BUFFALO COAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2022

(Presented in South African Rands)

Contents

BASIS OF PREPARATION

The Management's Discussion and Analysis for the three and nine months ended September 30, 2022 ("MD&A") relates to the financial condition and results of operations of Buffalo Coal Corp. and its subsidiaries ("we", "our", "us", "BC Corp", the "Company" or the "Group") for the three and nine months ended September 30, 2022. The MD&A should be read in conjunction with the audited annual consolidated financial statements for the years ended December 31, 2021 and December 31, 2020, the MD&A for the three and twelve months ended December 31, 2021 and the unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2022 and 2021 (the "Interim Results").

The Interim Results are prepared in accordance with International Financial Reporting Standards ("IFRS") and comply with IAS 34, Interim Financial Reporting. Certain non-IFRS measures are discussed in this MD&A which are disclosed as such. Additional information and press releases have been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and are available online under the BC Corp profile at www.sedar.com.

This MD&A report includes an update, up to and including November 28, 2022, on the significant matters relating to the position at September 30, 2022. References to "FY" mean the respective year ended on December 31. References to Q4, Q3, Q2 and Q1 mean the three months ended December 31, September 30, June 30, and March 31, of the respective financial year.

Unless otherwise noted, all amounts are recorded in South African Rands ("R" or "Rands" or "ZAR"). References to "C$" mean Canadian Dollars and to "US$" mean United States Dollars. Amounts stated in C$ or US$ are translated at the date of transaction, unless otherwise stated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information under Canadian securities legislation.

Forward-looking information includes, but is not limited to:

- information of the expected timing and amount and cost of current and future production from the Company's properties;
- financial and operational planning and strategic goals to achieve business objectives;
- the Company's preparedness to meet the requirements of the environmental and other approvals/permits for its various mining projects;
- capital requirements, along with the Company's ability to raise funds for its projects and to meet ongoing capital expenditures;
- the timing and amount of advances and repayments under existing loan facilities;
- the future price of minerals, particularly Anthracite and Bituminous coal and overall market conditions in the domestic and international markets;
- the estimation of mineral reserves and mineral resources, and realization of estimates of mineral reserves;
- conclusions of economic evaluations;
- success of exploration activities;
- mining or processing-related issues, developments or plans;
- currency exchange rates;
- government regulation of mining operations;
- labour relations and future collective agreements; and
- environmental risks.

In general, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is based on the opinions, estimates and assumptions of management as of the date such statements are made and the Company can give no assurance that such opinions, estimates and assumptions are correct.

Projections regarding the anticipated timing, amount and cost of exploration, development and production activities are based on assumptions underlying mineral reserve and mineral resource estimates and the realization of such estimates. Capital and operating cost estimates are based on extensive research by the Company, purchase orders and commitments of the Company, mining costs and other factors.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performances, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Such factors include risks relating to: the possible impact of Coronavirus disease 2019 and its variants ("COVID-19") on the operations; the impact of national electricity shortages and related blackouts at both regional and operational sites on coal production; the requirement for additional capital; production estimates; the price of coal; labour and employment; cost estimates; mineral legislation; title to mineral holdings; power supply; the depletion of mineral reserves; litigation; operations in South Africa; local or international measures designed to contain the spread of diseases; infrastructure; environmental and other hazards; dependence on key personnel; dependence on outside parties; exploration and development; foreign mining tax regimes; insurance and uninsured events; competition; the Company's securities experiencing price volatility; owning foreign assets; currency fluctuation, as well as the risk that the Company's directors and officers may have conflicts of interests. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated by such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

OVERVIEW OF THE COMPANY

BC Corp is a coal mining, processing and supply company operating in South Africa. The Company is primarily listed on the TSX Venture Exchange ("TSXV") in Canada and has a secondary listing on the Alternative Exchange ("AltX") operated by the JSE Limited in South Africa. BC Corp trades under the symbol "BUF" on the TSXV and "BUC" on the AltX.

Mining Operations

The Company owns a 100% interest in Buffalo Coal Dundee Proprietary Limited ("BC Dundee"), a South African company with an interest in two coal mines and two coal mining projects in the KwaZulu-Natal province of South Africa ("KZN"). The two underground coal mining operations are the Aviemore East anthracite mine ("Aviemore East"), and the Magdalena bituminous mine ("Magdalena").

The Company's total anthracite resources are referred to as the Aviemore Mine. These include the anthracite resources at Aviemore East, and mineable resources at the Balgray anthracite project ("Balgray"), which is an extension of the Aviemore East reserve, and the Aviemore North Adit anthracite project ("North Adit").

BC Dundee holds a 70% interest in Zinoju Coal Proprietary Limited ("Zinoju") which holds all the mineral rights relating to the mining properties. The remaining 30% interest in Zinoju is held by South African Black Economic Empowerment ("BEE") partners. BEE is a statutory initiative on behalf of the South African government, enacted to increase access by historically disadvantaged South Africans ("HDSA") to the South African economy by increasing HDSA ownership in South African enterprises (Refer to the "Off-balance Sheet Arrangements" section of this MD&A). The Group has initiated a process to review the current Company and shareholding structure and restructuring thereof (refer to the "BEE restructuring" section of this MD&A).

The Company has two coal processing plants. One is located on the Magdalena property and the second is located in the town of Dundee and is known as the Coalfields site ("Coalfields"). The Company's rail siding and BC Dundee's head office are also located at Coalfields.

Aviemore East is approaching the end of its life. The Company assesses the remaining life of the current Aviemore East mining operation on a quarterly basis updating estimated remaining mining reserves available with actual tonnes mined to date, together with an updated review of the short to medium-term extension of the current Aviemore East operation from the Balgray adit and the longer-term extension from the North Adit.

Balgray provides access to a resource that is contiguous to the current Aviemore East mine. Access will be via a previously abandoned Balgray adit. Balgray has an estimated measured and indicated mineable reserve of 3.23 million run-of-mine ("ROM") tonnes with an estimated saleable volume of 2.08 million tonnes, which will allow the current anthracite production levels to continue to operate economically for a further 7 years.

The Group has secured the required environmental authorizations to allow for underground mining through the Balgray adit. On July 22, 2021, the Department of Mineral Resources and Energy ("DMRE") granted an Environmental Authorisation ("EA") for Balgray, and on February 13, 2022, the Department of Water and Sanitation ("DWS") granted an official Water Use License.

Corporate Activity

On June 14, 2022, Belvedere Resources DMCC ("Belvedere") purchased 347,945,097 Common Shares of the Company from Resource Capital Fund V L.P. ("RCF" and together with Belvedere, the "Parties"). Belvedere also assumed a US$27 million convertible loan (the "Convertible Loan") pursuant to a convertible loan agreement between RCF and the Company. The purchase of the Common Shares and the Convertible Loan are collectively referred to as the "Transaction". The Transaction took place by private agreement between the Parties. Prior to the completion of the Transaction, Belvedere did not own any Common Shares of the Company. The administrative matters required to give effect to the Transaction were completed on August 5, 2022. This is deemed to be the date on which a Change of Control occurred.

At November 29, 2022, BC Corp has 421,352,596 common shares outstanding of which 347,945,097 common shares (82.6%) are held by Belvedere and 41,713,907 common shares (9.9%) are held by STA Coal Mining Company (Pty) Ltd ("STA").

On August 4, 2022, the Board of directors of the Company (the "Board") appointed Mr. Alok Joshi as a non-executive director and a representative of Belvedere.

On August 23, 2022, Mr. Craig Wiggill, director and Chairperson of the Board, resigned from the Board. On August 25, 2022, the Board appointed Mr. Tushar Agrawal as a non-executive director and Chairperson of the Board.

On September 18, 2022, Mr Willie Bezuidenhout resigned as the Chief Financial Officer ("CFO") of the Company and Ms. Emma Oosthuizen, the Chief Executive Officer ("CEO") of the Company agreed to also act as Interim CFO. On October 14, 2022, the General Manager of the mining operations, Mr Mattison resigned.

On November 21, 2022, Ms. Emma Oosthuizen assumed the position of CFO. Ms. Oosthuizen has ceased being the CEO effective from November 29, 2022. The Company has appointed Mr. Somdeb Banerjee as the Group's CEO effective November 29, 2022. The Group has also appointed Mr. Banerjee as the CEO of its operating and revenue generating subsidiaries, BC Dundee and Zinoju (collectively the "BC Dundee Group"), and for the entirety of its coal mining and processing business.

On November 4, 2022, the Company announced that it will be offering rights (the "Rights Offering") to holders of its Common Shares of record at the close of business on November 18, 2022 (the "Record Date"). Pursuant to the Rights Offering, each holder of Common Shares (a "Shareholder") will receive one transferable right (each, a "Right") for each Common Share held as of the Record Date at a subscription price of C$0.01 or ZAR 0.13396 (the "Subscription Price") per Common Share, subject to certain limitations. The Corporation's majority shareholder, Belvedere, has agreed, subject to certain terms and conditions, to subscribe to all the Common Shares that are not otherwise subscribed for and purchased under the Rights Offering. This subscription is limited to an amount whereby Belvedere will not hold more than 90% of Common Shares in the Company following the Rights Offering. Complete details of the Rights Offering are set out in the circular and the rights offering notice, which are filed under the Company's profile at www.sedar.com. The Rights Offering is expected to be funded on December 22, 2022 and close on December 30, 2022. Should the Rights Offering be successful, the proceeds raised will be primarily utilized to settle the Investec debt (see "Liquidity Risk and Going Concern – Investec Loan" section of this MD&A).

