

29 August 2022

# 2022 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 2022 (the 'HY22 Financial Results') for 29Metals and its controlled entities (the 'Group').

This release presents a summary of information reported in the HY22 Financial Results and should be read in conjunction with the HY22 Financial Results separately released today.

The prior corresponding period results for the HY22 Financial Results are the results of the Golden Grove Group<sup>1</sup>. This is because Golden Grove, LP, was deemed the accounting acquirer in the 2021 Restructure and IPO Transactions<sup>2</sup>. As a result, the statutory results for the prior corresponding period do not include results for Capricorn Copper, Redhill or 29Metals corporate costs.

To provide additional insights to investors regarding the performance of the Group, this release also includes pro forma results for the Group for the six months ended 30 June 2021, prepared as if the Restructure and IPO Transactions had occurred prior to 1 January 2021.<sup>2</sup> Further information regarding this pro forma financial information is set out in the Operating and Financial Review (included in the HY22 Financial Results released separately today).

Unless otherwise stated, results in this release are reported on a statutory basis.

## Key Results

- **Copper equivalent ('Cu-eq')<sup>3</sup> production of 34kt** (2021: 19kt), a 14% increase on 2021 pro forma Cu-eq production.
- **Revenue of \$356 million** (HY21: \$181 million), a 23% increase on 2021 pro forma revenue.
- **EBITDA<sup>3</sup> of \$94 million** (HY21: \$54 million), a 23% increase relative to 2021 pro forma EBITDA.
- **Operating cash flow of \$109 million** (HY21: \$40 million), net of settlements for derivative financial instruments.
- **Net Profit After Tax ('NPAT') of \$0.4 million** (HY21: nil), an increase on 2021 pro forma net loss after tax of \$13 million.
- **Adjusted NPAT<sup>3</sup> of \$7 million** (HY21: \$16 million), after removing unrealised losses on derivatives and foreign exchange.
- **Net Cash of \$16 million**, improving from \$3 million Net Drawn Debt at 31 December 2021.<sup>3</sup>
- **Interim dividend of 2.0 cents per share fully franked.**

For the 6 months ended 30 June	UNITS	STATUTORY			PRO FORMA	
		2022	2021	VAR	2021	VAR
Revenue <sup>1</sup>	\$'000	356,373	180,684	175,689	289,519	66,854
Cost of sales	\$'000	(324,959)	(157,180)	(167,779)	(260,553)	(64,406)
Gross Profit	\$'000	31,414	23,504	7,910	28,966	2,448
EBITDA	\$'000	94,390	54,061	40,329	76,956	17,434
Cashflow from operating activities	\$'000	108,781	40,317	68,464	NA	NA
NPAT	\$'000	390	0	390	(13,212)	13,602
Adjusted NPAT	\$'000	6,524	15,837	(9,313)	9,033	(2,509)
Earnings per share ('EPS')	cents/share	0.08	NA	NA	NA	NA
Adjusted EPS	cents/share	1.36	NA	NA	NA	NA
Cu-eq production	kt	34	19	15	30	4
% copper sales <sup>2</sup>	%	62%	45%	17%	64%	(2%)
Average copper price	US\$/lb	9,769	9,086	683	9,086	683
Exchange rate <sup>3</sup> (period average)	AUD:USD	0.719	0.771	(0.052)	0.771	(0.052)
C1 Costs	US\$/lb	2.38	1.85	0.54	2.67	(0.29)
AISC	US\$/lb	3.55	3.61	(0.06)	3.95	(0.40)

<sup>1</sup> Revenue comprises all concentrate sales, inclusive of final shipment invoice and QP adjustments, and after concentrate treatment and refining charges ('TCRCs').

<sup>2</sup> % Copper sales is gross copper sales proceeds (before QP adjustments and TCRCs), divided by the sum of gross sales proceeds for copper, zinc, gold, silver and lead (before QP adjustments and TCRCs).

