 29Metals' mineral concentrate products. Contractors and suppliers

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Material business risk	Discussion
	29Metals utilises contractors to plan and execute its current and future mineral exploration and mining operations activities, including for the performance of specialised services (such as drilling and specialised maintenance) and for the supply of equipment, infrastructure and parts (for example, ventilation assets). Notably, 29Metals has also deployed contract mining at both its operating sites. 29Metals relies on these contractors and suppliers to provide the equipment and human resources to execute the contracted activities. Contractors and suppliers are also subject to labour market pressures (impacting the ability to attract and retain suitably skilled and experienced personnel), supply chain risks (impacting on the availability of equipment) and costs inflation as 29Metals, which contractors and suppliers may seek to pass on to 29Metals, including via contractual rise and fall terms. If 29Metals cannot pass on price increases from its suppliers to its customers, 29Metals' profitability and margin may be adversely impacted which, in turn, may result in a failure to meet forecasts, and adversely affect 29Metals' share price, financial performance and prospects. In addition, any renewal on unfavourable terms, or any failure to renew or other early termination, of material contracts may have an adverse impact on 29Metals' operating and financial performance. Customers 29Metals relies on its customers performing their obligations under 29Metals' concentrate offtake arrangements. In the period 2023-2025 (inclusive) the majority of 29Metals' mineral concentrate products are committed to a single contractual counterparty, Trafigura Pte Ltd ('**Trafigura**'). Given this significant level of customer concentration, if Trafigura were to terminate its existing offtake arrangements, this may have a significant adverse impact on 29Metals' financial performance and prospects. Any renewal on unfavourable terms, or any failure to renew or other early termination, of 29Metals' concentrate sales contracts could have an adverse impact on 29Metals' operating and financial performance. Further, 29Metals is exposed to credit risk in relation to its customers. If amounts due to 29Metals under its sales contracts are not paid in a timely manner or at all, it may have adverse consequences for 29Metals' cashflow and broader financial position.
Access to capital and capital management	To maintain operations and meet its growth objectives, 29Metals may, in the future, require access to debt and/or equity capital markets. Access to capital markets may be impacted by a variety of factors, including 29Metals' existing levels of financial indebtedness, general changes in global capital markets and changes in lending criteria in relation to sustainability and ESG performance. Many of these factors are outside of 29Metals' control, and an inability to access additional funding, either through debt or equity capital markets, may limit 29Metals' flexibility in planning for, or reacting to, changes in 29Metals' industry, increase its vulnerability to general adverse economic, industry and regulatory conditions, limit its ability to fund future working capital, capital expenditure, general corporate requirements, to engage in future development activities, or place 29Metals at a competitive disadvantage compared to its competitors that have less debt or fewer financial commitments. The occurrence of any of the above factors may have a material adverse effect on the financial and operating performance of 29Metals
Debt facilities and future covenants	29Metals' ability to service its debt depends upon its financial position, performance and cashflows which are subject to factors beyond the control of 29Metals. If 29Metals is unable to meet its repayment obligations, it may face additional financial penalties, higher interest rates or difficulty obtaining further funding in the future. There is also a risk that any covenants related to financial performance and position may be breached and the facility may be repayable sooner than anticipated. 29Metals has been granted certain covenant waivers. If, for any reason, 29Metals requires further covenant waivers in the future there is no guarantee that any covenant waivers which may be requested by 29Metals in the future will be granted. 29Metals is also subject to the risk that it may not be able to refinance its debt facilities when they fall due or that the terms (including in relation to pricing) on refinancing will be less favourable than the existing terms. If there is a deterioration in the level of debt market liquidity, this may prevent 29Metals from being able to refinance some or all of its debt.
Climate Change	Climate Change exposes 29Metals to a range of risks, as well as opportunities associated with the global transition to a greener economy. Risks to 29Metals as a direct or indirect result of Climate Change may include: ▪ increases in the frequency or severity of extreme weather events or natural disasters (refer above regarding the risk and potential impact of extreme weather events); ▪ changes to the regulatory environment for 29Metals' business, including the inclusion of Climate Change considerations in regulatory approvals, and the imposition of tariffs and other imposts on cross border supply chains; and ▪ changes to the availability and accessibility of debt capital and insurance. Direct impacts of Climate Change may vary geographically, and may include one or more of changes in rainfall patterns, drought-induced water shortages, increases in the occurrence and intensity of extreme weather events (including bushfires, storms and floods), and rising temperatures. The occurrence of such events, or an increase in the frequency and severity of such events, could result in damage to 29Metals' mine sites and equipment, interruptions to critical infrastructure such as transport, water and power supply, or loss of productivity, and increased competition for, and the regulation of, limited resources (such as power and water). Each of the above events, either individually or in combination, may have a material adverse effect on 29Metals' operational condition and financial performance.
First Peoples, host communities and other stakeholders	29Metals' relationships with the community and other stakeholders, including First Peoples and regulatory authorities, are critical to the continuation and long-term success of 29Metals' business. Fostering and maintaining a social licence to operate in respect of a mining project is a key component of sustainability & ESG, without which it can be very difficult to, among other things, secure necessary permits or arrange financing. Although 29Metals is committed to building and maintaining positive relationships with the communities near its mines, it may engage in activities that have, or are perceived to have, adverse impacts on local communities and other stakeholders, cultural heritage, human rights, and the environment, which may delay or prevent 29Metals from acquiring the relevant permits and approvals to comply with its regulatory obligations. Any failure to acquire the relevant approvals may result in suspension or delay in mining operations which would adversely affect 29Metals' operational and financial performance (refer above for further information regarding risks associated with regulatory approvals). In addition, 29Metals' current operating assets are mature assets with long operating histories. Perceptions and expectations of stakeholders may change over time, including changes in aspirations and the expectations of local communities with respect to 29Metals' contributions to employee health and safety, infrastructure, community development, and environmental management. In turn, community and other stakeholder attitudes to 29Metals' business and operations may have an impact on 29Metals' ability to secure and maintain regulatory approvals, which may subsequently adversely affect 29Metals' operational and financial performance.
Cultural heritage	29Metals must ensure that its operations do not interfere with or impact upon identified sites of cultural significance to First Peoples. Following the events at Juukan Gorge in Western Australia, the risk to projects associated with Aboriginal heritage and cultural values has increased. While changes to Aboriginal cultural heritage legislation in Western Australia have been repealed, there remains a risk of changes

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Material business risk	Discussion
	to processes and approvals in the jurisdictions that 29Metals conducts its business that require significant engagement and preferably agreement with the First Peoples groups may be required in the future, which may increase the timeframe and cost of project development, and potentially impact ongoing project activities where there is further surface disturbance. 29Metals does not have formal heritage agreements with traditional owners, which means there is no agreed heritage management process for identifying and addressing potential impacts on Aboriginal heritage and managing the impacts of activities on Aboriginal heritage values. However, 29Metals manages this risk through heritage management plans prepared in consultation with traditional owner groups, and heritage clearances have been obtained for all areas of disturbance at 29Metals' operating sites. However, if 29Metals' were to breach or otherwise fail to comply with cultural heritage regulations or these plans, the cost of curing a breach or resolving associated enforcement actions initiated by government authorities may be significant and may adversely impact 29Metals' reputation and financial position.
Impairment	Assets on 29Metals' balance sheet, including plant and equipment, mine properties, mineral rights, exploration and evaluation, and inventory, and other assets such as deferred tax assets, may be subject to impairment risk. Impairment assessments require the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, exploration potential, reserves, operating performance (which includes production and sales volumes), and future recoverability. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or cash generating units. In such circumstances, some or all of the carrying amount of the assets/cash generating units may be impaired, with the impact recognised in the Consolidated Statement of Comprehensive Income.
Future rehabilitation liabilities	29Metals is required to include provisions in its financial statements for future rehabilitation and remediation costs. Estimating the likely quantum of such costs involves making assumptions as to mine life (which, in turn, is influenced by estimates regarding future commodity prices), the extent of disturbance and contamination, and the forecast cost of future rehabilitation and closure activities. As such, no assurance can be given as to the accuracy of 29Metals' current provisions for future rehabilitation and closure costs, and actual costs may be substantially greater. Increases in future rehabilitation and closure costs may impact 29Metals via: ▪ adversely impacting the overall financial position of 29Metals; ▪ adversely impacting the economic assumptions underpinning 29Metals' Mineral Resources and Ore Reserves estimates, in turn resulting in an adverse revision to estimates which underpin mine life; and ▪ review of the carrying value of 29Metals' assets, which may result in impairment charges. In certain jurisdictions where 29Metals conducts mining operations now or in the future, such as Queensland where Capricorn Copper is located, 29Metals may be required to provide a surety against future rehabilitation and closure liability, in the form of performance bonds or bank guarantees. The quantum of the surety is determined by the relevant regulatory authority having regard to an assessment of disturbance and contamination, and other criteria determined by the regulatory authority (from time to time).
Geopolitical conditions	29Metals' business may be impacted directly or indirectly by geopolitical factors outside of 29Metals' control. For example, under 29Metals' mineral concentrate sales arrangements, 29Metals may be required to deliver concentrate to ports in China which presents risks given ongoing geopolitical tension between Australia and China and instances where it has been reported that certain Chinese state-owned utilities and steel mills had been verbally instructed by China's General Administration of Customs to stop importing thermal and metallurgical coal from Australia with immediate effect. While the customer under 29Metals' mineral concentrate contracts may elect for one or more shipments of 29Metals' mineral concentrates to be delivered to ports outside of China (such as South Korea), under the relevant offtake agreements 29Metals assumes the risk and the costs for changes in shipment locations. The costs associated with such an election by the customer may be material, and as a result may adversely affect 29Metals' profitability, operational performance and overall financial position.

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DEFINITIONS OF NON-IFRS FINANCIAL INFORMATION & METRICS

Metric	Definition
AISC	is *all-in sustaining costs*, and is calculated as C1 Costs plus royalties cost, corporate costs, sustaining capital and capitalised development costs, but excludes growth capital, exploration and Recovery Expenses. AISC is cited is US$ per pound of payable copper sold and in $'000 terms.
C1 Costs	is mining costs, processing costs, maintenance costs, site general & administrative costs, realisation costs (including shipping and logistics costs), and treatment and refining charges, adjusted for stockpile movements and net of by-product credits (proceeds from non-copper metal sales), but excludes Recovery Expenses. C1 Costs is cited in US$ per pound of payable copper sold and in $'000 terms.
Drawn Debt	is amounts drawn under Group debt facilities and insurance premium funding facilities as reported in accordance with Australian Accounting Standards, excluding bank guarantees issued under the Group bank guarantee facility.
EBITDA	is earnings before finance income, finance costs, any unrealised foreign exchange gains or losses, any realised and unrealised gains or losses on derivative financial instruments, asset impairment as a result of damage or loss from the Extreme Weather Event at Capricorn Copper, impairment expense relating to the Capricorn Copper cash-generating unit, write down of inventory (excluding NRV inventory write downs), write-off of exploration and evaluation expenditure, income tax expense/(benefit) and depreciation and amortisation. Because it eliminates all gains and losses on forward commodity contracts (copper) and swaps (gold), impairment expenses, the non-cash charges for D&A, and unrealised foreign exchange gain or losses, 29Metals considers that EBITDA is useful to help evaluate the operating performance of the business without the impact of those items, and before finance income and finance costs and tax charges, which are significantly affected by the capital structure and historical tax position of 29Metals. A reconciliation of EBITDA to NPAT/(NLAT) is set out on page 72 of this report.
Net Drawn Debt	is Drawn Debt less cash and cash equivalents (excluding cash held as rental security deposit and EMR Capital IPO proceeds retained by 29Metals under cash backed indemnity arrangements described in section 10.6.12.3 of the 29Metals Prospectus). 29Metals uses this measure to understand its overall credit position. Investors should be aware that cash and cash equivalents may be required for purposes other than debt reduction.
Recovery Expenses	is costs incurred in relation to the Extreme Weather Event at Capricorn Copper. Recovery Expenses include physical remediation works and allocation of Site Operating Costs to support these activities. Recovery Expenses exclude capital remediation works in relation to the Extreme Weather Event and are not included in C1 Costs and AISC.
Site Operating Costs	is the sum of mining costs, processing costs and site services costs as shown in 29Metals' Cost of Sales. Site Operating Costs are shown net of AASB16 leasing adjustments. Mining costs exclude capitalised mine development costs. Site Operating Costs exclude Recovery Expenses.
Total Liquidity	is the sum of cash and cash equivalents (excluding cash held as rental security deposit and EMR Capital IPO proceeds retained by 29Metals under cash backed indemnity arrangements described in Note 38 of the Consolidated Financial Statements), and funds available to be drawn under 29Metals' working capital facility.

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Letter from the Chair of the Remuneration & Nominations Committee

Dear Shareholders

On behalf of the Board, I present the 2023 Remuneration Report for 29Metals Limited.

This Remuneration Report outlines:

- 29Metals' remuneration framework, including changes to the remuneration framework implemented in 2023; and
- how the Board has applied the remuneration framework to determine the remuneration outcomes for our key management personnel ('**KMPs**').

For transparency, this Remuneration Report also outlines the terms of the CEO Transition announced on 14 December 2023.

2023 year in review

On any assessment, 2023 was a challenging year for the Company, our team and our shareholders. There is no question that the extreme weather event at Capricorn Copper in March 2023 had a material impact on the business and performance. In so doing, that event also fundamentally changed our plans for the year and the demands on our people.

In some respects, the results achieved by the business, particularly at Capricorn Copper, both during the extreme weather event and in the recovery plan executed since, have been impressive, and showed that we have a team that works together to find solutions to difficult challenges. However, even after taking account of the impact of an event that was out of our control, the performance for the year was below our expectations and the expectations of the owners of the Company - our shareholders. The Board's approach to remuneration outcomes for the year reflects our assessment and a desire to strike a reasonable balance.

2023 remuneration outcomes

The Board's objective in considering remuneration outcomes for 2023 is to:

- acknowledge the elements within and outside of our control that had a direct impact on performance;
- retain and motivate executive KMPs to drive the behaviours and performance required to return the Group to profitability;
- reward substantial efforts during a very difficult year but recognise disappointing Group performance; and
- recognise the decrease in shareholder value over 2023.

The outcome of this balancing exercise is reflected in both the quantum and structure of the 2023 STI outcomes determined by the Board.

The overall STI outcome for executive KMPs have been set at between 58% and 69% of the target STI opportunity. Importantly, however, the Board has determined that the vast majority of the STI outcome will be delivered in the form of deferred equity – 100% of the STI award to the Managing Director & CEO and 85% of the STI award to other executive KMPs will be delivered as performance rights.

In addition, to ensure that the remuneration outcomes delivered to executive KMPs are directly aligned to shareholder value, the Board has determined to apply a "face value per performance right" of $0.69 – the same price that our shareholders paid to acquire rights in the Entitlement Offer completed last year and substantially higher than the current disappointing share price. This will ensure that in order that executive KMPs receive the value of the STI outcome determined by the Board, there will need to be a significant improvement in the Company's share price over the vesting period.

Looking ahead to 2024

At the time of writing, the Board is actively considering changes to the remuneration framework which would:

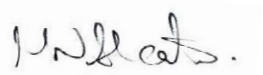
- increase the proportion of executive STIs that are typically delivered as deferred equity; and
- reduce the cash cost of Non-executive Director fees to the Company in the current circumstances.

We expect to provide detail of these changes at the AGM in May. Other than these matters, the Board does not propose any substantial changes to the remuneration framework in 2024.

As always, the Board will be closely examining the manner in which we set targets for performance-based remuneration to strengthen the link between remuneration outcomes for KMPs and shareholder value.

We welcome feedback from shareholders on this Remuneration Report and our approach to KMP remuneration, and we thank all our shareholders for their continued support.

Yours sincerely,



Martin Alciaturi
Independent Non-executive Director
Chair, Remuneration & Nominations Committee

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Remuneration Report

Section	Description	Page
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Section 3 Overview of KMP remuneration at 29Metals	Section 3 provides an overview of 29Metals' approach to remuneration, including governance, changes to the 29Metals' remuneration arrangements for KMPs proposed to be implemented in 2024, and the terms of executive services arrangements Section 3 also includes an outline of the terms agreed for the CEO Transition	39
Section 4 Executive KMP remuneration outcomes for 2023	Section 4 outlines the remuneration outcomes for executive KMPs for 2023, including details of the '*take-home pay*' for KMPs, and performance-based remuneration outcomes and details of performance rights awarded to executive KMPs (including fair value calculations for accounting purposes)	45
Section 5 Non-executive Director remuneration	Section 5 outlines the structure of remuneration for Non-executive Directors, including Board and Committee fees, and the operation of the NED Salary Sacrifice Share Plan	53
Section 6 KMP equity interests	Section 6 outlines 29Metals' minimum shareholding policy for KMPs and the interests in 29Metals securities held by KMPs, including interests awarded to executive KMPs under performance-based remuneration arrangements	55
Section 7 Other KMP transactions	Section 7 outlines details of any other transactions between 29Metals and KMPs	57
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Directors' Report
Remuneration Report

1. Introduction

This is the Remuneration Report for 29Metals Limited ('**29Metals**' or, the '**Company**') detailing the remuneration arrangements for 29Metals' key management personnel ('**KMPs**') for the period commencing on 1 January 2023 and ending 31 December 2023 (the '**Reporting Period**').

The comparative remuneration information included in this Remuneration Report covers the period 1 January 2022 to 31 December 2022.

This Remuneration Report forms part of the Directors' Report for 29Metals and its controlled entities (together, the '**Group**') for the year ended 31 December 2023 and has been audited in accordance with section 300A of the Corporations Act (except as otherwise stated).

29Metals' 2022 Remuneration Report is included in the 29Metals 2022 Annual Report, available on 29Metals' website at https://www.29metals.com/investors/results-and-reports.

1.1 Key Management Personnel

29Metals' KMPs for the Reporting Period, being those persons who had authority for planning, directing and controlling the activities of the Group during the Reporting Period, are set out in the table below.

Name	Position	Period as KMP	Remuneration & Nominations Committee
Non-executive Directors			
Owen Hegarty OAM	*Chair, Non-executive Director*	Entire Reporting Period	Member (until 17 April 2023)
Fiona Robertson AM	*Independent Non-executive Director*	Entire Reporting Period	-
Jacqui McGill AO	*Independent Non-executive Director*	Entire Reporting Period	Member
Martin Alciaturi	*Independent Non-executive Director*	Entire Reporting Period	Chair
Tamara Brown	*Independent Non-executive Director*	From 17 April 2023	-
Creagh O'Connor	*Non-executive Director*	From 17 April 2023	Member (from 17 April 2023)
Executive Directors			
Peter Albert [1]	*Managing Director & CEO*	Entire Reporting Period	
Other Executives			
Ed Cooney	*Chief Operating Officer*	Entire Reporting Period	
Peter Herbert	*Chief Financial Officer*	Entire Reporting Period	
Clifford Tuck	*Chief Governance & Legal Officer*	Entire Reporting Period	

1. On 14 December 2023, 29Metals announced a CEO Transition whereby Mr Albert will retire as Managing Director & CEO on 30 April 2024. Refer to section 3.8 for further details.

Information regarding the Directors, including professional history and special responsibilities at 29Metals, is set out in the Directors' Report from page 6.

Information regarding the terms of the CEO Transition is set out in section 3.8.

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Directors' Report
Remuneration Report

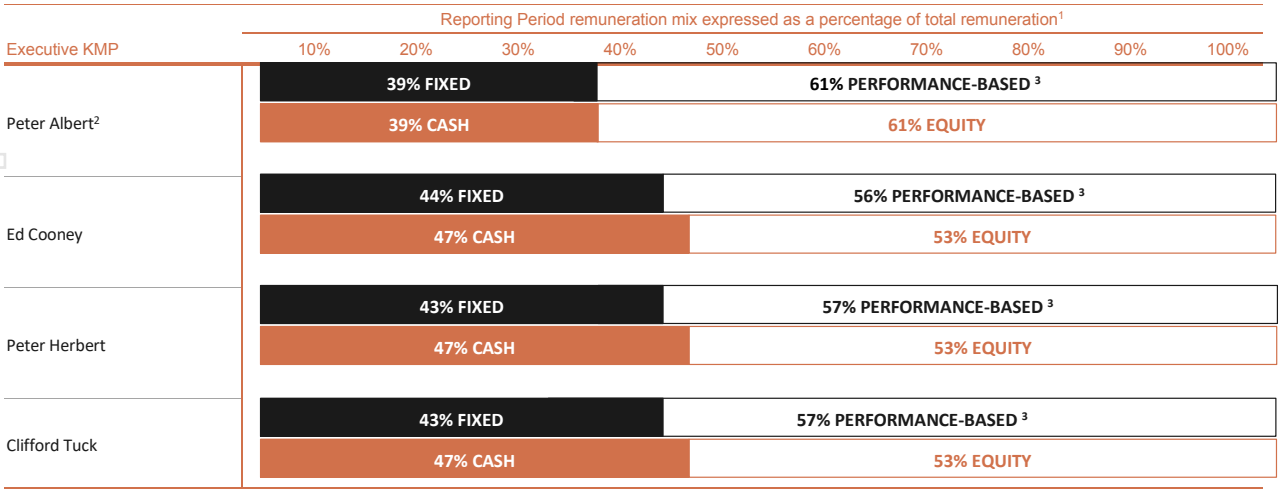
2. 2023 Remuneration snapshot

2.1 Summary of KMP remuneration outcomes for Reporting Period

Fixed Remuneration ('TFR')	STI	LTI	One-off IPO-related benefits
No changes to Non-executive Director remuneration. TFR for executives, including the Managing Director & CEO, was reviewed as part of the Company's annual remuneration review process. Following that review, TFR was increased by 2.2 - 2.3% for executive KMPs, with effect on and from 1 July 2023. Refer to sections 2.2, 3.3 and 4.1 of this Report for further information regarding fixed remuneration.	STI award outcome of 58.5-68.6% of target for executive KMPs, is to be delivered as a combination of: ▪ cash (Managing Director & CEO: 0% [3], other executives: 15%); and ▪ equity in the form of performance rights (Managing Director & CEO: 100% [3], other executives: 85%). 2023 STI outcomes were determined by the Board's assessment of the Company's performance against Company KPIs set by the Board (85% of 2023 STI outcome) and the Board's assessment of each executive KMPs personal performance (15% of the 2023 STI outcome). Refer to sections 2.2, 3.3, 4.3 and 4.8 for further information regarding the STI.	Award of performance rights[1] to all executive KMPs, including Mr Albert[2], under the 2023 LTI. Refer to sections 2.2, 3.3, 4.4 and 4.8 for further information regarding the LTI.	During the Reporting Period, the second tranche of performance rights awarded to executive KMPs under the 2021 Staff Offer Incentive vested, resulting in the issue of ordinary shares (on a one-for-one basis). Refer to sections 2.2, 4.5, 4.6 and 4.8 for further information regarding the 2021 Staff Offer Incentive.

1. All performance rights awarded to executive KMPs under the 2023 LTI are unvested as at the date of this Remuneration Report.
2. The award of 427,366 performance rights to Mr Albert under the 2023 LTI was approved by shareholders under ASX Listing Rule 10.14 at the Company's 2023 AGM. Refer to section 3.8 for information regarding the treatment of unvested performance rights under the terms of the CEO Transition.
3. On 14 December 2023, 29Metals announced a CEO Transition whereby Mr Albert will retire as Managing Director & CEO on 30 April 2024. The award of performance rights to Mr Albert as part of the 2023 STI outcome is subject to shareholder approval to be sought at the 2024 AGM. If shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have applied to previous awards to Mr Albert had shareholder approval been not obtained), which payment would also subject to the 2023 STI vesting period.

The remuneration outcomes 'mix' for executive KMPs in the Reporting Period is summarised below.



1. Subject to rounding. For the purposes of presenting remuneration delivered in the form of performance rights, the nominal cash value of the award at the time of award has been applied. Remuneration outcomes presented are subject to rounding.
2. The remuneration outcomes mix for Mr Albert (Managing Director & CEO) for 2023:
   - excludes the award of performance rights under the 2022 STI, which award was approved by shareholders at the Company's 2023 AGM; and
   - includes the proposed award of performance rights under the 2023 STI, which award is subject to shareholder approval to be sought at the Company's 2024 AGM.
3. The percentage of performance-based remuneration on a statutory basis is set out in section 8 of this Remuneration Report. Performance-based remuneration shown above:
   - includes awards of equity (in the form of performance rights) that were unvested at 31 December 2023 and applies nominal face value at the time of award; and
   - excludes one-off incentives awarded in 2021 in connection with the 29Metals IPO which vested in 2023. Refer to section 4.6 for further information regarding one-off incentives awarded to executive KMPs in prior periods that vested in 2023.

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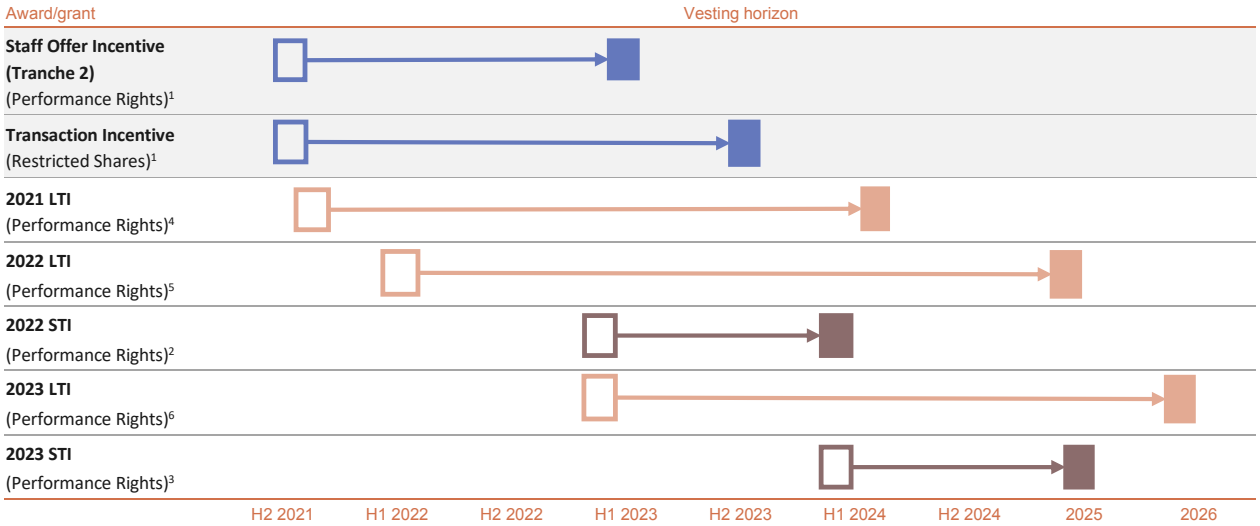
The horizons for equity awards to executive KMPs during the Reporting Period and the respective vesting horizons, along with equity awards from prior periods that remained on foot during the Reporting Period, are summarised below.



1. One-off remuneration component in connection with the 29Metals IPO. The two-year holding lock applied to Restricted Shares issued to eligible KMPs expired on 10 July 2023. Refer to the 2021 Remuneration Report for further information regarding the Restricted Shares awarded to eligible executives in 2021. The second tranche of performance rights awarded to executive KMPs under the 2021 Staff Offer Incentive vested in 2023. Refer to section 4.6 for further information.
2. Relates to the portion of the 2022 STI award delivered to executive KMPs in the form of performance rights. Refer to 2022 Remuneration Report for further information regarding the Performance Rights awarded to executive KMP under the 2022 STI.
3. Relates to the portion of the 2023 STI award to be delivered to executive KMPs in the form of performance rights. Refer to section 4.3 for further information regarding the 2023 STI outcomes and the portion of the 2023 STI outcome for executive KMPs to be delivered in the form of Performance Rights.
4. Refer to 2021 Remuneration Report for information regarding the vesting conditions that apply to the 2021 LTI award.
5. Refer to 2022 Remuneration Report for further information regarding the 2022 LTI award to executive KMPs.
6. Refer to section 4.4 for further information regarding the 2023 LTI award to executive KMPs, including information regarding the performance conditions.

2.2 'Take home' KMP remuneration for Reporting Period

The table below is included on a voluntary basis to show the payments and other benefits realised by KMPs in the Reporting Period. This information is provided in addition to, and not as a substitute for, the statutory remuneration reporting information set out in section 8 of this Remuneration Report (prepared in accordance with the Corporations Act and applicable accounting standards).

KMP	TFR[1]	STI[2]	Other benefits[3]	Vesting outcomes[4]	Termination benefits[5]	**Total**
Non-executive Directors						
Owen Hegarty OAM	$250,000[6]	N/a	-	N/a	-	$250,000
Fiona Robertson AM	$210,000[7]	N/a	-	N/a	-	$210,000
Jacqui McGill AO	$215,000[7]	N/a	-	N/a	-	$215,000
Martin Alciaturi	$195,000[7]	N/a	-	N/a	-	$195,000
Tamara Brown	$127,000[8]	N/a	-	N/a	-	$127,000
Creagh O'Connor	$112,889	N/a	-	N/a	-	$112,889
Executive Directors						
Peter Albert	$937,070	-	-[9]	$4,179	-[10]	$941,249
Other executive KMPs						
Ed Cooney	$542,797	$40,823	-[11]	$2,419	-	$586,039
Peter Herbert	$551,853 [12]	$42,745	-	$2,419	-	$597,017
Clifford Tuck	$625,286 [13]	$42,540	-	$2,419	-	$670,245

1. TFR paid to the KMP during the Reporting Period. In the case of Non-executive Directors, TFR cited is the aggregate of Director's fees and Committee fees (and other payments, as applicable) to Non-executive Directors during the Reporting Period. Refer to section 5 for further information regarding payments to Non-executive Directors.
2. 2023 STI outcomes for executive KMPs will be delivered as a combination of cash and equity (in the form of Performance Rights) and is expected to be delivered in March 2024. Figures included in the table above reflect the cash component of the 2023 STI award which is expected to be remitted to executive KMPs in March 2024. Refer to section 4.3 for further information regarding the 2023 STI outcomes.
3. Cash payments in relation to allowances for relocation costs, travel costs, non-monetary benefits such as, parking, insurance and applicable fringe benefits tax, as applicable, but excluding reimbursement of business expenses in the ordinary course.

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4. Represents the cash value for performance rights awarded under the Company's performance-based remuneration components that vested during the Reporting Period, applying the closing price for 29Metals shares on the applicable vesting date. Refer to sections 4.8 and 6.3 for further information regarding performance rights awarded to executive KMPs that vested during the Reporting Period.
5. Termination payments (excluding superannuation) paid to executive KMPs on cessation of employment (if applicable).
6. Owen Hegarty is a nominee director for the EMR Capital Investors. Mr Hegarty's Director's fees are paid to EMR Capital. Refer to section 5 for further information.
7. Fees paid to each of Ms Robertson, Ms McGill and Mr Alciaturi include $47,140 (cash value, subject to rounding) which was applied to acquire new 29Metals shares issued under the Non-executive Director Salary Sacrifice Share Plan (the '**NED Share Plan**'), inclusive of $17,141.02 withheld from their respective Director's fees in 2022 and applied to acquire shares under the NED Share Plan in 2023. Refer to section 5.5 for further information regarding the NED Share Plan and shares issued to Directors under the NED Share Plan during the Reporting Period.
8. Fees paid to Ms Brown include $13,420 (cash value, subject to rounding) which was applied to acquire new 29Metals shares issued under the NED Share Plan. Refer to section 5.5 for further information regarding the NED Share Plan and information regarding the shares issued to Directors under the NED Share Plan during the Reporting Period.
9. Excludes other benefits totalling $9,529 comprising legal fees paid by the Company on Mr Albert's behalf in connection with the negotiation of the CEO Transition terms. Refer to section 3.8 for further information regarding the CEO Transition terms and section 4.7 for the legal costs paid by the Company.
10. Termination benefits payable to Mr Albert under the terms of the CEO Transition will be remitted following his retirement on 30 April 2024. Information regarding the terms of the CEO Transition, including termination benefits payable to Mr Albert, is set out in section 3.8.
11. Excludes other benefits totalling $52,061 for airfares, travel expenses and accommodation for Mr Cooney to commute between Sydney and Melbourne during the Reporting Period (cited exclusive of applicable fringe benefits tax ('**FBT**')). Refer section 4.7 for further information.
12. TFR for Mr Herbert for the Reporting Period includes a temporary increase in TFR for a period during which Mr Herbert was acting Chief Executive Officer while Mr Albert was on annual leave. The aggregate incremental TFR for the relevant period was $3,795 (inclusive of superannuation).
13. TFR for Mr Tuck for the Reporting Period includes payment for $79,859 annual leave cashed out during the Reporting Period.

