

Kenmare Resources plc
("Kenmare" or "the Company" or "the Group")

14 August 2024

Half-Yearly Financial Report for the six months to 30 June 2024 and interim dividend

Kenmare Resources plc (LSE:KMR, ISE:KMR), one of the leading global producers of titanium minerals and zircon, which operates the Moma Titanium Minerals Mine (the "Mine" or "Moma") in northern Mozambique, today publishes its Half-Yearly Financial Report for the six month period ended 30 June 2024 ("H1 2024") and announces its interim dividend for 2024.

Statement from Andrew Webb, Chairman:

"As previously announced, Michael Carvill, Kenmare's founder, today steps down as Managing Director after almost four decades. I would like to again express the Board's appreciation and thanks to Michael, who leaves the Company with a robust balance sheet, strong and capable team, a tier one asset, a market-leading position and a robust balance sheet. Tom Hickey, Kenmare's Finance Director, has been appointed to succeed Michael. Tom has 24 years' experience as a public company director and a strong background in finance, natural resources and African operations.

Kenmare is on track to achieve 2024 guidance and in H1 we delivered an EBITDA margin of over 40%. However, reduced shipments impacted our financial performance. Shipments have strengthened in early H2, supported by strong visibility of customer orders, high finished product inventories and seasonally better weather conditions. Consequently, revenue is expected to be second-half weighted.

With net current assets of almost \$200 million at the half year, including record net cash of \$58.9 million, we are well positioned to fund our capital commitments and shareholder returns."

H1 2024 overview

Financials and markets

- Revenue from mineral products of \$154.5 million in H1 2024, down 33% year-on-year ("YoY") due to lower shipments, pricing and product mix
- In H2 2024, shipments are expected to increase and the product mix is anticipated to reverse, with two zircon shipments delayed from Q2 dispatched in early Q3
- Despite the lower shipments, at the end of H1 2024 net cash increased to a record \$58.9 million, having paid \$34.7 million in dividends and invested \$49.1 million in capital expenditure
- EBITDA of \$63.2 million, down 43% YoY due to lower revenues but maintaining a 41% margin, and profit after tax of \$20.9 million, down 69% YoY
- Interim dividend of USc15 per share – full year dividend is expected to be towards the upper end of the 20-40% of profit after tax payout range
- Cash operating cost of \$218 per tonne of finished product, down 5% YoY, benefitting from increased production volumes
- Cash operating cost per tonne of ilmenite (net of co-products) of \$201, up 47% YoY due to a temporary reduction in co-product revenues, partially offset by a 4% increase in ilmenite production
- Demand for Kenmare's ilmenite remains robust, with prices in H1 above the Company's expectations – good demand and sales visibility for shipments in H2
- The zircon market remains relatively stable with improving demand in India and Europe

Corporate and operations

- As previously announced, Michael Carvill is stepping down as Managing Director and from the Board and he will be succeeded by Tom Hickey, Finance Director
- Kenmare will now undertake a limited process to identify Tom's successor as Chief Financial Officer - further updates will be provided in due course
- Encouraging progress with a reduction in Lost Time Injury Frequency Rate ("LTIFR") to 0.09 per 200,000 hours worked for the 12 months to 30 June 2024
- Continued improvement across various key sustainability metrics in H1 2024, including malaria prevention, reduction in GHG emissions, land rehabilitation, biodiversity and socio-economic impact
- Kenmare is on track to achieve 2024 guidance across all stated metrics, including 950,000-1,050,000 tonnes of ilmenite production, with higher forecast grades supporting production expectations in H2
- 4% increase in Heavy Mineral Concentrate ("HMC") production to 659,000 tonnes due to higher excavated ore volumes and heavy mineral recoveries
- 4% increase in total finished product production to 490,800 tonnes due primarily to increased HMC processed
- Total shipments of 477,600 tonnes, down 14% YoY due primarily to poor weather conditions and additional operational maintenance, limiting shipping time
- Execution underway for upgrade of Wet Concentrator Plant ("WCP") A and transition to Nataka – 54% of capital committed at end of H1 and ~75% expected by year-end
- Constructive discussions with the Government of Mozambique continued in H1 2024 relating to the renewal of Kenmare's Implementation Agreement ("IA"), governing the Industrial Free Zone forming part of the Moma Mine

Additional information in relation to Alternative Performance Measures ("APMs") is disclosed in the Glossary.

Analyst and investor conference call and webcast

Kenmare will host a conference call and webcast for analysts, institutional investors, and media today at 9:00am UK time. Participant dial-in numbers for the conference call are as follows:

UK	+44 20 3481 4247
Ireland	+353 1 582 2023
USA	+1 (646) 307 1963
Conference ID	191 59 50

The webcast will be available at www.kenmareresources.com and playback of the webcast will be available at: www.kenmareresources.com/investors/reports-and-presentations.

Private investor webinar

There will also be a separate webinar for private investors on Thursday, 15 August 2024, at 12:30pm UK time. To access the webinar, please register in advance by clicking [here](#).

The Half-Yearly Financial Report for the period ended 30 June 2024 is also available at www.kenmareresources.com/investors/reports-and-presentations.

For further information, please contact:

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About Kenmare Resources

Kenmare Resources plc is one of the world's largest producers of mineral sands products. Listed on the London Stock Exchange and the Euronext Dublin, Kenmare operates the Moma Titanium Minerals Mine in Mozambique. Moma's production accounts for approximately 7% of global titanium feedstocks and the Company supplies to customers operating in more than 15 countries. Kenmare produces raw materials that are ultimately consumed in everyday quality-of life items such as paints, plastics and ceramic tiles.

All monetary amounts refer to United States dollars unless otherwise indicated.

Forward Looking Statements

This announcement contains some forward-looking statements that represent Kenmare's expectations for its business, based on current expectations about future events, which by their nature involve risks and uncertainties. Kenmare believes that its expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve risk and uncertainty, which are in some cases beyond Kenmare's control, actual results or performance may differ materially from those expressed or implied by such forward-looking information.

INTERIM MANAGEMENT REPORT

Group results

Operational and financial results for H1 2024 were as follows:

	H1 2024	H1 2023	% Change
Production (tonnes)			
HMC produced	659,000	633,900	4%
HMC processed	651,100	637,600	2%
<i>Finished products production</i>			
Ilmenite	444,100	425,500	4%
Primary zircon	21,300	23,000	-7%
Rutile	4,000	3,600	11%
Concentrates ²	21,400	20,500	4%
Total finished products	490,800	472,600	4%
	H1 2024	H1 2023	% Change
Financials			
Revenue (\$ million)	165.1	242.9	-32%
Freight (\$ million)	10.6	13.2	-20%
Mineral Product Revenue (\$ million)	154.5	229.7	-33%
Finished products shipped (tonnes)	477,600	556,800	-14%
Average price received per tonne (\$/t)	323	413	-22%
Total operating costs (\$ million) ³	132.3	162.6	-19%
Total cash operating costs (\$ million) ⁴	107.2	108.8	-1%
Cash operating cost per tonne of finished product (\$/t)	218	230	-5%
Cash operating cost per tonne of ilmenite (net of co-products) (\$/t)	201	137	47%
EBITDA (\$ million) ¹	63.2	110.4	-43%
Profit before tax (\$ million)	27.7	77.5	-64%
Profit after tax (\$ million)	20.9	67.8	-69%
Net cash at period-end	58.9 ⁵	42.3	39%

Notes

1. Additional information in relation to APMs is disclosed in the Glossary.
2. Concentrates include secondary zircon and mineral sands concentrate.
3. Total operating costs consist of cost of sales and administration costs as reported in the income statement. Depreciation and amortisation are included in the operating costs.
4. Total cash costs consist of total operating costs less freight and non-cash costs, including inventory movements.
5. Kenmare's net cash position at period-end was \$58.9 million. This comprises \$60.3 million of cash, including \$1.7 million of cash held in the Employee Benefit Trust, minus \$1.4 million of leases.

Sustainability

As reported on 3 June 2024, Kenmare was deeply saddened by a fatality at the Moma Mine on 1 June 2024. An excavator operator employed by one of Kenmare's contractors was involved in a fatal incident during the night shift. Police investigations have found that his death was related to activities outside of the ordinary course of operations and Kenmare has co-operated fully with the authorities.

Kenmare's rolling 12-month LTIFR to 30 June 2024 improved to 0.09 per 200,000 hours worked (30 June 2023: 0.18). One Lost Time Injury ("LTI") was recorded during Q2 2024, not including the fatality as it was non-work related. Prior to this, the Moma team had achieved almost five million hours worked without an LTI, which is equivalent to eight months' work. Sustained leadership focus on safety and standards of work is contributing to a safer workplace.

The Company continued to deliver improvement across various key sustainability metrics during the period, including the advancement of projects to reduce the prevalence of malaria, improve the future productivity of rehabilitated land for agriculture and reduce carbon emissions. Construction of a new district hospital, funded by the Kenmare Moma Development Association (KMAD), also commenced in Q1 2024.

Operations

At the end of H1, Kenmare is on track to achieve its 2024 guidance on all stated metrics. The Company continues to expect production to increase in H2, supported by higher forecast ore grades, averaging 4.5% Total Heavy Minerals (“THM”).

Production in early H2 has been solid, particularly for rutile, which delivered a new monthly production record in July following the improvement works undertaken in the Mineral Separation Plant (“MSP”) in H1. Shipment volumes have strengthened and the two zircon shipments delayed from Q2 were shipped in early Q3 2024. The product transfer conveyor system is operating reliably, following the additional maintenance work carried out in Q2, and the system is not a constraint to increased H2 loadouts.

Looking back at H1, HMC production in Q1 2024 was impacted significantly by seasonal power interruptions due to the southern hemisphere rainy season, limiting mining operations. As expected, operating conditions improved in Q2 with the onset of the dry season, leading to reduced power interruptions and consequently, excavated ore tonnes increased by 13% quarter-on-quarter. Operating conditions in Q3 continue to be favourable.

As a result, HMC production in H1 2024 was 659,000 tonnes, a 4% increase YoY (H1 2023: 633,900 tonnes). This was the product of a 7% increase in excavated ore volumes to 19,601,000 tonnes (H1 2023: 18,380,000 tonnes) and higher heavy minerals recovery, offsetting the 5% decrease in ore grades to 3.97% THM (H1 2023: 4.19% THM), in line with expectations. Stronger heavy mineral recoveries are due to improvements at all three mining plants during the past year, including the addition of clean water to spiral separation at WCP A, the return to better mining conditions at WCP C, and improved sweeping control as part of the dredging operations at all three plants. Recoveries are expected to remain strong in H2.

