

RESPONSIBLY MEETING  
GLOBAL DEMAND FOR

**QUALITY-OF-LIFE  
MINERALS**



**2024 AGM presentation**

10 May 2024

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# Creating sustainable competitive advantage



## Strategic priorities and 2023 performance

### OPERATE RESPONSIBLY

- Safe and engaged workforce
- Thriving communities
- Healthy natural environment
- Trusted business

**>6mths**

**WITHOUT A LOST  
TIME INJURY**

### DELIVER LONG LIFE, LOW COST PRODUCTION

- 1<sup>st</sup> quartile industry position confirmed by TZMI
- >100 years of Mineral Resources provides significant growth potential

**986kt**

**2023 ILMENITE  
PRODUCTION**

### ALLOCATE CAPITAL EFFICIENTLY

- Balance sheet strength
- Shareholder returns
- Develop value accretive growth opportunities

**\$50.0m**

**2023 DIVIDEND  
DISTRIBUTION**

# 2023 review



Mineral Separation Plant

# Sustainability goals advanced in 2023



## Sustainability strategic pillars

### Safe and engaged workforce

- >4m hours worked without a Lost Time Injury to date
- 16% female representation at the Moma Mine (2022: 14.5%)
- 40% of senior management roles at Moma held by women (2022: 25%)



### Thriving communities

- Contract signed for construction of district hospital
- 3 water supply systems constructed or refurbished
- 385 people benefitting from KMAD-sponsored microbusinesses (2022: 341)



### Healthy natural environment

- 14% reduction in Scope 1 emissions vs 2022
- 204,000 trees planted in 2023 (151,000 indigenous saplings and 53,000 casuarinas)
- Water reuse rate of >90%



### Trusted business

- \$79m spent with Mozambican suppliers
- 84% compliance with Supplier Code of Conduct<sup>1</sup>
- Security forces trained on Voluntary Principles on Security & Human Rights twice annually



1. Top 50 suppliers by spend, including all on-site suppliers

# Revised ilmenite production guidance achieved



## 2023 production review

### HMC production

**1,448,300t**

-9%

2022: 1,586,200t

### Primary zircon

**51,100t**

-13%

2022: 58,400t

### Concentrates

**45,700t**

1%

2022: 45,200t

### Ilmenite

**986,300t**

-9%

2022: 1,088,300t

### Rutile

**8,400t**

-6%

2022: 8,900t

### Shipments

**1,045,200t**

-3%

2022: 1,075,600t

### Mining

- HMC production impacted by the severe lightning strike in Q1 2023 and lower ore grades due to WCP B mining in wetlands and WCP A approaching end of current mine path
- H2 production was stronger than H1, as expected, benefitting from effective slimes management and WCP B leaving wetlands

### Finished products

- Revised ilmenite production guidance achieved and original guidance met or exceeded for other products

### Shipments

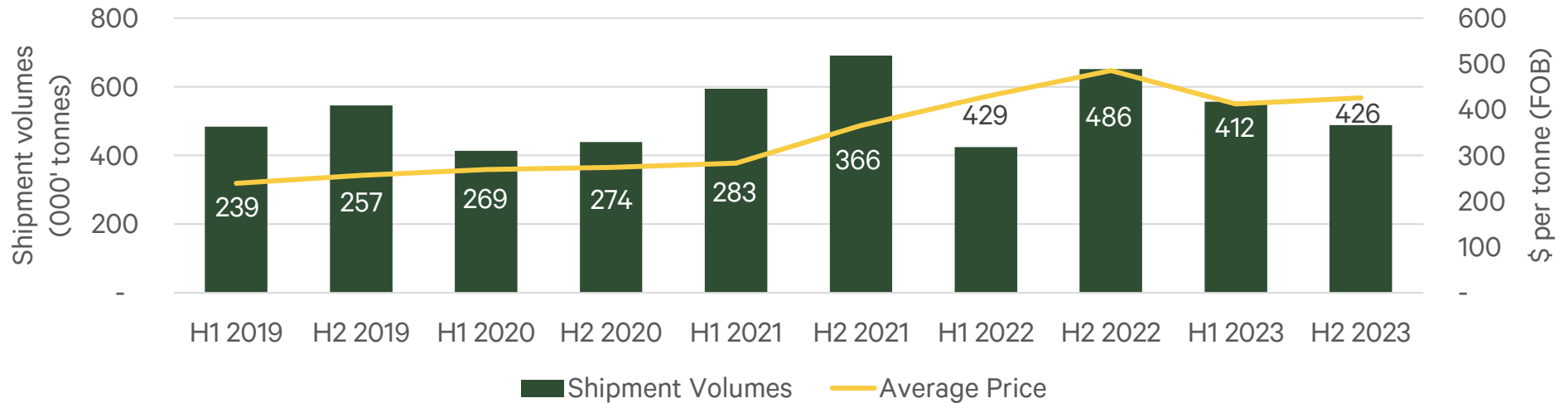
- 3% decrease in shipments vs 2022 due to weaker demand as pigment producers destocked – rebuilding of customer inventories expected to support demand in 2024
- Q4 was strongest quarter of 2023 despite poor weather conditions – some shipments deferred until Q1 2024

