Operational reviews

ARM Ferrous

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Chief executive – ARM Ferrous

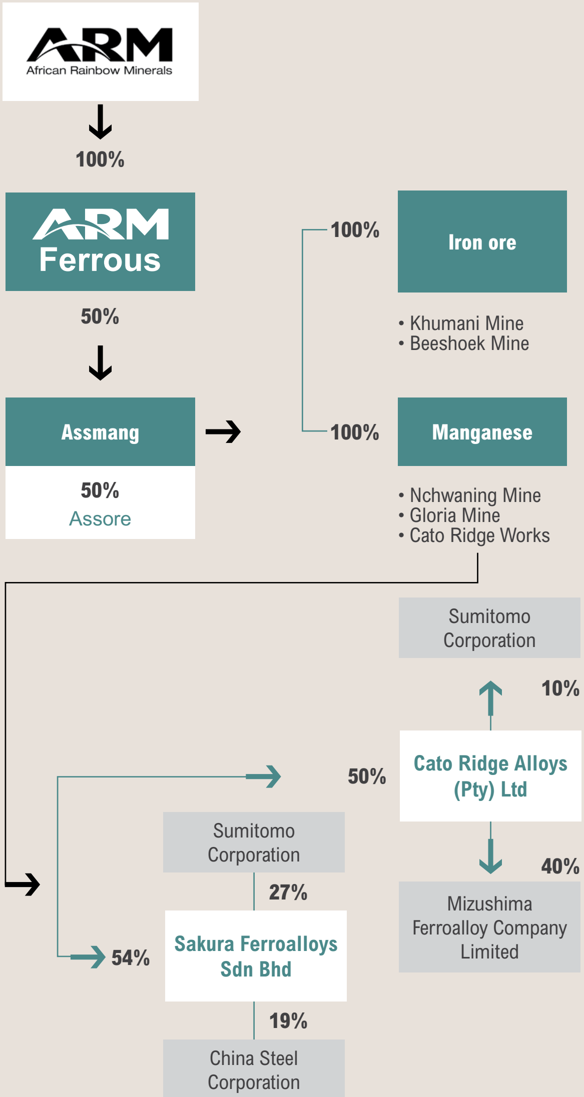
Key features for F2025
World-class safety performance
Robust free cash flow generation
Iron ore contributed **77%** to the group segmental **EBITDA**
Total iron ore production volumes were **up 3%**
Average realised **export iron ore price down 15%**
Total manganese ore production was **up 4%**

Significant points

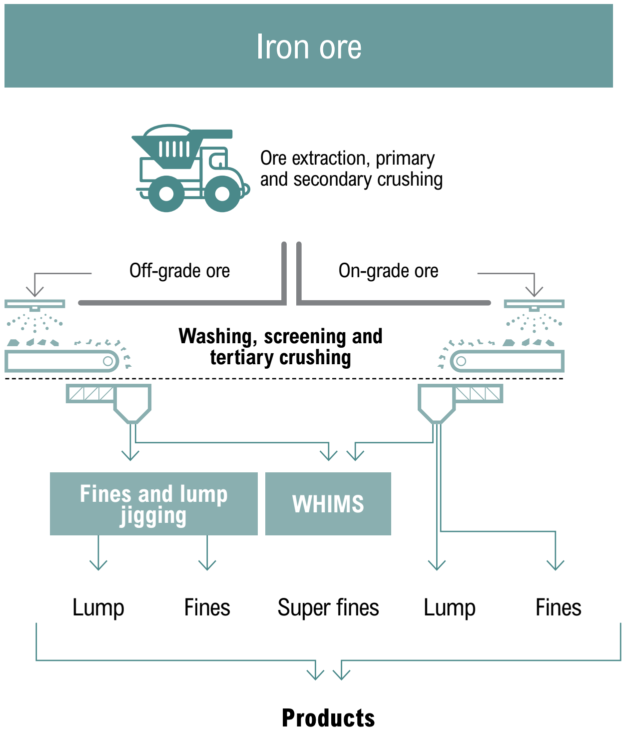
- Increase in production volumes for iron ore and manganese ore
- Improved water supply to Khumani Mine
- Improved unit cash cost growth