<sup>3</sup> Foreign exchange rate cited is the average rate for the relevant period (Source: FactSet).

<sup>1</sup> The Golden Grove Group comprises *Golden Grove, LP, Golden Grove Holdings (No.2) Pty Ltd, Golden Grove Holdings (No.3) Pty Ltd, and Golden Grove Operations Pty Ltd*. Refer to Note 2 of the Consolidated Financial Statements in the HY22 Financial Results for further information regarding the basis of preparation of the statutory financial results for the prior corresponding period.

<sup>2</sup> Refer to Note 34 to the Consolidated Financial Statements for the Group for the year ended 31 December 2021 for further information regarding the 2021 *Restructure and IPO Transactions*, including basis of preparation and the accounting treatment that resulted in Golden Grove, LP, being deemed the "acquirer" for statutory accounting purposes. 29Metals' Appendix 4E and Annual Financial Report was released to the ASX announcements platform on 23 February 2022 and is available on 29Metals' website at: <https://www.29metals.com/investors>.

<sup>3</sup> EBITDA, Adjusted NPAT, Net Cash, Net Drawn Debt, Cu-eq, C1 Costs and AISC are non-IFRS financial information metrics. Refer to important information regarding the use of non-IFRS financial information in this release on page 2.

Commenting on the financial results Managing Director & Chief Executive Officer, Peter Albert, said:

*"29Metals is pleased to present its 2022 half year financial results which reflect the improved operating performance achieved in the half relative to the prior corresponding period.*

*29Metals delivered copper equivalent production of 34kt, exceeding Cu-eq production for the prior corresponding period on a pro forma basis by 14%.*

*Improved performance at both operating sites in the first half was achieved in a challenging operating environment. The difficulties presented by COVID-19 as well as the onset of winter cold and flu absenteeism, supply chain disruptions and extreme weather conditions, were well-managed.*

*Higher production resulted in improved unit C1 Costs for the first half of 2022 of US\$2.38/lb of payable copper sold, an 11% reduction from the prior corresponding period on a pro forma basis, despite the impacts of labour and cost inflation during the period. Overall, both operations are effectively managing costs, a testament to the dedication of our operating teams.*

*29Metals remains focussed on executing our plans to deliver sustainable growth in shareholder value. Substantial progress was achieved on operational de-risking and productivity improvements, including ventilation upgrades at both operations, delivery of paste fill delivery infrastructure to support mining of Xantho Extended ('XE') at Golden Grove, and first production from the new 45m sub-level intervals at XE.*

*Consistent with our commitment to deliver returns to shareholders, the Board has determined to pay the Company's first dividend, an interim dividend of 2.0 cents per share fully franked. The dividend at the half year, while modest, balances the Board's desire to deliver returns to shareholders and the ongoing work on the Company's organic growth opportunities.*

## **Important information regarding non-IFRS financial information**

### **Non-IFRS financial information metrics used in this release**

This release contains certain information, such as *C1 Costs, AISC, EBITDA, Adjusted NPAT, Adjusted EPS, Drawn Debt, Net Cash, Net Drawn Debt, Site Operating Costs, Royalty and Other Selling Costs* and *Cu-eq*, that is not recognised under Australian Accounting Standards and is classified as 'non-IFRS financial information' under ASIC Regulatory Guide 230 (*Disclosing non-IFRS financial information*).

Non-IFRS financial information metrics do not have standardised meanings under the Australian Accounting Standards and, as a result, may not be comparable to the corresponding metrics reported by other entities. The non-IFRS financial information metrics in this release are unaudited.

29Metals uses these non-IFRS financial information metrics to assess business performance and provide additional insights into the underlying performance of its assets.

The Appendix to this release sets out the definitions for non-IFRS financial information metrics used in this release, along with applicable reconciliations of non-IFRS financial information metrics to IFRS metrics.