3. Overview of KMP remuneration at 29Metals

3.1 Remuneration governance

The Board has ultimate responsibility for making decisions regarding 29Metals' approach to remuneration and remuneration outcomes.

The Remuneration & Nominations Committee assists the Board to discharge its responsibilities in relation to remuneration matters, providing advice and recommendations to the Board in relation to (among other things):

- the Group's remuneration strategy and framework;
- the Group's systems and processes for assessing people performance, and for attracting and retaining a diverse and highly skilled workforce;
- the Group's policies and strategies for developing the workforce and promoting a culture which reflects the Company's Values;
- performance measures to be applied in the Group's performance-based remuneration components, as well as assessing the performance against those measures;
- executive and Board succession planning; and
- nominations to the Board.

An overview of the role of Management, the Remuneration & Nominations Committee and the Board in relation to KMP remuneration is shown below.

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Board

- **Approves** the Group's remuneration strategy and framework
- **Approves** fees paid to Non-executive Directors (within the Shareholder approved remuneration fee pool)
- **Approves** the NED Share Plan (subject to applicable shareholder approvals)
- **Approves** remuneration outcomes for the Managing Director & CEO
- **Endorses** the remuneration outcomes of other executive KMPs
- **Approves** Company performance metrics for the Group's performance-based remuneration components
- **Approves** assessment of executive KMP performance against the personal performance component introduced to the Group STI framework in 2023, and performance-based remuneration outcomes for executive KMPs
- **Recommends** remuneration-related resolutions to shareholders where shareholder approval is required under the Corporations Act and ASX Listing Rules

Remuneration & Nominations Committee

- **Recommendations** and advice to the Board
- **Oversees** Management's implementation of the remuneration strategy and framework
- **Reviews** remuneration paid to the Managing Director & CEO, including performance against the personal performance component introduced to the Group STI framework in 2023, and assessment of performance-based remuneration
- **Reviews** other executive KMP remuneration (including the assessment of executive KMP performance against the personal performance component introduced to the Group STI framework in 2023 and performance-based remuneration outcomes), as recommended by the Managing Director & CEO
- **Reviews** fees paid to Non-executive Directors including Committee membership fees
- Engages **remuneration advisors** to obtain expert advice, including benchmarking of KMP remuneration (where required and as applicable)

Management

- **Implements** the Board-approved remuneration strategy and framework
- **Managing Director & CEO** assesses and approves other executive KMP remuneration outcomes, subject to endorsement by the Committee and Board
- **Reports** to the Committee on outcomes against performance metrics (as approved by the Board)

The Remuneration & Nominations Committee has three members, the majority of whom are independent NEDs. The Chair of the Remuneration & Nominations Committee is an independent NED. Information regarding the members of the Remuneration & Nominations Committee is set out in the Directors' Report from page 6.

Further information regarding the role of the Board and the Remuneration & Nominations Committee is set out the Board and Committee Charters, copies of which are available at: https://www.29metals.com/about/corporate-governance.

The Remuneration & Nominations Committee has access to adequate internal and external resources, including obtaining advice from external remuneration advisors or consultants, as the Committee considers necessary or desirable to fulfil its role. Where the Remuneration & Nominations Committee obtains remuneration recommendations from external remuneration advisers or consultants, the Committee does so independent of Management.

No remuneration recommendations were commissioned or provided during the Reporting Period.

3.2 Remuneration strategy

The key objectives of 29Metals' remuneration strategy are to:

- attract and retain talented, high performing personnel, including KMPs;
- ensure that remuneration outcomes encourage high performance and encourage and reward performance that is consistent with 29Metals' Values and culture; and
- ensure that remuneration outcomes are aligned to shareholder value.

To achieve these objectives, 29Metals applies the following remuneration principles:

- TFR is set at a competitive level, having regard to the role scope, skills, experience and qualifications, performance, and general and targeted remuneration benchmarking (as applicable);
- all employees have a performance-based (or '*at risk*') remuneration component;
- the proportion of performance-based remuneration increases with seniority, reflecting increasing capacity to influence Company performance;
- for more senior roles, performance-based remuneration is delivered as a combination of cash and non-cash rewards, in the form of equity-based remuneration, to align remuneration outcomes with shareholder value; and
- all performance-based remuneration is subject to clawback mechanisms and malus provisions.

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3.3 Structure of remuneration framework for executive KMPs

Executive KMP remuneration is delivered as a combination of fixed and performance-based remuneration components. The target mix of remuneration for executive KMPs is:

- greater than 50% of the total remuneration outcome is performance-based or '*at risk*'; and
- 45-60% of the total remuneration outcome is deferred and delivered in the form of equity.

An overview of the components of the remuneration framework for executive KMPs is set out below.

Component	Form	Description
Fixed		
Total fixed remuneration ('**TFR**')	Cash	TFR consists of base salary, superannuation and other non-monetary benefits, and is set at a level intended to reflect: ▪ the scope of the executive role; ▪ skills, experience, and qualifications; and ▪ individual performance. When setting (and reviewing) TFR for executive KMPs, the Board has regard to comparable roles in companies of a scale and complexity, and engaged in an industry, similar to 29Metals, and other industry benchmarking. Annual TFR for executive KMPs, as at the end of the Reporting Period, is set out below. Executive KMP — Annual TFR Peter Albert — $947,141 Ed Cooney — $548,964 Peter Herbert — $554,278 Clifford Tuck — $551,620 Annual TFR for executive KMPs is reviewed annually (typically in July), as part of the Group's annual performance and salary review process. The annual TFR cited above for each executive KMP is annual TFR at the end of the Reporting Period, including the outcome of the 2023 Group-wide remuneration review which resulted in an increase in annual TFR of 2.2% (for the Managing Director & CEO), and 2.3% (for other executive KMP). The increase in annual TFR applied following the annual remuneration review was applied from 1 July 2023 and was inclusive of the change in statutory superannuation guarantee.

Refer to section 4.1 for further information regarding salary review outcomes for executive KMPs.

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Component		Form	Description
	Performance-based		
Variable Remuneration	Short term incentive ('**STI**') The '*at target*' STI to executive KMPs opportunity for 2023 is set out in section 4.3. Further information regarding the 2023 STI KPIs that applied to executive KMPs and the 2023 STI outcomes for executive KMPs is set out in section 4.3. Further information regarding the Company's Equity Incentive Plan Rules is set out in section 3.4.	Combination of cash and equity	The STI is a performance-based remuneration component for executive KMPs, intended to align total remuneration outcomes for executive KMPs with Company performance. STI awards are at the discretion of the Board. The STI opportunity for executive KMPs is defined by reference to a prescribed 'target' performance level, with 'threshold' and 'stretch' STI outcomes reflecting performance assessed as 80% and 120% of target (respectively). Each executive KMP, including the Managing Director & CEO, is eligible to participate in the STI. The STI focuses on performance in a single year, and awards under the STI are determined by the Board based on an assessment of performance against specific performance metrics (or '**KPIs**') set at the beginning of the relevant STI period. For executive KMPs, 85% of the STI outcome is based on the Board's assessment of Company performance against defined KPIs ('**Company KPIs**'). The remaining 15% of the STI outcome is based on the Board's assessment of the individual executive KMPs performance. The combination of Company performance and individual performance of executive KMPs is a change to 29Metals' approach to remuneration for executive KMPs introduced during 2023 – in prior periods, executive STI outcomes were determined solely by reference to performance against Company KPIs (and the Board's overall discretion). In addition to the Company and discretionary or personal KPIs, STI awards are subject to an overarching Board discretion, including consideration of threshold or '*gating*' conditions such as serious safety or environmental incidents. The Board considers that this approach is most efficient and results in the most appropriate outcomes. Individual performance against personal KPIs is assessed by the Managing Director & CEO for other executive KMPs, and by the Board, for the Managing Director & CEO. STI outcomes are delivered to executive KMPs as a combination of cash and equity. The equity component is in the form of performance rights awarded under the Company's Equity Incentive Plan Rules. Performance rights awarded to executive KMPs for the 2023 STI are subject to a condition of continuing service to the expiry of the vesting period (ie, 31 December 2024) (unless the Board determines otherwise – eg, "*good leaver*") and, upon vesting, each performance right converts to one fully paid 29Metals share with a nil exercise price. The number of performance rights awarded to executive KMPs is determined by dividing the cash value of the equity component by a price determined by the Board at the time of the award. For 2023 STI outcomes, the Board has determined to apply a price per performance right of $0.69. Awards of performance rights to the Managing Director & CEO under the STI are subject to shareholder approval pursuant to the ASX Listing Rules. ASX Listing Rules also require the relevant notice of meeting to outline what will happen if shareholder approval is not obtained. All STI awards to executive KMPs are subject to a claw back mechanism and malus provisions.
	Long term incentive ('**LTI**') Further information regarding awards to executive KMPs under the 2023 LTI, including the vesting performance conditions, is set out in section 4.4. Further information regarding the Company's Equity Incentive Plan Rules is set out in section 3.4.	Equity	The LTI is a performance-based executive remuneration component, intended to align total remuneration outcomes for executive KMPs with longer term Company performance and shareholder value. Each executive KMP, including the Managing Director & CEO, is eligible to participate in the LTI. LTI awards are at the discretion of the Board and involve the award of performance rights under the Company's Equity Incentive Plan Rules to eligible LTI participants. Upon vesting, each performance right converts to one fully paid 29Metals share with a nil exercise price. Unless the Board determines otherwise, performance rights awarded under the LTI are subject to a three-year vesting period and performance against vesting conditions set by the Board at the time of award which is tested at the end of the vesting period. Vesting of LTI performance rights is also subject to continuity of service (unless the Board determines otherwise – eg, "good leaver"). The number of performance rights awarded to executive KMPs is determined by dividing the LTI opportunity value (ie, the applicable percentage of TFR) by the VWAP for 29Metals shares over a period determined by the Board at the time of the award. Awards of performance rights to the Managing Director & CEO under the LTI are subject to shareholder approval. All LTI awards to executive KMPs are subject to a claw back mechanism and malus provisions.

3.4 Overview of Equity Incentive Plan Rules

Performance rights awarded to executive KMPs as part of the Company's performance-based remuneration components are awarded under the Company's Equity Incentive Plan Rules (the '**Plan Rules**'). The terms of each award are set out in:

- the terms of the award (eg, vesting conditions) which are set out in a letter to eligible participants inviting eligible participants to participate in the award; and
- the Plan Rules.

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The following table summarises the key terms of the Plan Rules, including what happens to unvested performance rights in the event of cessation of employment or a change of control.

Key terms	Description
Eligibility	An employee of the Group, Director, contractor or prospective employee of the Group, or other person the Board in its discretion determines to be eligible to participate in the Plan.
Award	The Plan Rules permit the Board to grant one or more types of awards, including performance rights, restricted shares, shares and options.
Vesting	A performance right or option which has not lapsed shall vest if and when any conditions applicable to the performance right or option have been satisfied or waived by the Board at its discretion. A share which has not been forfeited shall vest if and when any conditions applicable to the share have been satisfied, or waived by the Board at its discretion, although a vested share may remain subject to dealing restrictions.
Exercise	A performance right or option will only vest or be exercised by a participant once the Board has notified the participant that the applicable award conditions have been satisfied or waived.
Restrictions on dealing	The Board may determine at its discretion whether dealing restrictions or restriction periods will apply to any shares, or, for performance rights or options, that shares allocated or transferred on exercise are restricted shares or subject to restriction periods.
Cessation of employment	Under the Plan Rules, the Board has discretion to determine, subject to compliance with applicable law, the treatment of an award if a participant ceases to be employed within the Group prior to the vesting or exercise of an award.
Change of control	If there is a change of control prior to the vesting and exercise of an award, the Board may determine in its absolute discretion, whether some or all of the awards vest, lapse or are forfeited, remain on foot subject to the applicable, substitute or varied conditions or dealing restrictions, or can only be exercised within a specific period, and the Board will have regard to any matter the Board considers relevant. Where the Board does not exercise its discretion and a change of control occurs then, unless the Board determines otherwise: ▪ any unvested award with a remaining vesting period of 12 months or less will vest; ▪ any unvested award with a remaining vesting period of more than 12 months will vest pro rata based on the proportion of the performance period that has passed; ▪ an award subject to dealing restrictions will no longer be subject to dealing restrictions; and ▪ where the change of control occurs during the period an award is exercisable, the award may only be exercised during the period specified by the Board.
Rights of shares granted under the Plan Rules	Unless the Board determines otherwise, all shares allotted and issued or transferred under the Plan Rules will rank equally in all respects with other shares already on issue.
Clawback	Where the Board is of the opinion that a participant under the Plan has acted fraudulently or dishonestly, is in breach of any of that participant's duties or obligations or has acted in a way that could reasonably be regarded to have contributed to material reputational damage to a member of the Group, or any other events specified in the Plan Rules have occurred, the Board may, at its discretion, determine any treatment in relation to an award (including by reducing or extinguishing a participant's entitlement to an award).
Lapse of performance rights, restricted shares or options	Unless the Board determines otherwise, a share, performance right or option will be forfeited or lapse on the earliest of: ▪ the date that the Board determines that any condition in respect of the share, option or performance right cannot be satisfied; ▪ the share, option or performance right being forfeited or lapsing in accordance with the cessation of employment provision; ▪ the share, option or performance right being forfeited or lapsing in accordance with the clawback provisions; ▪ the share, option or performance right being forfeited or lapsing in accordance with change of control provisions; ▪ the participant purporting to deal or enter into any arrangement in respect of the option or performance Right in breach of the provisions under the Plan relating to rights and restrictions attached to options or performance rights; or ▪ in the case of options or performance rights, the date falling 15 years from the date on which they were granted.

3.5 One-off remuneration components in the Reporting Period

No "*one-off*" remuneration outcomes for executive KMPs were implemented during the Reporting Period. However, the second tranche of performance rights awarded to all 29Metals staff in 2021 in connection with the 29Metals IPO, vested during the Reporting Period.

Details of performance rights awarded to executive KMPs under the Equity Incentive Plan Rules, including the fair value applied to relevant award for accounting purposes, is set out in section 4.8.

Further information regarding these non-recurring remuneration components for executive KMPs is set out in section 4.6 of this Remuneration Report and section 4.5 of the Company's 2021 Remuneration Report.

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3.6 Changes to KMP remuneration in 2024

The Board is considering changes to the remuneration framework which would:

- increase the proportion of executive STIs that are typically delivered as deferred equity; and
- reduce the cash cost of Non-executive Director fees to the Company in the current circumstances.

Other than the above, no substantial changes are currently proposed to be made to KMP remuneration during 2024.

29Metals continues to mature its approach to linking executive KMP remuneration outcomes with the expectations of investors and other external stakeholders in relation to Sustainability & ESG matters. Consistent with 2023, there will be a direct link between remuneration outcomes and Sustainability & ESG performance via the STI.

3.7. Executive services agreements

Each of 29Metals' executive KMPs, including the Managing Director & CEO, is employed under an Executive Service Agreement ('**ESA**'). The key terms of the ESAs are summarised below.

Key term	Managing Director & CEO	Other executive KMPs
Term	Open term, subject to termination by the Company or the executive (refer to notice periods, below)	Open term, subject to termination by the Company or the executive (refer to notice periods, below)
Total Fixed Remuneration ('TFR')	Refer to table in section 4.1 ***Note**, the Managing Director & CEO does not receive Director's fees	Refer to table in section 4.1
Short Term Incentive ('STI')[1]	Eligible to participate in the STI STI award outcomes for the Managing Director & CEO are determined by the Board and assessed against Company performance metrics set by the Board In addition, in 2023 the Board introduced an additional component to the Group STI framework whereby 15% of the STI outcome for the Managing Director & CEO is based on the Board's assessment of personal performance	Eligible to participate in the STI STI award outcomes are determined by the Managing Director & CEO, and endorsed by the Board, following an assessment of performance against company performance metrics set by the Board In addition, in 2023 the Board introduced an additional component to the Group STI framework whereby 15% of the STI outcome for executive KMPs is based on the Managing Director' & CEO's assessment of the executive KMPs' personal performance, which assessment is reviewed and endorsed by the Board
Long Term Incentive ('LTI')	100% of TFR in the form of performance rights[2]	80% of TFR in the form of performance rights
Notice Periods	By the Managing Director & CEO on six months' notice or by the Company on 12 months' notice Employment may be terminated by the Company without notice in circumstances including material breach and serious misconduct	By the relevant executive on three months' notice or by the Company on six months' notice Employment may be terminated by the Company without notice in circumstances including material breach and serious misconduct

1. The STI is a performance-based, discretionary component of the 29Metals' remuneration framework. STI outcomes are delivered to executive KMPs as a combination of cash and equity (in the form of performance rights). Refer to sections 3.3 and 4.3 for further information.
2. Any award of performance rights to the Managing Director & CEO is subject to shareholder approval in accordance with the ASX Listing Rules.

3.8. CEO Transition

On 14 December 2023, the Company announced a CEO transition plan (the '**CEO Transition**'). Under the CEO Transition terms agreed between the Board and Mr Albert:

- Mr Albert will retire from his role and leave the Company on 30 April 2024;
- in consideration of supporting the transition, and including payments in lieu of notice, Mr Albert will receive payments totalling approximately $903,000 (along with payments for accrued statutory entitlements);
- Mr Albert will participate in the 2023 STI outcomes, as determined by the Board in the ordinary course;[10]
- Mr Albert is not eligible to participate in the 2024 STI nor any award under the 2024 LTI; and
- all unvested performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI will be forfeited on retirement and lapse unvested.

In relation to 2023 STI outcomes, performance rights proposed to be awarded to Mr Albert under the 2023 STI are subject to shareholder approval at the Company's 2024 AGM and, if approved will vest following 31 December 2024 in accordance with the 2023 STI Award. If shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have applied to previous awards to Mr Albert had

[10] Information regarding the 2023 STI outcome for Mr Albert is set out in section 4.3.

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shareholder approval been not successfully obtained), which payment is also subject to the 2023 STI vesting period. Refer to section 3.3 for information on the Company's STI.

Termination benefits payable to Mr Albert are included in the statutory remuneration table provided in section 8.[11]

4. Executive KMP remuneration outcomes for 2023

4.1 Fixed Remuneration for Executive KMPs for the Reporting Period

Executive KMP	TFR **paid** in Reporting Period
Peter Albert[1]	$937,070
Ed Cooney	$542,797
Peter Herbert[2]	$551,853
Clifford Tuck[3]	$545,427

1. TFR for Mr Albert for the Reporting Period excludes amounts paid by the Company for legal costs in connection with the CEO Transition terms (which amounts are reported as other benefits – refer to section 3.8 for further information regarding the CEO Transition terms and section 4.7 for the legal costs paid by the Company).
2. TFR for Mr Herbert for the Reporting Period includes a temporary increase in TFR for a period during which Mr Herbert was acting Chief Executive Officer while Mr Albert was on annual leave. The aggregate incremental TFR for the relevant period was $3,795.25 (inclusive of superannuation).
3. TFR for Mr Tuck for the Reporting Period excludes payment of $79,859 for annual leave cashed out during the Reporting Period.

During the Reporting Period, the annual performance and remuneration review for all staff (including executive KMPs) was completed. For the purposes of that review for executive KMPs, the Board had regard to a number of factors, including:

- prevailing competitive landscape for leadership roles in listed mining companies;
- the areas of executive accountability for each executive KMP, including changes to executive accountabilities during the Reporting Period;
- published comparative data for executive remuneration;
- the performance of the Company in the preceding 12-months, and the performance expectations for the succeeding 12-months;
- labour market and economic conditions (including inflation); and
- the personal performance of each executive KMP (respectively).

Following that review, the Board approved a modest increase in annual TFR of 2.2% (for the Managing Director & CEO) and 2.3% (for other executive KMP), which increase included the change in statutory superannuation guarantee. Salary review outcomes were effective 1 July 2023.

4.2 Group Performance

The table below sets out 29Metals performance against key operating and financial metrics for 2023 and prior periods.

29Metals was incorporated and registered on 27 May 2021 and was admitted to the official list of the ASX on 2 July 2021. As a result, comparative data for prior periods is limited back to 2021. In addition, as 29Metals was incorporated and registered mid-2021, the data for the comparative period (2021) includes pro forma information which comprises the operating and financial performance of the Group as if 29Metals had been formed and owned the Group on and from 1 January 2021.

[11] For statutory remuneration reporting purposes, 29Metals is required to include amounts payable to Mr Albert at termination under the CEO Transition terms, similarly, an accrual for these future benefits, payable on termination, is included in the Consolidated Financial Statements (refer to Note 34(b)(vi) to the Consolidated Financial Statements). Relevant amounts are not due and payable to Mr Albert before 30 April 2024, and no termination benefits were remitted during the Reporting Period and up to the date of this Report. Statutory remuneration reporting for the 2024 reporting period will not include this amount on the basis that it has been reported against the 2023 Reporting Period.

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Company performance metric	Unit	2021 Pro forma[1]	2021 Statutory[2]	2022[3]	2023[4]
Safety (TRIFR)[5]	/mwhrs	12.1	N/a	9.8	**6.5**
Production[6]					
Copper	kt	40.7	30.6	40.8	**24.2**
Zinc	kt	47.8	47.8	57.6	**51.5**
Gold	koz	35.8	35.8	26.6	**14.0**
Silver	koz	1,766	1,641	1,565	**811**
Costs					
AISC[7, 8]	US$/lb	3.41	n/a	3.64	**4.96**
Revenue[9]	$ million	709.6	600.8	720.7	**449.7**
EBITDA[10]	$ million	254.0	177.2	151.6	**(21.2)**
NPAT / (NLAT)	$ million	26.4	121.0	(47.2)	**(440.5)**
EPS[11]	cents/share	N/a	48.5	(9.8)	**(79.9)**
Dividends	cents/share	0.0	0.0	2.0	**0.0**
Share Price [12]	$/share	3.07	3.07	1.91	**0.645**

1. Except as otherwise stated, *2021 Pro forma* data is derived from the Pro forma results set out in Part B of the *Operating and Financial Review* in 29Metals' Directors' Report for the 12 months ended 31 December 2021 (as published in 29Metals' Appendix 4E and Annual Financial Report dated 22 February 2022). *2021 Pro forma* data is non-IFRS financial information. Refer to important information on page 18 regarding the use of non-IFRS financial information in this report. Non-IFRS financial information in this report is unaudited.
2. Except as otherwise stated, *2021 Statutory Results* data has been derived from the statutory results set out in Part A of the *Operating and Financial Review* in 29Metals' Directors' Report for the 12 months ended 31 December 2021 (as published in 29Metals' Appendix 4E and Annual Financial Report dated 22 February 2022).
3. Except as otherwise stated, *2022 Statutory Results* data has been derived from the statutory results set out in the *Operating and Financial Review* in 29Metals' Directors' Report for the 12 months ended 31 December 2022 (as published in 29Metals' Appendix 4E and Annual Financial Report dated 23 February 2023).
4. Refer to the *Operating and Financial Review* from page 13 of the Directors' Report for further information regarding 2023 operating and financial performance metrics.
5. TRIFR is *total recordable injury frequency rate* which is reported on a rolling twelve-month per million work hours basis. TRIFR is unaudited.
6. Metal production cited is contained metal in-concentrate.
7. AISC is *all-in sustaining costs* and is cited on a Group basis per pound (lb) of copper metal sold. AISC is a non-IFRS financial information metric. Refer to important information on page 18 regarding the use of non-IFRS financial information metrics in this report. Non-IFRS financial information in this report is unaudited.
8. For the purposes of calculating Group AISC for 2023, costs characterised as "Recovery Expenses" are excluded. Refer to page 21 of the *Operating and Financial Review* for further information regarding AISC and the treatment of Capricorn Copper Recovery Costs.
9. Revenue is gross revenue for all mineral concentrate sales, inclusive of final shipment invoice and quotational period ('**QP**') adjustments, and after treatment and refinement costs and charges.
10. EBITDA is *earnings before interest, tax, depreciation and amortisation*. EBITDA is a non-IFRS financial information metric. Refer to important information on page 18 regarding the use of non-IFRS financial information metrics. Non-IFRS financial information in this report is unaudited.
11. EPS cited is basic earnings / (loss) per share, as shown in the Consolidated Statement of Comprehensive Income in the Consolidated Financial Statements for the year ended 31 December 2023.
12. Closing price for 29Metals shares quoted on ASX at close of trading on the final trading day for the year cited.

4.3 Performance-based Remuneration for Executive KMPs for the Reporting Period - STI

As outlined in section 3.3, awards to each executive KMP under the Company's STI are determined by the Board after assessing performance Company KPIs and the performance of the executive KMP.

The personal performance component for executive KMPs was introduced by the Board in 2023, to enable the Board to take account of the Board's assessment of each executive KMP's overall performance in their role, and demonstration of behaviours aligned with the Company's TEAMS Values.

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Company KPIs – 2023 STI

The 2023 STI Company KPIs are set out in the table below, along with the Board's assessment of performance against those KPIs.

2023 STI Company KPI	Weighting	Link to business performance & strategy	Assessed performance (% of Target)
1. Sustainability & ESG	**30%**	***Introduced for the 2023 STI to reflect stakeholder expectations regarding Sustainability & ESG performance*** ***This Company KPI links remuneration outcomes to performance against 29Metals' published Sustainability & ESG strategy, focusing on key risks to the Group.***	**29%** (97% of target performance)
Safe & Inclusive workplace			
Improved safety performance	4%	Targeting continuous improvement in safety performance as measured by the rolling 12-month TRIFR lagging indicator as at 31-December. Performance outcome reflects significant year-on-year improvement (>10%) in TRIFR.	4.8%
Completion of critical control verifications	6%	Targeting continuing focus on systems and processes to support management of safety risks as measured by implementation of the Company's critical controls framework. Performance outcomes reflects above-plan completion of critical control verification audits across both operating sites.	7.2%
Inclusion & diversity	5%	Targeting improvement in the gender diversity of our workforce by increasing the relative proportion of women in leadership roles across the Group and facilitating development of females. Performance outcomes reflects >10% improvement in the relative proportion of leadership roles held by females and implementation of development plans for at least 50% of female employees at superintendent level or above.	5%
Responsible environmental stewardship – Water management	7.5%	Targeting improvement in key environmental management risk areas to support the long-term sustainability of 29Metals' business, focusing on reducing water inventory held on site at Capricorn Copper. Performance outcome reflects significant reduction in water inventory held on site at Capricorn Copper which was severely impacted by the extreme weather event in March 2023. 29Metals significantly reduced water inventory held on site, with water levels in the higher-risk Mill Creek Dam regulated structure reduced below the regulatory requirement at 1 November 2023 (beginning of the wet season).	6%
Partnering with stakeholders – Community engagement programs	7.5%	Targeting continuous improvement in relationships with community stakeholders to support the long-term sustainability of 29Metals' business, through the design and implementation of community engagement programs. Performance outcome reflects successfully roll out of internship program at Capricorn Copper, in partnership with the Indigenous stakeholders the Kalkadoon.	6%
2. Production & Costs	**60%**	***Targeting production and costs management performance as key drivers of cashflow generation and shareholder value, this KPI was adjusted during the year to focus on operating cashflow generation and progress restarting operations at Capricorn Copper following the extreme weather event in March 2023.***	**22%** (36.7% of target performance)
Capricorn Copper	27.5%	Performance outcome reflects threshold expectation of successful completion of Phase 1 of the Capricorn Copper Recovery Plan with the restart of mining operations at Mammoth and Greenstone, and milling operations, in August 2023.	22%
Golden Grove	32.5%	Performance outcome reflects below threshold performance in cashflow from operations for the year.	Nil%
3. Ore Reserves Replacement	**10%**	***Targeting increases in Ore Reserves estimates to support future production, mine-life extensions and production growth through the Company's pipeline of organic growth opportunities.*** Performance outcomes reflect a >20% increase in estimated Ore Reserves tonnes year-on-year, after depletion for production.	**12%** (120% of target performance)
2023 STI Company KPI outcome (calculated)			**63% of Target performance**

Personal performance

As outlined in section 3.3, for the purposes of the 2023 STI the Board introduced a personal performance component, whereby 15% of the 'at target' performance for the STI is based on the Board's assessment of (in respect of each executive KMP) the executive KMP's overall performance in their role during the reporting period, including demonstration of behaviours aligned with the Company's TEAMS Values.

Following assessment, the personal performance outcomes assessed by the Board ranged between 33% - 100% of target.

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2023 STI Outcomes

As noted above, having regard to business performance during the Reporting Period, the Board has exercised its discretions under the STI to amend how the STI outcomes are delivered, substantially reducing the cash component and increasing the equity component.

In addition, to incentivise executive KMPs to deliver significant improvement in performance, the share price applied to calculate the number of performance rights to be awarded to executive KMPs (including the Managing Director & CEO, subject to shareholder approval) will be $0.69. In setting the performance rights price, the Board has adopted the price paid by shareholders to acquire rights in the entitlement offer completed in 2023 which, disappointingly for the Board and shareholders, sits at a significant premium to the current share price. This approach differs from the prior year and LTI performance rights awards, where the VWAP for the month of December prior to the award was applied. In practical terms, this results in the face value per performance right to be awarded under the 2023 STI being at a ~260% premium to the trading price of 29Metals shares as at the close of trading on 19 February 2024. In so doing there is a direct link between the realised 2023 STI outcome for executive KMPs and improvement in shareholder value because, in the absence of a material improvement in share price over 2024, the future realised value of performance rights awarded under the 2023 STI will be significantly lower than the face value at the time of award.

The tables below set out:

- executive KMP outcomes under the STI for the Reporting Period, including the split of STI outcomes to be delivered in the form of cash and deferred as equity (performance rights), respectively; and
- an indicative comparison of the face value of the 2023 STI outcome for executive KMPs to a nominal realised value at the recent share price.

2023 STI award		STI KPIs		2023 STI Outcome					
Executive KMP	STI opportunity for 'at target' performance (% TFR)	Company (85%) Assessed Performance	Personal (15%) Assessed Performance	% of STI Opportunity	% of TFR	Total STI Outcome (face value) [4]	Delivered as cash ($) [4]	Delivered as equity[1, 4] (face value)	Performance Rights[3] (No. of PRs)
Peter Albert	100%	63%	33%	58.50%	58.50%	$554,077	-	$554,077	803,010
Ed Cooney	75%	63%	80%	65.55%	49.16%	$269,884	$40,483	$229,401	332,466
Peter Herbert	75%	63%	100%	68.55%	51.41%	$284,968	$42,745	$242,223	351,047
Clifford Tuck	75%	63%	100%	68.55%	51.41%	$283,602	$42,540	$241,062	349,364

1. Equity component of the 2023 STI outcome will be in the form of performance rights awarded under the Company's Equity Incentive Plan Rules.
2. The proposed award of performance rights to Mr Albert (Managing Director & CEO) for the equity component of the 2023 STI outcome is subject to shareholder approval to be sought at the 2024 AGM. In the event shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have applied to previous awards to Mr Albert had shareholder approval been not successfully obtained), which payment is also subject to the 2023 STI vesting period.
3. The number of performance rights to be awarded (or proposed to be awarded, in the case of Mr Albert) under the 2023 STI has been determined by dividing the cash value of the equity component of the 2023 STI outcome by $0.69 (rounded down to the nearest performance right).
4. Subject to rounding.

Comparison of 2023 STI award outcomes

	Face value of 2023 STI award outcome[1]	Nominal 'realised' value of 2023 STI award outcome at time of award[2]	Variance
Peter Albert	$554,077	$212,798	$341,279
Ed Cooney	$229,401	$88,103	$141,298
Peter Herbert	$242,223	$93,027	$149,196
Clifford Tuck	$241,062	$92,581	$148,481

1. Face value of 2023 STI award outcomes, as set out in preceding table, which applies the $0.69 price per performance right determined by the Board for the purposes of the award. Refer to preceding table for details regarding the number of performance rights to be awarded to executive KMPs under the 2023 STI (which award, in the case of Mr Albert (Managing Director & CEO), is subject to shareholder approval to be sought at the 2024 AGM).
2. Nominal 'realised' value of 2023 STI award outcomes for executive KMPs applying a price per performance right of $0.265 per performance right (being the share price for 29Metals shares at the close of trading on Monday, 19 February 2024) for indicative purposes. This price per performance right is equivalent to the fair value per 2023 STI performance right calculated for accounting purposes. Refer to Note 34(c)(ii) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.

