NORTHAM
PLATINUM HOLDINGS LIMITED

Northam Platinum Limited: Mining that matters

Annual financial statements
30 June 2023

smart platinum mining

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Defined terms

Unless otherwise defined, capitalised words and terms contained in these annual financial statements shall bear the same meaning ascribed thereto in the Glossary included in the summarised financial results of Northam Platinum Holdings Limited for the year ended 30 June 2023, available on our website at www.northam.co.za.

The annual financial statements have been prepared under the supervision of the chief financial officer, AH Coetzee CA(SA).

Chief executive officer and the Finance Director responsibility statement

Each of the directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 11 to 169, fairly present in all material respects the financial position, financial performance and cash flows of Northam Platinum Limited (Northam Platinum) in terms of International Financial Reporting Standards (IFRS);
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Northam Platinum and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of Northam Platinum;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with the primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

PA Dunne

Chief executive officer

AH Coetzee

Chief financial officer

Johannesburg

29 September 2023

Directors' responsibilities and approval of the annual financial statements

In approving the annual financial statements, the directors hereby confirm that:

- They are responsible for the preparation, integrity and fair presentation of the annual financial statements of Northam Platinum and its subsidiaries. The auditors are responsible for auditing and reporting on whether the annual financial statements are fairly presented.
- The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can only provide reasonable and not absolute, assurance against material misstatement or loss.
- The annual financial statements have been prepared in accordance with IFRS. They conform and adhere to applicable accounting standards and are presented after applying accounting policies supported by reasonable and prudent judgements and estimates made by management, which have been consistently applied.
- Adequate accounting records and an effective system of internal controls and risk management have been maintained during the entire financial year.
- The going concern basis has been adopted in preparing the annual financial statements. The directors have no reason to believe that the group will not be a going concern in the foreseeable future based on forecasts and available cash resources. These annual financial statements support the viability of the company and the group.
- The annual financial statements have been audited by the independent auditors, PricewaterhouseCoopers Incorporated (PwC) who were given unrestricted access to all financial records and related data including minutes of all meetings of shareholders, the board of directors and board committees. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate. The unmodified audit report of PwC is included in these annual financial statements.

The annual financial statements were approved by the board of directors and are signed on its behalf by:

PA Dunne

Chief executive officer

HH Hickey

Chairperson – Northam Holdings audit and risk committee

Johannesburg

29 September 2023

Company secretary's confirmation

I, PB Beale, in my capacity as company secretary of Northam Platinum, hereby certify in terms of section 88(2) of the Companies Act, No. 71 of 2008, as amended (Companies Act) that all returns and notices required of a public company in terms of the Companies Act, in respect of the year under review, have been lodged with the Companies and Intellectual Property Commission and that all such returns are true, correct and up to date.

PB Beale

Company secretary

Johannesburg

29 September 2023

Independent auditor's report

To the Shareholders of Northam Platinum Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Northam Platinum Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Northam Platinum Limited's consolidated and separate financial statements set out on pages 22 to 169 comprise:

- the consolidated and separate statements of financial position as at 30 June 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090

Private Bag X36, Sunninghill, 2157, South Africa

T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

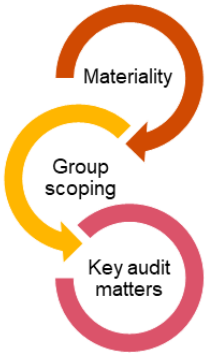
Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.

Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Our audit approach

Overview



Overall group materiality

- Overall group materiality: R678 million, which represents 5% of consolidated profit before tax, adjusted for impairment of property, plant and equipment.

Group audit scope

- We conducted full scope audits at three financial significant components.
- Specified procedures on certain account balances, transactions and disclosure were performed on one component.
- Analytical review procedures were performed over the remaining financially inconsequential components.

Key audit matters

- Impairment of property, plant and equipment, investment in subsidiary and subsidiary loan; and
- Quantities and measurement of metal inventories

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	R678 million
How we determined it	5% of consolidated profit before tax, adjusted for impairment of property, plant and equipment.
Rationale for the materiality benchmark applied	We chose consolidated profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users. Consolidated profit before tax is adjusted for impairment of property, plant and equipment. This impairment is not considered to be part of the Group's sustainable operating performance. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group operates three mines through its subsidiaries Northam Platinum Limited (Zondereinde Operation), Booysendal Platinum Proprietary Limited (Booysendal Operation) and Eland Platinum Proprietary Limited (Eland Operation). The operating mines are located across South Africa (Zondereinde Operation, Booysendal Operation and Eland Operation) – refer to the segmental information (note 2 to the consolidated and separate financial statements).

In determining the type of work that needed to be performed for purposes of the Group audit; we identified components that were of financial significance to the Group based on the respective component's contribution to key financial statement line items (consolidated profit/loss before taxation, consolidated revenue or consolidated total assets) and risk associated with the respective component.

We conducted full scope audits on three components that were considered to be financially significant to the Group, consisting of the three operating mines (Zondereinde Operation, Booysendal Operation and Eland Operation). We also performed specified procedures on certain account balances and transactions on one component in order to obtain sufficient comfort over the consolidated financial statements.

Analytical review procedures were performed over the remaining components that were considered to be financially inconsequential.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team, and component auditors operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Impairment of property, plant and equipment (consolidated financial statements) and Impairment of investment in subsidiary and subsidiary loan (separate financial statements) *Refer to the following notes to the consolidated and separate financial statements for detail:* ● *Note 1.3: Accounting Policies - Consolidation;* ● *Note 1.6: Accounting Policies - Property, plant and equipment;* ● *Note 10 Property, plant and equipment;* ● *Note 11 Mining properties and Mineral Resources;* ● *Note 13 Investment in subsidiaries; and* ● *Note 20 Subsidiary and group loans* As disclosed in Note 11, recent adverse market developments have resulted in a material contraction in profit margins and cash generation capacity across the Platinum Group Metals (PGM) industry. The impairment assessments performed by management required significant judgement in the determination of key assumptions, particularly in relation to: - Capital expenditure, operating costs, production levels, inflation factors, and extent of life of mine; - Long-term real commodity prices; - Long-term real US dollar exchange rate; and - Long-term real discount rate. Based on management's impairment assessment performed, the recoverable amount for its Eland operation was lower than the carrying value which resulted in an impairment provision of R2.7 billion to assets under construction. In the separate financial statements, the recoverable amount for the Eland Operation was lower than the investment in Eland Proprietary Limited and was accordingly impaired in full. An impairment provision to investment in subsidiaries of R325 million was recognised. An Expected Credit Loss ("ECL") under IFRS 9 of R3.3 billion has been recognised against the subsidiary loan advanced to Eland. The impairment of property plant and equipment (consolidated financial statements) and the impairment of the investment in subsidiary and subsidiary loan (separate financial statements) was considered to be a matter of most significance to the current year audit due to the following: - The magnitude of the balances and impairment provisions to the consolidated and separate financial statements, and - Complex base case financial model and significant judgements are made by management regarding the key assumptions used to perform the impairment assessments.	Our audit procedures included the following: Through our discussions with management and inspection of underlying calculations, we gained an understanding of the methodology and model used by management for impairment assessment purposes, which consisted of a base case financial model (BCFM) for the Eland Operation (i.e., discounted cash flow model). We made use of our valuation and business modelling team to assess management's impairment assessment for the Eland Operation. We performed the following procedures: - We assessed the BCFM used by management in their impairment assessment, by comparing it to industry norms and acceptable valuation methodology. We found that it was consistent with industry norms and acceptable valuation methodology; - We agreed the capital expenditure, operating costs, and production level assumptions to management's latest approved budget which covers a period of five years. - We evaluated the inflation factors used in the BCFM model and found this to be reasonable. - We agreed the life of mine assumptions applied for the Eland operation to management's Mineral Resources and Mineral Reserves statement. The life of mine assumptions is found to be reasonable. - We evaluated the appropriateness of the forecasted long-term real commodity prices and the long-term US dollar exchange rate used by management in the BCFM, which we compared to a range of forecasts by independent analysts. We found that management's long-term commodity price and exchange rate assumptions are within an acceptable price range. - We independently calculated a range of real discount rates using standard market-related calculation methodologies. Data such as the cost of debt, risk-free rates in the market, market risk premiums, debt/equity ratios, the beta of comparable companies were incorporated into calculating a range of real discount rates. Where the discount rate determined by us differed from that used by management, we gained an understanding of the difference, and the impact of such difference was assessed to be in range. - Using the assumptions tested above, we recalculated the results of management's discounted cash flow models by using independently obtained key input assumptions such as commodity prices, exchange rates and market discount rates and determined a reasonable range of possible outcomes. Management's recoverable amount for the Eland Operation was within our range of possible outcomes. - We recalculated the impairment provision recognised against the investment in subsidiaries with reference to the recoverable amount calculated for the Eland Operation. No exceptions noted. - We recalculated the ECL provision recognised against the subsidiary loan advanced to Eland with reference to lifetime expected credit losses using expected future cash repayment expectations of the loans. Inputs into the calculations of the expected future cash receipts were assessed for reasonableness. No exceptions noted.

Key audit matter	*How our audit addressed the key audit matter*
Quantities and measurement of metal inventories (consolidated and separate financial statements) *Refer to the following notes to the consolidated financial statements for detail:* ● *Note 1.10: Accounting Policies - Inventories; and* ● *Note 21: Inventories* The Group accounts for the primary Platinum Group Metals being platinum, palladium, rhodium and gold ("4E") as joint products. Other platinum group metals, base metals and chrome are classified as by-products and therefore not classified as inventory. The following key assumptions and judgements are considered in determining the physical quantities of metal inventory: - Stockpile tonnages are measured by estimating the number of tonnes added and removed from the stockpiles as well as verification performed by independent third-party surveyors; - The number of contained 4E ounces based on assay data; and - The estimated recovery percentage which is based on the expected processing method. The following key assumptions and judgements are considered in determining the measurement of metal inventories: - Allocation of mining costs for own production based on a six-month average; - Valuation of purchased material for ore and concentrate purchased; and - Net realisable value (NRV) calculated by using the expected selling prices which are based on prevailing market prices, less estimated costs to complete production and to bring the product to sale The quantities and measurement of metal inventories was considered to be a matter of most significance to our current year audit due to the significant judgements involved in determining the theoretical quantities and measurement of metal inventories.	Our audit procedures in determining the physical quantities of metal inventory included the following: - Discussions with management to obtain an understanding of the process and methods applied in determining the quantity of metal inventories. - Discussions with management to obtain an understanding of management's approach to the various recovery factors impacting equivalent ounces on hand at the different stages of the beneficiation process. - We attended the stockpile surveys and in-plant measurements conducted by management's internal experts and external surveyors at Zondereinde Operation, Booysendal Operation and Eland Operation. We observed management's process for measuring the quantity of metal inventory on hand at year-end. No exceptions noted. - We recalculated the theoretical inventory on hand at year-end by using the opening balance from the prior year and calculating the movements for the current year which relates to own-production, purchases and sales. No material exceptions noted. - We obtained reports from management's specialists, including metallurgists and external surveyors and agreed the quantities reported at 30 June 2023 to the accounting records and recalculated the amounts included in the reports. - We compared expected metallurgical recovery rates and grades used in the inventory calculation to the year-to-date actual recoveries achieved per mine for reasonableness. No exceptions noted. - Through inspection of Curriculum Vitae ("CV") and membership certificates from professional bodies, we assessed the competence and experience of management's experts. - We obtained confirmations from the third-party refiners confirming the finished product inventory on hand as at 30 June 2023. Immaterial differences noted. Our audit procedures in determining the measurement of metal inventory included the following: - Discussions with management to obtain an understanding of the process and methods applied in determining the valuation of metal inventories. - We tested the mathematical accuracy of the allocation of mining costs based on the six-month average. Immaterial differences noted. - On a sample basis we tested the valuation of purchased material for ore and concentrate purchased by agreeing this to the purchase invoices from third parties. No material exceptions noted. - We obtained the spot prices from independent sources for 4E and compared these to the recalculated unit costs to determine which was lower of the two to measure metal inventories at the lower of cost or NRV. No material difference noted.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled *"Northam Platinum Limited annual financial statements 30 June 2023"*, which includes the Directors' report, the Audit and risk committee report and the Company secretary's confirmation as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company'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 Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Northam Platinum Limited for one year.

PricewaterhouseCoopers Inc.

Director: AJ Rossouw

Registered Auditor

Johannesburg, South Africa

29 September 2023

The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Directors' report

The directors have pleasure in presenting the annual financial statements of Northam Platinum and the group for the year ended 30 June 2023 (F2023). In the context of the annual financial statements, the term "group" refers to the company, its subsidiaries, associates and joint arrangements.

Nature of business

Northam Platinum is a public company incorporated in South Africa, and a leading producer of Platinum Group Metals (PGMs). Northam Platinum was previously listed on the Main Board of the Johannesburg Securities Exchange, operated by the JSE Limited (JSE), trading under the equity issuer share code NHM, ISIN code ZAE000030912. Northam Platinum's debt instruments, in respect of the Domestic Medium-Term Note (DMTN) Programme, are listed on the interest rate market of the JSE, under the debt issuer code NHMI.

The group embarked on a new phase in its development with the creation of Northam Platinum Holdings Limited (Northam Holdings). Northam Holdings was established on 2 December 2020 in order to facilitate the early maturity of the Zambezi BEE Transaction and the subsequent Extended Empowerment Transaction, collectively referred to as the Composite Transaction. During the previous financial year, Northam Holdings acquired all of the issued Northam Platinum Shares (excluding Treasury Shares) in exchange for Northam Holdings Shares (JSE share code: NPH), on a one for one basis.

Consequently, Northam Platinum became a subsidiary of Northam Holdings, all Northam Platinum Shares were delisted from the Main Board of the JSE and all Northam Holdings Shares were listed on the Main Board of the JSE, thereby ensuring the continuation of the Northam group listing.

Financial results

The group and company (consolidated and separate) annual financial statements are included in this report. The annual financial statements have been prepared using appropriate accounting policies, in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guidelines as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the Companies Act and the JSE Debt Listings Requirements (Debt Listings Requirements) and include amounts based on judgements and estimates made by management.

The consolidated and separate annual financial statements comprise the consolidated and separate statements of financial position, consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of cash flows, consolidated and separate statements of changes in equity and notes to the annual financial statements, including a summary of significant accounting policies which reflect the financial performance and position of the company and the group as at 30 June 2023.

These annual financial statements are available on the company's website, www.northam.co.za.

The Composite Transaction

As detailed in the combined circular to shareholders of Northam, accompanied by the prospectus in respect of Northam Holdings, both dated Monday, 31 May 2021 (collectively, the Transaction Documents) and the announcement published on SENS on 20 September 2021, the Northam Scheme (as defined therein) was implemented on 20 September 2021, in terms of which, *inter alia*, Northam Holdings acquired all of the Northam Platinum Shares in issue (excluding Treasury Shares) by way of a share for share transaction and Northam Platinum became a subsidiary of Northam Holdings.

Users of the annual financial statements are referred to the Transaction Documents for additional information relating to the Composite Transaction in order to obtain full information of the nature and impact of the Composite Transaction.

The acceleration of the maturity and wind-up of the Zambezi BEE Transaction comprised the following steps:

Acquisition by Northam Platinum of the Zambezi Preference Shares not already held and settlement of the Revised Accumulated Dividends	• Northam Platinum acquired the remaining 19 932 957 Zambezi Preference Shares, not already held by it, for an aggregate cash consideration equal to the aggregate Face Value per Zambezi Preference Share on 23 August 2021 (the Zambezi Scheme Implementation Date), plus a 15.99% premium thereon • Zambezi Platinum (RF) Proprietary Limited (previously Zambezi Platinum (RF) Limited) (Zambezi) settled the unpaid Accumulated Dividends as increased by an 11.11% premium to the Face Value (Premium Amount) as at the Zambezi Scheme Implementation Date (Revised Accumulated Dividends) through a repurchase by Northam Platinum of 57 054 413 Northam Platinum Shares held by Zambezi, valued at R160.00 per Northam Platinum Share, representing R9.1 billion on 3 September 2021 • Zambezi terminated the listing of the Zambezi Preference Shares (trading under preference share code: ZPLP) on the Main Board of the JSE from the commencement of trade on 24 August 2021 • In addition, on or before 17 May 2025, the capital value of the Zambezi Preference Shares will be settled through a repurchase by Northam Platinum of 40 975 772 Northam Platinum Shares held by Zambezi, valued at R160.00 per Northam Platinum Share, representing R6.6 billion • The net effect of the above will be a repurchase by Northam Platinum of 98 030 185 Northam Platinum Shares, valued at R160.00 per share, from Zambezi, to settle the Revised Accumulated Dividends (comprising 57 054 413 Northam Platinum Shares) and later, to settle the capital value of the Zambezi Preference Shares (comprising 40 975 772 Northam Platinum Shares)
Repurchase of Northam Platinum Shares from Zambezi by Northam Platinum	• Northam Platinum repurchased 34 248 891 additional Northam Platinum Shares from Zambezi, at R152.00 per share. A portion of the repurchase proceeds was distributed as a cash distribution to Zambezi Ordinary Shareholders in terms of the Net Value Distribution amounting to R753.0 million (representing 4 954 196 Northam Platinum Shares) and the remainder of the repurchase proceeds retained by Northam Platinum, have been used and will be used to settle the taxes payable by Zambezi arising from the Composite Transaction on behalf of Zambezi, amounting to R4.5 billion (representing 29 294 695 Northam Platinum Shares)
Net Value Distribution to Zambezi Ordinary Shareholders	• The Net Value Distribution was made to Zambezi Ordinary Shareholders, including for the benefit of employees and communities, comprising a cash dividend of R753.0 million and a dividend *in specie* of 27 561 210 Northam Platinum Shares held in Zambezi • Northam Platinum repurchased an additional 649 754 Northam Platinum Shares from the Northam Employees' Trust (ESOP) at R211.98 per share (30-Day VWAP per Northam Platinum Share as at 6 September 2021) for purposes of facilitating the settlement of the taxes relating to the ESOP's portion of the Net Value Distribution • Lastly, Northam Platinum acquired 65 167 Northam Platinum Shares from Zambezi representing the Zambezi Retention Shares held to settle an additional portion of the Zambezi Taxes. These Zambezi Retention Shares were repurchased at R214.17 per share (30-Day VWAP of a Northam Platinum Share as at the Repurchase Implementation Date) amounting to R14.0 million in aggregate

Mining licences and Mineral Resources and Mineral Reserves

Northam Platinum holds new order mining rights over the Zondereinde mine. All mineral rights are held in good order and Northam Platinum perceives no risk to its rights to continue the prospecting for and the mining of minerals over any of its properties.

Mineral Resources and Mineral Reserves reflected include those that the company has legal entitlement to.

Please refer to the Mineral Resources and Mineral Reserves statement which is included in our annual integrated reporting suite. This is available on the company's website, www.northam.co.za.

Subsidiary companies, associates and joint arrangements

Details regarding the related parties are provided in the annual financial statements, refer to note 46, which includes subsidiary companies, associates and joint arrangements.

Stated capital

The authorised stated capital of Northam Platinum as at 30 June 2023 amounts to 2 000 000 000 shares at no par value (30 June 2022: 2 000 000 000 shares at no par value).

Refer to note 24 for more details on the stated capital.

Borrowing powers

The borrowing powers of the company, and the powers of the company to encumber its undertakings and properties or any part thereof and to issue debt instruments (whether secured or unsecured), whether outright or as security for any debt, liability or obligation of the company or of any third party, shall be unlimited (subject to the requirements of the Companies Act) and shall be exercised by the directors.

In terms of the Memorandum of Incorporation (MOI), the directors may borrow for purposes of the company, such sums as they deem fit.

However, there are restrictions in terms of the revolving credit facility (RCF), in terms of permitted indebtedness and covenants requirements.

None of the various covenant requirements have been breached or are close to being breached. It is further believed that the group is currently not at risk of breaching any of the covenant requirements.

Details of all outstanding borrowings are included in the annual financial statements, refer to note 23, 30 and 34.

Financial assistance

Section 45 of the Companies Act applies to the direct or indirect financial assistance provided by a company to, *inter alia*, any related or inter-related company or corporation, a member of a related or inter-related corporation, and to a person related to any such company, corporation or member. Furthermore, section 44 of the Companies Act may also apply to the financial assistance provided by a company to any person in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.

Sections 44 and 45 of the Companies Act, *inter alia*, require a special resolution to be adopted by the shareholders in order to grant the board the authority to authorise the company to provide such financial assistance.

The provision of financial assistance is necessary for the sustainability of the company and the group, as a result of the financial performance of the operations being dependent on numerous external factors, which include the prices of PGMs, and the Rand/US Dollar exchange rate.

The company, in the ordinary course of business, will need to provide financial assistance to certain of its subsidiaries, associates and joint ventures in accordance with section 45 of the Companies Act. In addition, it may be necessary for the company to provide financial assistance in the circumstances contemplated in section 44 of the Companies Act.

Both sections 44 and 45 of the Companies Act provide, *inter alia*, that the particular financial assistance must be provided only pursuant to a special resolution of shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board is satisfied that: (i) immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act); and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

As part of the normal conduct of the business of Northam Platinum and its subsidiaries or associates, the company may, where necessary, provide guarantees and other support undertakings to third parties on behalf of its local and foreign subsidiaries in which the company or members of the group have an interest. In these circumstances, the company requires the ability to provide financial assistance, if necessary, in accordance with sections 44 and 45 of the Companies Act. Furthermore, it may be necessary for the company to provide financial assistance to any of its present or future subsidiaries.

It is difficult to foresee the exact details of financial assistance that the company may be required to provide in the future. It is essential, however, that the company is able to effectively organise its internal financial administration.

Below is a non-exhaustive estimate of the financial assistance which is expected to be provided by Northam Platinum for the financial year ending 30 June 2024 (proposed F2024 financial assistance). Not all circumstances can be anticipated and the financial assistance as noted below could be underestimated due to unforeseen circumstances, or the terms and conditions associated with the financial assistance could be amended.

Northam Platinum had granted the following loan facilities to its subsidiaries and holding company for F2023 and envisages the following loan facilities to be granted to its subsidiaries and holding company for the financial year ending 30 June 2024 (F2024):

	Current facility	Estimated changes in the coming year	Total estimated/ proposed loan facility
	F2023	F2024	F2024
	R000	R000	R000
Northam Platinum Holdings Limited	22 500 000	(20 500 000)	2 000 000
Booysendal Platinum Proprietary Limited	1 500 000	(1 500 000)	–
Eland Platinum Proprietary Limited	4 000 000	2 000 000	6 000 000
Mvelaphanda Resources Proprietary Limited	150 000	(150 000)	–
Norplats Properties Proprietary Limited	150 000	(100 000)	50 000
Total loan facilities	28 300 000	(20 250 000)	8 050 000

	Current facility	Estimated changes in the coming year	Total estimated/ proposed loan facility
	F2023	F2024	F2024
	USD000	USD000	USD000
Northam Platinum Investments (US) Inc. and subsidiaries	50 000	(40 000)	10 000
Total loan facilities	50 000	(40 000)	10 000

Northam Platinum reserves the right to charge interest at prevailing market rates on any loan balance. Any outstanding loan will be repayable on demand.

Northam Platinum has granted the following guarantees for F2023 and envisages the following potential financial assistance to be provided for F2024:

	Current guarantee	Estimated changes to amount to be guaranteed in the coming year	Total estimated guarantee
	F2023	F2024	F2024
	R000	R000	R000
Northam Platinum Limited subordination agreement to Mvelaphanda Resources Proprietary Limited	150 000	–	150 000
Total guarantees	150 000	–	150 000

Northam Platinum Holdings Limited (Northam Holdings)

Northam Platinum will fund all expenses incurred by the holding company, Northam Holdings as Northam Holdings is an investment company and generates no income, other than dividends received from investments.

Northam Platinum reserves the right to charge interest at prevailing market rates on any loan balance. Any outstanding loan will be repayable on demand.

Eland Platinum Proprietary Limited (Eland)

Due to the ongoing capital expenditure to be incurred during F2024 relating to the development of Eland, funding may be required by Eland from Northam Platinum.

Northam Platinum reserves the right to charge interest at prevailing market rates on any loan balance. Any outstanding loan will be repayable on demand.

Mvelaphanda Resources Proprietary Limited (Mvelaphanda)

On 25 September 2014, Northam Platinum confirmed that it will provide financial assistance to ensure that Mvelaphanda will meet its financial obligations as and when they fall due as Mvelaphanda's liabilities exceed its assets. The financial assistance guarantee will remain in full force and effect as long as Mvelaphanda's liabilities (including contingent liabilities) exceed its assets, fairly valued, and will lapse forthwith upon the date on which its assets, so valued, exceed its liabilities.

Mvelaphanda currently has negative equity and this is forecasted to continue for the foreseeable future.

Norplats Properties Proprietary Limited (Norplats)

Norplats is a company which holds and operates one of Zondereinde mine's employee home ownership projects (Mojuteng project) in the town of Northam, assisting Northam Platinum in its compliance with its homeowner strategy designed to meet legislative requirements. To facilitate home ownership, Northam Platinum provided the initial funding for these projects by way of an intercompany loan.

Northam Platinum reserves the right to charge interest at prevailing market rates on any loan balance. Any outstanding loan will be repayable on demand.

US operations

The US operations, known as Northam Recovery Services, are involved in sourcing, processing and sampling salvaged catalytic converters, from a select group of suppliers with the PGM bearing material from these recycled convertors being processed at the Zondereinde metallurgical facility. Funding will be required by Northam Recovery Services from Northam Platinum to purchase material from third-party customers.

Any loan balance advanced will accrue interest at the South African prime interest rate, with no fixed terms of repayment.

Debt Officer

In compliance with paragraph 7.3(g) of the Debt Listings Requirements, AH Coetzee, Northam Platinum's CFO and executive director is the appointed debt officer. It is confirmed that the board has considered and satisfied itself on the competence, qualifications and experience of the debt officer.

Audit and risk committee confirmations

The relevant Northam Holdings board committees perform the functions required by such committees in terms of, *inter alia*, the Debt Listings Requirements and the Companies Act.

Accordingly, shareholders and Northam Platinum bondholders (Bondholders) are referred to the (i) Northam Holdings corporate governance report which includes the audit and risk committee report, in respect of the disclosures relating to paragraph 7.3(a) of the Debt Listings Requirements; and (ii) Northam Holdings annual financial statements for the year ended 30 June 2023 which includes the audit and risk committee report, in respect of, *inter alia*, the audit and risk committee confirmations pursuant to paragraph 7.3(e) of the Debt Listings Requirements, which audit and risk committee report and confirmations are applicable to Northam Platinum insofar as the Debt Listings Requirements and the Companies Act are concerned.

Performance evaluation

Shareholders and Bondholders are referred to the Northam Holdings Corporate governance report for information on the group's policy regarding the performance evaluations required by paragraph 7.3(f) of the Debt Listings Requirements, which evaluations are applicable to Northam Platinum insofar as the Debt Listings Requirements are concerned.

Conflicts of interest

During the year ended 30 June 2023, there were no conflicts of interest of directors and the executive management of Northam Platinum recorded.

Directorate

As at 30 June 2023, the board comprised the following directors:

Director	Position	Nationality	Date first appointed
PA Dunne	Chief executive officer	British	1 March 2014
AH Coetzee	Chief financial officer	South African	15 November 2018
TI Mvusi	Independent non-executive chairman	South African	1 January 2016
HH Hickey	Independent non-executive director	South African	1 January 2016

The independence of the independent directors is determined holistically, and on a substance over form basis, in accordance with the indicators provided in section 94(4)(a) and (b) of the Companies Act and King IV™.

Below is a brief curriculum vitae of the directors:

PA Dunne (60)

BSc (Hons), MBA

Chief executive officer (CEO)

Board member of Northam Platinum since March 2014.

Other directorships: Non-executive director of the International Platinum Group Metals Association (IPA). Current vice president of the Minerals Council South Africa and chief executive officer of Northam Holdings.

Experience: Former executive director at Impala Platinum Limited, responsible for all mining, concentrating and smelting operations at the group's Rustenburg and Marula mines.

AH Coetzee (43)

CA (SA)

Chief financial officer (CFO)

Board member of Northam Platinum Limited since November 2018.

Other directorships: Chief financial officer of Northam Holdings.

Experience: Joined Northam Platinum in December 2015 as the group financial controller and was appointed chief financial officer in November 2018. Former associate director at Ernst & Young Inc. with 20 years' experience in, and exposure to the mining and manufacturing industries, including the auditing of large, listed and multi-locational organisations.

TI Mvusi (67)

BA, ELP, MAP, PDP

Independent non-executive chairman

Board member of Northam Holdings since September 2021 and of the group since January 2016.

Other directorships: Non-executive director of African Rainbow Capital Limited; Ubuntu-botho Investments Proprietary Limited; SIH Capital Holdings Proprietary Limited and CSG Holdings Limited. Independent non-executive chairman of Northam Holdings.

Experience: Previous chief executive and executive director responsible for market development at Sanlam. Also, an exco member and executive head: external interface at Sanlam Investments. Former general manager of Gensec Property Services Limited; marketing manager of Franklin Templeton Asset Management and has held positions with various companies in the financial services industry.

HH Hickey (69)

CA (SA)

Lead independent director

Board member of Northam Platinum since January 2016.

Other directorships: Independent non-executive director of Barloworld Limited, Pepkor Holdings Limited and Northam Holdings.

Experience: A Chartered Accountant with over 35 years of experience in auditing, risk management and governance and former chairman of SAICA.

Corporate Governance

Northam Platinum has adopted the King IV Report on Corporate Governance for South Africa, 2016 (King IV™). The directors have monitored the integration of the recommended practices in terms of the 16 Principles of King IV™ applicable to Northam Platinum, ensuring that an ethical culture is in place that supports the effective control at all levels. Ethics and integrity are fundamental to an effective governance framework and the foundation for a culture that supports employee, customer and investor confidence.

The board operates in terms of a board charter, which defines its functions and responsibilities. The responsibilities of the chairman and the CEO are clearly defined and separated, as set out in our board charter. Whilst the board may delegate authority to the CEO, the separation of responsibilities is designed to ensure that no single person or group has unrestricted powers and that appropriate balances of power and authority exist on the board.

The relevant Northam Holdings board committees perform the functions required by such committees in terms of, *inter alia*, the Debt Listings Requirements, on behalf of Northam Platinum.

Accordingly, Shareholders and Bondholders are referred to the Northam Holdings Corporate governance report for the (i) reports of the Northam Holdings board committees; and (ii) disclosures in respect of the application and interpretation of King IV™, which is available on the company's website at www.northam.co.za.

Assessment of going concern

Mining operations have a finite life and their profitability is influenced by both internal and external factors. Internal factors include, *inter alia*, geological, technical and productivity aspects. External factors include economic factors such as commodity prices and exchange rates.

In addition, mining is a capital-intensive business with relatively long time horizons. Commodity prices follow shorter period cyclical patterns. Therefore, capital allocation planning requires consideration of both short and long-term technical planning as well as the global economic outlook and cyclical commodity price variances. This manifests in conservative long-term price estimates and the incorporation of sensitivity analysis to increase confidence in financial viability even during depressed market conditions, as well as to moderate increasing estimation uncertainty over time.

To this end, the individual group operations undergo techno-economic studies on an annual basis which culminate in the generation of internal reports containing information typically included in Competent Person Reports, whilst new projects follow economic feasibility studies on both a standalone and integrated basis. These include consideration of the operations' ability to respond to changing circumstances, as well as the financial reserves required to sustain operations through adverse conditions, such as commodity price down-cycles or periods of reduced production or sales demand.

This assists the group in managing its capital to ensure that it has the necessary reserves to sustain operations through adverse conditions, to maximise the return to shareholders through the optimisation of debt and equity balances and to ensure that all externally imposed capital requirements are complied with. This enables it to continue as a going concern.

The company derives revenue from sales to a limited number of large customers with whom we have long-standing relationships. In respect of PGMs, our buyers are predominantly industrial companies. This reduces our exposure to demand in the automotive sector. Our chrome product is sold through a single third-party via a guaranteed offtake and security of supply agreement. This lowers down-side risk to sales volumes and sales revenue, even during depressed market conditions.

The capital structure of the group consists of debt (which includes borrowings disclosed in annual financial statements) issued capital, reserves and retained earnings.

The annual financial statements have been prepared using appropriate accounting policies, supported by reasonable and prudent judgements and estimates. We continue to monitor factors impacting price forecasts, which inform detailed cash flow estimates.

Based on the latest available information, the board believes that the company will continue to have adequate financial resources and access to capital to settle its liabilities as and when they fall due, in order to continue operating for the foreseeable future. In addition, the current assets, taking into consideration the net realisable value of inventory, exceeds the current liabilities.

Accordingly, the annual financial statements have been prepared on a going concern basis.

Events after the reporting date

There have been no events, other than what has been disclosed, subsequent to the year-end which require additional disclosure or adjustment to these annual financial statements.

Notice of annual general meeting

This copy of the notice of annual general meeting has been included in the annual financial statements for information purposes only.

Notice is hereby given that the annual general meeting of the Company's shareholders ("Shareholders") will be held at Building 4, 1st Floor, Maxwell Office Park, Magwa Crescent West, Waterfall City, Jukskei View, 2090 at 11:00 South African (SA) time on Monday, 30 October 2023, subject to any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, adopting, with or without modification, the unanimous, ordinary and special resolutions set out below:

Ordinary resolutions

Ordinary resolution no. 1 – Adoption of the annual financial statements

"Resolved that, the audited annual financial statements for the year ended 30 June 2023 including the reports of the directors and the auditors of the Company, be and are hereby adopted."

The audited annual financial statements have been made available for presentation to the Shareholders and can be obtained from the Company's registered office on request.

Ordinary resolution no. 2 – Appointment of the independent external auditors

"Resolved that, PricewaterhouseCoopers Incorporated (with the designated external audit partner being Mr AJ Rossouw CA(SA)) be and is hereby appointed as the independent external auditors of the Company."

Ordinary resolution no. 3 – Confirmation of audit and risk committee

"Resolved that, the audit and risk committee of Northam Platinum Holdings Limited perform the functions required under section 94 of the Companies Act on behalf of the Company."

Special resolution

Special resolution no.1 – Financial assistance in terms of sections 44 and 45 of the Companies Act

"Resolved that,, the board of the Company (the "Board") be and is hereby authorised in terms of and subject to the provisions of sections 44 and 45 of the Companies Act, to authorise the Company to provide any financial assistance in any form or amount to any company or corporation which is or becomes related or inter-related to the Company (as defined in the Companies Act), on the terms and conditions that the Board may determine from time to time."

Approvals required for resolutions

Each ordinary resolution contained in this notice requires the approval of more than 50% of the total voting rights exercised on such resolution by Shareholders eligible to vote and present or represented by proxy at the annual general meeting.

Each special resolution contained in this notice requires the approval of at least 75% of the total voting rights exercised on such resolution by Shareholders eligible to vote and present or represented by proxy at the annual general meeting.

Record date

In terms of section 59 of the Companies Act, the record date for the purpose of determining which Shareholders are entitled to receive this notice of annual general meeting is the date of this notice.

In terms of section 59 of the Companies Act, the record date for the purpose of determining which Shareholders are entitled to attend, participate and vote at the annual general meeting is the date of the annual general meeting.

Proxies and identification

A Shareholder entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend, participate in and vote at the annual general meeting in the place of the Shareholder.

A proxy need not also be a Shareholder.

In terms of section 63(1) of the Companies Act, any person attending or participating in an annual general meeting must provide satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote, whether as shareholder or as proxy for a shareholder, has been reasonably verified.

By order of the board.

PB Beale

Company secretary

For and behalf of Northam Platinum Limited

Johannesburg

29 September 2023

Statements of profit or loss and other comprehensive income

For the year ended 30 June 2023

		Group		Company	
		30 June 2023	30 June 2022	30 June 2023	Restated 30 June 2022
	Note	R000	R000	R000	R000
Revenue	3	39 548 159	34 064 270	36 268 422	31 768 128
Cost of sales		(24 101 373)	(19 179 169)	(31 108 004)	(27 782 816)
Operating costs	4	(19 859 013)	(15 536 882)	(8 912 098)	(7 625 181)
Concentrates purchased		(3 955 344)	(2 611 596)	(20 992 672)	(19 507 663)
Refining and other costs		(370 975)	(280 411)	(370 975)	(280 411)
Depreciation and write-offs	10 & 11	(1 147 094)	(932 597)	(236 980)	(208 249)
Change in metal inventory	21	1 231 053	182 317	(595 279)	(161 312)
Gross profit		15 446 786	14 885 101	5 160 418	3 985 312
Impairment of property, plant and equipment	10	(2 718 275)	–	–	–
Impairment of investment in subsidiary	13	–	–	(325 000)	–
Impairment of subsidiary loan	20	–	–	(3 319 677)	–
Share of earnings from associate	12	25 235	22 469	–	–
Investment income	5	751 844	101 625	20 904 867	1 994 983
Finance charges excluding Zambezi Preference Share dividends	6	(2 354 935)	(1 203 193)	(2 458 179)	(1 204 852)
Net foreign exchange transaction gains		72 717	46 718	68 633	40 100
Sundry income	7	78 113	131 726	46 619	5 103 650
Sundry expenditure	8	(89 685)	(272 070)	(33 707)	(206 844)
Profit before Zambezi Preference Share dividends		11 211 800	13 712 376	20 043 974	9 712 349
Amortisation of liquidity fees paid on Zambezi Preference Shares	31	–	(64 197)	–	–
Zambezi Preference Share dividends	31	–	(25 604)	–	–
Loss on derecognition of Zambezi Preference Share liability	31	–	(286 632)	–	–
Profit before tax		11 211 800	13 335 943	20 043 974	9 712 349
Tax	9	(4 189 553)	(3 878 695)	(1 208 468)	(934 183)
Profit for the year		7 022 247	9 457 248	18 835 506	8 778 166
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):					
Fair value adjustment on the investment in Zambezi Preference Shares net of deferred tax recycled through profit or loss	14	–	–	–	(2 096 172)
Exchange differences on translation of foreign operations		12 242	10 522	–	–
Total comprehensive income for the year		7 034 489	9 467 770	18 835 506	6 681 994

Refer to note 14 for details with regards to the restatement.

Statements of financial position

As at 30 June 2023

		Group		Company	
		30 June 2023	30 June 2022	30 June 2023	Restated 30 June 2022
	Note	R000	R000	R000	R000
Assets					
Non-current assets		33 487 880	31 418 745	26 073 644	24 998 292
Property, plant and equipment	10	24 832 934	22 886 847	9 960 293	7 702 933
Mining properties and Mineral Resources	11	6 440 246	6 525 030	974 653	1 005 228
Investment held in escrow		17 825	–	–	–
Interest in associate	12	115 329	–	25 745	–
Investment in subsidiaries	13	–	–	12 028 207	12 353 207
Other investments	14	–	–	–	–
Land and township development	15	126 089	90 198	83 420	42 728
Long-term receivables	16	85 612	85 793	29 360	27 235
Investments held by Northam Platinum Restoration Trust Fund	17	153 952	142 586	76 976	71 293
Environmental guarantee investment	18	130 470	93 214	53 582	42 029
Buttonshope Conservancy Trust	19	1 272	11 243	–	–
Long-term subsidiary and group loans	20	–	–	1 300 041	2 638 266
Other financial assets	34	160 157	–	160 157	–
Non-current inventories	21	1 423 994	1 441 035	1 381 210	1 115 373
Deferred tax asset	26	–	142 799	–	–
Current assets		25 490 516	18 443 463	23 788 692	19 203 642
Short-term subsidiary and group loans	20	11 647 922	10 334 718	11 709 659	10 402 995
Inventories	21	6 510 342	5 160 270	6 265 445	7 106 417
Trade and other receivables	22	1 947 283	1 773 559	692 342	763 218
Cash and cash equivalents	23	5 352 217	1 174 505	5 121 246	931 012
Tax receivable		32 752	411	–	–
Non-current assets held for sale	12	–	90 094	–	25 745
Total assets		58 978 396	49 952 302	49 862 336	44 227 679
Equity and liabilities					
Total equity		31 101 327	24 066 838	25 837 579	7 002 073
Stated capital	24	9 878 033	9 878 033	9 878 033	9 878 033
Treasury Shares	24	(1 680 005)	(1 680 005)	–	–
Re-organisation reserve		(5 392 288)	(5 392 288)	–	–
Northam Scheme of arrangement reserve		–	–	(10 925 555)	(10 925 555)
Retained earnings		28 255 456	21 233 209	33 441 225	14 605 719
Other comprehensive income	14	–	–	–	–
Foreign currency translation reserve		40 131	27 889	–	–
Share entitlement reserve		–	–	(6 556 124)	(6 556 124)
Equity-settled share-based payment reserve	25	–	–	–	–
Non-current liabilities		17 433 857	15 938 655	13 434 166	12 566 282
Deferred tax liability	26	5 281 541	4 022 057	2 362 911	1 760 731
Long-term provisions	27	957 567	961 391	203 033	200 395
Zambezi Preference Share liability	31	–	–	–	–
Long-term loans	28	63 599	77 301	48 470	56 670
Lease liabilities	29	78 342	64 184	34 059	21 040
Long-term share-based payment liabilities	32	527 943	563 303	260 828	277 027
Financial guarantee liability	33	–	–	–	–
Domestic Medium-Term Notes	30	10 524 865	8 816 280	10 524 865	8 816 280
Revolving credit facility	34	–	1 434 139	–	1 434 139
Term loan facility	35	–	–	–	–
Current liabilities		10 443 212	9 946 809	10 590 591	24 659 324
Short-term subsidiary and group loans	20	–	–	2 958 035	17 159 162
Current portion of long-term loans	28	7 502	7 501	2 000	2 000
Current portion of lease liabilities	29	8 963	10 107	4 535	2 153
Current portion of Domestic Medium-Term Notes	30	4 267 937	2 265 672	4 267 937	2 265 672
Short-term share-based payment liabilities	32	104 373	174 619	45 019	85 554
Bridge facility	36	–	2 969 312	–	2 969 312
Tax payable		13 307	94 276	13 189	66 250
Trade and other payables	37	5 417 029	3 914 799	2 898 860	1 780 103
Provisional pricing liabilities	38	40 372	–	40 372	–
Short-term provisions	39	583 729	510 523	360 644	329 118
Total equity and liabilities		58 978 396	49 952 302	49 862 336	44 227 679

Refer to note 14 for details with regards to the restatement.