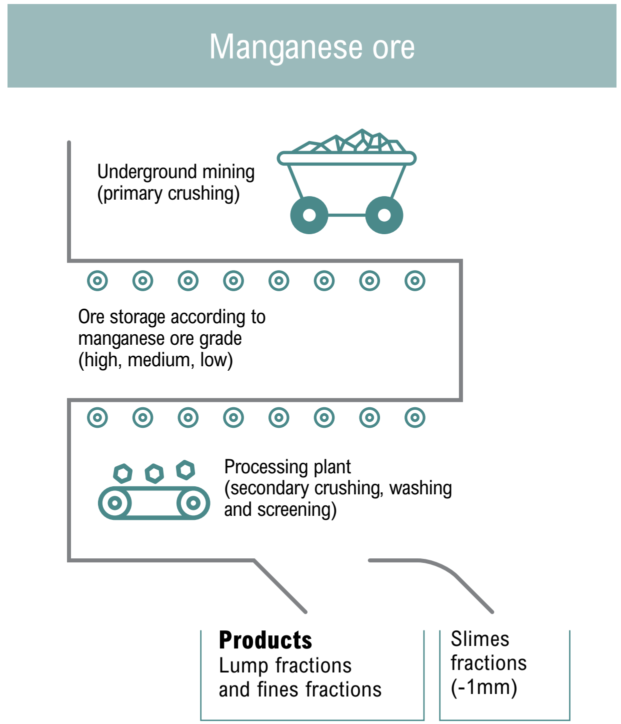
Operational reviews continued

Structure



Production process





Operational reviews continued

ARM Ferrous continued

Scorecard

Khumani Mine Iron ore

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Ensure LTIFR below tolerance level of 0.20 per 200 000 man-hours.	**Achieved** • LTIFR of 0.15 per 200 000 man-hours.	• Ensure LTIFR below a tolerance level of 0.20 per 200 000 man-hours.
• Production planned at 12.5 million tonnes to accommodate Transnet's deteriorating performance.	**Not achieved** • 12.3 million tonnes achieved, which was below plan, mainly due to water-supply shortage in October and November 2024.	• Production planned at 12.3 million tonnes to accommodate Transnet's deteriorating performance.
• Lump production ratio of 56%.	**Achieved** • Lumpy ratio of 56.8%.	• Lump production ratio of 56%.
• King Pit mining ratio to be maintained at 65%.	**Achieved** • Total ex-pit ore mining from the King Pit was 64.86%.	• King Pit ex-pit ore mining ratio to be increased to 70%.
• Sales volumes planned lower at 12.3 million tonnes to accommodate risk of Transnet's performance during F2025.	**Not achieved** • Sales volumes were 12.279 million tonnes.	• Sales volumes planned lower at 12 million tonnes to accommodate risk of Transnet's performance during F2026.
• Target unit cash cost (pre-charge out cash cost on-mine) increases below inflation to maintain competitiveness at R510/tonne for F2025.	**Achieved** • At R491/tonne.	• Target unit cash cost (pre-charge out cash cost on mine) increases to R542/tonne for F2026, mainly due to above-inflation electricity rates increase and increased waste mining volumes required.

Beeshoek Mine Iron ore

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Ensure LTIFR below tolerance level of 0.15 per 200 000 man-hours.	**Achieved**	• Ensure LTIFR below tolerance level of 0.15 per 200 000 man-hours.
• Achieve production of 2.2 million tonnes per annum.	**Achieved**	• Achieve production of 948 000 until 31 October 2025.
• Achieve sales of 2.2 million tonnes per annum • No export sales.	**Not achieved** • No long-term contract • Local customer reduced offtake.	• No export sales.
• Targeting unit cash cost increases of 6%.	**Not achieved** • Mostly due to applying different plans over the financial year to reduce the impact of risks relating to the offtake by the local customer and deviation of rightsizing workforce compared to plan.	• Reduce planned unit cash cost per plan by 2%.