The maximum amount to be recognised in future periods in respect of performance rights awarded under the 2023 STI is $190,056 (calculated at 31 December 2023). Refer to Note 34(c)(ii) to the Consolidated Financial Statements for further information regarding recognition and measurement of share-based payments.

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The cash component of the 2023 STI outcomes will be remitted to executive KMPs in March 2024. The equity component of the 2023 STI outcomes for executive KMPs, other than Mr Albert (Managing Director & CEO), is expected to be awarded in March 2024. The proposed award of the equity component of the 2023 STI outcome to Mr Albert is subject to shareholder approval, to be sought at the 2024 AGM (refer section 3.8 for further information in relation to the CEO Transition).

All performance rights proposed to be awarded to executive KMPs are subject to a vesting period ending on 31 December 2024 and a continuing service condition (unless the Board determines otherwise – eg, "good leaver"). In the event of a change of control of the Company prior to the end of the vesting date all performance rights awarded under the 2023 STI will vest (unless the Board determines otherwise).

Details of the CEO Transition terms and performance rights proposed to be awarded to Mr Albert under the 2023 STI, is set out in sections 3.8 and 4.3.

4.4 Performance-based Remuneration for Executive KMPs for the Reporting Period - LTI

2023 LTI award

29Metals awarded 2023 LTI performance rights to each executive KMP, including Mr Albert (Managing Director & CEO) following shareholder approval at the 2023 AGM. The number of performance rights awarded to executive KMPs under the 2023 LTI is summarised in the table below.

Details of performance rights to be awarded to executive KMPs as the equity component of the 2023 STI, including the fair value applied to the award for accounting purposes, is set out in section 4.8.

The number of performance rights awarded to executive KMPs under the 2023 LTI was calculated by applying the VWAP for 29Metals shares on the ASX over the month of December 2022, being $2.1691 per share (rounded down to nearest whole performance right). 2023 LTI performance rights awarded to executive KMPs other than Mr Albert, were awarded on 29 March 2023, and 2023 LTI performance rights awarded to Mr Albert were awarded on 5 June 2023 (following shareholder approval at the AGM).

Name	Number of LTI performance rights awarded	2023 LTI award expressed as percentage of annual TFR[1]
Peter Albert	427,366 [2]	100%
Ed Cooney	197,918	80%
Peter Herbert	199,839	80%
Clifford Tuck	198,878	80%

1. Annual TFR as at the date of the 2023 LTI award.
2. Under the terms of the CEO Transition, unvested performance rights awarded to Mr Albert under the 2023 LTI (along with unvested performance rights awarded to Mr Albert under the 2021 and 2022 LTI) will lapse unvested upon his retirement.

Performance rights awarded to executive KMPs under the 2023 LTI are subject to a vesting period ending on 31 December 2025. Vesting of performance rights under the 2023 LTI is subject to the Board's assessment of performance against vesting conditions set by the Board for the award. The vesting conditions for the 2023 LTI award are set out below.

2023 LTI Vesting condition		Description	Link to shareholder value & strategy
1. Continued service	N/a[1]	Vesting of performance rights awarded under the 2023 LTI to executive KMPs is conditional upon, in each case, the executive KMP remaining in continuous employment by a Group company until expiry of the vesting period (31 December 2025), unless the Board determines otherwise (eg, "good leaver").	The continued service requirement, combined with the duration of the vesting period, ensures that the LTI component of remuneration outcomes for executive KMPs is linked to longer-term Company performance. It also serves as a retention incentive for executive KMPs to assist the Company to maintain leadership continuity and mitigate labour market pressures.
2. Relative Total Shareholder Return ('**rTSR**')[2]	80%	29Metals' total shareholder return performance over the vesting period, relative to a defined group of peer companies[3]. 29Metals' rTSR performance over the TSR Performance Period: ▪ below the 50th percentile of TSR for the group of peer companies, results in zero vesting of the rTSR tranche; ▪ at the 50th percentile of TSR for the group of peer companies, results in 50% vesting of the rTSR tranche; and ▪ at or above the 75th percentile for the group of peer companies, results in 100% vesting for the rTSR tranche. rTSR between 50% and 75% for the group of peers' results in a vesting outcome of 50-100% of the rTSR tranche on a straight-line basis.	TSR has been adopted as a reflection of changes in shareholder value over the relevant period and incorporates: ▪ the value of shares; and ▪ capital returned to shareholders over the period (in the form of dividends or otherwise). rTSR refines the vesting condition to show the returns realised by 29Metals shareholders relative to the returns realised by shareholders in the group of peer companies. This condition has been chosen because it aligns executive KMP reward with shareholder returns, and because it rewards only when 29Metals exceeds midpoint performance for the comparator group - it does not reward general market uplifts. The condition has also been chosen because it is an objective assessment of shareholder value that it is widely used and understood.

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2023 LTI Vesting condition		Description	Link to shareholder value & strategy
3. Absolute Total Shareholder Return ('**aTSR**')[4]	20%	29Metals total shareholder return performance over the vesting period. 29Metals' cumulative aTSR performance over the TSR Performance Period: ▪ below 10% results in zero vesting of the aTSR tranche; ▪ at 10% results in 40% vesting of the aTSR tranche; and ▪ above 20% results in a 100% vesting of the aTSR tranche. aTSR between 10% and 20% results in a pro rata vesting outcome of 40-100% of the aTSR tranche on a straight-line basis.	aTSR has been included to ensure that there is always a direct link between executive KMP remuneration outcomes and positive shareholder returns regardless of relative market conditions.

1. Continued service is a threshold vesting condition. Unless the Board determines otherwise (eg, "good leaver"), unvested performance rights awarded under the 2023 LTI award are forfeited if the relevant holder ceases to be an employee of the 29Metals Group before expiry of the vesting period.
2. *Total Shareholder Return* (or **TSR**) is calculated as the aggregate of:
   - change in price per share (as quoted on the ASX or TSX, as the case may be) at the end of the vesting period relative to the price per share at 1 January 2023 (in A$);
   - dividends paid in the vesting period, on a A$/share basis; and
   - other capital returned to shareholders during the TSR Performance Period, on an A$/share basis.
3. Group of peer companies comprise: ERO Copper Corp. (TSX: ERO), Taseko Mines Limited (TSX: TKO), Atalaya Mining Plc (TSX: AYM), Sandfire Resources Limited (ASX: SFR), Aeris Resources Limited (ASX: AIS), Capstone Mining Corp (TSX: CS), and Hudbay Minerals Inc (TSX: HBM), Copper Mountain Mining Company (TSX: CMMC).
4. The Company's share price as at the commencement of the Performance Period was $1.8623 (1 January 2023).

Performance rights awarded to executive KMPs under the 2023 LTI have a nil exercise price at vesting.

The maximum amount to be recognised in future periods in respect of performance rights awarded under the 2023 LTI is $317,916 (calculated at 31 December 2023). Refer to Note 34(b)(v) to the Consolidated Financial Statements for further information regarding recognition and measurement of share-based payments.

Details of performance rights awarded to executive KMPs under the LTI, including the including the fair value applied to awards for accounting purposes, is set out in section 4.8.

4.5 Performance rights vested or lapsed in the Reporting Period

No performance rights awarded to executive KMPs lapsed during the Reporting Period.

In February 2023, the second (and final) tranche of performance rights awarded to executive KMPs under the Staff Offer Incentive in 2021, comprising 61,575 performance rights vested (in the aggregate), resulting in the issue and allocation of 61,575 fully paid ordinary shares at nil exercise price to executive KMPs. Refer to section 4.6 for further information regarding the Staff Offer Incentive.

The table below outlines Staff Offer Incentive performance rights held by executive KMPs that vested during the Reporting Period.

Executive KMP	Award	Number of performance rights vested	Number of shares allocated to executive KMPs
Peter Albert	Staff Offer Incentive	22,500	22,500
Ed Cooney	Staff Offer Incentive	13,025	13,025
Peter Herbert	Staff Offer Incentive	13,025	13,025
Clifford Tuck	Staff Offer Incentive	13,025	13,025

The performance conditions applicable to the 2022 STI performance rights award have been satisfied and new shares upon vesting of the performance rights are expected to be issued and allotted on or about the date of this Remuneration Report.

The table below outlines 2022 STI performance rights held by executive KMPs where performance conditions have been satisfied and that are due to vest.

Executive KMP	Award	Number of performance rights to vest[1]	Number of shares to be allocated to executive KMPs
Peter Albert	2022 STI	145,304	145,304
Ed Cooney	2022 STI	47,314	47,314
Peter Herbert	2022 STI	47,774	47,774
Clifford Tuck	2022 STI	47,544	47,544

1. As noted above, the performance conditions applicable to the 2022 STI performance rights award have been satisfied and new shares upon vesting of the performance rights are expected to be issued and allotted on or about the date of this Remuneration Report.

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4.6 Other – Staff Offer Incentive (2021)

In connection with the 29Metals IPO, 29Metals provided one-off benefits to all Group employees, including executive KMPs, in the form of performance rights awarded under the Staff Offer Incentive. The Staff Offer Incentive was implemented by the Board as a reward for eligible employees for the successful completion of the 29Metals IPO and as a retention incentive (with no future performance conditions).

The Staff Offer Incentive provided for a one-time award of performance rights to each Group employee with a cash value equal to 10% of (in each case) the eligible employee's TFR at 2 July 2021. The number of performance rights awarded (in each case) was calculated by dividing 10% of TFR by $2.00 (being the final offer price for shares in the 29Metals IPO, rounded down to the nearest whole performance right).

Details of performance rights awarded to executive KMPs under the Staff Offer Incentive, including performance rights that vested during the Reporting Period and the fair value applied to the award for accounting purposes, is set out in section 4.8.

Performance rights awarded under the Staff Offer Incentive were subject to vesting over two horizons, whereby:

- 50% of the performance rights vested on the second trading day after release of the Company's 2021 full year financial results to the ASX; and
- 50% of the performance rights vested on the second trading day after release of the Company's 2022 full year financial results to the ASX.

The Staff Offer Incentive performance rights were conditional upon successful completion of the 29Metals IPO and the employee remaining an employee of the Group on each vesting date (unless the Board determined otherwise – eg, "good leaver").

The table below provides details of Staff Offer Incentive performance rights awarded to executive KMPs.

Executive KMP	Number of Staff Offer Incentive performance rights awarded	Number of Staff Offer Incentive performance rights vesting in prior periods	Number of Staff Offer Incentive performance rights vesting in Reporting Period	Number of Staff Offer Incentive performance rights lapsed in Reporting Period	Balance of Staff Offer Incentive performance rights at end of Reporting Period
Peter Albert	45,000	22,500	22,500	Nil	Nil
Ed Cooney	26,050	13,025	13,025	Nil	Nil
Peter Herbert	26,050	13,025	13,025	Nil	Nil
Clifford Tuck	26,050	13,025	13,025	Nil	Nil

Refer to Note 34(b)(i) to the Consolidated Financial Statements for further information regarding recognition and measurement of share-based payments.

4.7 Other

Sign-on payments

No sign-on payments were conferred on executive KMPs in the Reporting Period.

Other benefits

During the Reporting Period, Mr Albert and Mr Cooney received certain other benefits, as outlined in the table below.

Executive KMP	Value of other benefits	Description
Peter Albert [1]	9,529	Legal fees paid by the Company on Mr Albert's behalf, in connection with the negotiation of the CEO Transition arrangements (refer to section 3.8).
Ed Cooney [2]	52,061	Travel and accommodation costs incurred by the Company to support Mr Cooney commuting between Sydney and Melbourne.

1. Other benefits reported for Mr Albert during the Reporting Period does not include termination benefits payable to Mr Albert upon retirement under the terms of the CEO Transition. Further information regarding the terms of the CEO Transition, including payments to Mr Albert on termination, is set out in section 3.8.
2. The amount for other benefits for Mr Cooney is cited exclusive of applicable FBT of $50,660.

4.8 Performance rights awarded to executive KMPs

The table below sets out the details regarding:

- performance rights awarded to executive KMPs before or during the Reporting Period that remained on foot at the end of the Reporting Period;
- performance rights awarded to executive KMPs before or during the Reporting Period that vested during the Reporting Period; and
- performance rights to be awarded to executive KMPs under the 2023 STI, including the proposed award of performance rights to Mr Albert (Managing Director & CEO) (which award is subject to shareholder approval under ASX Listing Rule 10.14 to be sought at the Company's 2024 AGM).

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Executive KMP	Award	Award Date [1]	Performance rights (No. of PRs)	Vesting period	Vesting outcome	Fair value ($ / PR)
Peter Albert	Staff Offer Incentive – Tranche 2	2 July 2021	22,500	2 Jul 21 – 27 Feb 23	Fully vested, 27 Feb 23	2.00 [2]
	2021 LTI	3 Jun 2022	182,926	2 Jul 21 – 30 Jun 24	Will lapse and be forfeited [16]	2.29 [3]
	2022 LTI	3 Jun 2022	328,467	1 Jan 22 – 31 Dec 24	Will lapse and be forfeited [16]	2.10 [4]
	2023 LTI	5 Jun 2023	427,366	1 Jan 23 – 31 Dec 25	Will lapse and be forfeited [16]	0.20 [5]
	2022 STI	5 Jun 2023	145,304	1 Jan 23 – 31 Dec 23	Fully vested, 22 Feb 24	0.67 [6]
	2023 STI [7]	To be determined	803,010 [7]	1 Jan 24 – 31 Dec 24 [9]	To be determined [7]	0.265 [10]
Ed Cooney	Staff Offer Incentive – Tranche 2	2 July 2021	13,025	2 Jul 21 – 27 Feb 23	Fully vested, 27 Feb 23	2.00 [2]
	2021 LTI	19 Nov 2021	84,552	2 Jul 21 – 30 Jun 24	To be determined	2.24 [11]
	2022 LTI	21 Mar 2022	152,117	1 Jan 22 – 31 Dec 24	To be determined	2.20 [12]
	2023 LTI	29 Mar 2023	197,918	1 Jan 23 – 31 Dec 25	To be determined	0.80 [13]
	2022 STI	29 Mar 2023	47,314	1 Jan 23 – 31 Dec 23	Fully vested, 22 Feb 24	1.68 [14]
	2023 STI [8]	To be determined	332,466	1 Jan 24 – 31 Dec 24 [9]	To be determined	0.265 [15]
Peter Herbert	Staff Offer Incentive – Tranche 2	2 July 2021	13,025	2 Jul 21 – 27 Feb 23	Fully vested, 27 Feb 23	2.00 [2]
	2021 LTI	19 Nov 2021	84,552	2 Jul 21 – 30 Jun 24	To be determined	2.24 [11]
	2022 LTI	21 Mar 2022	152,117	1 Jan 22 – 31 Dec 24	To be determined	2.20 [12]
	2023 LTI	29 Mar 2023	199,839	1 Jan 23 – 31 Dec 25	To be determined	0.80 [13]
	2022 STI	29 Mar 2023	47,774	1 Jan 23 – 31 Dec 23	Fully vested, 22 Feb 24	1.68 [14]
	2023 STI [8]	To be determined	351,047	1 Jan 24 – 31 Dec 24 [9]	To be determined	0.265 [15]
Clifford Tuck	Staff Offer Incentive – Tranche 2	2 July 2021	13,025	2 Jul 21 – 27 Feb 23	Fully vested, 27 Feb 23	2.00 [2]
	2021 LTI	19 Nov 2021	84,552	2 Jul 21 – 30 Jun 24	To be determined	2.24 [11]
	2022 LTI	21 Mar 2022	152,117	1 Jan 22 – 31 Dec 24	To be determined	2.20 [12]
	2023 LTI	29 Mar 2023	198,878	1 Jan 23 – 31 Dec 25	To be determined	0.80 [13]
	2022 STI	29 Mar 2023	47,544	1 Jan 23 – 31 Dec 23	Fully vested, 22 Feb 24	1.68 [14]
	2023 STI [8]	To be determined	349,364	1 Jan 24 – 31 Dec 24 [9]	To be determined	0.265 [15]

1. Award date cited in table is the date on which relevant awards of performance rights were allocated to the executive KMP. For accounting purposes, the award date for each award to executive KMPs (other than Mr Albert) is the date of approval of the award by the Board, and for Mr Albert is the date on which shareholder approval of the award was obtained.
2. *Fair value* determined at 2 July 2021, being the date of award of Staff Offer Incentive performance rights to executive KMPs. Refer to Note 34 to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
3. *Fair value* determined at 24 May 2022, being the date on which shareholder approval of the 2021 LTI award to Mr Albert was received. *Fair value* cited is the weighted average *fair value* calculated for 2021 LTI performance rights awarded to Mr Albert. Refer to Note 34(b)(iii) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
4. *Fair value* determined at 24 May 2022, being the date on which shareholder approval of the 2022 LTI award to Mr Albert was received. *Fair value* cited is the weighted average *fair value* calculated for 2022 LTI performance rights awarded to Mr Albert. Refer to Note 34(b)(iv) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
5. *Fair value* determined at 1 June 2023, being the date on which shareholder approval of the 2023 LTI award to Mr Albert was received. *Fair value* cited is the weighted average *fair value* calculated for 2023 LTI performance rights awarded to Mr Albert. Refer to Note 34(b)(v) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
6. *Fair value* determined at 1 June 2023, being the date on which shareholder approval of the 2022 STI award to Mr Albert was received. *Fair value* cited is the weighted average *fair value* calculated for 2022 STI performance rights awarded to Mr Albert. *Fair value* cited includes a true up from the *fair value* estimate included in the Consolidated Financial Statements for the year ended 31 December 2022. Refer to Note 34(c)(i) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
7. Under the terms of the CEO Transition, performance rights proposed to be awarded to Mr Albert under the 2023 STI are subject to shareholder approval at the Company's 2024 AGM and, if approved, will be awarded and will vest following 31 December 2024 in accordance with the 2023 STI Award. If shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have applied to previous awards to Mr Albert had shareholder approval been not successfully obtained), which payment is also subject to the 2023 STI vesting period. Refer to section 3.8 for further information regarding the CEO Transition.
8. The award of performance rights to executive KMPs (other than Mr Albert) under the 2023 STI outcome is expected to be made in March 2024. For statutory reporting purposes, the *fair value* of performance rights proposed to be awarded to executive KMPs (other than Mr Albert) under the 2023 STI will be subject to true up to reflect fair value as at the date on which the award was approved by the Board (being, 22 February 2024). Note 34(c)(ii) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments. Refer also to section 4.3 for further information regarding the 2023 STI outcomes including the calculation of the equity component.
9. The vesting period for performance rights awarded under the 2023 STI cited in the table is the period specified in the terms of the award. For accounting purposes, the vesting period is the period 1 January 2023 to 31 December 2024 (inclusive).
10. *Fair value* for performance rights proposed to be awarded to Mr Albert under the 2023 STI (subject to obtaining shareholder approval, to be sought at the Company's 2024 AGM). For statutory reporting purposes, the *fair value* of performance rights proposed to be awarded to Mr Albert under the 2023 STI will be subject to true up to reflect fair

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value as at the date on which shareholder approval of the proposed award is received. Refer to Note 34(c)(ii) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments. Refer also to section 4.3 for further information regarding the 2023 STI outcomes including the calculation of the equity component.

11. *Fair value* for performance rights awarded to executive KMPs, other than Mr Albert, under the 2021 LTI at 18 September 2021, being the date on which the award was approved by the Board. *Fair value* cited is the weighted average *fair value* calculated for 2021 LTI performance rights awarded to executive KMPs (other than Mr Albert). Refer to Note 34(b)(ii) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
12. *Fair value* for performance rights awarded to executive KMPs, other than Mr Albert, under the 2022 LTI at 24 February 2022, being the date on which the award was approved by the Board. *Fair value* cited is the weighted average *fair value* calculated for 2022 LTI performance rights awarded to executive KMPs (other than Mr Albert). Refer to Note 34(b)(iv) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
13. *Fair value* for performance rights awarded to executive KMPs, other than Mr Albert, under the 2023 LTI at 1 March 2023, being the date on which the award was approved by the Board. *Fair value* cited is the weighted average *fair value* calculated for 2023 LTI performance rights awarded to executive KMPs (other than Mr Albert). Refer to Note 34(b)(v) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
14. *Fair value* for performance rights awarded to executive KMPs, other than Mr Albert, under the 2022 STI at 22 February 2023, being the date on which the award was approved by the Board. *Fair value* cited is the weighted average *fair value* calculated for 2022 STI performance rights awarded to executive KMPs (other than Mr Albert). *Fair value* cited includes a true up from the *fair value* estimate included in the Consolidated Financial Statements for the year ended 31 December 2022. Refer to Note 34(c)(i) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
15. *Fair value* for performance rights proposed to be awarded to executive KMPs (other than Mr Albert) under the 2023 STI. For statutory reporting purposes, the *fair value* of performance rights proposed to be awarded to executive KMPs (other than Mr Albert) under the 2023 STI will be subject to true up to reflect fair value as at 22 February 2024 (being the date on which the Board approved the proposed award). Refer to Note 34(c)(ii) to the Consolidated Financial Statements for the year ended 31 December 2023 for further information regarding the calculation of *fair value* for share-based payments.
16. Under the terms of the CEO Transition, performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI will lapse unvested and be forfeited upon Mr Albert's retirement on 30 April 2024. Refer to section 3.8 for further information regarding the CEO Transition.

5. Non-executive Director remuneration

5.1 Overview

The Board determines the total amount payable to Non-executive Directors ('**NED**') as remuneration for services as a director. NED remuneration is in the form of fixed Director's fees and additional fees for participation as a member or chair of one or more of the Committees established by the Board.

The maximum amount of Director and Committee fees, in the aggregate, may not exceed the fee pool limit last approved by shareholders – currently, $1.4 million. Any increase of the fee pool limit requires approval of shareholders in general meeting.

NEDs do not participate in the Company's performance-based remuneration schemes and do not receive termination benefits, other than statutory superannuation contributions in accordance with applicable laws.

5.2 Director and Committee fees

Further information regarding the role of the Board and the composition and role of the Remuneration & Nominations Committee in relation to remuneration, including Director's fees, is set out in section 3.1.

Director and Committee fees are set at a level intended to balance attracting and retaining high quality and experienced Directors, as well as the time commitment and other demands of the role. The Managing Director & CEO does not receive Director fees or Committee fees.

The Remuneration & Nominations Committee is responsible for the periodic review of Director's fees and Committee fees and making recommendations to the Board regarding any proposed changes.

There were no changes to the Director or Committee fees during the Reporting Period, and no changes to Director or Committee fees are proposed in 2024.

The current Director and Committee fee structure is set out in the table below.

	Chair	Member [3]
Board of Directors	$250,000 [1, 2]	$140,000
Audit, Governance & Risk Committee	$50,000	$20,000
Remuneration & Nominations Committee	$35,000	$20,000
Sustainability Committee	$35,000	$20,000

All fees are cited on a per annum basis and inclusive of superannuation contributions (as applicable).

1. The Chair of the Board of Directors does not receive any Committee fees for undertaking any role as chair or member of any Committee.
2. Mr Hegarty is a 'nominee director' nominated by EMR Capital. Under the terms of the Relationship Deed between the Company and the EMR Capital Investors, EMR Capital has directed that the Director's fees payable to Mr Hegarty are remitted to EMR Capital.
3. Mr O'Connor is a 'nominee director' nominated by EMR Capital. Under the terms of the Relationship Deed between the Company and the EMR Capital Investors, EMR Capital has directed that the Director's (including Committee) fees payable to Mr O'Connor are remitted to him directly on the basis that Mr O'Connor is not an employee of EMR Capital.

5.3 Expenses and special fees

In addition to Director and Committee fees, NEDs may also be paid or reimbursed for travel and other expenses properly incurred by the NED:

- in attending and returning from any meeting of the Board or a Committee, or general meeting of the Company; or
- otherwise in connection with the business of the Company and the NED's role (including any special responsibilities, from time to time).

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A NED may also be paid special or additional fees, as determined by the Board, to compensate the NED for special or additional exertions outside of the scope of the NEDs normal role and for the benefit of the Company.

No special or additional fees were paid to Non-executive Directors during the Reporting Period.

Payments for, or reimbursement of, expenses, and any special or additional fees, are not included in the fee pool limit described above.

5.4 Fees paid to NEDs during Reporting Period

The Director and Committee fees paid to NEDs during the Reporting Period is set out in the table below.

Name	Role	Fees paid
Owen Hegarty OAM	Non-executive Director *(Nominee director for EMR Capital)* *Chair of Board of Directors* *Member of Remuneration & Nominations Committee (until April 2023)* *Member of Sustainability Committee (until April 2023)*	$250,000[1]
Fiona Robertson AM	Independent Non-executive Director *Chair, Audit, Governance & Risk Committee* *Member, Sustainability Committee*[2]	$210,000[2,4]
Jacqui McGill AO	Independent Non-executive Director *Chair, Sustainability Committee* *Member, Audit, Governance & Risk Committee* *Member, Remuneration & Nominations Committee*	$215,000[2,4]
Martin Alciaturi	Independent Non-executive Director *Chair, Remuneration & Nominations Committee* *Member, Audit, Governance & Risk Committee*	$195,000[2,4]
Tamara Brown	Independent Non-executive Director *Member, Audit, Governance & Risk Committee (from April 2023)* *Member, Sustainability Committee (from April 2023)*	$127,000[3,4, 5]
Creagh O'Connor	Non-executive Director *(Nominee director for EMR Capital)* *Member, Remuneration & Nominations Committee (from April 2023)*	$112,889[5, 6]

1. Mr Hegarty is a 'nominee director' nominated by EMR Capital. Under the terms of the Relationship Deed between the Company and the EMR Capital Investors, EMR Capital has directed that the Director's fees payable to Mr Hegarty are remitted to EMR Capital. As Chair of the Board, Mr Hegarty did not receive fees for his role as a member of any of the Board Committees during the Reporting Period.
2. Fees paid to each of Ms Robertson, Ms McGill and Mr Alciaturi include $47,139.65 (cash value, subject to rounding) in the form of 46,094 29Metals shares issued during the Reporting Period under the 29Metals' NED Share Plan. Shares issued during the Reporting Period to Ms Robertson, Ms McGill and Mr Alciaturi comprised:
   - 8,143 shares - issued on 27 February 2023 with an issue price of $2.105 per share;
   - 9,916 shares - issued on 2 June 2023 with an issue price of $1.0084 per share;
   - 13,460 shares - issued on 3 October 2023 with an issue price of $0.7429 per share; and
   - 14,575 shares - issued on 28 November 2023 with an issue price of $0.6861 per share.

   Director fees applied to acquire shares under the NED Share Plan are applied on a salary sacrifice 'pre-tax' basis. Further information regarding the NED Share Plan is set out in section 5.5.
3. Fees paid to Ms Brown include $13,419.51 (cash value, subject to rounding) in the form of 18,983 29Metals shares issued during the Reporting Period under the 29Metals' NED Share Plan. Shares issued during the Reporting Period to Ms Brown comprised:
   - 6,959 shares - issued on 3 October 2023 with an issue price of $0.7429 per share; and
   - 12,024 shares - issued on 28 November 2023 with an issue price of $0.6861 per share.

   Director fees applied for Ms Brown to acquire shares under the NED Share Plan are applied on a 'post tax' basis because Ms Brown is a non-resident for Australian income tax purposes. Further information regarding the NED Share Plan is set out in section 5.5.
4. Shareholder approval under ASX Listing Rule 10.14 for the issue of shares to Non-executive Directors (including eligible Directors appointed before May 2025) was obtained at the Company's 2022 AGM. Refer to section 5.5 for further information regarding the NED Share Plan. For accounting purposes, the fair value attributed to shares awarded to Ms Robertson, Ms McGill and Mr Alciaturi has been determined to be $2.77 per share, being the share price for 29Metals shares at the close of trading on 24 May 2022 (the date of approval of the NED Share Plan by shareholders). The fair value attributed to shares awarded to and Ms Brown has been determined to be $1.35, being the share price for 29Metals shares at the close of trading on 17 April 2023. Refer to Note 34(d) to the Consolidated Financial Statements for further information regarding the calculation of fair value. Refer to section 8 of this Remuneration Report for statutory reporting of NED remuneration for the Reporting Period.
5. Fees paid are effective from date of appointment as a Director on 17 April 2023.
6. Mr O'Connor is a 'nominee director' nominated by EMR Capital. Under the terms of the Relationship Deed between the Company and the EMR Capital Investors, EMR Capital has directed that the Director's (including Committee) fees payable to Mr O'Connor are remitted to him directly on the basis that Mr O'Connor is not an employee of EMR Capital.

'Fair value' calculations for shares acquired by eligible NEDs under the NED Salary Sacrifice Share Plan (the '**NED Share Plan**') are set out in the notes to the table (above). Fair value calculations have been determined in accordance with the applicable accounting standard, however, the calculated fair value materially exceeds the price at which relevant shares were acquired by participating NEDs (under the NED Share Plan Rules) and the price on the date on which the shares were acquired. As a result, the total remuneration outcomes for participating NEDs included in the statutory remuneration

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reporting in this Remuneration Report (eg, the remuneration table in section 8) materially exceeds the face value of the shares acquired under the NED Share Plan.

5.5 NED equity participation

The Board recognises the importance of Directors holding 29Metals shares to enhance alignment with the interests of shareholders.

The Board has established the 29Metals NED Share Plan. The plan, approved by shareholders at the Company's 2022 AGM, covers the issue of fully paid ordinary 29Metals shares to eligible NEDs over the period 2022, 2023 and 2024, including any eligible NEDs appointed after the 2022 AGM over the period 2022, 2023 and 2024. Shareholder approval of the NED Share Plan expires May 2025.

Any EMR Nominee Director who is an employee of EMR Capital is not eligible to participate in the NED Share Plan on the basis that Director's fees for relevant persons are paid to EMR Capital. Executive Directors, such as the Managing Director & CEO, are also not eligible to participate in the NED Share Plan.

Under the NED Share Plan, $40,000 (on a pre-tax basis) of each participating NED's Director's fees per annum will be delivered in the form of new fully paid 29Metals ordinary shares. Shares issued under the NED Share Plan are issued to participating NEDs on a quarterly basis (pro rata), generally in April, August, November and February. [12]

The number of shares issued to participating NEDs under the NED Share Plan is calculated by applying the VWAP for 29Metals shares trading on the ASX for the period of three months ending on the day before the date of issue. Applying the VWAP over the three-month period creates a continuous exposure for participating NEDs in the performance of 29Metals' share price.

Shares issued to participating NEDs under the plan are subject to:

- for continuing NEDs, a two-year trading lock commencing on the date of issue; and
- in the case of a participating NED who ceases to be a Director before the end of a relevant holding lock, a trading lock ending on the earlier of two years after the date of issue and the first anniversary of the date on which the Director ceases to hold office.

On the basis that the NED Share Plan is intended to operate as a salary sacrifice arrangement, shares issued to participating NEDs are not subject to performance conditions.

During 2023, and up to the date of this report:

- the Directors participating in the NED Share Plan are Ms Robertson, Ms McGill, Mr Alciaturi and Ms Brown; [13] and
- there were four issues of shares under the NED Share Plan which occurred as set out as follows (refer to notes in section 5.4 for detail of shares issued individually to each participating NED):
  - an issue of an aggregate 24,429 shares to participating NEDs in February 2023 following release of the Company's Consolidated Annual Financial Report for the year ended 31 December 2022;
  - an issue of 29,748 shares to each participating NEDs in June 2023 following release of the Company's quarterly report for the quarter ended 30 March 2023;
  - an issue of 47,339 shares to each participating NEDs in October 2023 following release of the Company's Consolidated Financial Report for the six months ended 30 June 2023; and
  - an issue of 55,749 shares to each participating NEDs in November 2023 following release of the Company's quarterly report for the quarter ended 30 September 2023.

Further information regarding the *fair value* calculated for shares issued to eligible NEDs under the NED Share Plan is set out in the notes to the table in section 5.4.

The final issue of shares to participating NEDs under the NED Share Plan for 2023 is expected to occur shortly following release of the Company's Annual Financial Report for the year ended 31 December 2023.

6. KMP equity interests

6.1 Minimum shareholding policy

The Directors consider that maintaining alignment with the interests of the Company's shareholders is advanced by KMPs acquiring and holding a meaningful shareholding in the Company. Accordingly, the Company has a minimum shareholding requirement whereby all KMPs are required to acquire and hold 29Metals shares over a defined period after their respective appointment as a KMP.

[12] In the case of Ms Brown, an eligible NED for the purposes of the NED Share Plan, 29Metals is required to withhold tax from the fees applied to acquire shares because Ms Brown is a non-resident for Australian income tax purposes.