Statements of changes in equity

For the year ended 30 June 2023

	Stated capital	Treasury Shares	Re-organisation reserve: Northam Scheme of arrangement	Retained earnings	Foreign currency translation reserve	Equity-settled share-based payment reserve	Total
Group	R000	R000	R000	R000	R000	R000	R000
Opening balance as at 1 July 2021	13 778 114	(6 556 123)	–	10 901 513	17 367	874 448	19 015 319
Settlement of the Revised Accumulated Dividends through the transfer of Northam Platinum Shares to Northam Platinum	(2 339 231)	2 339 231	–	–	–	–	–
Repurchase of 34 248 891 Northam Platinum Shares to settle taxes relating to the Composite Transaction accounted for directly in equity	(1 404 205)	1 404 205	–	–	–	–	–
Net Value Distribution	–	1 130 010	(5 057 835)	–	–	–	(3 927 825)
Repurchase of 649 754 Northam Platinum Shares from the ESOP in order to facilitate the settlement of the tax liability associated with the Net Value Distribution in Zambezi Platinum (RF) Proprietary Limited	(137 735)	–	–	–	–	–	(137 735)
Repurchase of 65 167 Northam Platinum Shares from the Zambezi Platinum (RF) Proprietary Limited in order to facilitate the settlement of the tax liability associated with the Net Value Distribution in Zambezi Platinum (RF) Proprietary Limited	(2 672)	2 672	(11 285)	–	–	–	(11 285)
Securities Transfer Tax	(16 238)	–	–	–	–	–	(16 238)
Facilitation by Northam Platinum of the settlement of the taxes relating to the Composite Transaction	–	–	(323 168)	–	–	–	(323 168)
Transfer between equity settled share-based payment reserves and retained earnings due to the Composite Transaction	–	–	–	874 448	–	(874 448)	–
Total comprehensive income for the year	–	–	–	9 457 248	10 522	–	9 467 770
Profit for the year	–	–	–	9 457 248	–	–	9 457 248
Other comprehensive income for the year	–	–	–	–	10 522	–	10 522
Balance as at 30 June 2022	9 878 033	(1 680 005)	(5 392 288)	21 233 209	27 889	–	24 066 838
Total comprehensive income for the year	–	–	–	7 022 247	12 242	–	7 034 489
Profit for the year	–	–	–	7 022 247	–	–	7 022 247
Other comprehensive income for the year	–	–	–	–	12 242	–	12 242
Balance as at 30 June 2023	9 878 033	(1 680 005)	(5 392 288)	28 255 456	40 131	–	31 101 327

Taxes relating to the Composite Transaction accounted for directly in equity

Taxes relating to the Composite Transaction accounted for directly in equity relates to the repurchase of Northam Platinum Shares as part of the Composite Transaction that attracts Capital Gains Tax and Securities Transfer Tax (STT).

Foreign currency translation reserve

The foreign currency translation reserve has been created to account for the foreign exchange gain or loss on translation of a foreign operation (the US recycling operations).

Net Value Distribution

The Net Value Distribution relates to a distribution made to the Zambezi Ordinary Shareholders amounting to R561.0 million calculated as 3 690 876 Northam Platinum Shares at a price of R152.00 per share.

Equity-settled share-based payment reserve: Transfer between equity settled share-based payment reserves and retained earnings due to the Composite Transaction

The Net Value Distribution results in the derecognition of the R874.4 million balance in equity settled share-based payment reserve, originally recognised pursuant to the Zambezi BEE Transaction in 2015, with the movement recognised in retained earnings.

Statements of changes in equity continued

For the year ended 30 June 2023

	Stated capital	Northam Scheme of arrangement reserve	Retained earnings	Equity-settled share-based payment reserve	Share entitlement reserve*	Fair value through other comprehensive income	Total equity
Company	R000	R000	R000	R000	R000	R000	R000
Opening balance as at 1 July 2021	13 778 114	–	4 653 797	1 173 756	–	2 096 172	21 701 839
Settlement of the Revised Accumulated Dividends through the transfer of Northam Platinum Shares to Northam Platinum	(2 339 231)	(6 789 475)	–	–	–	–	(9 128 706)
Repurchase of 34 248 891 Northam Platinum Shares to settle taxes relating to the Composite Transaction accounted for directly in equity	(1 404 205)	(3 801 627)	–	–	–	–	(5 205 832)
Repurchase of 649 754 Northam Platinum Shares from the ESOP in order to facilitate the settlement of the tax liability associated with the Net Value Distribution in Zambezi Platinum (RF) Proprietary Limited	(137 735)	–	–	–	–	–	(137 735)
Repurchase of 65 167 Northam Platinum Shares from the Zambezi Platinum (RF) Proprietary Limited in order to facilitate the settlement of the tax liability associated with the Net Value Distribution in Zambezi Platinum (RF) Proprietary Limited	(2 672)	(11 285)	–	–	–	–	(13 957)
Transfer between equity settled share-based payment reserves and retained earnings due to the Composite Transaction	–	–	1 173 756	(1 173 756)	–	–	–
Facilitation by Northam Platinum of the settlement of the taxes relating to the Composite Transaction	–	(323 168)	–	–	–	–	(323 168)
Securities Transfer Tax	(16 238)	–	–	–	–	–	(16 238)
Zambezi Preference Shares to be settled in Northam Platinum Shares and therefore considered as treasury shares	–	–	–	–	(6 556 124)	–	(6 556 124)
Total comprehensive income for the year (restated)	–	–	8 778 166	–	–	(2 096 172)	6 681 994
Profit for the year (restated)	–	–	8 778 166	–	–	–	8 778 166
Other comprehensive income for the year	–	–	–	–	–	(2 096 172)	(2 096 172)
Balance as at 30 June 2022 (restated)	9 878 033	(10 925 555)	14 605 719	–	(6 556 124)	–	7 002 073
Total comprehensive income for the year	–	–	18 835 506	–	–	–	18 835 506
Profit for the year	–	–	18 835 506	–	–	–	18 835 506
Other comprehensive income for the year	–	–	–	–	–	–	–
Balance as at 30 June 2023	9 878 033	(10 925 555)	33 441 225	–	(6 556 124)	–	25 837 579

Refer to note 14 for details with regards to the restatement.

**Zambezi Preference Shares to be settled in Northam Platinum Shares and therefore considered as treasury shares.*

Statements of cash flows

For the year ended 30 June 2023

		Group		Company	
		30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	Note	R000	R000	R000	R000
Cash flows from operating activities		14 196 891	11 465 720	7 379 749	3 595 237
Cash generated from operations	41	16 476 078	15 315 608	5 335 880	3 804 757
Change in working capital	42	(43 643)	(943 355)	1 735 631	(3 204)
Movement relating to land and township development		(35 891)	(21 166)	(40 692)	(32 317)
Interest income received		697 300	105 636	1 004 652	250 654
Dividend income received	5	3 627	2 585	3 627	2 269
Tax paid	43	(2 900 580)	(2 993 588)	(659 349)	(426 922)
Cash flows utilised in investing activities		(6 883 650)	(14 946 700)	(66 311)	(7 047 520)
Property, plant and equipment, mining properties and Mineral Reserves					
Additions to maintain operations		(1 740 474)	(1 428 132)	(661 193)	(650 463)
Additions to expand operations		(3 801 220)	(3 187 251)	(1 772 445)	(1 340 359)
Disposal proceeds		16 071	36 957	15 093	35 793
Investment held in escrow		(17 825)	–	–	–
Advances provided to Northam Platinum Holdings Limited		(13 280 825)	(10 334 718)	(13 280 825)	(10 334 718)
Repayments made by Northam Platinum Holdings Limited		11 967 621	–	11 967 621	–
Repayments made by Norplats Properties Proprietary Limited		–	–	5 872	21 357
Return on investment in Booysendal Platinum Proprietary Limited		–	–	5 651 609	6 433 457
Advances provided to Eland Platinum Proprietary Limited		–	–	(1 981 452)	(1 159 816)
Repayments/(advances) to the US recycling operations		–	–	668	(43 399)
Repayments/(advances) to the related Zambezi Trusts with regards to the Composite Transaction		–	–	–	3 041
Contributions and fees relating to the environmental guarantee investment policy		(37 054)	(32 507)	(11 259)	(9 741)
Increase in investments held by Northam Platinum Restoration Trust Fund		–	(6 556)	–	(3 278)
Utilisation of investment held in Buttonshope Conservancy Trust		10 056	4 901	–	–
Dividends received from SSG Holdings Proprietary Limited	12	–	606	–	606
Cash flows from financing activities		(3 219 457)	766 639	(3 207 132)	588 937
Interest paid		(2 115 255)	(903 193)	(2 111 182)	(900 936)
Drawdown on revolving credit facility	34	11 605 000	8 900 000	11 605 000	8 900 000
Repayment of revolving credit facility	34	(13 055 000)	(7 450 000)	(13 055 000)	(7 450 000)
Transaction costs paid on revolving credit facility	34	(187 827)	–	(187 827)	–
Drawdown on the Term loan facility	35	2 445 000	–	2 445 000	–
Repayment of the Term loan facility	35	(2 445 000)	–	(2 445 000)	–
Transaction costs paid on the Term loan facility	35	(59 504)	–	(59 504)	–
Drawdown on the Bridge facility	36	–	3 000 000	–	3 000 000
Repayment of the Bridge facility	36	(3 000 000)	–	(3 000 000)	
Issue of Domestic Medium-Term Notes	30	6 033 000	8 305 370	6 033 000	8 305 370
Repayment of Domestic Medium-Term Notes	30	(2 290 500)	(407 886)	(2 290 500)	(407 886)
Domestic Medium-Term Notes settled as part of note switches	30	–	(4 394 670)	–	(4 394 670)
Transaction costs paid on Domestic Medium-Term Notes	30	(137 908)	–	(137 908)	
Transaction costs paid on revolving credit facility, Bridge facility and Domestic Medium-Term Notes		–	(229 975)	–	(229 975)
Repayment of principal portion of lease liabilities	29	(11 463)	(14 369)	(3 211)	(2 710)
Net Value Distribution paid to Zambezi Ordinary Shareholders		–	–	–	(329 147)
Net Value Distribution paid in cash to the Strategic Partners		–	(59 415)	–	–
Payment of a portion of the Lock-in Fees to certain Strategic Partners	28	–	(78 114)	–	–
Taxes paid in cash relating to the Composite Transaction		–	(3 854 809)	–	(3 854 809)
Acquisition of Zambezi Preference Shares	31	–	(2 041 135)	–	(2 041 135)
Transaction fees paid on the acquisition of Zambezi Preference Shares	31	–	(5 165)	–	(5 165)
Increase/(decrease) in cash and cash equivalents		4 093 784	(2 714 341)	4 106 306	(2 863 346)
Effects of exchange rate movements on cash and cash equivalents		83 928	11 638	83 928	11 638
Cash and cash equivalents at the beginning of the year		1 174 505	3 877 208	931 012	3 782 720
Cash and cash equivalents at the end of the year	23	5 352 217	1 174 505	5 121 246	931 012

Accounting policies

1. Basis of preparation

The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments and liabilities that are stated at fair value. Details of the accounting policies are set out below and are consistent with those applied in the previous financial year, except where otherwise indicated.

The annual financial statements are in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the JSE Debt Listings Requirements and the Companies Act, No. 71 of 2008 (the Companies Act).

The annual financial statements are presented in South African Rand, which is the presentation currency.

The preparation of annual financial statements in conformity with IFRS requires that management and the board exercise their judgement in the process of applying the company and group's accounting policies. It also requires the use of certain critical economic and other estimates. The areas requiring a high degree of judgement or complexity, or areas where assumptions or estimates are significant to the annual financial statements, are disclosed in the notes to the annual financial statements.

Where reference is made to the group it also includes the company, where applicable.

1.1 New accounting policies adopted

The following standards, amendments or interpretations applicable to the group which became effective for the year beginning 1 July 2022 were adopted in the group's year-end results:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

The nature and effect of the changes as a result of the adoption of these new accounting standards are described below.

The adoption of all other standards, amendments or interpretations with effect from 1 July 2022 had no impact on the annual financial statements.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds for the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment must be applied retrospectively, effective for annual periods beginning on or after 1 January 2022 only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

There is no transition relief for first-time adopters.

This amendment did not have a material impact on the group.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments must be applied prospectively for annual periods beginning on or after 1 January 2022, to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the group was not affected by these amendments on transition.

1.2 Standards, interpretations and amendments issued, but not yet effective

The following new standards, interpretations and amendments to standards are not effective and have not been early adopted, but will be adopted once these new standards, interpretations and amendments become effective:

Classification of Liabilities as Current or Non-current - Amendments to IAS 1

On 23 January 2020, the IASB issued Classification of Liabilities as Current or Non-current, which amends IAS 1 Presentation of Financial Statements.

The amendments affect requirements in IAS 1 for the presentation of liabilities. Specifically, they clarify a criterion for classifying a liability as non-current.

The amendment must be applied retrospectively, effective for annual periods beginning on or after 1 January 2024.

This amendment is not expected to have a material impact on the group.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

In May 2021, the IASB issued amendments to IAS 12 Income Taxes which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a decommissioning asset and decommissioning liability (or lease asset or lease liability) give rise to taxable and deductible temporary differences that are not equal.

An entity should apply the amendments to transactions that occur on or after the beginning of the earliest comparative period presented and is effective for annual periods beginning on or after 1 January 2023.

This amendment is not expected to have a material impact on the group.

Northam notes the new standards, amendments and interpretations which have been issued but not yet effective and does not plan to early adopt any of the standards, amendments and interpretations. There are no other standards which are not yet effective that would be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

1.3 Consolidation

The consolidated annual financial statements include the results and financial position of the company, its subsidiaries and associates. Subsidiaries are entities in respect of which the group has control over and is exposed, or has rights to, variable returns from its involvement with these entities and has the ability to affect those returns through its power over those entities.

Control would generally exist where the group owns more than 50% of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred. They are de-consolidated from the date on which control ceases. Control is reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

The annual financial statements of the subsidiaries are prepared for the same reporting period as Northam Platinum, using consistent accounting policies.

Investments in subsidiaries and associates are recognised at cost less accumulated impairment losses in the accounts of the company.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies, including any resulting tax effects, are eliminated.

Investment in subsidiaries are assessed for impairment at each reporting date as part of the group's impairment assessment, and detailed impairment testing is performed if there are any indications that an investment in a subsidiary or associate could potentially be impaired.

1.4 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the date of acquisition. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss. Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) that is expected to benefit from the combination. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill is tested for impairment annually or more frequently if events or circumstances indicate that it might be impaired.

Business combination of entities under common control

Business combinations between entities under common control are accounted for using the pooling of interests method. Under this method, the assets, liabilities and reserves of the acquired entity are recorded by the purchasing entity at their existing carrying amounts as recorded in the consolidated annual financial statements. As required by the pooling of interests method, the transfer is accounted for as if it occurred at the beginning of the financial year. The comparative amounts are not restated.

1.5 Associates and joint arrangements

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for on consolidation using the equity method of accounting, after initially being recognised at cost.

Associates are accounted for at cost and are adjusted for impairments where appropriate in the company annual financial statements.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. On acquisition of the investment, any difference between the cost of the investment and the company's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as either goodwill as part of the investment or as an income as part of the share of earnings in associate in the period the investment is acquired. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the investee.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities.

Investments in associates are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the associate's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an associate's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Dividends received from associates are included in investing activities in the statement of cash flow.

Where there is an additional investment in associates, the purchase price paid for the additional interest is added to the existing carrying amount of the associate and the existing interest is not re-measured.

The annual financial statements of the associates are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the group.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on the group's investment in its associates. The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount and recognises the amount in profit or loss.

Upon loss of significant influence over the associates, the group measures and recognises any remaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Joint Operation

A joint operation is a type of joint arrangement in which the parties with joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interests in joint operations, the annual financial statements of the group include:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Expenses, including its share of any expenses incurred jointly

All such amounts are measured in accordance with the terms of each arrangement which are in proportion to the interest in each asset and liability, income and expense of the joint operation.

1.6 Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairments/reversal thereof. Cost includes pre-production expenditure incurred during the development of a mine and the present value of related future decommissioning costs.

Interest on borrowings relating to the financing of major capital projects under construction is capitalised during the construction phase as part of the cost of the project. Such borrowings costs are capitalised over the period during which the asset is being constructed and borrowings have been incurred. Capitalisation ceases when construction is interrupted for an extended period or when the asset is substantially complete. Other borrowing costs are expensed as incurred.

Shafts, mining development and general infrastructure assets including metallurgical and refining plants

Mine development and infrastructure costs are capitalised to assets under construction and transferred when the mining venture reaches commercial production.

Items that are withdrawn from use or have no reasonable prospect of being recovered through use or sale, are regularly identified and written off.

Depreciation is first charged from the date on which the mining assets reaches commercial production levels. When a mine development project moves into the production phase, the capitalisation of certain mine development costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions, improvements or new developments, underground mine development or mineable reserve development.

Mining assets are depreciated on a units of production basis, based on reserves, which are revised annually.

Where items of plant and equipment comprise separate, identifiable components that have differing useful lives, such components are depreciated according to their individual useful lives.

Decommissioning asset

The decommissioning asset is depreciated on the units of production basis, based on reserves, which are revised annually.

The decommissioning asset is recognised and subsequent changes in the assumptions which impact the asset is reflected in the asset as set out in the decommissioning provision accounting policy. The decommissioning asset is included as part of the mining plant and equipment when considering depreciation, impairment and derecognition.

General infrastructure, other assets including buildings

Office equipment, furniture and vehicles are depreciated using varying rates, ranging between 10% and 20% on a straight-line basis over their expected useful lives.

Buildings are depreciated on a straight-line basis over the estimated useful life, which is generally the life of mine.

Land and assets under construction

Land and assets under construction are recorded at cost of acquisition less accumulated impairment losses and are not depreciated.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant, equipment and mining properties is added to the carrying amount of the asset when it is probable that future economic benefits will flow to the group. All other subsequent expenditure is recognised as an expense and included in profit or loss.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Impairment

An impairment review of property, plant and equipment is carried out when there is an indication that these may be impaired by comparing the carrying amount thereof to its recoverable amount.

The group assesses at each reporting date, whether there are indications that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The adjusted carrying amount is depreciated on a straight-line basis over the remaining useful life of property, plant and equipment.

Annual review of residual values, depreciation method and useful lives

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted prospectively, if appropriate, at each financial year-end.

Exploration expenditure

Exploration and evaluation expenditure on Greenfields sites, being those where the group does not have any mineral deposits which are already being mined or developed, is expensed as incurred until a feasibility study has been completed, after which the expenditure is capitalised if the feasibility study demonstrates that future economic benefits are probable.

Exploration and evaluation expenditure on brownfields sites, being those adjacent to mineral deposits which are already being mined or developed, is expensed as incurred until management is able to demonstrate that future economic benefits are probable through the completion of a pre-feasibility study. Costs relating to development activities as well as mineral resources bought are capitalised to mine development assets.

Exploration and evaluation expenditure relating to extensions of mineral deposits which are already being mined or developed, including expenditure on the mineralisation of such mineral deposits, is capitalised as a mine development cost as and when incurred.

1.7 Mining properties and mineral resources

Mining properties and mineral resources comprising mineral rights are recorded at cost of acquisition. Depreciation is first charged on new mining properties from the date on which the mining in respect of the mining property reaches commercial production levels. Mining properties are depreciated on a units of production basis based on reserves which are revised annually.

Mining properties and mineral resources acquired separately are measured on initial recognition at cost. Following initial recognition, these mining properties and mineral resources are carried at cost less any accumulated amortisation and any accumulated impairment losses.

1.8 Land and township development

The assets are recognised on the statement of financial position in accordance with IAS 2 Inventories. We are comfortable that a buyer will always be found due to the housing requirements around our mines. Since these assets are normally held for a period of longer than 12 months, they are however deemed to be non-current assets. These assets are held at the lower of cost and net realisable value.

Net realisable value tests are performed at each reporting date and represent the current sales price of the houses, less estimated costs to complete production and bring the houses to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

Land and township development, which is an initiative in order to assist the group's employees to acquire their own affordable housing, is initially recognised at cost. Cost is determined on the basis of land acquisition, development and housing construction cost. Land and township development is derecognised when the risks and rewards of ownership of the property transfers to the employees.

Northam's main business is not the development of properties but is obligated under South African mining legislation to offer certain of its employees home ownership as part of their benefits. To that end, Northam constructs houses which are sold to employees. The houses are mainly for employees, but third parties can also acquire these properties. Therefore, the main aim of the disclosure of the land and township development activities provided is qualitative by nature, i.e., social and community advancement and employee benefits. The main business of the group is mining PGMs.

1.9 Financial instruments

Financial instruments recognised on the statement of financial position include investments (including investments held in trust funds), cash and cash equivalents, long-term receivables, trade and other receivables, trade and other payables, loans and borrowings, financial guarantee contracts and provisional pricing arrangements. These are recognised when the group becomes party to the contractual agreements. All financial instruments are initially recorded at fair value plus in the case of financial assets not at fair value through profit and loss, transaction costs, except for trade receivables that do not contain a significant financing component which are recognised at the transaction price.

Fair value

Where financial instruments are recognised at fair value, the instruments are measured at the amount for which an asset could be sold, or an amount paid to transfer a liability, in an orderly transaction in the principal or most advantageous market, at the measurement date under current market conditions regardless of whether this price is directly observable or estimated using a valuation technique. Fair values have been determined as follows: (i) where market prices are available, these have been used; and (ii) where there are no market prices available, fair values have been determined using valuation techniques incorporating observable market inputs or discounting expected cash flows at market rates.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or expense over the period of the instrument.

Effectively, this method determines the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

Financial assets

Financial assets are classified as either at amortised cost, fair value through profit or loss or fair value through other comprehensive income.

The classification of the financial asset is dependent on the purpose and characteristics of the particular financial asset and is determined at the date of initial recognition.

Investments classified as fair value through profit or loss

Investment held by Northam Platinum Restoration Trust Fund, Environmental guarantee investments and Buttonshope Conservancy Trust are classified as fair value through profit or loss.

After initial recognition, investments, which are classified as fair value through profit or loss, are re-measured at fair value with all gains or losses recognised directly in profit or loss.

Financial assets carried at amortised cost

Trade and other receivables, long-term receivables, subsidiary loans and cash and cash equivalents are classified as at amortised cost. After initial recognition, receivables (except for provisional pricing receivables) are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the receivables are derecognised or impaired as well as through the amortisation process.

Provisional pricing receivables/liabilities

Financial assets with provisional pricing arrangements (provisional pricing receivables) are recognised as a separate category of trade and other receivables and are accounted for as fair value through profit or loss.

Provisional pricing receivables are recognised when the group has satisfied its performance obligation relating to delivery of the product and has an unconditional right to the consideration that is due. This will be recognised when only the passage of time is required before payment is made by the customer. All fair value adjustments relating to the movements in this balance are recognised within revenue from fair value adjustments.

A provisional pricing liability is recognised when payment by the customer made on provisionally priced goods results in an effective overpayment due to fluctuations in market factors until final pricing is confirmed. All fair value adjustments relating to the movements in this balance are recognised within revenue from fair value adjustments.

Provisional pricing receivables are reallocated to trade and other receivables and provisional pricing liabilities are reallocated to trade and other payables at the end of the quotational period once the consideration relating to the sale is no longer variable. The finalised consideration receivable/refundable is therefore no longer subject to fair value fluctuations.

Impairment of financial instruments

The group assesses at each reporting date whether a financial asset or group of financial assets is impaired. Impairments are based on expected credit losses (ECL).

ECLs are an estimate of credit losses over the life of a financial instrument and are recognised as a loss allowance or provision. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. Impaired debts are derecognised when they are assessed as uncollectible.

For trade receivables due in less than 12 months, the group applies the simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The group considers historical credit loss experience, adjusted for forward-looking factors, that could indicate impairments taking into account the specific debtor and economic environment.

The general approach requires the assessment of financial assets to be split into 3 stages:

Stage 1: no significant deterioration in credit quality. This identifies financial assets as having a low credit risk, and the asset is considered to be performing as anticipated. At this stage, a 12-month expected credit loss assessment is required.

Stage 2: significant deterioration in credit quality of the financial asset but no indication of a credit loss event. This stage identifies assets as underperforming. Lifetime expected credit losses are required to be assessed.

Stage 3: clear and objective evidence of impairment is present. This stage identifies assets as non-performing financial instruments. Lifetime expected credit losses are required to be assessed.

Financial liabilities

Financial liabilities are recorded initially at the fair value of the consideration received, which is cost net of any issue costs associated with the borrowings.

After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on issue.

Borrowings, trade and other payables and the Preference Share liability have been classified as financial liabilities.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Accrued dividends on Preference Shares are recognised as finance charges.

Financial guarantee contracts

Financial guarantee contracts issued are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of the expected credit losses and the amount recognised less cumulative amortisation. Amortisation is based on the total value of underlying liability still outstanding, as this better reflects the pattern of how the company provides the guarantee.

Derecognition of financial instruments

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when: the rights to receive cash flows from the asset have expired; the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either: (a) the group has transferred substantially all the risks and rewards of the asset; or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

1.10 Inventories

Consumable stores

Consumable stores consist of consumable and maintenance stores and are valued at the lower of cost or net realisable value. Cost is determined on the weighted average cost basis. Consumable stores are under continual review and are written down in regard to age, condition and utility.

Metal on hand

Metal inventory is valued at the lower of the net realisable value and the purchase price or average cost of production less net revenue from sales of by-products in the ratio of the contribution of these metals to gross sales revenue. Production costs are allocated to platinum, palladium, rhodium and gold (joint products) by dividing the mine output into total mine production costs, determined on a six-month average basis except for concentrates and ore purchased which are recognised at the cost in the month in which they are purchased.

The average cost of normal production includes total costs incurred on mining and refining, including depreciation, less net revenue from the sale of by-products, including chrome, allocated to main products based on units produced under normal production.

Costs incurred in the production process, are appropriately accumulated as stockpiles, metal in process and final product inventories. Platinum, palladium, rhodium and gold (4E) are treated as main products and other platinum group and base metals produced as by-products, including chrome, which are not classified as inventory.

Stockpiles are measured by estimating the stockpiled tonnes, the number of contained 4E ounces based on elemental assay data, and the estimated recovery percentage based on the expected processing method, but only if the stockpiles are considered material. Stockpile tonnages are also verified by periodic surveys.

Net realisable value tests are performed on a monthly basis and represent the expected sales price of the product based on prevailing spot metal prices at the reporting date, less estimated costs to complete production and bring the product to sale.

Non-current inventory is determined as inventory that will not be sold within the next 12 months.

1.11 Non-current assets held for sale

The group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the sale, excluding finance costs.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale and the sale is expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

1.12 Provisions

Provisions are recognised when the group has a present obligation, whether legal or constructive, because of a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised only when the reimbursement is virtually certain. The amount to be reimbursed is recognised as a separate asset.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Decommissioning provision

Estimated long-term environmental obligations, comprising rehabilitation and mine closure, are based on an independent assessment of the future commercial closure costs in compliance with current technology, environmental and regulatory requirements.

Provision is made for the present value of the estimated future decommissioning costs at the end of the mine's life. A decommissioning asset is recognised as part of the underlying property, plant and equipment.

With regards to the provision, the estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the decommissioning provision due to the passage of time is recognised as a finance cost in profit or loss. Other changes in the carrying amount of the provision subsequent to initial recognition are adjusted in the determination of the carrying amount of the decommissioning asset as opposed to being recognised in profit or loss. If the adjustment results in an addition to the decommissioning asset, consideration is given as to whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the asset is tested for impairment by estimating its recoverable amount in accordance with the respective accounting policies.

Decommissioning liabilities are discounted over the period of the various mining rights.

Provision for restoration costs

Provision is made for the estimated cost to be incurred on long-term environmental obligations, comprising of expenditure on closure over the estimated life of the mine.

The estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money. The increase in the restoration provision due to the passage of time is recognised as a finance cost in profit or loss. In assessing the future liability, no account is taken of the potential proceeds from the sale of assets and metals from the plant clean-up.

The future liability is reviewed regularly and adjusted as appropriate for new facts and changes in legislation. The cost of ongoing programmes to prevent and control pollution and rehabilitate the environment is recognised as an expense when incurred.

Restoration liabilities are discounted over the period of the mining right, using an appropriate rate.

Environmental rehabilitation fund

The group may contribute to a dedicated trust fund, the Northam Platinum Restoration Trust Fund (the fund), to fund the expenditure on future decommissioning and restoration. Income earned by the fund is credited to the group's profit or loss in the period to which it relates.

The group controls the fund and therefore consolidates it.

The assets of the fund are separately administered and the group's right of access to these funds are restricted.

1.13 Foreign currencies

The South African Rand is the functional currency of all the operations, except for the US recycling operations which has a US dollar functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

US entities

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities included in the statement of financial position are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

1.14 Revenue recognition

Revenue from contracts with customers is recognised when control is transferred to the customer. Revenue is at the amount to which the entity expects to be entitled to in exchange for those goods or services.

Precious metal sales

Revenue from PGM sales are recognised based on contractual terms specific to each transaction. The contractual terms stipulate a fixed price relating to the commodity as well as exchange rates in the month in which the product is purchased. Platinum, palladium and gold sales are recorded at the daily London Metal Exchange: LBMA price. Rhodium, iridium and ruthenium sales are recorded at the weekly Platts New York Dealer price.

No adjustments are accounted for relating to volume of product or price on PGM sales as all these inputs are finalised on delivery date, which is the date on which revenue is recognised.

Base metal sales

Revenue is accounted for when control has transferred to the customer on delivery. Revenue accounted for is the estimation of the amount of consideration to which the group will be entitled at the date of sale. Revenue is estimated at contract inception (when control transfers) and is based on initial assays, prevailing metal prices and current exchange rates. Movement in assay amounts were assessed in detail and were found to be immaterial and are therefore included in the disclosure of all other movements relating to fair value adjustments which are separately disclosed in revenue.

Payment on base metal sales is only made once provisional pricing has been finalised. Adjustments to the provisional pricing value occurs at the reporting date and on finalisation of the sales transaction. A provisional pricing receivable is recognised to account for the fluctuations in market factors until final pricing is confirmed. All fair value movements after the date of sale relating to provisionally priced amounts are recognised separately within revenue as revenue from fair value adjustments.

Chrome sales

Revenue from chrome sales is recognised based on the initial assayed quantity of product, prevailing market prices and exchange rates. Revenue is accounted for when control has transferred to the customer on delivery and is based on the provisional pricing value which is the amount that reflects the best estimate of the consideration to which the group expects to be entitled in terms of the calculation of revenue to the end of the quotational period.

Payment on chrome sales is made based on the initial assayed quantity of product and related market inputs. Adjustments to the provisional pricing value occur at the reporting date and on finalisation of the sales transaction. A provisional pricing liability is recognised when payment by the customer made on provisionally priced goods results in an effective overpayment due to fluctuations in market factors until final pricing is confirmed. A provisional pricing receivable is recognised when the initial payment by the customer on the provisionally priced goods resulted in an underpayment due to the fluctuations in market factors until final pricing is confirmed.

All fair value movements after the date of sale relating to provisionally priced amounts are recognised separately within revenue, as revenue from fair value adjustments.

Sundry income (including treatment charges)

Sundry income is recognised when the right to receive payment has been established.

Investment income

Interest (including Preference Share dividends) is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the group.

Dividends are recognised when the right to receive payment is established.

1.15 Borrowing costs

Borrowing costs are charged to finance charges.

Borrowing costs that are directly attributable to the acquisition, construction or development of qualifying assets that require a substantial period of time to prepare for their intended use are capitalised. Capitalisation is suspended when the active development is interrupted and ceases when the activities necessary to prepare the asset for its intended use are complete. Other borrowing costs are recognised as an expense when incurred.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for the short-term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period.

1.16 Employee benefits

Short-term employee benefits

Remuneration to employees in respect of services rendered during a reporting period is recognised as an expense in that reporting period. Accruals are made for accumulated leave and are measured at the amount that the group expects to pay when the leave is used.

Share incentive plan (including the lock-in mechanism shares)

Awards granted to employees in terms of the rules of the Northam share incentive plan (the plan) are measured at fair value based on market prices at the date the awards are granted (measurement date).

The shares awarded in terms of the rules of the plan comprise: retention shares, which vest after three years with no performance criteria, and performance shares, which also vest after three years. The final number of performance shares that the relevant employee will receive will be subject to certain performance criteria being met.

The group initially measures the cost of cash-settled transactions with employees using a market value model to determine the fair value of the liability incurred.

For cash-settled share-based payment transactions, the liability needs to be re-measured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the annual financial statements.

Retirement benefits

Eligible employees are members of various defined contribution schemes. Employer contributions are recognised as an expense during the period in which the employees' services are rendered.

Medical benefits

Employer contributions in respect of current medical benefits are recognised as an expense during the period in which the employees' services are rendered.

Post-retirement medical costs

Eligible employees are members of a defined contribution scheme established to assist those employees to meet post-retirement medical costs.

Employer contributions are recognised as an expense during the period in which the employees' services are rendered. These contributions cease when the employees' services terminate.

Toro Employee Empowerment Trust

The Toro Employee Empowerment Trust (the Trust) was established for the benefit of eligible Zondereinde employees. Northam Platinum contributes 4% of its Zondereinde mine after tax profits to the Trust, whereafter eligible employees will receive payment at the end of each five-year cycle.

The total amount of each annual contribution is calculated as 4% of the profits after tax of Northam Platinum for the financial year in question (or part thereof) prior to accounting for any amount payable by Northam Platinum in respect of the annual contribution for the corresponding period and any adjustment in Northam Platinum's tax resulting therefrom, provided that the following items in respect of the corresponding period shall be excluded from the calculation of such after-tax profits, and the necessary adjustments shall be made to the extent that they have been so included –

- all distributions (including dividends) received by Northam Platinum in relation to its investment interests held from time to time, including, *inter alia*, in respect of its subsidiaries, associates, joint ventures, joint operations and the Zambezi Preference Shares (Investment Interests);
- any impairments, reversals of impairments or fair value adjustments relating to Northam Platinum's Investment Interests;
- non-cash IFRS fair value adjustments to financial instruments including (without limitation) fair value gains and losses arising from the Northam Guarantee;
- non-cash IFRS adjustments relating to the recognition and/or derecognition of financial assets and financial liabilities;
- non-cash IFRS adjustments relating to black economic empowerment transactions such as the Zambezi BEE Transactions and/or the Composite Transaction including, *inter alia*, IFRS 2 charges associated with share-based payments relating to black economic empowerment transactions;
- non-cash IFRS adjustments relating to any corporate action for the benefit of Northam Platinum and it's holding company's group of companies;
- any other exceptional, once-off, non-recurring or extraordinary items contributing to the calculation of Northam Platinum's profits; and
- the tax impact of the above items on Northam Platinum's profits.

The amount of this cash to be distributed is based on the valuation of the fund, and in the manner prescribed by the Trust's distribution policy.

Northam does not guarantee any values over and above what is included in the Trust and managed accordingly by the investment manager.

Since the cash distribution is payable to employees after the end of the period in which the related services are rendered and it is not a post-employment benefit or a termination benefit, the Trust is accounted for as an "Other Long-Term Employee Benefit" in terms of IAS 19. The benefits payable to employees are therefore measured using the Projected Unit Credit Method.

Independent actuarial valuations are conducted annually. Re-measurements, comprising actuarial gains and losses arising as a result of experience adjustments and/or the effects of changes in actuarial assumptions, the effect of changes to the asset ceiling and the return on plan assets (excluding interest) are recognised immediately in profit or loss when they occur. Any increase in the present value of plan liabilities expected to arise from employee service during the period is charged to operating profit. Net interest is determined by applying the discount rate at the beginning of the year to the net defined liability or asset.

The past-service cost is recognised immediately in profit or loss in the period to which it relates to the extent that benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The asset or liability comprises the present value of the obligation less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets (cash) that are held by the Trust and are not available to the creditors of the group.

1.17 Leases

At the inception of the contract, the group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Group as lessee

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The group recognises right-of-use liabilities for lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of right-of-use liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within Property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of right-of-use liabilities is increased to reflect the unwinding of interest and reduced for the lease payments made (amortised cost using the effective interest rate method). In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. A corresponding adjustment is made to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and low-value leases

The group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Group as lessor

Leases in respect of which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Operating lease payments for rental income received relating to mining properties are recognised as other income in profit or loss on a straight-line basis over the period of the lease.

1.18 Taxation

Current tax

The charge for current tax is based on the results for the year, as adjusted for by items that are exempt or disallowed, and is calculated using the enacted tax rates at the reporting date.

Where items are credited or charged directly to equity or other comprehensive income the tax effect is also recognised within equity or other comprehensive income as appropriate.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences, except where the 'initial recognition exception' applies; and in respect of 'outside' temporary differences relating to subsidiaries and associates.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profits will be available, against which the deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilised in the foreseeable future, except where the 'initial recognition exception' applies, and in respect of 'outside' temporary differences relating to subsidiaries and associates.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income as appropriate and not in profit or loss.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and taxable entity.

Dividend Withholding Tax

The group withholds dividends tax on behalf of its shareholders on dividends declared at the enacted withholding tax rate. Amounts withheld are not recognised as part of the group's tax charge but rather as part of the dividend paid recognised directly in equity.

Uncertain tax positions

Judgements are required in respect of the application of existing tax laws in each jurisdiction and therefore the determination of the provision for income taxes.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The various statutory entities within the group recognise liabilities for anticipated tax uncertainties based on the best estimate of whether additional taxes will be due.

Where the final tax outcome of any tax matters is different from the amounts that were initially reported, such differences will impact the income and deferred tax provisions in the period in which such determination is made.

In addition, future changes in tax laws in the jurisdictions in which the group operates could limit the ability of the group to obtain tax deductions in future periods.

2. Segmental analysis

The group has four operating segments, Zondereinde operations, Booysendal operations, Eland operations and the US recycling operations. The group's executive committee considers the performance of Zondereinde operations, Booysendal operations, Eland operations and the US recycling operations when allocating resources and assessing the segmental performance.

The Eland operations and the US recycling operations have also been separately disclosed even though these operating segments currently do not fulfil the quantitative thresholds of a reportable segment. Eland and the US recycling operations are subject to regular review by the executive committee and management believes that the information regarding these segments would be useful.

Zondereinde, being Northam Platinum, purchases most of Booysendal Platinum Proprietary Limited's (Booysendal) concentrate and all of Eland Platinum Proprietary Limited's (Eland) concentrate, for a percentage of the fair value, except for chrome which is sold directly to a third-party customer on an offtake agreement.

Concentrate from Booysendal is also sold to a third-party customer to honour the Everest offtake agreement.

Zondereinde purchases the majority of the US recycling operations' recycled material.

Zambezi has been included in the segmental statements in order to reconcile all amounts to the consolidated statement of financial position and statement of profit or loss and other comprehensive income. Zambezi is not a separate operating segment as it does not engage in business activities from which it earns revenue and/or incurs expenses. Zambezi's operating results are not subject to regular review by the chief operating decision makers in assessing the performance of the entity.

Other relates to consolidated adjustments made for the various subsidiaries, as well as the capitalisation of borrowing costs.

No segments were aggregated.

All assets of the group are South African based assets, except for assets held by the US recycling operations amounting to R139.5 million (30 June 2022: R144.4 million).