Operational reviews continued

Scorecard continued

Black Rock Mine Manganese ore

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Ensure LTIFR below tolerance level of 0.25 per 200 000 man-hours.	**Achieved** • Final LTIFR of 0.14.	• Ensure LTIFR below 0.20 per 200 000 man-hours.
• Target saleable production volumes of 4 050 000 tonnes.	**Not achieved** • Saleable production was 3.8 million tonnes due to the impact of the fatality in Q4 of F2025.	• Target production volumes of 4 million tonnes.
• Deliver export sales volume of 3.6 million tonnes for F2025.	**Achieved** • Export sales volumes were 3.7 million tonnes.	• Deliver export sales volume of 3.7 million tonnes to accommodate risk of Transnet's performance during F2026.
• Targeting unit production cost increases of 8%.	**Not achieved** • Unit production cost increased by 9%.	• Targeting unit production cost increase of 9%, negatively impacted by logistics constraints.

Cato Ridge Works Manganese alloy

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Ensure LTIFR below tolerance level of 0.17 per 200 000 man-hours.	**Achieved** • LTIFR was 0 per 200 000 man-hours.	• Ensure LTIFR below tolerance level of 1.90 per 200 000 man-hours. This equates to one lost-time injury.
• Ensure over 80% of medium-carbon ferromanganese alloy produced is at a grade of 80% and above.	**Achieved** • Only 1.05% of total production was produced to off-grade stockpiles.	• None – due to plant closure.
• Secure alternate supply of carbonaceous fines to ensure good quality sinter.	**Achieved** • Supply of alternate material was obtained.	• None – due to plant closure.
• Ensure zero valid customer complaints for both high-carbon and medium-carbon ferromanganese.	**Achieved** • Zero customer complaints.	• Zero customer complaints.

Operational reviews continued

ARM Ferrous continued

Scorecard continued

Sakura Ferroalloys Manganese alloy

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Maintain safety performance, ensuring LTIFR below tolerance level of 0.18 per 200 000 man-hours.	**Achieved** • Sakura recorded zero LTIs for the year.	• Maintain safety performance, ensuring LTIFR below tolerance level of 0.18 per 200 000 man-hours.
• Target production volumes of 245 000 tonnes.	**Not achieved** • Production volumes of 221 999 tonnes below plan, mainly due to furnace 1 being shut down for 47 days over March 2025 to perform opportunity maintenance and manage working capital balances.	• Target production volumes of 232 000 tonnes.
• Target sales volumes of 246 000 tonnes.	**Not achieved** • Sales volumes of 220 508 tonnes below plan due to roughly 17 000 tonnes of spot sales not materialising, compounded by 6 000 tonnes lower Japanese sales volumes as steel demand reduced in this region.	• Target sales volumes of 244 000 tonnes.
• Maintain furnace efficiencies and improve unit costs by implementing cost-saving initiatives.	**Achieved** • Ore efficiencies decreased by 3.0%, while reductant efficiencies increased by 2.7% as alternative high-grade ores were consumed, as Gemco was not available, which resulted in some instabilities requiring additional reductants. Ongoing cost-saving initiatives realised savings of over MYR3 million.	• Maintain furnace efficiencies and improve unit costs by implementing cost-saving initiatives.
• Complete construction and commissioning of sinter plant by end-December 2024.	**Not achieved** • Sinter plant only commissioned in June 2025 after delays with final installation of certain equipment. Ramp-up is progressing well and cost savings should be maximised in the first half of the new financial year.	• Maximise cost savings on the sinter plant by producing higher design capacity for the year and optimising recipes to increase Sakura sinter consumption on the furnaces while converter is being constructed.

Operational reviews continued

Commodity prices

Average realised US dollar export iron ore prices were 15% lower on a free-on-board (FOB) equivalent basis at US$93 per tonne (F2024: US$109 per tonne). The lump-to-fines ratio increased from 57:43 in F2024 to 58:42 in F2025.

The average US dollar CIF index price for high-grade manganese ore (43.5%) increased by 2% year on year. The average US dollar CIF index price for low-grade manganese ore (36.5%) decreased by 2% year on year.