[13] Mr O'Connor is eligible to participate in the NED Share Plan on the basis that he is not an employee of EMR Capital. However, Mr O'Connor has elected not to participate in the NED Share Plan at this time on the basis that he holds direct or indirect interests in 29Metals shares which, in the aggregate, exceed the Board's minimum shareholding policy for Non-executive Directors.

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The minimum shareholding requirements for KMPs are summarised in the following table.

	Minimum shareholding	Period to acquire minimum shareholding
Non-executive Directors	29Metals shares with a cash value at least equal to the aggregate annual director fees paid to the NED[1]	4 years commencing on the date of appointment
Managing Director & CEO	29Metals shares with a cash value at least equal to 50% of TFR	4 years commencing on the date of appointment
Other executive KMPs	29Metals shares with a cash value at least equal to 50% of TFR	4 years commencing on the date of appointment

1. Excludes any additional fees paid (from time to time) for special or additional exertions. Refer to sections 5.2 and 5.3 for further information regarding the circumstances where additional fees for special or additional exertions may be paid to NEDs.

For the purposes of calculating the value of KMPs interests in 29Metals shares, the Board recognises that the value of 29Metals shares will vary from time to time. As a result, the Board has determined that the value per share to be applied for the purpose of calculating whether the minimum shareholding requirement has been met will be:

- the acquisition price of the shares (ie, price per share paid to acquire the share or, in the case of shares issued for nil consideration upon vesting of performance rights, the closing price per share on the date of vesting of performance rights); or
- the 2-year volume weighted average price (VWAP) of 29Metals shares, to be calculated on an annual basis,

whichever is higher.

6.2 KMP equity holdings

KMP shareholdings for the Reporting Period are set out below.

KMP name	Opening balance	Shares issued as part of KMP remuneration	Shares issued on vesting of perf. Rights	Number of shares to be issued on vesting of perf. Rights	Shares acquired / disposed other	Closing balance
Non-executive Directors						
Owen Hegarty OAM [1]	50,000	—	N/a	—	22,728	**72,728**
Fiona Robertson AM	37,236	46,094 [2]	N/a	—	25,136	**108,466**
Jacqui McGill AO	47,236	46,094 [2]	N/a	—	13,772	**107,102**
Martin Alciaturi	29,736	46,094 [2]	N/a	—	121,727	**197,557**
Tamara Brown	— [3]	18,983 [2]	N/a	—	—	**18,983**
Creagh O'Connor	300,000 [3]	—	N/a	—	136,364	**436,364**
Executive Director						
Peter Albert [3]	287,500 [4]	—	22,500	145,304	140,911	**596,215 [4,5]**
Other executive KMPs						
Ed Cooney	25,525	—	13,025	47,314	—	**85,864 [5]**
Peter Herbert	20,525	—	13,025	47,774	11,841	**93,165 [5]**
Clifford Tuck	138,025 [4]	—	13,025	47,544	(67,025)	**131,569 [4,5]**
						1,848,013

1. Shareholdings for Mr Hegarty exclude shares held by private equity funds managed or advised by EMR Capital (the '**EMR Capital Investors'**). At 31 December 2023, EMR Capital Investors hold approximately 44.8% of 29Metals' shares (in the aggregate).
2. Shares issued to eligible NEDs in lieu of fees under the 29Metals NED Share Plan. Refer to sections 5.4 and 5.5 for further information.
3. Opening balance as at date of appointment as a Director (17 April 2023).
4. Includes Restricted Shares issued in connection with the 29Metals IPO. The two-year holding lock applied to Restricted Shares issued to eligible KMPs was lifted on 10 July 2023. Further information regarding the one-off issue of Restricted Shares to Mr Albert and Mr Tuck is set out in section 4.5 of the Company's 2021 Remuneration Report.
5. Closing balance includes performance rights awarded under the 2022 STI, which performance rights will vest with new shares expected to be issued and allotted on or about the date of this Remuneration Report. Refer to section 4.5 for further information.

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6.3 Executive KMP performance rights holdings

Movements in performance rights held by executive KMPs during the Reporting Period is shown in the table below. All performance rights awarded to executive KMPs during the Reporting Period (with the exception of performance rights awarded under the 2022 STI) were unvested at 31 December 2023 (and remain unvested as at the date of this report).

Name	Opening balance (unvested)	Awarded – 2023 LTI [1]	Awarded – 2023 STI [1]	Vested [3]	Lapsed / forfeited	Closing balance (unvested)
Peter Albert	679,197	427,366	803,010 [2]	167,804	Nil	1,741,769 [2]
Ed Cooney	297,008	197,918	332,466	60,339	Nil	767,053
Peter Herbert	297,468	199,839	351,047	60,799	Nil	787,555
Clifford Tuck	297,238	198,878	349,364	60,569	Nil	784,911
	1,570,911	**1,024,001**	**1,835,887**	**349,511**	**Nil**	**4,081,288 [3]**

All performance rights awarded during the Reporting Period have a nil exercise price.

1. Refer to section 4.8 for details regarding performance rights awarded to executive KMPs, including the fair value applied to awards for accounting purposes.
2. The number of performance rights awarded cited in the table includes:
   - a proposed award of 803,010 performance rights under the 2023 STI to Mr Albert (Managing Director & CEO), which award is subject to obtaining shareholder approval to be sought at the Company's 2024 AGM. If shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have applied to previous awards to Mr Albert had shareholder approval been not successfully obtained), which payment is also subject to the 2023 STI vesting period; and
   - 938,759 performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI, which performance rights will lapse unvested and be forfeited under the terms of the CEO Transition upon Mr Albert's retirement. Refer to section 3.8 for further information regarding the CEO Transition.
3. Vested performance rights cited includes:
   - 61,575 performance rights awarded under the Staff Offer Incentive Tranche 2 (in the aggregate), which performance rights vested following release of the Company's 2022 full year financial results (in accordance with the terms of the award); and
   - 287,936 2022 performance rights awarded under the 2022 STI, which performance rights will vest with new shares expected to be issued and allotted on or about the date of this Remuneration Report.

   Refer to section 4.5 for further information regarding performance rights awarded under the 2022 STI and section 4.6 for further information regarding performance rights awarded under the Staff Offer Incentive.

6.4 Shares issued on vesting of performance rights

As described in sections 4.5 and 4.6:

- 61,575 shares were issued to executive KMPs (in the aggregate) upon vesting of Performance Rights during the Reporting Period [14]; and
- 287,936 shares were issued to executive KMPs (in the aggregate) upon vesting of Performance Rights post-Reporting Period [15].

7. Other KMP transactions

7.1 Loans to KMPs

No loans were granted by the Company to any KMP (or any of their related parties).

7.2 Other transactions with KMPs or their related parties

29Metals' head office is sub-leased from EMR Capital Pty Ltd, an entity within the EMR Capital group of companies. As noted above, Mr Hegarty is the Executive Chairman of EMR Capital. The sub-lease is on commercial arm's length terms and includes incentives in 29Metals' favour (including contributions to fit out costs). Further details regarding the sub-lease are disclosed in the Prospectus.[16]

29Metals does not consider the sub-lease to be a relevant transaction with a KMP or related party for remuneration reporting purposes but has elected to include this additional disclosure for transparency.

There were no other transactions with KMPs or their related parties during the Reporting Period.

[14] A total of 671,564 shares were issued upon vesting of performance rights awarded under the Staff Offer Incentive in 2023, inclusive of 61,575 issued to executive KMPs.

[15] A total of 383,907 shares were issued upon vesting of performance rights awarded under the 2022 STI, inclusive of 287,936 issued to executive KMPs.

[16] Refer to section 10.6.11 of the 29Metals Prospectus.

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8. Statutory remuneration tables

2023

KMP	Short-term benefits: Salary & fees $	Short-term benefits: STI (cash bonus) $	Short-term benefits: Non-monetary benefits[1] $	Short-term benefits: Other $	Post-employment: Superannuation $	Long-term benefits: Employee entitlements[2] $	Share-based payments: Share options[3] $	Share-based payments: Shares[4] $	Termination payments $	Total $	Performance-related %
Non-executive Directors											
Owen Hegarty OAM	250,000 [5]	N/a	—	—	—	—	—	—	—	250,000	N/a
Fiona Robertson AM	164,797 [6]	N/a	—	—	5,203	—	—	251,226 [7]	—	421,226	N/a
Jacqui McGill AO	154,132 [6]	N/a	—	—	20,868	—	—	251,226 [7,]	—	426,226	N/a
Martin Alciaturi	136,073 [6]	N/a	—	—	18,927	—	—	251,226 [7]	—	406,226	N/a
Tamara Brown	105,000	N/a	—	—	330	—	—	66,749 [7]	—	172,079	N/a
Creagh O'Connor	112,889 [15]	N/a	—	—	—	—	—	—	—	112,889	N/a
Executive Directors											
Peter Albert	910,725	—	26,222	9,529 [14]	26,346	(15,186)	(268,603) [8]	4,179	903,426 [9]	1,596,638	(17%)
Other executive KMPs											
Ed Cooney	516,452	40,483	57,231[16]	52,061 [11]	26,346	8,994	249,892	2,419 [10]	—	953,878	31
Peter Herbert	525,508 [12]	42,745	31,381	—	26,346	5,477	253,186	2,419 [10]	—	887,062	34
Clifford Tuck	519,082 [13]	42,540	30,841[13]	—	26,346	5,448	252,547	2,419 [10]	—	879,223	34
Total	**3,394,658**	**125,678**	**145,675**	**61,590**	**150,712**	**4,733**	**487,022**	**831,863**	**903,426**	**6,105,447**	**N/a**

1. Comprises value of accrued annual leave entitlements.
2. Comprises accrued long service leave entitlements, including accrued entitlements transferred upon commencement of employment with 29Metals.
3. Share options comprises performance rights awarded to executive KMPs (nil exercise price). For the Reporting period, performance rights were awarded under the 2023 LTI (refer to section 4.4) and the 2023 STI (equity component; refer to section 4.3). The value of performance rights awarded to executive KMPs in the Reporting Period is calculated by applying the *fair value* per performance right calculated for each award. Information regarding the *fair value* applied for awards of performance rights during the Reporting period is set out in section 4.8.
4. Shares issued to KMPs during the Reporting Period and applying *fair value* determined for each relevant issue.
5. Owen Hegarty is a nominee director for EMR Capital Investors (as that term is defined in the 29Metals Prospectus), Mr Hegarty's Director's fees are paid to EMR Capital.
6. Fees paid to Ms Robertson, Ms McGill, Mr Alciaturi and Ms Brown are cited net of fees delivered in the form of fully paid 29Metals shares issued to each of them in under the NED Share Plan. The fees applied (by way of salary sacrifice) for the issue of shares under the NED Share Plan was $40,000 during the Reporting Period (per Director). These benefits are included in *Share-based Payments* (Refer to note 7, below). Refer to section 5.5 for further information regarding the NED Share Plan.
7. Refer to section 5.4 for information regarding the *fair value* applied for shares issued to eligible NEDs under the NED Share Plan. Share-based payments reflect the total value of shares issued (or estimate value of shares expected to be issued) for accounting purposes and is based off the fair value calculation (refer to Note 35(b)(v) to the Consolidated Financial Statements for the year ended 31 December 2023). For accounting purposes, fair value calculations are determined with reference to the Company's share price as at the time of shareholder approval (being $2.77 per share, for eligible NEDs in office on 24 May 2022) or date of appointment as a Director (being $1.35 per share, for Ms Brown), whichever is later. The actual contribution and amounts paid by Non-executive Directors participating in the NED Salary Sacrifice Share Plan is up to $40,000 per annum. Refer to section 5.5 for further information.
8. Under the terms of the CEO Transition, unvested performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI will lapse and be forfeited upon Mr Albert's retirement on 30 April 2024. Share based payments cited in the table include the reversal of the previously recognised expense for the performance rights awarded under the 2021 and 2022 LTI. Refer to section 3.8 for further information regarding the CEO Transition.
9. For statutory remuneration reporting purposes, 29Metals is required to include amounts payable to Mr Albert at termination under the CEO Transition terms, similarly, an accrual for these future benefits, payable on termination, is included in the Consolidated Financial Statements (refer to Note 34(b)(vi) to the Consolidated Financial Statements). Relevant amounts are not due and payable to Mr Albert before 30 April 2024, and no termination benefits were remitted during the Reporting Period and up to the date of this Report. Statutory remuneration reporting for the 2024 reporting period will not include this amount on the basis that it has been reported against the 2023 Reporting Period. Refer to section 3.8 for further information regarding the terms of the CEO Transition.
10. Shares issued to executive KMPs during the Reporting Period on vesting of Performance Rights awarded to executive KMPs under the Staff Offer Incentive. Refer to section 4.6 for further information regarding the Staff Offer Incentive. The value of shares issued to executive KMPs in the Reporting Period is calculated by applying the *fair value* of $2.00 per share for each issue.
11. Comprises regular airfares, travel expenses and accommodation for Mr Cooney to commute between Sydney and Melbourne during the Reporting Period. FBT applicable is included in 'Non-monetary benefits'.
12. Salary for Mr Herbert for the Reporting Period includes a temporary increase in TFR for a period during which Mr Herbert was acting CEO while Mr Albert was on annual leave. The aggregate incremental TFR for the relevant period was $3,795 (inclusive of superannuation contributions).
13. Salary for Mr Tuck includes a payment of $79,859 for annual leave cashed out during the Reporting Period.
14. Comprises legal fees paid by the Company on Mr Albert's behalf, in connection with the CEO Transition arrangements. Refer to section 3.8 for further information regarding the CEO Transition terms.
15. Creagh O'Connor is a nominee director for EMR Capital Investors (as that term is defined in the 29Metals Prospectus). EMR Capital have directed that fees are paid directly to Mr O'Connor. Director's fees are paid to an entity related to Mr O'Connor.
16. Includes FBT payable on regular airfares, travel expenses and accommodation for Mr Cooney to commute between Sydney and Melbourne during the Reporting Period.

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2022

KMP	Short-term benefits				Post-employment	Long-term benefits	Share-based payments		Termination payments	Total	Performance-related
	Salary & fees $	STI (cash bonus) $	Non-monetary benefits[1] $	Other $	Superannuation $	Employee entitlements[2] $	Share options[3] $	Shares[4] $	$	$	%
Non-executive Directors											
Owen Hegarty OAM	250,000[5]	N/a	—	—	—	—	—	—	—	250,000	N/a
Fiona Robertson AM	165,011[6]	N/a	—	—	4,989	—	—	101,360[7]	—	271,360	N/a
Jacqui McGill AO	155,012[6]	N/a	—	—	19,988	—	—	101,360[7]	—	276,360	N/a
Martin Alciaturi	136,872[6]	N/a	—	—	18,128	—	—	101,360[7]	—	256,360	N/a
Tamara Brown	—	—	—	—	—	—	—	—	—	—	—
Creagh O'Connor	—	—	—	—	—	—	—	—	—	—	—
Executive Directors											
Peter Albert	889,070	472,770	58,966	—	24,430	9,020	544,189	10,588[8]	—	2,009,033	51
Other executive KMPs											
Ed Cooney	504,385	239,471	41,219	—	24,430	5,545	218,534	6,129[8]	—	1,039,713	45
Peter Herbert	511,935[9]	241,796	51,049	—	24,430	2,288	218,985	6,129[8]	—	1,056,612	44
Clifford Tuck	505,687	240,634	60,784	—	24,430	2,272	218,759	6,129[8]	—	1,058,695	44
Total	**3,117,972**	**1,194,671**	**212,018**	—	**140,825**	**19,125**	**1,200,467**	**333,055**	—	**6,218,133**	**N/a**

1. Comprises value of accrued annual leave entitlements.
2. Comprises accrued long service leave entitlements, including accrued entitlements transferred upon commencement of employment with 29Metals.
3. Share options comprises performance rights awarded to executive KMPs (nil exercise price). For the Reporting period, performance rights were awarded under the 2022 LTI (refer to section 4.4) and the 2022 STI (equity component; refer to section 4.3). The value of performance rights awarded to executive KMPs in the Reporting Period is calculated by applying the *fair value* per performance right calculated for each award. Information regarding the *fair value* applied for awards of performance rights during the Reporting period is set out in section 4.8.
4. Shares issued to KMPs during the Reporting Period and applying *fair value* determined for each relevant issue.
5. Owen Hegarty is a nominee director for EMR Capital Investors (as that term is defined in the 29Metals Prospectus), Mr Hegarty's Director's fees are paid to EMR Capital.
6. Fees paid to Ms Robertson, Ms McGill and Mr Alciaturi are cited net of fees delivered in the form of fully paid 29Metals shares issued to each of them in under the NED Share Plan. The fees applied (by way of salary sacrifice) for the issue of shares under the NED Share Plan was $40,000 during the Reporting Period (per Director). These benefits are included in *Share-based Payments* (Refer to note 7, below). Refer to section 5.5 for further information regarding the NED Share Plan.
7. Refer to section 5.4 for information regarding the *fair value* applied for shares issued to eligible NEDs under the NED Share Plan. [17]
8. Shares issued to executive KMPs during the Reporting Period on vesting of Performance Rights awarded to executive KMPs under the Staff Offer Incentive. Refer to section 4.6 for further information regarding the Staff Offer Incentive. The value of shares issued to executive KMPs in the Reporting Period is calculated by applying the *fair value* of $2.00 per share for each issue.
9. Salary for Mr Herbert for the Reporting Period includes a temporary increase in TFR for a period during which Mr Herbert was acting Chief Executive Officer while Mr Albert was on annual leave. The aggregate incremental TFR for the relevant period was $4,945 (inclusive of superannuation contributions).

[17] Further information regarding the fair value calculation is included in note 7 to the statutory remuneration table for 2023 on page 58.

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Consolidated Financial Statements

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Consolidated Statement of Comprehensive Income for the year ended 31 December 2023

	Note	2023 $'000	2022 $'000
Revenue	6(a)	449,748	720,688
Cost of sales	6(c)	(540,865)	(716,799)
Gross (loss) / profit		**(91,117)**	**3,889**
Other income	6(b)	916	201
Net loss on derivative financial instruments	6(e)	(7,240)	(4,652)
Net foreign exchange gain / (loss)	6(f)	4,230	(12,198)
Financial impacts of the Extreme Weather Event			
Other income	7	28,625	-
Expenses and impairment	7	(78,135)	-
Impairment expense relating to Capricorn Copper cash-generating unit	21	(170,000)	-
Write-off of exploration and evaluation expenditure	17	(5,092)	-
Administration expenses	6(d)	(34,698)	(33,884)
Other expenses	6(g)	(544)	-
Operating loss		**(353,055)**	**(46,644)**
Finance income	8	5,234	1,385
Interest expense and other cost of finance	8	(34,570)	(20,557)
Net finance costs	**8**	**(29,336)**	**(19,172)**
Loss before income tax expense		**(382,391)**	**(65,816)**
Income tax (expense) / benefit	9	(58,072)	18,594
Net loss for the year		**(440,463)**	**(47,222)**
Net loss for the year after tax attributable to members of 29Metals Limited		**(440,463)**	**(47,222)**
Other comprehensive loss for the year			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(123)	(191)
Total comprehensive loss for the year attributable to members of 29Metals Limited		**(440,586)**	**(47,413)**
Earnings per share (cents per share)			
Basic loss per share	10	(79.9)	(9.8)
Diluted loss per share	10	(79.9)	(9.8)

The Consolidated Statement of Comprehensive Income (above) should be read in conjunction with the accompanying notes.

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Consolidated Statement of Financial Position at 31 December 2023

	Note	2023 $'000	2022 $'000
Current assets			
Cash and cash equivalents	25	161,859	171,962
Trade and other receivables	13	28,078	51,630
Inventories	15	95,262	99,478
Other financial assets	16	12,520	12,518
Prepayments		8,941	9,368
Total current assets		**306,660**	**344,956**
Non-current assets			
Prepayments		3,566	4,592
Inventories	15	2,124	-
Exploration and evaluation expenditure	17	28,863	33,169
Mine properties	18	405,750	578,001
Property, plant and equipment	19	181,588	207,121
Right-of-use assets	20	52,576	66,939
Intangible assets		78	122
Deferred tax assets	9	-	58,072
Total non-current assets		**674,545**	**948,016**
Total assets		**981,205**	**1,292,972**
Current liabilities			
Trade and other payables	22	118,863	150,765
Interest-bearing liabilities	26	99,836	33,742
Derivative financial liabilities	14	5,279	1,354
Lease liabilities	27	20,154	19,967
Provisions	23	16,379	17,927
Total current liabilities		**260,511**	**223,755**
Non-current liabilities			
Interest-bearing liabilities	26	117,375	164,617
Derivative financial liabilities	14	5,754	5,428
Lease liabilities	27	33,968	47,150
Provisions	23	141,253	136,330
Total non-current liabilities		**298,350**	**353,525**
Total liabilities		**558,861**	**577,280**
Net assets		**422,344**	**715,692**
Equity			
Contributed equity	30	795,498	648,464
Reserves	30	3,145	3,064
(Accumulated losses) / Retained earnings		(376,299)	64,164
Total equity		**422,344**	**715,692**

The Consolidated Statement of Financial Position (above) should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity for the year ended 31 December 2023

	Note	Contributed Equity $'000	Share-based payment Reserve $'000	Translation Reserve $'000	(Accumulated losses) / Retained Earnings $'000	Total equity $'000
As at 1 January 2023		**648,464**	**3,306**	**(242)**	**64,164**	**715,692**
Loss for the year		-	-	-	(440,463)	(440,463)
Other comprehensive loss		-	-	(123)	-	(123)
Total comprehensive loss		**-**	**-**	**(123)**	**(440,463)**	**(440,586)**
Transactions with owners in their capacity as owners						
Issue of shares	30	151,200	-	-	-	151,200
Transaction costs, net of tax	30	(5,898)	-	-	-	(5,898)
Issue of shares to Non-executive directors from Salary Sacrifice Share Plan	30, 34(d)	405	(405)	-	-	-
Share-based payments	34(a)	-	1,936	-	-	1,936
Shares issued to settle share-based payments	30, 34(b)(i)	1,327	(1,327)	-	-	-
As at 31 December 2023		**795,498**	**3,510**	**(365)**	**(376,299)**	**422,344**
As at 1 January 2022		**646,633**	**1,941**	**(51)**	**121,013**	**769,536**
Loss for the year		-	-	-	(47,222)	(47,222)
Other comprehensive loss		-	-	(191)	-	(191)
Total comprehensive loss		**-**	**-**	**(191)**	**(47,222)**	**(47,413)**
Transactions with owners in their capacity as owners						
Dividends	11	-	-	-	(9,627)	(9,627)
Issue of shares to Non-executive directors from Salary Sacrifice Share Plan	30, 34(d)	102	(102)	-	-	-
Share-based payments	34(a)	-	3,196	-	-	3,196
Shares issued to settle share-based payments	30, 34(b)(i)	1,729	(1,729)	-	-	-
As at 31 December 2022		**648,464**	**3,306**	**(242)**	**64,164**	**715,692**

The Consolidated Statement of Changes in Equity (above) should be read in conjunction with the accompanying notes.

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Consolidated Financial Statements

Consolidated Statement of Cash Flows for the year ended 31 December 2023

	Note	2023 $'000	2022 $'000
Cash flows from operating activities			
Receipts from customers		494,875	734,743
Payments to suppliers, employees and others		(549,876)	(589,605)
Income taxes refund received		-	18,023
Income taxes paid		-	(2,982)
Proceeds from insurance claim	7	24,000	-
Interest received	8	5,234	1,385
Payments for short-term leases and variable lease payments		(10,757)	(5,874)
Net cash flows (used in) / from operating activities	**12(a)**	**(36,524)**	**155,690**
Cash flows from investing activities			
Payments for property, plant and equipment		(44,514)	(50,473)
Payments for development activities		(36,003)	(46,222)
Exploration expenditure		(4,427)	(16,916)
Net cash flows (used in) investing activities		**(84,944)**	**(113,611)**
Cash flows from financing activities			
Transfer from other financial asset		-	1,814
Proceeds from issue of new shares	30	151,200	-
Transaction costs paid relating to the issue of shares		(5,148)	-
Proceeds from borrowings	26	60,624	-
Repayment of borrowings	26	(51,873)	(18,878)
Repayment of lease liabilities	27	(21,141)	(32,047)
Dividends paid	11	-	(9,627)
Interest and borrowing costs paid		(20,920)	(13,661)
Net cash flows from / (used in) financing activities		**112,742**	**(72,399)**
Net decrease in cash and cash equivalents		(8,726)	(30,320)
Effect of movements in exchange rates on cash held		(1,377)	4,810
Cash and cash equivalents at the beginning of the year		171,962	197,472
Cash and cash equivalents at the end of the year	**25**	**161,859**	**171,962**

The Consolidated Statement of Cash Flows (above) should be read in conjunction with the accompanying notes.

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Consolidated Financial Statements

Introduction

This section provides information about the overall basis of preparation of the Consolidated Financial Statements that the Company considers will be useful in understanding the Consolidated Financial Statements.

Note 1: Corporate information

29Metals Limited ('**29Metals**' or, the '**Company**') is a *for-profit* company limited by shares, domiciled and incorporated in Australia. Shares in 29Metals are publicly traded on ASX. 29Metals' shares commenced trading on ASX on 2 July 2021.

The registered office of the Company is Level 2, 150 Collins St, Melbourne, Victoria 3000, Australia.

The nature of operations and principal activities of 29Metals Limited and its controlled entities (together the '**Group**') are mining and mineral production, mineral concentrate sales, mineral exploration and development and ancillary services.

The Consolidated Financial Statements of the Group for the year ended 31 December 2023 was authorised for issue in accordance with a resolution of the Directors dated 23 February 2024.

Note 2: Basis of preparation

The Consolidated Financial Statements is a general purpose financial report which:

- has been prepared in accordance with Australian Accounting Standards ('**AAS**') and other authoritative pronouncements of the Australian Accounting Standards Board ('**AASB**') and the *Corporations Act 2001* (Cth);
- complies with International Financial Reporting Standards ('**IFRS**') and interpretations adopted by the International Accounting Standards Board ('**IASB**');
- has been prepared on a historical cost basis except for certain financial instruments which have been measured at fair value through the profit or loss;
- is presented in Australian dollars with all values rounded to the nearest thousand dollars ($'000) unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument* 2016/191;
- adopts AAS and Interpretations that have been issued or amended and are effective from 1 January 2023. The adoption of AAS and Interpretations that have been issued or amended during the year did not have a significant impact on the financial report; and
- does not early adopt AAS and Interpretations that have been issued or amended but are not yet effective. Refer to Note 37 for further details.

Going Concern

The Consolidated Financial Statements for the year ended 31 December 2023 have been prepared on a going concern basis, which assumes that the Group will be able to realise its assets and meet its debts as and when they become due and payable.

For the purposes of assessing the appropriateness of preparing the Consolidated Financial Statements for the year on a going concern basis, the Directors have had regard to the significant impact of the Extreme Weather Event at Capricorn Copper in March 2023 on the Group's financial results for the year ended 31 December 2023, along with continuing recovery efforts, reflected in:

- a Group loss after tax of $440,463,000 (2022: $47,222,000 loss), including non-cash impairments of:
  - $170,000,000 to the Capricorn Copper segment; and
  - $27,000,000 to physical assets at Capricorn Copper damaged or lost;
- net cash outflows from operating activities of $36,524,000 (2022: $155,690,000 operating cash inflow), including operating costs associated with recovery activities at Capricorn Copper; and
- the Group required and obtained covenant relief under the Group corporate debt facilities (Refer to Note 26).

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Note 2: Basis of preparation (continued)

Going Concern (continued)

As a result of the impact of the Capricorn Copper Extreme Weather Event, the Group took steps during the Reporting Period to manage financial risk, including:

- drawing on the Group's US$40,000,000 working capital facility in May 2023;
- on 28 June 2023, the Group required and obtained covenant relief under the Group Syndicated Facility Agreement dated 20 October 2021, in respect of the Debt Service Coverage Ratio ('**DSCR**') and Net Total Leverage Ratio ('**NTLR**') covenants under the Group debt facilities for the 30 June 2023 calculation date (refer to Note 26);
- in August 2023, the Group and its lenders agreed to amend the Syndicated Facility Agreement dated 20 October 2021, which amendments:
  - provided further relief for DSCR under the Group debt facilities for the 31 December 2023, 30 June 2024 and 31 December 2024 calculation dates;
  - provided further relief for the NTLR under the Group debt facilities for the 31 December 2023 calculation date; and
  - included a change to the fixed repayment profile under the facility by increasing the total repayments for the quarters ended 30 September 2023 to 30 June 2025 to US$50,000,000 from US$45,000,000, with the last repayment on 30 September 2026 reducing from US$50,000,000 to US$45,000,000; and
- in September and October 2023, the Group received proceeds from an issue of 219,130,402 shares amounting to $151,200,000 (before transaction costs) (refer to Note 30).

In addition, on 28 June 2023 the Group negotiated an extension of the Group's environmental bank guarantee facility by one year to 29 October 2024.

Further information regarding the financial impacts of the Extreme Weather Event at Capricorn Copper in March 2023 is disclosed in Note 7.

The Group's current assets at 31 December 2023 amounted to $306,660,000 (2022: $344,956,000) and include cash and cash equivalents of $161,859,000 (2022: $171,962,000).

The Group's current assets at 31 December 2023 exceed current liabilities by $46,149,000 (2022: $121,201,000). Current interest-bearing liabilities are $99,836,000 at 31 December 2023 (2022: $33,742,000).

The NTLR is the ratio of total net debt on the calculation date to EBITDA for the 12 months calculation period ending on that calculation date, with a covenant of less than 2:1. The key assumptions for the compliance with the NTLR at 30 June 2024 and 31 December 2024 are:

- receipt of regulatory approvals required to maintain continuous tailings deposition and production at Capricorn Copper on a timely basis (relative to remaining capacity in existing tailings storage facilities);
- achieving planned production and EBITDA;
- receipt of further proceeds from the ongoing insurance claim related to the loss and damage suffered as a result of the Capricorn Copper Extreme Weather Event during the first half of 2024; and
- ongoing management of working capital in line with expectations.

Should the Company be unable to comply with the NTLR covenant requirements, as a result of the key matters not being achieved, and the Company is unable to renegotiate the covenant requirements with the Company's lenders, there is significant uncertainty as to whether the Group would be able to continue as a going concern, and, whether it will realise its assets and settle its liabilities in the normal course of business.

These Consolidated Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

The Directors, in considering the appropriateness of the going concern basis for the preparation of the Consolidated Financial Statements, have reviewed the Group's cash flow forecasts prepared by Management which indicate the Group will have sufficient cash to continue as a going concern for the 12 months from the date of this report.

The Directors, at the date of signing, consider that the going concern basis of preparation for the Consolidated Financial Statements is appropriate on the basis of:

- the matters outlined above;
- other funding and liquidity options available to the Group; and
- ongoing engagement with the Group's lenders.

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Note 3: Critical accounting judgements, estimates and assumptions

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. All judgements, estimates and assumptions made for the purposes of the Consolidated Financial Statements are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from these estimates.

The judgements, estimates and assumptions that have the potential to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined within the notes to the Consolidated Financial Statements, as set out below.

Estimates and assumptions:

- Note 9 (*Taxes*) – Income taxes
- Note 15 (*Inventories*) – Net realisable values
- Note 18 (*Mine properties*) – Mineral Resources and Ore Reserves estimates
- Note 19 (*Property, plant and equipment*) – Impairment of non-financial assets
- Note 20 (*Right-of-use assets*) – Estimation of the incremental borrowing rate to measure lease liabilities
- Note 21 (*Impairment of non-current assets*) – Key assumptions
- Note 23 (*Provisions*) – Mine rehabilitation, restoration and dismantling obligations

Judgements:

- Note 6 (*Income and expenses*) – Revenue recognition and variable consideration
- Note 20 (*Right-of-use assets*) – Lease term

Note 4: Accounting policies

The accounting policies set out below and in these notes to the Consolidated Financial Statements have been applied consistently by all entities included in the Group and are consistent with those applied in the prior year. All other material accounting policies are contained within the applicable notes to the Consolidated Financial Statements.

(a) Basis of consolidation

The Consolidated Financial Statements include the financial statements of the parent entity, 29Metals, and its controlled entities. A list of controlled entities is included in Note 31.

Control is achieved when the Group is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has all of the following:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

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

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the entity.

