KENMARE
RESOURCES PLC

2019 Results Presentation

19 March 2020

Disclaimer

This Presentation (the "Presentation") has been prepared and issued by Kenmare Resources plc (the "Company" or "Kenmare"). While this Presentation has been prepared in good faith, the Company and its respective officers, employees, agents and representatives expressly disclaim any and all liability for the contents of, or omissions from, this Presentation, and for any other written or oral communication transmitted or made available to the recipient or any of its officers, employees, agents or representatives.

No representations or warranties are or will be expressed or are to be implied on the part of the Company, or any of its respective officers, employees, agents or representatives in or from this Presentation or any other written or oral communication from the Company, or any of its respective officers, employees, agents or representatives concerning the Company or any other factors relevant to any transaction involving the Company or as to the accuracy, completeness or fairness of this Presentation, the information or opinions on which it is based, or any other written or oral information made available in connection with the Company.

This Presentation does not constitute or form part of, and should not be construed as, an offer, invitation or inducement to purchase or subscribe for any securities of the Company nor shall it or any part of it form the basis of, or be relied upon in connection with, any contract or investment decision relating to such securities, nor does it constitute a recommendation regarding the securities of the Company.

This Presentation is as of the date hereof. This Presentation includes certain statements, estimates and projections provided by the Company with respect to the anticipated future performance of the Company or the industry in which it operates. Such statements, estimates and projections reflect various assumptions and subjective judgments by the Company's management concerning anticipated results, certain of which assumptions and judgments may be significant in the context of the statements, estimates and projections made. These assumptions and judgments may or may not prove to be correct and there can be no assurance that any projected results are attainable or will be realised. In particular, certain statements in this Presentation relating to future financials, results, plans and expectations regarding the Company's business, growth and profitability, as well as the general economic conditions to which the Company is exposed, are forward looking by nature and may be affected by a variety of factors. The Company is under no obligation to update or keep current the information contained in this Presentation, to correct any inaccuracies which may become apparent, or to publicly announce the result of any revision to the statements made herein and any opinions expressed in the Presentation or in any related materials are subject to change without notice.

Agenda

Introduction
Michael Carvill, Managing Director

Financial review
Tony McCluskey, Finance Director

Operational review
Ben Baxter, Chief Operations Officer

Market update
Michael Carvill, Managing Director

Outlook
Michael Carvill, Managing Director

Q&A

COVID-19

Safety and well-being of our employees and our host communities are Kenmare's highest priorities

No material impact to date

- Currently no confirmed cases of COVID-19 in Mozambique
- Impact on employees and supplies has been manageable
- Ilmenite market remains strong – no negative impact on customer demand or pricing to date

Protecting our employees and host communities

- Safety and well-being of our employees and our host communities are Kenmare's highest priorities
- Strict procedures have been implemented for access to the Mine
- Upgraded health protocols are in place on site, including campaigns to raise awareness of how to mitigate risks
- Treatment protocols initiated on site in the case of suspected cases of COVID-19
- Restrictions on travel for all employees

Contractors, supply chain and other stakeholders

- Working closely with contractors to ensure staff well-being and business continuity
- Evaluating the impact of the virus on Kenmare's development projects, supply chain and customers
- Focused on securing access to critical spares

Kenmare: Investment case

Kenmare's three strategic pillars

GROWTH

Final development project on track for completion in Q3 2020 to deliver a 35% production increase

35%

From 2021 Kenmare will be producing 1.2 Mtpa of ilmenite (plus associated co-products)

MARGIN EXPANSION

Increased production and lower unit costs will increase EBITDA margins from 36% in 2019

>36%

Kenmare is targeting a first quartile position on the industry revenue to cost curve from 2021

SHAREHOLDER RETURNS

Dividend policy of a minimum 20% profit after tax

>20%

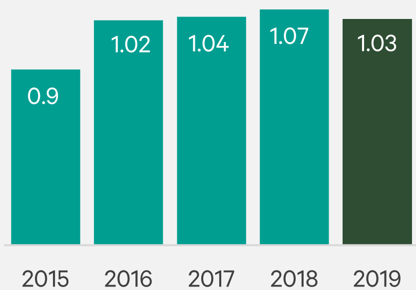
With higher cash flows and lower development capital requirements, Kenmare will have the opportunity to make increased shareholder returns

2019 overview

Sustained financial and operational performance

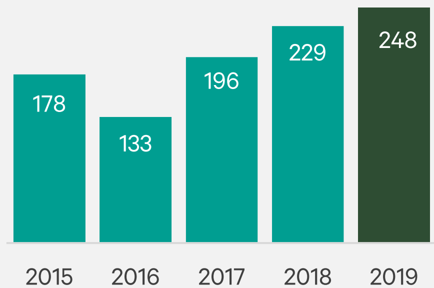
Shipments (Mt)

1.03



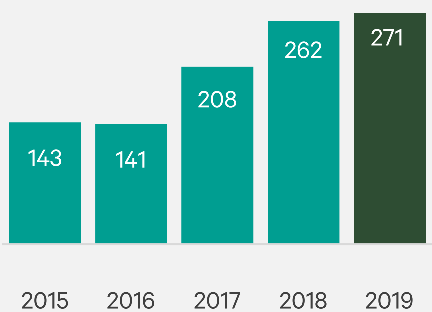
Sales price (FOB) (US$/t)

248



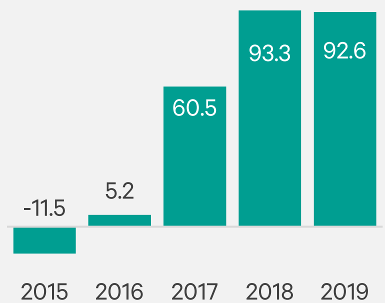
Revenue (US$m)

270.9



EBITDA (US$m)

92.6



Other financial highlights

Maiden dividend

USc8.18 per share[1]

2019 full year dividend

New debt facilities

US$150 million

New corporate facilities secured to provide enhanced financial flexibility

Growth projects advanced

WCP C development

February 2020

First HMC production from WCP C

WCP B move

Q3 2020

Project execution for WCP B move to Pilivili advancing on schedule

1. Including interim dividend of USc2.66 per share paid in 2019 and final dividend of USc5.52, subject to shareholder approval

KENMARE RESOURCES PLC

Financial review

Tony McCluskey, Finance Director

Sustained financial performance

Full year 2019 dividend of USc8.18 per share declared[1]

Revenue	Sales price (FOB)[2,3]	Total cash costs[4]	Net ilmenite unit cost
US$270.9m	US$248/t	US$158/t	US$81/t
+3%	+8%	+9%	+3%
2018: US$262.2m	2018: US$229/t	2018: US$145/t	2018: US$79/t

EBITDA	Profit after tax	Net cash[5]	FY dividend per share[1]
US$92.6m	US$44.8m	US$13.7m	USc8.18
-1%	-12%	+US$0.2m	-
2018: US$93.3m	2018: US$50.9m	31 Dec 2018: US$13.5m	2018: -

Well-positioned to fund 2020 development programme

1. Interim dividend USc2.66/share paid plus final dividend USc5.52/share proposed, subject to shareholder approval 2. Weighted average sales price per tonne of product sold 3. Free on Board
4 Total cash cost per tonne of finished product 5. Net cash is cash less gross debt and interest outstanding at year end

Increased average sales price

2019 product price and shipping (FOB) review

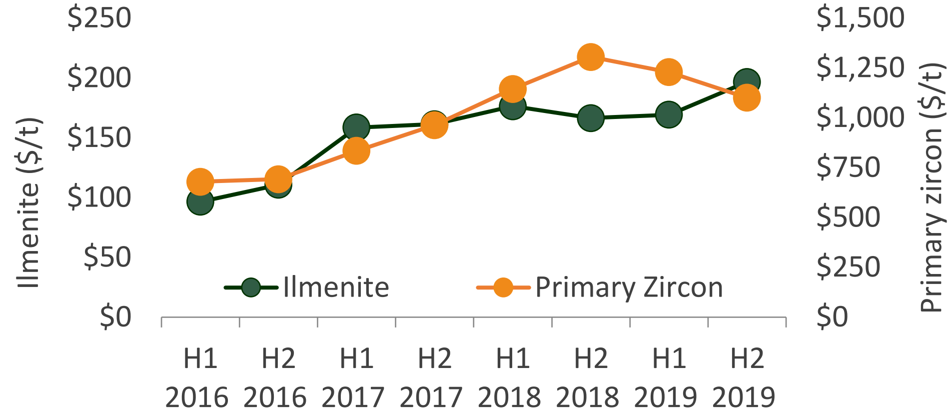
Mixed pricing in 2019

- 8% increase in average sales price (FOB) to US$248/t in 2019 (2018: US$229/t)
    - 7% increase ilmenite prices vs 2018
    - 5% decrease primary zircon prices vs 2018
    - Improved revenue mix includes concentrates
- Tight ilmenite market conditions continuing in Q1 2020, while zircon market remaining softer