Non-IFRS financial information should be considered in addition to, and not as a substitute for, financial information prepared in accordance with Australian Accounting Standards. Readers are cautioned not to place undue reliance on non-IFRS financial information cited in this release.

### **Pro forma financial information**

This release also contains certain pro forma financial information. Pro forma financial information is non-IFRS financial information and is unaudited.

The pro forma financial information in this release has been included to provide investors with additional insights regarding the operating and financial performance of the Group for the half year because the statutory financial information for the prior corresponding period excludes the financial and operating performance of Capricorn Copper in the period prior corresponding period.

Information regarding the basis of preparation of the statutory financial information is summarised in this release and set out in the HY22 Financial Results separately released today.

The pro forma financial information in this release should be considered in addition to, and not as a substitute for, financial information prepared in accordance with Australian Accounting Standards.

Readers are cautioned not to place undue reliance on non-IFRS financial information cited in this release.

## Summary of HY22 Financial Results

### Revenue

Revenue of \$356 million (HY21: \$181 million) was \$67 million, or 23%, higher than the prior corresponding period on a pro forma basis, reflecting higher copper and zinc production and favourable Australian dollar commodity prices, partly offset by softer gold production, higher treatment and refining charges ('TCRCs') and Quotational Period ('QP') adjustment losses.

Higher TCRCs reflect improved production and higher zinc treatment charges ('TC') inclusive of TC escalators linked to the prevailing zinc price. During the Jun-Qtr, benchmark zinc TCs increased to US\$230/t (2021: US\$159/t), as zinc smelter capacity constraints put upward pressure on TC unit costs and supported higher prevailing zinc prices.<sup>4</sup>

QP adjustment losses of \$31 million (HY21: \$4 million), reflects the impact of the decline in commodity prices towards the end of the half-year.

### Costs

Site Operating Costs for the Reporting Period was \$223 million (HY2021: \$123 million), increasing on a statutory reporting basis principally a result of the inclusion of Capricorn Copper for the period. Relative to the prior corresponding period on a pro forma basis, Site Operating Costs increased by 13%.

Increased operating activity in the Reporting Period (mining increased by 3% and milling increased by 8% relative to the prior corresponding period on a pro forma basis) was a key driver to an increase in Site Operating Costs.

Industry-wide cost inflation pressures also contributed to the increase in Site Operating Costs. 29Metals' ability to control Site Operating Costs was due, in part, to not being exposed to the significant inflationary pressure of east coast energy prices as grid power to 29Metals' sites is not connected to the east coast electricity market, and also as a consequence of 29Metals' mines being high grade underground operations moderating the Group's exposure to inflationary costs linked to activity levels (for example, lower relative diesel consumption with lower total material movements).

For the 6 months ended 30 June	UNITS	STATUTORY			PRO FORMA <sup>1</sup>	
		2022	2021	VAR	2021	VAR
Site Operating Costs <sup>2</sup>	\$'000	222,607	123,369	99,238	197,689	24,918
Depreciation & amortisation ('D&A')	\$'000	77,347	33,602	43,745	57,947	19,400
Stockpile movements	\$'000	(10,021)	(15,893)	5,872	(19,356)	9,335
Royalties and Other Selling Costs (incl. freight) <sup>2</sup>	\$'000	35,026	16,102	18,924	24,272	10,754
<b>Cost of sales</b>	<b>\$'000</b>	<b>324,959</b>	<b>157,180</b>	<b>167,779</b>	<b>260,553</b>	<b>64,406</b>

<sup>1</sup> Pro forma information is non-IFRS financial information. Refer to the important information regarding the use of non-IFRS financial information in this release on page 2.

<sup>2</sup> Site Operating Costs and Royalties and Other Selling Costs are non-IFRS financial information metrics. Refer to important information regarding the use of non-IFRS financial information in this release on page 2.

Cost of sales was higher, reflecting the impact of higher D&A, higher government royalties (in line with improved revenues), and lower stockpile adjustment credits.