IMPACT OF AND RESPONSE TO COVID-19

The Company has been impacted by the spread of the COVID-19 to South Africa. On March 15, 2020, South Africa's President declared a National State of Disaster and announced a wide range of Government interventions aimed at curbing the spread of the COVID-19 outbreak.

Since June 1, 2020, mining activities have been allowed at 100% of operational capacity. The National State of Disaster has been lifted as from April 5, 2022 with certain transitional measures remaining in place.

The various levels of National Lockdown, implementation of National Disaster Regulations and COVID-19 infections of employees negatively impacted both the Group's mining operations and the community within the region of our operations, with an accompanying large-scale loss of income and/or employment occurring across all industries.

The Group implemented various measures to mitigate the impact of COVID-19 on its mining operations and financial position and provide protection for its employees and community.

As at the date of this document, the Group has recorded a total of 121 COVID-19 infections amongst its employees, of whom 2 have passed away and 119 have recovered.

The Company and its operations will continue to manage and respond to COVID-19 escalations, if any, within the framework of the Company's protocols/policies and local and national health authority requirements and recommendations. It will continue to responsibly monitor and manage the impacts of COVID-19 and any additional government interventions on the Company's operations and its employees, financiers, major suppliers and other stakeholders.

OUTLOOK AND STRATEGIC REVIEW

Productivity levels have continued to be negatively impacted due to controls and mitigation procedures implemented to manage and contain risks related to COVID-19. While the impact of COVID-19 on the operations and financial position of the Company is expected to be less significant in FY 2022, the rotational electricity load shedding ("load shedding") implemented by South Africa's public electricity provider, Eskom has increased substantially during the current financial year and has negatively impacted the Group's operations.

The Company continues to pursue opportunities to extend the lives of its properties and operate economically. With the Change of Control that came into effect on August 5, 2022, the Company is reviewing its short, medium and longer-term plans and how best to implement the plans taking into account the synergistic benefits and technical and financial support provided by Belvedere.

At Aviemore East, management monitors the remaining life of the current reserves on an ongoing basis and continues to explore ways to increase the current mining extraction rate at Aviemore and further methods to increase the remaining Aviemore reserves. As at September 30, 2022, Aviemore East had an estimated 227,794 ROM tonnes of reserves remaining to mine, which, subject to Aviemore's mining rate and the coal resources accessible from the current Aviemore East operations, are expected to be exhausted during Q2 2023.

At Magdalena, the Company secured R17 million funding (refer to the "Liquidity Risk" section of this MD&A) in May 2022 which enabled Magdalena to complete the capital work required to access the additional mining reserves. The remaining primary mining reserves are expected to provide a Life-of-Mine ("LOM") of approximately 13 years.

During the months of October and November 2022, both Aviemore East and Magdalena production were disrupted by labour-related issues.

On October 21, 2022, major damage occurred to the extrusion conveyor belt at Aviemore East. The repair work to the belt required approximately 3 weeks. Mining activities ceased on October 24, 2022, to start the repair work, while an internal investigation was launched. On November 14, 2022, repairs on the belt were completed and mining activities resumed. As a result, there was no production at Aviemore East for 3 weeks. As at the date of this MD&A, the investigation has not yet been finalized.

On November 17, 2022 the DRME issued a Section 54 at Aviemore East noting health and safety transgressions, and mining activities were stopped. Mine management presented processes to rectify the noted transgressions to the DMRE on November 22, 2022.

On November 17, 2022 there was an illegal underground strike action at Magdalena and as a result mining activities were stopped for 2 days.

The Balgray project requires financing of approximately R118 million for the Balgray adit refurbishment and the requisite mining infrastructure. The Company would require additional external funding to meet the balance of the capital expenditure requirements for the Balgray project and it is anticipated that the construction and commissioning process will take approximately 9 months to a year.

The Company has utilized its own cash resources to commence critical path construction activities on Balgray during FY 2022. These activities have included, amongst others, the installation of electricity supply infrastructure, detailed civil and structural designs, refurbishment of ventilation infrastructure and adit support.

Balgray's mining operations would be anticipated to commence in the second half of calendar 2023, subject to the balance of the requisite funding being secured (refer to the "Liquidity Risk and Going Concern – Going Concern" and "Other Corporate Activities – Funding for Balgray" sections of this MDA).

BEE SHAREHOLDING RESTRUCTURING

During Q1 2021, the Group initiated a process to review the existing Company and shareholding structure and restructuring thereof. To facilitate the restructuring process and considering the various regulatory approvals required, BC Dundee and its BEE shareholder agreed to amend the exercise date of an option to reacquire an 18% interest in Zinoju from its BEE shareholder to December 31, 2021 and to allow for a set off of the R20 million call option purchase price against the remaining capital balance outstanding by the BEE shareholder on the exercise date.

On December 24, 2021, BC Dundee and its BEE shareholder agreed to amend the exercise date of the call option agreement from December 31, 2021 to April 30, 2022. On April 27, 2022, this option was further extended to August 2, 2022. On July 28, 2022, this option was further extended to August 31, 2022 and the Company is currently in discussions with the BEE shareholder on the way forward.

Following the Change of Control on August 5, 2022, it was decided to halt the restructuring process and consider an effective way to reorganize the Buffalo Coal Group within the Belvedere group structure.

LIQUIDITY RISK AND GOING CONCERN

Liquidity Risk

Convertible Loan

As of September 30, 2022, the Convertible Loan remained at US$27 million (approximately R486.3 million). The increase in the ZAR value of the Convertible Loan balance to R465.2 million on September 30, 2022 (December 31, 2021: R417.2 million) was mainly driven by the weakening of the ZAR against the US$ which resulted in a higher converted closing balance at the end of September 2022 (Refer to Note 9 of the Interim Results).

Pursuant to the agreement, the Convertible Loan of US$27 million was to become due and payable on December 31, 2020. On November 24, 2020, BC Corp and RCF agreed to extend the final maturity date of the Convertible Loan facility to June 30, 2022 and on February 18, 2022, RCF agreed to further extend the scheduled maturity date of the Convertible Loan to June 30, 2023 to allow the Company an opportunity to obtain financing to repay this amount in full.

As noted in the "Overview of the Company" section of this MD&A, pursuant to the Transaction, Belvedere assumed the Convertible Loan facility, subject to Belvedere obtaining a required consent from Investec Bank Ltd ("Investec"). On September 7, 2022, Belvedere obtained written consent ("the Consent") from Investec Bank Ltd ("Investec") to assign the Convertible Loan in Belvedere's favour.

On November 23, 2022, the Convertible Loan was amended to remove the right of Belvedere, as lender, to convert amounts owing thereunder into shares in the capital of the Company (Refer to "Subsequent Events - Convertible loan – conversion option liability" section of this MD&A).

The scheduled maturity date under the Convertible Loan remains unchanged, being June 30, 2023.

Investec Loan

In December 2021, Investec agreed to extend the final maturity date and date by when the restructuring of the outstanding balance of R46.1 million would be agreed upon and following various extensions granted, negotiations regarding the restructuring of the Investec borrowings were concluded on March 30, 2022 (Refer Note 12 of the Interim Results for details of the salient terms agreed to).

Capital repayments of R5 million and R6 million, respectively, were made in the three and nine months ended September 30, 2022. As at the date of the MD&A, the Company has not repaid the additional agreed-upon amount of R6.5 million as it has not secured the required funding for Balgray.

On July 4, 2022, Investec provided a formal notice to the Company advising that Investec would - based on the completion of all administrative matters surrounding the Change of Control – exercise its rights to demand full repayment of all outstanding amounts between the Company and Investec (Refer to Note 12 of the Interim Results), including the accrued Life of Mine Royalty ("LOMR") payable on sales generated by the Company's Magdalena bituminous mine (Refer to Note 15 of the Interim Results).

On September 30, 2022, the Company's wholly-owned subsidiary, BC Dundee, concluded a tri-partite agreement with Investec and Belvedere, pursuant to which:

- BC Dundee would continue to pay Investec the scheduled monthly capital repayments under the Credit Facility Agreement (the "Agreement"), as agreed to with Investec on March 30, 2022;
- BC Dundee undertakes to pay Investec the remaining amounts outstanding under the Agreement between BCD and Investec, in full on November 30, 2022 (or such later date as may be agreed by Investec in writing); and
- Belvedere undertakes to directly or indirectly advance funds to BC Dundee, if the latter cannot fully meet the monthly capital repayment obligations to Investec, as outlined in the Agreement.

The amount owing to Investec at September 30, 2022 was R40.0 million (December 31, 2021: R46.1 million). The Company has continued to pay interest on the outstanding debt in addition to the scheduled capital repayments. The loan bears interest at the South African prime rate plus 0.5% payable monthly.

On November 18, 2022, the settlement date of November 30, 2022 under the tri-partite agreement was extended to January 6, 2023.

Should the Rights Offering discussed in the "Overview of the Company" section of this MD&A be successful, the proceeds raised will be utilized to settle the Investec debt. The Rights Offering is expected to be funded on December 22, 2022 and to close on December 30, 2022. Should the Investec Loan be settled under the terms of the tri-partite agreement, the Investec LOMR is understood to be reduced to R2.5 million and the appropriate gain on recovery will be recorded at that time.

STA

The amount payable to STA was R10.6 million on September 30, 2022 (December 31, 2021: R11.4 million). The Group has continued to make monthly interest payments in months where it did not make capital payments.