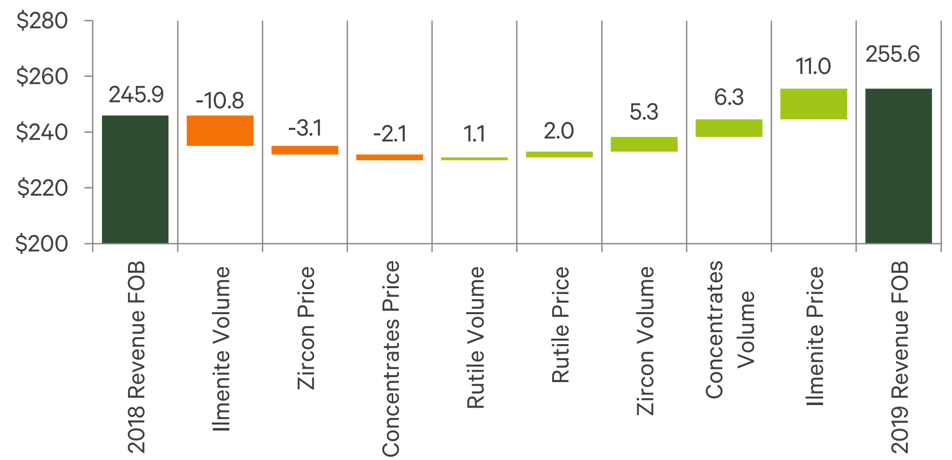
Shipping volumes maintained

- 4% decrease in total sales volumes to 1.03 Mt in 2019 (2018: 1.07 Mt)
    - 6% decrease in ilmenite sales volumes – 150kt of inventory held at year end
    - 9% increase in primary zircon sales volumes, minimal inventory held at year end
- Shipments in first 9 months of 2019 were impacted by poor weather conditions and maintenance work on conveyor whilst Q4 2019 was a record quarter (352,900t)

Ilmenite and zircon price movement (US$/t, FOB)[1,2]



Revenue bridge (US$m)



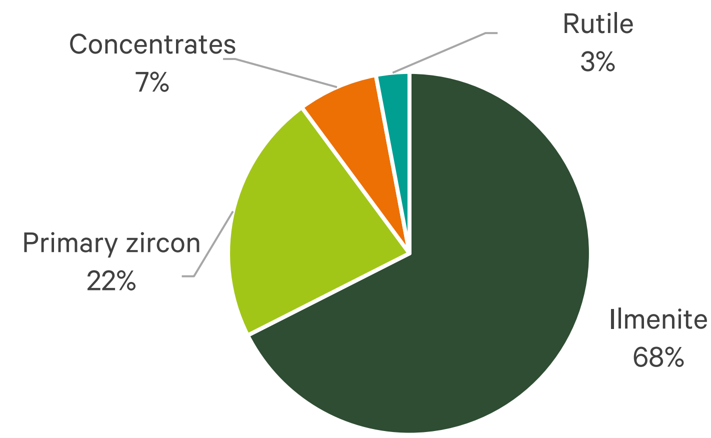
1. Free On Board (FOB) – received prices excluding shipping costs
2. Primary zircon includes a blend of Standard and Special Grade

36% EBITDA margin

2019 Income Statement review

	2019 US$ million	2018 US$ million
Revenue	270.9	262.2
Freight costs	(15.4)	(16.3)
Revenue (FOB)	255.5	245.9
Cost of sales & other operating costs	(211.7)	(199.3)
Operating profit	59.2	62.9
Net finance costs	(7.4)	(6.9)
Foreign exchange (loss)/gain	(1.9)	0.1
Profit before tax	50.0	56.1
Tax (expense)	(5.2)	(5.2)
Profit after tax	44.8	50.9
EBITDA	92.6	93.3

Revenue by product (%)



- 3% increase in revenues due to higher average sales prices, offset by lower sales volumes
- 6% increase in cost of sales and other operating costs, primarily due to higher production costs and depreciation charge, offset by lower sales volumes
- 12% decrease in profit after tax due to increased net finance costs, FX losses and depreciation

Well-positioned to generate significantly stronger EBITDA from 2021

Net ilmenite unit costs largely in line with 2018

2019 cash operating costs reconciliation

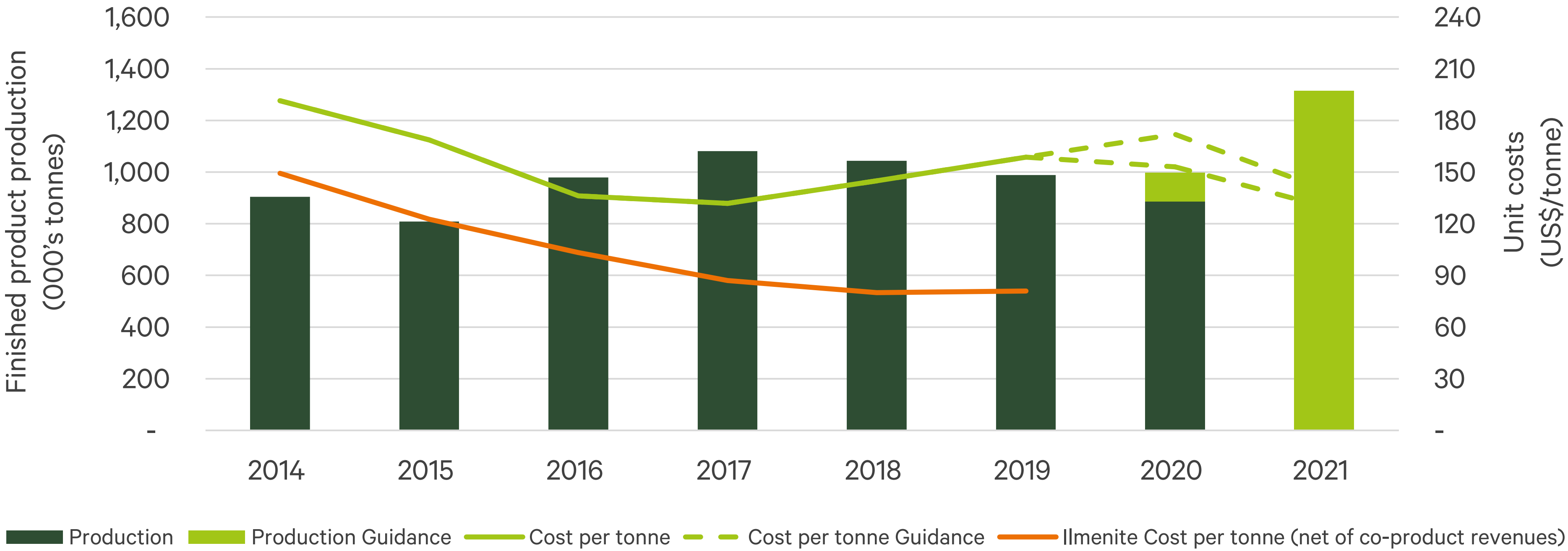
	Unit		2019	2018
Cost of sales	*US$m*		178.4	168.3
Other operating costs excluding freight	*US$m*		17.9	14.7
Total costs less freight			196.3	183.0
Depreciation	*US$m*		(33.4)	(30.4)
Share-based payments	*US$m*		(1.8)	(1.4)
Product stock movements	*US$m*		(4.5)	(0.1)
Adjusted cash operating costs	*US$m*	**+4%**	156.6	151.3
Finished product production	*tonnes*	**-5%**	988,300	1,043,300
Total cash operating cost per tonne	*US$*	**9%**	158	145
Total cash operating costs less co-products revenue (FOB)	*US$m*		72.1	76.2
Ilmenite production	*tonnes*		892,900	958,500
Total cash cost per tonne of ilmenite	*US$*	**+3%**	81	79

- Decrease in product stock movements due to sales from inventory (159kt at year-end 2019 compared to 200kt at year-end 2018)
- 4% increase in adjusted cash operating costs, due primarily to:
  - Additional demurrage costs in the period as a result of adverse weather and unscheduled maintenance work
  - Adjustment to consumable spares stock
- 9% increase in cash operating cost per tonne driven by lower production volumes
- Net ilmenite unit cost in 2019 largely in line with 2018 due to increased co-product revenue contributions