# Average product price above \$400/t



## Overview of Kenmare's product markets in 2023

### Average price received for Kenmare's products (\$/t)



- Demand for Kenmare's products remained relatively robust in 2023 – 3% decrease in shipment volumes compared to 2022
- Average received price remained strong, although down 10% to \$418/tonne (2022: \$468/t) due to lower global economic activity
- Demand from Western titanium pigment producers was softer due to underlying demand and pigment producers reducing feedstock inventories, however demand from Chinese pigment producers grew
- Demand from other market segments, primarily the titanium metal market, remained strong – 52% increase in titanium metal production since 2021<sup>1</sup>
- Zircon prices decreased in 2023 however higher zircon sales volumes in H2 benefitted Kenmare's average price received

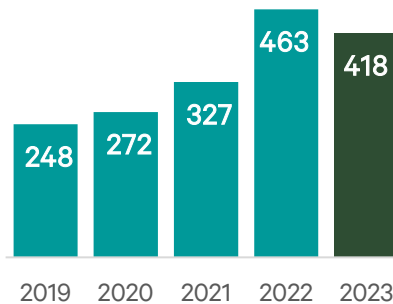
1. Source: Tooodu

# Robust cash flow generation in 2023

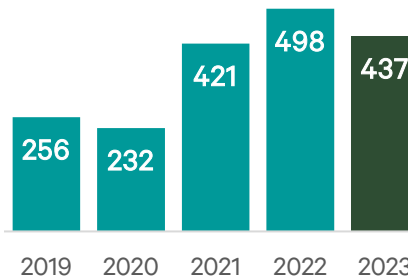


## Operational and financial highlights

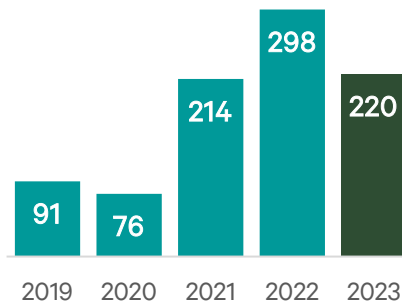
### Average price (\$/t)



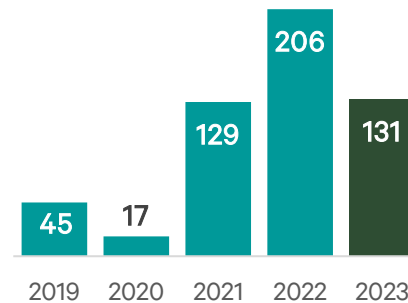
### Revenue (FOB)



### EBITDA (\$m)



### Net profit (\$m)



## Other highlights

### 2023 dividend

**USc56.0/sh**

(2022: USc54.3/sh)

### 2023 share buy-back

**\$30m**

(5.9% shares)

### Net cash

**\$20.7m**

(2022: \$27.5m)