Segmental statement of profit or loss and other comprehensive income

	Zondereinde operating segment	Booysendal operating segment	Eland operating segment	US recycling operating segment	Intercompany eliminations	Zambezi Platinum (RF) Proprietary Limited	Other	Total
30 June 2023	R000	R000	R000	R000	R000	R000	R000	R000
Revenue	36 268 422	19 240 376	3 787 053	82 822	(19 830 514)	–	–	39 548 159
Cost of sales	(31 108 004)	(10 615 765)	(3 933 874)	(103 479)	21 659 749	–	–	(24 101 373)
Operating costs	(8 912 098)	(8 766 715)	(2 150 277)	(29 923)	–	–	–	(19 859 013)
Mining operations	(6 282 297)	(6 372 593)	(1 460 553)	–	–	–	–	(14 115 443)
Concentrator operations	(610 872)	(1 124 991)	(616 938)	(29 923)	–	–	–	(2 382 724)
Smelting and base metal removal plant costs	(1 319 228)	–	–	–	–	–	–	(1 319 228)
Chrome processing	(30 525)	(39 219)	(19 429)	–	–	–	–	(89 173)
Selling and administration overheads	(177 193)	(177 667)	(29 435)	–	–	–	–	(384 295)
Royalty charges	(351 623)	(905 209)	(8 721)	–	–	–	–	(1 265 553)
Carbon tax	(1 407)	–	–	–	–	–	–	(1 407)
Share-based payment expenses	(40 289)	(47 164)	(1 828)	–	–	–	–	(89 281)
Toro Employee Empowerment Trust	(108 339)	–	–	–	–	–	–	(108 339)
Employee profit share scheme	–	(110 469)	(22 986)	–	–	–	–	(133 455)
Rehabilitation	9 675	10 597	9 613	–	–	–	–	29 885
Concentrates and recycling material purchased	(20 992 672)	(1 193 653)	(1 547 912)	(51 621)	19 830 514	–	–	(3 955 344)
Refining and other costs	(370 975)	–	–	–	–	–	–	(370 975)
Depreciation and write-offs	(236 980)	(776 643)	(98 681)	(10 497)	(24 293)	–	–	(1 147 094)
Change in metal inventory	(595 279)	121 246	(137 004)	(11 438)	1 853 528	–	–	1 231 053
Gross profit/(loss)	5 160 418	8 624 611	(146 821)	(20 657)	1 829 235	–	–	15 446 786
Impairment of property, plant and equipment	–	–	(2 718 275)	–	–	–	–	(2 718 275)
Impairment of investment in subsidiary	(325 000)	–	–	–	325 000	–	–	–
Impairment of subsidiary loan	(3 319 677)	–	–	–	3 319 677	–	–	–
Share of earnings from associate	–	–	–	–	–	–	25 235	25 235
Investment income	20 904 867	58 983	2 130	–	(20 235 008)	34	20 838	751 844
Finance charges excluding Zambezi Preference Share dividends	(2 458 179)	(27 443)	(242 800)	(4 733)	382 270	–	(4 050)	(2 354 935)
Net foreign exchange transaction gains/(losses)	68 633	(240)	(3 514)	7 840	(2)	–	–	72 717
Sundry income	46 619	6 148	15 860	10 928	(9 323)	–	7 881	78 113
Sundry expenditure	(33 707)	(26 236)	(7 258)	(5)	300 019	(1)	(322 497)	(89 685)
Profit/(loss) before Zambezi Preference Share dividends	20 043 974	8 635 823	(3 100 678)	(6 627)	(14 088 132)	33	(272 593)	11 211 800
Zambezi Preference Share dividends	–	–	–	–	998 935	(998 935)	–	–
Profit/(loss) before tax	20 043 974	8 635 823	(3 100 678)	(6 627)	(13 089 197)	(998 902)	(272 593)	11 211 800
Tax	(1 208 468)	(2 330 909)	(142 799)	–	(504 239)	(9)	(3 129)	(4 189 553)
Profit/(loss) for the year	18 835 506	6 304 914	(3 243 477)	(6 627)	(13 593 436)	(998 911)	(275 722)	7 022 247

Segmental statement of profit or loss and other comprehensive income

	Zondereinde operating segment	Booysendal operating segment	Eland operating segment	US recycling operating segment	Intercompany eliminations	Zambezi Platinum (RF) Limited	Other	Total
30 June 2022 (Restated)	R000	R000	R000	R000	R000	R000	R000	R000
Revenue	31 768 128	18 964 038	2 670 102	127 673	(19 465 671)	–	–	34 064 270
Cost of sales	(27 782 816)	(8 419 761)	(2 924 947)	(133 905)	20 082 260	–	–	(19 179 169)
Operating costs	(7 625 181)	(6 355 381)	(1 530 442)	(25 878)	–	–	–	(15 536 882)
Mining operations	(5 480 170)	(4 454 801)	(1 016 481)	–	–	–	–	(10 951 452)
Concentrator operations	(535 210)	(938 708)	(417 189)	(25 878)	–	–	–	(1 916 985)
Smelting and base metal removal plant costs	(1 049 015)	–	–	–	–	–	–	(1 049 015)
Chrome processing	(13 834)	(31 671)	(19 033)	–	–	–	–	(64 538)
Selling and administration overheads	(169 116)	(169 116)	–	–	–	–	–	(338 232)
Royalty charges	(227 926)	(666 689)	(238)	–	–	–	–	(894 853)
Carbon tax	(1 138)	–	–	–	–	–	–	(1 138)
Share-based payment expenses	(59 603)	(72 380)	(14 733)	–	–	–	–	(146 716)
Toro Employee Empowerment Trust	(84 027)	–	–	–	–	–	–	(84 027)
Employee profit share scheme	–	(18 994)	(5 494)	–	–	–	–	(24 488)
Rehabilitation	(5 142)	(3 022)	(57 274)	–	–	–	–	(65 438)
Concentrates and recycling material purchased	(19 507 663)	(1 160 232)	(1 300 369)	(109 004)	19 465 672	–	–	(2 611 596)
Refining and other costs	(280 411)	–	–	–	–	–	–	(280 411)
Depreciation and write-offs	(208 249)	(646 389)	(76 154)	(9 985)	8 180	–	–	(932 597)
Change in metal inventory	(161 312)	(257 759)	(17 982)	10 962	608 408	–	–	182 317
Operating profit/(loss)	3 985 312	10 544 277	(254 845)	(6 232)	616 589	–	–	14 885 101
Share of earnings from associate	–	–	–	–	–	–	22 469	22 469
Investment income	1 994 983	7 263	1 079	–	(3 446 076)	18	1 544 358	101 625
Finance charges excluding Zambezi Preference Share dividends	(1 204 852)	(25 726)	(132 972)	(3 436)	166 452	–	(2 659)	(1 203 193)
Net foreign exchange transaction gains	40 100	365	–	6 253	–	–	–	46 718
Sundry income	5 103 650	8 176	4 294	5 787	(4 992 295)	–	2 114	131 726
Sundry expenditure	(206 844)	(24 374)	(8 041)	(4 464)	8 680 217	(8 560 234)	(148 330)	(272 070)
Profit/(loss) before Zambezi Preference Share dividends	9 712 349	10 509 981	(390 485)	(2 092)	1 024 887	(8 560 216)	1 417 952	13 712 376
Amortisation of liquidity fees paid on Zambezi Preference Shares	–	–	–	–	(64 197)	–	–	(64 197)
Zambezi Preference Share dividends	–	–	–	–	2 395 985	(2 421 589)	–	(25 604)
Loss on derecognition of Zambezi Preference Share liability	–	–	–	–	(286 632)	–	–	(286 632)
Profit/(loss) before tax	9 712 349	10 509 981	(390 485)	(2 092)	3 070 043	(10 981 805)	1 417 952	13 335 943
Tax	(934 183)	(2 782 204)	102 912	–	(1 707 083)	1 587 020	(145 157)	(3 878 695)
Profit/(loss) for the year	8 778 166	7 727 777	(287 573)	(2 092)	1 362 960	(9 394 785)	1 272 795	9 457 248

Refer to note 14 for details with regards to the restatement.

Segmental statement of financial position

	Zondereinde operating segment	Booysendal operating segment	Eland operating segment	US recycling operating segment	Intercompany eliminations	Zambezi Platinum (RF) Proprietary Limited	Other	Total
30 June 2023	R000	R000	R000	R000	R000	R000	R000	R000
Assets								
Non-current assets	26 073 644	18 535 642	2 159 559	123 425	(19 072 476)	4 565 585	1 102 501	33 487 880
Property, plant and equipment	9 960 293	12 138 684	2 058 873	123 425	530 348	–	21 311	24 832 934
Mining properties and Mineral Resources	974 653	6 230 080	3 000	–	(903 717)	–	136 230	6 440 246
Investment in escrow	–	–	–	–	–	–	17 825	17 825
Interest in associate	25 745	–	–	–	–	–	89 584	115 329
Investment in subsidiaries	12 028 207	–	–	–	(12 828 563)	–	800 356	–
Other investments	–	–	–	–	–	–	–	–
Investments in Northam Platinum Limited	–	–	–	–	(4 565 585)	4 565 585	–	–
Land and township development	83 420	35 966	–	–	–	–	6 703	126 089
Long-term receivables	29 360	15 817	11 215	–	–	–	29 220	85 612
Investments held by Northam Platinum Restoration Trust Fund	76 976	76 976	–	–	–	–	–	153 952
Environmental guarantee investment	53 582	38 119	38 769	–	–	–	–	130 470
Buttonshope Conservancy Trust	–	–	–	–	–	–	1 272	1 272
Other financial assets	160 157	–	–	–	–	–	–	160 157
Non-current inventories	1 381 210	–	47 702	–	(4 918)	–	–	1 423 994
Long-term subsidiary and group loans	1 300 041	–	–	–	(1 300 041)	–	–	–
Current assets	23 788 692	3 582 393	562 403	16 119	(3 788 011)	1 089 580	239 340	25 490 516
Inventories	6 265 445	536 186	471 988	4 894	(768 171)	–	–	6 510 342
Trade and other receivables	692 342	1 150 152	90 307	1 862	–	3	12 617	1 947 283
Cash and cash equivalents	5 121 246	852	89	9 363	–	544	220 123	5 352 217
Tax receivable	–	32 733	19	–	–	–	–	32 752
Short-term subsidiary and group loans	11 709 659	1 862 470	–	–	(3 019 840)	1 089 033	6 600	11 647 922
Total assets	49 862 336	22 118 035	2 721 962	139 544	(22 860 487)	5 655 165	1 341 841	58 978 396
Equity and liabilities								
Total equity	25 837 579	15 209 500	(3 306 247)	89 273	(6 356 524)	(1 610 301)	1 238 047	31 101 327
Stated capital	9 878 033	8 675 932	325 000	142 118	(9 480 576)	323 168	14 358	9 878 033
Treasury Shares	–	–	–	–	(1 680 005)	–	–	(1 680 005)
Re-organisation reserve	–	–	–	–	(5 392 288)	–	–	(5 392 288)
Retained earnings/(accumulated loss)	33 441 225	4 031 813	(3 631 247)	(92 976)	(4 783 579)	(1 933 469)	1 223 689	28 255 456
Foreign currency translation reserve	–	–	–	40 131	–	–	–	40 131
Northam Scheme of arrangement reserve	(10 925 555)	–	–	–	10 925 555	–	–	–
Share entitlement reserve	(6 556 124)	–	–	–	6 556 124	–	–	–
Non-distributable reserve	–	2 501 755	–	–	(2 501 755)	–	–	–
Non-current liabilities	13 434 166	5 081 488	514 567	–	(8 863 665)	7 265 466	1 835	17 433 857
Deferred tax liability	2 362 911	4 506 169	–	–	(2 642 615)	1 053 241	1 835	5 281 541
Long-term provisions	203 033	256 610	497 924	–	–	–	–	957 567
Zambezi Preference Share liability	–	–	–	–	(6 212 225)	6 212 225	–	–
Long-term loans	48 470	15 129	–	–	–	–	–	63 599
Lease liabilities	34 059	44 283	–	–	–	–	–	78 342
Long-term share-based payment liabilities	260 828	250 472	16 643	–	–	–	–	527 943
Domestic Medium-Term Notes	10 524 865	–	–	–	–	–	–	10 524 865
Buttonshope contribution liability	–	8 825	–	–	(8 825)	–	–	–
Current liabilities	10 590 591	1 827 047	5 513 642	50 271	(7 640 298)	–	101 959	10 443 212
Current portion of long-term loans	2 000	5 502	–	–	–	–	–	7 502
Current portion of lease liabilities	4 535	4 428	–	–	–	–	–	8 963
Current portion of Domestic Medium-Term Notes	4 267 937	–	–	–	–	–	–	4 267 937
Short-term share-based payment liabilities	45 019	52 230	7 124	–	–	–	–	104 373
Tax payable	13 189	–	–	–	–	–	118	13 307
Trade and other payables	2 898 860	1 585 450	841 984	7 548	360	–	82 827	5 417 029
Provisional pricing liabilities	40 372	–	–	–	–	–	–	40 372
Short-term provisions	360 644	178 337	44 748	–	–	–	–	583 729
Short-term subsidiary and group loans	2 958 035	–	4 619 786	42 723	(7 639 558)	–	19 014	–
Current portion of Buttonshope contribution liability	–	1 100	–	–	(1 100)	–	–	–
Total equity and liabilities	49 862 336	22 118 035	2 721 962	139 544	(22 860 487)	5 655 165	1 341 841	58 978 396

Segmental statement of financial position

	Zondereinde operating segment	Booysendal operating segment	Eland operating segment	US recycling operating segment	Intercompany eliminations	Zambezi Platinum (RF) Limited	Other	Total
30 June 2022 (Restated)	R000	R000	R000	R000	R000	R000	R000	R000
Assets								
Non-current assets	24 998 292	17 835 704	3 575 009	116 328	(22 968 949)	6 556 124	1 306 237	31 418 745
Property, plant and equipment	7 702 933	11 390 850	3 090 675	116 328	563 839	–	22 222	22 886 847
Mining properties and Mineral Resources	1 005 228	6 293 484	3 000	–	(912 912)	–	136 230	6 525 030
Interest in associate	–	–	–	–	–	–	–	–
Investment in subsidiaries	12 353 207	–	–	–	(13 445 755)	–	1 092 548	–
Investments in Northam Platinum Limited	–	–	–	–	(6 556 124)	6 556 124	–	–
Other investments	–	–	–	–	–	–	–	–
Land and township development	42 728	41 151	–	–	–	–	6 319	90 198
Long-term receivables	27 235	13 257	7 626	–	–	–	37 675	85 793
Investments held by Northam Platinum Restoration Trust Fund	71 293	71 293	–	–	–	–	–	142 586
Environmental guarantee investment	42 029	25 669	25 516	–	–	–	–	93 214
Buttonshope Conservancy Trust	–	–	–	–	–	–	11 243	11 243
Long-term subsidiary and group loans	2 638 266	–	–	–	(2 638 266)	–	–	–
Other financial assets	–	–	–	–	–	–	–	–
Non-current inventory	1 115 373	–	305 393	–	20 269	–	–	1 441 035
Deferred tax asset	–	–	142 799	–	–	–	–	142 799
Current assets	19 203 642	20 482 361	396 270	28 045	(23 002 510)	1 089 559	246 096	18 443 463
Short-term subsidiary and group loans	10 402 995	19 191 783	–	–	(20 355 693)	1 089 033	6 600	10 334 718
Inventories	7 106 417	365 635	320 320	14 715	(2 646 817)	–	–	5 160 270
Trade and other receivables	763 218	921 843	75 852	1 408	–	2	11 236	1 773 559
Cash and cash equivalents	931 012	3 100	79	11 922	–	524	227 868	1 174 505
Tax receivable	–	–	19	–	–	–	392	411
Non-current assets held for sale	25 745	–	–	–	(1 213)	–	65 562	90 094
Total assets	44 227 679	38 318 065	3 971 279	144 373	(45 972 672)	7 645 683	1 617 895	49 952 302
Equity and liabilities								
Total equity	7 002 073	28 757 322	(62 767)	83 658	(12 615 822)	(611 390)	1 513 764	24 066 838
Stated capital	9 878 033	8 675 932	325 000	142 118	(9 480 576)	323 168	14 358	9 878 033
Treasury Shares	–	–	–	–	(1 680 005)	–	–	(1 680 005)
Re-organisation reserve	–	–	–	–	(5 392 288)	–	–	(5 392 288)
Northam Scheme of arrangement reserve	(10 925 555)	–	–	–	10 925 555	–	–	–
Retained earnings/(accumulated loss)	14 605 719	17 579 635	(387 767)	(86 349)	(11 042 877)	(934 558)	1 499 406	21 233 209
Foreign currency translation reserve	–	–	–	27 889	–	–	–	27 889
Non-distributable reserves	–	2 501 755	–	–	(2 501 755)	–	–	–
Share entitlement reserve	(6 556 124)	–	–	–	6 556 124	–	–	–
Non-current liabilities	12 566 282	4 957 770	518 280	–	(10 363 320)	8 257 070	2 573	15 938 655
Deferred tax liability	1 760 731	4 352 367	–	–	(3 146 855)	1 053 241	2 573	4 022 057
Long-term provisions	200 395	263 041	497 955	–	–	–	–	961 391
Zambezi Preference Share liabilities	–	–	–	–	(7 203 829)	7 203 829	–	–
Long-term loans	56 670	20 631	–	–	–	–	–	77 301
Lease liability	21 040	43 144	–	–	–	–	–	64 184
Long-term share-based payment liability	277 027	265 951	20 325	–	–	–	–	563 303
Domestic Medium-Term Notes	8 816 280	–	–	–	–	–	–	8 816 280
Revolving credit facility	1 434 139	–	–	–	–	–	–	1 434 139
Buttonshope contribution liability	–	12 636	–	–	(12 636)	–	–	–
Current liabilities	24 659 324	4 602 973	3 515 766	60 715	(22 993 530)	3	101 558	9 946 809
Current portion of long-term loans	2 000	5 501	–	–	–	–	–	7 501
Current portion of lease liability	2 153	7 954	–	–	–	–	–	10 107
Current portion of Domestic Medium-Term Notes	2 265 672	–	–	–	–	–	–	2 265 672
Short-term share-based payment liabilities	85 554	77 157	11 908	–	–	–	–	174 619
Bridge facility	2 969 312	–	–	–	–	–	–	2 969 312
Tax payable	66 250	27 860	–	–	–	3	163	94 276
Short-term subsidiary and group loans	17 159 162	3 128 254	2 638 266	43 392	(22 993 958)	–	24 884	–
Trade and other payables	1 780 103	1 205 369	835 065	17 323	428	–	76 511	3 914 799
Provisional pricing liabilities	–	–	–	–	–	–	–	–
Short-term provisions	329 118	150 878	30 527	–	–	–	–	510 523
Total equity and liabilities	44 227 679	38 318 065	3 971 279	144 373	(45 972 672)	7 645 683	1 617 895	49 952 302

Refer to note 14 for details with regards to the restatement.

3. Revenue

Revenue can be disaggregated into the following:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Sales revenue from contracts with customers	39 807 381	33 905 646	36 324 724	31 724 498
Sales revenue from fair value adjustments with regards to IFRS 9	(259 222)	158 624	(56 302)	43 630
Total sales revenue	39 548 159	34 064 270	36 268 422	31 768 128

Sales revenue comprises revenue from the following metals, together with toll treatment revenue:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Platinum	9 275 887	7 012 543	8 796 737	6 723 817
Palladium	7 938 941	6 802 272	7 530 223	6 453 738
Rhodium	15 636 892	15 681 912	15 030 844	14 839 558
Gold	337 750	235 441	316 858	228 887
Iridium	2 125 014	1 399 974	2 050 491	1 351 897
Ruthenium	896 318	903 743	861 466	878 023
Silver	5 075	4 180	5 075	4 180
Nickel	661 755	611 499	615 821	592 827
Copper	164 277	157 092	155 234	153 808
Cobalt	4 325	8 814	4 325	8 814
Chrome	2 454 722	1 082 059	861 305	380 830
Toll treatment revenue	47 203	164 741	40 043	151 749
Total sales revenue from contracts with customers	39 548 159	34 064 270	36 268 422	31 768 128

Sales revenue comprises the ounce volumes sold from the following metals:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	oz	oz	oz	oz
Platinum	537 341	461 403	506 825	440 667
Palladium	257 542	204 593	240 867	193 020
Rhodium	80 176	63 592	75 303	59 843
Gold	10 288	8 335	9 607	8 088
4E	885 347	737 923	832 602	701 618
Iridium	30 183	21 953	28 316	20 509
Ruthenium	120 215	110 165	111 746	104 267
6E	1 035 745	870 041	972 664	826 394
Silver	13 006	11 712	13 006	11 712

Sales revenue comprises the tonnes volumes sold from the following metals:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	tonnes	tonnes	tonnes	tonnes
Nickel	1 950	1 658	1 798	1 591
Copper	1 183	1 094	1 095	1 060
Cobalt	7	8	7	8
Chrome	1 065 757	960 335	404 875	381 419

Revenue from external customers per metal and per operating segment

	Zondereinde (Northam Platinum Limited) operations	Booysendal operations	Eland operations	US recycling operations	Intercompany elimination	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000	R000	R000
Platinum	8 796 737	4 155 575	1 036 362	26 794	(4 739 581)	9 275 887
Palladium	7 530 223	3 809 482	559 482	37 304	(3 997 550)	7 938 941
Rhodium	15 030 844	7 854 330	1 672 320	8 962	(8 929 564)	15 636 892
Gold	316 858	136 414	8 317	121	(123 960)	337 750
Iridium	2 050 491	892 080	248 443	–	(1 066 000)	2 125 014
Ruthenium	861 466	516 185	118 923	2 481	(602 737)	896 318
Silver	5 075	–	–	–	–	5 075
Nickel	615 821	345 395	26 864	–	(326 325)	661 755
Copper	155 234	50 357	3 483	–	(44 797)	164 277
Cobalt	4 325	–	–	–	–	4 325
Chrome	861 305	1 480 558	112 859	–	–	2 454 722
Toll treatment revenue	40 043	–	–	7 160	–	47 203
	36 268 422	19 240 376	3 787 053	82 822	(19 830 514)	39 548 159

Zondereinde, being Northam Platinum, purchases most of Booysendal's concentrate and all of Eland's concentrate, for a percentage of the fair value, except for chrome which is sold directly to a third-party customer on an offtake agreement.

Concentrate from Booysendal is also sold to a third-party customer to honour the Everest offtake agreement.

Zondereinde further purchases the majority of the US recycling operation's recycled material.

Revenue from external customers per region and per operating segment

Revenue emanates from the following principal regions:

	Zondereinde (Northam Platinum Limited) operations	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000	R000
Germany	6 144 219	–	–	–	6 144 219
Japan	10 936 051	–	–	–	10 936 051
South Africa	1 176 404	1 678 327	–	–	2 854 731
South Korea	–	–	–	833	833
Switzerland	1 488 004	–	–	–	1 488 004
The People's Republic of China	914 376	1 480 558	112 859	–	2 507 793
United Kingdom	14 854 660	–	–	–	14 854 660
United States of America	754 708	–	–	7 160	761 868
	36 268 422	3 158 885	112 859	7 993	39 548 159

Revenue from external customers per metal and per operating segment

	Zondereinde (Northam Platinum Limited) operations	Booysendal operations	Eland operations	US recycling operations	Intercompany elimination	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000	R000
Platinum	6 723 817	3 253 117	541 508	49 454	(3 555 353)	7 012 543
Palladium	6 453 738	3 764 649	424 502	52 733	(3 893 350)	6 802 272
Rhodium	14 839 558	9 577 892	1 434 983	12 494	(10 183 015)	15 681 912
Gold	228 887	97 749	3 780	–	(94 975)	235 441
Iridium	1 351 897	782 909	140 998	–	(875 830)	1 399 974
Ruthenium	878 023	517 768	80 906	–	(572 954)	903 743
Silver	4 180	–	–	–	–	4 180
Nickel	592 827	254 186	12 672	–	(248 186)	611 499
Copper	153 808	43 553	1 739	–	(42 008)	157 092
Cobalt	8 814	–	–	–	–	8 814
Chrome	380 830	672 215	29 014	–	–	1 082 059
Toll treatment revenue	151 749	–	–	12 992	–	164 741
	31 768 128	18 964 038	2 670 102	127 673	(19 465 671)	34 064 270

Revenue from external customers per region and per operating segment

Revenue emanates from the following principal regions:

	Zondereinde (Northam Platinum Limited) operations	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000
Europe	21 283 920	–	–	–	21 283 920
Japan	8 170 395	–	–	–	8 170 395
Asia*	380 830	672 215	29 014	–	1 082 059
North America (United States of America)	1 090 750	–	–	12 992	1 103 742
South Africa	842 233	1 581 921	–	–	2 424 154
	31 768 128	2 254 136	29 014	12 992	34 064 270

**Revenue emanating from Asia relate to sales made to the People's Republic of China.*

Disaggregated sales into Europe are provided for improved disclosure:

	Zondereinde (Northam Platinum Limited) operations	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000
Germany	7 231 792	–	–	–	7 231 792
Switzerland	141 978	–	–	–	141 978
United Kingdom	13 910 150	–	–	–	13 910 150
Europe	21 283 920	–	–	–	21 283 920

Revenue and sales volumes per customer

The following customers each account for a significant portion of the total revenue:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Customer 1	721 271	228 762	721 271	228 762
Customer 2	10 645 059	7 961 217	10 645 059	7 961 217
Customer 3	3 216 435	3 458 879	3 216 435	3 458 879
Customer 4	46 053	164 741	40 043	151 749
Customer 5	6 144 219	7 231 791	6 144 219	7 231 791
Customer 6	2 454 722	1 082 059	861 305	380 830
Customer 7	373 814	612 360	373 814	612 360
Customer 8	11 638 225	10 451 271	11 638 225	10 451 271
Customer 9	1 912 702	2 175 649	234 376	593 728
Customer 10	1 488 004	–	1 488 004	–
Customer 11	290 992	–	290 992	–
Other	616 663	697 541	614 679	697 541
Total sales revenue	39 548 159	34 064 270	36 268 422	31 768 128

As a result of the significance of revenue from customers 10 and 11 for the current year these customers have been separately disclosed. Previously these customers were disclosed in other.

Below is a breakdown of these customers in the previous year:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Customer 10	1 488 004	141 978	1 488 004	141 978
Customer 11	290 992	209 179	290 992	209 179
Other	616 663	346 384	614 679	346 384
	2 395 659	697 541	2 393 675	697 541

The following customers each account for a significant portion of the total sales revenue. Below is a summary of the 4E volumes of ounces sold to these customers:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	oz	oz	oz	oz
Customer 1	26 230	12 243	26 230	12 243
Customer 2	251 572	163 990	251 572	163 990
Customer 3	94 500	95 373	94 500	95 373
Customer 4	–	–	–	–
Customer 5	143 908	168 309	143 908	168 309
Customer 6	–	–	–	–
Customer 7	14 100	27 150	14 100	27 150
Customer 8	246 387	228 416	246 387	228 416
Customer 9	52 725	36 305	–	–
Customer 10	48 000	–	48 000	–
Customer 11	–	–	–	–
Other	7 925	6 137	7 905	6 137
4E oz sold	885 347	737 923	832 602	701 618

Revenue from customer 4 relates to toll treatment revenue and not the sale of metal and customer 6 is a chrome customer, therefore no 4E ounce volumes are sold to these customers.

Customer 11 and the majority of the other revenue category relates to customers to which by-products are sold, and is therefore excluded from the analysis of 4E oz.

During F2022, customer 10 only purchased by-products, therefore no 4E ounce volumes is disclosed for this customer.

4. Operating costs

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Employee costs	7 450 825	5 849 719	3 680 405	3 148 513
Stores: Diesel and fuel	346 920	226 430	53 438	29 557
Stores: Other	5 711 860	4 160 013	2 049 775	1 705 993
Utilities: Electricity costs	2 090 302	1 660 827	1 336 466	1 094 756
Utilities: Water costs	70 797	59 092	30 094	29 939
Sundries	1 240 283	1 005 974	440 321	437 098
Royalty charges	1 265 553	894 853	351 623	227 926
Share-based payment expenses (refer to note 32)	89 281	146 716	40 289	59 603
Toro Employee Empowerment Trust contribution	108 339	84 027	108 339	84 027
Employee profit share scheme	133 455	24 488	–	–
Ore material purchased from surface sources	–	139 879	–	15 000
Contractors	2 409 477	1 827 818	896 241	786 489
Carbon tax	1 407	1 138	1 407	1 138
Rehabilitation (refer to note 27)	(29 885)	65 438	(9 675)	5 142
Development costs capitalised to property, plant and equipment	(1 029 601)	(609 530)	(66 625)	–
	19 859 013	15 536 882	8 912 098	7 625 181

Operating costs per operating segment:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000	R000
Employee costs	3 680 405	2 632 541	1 126 013	11 866	7 450 825
Stores: Diesel and fuel	53 438	200 282	93 200	–	346 920
Stores: Other	2 049 775	2 739 602	921 546	937	5 711 860
Utilities: Electricity cost	1 336 466	530 815	222 250	771	2 090 302
Utilities: Water cost	30 094	37 089	3 446	168	70 797
Sundries	440 321	661 472	125 607	12 883	1 240 283
Royalty charges	351 623	905 209	8 721	–	1 265 553
Share-based payment expenses	40 289	47 164	1 828	–	89 281
Toro Employee Empowerment Trust contribution	108 339	–	–	–	108 339
Employee profit share scheme	–	110 469	22 986	–	133 455
Contractors	896 241	912 669	597 269	3 298	2 409 477
Carbon tax	1 407	–	–	–	1 407
Rehabilitation	(9 675)	(10 597)	(9 613)	–	(29 885)
Development costs capitalised to property, plant and equipment	(66 625)	–	(962 976)	–	(1 029 601)
	8 912 098	8 766 715	2 150 277	29 923	19 859 013

Details of stores are further provided for additional disclosure:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000	R000
Chemicals	171 372	465 109	157 038	208	793 727
Equipment	676 712	1 330 734	338 174	27	2 345 647
Explosives	135 271	292 801	34 627	–	462 699
Steel	535 351	412 185	132 659	–	1 080 195
Support	336 904	131 197	153 160	–	621 261
Various	194 165	107 576	105 888	702	408 331
Stores: Other	2 049 775	2 739 602	921 546	937	5 711 860

Percentage breakdown of operating costs per operating segment:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	%	%	%	%	%
Employee costs	40.9	30.0	36.1	39.7	35.6
Stores: Diesel and fuel	0.6	2.3	3.0	–	1.7
Stores: Other	22.8	31.2	29.5	3.1	27.3
Utilities: Electricity cost	14.9	6.1	7.1	2.6	10.0
Utilities: Water cost	0.3	0.4	0.1	0.6	0.3
Sundries	4.9	7.5	4.0	43.0	5.9
Royalty charges	3.9	10.3	0.3	–	6.1
Share-based payment expenses	0.4	0.5	0.1	–	0.5
Toro Employee Empowerment Trust contribution	1.2	–	–	–	0.5
Employee profit share scheme	–	1.3	0.7	–	0.6
Contractors	10.0	10.4	19.1	11.0	11.5
Carbon tax	0.1	–	–	–	0.0
	100.0	100.0	100.0	100.0	100.0

Key management compensation is disclosed in the related parties note (refer to note 46).

Operating costs per operating segment:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000
Employee costs	3 148 513	1 989 963	700 715	10 528	5 849 719
Stores: Diesel and fuel	29 557	146 408	50 465	–	226 430
Stores: Other	1 705 993	1 894 262	558 335	1 423	4 160 013
Utilities: Electricity cost	1 094 756	410 291	154 865	915	1 660 827
Utilities: Water cost	29 939	26 959	2 118	76	59 092
Sundries	437 098	477 451	81 237	10 188	1 005 974
Royalty charges	227 926	666 689	238	–	894 853
Share-based payment expenses	59 603	72 380	14 733	–	146 716
Toro Employee Empowerment Trust contribution	84 027	–	–	–	84 027
Employee profit share scheme	–	18 994	5 494	–	24 488
Ore material purchased from surface sources	15 000	–	124 879	–	139 879
Contractors	786 489	710 356	328 225	2 748	1 827 818
Carbon tax	1 138	–	–	–	1 138
Rehabilitation	5 142	3 022	57 274	–	65 438
Development costs capitalised to property, plant and equipment	–	(61 394)	(548 136)	–	(609 530)
	7 625 181	6 355 381	1 530 442	25 878	15 536 882

Details of stores are further provided for additional disclosure:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000
Chemicals	116 058	275 332	65 139	263	456 792
Equipment	634 165	909 622	276 730	72	1 820 589
Explosives	100 774	212 578	14 828	–	328 180
Steel	410 819	310 649	64 226	–	785 694
Support	233 065	97 920	63 242	–	394 227
Various	211 112	88 161	74 170	1 088	374 531
Stores: Other	1 705 993	1 894 262	558 335	1 423	4 160 013

Percentage breakdown of operating costs per operating segment:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	US recycling operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	%	%	%	%	%
Employee costs	41.3	31.0	33.7	40.7	36.2
Stores: Diesel and fuel	0.4	2.3	2.4	–	1.4
Stores: Other	22.4	29.5	26.9	5.5	25.8
Utilities: Electricity cost	14.3	6.4	7.4	3.5	10.3
Utilities: Water cost	0.4	0.4	0.1	0.3	0.4
Sundries	5.7	7.4	3.9	39.4	6.2
Royalty charges	3.0	10.4	0.0	–	5.5
Share-based payment expenses	0.8	1.1	0.7	–	0.9
Toro Employee Empowerment Trust contribution	1.1	–	–	–	0.5
Employee profit share scheme	–	0.3	0.3	–	0.2
Ore material purchased from surface sources	0.2	–	6.0	–	0.9
Contractors	10.3	11.1	15.8	10.6	11.3
Carbon tax	0.0	–	–	–	0.0
Rehabilitation	0.1	0.1	2.8	–	0.4
	100.0	100.0	100.0	100.0	100.0

5. Investment income

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	Restated 30 June 2022
	R000	R000	R000	R000
Interest received on cash and cash equivalents	197 054	72 260	181 131	63 291
Dividend income received from short-term investments	3 627	2 585	3 627	2 269
Dividends received from SSG Holdings Proprietary Limited	–	–	–	606
Interest received from subsidiaries	–	–	–	166 452
Interest received from Eland Platinum Proprietary Limited	–	–	377 538	–
Interest received from Northam Platinum Investments (US) Incorporated	–	–	48	–
Interest received from Northam Recovery Services LLC	–	–	3 655	–
Interest received from Northam Property Company LLC	–	–	1 030	–
Dividends received from subsidiaries	–	–	19 852 736	–
Interest received from Northam Holdings	467 621	–	467 621	–
Interest received from suspensive sales agreements	4 157	3 746	–	–
Interest received relating to the Northam Platinum Restoration Trust Fund (refer to note 17)	12 379	6 883	6 189	3 442
Accrued dividends from Zambezi Preference Shares	–	–	–	179 797
Premium Amount relating to the Zambezi Preference Shares	–	–	–	1 568 483
Interest received by the Buttonshope Conservancy Trust	906	672	–	–
Deemed interest on the interest free home loans	10 941	6 917	5 805	3 284
Interest received from the South African Revenue Services (SARS)	54 850	1 045	5 487	–
Interest received on advances paid to Zambezi Ordinary Shareholders as part of the Composite Transaction	–	7 359	–	7 359
Other	309	158	–	–
	751 844	101 625	20 904 867	1 994 983

Refer to note 14 for details with regards to the restatement.

Dividends received from subsidiaries relates to a dividend declared by Booysendal Platinum Proprietary Limited and set off against the subsidiary loan, refer to note 46.

Below are details of interest received from subsidiaries for improved disclosure:

	Interest received 30 June 2023	Interest received 30 June 2022
	R000	R000
Eland Platinum Proprietary Limited	377 538	162 554
Northam Platinum Investments (US) Incorporated	48	32
Northam Recovery Services LLC	3 655	2 660
Northam Property Company LLC	1 030	741
Northam Zondereinde Community Trust	–	145
Northam Booysendal Community Trust	–	145
Northam Employees' Trust	–	175
	382 271	166 452

Below is a reconciliation of interest recognised on the effective interest rate method in comparison to investment income disclosed above:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	Restated 30 June 2022
	R000	R000	R000	R000
Interest recognised on the effective interest rate method	748 217	99 040	1 048 504	243 828
Accrued dividends and Premium Amount from Zambezi Preference Shares	–	–	–	1 748 280
Dividend income received from short-term investments	3 627	2 585	3 627	2 269
Dividends received from subsidiaries	–	–	19 852 736	–
Dividends received from SSG Holdings Proprietary Limited	–	–	–	606
Investment income	751 844	101 625	20 904 867	1 994 983

6. Finance charges excluding Zambezi Preference Share dividends

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the DMTNs (refer to note 30)	(1 498 193)	(733 809)	(1 498 193)	(733 809)
Finance costs relating to the RCF (refer to note 34)	(426 610)	(116 380)	(426 610)	(116 380)
Finance costs relating to the GBF (refer to note 23)	(3 051)	(4 012)	(3 051)	(4 012)
Finance costs relating to the Term loan facility (refer to note 35)	(158 922)	–	(158 922)	–
Finance costs relating to the Bridge facility (refer to note 36)	(31 128)	(80 057)	(31 128)	(80 057)
Amounts capitalised in terms of IAS 23 Borrowing costs (refer to note 10)	177 580	64 640	–	–
Commitment and utilisation fees on borrowing facilities (refer to note 23 and 34)	(43 200)	(30 992)	(43 200)	(30 992)
Amortisation of the transaction costs relating to the DMTNs (refer to note 30)	(106 258)	(151 628)	(106 258)	(151 628)
Amortisation of the transaction costs relating to the RCF (refer to note 34)	(43 531)	(7 321)	(43 531)	(7 321)
Amortisation of the transaction costs relating to the Term loan facility (refer to note 35)	(59 504)	–	(59 504)	–
Amortisation of the transaction costs relating to the Bridge facility (refer to note 36)	(30 688)	(32 562)	(30 688)	(32 562)
Unwinding of rehabilitation liability (refer to note 27)	(82 680)	(69 896)	(17 234)	(14 496)
Finance costs relating to lease liabilities	(6 752)	(6 981)	(1 935)	(1 650)
Interest on Employee Labour Court judgement (refer to note 48)	–	(16 010)	–	(16 010)
Interest on outstanding balance payable to the Toro Employee Empowerment Trust	(37 906)	(15 935)	(37 906)	(15 935)
Other financial liabilities	(4 092)	(2 250)	(19)	–
	(2 354 935)	(1 203 193)	(2 458 179)	(1 204 852)

7. Sundry income

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Rent received	12 847	2 590	2 065	1 952
Sale of scrap	11 765	20 682	6 222	10 090
Profit on sale of property, plant and equipment and mining properties and Mineral Resources	13 642	22 376	13 927	21 790
Accommodation and housing income	186	91	–	–
Environmental guarantee investment income (refer to note 18)	6 141	3 005	1 883	1 025
Profit on modification of the agreement terms relating to the research and development liability with Heraeus Deutschland GmbH & Co. KG (refer to note 28)	6 200	43 493	6 200	43 493
COVID-19 Temporary Employee Relief Scheme refund (refer to note 49)	–	6 241	–	6 241
Amortisation of financial guarantee liability and impact of guarantee on investment	–	–	–	4 985 835
Lock-in Fee forfeited due to Disposal Event (refer to note 28)	–	32 420	–	32 420
Other income	27 332	828	16 322	804
	78 113	131 726	46 619	5 103 650

The amortisation of financial guarantee liability and impact of guarantee on investment amount is made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Amortisation of financial guarantee liability (refer to note 33)	–	–	–	939 390
Fair value adjustment (refer to note 14)	–	–	–	1 345 193
Recycling of fair value adjustment accounted through other comprehensive income (refer to note 14)	–	–	–	2 701 252
	–	–	–	4 985 835

8. Sundry expenditure

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Corporate action costs	(15 908)	(196 610)	(15 908)	(178 881)
Booysendal land management, including depreciation relating to the Buttonshope Conservancy Trust	(11 331)	(10 777)	–	–
Accommodation and housing expenses	(5 048)	(3 143)	(1 530)	(17)
Black Economic Empowerment Trust operating costs	(27 446)	(18 410)	–	–
Administrative costs relating to Zambezi Platinum (RF) Proprietary Limited	(1 209)	(1 570)	(1 209)	(1 570)
Environmental guarantee cost (refer to note 18)	(6 174)	(6 526)	(1 921)	(2 061)
Donation to the Northam Employees' Trust	–	–	–	(1 000)
Donations	(470)	(703)	(417)	(491)
Settlement of the VAT dispute with the South African Revenue Service (refer to note 49)	–	(16 784)	–	(16 784)
Other expenditure	(22 099)	(17 547)	(12 722)	(6 040)
	(89 685)	(272 070)	(33 707)	(206 844)

During the previous financial year corporate action costs included costs associated with the Composite Transaction. The Composite Transaction was approved by Northam Platinum shareholders on 30 June 2021.

In terms of the Trust Deed of The Northam Employees' Trust, Northam Platinum has committed to contribute R1.0 million per annum for the duration of the 10-year Lock-in period.

This payment ceased upon implementation of the early maturity of the Zambezi BEE Transaction on the Net Value Distribution Date.

For purposes of ensuring that Zambezi does not incur any liabilities or indebtedness, other than pursuant to the transaction agreements pursuant to the Zambezi BEE Transaction, and that it remains ring-fenced, Zambezi and Northam entered into an administration services agreement in terms of which Zambezi has appointed Northam to attend to the day-to-day management of Zambezi's business and the administration of Zambezi's affairs at Northam's sole cost and expense and with no recourse to Zambezi subject to maximum costs and expenses of up to R2.0 million per annum, escalating annually at consumer price index (CPI) from the 1st (first) anniversary of the implementation date of the Zambezi BEE Transaction.

The current limit relating to expenses paid on behalf of Zambezi amounts to R3.0 million (30 June 2022: R2.8 million).

9. Tax

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Income tax				
Current mining income tax charge	2 651 224	3 050 099	477 436	348 569
Current non-mining income tax charge	139 486	100 240	128 260	97 757
Adjustment in respect of current income tax of previous years	(3 440)	(14 636)	592	(14 748)
	2 787 270	3 135 703	606 288	431 578
Dividend Withholding Tax				
Current year Dividend Withholding Tax	–	5 391	–	–
	–	5 391	–	–
Deferred tax				
Current and prior year deferred tax charge	1 402 283	881 277	602 180	567 818
Change in the South African company tax rate from 28% to 27%	–	(143 676)	–	(65 213)
	1 402 283	737 601	602 180	502 605
Income tax expense reported in profit or loss	4 189 553	3 878 695	1 208 468	934 183

A reconciliation of the standard rate of South African tax compared with that charged in the statement of profit or loss and other comprehensive income is set out below:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**Restated 30 June 2022**
	%	%	%	%
South African normal tax rate	27.0	28.0	27.0	28.0
Adjustment in respect of current income tax of the previous year	(0.0)	(0.1)	0.0	(0.2)
Exempt income received mainly relates to dividends received as well as the amortisation of the financial guarantee liability and impact of the guarantee on the Zambezi Platinum (RF) Limited investment	(0.2)	(0.1)	(26.8)	(19.0)
Impairment of investment in subsidiary which is not tax deductible	–	–	4.9	–
Expenditure and contingencies incurred which are non-deductible, mainly relating to corporate action costs	0.4	0.5	0.1	0.1
Unproductive interest incurred which is not tax deductible	1.4	1.1	0.8	1.4
Previously recognised deferred tax asset relating to Eland Platinum Proprietary Limited derecognised	1.3	–	–	–
Current year deferred tax asset relating to Eland Platinum Proprietary Limited not recognised	7.5	–	–	–
Amortisation of liquidity fees paid on Zambezi Preference Shares	–	0.1	–	–
Zambezi Preference Share dividends disallowed	–	0.1	–	–
Loss on derecognition of Zambezi Preference Share liability	–	0.6	–	–
Change in tax rate relating to the deferred tax balances	–	(1.1)	–	(0.7)
Effective tax rate	37.4	29.1	6.0	9.6

Refer to note 14 for details with regards to the restatement. The restatement did not have a tax impact.

On 23 February 2022, the South African Minister of Finance confirmed that the corporate tax rate reductions announced in the 2021 budget speech would become effective for companies from the year of assessment ending on or after 31 March 2023. This changed the corporate tax rate from 28.0% to 27.0% during F2022.