- Analysis reconciles Income Statement to cash operating cost to run business
- Total cost per tonne of finished product is an all in cost including all company G&A
- Other operating costs include distribution, demurrage and administration costs

Targeting further unit cost reductions from 2021

Production and cash operating cost per tonne profile

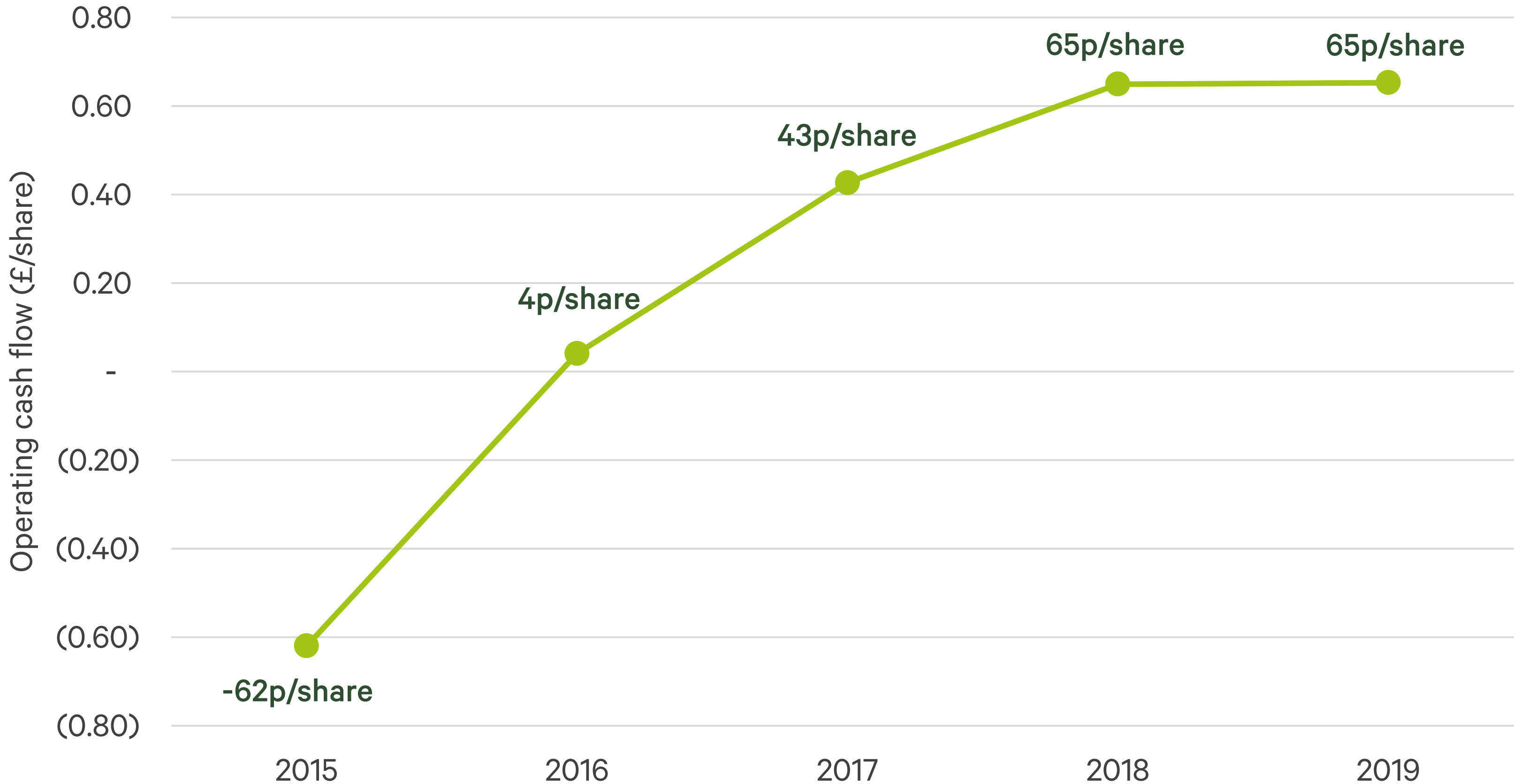


- Targeting total cash operating cost per tonne of US$125-135/t (in 2020 real terms) from 2021, benefitting from higher production volumes spread over a largely fixed cost base
- Total cash operating costs in 2020 are anticipated to increase marginally compared to 2019, primarily as a result of the addition of WCP C
- Cash operating cost per tonne guidance of US$162-182/t in 2020, reflecting lower forecast annual production volumes

1. Total cash operating costs include all mine production, transhipment, sales and distribution, taxes, royalties, and corporate costs.

Sustained robust cash flow from operations

Operating cash flow per share



Increased operating cash flow generation expected from 2021

Strong and flexible balance sheet

Balance sheet review

	31-Dec-2019 US$ million	31-Dec-2018 US$ million
Property, plant & equipment	852.0	806.0
Inventories	51.8	53.9
Trade & other receivables	41.2	22.4
Deferred tax asset	0.5	-
Cash	81.2	97.0
Total assets	1,026.7	979.3
Equity & reserves	891.8	848.4
Bank loans	60.9	83.5
Leases	4.5	-
Creditors & provisions	69.5	47.4
Total equity & liabilities	1,026.7	979.3

- PPE additions of US$68.5m (2018: US$40.1m) include development capex of US$44.3m, primarily relating to WCP C (US$26.8m) and preparation for the WCP B move (US$16.1m), and sustaining capex of US$23.7m
- Inventories include US$26.5m final product (2018: US$31.0m), reduction due to product sales exceeding production in 2019
- Record Q4 2019 shipments, increasing trade receivables vs 2018
- Bank loans reflect US$67.3m drawdown less transaction costs[1] of US$6.6m, plus loan interest amortised of US$0.2m. Principal of US$19.0m repaid in 2019
- Leases recognised on the balance sheet (IFRS 16) from 1 January 2019
- Trade payables increased in 2019 primarily due to development project costs

Balance sheet strengthened following debt refinancing

1. Transaction costs will be amortised over life of loans (IFRS 9)

New debt facilities

Initial disbursement of US$67.3m made on 18 December 2019

New facilities agreed in December 2019

- New facilities provided by a syndicate of existing and new lenders with strong experience in mining and southern Africa
- Proceeds of the initial drawdown were to repay in full existing project loans of US$64m and to pay certain transaction costs
- Post year-end, 22% of the debt facilities were transferred to Mozambican affiliates of the lending banks

Additional financial flexibility

- New facilities extend debt maturity profile beyond current short period of increased capital expenditure
- Significant period of availability - term loan is available for 24 months and RCF is available for 35 months after signing
- Provide increased liquidity and protection in the case of any events that may affect cash flows, such as falls in product prices

Favourable interest rates

- Term loan interest rate: 5.40% + LIBOR
- Revolving credit facility interest rate: 5.00% + LIBOR

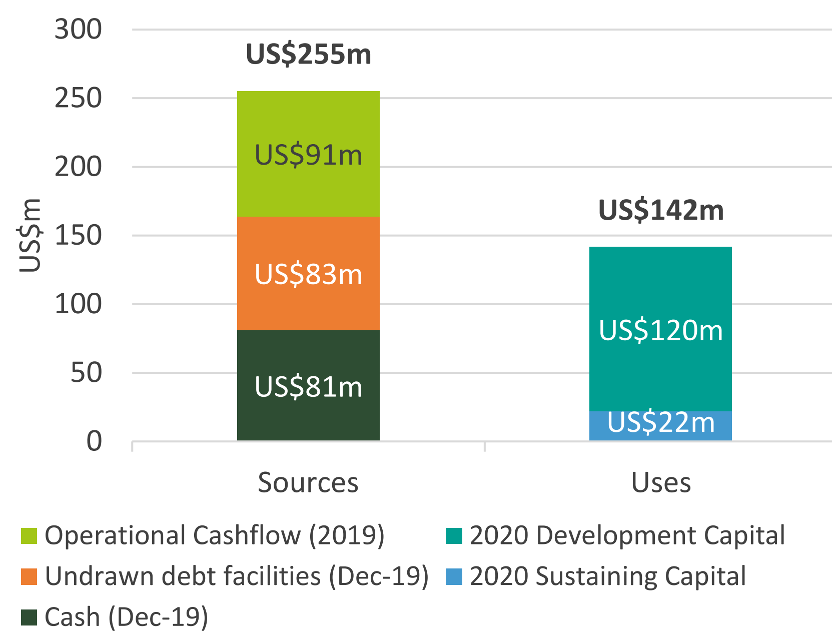
Term Loan

US$110m

Revolving Credit Facility

US$40m

Sources and uses of capital (US$m)