D&A expenses of \$77 million (HY21: \$34 million) reflects the increased depreciable asset base, driven principally by the inclusion of Capricorn Copper in the Reporting Period, and depreciation associated with the construction and utilisation of tailings storage facilities at both Golden Grove and Capricorn Copper during the Reporting Period.

D&A for the 6 months ended 30 June	UNITS	STATUTORY			PRO FORMA <sup>1</sup>	
		2022	2021	VAR	2021	VAR
Property, plant and equipment D&A	\$'000	18,372	9,027	9,345	7,563	10,809
Mine Properties D&A	\$'000	42,462	13,941	28,521	36,151	6,311
AASB16 leases amortisation	\$'000	16,490	10,634	5,856	14,233	2,257
Intangibles amortisation	\$'000	23	0	23	0	23
<b>Total D&amp;A</b>	<b>\$'000</b>	<b>77,347</b>	<b>33,602</b>	<b>43,745</b>	<b>57,947</b>	<b>19,400</b>

<sup>1</sup> Pro forma information is non-IFRS financial information. Refer to the important information regarding the use of non-IFRS financial information in this release on page 2.

<sup>4</sup> Further details on 29Metals zinc concentrate offtake arrangements<sup>4</sup> are set out in 29Metal's Mar-Qtr report released to the ASX announcements platform on 27 April 2022.

EBITDA for the period was \$94 million (HY21: \$54 million). The EBITDA result for the Reporting Period was an improvement of approximately \$17 million against the prior corresponding period on a pro forma basis, reflecting increased sales volumes and realised prices, partly offset by higher operating costs, TCRCs, and concentrate transport costs.

## NPAT

Net profit after tax attributable to members ('NPAT') for the Reporting Period of \$0.4 million (HY21: nil) was impacted by higher D&A expenses as well as unrealised non-cash adjustments, including losses of \$3 million in unrealised FX on the devaluation of the Australian dollar against the US dollar at period end attributable to 29M's US dollar borrowings and a \$6 million in losses on derivative financial instruments.

Adjusting for unrealised losses on derivative financial instruments and foreign exchange, as well as consequential tax expense, 29Metals recorded an Adjusted NPAT<sup>5</sup> of \$7 million (HY21: \$16 million).

## Balance Sheet

At 30 June 2022 Net Cash was approximately \$16 million (31-Dec-2021: \$3.5 million Net Drawn Debt).<sup>6</sup>

		30-Jun-2022	31-Dec-2021	VAR
Term loan facility	\$'000	213,220	200,971	12,249
Working capital facility	\$'000	0	0	0
<b>Drawn Debt</b> <sup>1</sup>	<b>\$'000</b>	<b>213,220</b>	<b>200,971</b>	<b>12,249</b>
Cash and cash equivalents	\$'000	228,728	197,472	31,256
<b>(Net Cash) / Net Drawn Debt</b> <sup>1</sup>	<b>\$'000</b>	<b>(15,508)</b>	<b>3,499</b>	<b>(19,007)</b>

<sup>1</sup> Drawn Debt, Net Debt, Net Cash and Net Drawn Debt are non-IFRS financial information metrics. Refer to important information regarding the use of non-IFRS financial information metrics in this release on page 2.

The term loan facility of \$213 million at 30 June 2022 increased by \$12 million from 31 December 2021, in Australian dollar terms, due to the depreciation of the Australian dollar over the Reporting Period. Repayments of the term loan facility will commence in the second half with principal repayments of US\$6 million at the end of each of the September and December 2022 quarters.

At 30 June 2022 the US\$40 million working capital facility remained fully undrawn.

The \$31 million increase in cash and cash equivalents to \$229 million (31-Dec-21: \$197 million) reflects improved operating performance and the timing of sales at the end of the June 2022 quarter and the depreciation of the Australian dollar impacting cash balances denominated in US dollars.