HMC production exceeded HMC processed in H1 2024 due to increased maintenance work taking place in the MSP during Q1 to improve circuit performance, with HMC held back from processing until the work was completed. Despite this, HMC processed was up 2% in H1 2024 YoY, contributing to a 4% increase in production of finished products.

Production of Kenmare’s primary product, ilmenite, was 444,100 tonnes, up 4% YoY, due to increased HMC processed and benefitting from greater ilmenite content in the HMC.

Primary zircon production was 21,300 tonnes in H1 2024, down 7% YoY, due to challenges in the zircon circuit during Q1 and downtime due to improvement works. This resulted in lower recoveries and higher than usual quantities of material being sent to the intermediate stockpiles. Performance improved significantly in Q2, supported by the drawdown of some intermediate stocks, however it did not fully offset the weak performance in Q1. Intermediate stockpiles will be further drawn down in H2, which is expected to benefit zircon and rutile production for the remainder of the year.

Rutile production was 4,000 tonnes, up 11% YoY, supported by increased HMC processed; drawdown of intermediate stocks; and higher recoveries as a result of improvement works completed.

Concentrates production was 21,400 tonnes, up 4% YoY, in line with increased HMC processed.

Total shipments in H1 2024 were 477,600 tonnes, down 14% YoY, due primarily to poor weather conditions and operational issues at Kenmare’s shipping facilities, limiting shipping time. Shipments comprised 458,400 tonnes of ilmenite, 8,800 tonnes of primary zircon and 10,400 tonnes of concentrates. No rutile was shipped during the period.

Closing stock of HMC at the end of H1 2024 was 24,600 tonnes, compared to 16,700 tonnes at the end of 2023. This was due to HMC production exceeding HMC processed during the period. Closing stock

of finished products at the end of H1 2024 was 273,000 tonnes, compared to 259,100 tonnes at the end of 2023, reflecting production exceeding shipments. Finished product stock is expected to be drawn down in H2, as shipments are anticipated to be greater than expanded production. However Kenmare still expects stock levels to remain higher than usual during H2, before normalising during H1 2025.

Capital projects

WCP A upgrade and transition to Nataka

As announced on 4 July 2024, Kenmare's Board has approved the final part of the Definitive Feasibility Study ("DFS"), relating to infrastructure, for the WCP A upgrade and transition to Nataka. Nataka is the largest ore zone in Kenmare's portfolio and WCP A's transition to this area secures production from Moma for decades to come.

The total capital costs for the project remain in line with previous estimates, totalling \$341 million. Kenmare plans to fund the WCP A upgrade and transition from cash flow and existing debt facilities. Further detailed engineering and scheduling work has deferred \$38 million of expected capital expenditure from 2024 into subsequent years, in line with the evolving mine plan.

Works for the upgrade are advancing well and at the end of H1, 54% of the overall project budget has been committed. By year-end, Kenmare expects almost 75% to be committed, with the project being progressively derisked.

The fabrication of the two new dredges is progressing, with work on the first dredge pontoons now taking place by the project contractor in the Netherlands. The new surge bin, which forms part of the upfront desliming circuit, has been successfully trial-assembled in South Africa, and will now be transported to Moma. The first batch of pontoons and the screens for the surge bin are due to be shipped to Nacala, the nearest large port to Moma, before the end of August, in advance of being transported by road to site. The detailed design of the Tailings Storage Facility ("TSF") is on track for completion in mid-Q3 2024 with construction expected to begin in Q4 2024. Early works for the infrastructure in Nataka are also commencing, following Board approval in Q2.

WCP B upgrade

Work continued on the DFS for the WCP B upgrade during H1, which is expected to increase WCP B's capacity by over 40%. Kenmare has identified workstreams that have the potential to optimise the DFS and studies are underway.

Although the Company believes this project is highly accretive, the Final Investment Decision remains deferred while the upgrade and transition of WCP A is prioritised. Kenmare will provide a further update on the WCP B upgrade in the Q4 Production Report in January 2025.

Congolone ore zone

Kenmare also progressed the Pre-Feasibility Study for the Congolone ore zone during H1. Congolone is situated 90 kilometres to the north of the Moma operations and has Mineral Resources to support 20 years of production, including approximately 300,000 tonnes of ilmenite production for the first 12 years.

The PFS work has improved Kenmare's understanding of the project's Mineral Resources and its mineral transport and processing requirements. Various mining methods have also been reviewed.

Kenmare's project team is focused on executing the upgrade and transition of WCP A; however, work will continue on the Congolone PFS in tandem, maintaining it as a future potential growth opportunity.

Renewal of Implementation Agreement

Discussions with the Government of Mozambique continued during the period, relating to the renewal of Moma's IA. The IA governs fiscal and other terms of the Industrial Free Zone, under which Kenmare conducts its processing and export activities. A number of meetings took place in Maputo and

discussions have been constructive. Government representatives share Kenmare's objective of concluding the renewal process before the December 2024 renewal date.

Market update

Demand for Kenmare's products remained robust in H1 2024, particularly for ilmenite. Spot prices for ilmenite remained relatively stable throughout H1 and were above the Company's expectations. However, Kenmare's average received price for all products decreased by 22% compared to H1 2023, due primarily to a 56% decrease in high value zircon shipments year-on-year. The two zircon shipments delayed from Q2 due to poor weather were shipped in early Q3 2024, with consequent positive impact on H2 revenues.

Demand from the titanium pigment industry rebounded more strongly than expected in Q1 2024 and remained solid throughout the first half. Chinese producers continued to produce at record levels and demand for Kenmare's ilmenite was bolstered by increased operating rates among pigment producers in Europe and the United States. This was driven by stronger underlying demand and restocking of titanium feedstocks, with producers having held lower-than-normal inventories in 2023. Concerns surrounding potential duties on Chinese pigment entering the European Union further supported demand and prices for European pigment. Demand for titanium feedstocks from the titanium metal sector also remains very strong.

Global supply of titanium feedstocks remains sufficient to meet demand, with the main source of new supply continuing to be Chinese producers in African countries shipping concentrates to China for processing. However, this was partially offset by the suspension of operations in Sierra Leone and continued Mineral Resource depletion in Kenya.

After a weak 2023, the zircon market began to show signs of recovery in early Q1 2024, benefitting from growing demand in India, while demand in Europe also improved in Q2, particularly from the ceramics industry. Although the market in China softened in Q2, Kenmare's product quality means that it continues to experience healthy demand for its concentrates from Chinese customers. On a global basis, supply of high-quality zircon products is constrained, supporting prices in the spot market.

Kenmare's order book for H2 2024 is largely committed. In the medium term, Kenmare believes that supply constraints will support the fundamentals for all of the Company's products.

Financial review

Kenmare generated mineral product revenue of \$154.5 million in H1 2024 and EBITDA of \$63.2 million, resulting in a strong EBITDA margin of 41%. While the Company remains highly profitable, Kenmare's H1 financial performance was impacted by a lower average price received, due to a lower proportion of high value zircon shipments than normal, and reduced shipment volumes. The Company expects its average price received to increase in H2, as the primary zircon shipments delayed from Q2 were shipped in early Q3. Shipment volumes are also expected to be higher due to seasonally better weather between July and December. Consequently, revenue is anticipated to be materially stronger in the second half of the year.

Kenmare's balance sheet remained robust during H1, with net cash increasing by \$38.2 million to \$58.9 million (31 December 2023: \$20.7 million), after capital investments (\$49.1 million) and \$34.7 million of dividend payments. The Company is pleased to announce a 2024 interim dividend of USc15 per share (H1 2023: USc17.5 per share) and the full year dividend is expected to be towards the upper end of the Company's target payout range of 20–40% of profit after tax.

Revenue

Mineral product revenue was \$154.5 million in H1 2024, down 33% YoY (H1 2023: \$229.7 million), driven by a 22% decrease in the average received price to \$323 per tonne (H1 2023: \$413 per tonne) and a 14% decrease in shipment volumes. The decrease in average price received was due to product mix, with a substantially lower proportion of zircon shipments in H1 2024 than normal, as detailed below.

Freight revenue in H1 2024 was \$10.6 million, down 20% YoY (H1 2023: \$13.2 million), reflecting lower shipments, offset by higher freight costs in the period.

Ilmenite revenue was \$136.5 million in H1 2024, down 24% YoY (H1 2023: \$179.2 million), due to a 14% decrease in the average ilmenite price to \$298 per tonne (H1 2023: \$347 per tonne) and an 11% decrease in ilmenite shipments.

Primary zircon revenue was \$11.9 million, down 64% YoY (H1 2023: \$33.1 million), due to a 56% decrease in primary zircon shipments and a 19% decrease in average zircon price to \$1,355 per tonne (H1 2023: \$1,670 per tonne). The primary zircon shipments deferred from Q2 2024 due to poor weather were shipped in early Q3, which will have a positive impact on H2 2024 revenue.

Operating costs

Total operating costs in H1 2024 were \$132.3 million, a 19% decrease compared to H1 2023 (\$162.6 million) due to lower shipment volumes and therefore lower cost of sales in the period. Total operating costs also benefitted from \$3.3 million in insurance proceeds relating to business interruption resulting from the lightning strike on the power transmission line at the Mine in February 2023.

Total cash operating costs were \$107.2 million, down 1% YoY (H1 2023: \$108.8 million). Combined with a 4% increase in production of finished products, this resulted in a 5% decrease in cash operating costs per tonne to \$218 (H1 2023: \$230). Cash operating cost per tonne of ilmenite was \$201, up 47% YoY (H1 2023: \$137), as a result of a 64% reduction in co-product revenues, partially offset by a 4% increase in ilmenite production.