1. 2019 operational cash flow used as a proxy for potential 2020 operational cash flow

Dividend policy in action

Maiden interim dividend paid in October 2019 and balancing final dividend expected to be paid in May 2020

Dividend policy delivery

- Dividend policy is to pay a minimum of 20% of profit after tax, giving a total full year 2019 dividend distribution of US$9.0m
- Maiden interim dividend paid in October 2019
- Final dividend of US$6.1m will be a balancing payment to meet the dividend policy, post-2020 AGM

Subject to:

- Market conditions, debt and capital requirements
- Higher cash balances likely to be maintained until capital development projects completed

Expected higher capital returns from 2021

- Following completion of development projects
- May come in form of special dividend or share buy-backs

2019 profit after tax

US$44.8m

Total dividend distribution

US$9.0m

Final dividend per share (post-2020 AGM)

USc5.52

Full year 2019 dividend

USc8.18

Dividend Timetable 2019-20

Event	Date
Interim Dividend Payment Date	25 October 2019
Ex-Dividend Date	16 April 2020
Record Date	17 April 2020
AGM date for shareholder approval	13 May 2020
Payment Date	19 May 2020

1. 2019 interim dividend is calculated as 20% of 2019 profit after tax (US$21.9m) multiplied by one-third and annualised (US$21.9m x 20% x 1/3 x 2)

KENMARE
RESOURCES PLC

Operational review

Ben Baxter, Chief Operations Officer

Focused on responsible business practices

Our guiding principles: We Care, We Grow, We Excel

Health and Safety

- LTIFR of 0.27 per 200k man-hours worked to 31 Dec 2019
- Five star rating achieved from NOSA safety audit in Q4 2019 for fourth consecutive year
- 30% reduction in malaria cases amongst employees in 2019 compared to the average of the last 4 years

Environment

- 200 Ha of land rehabilitated in 2019, representing a 26% increase compared to 2018
- Majority of Moma's power supplied from hydropower, transmitted through the national power grid

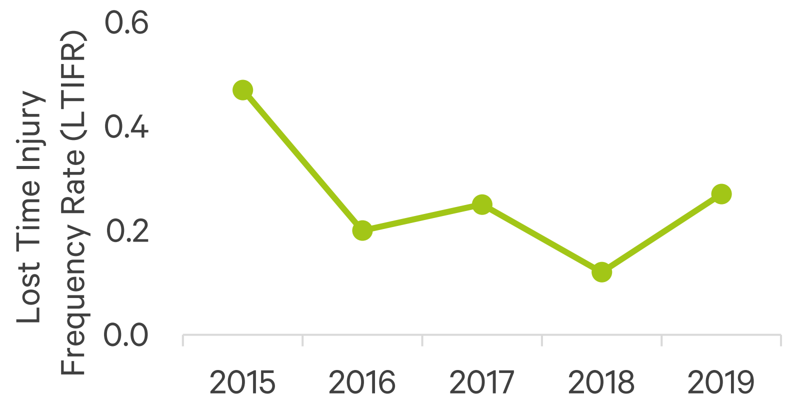
People

- 96% of 1,420 employees were Mozambican at the end of 2019, including 91% of supervisory personnel
- Focus moves towards skills and development, whilst maintaining diversity of workforce

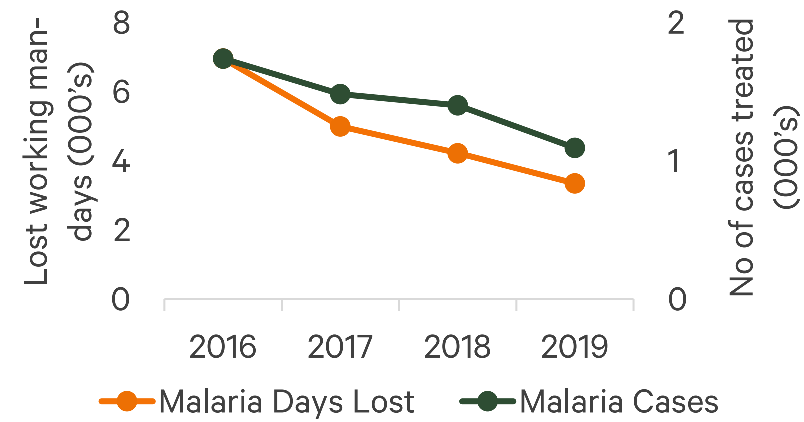
Sustainability Committee established in Q3 2019

- Committee visited the Moma Mine in January 2020

Continuous commitment to safety



30% reduction in malaria cases

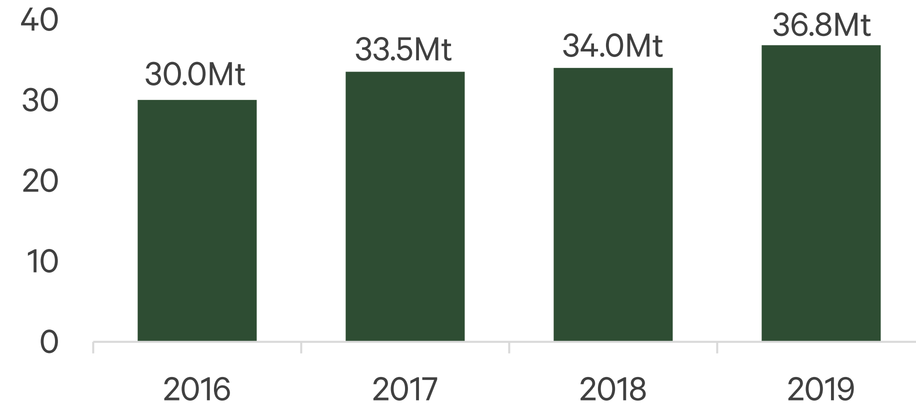


Optimisation of operations progressing well

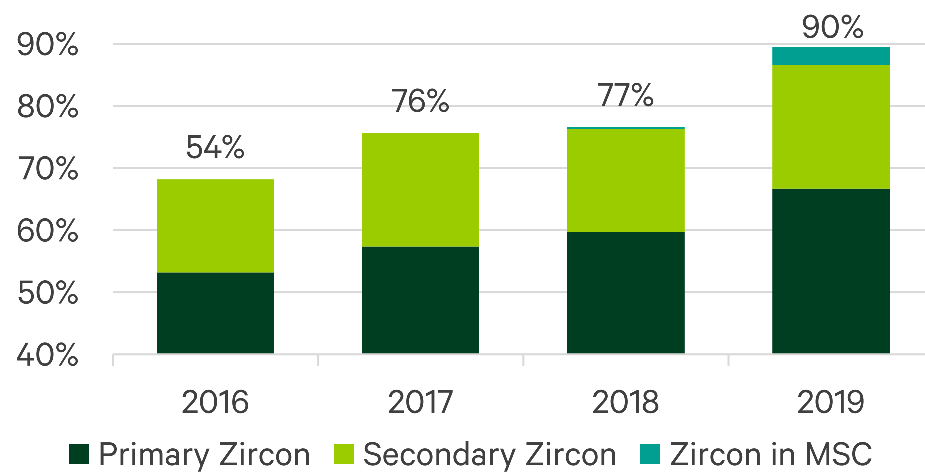
Record excavated ore and recoveries

- 8% increase in excavated ore tonnes to 36.8Mt in 2019 compared to 2018, setting a new annual record
  - 5% increase in throughputs to 4,822 tonnes per hour in 2019 compared to 2018, driven by 20% capacity increase at WCP B and WCP B dredge automation
  - Projecto Oitenta continued in 2019 and as a result, overall mine utilisation increased to 72% in 2019
- 14% increase in overall zircon recoveries (including secondary zircon and mineral sands concentrate)
  - Mineral sands concentrate product introduced
    - US$4m capital cost - delivered on time and below budget
    - Realised payback period of <1 year
    - 3% zircon recovery contribution
  - Reprocessing of stockpiled tailings contributed to 8% increase in zircon and 1% increase in ilmenite recovery; future years will normalise to above 2018 levels

Increased excavated ore mitigating lower grades (Mt)



Record zircon recoveries (%)



2019 production update

Operational performance maintained as growth projects advanced

HMC production

1,202,100t

-12%

FY 2018: 1,370,800t

Ilmenite

892,900t

-7%

FY 2018: 958,500t

Primary zircon

46,900t

-3%

FY 2018: 48,400t

Rutile

8,300t

1%

FY 2018: 8,200t

Concentrates

40,200t

43%

FY 2018: 28,200t

Shipments

1,029,300t

-4%

FY 2018: 1,074,400t

HMC production impacted by anticipated lower grades

- Ilmenite production was within 1% of original 2019 guidance range and original guidance was achieved for all other products
- Co-product recoveries at highest ever levels, mitigating HMC shortfall