The increase in cash and cash equivalents is after \$19 million in outflows related to the settlement of derivative financial instruments (primarily copper hedges at Capricorn Copper). Payment of stamp duty in connection with the restructure and IPO transactions remains outstanding. 29Metals has maintained a provision for this amount in the HY22 Financial Results.

Both realised and unrealised hedging gains and losses are reported in the Statement of Comprehensive Income.<sup>7</sup>

Outstanding gold and copper hedges are summarised below. 29Metals has no copper hedging beyond the September 2022 quarter.

OUTSTANDING HEDGES	COPPER HEDGES		GOLD HEDGES		
	As at 30 June 2022	tonnes	A\$/tonne <sup>1</sup>	ounces	A\$/ounce <sup>1</sup>
2022		3,204	8,999 <sup>2</sup>	6,996	2,590
2023		-	-	10,008	2,590
2024		-	-	10,008	2,590
2025		-	-	10,008	2,590

<sup>1</sup> A\$/tonne and A\$/ounce cited is the average of hedging commitments for the period.

<sup>2</sup> 2022 copper hedges apply to the September 2022 quarter.

<sup>5</sup> Adjusted NPAT is a non-IFRS financial metric. Refer to important information regarding the use of non-IFRS financial information metrics in this release on page 2.

<sup>6</sup> Excludes cash balances set aside for rental security deposits and EMR Capital IPO proceeds retained by 29Metals under cash backed indemnity arrangements described in section 10.6.12.3 of the 29Metals Prospectus released to the ASX announcements platform on 2 July 2021.

<sup>7</sup> Reported as "Net gain / (loss) on derivative financial instruments".

## Interim Dividend

The Board has determined to pay an interim dividend of 2.0 cents per share, fully franked, with a record date of 16 September 2022 and a payment date of 14 October 2022.

Whilst modest in size, the determination to pay an interim dividend reflects the Board's commitment to deliver returns to shareholders and takes account of continuing work on Company's pipeline of organic growth opportunities.

As the Board determined to pay the interim dividend after 30 June 2022, the impact of the interim dividend is not reflected in the HY22 Financial Results.

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*This release was authorised for release by the Board of Directors.*

## **Corporate Information**

29Metals Limited (ABN 95 650 096 094)

### **Board of Directors**

Owen Hegarty OAM	Non-Executive Chairman
Peter Albert	Managing Director & CEO
Fiona Robertson	Independent Non-Executive Director
Jacqueline McGill AO	Independent Non-Executive Director
Martin Alciaturi	Independent Non-Executive Director

### **Company Secretary**

Clifford Tuck

### **Registered Office**

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### **Stock Exchange Listing**

Australian Securities Exchange (Ticker: 29M)

### **Investor relations Enquiries**

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Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### **Issued Share Capital**

29Metals' issued capital is 481,319,391 ordinary shares.

## **IMPORTANT INFORMATION REGARDING FORWARD LOOKING STATEMENTS**

This document contains forward looking statements and comments about future events, including in relation to 29Metals' businesses, plans and strategies. Forward-looking statements can generally be identified by the use of words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and similar expressions. Indications of, and guidance or outlook regarding, future 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. Relevant statements may prove to be incorrect, and circumstances may change, and the contents of this document may become outdated as a result.

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. 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, and 29Metals does not give any assurance that the assumptions will prove to be correct.

Readers are cautioned not to place undue reliance on forward looking statements, particularly in the current economic climate with the significant volatility, uncertainty and disruption caused directly or indirectly by the COVID-19 pandemic. Except as required by applicable laws, 29Metals does not undertake any obligation to publicly update or revise any forward-looking statements, to advise of any change in assumptions on which any such statement is based, or to publish prospective information in the future.