10. Property, plant and equipment

Property, plant and equipment balances for the group are made up as follows:

	Shafts, mining development and infrastructure	Metallurgical and refining plants	Land and buildings	General infrastructure including other assets	Decommis-sioning asset	Right-of-use assets	Assets under construction	Total
Group	R000	R000	R000	R000	R000	R000	R000	R000
Cost								
Opening balance as at 1 July 2021	14 138 187	4 682 113	787 725	756 348	371 937	98 448	3 168 521	24 003 279
Reassessment of IFRS 16 Leases	–	–	–	–	–	432	–	432
Foreign currency translation movements	–	3 014	17 258	–	–	–	–	20 272
Additions	12 000	–	12 969	–	–	–	4 545 254	4 570 223
Transfer from assets under construction	1 761 268	1 040 956	4 373	62 133	–	–	(2 868 730)	–
Disposals and write-offs	–	(2 296)	(1 923)	(26 846)	–	–	–	(31 065)
Present value of decommissioning asset capitalised (refer to note 27)	–	–	–	–	13 310	–	–	13 310
Borrowing costs capitalised	–	–	–	–	–	–	64 640	64 640
Closing cost as at 30 June 2022	15 911 455	5 723 787	820 402	791 635	385 247	98 880	4 909 685	28 641 091
Reassessment of IFRS 16 Leases	–	–	–	–	–	20 270	–	20 270
Foreign currency translation movements	–	4 017	21 994	–	–	–	–	26 011
Additions	–	–	–	–	–	–	5 570 345	5 570 345
Transfer from assets under construction	1 891 050	270 597	10 216	151 003	–	–	(2 322 866)	–
Disposals and write-offs	–	(251)	(5 036)	(5 261)	–	(26 658)	–	(37 206)
Present value of decommissioning asset capitalised (refer to note 27)	–	–	–	–	(56 619)	–	–	(56 619)
Borrowing costs capitalised (refer to note 6)	–	–	–	–	–	–	177 580	177 580
Closing cost as at 30 June 2023	17 802 505	5 998 150	847 576	937 377	328 628	92 492	8 334 744	34 341 472

	Shafts, mining development and infrastructure	Metallurgical and refining plants	Land and buildings	General infrastructure including other assets	Decommis-sioning asset	Right-of-use assets	Assets under construction	Total
Group	R000	R000	R000	R000	R000	R000	R000	R000
Accumulated depreciation								
Opening balance as at 1 July 2021	(3 273 707)	(1 032 984)	(259 915)	(277 458)	(15 686)	(27 386)	–	(4 887 136)
Foreign currency translation movements	–	(1 260)	(4 134)	–	–	–	–	(5 394)
Depreciation	(630 252)	(164 953)	(23 873)	(54 568)	(2 339)	(10 457)	–	(886 442)
Disposals and write-offs	–	1 718	1 458	21 552	–	–	–	24 728
Accumulated depreciation balance as at 30 June 2022	(3 903 959)	(1 197 479)	(286 464)	(310 474)	(18 025)	(37 843)	–	(5 754 244)
Foreign currency translation movements	–	(2 102)	(6 299)	–	–	–	–	(8 401)
Depreciation	(761 259)	(196 813)	(24 632)	(67 151)	(4 645)	(7 895)	–	(1 062 395)
Disposals and write-offs	–	236	3 051	4 832	–	26 658	–	34 777
Impairment of assets (refer to note 11)	–	–	–	–	–	–	(2 718 275)	(2 718 275)
Accumulated depreciation and impairment balance as at 30 June 2023	(4 665 218)	(1 396 158)	(314 344)	(372 793)	(22 670)	(19 080)	(2 718 275)	(9 508 538)
Net book value as at 30 June 2022	12 007 496	4 526 308	533 938	481 161	367 222	61 037	4 909 685	22 886 847
Net book value as at 30 June 2023	13 137 287	4 601 992	533 232	564 584	305 958	73 412	5 616 469	24 832 934

A register containing the information required by regulation 25(3) of the Companies Regulations 2011 is available for inspection at the registered office of the company.

Property, plant and equipment balances for the company are made up as follows:

	Shafts, mining development and infrastructure	Metallurgical and refining plants	Land and buildings	General infrastructure including other assets	Decommis-sioning asset	Right-of-use assets	Assets under construction	Total
Company	R000	R000	R000	R000	R000	R000	R000	R000
Cost								
Opening balance as at 1 July 2021	4 008 400	2 000 464	464 747	487 376	15 297	26 800	1 421 402	8 424 486
Reassessment of IFRS 16 Leases	–	–	–	–	–	–	–	–
Additions	–	–	–	–	–	–	1 983 703	1 983 703
Transfer from assets under construction	82 258	885 393	4 373	23 568	–	–	(995 592)	–
Disposals and write-offs	–	–	(1 923)	(26 846)	–	–	–	(28 769)
Present value of decommissioning asset capitalised (refer to note 27)	–	–	–	–	12 200	–	–	12 200
Closing cost as at 30 June 2022	4 090 658	2 885 857	467 197	484 098	27 497	26 800	2 409 513	10 391 620
Reassessment of IFRS 16 Leases	–	–	–	–	–	19 223	–	19 223
Additions	–	–	–	–	–	–	2 450 629	2 450 629
Transfer from assets under construction	267 001	92 563	10 216	109 359	–	–	(479 139)	–
Disposals and write-offs	–	–	(4 210)	(4 300)	–	–	–	(8 510)
Present value of decommissioning asset capitalised (refer to note 27)	–	–	–	–	(4 921)	–	–	(4 921)
Closing cost as at 30 June 2023	4 357 659	2 978 420	473 203	589 157	22 576	46 023	4 381 003	12 848 041

	Shafts, mining development and infrastructure	Metallurgical and refining plants	Land and buildings	General infrastructure including other assets	Decommis-sioning asset	Right-of-use assets	Assets under construction	Total
Company	R000	R000	R000	R000	R000	R000	R000	R000
Accumulated depreciation								
Opening balance as at 1 July 2021	(1 593 975)	(529 157)	(213 987)	(190 117)	(34)	(5 110)	–	(2 532 380)
Depreciation	(79 736)	(54 964)	(12 261)	(29 720)	(312)	(2 324)	–	(179 317)
Disposals and write-offs	–	–	1 458	21 552	–	–	–	23 010
Accumulated depreciation balance as at 30 June 2022	(1 673 711)	(584 121)	(224 790)	(198 285)	(346)	(7 434)	–	(2 688 687)
Depreciation	(79 997)	(71 158)	(12 523)	(39 348)	(650)	(2 729)	–	(206 405)
Disposals and write-offs	–	–	3 050	4 294	–	–	–	7 344
Accumulated depreciation balance as at 30 June 2023	(1 753 708)	(655 279)	(234 263)	(233 339)	(996)	(10 163)	–	(2 887 748)
Net book value as at 30 June 2022	2 416 947	2 301 736	242 407	285 813	27 151	19 366	2 409 513	7 702 933
Net book value as at 30 June 2023	2 603 951	2 323 141	238 940	355 818	21 580	35 860	4 381 003	9 960 293

A register containing the information required by regulation 25(3) of the Companies Regulations 2011 is available for inspection at the registered office of the company.

Significant judgements: Capitalisation of borrowing costs in terms of IAS 23 Borrowing costs

IAS 23 Borrowing costs requires borrowing costs to be capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset (whether or not the funds have been borrowed specifically). These borrowing costs are included in the cost of the asset and all other borrowing costs are recognised as an expense in the period in which they occur.

IAS 23 defines a qualifying asset as an asset that necessarily takes a substantial period of time to get ready for its intended use. IAS 23 does not define a substantial period of time and this will therefore require the exercise of judgement after considering the specific facts and circumstances. Northam regards an asset that normally takes 12 months or more to be ready for its intended use to be a qualifying asset.

Borrowing costs on the Kukama shaft have been capitalised at the average cost of borrowings of the group.

Borrowing costs were capitalised at the weighted average cost of borrowing of 10.27% (30 June 2022: 7.24%).

An amount of R177.6 million was capitalised during the year in Eland (30 June 2022: R64.6 million). Refer to note 6.

Significant judgements and estimates: Impairment of assets

Refer to note 11 for details with regards to the significant judgements and estimates relating to the impairment of assets and the assessment of cash generating units.

Significant judgements and estimates: Calculation of depreciation

Mining assets are depreciated on a units of production basis, based on Mineral Reserves, which are revised annually.

When items of plant and equipment comprise separate, identifiable components that have different useful lives, such components are depreciated according to their individual useful lives.

Office equipment, furniture and vehicles are depreciated using varying rates ranging between 10% and 20% on a straight-line basis over their expected useful lives.

Buildings are depreciated on a straight-line basis over the estimated useful life, which is generally the life of mine.

11. Mining properties and Mineral Resources

Group	Current production Mineral Reserves and Mineral Resources	Project Mineral Reserves and Mineral Resources	Total
	R000	R000	R000
Cost			
Opening balance as at 1 July 2021	2 026 164	5 028 056	7 054 220
Reallocation between current and project Mineral Reserves and Mineral Resources	608 722	(608 722)	–
Disposal	(23 620)	–	(23 620)
Closing balance as at 30 June 2022	2 611 266	4 419 334	7 030 600
Additions	–	–	–
Closing balance as at 30 June 2023	2 611 266	4 419 334	7 030 600
Accumulated depreciation			
Opening balance as at 1 July 2021	(474 714)	–	(474 714)
Depreciation	(46 232)	–	(46 232)
Disposal	15 376	–	15 376
Closing balance as at 30 June 2022	(505 570)	–	(505 570)
Depreciation	(84 784)	–	(84 784)
Closing balance as at 30 June 2023	(590 354)	–	(590 354)
Net book value as at 30 June 2022	2 105 696	4 419 334	6 525 030
Net book value as at 30 June 2023	2 020 912	4 419 334	6 440 246

Company	Current production Mineral Reserves and Mineral Resources	Project Mineral Reserves and Mineral Resources	Total
	R000	R000	R000
Cost			
Opening balance as at 30 June 2021	1 288 833	–	1 288 833
Disposals and write-offs	(23 620)	–	(23 620)
Closing balance as at 30 June 2022	1 265 213	–	1 265 213
Additions	–	–	–
Closing balance as at 30 June 2023	1 265 213	–	1 265 213
Accumulated depreciation			
Opening balance as at 1 July 2021	(246 429)	–	(246 429)
Depreciation	(28 932)	–	(28 932)
Disposals and write-offs	15 376	–	15 376
Closing balance as at 30 June 2022	(259 985)	–	(259 985)
Depreciation	(30 575)	–	(30 575)
Closing balance as at 30 June 2023	(290 560)	–	(290 560)
Net book value as at 30 June 2022	1 005 228	–	1 005 228
Net book value as at 30 June 2023	974 653	–	974 653

Significant judgements and estimates: Impairment of assets and assessment of cash generating units

The group assesses, at each reporting date, whether there are indications that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets then the recoverable amount is determined for the CGU. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment testing requires management to make significant judgements concerning the existence of impairment indicators, identification of CGUs and estimates of projected cash flows. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

In assessing recoverable values, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining recoverable values, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly-traded companies or other available fair value indicators.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans, using assumptions that an independent market participant may take into account. Cash flows are discounted by an appropriate discount rate to determine the net present value.

The group bases its impairment calculations on approved budgets and the latest forecast. These budgets and forecast generally cover a period of five years and extended to life of mine using life of mine production and long-term real prices and costs.

The determined recoverable value is most sensitive to commodity prices, the US dollar exchange rate and the discount rate. Other judgements made by management include total capital expenditure, operating costs, production levels, inflation factors and extent of life of mine.

The following key assumptions were made by management, which are based on management's interpretation of market forecasts for the future.

		Group		Company	
		30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Long-term real platinum price	USD/oz	1 289	1 537	1 289	1 537
Long-term real palladium price	USD/oz	1 289	1 537	1 289	1 537
Long-term real rhodium price	USD/oz	9 000	18 079	9 000	18 079
Long-term real gold price	USD/oz	1 507	1 537	1 507	1 537
Long-term real ruthenium price	USD/oz	532	542	532	542
Long-term real iridium price	USD/oz	3 989	4 068	3 989	4 068
Long-term real nickel price	USD/t	21 275	18 079	21 275	18 079
Long-term real copper price	USD/t	8 864	9 040	8 864	9 040
Long-term real chrome price	USD/t	177	163	177	163
Long-term real USD exchange rate	R/USD	R16.67	R14.52	R16.67	R14.52
Long-term real discount rate	%	11.82	11.34	11.82	11.34

These estimates are subject to risks and uncertainties including the achievement of mine plans.

Long term prices have been estimated based on the cost of production for high cost producers. Should the world need PGMs, these producers will be required to make a margin in order to continue the production of PGMs.

Management also estimated the recoverable amount of Mineral Resources (based on the *in situ* 4E available ounces) outside the approved mine plans.

For those assets, the recoverable amount is calculated on a fair value less cost of disposal basis taking into account earlier binding sales agreements between market participants as well as the market capitalisation of PGM exploration companies relative to their resources base. Below is the value that has been attributed to the recoverable value of Mineral Resources:

		Group		Company	
		30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
4E *in situ* available ounce value	USD/oz	8.25	10.15	8.25	10.15

Recent adverse market developments have resulted in material contraction in profit margins and cash generation capacity across the PGM industry. As a consequence, the commodity price assumptions have been adjusted downward from those used in the prior year.

Based on the impairment assessments performed by management, the recoverable values for all CGUs are higher than their respective carrying amounts except for assets under construction relating to Eland Platinum Proprietary Limited which had a recoverable value of R1.5 billion.

The impairment assessment included sensitivities of 5% in either commodity prices or the US dollar exchange rate, which still indicate sufficient headroom relating to the remaining CGUs for which no impairment was required. If either long-term commodity prices or exchange rates improve by 5%, the recoverable value for Eland will increase by R1.3 billion.

Significant judgements and estimates: Mineral Reserve and Mineral Resource estimates (life of mine)

The estimation of Mineral Reserves impacts depreciation and the recoverable value of assets.

Mineral Reserves are estimates of the amount of ore that can be economically and legally extracted from the group's mining properties. The group estimates its Mineral Resources based on information compiled by appropriately-qualified persons, relating to the size, depth, shape and metal tenor of the ore body. This requires complex geological judgements in interpretation. Consideration of economic factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs are then incorporated in the estimation of recoverable Mineral Reserves. Changes in the Mineral Reserves estimates may impact the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, recognition of deferred tax assets (if any) and depreciation and amortisation charges. The group estimates and reports Mineral Reserves in line with the principles contained in the South African Code for Reporting of Mineral Resources and Mineral Reserves of 2007, revised in 2016 (the SAMREC Code 2016).

Factors that impact the estimation of Mineral Reserves and Mineral Resources, which may lead to variances between planned and achieved outcomes, include:

- the grade of Mineral Reserves – deviation from the planned mining cut may result in the achieved grade varying from the grade of Mineral Reserves;
- commodity prices, discount rates and foreign exchange rate estimations – variance in which may lead to different revenue outcomes;
- operating, mining, processing and refining costs; and
- capital costs.

Cognisance is also given to the tenure of mining licenses relating to the operations when life of mine calculations are performed.

12. Interest in associate

The interest in associate is made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
SSG Holdings Proprietary Limited	115 329	90 094	25 745	25 745
Transfer to non-current assets held for sale	–	(90 094)	–	(25 745)
	115 329	–	25 745	–

Investment in SSG Holdings Proprietary Limited (SSG)

Interest in associates comprise a 33.7% interest (June 2022: 33.7% interest) in SSG Holdings Proprietary Limited (SSG), a company registered in the Republic of South Africa. Northam owns 3 000 shares of the total of 8 900 issued shares of SSG.

SSG provides security, cleaning and facility services to the group.

Refer to note 46, related parties, detailing all transactions between the group and SSG.

Significant judgement: Classification of non-current assets (or disposal groups) as held for sale

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

- For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable.
- For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset (or disposal group), and an active programme to locate a buyer and complete the plan must have been initiated. Further, the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value.

Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group).

An entity shall measure a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

The investment in SSG was previously classified as a non-current asset held for sale, as the investment was available for immediate sale in its present condition and management believed that the sale was highly probable and was committed to a plan to sell the investment in SSG.

The investment remained at carrying amount, being the lower of the fair value less cost to sell and its carrying amount.

However, as a result of circumstances beyond management's control, the sale of the investment in SSG will no longer be realised and accordingly the investment was reclassified as an investment in an associate.

Below is a reconciliation of the interest in associate:

	Interest in SSG Holdings Proprietary Limited	Total
	R000	R000
Opening balance as at 1 July 2021	68 231	68 231
Amounts recognised in profit or loss: share of earnings from associate	22 469	22 469
Dividends received	(606)	(606)
Transfer to non-current assets held for sale	(90 094)	(90 094)
Closing balance as at 30 June 2022	–	–
Transfer from non-current assets held for sale to interest in associates	90 094	90 094
Amounts recognised in profit or loss: share of earnings from associates	25 235	25 235
Closing balance as at 30 June 2023	115 329	115 329

Below is a reconciliation of the value in the investment in SSG based on the equity method to the net asset value of the investment:

	30 June 2023	30 June 2022
	R000	R000
Net asset value of SSG Holdings Proprietary Limited	241 688	166 824
Northam's 33.7% share of net asset value	81 468	56 233
Impact of the adoption of IFRS 9	451	451
At acquisition fair value adjustment	10 717	10 717
Subsequent fair value adjustment with the increase in shareholding from 20% to 30% and the conversion of a loan to an equity investment	10 549	10 549
Fair value adjustment with the cancellation of 11% of issued shares in SSG Holdings Proprietary Limited, increasing Northam's investment from 30% to 33.7%	12 144	12 144
Value of investment in associate based on the equity method of accounting	115 329	90 094

Below is a summary of the statement of profit or loss and other comprehensive income of the associate, as detailed in their respective accounting records and therefore disclosed at 100%.

Statement of profit or loss and other comprehensive income of SSG:

	SSG Holdings Proprietary Limited 30 June 2023	**SSG Holdings Proprietary Limited 30 June 2022**
	R000	R000
Revenue	1 342 417	1 162 723
Cost of sales	(124 766)	(86 859)
Gross profit	1 217 651	1 075 864
Other income	17 555	15 271
Operating expense	(1 132 239)	(1 005 440)
Operating profit	102 967	85 695
Investment revenue	288	–
Finance costs	(7 664)	(5 502)
Profit before taxation	95 591	80 193
Taxation	(20 727)	(13 533)
Total comprehensive income for the year	74 864	66 660

Statement of financial position of SSG:

	SSG Holdings Proprietary Limited 30 June 2023	SSG Holdings Proprietary Limited 30 June 2022
	R000	R000
Assets		
Non-current assets	150 549	116 156
Property, plant and equipment	115 353	97 683
Intangible assets	22 316	2 000
Deferred tax asset	12 880	16 473
Current assets	341 092	234 931
Inventory	19 568	13 618
Trade and other receivables	296 755	194 095
Current tax receivable	6 280	3 919
Cash and cash equivalents	18 489	23 299
Total assets	491 641	351 087
Equity and liabilities		
Total equity	241 688	166 824
Non-current liabilities	47 133	45 499
Finance lease liabilities	–	18 829
Other financial liabilities	47 133	26 670
Current liabilities	202 820	138 764
Trade and other payables	130 296	116 634
Finance lease liabilities	–	18 125
Current tax payable	413	687
Other financial liabilities	43 883	–
Bank overdraft	28 228	3 318
Total equity and liabilities	491 641	351 087

13. Investment in subsidiaries

Below is a list of the investments held in entities within the Northam Platinum group of companies:

	30 June 2023	30 June 2022
	R000	R000
Booysendal Platinum Proprietary Limited	11 886 088	11 886 088
Eland Platinum Proprietary Limited	–	325 000
Northam Platinum Investments (US) Incorporated	142 119	142 119
Mvelaphanda Resources Proprietary Limited	–	–
Norplats Properties Proprietary Limited	*	*
Zambezi Platinum (RF) Proprietary Limited	*	*
Northam Platinum Holdings Limited	*	*
	12 028 207	12 353 207

**Represents an investment of less than R1 000.*

All companies, except for the investment in Northam Platinum Holdings Limited, are wholly-owned subsidiaries.

All companies, except for the investment in Northam Platinum Investment (US) Incorporated, are incorporated in South Africa. Northam Platinum Investments (US) Incorporated is incorporated in Delaware in the United States of America.

The following investments are held by Northam Platinum:

		30 June 2023	30 June 2022
	Effective shareholdings	Number of shares held	Number of shares held
Booysendal Platinum Proprietary Limited	100.0%	284	284
Eland Platinum Proprietary Limited	100.0%	6 150	6 150
Northam Platinum Investments (US) Incorporated	100.0%	10	10
Mvelaphanda Resources Proprietary Limited	100.0%	217 881 101	217 881 101
Norplats Properties Proprietary Limited	100.0%	100	100
Zambezi Platinum (RF) Proprietary Limited	Effective 99% shareholding	1 N Share	1 N Share
Zambezi Platinum (RF) Proprietary Limited	2.0%	200	200
Northam Platinum Holdings Limited	0.0%	1	1

Northam Platinum Limited holds 10 (30 June 2022: 10) shares in Northam Platinum Investments (US) Incorporated with a value of USD1.00 per share.

The investment in Eland Platinum Proprietary Limited was fully impaired during the current year and the investment in Mvelaphanda Resources Proprietary Limited was fully impaired during previous financial years and therefore both are valued at R Nil.

Investment in Zambezi Platinum (RF) Proprietary Limited

Northam previously held a single N Share in Zambezi Platinum (RF) Proprietary Limited (previously Zambezi Platinum (RF) Limited) (Zambezi) as a protective right. This N Share was issued to Northam, which granted Northam the right to implement mitigating action should Zambezi not comply with certain undertakings as per the transaction's agreements.

Zambezi was created and designed for the sole purpose of providing Northam with BEE credentials and as a structure to hold the listed Zambezi Preference Shares.

Northam was able to direct the strategic direction of Zambezi and as per the Subscription and Relationship Agreement between the two companies, Zambezi's Memorandum of Incorporation (MOI) may not be amended or replaced without Northam's prior written consent.

Northam assumed full responsibility for the administration of Zambezi as well as any costs incurred by Zambezi up to a certain limit. Furthermore, Northam provided a guarantee for Zambezi's obligation in respect of the Zambezi Preference Shares.

N Share

Zambezi issued the N Share to Northam, the purpose of which is to allow Northam to take certain mitigating action in the event of the occurrence of an early redemption event under the Zambezi Pref Share Terms and/or the unwinding of the transaction prior to the expiry of the Lock-in period.

The N Share ranks ahead of the Distribution rights of the holders of the Zambezi Ordinary Shares.

On the Net Value Distribution Date, the Zambezi N Share Term Amendments became effective and Northam, in its capacity as the Zambezi N Shareholder, became entitled to:

- exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders; and
- subject to the Zambezi Pref Share Terms and the settlement of the Net Value Distribution and the Zambezi Retention Release Amount, receive 100% of the Distributions made by Zambezi,

thereby providing Northam with economic and voting control of Zambezi, pursuant to which Zambezi became a subsidiary of Northam. In the circumstances, any Northam Platinum Shares held by Zambezi following implementation of the Net Value Distribution constitute Treasury Shares.

As part of the early maturity and wind-up of the Zambezi BEE Transaction, certain amendments have been made to the Zambezi MOI, including to the terms of the N Shares. These amendments increased the number of authorised N Shares to 1 000 000 N Shares.

Details of the subsidiaries are included in the related parties note 46, which forms part of these notes.

Investment in Northam Platinum Holdings Limited

As at 30 June 2023, Northam held 1 share acquired for R1.00 in Northam Platinum Holdings Limited (30 June 2022: 1 share acquired for R1.00).

As part of the Composite Transaction and pursuant to the Northam Scheme, Northam Holdings was introduced as the new holding company of the Northam group by way of a share for share transaction implemented on a one for one basis in terms of which Northam shareholders exchanged their Northam Platinum Shares for Northam Holdings Shares. Northam Holdings acquired all of the Northam Platinum Shares in issue (excluding Treasury Shares).

Significant judgement: Impairment assessment relating to the investment in Eland Platinum Proprietary Limited

Recent adverse market developments have resulted in material contraction in profit margins and cash generation capacity across the PGM industry. As a consequence, the commodity price assumptions have been adjusted downward from those used in the prior year.

Impairment testing was performed on the investment in Eland Platinum Proprietary Limited which requires management to make significant judgements concerning the existence of impairment indicators and estimates of projected cash flows.

The recoverable value calculation was done using the assumptions as disclosed in note 11 and the investment in Eland Platinum Proprietary Limited was accordingly impaired in full.

14. Other investments

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	Restated 30 June 2022
	R000	R000	R000	R000
Investment in Zambezi Preference Shares opening balance	–	–	–	10 545 057
Zambezi Preference Shares acquired in terms of the Zambezi Scheme	–	–	–	2 046 300
Accrued dividends from Zambezi Preference Shares (refer to note 5)	–	–	–	179 797
Premium Amount (refer to note 5)	–	–	–	1 568 483
Settlement of Revised Accumulated Dividends through the transfer of 57 054 413 Northam Platinum Shares to Northam	–	–	–	(9 128 706)
Fair value adjustment	–	–	–	1 345 193
Zambezi Preference Shares to be settled in Northam Platinum Shares	–	–	–	(6 556 124)
	–	–	–	–

Subsequent to the Zambezi Scheme, Northam holds all the Zambezi Preference Shares in issue being 159 905 453 Zambezi Preference Shares (30 June 2022: 159 905 453 Zambezi Preference Shares). These shares were previously classified as fair value through other comprehensive income and revalued to the closing market value with movements accounted for in other comprehensive income or profit or loss (if it relates to an impairment). Accrued dividends are accounted for in profit or loss.

The fair value was previously determined with reference to the closing trading price of the Zambezi Preference Shares as at the reporting period, taking into account the impact of the Northam Guarantee included in the market value of the Zambezi Preference Share valuation.

Zambezi will redeem all Zambezi Preference Shares in issue held by Northam (being the only Zambezi Preference Shareholder after implementation of the Zambezi Scheme) either voluntarily from time to time, or by 17 May 2025, being the scheduled redemption date, in accordance with the Zambezi Pref Share Terms (as amended pursuant to the Zambezi Pref Share Term Amendments) by: Zambezi transferring to Northam so many Northam Platinum Shares (valued at R160.00 per Northam Share), as may be equal in value to the issue price (as defined in the Zambezi Pref Share Terms) of R41.00 per Zambezi Preference Share (Zambezi Preference Share Redemption) which transfer will be implemented by way of a repurchase of Northam Platinum Shares by Northam; and simultaneously settling the unpaid "Preference Dividends" (as defined in the Zambezi Pref Share Terms) in respect of such shares, in cash, in accordance with the Zambezi Pref Share Terms (as amended pursuant to the Zambezi Pref Share Term Amendments). Following the Zambezi Preference Share Redemption, Zambezi's shareholding in Northam will reduce to nil.

The 159 905 453 cumulative redeemable Preference Shares issued by Zambezi were previously listed on the Main Board of the JSE and traded under preference share code ZPLP, but were subsequently delisted from the Main Board of the JSE from commencement of trade on 24 August 2021 as part of the execution of the acceleration of maturity and wind-up of the Zambezi BEE Transaction.

On 18 May 2015, 159 905 453 cumulative redeemable Preference Shares were issued by Zambezi at an issue price of R41.00 per share. The Preference Shares are redeemable in 10 years from date of issue, being 17 May 2025, at R41.00 per share plus the accumulated unpaid Preference Dividends. The Zambezi Preference Shareholders are entitled to receive a dividend equal to the issue price multiplied by the dividend rate of the South African prime interest rate plus 3.5% calculated on a daily basis, based on a 365-day year compounded annually and capitalised at the end of December of every year.

As per the terms and conditions of the Zambezi Preference Shares, if the Zambezi Preference Shares were settled using Northam Platinum Shares, the Northam Platinum Shares would be valued at 90% of the 30-Day VWAP on the date of redemption. Consequently, the Zambezi Preference Shares Accumulated Dividends were increased by an 11.11% premium (Premium Amount) to the Face Value of the Zambezi Preference Shares at the Zambezi Scheme Implementation Date, being 23 August 2021 (Revised Accumulated Dividends) and settled through a repurchase by Northam of Northam Platinum Shares held by Zambezi, valued at R160.00 per Northam Platinum Share amounting to 57 054 413 Northam Platinum Shares, transferred on 3 September 2021.

With the early maturity and wind-up of the Zambezi BEE Transaction, amendments were made to the terms associated with the Zambezi Preference Share liability.

Zambezi Scheme

On the Zambezi Scheme Implementation Date, being 23 August 2021, Northam acquired all of the Zambezi Preference Shares not already held by Northam, for the Zambezi Offer Consideration. Simultaneously with the Zambezi Scheme, the Zambezi Preference Shares were delisted from the Main Board of the JSE and the Zambezi MOI Amendments, including the Zambezi Pref Share Term Amendments, became effective.

For the avoidance of doubt, the Zambezi Preference Shares acquired by Northam pursuant to the Zambezi Scheme will remain in issue and will be held by Northam until the Zambezi Preference Share Redemption is implemented.

Further details of the Zambezi Scheme, the Zambezi Delisting and the Zambezi Pref Share Term Amendments are contained in the Zambezi Scheme Circular.

Users of the annual financial statements are referred to the Transaction Documents for additional information relating to the Composite Transaction, in order to obtain a fully informed view of the nature and impact of the Composite Transaction.

Correction of a material prior period error in other investments and investment income in the separate financial statements of Northam Platinum

The separate financial statements of Northam Platinum for the year ended 30 June 2022 incorrectly recognised accrued dividends relating to the Zambezi Preference Shares subsequent to the Zambezi Scheme Implementation Date, being 23 August 2021.

With the early maturity and wind-up on the Zambezi BEE Transaction, the capital portion of the outstanding Zambezi Preference Shares held by Northam Platinum will be settled in Northam Platinum Shares which effectively represents Northam's right to receive a fixed number of its own shares. Previously, the preference shares were recognised at fair value through other comprehensive income. At the Zambezi Scheme Implementation Date, a substantial modification took place which resulted in a derecognition of the Zambezi Preference Share asset and its subsequent recognition as an equity instrument.

The accrued dividends represent Northam Platinum's contractual right to dividends on the preference shares as Northam Platinum currently holds all the Zambezi Preference Shares in issue being 159 905 453 Zambezi Preference Shares (30 June 2022: 159 905 453 Zambezi Preference Shares). The accrued dividends will be settled by Zambezi in cash and can only be practicably facilitated by either dividend income from Northam Platinum or by Northam Platinum subscribing for N shares in Zambezi and utilising such cash to settle the accrued dividends. During the current financial year, the substance of the arrangement in respect of the Zambezi Preference Shares held by Northam Platinum as a whole was reconsidered to be an equity transaction, and therefore the accrued dividends should not have been accounted for in respect of the year ended 30 June 2022.

The impact of the correction on the 30 June 2022 statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in equity is a decrease in other investments of R647.7 million and a decrease in investment income and retained earnings of R647.7 million.

The adjustments referred to above are non-cash adjustments and therefore the statement of cash flows has not been affected.

The impact of the correction on the separate financial statements is as follows:

	Company		
	Previously reported 30 June 2022	**Correction**	**Restated 30 June 2022**
	R000	R000	R000
Extract of statement of profit or loss and other comprehensive income			
Investment income	2 642 688	(647 705)	1 994 983
Profit before tax	10 360 054	(647 705)	9 712 349
Tax	(934 183)	–	(934 183)
Profit after tax	9 425 871	(647 705)	8 778 166
Total comprehensive income for the year	7 329 699	(647 705)	6 681 994
Extract of the statement of financial position			
Non-current assets	25 645 997	(647 705)	24 998 292
Other investments	647 705	(647 705)	–
Total assets	44 875 384	(647 705)	44 227 679
Total equity	7 649 778	(647 705)	7 002 073
Retained earnings	15 253 424	(647 705)	14 605 719
Total equity and liabilities	44 875 384	(647 705)	44 227 679

15. Land and township development

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Balance at the beginning of the year	90 198	69 032	42 728	10 411
Acquisitions				
Costs incurred with regards to Norplats Properties Proprietary Limited	481	484	–	–
Disposals				
Norplats Properties Proprietary Limited units	(97)	(345)	–	–
Lydenburg units	(16 453)	(11 741)	–	–
Development				
Repurchase of Lefika units	272	–	272	–
Town planning portion 4 & 9 of the farm Koedoesdoorns	40 421	32 317	40 421	32 317
Construction at extension 78 & 79 Lydenburg	11 267	1 190	–	–
Write off of damaged units relating to Norplats Properties Proprietary Limited	–	(739)	–	–
Other	–	–	(1)	–
Balance at the end of the year	126 089	90 198	83 420	42 728

These properties have been acquired in order to assist the group's employees to acquire affordable housing.

16. Long-term receivables

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Suspensive sale agreements	34 266	43 732	–	–
Interest free home loans	69 643	58 738	36 088	32 172
Total long-term receivables	103 909	102 470	36 088	32 172
Current portion of suspensive sale agreements (refer to note 22)	(5 047)	(6 057)	–	–
Current portion of interest free home loans (refer to note 22)	(13 250)	(10 620)	(6 728)	(4 937)
Long-term portion of long-term receivables	85 612	85 793	29 360	27 235

Long-term receivables comprise balances due by employees in respect of Northam's employee home ownership scheme under suspensive sale agreements and interest free home loans provided to qualifying employees.

The suspensive sale agreement to employees bear interest at South African prime interest rate and are repayable over 15 years. In terms of the agreements, employees enjoy the full benefits of home ownership, and at such time as the loan is paid off, the title to the house will be transferred to the employees.

Interest free home loans are non-interest-bearing loans provided to qualifying employees. These loans provided to qualifying employees are based on a portion of the value of the property acquired by the employee and are repayable over a maximum of 20 years from grant date. The average remaining repayment period is approximately 13 years. Furthermore, these loans are secured by a second bond over the residential properties.

During the year, R6.8 million, R2.1 million relating to the suspensive sale agreements and R4.7 million relating to the interest-free home loans (30 June 2022: R4.1 million, R1.5 million relating to the suspensive sale agreements and R2.6 million relating to the interest-free home loans) worth of long-term receivables were impaired and fully provided for by the group. During the current financial year R2.1 million was recovered which was previously written off.

During the year, R2.0 million relating to the interest-free home loans (30 June 2022: R0.6 million relating to the interest-free home loans) were impaired and fully provided for by the company.

The table below summarises the payment terms of the company and group's long-term receivables:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Current portion	18 297	16 677	6 728	4 937
Due within 1 – 5 years	45 218	47 181	9 387	8 175
Due within 5 – 10 years	20 038	20 480	9 614	8 505
More than 10 years	20 356	18 132	10 359	10 555
	103 909	102 470	36 088	32 172

The current interest free home loans are neither in default nor impaired. Monthly instalments relating to the interest free home loans are deducted from employees' salaries on a monthly basis. Should an employee resign, the interest free home loan needs to be settled in full and any amounts still to be recovered from former employees have been provided for in full.

With regards to the suspensive sale agreements the table below summarises the age analysis of these suspensive sale agreements:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Neither in default nor impaired	34 266	43 732	–	–
	34 266	43 732	–	–

All amounts in default have been impaired and therefore fully provided for.

Significant judgements and estimates – Long-term receivables and the Expected Credit Losses (ECL)

An assessment of the ECL relating to long-term receivables is undertaken in terms of the requirements of IFRS 9 Financial Instruments at every reporting date. The balance of outstanding long-term receivables relating to the suspensive sale agreements are examined and the expected amounts which are considered to be unrecoverable based on the impairment policy of the group is provided for in full.

For all suspensive sale agreements, legal title to the houses remains with the group until full and final payment has been made. The houses therefore serve as security for these loans. In most instances the value of the security is more than the value of the outstanding loan balance relating to the suspensive sale agreements.

The following specific judgements and estimates are applied by management in determining the potential impairment:

Suspensive sale agreements

- All overdue amounts as at the end of the reporting period are provided for in full. These are included in stage 2 of the impairment assessment model based on the general approach.
- The suspensive sale agreement balances are tested for impairment in accordance with IFRS 9 Financial Instruments, taking into account the security held in the form of the title to the houses.
- Any suspensive sale agreements which were handed over to the group's lawyers for legal processing, in stage 3, take into account the market value of the houses being higher than the outstanding balances of these defaulted loans, when calculating the ECL.

Interest-free home loans

- Should an employee resign, the interest-free home loan needs to be settled in full. For these employees, the outstanding amounts are provided for in full until the payment arrangement has been completed. These loans are secured by a second bond over the property and the probability of default has been assessed as minimal.
- There has been no significant deterioration in credit quality and the probability of default has been assessed as minimal.

The volatility of prevailing interest rates and the corresponding impact on the recoverability of long-term receivables are considered as part of the determination of ECL.

Interest-free home loan repayments are deducted from employees' salaries on a monthly basis and are secured with a second mortgage bond over the property. In the event of an employee resigning, any outstanding balance is required to be settled in full.

All overdue amounts are provided for in terms of IFRS 9 Financial Instruments at the end of every reporting period and amounts recognised as receivables are those amounts still estimated to be recoverable.

17. Investments held by Northam Platinum Restoration Trust Fund

The group contributed to a dedicated environmental restoration trust fund to provide for the estimated decommissioning and environmental restoration cost at the end of the various operations' lives.

The Northam Platinum Restoration Trust Fund was established in 1996 to assist the group in making financial provision for the environmental rehabilitation in terms of the Minerals and Petroleum Resources Development Act, No. 28 of 2002 (MPRDA), upon cessation of its mining operations.

The balance of the fund comprises:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Balance at the beginning of the year	142 586	136 030	71 293	68 015
Growth in the investment	11 366	6 556	5 683	3 278
Balance at the end of the year	153 952	142 586	76 976	71 293

This investment, which mainly consists of cash, is separately administered and the group's right of access to these funds is restricted. The investment is managed by Stanlib Collective Investments (RF) Limited, and is made up of a fixed number of units which trades at specific values as noted below.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Stanlib Balanced Fund R	2 534	2 206	1 267	1 103
Stanlib Income Fund B2	109 113	99 156	54 557	49 578
Stanlib Institutional Money Market Fund B3	42 305	41 224	21 152	20 612
Balance at the end of the year	153 952	142 586	76 976	71 293

Below is the accrued interest relating to the investment held by Northam Platinum Restoration Trust Fund, which was included in Trade and other receivables, refer to note 22.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Accrued interest relating to the Northam Platinum Restoration Trust Fund	2 634	1 621	1 317	811
	2 634	1 621	1 317	811

For details with regards to the rehabilitation and decommissioning liability provision, refer to note 27.

18. Environmental guarantee investment

The environmental obligation under the rehabilitation and decommissioning provision, refer to note 27, will be financed, other than the amounts already covered by the investment held by Northam Platinum Restoration Trust Fund, refer to note 17, either by way of guarantees or other insurance products as approved by the Department of Mineral Resources and Energy (DMRE) in terms of the South African National Environmental Management Act, No. 107 of 1998 (NEMA) and not through cash contributions to the Northam Platinum Restoration Trust Fund, due to the uncertainty created by changes in legislation.

The group procures the issue of guarantees in respect of the unfunded decommissioning and restoration costs, not covered by the investment held through the Northam Platinum Restoration Trust Fund.

The environmental guarantee investment is made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Balance at the beginning of the year	93 214	60 707	42 029	32 288
Contributions made during the year	37 054	36 670	11 259	11 259
Income earned during the year (net of fees) (refer to note 7)	6 141	3 005	1 883	1 025
Guarantee fees (refer to note 8)	(6 174)	(6 526)	(1 921)	(2 061)
Other	235	(642)	332	(482)
Balance at the end of the year	130 470	93 214	53 582	42 029

The annual contribution payable with regards to the environmental guarantee investments are calculated as 5% of the total environmental guarantees in issue, and is included in the environmental guarantee investments.

The annual fees with regards to the guarantees issued amounts to between 0.75% and 0.95% based on the guaranteed value, refer to note 8 for details regarding the environmental guarantee costs.

The assets, which mainly consist of cash, are separately administered and the group's right of access to these funds are restricted.

The investments are managed by Guardrisk Insurance Company Limited and Centriq Insurance Company Limited.

Below is a summary of the various environmental guarantees issued:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Northam Platinum Limited (Zondereinde)				
GR/G/20396/0312/0031	31 000	31 000	31 000	31 000
GR/G/20396/0314/0165	18 000	18 000	18 000	18 000
GR/G/20396/0315/0231	18 000	18 000	18 000	18 000
GR/G/20396/0617/0454	35 000	35 000	35 000	35 000
CQ/G/30381/1217/003	28 807	28 807	28 807	28 807
GR/G/20396/0618/0544	11 543	11 543	11 543	11 543
CQ/G/30381/0920/010	36 305	36 305	36 305	36 305
CQ/G/30381/1020/011	46 260	46 260	46 260	46 260
CQ/G/30381/0921/013	272	272	272	272
	225 187	225 187	225 187	225 187
Booysendal Platinum Proprietary Limited				
GR/G/20396/0311/0011	65 900	65 900	–	–
GR/G/20396/0315/0232	25 000	25 000	–	–
GR/G/20396/0417/0434	1 908	1 908	–	–
GR/G/20396/0517/0459	2 085	2 085	–	–
GR/G/02396/0618/0535	2 267	2 267	–	–
GR/G/02396/0618/0536	1 267	1 267	–	–
CQ/G/30381/0621/012	64 044	64 044	–	–
GR/G/20396/0421/0791	61 065	61 065	–	–
GR/G/20396/0222/0865	24 439	24 439	–	–
GR/G/20396/0423/1000	4 544	–	–	–
GR/G/20396/0523/1009	3 143	–	–	–
	255 662	247 975	–	–
Eland Platinum Proprietary Limited				
CQ/G/30381/01181/004	129 545	129 545	–	–
CQ/G/30381/0118/005	31 096	31 096	–	–
CQ/G/30381/0919/006	2 200	2 200	–	–
CQ/G/30381/1119/007	5 359	5 359	–	–
CQ/G/30381/1119/008	1 559	1 559	–	–
CQ/G/30381/0120/009	302	302	–	–
CQ/G/30381/1021/014	90 179	90 179	–	–
	260 240	260 240	–	–
Total environmental guarantees in issue	741 089	733 402	225 187	225 187

19. Buttonshope Conservancy Trust

The balance of the fund comprises:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Balance at the beginning of the year	11 243	16 067	–	–
Contributions received from Booysendal Platinum Proprietary Limited	8 875	1 000	–	–
Interest received during the year	356	665	–	–
Accrued interest received	40	6	–	–
Fair value adjustments	(83)	7	–	–
Expenditure paid during the year	(1 696)	(1 533)	–	–
Acquisition of land and buildings	–	(4 969)	–	–
Value Added Tax and transfer duty refunds on acquisition of land and buildings	362	–	–	–
Funds invested in escrow	(17 825)	–	–	–
Balance at the end of the year	1 272	11 243	–	–

The Buttonshope Conservancy Trust (Buttonshope) was established as a conservancy trust by Northam Platinum, with the principal objective of engaging in the conservation, rehabilitation and/or protection of the natural environment, including flora, fauna and the biosphere as well as promoting the establishment of, and education and training programmes relating to, environmental awareness, greening, clean-up and/or sustainable development projects in respect of Portion 1 of the Farm Buttonshope 51, Registration Division JT, Mpumalanga Province. The aforementioned property is owned by Booysendal, a subsidiary of Northam Platinum. An initial contribution of R10.0 million was made by Booysendal in terms of the trust agreement.