(b) Foreign Currency

(i) Foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date. Foreign exchange differences resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are recognised in the Consolidated Statement of Comprehensive Income.

(ii) Foreign operations

The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated at the exchange rates at the reporting date. The income and expenses of foreign operations are translated at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive income ('**OCI**') and accumulated in the Translation Reserve.

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Note 4: Accounting policies (continued)

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ('**GST**'), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office ('**ATO**') is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST components of cash flows arising from investing and financing activities, which are recoverable from or payable to the ATO, are classified as operating cash flows.

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Performance

Note 5: Segment information

Identification of reportable segments

The Group has determined that it has three reportable segments: Golden Grove, Capricorn Copper and Exploration (which includes Redhill and regional exploration activities at Golden Grove and Capricorn Copper).

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Golden Grove	Base and precious metals mining, mineral production and associated activities
Capricorn Copper	Base and precious metals mining, mineral production and associated activities
Exploration	Exploration for mineral resources at Redhill (Chile), and regional exploration at Golden Grove (Western Australia) and Capricorn Copper (Queensland)

Unallocated operations include corporate and administrative functions, which are managed on a group basis and are not allocated to reportable segments.

The performance of reportable segments is evaluated at least monthly based on revenues and EBITDA.

EBITDA is earnings before finance income, finance costs, any unrealised foreign exchange gains or losses, any realised and unrealised gains or losses on derivative financial instruments, asset impairment as a result of damage or loss from the Extreme Weather Event at Capricorn Copper, impairment expense relating to the Capricorn Copper cash-generating unit, write down of inventory, write-off of exploration and evaluation expenditure, income tax expense/(benefit) and depreciation and amortisation. A reconciliation of EBITDA to profit after tax is shown in Note 5(b). EBITDA is a non-IFRS financial information metric used by the Group's chief operating decision makers ('**CODM**') as the primary measure for assessing financial performance. 29Metals considers that EBITDA provides additional meaningful information to assist stakeholders to understand the underlying performance of the business.

Segment revenues represent revenue from the sale of copper concentrate, zinc concentrate and lead concentrate, which is net of related treatment and refining charges, and shipping revenue. All segment revenue is from third parties.

Segment assets and segment liabilities do not include intercompany balances.

Capital expenditure comprises payments for plant and equipment, assets under construction, mine development, exploration and studies expenditure.

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Consolidated Financial Statements

Note 5: Segment information (continued)

(a) Segment Results, Segment Assets and Segment Liabilities

Year ended 31 December 2023	Note	Golden Grove $'000	Capricorn Copper $'000	Exploration $'000	Unallocated operations $'000	Total $'000
Revenue						
Copper concentrate		246,464	75,071	-	-	321,535
Zinc concentrate		92,380	-	-	-	92,380
Lead concentrate		25,462	-	-	-	25,462
Shipping revenue		9,873	-	-	-	9,873
Realised and unrealised fair value movements on receivables subject to QP adjustment		962	(464)	-	-	498
Total revenue	**6(a)**	**375,141**	**74,607**	**-**	**-**	**449,748**
Result						
Segment results EBITDA [1]		39,542	(30,845)	(358)	(29,525)	(21,186)
Items reported to CODM not included in EBITDA						
Interest income		1,537	113	-	3,584	5,234
Interest expense		(829)	(2)	-	(20,608)	(21,439)
Depreciation and amortisation		(99,243)	(20,017)	-	(404)	(119,664)
Impairment expense relating to Capricorn Copper cash generating unit	21	-	(170,000)	-	-	(170,000)
Asset impairment resulting from damage or loss	7(a)	-	(27,000)	-	-	(27,000)
Write-down of inventory stockpile	15	(3,800)	-	-	-	(3,800)
Write-off of exploration and evaluation expenditure	17	(5,092)	-	-	-	(5,092)
Income tax expense	9	-	-	-	(58,072)	(58,072)
Segment assets and liabilities						
Segment assets		525,893	276,866	14,871	163,577	981,207
Segment liabilities		(189,710)	(104,319)	(71)	(264,763)	(558,863)
Net assets		**336,183**	**172,547**	**14,800**	**(101,186)**	**422,344**
Other segment information						
Capital expenditure		52,894	32,621	1,740	-	87,255

1. Refer to Note 5(b) for the reconciliation of segment EBITDA result to profit / (loss) after tax.

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Consolidated Financial Statements

Note 5: Segment information (continued)

(a) Segment Results, Segment Assets and Segment Liabilities (continued)

Year ended 31 December 2022	Note	Golden Grove $'000	Capricorn Copper $'000	Exploration $'000	Unallocated operations $'000	Total $'000
Revenue						
Copper concentrate		235,565	280,910	-	-	516,475
Zinc concentrate		181,627	-	-	-	181,627
Shipping revenue		15,911	-	-	-	15,911
Realised and unrealised fair value movements on receivables subject to QP adjustment		672	6,003	-	-	6,675
Total revenue	**6(a)**	**433,775**	**286,913**	**-**	**-**	**720,688**
Result						
Segment results EBITDA [1]		110,557	65,891	(436)	(24,433)	151,579
Items reported to CODM not included in EBITDA						
Interest income		385	83	-	917	1,385
Interest expense		(377)	(7)	-	(11,587)	(11,971)
Depreciation and amortisation		(121,766)	(67,222)	-	(411)	(189,399)
Income tax benefit		-	-	-	18,594	18,594
Segment assets and liabilities						
Segment assets		697,367	475,053	14,563	105,989	1,292,972
Segment liabilities		(232,137)	(101,882)	(54)	(243,207)	(577,280)
Net assets		**465,230**	**373,171**	**14,509**	**(137,218)**	**715,692**
Other segment information						
Capital expenditure		60,110	49,590	3,046	-	112,746

1. Refer to Note 5(b) for the reconciliation of segment EBITDA result to profit / (loss) after tax.

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Consolidated Financial Statements

Note 5: Segment information (continued)

(b) Reconciliation of EBITDA to Loss after Tax

	Note	2023 $'000	2022 $'000
EBITDA	5(a)	(21,186)	151,579
Depreciation and amortisation	6(c), 6(d), 7	(119,664)	(189,399)
Impairment expense relating to Capricorn Copper cash generating unit	21	(170,000)	-
Asset impairment resulting from damage or loss	7	(27,000)	-
Write-off of exploration and evaluation expenditure	17	(5,092)	-
Write down of inventory stockpile	15	(3,800)	-
Net foreign exchange loss – unrealised	6(f)	927	(4,172)
Net loss on derivative financial instruments	6(e)	(7,240)	(4,652)
Finance income	8	5,234	1,385
Interest expense and other cost of finance	8	(34,570)	(20,557)
Loss before tax		**(382,391)**	**(65,816)**
Income tax (expense) / benefit	9	(58,072)	18,594
Loss after tax		**(440,463)**	**(47,222)**

(c) Geographical Information

Total Revenue		
China	97,313	58,970
South Korea	219,080	310,985
Australia	133,355	350,733
Total revenue	**449,748**	**720,688**

The revenue information above is based on the delivery location for concentrate shipments to the customer.

One customer individually accounted for more than ten percent of total revenue during the year (2022: one customer).

Revenue from one customer represented approximately $338,339,000 and $44,956,000 of Golden Grove and Capricorn Copper total revenue, respectively, for the year ended 31 December 2023 (2022: one customer of $433,774,000 and $287,158,000 respectively).

	Note	2023 $'000	2022 $'000
Non-Current Assets			
Australia		659,737	875,454
Chile		14,808	14,490
		674,545	**889,944**

Non-Current Assets above exclude deferred tax assets of $nil (2022: $58,072,000). Refer to Note 9 for further information regarding deferred tax assets.

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Note 6: Income and expenses

(a) Revenue

	2023	2022
	$'000	$'000
Revenue from sale of concentrate (point in time)	439,377	698,102
Revenue from shipping services (over time)	9,873	15,911
Total revenue from contracts with customers	**449,250**	**714,013**
QP adjustment[18]	498	6,675
Total revenue	**449,748**	**720,688**
(i) Revenue from contracts with customers by type of product/service		
Copper concentrate	321,535	516,475
Zinc concentrate	92,380	181,627
Lead concentrate	25,462	-
Shipping revenue	9,873	15,911
Total revenue from contracts with customers	**449,250**	**714,013**

Recognition and measurement

The Group is principally engaged in the business of producing base and precious metals in the form of mineral concentrates. Revenue from concentrate sales contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration the Group expects to receive in exchange for those goods at the time of transfer. The Group has generally concluded that it is the principal in its revenue contracts because it typically controls the goods before transferring them to the customer.

For the Group's mineral concentrates sales not sold under *Cost Insurance and Freight* ('**CIF**') Incoterms, the performance obligation is the delivery of the concentrate to customers. For the Group's mineral concentrates sales sold under CIF Incoterms, the Group is also responsible for providing freight/shipping services and the freight/shipping services represent separate performance obligations.

(i) Concentrate sales

Golden Grove (GG)

The majority of GG's sales of mineral concentrates are sold under CIF and allow for price adjustments based on the market price at the end of the relevant quotational period ('**QP**') determined in accordance with the sales contract. These are referred to as provisional pricing arrangements where the selling price for the mineral concentrates is based on prevailing spot prices for the contained metal(s) on a specified future date after shipment to the customer. Adjustments to the sales price then occur based on movements in quoted market prices up to the end of the QP. The period between provisional invoicing and the end of the QP may vary between one- and five-months.

Revenue is recognised at the point in time when the mineral concentrate is physically transferred onto a vessel as the majority of GG's sales of mineral concentrates are sold under CIF terms. For certain export shipments, a holding certificate may be issued by GG upon delivery of mineral concentrates to the GG concentrate storage facility at the Geraldton Port where the mineral concentrates are held unencumbered and at the unconditional disposal of the customer. The revenue is measured at the amount to which the Group expects to receive, being the estimate of the price expected to be received at the end of the QP, determined based on the prevailing forward prices.

For these provisional pricing arrangements, any future changes that occur during the QP are embedded within the provisionally priced trade receivables. Given the exposure to the commodity price, these provisionally priced trade receivables do not satisfy the cash flow characteristics test and are subsequently measured at fair value through the Consolidated Statement of Comprehensive Income until the date of settlement. These subsequent changes in fair value are recognised in the Consolidated Statement of Comprehensive Income for each period and presented in revenue. Changes in fair value until the end of the QP are estimated by reference to updated forward market prices for the metal contained in mineral concentrates and any other relevant fair value considerations, including interest rates and credit risk adjustments. The period between provisional invoicing and the end of the QP may vary between one and five months.

[18] Realised and unrealised fair value movements on receivables subject to QP adjustment.

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Note 6: Income and expenses (continued)

(a) Revenue (continued)

(i) Concentrate sales (continued)

Capricorn Copper (CC)

For domestic sales, revenue is recognised at the point in time when the mineral concentrate is delivered over the weighbridge at the receiving smelter's storage facility. For export shipments, revenue is recognised at the point in time when the mineral concentrate is physically transferred onto a vessel as these sales of mineral concentrates are sold under CIF terms. For certain export shipments, a holding certificate is issued by the CC upon delivery of mineral concentrates to a storage facility at the Townsville Port where the mineral concentrates are held unencumbered and at the unconditional disposal of the customer. The revenue is measured at the amount to which the Group expects to receive, being the estimate of the price expected to be received at the end of the QP, determined based on the prevailing forward prices.

For these provisional pricing arrangements, any future changes that occur during the QP are embedded within the provisionally priced trade receivables. Given the exposure to the commodity price, these provisionally priced trade receivables do not satisfy the cash flow characteristics test and are subsequently measured at fair value through the Consolidated Statement of Comprehensive Income until the date of settlement. These subsequent changes in fair value are recognised in the Consolidated Statement of Comprehensive Income each period and presented in revenue. Changes in fair value until the end of the QP, are estimated by reference to updated forward market prices for the metal contained in mineral concentrates and any other relevant fair value considerations, including interest rate and credit risk adjustments. The period between provisional invoicing and the end of the QP may vary between one and five months.

(ii) Shipping services

For CIF arrangements, the transaction price (as determined above) is allocated to the metal in concentrate and shipping services using the relative stand-alone selling price method. Under these arrangements, a portion of consideration is received from the customer at, or around, the date of shipment under a provisional invoice. Therefore, some of the upfront consideration that relates to the shipping services yet to be provided is deferred. It is then recognised as revenue over time using an output method (being days of shipping/transportation elapsed) to measure progress towards complete satisfaction of the service as this best represents the Group's performance. This is on the basis that the customer simultaneously receives and consumes the benefits provided by the Group as the services are being provided. The costs associated with these shipping services are also recognised over the same period of time as incurred.

Significant accounting judgements

(i) Point of revenue recognition

Golden Grove

Control of the product is transferred to the customer when the mineral concentrates are physically transferred onto a vessel as this coincides with the transfer of legal title and the risk and rewards of ownership as a majority of the GG's sales of mineral concentrates are sold under CIF. For certain export shipments, a holding certificate is issued upon delivery to a location where the mineral concentrates are held unencumbered and at the unconditional disposal of the customer.

Capricorn Copper

For domestic sales, control of the product is transferred to the customer when the mineral concentrates are physically delivered to a location under the customer's control, as this coincides with the transfer of legal title and the risk and rewards of ownership. For export shipments, control of the product is transferred to the customer when the mineral concentrates are physically transferred onto a vessel as this coincides with the transfer of legal title and the risk and rewards of ownership. For certain export shipments, a holding certificate is issued upon delivery to a location where the mineral concentrates are held unencumbered and at the unconditional disposal of the customer.

(ii) Variable consideration

Revenue for GG and CC is initially recognised based on the most recently determined estimate of metal contained in mineral concentrates using the expected value approach based on initial internal assay and weight results. The Group has determined that it is highly unlikely that a significant reversal of the amount of revenue recognised will occur due to variations in assay and weight results. Subsequent changes in the fair value based on the customer's final assay and weight results are recognised in revenue at the end of the QP.

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Note 6: Income and expenses (continued)

(b) Other income

	2023	2022
	$'000	$'000
Income from disposal of asset	482	-
Other	434	201
	916	**201**

Refer Note 7 Financial impacts of the Extreme Weather Event for insurance proceeds received and proceeds from sale of gas.

(c) Cost of sales

	2023	2022
	$'000	$'000
Mining cost	257,241	284,455
Processing costs	95,365	136,826
Site services cost	31,326	54,013
Depreciation and amortisation	116,851	188,989
Stockpile movements	(3,515)	(17,995)
Government royalties	20,455	31,842
Other production and shipping costs	23,142	38,669
	540,865	**716,799**

Included in Stockpile movements is an amount of $4,960,000 net realisable value write-down of closing inventory at 31 December 2023 (2022: nil) and a write-down of inventory stockpile of $3,800,000 (2022: nil). Refer to Note 15.

(d) Administration expenses

Depreciation and amortisation	404	410
Other administration expenses	34,294	33,474
	34,698	**33,884**

(e) Net loss on derivative financial instruments

Realised (loss) / gain on derivative financial instruments	(2,989)	3,671
Unrealised loss on derivative financial instruments	(4,251)	(8,323)
	(7,240)	**(4,652)**

(f) Net foreign exchange gain/(loss)

Realised gain / (loss) on foreign exchange	3,303	(8,026)
Unrealised gain / (loss) on foreign exchange	927	(4,172)
	4,230	**(12,198)**

Included in cost of sales, administration expenses and other expenses is $78,436,000 (2022: $76,183,000) for salaries and wages, and superannuation expense of $6,711,000 (2022: $6,454,000).

(g) Other expenses

Other expenses of $544,000 relate to an estimated increase in stamp duty payable in relation to the acquisition of the Golden Grove, LP Group on 2 July 2021. Refer to Note 22.

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Note 7: Financial impacts of the Extreme Weather Event

The Group's Capricorn Copper mine was subject to an Extreme Weather Event in March 2023, with more than 500mm of rainfall recorded over a five-day period, resulting in inundation and flooding at the site (including the Esperanza South sub-level cave underground mine (the '**ESS**')), loss and damage of site infrastructure, and the suspension of mining and mineral processing operations from 7 March 2023. A recovery plan has been implemented which comprises a phased restart of operations:

- Phase 1 - a partial reinstatement of operations, with operations recommencing at the Mammoth and Greenstone Mines; and
- Phase 2 - complete reinstatement, with recommencement of mining from ESS.

Phase 1 of the restart was successfully completed on 1 August 2023, with the recommencement of mining operations in Mammoth and Greenstone, and mineral processing operations (on a campaign basis). Phase 2 of the restart is targeted for mid-first half in 2024, following progressive dewatering and rehabilitation of ESS.

A detailed assessment of the assets impacted by the Extreme Weather Event has been undertaken. Damaged and unrecoverable assets have been written off in the Statement of Comprehensive Income. Material damage to site infrastructure from the Extreme Weather Event has been limited to:

- damage (total loss) to the water treatment plant used to treat water for use in mineral processing and mining activities;
- damage (total loss) to the site main workshop and warehouse, including tools, parts, and other inventory located in these facilities;
- damage to coarse ore reclaim feeders, water management infrastructure (e.g., pumps, pipework and sumps), and site civil works; and
- damage to ground support and underground infrastructure in ESS as a result of inundation.

The balance of processing plant and site facilities, including the village and site electrical infrastructure, were not materially impacted.

During the Reporting Period, the Group commenced an insurance claim for the damage and loss of property, and associated business interruption, caused by the Extreme Weather Event. In August 2023 the Group's insurers confirmed indemnity for the damage and loss of property on surface and associated business interruption, and agreed to make an initial unallocated progress payment of $24,000,000. The loss adjustment process for the surface property and business interruption component of the insurance claim is ongoing. In parallel, 29Metals has not accepted insurer's position on the underground component of the claim and work is being progressed to progress this component of the claim with insurers. Refer to Note 7(a) for insurance proceeds income. Refer to Note 39 Contingent asset for further details of the insurance claim relating to the Extreme Weather Event.

The impact of the Extreme Weather Event on the financial performance and position of the Group for the year ended 31 December 2023 is as follows:

Year ended 31 December 2023	Note	$'000
(a) Consolidated Statement of Comprehensive Income:		
Other income		
Insurance proceeds	7(a)(i)	24,000
Proceeds from on-sale of gas	7(a)(ii)	4,625
Total other income		**28,625**
Recovery expenses during recovery period		(47,106)
Inventories - net realisable value write down (ROM ore stockpiles)		(1,620)
Depreciation and amortisation		(2,409)
Expenses before impairment of assets as a result of damage or loss		**(51,135)**
Asset impairment expense as a result of damage or loss:		
Inventory (consumables)	15	(7,442)
Mine properties	18	(8,381)
Property, plant and equipment	19	(11,177)
Total asset impairment expense as a result of damage or loss		**(27,000)**
Total expenses and impairment	7(a)(iii)	**(78,135)**
Total expenses net of other income		**(49,510)**

(i) Insurance proceeds: Compensation from third parties for business interruption and loss of items of property, plant and equipment is included in profit or loss when the compensation becomes receivable and is virtually certain. Refer to Note 39.

(ii) Revenue from the sale of gas, surplus to operational requirements, is recognised when gas is delivered to the customer.

(iii) Refer to Note 21 for Impairment expense relating to the Capricorn Copper cash generating unit of $170,000,000.

	31 December 2023
	$'000
(b) Consolidated Statement of Financial Position	
Additions during recovery period, April 2023 to July 2023, to:	
Property, plant and equipment	15,029
Development activities	3,780

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Note 8: Net finance costs

	Note	2023 $'000	2022 $'000
Interest income		5,234	1,385
Finance income		**5,234**	**1,385**
Interest expense		(21,439)	(11,971)
Interest expense on lease liabilities	27	(3,725)	(1,713)
Loss on modification of borrowings		(2,769)	-
Amortisation of borrowing costs		(498)	(477)
Unwinding of discount on provision for rehabilitation	23	(4,794)	(4,711)
Other		(1,345)	(1,685)
Interest expense and other costs of finance		**(34,570)**	**(20,557)**
Net finance costs		**(29,336)**	**(19,172)**

Recognition and measurement

Finance income comprises interest income on funds invested and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method.

All borrowing costs, calculated using the effective interest method, are recognised in the Consolidated Statement of Comprehensive Income except where capitalised as part of a qualifying asset. Eligible borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's outstanding borrowings during the period. All other borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

Note 9: Taxes

(a) Income tax expense / (benefit)

	Note	2023 $'000	2022 $'000
The major components of income tax expense are:			
Current income tax benefit		78,738	28,514
Deferred income tax relating to temporary differences		35,378	(9,949)
Adjustment in respect of income and deferred tax of prior year:			
Deferred tax		(91)	29
Deferred tax assets in current year not recognised		(114,025)	-
Deferred tax assets de-recognised		(58,072)	-
Income tax (expense) / benefit		**(58,072)**	**18,594**
Reconciliation of income tax expense to accounting loss:			
Accounting loss before income tax		(382,391)	(65,816)
Income tax at the Australian tax rate of 30% (2022: 30%)		114,717	19,745
Increase / (decrease) in income tax expense due to:			
Non-deductible expenses		(601)	(1,180)
Adjustment in respect of income and deferred tax of prior year		(91)	29
Deferred tax assets in current year not recognised		(114,025)	-
Deferred tax assets de-recognised		(58,072)	-
Income tax (expense) / benefit		**(58,072)**	**18,594**

There is no tax effect recognised for the transaction costs relating to the issue of new shares recognised directly in equity for the year ended 31 December 2023.

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Note 9: Taxes (continued)

(b) Deferred tax assets

	Note	2023 $'000	2022 $'000
Movement in deferred income tax			
Opening balance		58,072	39,478
(Debited) / Credited to profit or loss		(58,072)	18,594
Closing balance		**-**	**58,072**
Deferred tax assets / (liabilities) comprises temporary differences attributable to:			
Deferred tax assets			
Provision for employee benefits		2,703	4,293
Provision for rehabilitation and restoration		41,880	40,562
Property, plant and equipment		1,823	15,460
Capitalised expenditure		4,712	4,944
Tax loss carried forward		120,317	41,579
Other		16,943	13,028
		188,378	**119,866**
Deferred tax liabilities			
Exploration expenditure		(3,751)	(3,517)
Mine properties		(11,475)	(46,617)
Other		(2,594)	(11,660)
		(17,820)	**(61,794)**
Net deferred tax assets		**170,558**	**58,072**
Net deferred tax assets – prior year de-recognised		(58,072)	-
Net deferred tax assets – current year not recognised		(112,486)	-
Net deferred tax assets – recognised		**-**	**58,072**

The Group's net deferred tax assets recognised at 31 December 2023 amounted to $nil (2022: $58,072,000).

Net deferred tax assets amounting to $112,486,000 for the year ended 31 December 2023, have not been recognised in the current period.

The Group's unrecognised deferred tax assets at 31 December 2023 include $120,317,000 relating to tax losses carried forward (31 December 2022: $41,579,000).

The deferred tax assets recognised at 31 December 2022 of $58,072,000 was de-recognised in the year ended 31 December 2023 based on the Group's assessment that the utilisation of the tax losses is not probable.

In addition, tax losses relating to Capricorn Copper of $186,612,000 ($55,983,000 tax effected) at 31 December 2023 have not been recognised because 29Metals has assessed that the utilisation of these tax losses is not probable. The unrecognised tax losses are subject to an available fraction tax loss utilisation rate.

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Note 9: Taxes (continued)

(c) Tax consolidation

From 11 December 2017 to 4 July 2021, GGLP Group were part of a TCG, with GGLP as the head entity of that TCG.

29Metals formed a TCG with effect from 7 June 2021. 29Metals is the head entity of the TCG. Each of the following entities joined the 29Metals TCG on the dates set out below.

	Date joined TCG
Capricorn Copper Holdings Pty Ltd and its wholly owned subsidiaries	7 June 2021
Lighthouse Minerals Pty Ltd	7 June 2021
29Metals Finance Pty Ltd	5 July 2021
Golden Grove Holdings (No. 1) Pty Ltd	5 July 2021
Golden Grove, LP (and its wholly owned subsidiaries)	5 July 2021

Members of the 29Metals TCG have entered into a Tax Sharing Deed that determines the income tax liabilities between the entities should the head entity default on its tax payment obligations. In accordance with the Tax Sharing Deed, the company is required to determine the contribution amount for each member of the TCG on a stand-alone basis. Possibility of default by the head entity is considered remote.

Tax expense or benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the TCG are recognised in the separate financial statements of the members of the TCG using the 'stand-alone taxpayer' approach. Deferred tax on temporary differences is measured in the separate financial statements on tax bases as determined by the TCG.

Members of the TCG have entered into a Tax Funding Deed that determines the amount payable by each member for their portion of the group's current tax and deferred tax liability. The Tax Funding Deed provides that each member's funding amount is calculated as if the member was a stand-alone entity of the TCG.

Recognition and measurement

The income tax expense or benefit for a period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses, and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on the tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Consolidated Statement of Comprehensive Income.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Significant accounting estimates and assumptions

Significant estimates and assumptions are required in relation to the provision for taxes and the recovery of tax assets, having regard to the nature and timing of their origination and compliance with the relevant tax legislation.

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Note 10: Earnings per share ('EPS')

(a) Basic loss per share

	2023	2022
Net loss attributable to ordinary shareholders ($'000)	(440,463)	(47,222)
Weighted average number of ordinary shares	551,538,945	481,175,326
Basic loss per ordinary share (cents)	**(79.9)**	**(9.8)**

(b) Diluted loss per share

	2023	2022
Net loss attributable to ordinary shareholders ($'000)	(440,463)	(47,222)
Weighted average number of ordinary shares	551,538,945	481,175,326
Diluted loss per ordinary share (cents)	**(79.9)**	**(9.8)**

(c) Weighted average number of shares used as the denominator (basic)

	2023	2022
Weighted average number of ordinary shares for the year ended 31 December	551,538,945	481,175,326

(d) Weighted average number of shares used as the denominator (diluted)

	2023	2022
Weighted average number of ordinary shares for the year ended 31 December (basic)	551,538,945	481,175,326
Performance rights on issue at 31 December	-[1]	-[1]
Weighted average number of ordinary shares for the year ended 31 December (diluted)	551,538,945	481,175,326

1. The potential ordinary shares are anti-dilutive and, on that basis, have not been included in the calculation of dilutive loss per share.

Note 11: Dividends

The following fully franked dividends were declared and paid by the Company during the year.

	2023	2022
	$'000	$'000
Interim dividend	-	9,627[1]

1. 2 cents per ordinary share, interim dividend determined by the Directors on 29 August 2022 and paid on 14 October 2022.

Dividend franking account balance

Franking credits at 30% as at 31 December 2023 available for subsequent financial years is $19,756,000 (2022: $19,756,000).

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

(a) franking credits/debits that will arise from the payment of the current tax liabilities / receipt of income tax receivable;
(b) franking debits that will arise from the payment of dividends recognised as a liability at the year-end;
(c) franking credits that will arise from the receipt of dividends recognised as receivables by the TCG at the year-end; and
(d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise franking credits is dependent upon there being sufficient available profits to declare dividends.

In accordance with the tax consolidation legislation, the Company as the head entity in the TCG has also assumed the benefit of $19,756,000 franking credits (2022: $19,756,000).

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Note 12: Notes to the Consolidated Statement of Cash Flows

(a) Reconciliation of net loss for the year to cash (outflows) / inflows from operating activities

	Note	2023 $'000	2022 $'000
Net loss from ordinary activities after income tax		(440,463)	(47,222)
Adjustment for:			
Depreciation and amortisation	6(c), 6(d), 7	119,664	189,399
Impairment expense relating to Capricorn Copper cash generating unit	21	170,000	-
Asset impairment as a result of damage or loss		19,558	-
Write-off of exploration and evaluation expenditure	17	5,092	-
Movement in foreign exchange rates		(1,897)	7,622
Rehabilitation and restoration provision accretion	23	4,794	4,711
Interest and other costs of finance accrued		24,722	13,656
Derivative financial instruments		4,251	(22,936)
Amortisation of capitalised borrowing costs	8	498	477
Share-based payment transaction	34	1,936	3,196
Translation reserve		(123)	(191)
Other		(1,880)	300
Changes in working capital:			
Trade and other receivables		23,552	(11,441)
Prepayments		9,796	(1,185)
Inventories		1,883	(23,360)
Trade and other payables		(34,958)	38,415
Provisions		(1,021)	7,801
Deferred tax assets	9	58,072	(18,594)
Income tax receivable		-	15,042
Net cash (outflows) / inflows from operating activities		**(36,524)**	**155,690**

(b) Non-cash financing and investing activities

Non-cash financing and investing activities during the year ended 31 December 2023 and 2022 was in respect of lease additions. Refer below for further details. In addition, refer Note 26(i) for insurance premium funding.

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Note 12: Notes to the Consolidated Statement of Cash Flows (continued)

(b) Non-cash financing and investing activities (continued)

Reconciliation of liabilities arising from financing activities

			Non-cash changes					
	1 January 2023 $'000	Cash Flows $'000	Interest $'000	Leases recognised during the year $'000	Foreign Exchange Movement $'000	Reassessment $'000	Other $'000	31 December 2023 $'000
Term loan	(198,359)	64,736	(17,297)	-	262	-	(2,549)	(153,207)
Working capital facility	-	(57,987)	(3,198)	-	2,188	-	-	(58,997)
Insurance premium funding	-	3,451	(113)	-	-	-	(8,345)	(5,007)
Lease liabilities	(67,117)	21,141	-	(36,546)	-	27,918	482	(54,122)
Total liabilities from financing activities	**(265,476)**	**31,341**	**(20,608)**	**(36,546)**	**2,450**	**27,918**	**(10,412)**	**(271,333)**

			Non-cash changes					
	1 January 2022 $'000	Cash Flows $'000	Interest $'000	Leases recognised during the year $'000	Foreign Exchange Movement $'000	Reassessment $'000	Other $'000	31 December 2022 $'000
Term loan	(201,617)	32,539	(11,971)	-	(12,433)	-	(4,877)	(198,359)
Lease liabilities	(31,426)	32,047	-	(67,676)	-	(62)	-	(67,117)
Total liabilities from financing activities	**(233,043)**	**64,586**	**(11,971)**	**(67,676)**	**(12,433)**	**(62)**	**(4,877)**	**(265,476)**

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Assets and Liabilities

Note 13: Trade and other receivables

	2023	2022
	$'000	$'000
Current		
Trade receivables – at fair value	18,490	46,596
Trade receivables – at amortised cost	-	656
Allowance for expected credit loss	-	(1,050)
Other receivables – at amortised cost	9,469	5,309
Security deposits – at amortised cost	119	119
Total current trade and other receivables	**28,078**	**51,630**

Trade receivables (subject to provisional pricing) are non-interest bearing, are exposed to future commodity price movements over the QP and, hence, do not satisfy the *solely payments of principal and interest* ('**SPPI**') test, and, as a result, are measured at fair value up until the date of settlement. These trade receivables are initially measured at the amount which the Group expects to receive, being the estimate of the price expected to be received at the end of the QP.

Approximately 90 - 100% of the provisional invoice (based on the provisional price (calculated as the average price in the week prior to delivery)) is received in cash when the goods are loaded onto the ship or accepted by the buyer under a holding certificate, which reduces the initial receivable recognised. The QP's can range between one- and five-months post shipment and final payment is due within 30 days from the end of the QP.

Recognition and measurement

Trade receivables are carried at fair value. Provisional payments in relation to trade receivables are due for settlement within 30 days from the date of recognition, with any mark-to-market adjustment due for settlement usually from 30-120 days.

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for expected credit loss. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business, if longer), trade and other receivables are classified as current assets. If not, they are presented as non-current assets.

The Group recognises an allowance for Expected Credit Loss ('**ECL**') for all receivables not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows the Group expects to receive, discounted at an approximation of the original effective interest rate ('**EIR**'). For receivables due in less than 12 months, the Group does not track changes in credit risk, but recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The ECL is based on its historical credit loss experience in the past two years and current financial difficulties of the debtor, and then is adjusted for forward-looking factors specific to the debtor and the economic environment. As at 31 December 2023, no amount has been provided for (2022: $1,050,000). The allowance for credit loss amount of $1,050,000 at 31 December 2022 has been offset against the receivable during the year ended 31 December 2023.

The Group considers a receivable in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a receivable to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A receivable is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when the asset is past due for more than one year and not subject to enforcement activity.

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Note 14: Derivative financial instruments

The Group's derivative financial instruments are not designated as hedging instruments and, as such, are accounted for at fair value with movements in fair value recognised through the Consolidated Statement of Comprehensive income. While the Group's derivative financial instruments are not designated as hedging instruments, they are used by the Group to manage commodity price risk.