Finance income and costs

Kenmare recognised finance income of \$2.4 million in H1 2024 (H1 2023: \$3.6 million), consisting of interest on bank deposits. Finance costs were \$7.5 million (H1 2023: \$6.3 million), including loan interest of \$2.2 million (H1 2023: \$4.2 million), amortisation of transaction fees of the 2019 debt facility of \$0.9 million and transaction costs of \$2.6 million on the \$200 million Revolving Credit Facility (“RCF”) entered into on 4 March 2024. Factoring and other trade facility fees were \$0.5 million in the period (H1 2023: \$0.8 million) and unwinding of the mine closure provision amounted to \$0.4 million (H1 2023: \$0.3 million). Commitment fees under the debt facilities were \$0.8 million (H1 2023: \$0.3 million) and lease interest was \$0.06 million (H1 2023: \$0.05 million).

Tax

The tax charge for H1 2024 amounted to \$6.8 million (H1 2023: \$9.7 million). Kenmare’s subsidiary, Kenmare Moma Mining (Mauritius) Limited, had taxable profits of \$10.1 million (H1 2023: \$16.3 million), resulting in an income tax charge of \$3.5 million (H1 2023: \$5.6 million). During the period Kenmare Resources plc had taxable profits of \$42.4 million (H1 2023: \$58.6 million), resulting in an income tax expense of \$3.6 million (H1 2023: \$4.1 million) being recognised. \$40 million of the taxable income relates to dividend income received from the subsidiary undertaking, Kenmare Moma Mining (Mauritius) Limited (H1 2023: \$60 million), with the balance relating to trading profits and deposit income of \$4.1 million (H1 2023: \$1.4 million).

Cash flows

Net cash from operations in H1 2024 was \$125.4 million (H1 2023: \$82.2 million), as a result of strong operating cashflow of \$63.8 million (H1 2023: \$112.2 million) and a working capital inflow of \$71.9 million (H1 2023 outflow: \$14.6 million). The working capital inflow of \$71.9 million reflects the unwinding of year-end trade receivables of \$87.3 million (H1 2023 increase: \$16.2 million).

Investing activities of \$49.1 million in H1 2024 (H1 2023: \$20.2 million) represented additions to property, plant and equipment. \$48.8 million of debt repayments (H1 2023: \$15.7 million) and \$2.6 million of transaction fees on the new RCF were paid during the period (H1 2023: Nil), as well as payment of the final 2023 dividend of \$34.7 million (2023: \$41.1 million). Lease repayments of \$0.05 million (H1 2023: \$0.09 million) were also made and treasury shares of \$0.9 million (H1 2023: \$3.6 million) were purchased in the period.

Consequently, Kenmare finished H1 2024 with \$60.3 million of cash and cash equivalents, including \$1.7 million of cash held in the Employee Benefit Trust, representing a decrease of \$10.7 million compared to year-end 2023 (\$71.0 million).

Balance sheet

In H1 2024 there were additions to property, plant and equipment of \$49.1 million (H1 2023: \$20.2 million). Additions consisted of \$31.1 million of development expenditure, mainly in relation to the upgrade of WCP A and \$18.0 million of sustaining capital.

Depreciation of \$30.5 million was in line with the prior period (H1 2023: \$30.2 million). The mine closure provision asset decreased by \$1.8 million in H1 2024 (H1 2023: increase \$0.8 million). This was due to an increase in the discount rate used to estimate the closure cost provision from 4.0% to 4.5%.

The Group conducted an impairment review of property, plant and equipment at the period-end and the key assumptions of this review are set out in Note 8 of the financial statements. No impairment provision is required as a result of this review.

Inventory at period-end amounted to \$113.6 million (31 December 2023: \$99.3 million), consisting of intermediate and finished products of \$77.2 million (31 December 2023: \$58.4 million), which increased as a result of lower shipment volumes in the period, and consumables and spares of \$36.4 million (31 December 2023: \$40.9 million).

Trade and other receivables amounted to \$67.6 million (31 December 2023: \$153.7 million). This was comprised of \$36.7 million of trade receivables from the sale of finished products (31 December 2023: \$127.4 million), \$24.5 million of supplier prepayments and other miscellaneous debtors (31 December 2023: \$19.8 million), and \$6.3 million of VAT receivable (31 December 2023: \$6.4 million). Trade receivables are a function of shipments made before period-end and credit terms specific to the relevant customer. There have been no credit impairments or bad debts during the period. The expected credit loss was reduced by \$1.2 million (H1 2023: decreased \$0.6 million).

Cash and cash equivalents decreased by \$10.7 million in H1 2024 and at 30 June 2024 amounted to \$60.3 million (31 December 2023: \$71.0 million).

Lease liabilities amounted to \$1.4 million (31 December 2023: \$1.5 million) at period-end.

Tax liabilities amounted to \$4.6 million (31 December 2023: \$6.9 million) and trade and other payables amounted to \$36.9 million (31 December 2023: \$38.6 million).

Debt facilities

On 4 March 2024, the Group entered into a new \$200 million RCF with its existing lenders Absa Bank, Nedbank, Rand Merchant Bank and Standard Bank. The facility will support Kenmare's planned capital programme in the coming years and removes the amortising payments of the previous term loan, whilst increasing available funding and extending the maturity profile from 2025 to 2029.

At period-end, there was no outstanding debt due (31 December 2023: \$47.9 million).

Financial outlook

Kenmare's strategic priorities are to operate responsibly, deliver long-life, low-cost production, and to allocate capital efficiently, including developing accretive growth opportunities. The Group is focused on maintaining a strong and flexible balance sheet to enable it to deliver all these goals, particularly to fund its capital investment requirements and shareholder returns.

Kenmare will continue to manage its operating cost base in a disciplined and sustainable manner, cognisant of inflationary pressures and other risks that face its business, in order to minimise unit costs.

Market demand remains encouraging and while product prices were lower in H1 YoY, financial performance is expected to be stronger in H2, driven by increased shipment volumes and a higher value product mix. The business continues to be highly cash generative, with cash flows and debt continuing to support all expected expenditures.

At the end of H1, Kenmare is well capitalised to fund the upgrade and transition of WCP A to Nataka and to continue delivering shareholder returns.

Interim dividend

Kenmare generated profit after tax of \$20.9 million in H1 2024 (H1 2023: \$67.8 million). The Board has approved an interim 2024 dividend of US\$15 per share (H1 2023: US\$17.5). The Company is targeting a full year dividend towards the upper end of the 20-40% profit after tax payout range. The financial statements do not reflect this interim dividend.

The Company will pay the interim dividend on 11 October 2024 to shareholders of record at the close of business on 20 September 2024. Irish Dividend Withholding Tax ("DWT") of 25% must be deducted from dividends paid by the Company, unless a shareholder is entitled to an exemption and has submitted a properly completed exemption form to the Company's Registrar. For assistance claiming an exemption from DWT or a refund for DWT, please contact Kenmare's Investor Relations team.

The dividend timetable is as follows:

Announcement of interim dividend	14 August 2024
Ex-Dividend Date	19 September 2024
Record Date	20 September 2024
Currency election cut-off date	24 September 2024 at 12:00 noon (IST)
Payment Date	11 October 2024

Principal risks and uncertainties

There are a number of potential risks and uncertainties that could have a material impact on Kenmare's performance over the remaining six months of the 2024 financial year and which could cause actual results to differ materially from expected and historic results.

These principal risks and uncertainties are disclosed in Kenmare's Annual Report for the year ended 31 December 2023. A detailed explanation of these principal risks and uncertainties and how Kenmare seeks to mitigate these risks, can be found on pages 76 to 85 of the 2023 Annual Report under the following headings: permitting; licensing and Government agreement risk; country risk; geotechnical risk; severe weather events; uncertainty over physical characteristics of orebody; loss of production due to power supply and transmission interruption; asset damage or loss; health, safety and environment; material misstatement in the Ore Reserves & Mineral Resource Table; IT security risk; development project risk; industry cyclicality; customer and/or market concentration; foreign currency risk; and aggressive cost inflation.

The Group's climate risks disclosure is set out on pages 66 to 70 of the 2023 Annual Report. These have not changed in the first half of the year and outline the Group's objectives in relation to climate risk. Kenmare has continued with these objectives in H1 2024 and will provide an update in the 2024 Annual Report.

Related party transactions

There have been no material changes in the related party transactions affecting the financial position or the performance of the Group in the period since publication of the 2023 Annual Report, other than those disclosed in Note 20 to the condensed consolidated financial statements.

Going concern

As stated in Note 1 to the condensed consolidated financial statements, based on the Group's forecasts and projections, the Directors are satisfied that the Group has sufficient resources to continue in

operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed consolidated financial statements.

Events after the Statement of Financial Position Date

Interim dividend

An interim dividend for the period ended 30 June 2024 of USc15 per share was approved by the Board on 13 August 2024. The dividend payable has not been included as a liability in these financial statements. The interim dividend is payable to all shareholders on the Register of Members on 20 September 2024.

There have been no other significant events since 30 June 2024 that would have a significant impact on the financial statements of the Group.

Forward-looking statements

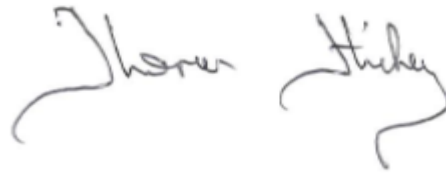
This report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report, and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

On behalf of the Board,



Managing Director
Michael Carvill

13 August 2024



Financial Director
Tom Hickey

13 August 2024

Independent Review Report to Kenmare Resources plc (“the Entity”)

Conclusion

We have been engaged by the Entity to review the Entity’s condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises the condensed consolidated interim income statement, the condensed consolidated interim statement of other comprehensive income, the condensed consolidated interim statement of financial position, the condensed consolidated interim statement of cash flows, the condensed consolidated interim statement of changes in equity and a summary of significant accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) as adopted by the EU and the Transparency (Directive 2004/109/EC) Regulations 2007 (“Transparency Directive”), and the Central Bank (Investment Market Conduct) Rules 2019 (“Transparency Rules of the Central Bank of Ireland”).

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (“ISRE (Ireland) 2410”) issued for use in Ireland. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (Ireland) 2410. However, future events or conditions may cause the Entity to cease to continue as a going concern, and the above conclusions are not a guarantee that the Entity will continue in operation.

Independent Review Report to Kenmare Resources plc (“the Entity”)(continued)

Directors’ responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Transparency Directive and the Transparency Rules of the Central Bank of Ireland.

The directors are responsible for preparing the condensed set of consolidated financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted by the EU.

As disclosed in note 1, the annual financial statements of the Entity for the year ended 31 December 2023 are prepared in accordance with International Financial Reporting Standards as adopted by the EU.