Magdalena funding

On May 4, 2022, the Group entered into an offtake agreement with a customer whereby the Group secured funding, in the form of a prepayment of sales proceeds, totalling R17.0 million. This funding was utilized to procure and install the capital infrastructure to increase Magdalena's production in 2022. To repay the amount advanced and finance cost, the Group is required to deliver a total of 64,000 tonnes of washed bituminous coal products over a period of eight months, commencing in June 2022 with a minimum monthly offtake of 8,000 tonnes per month. An amount of R290 per tonne will be set-off against all offtake tonnes delivered between June 2022 and January 2023. The set-off amount will increase to R300 per tonne on any tonnes delivered from February 2023. Any remaining tonnes not delivered by February 28, 2023 would need to be delivered or paid back in cash by March 5, 2023 (Refer to Notes 11 & 15 of the Interim Results).

Going concern

The Interim Results accompanying this MD&A have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Group will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Group's ability to continue as a going concern and ultimately continue operations into the future, is dependent on its ability to realize short-term opportunities, restructure or renegotiate an extension to and ultimately settle its outstanding debt obligations and secure the funding required (internally or externally) for its medium to longer term projects.

As at September 30, 2022, the Group had a shareholders' deficiency of R432.6 million (December 31, 2021: R413.0 million), and a working capital deficiency of R518.9 million (December 31, 2021: R476.7 million). The Group recorded a net loss of R24.4 million for the nine months ended September 30, 2022 (September 30, 2021: R79.9 million) and a net loss of R6.7 million for the three months ended September 30, 2022 (September 30, 2021: R23.3 million).

As the Aviemore East mine approaches the end of its life, additional mining challenges have continued to impact productivity resulting in a lower mining rate in Q3 2022. As a result, the previously estimated end of LOM has been extended to at least Q2 2023. To supplement lower sales volumes from lower anthracite production, assisted by the current increased demand for anthracite product at favourable market prices, the Group commenced re-washing its high-ash stockpiles in September 2022 to deliver into the export market.

To further mitigate against the risks related to the Group's current reliance on revenue from its anthracite products and supported by increases in bituminous coal prices and a renewed interest in the Group's bituminous coal products, the Group is pursuing initiatives to increase production at Magdalena in a phased approach. The Magdalena funding of R17.0 million was utilized for the capital required to extend access to the rest of Magdalena's reserves (Refer to Note 11 of the Interim Results) and thereby allowing one full section to become operational during Q3 2022. The Group is also considering adding additional mining sections to the Magdalena operation through contract mining arrangements. The Group also commenced the buy-in of additional bituminous coal to make use of its available plant capacity at Magdalena.

The extension of mining operations into Balgray will allow the Group to continue to produce anthracite product when Aviemore East's reserves are depleted. As discussed under the "Outlook and Strategic Review" section of this MD&A, the Group is pursuing various options to secure the balance required for the development of Balgray.

Subject to its ability to meet current production and sales forecasts and with the financial support of Belvedere, the Group should be able to generate positive operational cash flows in the short-term. However, the Group's ability to ultimately continue operations over the medium to longer term is highly dependent on restructuring its financial position and securing the requisite funding for Balgray and the further expansion of Magdalena's mining operations.

The Group remains dependent upon the continued support of its stakeholders in order to achieve and sustain profitable levels of operation. The tri-partite agreement reached between the Group, Investec and Belvedere enables the repayment of the Investec Loan from the proceeds of the Rights Offering.

Whilst Belvedere's support enables the preparation of the Interim Results of the Company on a Going Concern basis, management believes that Belvedere intends to structure their financial support to ensure that uninterrupted operations of the Company continue into the foreseeable future. Among other things, the financial support will initially be in the form of the Rights Offering proceeds to settle the Investec Loan and thereafter the funding of the mining projects of the Company, to the extent that they are not supported by internal cash generation.

As at the date of this MD&A, there is no assurance that the Group will be able to meet its covenants in the future, that the Rights Offering will be successful, that its stakeholders will continue to provide support or that the requisite funding will be obtained for Balgray or for the second Magdalena expansion. These matters constitute material uncertainties.

Should the going concern assumption not be appropriate for the preparation of the Interim Results, then adjustments would be necessary to the carrying values of assets and liabilities, the reported revenues and expenses, and the condensed interim consolidated statement of financial position classifications. Such adjustments could be material.

OPERATIONAL REVIEW

The operational results for Q3 2022 and 2022 YTD compared to Q3 2021 and 2021 YTD as well as Q3 2022 compared to Q2 2022 are discussed in more detail below:

Consolidated operational results for 2022 YTD, 2021 YTD, Q3 2022, Q3 2021 and Q2 2022

Operational results	2022 YTD	2021 YTD	% Change	Q3 2022	Q3 2021	% Change	Q2 2022	% Change
ROM (t)	**353 763**	345 501	2%	**110 691**	127 853	(13%)	113 773	(3%)
- Aviemore (t)	**271 905**	278 026	(2%)	**78 619**	101 199	(22%)	91 484	(14%)
- Anthracite (t) (bought-in)	**2 646**	1 202	120%	**-**	574	(100%)	-	(100%)
- Magdalena (t)	**75 605**	66 273	14%	**28 465**	26 080	9%	22 289	28%
- Magdalena (t) (bought-in)	**3 607**	-	100%	**3 607**	-	100%	-	100%
Plant feed (t)	**409 149**	359 968	14%	**158 274**	129 812	22%	121 942	30%
- Aviemore (t)	**267 006**	292 662	(9%)	**66 782**	102 344	(35%)	96 740	(31%)
- Anthracite (t) (bought-in)	**5 615**	1 202	367%	**-**	574	(100%)	-	N/A
- Magdalena (t)	**73 992**	64 863	14%	**30 463**	26 314	16%	25 202	21%
- Magdalena (t) (bought-in)	**3 646**	1 241	194%	**2 139**	580	269%	-	100%
- High-ash rewash (t)	**58 890**	-	100%	**58 890**	-	100%	-	100%
Toll washing arrangements with third parties - plant feed (t)	**-**	1 656	(100%)	**-**	-	N/A	-	N/A
Saleable production (t) (excluding calcine)	**245 992**	239 350	3%	**85 818**	85 727	0%	80 490	7%
- Anthracite (t)	**172 721**	199 016	(13%)	**40 202**	67 667	(41%)	66 299	(39%)
- Anthracite (t) (bought-in)	**1 650**	1 627	1%	**-**	376	(100%)	-	N/A
- Bituminous (t)	**42 261**	38 707	9%	**17 156**	17 684	(3%)	14 191	21%
- Bituminous (t) (bought-in)	**2 062**	-	100%	**1 162**	-	100%	-	100%
- High-ash rewash (t)	**27 298**	-	100%	**27 298**	-	100%	-	100%
Yield on plant feed (excluding calcine) (%)	**64.6%**	65.7%	(2%)	**66.0%**	64.8%	2%	66.0%	0%
- Anthracite (%)	**64.7%**	67.7%	(4%)	**60.2%**	65.7%	(8%)	68.5%	(12%)
- Anthracite (%) (bought-in)	**29.4%**	56.9%	(48%)	**N/A**	65.5%	N/A	N/A	N/A
- Bituminous (%)	**57.1%**	59.6%	(4%)	**56.3%**	66.5%	(15%)	56.3%	0%
- Bituminous (%) (bought-in)	**56.6%**	N/A	N/A	**54.3%**	N/A	N/A	N/A	N/A
- High-ash rewash (%)	**46.4%**	N/A	N/A	**46.4%**	N/A	N/A	N/A	N/A

Operational results	2022 YTD	2021 YTD	% Change	Q3 2022	Q3 2021	% Change	Q2 2022	% Change
Sales (t)	**249 769**	370 953	(33%)	**108 788**	145 024	(25%)	69 217	57%
- Anthracite (t)	**133 313**	173 366	(23%)	**41 400**	63 503	(35%)	44 323	(7%)
- Bituminous (t)	**40 729**	37 104	10%	**18 428**	17 777	4%	9 709	90%
- Calcine (t)	**42 740**	29 879	43%	**15 973**	12 225	31%	15 185	5%
- Anthracite high-ash sales (t)	**-**	130 604	(100%)	**-**	51 520	(100%)	-	N/A
- Traded product (t)	**32 987**	-	100%	**32 987**	-	100%	-	-
Sales (t) (excluding high-ash sales and trade sales)	**216 782**	240 349	(10%)	**75 801**	93 504	(19%)	69 217	10%
Saleable inventory tonnes (t)	**62 027**	27 530	125%	**62 027**	27 530	125%	31 567	96%
- Anthracite (t)	**8 600**	18 291	(53%)	**8 600**	18 291	(53%)	19 533	(56%)
- Bituminous (t)	**7 694**	5 078	52%	**7 694**	5 078	52%	8 382	(8%)
- Calcine (t)	**1 423**	4 161	(66%)	**1 423**	4 161	(66%)	3 652	(61%)
- Rewashed high-ash (t)	**27 297**	-	100%	**27 297**	-	100%	-	100%
- Trade product in transit (t)	**17 013**	-	100%	**17 013**	-	100%	-	100%

ROM Production

Total ROM production (including buy-in tonnes) for Q3 2022 decreased by 13% compared to Q3 2021 and by 3% compared to Q2 2022. Total overall ROM production for 2022 YTD increased by 2% compared to 2021 YTD.

Productivity levels continue to be negatively impacted due to controls and mitigation procedures implemented to manage and contain risks related to COVID-19 and continues to be hampered by load shedding.

Aviemore East's ROM production for Q3 2022 and 2022 YTD decreased by 22% and 2% compared to Q3 2021 and 2021 YTD. Aviemore East produced 78,619 ROM tonnes at an average of 26,206 ROM tonnes per month for Q3 2022, a decrease of 14% compared to Q2 2022.