Derivatives are presented as current to the extent they are expected to be settled within 12 months after the end of the reporting period.

(a) Gold swaps

	Note	2023 $'000	2022 $'000
Amounts recognised in the Consolidated Statement of Financial Position as financial liabilities			
Gold swaps (at fair value) – current		(5,279)	(1,354)
Gold swaps (at fair value) – non-current		(5,754)	(5,428)
Total Derivative financial liabilities		**(11,033)**	**(6,782)**

The Group has entered the following derivative contracts.

Gold swap contracts	Term	Ounces	Contract Price $ per ounce	Fair value at 31 Dec 2023 $'000
As at 31 December 2023				
Gold swap – AU$ denominated contract	Dec 2023– Sep 2025	10,425	2,595.44	(5,469)
Gold swap – AU$ denominated contract	Dec 2023 –Sep 2025	10,425	2,584.17	(5,564)
		20,850		**(11,033)**

Gold swap contracts	Term	Ounces	Contract Price $ per ounce	Fair value at 31 Dec 2022 $'000
As at 31 December 2022				
Gold swap – AU$ denominated contract	Feb 2023 – Oct 2025	14,284	2,595.44	(3,110)
Gold swap – AU$ denominated contract	Jan 2023 – Sep 2025	14,284	2,584.17	(3,490)
Gold swap – AU$ denominated contract	Jan – Sep 2023	728	2,595.44	(87)
Gold swap – AU$ denominated contract	Jan – Sep 2023	728	2,584.17	(95)
		30,024		**(6,782)**

The maximum credit exposure at the date of measurement of these derivative financial instruments is the carrying value. The Group mitigates the risk by entering into swaps contracts with reputable counterparties and partners.

The commodity swaps are valued using valuation techniques which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties and forward price curves of the underlying commodity.

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Note 15: Inventories

	2023	2022
	$'000	$'000
Current		
Concentrates	53,250	41,157
Ore stockpiles	28,433	32,205
Consumables	26,125	29,409
Net realisable value write down	(4,960)	-
Write down of inventory – stockpile	(3,800)	-
Provision for obsolete stock – consumables	(3,786)	(3,293)
Inventories	**95,262**	**99,478**
Non-current		
Ore stockpiles	3,744	-
Net realisable value write down	(1,620)	-
Inventories	**2,124**	**-**

All inventory is valued at lower of cost and net realisable value ('**NRV**'). For the year ended 31 December 2023, the write down of inventories to NRV amounted to $6,580,000 (2022: $nil), comprising:

- $4,960,000 included in Cost of sales in the Consolidated Statement of Comprehensive Income, relating to the write-down of ore stockpiles and concentrate inventories to NRV; and
- $1,620,000 (included in Note 7, Financial impacts of the Extreme Weather Event on Capricorn Copper) in the Consolidated Statement of Comprehensive Income, relating to the write-down of ore stockpiles.

Write-down of inventory stockpiles amounted to $3,800,000 at 31 December 2023 (2022: $nil).

The provision for obsolete stock – consumables at 31 December 2023 amounted to $3,786,000 (2022: $3,293,000).

Refer to Note 7 for information regarding impairment of inventories (consumables) of $7,442,000 as a result of the impact of the Extreme Weather Event at Capricorn Copper.

Recognition and measurement

Inventories comprise raw materials, stores and consumables, work in progress, and finished goods. Inventories are stated at the lower of cost and net realisable value. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and applicable variable selling expenses.

Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs include the direct costs of materials, mining, processing, labour, related transportation costs to the point of sale, an appropriate proportion of related production overheads, mine rehabilitation costs incurred in the extraction process, and other fixed and variable costs directly related to mining activities.

Significant accounting estimates and assumptions

NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventory write offs and NRV movements are presented in the Statement of Comprehensive Income in Cost of sales. Consumables are valued at cost less an appropriate provision for obsolescence.

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Note 16: Other financial assets

	Note	2023 $'000	2022 $'000
Current			
Bank deposit	22, 38(b)	12,500	12,500
Security deposit		20	18
Other financial assets		**12,520**	**12,518**

Refer to Note 38(b) for information regarding contingent liabilities and to Note 22 for information regarding other payables.

Note 17: Exploration and evaluation expenditure

	Note	2023 $'000	2022 $'000
Balance at the beginning of the year		33,169	45,463
Expenditure for the year		3,299	16,916
Transferred to Mine properties	18	(2,074)	(29,196)
Write-off		(5,092)	-
Foreign currency exchange difference		(439)	(14)
Balance at the end of the year		**28,863**	**33,169**

Recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation of areas of interest and the sale of minerals, or the sale of the respective areas of interest.

The Group wrote off $5,092,000 of exploration and evaluation expenditure for the year ended 31 December 2023 (2022: $nil).

Recognition and measurement

Exploration and evaluation activities include expenditure to identify potential mineral resources, determine the technical feasibility and assess the commercial viability of the potential mineral resources.

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the Consolidated Statement of Financial Position where it is expected that the expenditure will be recovered through the successful development of an area of interest, or by its sale, or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

Where a project or an area of interest has been abandoned, the expenditure incurred on that area of interest is written off in the year in which the decision is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. An impairment occurs when the carrying value of expenditure exceeds its estimated recoverable amount. The area of interest is then written down to its recoverable amount and the impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mine properties.

No amortisation is charged during the exploration and evaluation phase.

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Note 18: Mine properties

	Note	2023 $'000	2022 $'000
Balance at the beginning of year		578,001	605,284
Development expenditure incurred during the year		37,265	45,804
Transfers from property, plant and equipment	19	1,055	14,990
Transfers from exploration and evaluation assets	17	2,074	29,196
Movements in rehabilitation obligations	23	(400)	(24,517)
Asset impairment as a result of damage or loss	7	(8,381)	-
Impairment expense relating to Capricorn Copper cash generating unit	21	(135,997)	-
Amount amortised during the year		(67,867)	(92,756)
Balance at the end of year		**405,750**	**578,001**

	2023 $'000	2022 $'000
Gross carrying amount – at cost	835,285	795,291
Accumulated amortisation and impairment	(429,535)	(217,290)
Net carrying amount	**405,750**	**578,001**

Recognition and measurement

Mine property and development assets include costs incurred in accessing the ore body and costs to develop the mine to the production phase, once the technical feasibility and commercial viability of a mining operation has been established. At this stage, exploration and evaluation assets are reclassified to Mine properties.

Mine property and development assets are stated at historical cost less accumulated amortisation and any accumulated impairment losses recognised. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and for qualifying assets (where relevant) borrowing costs. Any ongoing costs associated with mining which are considered to benefit mining operations in future periods are capitalised.

The balance for mine property and development assets includes mine development assets and the expected cost for the decommissioning, restoration and dismantling of an asset after its use.

Amortisation

Development expenditure is amortised over the estimated useful life of the mine on a unit of production basis. The unit of production method is applied based on assessments of Proven and Probable Ore Reserves and a portion of Mineral Resources expected to be extracted.

Mineral rights are attributable to specific areas of interest and are amortised when commercial production commences on a units of production basis over the estimated economically recoverable reserves of the mine to which the rights relate.

Resource and Reserves estimates are reviewed annually. The depreciation and amortisation expense calculation reflect the estimates in place at the reporting date, prospectively.

Significant accounting estimates and assumptions

Mineral Resources and Ore Reserves estimates

On or about the date of this report, 29Metals reported its 31 December 2023 Mineral Resources and Ore Reserves estimates, prepared and reported in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (2012 Edition) (the '**JORC Code**').

29Metals' 31 December 2023 Mineral Resources and Ore Reserves estimates, including competent persons' statements and JORC Code Table 1 disclosures, were released to the ASX announcements platform on or about the date of this report and are available on 29Metals' website at: https://www.29metals.com/investors/reports-presentations.

Changes to 29Metals' Mineral Resources and Ore Reserves estimates, as reported in the 31 December 2023 Mineral Resources and Ore Reserves estimates, do not have a material impact on the Group life of mine plans, or the Group's depreciation and amortisation expense.

Refer to Note 26 for information regarding encumbrances to Mine properties.

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Consolidated Financial Statements

Note 19: Property, plant & equipment

	Note	Land and buildings $'000	Plant and machinery $'000	Capital work in progress $'000	Total $'000
As at 31 December 2023					
Gross carrying amount – at cost					
Balance at the beginning of year		46,167	297,035	21,423	364,625
Additions		-	5	46,686	46,691
Transfers		183	27,379	(27,562)	-
Transfers to Mine properties	18	-	-	(1,055)	(1,055)
Asset impairment resulting from damage or loss	7	(154)	(10,045)	(3,962)	(14,161)
Balance at the end of year		**46,196**	**314,374**	**35,530**	**396,100**
Accumulated depreciation and impairment loss					
Balance at the beginning of year		(22,300)	(135,204)	-	(157,504)
Depreciation for the year		(2,707)	(24,960)	-	(27,667)
Asset impairment resulting from damage or loss	7	83	2,901	-	2,984
Impairment expense relating to Capricorn Copper cash generating unit	21	(3,171)	(26,516)	(2,638)	(32,325)
Balance at the end of year		(28,095)	(183,779)	(2,638)	(214,512)
Net book value		**18,101**	**130,595**	**32,892**	**181,588**
As at 31 December 2022					
Gross carrying amount – at cost					
Balance at the beginning of year		45,077	249,971	35,290	330,338
Additions		-	1,882	48,144	50,026
Transfers		1,090	45,931	(47,021)	-
Transfers to Mine properties	18	-	-	(14,990)	(14,990)
Disposals		-	(749)	-	(749)
Balance at the end of year		**46,167**	**297,035**	**21,423**	**364,625**
Accumulated depreciation					
Balance at the beginning of year		(16,062)	(78,320)	-	(94,382)
Depreciation for the year		(6,238)	(57,585)	-	(63,823)
Disposals		-	701	-	701
Balance at the end of year		(22,300)	(135,204)	-	(157,504)
Net book value		**23,867**	**161,831**	**21,423**	**207,121**

Refer to Note 26 for information regarding encumbrances to property, plant and equipment.

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Note 19: Property, plant & equipment (continued)

Recognition and measurement

(i) Cost

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items, and costs incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Company. The cost of property, plant and equipment includes the estimated cost of rehabilitation, restoration and dismantling.

(ii) Depreciation and amortisation

The major categories of property, plant and equipment are depreciated over the estimated useful lives of the relevant assets on a unit of production or reducing balance basis, as specified below. The useful lives below are subject to the lesser of the asset categories' useful life and the life of the mine:

Freehold land	Not depreciated
Buildings	Reducing balance 10% and straight-line 10%
Plant and machinery (mining and processing)	Unit of production (tonnes mined and milled) or straight line/reducing balance over the useful life of the asset, as applicable
Construction in progress	Not depreciated

Depreciation and amortisation commences when an asset is available for use.

The unit of production method is applied based on estimates of *Proven* and *Probable* Ore Reserves and a portion of Mineral Resources considered probable for extraction. Ore Reserves and Mineral Resources estimates are reviewed annually. The depreciation and amortisation expense calculation reflect the Ore Reserves and Mineral Resources estimates as at the reporting date. (Refer to Note 18.)

Major spare parts are carried as property, plant and equipment when the Group expects to use them during more than one year, or when they can be used only in connection with an item of property, plant and equipment. The carrying amount of any part replaced is subsequently derecognised. All other repairs and maintenance are expensed in the Consolidated Statement of Comprehensive Income during the accounting year in which they are incurred.

(iii) Disposal of property, plant and equipment

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and the carrying amount of the asset is recognised in the Consolidated Statement of Comprehensive Income.

(iv) Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use, and which are largely independent of the cash inflows of other assets or groups of assets – the cash-generating unit ('**CGU**'). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal ('**FVLCD**'). In assessing FVLCD, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are allocated such that the carrying value of individual assets within the Group's CGUs are not reduced below their recoverable amount.

Significant accounting estimates and assumptions

Impairment of non-financial assets

Impairment assessments require the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, exploration potential, reserves and operating performance (which includes production and sales volumes). These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs. In such circumstances, some or all of the carrying amount of the assets/CGUs may be further impaired or the impairment charge reduced with the impact recognised in the Consolidated Statement of Comprehensive Income.

Refer Note 21 for indicators of impairment identified and impairment of non-current assets during the year ended 31 December 2023 (2022: no indicators of impairment identified).

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Note 20: Right-of-use assets

The Group has contracts which contain a lease for various items of land and buildings and plant and machinery used in its operations. These right-of-use assets have lease terms of between two and five years. There are several contracts which contain a lease that include extension and termination options and variable payments, which are further discussed below.

The Group also has certain contracts which contain a lease term of 12 months or less, and contracts which contain a lease of low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these (together '**Exempt Leases'**).

(a) Amounts recognised in the Consolidated Statement of Financial Position

Right-of-use assets

	Note	Land & Buildings $'000	Plant and Equipment $'000	Total $'000
As at 1 January 2023		**1,487**	**65,452**	**66,939**
Right-of-use assets recognised during the year		-	36,898	36,898
Impairment expense relating to Capricorn Copper cash generating unit	21	-	(1,678)	(1,678)
Reassessment		-	(25,498)	(25,498)
Amortisation expensed during the year		(431)	(23,654)	(24,085)
As at 31 December 2023		**1,056**	**51,520**	**52,576**
As at 1 January 2022		**850**	**30,329**	**31,179**
Right-of-use assets recognised during the year		1,026	67,414	68,440
Reassessment		12	82	94
Amortisation expensed during the year		(401)	(32,373)	(32,774)
As at 31 December 2022		**1,487**	**65,452**	**66,939**

(b) Amounts recognised in the Consolidated Statement of Comprehensive Income

	Note	2023 $'000	2022 $'000
Amortisation expense on right-of-use assets	20(a)	24,085	32,774
Interest expense on lease liabilities	27	3,725	1,713
Payments for short-term leases and variable lease payments		10,757	5,874

The total cash outflow for leases in 2023 was $35,623,000 (2022: $39,634,000).

The variable lease payments relate to contracts which are based on usage (tonnes moved and equipment hired).

Refer to Note 27 for Lease liabilities.

Recognition and measurement – Group as lessee

At contract inception, the Group assesses whether a contract is, or contains, a lease under AASB16. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except Exempt Leases. The Group recognises lease liabilities to make lease payments and lease assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises Right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of Right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised Right-of-use assets are depreciated on a straight-line basis over the shorter period of its estimated useful life and the lease term (two to five years). Right-of-use assets are subject to ongoing impairment assessments.

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Note 20: Right-of-use assets (continued)

Recognition and measurement – Group as lessee (continued)

(ii) Lease liabilities

At the commencement date of the contract identified as containing a lease, the Group recognises Lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that are based on an index or rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate ('**IBR**', refer discussion below) at the lease commencement. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Consolidated Statement of Comprehensive Income. Short-term leases are leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option. Low-value assets comprise office equipment.

Significant accounting judgements

Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). This determination is reviewed if a significant event or a significant change in circumstances occurs that is within the control of the lessee.

Significant accounting estimates and assumptions

Estimation of the incremental borrowing rate to measure Lease liabilities

The Group cannot readily determine the interest rate implicit in its leases. Therefore, it uses the relevant IBR to measure Lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group would have to pay, which requires estimation when no observable rates are available and to make adjustments to reflect the terms and conditions of the lease.

Refer to Note 27 for Lease liabilities.

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Note 21: Impairment of non-current assets

In accordance with the Group's accounting policies, each asset or, where appropriate, each cash generating unit ('**CGU**'), is evaluated to determine whether there are any indicators of impairment. If any such indicators of impairment exist, a formal estimate of the recoverable amount of each asset or CGU is undertaken. In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount.

The recoverable amount is the higher of the asset or CGU's:
- fair value less costs of disposal ('**FVLCD**'); and
- value in use ('**VIU**').

Recoverable amount has been determined based on FVLCD.

In the absence of a quoted price, the FVLCD for each CGU is estimated based on discounted future estimated cash flows (expressed in real terms) expected to be generated from the continued use of the CGUs using market-based metal price assumptions, the level of *Proved* and *Probable* Ore Reserves and *Measured*, *Indicated* and *Inferred* Mineral Resources included in the current mine plan, estimated quantities of recoverable metal, production levels, operating costs and capital requirements (including any expansion projects), and the CGU's eventual disposal, based on the CGU's latest life of mine ('**LOM**') plans. These cash flows are discounted using a real post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU. When LOM plans do not fully utilise existing mineral properties for a CGU, and options exist for the future extraction and processing of all or part of those unmined resources, an estimate of the value of mineral properties is included in the determination of fair value.

The determination of FVLCD for each CGU is considered to be Level 3 fair value measurements, as the determination is derived from valuation techniques that include significant inputs that are not based on observable market data. The Group considers the inputs and the valuation approach to be consistent with the approach taken by market participants.

Impairment indicator testing

During the year ended 31 December 2023, the following indicators of potential impairment existed:
- 29Metals' quoted market capitalisation was lower than its' net assets;
- a reduction in copper and zinc prices relative to those in the prior corresponding periods;
- an increase in risk free rate that underpins the applicable weighted average cost of capital when compared to 31 December 2022; and
- the temporary suspension of Capricorn Copper's operations following the Extreme Weather Event in March 2023. Refer to Note 7.

These factors are considered indicators of impairment. As a result, an impairment test was performed to determine the recoverable amounts for all CGU's of the Group, being the Golden Grove Mine and the Capricorn Copper Mine using the FVLCD method.

Golden Grove CGU

Golden Grove indicator assessment

As a result of the general indications of impairment noted above (as applicable), a formal impairment test was performed to determine the recoverable amount of the Golden Grove CGU.

Key Assumptions

The table below summarises the key assumptions used in the carrying value assessment.

		31 December 2023
Copper price (long term)	US$/t	8,316
Zinc price (long term)	US$/t	2,575
AUD: USD exchange rate long term	AUD:USD	0.68
Discount rate (post tax real)	%	9.0
Fair value of resources not included in LOM	$'000	143,000
Average mining costs over LOM	$'000 p.a.	205,268
Average processing costs over LOM	$'000 p.a.	77,664

Metal prices and Foreign Exchange
Metal prices and foreign exchange rates are estimated with reference to a consensus of external market forecasts.

Discount rate
The discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on what a market participant would use taking into account the specific circumstances of the CGU and is derived using its weighted average cost of capital.

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Note 21: Impairment of non-current assets (continued)

Golden Grove CGU (continued)

Key Assumptions (continued)

Valuation of Mineral Resources not included in the LOM
Mineral Resources which are not included in a CGU's LOM plan as result of the current assessment of economic returns, timing of specific production alternatives and the prevailing economic environment, have been valued and included in the assessed fair value. The fair value of these resources has been determined based on the observable market value of assets considered similar to the Mineral Resources not included in the current LOM plan.

Operating and capital costs
LOM operating and capital cost assumptions are based on the Group's latest budget and LOM plan. Operating cost assumptions reflect the expectation that costs will, over the long term, have a degree of positive correlation to the prevailing metal price assumptions.

Result of impairment test and Sensitivity Analysis
As a result of the analysis performed, there is no impairment loss recognised for the Golden Grove CGU for the year ended 31 December 2023, with the FVLCD exceeding the carrying value of the Golden Grove CGU by $60,000,000.

A sensitivity analysis of the impact on the excess of the FVLCD over the carrying value of the Golden Grove CGU to changes in key assumptions, in isolation, at 31 December 2023 is set out below:

	Increase in key assumption	Decrease in key assumption
	Increase / (decrease) [1]	Increase / (decrease) [1]
	$'000	$'000
5% change in Copper price	74,165	(72,114)
5% change in Zinc price	48,523	(46,643)
5% change in the AUD:USD foreign exchange rate	(117,080)	131,492
1% change in discount rate	(7,815)	9,774
5% change in Fair value of resources not included in LOM	7,150	(7,150)
5% change in mining cost	(44,990)	47,041
5% change in processing cost	(13,813)	15,693

1. Increase / (decrease) cited is the increase in the excess FVLCD over the carrying value or (decrease) in excess FVLCD over the carrying value (as applicable).

Capricorn Copper CGU

Capricorn Copper indicator assessment

As a result of the impact of the Extreme Weather Event at Capricorn Copper in March 2023 (refer to Note 7), and the general indications of impairment noted above, a formal impairment test was performed to determine the recoverable amount of the Capricorn Copper CGU.

Key Assumptions

The table below summarises the key assumptions used in the carrying value assessment.

		31 December 2023
Copper price (long term)	US$/t	8,316
Discount rate (post tax real)	%	9.0
AUD: USD exchange rate long term	AUD:USD	0.68
Fair value of resources not included in LOM	$'000	74,000
Average mining costs over LOM	$'000 p.a.	105,372
Average processing costs over LOM	$'000 p.a.	64,386

Metal prices and Foreign Exchange
Metal prices and foreign exchange rates are estimated with reference to a consensus of external market forecasts.

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Note 21: Impairment of non-current assets (continued)

Capricorn Copper CGU (continued)

Key Assumptions (continued)

Discount rate
The discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGU and is derived from its weighted average cost of capital.

Valuation of Mineral Resources not included in the LOM
Mineral Resources which are not included in a CGU's LOM plan as result of the current assessment of economic returns, timing of specific production alternatives and the prevailing economic environment, have been valued and included in the assessed fair value. The fair value of these resources has been determined based on the observable market value of assets considered similar to the Mineral Resources not included in the current LOM plan.

Operating and capital costs
LOM operating and capital cost assumptions are based on the Group's latest budget and LOM plans. Operating cost assumptions reflect the expectation that costs will, over the long term, have a degree of positive correlation to the prevailing metal price assumptions.

Ongoing insurance claim
As described further in Note 39, 29Metals has an ongoing insurance claim in relation to property damage and business interruption as a result of the Extreme Weather Event at Capricorn Copper in March 2023. For the purposes of the CGU impairment assessment, 29Metals has applied management's best estimate assumptions regarding future insurance claim proceeds (which assumptions are highly commercially sensitive).

Result of impairment test
As a result of the analysis performed, an impairment loss of $170,000,000 was recorded for the year ended 31 December 2023 allocated to Capricorn Copper CGU, as summarised in the table below. This impairment loss was recognised as at 30 June 2023. As a result of the impairment test performed as at 31 December 2023, no impairment loss adjustment was required to be recognised.

Year ended 31 December 2023	Note	2023 $'000
Mine properties	18	135,997
Property, plant and equipment	19	32,325
Right-of-use assets	20	1,678
Total Capricorn Copper impairment		**170,000**

Capricorn Copper Sensitivity Analysis
A sensitivity analysis of the FVLCD for Capricorn Copper CGU to changes in key assumptions, in isolation, at 31 December 2023 is set out below.

	Increase in key assumption Reduction / (increase)[1] $'000	Decrease in key assumption Reduction / (increase)[1] $'000
5% change in copper price	103,781	(102,414)
5% change in the AUD: USD foreign exchange rate	(99,401)	111,378
1% change in discount rate	(16,054)	18,978
5% change in Fair value of resources not included in LOM	3,700	(3,700)
5% change in mining cost	(27,396)	28,768
5% change in processing cost	(15,455)	16,828
$20,000,000 change in modelled future insurance proceeds (Refer to Note 39)	16,508	(15,280)

1. Reduction / (increase) cited is reduction in impairment loss or (increase) in impairment loss (as applicable).

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Note 22: Trade and other payables

	Note	2023 $'000	2022 $'000
Trade payables		12,200	56,840
Accruals:			
Operational		58,610	42,959
Government royalties		5,163	8,195
Government stamp duty		26,978	26,434
Other payable	16, 38(b)	12,500	12,500
Other creditors		724	677
Goods received not invoiced		2,688	3,160
		118,863	**150,765**

Recognition and measurement

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Note 23: Provisions

	Note	2023 $'000	2022 $'000
Current			
Employee benefits		16,379	17,927
		16,379	**17,927**
Non-current			
Provision for rehabilitation and restoration		139,601	135,207
Employee benefits		1,357	1,123
Other		295	-
		141,253	**136,330**
Total provisions		**157,632**	**154,257**
Movement in rehabilitation and restoration			
Carrying amount at the beginning of the financial year		135,207	155,013
Change in restoration provision	18	(400)	(24,517)
Unwinding of discount	8	4,794	4,711
Carrying amount at the end of the financial year		**139,601**	**135,207**

At 31 December 2023, the Capricorn Copper rehabilitation and restoration provision was reassessed to $59,845,000 (2022: $58,502,000). At 31 December 2023, the Golden Grove rehabilitation and restoration provision was reassessed to $79,756,000 (2022: $76,705,000).

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Note 23: Provisions (continued)

Recognition and measurement

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

The increase in the provision due to the passage of time is recognised as an interest expense.

Mine Rehabilitation, Restoration and Dismantling Obligations

Provisions are made for the estimated cost of rehabilitation, restoration and dismantling relating to areas disturbed during the mine's operations up to the reporting date, but not yet rehabilitated. Provision has been made in full for all the disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows. The estimated cost of rehabilitation includes the current cost of recontouring, top soiling and revegetation to meet legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

Uncertainty exists as to the amount of rehabilitation obligations that will be incurred due to the impact of changes in environmental legislation, and many other factors, including future developments, changes in technology, price increases and changes in interest rates. The amount of the provision relating to mine rehabilitation, restoration and dismantling obligations is recognised at the commencement of the mining project and/or construction of the assets to date, where a legal or constructive obligation exists at that time.

The provision is recognised as a liability, separated into current (estimated costs arising within 12 months) and non-current components, based on the expected timing of these cash flows. A corresponding asset is included in mine properties, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity, otherwise a corresponding expense is recognised in the Consolidated Statement of Comprehensive Income.

At each reporting date, the rehabilitation liability is remeasured in line with changes in discount rates, and the expected timing or amounts of the costs to be incurred. Rehabilitation, restoration and dismantling provisions are adjusted for changes in estimates. Adjustments to the estimated amount and timing of future rehabilitation and restoration cash flows are a normal occurrence in light of the significant judgements and estimates involved. Changes in the liability relating to mine rehabilitation, restoration and dismantling obligations are added to or deducted from the related asset, other than the unwinding of discount on provisions, which is recognised as a finance cost in the Consolidated Statement of Comprehensive Income. Changes to capitalised costs result in an adjustment to future depreciation charges.

Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and other short-term benefits expected to be settled within 12-months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long-term employee benefits

The liability for long-term employee benefits including long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to future expected wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits. If benefits are not expected to be settled wholly within 12-months of the reporting date they are discounted.

(iv) Incentive plans

A provision is recognised for the amount expected to be paid under short-term or long-term incentive plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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Note 23: Provisions (continued)

Significant accounting estimates and assumptions

Mine Rehabilitation, Restoration and Dismantling Obligations

Provision is made for the anticipated costs of future restoration, rehabilitation and dismantling of mining areas from which natural resources have been extracted in accordance with the accounting policy. These provisions include future cost estimates associated with reclamation, plant closures, waste site closures, monitoring, demolition, decontamination, water purification and permanent storage of historical residues. These future cost estimates are discounted to their present value.

The calculation of these provision estimates requires assumptions such as the application of environmental legislation, the scope and timing of planned activities, available technologies, engineering cost estimates and discount rates. A change in any of the assumptions used may have a material impact on the carrying value of mine rehabilitation, restoration and dismantling provisions. For non-operating sites, changes to estimated costs are recognised immediately in the Consolidated Statement of Comprehensive Income.

The discount rate used in the calculation of the provision as at 31 December 2023 is 3.75% (2022: 3.5%). The cash flows have been discounted over a 29-year life for Capricorn Copper (2022: 26 years) and 24-year life for Golden Grove (2022: 25 years), taking into account when the rehabilitation activities will be undertaken.

Sensitivity

A 0.5 per cent increase in the discount rates applied at 31 December 2023 would result in a decrease to the rehabilitation and restoration provision of approximately $8,646,000, and a decrease in Mine properties of approximately $8,646,000. In addition, the change would result in a decrease of approximately $841,000 to depreciation expense and a $331,000 increase in net finance costs for the year ending 31 December 2024.

Given the long-life nature of the majority of the Group's assets, a substantial portion of final closure activities are generally not expected to occur for a significant period of time.

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Capital structure and financial risk management

Note 24: Capital management

The Group's policy is to maintain a strong balance sheet position to support its growth objectives, and to maintain investor, creditor and market confidence.

The Board monitors its policies and, when required, makes adjustments to these policies in light of changes to economic conditions. Management regularly monitors key financial indicators and compliance with debt covenants under Group corporate debt facilities.

One of the ratios the Group uses in monitoring capital is the ratio of 'Net Drawn Debt' to equity. Net Drawn Debt is amounts drawn under Group debt facilities less cash and cash equivalents. 29Metals uses this measure to understand its overall credit position. Cash and cash equivalents may be required for purposes other than debt reduction.

The Group's gearing ratio is calculated as Net Drawn Debt divided by the aggregate of Equity and Net Drawn Debt.

	2023	2022
	$'000	$'000
Net Drawn Debt	55,352	26,397
Equity	422,344	715,692
Equity and Net Drawn Debt	477,696	742,089
Gearing ratio	11.59%	3.56%

The Group is not exposed to any external capital requirements.

Note 25: Cash and cash equivalents

	2023	2022
	$'000	$'000
Cash on hand and at bank	161,859	171,962

Recognition and measurement

Cash and cash equivalents includes cash in hand, deposits held at call with banks.

Note 26: Interest-bearing liabilities

	Note	2023	2022
		$'000	$'000
Current			
Insurance premium funding	26(i)	5,007	-
Working capital facility	26(ii)	58,997	-
Term loan	26(ii)	35,832	33,742
Total current borrowings		**99,836**	**33,742**
Non-current			
Term loan	26(ii)	117,375	164,617
Total non-current borrowings		**117,375**	**164,617**
Total borrowings		**217,211**	**198,359**

(i) Insurance premium funding

The insurance premium funding for certain insurance is for a period of 10 months and matures in June 2024.

(ii) Syndicated Facility

In October 2021, the Group entered into corporate debt facilities, including a US$150,000,000 term loan and a US$40 million working capital facility. During the year ended 31 December 2023, the Group repaid US$32,000,000 principal of the term loan. During the year ended 31 December 2022, the Group repaid US$12,000,000 principal of the term loan.

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Note 26: Interest-bearing liabilities (continued)

On 23 May 2023, the Group drew down on the working capital facility. The working capital facility is repayable at the end of its interest period. Any part of the working capital facility that is repaid can be reborrowed, subject to an annual clean-down requirement.

Amendment Deed: Syndicated Facility Agreement ('Amended SFA')

On 28 June 2023, in the context of the impact of the Extreme Weather Event at Capricorn Copper, the Group and its lenders agreed to amend the Syndicated Facility Agreement dated 20 October 2021, which amendments:

- extended the maturity date of the Group's environmental bank guarantee facility by one year to 29 October 2024 (facility was due to expire in October 2023); and
- provided relief against certain covenants under the Group debt facilities for the 30 June 2023 calculation date.

On 29 August 2023, again in the context of the impact of the Extreme Weather Event at Capricorn Copper, the Group and its lenders agreed to further amendments to the Syndicated Facility Agreement dated 20 October 2021, which amendments:

- provided further relief against certain covenants under the Group debt facilities for the 31 December 2023, 30 June 2024 and 31 December 2024 calculation dates, with the next covenant testing for these covenants for the 30 June 2025 calculation date; and
- varied the quarterly repayment instalments by increasing the total repayments for the quarters ended 30 September 2023 to 30 June 2025 to US$50,000,000 from US$45,000,000, with the last repayment on 30 September 2026 reducing from US$50,000,000 to US$45,000,000.

Refer to Note 2 for information regarding the Group's assumptions in respect of its compliance with covenants under the Group's Syndicated Facility Agreement over the coming 12 months.