Significantly stronger concentrates production

- 43% increase in concentrates production benefitting from new mineral sands concentrate product and higher secondary zircon production

New quarterly record for shipments

- Q4 2019 was a record quarter for shipments (352,900t), representing a 23% increase compared to Q4 2018 and an 83% increase compared to Q3 2019
- 4% decrease in shipments in 2019 compared to 2018 due to poor weather conditions in first 3 quarters impacting loading rates

Pathway to 1.2 Mtpa ilmenite production

Development projects progressing well

2018	2019	2020
WCP B upgrade	WCP C development	WCP B move
		
20% capacity upgrade of WCP B complete and delivering to scope	First HMC production delivered from WCP C in February 2020	Project execution commenced to move WCP B to Pilivili in Q3 2020
Cost: <US$10m	Cost: US$45m	Cost: US$106m

WCP C development: Production commenced

First HMC production delivered in February 2020

High grade ore zone

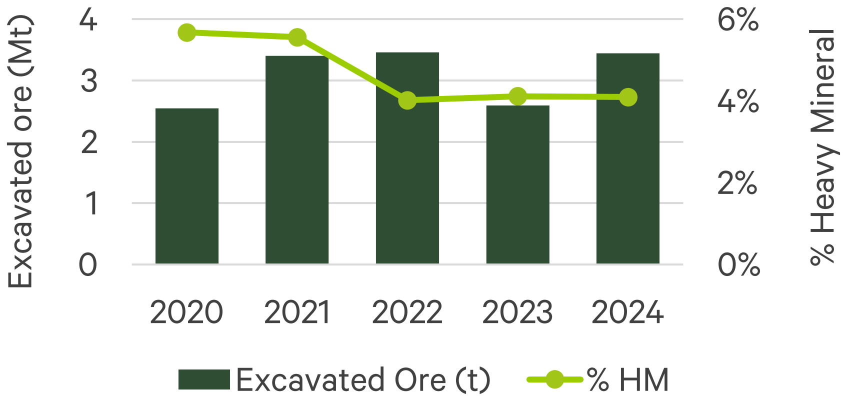
- WCP C is mining a high grade area of the Namalope ore zone that is inaccessible to the larger WCPs
- Forecasted average grade of 4.69% THM during first 5 years
- At a mining capacity of 500 tph, WCP C is expected to add 150kt/annum (average) of additional heavy mineral concentrate production to Moma's profile
- Located close to the MSP - minimises operating costs by leveraging existing fixed cost base and infrastructure
- Compelling economics[1] – $NPV_{10\%}$ of US$96m and IRR of 48%

In production

- Ramp up to 500 tph progressing well
- Project is expected to be completed within US$45m budget

WCP C in operation

Forecast WCP C excavated ore and grade



1. Using flat product prices over WCP C's 20 year life of mine of US$200/t ilmenite and US$1,300/t zircon. Project economics reflect incremental revenues and costs, and returns are supported by use of existing infrastructure

WCP B move: Project execution on track

Relocation scheduled to take up to 12 weeks

Accessing higher grade ore

- Highest grade ore zone in Moma's portfolio – Mineral Reserves of 180Mt (2018: 220Mt) at 4.4% THM, delivering an 8 year mine life
- Other favourable characteristics such as free flowing sand, low slimes and relatively close to MSP
- WCP B expected to mine contiguous ore zones of Mualadi and Nataka after Pilivili
- Transportation by road is lowest risk relocation option and move will be undertaken by a specialist contractor in Q3 2020

Project update

- WCP B mine path at Pilivili changed as a result of ESHIA process
- WCP B grade and mine life unaffected as WCP C is now expected to move directly to Mualadi from Namalope
- Key contracts in place and performing to schedule
- Project on schedule and on budget, including construction of haul road
- Potential impacts of COVID-19 being evaluated

Infrastructure construction at Pilivili

Construction of road on schedule

Focused on delivery

On track to deliver 1.2 Mtpa ilmenite production from 2021 with expanded margins

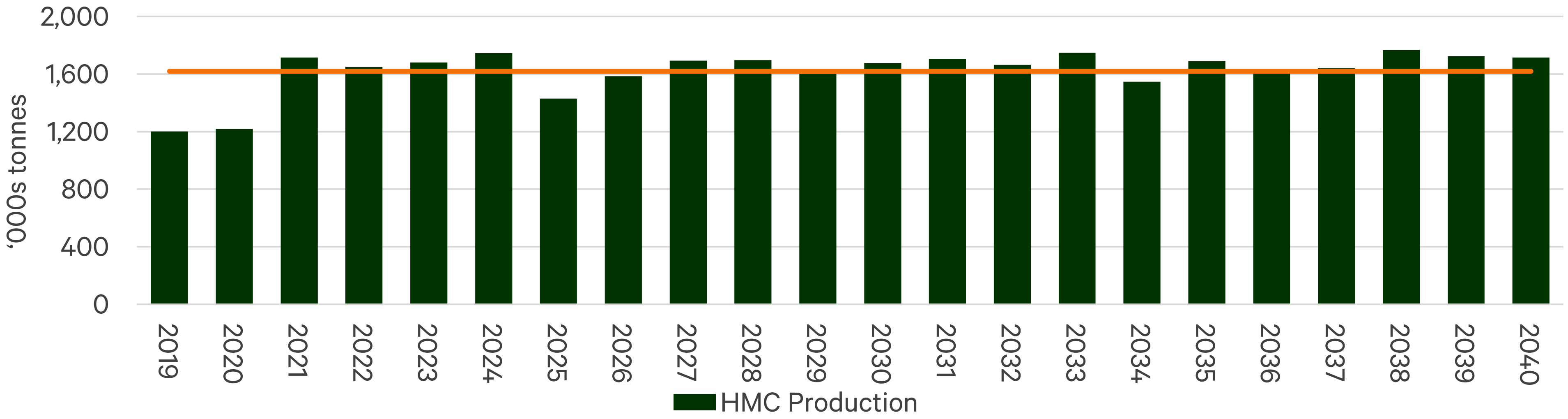
Growth

- WCP B capacity upgrade completed within budget
- WCP C commenced production in February 2020
- Project execution of WCP B move on track

Margin expansion

- Mineral sands concentrate product stream monetising former tailings stockpiles
- Operational optimisation initiatives delivering results
- Cash operating costs per tonne expected to decrease to US$125-135/t (in 2020 real terms) from 2021