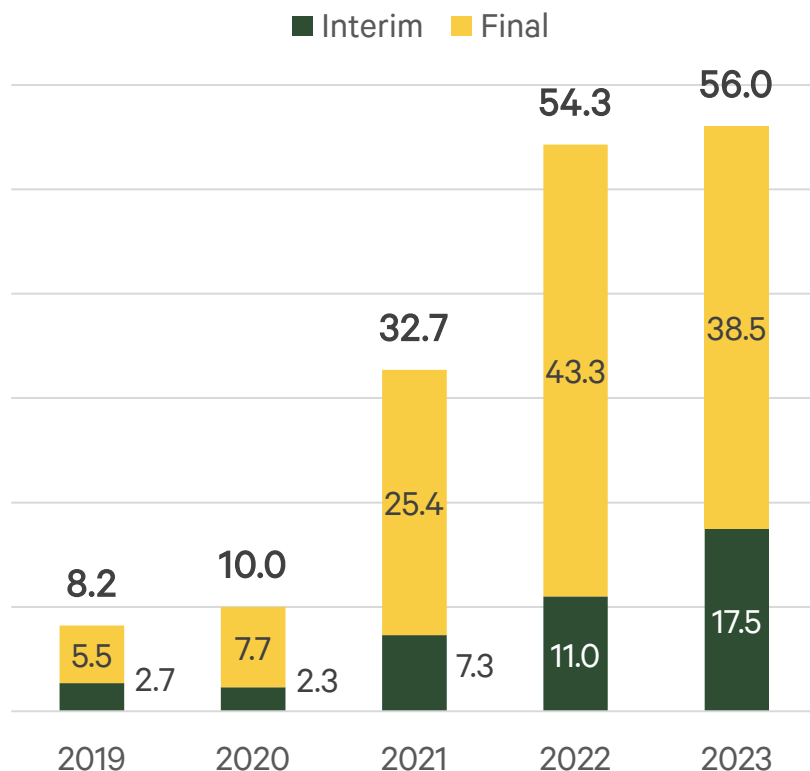


# > \$250m shareholder returns since 2019



Cumulative dividends of \$140m and share buy-backs of \$113m

## Dividend profile (USc/share)



## Share buy-back completed in 2023

- \$30m acquired at £4.22/sh, reducing share count by 5.9%

## Dividend policy delivery

- Proposed 2023 dividend of 38% of profit after tax (2022: 25%)
- Proposed dividend distribution of \$50m or USc56.0/sh
- Dividend per share benefits from reduced share count following share buy-back in September 2023
- Payout in accordance with dividend policy of 20-40% of underlying profit after tax

## Dividend timetable

Ex-dividend date	11 April 2024
Record date	12 April 2024
AGM date for shareholder approval	10 May 2024
Payment date	17 May 2024

**Dividend distribution maintained at \$50m in 2023**

# Outlook for 2024 & beyond



Wet Concentrator Plant B

# 2024 production guidance<sup>1</sup>



2024 ilmenite production expected to be in line with 2023

Production		2024 Guidance	2023 Actual
Ilmenite	tonnes	950,000-1,050,000	986,300
Primary zircon	tonnes	45,000-50,000	51,100
Rutile	tonnes	8,000-9,000	8,400
Concentrates <sup>2</sup>	tonnes	37,000-41,000	45,700

Costs			
Total cash operating costs	\$m	219-243	N/R
Cost per tonne of finished product	\$/tonne	198-218	N/R

- 2024 ilmenite production guidance of 950,000 to 1,050,000 tonnes reflecting higher excavated ore volumes offset by lower grades
- Total cash operating costs anticipated to increase to \$219-243 million in 2024, due to higher production overheads and power costs
- Expenditure on development projects and studies is expected to be ~\$189 million in 2024, relating primarily to the transition of WCP A to Nataka and feasibility studies for the upgrade works to WCP B
- Improvement projects are expected to be \$6 million in 2024 and relate primarily to upgrades to the Mineral Separation Plant
- Sustaining capital costs in 2024 are expected to be \$29 million