Financial performance

ARM Ferrous headline earnings were 31% lower at R3 472 million (F2024: R5 058 million), driven by a 36% decrease in headline earnings in the iron ore division. This was partially offset by a 120% increase in headline earnings in the manganese division.

Operational performance

Iron ore division

Total iron ore production volumes increased by 3% to 14.5 million tonnes (F2024: 14.1 million tonnes) due to improved water supply.

Total iron ore sales volumes decreased by 3% to 14.3 million tonnes (F2024: 14.7 million tonnes). Export sales volumes remained stable at 12.2 million tonnes (F2024: 12.2 million tonnes), while local sales volumes decreased by 18% to 2.0 million tonnes (F2024: 2.4 million tonnes), driven by lower offtake from Beeshoek's sole local customer.

Water supply remained consistent during the second half of the year, with no significant operational disruptions.

Unit cash costs in the iron ore division increased by 3% to R522 per tonne (F2024: R507 per tonne), mainly due to the lower production volumes at Beeshoek Mine and higher plant and mining maintenance expenses, partially offset by lower diesel prices and higher production volumes at Khumani Mine.

Khumani Mine's unit cash cost increased by 1% to R491 per tonne (F2024: R485 per tonne). Inflationary increases were offset by lower diesel prices and higher mining production.

Beeshoek Mine's unit cash costs increased by 14%, mainly due to lower production volumes and higher repair and maintenance costs. These increases were partially offset by reduced diesel prices. The increase in repair and maintenance costs was largely attributable to the delayed replacement of the mining fleet, due to ongoing uncertainty on securing a long-term offtake agreement.

Unit cost of sales, which includes marketing and distribution costs, increased by 6%. This was mainly due to reduced stripping ratios at Khumani and Beeshoek mines, resulting in an increase in waste stripping expenses. The increase was compounded by higher inland logistics costs due to higher rail tariffs at Khumani.

Manganese ore

Manganese ore sales volumes increased by 1% to 4.5 million tonnes (F2024: 4.4 million tonnes). Export sales volumes were 3.7 million tonnes (F2024: 3.7 million tonnes). Local sales volumes were higher at 0.78 million tonnes (F2024: 0.75 million tonnes) due to increased offtake from a local customer.

Production volumes at Black Rock Mine increased by 4% to 3.7 million tonnes (F2024: 3.6 million tonnes) after addressing the critical skills shortage and ore-quality issues.

Unit cash costs increased by 9% to R954 per tonne (F2024: R879 per tonne) due to inflationary increases, higher headcount due to filling key production vacancies and higher run-of-mine tonnes mined, partially offset by higher production volumes.

Unit cost of sales, which includes marketing and distribution costs, increased by 4%, mainly due to higher mining costs, increased net realisable value (NRV) adjustments, and higher marketing expenses. These increases were partially offset by lower freight costs.

Manganese alloys

High-carbon ferromanganese production at Sakura (100% basis) decreased to 222 000 tonnes (F2024: 230 000 tonnes) due to efforts to match production to lower sales. High-carbon ferromanganese sales (100% basis) declined by 2% to 221 000 tonnes (F2024: 226 000 tonnes) due to lower offtake from customers.

High-carbon ferromanganese production at Cato Ridge Works decreased by 7% to 94 000 tonnes (F2024: 101 000 tonnes) as production was halted at the end of May 2025.

Medium-carbon ferromanganese production at Cato Ridge Alloys (100% basis) declined by 6% to 48 000 tonnes (F2024: 51 000 tonnes) due to production losses related to halting production in May 2025, resulting in only 11 months of production.

Operational reviews continued

ARM Ferrous continued

High-carbon ferromanganese sales at Cato Ridge Works increased by 10% to 34 000 tonnes (F2024: 31 000 tonnes) due to improved manganese alloy market conditions. Medium-carbon ferromanganese sales at Cato Ridge Alloys (100% basis) decreased by 4% to 48 000 tonnes (F2024: 50 000 tonnes) due to weak market demand.