## Appendix – Non-IFRS financial information

METRIC	DEFINITION
<b>Adjusted EPS</b>	Is adjusted earnings per share, and is calculated using Adjusted NPAT divided by the weighted average number of ordinary shares outstanding for the period.
<b>Adjusted NPAT</b>	is NPAT for the year attributable to members adjusted for non-recurring items, application of IFRS accounting standards by Golden Grove, LP ( <b>GGLP</b> ) <sup>8</sup> , unrealised gains and losses on derivative financial instruments, and unrealised foreign exchange losses. A reconciliation of Adjusted NPAT to NPAT is set out on page 9 of this report.
<b>AISC</b>	is <i>all-in sustaining costs</i> , and is calculated as C1 Costs plus royalties cost, corporate costs, sustaining capital and capitalised development costs, but excludes growth capital and exploration. AISC is cited per pound of payable copper sold and in \$ million terms.
<b>C1 Costs</b>	is mining costs, processing costs, maintenance costs, site general & administrative costs, realisation costs including shipping and logistics costs), and treatment and refining charges, adjusted for stockpile movements and net of by-product credits (non-copper metal related). C1 Costs is cited per pound of payable copper sold and in \$ million terms.
<b>Cu-eq</b>	is <i>copper equivalent contained metal</i> . Cu-eq converts zinc, gold, silver and lead metal produced (contained metal-in-concentrate) to copper equivalent metal on an economic basis. Cu-eq is calculated by applying metal prices and actual or assumed metallurgical recovery. Cu-eq calculations do not apply adjustments for payability or selling costs which differ between metals and between operating sites. Cu-eq metrics cited in this report apply actual metallurgical recovery for the period and the following commodity prices: <ul style="list-style-type: none"> <li>▪ Cu: Mar-Qtr-21 US\$8,490/t, Jun-Qtr-21: US\$9,682/t, Mar-Qtr-22: US\$9,997/t, Jun-Qtr-22: US\$9,541/t</li> <li>▪ Zn: Mar-Qtr-21 US\$2,749/t, Jun-Qtr-21: US\$2,913/t, Mar-Qtr-22: US\$3,753/t, Jun-Qtr-22: US\$3,933/t</li> <li>▪ Au: Mar-Qtr-21 US\$1,794/oz, Jun-Qtr-21: US\$1,815/oz, Mar-Qtr-22: US\$1,878/oz, Jun-Qtr-22: US\$1,871/oz</li> <li>▪ Ag: Mar-Qtr-21 US\$26.3/oz, Jun-Qtr-21: US\$26.6/oz, Mar-Qtr-22: US\$24.0/oz, Jun-Qtr-22: US\$22.7/oz</li> <li>▪ Pb: Mar-Qtr-21 US\$2,017/t, Jun-Qtr-21: US\$2,123/t, Mar-Qtr-22: US\$2,336/t, Jun-Qtr-22: US\$2,206/t</li> </ul> (Source: FactSet)
<b>Drawn Debt</b>	is amounts drawn under Group debt facilities, excluding bank guarantees issued under the Group bank guarantee facility, letters of credit ('LC') issued under the Group LC facility and insurance premium funding.
<b>EBITDA</b>	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, income tax expense and D&A. Because EBITDA eliminates all gains and losses on forward commodity contracts (copper) and swaps (gold), the non-cash charges for D&A, and unrealised foreign exchange gain or losses, 29Metals considers that EBITDA is useful to help evaluate the operating performance of the business without the impact of those items, and before finance income and finance costs and tax charges, which are significantly affected by the capital structure and historical tax position of 29Metals. A reconciliation of EBITDA to NPAT is set out on page 9 of this report.
<b>Net Debt</b>	is total debt including lease liabilities, insurance premium funding, derivative financial assets and liabilities less cash and cash equivalents (excluding cash held as rental security deposit) less EMR Capital IPO proceeds retained by 29Metals under cash backed indemnity arrangements described in section 10.6.12.3 of the 29Metals Prospectus <sup>9</sup> . 29Metals uses this measure to understand its overall credit position. Investors should be aware that cash and cash equivalents may be required for purposes other than debt reduction.
<b>Net Cash / Net Drawn Debt</b>	is Drawn Debt less cash and cash equivalents excluding cash held as rental security deposit and EMR Capital IPO proceeds retained by 29Metals under cash backed indemnity arrangements described in section 10.6.12.3 of the 29Metals Prospectus. <sup>9</sup> 29Metals uses this measure to understand its overall credit position. Investors should be aware that cash and cash equivalents may be required for purposes other than debt reduction.
<b>Royalties and Other Selling Costs</b>	is the sum of government royalties and other production and selling costs, including freight.
<b>Site Operating Costs</b>	is the sum of mining costs, processing costs and site services costs.