In preparing the condensed set of consolidated financial statements, the directors are responsible for assessing the Entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Entity a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Entity in accordance with the terms of our engagement to assist the Entity in meeting the requirements of the Transparency Directive and the Transparency Rules of the Central Bank of Ireland. Our review has been undertaken so that we might state to the Entity those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity for our review work, for this report, or for the conclusions we have reached.

13 August 2024
KPMG
Chartered Accountants
1 Stokes Place
St. Stephen’s Green
Dublin 2

Group condensed consolidated statement of comprehensive income
For the financial period ended 30 June 2024

	Notes	Unaudited 6 Months 30 June 2024 \$'000	Unaudited 6 Months 30 June 2023 \$'000
Revenue	2	165,081	242,879
Cost of sales	4	(133,598)	(157,200)
Gross profit		31,483	85,679
Administration Expenses	4	1,267	(5,440)
Operating profit		32,750	80,239
Finance income	5	2,409	3,589
Finance costs	5	(7,461)	(6,324)
Profit before tax		27,698	77,504
Income tax expense	6	(6,823)	(9,727)
Profit for the financial period and total comprehensive income for the financial period		20,875	67,777
Attributable to equity holders		20,875	67,777
		\$ per share	\$ per share
Profit per share: Basic	7	0.23	0.71
Profit per share: Diluted	7	0.23	0.70

The accompanying notes form part of these financial statements.

Group condensed consolidated statement of financial position
As at 30 June 2024

		Unaudited	Audited
		30 June	31 Dec
		2024	2023
	Notes	\$'000	\$'000
Assets			
Non-current assets			
Property, plant and equipment	8	952,808	935,848
Right-of-use assets	9	1,231	1,368
		954,039	937,216
Current assets			
Inventories	10	113,611	99,257
Trade and other receivables	11	67,553	153,650
Cash and cash equivalents	12	60,290	71,048
		241,454	323,955
Total assets		1,195,493	1,261,171
Equity			
Capital and reserves attributable to the Company's equity holders			
Called-up share capital	13	97	97
Share premium		545,950	545,950
Other reserves		230,053	229,740
Retained earnings		354,139	367,504
Total equity		1,130,239	1,143,291
Liabilities			
Non-current liabilities			
Bank loans	14	-	15,502
Lease liabilities	9	1,114	1,256
Provisions	16	21,258	20,877
		22,372	37,635
Current liabilities			
Bank loans	14	-	32,371
Lease liabilities	9	274	264
Trade and other payables	15	36,931	38,564
Current tax liabilities	17	4,629	6,921
Provisions	16	1,048	2,125
		42,882	80,245
Total liabilities		65,254	117,880
Total equity and liabilities		1,195,493	1,261,171

The accompanying notes form part of these financial statements.

On behalf of the Board:

M. CARVILL
Director
13 August 2024

T. HICKEY
Director
13 August 2024

Group condensed consolidated statement of changes in equity
For the financial period ended 30 June 2024

	Called-Up Share Capital \$'000	Share Premium \$'000	Retained Earnings \$'000	Other Reserves \$'000	Total \$'000
Unaudited					
Balance at 1 January 2024	97	545,950	367,504	229,740	1,143,291
Profit for the financial period	-	-	20,875	-	20,875
Transactions with owners of the Company					
Recognition of share-based payment expense	-	-	-	1,716	1,716
Exercise of share-based payments	-	-	451	(2,697)	(2,246)
Shares acquired by the Kenmare Employee Benefit Trust	-	-	-	(908)	(908)
Shares distributed by the Kenmare Employee Benefit Trust	-	-	-	2,202	2,202
Dividends paid	-	-	(34,691)	-	(34,691)
Balance at 30 June 2024	97	545,950	354,139	230,053	1,130,239
Unaudited					
Balance at 1 January 2023	104	545,950	324,721	232,759	1,103,534
Profit for the financial period	-	-	67,777	-	67,777
Transactions with owners of the Company					
Recognition of share-based payment expense	-	-	-	1,354	1,354
Exercise of share-based payments	-	-	(2,511)	(3,274)	(5,785)
Shares acquired by the Kenmare Employee Benefit Trust	-	-	-	(3,625)	(3,625)
Shares distributed by the Kenmare Employee Benefit Trust	-	-	-	3,386	3,386
Dividends	-	-	(41,053)	-	(41,053)
Balance at 30 June 2023	104	545,950	348,934	230,600	1,125,588

Group condensed consolidated statement of cash flows
For the financial period ended 30 June 2024

		Unaudited	Unaudited
		30 June	30 June
		2024	2023
	Notes	\$'000	\$'000
Cash flows from operating activities			
Profit for the period after tax		20,875	67,777
Adjustment for:			
Foreign exchange movement		-	1,018
Share-based payments	19	1,716	1,354
Finance income	5	(2,409)	(3,589)
Movement in expected credit losses	18	(1,154)	(601)
Finance costs	5	7,461	6,324
Income tax expense	6	6,823	9,727
Depreciation	8/9	30,516	30,150
		63,828	112,160
Change in:			
Provisions	16	710	819
Inventories	10	(14,354)	10,822
Trade and other receivables	11	87,251	(16,151)
Trade and other payables	15	(1,813)	(7,968)
Exercise of share-based payment awards		-	(2,160)
Cash generated from operating activities		135,622	97,522
Income tax paid		(9,115)	(13,137)
Interest received		2,409	2,562
Interest paid	14	(2,210)	(3,646)
Factoring and other fees	5	(497)	(807)
Debt commitments fees paid	5	(849)	(294)
Net cash from operating activities		125,360	82,200
Investing activities			
Additions to property, plant and equipment	8	(49,101)	(20,212)
Net cash used in investing activities		(49,101)	(20,212)
Financing activities			
Dividends paid	13	(34,691)	(41,053)
Market purchase of equity under Kenmare Restricted Share Plan		(908)	(3,625)
Drawdown of debt	14	51,370	-
Repayment of debt	14	(100,156)	(15,715)
Transaction costs of debt	14	(2,581)	-
Payment of lease liabilities	9	(51)	(85)
Net cash used in financing activities		(87,017)	(60,478)
Net increase/(decrease) in cash and cash equivalents		(10,758)	1,510
Cash and cash equivalents at the beginning of the financial year		71,048	108,271
Effect of exchange rate changes on cash and cash equivalents		-	(962)
Cash and cash equivalents at the end of the period		60,290	108,819

Notes to the group condensed consolidated financial statements

For the financial period ended 30 June 2024

1. Basis of preparation and going concern

Basis of preparation

The annual financial statements of Kenmare Resources plc ('the Group') are prepared in accordance with IFRS as adopted by the European Union. The Group Condensed Consolidated Financial Statements for the six months ended 30 June 2024 have been prepared in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007, as amended, the Transparency Rules of the Central Bank of Ireland, Disclosure and Transparency Rule 4.2 of the UK Financial Conduct Authority's Disclosure Guidance and Transparency Rules and IAS 34 'Interim Financial Reporting', as adopted by the European Union.

The financial information presented in this document does not constitute statutory financial statements. The amounts presented in the half-yearly financial statements for the six months ended 30 June 2024 and the corresponding amounts for the six months ended 30 June 2023 have been reviewed but not audited. The independent review report is on pages 12 and 13.

The financial information for the year ended 31 December 2023, presented herein, is an abbreviated version of the annual financial statements for the Group in respect of the year ended 31 December 2023. The Group's annual financial statements in respect of the year ended 31 December 2023 have been filed in the Companies Registration Office and the independent auditor issued an unqualified audit report thereon. The annual report is available on the Company's website at www.kenmareresources.com.

Use of Judgements and Estimates

The preparation of the half-yearly financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses together with disclosure of assets and liabilities. Estimates and underlying assumptions relevant to these financial statements are the same as those described in the last annual financial statements. At each reporting date, the Group reviews the carrying amounts of property, plant and equipment to determine whether there is any indication that those asset have suffered an impairment loss. A key element to this review is assessing the value in use and the estimated future cash flows. The assumptions used in the estimating future cashflows have been updated since the year end and are included in the Note 8.

Going Concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Based on the Group's cash flow forecast, liquidity, solvency position and available finance facilities, the Directors have a reasonable expectation that the Group has adequate resources for the foreseeable future and, therefore, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Management plans assume that all agreements, licences, concessions and approvals relating to the Group's mining and processing activities, including the Implementation Agreement, are in place or will be renewed over the 12 month period, from the date of authorisation of these financial statements. The Group forecast has been prepared by management with best estimates of production, pricing and cost assumptions over the period. Key assumptions upon which the Group forecast is based include a mine plan covering production using the Namalope, Nataka, Pilivili and Mualadi reserves and resources. Specific resource material is included only where there is a high degree of confidence in its economic extraction. Production levels for the purpose of the forecast are approximately 1.1 million tonnes per annum of ilmenite plus co-products, zircon, concentrates and rutile, over the next twelve months. Assumptions for product sales prices are based on contract prices as stipulated in marketing agreements with customers or, where contract prices are based on market prices or production is not

presently contracted, prices are forecast taking into account independent titanium mineral sands expertise and management expectations. Operating costs are based on approved budget costs for 2024, taking into account the current running costs of the Mine and escalated by 2% per annum thereafter. Capital costs are based on the capital plans and include escalation at 2% per annum. The 2024 operating costs and forecast capital costs take into account the current inflationary environment. The 2% inflation rate used from 2025 to escalate these costs over the life of mine is an estimated long-term inflation rate based on the Mine's overall primary exposure to US Dollar denominated inflation rather than Mozambican inflation.

Sensitivity analysis is applied to the assumptions above to test the robustness of the cash flow forecasts for changes in market prices, shipments and operating and capital cost assumptions. Changes in these assumptions affect the level of sales and profitability of the Group and the amount of capital required to deliver the projected production levels. As a result of this assessment, the Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the twelve month period from the date of authorisation of these financial statements.

Changes in accounting policies

The accounting policies applied in the half-yearly financial statements are those set out in the annual financial statements for the year ended 31 December 2023.

The following new and revised standards, all of which are effective for accounting periods beginning on or after 1 January 2024, have been adopted in the current financial period;

- Classification of Liabilities as Current or Non-current - Amendment to IAS 1 effective 1 January 2024
- Lease Liability in a Sale and Leaseback - (Amendments to IFRS 16) effective 1 January 2024
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) effective 1 January 2024

None of the new and revised standards have a material effect on the Group's condensed consolidated financial statements.