Unit cash costs at Sakura increased by 11% in F2025 mainly due to lower production volumes and higher ore consumption prices.

Unit cash costs at Cato Ridge Works increased by 8% in F2025 mainly due to a reduction in production output volumes, inflationary increases in ore-supply costs, and other raw material prices, as well as above-inflation increases in power costs.

Medium-carbon ferromanganese unit cash costs at Cato Ridge Alloys increased by 1% in F2025.

Investing in the current business

Capital expenditure in the iron ore business (100% basis) was R2 681 million (F2024: R3 215 million), which includes capitalised waste-stripping costs of R848 million (F2024: R1 335 million). Khumani Mine's capital expenditure (100% basis) decreased by 11% to R2 296 million (F2024: R2 573 million), mainly due to lower waste-stripping costs being capitalised. Beeshoek Mine's capital expenditure (100% basis) decreased by 40% to R385 million (F2024: R642 million), mainly due to lower waste-stripping costs capitalised of R56 million (F2024: R393 million).

Total capital expenditure for the manganese ore operations was R998 million on a 100% basis (F2024: R1 368 million) due to concerted efforts to preserve cash given low market prices.

Capital expenditure at Cato Ridge Works decreased by 49% to R13 million (F2024: R26 million).

Ensuring a safe, healthy and appropriately skilled workforce

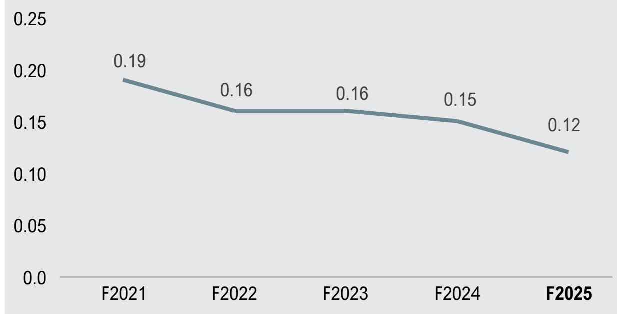
Total employees at ARM Ferrous increased by 4% to 9 693 at 30 June 2025 (30 June 2024: 9 327), with 59% full-time employees and 41% contractors. ARM Ferrous invested R310 million in training in F2025 (F2024: R267 million).

Safety and health

Regrettably, on 18 April 2025, Mr Stanley Kgotlayame Mongale, a drill-and-blast miner at Black Rock, was fatally injured in a fall-of-ground at Nchwaning shaft 3 during an entry examination process. Prior to this tragic incident, there had been no fatalities at ARM Ferrous since 2015. The divisional LTIFR improved to 0.12 per 200 000 man-hours in F2025. Beeshoek and Khumani mines achieved 6 million fatality-free shifts over 22 and nine years, respectively.

In F2025, Beeshoek Mine achieved 22 years without a fatality and was runner-up for opencast mines with more than 500 workers in the 2024 Northern Cape Mine Managers Association Safety Competition.

LTIFR (per 200 000 man-hours)



Operation	Total fatality-free shifts worked*	Last fatality	Fatality-free
Beeshoek Mine	**6 099 143**	March 2003	22 years
Khumani Mine	**6 357 732**	April 2015	10 years
Cato Ridge Works	**3 263 767**	February 2008	17 years

* *As at 30 June 2025.*

Specific health risks in each workplace and occupation are identified and addressed by risk-based occupational medical surveillance programmes, with an emphasis on TB, HIV and Aids, and NIHL. In F2025, medical surveillance included:

- 16 309 audiometric tests
- 44 334 TB-screening tests
- 16 599 HIV counselling sessions.

Operational reviews continued

Chronic conditions are monitored by specific occupational exposure profiles for high-risk roles. Employees can access psychological support through a toll-free helpline in the employee assistance programme and on-site psychological support programme.