Terms and conditions of outstanding Group Syndicated Facilities

Facilities as at 31 December 2023

		Total Facility	Used	Unused	Total Facility	Used	Unused
	Note	USD $'000	USD $'000	USD $'000	AUD $'000	AUD $'000	AUD $'000
Term loan	(i)	106,000	106,000	N/a	153,207	153,207	N/a
Working capital facility	(ii)	40,000	40,000	-	58,997	58,997	-
Environmental bank guarantee facility	(iii)	N/a	N/a	N/a	58,000	57,464	536
Letter of credit facility	(iv)	N/a	N/a	N/a	2,000	1,864	136
Credit cards facility		N/a	N/a	N/a	325	28	297
		146,000	**146,000**	**-**	**272,529**	**271,560**	**969**

Facilities as at 31 December 2022

		Total Facility	Used	Unused	Total Facility	Used	Unused
	Note	USD $'000	USD $'000	USD $'000	AUD $'000	AUD $'000	AUD $'000
Term loan	(i)	138,000	138,000	N/a	198,359	198,359	N/a
Working capital facility	(ii)	40,000	-	40,000	59,000	-	59,000
Environmental bank guarantee facility	(iii)	N/a	N/a	N/a	58,000	57,464	536
Letter of credit facility	(iv)	N/a	N/a	N/a	2,000	1,864	136
Credit cards facility		N/a	N/a	N/a	310	50	260
		178,000	**138,000**	**40,000**	**317,669**	**257,737**	**59,932**

(i) The term loan has fixed quarterly repayments commencing 30 September 2022 with the final repayment due on 30 September 2026.

(ii) The working capital facility may be used to fund Group working capital and liquidity requirements. Repayment is due on the last day for each interest period (1 or 3 months) and is subject to an annual clean-down requirement, requiring the Group to ensure that for a continuous period of three consecutive Business Days in each 12-month period following Financial Close (October 2021), there is no working capital facility amount outstanding. The maturity date of this facility is 29 October 2026. The working capital facility is US$40,000,000 until the fourth anniversary of financial close being 29 October 2025 when the facility is reduced to US$10,000,000.

(iii) On 28 June 2023, the maturity date of the environmental bank guarantee facility was extended by one year to 29 October 2024.

(iv) The maturity date of the letter of credit facility is 29 October 2026.

The Group syndicated debt facilities are secured over the assets and rights of 29Metals' controlled entities registered in Australia.

The weighted average effective interest rate on the term loan and working capital facility is as follows.

	2023	2022
	%	%
Term loan and working capital facility	8.36	5.38

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Note 26: Interest-bearing liabilities (continued)

Recognition and measurement

Borrowings are recognised initially at fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowings are removed from the Consolidated Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability and the consideration paid, including any non-cash assets, is recognised in the Consolidated Statement of Comprehensive Income as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Note 27: Lease liabilities

	Note	2023 $'000	2022 $'000
As at 1 January		**67,117**	**31,426**
Leases recognised during the year		36,546	67,676
Reassessment		(27,918)	63
Disposal		(482)	-
Lease interest expense	20	3,725	1,713
Repayment during the year		(24,866)	(33,761)
As at 31 December		**54,122**	**67,117**
Current		20,154	19,967
Non-current		33,968	47,150
Total		**54,122**	**67,117**

New leases recognised during the year relates to leases of plant and equipment. The lease liabilities and ROU assets are reassessed based on changes in the pricing and supply of plant and equipment under the contracts.

Refer Note 20 for information regarding right-of-use assets and applicable accounting policies.

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Note 28: Financial risk management

The Group's activities expose it to a variety of financial risks, including commodity price risk, interest rate risk, market risk, currency risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The senior executives of the Group meet on a regular basis to analyse treasury risks and evaluate risk management strategies in the context of the prevailing economic conditions and forecasts. Risk management policies are approved and reviewed by the Board on a regular basis.

The Group's financial instruments are as follows.

	Note	2023 $'000	2022 $'000
Financial assets			
Cash and cash equivalents	25	161,859	171,962
Trade and other receivables	13	28,078	51,630
Other financial assets	16	12,520	12,518
		202,457	**236,110**
Financial liabilities			
Trade and other payables	22	118,863	150,765
Interest bearing liabilities	26	217,211	198,359
Lease liabilities	27	54,122	67,117
Derivative financial liabilities	14	11,033	6,782
		401,229	**423,023**

Commodity price risk

The prices of copper, zinc, lead, gold and silver are affected by numerous factors and events that are beyond the control of the Group. These metal prices change on a daily basis and may vary significantly, up and down, over time. The factors impacting metal prices include broader macro-economic developments and factors impacting the demand and supply specific to each particular metal.

29Metals regularly reviews its exposure to commodity prices and, in particular, the impact of movements in commodity prices on the Group's:

- profitability and return metrics;
- cashflow generation and funding commitments; and
- compliance with financial covenants under the Group's corporate debt facilities.

The Group may engage in certain hedging activity (for example the use of commodity forward contracts) to seek to reduce the risk associated with commodity price volatility. All such transactions are carried out within policies set by the Board.

The following table details the sensitivity of the Group's financial assets balances to movements in commodity prices. At 31 December 2023, the Group's provisionally priced sales contract amounted to $153,340,000 (US$102,376,000) (2022: $263,978,000 (US$181,461,000)).

At the reporting date, if commodity prices increased / (decreased) by 5% (2022: 10%), and all other variables were held constant, the Group's after-tax profit / loss for the year would have changed as set out below.

	2023			2022		
	Commodity Price Movement	Price Increase - Increase Profit / Equity	Price Decrease - Decrease Profit / Equity	Commodity Price Movement	Price Increase - Increase Profit / Equity	Price Decrease - Decrease Profit / Equity
Concentrate						
Copper	5%	6,063	(6,063)	10%	17,657	(17,657)
Zinc	5%	1,604	(1,604)	10%	8,741	(8,741)
Total		**7,667**	**(7,667)**		**26,398**	**(26,398)**

Refer to Note 14 for information regarding the Group's exposure to gold commodity derivatives.

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Note 28: Financial risk management (continued)

Interest rate risk

The Group is exposed to interest rate risk primarily through interest-bearing liabilities (refer to Note 26) and cash and cash equivalents (refer to Note 25). The Group monitors its interest rate risk regularly to ensure that there are no undue exposures to significant interest rate movements.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was as follows.

	2023	2022
	$'000	$'000
Variable rate instruments		
Cash and cash equivalents	161,859	171,962
Interest bearing liabilities	(217,211)	(198,359)
	(55,352)	**(26,397)**

Non-interest-bearing instruments include $28,078,000 (2022: $51,630,000) in Trade and other receivables (Refer to Note 13) and $11,033,000 (2022: $6,782,000) in derivative financial liabilities (Refer to Note 14).

Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points (2022: 50 basis points) in interest rates would have increased or (decreased) equity and before tax profit / (loss) by the amounts shown below. This analysis assumes all other variables remain constant.

	2023		2022	
	$'000	$'000	$'000	$'000
Variable rate instruments	50bp increase	50bp decrease	50bp increase	50bp decrease
Profit or loss	(277)	277	(132)	132
Total equity	(277)	277	(132)	132

Market risk

Market risk is the risk that changes in market prices (e.g., foreign exchange rates, interest rates and equity prices) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Risk management activities are carried out within the guidelines set by the Audit, Governance & Risk Committee.

As part of the reform of major interest rate benchmarks undertaken globally, in accordance with the terms of the Group's financing facilities, USD LIBOR was replaced with the secured overnight offer rate ('**SOFR**') on 30 December 2022 as the applicable reference rate for calculating interest on US dollar borrowings. Prior to this date, USD LIBOR was the applicable reference rate for calculating interest on the Group's US dollar borrowings.

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Note 28: Financial risk management (continued)

Currency risk

The Group is exposed to currency risk on bank balances, payables and receivables that are denominated in a currency other than the functional currency in which they are measured.

The Group is primarily exposed to changes in the US dollar exchange rate in relation to the price of commodities produced by the Group which are priced in US dollar terms and the carrying value of its US dollar denominated debt and cash holdings. The Group manages foreign currency risk by borrowing in US dollar terms and by regularly reviewing its exposure to US dollar fluctuations.

The Australian dollar carrying amount of the Group's US dollar financial assets and liabilities by its currency risk exposure at the reporting date is disclosed below.

	2023	2022
USD exposure	$'000	$'000
Cash and cash equivalents	20,176	69,580
Trade and other receivables	13,532	28,065
Trade and other payables	(1,024)	(1,716)
Interest bearing liabilities	(212,204)	(198,359)
Net exposure	**(179,520)**	**(102,430)**

The following significant exchange rates applied during the year.

	Average rate		31 Dec spot rate	
	2023	2022	2023	2022
AUD:USD	0.6644	0.6947	0.6840	0.6775

Sensitivity analysis

Based on the financial instruments held at reporting date, had the functional currency weakened / strengthened by 5% (2022: 10%) , and all other variables held constant, the Group's after-tax profit / (loss) and equity for the year would have been increased / (decreased) by the amounts shown below.

	2023		2022	
Variable financial instruments	$'000 5% weakened	$'000 5% strengthened	$'000 10% weakened	$'000 10% strengthened
Profit or loss	(8,976)	8,976	(10,243)	10,243
Total equity	(8,976)	8,976	(10,243)	10,243

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Note 28: Financial risk management (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group is exposed to counterparty credit risk through:

- sales of metal products on normal terms of trade;
- deposits of cash held with financial institutions;
- commodity swaps and other derivative contracts held with financial institutions.

The most significant exposure to credit risk is through sales of metal products on normal terms of trade. The majority of sales for mining operations were made under contractual arrangements whereby provisional payment is received promptly after delivery and is generally 90-100% of estimated value at that time. Refer to Note 13.

The Group held cash and cash equivalents of $161,859,000 at 31 December 2023 (2022: $171,962,000). The cash and cash equivalents are held with financial institutions which are rated A2 to Aa3, based on Moody's credit ratings. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

At the reporting date, the carrying amounts of financial assets are adjusted for any impairment and represent the Group's maximum exposure to credit risk, excluding the value of any collateral or other security, as shown below.

	2023	2022
	$'000	$'000
Financial assets		
Cash and cash equivalents	161,859	171,962
Trade and other receivables	28,078	51,630
Other financial assets	12,520	12,518
Net exposure	**202,457**	**236,110**

The maximum exposure to credit risk for financial assets at the reporting date by geographic region was:

Australia	189,169	210,861
Asia	9,582	25,176
Other	3,706	73
	202,457	**236,110**

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Note 28: Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with financial liabilities.

The Group manages liquidity risk by conducting regular reviews of the timing of cash outflows, and short and long-term cash flow forecasts, in order to ensure sufficient funds are available to meet its obligations.

Financial liability maturity analysis

			Contractual cash flows				
	Carrying amount	Total	0–6 months	6–12 months	1–2 years	2–5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
31 December 2023							
Trade and other payables	118,863	118,863	118,863	-	-	-	-
Bank borrowings	212,204	239,839	94,496	12,620	132,723	-	-
Insurance funding	5,007	5,007	5,007	-	-	-	-
Derivative financial liabilities	11,033	11,033	2,694	2,585	5,754	-	-
Lease liabilities	54,122	91,445	13,595	13,548	26,295	38,007	-
	401,229	**466,187**	**234,655**	**28,753**	**164,772**	**38,007**	**-**
31 December 2022							
Trade and other payables	150,765	150,765	150,765	-	-	-	-
Bank borrowings	198,359	246,099	25,536	24,959	41,999	153,605	-
Derivative financial liabilities	6,782	6,782	562	722	2,287	3,211	-
Lease liabilities	67,117	69,158	11,472	9,757	32,447	15,370	112
	423,023	**472,804**	**188,335**	**35,438**	**76,733**	**172,186**	**112**

Master netting or similar arrangements

The Group's derivative transactions have been entered into under International Swaps and Derivatives Association ('**ISDA**') master agreements. Pursuant to the terms of these ISDA agreements, the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other, if elected by the parties. In certain circumstances – e.g., when a credit event such as a default occurs – all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because the Group does not have any legally enforceable right to offset recognised amounts under the ISDA terms, because the right to offset is enforceable only on the occurrence of future events, such as a default on the bank borrowings or other credit events.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

	Note	Gross amounts of financial instruments	Related financial instruments that are setoff	Net amount presented in the statement of financial position
		$'000	$'000	$'000
31 December 2023				
Financial liabilities				
Gold swaps	14	11,033	-	11,033

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Note 28: Financial risk management (continued)

Master netting or similar arrangements (continued)

	Note	Gross amounts of financial instruments	Related financial instruments that are setoff	Net amount presented in the statement of financial position
		$'000	$'000	$'000
31 December 2022				
Financial assets				
Gold swaps	14	6,782	-	6,782
		6,782	**-**	**6,782**

Note 29: Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value hierarchy

All assets for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Fair value measurement

The categories of financial assets measured at fair value for the Group are trade receivables (refer to Note 13) and gold commodity derivatives (refer to Note 14). The fair value measurement is classified as Level 2 on the fair value hierarchy. The fair value of the trade receivables is determined through the final invoice value, using latest grade and weights (when this is available) and the LME forward price curve.

The carrying value of other financial assets and liabilities as at 31 December 2023 approximate fair value.

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements, during the year ended 31 December 2023 or the prior period.

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Note 30: Share capital and Reserves

(a) Share capital

	Note	2023 Number of shares	2023 $'000	2022 Number of shares	2022 $'000
Ordinary share capital / shares		**701,315,330**	**795,498**	**481,356,099**	**648,464**
Movement in equity during the year:					
Balance at the beginning of the year		481,356,099	648,464	480,455,000	646,633
New shares issue	30(a)(i)	219,130,402	151,200	-	-
Shares issued to Non-executive Directors from Salary Sacrifice Share Plan	34(d)	157,265	405	36,708	102
Shares issued to settle share – based payments	34(b)	671,564	1,327	864,391	1,729
		701,315,330	801,396	**481,356,099**	**648,464**
Transaction costs, net of tax	30(a)(ii)	-	(5,898)	-	-
		701,315,330	**795,498**	**481,356,099**	**648,464**

(i) Proceeds from an issue of 219,130,402 shares in September and October 2023 amounted to $151,200,000, before transaction costs.

(ii) During the year ended 31 December 2023, transaction costs of $5,898,000 before tax ($5,898,000 after tax) directly related to the issue of shares has been netted off against share capital.

Recognition and measurement

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

Quoted fully paid ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and, upon a poll, each share is entitled to one vote.

Dividend distribution

Dividends are recognised as a liability in the year in which the dividends are approved by the Company's shareholders or the Board, as appropriate.

(b) Nature and purpose of reserves

A description of the nature and purpose of each reserve is provided below:

Share-based payment Reserve - The share-based payment reserve is used to record the value of share-based payments. Refer to Note 34 for further information regarding share-based payments.

Translation Reserve - The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

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Group structure

Note 31: Controlled entities

The Consolidated Financial Statements of the Group comprise the following entities:

	Note	Country of incorporation	2023 % equity interest	2022 % equity interest
Parent entity				
29Metals Limited (registered 27 May 2021)		Australia		
Controlled entities				
29Metals Finance Pty Ltd (registered 31 May 2021)	(a), (b)	Australia	100%	100%
Golden Grove Holdings (No.1) Pty Ltd (registered 31 May 2021)	(a), (b)	Australia	100%	100%
Lighthouse Minerals Pty Ltd	(a), (c)	Australia	100%	100%
Capricorn Copper Group:				
Capricorn Copper Holdings Pty Ltd	(a), (c), (f)	Australia	100%	100%
Capricorn Copper Pty Ltd	(a), (c)	Australia	100%	100%
Golden Grove, LP Group:				
Golden Grove, LP	(d)	Australia	100%	100%
Golden Grove Holdings (No.2) Pty Ltd	(a)	Australia	100%	100%
Golden Grove Holdings (No.3) Pty Ltd	(a)	Australia	100%	100%
Golden Grove Operations Pty Ltd	(a)	Australia	100%	100%
Redhill Mining Group:				
Redhill Mining Hong Kong Limited	(e)	Hong Kong	100%	100%
Redhill Magallanes, SpA	(e)	Chile	100%	100%

(a) These controlled entities are a party to a Deed of Cross Guarantee. Refer to Note 33 for further information.
(b) For accounting purposes, control by 29Metals was deemed to be effective from 2 July 2021.
(c) Controlled entity from 7 June 2021.
(d) A limited partnership registered in New South Wales under the *Partnership Act 1982* (NSW). Golden Grove Holdings (No.1) Pty Ltd is the General Partner and 29Metals is the Limited Partner effective from 2 July 2021 for accounting purposes.
(e) For accounting purposes, control by 29Metals was deemed to be effective from 2 July 2021.
(f) 97.4% owned by 29Metals (directly) and 2.6% owned by Lighthouse Minerals Pty Ltd (in turn, wholly owned by 29Metals).

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Note 32: Parent entity disclosures

The disclosure below relates to the parent entity, 29Metals Limited.

(a) Statement of Comprehensive Income

	2023	2022
	$'000	$'000
(Loss) / Profit for the parent entity	(671,125)	50,324
Other comprehensive income	-	-
Total comprehensive (loss) / profit for the parent entity	(671,125)	50,324

(b) Statement of Financial Position

Current assets	159,592	83,026
Total assets	475,076	1,017,489
Current liabilities	(52,628)	(70,993)
Total liabilities	(52,732)	(71,257)
Net assets	**422,344**	**946,232**
Total equity of the parent entity comprising of:		
Contributed equity	1,098,135	950,605
Accumulated losses	(678,804)	(7,679)
Share-based payment Reserve	3,013	3,306
Total equity	**422,344**	**946,232**

There were no dividends declared and paid by the Company during the year ended 31 December 2023.

Guarantees entered into by the parent entity

Refer to Note 26 for information regarding the corporate debt facilities entered into in October 2021 and the associated security arrangements over the entire present and future undertaking, assets and rights of 29Metals Limited and its controlled entities registered in Australia.

Guarantees and contingent liabilities

The Company and its controlled entities registered in Australia entered into a Deed of Cross Guarantee ('**DOCG**') dated 30 November 2021. The effect of the DOCG is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the Australian controlled entities under certain provisions of the *Corporations Act 2001* (Cth).

Further details are included in Note 33.

At the reporting date, no amounts have been recognised in the financial information of the Company in respect of the DOCG on the basis that the possibility of default is remote.

Refer to Note 38 for further information regarding contingent liabilities.

Commitments

The parent entity did not have capital commitments at 31 December 2023 (2022: nil).

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Note 33: Deed of cross guarantee

On 30 November 2021, the Company and its eligible controlled entities entered into the DOCG.

Pursuant to ASIC Corporations (*Wholly-owned Companies) Instrument 2016/785* dated 17 December 2016 (the '**ASIC Relief**'), the wholly owned controlled entities incorporated and registered in Australia detailed in Note 30 are relieved from the requirement to prepare, audit, and lodge financial reports under the *Corporations Act 2001* (Cth). This includes certain wholly owned controlled entities detailed in Note 31, whilst still a party to the DOCG, are not eligible for relief as they are small proprietary companies.

It is a condition of the ASIC Relief that the Company and each of its eligible controlled entities enter into a DOCG. The effect of the DOCG is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the Australian controlled entities under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The controlled entities have also given similar guarantees in the event that the Company is wound up.

A Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position, comprising the Company and its controlled entities which are a party to the DOCG, after eliminating all transactions between parties to the DOCG, are set out below.

	2023	2022
Statement of Comprehensive Income	$'000	$'000
Revenue	449,748	720,688
Cost of sales	(540,865)	(716,799)
Gross (loss) / profit	**(91,117)**	**3,889**
Other income	916	201
Net loss on derivative financial instruments	(7,240)	(4,652)
Net foreign exchange loss	4,230	(12,143)
Financial impacts of the Extreme Weather Event		
Other income	28,625	-
Expenses and impairment	(78,135)	-
Impairment expense relating to Capricorn Copper cash-generating unit	(170,000)	-
Write-off of exploration and evaluation expenditure	(5,092)	-
Administration expenses	(34,340)	(33,449)
Other expenses	(544)	-
Loss before net finance costs and income tax expense	**(352,697)**	**(46,154)**
Finance income	5,234	1,385
Finance costs	(34,570)	(20,557)
Loss before income tax expense	**(382,033)**	**(65,326)**
Income tax (expense) / benefit	(58,072)	18,594
Net loss for the year	**(440,105)**	**(46,732)**
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year	**(440,105)**	**(46,732)**

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Consolidated Financial Statements

Note 33: Deed of cross guarantee (continued)

Statement of Financial Position	2023 $'000	2022 $'000
Current assets		
Cash and cash equivalents	161,799	171,892
Trade and other receivables	30,259	53,031
Inventories	95,262	99,478
Other financial assets	12,520	12,518
Prepayments	8,941	9,368
Total current assets	**308,781**	**346,287**
Non-current assets		
Prepayments	3,566	4,592
Inventories	2,124	-
Exploration and evaluation expenditure	13,949	18,582
Mine properties	405,750	578,001
Property, plant and equipment	181,588	207,121
Right-of-use assets	52,576	66,939
Intangible assets	78	122
Deferred tax assets	-	58,071
Investment in subsidiaries	12,108	12,108
Total non-current assets	**671,739**	**945,536**
Total assets	**980,520**	**1,291,823**
Current liabilities		
Trade and other payables	118,794	150,713
Interest-bearing liabilities	99,836	33,742
Derivative financial liabilities	5,279	1,354
Lease liabilities	20,154	19,967
Provisions	16,379	17,927
Total current liabilities	**260,442**	**223,703**
Non-current liabilities		
Interest-bearing liabilities	117,375	164,617
Derivative financial liabilities	5,754	5,428
Lease liabilities	33,968	47,150
Provisions	141,253	136,330
Total non-current liabilities	**298,350**	**353,525**
Total liabilities	**558,792**	**577,228**
Net assets	**421,728**	**714,595**
Equity		
Contributed equity	699,319	551,787
Reserves	(266,866)	(266,572)
(Accumulated losses) / Retained earnings	(10,725)	429,380
Total equity	**421,728**	**714,595**

There were no dividends declared and paid by the Company during the year ended 31 December 2023.

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Other information

Note 34: Share-based payments

The Group provides benefits to employees (including the Executive Director) in the form of share-based compensation, whereby employees render services in exchange for rights over shares (equity-settled transactions).

Non-executive Directors do not participate in the Group's performance-based remuneration schemes. However, for accounting purposes, the salary sacrifice plan implemented by the Group during the Reporting for Non-executive Directors is treated as a share-based payment. Refer to Note 34(d).

For more detail on the performance rights issued to KMPs, refer to the Remuneration Report on pages 51 - 53.

(a) Recognised share-based payment expenses

	2023	2022
	$'000	$'000
Performance rights	1,116	2,892
Non-executive Director Salary Sacrifice Share Plan	820	304
	1,936	**3,196**

(b) Performance rights awarded

(i) Staff Offer Incentive Plan ('**SOI**') – awarded during the year ended 31 December 2021

Under this Plan, there was a one-off award of Performance Rights to all of the Group's eligible employees as of the date of the 29Metals Prospectus. Non-executive Directors were not eligible for the SOI.

The SOI was intended as a reward to each eligible employee for their role in the successful completion of the 29Metals IPO and to incentivise employee retention in the near term.

Eligible employees received Performance Rights with a face value at the date of award (5 July 2021) equal to 10% of their total fixed remuneration applying the IPO offer price of $2.00 per share (rounded to the nearest whole Performance Right).

Performance Rights awarded to eligible employees as part of the SOI:

- were awarded for nil consideration;
- automatically convert into a Share (on a one-to-one basis) upon vesting;
- have the following vesting schedule:
  - 50% of an eligible employee's performance rights vested on the second trading day after release of the Company's 2021 full year results to ASX ('**SOI Tranche 1**'); and
  - the remaining 50% of an eligible employee's Performance Rights vested on the second trading day after release of the Company's 2022 full year results to ASX ('**SOI Tranche 2**').

Vesting of Performance Rights under the SOI is subject to the relevant individual continuing to be employed by a Group company on the applicable vesting date (unless the Board determines otherwise).

Performance rights awarded under the SOI are exercisable for nil consideration.

On 25 February 2022, 864,391 Performance Rights – SOI Tranche 1 awarded to eligible employees under 29Metals' *Staff Offer Incentive Plan* were converted to fully-paid ordinary shares upon vesting. On the vesting date, $1,729,000 was transferred from Share-based payment Reserve to Contributed Equity.

On 27 February 2023, 671,564 Performance Rights – SOI Tranche 2 awarded to eligible employees under 29Metals' *Staff Offer Incentive Plan* were converted to fully-paid ordinary shares upon vesting. On the vesting date, $1,327,000 was transferred from Share-based payment Reserve to Contributed Equity.

Refer to Note 34(e) for the movement in Performance Rights and balance at the end of the year.

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Note 34: Share-based payments (continued)

(b) Performance rights awarded (continued)

(ii) 2021 Long term incentive ('**LTI**') award – awarded during the year ended 31 December 2021

During the year ended 31 December 2021, 29Metals awarded performance rights under the Group's LTI plan (the '**2021 LTI award**'). The vesting date, performance period, and performance conditions for the 2021 LTI award are as follows:

Vesting Date	30 June 2024
Performance Period	Period commencing 2 July 2021 (29Metals' listing date) and ending 30 June 2024
Performance conditions and weighting	▪ Continued service through to vesting date ▪ 29Metals' relative total shareholder return (weighting: 50%) ▪ 29Metals' progress against the growth aspiration set out in the Prospectus (weighting: 30%) ▪ 29Metals' mine life at Golden Grove and Capricorn Copper having a mine life of 10 years or greater at the end of the Performance Period (weighting: 20%)
Board discretion	The Board is responsible for assessing performance against the award performance conditions. The Board retains discretion under the LTI award terms and the Plan Rules, including discretion regarding vesting outcomes.

Performance rights awarded under the 2021 LTI award were allotted to participating employees on 19 November 2021 (excluding the award under the 2021 LTI award to the Managing Director & CEO, refer below).

Upon vesting, each performance right will convert to one fully paid ordinary share.

The performance rights are exercisable for nil consideration.

The number of performance rights awarded under the 2021 LTI at 31 December 2021 excludes an award of 182,926 performance rights under the 2021 LTI to the Managing Director & Chief Executive Officer, which was subject to shareholder approval at the 2022 AGM.

Refer to Note 34(b)(iii) below for information regarding the 182,926 performance rights subsequently approved at the Company's AGM on 24 May 2022.

Refer to Note 34(b)(vi) for the fair value per performance right.

Refer to Note 34(e) for the movement in Performance Rights during the year and balance at end of the year.

(iii) 2021 Long term incentive ('**LTI**') award – awarded during the year ended 31 December 2021 and approved in May 2022

During the 2021 financial year, 182,926 performance rights under the 2021 LTI award were awarded to the Managing Director & CEO, subject to shareholder approval. At the Company's AGM on 24 May 2022, this award of performance rights to the Managing Director & CEO was approved by the Company's shareholders. The terms and conditions of this award are the same as those stated in Note 34(b)(ii) above.

Refer to Note 34(b)(vi) for the fair value per performance right.

Refer to Note 34(e) for the movement in performance rights during the year and balance at end of the year.

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Note 34: Share-based payments (continued)

(b) Performance rights awarded (continued)

(iv) 2022 Long term incentive ('**LTI**') award – awarded during the year ended 31 December 2022

During the year ended 31 December 2022, 29Metals awarded performance rights under the Group's LTI plan (the '**2022 LTI award**'). The award date, vesting date, performance period, and performance conditions for the 2022 LTI award are as follows:

Award date	
18 March 2022	1,685,482 performance rights granted to key management personnel and employees of the Group
24 May 2022	328,467 performance rights were awarded under the 2022 LTI award to the Managing Director &CEO

Vesting date	31 December 2024
Performance period	Period commencing 1 January 2022 and ending 31 December 2024
Performance conditions and weighting	▪ Continued service through to vesting date ▪ 29Metals' relative total shareholder return (weighting: 80%) ▪ 29Metals' development and implementation of a three-year roadmap for the Company to adopt recommendations of the Taskforce for Climate-related Financial Disclosure and establishment and delivery against climate-related targets and commitments, assessed at the end of the Performance Period (weighting: 20%)
Board discretion	The Board is responsible for assessing performance against the award performance conditions. The Board retains discretion under the LTI award terms and the Plan Rules, including discretion regarding vesting outcomes

Upon vesting, each performance right converts to one fully paid ordinary share.

Refer to Note 34(b)(vi) for the fair value per performance right.

Refer to Note 34(e) for the movement in Performance Rights during the year and balance at end of the year.

(v) 2023 Long term incentive ('**LTI**') award – awarded during the year ended 31 December 2023

During the Reporting Period, 29Metals awarded performance rights under the Group's LTI plan (the '**2023 LTI award**'). The award date, vesting date, performance period, and performance conditions for the 2023 LTI award are as follows:

Award date	
16 March 2023	29Metals granted 2,393,413 performance rights to key management personnel and employees of the Group
1 June 2023	427,366 performance rights were granted under the 2023 LTI award to the Managing Director & CEO

Vesting date	31 December 2025
Performance period	Period commencing 1 January 2023 and ending 31 December 2025
Performance conditions and weighting	▪ Continued service through to vesting date ▪ 29Metals' relative total shareholder return (weighting: 80%) ▪ 29Metals' satisfaction of a Performance Condition relating to the Company's cumulative absolute Total Shareholder Return assessed over the Performance Period (weighting: 20%)
Board discretion	The Board is responsible for assessing performance against the award performance conditions. The Board retains discretion under the LTI award terms and the Plan Rules, including discretion regarding vesting outcomes

Upon vesting, each performance right converts to one fully paid ordinary share.

Refer to Note 34(b)(vi) for the fair value per performance right.

Refer to Note 34(e) for the movement in Performance Rights during the year and balance at end of the year.

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Note 34: Share-based payments (continued)

(b) Performance rights awarded (continued)

(vi) Performance Rights pricing models

The fair value of the performance rights granted under the SOI and LTI plans have been determined based on a *Black Scholes Option Pricing Model* when they are subject to non-market performance conditions. This method takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

To reflect the impact of the market-based performance conditions, the fair value of the rights under the LTI plans subject to the relative Total Shareholder Return ('**TSR**') performance condition have been calculated using *Monte-Carlo* simulation techniques. The variables in the table below are used as inputs into the model to determine the fair value of performance rights.

The following table lists the inputs used in the model for the measurement of the fair values of the performance rights awarded to eligible employees (except for the Managing Director & CEO).

			Performance Rights						
	SOI Tranche 1	SOI Tranche 2	2021 LTI	2021 LTI	2021 LTI	2022 LTI	2022 LTI	2023 LTI	2023 LTI
Performance hurdle	N/a	N/a	Relative TSR	Growth objective	Mine Life	Relative TSR	Climate change	Relative TSR	Absolute TSR
Grant date	2 Jul 21	2 Jul 21	18 Nov 21	18 Nov 21	18 Nov 21	18 Mar 22	18 Mar 22	14 Mar 23	14 Mar 23
Expiry date	1 Jul 36	1 Jul 36	17 Nov 36	17 Nov 36	17 Nov 36	17 Mar 37	17 Mar 37	13 Mar 38	13 Mar 38
Vesting period	vested	vested	1.62 years	2.62 years	2.62 years	2.79 years	2.79 years	2.76 years	2.76 years
Share price at issue date	$2.00	$2.00	$2.63	$2.63	$2.63	$2.89	$2.89	$1.36	$1.36
Expected volatility	80%	80%	38.70%	38.70%	38.70%	40.46%	40.46%	57.55%	57.55%
Dividend yield	-	-	-	-	-	-	-	-	-
Risk-free interest rate	0.05%	0.05%	0.97%	0.97%	0.97%	1.89%	1.89%	2.9%	2.9%
Fair value per right	$2.00	$2.00	$1.855	$2.63	$2.63	$2.0223	$2.89	$0.811	$0.747

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Note 34: Share-based payments (continued)

(b) Performance rights awarded (continued)

(vi) Performance Rights pricing models (continued)

CEO Transition

As noted in the section 3.8 of the Remuneration Report, on 14 December 2023, the Company announced a CEO transition plan ('**CEO Transition**'). Under the CEO Transition terms agreed between the Board and Mr Albert:

- Mr Albert will retire from his role and leave the Company on 30 April 2024;
- in consideration of supporting the transition, and including payments in lieu of notice, Mr Albert will receive payments totalling approximately $903,000 (along with payments for accrued statutory entitlements). These payments are included in the statutory remuneration table in section 8 of the Remuneration Report;
- Mr Albert will participate in the 2023 STI outcomes, as determined by the Board in the ordinary course, which outcomes are outlined in the Remuneration Report;
- Mr Albert is not eligible to participate in the 2024 STI nor any award under the 2024 LTI; and
- all unvested performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI will be forfeited and lapse on retirement unvested.

In relation to 2023 STI outcomes, performance rights proposed to be awarded to Mr Albert under the 2023 STI are subject to shareholder approval at the Company's 2024 AGM and, if awarded, will vest following 31 December 2024 in accordance with the 2023 STI Award. If shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have been applied to previous awards to Mr Albert had shareholder approval been not successfully obtained), which payment is also subject to the 2023 STI vesting period.