2. Revenue

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Revenue derived from the sale of mineral products	154,467	229,668
Revenue derived from freight services	10,614	13,211
Total revenue	165,081	242,879

Revenue by product

The principal categories for disaggregating mineral products revenue are by product type and by country of the customer's location. The product types are ilmenite, zircon, rutile and concentrates. Concentrates includes secondary zircon and mineral sands concentrates.

During the financial period, the Group sold 477,600 tonnes (H1 2023: 556,800 tonnes) of finished products at a sales value of \$154.5 million (H1 2023: \$229.7 million). The Group earned revenue derived from freight services of \$10.6 million (H1 2023: \$13.2 million).

2. Revenue (continued)

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Revenue derived from sales of mineral products by primary product		
Ilmenite	136,452	179,228
Zircon	11,867	33,080
Concentrates	6,123	12,214
		5,146
Rutile	25	
Total revenue from mineral products	154,467	229,668
Revenue derived from freight services	10,614	13,211
Total	165,081	242,879

Revenue by destination

In the following table, revenue is disaggregated by primary geographical market. The Group allocates revenue from external customers to individual countries and discloses revenues in each country where revenues represent 10% or more of the Group's total revenue. Thereafter, where total disclosed revenue disaggregated by country constitutes less than 75% of total Group revenue, additional disclosures are made until at least 75% of the Group's disaggregated revenue is disclosed.

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Revenue from external customers		
China	70,855	109,166
Europe	24,905	47,035
Asia (excluding China)	46,520	24,169
Rest of the world	12,187	49,298
Total revenue from mineral products	154,467	229,668
Revenue derived from freight	10,614	13,211
Total revenue	165,081	242,879

All revenues are generated by the Moma Titanium Minerals Mine. Sales of the Group's mineral products are not seasonal in nature.

3. Segment reporting

Information on the operations of the Moma Titanium Minerals Mine in Mozambique is reported to the Group's Executive Committee for the purposes of resource allocation and assessment of segment performance. Information regarding the Group's operating segment is reported below.

	Unaudited 30 June 2024			Unaudited 30 June 2023		
	Corporate \$'000	Mozambique \$'000	Total \$'000	Corporate \$'000	Mozambique \$'000	Total \$'000
Revenue & Results						
Revenue*	-	165,081	165,081	-	242,879	242,879
Cost of sales	-	(133,598)	(133,598)	-	(157,200)	(157,200)
Gross profit	-	31,483	31,483	-	85,679	85,679
Administrative expenses	(2,653)	3,920	1,267	(3,313)	(2,127)	(5,440)
Segment operating profit/(loss)	(2,653)	35,403	32,750	(3,313)	83,552	80,239
Finance income	1,118	1,291	2,409	1,814	1,775	3,589
Finance expenses	(22)	(7,439)	(7,461)	(9)	(6,315)	(6,324)
Profit/(loss) before tax	(1,557)	29,255	27,698	(1,508)	79,012	77,504
Income tax expense	(3,646)	(3,177)	(6,823)	(4,144)	(5,583)	(9,727)
Profit/(loss) for the financial period	(5,203)	26,078	20,875	(5,652)	73,429	67,777
Segment Assets & Liabilities						
Segment Assets	17,852	1,177,641	1,195,493	66,830	1,179,719	1,246,549
Segment Liabilities	(14,139)	(51,115)	(65,254)	(7,030)	(113,931)	(120,961)
Additions to non-current assets						
Segment Additions to non-current assets	-	49,101	49,101	-	20,212	20,212

* Revenue excludes inter-segment revenue of \$10.9 million earned by the corporate segment relating to marketing and management services fee income. Inter-segment revenue is not regularly reviewed by the Executive Committee.

Corporate assets consist of the Company's and other subsidiary undertakings' property, plant and equipment including right-of-use assets, cash and cash equivalents and prepayments at the reporting date. Corporate liabilities consist of trade and other payables, lease and current tax liabilities at the reporting date.

4. Cost and income analysis

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Expenses by function		
Cost of sales	133,598	157,200
Administrative expenses	(1,267)	5,440
Total	132,331	162,640

4. Cost and income analysis (continued)

Expenses by nature can be analysed as follows:

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Expenses by nature		
Staff costs	36,122	32,045
Repairs and maintenance	17,925	20,467
Power and fuel	23,807	23,985
Freight	10,614	13,211
Other production and operating costs	32,187	33,224
Movement of mineral products inventory	(18,840)	9,558
Depreciation of property, plant and equipment and right-of-use assets	30,516	30,150
Total	132,331	162,640

Included in total operating costs is \$3.3 million insurance proceeds in relation to business interruption as a result of the lightning strike on the power transmission line at the Mine in February 2023.

Mineral products consist of finished products and heavy mineral concentrate as detailed in Note 10. Mineral stock movement in the year was an increase of \$18.8 million (H1 2023: \$9.6 million decrease). Freight costs of \$10.6 million (H1 2023: \$13.2 million) arise from sales to customers on a CIF or CFR basis. There were no exceptional items within operating profit in H1 2024 (H1 2023: \$nil).

5. Net finance costs

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Finance costs		
Interest on bank borrowings	(2,210)	(4,229)
Transaction costs on debt refinancing	(3,493)	-
Interest on lease liabilities	(56)	(46)
Factoring and other trade facility fees	(497)	(807)
Commitment and other fees	(849)	(294)
Unwinding of discount on mine closure provision	(356)	(334)
Foreign exchange loss	-	(614)
Total Finance Costs	(7,461)	(6,324)
Finance income		
Interest earned on bank deposits	2,409	2,919
5 Net finance costs (continued)	-	
Foreign exchange gain		670
Total Finance Income	2,409	3,589
Net finance costs recognised in profit or loss	(5,052)	(2,735)

All interest has been expensed in the financial period. The Group has classified factoring and other trade facility fees in net cashflows from operating activities in the Consolidated Statement of Cashflows. Transaction costs relating to the 2019 debt of \$0.9 million were recognised in the period as the debt was extinguished. Transaction costs of \$2.6 million were incurred in relation to a new RCF of \$200 million which was entered into on 4 March 2024.

6. Income tax expense

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Corporation tax	6,823	9,727

During the period the KMML Mozambique Branch had taxable profits of \$10.1 million (H1 2023: \$16.3 million) resulting in an income tax expense of \$3.5 million (H1 2023: \$5.6 million) being recognised. The income tax rate applicable to taxable profits of KMML Mozambique Branch is 35% (H1 2023: 35%).

KMML Mozambique Branch has elected, and the fiscal regime applicable to mining allows for, the option to deduct, as an allowable deduction, depreciation of exploration and development expense and capital expenditure over the life of mine. Tax losses may be carried forward for three years. There are no tax losses carried forward at 30 June 2024.

During the period Kenmare Resources plc had taxable profits of \$42.4 million (H1 2023: \$58.6 million) resulting in an income tax expense of \$3.6 million (H1 2023: \$4.1 million) being recognised. \$40 million (H1 2023: \$60 million) of the taxable income relates to dividend income received from the subsidiary undertaking with the balance relating to trading profits and deposit income of \$2.4 million (H1 2023: \$1.4 million).

7. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Unaudited 30 June 2024 \$'000	Unaudited 30 June 2023 \$'000
Profit for the financial period attributable to equity holders of the Company	20,875	67,777

	2024 Number of shares	2023 Number of shares
Weighted average number of issued ordinary shares for the purpose of basic earnings per share	89,228,161	94,829,551
Effect of dilutive potential ordinary shares:		
Share awards	2,870,528	2,479,902
Weighted average number of ordinary shares for the purposes of diluted earnings per share	92,098,689	97,309,453
	\$ per share	\$ per share
Earnings per share: basic	0.23	0.71
Earnings per share: diluted	0.23	0.70

8. Property, plant and equipment

	Plant & Development Equipment \$'000	Construction Expenditure \$'000	In Progress \$'000	Other Assets \$'000	Total \$'000
Cost					
At 1 January 2023	1,035,604	260,051	50,773	77,390	1,423,818
Additions during the financial year	-	-	69,703	27	69,730
Transfer from construction in progress	20,144	13,095	(40,391)	7,152	-
Disposals	(415)	-	-	(9,429)	(9,844)
Adjustment to mine closure cost	241	-	-	-	241
At 31 December 2023	1,055,574	273,146	80,085	75,140	1,483,945
Additions during the financial period	1,839	282	46,980	-	49,101
Transfer from construction in progress	779	-	(4,730)	3,951	-
Disposals	-	-	-	(105)	(105)
Adjustment to mine closure cost	(1,762)	-	-	-	(1,762)
At 30 June 2024	1,056,430	273,428	122,335	78,986	1,531,179
Accumulated Depreciation					
At 1 January 2023	304,318	147,868	-	40,873	493,059
Charge for the financial year	44,928	8,952	-	11,002	64,882
Disposals	(415)	-	-	(9,429)	(9,844)
At 31 December 2023	348,831	156,820	-	42,446	548,097
Charge for the financial period	22,162	3,386	-	4,831	30,379
Disposals	-	-	-	(105)	(105)
At 30 June 2024	370,993	160,206	-	47,172	578,371
Carrying Amount					
At 30 June 2024	685,437	113,222	122,335	31,814	952,808
At 31 December 2023	706,743	116,326	80,085	32,694	935,848

An adjustment to the mine closure cost of \$1.7 million (2023: \$0.2 million) was made during the period as a result of an update in the discount rate as detailed in Note 16.

At each reporting date, the Group assesses whether there is any indication that property, plant and equipment may be impaired. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators for impairment. As at 30 June 2024, the market capitalisation of the Group was below the book value of net assets, which is considered an indicator of impairment. The Group carried out an impairment review of property, plant and equipment as at 30 June 2024. As a result of the review, and given the performance and outlook of the Group, no impairment provision was recognised in the current period. Given the historic volatility in mineral product pricing and sensitivity of the forecast to mineral product pricing, the discount rate and to a lesser extent operating costs, the impairment loss of \$64.8 million, which was recognised in the consolidated statement of comprehensive income in 2014, was not reversed.