Environmental performance

Carbon emissions and energy use

Scopes 1 and 2 carbon emissions decreased by 7% mainly due to reduced production at the Cato Ridge smelter, which contributed 43% to ARM Ferrous' total scopes 1 and 2 emissions. Scopes 1 and 2 carbon emissions per tonne of iron ore produced improved to 0.026tCO_2e (F2024: 0.027tCO_2e) and emissions per tonne of manganese ore produced improved to 0.042tCO_2e from 0.046tCO_2e in F2024. Scopes 1 and 2 carbon emissions per tonne of manganese alloy produced regressed to 3.2tCO_2e (F2024: 3.1tCO_2e).

Electricity consumed accounted for 60% of ARM Ferrous' scopes 1 and 2 emissions and decreased by 9% year on year. ARM Ferrous is a member of the Energy Intensive Users Association and has a charter to map its development and implementation of energy-efficient practices.

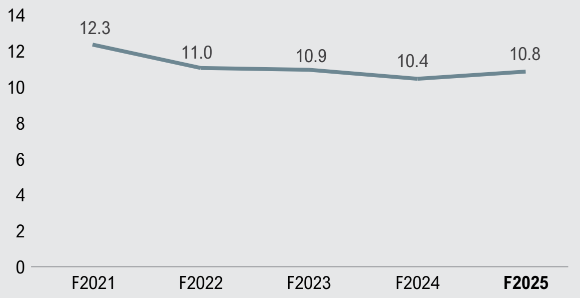
At the ARM Ferrous Northern Cape mining operations, the definitive feasibility study for renewable energy was completed in December 2024. ARM Ferrous is currently exploring contracting with an independent power producer (IPP).

Water management

ARM Ferrous' mines are in the water-scarce Northern Cape, and the cost and continuity of water supply, are a risk for all mines as well as communities in the region. The 2025 climate change and water report provides more information on mitigating measures. CCW

We continue to make good progress in deepening our understanding of water-related impacts, risks and opportunities, and are aligning water accounting with the ICMM's updated water reporting good practice guide. Total operational water withdrawn increased by 3% to 10.8 million m^3 (F2024: 10.4 million m^3). Beeshoek Mine accounted for 32% of ARM Ferrous' operational water withdrawn, Khumani Mine 46% and Black Rock Mine 21%.

Operational water withdrawn (million m^3)



Tailings storage facilities (TSFs)

The ARM TSF management policy and standard, which align with the ICMM's GISTM, are being implemented at all three ARM Ferrous mines. Third-party reviews at Black Rock Mine and Beeshoek Mine were conducted in June 2025. These mines reported conformance to GISTM on 5 August 2025.

Following the third-party review in July 2023, Khumani Mine conducted a self-assessment review and reported conformance to GISTM on 5 August 2025. ARM's report on conformance to GISTM is available on our **website**.

Supporting host communities

ARM Ferrous participates in the shared-value working committee with other Northern Cape manganese producers and the Minerals Council in creating innovative projects with a meaningful benefit for communities.

Enterprise and supplier development initiatives promote economic development and job creation in local communities. Projects under local economic development and social and labour plans, as well as corporate social investment initiatives, contribute to community infrastructure and socio-economic development. In F2025, these included water-supply infrastructure, upgrades to a stormwater system and a road, fencing for a traditional council office, three classrooms for special needs students, study support and uniforms for learners, and skills training for unemployed youth.