Funds of R1.1 million (30 June 2022: R1.0 million) are invested with Standard Bank Limited in a call account and R0.2 million (30 June 2022: R10.2 million) is held in an extra income fund with Stanlib Collective Investments (RF) Limited.

This investment is managed by Stanlib Collective Investments (RF) Limited, and is made up of a fixed number of units which trades at specific values.

The assets of the trust which mainly consist of cash, are separately administered and the group's right of access to these funds is restricted.

Booysendal makes a contribution to Buttonshope on an annual basis. During the previous financial year, the annual contribution was increased to R1.0 million, and will increase by R50 000 annually going forward.

During the year, in addition to the R1.05 million contribution, Booysendal also contributed an amount of R7.8 million to enable Buttonshope to purchase additional properties, namely Portion 1 of the farm Wanhoop No 78, Portion 1 of the farm Wicht No 101 and Portion 12 of the farm Kliprivier No 73.

These properties span across 802.4 hectares, and were purchased for a total consideration of R15.5 million (excluding Value Added Tax) funded by a combination of Buttonshope's own investments as well as the additional contribution from Booysendal.

The total purchase consideration was held in escrow at year-end, and earned interest amounting to R0.6 million during the current financial year.

All land management costs are carried by Booysendal, refer to note 8.

20. Subsidiary and group loans

	Company	
	30 June 2023	**30 June 2022**
	R000	R000
Long-term group loans receivable		
Eland Platinum Proprietary Limited	4 619 718	2 638 266
Eland Platinum Proprietary Limited – Provision for Expected Credit Loss	(3 319 677)	–
Total long-term group loans	1 300 041	2 638 266
Short-term group loans receivable		
Northam Platinum Holdings Limited	11 647 922	10 334 718
Norplats Properties Proprietary Limited	19 013	24 885
Northam Platinum Investments (US) Incorporated	513	466
Northam Recovery Services LLC	31 145	32 891
Northam Property Company LLC	11 066	10 035
Total short-term group loans receivable	11 709 659	10 402 995
Short-term group loans payable		
Booysendal Platinum Proprietary Limited	(1 862 402)	(16 063 529)
Mvelaphanda Resources Proprietary Limited	(6 600)	(6 600)
Zambezi Platinum (RF) Proprietary Limited	(1 089 033)	(1 089 033)
Total short-term group loans payable	(2 958 035)	(17 159 162)
Total group company loans	10 051 665	(4 117 901)

Northam Platinum Limited reserves the right to charge interest at prevailing market rates on any loan balance. Any outstanding loan will be repayable on demand.

All amounts advanced to Eland Platinum Proprietary Limited (Eland) are classified as long-term, as the Eland mine is currently being developed and will not generate sufficient free cash flow to repay the subsidiary loan in the following 12 months. The loan to Eland has no fixed terms of repayment and accrues interest at the South African prime interest rate. Recent adverse market developments have resulted in a material contraction in the cash generation capacity across the PGM industry. As a result, the loan to Eland is considered to be credit impaired at year-end (i.e. stage 3). An Expected Credit Loss (ECL) of R3.3 billion (30 June 2022: R Nil) has been recognised on amounts advanced to Eland, not including amounts owing for concentrate purchased. Under IFRS 9, the ECL has been determined based on the present value of the probability-weighted expected future cash flows. Refer to note 11 for assumptions used in determining the expected future cash flows which considers forward looking information, including commodity prices and the US dollar exchange rate. Refer to note 45 for the credit risk disclosure.

The loan to Northam Platinum Holdings Limited relates to advances to fund all operating and investing activities of Northam Platinum Holdings Limited. In addition, Northam Platinum advanced a loan to Northam Platinum Holdings Limited of R10.3 billion during the previous financial year, in order to acquire the investment in RBPlat Shares. During the current financial year Northam Platinum Holdings Limited announced its firm intention to make an offer to RBPlat Shareholders to acquire the remaining ordinary shares in RBPlat which it did not already own, excluding RBPlat Treasury Shares (Northam FIA). Northam Platinum Holdings Limited committed R17.0 billion for purposes of settling the offer consideration, which was financed by Northam Platinum through funding and cash, refer to notes 34 and 35. In accordance with Regulations 111(4) and 111(5), a cash confirmation and a bank guarantee was provided to the TRP which in aggregate secured the settlement of the cash portion of the offer consideration. The TRP Cash Confirmation was invested in an escrow account that accrued interest. In terms of a loan agreement between Northam Platinum Holdings Limited and Northam Platinum, the financing provided by Northam Platinum accrued interest at an amount equal to the interest earned on the amount invested in the escrow account. With the termination of the proposed Offer to RBPlat Shareholders, the TRP Cash Confirmation and guarantee was cancelled, and all amounts were settled in full, refer to note 34 and 35. The remaining outstanding balance payable to Northam Platinum does not accrue interest, is unsecured and repayable on demand.

No ECLs have been recognised on amounts advanced to Northam Platinum Holdings Limited as the investment of 100 219 552 RBPlat shares listed on the JSE owned by Northam Platinum Holdings Limited represented a liquid asset which exceeded the value of the outstanding loan amount.

Amounts owing to Zambezi are in respect of the tax liability of Zambezi which are expected to be settled by Northam Platinum on the relevant tax payment dates following the Zambezi Preference Share Redemption.

Details of the subsidiaries are set out in the related parties note, note 46, which forms part of these notes.

21. Inventories

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Metals on hand and in transit				
Platinum	1 879 458	1 024 004	1 755 836	1 143 366
Palladium	1 731 016	1 364 556	1 674 455	1 536 604
Rhodium	3 804 082	3 868 988	4 004 071	5 418 814
Gold	113 018	37 425	120 797	51 654
Total metal inventory at the lower of cost and net realisable value	7 527 574	6 294 973	7 555 159	8 150 438
Less non-current metal inventories	(1 423 994)	(1 441 035)	(1 381 210)	(1 115 373)
Current metal inventory at the lower of cost and net realisable value	6 103 580	4 853 938	6 173 949	7 035 065
Consumable at the lower of cost and net realisable value	406 762	306 332	91 496	71 352
Total current inventory at the lower of cost and net realisable value	6 510 342	5 160 270	6 265 445	7 106 417

Below are the ounces available at the reporting date:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	oz	oz	oz	oz
Metal inventory quantities on hand and in transit				
Platinum	197 887	177 064	167 268	152 469
Palladium	125 594	115 335	112 811	105 251
Rhodium	67 251	55 420	62 873	51 557
Gold	6 655	5 318	6 423	5 192
4E	397 387	353 137	349 375	314 469

Below is a breakdown of inventory disclosed as own production, purchased material and classified as non-current inventory:

	Own production	Purchased material	Total metal inventories	Non-current metal inventories	Current metal inventories
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000
Platinum	1 579 673	299 785	1 879 458	(371 546)	1 507 912
Palladium	1 386 190	344 826	1 731 016	(483 108)	1 247 908
Rhodium	3 325 969	478 113	3 804 082	(551 199)	3 252 883
Gold	106 268	6 750	113 018	(18 141)	94 877
Total metal inventory	6 398 100	1 129 474	7 527 574	(1 423 994)	6 103 580

	Own production	Purchased material	Total metal inventories	Non-current metal inventories	Current metal inventories
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Group	R000	R000	R000	R000	R000
Platinum	742 104	281 900	1 024 004	(246 644)	777 360
Palladium	824 985	539 571	1 364 556	(522 948)	841 608
Rhodium	3 098 504	770 484	3 868 988	(662 970)	3 206 018
Gold	35 257	2 168	37 425	(8 473)	28 952
Total metal inventory	4 700 850	1 594 123	6 294 973	(1 441 035)	4 853 938

Below is a breakdown of the change in metal inventory for the year, disclosed as own production and purchased material:

	Own production	Purchased material	Total metal inventories
	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000
Change in metal inventory for the year*	1 697 250	(464 649)	1 232 601

**The difference between the change in metal inventory for the year and what has been disclosed in the statement of profit or loss relates to foreign exchange movements for inventory held by the US recycling operations.*

	Own production	Purchased material	Total metal inventories
	30 June 2022	30 June 2022	30 June 2022
Group	R000	R000	R000
Change in metal inventory for the year*	48 410	136 386	184 796

**The difference between the change in metal inventory for the year and what has been disclosed in the statement of profit or loss relates to foreign exchange movements for inventory held by the US recycling operations.*

Below is a breakdown of inventory disclosed as own production, purchased material and classified as non-current inventory:

	Own production	Purchased material from group companies	Purchased material	Total metal inventories	Non-current metal inventories	Current metal inventories
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000	R000
Platinum	867 834	772 934	115 068	1 755 836	(374 388)	1 381 448
Palladium	940 638	486 627	247 190	1 674 455	(476 735)	1 197 720
Rhodium	2 197 880	1 647 162	159 029	4 004 071	(512 512)	3 491 559
Gold	82 111	35 139	3 547	120 797	(17 575)	103 222
Total metal inventory	4 088 463	2 941 862	524 834	7 555 159	(1 381 210)	6 173 949

	Own production	Purchased material from group companies	Purchased material	Total metal inventories	Non-current metal inventories	Current metal inventories
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Company	R000	R000	R000	R000	R000	R000
Platinum	317 325	733 325	92 716	1 143 366	(160 220)	983 146
Palladium	462 218	701 319	373 067	1 536 604	(464 926)	1 071 678
Rhodium	1 631 968	3 645 628	141 218	5 418 814	(482 336)	4 936 478
Gold	26 365	25 289	–	51 654	(7 891)	43 763
Total metal inventory	2 437 876	5 105 561	607 001	8 150 438	(1 115 373)	7 035 065

Below is a breakdown of the change in metal inventory for the year, disclosed as own production and purchased material:

	Own production	Purchased material from group companies	Purchased material	Total metal inventories
	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000
Change in metal inventory for the year	1 650 587	(2 163 699)	(82 167)	(595 279)

	Own production	Purchased material from group companies	Purchased material	Total metal inventories
	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Company	R000	R000	R000	R000
Change in metal inventory for the year	43	(5 871)	(155 484)	(161 312)

Below is a breakdown of inventory disclosed as own production, purchased material and classified as non-current inventory:

	Own production 30 June 2023	Purchased material 30 June 2023	Total metal inventories 30 June 2023	Non-current metal inventories 30 June 2023	Current metal inventories 30 June 2023
Group	oz	oz	oz	oz	oz
Platinum	177 616	20 271	197 887	(42 855)	155 032
Palladium	111 092	14 502	125 594	(32 805)	92 789
Rhodium	62 162	5 089	67 251	(8 937)	58 314
Gold	6 450	205	6 655	(1 278)	5 377
4E	357 320	40 067	397 387	(85 875)	311 512

	Own production 30 June 2022	Purchased material 30 June 2022	Total metal inventories 30 June 2022	Non-current metal inventories 30 June 2022	Current metal inventories 30 June 2022
Group	oz	oz	oz	oz	oz
Platinum	154 606	22 458	177 064	(39 500)	137 564
Palladium	97 343	17 992	115 335	(30 902)	84 433
Rhodium	50 956	4 464	55 420	(10 860)	44 560
Gold	5 237	81	5 318	(1 481)	3 837
4E	308 142	44 995	353 137	(82 743)	270 394

Below is a breakdown of inventory disclosed as own production, purchased material and classified as non-current inventory:

	Own production 30 June 2023	Purchased material from group companies 30 June 2023	Purchased material 30 June 2023	Total metal inventories 30 June 2023	Non-current metal inventories 30 June 2023	Current metal inventories 30 June 2023
Company	oz	oz	oz	oz	oz	oz
Platinum	114 732	44 067	8 469	167 268	(40 768)	126 500
Palladium	82 952	19 798	10 061	112 811	(32 204)	80 607
Rhodium	44 957	16 136	1 780	62 873	(8 674)	54 199
Gold	5 345	980	98	6 423	(1 271)	5 152
4E	247 986	80 981	20 408	349 375	(82 917)	266 458

	Own production 30 June 2022	Purchased material from group companies 30 June 2022	Purchased material 30 June 2022	Total metal inventories 30 June 2022	Non-current metal inventories 30 June 2022	Current metal inventories 30 June 2022
Company	oz	oz	oz	oz	oz	oz
Platinum	95 549	49 015	7 905	152 469	(30 790)	121 679
Palladium	70 465	22 886	11 900	105 251	(28 155)	77 096
Rhodium	33 774	16 256	1 527	51 557	(9 660)	41 897
Gold	4 326	866	–	5 192	(1 452)	3 740
4E	204 114	89 023	21 332	314 469	(70 057)	244 412

Metal inventory quantities on hand is allocated as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	oz	oz	oz	oz
Non-current inventory	85 875	82 743	82 917	70 057
Ore stockpile inventory	36 476	15 553	5 833	5 070
Concentrate in process	21 971	16 394	7 945	1 887
Concentrate and other surface sources before the smelter	22 796	35 873	22 796	35 873
Recycling material	758	1 581	373	589
Smelter inventory	126 661	96 684	126 661	96 684
Base metal removal plant inventory	8 505	6 001	8 505	6 001
Precious metal refinery inventory	83 701	96 006	83 701	96 006
Finished product inventory on hand	10 644	2 302	10 644	2 302
4E	397 387	353 137	349 375	314 469

The cost of sales figure disclosed in the statement of profit or loss and other comprehensive income approximates the cost of inventory expensed.

Included in group cost of sales is an amount of R659.7 million (30 June 2022: R424.2 million) relating to the write down to net realisable value. Inventory to the value of R1 354.2 million (30 June 2022: R499.6 million) is disclosed at net realisable value in the group results.

Included in company cost of sales is an amount of R693.7 million (30 June 2022: R579.4 million) relating to the write down to net realisable value. Inventory to the value of R3.2 billion (30 June 2022: R4.8 billion) is disclosed at net realisable value in the company results.

Inventory was written down to net realisable value due to movements in commodity prices during the reporting period.

No inventories are encumbered.

Significant estimates: Net realisable value and measurement of inventory

Work in progress metal inventory is valued at the lower of net realisable value and the average cost of production less net revenue from sales of by-products in the ratio of the contribution of these metals to gross sales revenue. Production costs are allocated to platinum, palladium, rhodium and gold (joint products) by dividing the mine output into total mine production costs, determined on a six-month average basis except for concentrates and ore purchased which are recognised at the cost at which it is purchased.

The quantity of ounces of joint products in work in progress is calculated based on the following factors: Theoretical inventory is calculated by adding the inputs to the previous physical inventory and then deducting the outputs for the inventory period. The inputs and outputs include estimates due to the delay in finalising analytical values. The estimates are subsequently trued up to the final metal accounting quantities when available. The theoretical inventory is then converted to a refined equivalent inventory by applying appropriate recoveries depending on where the material is within the production pipeline. The recoveries are based on actual results as determined by the inventory count and are in line with industry standards.

The nature of the production process inherently limits the ability to precisely measure recoverability levels. As a result, the metallurgical balancing process is monitored on an ongoing basis and the variables used in the process are refined based on actual results over time.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained 4E ounces is based on elemental assay data, and the estimated recovery percentage is based on the expected processing method. Stockpile tonnages are also verified by independent third-party surveyors.

Non-current inventory is determined as inventory that will not be sold within the group's normal operating cycle.

Below is a summary of the commodity prices and exchange rate used to determine the net realisable value of inventories:

		Group		Company	
		30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Platinum price	USD/oz	931	926	931	926
Palladium price	USD/oz	1 307	1 890	1 307	1 890
Rhodium price	USD/oz	5 420	13 775	5 420	13 775
Gold price	USD/oz	1 922	1 831	1 922	1 831
Closing exchange rate at year-end	ZAR/USD	R18.83	R16.28	R18.83	R16.28

The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. The actual level of production may be used if it approximates normal capacity. The amount of fixed overheads allocated to each unit of production is not increased as a consequence of low production or an idle plant. Unallocated overheads are recognised as an expense in the period in which they are incurred.

Inventory is required to be assessed at each reporting period for possible write downs due to net realisable values being lower than the costs allocated to inventory.

Net realisable value tests represent the expected selling prices which are based on prevailing market prices, less estimated costs to complete production and to bring the product to sale.

All inventory is accounted for at the lower of cost and net realisable value and all net realisable adjustments have been disclosed.

22. Trade and other receivables

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Trade receivables	197 490	95 424	16 280	32 420
Provisional pricing receivables	1 248 180	896 582	282 448	323 681
Accrued dividends and interest on cash and cash equivalents	51 271	11 720	47 785	9 910
Prepayments	44 519	71 016	9 792	34 177
Deposits	6 178	5 395	1 362	825
South African Revenue Service – Value Added Tax	310 949	385 842	296 810	334 538
South African Revenue Service - amounts receivable relating to the Mineral and Petroleum Resources Royalty	46 115	263 267	13 567	–
Current portion of suspensive sale agreements (refer to note 16)	5 047	6 057	–	–
Current portion of interest free home loans to employees (refer to note 16)	13 250	10 620	6 728	4 937
Other	24 284	27 636	17 570	22 730
	1 947 283	1 773 559	692 342	763 218

Trade receivables are unsecured, non-interest bearing and are generally on 30 to 60-day terms except for most of the PGM debtors of refined metal which have payment terms of between 2 to 5 days. In addition, PGM concentrate is sold to honour the Everest offtake agreement, the PGM debtor relating to this sale has a provisional quotation period payment term of four months after month of delivery.

Trade and other receivables to the value of R Nil was provided for or impaired during the current period (30 June 2022: R Nil).

Trade receivables are made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
PGM receivables	137 945	24 929	–	16 594
Chrome receivables	59 439	70 495	16 174	15 826
Copper receivables	106	–	106	–
Total trade receivables	197 490	95 424	16 280	32 420

Provisional pricing receivables are made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
PGM provisional receivable	522 190	323 766	–	–
Nickel provisional receivable	680 068	153 940	236 526	153 940
Chrome provisional receivable	45 922	418 876	45 922	169 741
Total provisional pricing receivables	1 248 180	896 582	282 448	323 681

Provisional pricing PGM debtors have a provisional quotation period payment term of four months after month of delivery.

Chrome provisional receivables are settled within 45 days from date of delivery and nickel provisional receivables are settled within 7 days (F2022: 60 days) from date of delivery.

The exposure to foreign currency denominated balances included in trade and other receivables were as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
US dollars (USD000)	30 264	26 605	2 438	6 631
USD closing exchange rate*	R18.83	R16.28	R18.83	R16.28
Trade and other receivables denominated in USD (R000)	569 974	433 124	45 922	107 951

**Rounded to the nearest cent.*

The table below summarises the maturity profile of the trade and other receivables:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current portion	954 838	763 884	536 455	528 502
30 to 60 days	504 553	392 958	123 151	159 617
60 to 90 days	199 464	406 832	6 355	35 342
More than 90 days*	288 428	209 885	26 381	39 757
	1 947 283	1 773 559	692 342	763 218

**Management considers these amounts to be fully recoverable as they are within the agreed payment terms.*

The table below summarises the ageing of the group's South African Revenue Service – Value Added Tax receivable balance:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current portion	307 135	328 038	296 810	318 695
30 to 60 days	–	18 367	–	–
60 to 90 days	–	15	–	–
More than 90 days*	3 814	39 422	–	15 843
	310 949	385 842	296 810	334 538

**Management considers these amounts to be fully recoverable.*

Subsequent to year-end, an amount of R307.1 million was received with regards to the Value Added Tax receivable as noted above.

Trade and other receivables and advances by country are as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
South Africa	1 899 499	1 755 558	646 420	746 624
United Kingdom	–	–	–	–
Germany	–	3 906	–	3 906
France	45 922	–	45 922	–
Japan	–	–	–	–
United States of America	1 862	14 095	–	12 688
	1 947 283	1 773 559	692 342	763 218

PGM provisional pricing receivable

The group sells PGM concentrate from the Booysendal mine under terms containing provisional pricing features, to honour the Everest offtake agreement.

The salient features of the agreement contain payment terms calculated with reference to a Price Index (PI) based on ruling market prices over the month in which concentrate is delivered to the counterparty. The calculated PI is applied against assayed 4E content from delivered concentrate, and with a contractually agreed fixed percentage being applied in respect of assayed base metals content from delivered concentrate. Where assayed results are not yet available in respect of delivered concentrate, an estimate of 4E content and base metals included in concentrate delivered during a particular month is made. The calculated US dollar (USD) denominated purchase price (receivable from the counterparty) is converted in applying the average exchange rate over the month prior to the month of payment.

The concentrate purchase price calculated (with reference to the above) is payable four months following the month during which the concentrate for which payment is due, was delivered.

Base metal and chrome provisional pricing receivables

Base metal and chrome sales allow for price adjustments based on the market price at the end of the relevant quotation period stipulated in the sales agreements. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after delivery to the customer. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the quotation period. The period between provisional invoicing and the end of the quotation period can be between one and four months.

Provisional pricing receivables are non-interest bearing, but are exposed to future commodity price movements over the quotation period and are measured at fair value up until the date of settlement. Provisional pricing receivables are initially measured at the amount which the group expects to be entitled, being the estimate of the price expected to be received at the end of the quotation period.

The full value of the provisional invoice relating to chrome sales is received in cash a month after delivery. Any negative movement in the chrome price could therefore result in amounts required to be refunded to the customer, refer to notes 37 and 38.

For all base metal sales, payment is only due after the end of the quotation period.

Significant estimate: Trade receivables and Expected Credit Losses (ECL)

The group applies the simplified approach in calculating ECLs and therefore recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The group considered historical loss experiences, adjusted for forward looking factors that could indicate impairments taking into account the specific debtor and economic environment.

The bulk of PGM debtors have payment terms of between 2 to 5 days with no historical defaults on these debtors and all outstanding balances as at the reporting period have subsequently been received.

Base metal and chrome debtor balances are held with only a limited number of selected premium customers and are generally on 30 to 60-day terms with no historical defaults.

Trade receivables have been assessed for ECLs, and the effect is considered to be negligible due to the group's history of recovery of these balances; as well as the credit rating of the customers that these balances are held with.

The assessment of the correlation between historical observed recovery rates, forecast economic conditions and ECLs is an estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Increased uncertainty in financial markets and the economy as a whole, has increased the risk of default on all financial assets, including trade and other receivables.

The group trades only with recognised, creditworthy third parties. It is the group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an ongoing basis with the result that the group's exposure to bad debts is not significant.

Sales are only made to customers with an appropriate credit history. PGM, base metal and chrome debtors in total comprise a number of customers, dispersed across different geographical areas.

There is no material concentration of credit risk associated with trade and other receivables.

A detailed assessment was performed to confirm the recoverability of trade and other receivables at the reporting period and all balances are considered recoverable.

23. Cash and cash equivalents

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Cash at bank and on hand	416 132	846 575	405 986	831 622
Restricted cash	215 541	249 103	–	23 000
Short-term deposits	4 720 544	78 827	4 715 260	76 390
Cash and cash equivalents	5 352 217	1 174 505	5 121 246	931 012
Less amount utilised under the general banking facility disclosed as a bank overdraft	–	–	–	–
Cash and cash equivalents as per the statement of cash flows	5 352 217	1 174 505	5 121 246	931 012

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the group and earn interest at the respective short-term deposit rates.

The weighted average effective interest rate on cash and cash equivalents amounted to 7.52% (30 June 2022: 4.30%).

All short-term deposits are immediately available. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and cash equivalents as well as amounts utilised under the general banking facility (GBF) (if utilised).

Restricted cash comprise the following amounts:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Deposit held relating to an electricity supply agreement with Eskom Holdings SOC Limited	–	23 000	–	23 000
Northam Zondereinde Community Trust	65 699	67 991	–	–
Northam Booysendal Community Trust	70 575	68 508	–	–
Northam Employees' Trust	78 723	89 080	–	–
Zambezi Platinum (RF) Proprietary Limited	544	524	–	–
	215 541	249 103	–	23 000

Previously restricted cash included a deposit of R23.0 million relating to an electricity supply agreement between Northam Platinum and Eskom Holdings SOC Limited (Eskom). These amounts are no longer required due to a holding company guarantee issued by Northam Holdings to Eskom. Refer to note 46 for the holding company guarantees issued by Northam Holdings to Eskom.

Restricted cash includes money ring-fenced for the benefit of the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and Northam Employees' Trust (ESOP), (the Zambezi Trusts) and Zambezi which may only be utilised in terms of the various Trust Deeds and the Zambezi Memorandum of Incorporation (MOI).

The exposure to foreign currency denominated balances included in cash and cash equivalents as at the reporting date were as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
US dollars (USD000)	21 991	51 414	21 498	50 682
USD closing exchange rate*	R18.83	R16.28	R18.83	R16.28
Cash and cash equivalents denominated in USD (R000)	414 165	836 999	404 802	825 077

**Rounded to the nearest cent.*

Refer to note 45 for the fair value and financial risk disclosure.

General banking facility (GBF)

The group has a GBF, i.e., an overdraft facility, of R1.0 billion (30 June 2022: R1.0 billion). The GBF accrues interest at the South African prime interest rate less 1.75% (30 June 2022: South African prime interest rate less 1.75%) and is payable on a 90-day notice period.

Commitment fees are payable on the GBF amounting to 0.55% per annum (30 June 2022: 0.55%) on the unutilised portion of the facility.

Below is a summary of the available GBF:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Total facility	1 000 000	1 000 000	1 000 000	1 000 000
Amount utilised at year-end	–	–	–	–
Available facility at year-end	1 000 000	1 000 000	1 000 000	1 000 000

The GBF is utilised as a bank overdraft facility as and when required for working capital requirements, and therefore, considered as part of cash and cash equivalents, as an overdraft facility (and disclosed as such if utilised).

The utilised and available facilities are listed below:

	Total facility 30 June 2023	**Utilised amount 30 June 2023**	**Available facility 30 June 2023**	**Interest rate 30 June 2023**	**Repayment date 30 June 2023**
	R000	R000	R000		
Domestic Medium-Term Notes (refer to note 30)	15 000 000	(14 999 337)	663	Various	Various
Revolving credit facility (refer to note 34)	10 000 000	–	10 000 000	JIBAR plus 2.40% – 2.80%	August 2027
General banking facility	1 000 000	–	1 000 000	Prime less 1.75%	90-day notice
	26 000 000	(14 999 337)	11 000 663		

The total DMTN Programme limit amounts to R15.0 billion. The unissued portion of the DMTN Programme limit is uncommitted but approved by the board of directors.

	Total facility 30 June 2022	**Utilised amount 30 June 2022**	**Available facility 30 June 2022**	**Interest rate 30 June 2022**	**Repayment date 30 June 2022**
	R000	R000	R000		
Domestic Medium-Term Notes (refer to note 30)	15 000 000	(11 256 837)	3 743 163	Various	Various
Revolving credit facility (refer to note 34)	4 000 000	(1 450 000)	2 550 000	JIBAR plus 2.55% – 2.95%	September 2024
General banking facility	1 000 000	–	1 000 000	Prime less 1.75%	90-day notice
Bridge facility (refer to note 36)	3 000 000	(3 000 000)	–	JIBAR plus 2.00%	December 2022
	23 000 000	(15 706 837)	7 293 163		

The total DMTN Programme limit amounts to R15.0 billion. The unissued portion of the DMTN Programme limit is uncommitted but approved by the board of directors.

The group has the following secured loans at the financial reporting date:

Domestic Medium-Term Note Programme (DMTN Programme)

Northam Platinum established a DMTN Programme pursuant to a Programme Memorandum dated 3 August 2012 (the Previous Programme Memorandum), in terms of which Northam Platinum may, from time to time, issue Notes.

Northam Platinum amended and restated the Previous Programme Memorandum to, *inter alia*, incorporate Booysendal as guarantor (Amended and Restated Programme Memorandum).

The amendments are incorporated in an Amended and Restated Programme Memorandum dated 29 October 2020 (Programme Date).

The DMTN Programme's current Programme Amount amounts to R15.0 billion (30 June 2022: R15.0 billion).

The Amended and Restated Programme Memorandum applies to all Notes issued under the DMTN Programme on or after the Programme Date and will, in respect of such Notes, supersede and replace the Previous Programme Memorandum in its entirety. For the avoidance of doubt, subject to all applicable laws, the Previous Programme Memorandum will remain applicable to all Notes in issue prior to the Programme Date.

Transaction costs are amortised over the period of the financial liability.

Refer to note 30 for details on all DMTNs issued.

Revolving credit facility (RCF)

Northam Platinum has a R10.0 billion (30 June 2022: R4.0 billion) 5-year RCF available with a syndicate of lenders which matures on 24 August 2027 (previously the RCF matured on 5 September 2024).

Commitment fees are payable on the RCF amounting to 0.75% per annum on the unutilised portion of the facility. No commitment fee shall accrue during periods where more than 80% of the total available facility has been utilised.

The RCF is subject to financial covenant compliance which is monitored on an ongoing basis.

None of the various covenant requirements have been breached or are close to being breached. It is believed that the group is currently not at risk of breaching any of the covenant requirements.

Refer to note 46 for guarantees issued by group companies relating to the RCF. Northam Holdings, Booysendal and Eland are guarantors in respect of the RCF.

Refer to note 34 for details on the RCF, together with all utilisations and repayments during the year.

General banking facility (GBF)

Northam Platinum also has a GBF, i.e., an overdraft facility, of R1.0 billion (30 June 2022: R1.0 billion). The GBF accrues interest at the South African prime interest rate less 1.75% and is payable on demand with a 90-day notice period.

Bridge facility

Northam Platinum previously secured a R3.0 billion Bridge facility with an initial term of six months, subject to two extension options, each for an extension period of 3 months which would extend the final maturity date to December 2022. The facility accrued interest at 1-month JIBAR plus 2.0% per annum.

The Bridge facility was settled in full during the year.

Refer to note 36 for details on the Bridge facility.

Term loan facility

During the year, a Term loan facility was arranged to facilitate the proposed Offer to acquire all the RBPlat Shares not already held by Northam Holdings. Due to the occurrence of Material Adverse Changes in market conditions the proposed Offer was terminated, and the Term loan facility was cancelled.

The group secured a senior, unsecured Term loan facility with a syndicate of lenders, for R2.4 billion (30 June 2022: R Nil).

The Term loan facility accrued interest at JIBAR plus 2.50%.

Commitment fees were payable on the Term loan facility amounting to 0.75% per annum on the unutilised portion of the facility.

Refer to note 46 for guarantees issued by group companies relating to the Term loan facility. Northam Holdings, Booysendal and Eland are guarantors in respect of the Term loan facility.

Refer to note 35 for details on the Term loan facility.

24. Stated capital

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	Number of shares	Number of shares	Number of shares	Number of shares
Authorised stated capital				
2 000 000 000 stated capital at no par value				
Issued stated capital				
Issued stated capital	417 762 987	417 762 987	417 762 987	417 762 987
Treasury Shares	(40 975 772)	(40 975 772)	–	–
	376 787 215	376 787 215	417 762 987	417 762 987

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Issued stated capital	9 878 033	9 878 033	9 878 033	9 878 033
Treasury Shares	(1 680 005)	(1 680 005)	–	–
	8 198 028	8 198 028	9 878 033	9 878 033

Reconciliation of both the number of shares in issue as well as the Rand value of stated capital net of Treasury Shares:

Below is a reconciliation of the movement in the number of Northam Platinum Shares that were in issue following completion of the early maturity of the Zambezi BEE Transaction and the Revised Accumulated Dividends Settlement, following which the Northam Scheme was implemented.

	Total number of Northam Platinum Shares in issue	**Northam Treasury Shares**	**Northam Platinum Shares outstanding (net of Treasury Shares)**
	Number of Northam Platinum Shares	Number of Northam Platinum Shares	Number of Northam Platinum Shares
Number of Northam Platinum Shares as at 1 July 2021	509 781 212	159 905 453	349 875 759
Revised Accumulated Dividends Settlement	(57 054 413)	(57 054 413)	–
Repurchase to facilitate Zambezi with the settlement of taxes, fees and Advances	(34 248 891)	(34 248 891)	–
Distribution to Zambezi Ordinary Shareholders	–	(27 561 210)	27 561 210
Repurchased from Northam Employees' Trust to facilitate the settlement of taxes	(649 754)	–	(649 754)
Northam Platinum repurchases 65 167 Northam Platinum Shares in aggregate from Zambezi Ordinary Shareholders valued at the 30-Day VWAP on the Repurchase Date (R214.17) per share in order to facilitate the tax liability associated with the Distribution of Northam Platinum Shares pursuant to the Net Value Distribution	(65 167)	(65 167)	–
Number of Northam Platinum Shares outstanding pre the Northam Scheme	417 762 987	40 975 772	376 787 215

Below is a reconciliation of the movement in the Northam Platinum stated capital and Treasury Shares that were in issue following completion of the early maturity of the Zambezi BEE Transaction and the Revised Accumulated Dividends Settlement, following which the Northam Scheme was implemented.

	Stated capital of Northam Platinum	**Northam Treasury Shares**	**Northam Platinum stated capital (net of Treasury Shares)**
	R000	R000	R000
Value of Northam Platinum stated capital and Treasury Shares as at 1 July 2021	13 778 114	(6 556 123)	7 221 991
Revised Accumulated Dividends Settlement	(2 339 231)	2 339 231	–
Repurchase to facilitate Zambezi with the settlement of taxes, fees and Advances	(1 404 204)	1 404 204	–
Securities Transfer Tax deducted from equity	(15 858)	–	(15 858)
Distribution to Zambezi Ordinary Shareholders	–	1 130 009	1 130 009
Repurchased Northam Employees' Trust to facilitate the settlement of taxes	(137 735)	–	(137 735)
Securities Transfer Tax deducted from equity	(344)	–	(344)
Northam Platinum repurchases 65 167 Northam Platinum Shares in aggregate from Zambezi Ordinary Shareholders valued at the 30-Day VWAP on the Repurchase Date (R214.17) per share in order to facilitate the tax liability associated with the Distribution of Northam Platinum Shares pursuant to the Net Value Distribution	(2 674)	(2 674)	–
Securities Transfer Tax deducted from equity	(35)	–	(35)
Value of stated capital and Treasury Shares pre the Northam Scheme	9 878 033	(1 680 005)	8 198 028

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25. Equity-settled share-based payment reserve

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Equity-settled share-based payment reserve	–	–	–	–
	–	–	–	–

The Zambezi BEE Transaction constituted a share-based payment as defined which was classified as an equity-settled share-based payment to be delivered after the 10-year Lock-in period. IFRS 2 requires equity-settled transactions to be accounted for at the fair value at grant date, defined as the date at which the entity and other party agree to a share-based payment arrangement, being the date when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement.

There were no vesting conditions attached to the BEE equity that were held by the BEE participants. This resulted in the full share-based payment in respect of the Zambezi BEE Transaction being incurred on day one of the Zambezi BEE Transaction.

There was no new equity-settled share-based payment transactions during the current or previous financial year.

As part of the Composite Transaction, the Net Value Distribution resulted in the derecognition of the R874.4 million balance in the equity settled share-based payment reserve, originally recognised pursuant to the Zambezi BEE Transaction, with the movement recognised in retained earnings.

26. Deferred tax asset and liability

The principal components of the deferred tax asset and liability are as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Deferred tax assets				
Employee benefits relating to leave pay and bonus	444 544	337 284	299 477	259 715
Decommissioning and environmental restoration provisions	258 543	259 575	54 819	54 107
Share-based payment liabilities	170 725	199 239	82 579	97 897
Metal inventory	208 716	709 168	–	–
Deferred income	7 596	9 621	2 025	2 565
Lease liabilities	23 572	20 059	10 420	6 262
Other	17 599	3 412	7 255	–
Calculated capital and tax losses	–	64 009	–	–
Previously recognised deferred tax asset relating to Eland Platinum Proprietary Limited derecognised	(142 799)	–	–	–
Current year deferred tax asset relating to Eland Platinum Proprietary Limited not recognised	(838 835)	–	–	–
	149 661	1 602 367	456 575	420 546
Deferred tax liabilities				
Property, plant and equipment	(5 310 069)	(5 384 034)	(2 738 876)	(2 127 099)
Depreciation component included in metals on hand and in transit	(77 731)	(56 520)	(59 826)	(34 929)
Northam Platinum Restoration Trust Fund	(41 567)	(38 498)	(20 784)	(19 249)
Section 24C allowances in respect of long-term receivables	(1 835)	(2 573)	–	–
	(5 431 202)	(5 481 625)	(2 819 486)	(2 181 277)
Net deferred tax liability	(5 281 541)	(3 879 258)	(2 362 911)	(1 760 731)

The net deferred tax liability is made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Deferred tax asset	–	142 799	–	–
Deferred tax liability	(5 281 541)	(4 022 057)	(2 362 911)	(1 760 731)
Net deferred tax liability	(5 281 541)	(3 879 258)	(2 362 911)	(1 760 731)

The charge in the deferred tax balance is reconciled as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Net deferred tax liability at the beginning of the year	(3 879 258)	(3 141 657)	(1 760 731)	(1 863 206)
Deferred tax on the fair value adjustment on the investment in Zambezi Preference Shares recycled through profit or loss	–	–	–	605 080
Charge for the year (refer to note 9)	(1 402 283)	(737 601)	(602 180)	(502 605)
Employee benefits relating to leave pay and bonus	107 260	5 746	39 762	726
Decommissioning and environmental restoration provisions	(1 032)	32 006	712	6 911
Share-based payment liabilities	(28 514)	(120 725)	(15 318)	(71 752)
Metal inventory	(500 452)	(196 620)	–	–
Deferred income	(2 025)	(5 873)	(540)	(3 138)
Lease liabilities	3 513	(2 690)	4 158	(529)
Other	14 187	1 312	7 255	–
Calculated capital and tax losses	(64 009)	64 009	–	–
Previously recognised deferred tax asset relating to Eland Platinum Proprietary Limited derecognised	(142 799)	–	–	–
Current year deferred tax asset relating to Eland Platinum Proprietary Limited not recognised	(838 835)	–	–	–
Property, plant and equipment	73 965	(511 651)	(611 777)	(428 899)
Depreciation component included in metals on hand and in transit	(21 211)	(3 153)	(24 897)	(5 719)
Restoration Trust Fund	(3 069)	(410)	(1 535)	(205)
Section 24C allowance in respect of long-term receivables	738	448	–	–
Net deferred tax liability	(5 281 541)	(3 879 258)	(2 362 911)	(1 760 731)

On 23 February 2022, the South African Minister of Finance confirmed that the corporate tax rate reductions announced in the 2021 budget speech would become effective for companies from the year of assessment ending on or after 31 March 2023. This changed the corporate tax rate from 28.0% to 27.0% during F2022.

Significant judgements: Utilisation of a deferred tax asset

The group offsets deferred tax assets and liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, dividends and other capital management transactions). To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Estimation is required to determine whether deferred tax assets are recognised in the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require the assessment of the likelihood that sufficient taxable earnings will be generated in future periods, in order to utilise recognised deferred tax assets.

The utilisation of a deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences.

Due to the latest forecast commodity prices, a reassessment was performed regarding the utilisation of a deferred tax asset relating to Eland, and it is believed that due to the latest forecast commodity prices it is not probable that a deferred tax asset will be utilised in the near term.

Accordingly, a deferred tax asset, to the value of R981.6 million, was not raised during the current year and the previously recognised deferred tax asset was derecognised (30 June 2022: a deferred tax asset of R142.8 million was raised) relating to Eland.

This position will be assessed continuously.

27. Long-term provisions

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Balance at the beginning of the year	961 391	812 747	200 395	168 557
Change in estimate relating to the decommissioning costs (refer to note 10)	(56 619)	13 310	(4 921)	12 200
Change in estimate relating to restoration costs (refer to note 4)	(29 885)	65 438	(9 675)	5 142
Unwinding of discount (refer to note 6)	82 680	69 896	17 234	14 496
Total rehabilitation and decommissioning liability provision	957 567	961 391	203 033	200 395

Below is a breakdown of the long-term provision:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Provision for decommissioning costs				
Balance at the beginning of the year	644 461	581 170	139 360	117 090
Change in estimate relating to the decommissioning costs (refer to note 10)	(56 619)	13 310	(4 921)	12 200
Unwinding of discount	55 424	49 981	11 985	10 070
Total provision for decommissioning costs	643 266	644 461	146 424	139 360
Provision for restoration costs				
Balance at the beginning of the year	316 930	231 577	61 035	51 467
Change in estimate relating to restoration costs (refer to note 4)	(29 885)	65 438	(9 675)	5 142
Unwinding of discount	27 256	19 915	5 249	4 426
Total provision for restoration costs	314 301	316 930	56 609	61 035
Total rehabilitation and decommissioning liability provision	957 567	961 391	203 033	200 395

The long-term provision is made up of the provision relating to the rehabilitation and decommissioning liability of:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Northam Platinum Limited (Zondereinde operation)	203 033	200 395	203 033	200 395
Booysendal Platinum Proprietary Limited (Booysendal operation)	256 610	263 041	–	–
Eland Platinum Proprietary Limited (Eland operation)	497 924	497 955	–	–
Total rehabilitation and decommissioning liability provision	957 567	961 391	203 033	200 395

On an annual basis, at year-end, a third-party expert is engaged to determine the decommissioning and restoration liability for each of the operations within the group.