1. Guidance provided on 17 January 2024

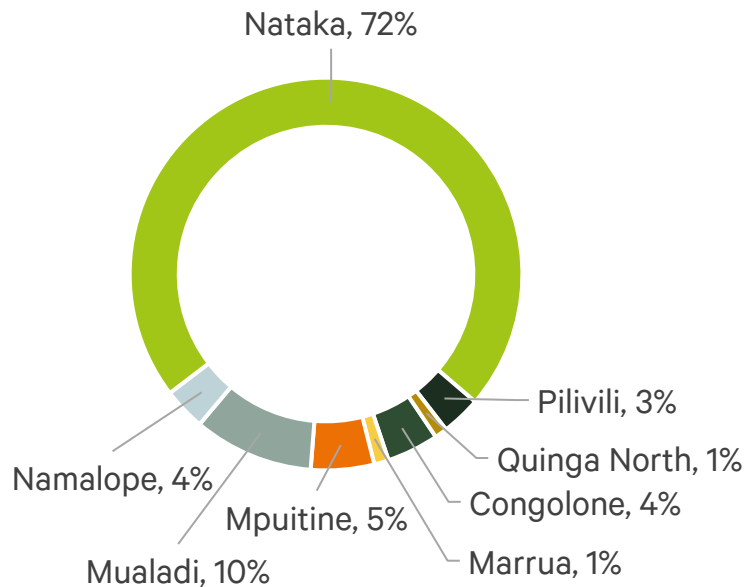
2. Concentrates includes secondary zircon and mineral sands concentrate.

# Securing future production at Moma



No significant relocation costs post WCP A transition to Nataka

## Mineral Resource by ore zone (THM Mt)



## WCP A upgrade and transition to Nataka

- Moving WCP A to Nataka unlocks the majority of Kenmare's 9.0bnt Mineral Resources, securing production at Moma for decades to come
- WCP A is the largest of three mining plants, ~50% of mining capacity
- 18-month transition path for WCP A to mine its way to Nataka from late 2025, where it will mine for the rest of its economic life

## WCP B to mine from Pilivili to Mualadi and eventually Nataka

- Following the move of WCP B to Pilivil in 2020, no subsequent moves are expected in the plant's economic life
- DFS underway to upgrade WCP B from 2,400tph to 3,400tph

## WCP C to remain in Namalope until ~2030

- WCP C is a 500tph plant, meaning relocation costs will be low due to its small size
- Move to Nataka is expected by the end of the decade, utilising existing infrastructure being established in Nataka for WCP A and B

# Moving forward with confidence



Investing in future production to maintain first quartile industry position

## Resilient long-term production profile

- One of the world's largest titanium minerals deposits
- >100 years of Mineral Resources at current production rate
- Low-cost bulk mining operation

## Maintaining first quartile industry position

- EBITDA margin of 50% in 2023
- Transition of Wet Concentrator Plant A to Nataka will enable Kenmare to maintain first quartile position

## Supportive market dynamics

- Market-leading position
- Medium and long-term fundamentals for Kenmare's products are strong due to limited supply growth

## Strong shareholder returns and growth options

- Board recommending \$50m of dividends in 2023
- Including 2023 dividends, Kenmare will have returned >\$250m to shareholders since 2019
- Future potential growth opportunity in Congolone deposit

**Long-life asset, first quartile producer, growing market, strong shareholder returns**

# Questions?



Jetty with transshipment vessel

# Resolution 1

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To consider the Financial Statements, the Directors' Report and the Independent Auditor's Report thereon for the year ended 31 December 2023.

# Resolution 2

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To consider the Remuneration Committee Report and the Annual Report on Remuneration as set out on pages 124 to 139 (inclusive) of the Annual Report for the year ended 31 December 2023.



# Resolution 3

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To declare a final dividend of USc38.54 per share on the ordinary shares of €0.001 each in the capital of the Company for the year ended 31 December 2023.

# Resolution 4

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To re-elect the following Directors:

- 1) Issa Al Balushi
- 2) Michael Carvill
- 3) Mette Dobel
- 4) Elaine Dorward-King
- 5) Clever Fonseca
- 6) Tom Hickey
- 7) Graham Martin
- 8) Deirdre Somers and
- 9) Andrew Webb

# Resolution 5

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To authorise the Directors to fix the remuneration of the auditor.

# Resolution 6

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Special Resolution - To renew the authority to convene an EGM by 14 days notice.



Ordinary Resolution - To authorise the Directors to allot relevant securities.

# Resolution 8

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Special Resolution - To disapply statutory pre-emption rights.

# Resolution 9

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Special Resolution - To authorise market purchases.

# Resolution 10

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Special Resolution - To authorise re-issue of treasury shares.



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