<sup>8</sup> Refer to Note 34 to the Consolidated Financial Statements for the Group for the year ended 31 December 2021 for further information regarding the 2021 Restructure and IPO Transactions, including basis of preparation and the accounting treatment that resulted in GGLP, being deemed the "acquirer" for statutory accounting purposes. 29Metals' Appendix 4E and Annual Financial Report was released to the ASX announcements platform on 23 February 2022 and is available on 29Metals' website at: <https://www.29metals.com/investors>.

<sup>9</sup> 29Metals Prospectus dated 21 June 2021, a copy of which was released to the ASX announcements platform on 2 July 2021 and is available via 29Metals' website at: <https://www.29metals.com/investors/asx-releases>.



RECONCILIATION OF ADJUSTED NPAT TO NPAT		STATUTORY			PRO FORMA <sup>1</sup>	
		2022	2021	VAR	2021	VAR
<b>For the 6 months ended 30 June</b>						
<b>NPAT</b>	<b>\$'000</b>	<b>390</b>	<b>0</b>	<b>390</b>	<b>(13,212)</b>	<b>13,602</b>
Add: Increase in net assets attributable to GGLP partners	\$'000	0	14,955	(14,955)	0	0
Add: unrealised (gain)/loss on derivatives	\$'000	5,516	(3,046)	8,562	31,193	(25,677)
Add: unrealised FX loss	\$'000	3,246	4,306	(1,060)	4,005	(759)
Add: reported tax expense / (credit)	\$'000	998	2,990	(1,992)	(9,082)	10,080
Less: tax expense related to above items	\$'000	(3,626)	(3,368)	(258)	(3,871)	245
<b>Adjusted NPAT</b>	<b>\$'000</b>	<b>6,524</b>	<b>15,837</b>	<b>(9,313)</b>	<b>9,033</b>	<b>(2,509)</b>

<sup>1</sup>. Pro forma financial information is non-IFRS financial information. Refer to important information on page 2 regarding the use of non-IFRS financial information in this report.

RECONCILIATION OF EBITDA TO NPAT		STATUTORY			PRO FORMA <sup>1</sup>	
		2022	2021	VAR	2021	VAR
<b>For the 6 months ended 30 June</b>						
<b>NPAT</b>	<b>\$'000</b>	<b>390</b>	<b>0</b>	<b>390</b>	<b>(13,212)</b>	<b>13,602</b>
Add: Income tax expense/(benefit)	\$'000	998	2,990	(1,992)	(9,082)	10,080
Add: Net finance costs	\$'000	6,771	18,676	(11,905)	5,474	1,297
Add: Depreciation and amortisation	\$'000	77,347	33,602	43,745	57,947	19,400
Add: Unrealised foreign exchange loss	\$'000	3,246	4,306	(1,060)	4,005	(759)
Add: Net (gain)/loss on derivative financial instruments	\$'000	5,638	(5,513)	11,151	31,823	(26,185)
<b>EBITDA</b>	<b>\$'000</b>	<b>94,390</b>	<b>54,061</b>	<b>40,329</b>	<b>76,956</b>	<b>17,434</b>

<sup>1</sup>. Pro forma financial information is non-IFRS financial information. Refer to important information on page 2 regarding the use of non-IFRS financial information in this report.