

2024 Half-Year Financial Results

29Metals Limited ('29Metals' or the 'Company') today released its Appendix 4D and Half-Year Financial Report for the half year ended 30 June 2024 (the 'HY24 Financial Results') for 29Metals and its controlled entities (the 'Group').

This release presents a summary of information reported in the HY24 Financial Results and should be read in conjunction with the full HY24 Financial Results, released separately today. Unless otherwise stated, results in this release are in Australian dollars and reported on a statutory basis.

Key Financial Results:

- Total revenue of \$243 million (HY23: \$235 million), 3% higher than the prior corresponding period. Primarily reflecting higher zinc concentrate revenue, partly offset by lower copper and lead concentrate revenue.
- Cost of sales of \$258 million (HY23: \$275 million), 6% lower than the prior corresponding period.
- Positive EBITDA¹ of \$5 million (HY23: negative \$27 million).
- Positive cash flows from operating activities of \$1 million (HY23: negative \$25 million).
- Net Loss After Tax ('NLAT') of \$109 million (HY23: \$307 million loss), which includes non-cash expenses of:
 - \$48 million of depreciation and amortisation;
 - \$30 million impairment recognised at 30 June 2024 in relation to Capricorn Copper cash generating unit; and
 - \$9 million write-off of ore stockpiles at Capricorn Copper.
- Total Liquidity¹ at 30 June 2024 was \$130 million (31 December 2023: \$162 million), reduced liquidity reflecting:
 - cash outflows associated with suspension of operations at Capricorn Copper;
 - investment in water treatment and bulk release infrastructure and environmental compliance projects at Capricorn Copper; and
 - Golden Grove capital investment, primarily Tailings Storage Facility 4.
- Balance sheet strengthened during the six month reporting period, with US\$50 million offtake finance facility with Glencore finalised and an additional unallocated progress payment of \$16 million received in response to the insurance claim for loss and damage suffered resulting from the Capricorn Copper Extreme Weather Event², which remains ongoing.
- Drawn Debt¹ at 30 June 2024 was \$217 million (31 December 2023: \$217 million), unchanged from the prior period.

For the 6 months ended 30 June	UNITS	2024	2023	VAR
Revenue	\$'000	243,025	235,029	7,996
Cost of sales	\$'000	(258,320)	(275,272)	16,952
Gross loss	\$'000	(15,295)	(40,243)	24,948
EBITDA ¹	\$'000	5,050	(27,119)	32,169
Cashflows from operating activities	\$'000	1,382	(24,640)	26,022
NLAT	\$'000	(109,186)	(306,667)	197,481
Earnings per share	cents/share	(15.6)	(63.6)	48.0
Copper production	kt	14.2	10.0	4.2
Zinc production	kt	20.0	22.1	(2.1)
% copper sales ³	%	65%	69%	(4%)
Average copper price ⁴	US\$/lb	4.12	3.95	0.17
Average zinc price ⁴	US\$/lb	1.20	1.29	(0.09)
Exchange rate (period average) ⁴	AUD:USD	0.658	0.676	(0.018)

¹ EBITDA, Total Liquidity and Drawn Debt are non-IFRS financial information metrics. Refer to important information regarding the use of non-IFRS financial information in this release on page 4.

² For information regarding the impact of Extreme Weather Event at Capricorn Copper in March 2023 refer to: 'Impact of Extreme Rainfall on Capricorn Copper Operations' released to the ASX announcements platform on 9 March 2023; 'Capricorn Copper Operations Update' released to the ASX announcements platform on 15 March 2023; 'Capricorn Copper Update' released to the ASX announcements platform on 20 April 2023; and 'Strategic Update' released to the ASX announcements platform on 23 May 2023.

³ Copper concentrate revenue as a % of total revenue.

⁴ Source: S&P Global.

Commenting on the HY24 Financial Results, Chief Executive Officer, James Palmer, said:

“Significant progress was made through the first half of 2024 to improve the financial and operational footing of 29Metals.

At Capricorn Copper, the decision to suspend operations will preserve Group liquidity whilst we progress the key imperatives for a future successful and sustainable restart. Reducing water levels on site is the immediate focus, with significant investment made through the reporting period in water treatment and bulk release infrastructure in preparedness for the 2024/2025 wet season and beyond.

At Golden Grove, the benefits of the investment made into mine debottlenecking and surface infrastructure upgrades since the 29Metals IPO is evident. Versus the prior corresponding period, the asset delivered higher copper production, lower unit costs of production and an uplift in EBITDA¹ from \$12 million to \$34 million. Xantho Extended remains the near-term value driver for the Company, with focus on leveraging the investment made to date to increase the contribution of Xantho Extended to the total ore feed to the mill and achieving consistent delivery of tonnes from the mine.”