The cash-generating unit for the purpose of impairment testing is the Moma Titanium Minerals Mine. The basis on which the Mine is assessed is its value in use. The cash flow forecast employed for the value in use computation is from a life of mine financial model. The recoverable amount obtained from the financial model represents the present value of the future discounted pre-tax, pre-finance cash flows discounted at 12% (31 December 2023: 12%).

Key assumptions include the following:

- The discount rate is based on the Group's weighted average cost of capital. This rate is a best estimate of the current market assessment of the time value of money and the risks specific to the Mine, taking into consideration country risk, currency risk and price risk. The factors making up the cost of equity and cost of debt have changed from the prior year review, however the discount rate has remained unchanged at 12% (31 December 2023: 12%). The Group's estimation of the

8. Property, plant and equipment (continued)

country risk premium included in the discount rate has remained unchanged from the prior year. The Group does not consider it appropriate to apply the full current country risk premium for Mozambique to the calculation of the Group's weighted average cost of capital as it believes the specific circumstances which have resulted in the risk premium increase over the past number of years are not relevant to the specific circumstances of the Moma Mine. Hence, country risk premium applicable to the calculation of the cost of equity has been adjusted accordingly. Forecast income tax on intercompany dividends from subsidiary undertakings is assumed to be exempt from 2025, by way of change to tax legislation or alternatively group restructuring. Using a discount rate of 12%, the recoverable amount is greater than the carrying amount by \$314.0 million (31 December 2023: \$374.0 million). The discount rate is a significant factor in determining the recoverable amount. A 3% increase in the discount rate to 15% reduces the recoverable amount by \$314.0 million to \$nil, assuming all other inputs remain unchanged. The decrease in the recoverable amount from the year end is a result of decreased cash flows over the life of mine as a result primarily of increased forecast operating costs.

- The forecast assumes that all agreements, licences, concessions and approvals relating to the Group's mining and processing activities including the Implementation Agreement are in place or will be renewed. The mine plan is based on the Namalope, Nataka, Piliwili and Mualadi proved and probable reserves and resources. Specific resource material is included only where there is a high degree of confidence in its economic extraction. The Mine life assumption of 40 years has not changed from the year-end review. Average annual production is approximately 1.2 million tonnes (31 December 2023: 1.3 million tonnes) of ilmenite and co-products zircon, rutile and concentrates over the life of the Mine. Medium term production over the next three years is approximately 1.1 million tonnes. This mine plan does not include investment in additional mining capacity. Certain minimum stocks of final and intermediate products are assumed to be maintained at period ends.
- Product sales prices are based on contract prices as stipulated in marketing agreements with customers, or where contracts are based on market prices or production is not currently contracted, prices are forecast by the Group taking into account independent titanium mineral sands expertise provided by TiPMC Solutions and management expectations including general inflation of 2% per annum. Forecast prices provided by TiPMC Solutions have been reviewed and found to be consistent with other external sources of information. Average forecast product sales prices have remained relatively unchanged over the life of mine from the year-end review. A 8% reduction in average sales prices over the life of mine reduces the recoverable amount by \$314.0 million to \$nil, assuming all other inputs remain unchanged.
- Operating costs are based on approved budget costs for 2024 taking into account the current running costs of the Mine and estimated forecast inflation for 2024. From 2025 onwards, operating costs are escalated by 2% per annum as management expects inflation to normalise and average 2% over the life of mine period. Average forecast operating costs has increased from the year-end review as a result of an increased labour costs experienced year to date. A 14% increase in operating costs over the life of mine reduces the recoverable amount by \$314.0 million to \$nil, assuming all other inputs remain unchanged.

Whilst the Group has set ambitions to be net zero by 2040, the full financial impact of the transition plan is still being assessed as the Group considers how it will work towards meeting this target. The mine financial model includes the cost of using bio-diesel in its forecast operating costs. The cost of studies on plant electrification and other sustainable methods of operating are also included in forecast operating and capital cost. No savings associated with the Company's ambition to become net zero have been factored into the forecast.

- Capital costs are based on a life of mine capital plan including inflation at 2% per annum from 2025. Average forecast capital costs have remained relatively unchanged but the scheduling has changed from the year-end review based on updated sustaining and development capital plans required to maintain the existing plant over the life of mine. A 44% increase in capital costs over the life of mine reduces the recoverable amount by \$314.0 million to \$nil, assuming all other inputs remain unchanged.

9. Right-of-use assets

	Land and Building s \$'000	Total \$'000
Cost		
At 1 January 2024	2,590	2,590
At 30 June 2024	2,590	2,590
Accumulated Depreciation		
At 1 January 2024	1,222	1,222
Depreciation expense	137	137
At 30 June 2024	1,359	1,359
Carrying amount		
At 30 June 2024	1,231	1,231
At 31 December 2023	1,368	1,368

The Group has recognised a lease liability of \$1.7 million in respect of the rental of its Irish head office. The lease has a term of 10 years commencing August 2017 and rental payments are fixed to the end of the lease term. This lease obligation is denominated in Euros.

The Group has also recognised a lease liability of \$0.9 million in respect of its Mozambican country office in Maputo. The lease has a term to 1 December 2033. This lease obligation is denominated in US Dollars.

At each reporting date, the Company assesses whether there is any indication that right-of-use assets may be impaired. No impairment indicators were identified as at 30 June 2024 or 31 December 2023.

The Group has recognised a rental expense of \$4.3 million (2023: \$10.4 million) in relation to short term leases of machinery and vehicles which have not been recognised as a right-of-use asset.

Set out below are the carrying amounts of lease liabilities at each reporting date:

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Current	274	264
Non-Current	1,114	1,256
	1,388	1,520

10. Inventories

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Mineral products	77,245	58,405
Consumable spares	36,366	40,852
	113,611	99,257

At 30 June 2024, total final product stocks were 273,000 tonnes (31 December 2023: 259,100 tonnes). Closing stock of heavy mineral concentrate was 24,600 tonnes (31 December 2023: 16,700 tonnes).

Net realisable value is determined with reference to forecast prices of finished products expected to be achieved. There is no guarantee that these prices will be achieved in the future, particularly in weak product markets. During the financial period there was a write-down of \$nil (31 December 2023: \$nil) to mineral products to value them at net realisable value.

11. Trade and other receivables

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Trade receivables	36,715	127,442
VAT receivable	6,336	6,377
Prepayments	24,502	19,831
	67,553	153,650

12. Cash and cash equivalents

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Cash and cash equivalents	60,290	71,048

Cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Where investments are categorised as cash equivalents, the related balances have a maturity of three months or less from the date of investment.

13. Share capital and dividends

Share capital as at 30 June 2024 amounted to \$0.1 million (31 December 2023: \$0.1 million).

In May 2024, the Company paid a final 2023 dividend of \$34.7 million (2022 final dividend: \$41.1 million) representing USc38.54 (2022 final dividend: USc43.33) per share.

14. Bank loans

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Borrowings	-	47,873
The borrowings are repayable as follows:		
Less than one year	-	33,087
Between two and five years	-	15,712
	-	48,799
Transaction costs	-	(926)
Total carrying amount	-	47,873

Borrowings

On 4 March 2024, the Group entered into a secured senior debt facility agreement (“Senior Facility Agreement”) with Absa Bank Limited (acting through its Corporate and Investment Banking Division) (“Absa”), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) (“Nedbank”), Rand Merchant Bank and Standard Bank Group (“Standard Bank”).

The Senior Facility Agreement provides the Group with a \$200 million Revolving Credit Facility. The finance documentation also provides for a Mine Closure Guarantee Facility (provided by either the existing lenders or other finance providers) of up to \$50 million, with the provider(s) of such a facility sharing in the common security package.

The Revolving Credit Facility has a maturity date of 4 March 2029. Interest is at SOFR plus 4.85% per annum.

The security package consists of (a) security over the Group’s bank accounts (subject to certain exceptions), (b) pledges of the shares of Kenmare Moma Processing (Mauritius) Limited and Kenmare Moma Mining (Mauritius) Limited (the “Project Companies”), (c) security over intercompany loans and (d) Mozambican law security interests over certain rights and agreements with Mozambican authorities, including over the Implementation Agreement, the Mineral Licensing Contract and the Mining Licence.

The carrying amount of the secured bank accounts of the Group was \$60.3 million as at 30 June 2024 (31 December 2023: \$70.9 million). The shares of the Project Companies and intercompany loans are not included in the consolidated statement of financial position as they are eliminated on consolidation. They therefore do not have a carrying amount but, upon enforcement of the pledges on behalf of the lender group, the shares in the Project Companies would cease to be owned or controlled by the Group. The secured rights and agreements do not have a carrying amount. They are, however, necessary for the Project Companies to operate the Mine in Mozambique.

In March the Group drew down \$51.4 million of the Revolving Credit Facility to repay the Term Loan of \$48.8 million plus interest and fees of \$2.6 million. The debt was subsequently repaid in full in the period.

14. Bank loans (continued)

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Reconciliation of movements of debt to cashflows arising from financing activities		
Bank Loans		
Balance at 1 January	47,873	78,578
Cash movements		
RCF drawdown	51,370	-
Loan interest paid – Term Loan	(1,050)	(7,211)
Loan interest paid - RCF	(1,160)	-
Principal repaid – Term loan	(48,786)	(31,429)
Principal repaid – RCF	(51,370)	-
Non-cash movements		
Loan interest accrued – Term Loan	1,050	7,935
Loan interest accrued – RCF	1,160	-
Transaction costs amortised	913	-
Balance at 30 June/31 December	-	47,873

Financial Covenants

There were no covenants breached during the period.

15. Trade and other payables

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Trade payables	12,708	6,510
Deferred income	2,280	2,752
Accruals	21,943	29,302
	36,931	38,564

16. Provisions

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Mine closure provision	16,134	17,540
Mine rehabilitation provision	6,172	5,462
	22,306	23,002
Current	1,048	2,125
Non-current	21,258	20,877
	22,306	23,002

16. Provisions (continued)

	Mine Closure Provision \$'000	Mine Rehabilitation Provision \$'000	Total \$'000
At 1 January 2023	16,623	4,121	20,744
Increase in provision during the financial year	241	1,720	1,961
Provision utilised during the financial period	-	(379)	(379)
Unwinding of the discount	676	-	676
At 1 January 2024	17,540	5,462	23,002
Increase/(decrease) in provision during the financial year	(1,762)	2,060	298
Provision utilised during the financial period	-	(1,350)	(1,350)
Unwinding of the discount	356	-	356
At 30 June 2024	16,134	6,172	22,306

The mine closure provision represents the Directors' best estimate of the Project Companies' liability for close-down, dismantling and restoration of the mining and processing site. A corresponding amount equal to the provision is recognised as part of property, plant and equipment.