Anthracite tonnes bought-in for Aviemore East for 2022 YTD were 2,646 ROM tonnes of which all tonnes were purchased during Q1 2022. (2021 YTD: 1,202; Q3 2021: 527 ROM tonnes).

Following renewed interest in the Group's bituminous coal, underground mining re-commenced at Magdalena on a small scale in Q2 2020, targeting monthly production of 8,000 tpm. During Q3 2022 the section was upscaled to a full section however the ramp-up in production has been slower than anticipated. Magdalena's bituminous ROM production for Q3 2022 and 2022 YTD increased by 9% and 14% compared to Q3 2021 and 2021 YTD. Production for Q3 2022 increased by 28% compared to Q2 2022.

To optimize plant capacity available at Magdalena and to capitalize on the increase in demand for bituminous product, Magdalena bought-in 3,607 tonnes of bituminous coal during Q3 2022. There were no bituminous tonnes bought-in for Magdalena in Q2 2022, Q1 2022, Q3 2021 or 2021 YTD.

Saleable Production and Yields achieved

The total overall saleable coal production (excluding calcine) for Q3 2022 was in line with Q3 2021 and 2022 YTD increased by 3% compared to 2021 YTD. Saleable coal production for Q3 2022 was 7% higher compared to Q2 2022.

Saleable anthracite tonnes produced by Aviemore East for Q3 2022 and 2022 YTD decreased by 41% and 13%, respectively, compared to Q3 2021 and 2021 YTD. Saleable anthracite tonnes produced for Q3 2022 decreased by 39% compared to Q2 2022. The decreases in saleable anthracite tonnes over the comparative periods are a reflection of the lower ROM production achieved along with the lower yields achieved over comparative periods.

Saleable bituminous tonnes produced by Magdalena for Q3 2022 decreased by 3% compared to Q3 2021 while its saleable bituminous tonnes for 2022 YTD increased by 9% compared 2021 YTD. The decrease for Q3 2022 compared to Q3 2021 is the result of an increase in ROM production (16%) more than offset by lower yields achieved (15%) over the comparative periods. The increase for 2022 YTD compared to 2021 YTD is the result of an overall increase in ROM production marginally offset by lower overall yields achieved (4%). Magdalena mine's saleable bituminous tonnes for Q3 2022 increased by 21% compared to Q2 2022 and is reflective of the increase in ROM production (21%) over comparative periods.

In order to benefit from the increase in demand for anthracite products in the export market, the Group commenced re-washing its high-ash anthracite product at its Coalfields plant to produce a higher quality saleable product in September 2022, which produced 27,298 saleable anthracite tonnes at a yield of 46.4%.

During 2022 YTD, the Group produced 1,650 tonnes of saleable anthracite product (2021 YTD: 1,627 tonnes) at its Coalfields plant from bought-in tonnes that was acquired in Q1 2022 and produced 2,062 tonnes of saleable bituminous product (2021 YTD: Nil tonnes) from bought-in tonnes that was acquired in Q3 2022.

The Group entered into toll washing arrangements with third parties during FY 2020. A total of 1,656 ROM tonnes were washed in Q1 2021. These arrangements were terminated in Q1 2021.

Sales

Overall sales tonnes (including high-ash sales) for Q2 2022 and 2022 YTD were 50% and 38% lower compared to both Q2 2021 and 2021 YTD and 4% lower in Q2 2022 compared to Q1 2022. This was due to no high-ash sales being recorded in 2022 YTD compared to 79,084 high-ash sales achieved in 2021 YTD of which 65,830 tonnes were sold in Q2 2021.

During Q3 2022 the Group commenced trading in higher quality coal products. The traded tonnes sold during Q3 2022 contributed 30% towards total product sales, while the balance of the sales tonnes consisted of 38% anthracite product sales (Q3 2021: 44%; Q2 2022: 64%), 17% bituminous product sales (Q3 2021: 12%; Q2 2022: 14%) and 15% calcine product sales (Q3 2021: 8%; Q2 2022: 22%). In Q3 2021 the Group also sold lower quality high-ash product that contributed 36% to total product sales in Q3 2021.

For 2022 the traded tonnes sold contributed 13% towards total product sales, while the balance of the sales tonnes consisted of 53% anthracite product sales (2021 YTD: 47%), 16% bituminous product sales (2021 YTD: 10%) and 17% calcine product sales (2021 YTD: 8%). During 2021 YTD the Group also sold lower quality high-ash product that contributed 35% to total product sales during the period.

Markets

International events

The impact of sanctions against Russia continues to be the dominant factor influencing markets, with seaborne coal prices remaining high for all supply regions at levels well above those achieved in recent years.

Logistical issues impacting South African exports

The operational performance of the rail system remains the dominant factor limiting supply out of South Africa that included a maintenance shutdown in July 2022. All other export ports are currently operating at maximum rates achievable but are only succeeding in performing at high levels because exporters are making use of road transportation. This capacity remains limited

Anthracite markets

Anthracite sales in Q3 2022 were predominantly to contracted and committed customers, as well as internally for calcine plant feedstock. Anthracite products remain essentially fully committed for the remainder of 2022.

Anthracite enquiries, for export markets in particular, remain frequent, but for product specifications that the Group is unable to produce. The Group is not able to deliver significant incremental quantities into the market due to commitments made to contracted customers.

Bituminous markets

The Company commenced delivering into a supply agreement at the end of Q2 2022 which is expected to cover all of the planned production of bituminous duff and nuts for the remainder of 2022.

Peas are sold into the domestic markets, where demand for high calorific value products continues to exceed available supply from domestic producers.

Health and Safety

The Company's operations maintain an integrated Health, Safety and Environment ("HSE") management system, established using the OHSAS18001 and ISO14001 frameworks as well as minimum standards, and fully supports the co-existence of occupational health, and the environment within which the Company operates, in order to ensure compliance and strives to achieve zero harm. Operating safely and responsibly is an integral part of our business strategy. We strive to obtain an injury free workplace and to create a company culture that protects employees and visitors from harm. The Company undertakes training and development initiatives and related ventures on a regular basis in order to improve individual outlook on health, safety and the environment.

At September 30, 2022, the Group had achieved more than 14,750 fatality free production shifts. Coalfields achieved 9,366, Aviemore achieved 3,955 and Magdalena achieved 1,455 fatality free production shifts. The Company achieved a Lost time injury free rate of 0.16 (per 200,000 hours) for 2022 YTD against the target rate of 0.25. The Company recorded one lost time injury at the Magdalena Colliery during 2022 YTD.

Labour relations

In March 2022 salaried employees were awarded a 6% salary increase. Wage negotiations with recognized unions were concluded in July 2022 and waged employees were awarded an 8% salary increase, effective date August 1, 2022.

As discussed under the "Outlook and Strategic Review" section of this MD&A both Aviemore East and Magdalena production have continued to be disrupted by labour related issues during the months of October and November 2022. Management is in discussion with its workforce and union representatives to resolve these matters.

FINANCIAL REVIEW

Consolidated financial results for 2022 YTD, 2021 YTD, Q3 2022, Q3 2021 and Q2 2022 (in ZAR' million unless otherwise stated)

Financial results	2022 YTD	2021 YTD	% Change	Q3 2022	Q3 2021	% Change	Q2 2022	% Change
Revenue	**383.3**	288.0	33%	**195.9**	113.8	72%	96.3	103%
Cost of sales of goods ("Cost of sales")	**(301.6)**	(244.8)	23%	**(159.4)**	(88.7)	80%	(68.2)	134%
Gross profit	**81.7**	43.2	89%	**36.5**	25.1	46%	28.1	30%
Other (expenses)/income - net	**(32.8)**	(62.8)	(48%)	**(13.6)**	(25.5)	(47%)	9.1	(250%)
General & administration expenses	**(50.3)**	(37.6)	34%	**(20.9)**	(15.1)	38%	(16.5)	26%
Operating (loss)/profit	**(1.4)**	(57.2)	(97%)	**2.0**	(15.5)	(113%)	20.7	(90%)
Finance (expenses)/income - net	**(22.9)**	(22.6)	1%	**(8.7)**	(7.8)	12%	(7.7)	14%
(Loss)/profit for the period	**(24.3)**	(79.8)	(69%)	**(6.7)**	(23.3)	(71%)	13.0	(152%)
Adjusted EBITDA (*)	**43.6**	18.1	141%	**19.4**	14.2	36%	15.9	22%
Average selling price per ton sold (R) (excluding high-ash sales) (*)	**1 510**	1 121	35%	**1 751**	1 134	54%	1 387	26%
Cash cost of sales per ton sold (R) (excluding high-ash export costs) (*)	**1 165**	976	19%	**1 436**	911	58%	929	55%
CAD: ZAR (average)	**12.42**	11.64	7%	**13.04**	11.61	12%	12.20	7%
USD: ZAR (average)	**15.87**	14.57	9%	**17.03**	14.62	16%	15.33	11%

(*) See *Non-IFRS Performance Measures* section of this MD&A.