The Company's Consolidated Financial Statements for the year ended 31 December 2023 include accruals for the payments to Mr Albert upon retirement as stated above.

The following table lists the inputs used in the model for the measurement of the fair values of the performance rights awarded to the Managing Director & CEO, prior to the CEO Transition announcement on 14 December 2023. All unvested performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI will be forfeited on retirement and lapse unvested. Based on this, the probability assigned to the unvested performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI at 31 December 2023 is nil and the share-based payment expense has been adjusted accordingly in the year ended 31 December 2023.

			Performance Rights						
	SOI Tranche 1	SOI Tranche 2	2021 LTI	2021 LTI	2021 LTI	2022 LTI	2022 LTI	2023 LTI	2023 LTI
Performance hurdle	N/a	N/a	Relative TSR	Growth objective	Mine Life	Relative TSR	Climate change	Relative TSR	Absolute TSR
Grant date	2 Jul 21	2 Jul 21	24 May 22	24 May 22	24 May 22	24 May 22	24 May 22	1 Jun 23	1 Jun 23
Expiry date	1 Jul 36	1 Jul 36	17 Nov 36	17 Nov 36	17 Nov 36	17 Mar 37	17 Mar 37	31 May 38	31 May 38
Vesting period	0.65 years	1.65 years	2.10 years	2.10 years	2.10 years	2.61 years	2.61 years	2.59 years	2.59 years
Share price at issue date	$2.00	$2.00	$2.77	$2.77	$2.77	$2.77	$2.77	$0.67	$0.67
Expected volatility	80%	80%	42.48%	42.48%	42.48%	42.48%	42.48%	63.55%	63.55%
Dividend yield	-	-	-	-	-	-	-	-	-
Risk-free interest rate	0.05%	0.05%	2.53%	2.53%	2.53%	2.84%	2.84%	3.38%	3.38%
Fair value per right	$2.00	$2.00	$1.8156	$2.77	$2.77	$1.9287	$2.77	$0.210	$0.155

Expected volatility has been based on an evaluation of the historical volatility of 29Metal's share price since listing up to the grant date and the assessment of peer group volatility commensurate with the expected term.

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Note 34: Share-based payments (continued)

(c) Performance rights under the short term incentive plan

(i) 2022 Short term incentive ('**STI**') – awarded during the year ended 31 December 2023

For the purposes of the Group's 2022 short term incentive plan (the '**2022 STI'**), the Board determined that 2022 STI will be delivered to certain eligible employees as a combination of cash and equity (in the form of performance rights).

Award date [1]	
14 March 2023	255,060 performance rights granted to eligible management personnel and employees of the Group (other than the Managing Director & CEO)
1 June 2023	145,304 performance rights were awarded under the 2022 STI award to the Managing Director & CEO

Vesting date	31 December 2023
Performance period	Period commencing 1 January 2022 and ending 31 December 2023

1. The award date noted above is the date of approval of the awards by the Board, and for Mr Albert, the date on which shareholder approval of the award was obtained. As disclosed in the remuneration report, the allocation of the awards occurred on 29 March 2023 and for Mr Albert, on 5 June 2023.

An expense relating to the 2022 performance year has been estimated using fair value estimates based on inputs in December 2022.

In the 2022 financial year, the number of performance rights to be awarded under the 2022 STI was determined by dividing the value of the equity component of the 2022 outcome by the Volume weighted average price ('**VWAP**') for 29Metals shares traded on the ASX for the month of December 2022, being $2.1691 per share (rounded down to the nearest performance right). The fair value per performance right was estimated based on the share price of $1.96 per share at 9 February 2023. The amount of the share-based payment expensed in respect of the 2022 STI recognised in the year ended 31 December 2022 amounted to $395,000 based on an estimated 400,364 performance rights.

The expense estimated for the year ended 31 December 2022 was updated to the fair value on grant date in the 2023 financial year which was $1.68 and $0.67 per performance right for the 14 March 2023 and 1 June 2023 award dates, respectively. The amount recognised in the year ended 31 December 2023 was $102,000.

On 31 December 2023, the performance conditions applicable to the 2022 STI performance rights award were satisfied and new shares upon vesting of the performance rights of 383,907 are expected to be issued and allocated to eligible employees on or about the date of this Report. Upon the issue of the new shares, $497,000 will be transferred from the Share-based payment Reserve to Contributed Equity.

Refer to Note 34(e) for the movement in Performance Rights during the year and balance at end of the year.

(ii) 2023 Short term incentive ('**STI**') – to be awarded during the year ending 31 December 2024

For the purposes of the Group's 2023 short term incentive plan (the '**2023 STI'**), the Board has determined that 2023 STI will be delivered to eligible employees as a combination of cash and equity (in the form of performance rights). The award of performance rights under the 2023 STI to all eligible employees (other than the Managing Director & CEO) was approved by the Board on or about the date of this Report.

The proposed award of 803,010 performance rights to the Managing Director & CEO under the 2023 STI is subject to shareholder approval (to be sought at the Company's 2024 AGM).

The only condition of the award of performance rights under the 2023 STI is continued service to the expiry of the vesting period which is 31 December 2024, except for the Managing Director & CEO where the award of the performance rights is subject to approval by shareholders at the 2024 AGM. In relation to 2023 STI outcomes, performance rights proposed to be awarded to Mr Albert under the 2023 STI are subject to shareholder approval at the Company's 2024 AGM and, if awarded, will vest following 31 December 2024 in accordance with the 2023 STI Award. If shareholder approval is not obtained, the equity component will be delivered as cash (consistent with the outcome that would have been applied to previous awards to Mr Albert had shareholder approval been not successfully obtained), which payment is also subject to the 2023 STI vesting period.

An expense relating to the 2023 performance year has been estimated using fair value estimates based on inputs in December 2023.

The number of performance rights to be awarded under the 2023 STI has been estimated by dividing the value of the equity component of the 2023 outcome by the price of $0.69 per performance right, being the price paid by shareholders to acquire rights in the Entitlement Offer completed in 2023. The fair value per performance right has been estimated based on the share price of $0.265 per share at close of trading on 19 February 2024. The expense estimated for the year ended 31 December 2023 will be updated to the fair value on grant date in the 2024 financial year.

The amount of the share-based payment expensed in respect of the 2023 STI recognised in the year ended 31 December 2023 is $336,000 (based on an estimated aggregate award of up to 2,138,289 performance rights).

Refer to Note 35(e) for the movement in Performance Rights during the year and balance at end of the year.

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Note 34: Share-based payments (continued)

(d) Non-executive Directors ('NED') Salary Sacrifice Share Plan ('Plan')

The NED Salary Sacrifice Share Plan which was approved at the Annual General Meeting held on 24 May 2022. Under the terms of the NED Salary Sacrifice Share Plan:

(i) $40,000 of the pre-tax Director fees for 2022, 2023 and 2024 ('**Contribution Amount**') will be delivered to each of the Non-executive Directors annually in the form of Restricted Shares and deducted from Director fees, as follows:
- for 2022, in approximately equal monthly instalments from June 2022 to December 2022 (inclusive); and
- for 2023 and 2024, in approximately equal quarterly instalments for each year.

(ii) the number of Restricted Shares to be received by the Non-executive Directors will be determined by dividing the Contribution Amount for the relevant instalment by the volume weighted average price of 29Metals Shares traded on the ASX over the 3-month trading period ending on the day before the Allocation Date of the Restricted Shares.

(iii) the Restricted Shares, once issued, will be subject to a dealing restriction expiring on the earlier of:
- two years after the date of issue; and
- 12 months after the cessation date as Director.

During the year ended 31 December 2023, a new NED who was appointed Director on 17 April 2023, joined the 29Metals NED Plan on 17 April 2023 on the same terms and conditions. In the case of the new NED eligible for the purposes of the NED Share Plan, 29Metals is required to withhold tax from the fees applied to acquire shares because the new NED is a non-resident for Australian income tax purposes.

The expense for the year ended 31 December 2022 is based on the share price on grant date and an estimate of the number of shares to be issued over the term of the Plan based on the VWAP of $2.1654 per share for the December 2022 quarter.

The expense for the year ended 31 December 2023 is based on the share price on grant date and an estimate of the number of shares to be issued over the term of the Plan based on the VWAP of $0.5785 per share for the December 2023 quarter.

During the year ended 31 December 2023, the share-based payment expense for the year ended 31 December 2022 was increased by $300,000 for true-ups to the actual number of shares issued.

	Note	2023	2022
Fair value per share at grant date of 24 May 2022, issued to NEDs under the original Plan		$2.77	$2.77
Fair value per share at grant date of 17 April 2023, issued to new NED joining in 2023		$1.35	-
Dividend yield		-	-
Total shares expected to be allocated under this Plan based on 29Metals' VWAP for the last quarter of the year		524,571	171,291
Number of shares allocated to date		(193,973)	(36,708)
Balance of number of shares expected to be allocated under this Plan		330,598	134,583
Lapsed during the year		-	-
Fair value of shares allocated in the year ($'000)	30	405	102
Share-based payment expense recognised in the year ($'000)	34(a)	820	304

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Note 34: Share-based payments (continued)

(e) Movements in the number of performance rights awarded

Set out in the table below is a summary of movements in the number of Performance Rights awarded.

Number of Performance Rights	SOI Tranche 1	SOI Tranche 2	2021 LTI	2022 LTI	2022 STI	2023 LTI	2023 STI	Total
Awarded during the period	1,052,717	1,052,613	691,104[1]	N/a	N/a	N/a	N/a	2,796,434
Lapsed during the period	(159,484)	(167,995)	-	N/a	N/a	N/a	N/a	(327,479)
Balance at 31 December 2021	**893,233**	**884,618**	**691,104**	**N/a**	**N/a**	**N/a**	**N/a**	**2,468,955**
Awarded during the period	-	-	-	1,685,482	400,364	**N/a**	**N/a**	2,085,846
Awarded on 24 May 2022 to the Managing Director & CEO	-	-	-	328,467	-	N/a	N/a	328,467
Lapsed during the period	(28,842)	(192,756)	(14,534)	(156,331)	-	N/a	N/a	(392,463)
Vested during the period	(864,391)	-	-	-	-	N/a	N/a	(864,391)
Balance at 31 December 2022	**-**	**691,862**	**676,570**	**1,857,618**	**400,364**	**N/a**	**N/a**	**3,626,414**
Awarded during the period	**-**	**-**	**-**	**-**	**-**	2,393,413	2,138,289 [2]	4,531,702
Awarded on 1 June 2023 to the Managing Director & CEO	-	-	-	-	-	427,366	-	427,366
Lapsed during the period	-	(20,298)	(32,916)	(273,869)	(16,457)	(289,945)	-	(633,485)
Vested during the period	-	(671,564)	-	-	(383,907)[3]	-	-	(1,055,471)
Balance at 31 December 2023	**-**	**-**	**643,654**	**1,583,749**	**-**	**2,530,834**	**2,138,289**	**6,896,526**
CEO Transition (note 34(b)(vi)) [4]	-	-	(182,926)	(145,304)	-	(427,366)	-	(755,596)
	-	**-**	**460,728**	**1,438,445**	**-**	**2,103,468**	**2,138,289**	**6,140,930**

1. Includes 182,926 performance rights awarded to the Managing Director & CEO, as approved by shareholders at the Company's 2022 AGM.
2. Includes 803,010 performance rights proposed to be awarded to Mr Albert under the 2023 STI which are subject to shareholder approval at the Company's 2024 AGM and, if awarded, will remain subject to the vesting period in accordance with the 2023 STI Award. If shareholder approval is not obtained, the equity component will be delivered as cash, which payment is also subject to the 2023 STI vesting period.
3. On 31 December 2023, the performance conditions applicable to the 2022 STI performance rights award have been satisfied and new shares upon vesting of the performance rights of 383,907 are expected to be issued and allocated on or about the date of this Report. Upon the issue of the new shares, $498,000 will be transferred from the Share-based payment Reserve to Contributed Equity.
4. All unvested performance rights awarded to Mr Albert under the 2021, 2022 and 2023 LTI will be forfeited on Mr Albert's retirement on 30 April 2024 and lapse unvested. An amount of $372,000 relating to share-based payment expenses in respect of the 2021 and 2022 financial years has been reversed in the year ended 31 December 2023 in respect of the 2021 and 2022 LTI.

(f) Share-based payment expense recognised

Set out in the table below is the share-based payment expense recognised.

Expense recognised Year ended $'000	SOI Tranche 1	SOI Tranche 2	2021 LTI	2022 LTI	2022 STI	2022 NED	2023 LTI	2023 STI	2023 NED	Total
31 December 2021	1,367	455	119	N/a	N/a	N/a	N/a	N/a	N/a	1,941
31 December 2022	268	843	479	907	395	304	N/a	N/a	N/a	3,196
31 December 2023	-	124	(86)	339	102	N/a	302	336	820	1,937
Total	**1,635**	**1,422**	**512**	**1,246**	**497**	**304**	**302**	**336**	**820**	**7,074**

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Note 34: Share-based payments (continued)

Recognition and measurement

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given above.

That cost is recognised in employee benefits expense, together with a corresponding increase in equity (Share-based payment Reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The expense or credit in the statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding performance rights is reflected as additional share dilution in the computation of diluted earnings per share.

Note 35: Related parties

(a) Parent entity

The ultimate holding entity is 29Metals Limited. Information about the Group's structure, including details of the controlled entities are set out in Note 30.

(b) Compensation to executive key management personnel and non-executive directors of the Group

Key management personnel ('**KMP**') are accountable for planning, directing and controlling the affairs of the Group. Details of remuneration provided to key management personnel and non-executive directors of the Group are as follows.

	Note	2023	2022
		$	$
Short-term employment benefits		3,727,691	4,524,662
CEO transition employee expense	34(b)(vi)	903,426	-
Long-term benefits		4,733	19,125
Contributions to superannuation plans		150,712	140,825
Share-based payments expense		1,318,885	1,533,523
		6,015,447	**6,218,135**

(c) Other related party transactions

There were no transactions with KMPs and related parties during the year other than as disclosed elsewhere in the financial statements.

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Note 36: Auditors' remuneration

Fees to Ernst & Young Australia	2023 $	2022 $
Fees for auditing the statutory financial report of the parent and the Group	477,200	432,500
Fees for other services		
Tax governance services	26,000	23,500
Total auditors' remuneration	**503,200**	**456,000**

Note 37: Accounting standards and interpretations issued but not yet effective

AAS and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 31 December 2023 are outlined below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. The applicable accounting standard is as follows:

Classification of liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to AASB 101)

The amendments, as issued in 2020 and 2022, aim to clarify the requirements on determining whether a liability is current or non-current, and require new disclosures for non-current liabilities that are subject to future covenants. The amendments apply for the annual reporting period beginning 1 January 2024. The Group does not expect any material impact of the amendments on the classification of these liabilities and the related disclosures.

Note 38: Contingent liabilities

(a) Bank Guarantees

The Group has provided an environmental bond in relation to Capricorn Copper, as required under relevant Queensland legislation. The environmental bond has been posted by way of three bank guarantees issued by lenders under the Group's syndicated debt facilities, with an aggregate bank guarantee amount of $57,464,000 (2022: $57,464,000).

(b) Other Contingent Liabilities

29Metals is a co-plaintiff in legal proceedings in the Supreme Court of Victoria in relation to historic transaction terms between EMR Capital Investment (No.6B) Pte Ltd and the vendors of shares in Lighthouse Minerals Pty Ltd, and associated security arrangements. The trial for this matter was held in late October / early November 2023. 29Metals' liability in relation to these proceedings is the subject of a Cash Backed Indemnity Deed whereby EMR Capital Investment (No.6B) Pte Ltd indemnifies 29Metals (the '**Indemnity Deed**'). Under the terms of the Indemnity Deed, 29Metals retained $12,500,000 of EMR Capital Investment (No.6B) Pte Ltd's share of IPO proceeds to cash-back the indemnity. As at 31 December 2023 and 31 December 2022, the balance of funds retained by 29Metals is $12,500,000 (excluding accrued interest on deposit).

Group companies are, or may be (from time to time), recipients of, or defendants in, current, potential or threatened claims, complaints, actions or proceedings. The Directors consider that these matters are either not yet sufficiently advanced or particularised so as to reasonably evaluate the prospects for potential liability, or are of such a kind, or involve such amounts, that they are not currently anticipated to have a material effect on the financial position of the Group if determined unfavourably.

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Note 39: Contingent asset

During the Reporting Period, the Group commenced an insurance claim for the damage and loss of property, and associated business interruption, caused by the Extreme Weather Event at Capricorn Copper.

In August 2023, Group's insurers responded to the Group's preliminary claim assessment and basis of claim submission. In their response, the insurers:

- confirmed indemnity for damage to property on the surface and associated business interruption;
- agreed to make an initial unallocated progress payment of $24,000,000 in respect of damage and loss of surface property and associated business interruption; and
- based on the submission and information provided to-date, in relation to underground loss and damage advised that the policy does not respond and requested further information.

In relation to the surface component of the insurance claim, the claim process after the initial unallocated progress payment is ongoing.

In relation the underground damage and loss component of the claim, the Group does not agree with the insurers' position. The Group will continue to work with insurers in relation to the further information required to advance this aspect of the claim.

The Group has received and recorded $24,000,000 proceeds from the insurance claim in the Consolidated Financial Statements for the year ended 31 December 2023 (refer to Note 7). Pending further progress of the insurance claim process, it is not practicable for the Group to estimate the future potential financial effect and timing of insurance claim outcomes.

Note 40: Commitments

The Group's commitments are as follows.

Exploration

In order to maintain current rights of tenure to exploration tenements, the Group is required to outlay rentals and to satisfy minimum expenditure requirements which total $3,493,000 (2022: $1,293,000) over the next 12 months, in accordance with agreed work programmes submitted over the Group's exploration licences.

Financial commitments for subsequent periods are contingent upon future exploration results. There are no material exploration commitments further out than one year.

Take or pay contracts

The Group has certain take or pay obligations under contracts relating to the power supply for its Capricorn Copper operations. These contracts are multi-year contracts with an aggregate future take or pay commitment amount of $22,418,000 as at 31 December 2023 (2022: $26,850,000). This amount is before any future on-sale of gas surplus to the needs of the Capricorn Copper mine during the recovery period.

Note 41: Subsequent events

There have not been any events that have arisen in the interval between the end of the financial year and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

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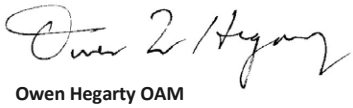
Directors' Declaration

In accordance with a resolution of the Directors, the Directors declare that:

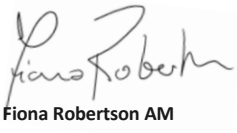
1. in the opinion of the Directors:
   - (a) the Consolidated Financial Statements and notes set out on pages 60 to 122 and the remuneration disclosures that are contained in the Remuneration Report on pages 35 to 59, are in accordance with the *Corporations Act 2001*, and:
     - (i) give a true and fair view of the financial position of the Group as at 31 December 2023 and of its performance for the year ended on that date; and
     - (ii) comply with Australian Accounting Standards and the *Corporations Regulations 2001*; and
   - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due and payable; and
   - (c) the Consolidated Financial Statements, and the notes thereto, have been prepared in accordance with *International Financial Reporting Standards*.
2. the Directors have received the declarations required to be made to the Directors by Section 295A of the Corporations Act 2001 to be given by the Chief Executive Officer and Chief Financial Officer for the financial year ended 31 December 2023.
3. In the opinion of the Directors, there are reasonable grounds to believe that the Company, and the consolidated entities identified in Note 31, will be able to meet any obligations or liabilities to which they are, or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those consolidated entities pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*.

This declaration is made in accordance with a resolution of the Directors on 23 February 2024.



Owen Hegarty OAM

Chair of the Board of Directors
Non-executive Director



Fiona Robertson AM

Chair of the Audit, Governance & Risk Committee
Independent Non-executive Director

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Independent Auditor's Report

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Independent auditor's report to the members of 29Metals Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of 29Metals Limited ("the Company") and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

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Independent Auditor's Report continued

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Independent Auditor's Report

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Carrying value of non-current assets

Why significant	How our audit addressed the key audit matter
Australian Accounting Standards require the Group to assess in respect of the reporting period, whether there are any indications that its non-current assets may be impaired or previously recognised impairment should be reversed. If any such indication exists, an entity shall estimate the recoverable amount of the asset or Cash Generating Unit ("CGU"). During the year ended 31 December 2023, the Group identified indicators of impairment in respect of the Capricorn Copper and Golden Grove CGUs. The completion of impairment testing resulted in an impairment charge of $170,000,000 being recognised in relation to the Capricorn Copper CGU, as disclosed in Note 21 to the financial report. There was no impairment recognised in relation to Golden Grove CGU. We considered the impairment testing of the Group's CGUs and the related disclosures in the financial report, to be a key audit matter because of the: ► Significant judgment involved in determining whether there are indicators of impairment ► Significant judgment and estimates involved in the determination of the recoverable amount of the CGU, including assumptions relating to forecast commodity prices, forecast exchange rates, operating and capital costs, the discount rate used to reflect the risks associated with the forecast cash flows having regard to the current status of the CGUs and the resource valuation multiples used to value the resources not included in the life of mine plans.	We assessed the reasonableness of the Group's impairment assessment process and the resultant recoverable value determination for the Capricorn Copper and Golden Grove CGU's. Our audit procedures included the following: ► Evaluated the Group's assessment as to whether any indicators of impairment exist. ► Assessed the Group's impairment methodology was in accordance with the requirements of Australian Accounting Standards. ► Assessed whether all applicable assets and liabilities had been allocated to the applicable CGU. ► Evaluated the assumptions and methodologies used by the Group, in particular those relating to the Group's forecast cash flows and inputs used to formulate them. This included assessing, with involvement from our valuation specialists, where appropriate, the foreign currency exchange rates, commodity prices with reference to broker consensus forward estimates, and discount rate. ► Evaluated whether the capital and operating expenditure assumptions were consistent with historical performance, information in Board reports and releases to the market. ► Assessed the work of the Group's experts with respect to production assumptions used in the cash flow forecasts. We also assessed the competence, qualifications, and objectivity of the Group's experts, and assessed whether key production assumptions were consistent with those in the life of mine plans and previous market releases. ► Tested the mathematical accuracy of the Group's discounted cash flow impairment model. ► Assessed the impact on the impairment assessment of a range of sensitivities relating to the commodity prices, exchange rate, discount rate, costs and production assumptions. ► Assessed the adequacy of the Group's disclosures relating to the impairment assessment disclosed in Note 21 of the financial report.

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2. Rehabilitation and Restoration Provision

Why significant	How our audit addressed the key audit matter
As a consequence of its operations, the Group incurs obligations to rehabilitate and restore its mine sites. As at 31 December 2023, the Group's consolidated statement of financial position includes a rehabilitation and restoration provision of $139,601,000 in respect of these obligations as disclosed in Note 23 to the financial report. We considered this to be a key audit matter because estimating the rehabilitation and restoration provision requires significant judgement in relation to when the activities will take place, the time required for rehabilitation to be effective, the costs associated with the activities, and economic assumptions such as discount rates and inflation rates. Given the significant judgements and assumptions involved, the Group is required to continually reassess and confirm that the assumptions used are appropriate.	Our audit procedures included the following: ► Assessed the qualifications, competence and objectivity of the Group's external and internal experts, the work of whom formed the basis of the Group's rehabilitation cost estimates. ► With the involvement of our specialists we assessed the appropriateness of the rehabilitation cost estimates. ► Assessed the estimated timing of when the rehabilitation cash flows will be incurred based on the life of mine, and the resultant inflation and discount rate assumptions used in the Groups cost estimates, having regard to available economic data relating to future inflation and discount rates. ► Evaluated the adequacy of the Group's disclosures in the Notes to the financial report relating to rehabilitation obligations. We also considered the appropriateness of the accounting for the changes in the rehabilitation and restoration provision.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2023 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Independent Auditor's Report continued

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Independent Auditor's Report

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report on pages 35 to 59 of the directors' report for the year ended 31 December 2023, except for the disclosures noted in Section 4.2 relating to Pro-Forma financial and non-financial information.

In our opinion, the Remuneration Report of 29Metals for the year ended 31 December 2023, complies with section 300A of the *Corporations Act 2001*.

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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Fiona Drummond
Perth
23 February 2024

Sarang Halai
Perth
23 February 2024

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Additional Shareholder Information

Additional information required by the Australian Securities Exchange ('**ASX**') Listing Rules and not disclosed elsewhere in this Annual Report is set out below.

Information regarding 29Metals shares is current as at 28 March 2024. As at that date, there were 701,699,237 ordinary shares held by 5,121 shareholders.

Substantial holders

The names of 29Metals substantial holders (being shareholders who, together with their associates, have a relevant interest in 5% or more of our voting shares), as disclosed in substantial holding notices lodged with ASX, are as follows:

Substantial holder name	No. held	% of issued capital
EMR Capital Holdings Pty Ltd (ACN 158 368 846), EMR Capital Group Limited and each of their associated entities	314,479,637	44.85
AustralianSuper Pty Ltd	100,833,570	14.38
Yarra Capital Management Limited ACN 003 376 252; Yarra Management Nominees Pty Ltd ACN 616 681 068; TA Universal Investment Holdings Ltd; TA SP Australia Topco Pty Ltd ACN 612 486 452; AA Australia Finco Pty Ltd ACN 614 781 172; Yarra Capital Management Holdings Pty Ltd ACN 614 782 795; Yarra Funds Management Limited ACN 005 885 567; Tyndall Equities Australia Pty Ltd ACN 149 370 301	41,626,020	8.64

Distribution of shareholders (ordinary shares)

Range	Total holders	No. of shares held	% of issued capital
1 – 1,000	1,024	574,584	0.08
1,001 – 5,000	1,552	4,462,602	0.64
5,001 – 10,000	822	6,538,707	0.93
10,001 – 100,000	1,483	48,722,137	6.94
100,001 +	240	641,401,207	91.41
Total	**5,121**	**701,699,237**	**100**

There were 1,175 shareholders holding less than a marketable parcel of ordinary shares as at 28 March 2024.

Unquoted equity securities

There are 4,758,237 unquoted performance rights on issue held by 44 holders.

Range (performance rights)	Total holders	No. of rights held	% of rights on issue
1 – 1,000	–	–	–
1,001 – 5,000	–	–	–
5,001 – 10,000	–	–	–
10,001 – 100,000	36	1,876,334	39.43
100,001 +	8	2,881,903	60.57
Total	**44**	**4,758,237**	**100**

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Additional Shareholder Information continued

Twenty largest shareholders (28 March 2024)

Rank	Name	No. of shares held	% of issued capital
1	PERPETUAL NOMINEES LIMITED	214,882,777	30.62
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	130,382,850	18.58
3	EMR CAPITAL INVESTMENT (NO.6B) PTE. LTD	64,812,484	9.24
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	33,432,521	4.76
5	EMR CAPITAL ADVISORS PTY LTD	31,124,019	4.44
6	CITICORP NOMINEES PTY LIMITED	25,471,533	3.63
7	KING BROWN CAPITAL PTE LTD	15,750,262	2.24
8	BUMA AUSTRALIA PTY LTD	7,983,915	1.14
9	WARBONT NOMINEES PTY LTD	5,727,552	0.82
10	WYTHENSHAWE PTY LTD	5,562,080	0.79
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,297,953	0.76
12	BNP PARIBAS NOMS PTY LTD	4,588,112	0.65
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	4,316,278	0.62
14	EMR CAPITAL INVESTMENT (NO.4B) PTE. LTD	3,555,925	0.51
15	ECAPITAL NOMINEES PTY LIMITED	3,300,995	0.47
16	VERMAR PTY LTD	3,100,000	0.44
17	HANSEN LITTLE FOUNDATION PTY LIMITED	2,850,000	0.41
18	BNP PARIBAS NOMS PTY LTD	2,805,459	0.40
19	COMSEC NOMINEES PTY LIMITED	2,799,551	0.40
20	NATIONAL NOMINEES LIMITED	2,759,548	0.39
Total, Top 20		**570,503,814**	**81.30**
Total remaining holders		**131,195,423**	**18.70**

Voting rights

Fully paid ordinary shares: subject to the Corporations Act, the Company's Constitution and any rights or restrictions attached to shares, every shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each share held.

Performance rights: do not carry any voting rights.

Other

There is no current on-market buy-back.

There are no securities on issue that are restricted securities or are subject to voluntary escrow arrangements.

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Important Information

Non-IFRS financial information

29Metals' results are reported under IFRS. This report includes certain metrics, such as "**AISC**", "**C1 Costs**", "**Drawn Debt**", "**EBITDA**", "**Net Drawn Debt**", "**Recovery Expenses**", "**Site Operating Costs**" and "**Total Liquidity**", which are non-IFRS financial information within the meaning of ASIC Regulatory Guide 230: '*Disclosing non-IFRS financial information*'.

The non-IFRS financial information metrics used in this report have been calculated by reference to information prepared in accordance with IFRS. However, these non-IFRS financial information metrics do not have a standardised meaning prescribed by IFRS and may be calculated differently by other companies.

The non-IFRS financial information metrics included in this report are used by 29Metals to assess the underlying performance of the business. The non-IFRS information has not been subject to audit by 29Metals' external auditor.

Non-IFRS financial information should be used in addition to, and not as a substitute for, information prepared in accordance with IFRS. Although 29Metals believes these non-IFRS financial information metrics provide useful information to investors and other market participants, readers are cautioned not to place undue reliance on any non-IFRS financial information presented. Refer to page 108 for definitions of the non-IFRS financial information metrics used in this report. Rounding Certain figures, amounts, percentages, estimates, calculations of value and fractions presented are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures presented.

In addition to the non-IFRS financial information metrics used in this report, referred to above, this report contains pro forma financial information. Pro forma financial information is also non-IFRS financial information and has not been audited. The pro forma financial information is this report has been included to provide investors and other market participants with insights into the operating and financial performance of the Group for the full year cited. Refer to page 91 for information regarding the basis of preparation and presentation of the pro forma financial information in this report.

As above, the pro forma financial information (as non IFRS financial information) should be used in addition to, and not as a substitute for, information prepared in accordance with IFRS.

Forward-looking statements

This Annual Report contains certain forward-looking statements and comments about future events, including in relation to 29Metals' businesses, plans and strategies, and expected trends in the industry in which 29Metals currently operates. Forward looking statements can generally be identified by the use of words such as, "**expect**", "**anticipate**", "**likely**", "**intend**", "**should**", "**could**", "**may**", "**predict**", "**plan**", "**propose**", "**will**", "**believe**", "**forecast**", "**outlook**", "**estimate**", "**target**" and other similar words. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

Forward-looking statements involve inherent risks, assumptions and uncertainties, both general and specific, and there is a risk that predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors could cause 29Metals' actual results to differ materially from the plans, objectives, expectations, estimates, targets and intentions expressed in such forward-looking statements, and many of these factors are beyond 29Metals' control. Statements or assumptions in this Annual Report as to future matters may prove to be incorrect, and circumstances may change and the contents of this Annual Report may become outdated as a result.

Further, forward-looking statements speak only as of the date of this Annual Report, and except where required by law, 29Metals does not intend to update or revise any forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Annual Report.

Nothing in this Annual Report is a promise or representation as to the future, and past performance is not a guarantee of future performance. 29Metals nor its Directors make any representation or warranty as to the accuracy of such statements or assumptions.

Rounding

Certain figures, amounts, percentages, estimates, calculations of value and fractions presented are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures presented.

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Corporate Directory

29Metals Limited (ABN 95 650 096 094)

Directors

Mr Owen Hegarty OAM (Chair)

Mr Peter Albert (MD & CEO)

Ms Fiona Robertson AM

Ms Jacqueline (Jacqui) McGill AO

Mr Martin Alciaturi

Ms Tamara Brown

Mr Francis (Creagh) O'Connor

Company secretary

Mr Clifford Tuck

2024 Annual general meeting

21 May 2024

Registered office & principal place of business

Level 2, 150 Collins Street,
Melbourne VIC 3000 Australia

Tel: +61 3 7037 5300

Share registry

Link Market Services

Tower 4, 727 Collins Street,
Melbourne VIC 3008 Australia

Tel: +61 1300 554 474

Auditor

Ernst & Young Australia

11 Mounts Bay Road,
Perth WA 6000 Australia

Tel: +61 8 9429 2222

Stock exchange listing

29Metals Limited fully paid ordinary shares are quoted on the Australian Securities Exchange: 29M

Website

www.29metals.com