Moma's mine plan extends beyond 2040 at expanded production levels



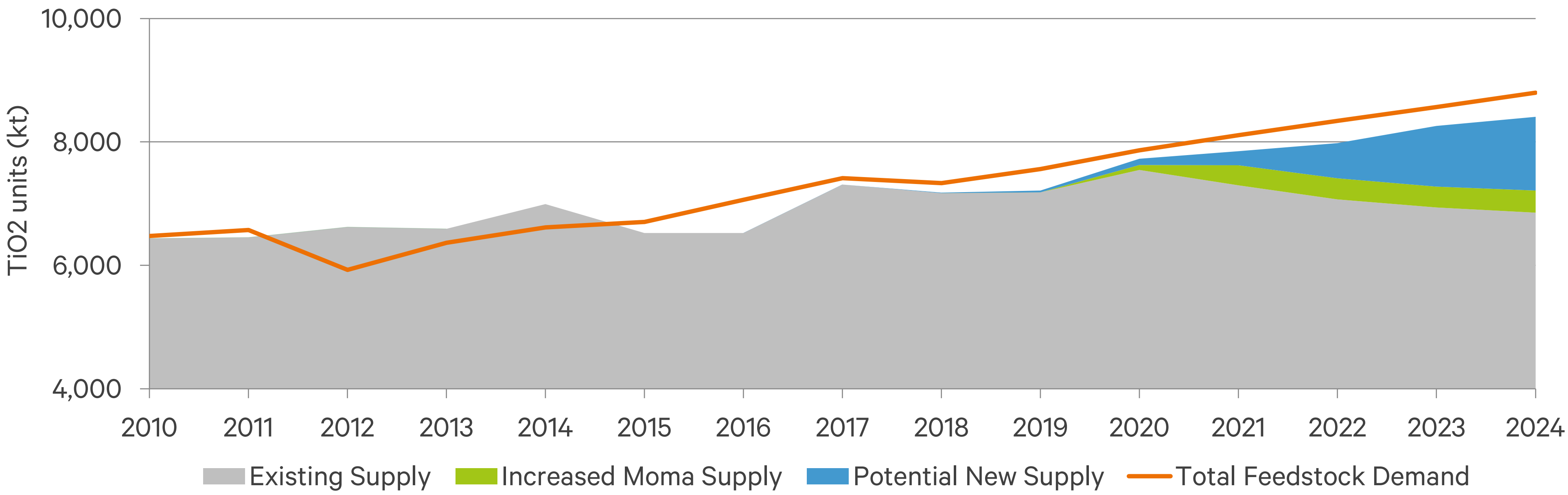
KENMARE RESOURCES PLC

Market update

Michael Carvill, Managing Director

Global TiO_2 feedstock inventories are low

Forecast supply/demand market balance



Source: Company

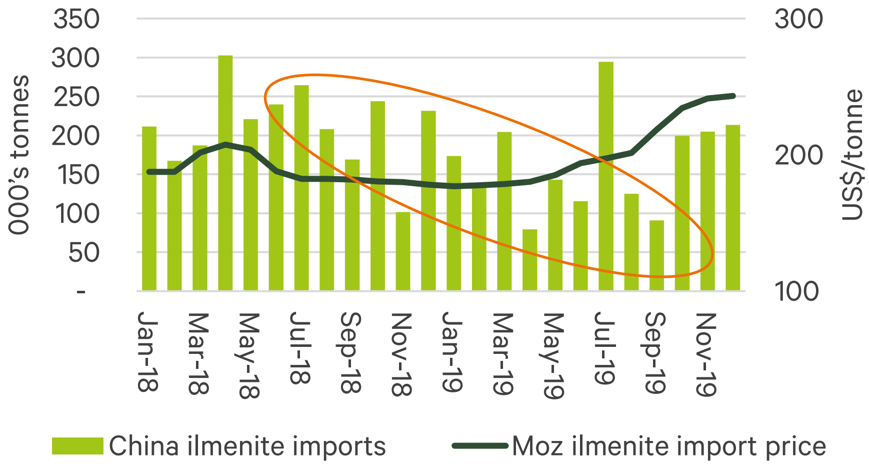
Strong fundamentals for TiO_2 feedstocks

- Legacy inventories now depleted and high-quality ilmenite is undersupplied
- Supply from existing mines expected to decline further
- New projects are facing significant hurdles to development
- Significant new pigment capacity expected to ramp up in 2020 leading to increased demand for ilmenite

Chinese supply deficit

Reduced availability of imported titanium ores and strong demand from pigment producers

Chinese titanium ore imports[1]



Pigment production strong in China (000's tonnes)[2]

Supply constraints impacting Chinese ilmenite market

- Ongoing supply limitations in India and Vietnam and reduced production from depleting mines
- High quality ilmenite inventories depleted leading to price increases
- Increased Chinese imports in Q4, largely due to higher Kenmare and concentrate shipments
  - Not expected to be sustained at this level
- Increased domestic ilmenite production unable to balance market deficit

Demand increasing as pigment production increases

- New chloride and sulphate pigment capacity commissioned in 2019 and expected to ramp-up in 2020

1. Source: Company data, FerroAlloyNet, Bloomberg data 2. Toodudu data

Positive long-term outlook for all products

2019 markets update and 2020 outlook

Ilmenite

- Kenmare achieved higher average selling prices sequentially in Q2, Q3 and Q4
- Strong market momentum has continued in Q1 2020

Zircon

- Zircon demand in 2019 was hampered by downstream inventories, thrifting and geopolitical factors
- Slower market conditions have continued into early 2020, with a challenging short-term outlook – moderate softening experienced since COVID-19 outbreak
- Long-term fundamentals remain strong as new projects struggle to secure financing

Impact of COVID-19 to date

- No material changes experienced to ilmenite customer demand or pricing to date
- Long-term impact of COVID-19 remains unclear, but downstream industries could be heavily impacted (e.g. automobiles, construction)

Ilmenite

Zircon

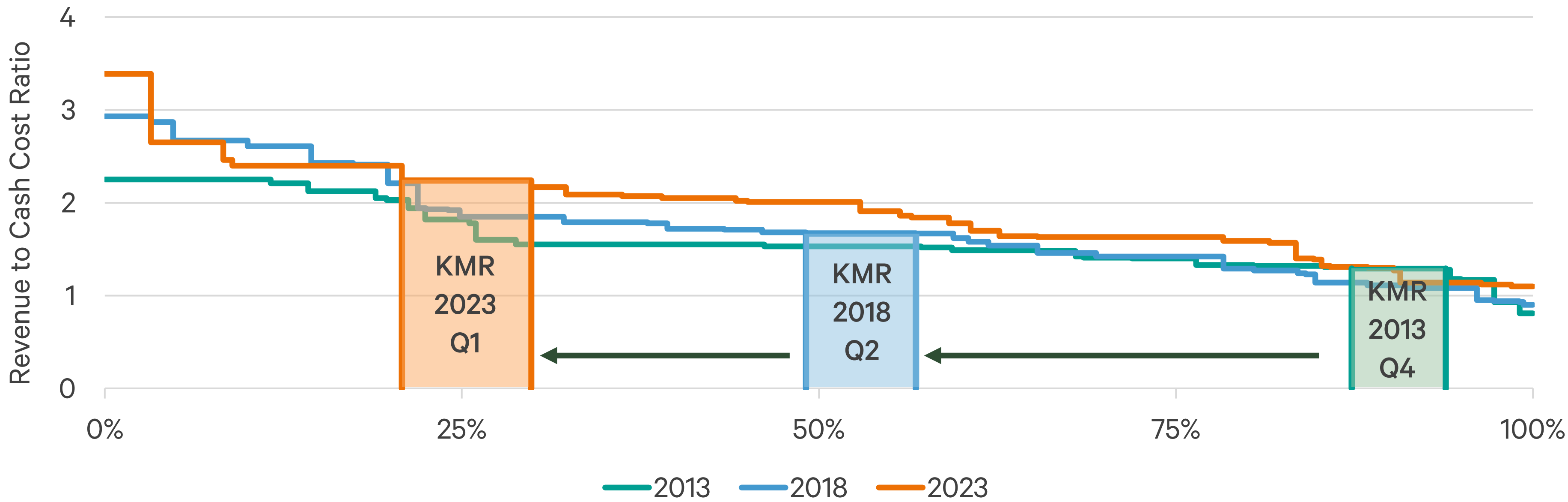
Outlook

Michael Carvill, Managing Director

Becoming a first quartile margin producer

Kenmare is well-positioned to deliver strong free cash flow

Industry revenue to cash cost curves

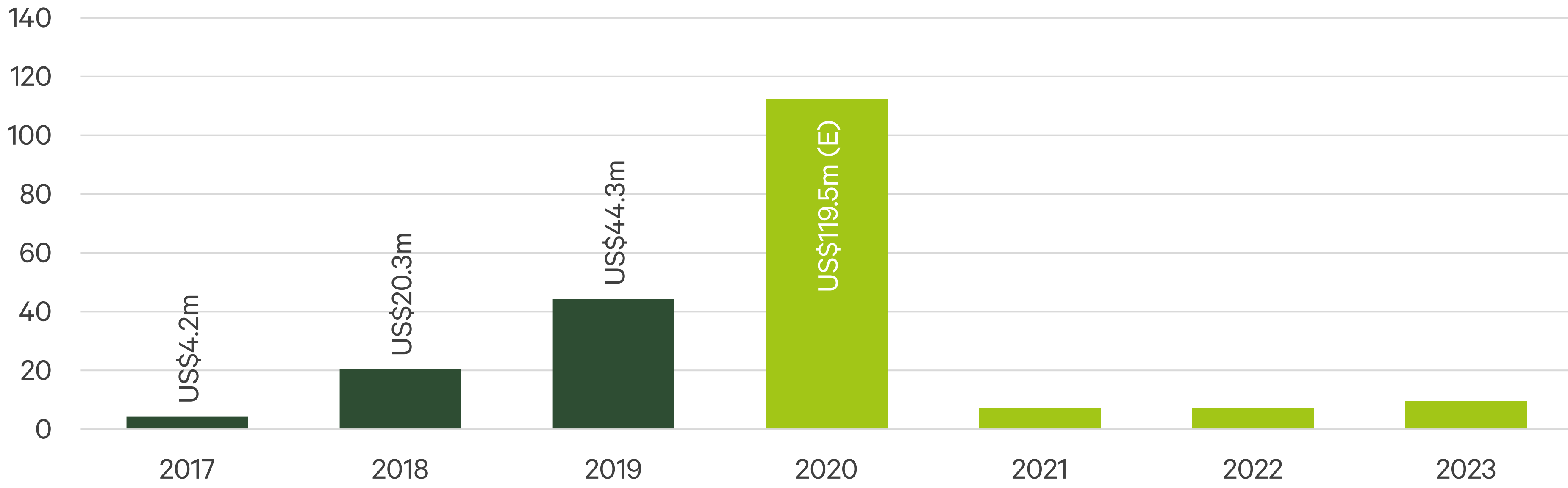


- Kenmare is on track to become a first quartile margin producer from 2021
- This is expected to deliver increased cash flow stability
- Ability to remain cash flow positive throughout the commodity price cycle