The costs are estimated on the basis of a formal closure plan, are subject to regular review and are estimated based on the net present value of estimated future costs. Mine closure costs are a normal consequence of mining, and the majority of close-down and restoration expenditure is incurred at the end of the life of the Mine. The unwinding of the discount is recognised as a finance cost and \$0.4 million (H1 2023: \$0.3 million) has been recognised in the statement of comprehensive income for the financial period.

The main assumptions used in the calculation of the estimated future costs include:

- a discount rate of 4.5% (31 December 2023: 4.0%);
- an inflation rate of 2% (31 December 2023: 2%);
- an estimated life of mine of 40 years (31 December 2023: 40 years). It is assumed that all licences and permits required to operate will be renewed or extended during the life of mine; and
- an estimated closure cost of \$36.8 million (31 December 2023: \$36.8 million) and an estimated post-closure monitoring provision of \$2.6 million (31 December 2023: \$2.6 million).

The life of mine plan is based on the Namalope, Nataka, Pilivili and Mualadi reserves and resources. Specific resource material is included only where there is a high degree of confidence in its economic extraction. The Mine closure provision has decreased by \$1.7 million from 31 December 2023 to reflect a change in the discount rate from 4% at 31 December 2023 to 4.5% at 30 June 2024.

The discount rate is a significant factor in determining the Mine closure provision. The Group uses a thirty-year US Treasury yield as this is the longest period for which yields are quoted. This discount rate is deemed to provide the best estimate of the current market assessment of risk-free time value of money. Risks specific to the liability are included in the cost estimate.

The Mine rehabilitation provision represents the Directors' best estimate of the Company's liability for rehabilitating areas disturbed by mining activities. Rehabilitation costs are recognised based on the area disturbed and estimated cost of rehabilitation per hectare which is reviewed regularly against actual rehabilitation cost per hectare. Actual rehabilitation expenditure is incurred approximately twelve months after the area has been disturbed. During the financial period there was a release of \$1.4 million (2023: \$0.4 million) to reflect the actual mine rehabilitation costs incurred, and an addition to the provision of \$2.1 million (2023: \$1.7 million) for areas newly disturbed.

17. Current tax liabilities

	Unaudited 30 June 2024 \$'000	Audited 31 Dec 2023 \$'000
Current tax liabilities	4,629	6,921

Further details on the Group's tax expense are detailed in Note 6.

18. Financial Instruments

	Unaudited 30 June 2024			Audited 31 Dec 2023		
	Carrying amount \$'000	Fair value \$'000		Carrying amount \$'000	Fair value \$'000	
Financial assets at fair value through profit and loss						
Trade receivables ¹	-	-	Level 2	-	-	Level 2
Financial assets at fair value through OCI						
Trade receivables ²	24,538	24,538	Level 2	110,534	110,534	Level 2
Financial assets not measured at fair value						
Trade receivables ³	12,177	12,177	Level 2	16,908	16,908	Level 2
Cash and cash equivalents	60,290	60,290	Level 2	71,048	71,048	Level 2
	97,005	97,005		198,490	198,490	
Financial liabilities not measured at fair value						
Bank loans	-	-	Level 2	47,873	48,799	Level 2

¹Relates to trade receivables which will be discounted through the Barclay's bank facility.

²Relates to trade receivables which may be factored through the ABSA facility or discounted through the Barclay's bank facility.

³Relates to trade receivables which will not be discounted or factored.

The carrying amounts and fair values of financial assets and financial liabilities including their levels in fair value hierarchy are detailed above. The table does not include fair value information for other receivables, prepayments, trade payables and accruals as these are not measured at fair value as the carrying amount is a reasonable approximation of their fair value.

Trade receivables or letters of credit where it is not known at initial recognition if they will be factored are classified as fair value through other comprehensive income (FVOCI). Trade receivables which will not be factored and for which balances will be recovered under the sale contract credit terms are initially measured at fair value and subsequently measured at amortised cost.

In the case of factored receivables, the Group derecognises the discounted receivable to which the arrangement applies when payment is received from the bank as the terms of the arrangement are non-recourse. The payment to the bank by the Group's customers are considered non-cash transactions for the purposes of the consolidated statement of cashflows.

The valuation technique used in measuring Level 2 fair values is discounted cash flows, which considers the expected receipts or payments discounted using adjusted market discount rates or where these rates are not available estimated discount rates.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade

18. Financial Instruments (continued)

receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

The Group's exposure to credit risk is influenced by the individual circumstances of each customer. The Group also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Before entering into sales contracts with new customers, the Group uses an external credit scoring system to assess the potential customer's credit quality. The credit quality of customers is reviewed regularly during the year and where appropriate credit limits or limits to the number of shipments which can be outstanding at any point are imposed.

The Group's customers have been transacting with the Group for a significant number of years, and no customers' balances have been written off or are credit impaired at the financial year end. In monitoring customer credit risk, customers are reviewed individually and the Group has not identified any factors that would merit reducing exposure to any particular customer. The Group does not require collateral in respect of trade receivables.

The movement in expected credit losses in respect of trade receivables were measured at amortised cost or fair value through other comprehensive income during the period was as follows:

	Unaudited	Audited
	30 June	31 Dec
	2024	2023
	\$'000	\$'000
Opening balance	1,580	1,534
Net remeasurement of loss allowance	(1,154)	46
Closing	426	1,580

The decrease in the loss allowance is mainly attributable to the decrease in trade receivables at the period end. The methodology for the calculation of expected credit losses is the same as described in the last annual statements.

19. Share-based payments

Kenmare Restricted Share Plan (KRSP)

During the financial period, 885,323 (H1 2023: 864,481) shares were granted to employees under the 2024 KRSP award. The estimated fair value of the shares awarded is \$3.5 million (H1 2023: \$5.0 million). These share awards vest, subject to continued employment on the third anniversary or, in the case of Executive Directors and certain other staff, subject to continued employment and to the Remuneration Committee's assessment against a discretionary underpin, on the third anniversary of grant.

During the financial period, the Group recognised a share-based payment expense of \$1.7 million (H1 2023: \$1.4 million).

During the period, awards in respect of 414,940 shares were exercised at a cost of \$2.2 million.

20. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

On 14 March 2024 the Company entered into a termination agreement with Michael Carvill pursuant to which he would step down as Managing Director on 14 August 2024. In order to support an orderly transition process, the Company also entered into a consultancy agreement with Michael Carvill to at least the 31 December 2024. There is a two month notice period under this contract.

Apart from the above and the existing remuneration arrangements there were no material transactions or balances between the Group and its key management personnel or members of their close families during the period under review.

21. Events after the statement of financial position date

Interim dividend

An interim dividend for the period ended 30 June 2024 of USc15.0 (H1 2023: USc17.5) per share was approved by the Board on 13 August 2024. The dividend payable has not been included as a liability in these financial statements. The interim dividend is payable to all shareholders on the Register of Members on 20 September 2024.

There have been no other significant events since 30 June 2024 which would have a significant impact on the financial statements of the Group.

Mine closure guarantee

The Group entered into a mine closure guarantee facility on 30 July 2024 with Standard Bank Moçambique SA effective from 1 July 2024 for an amount of \$33 million. The mine closure guarantee shares the security package with the Revolving Credit Facility on a pro rata and pari passu basis.

22. Information

The half-yearly financial report was approved by the Board on 13 August 2024.

Copies are available from the Company's registered office at 4th Floor, Styne House, Hatch Street Upper, Dublin 2, D02 DY27, Ireland.

The report is also available on the Company's website at www.kenmareresources.com.

STATEMENT OF DIRECTORS RESPONSIBILITIES

For the half year ended 30 June 2024

The Directors are responsible for preparing the half-yearly financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 (“Transparency Directive”), the Transparency Rules of the Central Bank of Ireland and Transparency Rule 4.2 of the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority.

In preparing the condensed set of consolidated financial statements included within the half-yearly financial report, the Directors are required to:

- prepare and present the condensed set of consolidated financial statements in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, the Transparency Directive and the Transparency Rules of the Central Bank of Ireland;
- ensure the condensed set of consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies;
- make accounting estimates that are reasonable in the circumstances; and
- assess the Entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of the condensed set of consolidated financial statements that is free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

- (1) the condensed set of consolidated financial statements included within the half-yearly financial report of Kenmare Resources plc for the six months ended 30 June 2024 (“the interim financial information”) which comprises the condensed consolidated interim income statement, the condensed consolidated interim statement of other comprehensive income, the condensed consolidated interim statement of financial position, the condensed consolidated interim statement of cash flows, the condensed consolidated interim statement of changes in equity and the related explanatory notes, have been presented and prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, the Transparency Directive and Transparency Rules of the Central Bank of Ireland.
- (1) The interim financial information presented, as required by the Transparency Directive and Transparency Rule 4.2 of the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority, includes:
 - a. an indication of important events that have occurred during the first 6 months of the financial year, and their impact on the condensed set of consolidated financial statements;
 - b. a description of the principal risks and uncertainties for the remaining 6 months of the financial year;
 - c. related parties’ transactions that have taken place in the first 6 months of the current financial year and that have materially affected the financial position or the performance of the enterprise during that period; and
 - d. any changes in the related parties’ transactions described in the last annual report that could have a material effect on the financial position or performance of the enterprise in the first 6 months of the current financial year.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Entity’s website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board:

M. CARVILL

Director
13 August 2024

T. HICKEY

Director
13 August 2024

Glossary - Alternative Performance Measures

Certain financial measures set out in the half-yearly financial report to 30 June 2024 are not defined under International Financial Reporting Standards (IFRSs), but represent additional measures used by the Board to assess performance and for reporting both internally and to shareholders and other external users. Presentation of these Alternative Performance Measures (APMs) provides useful supplemental information which, when viewed in conjunction with the Group's IFRS financial information, allows for a more meaningful understanding of the underlying financial and operating performance of the Group.

These non-IFRS measures should not be considered as an alternative to financial measures as defined under IFRSs. Descriptions of the APMs included in this report, as well as their relevance for the Group, are disclosed below.