The latest assessment was performed as at 30 June 2023.

Below is a breakdown of the rehabilitation and decommissioning liabilities provision of the various operations:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000
Provision for decommissioning costs				
Balance at the beginning of the year	139 360	156 397	348 704	644 461
Change in estimate relating to the decommissioning costs	(4 921)	(18 455)	(33 243)	(56 619)
Unwinding of discount	11 985	13 450	29 989	55 424
Total provision for decommissioning costs	146 424	151 392	345 450	643 266
Provision for restoration costs				
Balance at the beginning of the year	61 035	106 644	149 251	316 930
Change in estimate relating to restoration costs	(9 675)	(10 597)	(9 613)	(29 885)
Unwinding of discount	5 249	9 171	12 836	27 256
Total provision for restoration costs	56 609	105 218	152 474	314 301
Total rehabilitation and decommissioning liability provision	203 033	256 610	497 924	957 567

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000
Provision for decommissioning costs				
Balance at the beginning of the year	117 090	141 129	322 951	581 170
Change in estimate relating to the decommissioning costs	12 200	3 131	(2 021)	13 310
Unwinding of discount	10 070	12 137	27 774	49 981
Total provision for decommissioning costs	139 360	156 397	348 704	644 461
Provision for restoration costs				
Balance at the beginning of the year	51 467	95 416	84 694	231 577
Change in estimate relating to restoration costs	5 142	3 022	57 274	65 438
Unwinding of discount	4 426	8 206	7 283	19 915
Total provision for restoration costs	61 035	106 644	149 251	316 930
Total rehabilitation and decommissioning liability provision	200 395	263 041	497 955	961 391

At the reporting date the net (overfunded)/unfunded future obligations were as follows, based on the current Department of Mineral Resources and Energy (DMRE) requirements per operation:

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000
Undiscounted obligation based on the DMRE requirements, including Value Added Tax (VAT)	292 093	279 988	329 828	901 909
Less funds held by Northam Platinum Restoration Trust Fund (refer to note 17)	(76 976)	(76 976)	–	(153 952)
Less environmental guarantees (refer to note 18)	(225 187)	(255 662)	(260 240)	(741 089)
Total (overfunded)/unfunded current rehabilitation obligation in terms of current legislation	(10 070)	(52 650)	69 588	6 868

	Zondereinde operations (Northam Platinum Limited)	Booysendal operations	Eland operations	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000
Undiscounted obligation based on the DMRE requirements, including Value Added Tax (VAT)	269 079	262 219	297 342	828 640
Less funds held by Northam Platinum Restoration Trust Fund (refer to note 17)	(71 293)	(71 293)	–	(142 586)
Less environmental guarantees (refer to note 18)	(225 187)	(247 975)	(260 240)	(733 402)
Total (overfunded)/unfunded current rehabilitation obligation in terms of current legislation	(27 401)	(57 049)	37 102	(47 348)

The future value of the environmental obligation could either be paid over to the Northam Platinum Restoration Trust Fund over the remaining life of the various operations, or through other financial provisions, insurance or financial products as approved by the DMRE in terms of the South African National Environmental Management Act, No. 107 of 1998 (NEMA).

The environmental obligation will be financed, other than the amounts already covered by the investment held through the Northam Platinum Restoration Trust Fund, either by way of guarantees or other insurance products and not through cash contributions to the Northam Platinum Restoration Trust Fund, due to the uncertainty created by changes in legislation.

The group procures the issue of guarantees in respect of the unfunded decommissioning and restoration costs, not covered by the investment held through the Northam Platinum Restoration Trust Fund.

Refer to note 17 and 18 for further details on the Northam Platinum Restoration Trust Fund as well as the various environmental guarantees issued.

Significant judgements and estimates: Determination of the restoration and decommissioning liabilities of the group

The group's mining activities are subject to extensive environmental laws and regulations. These laws and regulations are continually changing and are generally becoming more onerous and more restrictive. The group has incurred, and expects to incur in future, expenditure to comply with such laws and regulations, but cannot predict the full amount of such expenditure. Estimated future rehabilitation costs are based on current legal and regulatory requirements.

NEMA, as well as the MPRDA, which apply to all prospecting and mining operations, require that operations be carried out in accordance with generally accepted principles of sustainable development. It is a NEMA requirement that an applicant for a mining right must make prescribed financial provisions for the rehabilitation or management of negative environmental impacts, which must be reviewed annually.

In terms of NEMA, mining operations are required to make financial provisions for decommissioning and restoration costs that will be incurred upon the cessation of mining activities.

The group makes full provision for the future commercial cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing the mines and installing and using those facilities. The restoration and decommissioning provision represent the present value of rehabilitation and decommissioning costs relating to mine sites, which are expected to be incurred once mining ceases. These provisions are based on assessments prepared by an independent third-party expert, SRK Consulting (South Africa) Proprietary Limited, with the Principal Scientist being James Lake Pr Sci Nat, Msc (Geochemistry), which was carried out for the year ended 30 June 2023 (F2023), being the last assessment performed.

The provision is based on the current best estimate for rehabilitation and decommissioning costs and is determined using commercial closure cost assessments and not the DMRE published rates. Management believes using commercial closure cost assessments more accurately reflects the potential future costs and therefore the liability. The commercial closure costs assessment is significantly more than what the liability would have been should the current published DMRE rates have been applied.

Financial provision is not required to be made for the decommissioning of certain structures, such as housing, which may have an alternative use.

The present value of the environmental restoration obligation was determined by applying a pre-tax discount rate of 9.5% (30 June 2022: 8.6%) and a long-term inflation rate of 6.25% (30 June 2022: 6.0%) over the remaining life of the various mines.

The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions which would affect future financial results. Furthermore, the timing of rehabilitation will likely depend on when the various operations cease to produce at economically viable rates which will, in turn, depend on future commodity prices and exchange rates, which are inherently uncertain.

On 20 November 2015, NEMA Financial Provisioning (FP) Regulations, 2015 (2015 FP Regulations) were promulgated, resulting in significant changes from the MPRDA's requirements. The Northam group constitutes Existing Holders for purposes of the 2015 FP Regulations and these Regulations are therefore not yet applicable to the Northam group.

The 2015 FP Regulations were immediately applicable to applicants for a mining permit or a prospecting, mining, exploration or production right after 20 November 2015. Under the 2015 FP Regulations a 15-month transitional period was included for holders of a right or permit who applied for such right or permit prior to 20 November 2015 (Existing Holders) to comply with the 2015 FP Regulations. Due to an outcry from the minerals industry regarding the limited transitional period, Existing Holders were initially granted an extended transitional period until February 2019 to comply. Further extended transitional periods for Existing Holders to comply with the 2015 FP Regulations have subsequently been published, with the latest extension date being 19 September 2023. A draft notice was published in May 2023 of the Environmental Minister's intention to further extend the transitional period to 19 February 2024.

On 11 July 2022, the Environmental Minister published her intention to repeal the 2015 FP Regulations and publish the proposed 2022 Draft FP Regulations, being the fourth set of revised draft FP Regulations published since the 2015 FP Regulations. The 2022 Draft FP Regulations have not been enacted into law. It is envisaged that the final FP Regulations, based largely on the 2022 Draft FP Regulations, will be published shortly. This is also given the commencement into law of various sections of the National Environmental Management Laws Amendment Act 2 of 2022 on 30 June 2023, to, *inter alia*, align NEMA with the FP Regulations.

The FP regulatory framework has been subject to severe criticism and significant resistance since the 2015 FP Regulations' promulgation and the Minerals Council of South Africa (MINCOSA) has over the years since its publication expressed fundamental concerns relating to policy proposals and implementation challenges that would be experienced by the mining industry. Subsequent revised versions did signal traction in addressing certain critical concerns raised by the MINCOSA. Despite the progress, the MINCOSA has noted that some of the mining industry's fundamental concerns have not been addressed in the 2022 Draft FP Regulations. These include, among others, tax implications for inclusion of VAT; legal and administrative burden; above-inflation increases to the calculated quantum, which would impact negatively on the cost of doing business; and the environmental liability of a mining company remaining after closure (despite the issuing of a closure certificate and the requirement that FP must be ceded to the DMRE by a mineral right holder on closure). MINCOSA's Environmental Portfolio Committee's general view is that the 2022 Draft FP Regulations has no substantial changes; none of the real critical issues to the mining sector raised by MINCOSA in submissions to, or lobbying of, the Department of Environmental Affairs, Forestry and Fisheries were addressed; the issues remain largely the same; and that the publication of the final draft of the FP Regulations will likely not address these issues and require court challenge by MINCOSA / its members.

The group will comply with the relevant FP Regulations when required to do so.

28. Long-term loans

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Security of supply contribution	28 132	35 633	7 501	9 501
Heraeus Deutschland GmbH & Co. KG	42 969	49 169	42 969	49 169
Total long-term loans	71 101	84 802	50 470	58 670
Current portion of security of supply contribution	(7 502)	(7 501)	(2 000)	(2 000)
Current portion of Heraeus Deutschland GmbH & Co. KG	–	–	–	–
Long-term portion	63 599	77 301	48 470	56 670

The security of supply contribution relates to amounts received to guarantee the supply of future product. These amounts will be recognised over the guaranteed supply period, which commenced during the 2017 financial year.

In terms of an agreement entered into with Heraeus Deutschland GmbH & Co. KG an annual payment of R9.4 million is made for development and research costs for a period of 20 years. A liability was recognised at contract inception, being 16 April 2016. The liability is measured at the present value of the R9.4 million payments over 20 years using the prevailing South African prime interest rate. The contra side of the entry was included as a cost to the smelter furnace, in the 2016 financial year.

The development and research cost of R9.4 million was waived by Heraeus Deutschland GmbH & Co. KG for a period of four years, during F2022, and a once off modification on the agreement was recognised in the statement of profit and loss during F2022. The annual payment of R9.4 million as per the original agreement will resume from 30 June 2026, onwards.

Below is a reconciliation of the Heraeus Deutschland GmbH & Co. KG liability:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	49 169	92 662	49 169	92 662
Profit on modification of the agreement terms relating to the research and development liability with Heraeus Deutschland GmbH & Co. KG (refer to note 7)	–	(43 493)	–	(43 493)
Unwinding of the research and development liability (included in other sundry income refer to note 7)	(6 200)	–	(6 200)	–
Payment made	–	–	–	–
Closing balance Heraeus Deutschland GmbH & Co. KG liability	42 969	49 169	42 969	49 169

The unwinding of the research and development liability includes both the unwinding as well as the impact of the change in the South African prime interest rate during the year.

No payments have been made during the current or previous year.

29. Lease liabilities

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	74 291	81 247	23 193	24 253
New lease agreement entered into	15 660	–	15 660	–
Change in lease terms – reassessment of IFRS 16 Leases (refer to note 10)	2 065	432	1 017	–
Finance costs relating to lease liabilities (refer to note 6)	6 752	6 981	1 935	1 650
Payments made	(11 463)	(14 369)	(3 211)	(2 710)
Total lease liabilities	87 305	74 291	38 594	23 193
Current portion of lease liabilities	(8 963)	(10 107)	(4 535)	(2 153)
Non-current portion of lease liabilities	78 342	64 184	34 059	21 040

Included in the costs capitalised to the right-of-use assets, refer to note 10, are leasehold improvements to the value of R2.5 million incurred outside the new corporate office lease agreement entered into during the year with regards to permanent fixtures.

The following amounts relating to lease liabilities and associated right-of-use assets were recognised in profit or loss:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Depreciation expense for right-of-use assets (refer to note 10)	7 895	10 457	2 729	2 324
Finance costs relating to lease liabilities (refer to note 6)	6 752	6 981	1 935	1 650
Expenses relating to leases of low-value assets	34 651	22 723	26 251	16 415
	49 298	40 161	30 915	20 389

Lease liabilities relate to leases for offices, accommodation and a notarial agreement of lease of land for Booysendal.

The corporate office lease is for a period of five years ending 31 October 2025, with the option to renew the lease for an additional five years.

During the current year, Northam Platinum entered into an additional lease agreement in respect of the corporate office. The lease commencement date was 29 May 2023 with an initial lease period of five years. The lease includes the option to renew the agreement for a further period of five years after the initial lease period expires on 30 April 2028.

The notarial agreement for lease of land relating to Booysendal is for the life of mine and is payable to the Bakoni Ba Phetla Communal Property Association.

The group also has certain leases for assets with low value, relating to leases for Information Technology and office equipment. The group has applied the lease of low value assets recognition exemptions for these assets under IFRS 16.

Refer to note 10 for a reconciliation on the right-of-use assets.

The maturity analysis of the lease liabilities is disclosed in note 45.

Significant estimate: Estimating the incremental borrowing rate

The group cannot readily determine the interest rate implicit to its leases. Therefore, the relevant incremental borrowing rate (IBR) is used to measure lease liabilities. The IBR is the rate of interest that the group would have to pay to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment over a similar term, and with a similar security.

The group estimates the IBR using observable inputs when available and considers certain contract and entity-specific judgements such as the lease term and the group's credit rating.

30. Domestic Medium-Term Notes

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Non-current Domestic Medium-Term Notes (DMTNs)				
DMTNs (NHM015)	500 000	500 000	500 000	500 000
Transaction costs relating to the NHM015 issue	(8 070)	(8 070)	(8 070)	(8 070)
Amortisation of transaction costs over the period of the Notes issued	5 725	4 112	5 725	4 112
	497 655	496 042	497 655	496 042

On 13 December 2019, the Industrial Development Corporation of South Africa Limited (IDC) subscribed to NHM015, which is R500.0 million worth of five-year senior unsecured floating rate Notes. These Notes attract a floating coupon rate of 3-month JIBAR plus 330 basis points, which is payable on a quarterly basis in December, March, June and September of each year from issue date for a five-year period. These Notes mature on 13 December 2024.

DMTNs (NHM016)	550 000	550 000	550 000	550 000
DMTNs tap issue - Tranche 2	130 000	130 000	130 000	130 000
DMTNs tap issue - Tranche 3	165 967	165 967	165 967	165 967
DMTNs tap issue - Tranche 4	200 000	200 000	200 000	200 000
DMTNs tap issue - Tranche 5	100 000	100 000	100 000	100 000
DMTNs tap issue - Tranche 6	2 534 435	2 534 435	2 534 435	2 534 435
DMTNs tap issue - Tranche 7	15 000	15 000	15 000	15 000
Transaction costs relating to the NHM016 issue	(108 126)	(108 126)	(108 126)	(108 126)
Amortisation of transaction costs over the period of the Notes issued	60 095	34 313	60 095	34 313
	3 647 371	3 621 589	3 647 371	3 621 589

On 11 May 2020, Northam Platinum issued NHM016. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 425 basis points, which is payable on a quarterly basis in May, August, November and February of each year from issue date for a five-year period. These Notes mature on 11 May 2025.

DMTNs (NHM018)	–	1 021 300	–	1 021 300
DMTNs tap issue - Tranche 3	–	253 000	–	253 000
DMTNs tap issue - Tranche 4	–	100 000	–	100 000
DMTNs tap issue - Tranche 5	–	150 000	–	150 000
NHM018 switched to NHM016 and NHM019	–	(665 800)	–	(665 800)
DMTNs tap issue - Tranche 6	–	535 000	–	535 000
DMTNs tap issue - Tranche 7	–	897 000	–	897 000
Transaction costs relating to the NHM018 issue	–	(89 154)	–	(89 154)
Amortisation of transaction costs over the period of the Notes issued	–	64 326	–	64 326
Transfer to current DMTNs	–	(2 265 672)	–	(2 265 672)
	–	–	–	–

On 25 May 2020, Northam Platinum issued NHM018. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in May, August, November and February of each year from issue date for a three-year period. These Notes matured on 25 May 2023.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
DMTNs (NHM019)	450 000	450 000	450 000	450 000
DMTNs tap issue - Tranche 2	390 000	390 000	390 000	390 000
DMTNs tap issue – Tranche 3	1 770 935	1 770 935	1 770 935	1 770 935
DMTNs tap issue – Tranche 4	630 000	630 000	630 000	630 000
DMTNs tap issue – Tranche 5	275 000	275 000	275 000	275 000
Transaction costs relating to the NHM019 issue	(80 620)	(80 620)	(80 620)	(80 620)
Amortisation of transaction costs over the period of the Notes issued	54 750	26 051	54 750	26 051
Transfer to current DMTNs	(3 490 065)	–	(3 490 065)	–
	–	3 461 366	–	3 461 366

On 25 May 2020, Northam Platinum issued NHM019. All Tranches were issued under the same terms and conditions. The Notes attract a floating coupon rate of 3-month JIBAR plus 400 basis points, which is payable on a quarterly basis in May, August, November and February of each year from issue date for a four-year period. These Notes mature on 25 May 2024.

DMTNs (NHM020)	132 000	132 000	132 000	132 000
DMTNs tap issue - Tranche 2	100 000	100 000	100 000	100 000
DMTNs tap issue - Tranche 3	450 000	450 000	450 000	450 000
Transaction costs relating to the NHM020 issue	(11 623)	(11 623)	(11 623)	(11 623)
Amortisation of transaction costs over the period of the Notes issued	9 104	2 849	9 104	2 849
Transfer to current DMTNs	(679 481)	–	(679 481)	–
	–	673 226	–	673 226

On 25 November 2020, Northam Platinum issued NHM020. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in November, February, May and August of each year from issue date for a three-year period. These Notes mature on 25 November 2023.

DMTNs (NHM021)	245 000	245 000	245 000	245 000
DMTNs tap issue - Tranche 2	78 000	78 000	78 000	78 000
DMTNs tap issue - Tranche 3	250 000	250 000	250 000	250 000
Transaction costs relating to the NHM021 issue	(9 574)	(9 574)	(9 574)	(9 574)
Amortisation of transaction costs over the period of the Notes issued	2 660	631	2 660	631
	566 086	564 057	566 086	564 057

On 26 November 2021, Northam Platinum issued NHM021. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 425 basis points, which is payable on a quarterly basis in November, February, May and August of each year from issue date for a five-year period. These Notes mature on 26 November 2026.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
DMTNs (NHM022)	3 500 000	–	3 500 000	–
Transaction costs relating to the NHM022 issue	(97 900)	–	(97 900)	–
Amortisation of transaction costs over the period of the Notes issued	15 066	–	15 066	–
	3 417 166	–	3 417 166	–
On 23 September 2022, Northam Platinum issued NHM022. The Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in December, March, June and September of each year from issue date for a five-year period. These Notes mature on 23 September 2027.				
DMTNs (NHM023)	243 000	–	243 000	–
Transaction costs relating to the NHM023 issue	(3 992)	–	(3 992)	–
Amortisation of transaction costs over the period of the Notes issued	922	–	922	–
	239 930	–	239 930	–
On 21 October 2022, Northam Platinum issued NHM023. These Notes attract a floating coupon rate of 3-month JIBAR plus 300 basis points, which is payable on a quarterly basis in January, April, July and October of each year from issue date for a three-year period. These Notes mature on 21 October 2025.				
DMTNs (NHM025)	900 000	–	900 000	–
Transaction costs relating to the NHM025 issue	(14 110)	–	(14 110)	–
Amortisation of transaction costs over the period of the Notes issued	476	–	476	–
	886 366	–	886 366	–
On 25 May 2023, Northam Platinum issued NHM025. These Notes attract a floating coupon rate of 3-month JIBAR plus 300 basis points, which is payable on a quarterly basis in February, May, August and November of each year from issue date for a three-year period. These Notes mature on 25 May 2026.				
DMTNs (NHM026)	1 290 000	–	1 290 000	–
Transaction costs relating to the NHM026 issue	(20 116)	–	(20 116)	–
Amortisation of transaction costs over the period of the Notes issued	407	–	407	–
	1 270 291	–	1 270 291	–
On 25 May 2023, Northam Platinum issued NHM026. These Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in February, May, August and November of each year from issue date for a five-year period. These Notes mature on 25 May 2028.				
Total non-current Domestic Medium-Term Notes	10 524 865	8 816 280	10 524 865	8 816 280

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current DMTNs				
DMTNs (NHM007)	–	141 186	–	141 186
DMTNs tap issue – Tranche 2	–	150 000	–	150 000
DMTNs tap issue – Tranche 3	–	100 000	–	100 000
DMTNs tap issue – Tranche 4	–	60 000	–	60 000
NHM007 switched to NHM016 and NHM019	–	(100 000)	–	(100 000)
NHM007 switched to NHM012	–	(100 000)	–	(100 000)
NHM007 switched to NHM018	–	(210 000)	–	(210 000)
Transaction costs relating to the NHM007 issue	–	(8 439)	–	(8 439)
Amortisation of transaction costs over the period of the Notes issued	–	8 439	–	8 439
DMTNs repaid	–	(41 186)	–	(41 186)
	–	–	–	–

On 16 April 2019, Northam Platinum issued NHM007. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in April, July, October and January of each year from issue date for a three-year period. These Notes matured on 16 April 2022.

DMTNs (NHM009)	–	100 000	–	100 000
DMTNs tap issue – Tranche 2	–	300 000	–	300 000
DMTNs tap issue – Tranche 3	–	100 000	–	100 000
DMTNs tap issue – Tranche 4	–	15 000	–	15 000
NHM009 switched to NHM016 and NHM019	–	(100 000)	–	(100 000)
NHM009 switched to NHM018	–	(115 000)	–	(115 000)
NHM009 switched to NHM020	–	(300 000)	–	(300 000)
Transaction costs relating to the NHM009 issue	–	(9 848)	–	(9 848)
Amortisation of transaction costs over the period of the Notes issued	–	9 848	–	9 848
	–	–	–	–

On 26 April 2019, Northam Platinum issued NHM009. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in April, July, October and January of each year from issue date for a three-year period. These Notes matured on 26 April 2022.

DMTNs (NHM011)	–	173 000	–	173 000
DMTNs tap issue – Tranche 2	–	345 000	–	345 000
DMTNs tap issue – Tranche 3	–	100 000	–	100 000
NHM011 switched to NHM016 and NHM019	–	(50 000)	–	(50 000)
NHM011 switched to NHM018	–	(325 000)	–	(325 000)
Transaction costs relating to the NHM011 issue	–	(11 783)	–	(11 783)
Amortisation of transaction costs over the period of the Notes issued	–	11 783	–	11 783
DMTNs repaid	–	(243 000)	–	(243 000)
	–	–	–	–

On 24 May 2019, Northam Platinum issued NHM011. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in May, August, November and February of each year from issue date for a three-year period. These Notes matured on 24 May 2022.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
DMTNs (NHM012)	–	30 470	–	30 470
NHM017 switched to NHM012	–	492 100	–	492 100
NHM014 switched to NHM012	–	1 908 300	–	1 908 300
NHM012 switched to NHM016 and NHM019	–	(2 428 870)	–	(2 428 870)
DMTNs tap issue – Tranche 4	–	100 000	–	100 000
Transaction costs relating to the NHM012 issue	–	(44 734)	–	(44 734)
Amortisation of transaction costs over the period of the Notes issued	–	44 734	–	44 734
DMTNs repaid	–	(102 000)	–	(102 000)
	–	–	–	–

On 13 June 2019, Northam Platinum issued NHM012. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in June, September, December and March of each year from issue date for a three-year period. These Notes matured on 13 June 2022.

DMTNs (NHM014)	–	11 700	–	11 700
DMTNs tap issue – Tranche 3	–	10 000	–	10 000
Transaction costs relating to the NHM014 issue	–	(34 466)	–	(34 466)
Amortisation of transaction costs over the period of the Notes issued	–	34 466	–	34 466
DMTNs repaid	–	(21 700)	–	(21 700)
	–	–	–	–

On 20 November 2019, Northam Platinum issued NHM014. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 250 basis points, which was payable on a quarterly basis in November, February, May and August of each year from issue date for a two-year period. These Notes matured on 20 November 2021.

DMTNs (NHM018)	671 300	671 300	671 300	671 300
DMTNs tap issue – Tranche 2	350 000	350 000	350 000	350 000
DMTNs tap issue – Tranche 3	253 000	253 000	253 000	253 000
DMTNs tap issue – Tranche 4	100 000	100 000	100 000	100 000
DMTNs tap issue – Tranche 5	150 000	150 000	150 000	150 000
NHM018 switched to NHM016 and NHM019	(665 800)	(665 800)	(665 800)	(665 800)
DMTNs tap issue – Tranche 6	535 000	535 000	535 000	535 000
DMTNs tap issue – Tranche 7	897 000	897 000	897 000	897 000
Transaction costs relating to the NHM018 issue	(89 154)	(89 154)	(89 154)	(89 154)
Amortisation of transaction costs over the period of the Notes issued	89 154	64 326	89 154	64 326
DMTNs repaid	(2 290 500)	–	(2 290 500)	–
	–	2 265 672	–	2 265 672

On 25 May 2020, Northam Platinum issued NHM018. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in May, August, November and February of each year from issue date for a three-year period. These Notes matured on 25 May 2023.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
NHM019 transferred from non-current to current	3 490 065	–	3 490 065	–
	3 490 065	–	3 490 065	–
On 25 May 2020, Northam Platinum issued NHM019. All Tranches were issued under the same terms and conditions. The Notes attract a floating coupon rate of 3-month JIBAR plus 400 basis points, which is payable on a quarterly basis in May, August, November and February of each year from issue date for a four-year period. These Notes mature on 25 May 2024.				
NHM020 transferred from non-current to current	679 481	–	679 481	–
	679 481	–	679 481	–
On 25 November 2020, Northam Platinum issued NHM020. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in November, February, May and August of each year from issue date for a three-year period. These Notes mature on 25 November 2023.				
DMTNs (NHM024)	100 000	–	100 000	–
Transaction costs relating to the NHM024 issue	(1 790)	–	(1 790)	–
Amortisation of transaction costs over the period of the Notes issued	181	–	181	–
	98 391	–	98 391	–
On 25 May 2023, Northam Platinum issued NHM024. These Notes attract a floating coupon rate of 3-month JIBAR plus 200 basis points, which is payable on a quarterly basis in August, November, February and May from issue date for a year. These Notes mature on 25 May 2024.				
Total current Domestic Medium-Term Notes	4 267 937	2 265 672	4 267 937	2 265 672
Total Domestic Medium-Term Notes	14 792 802	11 081 952	14 792 802	11 081 952

Northam Platinum established a DMTN Programme pursuant to a Programme Memorandum dated 3 August 2012 (the Previous Programme Memorandum), in terms of which Northam Platinum may, from time to time, issue Notes.

Northam Platinum amended and restated the Previous Programme Memorandum to, *inter alia*, incorporate Booysendal as guarantor (Amended and Restated Programme Memorandum).

The amendments are incorporated in an Amended and Restated Programme Memorandum dated 29 October 2020.

The DMTN Programme's current Programme Amount amounts to R15.0 billion (30 June 2022: R15.0 billion).

The Amended and Restated Programme Memorandum applies to all Notes issued under the Programme on or after 29 October 2020 (Programme Date) and will, in respect of such Notes, supersede and replace the Previous Programme Memorandum in its entirety. For the avoidance of doubt, subject to all applicable laws, the Previous Programme Memorandum will remain applicable to all Notes in issue prior to the Programme Date.

Transaction costs are amortised over the period of the financial liability.

Johannesburg Interbank Average Rate (JIBAR)

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets.

The South African Reserve Bank (SARB) has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments.

ZARONIA has been published for the purposes of observing the rate and how it behaves. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.

Significant judgements and estimates: Tax deductibility of the interest on certain of the Notes issued

DMTNs were issued specifically to finance the purchase of Zambezi Preference Shares in previous years. The interest and transaction cost relating to these specific Notes are therefore not deductible for tax, as the interest is deemed to be unproductive in nature.

Interest paid is deemed unproductive when associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

Below is a summary of the Notes issued to purchase Zambezi Preference Shares:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
NHM016 – Tranche 3	165 967	165 967	165 967	165 967
NHM016 – Tranche 4	200 000	200 000	200 000	200 000
NHM016 – Tranche 6 – switched from NHM012	954 150	954 150	954 150	954 150
NHM018 – Tranche 2	–	300 000	–	300 000
NHM018 – Tranche 3	–	253 000	–	253 000
NHM018 – Tranche 6 – switched from NHM011	–	325 000	–	325 000
NHM019 – Tranche 1	400 000	400 000	400 000	400 000
NHM019 – Tranche 2	390 000	390 000	390 000	390 000
NHM019 – Tranche 3 – switched from NHM012	954 150	954 150	954 150	954 150
NHM020 – Tranche 1	132 000	132 000	132 000	132 000
	3 196 267	4 074 267	3 196 267	4 074 267

The interest associated with the DMTNs which was classified as unproductive amounted to the following balances:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the DMTNs (refer to note 6)	1 498 193	733 809	1 498 193	733 809
Unproductive finance costs relating to the DMTNs	(422 436)	(324 188)	(422 436)	(324 188)
Finance costs relating to the DMTNs deductible for tax purposes	1 075 757	409 621	1 075 757	409 621

The maturity profile of the group's DMTNs are set out below, in the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date representing the undiscounted contractual cash flows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Maturing during F2023	N/A	2 290 500	N/A	2 290 500
NHM018 – 25 May 2023	N/A	2 290 500	N/A	2 290 500
Maturing during F2024	4 297 935	4 197 935	4 297 935	4 197 935
NHM020 – 25 November 2023	682 000	682 000	682 000	682 000
NHM019 – 25 May 2024	3 515 935	3 515 935	3 515 935	3 515 935
NHM024 – 25 May 2024	100 000	–	100 000	–
Maturing during F2025	4 195 402	4 195 402	4 195 402	4 195 402
NHM015 – 13 December 2024	500 000	500 000	500 000	500 000
NHM016 – 11 May 2025	3 695 402	3 695 402	3 695 402	3 695 402
Maturing during F2026	1 143 000	–	1 143 000	–
NHM023 – 21 October 2025	243 000	–	243 000	–
NHM025 – 25 May 2026	900 000	–	900 000	–
Maturing during F2027	573 000	573 000	573 000	573 000
NHM021 – 26 November 2026	573 000	573 000	573 000	573 000
Maturing during F2028	4 790 000	–	4 790 000	–
NHM022 – 23 September 2027	3 500 000	–	3 500 000	–
NHM026 – 25 May 2028	1 290 000	–	1 290 000	–
Domestic Medium-Term Notes (excluding capitalised transaction costs)	14 999 337	11 256 837	14 999 337	11 256 837
Transaction costs incurred	(355 921)	(416 437)	(355 921)	(416 437)
Amortised transaction costs	149 386	241 552	149 386	241 552
Total Domestic Medium-Term Notes	14 792 802	11 081 952	14 792 802	11 081 952

During the year, the following movements occurred relating to the DMTNs:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	11 256 837	7 754 023	11 256 837	7 754 023
Notes issued	6 033 000	8 305 370	6 033 000	8 305 370
NHM007 – Tranche 3	–	100 000	–	100 000
NHM007 – Tranche 4	–	60 000	–	60 000
NHM009 – Tranche 3	–	100 000	–	100 000
NHM009 – Tranche 4	–	15 000	–	15 000
NHM012 – Tranche 4	–	100 000	–	100 000
NHM016 – Tranche 6	–	2 534 435	–	2 534 435
NHM016 – Tranche 7	–	15 000	–	15 000
NHM018 – Tranche 5	–	150 000	–	150 000
NHM018 – Tranche 6	–	535 000	–	535 000
NHM018 – Tranche 7	–	897 000	–	897 000
NHM019 – Tranche 3	–	1 770 935	–	1 770 935
NHM019 – Tranche 4	–	630 000	–	630 000
NHM019 – Tranche 5	–	275 000	–	275 000
NHM020 – Tranche 2	–	100 000	–	100 000
NHM020 – Tranche 3	–	450 000	–	450 000
NHM021 – Tranche 1	–	245 000	–	245 000
NHM021 – Tranche 2	–	78 000	–	78 000
NHM021 – Tranche 3	–	250 000	–	250 000
NHM022 – Tranche 1	3 500 000	–	3 500 000	–
NHM023 – Tranche 1	243 000	–	243 000	–
NHM024 – Tranche 1	100 000	–	100 000	–
NHM025 – Tranche 1	900 000	–	900 000	–
NHM026 – Tranche 1	1 290 000	–	1 290 000	–
Notes repaid	(2 290 500)	(407 886)	(2 290 500)	(407 886)
NHM007	–	(41 186)	–	(41 186)
NHM011	–	(243 000)	–	(243 000)
NHM012	–	(102 000)	–	(102 000)
NHM014	–	(21 700)	–	(21 700)
NHM018	(2 290 500)	–	(2 290 500)	–
Notes switched	–	(4 394 670)	–	(4 394 670)
NHM007 switched to NHM016 and NHM019	–	(100 000)	–	(100 000)
NHM007 switched to NHM012	–	(100 000)	–	(100 000)
NHM007 switched to NHM018	–	(210 000)	–	(210 000)
NHM009 switched to NHM016 and NHM019	–	(100 000)	–	(100 000)
NHM009 switched to NHM018	–	(115 000)	–	(115 000)
NHM009 switched to NHM020	–	(300 000)	–	(300 000)
NHM011 switched to NHM016 and NHM019	–	(50 000)	–	(50 000)
NHM011 switched to NHM018	–	(325 000)	–	(325 000)
NHM012 switched to NHM016 and NHM019	–	(2 428 870)	–	(2 428 870)
NHM018 switched to NHM016 and NHM019	–	(665 800)	–	(665 800)
Domestic Medium-Term Notes (excluding capitalised transaction costs)	14 999 337	11 256 837	14 999 337	11 256 837
Transaction costs incurred	(355 921)	(416 437)	(355 921)	(416 437)
Amortised transaction costs	149 386	241 552	149 386	241 552
Total Domestic Medium-Term Notes	14 792 802	11 081 952	14 792 802	11 081 952

31. Zambezi Preference Share liability

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	7 203 829	13 910 946	–	–
Accrued dividends up to the Zambezi Scheme Implementation Date	–	205 401	–	–
Zambezi Preference Share liability	7 203 829	14 116 347	–	–
Premium Amount	–	1 568 483	–	–
Settlement of Revised Accumulated Dividends through the transfer of 57 054 413 Northam Platinum Shares to Northam Holdings	–	(9 128 706)	–	–
Accrued dividends from the Zambezi Scheme Implementation Date to year-end	–	647 705	–	–
Accrued dividends for the year	998 935	–	–	–
Elimination/derecognition of Zambezi Preference Shares held by Northam together with accrued dividends recognised	(8 202 764)	(7 203 829)	–	–
Liquidity fees paid on Zambezi Preference Shares relating to the Zambezi BEE Transaction net of accumulated amortisation	–	(64 197)	–	–
Current year amortisation of liquidity fees accounted for in profit or loss	–	64 197	–	–
Zambezi Preference Share liability	–	–	–	–

On 18 May 2015, 159 905 453 cumulative redeemable Preference Shares were issued by Zambezi at an issue price of R41.00 per share. The Zambezi Preference Shares were redeemable in 10 years' time (from inception), which would have been 17 May 2025, at R41.00 per share plus the accumulated unpaid preference dividends. The Zambezi Preference Shareholders were entitled to receive a dividend equal to the issue price multiplied by the dividend rate of the South African prime interest rate plus 3.5% calculated on a daily basis based on a 365-day year compounded annually and capitalised at the end of December of every year.

As per the previous terms and conditions of the Zambezi Preference Shares (prior to their amendment pursuant to the Zambezi MOI Amendments), if the Zambezi Preference Shares were settled using Northam Platinum Shares, a premium would have been applied to the settlement. Consequently, the Zambezi Preference Shares Accumulated Dividends were settled at an 11.11% premium (Premium Amount) to the Face Value of the Zambezi Preference Shares at the Zambezi Scheme Implementation Date, being 23 August 2021 (Revised Accumulated Dividends) through a repurchase by Northam Platinum of Northam Platinum Shares held by Zambezi, valued at R160.00 per Northam Platinum Share resulting in 57 054 413 Northam Platinum Shares being transferred on 3 September 2021.

No dividends were received from Northam Platinum during the year (30 June 2022: R Nil). 90% of all dividends received from Northam Platinum must be used to settle the Preference Share liability.

The preference rights, limitations and other terms associated with the Zambezi Preference Shares are set out in the Zambezi MOI.

Subject to certain exceptions, the redeemable Zambezi Preference Shares do not carry the right to vote.

During 2015 subscription undertakings for the full value of the Zambezi Preference Shares were secured at a 2.5% liquidity fee, amounting to R163.9 million.

The liquidity fees were previously amortised over the 10-year lock-in period, with the balance being amortised in full during F2022 as a result of the implementation of, *inter alia*, the Zambezi Scheme.

The 159 905 453 cumulative redeemable preference shares issued by Zambezi were previously listed on the Main Board of the JSE and traded under preference share code ZPLP, but were delisted from the Main Board of the JSE from commencement of trade on 24 August 2021 as part of the execution of the acceleration of maturity and wind-up of the Zambezi BEE Transaction.

In terms of the Zambezi Scheme, Northam Platinum acquired all the Zambezi Preference Shares not held by Northam Platinum on the Zambezi Scheme Implementation Date, being 23 August 2021.

Impact of the Composite Transaction: Zambezi Scheme, Zambezi Delisting and Zambezi MOI Amendments

On the Zambezi Scheme Implementation Date, being 23 August 2021, Northam Platinum acquired all of the Zambezi Preference Shares not already held by Northam Platinum for the Zambezi Offer Consideration, calculated as Face Value plus a premium of 15.99% at the Zambezi Scheme Implementation Date. Simultaneously with the Zambezi Scheme, the Zambezi Preference Shares were delisted from the Main Board of the JSE and the Zambezi MOI Amendments, including the Zambezi Pref Share Term Amendments, became effective.

For the avoidance of doubt, the Zambezi Preference Shares acquired by Northam Platinum pursuant to the Zambezi Scheme will remain in issue and will be held by Northam Platinum until the Zambezi Preference Share Redemption is implemented.

Further details of the Zambezi Scheme, the Zambezi Delisting and the Zambezi Pref Share Term Amendments are contained in the Zambezi Scheme Circular.

Northam Platinum made the Zambezi Offer to Zambezi Preference Shareholders in terms of the Zambezi Scheme Circular. The Zambezi Offer was implemented by way of the Zambezi Scheme, proposed by the Zambezi board of directors, between Zambezi and the Zambezi Preference Shareholders, in terms of section 114(1) as read with section 115 of the Companies Act.

Simultaneously with the Zambezi Scheme, the Zambezi board of directors approved (i) the Zambezi Delisting; and (ii) various amendments to the Zambezi MOI to enable the implementation of certain components of the Transaction, including:

- amendments to the Zambezi Pref Share Terms to increase the Accumulated Dividends in respect of each Zambezi Preference Share by the Premium Amount; provide for the settlement by Zambezi of all the Revised Accumulated Dividends on the Repurchase Implementation Date, and to permit settlement thereof by way of a transfer by Zambezi of so many Northam Platinum Shares held by Zambezi, valued at R160.00, as equal in value to the amount of the Revised Accumulated Dividends; and permit the voluntary redemption of Zambezi Preference Shares by Zambezi from time to time, after the Net Value Distribution Date at Zambezi's election, provided that Zambezi shall be obliged to redeem all the Zambezi Preference Shares by no later than 17 May 2025 (being the scheduled redemption date, as contemplated in the Zambezi Pref Share Terms), in cash or by way of a transfer by Zambezi of Northam Platinum Shares held by Zambezi, together with other amendments necessary to give effect to and implement the Transaction (collectively, the Zambezi Pref Share Term Amendments), with effect from the Zambezi Scheme Implementation Date;

- amendments to the Zambezi N Share Terms with effect from the Net Value Distribution Date to provide the Zambezi N Shareholder, being Northam Platinum, with the right to exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders and to receive 100% of the Distributions made by Zambezi (subject to the Zambezi Pref Share Terms and the settlement of the Net Value Distribution and the Zambezi Retention Release Amount), together with other amendments necessary to give effect to and implement the Transaction (the Zambezi N Share Term Amendments); and

- amendments to the Zambezi MOI to (i) enable Zambezi to implement the Transaction, with effect from the Zambezi Scheme Implementation Date and (ii) convert Zambezi into a private company, with effect from the date on which the Zambezi Delisting becomes effective, together with other amendments necessary to give effect to and implement the Transaction (Zambezi MOI Amendments).

As per the original Zambezi Pref Share Terms, the Zambezi Preference Share liability was due at the end of the 10-year lock-in period, which was 17 May 2025. Settlement of dividends in respect of the Zambezi Preference Shares would have occurred in part through a Distribution to Zambezi Preference Shareholders of 90% of any dividends received by Zambezi from Northam Platinum during the 10-year lock-in period. At the end of the 10-year lock-in period settlement of unpaid dividends and the redemption of the Zambezi Preference Shares would have taken place through a Distribution to Zambezi Preference Shareholders of Northam Platinum Shares and/or cash held by Zambezi (if any). In the event that this was not sufficient to settle the Zambezi Preference Share liability, the Northam Guarantee would be called upon.

With the implementation of the Zambezi Scheme, on the Repurchase Implementation Date, Zambezi settled the Revised Accumulated Dividends, by way of a repurchase by Northam Platinum (being the only Zambezi Preference Shareholder after implementation of the Zambezi Scheme) of 57 054 413 Northam Platinum Shares held by Zambezi (valued at a price of R160.00 per Northam Platinum Share), which was equal in value to the amount of the Revised Accumulated Dividends, in accordance with the Zambezi Pref Share Terms (as amended pursuant to the Zambezi Pref Share Term Amendments).