Source: TZMI

Strong free cash flow expected from 2021

Development capital expenditure profile (US$m)



Minimal development capital expected 2021-2023

- Third of three development projects expected to be completed in Q4 2020
- Annual sustaining capital between 2021 and 2023 of US$20-25m
- Due to targeted production of 1.2 Mtpa of ilmenite and expected cash operating costs per tonne of US$125-135/t (in 2020 real terms), operating cash flow is expected to increase significantly (2019: US$90.6m)
- With limited development capital expected from 2021 to 2023, Kenmare expects to generate strong free cash flow, enabling increased shareholder returns

Conclusion: Building on our strategy

Strategy	2019 Focus	2020 Focus
Growth: targeting 1.2 Mtpa ilmenite production from 2021, representing a 35% increase compared to 2019		
➢ Low capital intensity growth to fully utilise existing installed facilities	➢ WCP B delivering 20% increase in throughput following upgrade works ➢ DFS for WCP B move to Pilivili completed in June 2019 and Board approval received	➢ First HMC production delivered from WCP C in February 2020 ➢ WCP B move expected to take place in Q3 2020
Margin expansion: 1.2Mtpa production is expected to deliver increased EBITDA margins (2019: 36%)		
➢ Focus on margin expansion through cost reductions and/or increased revenue streams	➢ First mineral sands concentrate despatched from Moma in Q2 2019 ➢ WCP B dredge automation commissioned	➢ Continued utilisation improvements targeted due to Projecto Oitenta ➢ WCP A dredge automation in commissioning
Shareholder returns: From 2021 free cash flow is expected to strengthen, enabling increased shareholder returns		
➢ Returns >20% profit after tax to shareholders and balance sheet strength and flexibility remain core	➢ Net cash position of US$13.7m at 31 December 2019 ➢ Maiden interim dividend paid	➢ Balancing 2019 final dividend of USc5.52 per share based on full-year results

KENMARE RESOURCES PLC

Appendices

Mineral sands: essential to modern life

Two core product streams of minerals sands

Titanium feedstocks (ilmenite and rutile)

- TiO_2 pigment imparts whiteness and opacity in the manufacture of paints, plastics and paper
- Non-recyclable and difficult to substitute

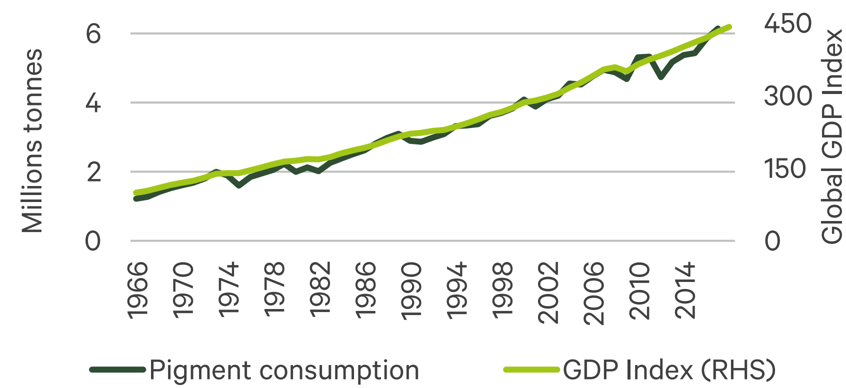
Zircon

- An important raw material for the ceramics industry for wall tiles, floor tiles and sanitary ware
- Favoured for whiteness, opacity, high melting point and shock resistance

Emerging market zircon & pigment demand growing rapidly

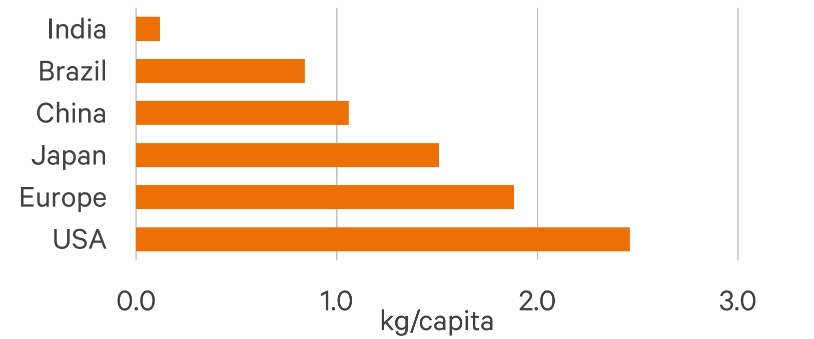
- Pigment is "quality of life" product, consumption grows as income levels increase
- Significantly higher TiO_2 pigment consumption per capita in developed western economies
- Large population developing economies are set for strongest pigment & zircon demand growth

World GDP vs TiO_2 pigment consumption



Source: Company (1966 GDP base year)

Regional pigment consumption (2017)

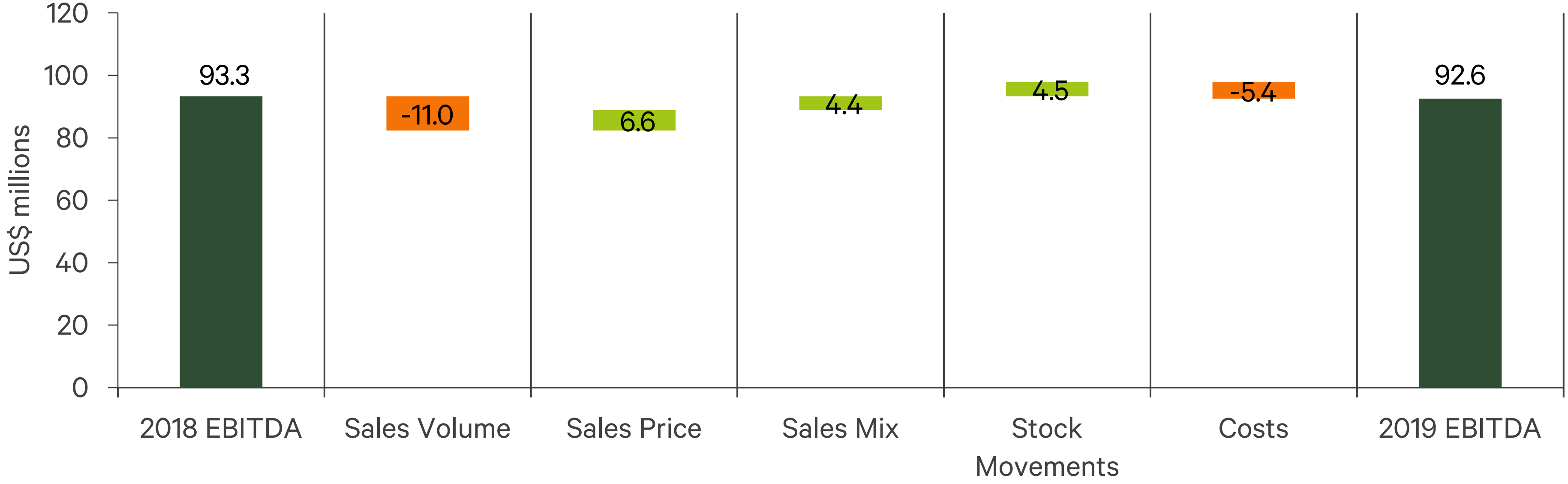


Source: Company

Demand for TiO_2 feedstocks and zircon is driven by global GDP growth and urbanisation in emerging markets