An analysis of the financial results for Q3 2022 and 2022 YTD compared to Q3 2021 and 2021 YTD as well as Q3 2022 compared to Q2 2022 are discussed below:

Revenue

R'000	2022 YTD	2021 YTD	% Change	Q3 2022	Q3 2021	% Change	Q2 2022	% Change
Anthracite	166 796	180 887	(8%)	54 995	66 612	(17%)	55 809	(1%)
- Domestic	80 707	70 203	15%	25 884	25 923	(0%)	32 586	(21%)
- Export	86 089	110 684	(22%)	29 111	40 689	(28%)	23 223	25%
Bituminous	41 888	31 501	33%	19 954	15 672	27%	9 903	101%
- Domestic	12 239	24 673	(50%)	2 728	8 844	(69%)	5 272	(48%)
- Export	29 649	6 828	334%	17 226	6 828	152%	4 631	272%
Traded product – Bituminous export	74 932	-	100%	74 932	-	100%	-	100%
Calcine	93 605	56 961	64%	40 590	23 728	71%	30 321	34%
Revenue (excluding high-ash sales)	377 221	269 349	40%	190 471	106 012	80%	96 033	98%
Export (high-ash)	-	17 065	(100%)	-	7 034	(100%)	-	N/A
Toll washing arrangements	-	219	(100%)	-	-	N/A	-	N/A
Sundry sales (slurry/discard)	6 036	1 401	331%	5 445	709	668%	301	1 709%
Total revenue	383 257	288 034	33%	195 916	113 755	72%	96 334	103%

Revenue from coal products (excluding high-ash) for Q3 2022 and 2022 YTD were 80% and 40% higher compared to Q3 2021 and 2021 YTD. Revenue from coal products (excluding high-ash) for Q3 2022 were 98% higher compared to Q2 2022.

During Q3 2022 the Group commenced trading in higher quality coal products. The revenue from traded tonnes sold during Q3 2022 contributed 38% towards total revenue, while the balance of the revenue consisted of 28% from anthracite product sales (Q3 2021: 59%; Q2 2022: 58%), 10% from bituminous product sales (Q3 2021: 14%; Q2 2022: 10%) and 21% from calcine product sales (Q3 2021: 21%; Q2 2022: 31%). In Q3 2021 the Group also sold lower quality high-ash product that contributed 6% towards total revenue in Q3 2021.

For 2022 the revenue from traded tonnes sold contributed 20% towards total revenue, while the balance of the revenue consisted of 44% from anthracite product sales (2021 YTD: 63%), 11% from bituminous product sales (2021 YTD: 11%) and 24% from calcine product sales (2021 YTD: 20%). During 2021 YTD the Group also sold lower quality high-ash product that contributed 6% towards total revenue for the period.

Although anthracite product sales decreased over the comparative periods, there were substantial increases in anthracite sales prices due to the higher demand for anthracite products during 2022 YTD which offset the negative impact of lower sales volumes to a large extent. Anthracite sales revenues for Q3 2022 were 17% lower compared to Q3 2021 and 1% lower compared to Q2 2022. The lower revenues were due to a 35% and 7% decrease in anthracite sales tonnes, largely offset by a 27% and 5% increase in sales prices over the comparative periods. Anthracite sales revenue for 2022 YTD was 8% lower compared to 2021 YTD due to a 23% decrease in anthracite sales tonnes, largely offset by a 20% increase in sales prices over the comparative period.

Bituminous sales revenues for Q3 2022 were 27% higher compared to Q3 2021 and 101% higher compared to Q2 2022. The higher revenues were due to a 4% and 90% increase in bituminous sales tonnes along with a 23% and 6% increase in sales prices over the comparative periods. Bituminous sales revenue for 2022 YTD was 33% higher compared to 2021 YTD due to a 10% increase in bituminous sales tonnes along with a 21% increase in sales prices over the comparative period. The increases in bituminous sales revenues are reflective of the increases in bituminous coal prices during 2022 YTD and the renewed interest in the Group's bituminous coal products.

Calcine sales revenues for Q3 2022 were 71% higher compared to Q3 2021 and 34% higher compared to Q2 2022. The higher revenues were due to a 31% and 5% increase in calcine sales tonnes along with a 31% and 27% increase in sales prices over the comparative periods. Calcine sales revenue for 2022 YTD was 64% higher compared to 2021 YTD due to a 43% increase in calcine sales tonnes along with a 15% increase in sales prices over the comparative period. The increase in calcine prices was driven off the higher demand and prices for anthracite product in the market.

Cost of Sales

Cost of sales includes mining and processing costs, salaries and wages, depreciation and amortization, transportation, royalties, carbon taxes, and social and labour plan expenses.

Cost of sales for Q3 2022 and 2022 YTD were 80% and 23% higher compared to Q3 2021 and 2021 YTD. Cost of sales for Q3 2022 was 134% higher compared to Q2 2022.

The substantial increases over the comparative periods were primarily attributable to the cost of the higher quality trading stock acquired during Q3 2022 along with the transport costs associated with the traded coal which made up 45% of total COS. Other factors that contributed to the higher costs were higher power costs due to additional processing done at the plants along with higher diesel costs due to more diesel required as a result of loadshedding, higher payroll costs due to increases in wages, the cost of bought-in bituminous tonnes in Q3 2022 and the transport cost related to tonnes sold delivered to port into the export market that commenced in September 2022.

The higher cash cost per tonne over the comparative periods were due to a combination of higher cash cost over lower processed tonnes (Q3 2022: R1,110/t) and the additional cost of higher quality traded coal during the quarter (Q3 2022: R2,184/t).

Other (Expenses)/Income – net

Other expenses and income consist mainly of profit on sale of assets, foreign exchange gains/losses and fair value adjustments on financial assets and other receivables and the conversion option liability on the Convertible Loan and gains/losses on extension of the maturity date of the Convertible Loan.

The R13.6 million other expense – net for Q3 2022 (Q3 2021: other expense – net of R25.5 million) was mainly attributable to net foreign exchange losses of R45.7 million (Q3 2021: net foreign exchange losses of R23.0 million) partially offset by a fair value adjustment gain on the conversion option liability on the Convertible Loan of R30.9 million (Q3 2021: R3.1 million fair value adjustment loss).

The R32.8 million other expenses – net for 2022 YTD (2021 YTD: other expenses – net of R62.8 million) was mainly attributable to net foreign exchange losses of R56.8 million (2021 YTD: net foreign exchange losses of R13.4 million) partially offset by a fair value adjustment gain on the conversion option liability on the Convertible Loan of R20.9 million (2021 YTD: R51.3 million fair value adjustment loss) and a positive fair value adjustment on the restricted financial asset of R1.9 million (2021 YTD: a positive fair value adjustment of R1.4 million).

The R9.1 million other income – net for Q2 2022 was mainly attributable to a fair value adjustment gain on the conversion option liability of the Convertible Loan of R57.8 million partially offset by net foreign exchange losses of R49.7 million.

Net foreign exchange gains/losses were primarily driven by fluctuations in the ZAR relative to the US$ at the end of the respective reporting periods which were used to translate the RCF convertible loan facility of US$27 million into ZAR.

General and administration expenses

These expenses include the general and administration ("G&A") expenses relating to BC Dundee's head office at Coalfields and the Company's corporate and listing related expenses.

G&A expenses for Q3 2022 were 38% higher compared to Q3 2021. The higher costs in Q2 2022 were mainly due to higher directors' fees, salaries and wages and legal fees along with a rehabilitation adjustment expense partially offset by lower project development and insurance costs as well as a decrease in stock-based compensation.

The higher directors' fees and salaries and wages costs for Q3 2022 included fees related to the settlement of the Chairperson and CFO contracts pursuant to the Change of Control clauses in their contracts on the resignation of their positions during Q3 2022 along with annual increases in salaries and wages. The higher legal fees related to the various corporate activities during Q3 2022 that required legal consultation.

G&A expenses for 2022 YTD were 34% higher compared to 2021 YTD. In addition to the quarter over quarter movements in cost noted above, G&A expenses were higher in 2022 YTD due to the provision of a bad debt in Q1 2022 and higher consulting fees. The G&A for 2021 YTD included a recovery of a penalty provided in prior years of R1.4 million which reduced the 2021 YTD overall G&A expenses.

Finance (expenses)/income-net

Finance (expenses)/income-net for Q3 2022 were 15% and 14% higher compared to Q3 2021 and Q2 2022, respectively. Finance (expenses)/income-net for 2022 YTD were 4% lower compared to 2021 YTD. The higher finance expenses – net over comparative periods were mainly due to a higher Convertible Loan accretion expense as a result of increased exchange rates over the comparative period along with increases in the Investec royalty expense accrued slightly offset by the unwinding discount on asset retirement obligations over the comparative periods.

Income tax

No income tax was recognized during any of the periods under review.

FINANCIAL POSITION

Summary balance sheet information

R'000	September 30, 2022	December 31, 2021	% Change	June 30, 2022	% Change
Property, plant and equipment	**62 672**	39 485	59%	52 258	20%
Right of use assets	**2 969**	653	354%	3 223	(8%)
Investments and long-term receivables	**7 407**	10 538	(30%)	7 398	0%
Trade and other receivables	**117 731**	28 206	317%	33 620	250%
Inventories	**84 626**	24 199	250%	38 127	122%
Cash and cash equivalents	**36 343**	7 296	398%	22 237	63%
Long-term restricted cash	**3 200**	3 200	0%	3 200	0%
Short-term restricted cash	**55**	454	(88%)	1 655	(97%)
Other receivables - restricted	**62 545**	60 345	4%	62 392	0%
Total assets	**377 548**	174 376	117%	224 110	68%
Convertible Loan facilities (loan and conversion option liability)	**474 634**	422 030	12%	453 441	5%
Borrowings	**40 019**	46 115	(13%)	45 115	(11%)
Trade and other payables	**234 349**	60 303	289%	91 887	155%
Asset retirement obligations	**60 390**	58 091	4%	58 727	3%
Lease liabilities	**455**	546	(17%)	577	(21%)
Current tax liabilities	**310**	296	5%	298	4%
Total liabilities	**810 157**	587 381	38%	650 045	25%
Total deficiency	**(432 609)**	(413 005)	5%	(425 935)	2%

Assets

The 59% increase in property, plant and equipment consisted of R33.4 million in capital additions partially offset by depreciation of R10.3 million for 2022 YTD.