Below is a reconciliation of the contractual accrued dividends as per the Zambezi Preference Share liability relating to Zambezi and the amounts recognised in profit or loss:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Accrued Zambezi Preference Share dividends	998 935	853 106	–	–
Premium Amount	–	1 568 483	–	–
Less the Zambezi Preference Share dividends and the Premium Amount accrued to Northam with regards to the Zambezi Preference Shares held by Northam	(998 935)	(2 395 985)	–	–
Zambezi Preference Share dividends per the statement of profit or loss and other comprehensive income	–	25 604	–	–

Below is a reconciliation of the loss on derecognition of the Zambezi Preference Share liability recognised during the previous financial year:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance of Zambezi Preference Shares held by Northam	7 203 829	12 176 882	–	–
Acquisition of Zambezi Preference Shares, including transaction costs	–	2 046 300	–	–
Zambezi Preference Share dividends and the Premium Amount accrued to Northam with regards to the Zambezi Preference Shares held by Northam	998 935	2 395 985	–	–
Settlement of Revised Accumulated Dividends through the transfer of 57 054 413 Northam Platinum Shares to Northam	–	(9 128 706)	–	–
Derecognition of Zambezi Preference Shares held by Northam together with accrued dividends recognised	(8 202 764)	(7 203 829)	–	–
Loss on derecognition of the Zambezi Preference Share liability	–	286 632	–	–

The loss on derecognition of the Zambezi Preference Share liability accounted for during the previous year relates to the difference between the Face Value per Zambezi Preference Share and the price paid together with transaction costs incurred on the purchases of those Zambezi Preference Shares.

In terms of the Zambezi Scheme, Northam Platinum acquired all of the Zambezi Preference Shares not already held by Northam Platinum, for the Zambezi Offer Consideration that was calculated as the Face Value plus a premium of 15.99% thereon at the Zambezi Scheme Implementation Date, being 23 August 2021, which represented an offer consideration of R102.40 per Zambezi Preference Share.

Impact of the Composite Transaction: Consolidation of Zambezi Platinum (RF) Proprietary Limited

Previously, in terms of the Zambezi BEE Transaction, Zambezi held a combined 31.4% interest in Northam Platinum's issued stated capital.

The transaction was financed by way of 159 905 453 listed Zambezi Preference Shares, redeemable at the end of a 10-year Lock-in period. These Zambezi Preference Shares were guaranteed by Northam Platinum and as a result of the Northam Guarantee, Zambezi was consolidated into the Northam group results.

Prior to the implementation of the Zambezi Scheme and the Zambezi MOI Amendments becoming effective:

- In terms of the Preference Share Terms, the Preference Shareholders were entitled to receive dividends equal to the South African prime interest rate plus 3.5% over the 10-year Lock-in period.
- Settlement of dividends in respect of the Zambezi Preference Shares would have occurred in part through 90% of the dividends received by Zambezi from Northam Platinum. There was however no obligation to settle the Zambezi Preference Share liability during the 10-year Lock-in period should no dividends be received from Northam Platinum.
- In terms of the Zambezi Preference Share Terms, the Zambezi Preference Share dividends would accumulate (compounded) at the rate mentioned above for the 10-year Lock-in period if not paid by Zambezi.
- The Zambezi Preference Shares were compulsorily redeemable on the day immediately succeeding the 10th anniversary of the implementation date. The Zambezi Preference Shares could only be redeemed before this date upon the occurrence of an early redemption event which was defined in the Preference Share Terms in Zambezi's MOI.
- On the redemption date, Zambezi was required to settle any accumulated unpaid dividends, together with the redemption price. The redemption price will be equal to the issue price of the Zambezi Preference Shares. Zambezi did not have any discretion to avoid the payment of accumulated unpaid dividends and the redemption price and was therefore obliged to settle this amount by Distributing to Preference Shareholders a variable number of Northam Platinum Shares and/or cash held by Zambezi (if any). In the event that this was not sufficient to settle the liability, the Preference Share liability was secured in terms of the Northam Guarantee. Should a liability have arisen under the Northam Guarantee, Northam Platinum may have settled this liability by capitalising Zambezi with cash and/or Northam Platinum Shares before the redemption amount became due or making payment directly to the Zambezi Preference Shareholders. The manner of settlement was a choice and was not contractually specified between the two ways mentioned above.

The redemption price of the Zambezi Preference Shares as well as any accumulated and unpaid preference dividends meet the definition of a financial liability and therefore accounted for as such in the statement of financial position of Zambezi and consolidated in the annual financial statements of Northam in terms of IFRS. This previously meant that the Northam group reflected the BEE equity issued shares (i.e., Northam Platinum Shares) as Treasury Shares (for accounting purposes Zambezi Preference Shares were reflected as a liability).

Zambezi was created and designed for the sole purpose of providing Northam with BEE credentials as well as a structure to issue the listed Zambezi Preference Shares.

Northam Platinum assumed full responsibility for the administration of Zambezi as well as any costs incurred by Zambezi up to a certain limit in line with the administration services agreement entered into between Northam Platinum and Zambezi. Furthermore, Northam Platinum provided the Northam Guarantee for Zambezi's obligation in respect of the Zambezi Preference Shares.

In terms of the Zambezi BEE Transaction, an N share was issued to Northam Platinum, which gave it the right to implement mitigating action should Zambezi not comply with certain undertakings as per the Zambezi BEE Transaction agreements and in other limited instances aimed at maintaining the integrity of the Zambezi BEE Transaction at all times. Zambezi also could not dispose of the Northam Platinum Shares without the prior consent of Northam Platinum. Northam Platinum had significant exposure to the variable returns of Zambezi, through the creation and maintenance of the BEE credentials during the 10-year Lock-in period as well as through the Northam Guarantee. The decision-making power of Zambezi's board of directors was restricted in terms of the ring-fencing provisions contained in the Zambezi MOI.

All of these factors had been considered in determining that even though Northam Platinum did not have majority of the voting rights in Zambezi, it still had control over the entity, and therefore consolidated the results of Zambezi.

As part of the early maturity of the Zambezi BEE Transaction, certain amendments were made, including to the terms of the N Share. These amendments increased the number of authorised N Shares to 1 000 000 N Shares and provided the Zambezi N Shareholder with the right to exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders and to receive 100% of the Distributions made by Zambezi (subject to the Zambezi Pref Share Terms and the settlement of the Net Value Distribution and the Zambezi Retention Release Amount) with effect from the Net Value Distribution Date, being 6 September 2021.

With the Zambezi N Share Term Amendments, Northam Platinum has, in its capacity as the Zambezi N Shareholder, assumed voting and economic control of Zambezi and Zambezi has become a subsidiary of Northam Platinum and was converted into a private company with effect from the date of the Zambezi Delisting.

32. Share-based payment liabilities

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Performance and retention share-based payment liability	244 961	293 319	106 081	138 390
Lock-in and incentive mechanism share-based payment liability	387 355	444 603	199 766	224 191
Total share-based payment liability	632 316	737 922	305 847	362 581
Short-term portion of share-based payment liability	(104 373)	(174 619)	(45 019)	(85 554)
Long-term share-based payment liability	527 943	563 303	260 828	277 027

The movement in the share-based payment liability is made up as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	737 922	1 142 727	362 581	605 890
Share-based payment expense during the year (refer to note 4)	89 281	146 716	40 289	59 602
Performance and retention shares cash settled during the year	(194 887)	(551 521)	(97 023)	(302 911)
Total share-based payment liability	632 316	737 922	305 847	362 581

The short-term portion is based on the shares which will be settled or expire in the next 12 months.

All other share-based payment liabilities are disclosed as non-current due to the contractual terms as per the share incentive plan (SIP).

Share incentive plan (SIP)

The SIP was approved in 2011 when shareholders approved that the Northam share option scheme be discontinued and replaced by the SIP.

In order to avoid any future dilution, all shares will either be cash-settled or equity-settled through purchases in the open market. Currently all shares are treated as cash settled.

The remuneration committee shall be entitled to determine that a participant shall receive the settlement amount in lieu of receiving the conditional shares (including Zambezi BEE Transaction conditional shares) on settlement.

The remuneration committee, which is charged with overseeing the group's remuneration policy, reviews the performance criteria annually and revises them as economic and operational circumstances dictate.

Below is an analysis of share incentives held relating to performance and retention shares:

	30 June 2023	**30 June 2023**	**30 June 2023**
	Retention shares	Performance shares	Total
Group	Number of awards	Number of awards	Number of awards
Balance 1 July 2022	615 385	2 720 590	3 335 975
Performance shares awarded to middle management reclassified to retention shares	184 926	(184 926)	–
Shares awarded during the year in terms of the rules of the SIP	370 050	2 207 850	2 577 900
Performance conditions remeasured at vesting date	–	100 914	100 914
Shares forfeited	(102 887)	(478 473)	(581 360)
Shares cash settled during the year	(367 650)	(850 379)	(1 218 029)
Balance as at 30 June 2023	699 824	3 515 576	4 215 400

	30 June 2022	**30 June 2022**	**30 June 2022**
	Retention shares	Performance shares	Total
Group	Number of awards	Number of awards	Number of awards
Balance 1 July 2021	1 344 915	3 938 833	5 283 748
Shares awarded during the year in terms of the rules of the SIP	–	1 286 850	1 286 850
Shares forfeited/adjusted for performance conditions*	(45 625)	(421 423)	(467 048)
Shares cash settled during the year	(683 905)	(2 083 670)	(2 767 575)
Balance as at 30 June 2022	615 385	2 720 590	3 335 975

**The performance conditions are based on a preliminary assessment at year-end and is updated at the vesting date.*

Below is an analysis of share incentives held relating to performance and retention shares:

	30 June 2023	**30 June 2023**	**30 June 2023**
	Retention shares	Performance shares	Total
Company	Number of awards	Number of awards	Number of awards
Balance as at 1 July 2022	407 065	1 699 107	2 106 172
Performance shares awarded to middle management reclassified to retention shares	91 993	(91 993)	–
Shares awarded during the year in terms of the rules of the SIP	188 050	1 344 150	1 532 200
Employees transferred	9 854	29 576	39 430
Performance conditions remeasured at vesting date	–	(14 913)	(14 913)
Shares forfeited	(38 107)	(79 320)	(117 427)
Shares cash settled during the year	(255 580)	(591 782)	(847 362)
Balance as at 30 June 2023	403 275	2 294 825	2 698 100

	30 June 2022	**30 June 2022**	**30 June 2022**
	Retention shares	Performance shares	Total
Company	Number of awards	Number of awards	Number of awards
Balance as at 1 July 2021	948 210	2 857 065	3 805 275
Shares awarded during the year in terms of the rules of the SIP	–	753 310	753 310
Shares forfeited/adjusted for performance conditions*	(36 235)	(370 608)	(406 843)
Shares cash settled during the year	(504 910)	(1 540 660)	(2 045 570)
Balance as at 30 June 2022	407 065	1 699 107	2 106 172

**The performance conditions are based on a preliminary assessment at year-end and is updated at the vesting date.*

During the previous year, no retention shares were awarded, however after interactions with shareholders and difficulties experienced in attracting and retaining skills, the remuneration committee reinstated retention shares for Paterson D band employees only, relating to middle management. All other participants will only be awarded performance shares.

The shares awarded in terms of the rules of the SIP comprise: retention shares, which vest after three years from grant date with no performance conditions, and performance shares, which also vest after three years from grant date. The final number of performance shares that an employee will receive will be subject to certain performance conditions being met, which includes safety, production, unit cash cost and share performance.

The remuneration committee elects the settlement of all SIP awards of conditional shares in cash or with shares. Currently all awards are expected to be settled in cash and are therefore treated as cash settled.

All awards that had not yet vested but were cash-settled during the year relate to employees who retired or passed away.

The following table lists the inputs to the model used for the valuation of the share-based payment liability:

	30 June 2023 F2021 awards	**30 June 2023** F2022 awards	**30 June 2023** F2023 awards
Dividend yield (%)	–	–	–
Forfeiture rate (%)	10.0	10.0	10.0
Expected life of share awards (years)	0.34	1.34	2.34
30-Day VWAP (R/share)	R150.72	R150.72	R150.72
Model used*	Market value	Market value	Market value
Valuation per share award (R/share)	R145.96	R132.66	R120.60

**Given that the value of the shares will be paid out, and not just the growth in the price, an option valuation model is not appropriate, therefore the 30-Day VWAP at year-end adjusted for dividends forfeited during the vesting period was used.*

	30 June 2022 F2020 awards	**30 June 2022** F2021 awards	**30 June 2022** F2022 awards
Dividend yield (%)	–	–	–
Forfeiture rate (%)	10.0	10.0	10.0
Expected life of share awards (years)	0.34	1.34	2.34
30-Day VWAP (R/share)	R174.83	R174.83	R174.83
Model used*	Market value	Market value	Market value
Valuation per share award (R/share)	R169.31	R153.92	R139.89

**Given that the value of the shares will be paid out, and not just the growth in the price, an option valuation model is not appropriate, therefore the 30-Day VWAP at year-end adjusted for dividends forfeited during the vesting period was used.*

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the incentive shares is indicative of future trends, which may not necessarily be the actual outcome.

Lock-in and incentive mechanism (LIM)

Below is a summary of LIM incentives held:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	Number of awards	Number of awards	Number of awards	Number of awards
Opening balance	4 350 000	4 350 000	4 050 000	4 050 000
LIM shares cancelled during the year	(200 000)	–	–	–
Total number of LIM shares awarded	4 150 000	4 350 000	4 050 000	4 050 000

The implementation of the Zambezi BEE Transaction resulted in a number of significant benefits for the group including compliance with the required empowerment criteria in terms of the MPRDA and the Mining Charter, as well as a significant cash injection to fund both acquisitions and organic growth.

However, the related Northam Guarantee to the holders of the Zambezi Preference Shares may have resulted in a dilution for Northam Platinum shareholders, eroding shareholder value as a result.

Therefore, at the request of shareholders, Northam Platinum introduced a management incentive plan on implementation of the Zambezi BEE Transaction in 2015.

Vesting was previously subject to the satisfaction of the performance condition that Zambezi fully settles the redemption amount and fully settles or makes adequate provision for all its tax liabilities arising from settlement of the redemption amount. This was on the basis that no Northam Guarantee liability would arise, and no member of the group would have been required to give any direct or indirect financial assistance for the purpose of or in connection with, the settlement of the redemption amount.

In terms of the rules of the Northam SIP (Rules), a redemption by Zambezi of the Zambezi Preference Shares prior the original maturity date of the Zambezi Preference Shares, being 17 May 2025 (Original Maturity Date) would have resulted in the Zambezi BEE Transaction Conditional Shares awarded to the management team under the LIM (Participants) being subject to a proportionate vesting with the balance lapsing (Proportionate Vesting). The implementation of the Composite Transaction entailed the Zambezi Preference Shares being redeemed by Zambezi on or prior to the Original Maturity Date, at Zambezi's election. The Proportionate Vesting could therefore occur as a result of the implementation of the Transaction to the extent that Zambezi elects to redeem, and redeems, the Zambezi Preference Shares prior to the Original Maturity Date.

In order to maintain the retention of the management team and to continue to incentivise the management team until the Original Maturity Date, and to prevent the possible Proportionate Vesting upon implementation of the Composite Transaction, the Rules were amended, with effect from the Zambezi Scheme Implementation Date, being 23 August 2021 to, *inter alia*, cater for: no Proportionate Vesting to occur if Zambezi elects to redeem, and redeems, the Zambezi Preference Shares prior to the Original Maturity Date; the Zambezi BEE Transaction Conditional Shares, subject to the vesting condition (as defined in the Rules) being fulfilled on such date, vesting on the Original Maturity Date and the performance condition (as defined in the Rules) relating thereto being deemed to have been fulfilled on such date; subject to certain provisions applicable in respect of no fault termination and early retirement (as defined in the Rules), dividends which are declared and paid in respect of Northam Platinum Shares from the Zambezi Scheme Implementation Date until the Original Maturity Date shall notionally accrue to the Zambezi BEE Transaction Conditional Shares and the aggregate amount of such notional dividends shall be paid in cash to the Participants within 30 days of the Original Maturity Date, provided that the vesting condition has been fulfilled on the Original Maturity Date.

This avoided a cliff vesting event and ensures continued alignment of the interests of the management team and Northam Holdings shareholders.

In terms of the LIM share awards, a maximum aggregate of five million shares could be awarded.

The following table lists the inputs to the model used for the LIM plan valuation:

	30 June 2023	**30 June 2022**
Dividend yield (%)	–	–
Forfeiture rate (%)	–	–
Expected life of share awards (years)	1.88	2.88
Spot price (R/share)	R125.48	R171.29
Model used*	Market value	Market value
Valuation per share award (R/share)	R125.48	R171.29

**Given that the value of the shares will be paid out, and not just the growth in the price, an option valuation model is not appropriate, but the share price at year-end adjusted for dividends forfeited during the vesting period was used.*

All LIM share awards will vest on 17 May 2025, irrespective of the grant date.

33. Financial guarantee liability

	30 June 2023	30 June 2022
	R000	R000
Zambezi Platinum (RF) Proprietary Limited financial guarantee liability	–	7 535 944
Amortisation of Northam Guarantee liability	–	(7 535 944)
	–	–

A financial guarantee contract was issued by Northam Platinum to Zambezi to guarantee the Zambezi Preference Shares that were issued by Zambezi as part of the Zambezi BEE Transaction (Northam Guarantee).

Below is a summary of the amortisation of the Northam Guarantee liability:

	30 June 2023	30 June 2022
	R000	R000
Opening amortised Northam Guarantee liability	N/A	6 596 554
Amortised during the year (refer to note 7 sundry income)	N/A	939 390
Amortisation of Northam Guarantee liability	N/A	7 535 944

The amortisation of the Northam Guarantee liability is based on the number of Zambezi Preference Shares held by Northam Platinum.

Northam Platinum has purchased Zambezi Preference Shares in the open market and as part of the Zambezi Scheme. Below is a summary of the number of shares held together with the amortised cost and closing market value of these Zambezi Preference Shares:

	30 June 2023	30 June 2022
Number of Zambezi Preference Shares	159 905 453	159 905 453
Number of Zambezi Preference Shares held by Northam Platinum	(159 905 453)	(159 905 453)
Number of Zambezi Preference Shares held in the open market	–	–
Percentage holding by Northam Platinum in the Zambezi Preference Shares	100.0%	100.0%
Value per Zambezi Preference Share*	N/A	R45.05
Zambezi Preference Share closing Preference Share price	N/A	N/A

**Rounded to the nearest cent.*

The Zambezi Preference Shares traded until commencement of trade on 24 August 2021.

The Zambezi Scheme and Zambezi Delisting

Northam Platinum made an offer to the Zambezi Preference Shareholders to acquire the remaining 19 932 957 Zambezi Preference Shares in issue not already held by Northam Platinum, for a cash consideration per Zambezi Preference Share, amounting to the initial subscription price of R41.00 together with the Accumulated Dividends on the date on which the acquisition is implemented (collectively referred to as the Face Value), plus a 15.99% premium to the Face Value.

The offer was implemented by way of a scheme of arrangement in terms of section 114(1) read with section 115 of the Companies Act. With the Zambezi Scheme, all Zambezi Preference Shares not already held by Northam Platinum were purchased by Northam Platinum on 23 August 2021 and there are therefore no liabilities other than the Zambezi Preference Share liability to Northam Platinum, which Northam Platinum has guaranteed.

Following implementation of the Zambezi Scheme, Northam Platinum became the sole Zambezi Preference Shareholder.

Simultaneously with the Zambezi Scheme, the Zambezi Preference Shares were delisted from the JSE in terms of paragraph 1.17(b) of the Debt Listings Requirements, from commencement of trade on 24 August 2021.

As per the original terms and conditions associated with the Zambezi Preference Shares, the Preference Share liability was due at the end of the 10-year Lock-in period, which was 17 May 2025. The redemption of the Zambezi Preference Shares would have occurred, first and foremost, through any cash received from dividends distributed by Northam Platinum during the 10-year Lock-in period, and after the end of the Lock-in period the possible sell-off of Northam Platinum Shares into the market, to redeem the Zambezi Preference Shares. In the event that this was not sufficient to settle the liability, the Preference Share liability was secured in terms of the Northam Guarantee.

Should a liability have arisen under the Northam Guarantee, Northam Platinum may have settled this liability by capitalising Zambezi with cash and/or through the issue of Northam Platinum Shares before the redemption amount becomes due or by making payment directly to the Zambezi Preference Shareholders. The manner of settlement was not contractually specified and was at the discretion of Northam Platinum.

Northam Platinum guarantees payment of the redemption price in respect of the Zambezi Preference Shares and the preference dividends by way of the Northam Guarantee. Northam Platinum guaranteed the payment of all amounts which Zambezi had contracted to pay (but failed to pay on the due date thereof) in respect of the Zambezi Preference Shares by means of, at Northam Platinum's election, a cash payment and/or the issue of a determinable number of Northam Platinum Shares to the holders.

Northam Platinum and Zambezi entered into a transaction to accelerate the maturity of the empowerment transaction concluded between Northam Platinum and Zambezi in May 2015. This transaction became wholly unconditional on 5 August 2021 and was implemented in accordance with the salient dates and times set out in the Zambezi Scheme Circular which is available on the company's website.

In addition to the Zambezi Scheme the Zambezi structure will be wound-up with certain amendments having been made, including changes to the terms of the N Share. These amendments provide the N Shareholder with the right to exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders and to receive 100% of the Distributions made by Zambezi (subject to the Zambezi Preference Share Terms and the settlement of the Net Value Distribution and the Zambezi Retention Release Amount) with effect from the Net Value Distribution Date, which was 6 September 2021.

With the Zambezi Scheme the requirements under the Northam Guarantee are no longer required and the remaining financial guarantee liability has been derecognised in full.

34. Revolving credit facility

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	1 450 000	–	1 450 000	–
Amounts drawn down on the revolving credit facility during the year	11 605 000	8 900 000	11 605 000	8 900 000
Amounts repaid during the year	(13 055 000)	(7 450 000)	(13 055 000)	(7 450 000)
Total facility utilised at year-end	–	1 450 000	–	1 450 000
Transaction costs incurred on the previous revolving credit facility	(33 345)	(33 345)	(33 345)	(33 345)
Amortisation of transaction costs on the previous revolving credit facility amortised over the period of the facility (refer to note 6)	33 345	17 484	33 345	17 484
Transaction cost incurred on the new revolving credit facility	(187 827)	–	(187 827)	–
Amortisation of transaction cost on the new revolving credit facility amortised over the period of the facility (refer to note 6)	27 670	–	27 670	–
	(160 157)	1 434 139	(160 157)	1 434 139

During the current year, Northam Platinum negotiated a R10.0 billion (30 June 2022: R4.0 billion) 5-year RCF which matures on 24 August 2027.

The interest rate relating to the RCF is calculated at JIBAR plus 2.30% (previously 2.45%), plus a utilisation fee of between 0.10% and 0.50% per annum, depending on the amount of the RCF drawdown. The effective interest rate on the RCF therefore ranges between JIBAR plus 2.40% and JIBAR plus 2.80%, depending on the amount of the drawdown (previously the effective interest rate on the RCF ranged between JIBAR plus 2.55% and JIBAR plus 2.95%, depending on the amount of the drawdown).

Commitment fees are payable on the RCF amounting to 0.75% per annum (30 June 2022: 0.80% per annum) on the unutilised portion of the facility. No commitment fee shall accrue during periods where more than 80% of the total facility had been utilised.

The utilised RCF is disclosed as non-current as Northam has the discretion to refinance or roll over the outstanding facility for at least 12 months after the reporting date under the existing loan facility.

The RCF has financial covenant requirements which are reported on at each reporting date.

The financial covenant requirements are as follows:

Net Debt to EBITDA Ratio: the Net Debt to EBITDA Ratio in respect of any Measurement Period shall not exceed 2.5:1.

Net Debt to Equity Ratio: the Net Debt to Equity Ratio in respect of any Measurement Period shall not exceed 0.8:1.

Interest Cover Ratio: the Interest Cover Ratio in respect of any Measurement Period shall not be less than 4.0:1.

None of the financial covenant requirements, as measured at year-end, have been breached or are close to being breached. It is believed that the group is currently not at risk of breaching any of the financial covenant requirements.

Refer to note 46 for guarantees issued by companies within the group relating to the Northam RCF. Northam Holdings, Booysendal and Eland are guarantors in respect of the RCF.

Below is a summary of the facility available:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Total revolving credit facility	10 000 000	4 000 000	10 000 000	4 000 000
Facility utilised at year-end	–	(1 450 000)	–	(1 450 000)
Available facility at year-end	10 000 000	2 550 000	10 000 000	2 550 000

Significant judgements and estimates: Tax deductibility of the interest on the RCF

On 9 November 2022, Northam Holdings announced its firm intention to make an offer to acquire the remaining shares in RBPlat which it did not already own, excluding RBPlat Treasury Shares (Offer).

The Offer Consideration would have been settled fully in cash or, subject to the level of acceptance of the Offer, a combination of cash and Northam Holdings Shares. Northam Holdings committed R17.0 billion for purposes of settling the Cash Consideration pertaining to the Offer (Maximum Cash Consideration).

In accordance with Regulations 111(4) and 111(5), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) issued a cash confirmation to the TRP for a portion of the Maximum Cash Consideration, with the balance covered by a guarantee that was issued by Absa Bank Limited (acting through its Corporate and Investment Banking division).

An amount of R11.5 billion was deposited into an escrow account at Nedbank Limited through Northam Holdings, a portion of which was funded by the RCF, for purposes of the Offer, and therefore unproductive in nature.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to fund the TRP Cash Confirmation through Northam Platinum Holdings Limited	7 155 000	–	7 155 000	–
	7 155 000	–	7 155 000	–

Following the termination of the Offer by Northam Holdings the drawdown was repaid in full.

During F2022 drawdowns were made to finance the share purchase from certain Strategic Partners during September 2021 as part of the Composite Transaction, whereby 14 571 063 Northam Holdings Shares were purchased at a price of R165.29 per share. As a result, an amount of R2.0 billion was drawn down to finance the share repurchases:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to acquire Northam Platinum Holdings Limited Shares from the Strategic Partners	–	2 000 000	–	2 000 000
	–	2 000 000	–	2 000 000

The R2.0 billion was repaid in full from cash generated from operations, during F2022.

In addition, a drawdown to the value of R3.0 billion was made to finance the purchase of 93 930 378 RBPlat Shares through Northam Holdings.

Northam Holdings acquired the 93 930 378 RBPlat Shares from a wholly owned subsidiary of Royal Bafokeng Holdings Proprietary Limited (RBH).

The purchase consideration was partially settled by issuing 34 399 725 Northam Holdings Shares to Royal Bafokeng Investment Holding Company Proprietary Limited (RBIH), with the balance of R8.6 billion settled in cash. R3.0 billion was paid upfront, from funds drawn from the RCF.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to acquire RBPlat Shares through Northam Platinum Holdings Limited	–	3 000 000	–	3 000 000
	–	3 000 000	–	3 000 000

The R3.0 billion drawdown to purchase RBPlat Shares was repaid in full during F2022.

As at 29 April 2022 the first tranche of the Deferred Acquisition Consideration was settled in terms of the agreement entered into between Northam Holdings and RBIH to acquire 93 930 378 RBPlat Shares. To settle the Deferred Acquisition Consideration R2.1 billion was drawn down on the RCF during F2022 with R1.5 billion settled before 30 June 2022, and the balance settled during F2023.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to settle Deferred Acquisition Consideration through Northam Platinum Holdings Limited	–	2 100 000	–	2 100 000
	–	2 100 000	–	2 100 000

All other drawdowns on the RCF were made to finance operational expenditure.

For these transactions listed above the interest on the RCF is deemed to be unproductive in nature. Interest paid is deemed unproductive when associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

The interest associated with the RCF classified as unproductive amounted to the following balances:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the revolving credit facility (refer to note 6)	426 610	116 380	426 610	116 380
Unproductive finance costs relating to the revolving credit facility	(390 444)	(105 129)	(390 444)	(105 129)
Finance costs relating to the revolving credit facility deductible for tax purposes	36 166	11 251	36 166	11 251

35. Term loan facility

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	–	–	–	–
Amounts drawn down on the Term loan facility	2 445 000	–	2 445 000	–
Amounts repaid on the Term loan facility during the year	(2 445 000)	–	(2 445 000)	–
Total Term loan facility utilised at year-end	–	–	–	–
Transaction costs including upfront utilisation costs incurred on the Term loan facility	(59 504)	–	(59 504)	–
Amortisation of transaction costs on the Term loan facility (refer to note 6)	59 504	–	59 504	–
	–	–	–	–

The group secured a senior, unsecured Term loan facility with a syndicate of lenders, for R2.4 billion (30 June 2022: R Nil).

The Term loan facility accrued interest at 3-month JIBAR plus 2.50%.

Commitment fees were payable on the Term loan facility amounting to 0.75% per annum on the unutilised portion of the facility.

Northam Holdings, Booysendal and Eland were all guarantors in respect of the Term loan facility.

During the year, the Term loan facility was repaid in full and cancelled and is therefore no longer available.

Significant judgements and estimates: Tax deductibility of the interest on the Term loan facility

On 9 November 2022, Northam Holdings announced its firm intention to make an offer to acquire the remaining shares in RBPlat which it did not already own through Northam Holdings, excluding RBPlat Treasury Shares (Offer).

The Offer Consideration would have been settled fully in cash or, subject to the level of acceptance of the Offer, a combination of cash and Northam Holdings Shares. Northam Holdings committed R17.0 billion for purposes of settling the Cash Consideration pertaining to the Offer (Maximum Cash Consideration).

In accordance with Regulations 111(4) and 111(5), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) issued a cash confirmation to the TRP for a portion of the Maximum Cash Consideration, with the balance covered by a guarantee that was issued by Absa Bank Limited (acting through its Corporate and Investment Banking division).

An amount of R11.5 billion was deposited into an escrow account with Nedbank Limited, a portion of which was funded by the Term loan, for purposes of the Offer.

Interest paid is deemed unproductive when the associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

The interest associated with the Term loan facility classified as unproductive amounted to the following balances:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the Term loan facility (refer to note 6)	158 922	N/A	158 922	N/A
Unproductive finance costs relating to the Term loan facility	(158 922)	N/A	(158 922)	N/A
Finance costs relating to the Term loan facility deductible for tax purposes	–	N/A	–	N/A

36. Bridge facility

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	3 000 000	–	3 000 000	–
Amounts drawn down on the Bridge facility	–	3 000 000	–	3 000 000
Amounts repaid on the Bridge facility during the year	(3 000 000)	–	(3 000 000)	–
Total Bridge facility utilised at the year-end	–	3 000 000	–	3 000 000
Transaction costs including upfront utilisation costs incurred on the Bridge facility	(63 250)	(63 250)	(63 250)	(63 250)
Amortisation of transaction costs on the Bridge facility (refer to note 6)	63 250	32 562	63 250	32 562
	–	2 969 312	–	2 969 312

During F2022 the group secured a senior, unsecured term loan facility (Bridge facility) of R3.0 billion with Nedbank Limited to facilitate operational expenses.

The Bridge facility accrued interest at 1-month JIBAR plus 2.0% per annum, plus a utilisation fee of 0.2%, on draw downs.

The Bridge facility was available for a maximum period of 12 months and matured on 14 December 2022.

Commitment fees were payable on the Bridge facility amounting to 0.6% per annum on the unutilised portion of the facility.

Refer to note 46 for guarantees previously issued by group companies relating to the Bridge facility. Northam Holdings, Booysendal and Eland have all signed a letter of guarantee relating to this facility.

Below is a summary of the Bridge facility available during the previous year:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Total Bridge facility	N/A	3 000 000	N/A	3 000 000
Bridge facility utilised at the year-end	N/A	(3 000 000)	N/A	(3 000 000)
Available Bridge facility at the year-end	N/A	–	N/A	–

As the Bridge facility was used to finance operational expenses, and therefore all interest relating to the Bridge facility was deductible for tax purposes.

37. Trade and other payables

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Trade payables	1 774 294	1 359 338	820 598	549 392
Provisional pricing payables	23 024	–	11 626	–
Accruals	601 184	481 093	337 753	252 551
Concentrate purchased accruals	1 298 190	646 215	624 050	–
Accrual relating to capital expenditure	128 612	97 416	99 613	80 078
South African Revenue Service – Value Added Tax	87 440	152 974	–	–
South African Revenue Service – amounts payable relating to the Mineral and Petroleum Resources Royalty	–	33 827	–	33 827
Accrued interest and commitment fees	172 429	122 488	172 429	122 488
Employee related accruals	1 245 443	946 973	830 630	740 834
Other	86 413	74 475	2 161	933
	5 417 029	3 914 799	2 898 860	1 780 103

Trade payable and accrual balances are unsecured, non-interest bearing and generally settled on 30-day terms.

The carrying value of trade and other payables approximate their fair value, due to their short-term nature.

Below are the uncovered foreign currency denominated balances as at reporting date included in trade and other payables:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Euro (€000)	3 602	524	3 433	510
€ closing exchange rate*	R20.55	R17.07	R20.55	R17.07
Trade and other payables denominated in € (R000)	74 040	8 960	70 564	8 719
US dollars (USD000)	27 274	24 649	10 021	245
USD closing exchange rate*	R18.83	R16.28	R18.83	R16.28
Trade and other payables denominated in USD (R000)	513 686	401 292	188 737	4 005
Pound Sterling (£000)	1 077	116	1 077	116
£ closing exchange rate*	R23.93	R19.82	R23.93	R19.82
Trade and other payables denominated in £ (R000)	25 785	2 294	25 785	2 294

**Rounded to the nearest cent.*

Refer to note 45 for the fair value and financial risk disclosure.

38. Provisional pricing liabilities

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Provisional pricing liabilities	40 372	–	40 372	–
	40 372	–	40 372	–

Provisional pricing liabilities relate to amounts received in advance of the quotational period for chrome and nickel deliveries. Therefore, any negative movement in the price of chrome and nickel subsequent to payment being received will result in a payable to the customer as reflected above.

Subsequent to the quotation period, the selling price is finalised, and any amounts required to be refunded are accounted for as a provisional pricing payable, refer to note 37.

39. Short-term provisions

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Balance at the beginning of the year	510 523	426 992	329 118	291 125
Additional amounts raised	724 372	593 837	403 550	351 689
Leave pay utilised	(651 166)	(510 306)	(372 024)	(313 696)
	583 729	510 523	360 644	329 118

Employee entitlements to annual leave are recognised when they accrue to employees. An estimated liability for annual leave as a result of services rendered by employees up to the reporting date based on the basic cost of employment and available leave entitlement at that date is recognised.

40. Other long-term employee benefits

The Toro Employee Empowerment Trust is an employee profit scheme at the Zondereinde mine for eligible employees (Paterson C band employees and below). 4% of after-tax profits of the Zondereinde mine is contributed to the Toro Employee Empowerment Trust. Eligible employees receive payment at the end of each five-year cycle, the first and second of which were made in 2013 and 2018, respectively.

Contributions to the Toro Employee Empowerment Trust will be made for the life of mine and a minimum cycle pay out of R15 000 per eligible employee has been guaranteed by the company, with the next payment due in 2023.

Northam Platinum entered into an agreement with the representative unions at the Zondereinde mine in terms of which Northam Platinum has undertaken to contribute 4% of its after-tax profits to the Toro Employee Empowerment Trust, providing Northam's Zondereinde mine's unskilled and semi-skilled employees an opportunity to participate in the profits of the company. Eligible employees receive payment at the end of each five-year cycle, which commenced in September 2013.

The asset or liability comprises the present value of the obligation less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets (cash) that are held by the Trust and are not available to the creditors of the group.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Assets as at 1 July	499 411	553 069	499 411	553 069
Interest income	37 489	27 135	37 489	27 135
Employer contributions	185 691	(55 984)	185 691	(55 984)
Benefits paid	(83 436)	(7 051)	(83 436)	(7 051)
Actuarial gain/(loss)	28 539	(17 357)	28 539	(17 357)
Administration costs	(29 955)	(401)	(29 955)	(401)
Assets as at 30 June	637 739	499 411	637 739	499 411
Unrecognised due to asset ceiling limit*	320 104	246 854	320 104	246 854
Below is a breakdown of other long-term employee benefits:				
Other long-term employee benefit as at 1 July	252 557	321 038	252 557	321 038
Service costs	104 520	119 649	104 520	119 649
Past service cost	(5 384)	–	(5 384)	–
Interest cost	19 978	24 022	19 978	24 022
Actuarial loss/(gain)	59 355	(204 700)	59 355	(204 700)
Benefits paid	(83 436)	(7 051)	(83 436)	(7 051)
Administration costs	(29 955)	(401)	(29 955)	(401)
Other long-term employee benefit as at 30 June	317 635	252 557	317 635	252 557
Asset/(liability) recognised on the statement of financial position	–	–	–	–

**The 'asset ceiling limit' ensures the asset to be recognised on the company's statement of financial position is subject to the present value of any economic benefits available to Northam Platinum in the form of refunds or reductions in future contributions.*

Northam Platinum's contribution to the Toro Employee Empowerment Trust amounts to R108.3 million (30 June 2022: R84.0 million), refer to note 4, and will be paid to the Toro Employee Empowerment Trust subsequent to year-end based on the audited results for F2023.

Significant judgements and estimates: Determining other long-term employee benefits

Since the cash distribution is payable to employees after the end of the period in which the related services are rendered and it is not a post-employment benefit or a termination benefit, the trust is accounted for as an 'other long-term employee benefit' in terms of IAS 19 Employee Benefits. The benefits payable to employees are therefore measured using the projected unit credit method.

In applying the projected unit credit method, the following estimates were used:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Discount rate	9.5%	7.0%	9.5%	7.0%
Expected rate of return on assets	9.5%	11.4%	9.5%	11.4%

The rate used to discount other long-term employee benefit obligations should be determined by reference to market yields at the reporting date on high-quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds should be used. As there is no deep market in corporate bonds in South Africa, the nominal bond curve, as compiled by the JSE Limited has been used. In terms of the accounting standards, historical yields are less important, and we consequently consider it appropriate to use the discount rate as noted above per annum.

41. Cash generated from operations

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	Restated 30 June 2022
	R000	R000	R000	R000
Profit before taxation	11 211 800	13 335 943	20 043 974	9 712 349
Adjustments:				
Profit on sale of property, plant and equipment and mining properties and Mineral Resources	(13 642)	(22 376)	(13 927)	(21 790)
Depreciation and write-offs	1 147 094	932 597	236 980	208 247
Impairment of property, plant and equipment	2 718 275	–	–	–
Impairment of investment in Eland Platinum Proprietary Limited	–	–	325 000	–
Impairment in Eland Platinum Proprietary Limited subsidiary loan	–	–	3 319 677	–
Changes in long-term provisions	59 396	212 155	30 614	64 745
Changes in long-term receivables	181	(2 632)	(2 125)	(3 480)
Changes in short-term provisions	73 206	83 531	31 526	37 993
Share of earnings from SSG Holdings Proprietary Limited	(25 235)	(22 469)	–	–
Zambezi Preference Share dividends	–	25 604	–	–
Amortisation of liquidity fees paid on Zambezi Preference Shares	–	64 197	–	–
Loss on derecognition of Zambezi Preference Share liability	–	286 632	–	–
Amortisation of financial guarantee liability and impact of guarantee on investment	–	–	–	(4 985 835)
Net foreign exchange difference	(89 500)	(15 994)	(83 928)	(11 638)
Amortisation of security of supply contribution	(7 501)	(19 704)	(2 000)	(10 869)
Settlement of the share-based payment liabilities	(194 887)	(551 521)	(97 023)	(302 911)
Finance charges excluding Zambezi Preference Share dividends	2 354 935	1 203 193	2 458 179	1 204 852
Investment revenue	(751 844)	(101 625)	(20 904 867)	(1 994 983)
Profit on modification and unwinding of the research and development liability with Heraeus Deutschland GmbH & Co. KG	(6 200)	(43 493)	(6 200)	(43 493)
Lock-in Fee forfeited due to a Disposal Event	–	(32 420)	–	(32 420)
Interest on Employee Labour Court Judgement	–	(16 010)	–	(16 010)
	16 476 078	15 315 608	5 335 880	3 804 757

Refer to note 14 for details with regards to the restatement.

42. Change in working capital

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Movement in inventories	(1 333 031)	(260 852)	575 135	144 175
Movement in trade and other receivables	(134 173)	(756 290)	108 751	48 435
Movement in trade and other payables	1 383 189	73 787	1 011 373	(195 814)
Movement in provisional pricing liabilities	40 372	–	40 372	–
	(43 643)	(943 355)	1 735 631	(3 204)

43. Tax paid

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance owing at the beginning of the year	(93 865)	53 641	(66 250)	(61 594)
Amounts recognised in profit or loss	(2 787 270)	(3 141 094)	(606 288)	(431 578)
Balance owing at the end of the year	(19 445)	93 865	13 189	66 250
	(2 900 580)	(2 993 588)	(659 349)	(426 922)

44. Changes in liabilities arising from financing activities

Below is a reconciliation of the changes in liabilities arising from financing activities:

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Changes from other cashflow items	Changes from other non-cashflow items	Closing balance
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000	R000	R000
Security of supply contribution (refer to note 28)	35 633	–	–	–	–	(7 501)	28 132
Heraeus Deutschland GmbH & Co. KG (refer to note 28)	49 169	–	–	–	–	(6 200)	42 969
Lease liabilities (refer to note 29)	74 291	–	(11 463)	6 752	–	17 725	87 305
Domestic Medium-Term Notes (refer to note 30)	11 081 952	6 033 000	(2 428 408)	–	–	106 258	14 792 802
Revolving credit facility (refer note 34)	1 434 139	11 605 000	(13 242 827)	–	–	43 531	(160 157)
Term loan facility (refer to note 35)	–	2 445 000	(2 504 504)	–	–	59 504	–
Bridge facility (refer to note 36)	2 969 312	–	(3 000 000)	–	–	30 688	–

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Changes from other cashflow items	Changes from other non-cashflow items	Closing balance
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Group	R000	R000	R000	R000	R000	R000	R000
Security of supply contribution (refer to note 28)	55 337	–	–	–	–	(19 704)	35 633
Heraeus Deutschland GmbH & Co. KG (refer to note 28)	92 662	–	–	–	–	(43 493)	49 169
Lease liabilities (refer to note 29)	81 247	–	(14 369)	6 981	–	432	74 291
Domestic Medium-Term Notes (refer to note 30)	7 594 235	8 305 370	(4 969 281)	–	–	151 628	11 081 952
Zambezi Preference Share liability (refer to note 31)	1 669 867	–	(2 046 300)	853 106	–	(476 673)	–
Revolving credit facility (refer to note 34)	(23 182)	8 900 000	(7 450 000)	–	–	7 321	1 434 139
Bridge facility (refer to note 36)	–	3 000 000	(63 250)	–	–	32 562	2 969 312

Below is a reconciliation of the changes in liabilities arising from financing activities:

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Changes from other cashflow items	Changes from other non-cashflow items	Closing balance
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000	R000	R000
Security of supply contribution (refer to note 28)	9 501	–	–	–	–	(2 000)	7 501
Heraeus Deutschland GmbH & Co. KG (refer to note 28)	49 169	–	–	–	–	(6 200)	42 969
Lease liabilities (refer to note 29)	23 193	–	(3 211)	1 935	–	16 677	38 594
Domestic Medium-Term Notes (refer to note 30)	11 081 952	6 033 000	(2 428 408)	–	–	106 258	14 792 802
Revolving credit facility (refer to note 34)	1 434 139	11 605 000	(13 242 827)	–	–	43 531	(160 157)
Term loan facility (refer to note 35)	–	2 445 000	(2 504 504)	–	–	59 504	–
Short-term subsidiary and group loans (refer to note 20)	17 159 162	–	–	–	5 651 609	(19 852 736)	2 958 035
Bridge facility (refer to note 36)	2 969 312	–	(3 000 000)	–	–	30 688	–

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Changes from other cashflow items	Changes from other non-cashflow items	Closing balance
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Company	R000	R000	R000	R000	R000	R000	R000
Security of supply contribution (refer to note 28)	20 370	–	–	–	–	(10 869)	9 501
Heraeus Deutschland GmbH & Co. KG (refer to note 28)	92 662	–	–	–	–	(43 493)	49 169
Lease liabilities (refer to note 29)	24 253	–	(2 710)	1 650	–	–	23 193
Domestic Medium-Term Notes (refer to note 30)	7 594 235	8 305 370	(4 969 281)	–	–	151 628	11 081 952
Financial guarantee liability (refer to note 33)	939 390	–	–	–	–	(939 390)	–
Revolving credit facility (refer to note 34)	(23 182)	8 900 000	(7 450 000)	–	–	7 321	1 434 139
Short-term subsidiary and group loans (refer to note 20)	9 647 176	–	–	–	7 511 986	–	17 159 162
Bridge facility (refer to note 36)	–	3 000 000	(63 250)	–	–	32 562	2 969 312

Amounts received from short-term subsidiary and group loans are classified as cash flows from investing activities as they are considered as the return on investments in these subsidiaries. Refer to note 5 and note 46 for dividends declared by subsidiaries.