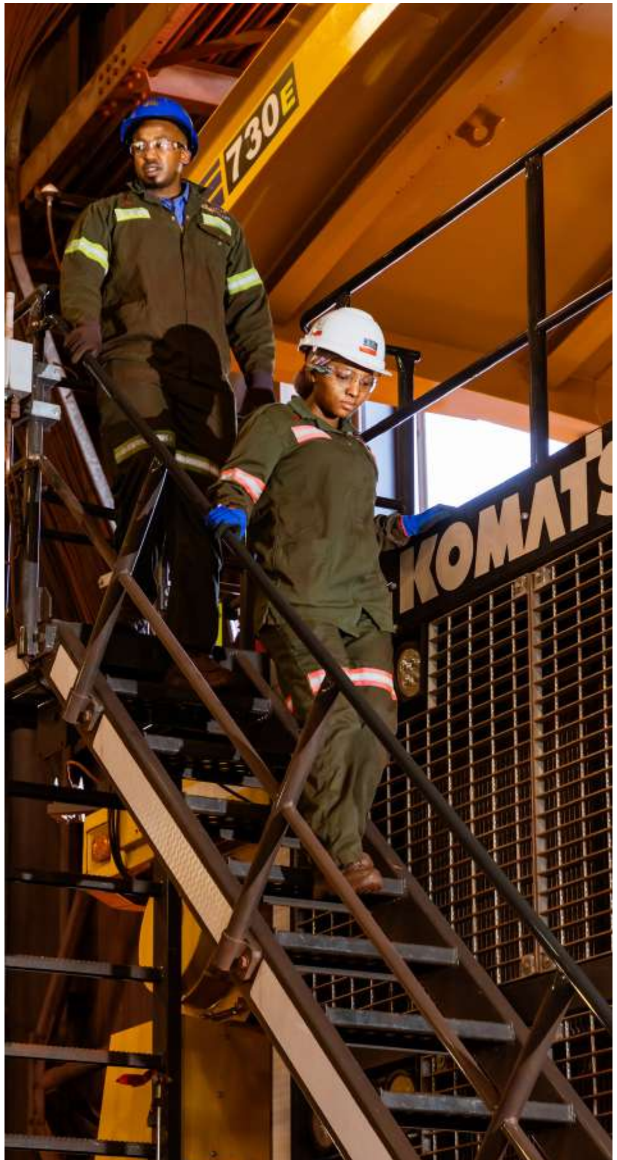
Operational reviews continued

ARM Ferrous continued

ARM Ferrous ESG indicators

	Unit	F2025	F2024	F2023	F2022	F2021
Employee indicators						
Average number[1]		**10 205**	10 192	11 166	12 034	12 097
– Permanent employees		**5 527**	5 350	5 432	5 498	5 501
– Contractors		**4 678**	4 842	5 734	6 536	6 595
LTIFR per 200 000 man-hours		**0.12**	0.15	0.16	0.16	0.19
Environmental indicators (100% basis)						
Scopes 1 and 2 carbon emissions	tCO_2e	**947 612**	1 022 597	1 177 878	1 260 064	1 194 037
Total operational water withdrawn	million m^3	**10.8**	10.4	10.9	11.0	12.3
Energy use						
– Electricity	MWh	**684 606**	697 215	774 220	824 098	805 557
– Diesel	000 litres	**59 643**	64 537	62 629	61 232	59 267
Community investment indicators						
Total corporate social responsibility (CSR)	R million	**56**	123	93	91	106
– Corporate social investment (CSI)	R million	**18**	38	26	30	42
– Local economic development (LED)	R million	**38**	85	67	61	64

[1] *Permanent employees and contractors reported as average for the year, consistent with calculating safety statistics.*



Khumani Mine

Operational reviews continued

Summary operational and financial indicators – 100% basis

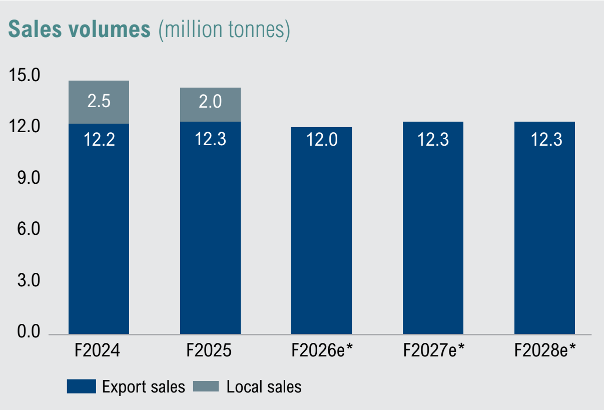
Iron ore division

Operations
Khumani and Beeshoek mines – 100% basis, unless otherwise stated.

Ownership
ARM and Assore each own 50% of Assmang.

Management
ARM provides management services while Assore performs the sales and marketing function.

Outlook sales volumes – 100% basis



* F2026, F2027 and F2028 are estimated volumes.