APM	Description	Relevance
EBITDA	Operating profit/loss before depreciation and amortisation	Eliminates the effects of financing, tax and depreciation to allow assessment of the earnings and performance of the Group
EBITDA margin	Percentage of EBITDA to Mineral Products Revenue	Provides a group margin for the earnings and performance of the Group
Cash operating cost per tonne of finished product produced	Total costs less freight and other non-cash costs, including depreciation and inventory movements divided by final product production (tonnes)	Eliminates the non-cash impact on costs to identify the actual cash outlay for production and, as production levels increase or decrease, highlights operational performance by providing a comparable cash cost per tonne of product produced over time
Cash operating cost per tonne of ilmenite net of co-products	Cash operating costs less zircon, rutile and mineral sands concentrates revenue, divided by ilmenite production (tonnes)	Eliminates the non-cash impact on costs to identify the actual cash outlay for production and, as production levels increase or decrease, highlights operational performance by providing a comparable cash cost per tonne of ilmenite produced over time
Net cash/debt	Bank loans before transaction costs, loan amendment fees and expenses, plus lease liabilities net of cash and cash equivalents	Measures the amount the Group would have to raise through refinancing, asset sale or equity issue if its debt were to fall due immediately, and aids in developing an understanding of the leveraging of the Group
ROCE	Return on capital employed	ROCE measures how efficiently the Group generates profits from investment in assets

EBITDA

	H1 2024	H1 2023	H1 2022	H1 2021	H1 2020
	\$m	\$m	\$m	\$m	\$m
Operating profit	32.7	80.2	74.0	56.8	20.6
Depreciation and amortisation	30.5	30.2	30.5	23.5	17.3
EBITDA	63.2	110.4	104.5	80.3	37.9

EBITDA margin

	H1 2024	H1 2023	H1 2022	H1 2021	H1 2020
	\$m	\$m	\$m	\$m	\$m
EBITDA	63.2	110.4	104.5	80.3	37.9
Mineral Products Revenue	154.5	229.7	182.1	167.8	111.2
EBITDA margin (%)	41%	48%	57%	48%	34%

Cash operating cost per tonne of finished product

	H1 2024	H1 2023	H1 2022	H1 2021	H1 2020
	\$m	\$m	\$m	\$m	\$m
Cost of sales	133.6	157.2	117.9	100.3	82.7
Administration costs	(1.3)	5.4	5.4	19.2	14.2
Total operating costs	132.3	162.6	123.3	119.5	96.9
Freight charges	(10.6)	(13.2)	(15.2)	(10.4)	(5.6)
Total operating costs less freight	121.7	149.4	108.1	109.1	91.3
Adjustments					
Depreciation and amortisation	(30.5)	(30.2)	(30.5)	(23.5)	(17.3)
Expected credit loss	(1.2)	0.6	(0.2)	-	-
Share-based payments	(1.6)	(1.4)	(3.2)	(2.1)	(1.0)
Mineral product inventory movements	18.8	(9.6)	27.8	3.8	2.2
Total cash operating costs	107.2	108.8	102.0	87.3	75.2
Final product production tonnes	490,800	472,600	550,700	612,100	410,600
Cash operating cost per tonne of finished product	\$218	\$230	\$185	\$143	\$183

Cash operating cost per tonne of ilmenite

	H1 2024	H1 2023	H1 2022	H1 2021	H1 2020
	\$m	\$m	\$m	\$m	\$m
Total cash operating costs	107.2	108.8	102.0	87.3	75.2
Less co-products zircon, rutile and mineral sands concentrate revenue	(18.0)	(50.4)	(48.6)	(24.0)	(31.3)
Total cash costs less co-product revenue	89.2	58.4	53.4	63.3	43.9
Ilmenite product production tonnes	444,100	425,500	499,700	559,000	368,900
Cash operating cost per tonne of ilmenite	\$201	\$137	\$107	\$113	\$119

Net debt/cash

	H1 2024	H1 2023	H1 2022	H1 2021	H1 2020
	\$m	\$m	\$m	\$m	\$m
Bank debt	-	(63.4)	(93.2)	(128.0)	(145.2)
Transaction costs	-	(1.5)	(3.0)	(4.7)	(6.1)
Gross debt	-	(64.9)	(96.2)	(132.7)	(151.3)
Lease liabilities	(1.4)	(1.6)	(1.7)	(2.8)	(3.9)
Cash and cash equivalents	60.3	108.8	30.7	56.5	98.6
Net (debt)/cash	58.9	42.3	(67.2)	(79.0)	(56.6)

ROCE

	H1 2024	H1 2023	H1 2022	H1 2021	H1 2020
	\$m	\$m	\$m	\$m	\$m
Operating profit	32.7	80.2	74.0	58.8	19.9
Total Equity and Non-Current Liabilities	1,153	1,180	1,058	1,087	1,085
ROCE %	3%	7%	7%	5%	2%

Glossary – Terms

Term	Description
AIFR	All injuries frequency rate. Provides the number of injuries at the Mine in the year, per 200,000 hours worked.
AGM	Annual general meeting
CIF	The seller delivers when the goods pass the ship's rail in the port of shipment. Seller must pay the cost and freight necessary to bring goods to named port of destination. Risk of loss and damage are the same as CFR. Seller also has to procure marine insurance against buyer's risk of loss/damage during the carriage. Seller must clear the goods for export. This term can only be used for sea transport.
CFR	This term means the seller delivers when the goods pass the ship's rail in port of shipment. Seller must pay the costs and freight necessary to bring the goods to the named port of destination, but the risks of loss or damage, as well as any additional costs due to events occurring after the time of delivery, are transferred from seller to buyer. Seller must clear goods for export. This term can only be used for sea transport.
The Company or Parent Company	Kenmare Resources plc.
DFS	Definitive feasibility studies are the most detailed and will determine definitively whether to proceed with the project. A definitive feasibility study will be the basis for capital appropriation, and will provide the budget figures for the project. Detailed feasibility studies require a significant amount of formal engineering work and are accurate to within approximately 10–15%.
EdM	Electricidade de Moçambique.
EGM	Extraordinary General Meeting
FOB	Free on Board means that the seller delivers when the goods pass the ship's rail at the named port of shipment. This means the buyer has to bear all costs and risks to the goods from that point. The seller must clear the goods for export. This term can only be used for sea transport.
Free Cash Flow	Free Cash Flow is the cash generated by the Group in a reporting period before distributions to shareholders.
GHG emissions	Scope 1 & 2 Greenhouse Gas emissions. The Group acknowledges the human contribution to climate change and aim to reduce emissions its already low carbon intensity operations.
GISTM	Global Industry Standard of Tailings Management
Group or Kenmare	Kenmare Resources plc and its subsidiary undertakings.
HMC	Heavy mineral concentrate extracted from mineral sands deposits and which include ilmenite, zircon, rutile and other heavy minerals and silica.
Implementation Agreement	The agreement for the Moma Heavy Mineral Sands Industrial Free Zone Project between Kenmare Moma Processing Limited (a company incorporated in Jersey whose rights and interests were transferred to KMPL in November 2002), a wholly owned subsidiary of Kenmare, and Mozambique dated 21 January 2002.
KMAD	Kenmare Moma Development Association
KMML Mozambique Branch	Mozambique branch of Kenmare Moma Mining (Mauritius) Limited (KMML).
KMPL Mozambique Branch	Mozambique branch of Kenmare Moma Processing (Mauritius) Limited (KMPL).
KRSP	Kenmare Resources plc Restricted Share Plan
Lenders	Absa Bank Limited (acting through its Corporate and Investment Banking Division) ("Absa"), The Emerging Africa Infrastructure Fund (part of the Private Infrastructure Development Group ("PIDG")) ("EAIF"), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) ("Nedbank"), Rand Merchant Bank and Standard Bank Group ("Standard Bank").
LTI	Lost time injury. Measures the number of injuries at the mine that result in time lost from work.
LTIFR	Lost time injury frequency rate. Measures the number of injuries causing lost time per 200,000 man hours worked on site

Marketing – finished products shipped	Finished products shipped to customers during the period. Provides a measure of finished products shipped to customers
Mining – HMC produced	Heavy mineral concentrate extracted from mineral sands deposits and which includes ilmenite, zircon, rutile, concentrates and other heavy minerals and silica. Provides a measure of heavy mineral concentrate extracted from the Mine
Moma, Moma Mine, the Mine or Site	The Moma Titanium Minerals Mine consisting of a heavy mineral sands mine, processing facilities and associated infrastructure, which is located in the north east coast of Mozambique under licence to the Project Companies.
Mine Closure Guarantee Facility	\$33 million mine closure guarantee facility between the Group and Standard Bank Moçambique SA effective from 1 July 2024.
MSP	Mineral Separation Plant.
Mtpa	Million tonnes per annum.
Ordinary Shares	Ordinary shares of €0.001 each in the capital of the Company.
PFS	A feasibility study is an evaluation of a proposed mining project to determine whether the mineral resource can be mined economically. Pre-feasibility study is used to determine whether to proceed with a detailed feasibility study and to determine areas within the project that require more attention. Pre-feasibility studies are done by factoring known unit costs and by estimating gross dimensions or quantities once conceptual or preliminary engineering and mine design has been completed.
Processing – finished products produced	Finished products produced by the mineral separation process. Provides a measure of finished products produced from the processing plants
Project Companies	Kenmare Moma Mining (Mauritius) Limited and Kenmare Moma Processing (Mauritius) Limited, wholly owned subsidiary undertakings of Kenmare Resources plc, which are incorporated in Mauritius.
Revolving Credit Facility	\$200 million debt facility dated 4 March 2024 between the Lenders and KMML Mozambique Branch and KMPL Mozambique Branch.
Term Loan Facility	\$110 million debt facility dated 11 December 2019 between the Lenders and KMML Mozambique Branch and KMPL Mozambique Branch.
THM	Total heavy minerals in the ore of which ilmenite (typically 82%), rutile (typically 2.0%) and zircon (typically 5.5%) total approximately 90%.
TSF	Tailings Storage Facility
UK	United Kingdom
WCP	Wet Concentrator Plant.
WCP A	The original WCP which started production in 2007.
WCP B	The second WCP which started production in 2013.
WCP C	The third WCP which started production in 2020.