45. Financial risk management objectives and policies

The group's activities are exposed to a variety of financial risks, market risk (including foreign currency risk, interest rate risk and commodity price risks), credit risk and liquidity risks. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Financial risk management is carried out by the finance department. Policies are approved by the board of directors, which sets guidelines to identify, evaluate and manage financial risks in co-operation with the operating units. The board of directors review and agree policies for managing each of these risks which are summarised below.

The group's principal financial liabilities comprise loans and borrowings, as well as trade and other payables. The main purpose of these financial liabilities is to finance the group's operations and to provide guarantees to support its operations. The group has various financial assets such as trade and other receivables, investments, other financial assets, long-term receivables and cash and cash equivalents, which arise directly from its operations.

Market risk

Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise the following types of risk: foreign currency risk, interest rate risk, commodity price risk and other price risk, such as equity risk.

Foreign currency risk

The group operates on international commodity markets and is therefore exposed to foreign exchange risk primarily with respect to the USD. Foreign exchange risks arise from future commercial transactions and are recognised both in financial assets and liabilities. To manage foreign exchange risks arising from future commercial transactions, the group, from time to time, may use forward exchange contracts within board-approval limits.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The group has transactional currency exposures. Such exposure arises from sales in currencies other than the functional currency. The majority of the group's sales are denominated in currencies other than functional currency of the operating unit making the sale, whilst most of the costs are denominated in the functional currency, the South African Rand (ZAR).

Refer to notes 22, 23 and 37 for some of the balances denominated in foreign currency values included in the statement of financial position.

The exposure to foreign currency denominated balances included in trade and other receivables as at 30 June were as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
US dollars (USD000)	30 264	26 605	2 438	6 631
USD closing exchange rate*	R18.83	R16.28	R18.83	R16.28
Trade and other receivables denominated in USD (R000)	569 974	433 124	45 922	107 951

**Rounded to the nearest cent.*

The exposure to foreign currency denominated balances included in cash and cash equivalents as at 30 June were as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
US dollars (USD000)	21 991	51 414	21 493	50 682
USD closing exchange rate*	R18.83	R16.28	R18.83	R16.28
Cash and cash equivalents denominated in USD (R000)	414 165	836 999	404 802	825 077

**Rounded to the nearest cent.*

Below are the uncovered foreign currency denominated balances as at 30 June included in trade and other payables above:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Euro (€000)	3 602	524	3 433	510
€ closing exchange rate*	R20.55	R17.07	R20.55	R17.07
Trade and other payables denominated in € (R000)	74 040	8 960	70 564	8 719
US dollars (USD000)	27 274	24 649	10 021	245
USD closing exchange rate*	R18.83	R16.28	R18.83	R16.28
Trade and other payables denominated in USD (R000)	513 686	401 292	188 737	4 005
Pound Sterling (£000)	1 077	116	1 077	116
£ closing exchange rate*	R23.93	R19.82	R23.93	R19.82
Trade and other payables denominated in £ (R000)	25 785	2 294	25 785	2 294

**Rounded to the nearest cent.*

The following table demonstrates the sensitivity to a possible change in exchange rates with all other variables held constant of the group's profit before tax due to changes in the fair value of monetary assets and liabilities, with a debit to profit or loss being disclosed in brackets.

There is no direct impact on the group or company's equity.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
ZAR weakening by 10% to the USD	47 045	86 883	26 199	92 902
ZAR strengthening by 10% to the USD	(47 045)	(86 883)	(26 199)	(92 902)
ZAR weakening by 10% to the €	(7 404)	(896)	(7 056)	(872)
ZAR strengthening by 10% to the €	7 404	896	7 056	872
ZAR weakening by 10% to the £	(2 579)	(229)	(2 579)	(229)
ZAR strengthening by 10% to the £	2 579	229	2 579	229

The group did not enter into any foreign currency hedging contracts during the current or previous year.

The group has a policy of not hedging against foreign currency of commodity price fluctuations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market interest rate. The group's exposure to risk of changes in market interest rates relates primarily to the group's cash balances, investments, RCF, GBF and DMTNs with floating interest rates.

As part of the process of managing the group's interest rate risk, all borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the group's profit before tax (through the impact on floating rate borrowings and cash and cash equivalents). There is no direct impact on the group or company's equity.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Investments held by Northam Platinum Restoration Trust Fund				
Increase of 1%	1 540	1 426	770	713
Decrease of 1%	(1 540)	(1 426)	(770)	(713)
Cash and cash equivalents				
Increase of 1%	53 522	11 752	51 212	9 310
Decrease of 1%	(53 522)	(11 752)	(51 212)	(9 310)
Floating rate borrowings				
Increase of 1%	(149 994)	(157 068)	(149 994)	(157 068)
Decrease of 1%	149 994	157 068	149 994	157 068

The group monitors its exposure to fluctuating interest rates.

Cash and cash equivalents are invested with short-term maturity dates, which exposes the group to cash flow interest rate risks.

Commodity price risk

The group is subject to commodity price risks as a result of the prices at which it sells its products being determined by reference to international commodity exchanges. PGMs are sold to third-party clients, with prices being fixed based on contractual terms relating to the month in which the product was sold. Trade receivables relate to PGM debtors who settle the outstanding receivable balances between 2 – 5 days. In addition, PGM concentrate is sold to honour the Everest offtake agreement, the PGM debtor relating to this sale has a provisional quotation period payment term of four months after month of delivery.

Provisional pricing receivables are made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
PGM provisional receivable	522 190	323 766	–	–
Nickel receivable	680 068	153 940	236 526	153 940
Chrome receivable	45 922	418 876	45 922	169 741
Total provisional priced receivables (refer to note 22)	1 248 180	896 582	282 448	323 681
Provision pricing payables (refer to note 37)	(23 024)	–	(11 626)	–
Provisional pricing liabilities (refer to note 38)	(40 372)	–	(40 372)	–
Provisional pricing liabilities	(63 396)	–	(51 998)	–
Total provisional pricing exposure	1 184 784	896 582	230 450	323 681

Provisional pricing PGM debtors have a provisional quotation period payment term of four months after month of delivery. Chrome provisional receivables are settled within 45 days from date of delivery and nickel provisional receivables are settled within 60 days from date of delivery.

Base metal and chrome provisional pricing receivables

Base metal and chrome sales allow for price adjustments based on the market price at the end of the relevant quotational period stipulated in the sales agreements. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after delivery to the customer. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the quotational period. The period between provisional invoicing and the end of the quotational period can be between one and four months.

Provisional pricing receivables are non-interest bearing, but are exposed to future commodity price movements over the quotational period and are measured at fair value up until the date of settlement. Provisional pricing receivables are initially measured at the amount which the group expects to be entitled, being the estimate of the price expected to be received at the end of the quotational period.

The full value of the provisional invoice relating to chrome sales is received in cash a month after delivery. Any negative movement in the chrome price could therefore result in amounts required to be refunded to the customer, refer to notes 37 and 38.

For all base metal sales, payment is only due after the end of the quotational period.

PGM provisional pricing receivables

The group sells PGM concentrate from the Booysendal mine under terms containing provisional pricing features, to honour the Everest offtake agreement.

The salient feature of the agreement contains payment terms calculated with reference to a Price Index (PI) based on ruling market prices over the month in which concentrate is delivered to the counterparty. The calculated PI is applied against assayed 4E content from delivered concentrate, and with a contractually agreed fixed percentage being applied in respect of assayed base metals content from delivered concentrate. Where assayed results are not yet available in respect of delivered concentrate, an estimate of 4E content and base metals included in concentrate delivered during a particular month is made. The calculated USD-denominated purchase price (receivable from the counterparty) is converted in applying the average exchange rate over the month prior to the month of payment.

The concentrate purchase price calculated (with reference to the above) is payable four months following the month during which the concentrate for which payment is due was delivered.

The following is an indication of the effect that changes in provisionally priced receivables would have on profit before tax, should there be a change in commodity prices based on the outstanding accounts receivable balance at year-end. There is no direct impact on the group or company's equity.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Weakening by 10% of the respective commodity prices	(118 478)	(89 658)	(23 045)	(32 368)
Strengthening by 10% of the respective commodity prices	118 478	89 658	23 045	32 368

The group did not enter into any commodity hedging contracts during the year.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities with banks and financial institutions. The group trades only with recognised, creditworthy third parties. It is the group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the group's exposure to bad debts is not significant.

With respect to credit risk arising from other financial assets of the group, which comprise cash and cash equivalents, investments and loans, the group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

There is no material concentration of credit risk in cash and cash equivalents, trade and other receivables and loans. The group has policies that limit the amount of credit exposure related to cash and cash equivalents to any single financial institution by only dealing with well-established financial institutions of high credit quality standing. The credit exposure to any one of the counterparties is managed by setting exposure limits which are approved by the board.

With regard to trade and other receivables, the group has policies in place to ensure that sales are only made to customers with an appropriate credit history. Trade debtors comprise a number of customers, dispersed across different geographical areas. Credit evaluations are performed on the financial conditions of these and other receivables from time to time. Trade receivables are presented in the statement of financial position net of any provision for impairment.

Credit risk relating to loans mainly consists of employee housing loans, refer to note 16. These loans are secured by a second bond over residential properties. The maximum credit risk (before taking into account any collateral held) relating to the long-term receivables amount to the outstanding balance.

Amounts advanced to Eland Platinum Limited

During the current year, an Expected Credit Loss ("ECL") of R3.3 billion (30 June 2022: R Nil) was recognised, refer to note 20. As at year-end, Northam experienced an increase in credit risk as a result of the recent adverse market developments and a downward turn in the commodity prices.

A lifetime ECL was calculated compared to a 12-month ECL applied during the previous financial year. Northam considers the loan to be credit impaired.

The ECL under IFRS 9 has been determined based on the present value of the probability-weighted expected future cash flows. Refer to note 11 for assumptions used in determining the expected future cash flows which considers forward looking information, including commodity prices and the US dollar exchange rate.

Short-term group loans receivable

The general approach was applied to the short-term group loan receivables, where the 12-month ECLs were calculated. Northam assesses whether an impairment is required on short-term group loan receivables. A range of cash flow scenarios are considered, taking into account forward looking information which may impact recoverability of short-term group loan receivables. The ECL is considered to be negligible.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. The group has undrawn facilities (which includes both the RCF and the GBF) of R11.0 billion (30 June 2022: R3.6 billion).

The group's treasury operations are managed by a reputable treasury management institution.

They assist the group in monitoring its risk to a shortage of funds by only depositing its surplus cash funds with major banks of high credit standing. They consider and monitor the maturity and returns of all financial investments. Management performs regular projected cash flow forecasts for the group.

Management regularly monitors rolling forecasts of the liquidity reserve comprising undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows. Cash and cash equivalents are immediately available.

Prudent liquidity management enables the ongoing viability of our business including our ongoing growth strategy. It involves the management of sufficient cash and cash equivalents, as well as available funding through committed credit facilities.

It further provides flexibility to return value to shareholders and the ability to manage other stakeholder expectations and effective liquidity risk management improves our credit ratings which leads to reduced borrowing costs.

The following should be taken into account when considering liquidity management for the group:

- Prudent liquidity risk management is available through uncommitted credit facilities.
- Cash preservation flexibility, where various capital projects can be suspended or postponed, and the overall capital budget can be minimised as far as possible without affecting current production. This capital budget flexibility is enabled by Northam's modular expansion approach which it has adopted at the Booysendal mine complex as well as at the Zondereinde mine and Eland mine.
- Policy parameters on Net Debt to EBITDA ratios has been implemented that inform borrowing and spending decisions.
- Regular structured review and approval of capital allocations.
- An active approach to forward looking cash flow management, through regular updates to, and reviews of, Northam's cash flow projections. These comprise short, medium and long-term cash flow projections which include various sensitivity and scenario analysis, including a range of simulated metal price and exchange rate forecasts.
- Maintained focus on cost and capital discipline.

The maturity profile of the group and company's financial liabilities for F2023 is set out below, in the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date representing the undiscounted contractual cash flows:

	Payable on demand	1 – 6 months	More than 6 months	More than a year	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000
Trade payables	–	1 774 294	–	–	1 774 294
Provisional pricing payables	–	23 024	–	–	23 024
Accruals	–	601 184	–	–	601 184
Concentrate purchased accruals	–	1 298 190	–	–	1 298 190
Capital accruals	–	128 612	–	–	128 612
Accrued interest and commitment fees	–	172 429	–	–	172 429
Employee-related accruals	–	1 245 443	–	–	1 245 443
Other	–	12 357	–	73 627	85 894
Long-term loans	–	–	–	94 000	94 000
Lease liability	816	4 117	5 071	155 134	165 138
Domestic Medium-Term Notes	–	682 000	3 615 935	10 701 402	14 999 337

	Payable on demand	1 – 6 months	More than 6 months	More than a year	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000
Trade payables	–	820 598	–	–	820 598
Provisional pricing payables	–	11 626	–	–	11 626
Accruals	–	337 753	–	–	337 753
Concentrate purchased accruals	–	624 050	–	–	624 050
Capital accruals	–	99 613	–	–	99 613
Accrued interest and commitment fees	–	172 429	–	–	172 429
Employee-related accruals	–	830 630	–	–	830 630
Other	–	2 162	–	–	2 162
Long-term loans	–	–	–	94 000	94 000
Lease liability	434	2 208	2 728	52 162	57 532
Domestic Medium-Term Notes	–	682 000	3 615 935	10 701 402	14 999 337
Subsidiary and group loans	2 958 035	–	–	–	2 958 035

Northam Holdings, Booysendal and Eland have provided guarantees for both the RCF (R10.0 billion) and GBF (R1.0 billion) and the maximum credit exposure with regards to both facilities are the face values of these guarantees as disclosed in note 46. As at year-end the outstanding balances were R Nil.

The maturity profile of the group and company's financial liabilities for F2022 is set out below, in the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date representing the undiscounted contractual cash flows:

	Payable on demand	1 – 6 months	More than 6 months	More than a year	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Group	R000	R000	R000	R000	R000
Trade payables	–	1 359 338	–	–	1 359 338
Provisional pricing payables	–	–	–	–	–
Accruals	–	481 093	–	–	481 093
Concentrate purchased accruals	–	646 215	–	–	646 215
Capital accruals	–	97 416	–	–	97 416
Accrued interest and commitment fees	–	122 488	–	–	122 488
Employee-related accruals	–	946 973	–	–	946 973
Other	–	4 469	–	69 577	74 046
Long-term loans	–	–	–	94 000	94 000
Lease liability	1 237	6 215	3 676	133 726	144 854
Domestic Medium-Term Notes	–	–	2 290 500	8 966 337	11 256 837
Revolving credit facility	–	–	–	1 450 000	1 450 000
Bridge facility	–	3 000 000	–	–	3 000 000

	Payable on demand	1 – 6 months	More than 6 months	More than a year	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Company	R000	R000	R000	R000	R000
Trade payables	–	549 392	–	–	549 392
Provisional pricing payables	–	–	–	–	–
Accruals	–	252 551	–	–	252 551
Concentrate purchased accruals	–	–	–	–	–
Capital accruals	–	80 078	–	–	80 078
Accrued interest and commitment fees	–	122 488	–	–	122 488
Employee related accruals	–	740 834	–	–	740 834
Other	–	935	–	–	935
Long-term loans	–	–	–	94 000	94 000
Lease liability	231	1 187	1 482	28 437	31 337
Domestic Medium-Term Notes	–	–	2 290 500	8 966 337	11 256 837
Revolving credit facility	–	–	–	1 450 000	1 450 000
Bridge facility	–	3 000 000	–	–	3 000 000
Subsidiary and group loans	17 159 162	–	–	–	17 159 162

Fair value

The fair value of financial instruments is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using other valuation techniques.

The fair values have been determined using available market information and appropriate valuation methodologies.

Management applies the established fair value hierarchy that categorises the inputs into valuation techniques used to measure fair value into three levels:

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 – a technique where all inputs that have an impact on the value are observable, either directly or indirectly.

Level 3 – a technique where all inputs that have an impact on the value are not observable.

The carrying amount of financial assets and financial liabilities approximate their fair value.

Capital management (including equity risk)

The primary objective of the group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. In addition, capital management objectives included the group's ability to continue as a going concern, in order to provide returns for shareholders and benefits to other stakeholders while maintaining an optimal capital structure to reduce the cost of capital.

The group manages its capital structure (which consists of debt and equity) and makes adjustments to it, in light of changes in economic conditions.

No changes were made in the objectives, policies or processes during the year.

Categories of financial instruments

The following tables summarises the classification of financial instruments for the group and company:

	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000
Long-term receivables	–	85 612	–	–	85 612
Investment held by Northam Platinum Restoration Trust Fund	153 952	–	–	–	153 952
Environmental guarantee investment	130 470	–	–	–	130 470
Buttonshope Conservancy Trust	1 272	–	–	–	1 272
Subsidiary and group loans	–	11 647 922	–	–	11 647 922
Trade and other receivables	1 248 180	342 497	–	357 064	1 947 741
Cash and cash equivalents	–	5 352 987	–	–	5 352 987
Other financial assets	–	160 157	–	–	160 157
Long-term loans	–	–	(71 101)	–	(71 101)
Domestic Medium-Term Notes	–	–	(14 792 802)	–	(14 792 802)
Trade and other payables	(23 024)	–	(5 313 719)	(87 440)	(5 424 183)
Provisional pricing liabilities	(40 372)	–	–	–	(40 372)

	Fair value through other comprehensive income	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000	R000
Long-term receivables	–	–	29 360	–	–	29 360
Investment held by Northam Platinum Restoration Trust Fund	–	76 976	–	–	–	76 976
Environmental guarantee investment	–	53 582	–	–	–	53 582
Subsidiary and group loans receivable	–	–	13 009 700	–	–	13 009 700
Trade and other receivables	–	282 448	113 084	–	296 810	692 342
Cash and cash equivalents	–	–	5 121 246	–	–	5 121 246
Long-term loans	–	–	–	(50 470)	–	(50 470)
Domestic Medium-Term Notes	–	–	–	(14 792 802)	–	(14 792 802)
Subsidiary and group loans payable	–	–	–	(2 958 035)	–	(2 958 035)
Trade and other payables	–	–	–	(2 898 860)	–	(2 898 860)
Provisional pricing liabilities	–	–	–	(40 372)	–	(40 372)

Categories of financial instruments

The following table summarises the classification of financial instruments for the group and company for the year ended 30 June 2022:

	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Group	R000	R000	R000	R000	R000
Long-term receivables	–	85 793	–	–	85 793
Investment held by Northam Platinum Restoration Trust Fund	142 586	–	–	–	142 586
Environmental guarantee investment	93 214	–	–	–	93 214
Buttonshope Conservancy Trust	11 243	–	–	–	11 243
Subsidiary and group loans	–	10 334 718	–	–	10 334 718
Trade and other receivables	896 582	227 868	–	649 109	1 773 559
Cash and cash equivalents	–	1 174 505	–	–	1 174 505
Other financial assets	–	–	–	–	–
Long-term loans	–	–	(84 802)	–	(84 802)
Domestic Medium-Term Notes	–	–	(11 081 952)	–	(11 081 952)
Revolving credit facility	–	–	(1 434 139)	–	(1 434 139)
Bridge facility	–	–	(2 969 312)	–	(2 969 312)
Trade and other payables	–	–	(3 727 998)	(186 801)	(3 914 799)
Provisional pricing liabilities	–	–	–	–	–

	Fair value through other comprehensive income	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Company	R000	R000	R000	R000	R000	R000
Long-term receivables	–	–	27 235	–	–	27 235
Investment held by Northam Platinum Restoration Trust Fund	–	71 293	–	–	–	71 293
Environmental guarantee investment	–	42 029	–	–	–	42 029
Subsidiary and group loans receivable	–	–	13 041 261	–	–	13 041 261
Trade and other receivables	–	323 681	104 999	–	334 538	763 218
Cash and cash equivalents	–	–	931 012	–	–	931 012
Long-term loans	–	–	–	(58 670)	–	(58 670)
Domestic Medium-Term Notes	–	–	–	(11 081 952)	–	(11 081 952)
Revolving credit facility	–	–	–	(1 434 139)	–	(1 434 139)
Bridge facility	–	–	–	(2 969 312)	–	(2 969 312)
Subsidiary and group loans payable	–	–	–	(17 159 162)	–	(17 159 162)
Trade and other payables	–	–	–	(1 746 276)	(33 827)	(1 780 103)
Provisional pricing liabilities	–	–	–	–	–	–

46. Related parties

Related party relationships exist between the company, holding company, subsidiaries and an associate within the Northam Platinum Limited group of companies.

Northam Platinum Limited has the following investments in subsidiaries, associates and trusts:

	Effective holding 30 June 2023	Stated capital and premium 30 June 2023	Investment 30 June 2023	Indebtedness 30 June 2023
	%	R000	R000	R000
Northam Platinum Holdings Limited	0.0%	N/A	*	11 647 922
Booysendal Platinum Proprietary Limited	100.0	8 675 932	11 886 088	(1 862 402)
Eland Platinum Proprietary Limited	100.0	325 000	–	1 300 041
Mvelaphanda Resources Proprietary Limited	100.0	4 358	–	(6 600)
Norplats Properties Proprietary Limited	100.0	**	*	19 013
Northam Platinum Investments (US) Incorporated	100.0	–	142 119	513
Northam Recovery Services LLC	Indirect holding	–	–	31 145
Northam Property Company LLC	Indirect holding	–	–	11 066
Zambezi Platinum (RF) Proprietary Limited	N/A	–	***	(1 089 033)
Northam Zondereinde Community Trust	–	–	–	–
Northam Booysendal Community Trust	–	–	–	–
Northam Employees' Trust	–	–	–	–
Buttonshope Conservancy Trust	–	–	–	–
Northam Platinum Restoration Trust Fund	–	–	–	–
			12 028 207	10 051 665

During the year under review the investment in Eland Platinum Proprietary Limited of R325.0 million was written off in full.

In addition, an amount of R3.3 billion was provided for with regards to the indebtedness owed by Eland Platinum Proprietary Limited.

	Effective holding 30 June 2022	Stated capital and premium 30 June 2022	Investment 30 June 2022	Indebtedness 30 June 2022
	%	R000	R000	R000
Northam Platinum Holdings Limited	0.0%	N/A	*	10 334 718
Booysendal Platinum Proprietary Limited	100.0	8 675 932	11 886 088	(16 063 529)
Eland Platinum Proprietary Limited	100.0	325 000	325 000	2 638 266
Mvelaphanda Resources Proprietary Limited	100.0	4 358	–	(6 600)
Norplats Properties Proprietary Limited	100.0	**	*	24 885
Northam Platinum Investments (US) Incorporated	100.0	–	142 119	466
Northam Recovery Services LLC	Indirect holding	–	–	32 891
Northam Property Company LLC	Indirect holding	–	–	10 035
Zambezi Platinum (RF) Proprietary Limited	N/A	–	***	(1 089 033)
Northam Zondereinde Community Trust	–	–	–	–
Northam Booysendal Community Trust	–	–	–	–
Northam Employees' Trust	–	–	–	–
Buttonshope Conservancy Trust	–	–	–	–
Northam Platinum Restoration Trust Fund	–	–	–	–
			12 353 207	(4 117 901)

****Investment held in Zambezi Preference Shares (refer to note 14).*

***Issued capital is less than R1 000.*

**Investment less than R1 000.*

There are no other balances outstanding from group companies other than the indebtedness noted above.

Below is a summary of the various transactions between group companies:

	Interest and dividends received (refer to note 5)	Concentrate purchased	Operating as well as sundry costs
	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000
Northam Platinum Holdings Limited	467 621	–	–
Booysendal Platinum Proprietary Limited	19 852 736	(16 081 491)	–
Eland Platinum Proprietary Limited	377 538	(3 674 194)	–
Norplats Properties Proprietary Limited	–	–	–
Northam Platinum Investments (US) Incorporated	48	–	–
Northam Recovery Services LLC	3 655	(74 828)	–
Northam Property Company LLC	1 030	–	–
Zambezi Platinum (RF) Proprietary Limited (refer to note 8)	–	–	(1 209)

	Interest and dividends received (refer to note 5)	Concentrate purchased	Operating as well as sundry costs
	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000
Booysendal Platinum Proprietary Limited	–	(16 709 901)	–
Eland Platinum Proprietary Limited	162 554	(2 641 089)	–
Norplats Properties Proprietary Limited	–	–	–
Northam Platinum Investments (US) Incorporated	32	–	–
Northam Recovery Services LLC	2 660	(114 681)	–
Northam Property Company LLC	741	–	–
Zambezi Platinum (RF) Proprietary Limited (refer to note 8)	–	–	(1 568)
Northam Zondereinde Community Trust (refer to note 8)	145	–	–
Northam Booysendal Community Trust	145	–	–
Northam Employees' Trust (refer to note 8)	175	–	(1 000)

Below is a summary of the key related party transactions:

Guarantees

Northam Platinum has granted the following guarantees:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Revolving credit facility	10 000 000	4 000 000	–	4 000 000
General banking facility	1 000 000	1 000 000	–	1 000 000
Bridge facility	–	3 000 000	–	3 000 000
Total guarantees	11 000 000	8 000 000	–	8 000 000

At year-end, Northam Platinum had finance facilities available in the form of a RCF to the value of R10.0 billion (30 June 2022: R4.0 billion) and a GBF to the value of R1.0 billion (30 June 2022: R1.0 billion) with Nedbank Limited. Booysendal Platinum Proprietary Limited and Eland Platinum Proprietary Limited have both signed a letter of guarantee concerning these facilities.

Revolving credit facility (RCF)

Northam Platinum has a R10.0 billion 5-year RCF available with a syndicate of lenders which matures on 24 August 2027.

Northam Holdings, Booysendal and Eland have all signed a letter of guarantee concerning the RCF.

General banking facility (GBF)

Northam Platinum has a GBF of R1.0 billion with Nedbank Limited which operates as an overdraft facility.

Northam Holdings, Booysendal and Eland have all signed a letter of guarantee concerning the GBF.

Significant judgements and estimates: Determining the fair value of a guarantee contract

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the entity fails to make a payment when due, in accordance with the terms of the loan agreements.

Financial guarantees are initially recognised at fair value, adjusted for the transaction costs that are directly attributable to the issuance of the guarantee.

Subsequent to initial recognition, the liability under each guarantee is measured at the higher of the amount initially recognised less the cumulative amortisation, and the best estimate of the amount required to settle any financial obligation arising as a result of the guarantee (ECL). The day one fair value of the guarantee is amortised on a straight-line basis over the term of the guarantee.

Changes in the carrying amount of the financial liability is recognised in profit or loss.

Consideration must be given to IFRS 13 which requires the fair value of a liability to reflect the effect of non-performance risk, which includes, but may not be limited to, an entity's own credit risk. The fair value of the liability should therefore include the impact of the guarantor's risk of non-performance (e.g., credit risk) to the extent that market participants would take it into account in the pricing. This is in addition to the consideration of the credit risk of the guaranteed entity.

It was further considered that the credit rated entity within the group is Northam Platinum and the rating achieved is merely extended to Northam Holdings. The reason being that Northam Holdings is an investment holding entity.

Therefore, the fair value on day one and subsequent expected credit losses were not considered material and hence why a financial liability had not been raised.

The Northam Zondereinde Community Trust, the Northam Booysendal Community Trust and the Northam Employees' Trust

The manner in which the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and ESOP (the Zambezi Trusts) were set up and the contracts governing the relationships between Northam Platinum and the Zambezi Trusts, direct the relevant activities determined when the Zambezi Trusts were created and will continue to be carried out until such time as empowerment credentials are no longer required by Northam. There is no scope for any other commercial activity outside of the maintenance of the empowerment credentials and the allocation of returns on the Northam Holdings Shares for the benefit of the beneficiaries of the Zambezi Trusts.

The Zambezi Trusts are therefore, from an accounting perspective, under the control of Northam Platinum and consolidated into the group.

Below is a summary of the net asset value of the Zambezi Trusts:

	30 June 2023	**30 June 2022**
	R000	R000
Investment in Northam Platinum Holdings Limited	800 356	1 092 548
Trade and other receivables	2 610	2 360
Cash and cash equivalents classified as restricted cash for the group (refer to note 23)	214 997	225 579
Amounts receivable from South African Revenue Service relating to Value Added Tax	883	298
Trade and other payables	(4 682)	(955)
Amounts payable to South African Revenue Service	(63)	(162)
Net asset value of the Zambezi Trusts	1 014 101	1 319 668
Number of Northam Platinum Holdings Limited Shares held by the Zambezi Trusts	6 378 354	6 378 354
Closing share price of Northam Platinum Holdings Limited Shares (JSE share code: NPH)	R125.48	R171.29
Investment held in Northam Platinum Holdings Limited	800 356	1 092 548

The number of Northam Holdings Shares held by the Zambezi Trusts are allocated as follows:

	30 June 2023	**30 June 2022**
	Number of shares	Number of shares
Northam Zondereinde Community Trust	2 191 116	2 191 116
Northam Booysendal Community Trust	2 191 116	2 191 116
Northam Employees' Trust	1 996 122	1 996 122
	6 378 354	6 378 354

Other related party transactions

SSG Holdings Proprietary Limited (SSG)

The group has a 33.7% (30 June 2022: 33.7%) interest in SSG, owning 3 000 shares out of 8 900 issued shares.

SSG provides security, cleaning and facility services to the Northam group.

Below is a summary of transactions between the group and SSG:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
SSG Facilities Proprietary Limited	61 197	68 571	25 203	36 551
SSG Cleaning Proprietary Limited	1	3	1	3
SSG Securities Solutions Proprietary Limited	109 131	105 202	48 861	46 679
Security, cleaning and facilities services provided by SSG Holdings Proprietary Limited to the group during the year accounted for as part of operating costs	170 329	173 776	74 065	83 233
Dividends received (refer to note 12)	–	606	–	606
Amounts payable to SSG Holdings Proprietary Limited included as part of trade and other payables	27 874	19 313	12 504	7 565

Refer to note 12 for details of the investment held in SSG.

Dwaalkop

Dwaalkop is a joint operation between Mvelaphanda Resources Proprietary Limited (Mvelaphanda), a wholly owned subsidiary of Northam Platinum owning 50% and Western Platinum Proprietary Limited, a subsidiary of Sibanye-Stillwater Limited (Sibanye-Stillwater) owning the other 50%. The joint operation is managed by Sibanye-Stillwater. The Dwaalkop asset is not currently being mined.

Dwaalkop is accounted for as a Joint Arrangement. The Joint Arrangement meets the accounting requirements for recognition as a Joint Operation and as such, all its assets and liabilities relating to Dwaalkop are included in the annual financial statements.

The Dwaalkop Mineral Resource includes portions of the farms Dwaalkop, Rooibokbult and Turfpan. The mineral deposit has the potential to be developed into an open stope retreat mining operation.

Key management remuneration

	Fees	Remuneration package	Performance bonus and retention bonus payments	Benefits and other	Gain on share-based payments	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000	R000	R000
Executive directors						
PA Dunne	–	12 634	8 556	–	9 354	30 544
AH Coetzee	–	6 176	4 153	491	4 217	15 037
Non-executive directors						
HH Hickey	1 395	–	–	–	–	1 395
TI Mvusi	1 281	–	–	–	–	1 281
	2 676	18 810	12 709	491	13 571	48 257

	Fees	Remuneration package	Performance bonus and retention bonus payments	Benefits and other	Gain on share-based payments	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000	R000
Executive directors						
PA Dunne	–	11 863	8 597	2	37 194	57 656
AH Coetzee	–	5 799	4 096	408	15 946	26 249
Non-executive directors						
DH Brown	1 141	–	–	–	–	1 141
HH Hickey*	971	–	–	–	–	971
TI Mvusi**	918	–	–	–	–	918
	3 030	17 662	12 693	410	53 140	86 935

**Mrs HH Hickey was appointed lead independent director of Northam Holdings with effect from 20 June 2022.*

***Mr TI Mvusi was appointed as lead independent director of Northam Holdings from 27 September 2021 and as chairman of Northam Holdings from 20 June 2022.*

Details of share incentives granted to directors:

	6 Nov 2018 Share award	8 Nov 2019 Share award	31 Oct 2020 Share award	31 Oct 2021 Share award	31 Oct 2022 Share award	Share award	Total
						LIM shares	
Chief executive officer							
Balance at 1 July 2022	–	71 600	39 600	43 630	–	1 500 000	1 654 830
Performance shares awarded during the year	–	–	–	–	90 800	–	90 800
Shares adjusted for performance conditions met during the year	–	(13 425)	–	–	–	–	(13 425)
Shares cash settled during the year	–	(58 175)	–	–	–	–	(58 175)
Balance at 30 June 2023	–	–	39 600	43 630	90 800	1 500 000	1 674 030
Balance at 1 July 2021	177 753	71 600	39 600	–	–	1 500 000	1 788 953
Performance shares awarded during the year	–	–	–	43 630	–	–	43 630
Shares adjusted for performance conditions met during the year	9 688	–	–	–	–	–	9 688
Shares cash settled during the year	(187 441)	–	–	–	–	–	(187 441)
Balance at 30 June 2022	–	71 600	39 600	43 630	–	1 500 000	1 654 830

	6 Nov 2018 Share award	8 Nov 2019 Share award	31 Oct 2020 Share award	31 Oct 2021 Share award	31 Oct 2022 Share award	Share award	Total
						LIM shares	
Chief financial officer							
Balance at 1 July 2022	–	32 280	18 330	20 440	–	350 000	421 050
Performance shares awarded during the year	–	–	–	–	42 700	–	42 700
Shares adjusted for performance conditions met during the year	–	(6 054)	–	–	–	–	(6 054)
Shares cash settled during the year	–	(26 226)	–	–	–	–	(26 226)
Balance at 30 June 2023	–	–	18 330	20 440	42 700	350 000	431 470
Balance at 1 July 2021	76 209	32 280	18 330	–	–	350 000	476 819
Performance shares awarded during the year	–	–	–	20 440	–	–	20 440
Shares adjusted for performance conditions met during the year	4 151	–	–	–	–	–	4 151
Shares cash settled during the year	(80 360)	–	–	–	–	–	(80 360)
Balance at 30 June 2022	–	32 280	18 330	20 440	–	350 000	421 050

47. Capital and other commitments, including guarantees provided

The group and company had the following commitments arising in the ordinary course of business:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Capital commitments – Northam Platinum Limited (Zondereinde mine)				
Authorised but not contracted	2 130 306	1 927 685	2 130 306	1 927 685
Contracted	803 120	317 268	803 120	317 268
	2 933 426	2 244 953	2 933 426	2 244 953
Capital commitments – Booysendal mine				
Authorised but not contracted	926 376	1 232 900	–	–
Contracted	401 064	254 056	–	–
	1 327 440	1 486 956	–	–
Capital commitments – Eland mine				
Authorised but not contracted	948 898	1 638 100	–	–
Contracted	229 232	58 631	–	–
	1 178 130	1 696 731	–	–
Total capital commitments	5 438 996	5 428 640	2 933 426	2 244 953

Capital commitments relate to commitments and forecasted capital expenditure.

Below is a summary of the bank guarantees issued:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Bank guarantees				
Eskom Holdings SOC Limited	–	143 709	–	48 505
The Commission for Conciliation, Mediation and Arbitration (CCMA) relating to a labour dispute case at Booysendal Platinum Proprietary Limited	2 737	2 737	–	–
Renewable energy strategy service provider (G7 Renewable Energies Proprietary Limited)	24 000	–	24 000	–
Other	298	298	298	298
	27 035	146 744	24 298	48 803

Northam Holdings has issued a parent company guarantee to Eskom during the year to the value of R340.6 million, in respect of electricity charges for Northam Platinum, Booysendal and Eland.

As a result, all bank guarantees previously issued to Eskom were cancelled during the year, refer to note 23.

Other than the CCMA guarantee issued, all other guarantees have been issued by Northam Platinum.

Below is a summary of the guarantee issued to the DMRE:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Bank guarantees				
Department of Mineral Resources and Energy	741 089	733 402	225 187	225 187
	741 089	733 402	225 187	225 187

These environmental guarantees were issued by Guardrisk Insurance Company and Centriq Insurance Company Limited, refer to note 18.

48. Employee Labour Court judgement

Northam Platinum received judgement in a Labour Court case in which employees claimed that they were unfairly dismissed when they did not return to work after an unprotected work stoppage in 2016.

According to the Labour Court, the employees' dismissal was substantively unfair. Northam Platinum had been ordered to pay compensation for each employee equivalent to 12 months' remuneration calculated at the rate of remuneration on dismissal, which amounted to R54.3 million.

The employees sought reinstatement and were granted leave to appeal to the Labour Appeal Court. Northam Platinum opposed the appeal. The matter was heard in the Labour Appeal Court on 11 February 2020, and the appeal was dismissed by the Labour Appeal Court on 14 September 2021.

All amounts due and payable including interest of R16.0 million was paid into an attorneys' trust account and Northam believes that the matter has been settled in full during F2022. Refer to note 6 for details on the finance charges relating to the Employee Labour Court Judgement recognised during F2022.

49. South African Revenue Service VAT claim

In 2015 Northam Platinum concluded a R6.6 billion Broad Based Economic Empowerment (BEE) transaction which secured a 31.4% Historically Disadvantaged South African interest in Northam Platinum and at the same time secured funding for the group's expansion and growth plans. As part of the transaction, a BEE special purpose vehicle (Zambezi Platinum (RF) Proprietary Limited, previously known as Zambezi Platinum (RF) Limited) acquired ordinary Northam Platinum Shares from existing shareholders and through Northam Platinum issuing new shares, referred to as the Zambezi BEE Transaction.

Northam Platinum claimed input VAT in relation to the Zambezi BEE Transaction.

The South African Revenue Services (SARS) disallowed this input VAT, alleging that the relevant costs were not incurred for the purpose of consumption, use or supply in the course of making taxable supplies. Additional assessments were raised by SARS to disallow the input VAT claimed by Northam Platinum and an understatement penalty was imposed in terms of section 223(1) of the Tax Administration Act, No. 28 of 2011.

The objection raised by Northam Platinum against the additional assessments and understatement penalties was disallowed, upon which Northam Platinum appealed to the Tax Court. SARS and Northam Platinum reached a settlement prior to the matter being heard in the Tax Court. In terms of the settlement agreement, Northam Platinum was liable for an amount of R16.8 million as full and final settlement of the dispute, which was equal to the capital amount assessed and recovered by SARS from the VAT refund that was due to Northam Platinum in respect of the August 2018 tax period. Refer to note 8 for amounts relating to the settlement of the VAT dispute with SARS during F2022.

It was also agreed that all the other amounts that have been assessed, and recovered from Northam Platinum by SARS, be remitted and the difference between the capital amount and the total amount recovered by SARS through the reduction of the refund that was due in respect of the August 2018 tax period, being an amount of R15.9 million, with interest be refunded by SARS to Northam Platinum.

All refunds were received during the year.

50. Contingent asset – COVID-19 Temporary Employee Relief Scheme (C-19 TERS)

Due to the COVID-19 pandemic affecting business, government introduced the COVID-19 Temporary Employee Relief Scheme (C-19 TERS) available to all businesses affected by the lockdown during F2022.

Northam submitted C-19 TERS claims to the value of R121.3 million, of which an amount of R108.9 million has been received in previous years, refer to note 7 for amounts received during F2022.

No further amounts are anticipated to be received.

51. Events after the reporting period

There have been no events, other than what has been disclosed, subsequent to year-end which require additional disclosure or adjustment to these annual financial statements.

Administration and contact information

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Bond ISIN: ZAG000164922
Bond code: NHM016
Bond ISIN: ZAG000167750
Bond code: NHM019
Bond ISIN: ZAG000168105
Bond code: NHM020
Bond ISIN: ZAG000172594
Bond code: NHM021
Bond ISIN: ZAG000181496
Bond code: NHM022
Bond ISIN: ZAG000190133
Bond code: NHM023
Bond ISIN: ZAG000190968
Bond code: NHM024
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