Trade and other receivables were 317% higher compared to December 31, 2021, primarily due to the additional sales generated in September 2022 from traded product sales and additional bituminous sales into the export market.

Inventories at September 30, 2022 were 250% higher compared to December 31, 2021, primarily due to additional in-transit stock generated by the purchase of traded product, production derived from bought-in bituminous tonnes and the higher quality high-ash product produced from the re-wash of its high-ash stockpiles.

Inventory is recognized at the lower of cost or net realizable value ("NRV"). The unit costs of the various stock items fluctuate from period to period depending on the tonnes produced over each respective period which will increase (lower production) or decrease (higher production) unit costs and could result in a stock adjustment at the end of each reporting period.

Cash and cash equivalents were 398% higher compared to December 31, 2021, as a result of the Company delaying September month-end payments until Q4 2022.

Liabilities

The Convertible Loan facilities increased by 12% compared to December 31, 2021 as a result of R17.1 million in accretion expense for 2022 YTD, a combined R56.6 million foreign exchange loss on translation of the US$ denominated Conversion Loan and Conversion Option liabilities on September 30, 2022 and a R20.9 million increase in the fair value adjustment to the conversion option liability on the Convertible Loan.

Investec borrowings decreased by 13% compared to December 31, 2021 as a result of the R6.1 million loan capital repayments made on the loan during 2022 YTD as per agreement.

The total trade and other payables balance increased by 289% compared to December 31, 2021. Trade and other payables at the end of September 2022 included R30.3 million normal trade and other payables, R29.1 million of overdue payments made after quarter-end, R45.2 million of non-interest-bearing short-term working capital advances from Belvedere, R38.8 million of traded product and bought-in coal purchases (for both, refer to "Related party transactions" section of this MD&A), R35 million provided for transport costs related to export sales, R13.9 million in deferred revenue related to the Magdalena offtake agreement, R14.8 million in leave and bonus provisions, R10.6 million payable to STA, R9.7 million provided for Investec royalties and R3.9 million related to director's and officer's contract settlement costs.

The asset retirement obligation was 4% higher compared to December 31, 2021. 2022 YTD movements included a R2.3 million increase due to changes in estimates in calculating the rehabilitation provision.

Summary of quarterly results

The table below sets out selected financial data for the periods indicated as derived from the Company's unaudited interim condensed consolidated financial statements and annual consolidated financial statements which were prepared in accordance with IFRS:

Fiscal quarters ended	Revenue R'000	(Loss)/ profit for the period R'000	Basic & diluted (loss)/ earnings per share R/Share	Adjusted EBITDA (*) R'000	Total Assets R'000	Total liabilities excl. (^) R'000	Asset retirement obligations R'000	Borrowings (Investec) R'000	Convertible Loan facilities R'000
September 30, 2022	**195 916**	**(6 735)**	**(0.02)**	**19 383**	**377 549**	**244 764**	**60 390**	**40 019**	**464 983**
June 30, 2022	96 334	12 982	0.03	15 889	224 110	131 997	58 727	45 115	414 206
March 31, 2022	91 007	(30 610)	(0.07)	8 350	189 895	161 013	57 504	45 865	364 524
December 31, 2021	85 926	33 246	0.08	4 736	174 376	66 016	58 091	46 115	417 159
September 30, 2021	113 755	(23 345)	(0.06)	14 201	188 333	143 602	55 714	46 115	389 692
June 30, 2021	93 104	3 534	0.01	13 391	179 849	134 416	55 294	51 115	363 015
March 31, 2021	81 174	(60 086)	(0.14)	(9 483)	171 239	117 352	54 874	56 115	370 637
December 31, 2020	54 167	79 691	0.19	10 001	187 846	82 762	55 698	56 115	360 924

(*) See *Non-IFRS Performance Measures* section of this MD&A.

(^) Total liabilities excluding Asset retirement obligation, Investec borrowings and the Convertible Loan facilities.

CASH FLOW REVIEW

The unaudited condensed interim consolidated statements of cash flows are summarized below:

R'000	2022 YTD	2021 YTD	% Change	Q3 2022	Q3 2021	% Change	Q2 2022	% Change
Net cash generated from operating activities	**68 589**	21 455	220%	**32 665**	12 043	171%	29 564	10%
Net cash utilized in investing activities	**(33 438)**	(8 619)	288%	**(13 455)**	(4 482)	200%	(15 850)	(15%)
Net cash utilized in Financing activities	**(6 103)**	(10 000)	(39%)	**(5 103)**	(5 000)	2%	(750)	580%
Change in cash and cash equivalents	**29 048**	2 836	924%	**14 107**	2 561	(451%)	12 964	9%

Operating activities

Cash generated from the Group's operating activities in Q3 2022 and 2022 YTD were assisted to a large extent by the working capital advance provided by Belvedere (Refer to "Related party transactions" section of this MD&A) and as a result of the Company delaying September month-end payments until Q4 2022.

Investing activities

Cash utilized in investing activities related to capital spent on property, plant and equipment. The total capital utilized of R13.5 million in Q3 2022 (Q3 2021: R4.5 million), R33.4 million for 2022 YTD (2021 YTD: R8.6 million) and R15.9 million in Q2 2022 was primarily invested in certain key activities in the development of the Balgray project and creating further access to the rest of the Magdalena mine. In 2021 YTD, due to the Company's cash flow constraints, cash expenditures on property, plant and equipment were minimised where possible.

Financing activities

In Q3 2022 and 2022 YTD, the Group repaid R5.1 million (Q3 2021: R5 million) and R6.1 million (2021 YTD: R10 million), respectively, on the Investec loan. In Q2 2022 the Group repaid R1 million of the Investec loan.

OFF-BALANCE SHEET ARRANGEMENTS

The Group has an off-balance sheet shareholder's loan receivable from its BEE shareholder whereby the BEE shareholder acquired a 30% interest in Zinoju (Refer to the "Group overview" section of this MD&A) to comply with South African mining companies' Broad Based Black Economic Empowerment ownership requirements. The Group's current BEE partner acquired a 12% interest in Zinoju during calendar year 2008 for R7.2 million and a further 18% interest in Zinoju from the then exiting BEE shareholder during calendar year 2011 for R20.0 million.

As the BEE shareholder was not required to pay any consideration, the issue of the shares to the BEE shareholder was financed by means of a shareholder's loan to be paid from dividends declared by Zinoju otherwise payable to the BEE shareholder.

80% of the dividends paid to the BEE shareholder are required to be utilized to repay the note receivable. The remaining 20% of the dividend may be utilized for operational purposes. The loan is unsecured, bears no interest and has no fixed terms of repayment.

For accounting purposes, this transaction has been treated as a grant of options and not as a share issue. As a result, the Group consolidated 100% of Zinoju, without presenting a non-controlling interest until such time as the option is exercised effectively repaying the shareholder's loan. On July 2, 2021, BC Dundee waived the 12% shareholders loan and started to allocate a 12% non-controlling interest for consolidation purposes from that date onwards.

BC Dundee has an option to reacquire an 18% interest in Zinoju from its BEE shareholder for a consideration of R20 million. This option had an expiry date of June 30, 2021, that was extended to December 31, 2021. On December 24, 2021, this option was extended to April 30, 2022. On April 27, 2022, this option was further extended to August 2, 2022. On July 28, 2022, this option was further extended to August 31, 2022 (Refer to "BEE shareholding restructuring" section of this MD&A). Following the Change of Control on August 5, 2022, it was decided to halt the restructuring process and consider an effective way to reorganize the Buffalo Coal Group within the Belvedere group structure.

COMMITMENTS AND CONTINGENCIES

Management Agreements – Change of Control Provision

As detailed in the Liquidity risk and going concern section of this MD&A, the administrative matters required to give effect to Belvedere's acquisition of a majority stake in the Company were completed on August 5, 2022. This is deemed to be the date on which a Change of Control occurred.

Certain management contracts include Change of Control provisions that may, if elections are made, require payments of approximately R0.8 million to be made upon the occurrence of a Change of Control, other than a Change of Control attributable to RCF and/or Investec.

Capital Commitments

Capital expenditures contracted for, at the condensed interim consolidated statement of financial position date, but not recognized in the Interim Results are as follows:

	September 30, 2022 R	December 31, 2021 R
Property, plant and equipment	**6 884 635**	4 563 741

Surface access agreements

Aviemore East

An agreement between the Group and a neighbouring landowner is comprised of the following:

- R2.50 / tonne servitude payment on Aviemore East production, subject to a minimum monthly amount of R25,000 per month and annual CPI adjustments. As at September 30, 2022, following the required CPI adjustments, the royalty amount is R3.10 / tonne (December 31, 2021: R3.10 / tonne), equating to a minimum monthly amount of R31,000 (December 31, 2021: R31,000); and
- 17,500 litres of water to be stored to allow the continued use of the borehole on the property.

The Group is in compliance with these terms.

Balgray

A Memorandum of Understanding ("MOU") agreement was signed on November 12, 2020 between the Group and a neighbouring landowner for access to the property upon which Balgray is situated.

The details of the agreement are the following:

- R3.00 / tonne servitude payment on Balgray run-of-mine production, subject to a minimum monthly amount of R30,000 per month and annual CPI adjustments for up to 9.5 years.

The commencement date of the agreement is the date on which all of the following suspensive conditions have been met:

- Securing finance to commence with Balgray;
- Approval of Balgray and financing secured by the Company's Board;
- Securing all the required Regulatory Approvals; and
- The owner does not dispose the property before the commencement date.