US$92.6m EBITDA in 2019

EBITDA bridge 2018 to 2019

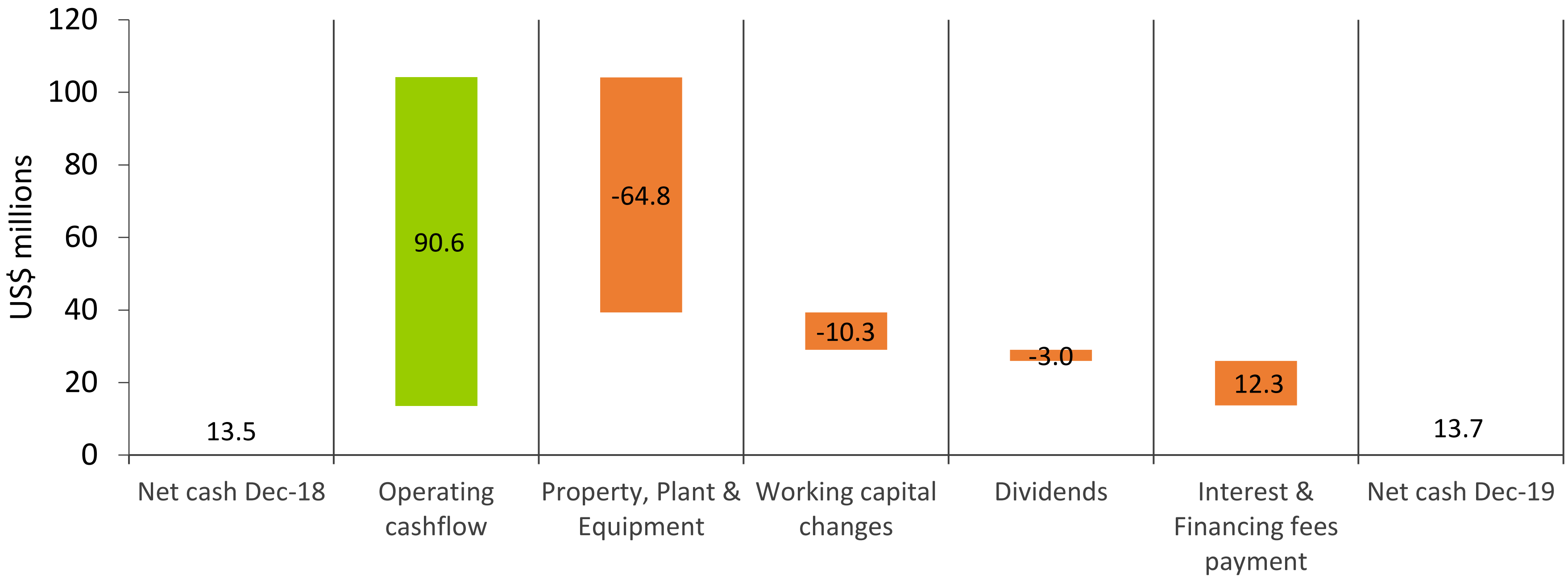


- EBITDA in 2019 in line with 2018
- Lower sales volume impact on earnings offset by an increase in average sales price and positive movement in sales mix, primarily driven by primary zircon sales
- Decreased stock mainly relates to inventory drawdowns for ilmenite and primary zircon over the course of 2019

Strong EBITDA in 2019 driven by increased average sales price

US$13.7m net cash at period-end

Net cash bridge 31 Dec 2018 to 31 Dec 2019

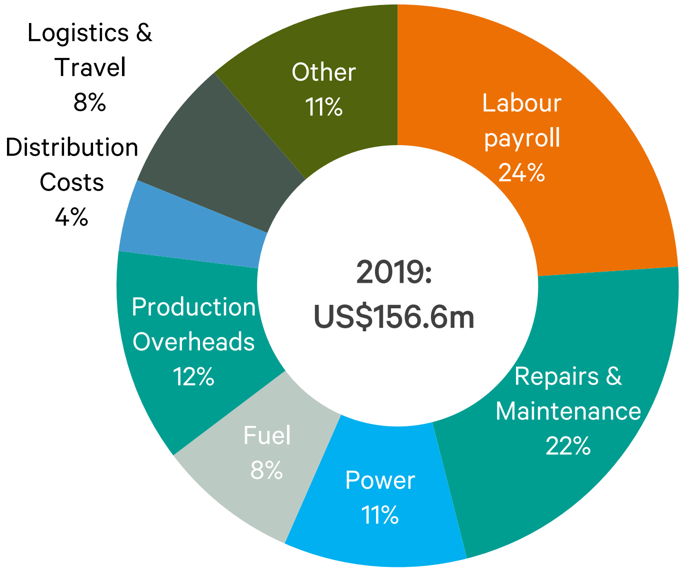


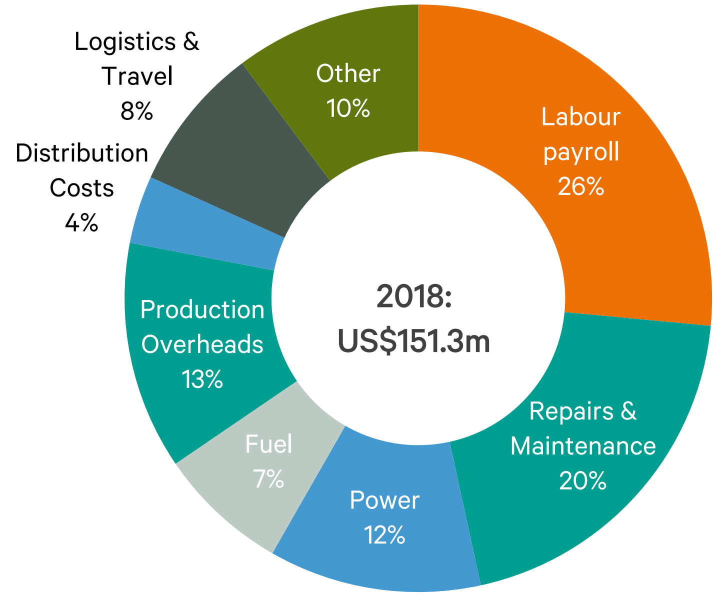
- 2019 capital spend (property, plant & equipment), primarily relates to growth development projects.
- Working capital changes primarily as a result of increase in trade receivables, due to the timing of shipments

Strong operating cashflow supported investment in growth projects

Total cash operating costs largely in line with 2018

Total cash operating costs breakdown





4% increase due primarily to:

- 14% increase in repairs and maintenance costs driven by one-off activities due to breakdowns
- Other costs - additional demurrage costs incurred in the period, unscheduled maintenance work and an adjustment to consumable spares stock
- Fuel - diesel prices have increased by 14% 2019 vs 2018

These cost increases were partially offset by:

- Labour - average staff numbers have increased by 5% compared to 2018 but this is offset by lower costs due to the localisation of the staff and the depreciation of the Mozambican Metical, reducing local labour costs
- Logistics and travel - reduced ex-pat headcount together with relocation of the Mine finance team to Maputo

2020 guidance

Provided on 9 January 2020

Production		2020 Guidance	2019 Actual
Ilmenite	tonnes	800,000-900,000	892,900
Primary zircon	tonnes	44,500-50,100	46,900
Rutile	tonnes	7,700-8,700	8,300
Concentrates[1]	tonnes	34,700-39,000	40,200
Costs			
Total cash operating costs	US$ m	153-172	157
Cash costs per tonne of finished product	US$/tonne	162-182	158

- Production of all finished products in 2020 is expected to be lower than in 2019 due primarily to anticipated lower grades at WCP A and WCP B
- Production is expected to be weakest in Q3 and strongest in Q4 2020 due to the relocation of WCP B
- WCP B is expected to cease production for up to 12 weeks during its relocation to Pilivili, however production will benefit from the operation of WCP C
- Shipment volumes are expected to be higher than production volumes in 2020 but lower than in 2019
- Total cash operating costs in 2020 are anticipated to increase marginally, primarily as a result of the addition of WCP C
- Development capital costs are expected to be US$119.5m and sustaining capital costs are expected to be US$22m

1. Concentrates includes secondary zircon and mineral sands concentrate.

KMAD: 2019 Highlights

Focused on leaving a positive and sustainable legacy

>40 small businesses supported by KMAD by year-end 2019

New ambulance provided to community health centre

Construction of a primary school in Cabula village

Second phase of technical school for vocational development constructed

Nurses sponsored to undertake a 2-year mother and child healthcare course

Mozambican NGO engaged to improve primary education in the district

Follow Kenmare on social media

Facebook, Twitter and LinkedIn

Kenmare has gone social

- Kenmare has profiles on Facebook, Twitter and LinkedIn, which feature regular updates on our corporate social responsibility initiatives, operational and development milestones, news flow and more
- Click the name of the social network to visit out profiles and connect with Kenmare: Facebook, Twitter and LinkedIn

KENMARE
RESOURCES PLC

Contact Us

Jeremy Dibb / Katharine Sutton
+353 1 671 0411
ir@kenmareresources.com

Follow Us