This release is authorised by the Board of Directors of 29Metals Limited

Corporate information

29Metals Limited (ABN 95 650 096 094)

Board of Directors

Owen Hegarty OAM
Fiona Robertson AM
Jacqueline 'Jacqui' McGill AO
Martin Alciatiuri
Tamara Brown
Francis 'Creagh' O'Connor

Non-executive Director, Chair
Independent Non-executive Director
Independent Non-executive Director
Independent Non-executive Director
Independent Non-executive Director
Non-executive Director

Company Secretary

Naomi Dolmatoff

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Stock exchange listing

Australian Securities Exchange (Ticker: 29M)

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Issued share capital

29Metals' issued capital is 701,862,508 ordinary shares (at 27 August 2024).

Important information

Forward-looking statements

This document contains certain forward-looking statements and comments about future events, including in relation to 29Metals' businesses, plans and strategies and expected trends in the industry in which 29Metals currently operates. Forward-looking statements can generally be identified by the use of words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'plan', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'outlook', 'estimate', 'target' and other similar words. Indications of, and guidance or outlook on future earnings or financial position or performance are also forward-looking statements.

Forward-looking statements involve inherent risks, assumptions and uncertainties, both general and specific, and there is a risk that predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors could cause 29Metals' actual results to differ materially from the plans, objectives, expectations, estimates, targets and intentions expressed in such forward-looking statements, and many of these factors are beyond 29Metals' control. Statements or assumptions in this document may prove to be incorrect, and circumstances may change, and the contents of this document may become outdated as a result.

Without limiting the generality of the foregoing, 29Metals notes that instances of escalating COVID-19 infection and hospitalisation rates continue to be reported publicly. 29Metals' guidance and other forward-looking statements assume that restrictions on movement and other government intervention will not return or escalate.

Forward-looking statements are based on 29Metals' good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect 29Metals' business and operations in the future. 29Metals does not give any assurance that the assumptions will prove to be correct. There may be other factors that could cause actual results or events not to be as anticipated, many of which are beyond 29Metals' reasonable control.

Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of this document, and except where required by law, 29Metals does not intend to update or revise any forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this document.

Nothing in this document is a promise or representation as to the future, and past performance is not a guarantee of future performance. 29Metals nor its Directors make any representation or warranty as to the accuracy of such statements or assumptions.

Non-IFRS financial information

29Metals' results are reported under IFRS. This HY24 Financial Results release includes certain metrics, such as *Drawn Debt, EBITDA and Total Liquidity*, which are non-IFRS financial information within the meaning of ASIC Regulatory Guide 230: *'Disclosing non-IFRS financial information'*. These non-IFRS financial information metrics have been calculated by reference to information prepared in accordance with IFRS. However, these non-IFRS financial information metrics do not have a standardised meaning prescribed by IFRS and may be calculated differently by other companies.

The non-IFRS financial information metrics included in this HY24 Financial Results release are used by 29Metals to assess the underlying performance of the business. The non-IFRS information has not been subject to audit by 29Metals' external auditor.

Non-IFRS financial information should be used in addition to, and not as a substitute for, information prepared in accordance with IFRS. Although 29Metals believes these non-IFRS financial information metrics provide useful information to investors and other market participants, readers are cautioned not to place undue reliance on any non-IFRS financial information presented. Refer to the Appendix for definitions of the non-IFRS financial information metrics used in this HY24 Financial Results release.

Rounding

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

Appendix – Non-IFRS financial information

Metric	Definition
Total Liquidity	<p>is the sum of cash and cash equivalents (excluding cash held as rental security deposit and EMR Capital IPO proceeds retained by 29Metals under cash backed indemnity arrangements described in Note 38 of the Group's 2023 Annual Consolidated Financial Statements), and funds available to be drawn under 29Metals' working capital facility and Mezzanine Loan Note facility.</p>
EBITDA	<p>is earnings before finance income, finance costs, any unrealised foreign exchange gains or losses, any realised and unrealised gains or losses on derivative financial instruments, asset impairment as a result of damage or loss from the Extreme Weather Event at Capricorn Copper, impairment expense relating to the Capricorn Copper cash generating unit, write down of inventory (excluding NRV inventory write downs), write-off of exploration and evaluation expenditure, income tax expense/(benefit) and depreciation and amortisation. Because it eliminates all gains and losses on gold swaps, impairment expenses, the non-cash charges for depreciation and amortisation, and unrealised foreign exchange gain or losses, 29Metals considers that EBITDA is useful to help evaluate the operating performance of the business without the impact of those items, and before finance income and finance costs and tax charges, which are significantly affected by the capital structure and historical tax position of 29Metals.</p> <p>A reconciliation of EBITDA to NLAT is set out on page 17 of the HY24 Financial Results.</p>
Drawn Debt	<p>is amounts drawn under Group debt facilities and insurance premium funding facilities as reported in accordance with Australian Accounting Standards, excluding bank guarantees issued under the Group bank guarantee facilities.</p>