In the event that the above suspensive conditions are not fulfilled by November 30, 2022, the MOU agreement shall become null and void, unless an extension is agreed to by the parties.

As these conditions have not been met as at the date of the interim financial statements, no amounts have been accrued.

Land purchase agreement

A conditional land purchase agreement was signed on October 15, 2019 between the Group and a neighbouring landowner to purchase land for a price of R14.9 million (excluding VAT) to secure the Group's access for the development of the North Adit project. An addendum to the agreement was signed on November 16, 2020 and was further extended by the parties to September 30, 2022. This agreement was not further extended after September 30, 2022.

Convertible Loan interest accrual – withholding tax

A contingent withholding tax liability of C$10 780 (R135 235) was estimated at year end December 31, 2021, in relation to non-resident tax payable to the CRA on interest payable on the Convertible Loan to Belvedere (previously RCF). Since Belvedere is now a related party of the Group and is deemed to not be dealing at arm's length pursuant to paragraph 251 of the income tax act of Canada, non-resident tax would need to be deducted when any interest is settled.

The non-resident tax liability would be deducted from the outstanding C$359 333 (R4.5m) interest which has been accrued on the Convertible Loan facility. (Refer to Notes 9, 11 and 16 of the Interim Results). The withholding tax liability, calculated at 3% of the accrued interest, will become payable on settlement of the outstanding interest, the timing of which is uncertain as at September 30, 2022 and as at the date of this MD&A.

Environmental and Regulatory Contingency

The mining industry is coming under increased pressure to make additional provision for water purification after closure and therefore more emphasis is currently being placed on the monitoring of groundwater pre-mining, potential contamination during mining, as well as groundwater monitoring post-mining. Mining companies may, as a result of these studies, have to make additional provision for ground water treatment during and after mine closure, particularly if the post mining water release quality requirements are legislated to be more onerous than the current situation. The estimated rehabilitation and closure liability is fully provided for in compliance with the current requirements of GNR 1147, which includes a provision for the potential liability associated with ground water contamination.

The liability estimation is highly dependent on changes in related environmental legislation, license conditions and new/improved technology. Estimation of the liability can also be influenced by the authority/discretion of the relevant Minister/s with authority over site closure, rehabilitation and remediation. The closure groundwater liability assessment which was conducted by external consultants confirmed that the Group does not need to provide for any significant groundwater liabilities.

The Group's Calcine plant has been operating without an Air Emissions License, and this has necessitated that a Section 24G application be submitted to the department of Economic Development, Tourism and Environmental Affairs ("EDTEA"). The Section 24G application relates to the commencement of certain listed activities which have commenced at the Calcine plant at Coalfields, prior to obtaining Environmental Authorization ("EA"). On October 4, 2019, the Group paid a fine of R925,000 for non-compliance. The EA has since been issued and the Group has submitted an application in terms of S22A of the National Environmental Management Air Quality Act for a Provisional Air Quality License ("PAEL") under the Air Quality Act. On September 19, 2022, the Group was awarded the PAEL. The Group now has four years (the license is valid for a period of two years and renewable once for the same duration) to comply with the Air Quality Act's Minimum Emissions Standards.

The previously operational adit at Magdalena does not have an amended Environmental Management Program ("EMP") or an amended Integrated Water Use License Application. As a result, the Company applied for a Section 24G retrospective Environmental Impact Analysis ("EIA"). During the financial year ended December 31, 2019, an assessment of penalties payable amounting to R1,550,000 in connection with the Water Use License was issued. On March 24, 2021, the Group received notice that the DMRE had reduced, on appeal, the previously imposed assessment from R1,550,000 to R100,000. The fine was settled in June 2021. The fine reduction amount of R1,450,000 is wholly suspended for a period of 5 years from March 24, 2021, on condition that the Group does not commit further transgressions and/or fails to comply with any specific Environmental Management Act during the period of suspension.

The Group has made, and expects to make in the future, expenditures to comply with environmental laws and regulations.

RELATED PARTY TRANSACTIONS

The Company's related parties include its controlling shareholders, subsidiaries, key management personnel and BEE partners. During the normal course of operations, the Company enters into transactions with its related parties for goods and services. Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

During the three and nine months ended September 30, 2022, The Group entered into the following transactions in the ordinary course of business with related parties (excluding its subsidiaries):

	9 months ended		3 months ended	
	September 30, 2022 R	**September 30, 2021 R**	**September 30, 2022 R**	**September 30, 2021 R**
Income for services rendered to:				
Ikwezi Mining FZE				
- Sale of coal	**6 142 709**	-	**6 142 709**	-
Belvedere				
- Sale of coal	**74 931 573**	-	**74 931 573**	-
Purchase of goods from:				
Ikwezi Mining (Pty) Ltd				
- Run-of-mine	**1 443 912**	-	**1 443 912**	-

The following balances were outstanding at September 30, 2022 and December 31, 2021:

	September 30, 2022 R	**December 31, 2021 R**
Related party receivables:		
Ikwezi Mining FZE	**5 256 189**	-
Belvedere	**74 931 573**	-
Related party payables:		
Ikwezi Mining (Pty) Ltd	**1 660 499**	-
Belvedere [1]	**878 275**	776 758
Belvedere – Working capital advance [2] (Note 11 Interim Results)	**45 210 000**	-
Related party loans:		
Belvedere - Convertible Loan (Note 9 Interim Results)	**464 982 887**	-
RCF - Convertible Loan (Note 9 Interim Results)	**-**	417 159 075
Accrued interest [3]		
Belvedere (previously RCF)	**-**	4 507 835

Belvedere is a related party to the Company as a result of owning a controlling interest in the Company as of August 5, 2022. Prior to August 5, 2022, RCF owned a controlling interest in the Company.

Ikwezi Mining FZE and Ikwezi Mining (Pty) Ltd are related parties to the Company as they are both affiliates of Belvedere.

[1] RCF has previously invoiced the Company for costs incurred relating to the loan facilities. There were no additional costs invoiced to the Company during the nine and three months ended September 30, 2022 or the year ended December 31, 2021. During the year ended December 31, 2021, the Company paid US$25,000 (R372,555) on the outstanding balance. Belvedere assumed all liabilities to RCF when it acquired RCF's holding and interests in the Company. Accordingly, the outstanding balance will now be payable to Belvedere.

[2] The working capital advance from Belvedere is a short-term non-interest-bearing advance made to support the operations pursuant to the Tri-partite agreement.

[3] Interest which accrued on the Convertible Loan facility was calculated at a rate of 1.29% since inception and decreased to 0% effective January 1, 2020 as a result of the extension on the loan maturity date to June 30, 2022 (Refer to Note 9 of the Interim Results). Interest accrued on the Convertible Loan facility amounting to C$359,333 (R4.5m) has been included in equity under the heading "Interest reserve" as at September 30, 2022 and included in Trade and other payables as at December 31, 2021 (December 31, 2021: C$359,333 (R4.5m) (Refer to Note 11 of the Interim Results).

These amounts are unsecured and non-interest bearing with no fixed terms of repayment.

Compensation of key management personnel

In accordance with IAS 24 - *Related-Party Disclosures*, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and other key members of management personnel (officers) during 2022 YTD, 2021 YTD, Q3 2022 and Q3 2021 were as follows:

	2022 YTD R	2021 YTD R	Q3 2022 R	Q3 2021 R
Salaries	**6 445 366**	5 682 416	**2 276 029**	1 895 293
Change in control fees	**4 369 350**	-	**4 369 350**	-
Directors' fees	**2 122 425**	2 147 693	**608 497**	725 819
Share-based payments	**166 937**	586 044	**41 518**	421 219
Total	**13 104 078**	8 416 153	**7 295 394**	3 042 331

Directors' fees and a portion of the salaries paid to management are denominated in C$ and translated to Rands at the average exchange rate over the period for which the services were rendered. Directors' fees in C$ remained unchanged in relation to the comparative periods, the decrease in directors' fees over the comparative periods is due to the fluctuation in exchange rates.

Amounts owing to directors and other members of key management personnel were R0.5 million as of September 30, 2022 (December 31, 2021: R0.3 million). These amounts have been settled in the normal course of business.

During the year ended December 31, 2021, 6,850,000 of the stock options granted on May 25, 2021 (Refer to Note 8 of the Interim Results), were to directors and other key members of management personnel (including officers). The share-based payment expense included in the table above relates to the recognition of the fair value of these stock options.

During the nine months ended September 30, 2022, 1,100 000 (December 31, 2021: 4,150,000) of the 6,850,000 stock options granted to directors and other key members of management personnel (including officers) were forfeited and cancelled due to the non-achievement of the pre-determined performance measures linked to the vesting conditions attached to these options. The remaining performance-based options vested and became exercisable after the reporting period due to a Change of Control having occurred on August 5, 2022.

No stock options were granted to directors and other key members of management personnel (officers) during the nine months ended September 30, 2022.

On August 5, 2022, there were management contracts in place that included Change of Control provisions which may have required, if elections were made, payments of approximately R5.2 million upon the occurrence of the Change of Control event of which R4.4 million was elected by certain management contracts following August 5, 2022, prior to September 30, 2022.

SUBSEQUENT EVENTS

Convertible loan – conversion option liability

On November 23, 2022, the Convertible Loan was amended to remove the right of Belvedere, as lender, to convert amounts owing thereunder into shares in the capital of the Company. The removal of the conversion option liability as at September 30, 2022 would have resulted in a gain on its elimination of R9 650 752, before income taxes.

Other matters

Except for the matters discussed above or disclosed in the foregoing, there remain no other matters which management believe material to the financial affairs of the Company have occurred between the statement of financial position date and the date of approval of the Interim Results.