	Unit	F2025	F2024	F2023	F2022	F2021
Operational						
Production volumes	000t	**14 567**	14 146	13 886	16 201	15 929
Khumani Mine	000t	**12 297**	11 547	11 351	13 074	12 675
Beeshoek Mine	000t	**2 270**	2 599	2 535	3 127	3 254
Sales volumes	000t	**14 290**	14 723	14 210	16 064	16 417
Export iron ore	000t	**12 260**	12 241	11 966	13 176	13 269
Local iron ore	000t	**2 030**	2 482	2 244	2 888	3 148
Unit cost changes						
Unit cash costs[1]	%	**3**	5	28	12	13
Unit cost of sales	%	**6**	7	9	8	16
Financial						
Sales revenue	R million	**24 217**	29 068	25 069	27 856	37 621
Total costs	R million	**16 494**	16 480	14 734	15 769	16 927
Operating profit	R million	**7 891**	12 625	10 654	12 192	20 694
EBITDA	R million	**9 966**	14 461	12 435	13 758	22 255
Headline earnings	R million	**6 321**	9 867	8 316	9 307	15 046
Capital expenditure	R million	**2 681**	3 215	3 414	2 890	2 397

[1] *On-mine unit cost production from F2020 until F2022.*

Operational reviews continued

ARM Ferrous continued

Summary operational and financial indicators – 100% basis continued

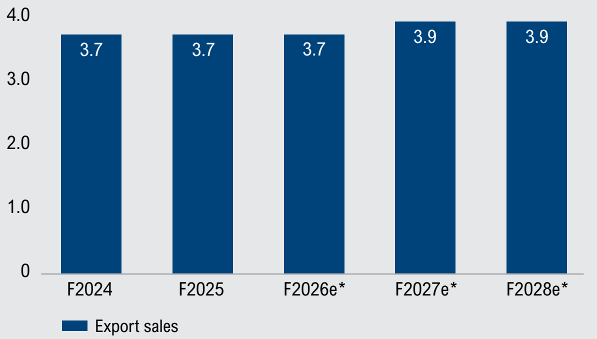
Manganese division

Operations
Nchwaning and Gloria mines (collectively Black Rock Mine), Cato Ridge Works, Cato Ridge Alloys and Sakura Ferroalloys.

Ownership
ARM and Assore each own 50% of Assmang.

Management
ARM provides management services while Assore performs the sales and marketing function.

Outlook sales volumes – 100% basis



	Unit	F2025	F2024	F2023	F2022	F2021
Operational						
Production volumes						
Manganese ore	000t	**3 761**	3 622	4 272	4 147	4 041
Ferromanganese	000t	**364**	382	425	385	362
Sales volumes						
Manganese ore[1]	000t	**4 482**	4 432	4 325	3 957	3 966
Ferromanganese	000t	**303**	307	334	291	353
Unit cost changes – manganese ore						
Unit cash costs[2]	%	**9**	20	5	(1)	18
Unit cost of sales	%	**4**	6	(4)	15	8
Financial						
Manganese ore						
Sales revenue	R million	**13 027**	11 748	12 973	12 009	10 236
Total costs	R million	**11 539**	11 019	10 809	9 841	9 034
Operating profit	R million	**1 507**	744	2 724	2 726	1 202
EBITDA	R million	**2 665**	1 848	3 697	3 626	1 918
Headline earnings	R million	**1 086**	492	2 130	2 101	823
Capital expenditure	R million	**998**	1 368	1 618	2 133	2 060
Ferromanganese						
Sales revenue	R million	**1 795**	1 724	2 316	2 718	1 956
Total costs	R million	**2 385**	2 140	2 130	2 074	1 794
Operating profit	R million	**(533)**	(376)	399	784	162
EBITDA	R million	**(532)**	(376)	409	795	220
Headline earnings	R million	**(457)**	(206)	614	2 035	74
Capital expenditure	R million	**13**	26	65	87	188

1 External sales only and includes sales to Sakura Ferroalloys.
2 On-mine unit production costs from F2020 until F2022.

* *F2026, F2027 and F2028 are estimated volumes.*