OTHER RISKS AND UNCERTAINTIES

Investing in the Company involves risks that should be carefully considered. The business of the Company is speculative due to the high-risk nature of coal mining and exploration. Investors should be aware that there are various risks, including those discussed below, that could have a material adverse effect on, among other things, the operating results, earnings, properties, business and condition (financial or otherwise) of the Company.

COVID-19 pandemic

COVID-19 continues to have an impact on global financial markets and may continue to do so. As discussed earlier in this MD&A, the economic viability of the Group's business plan is impacted by its ability to generate cash from its operations in order to settle its outstanding debts and to generate cash for future projects.

Matters impacting freight rail and coal export capabilities

All South African coal producers continue to experience serious challenges regarding the availability of trains and operational performance issues relating to delivery of export bound coal product to the port of Richards Bay. A significant portion of the Company's products are delivered to locations determined by its customers via trains. The Company and its customers rely on the national rail freight carrier to make trains available according to the Company's customers delivery needs. The Company's ability to generate sales is dependent on the national rail freight carrier to make trains available according to the Company's customers' delivery needs. The Company's operating results may continue to be affected by the lack of availability and supply performance of trains.

Russia's invasion of Ukraine

On February 24, 2022, Russian armed forces invaded Ukraine. In response to Russia's actions various countries and organizations across the world have imposed a wide range of sanctions against Russian owned state enterprises, corporations and individuals. Russia's actions and the punitive measures implemented on a worldwide scale has had a negative impact on amongst others, geopolitical risk, the world's financial markets, energy and commodity prices, certain food prices and shipping routes. Although the Group does not currently expect that these events would have any significant impact on the Group's operations, the potential negative impacts on the global economy or on the Group's customers are not known and cannot be quantified.

NON-IFRS PERFORMANCE MEASURES

The Company has included in this document certain non-IFRS performance measures that are detailed below. These non-IFRS performance measures do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The definition for these performance measures and reconciliation of the non-IFRS measures to reported IFRS measures are as follows:

Adjusted EBITDA

EBITDA is defined as earnings before interest, tax, depreciation and amortization. Adjusted EBITDA is further determined by adding back/deducting the following: Impairment or reversal of an impairment of an asset, fair value adjustments to financial instruments, stock-based compensation, foreign exchange gains and losses, and non-recurring transaction expenses or income.

The reconciliation of (loss)/profit for the period to EBITDA and EBITDA to adjusted EBITDA is as follows:

R'000	2022 YTD	2021 YTD	Q3 2022	Q3 2021	Q2 2022
(Loss)/profit for the period	**(24 362)**	(56 552)	**(6 735)**	(23 345)	12 982
Depreciation and amortization	**10 863**	6 545	**3 294**	3 520	3 935
Finance expenses/(income) – net	**22 903**	14 779	**8 742**	7 827	7 697
EBITDA	**9 404**	(35 228)	**5 301**	(11 998)	24 616
Fair value adjustment loss/(gain) on financial assets and conversion option liability	**(22 824)**	47 279	**(31 643)**	2 610	(58 502)
Stock-based compensation	**252**	214	**62**	546	93
Foreign exchange losses/(gains)	**56 790**	(9 675)	**45 663**	23 043	49 682
VSP's	**-**	373	**-**	-	-
FERP's	**-**	945	**-**	-	-
Adjusted EBITDA	**43 622**	3 908	**19 383**	14 201	15 889

Average selling price per ton sold

The "average selling price per ton sold" is calculated from the total revenue realized from sales (excluding high-ash sales) and dividing the sum by the total number of tonnes sold (excluding high-ash tonnes), over the respective period.

This figure is only an indication of the average selling price per ton sold which were achieved by the Group during that period.

Cash cost of sales per ton sold

The "cash cost of sales per ton sold" is calculated from the operation's total cash "cost of sales" figure (excluding high-ash related costs and non-cash items such as depreciation) and dividing the sum by the total number of tonnes sold (excluding high-ash tonnes), over the respective period. The operation's cash costs include mining and related costs, repairs and maintenance, transport, employee costs and other direct costs. These measures are calculated on a consistent basis for all periods presented.

Revised Working Capital

Revised working capital includes current assets and current liabilities, excluding asset retirement obligations and non-financial instruments.

R'000	Notes	September 30, 2022	December 31, 2021	% Change	June 30, 2022	% Change
Current assets						
Cash and cash equivalents		**36 343**	7 296	398%	22 237	63%
Short-term restricted cash		**55**	454	(88%)	1 655	(97%)
Trade and other receivables		**117 731**	28 206	317%	33 620	250%
Inventories		**84 626**	24 199	250%	38 127	122%
		238 755	60 155	297%	95 639	150%
Current liabilities						
Trade and other payables	1	**189 139**	60 303	214%	91 887	106%
Lease liabilities		**435**	362	20%	501	(13%)
Borrowings	2	**40 019**	46 115	(13%)	45 115	(11%)
Convertible Loan Facility	3	**474 634**	422 030	12%	453 441	5%
Current tax liabilities		**310**	296	5%	298	4%
		749 747	529 106	42%	591 242	27%
Net working capital deficit		**(510 992)**	(468 951)	9%	(495 603)	3%

Notes:

1) Included in trade and other payables is a non interest-bearing short-term working capital advance of R45.2 million from Belvedere (Refer to "Related party transactions" section of this MD&A).
2) Borrowings comprised of the outstanding loan balance payable to Investec at the end of the respective period. (Refer to Note 12 of the Interim Results).
3) The Convertible Loan Facility balance as at September 30, 2022 and December 31, 2021 comprised of both the Conversion option liability and the US$27 million Convertible Loan (converted to ZAR at the end of September 30, 2022 and December 31, 2021), both of which is classified as current. The Convertible Loan became due and payable on December 31, 2020. On November 24, 2020, the final loan maturity date was extended to June 30, 2022. On February 18, 2022, the final maturity date of the Convertible Loan was further extended to June 30, 2023.

(Loss)/profit per share, headline (loss)/profit per share and normalized headline (loss)/profit per share

R'000	2022 YTD	2021 YTD	Q3 2022	Q3 2021	Q2 2022
(Loss)/profit attributable to equity holders of the Company	**(24 362)**	(56 552)	**(6 735)**	(23 345)	12 982
(Loss)/profit per share - basic and diluted	**(0.06)**	(0.13)	**(0.02)**	(0.06)	0.03
Headline (loss)/profit for the period	**(24 362)**	(56 552)	**(6 735)**	(23 345)	12 982
Headline (loss)/profit per share – basic and diluted	**(0.06)**	(0.13)	**(0.02)**	(0.06)	0.03
Adjustments:					
VSP's	-	373	-	-	-
FERP's	-	945	-	-	-
Taxation thereon	-	(369)	-	-	-
Normalized headline (loss)/profit for the period	**(24 362)**	(55 603)	**(6 735)**	(23 345)	12 982
Normalized headline (loss)/profit per share – basic and diluted	**(0.06)**	(0.13)	**(0.02)**	(0.06)	0.03
Weighted average number of common shares outstanding:					
- Basic	**421 352 596**	421 352 596	**421 352 596**	421 352 596	421 352 596
- Diluted	**421 352 596**	421 352 596	**421 352 596**	421 352 596	421 352 596

Headline (loss)/profit per share is a basis for measuring (loss)/profit per share which accounts for all the profits and losses from operational, trading, and interest activities that have been continued or acquired at any point during the year. Excluded from this figure are profits or losses associated with the sale or termination of discontinued operations, fixed assets or related businesses, or from any permanent devaluation or write-off of their values.

Headline (loss)/profit per share is calculated using the weighted average number of ordinary shares in issue during the period and is based on (losses)/profits attributable to ordinary shareholders, after excluding the items mentioned above and those items as required by Circular 1/2019 issued by the South African Institute of Chartered Accountants ("SAICA").

For Q3 2022 and 2022 YTD, there were no adjustments made to the Company's headline loss per share.

There were no further adjustments made to the Company's normalized headline loss per share for Q3 2022 and 2022 YTD. For 2021 YTD, the Company's normalized headline loss per share has been further adjusted for VSP's and enforced early retirement payments made, net of taxation thereon. Due to the irregular occurrence of these payments, the normalized headline loss per share measure for 2021 YTD, has been calculated by using headline loss excluding these costs in order to better present loss attributable to the ongoing activities of the Company.

The denominators used in the calculations of weighted average number of common shares outstanding are the same for both basic and diluted headline loss per share. Although 9,250,000 stock options were granted to directors, officers, and key employees/consultants of the Company on May 25, 2021 (Refer to Note 8 of the Interim Results) representing contingently issuable shares that could potentially dilute any basic headline profit per share in the future, these stock options have been excluded from the calculation of diluted headline loss per share because they are anti-dilutive for Q3 2022 and 2022 YTD.

SUMMARY OF SECURITIES AS AT NOVEMBER 29, 2022

As at November 29, 2022 the following Common Shares, Common Share purchase options and share purchase warrants were issued and outstanding:

- 421,352,596 Common Shares;
- 2,650,000 Common Share purchase options with a weighted average exercise price of C$0.02 and a weighted average remaining contractual life of 2.7 years.

LIST OF DIRECTORS AND OFFICERS

Tushar Agrawal	Director, Chairman of the Board of Directors
Rory Taylor	Director, Chairman of the Audit Committee
Edward Scholtz	Director, Chairman of the Health & Safety and Corporate Governance Committees
Alok Joshi	Director
Somdeb Banerjee	CEO
Emma Oosthuizen	CFO