



Bindura Nickel Corporation

A Member of Kuvimba Mining House

ANNUAL REPORT 2023



Creating Value in a Sustainable Manner



The BNC 2023 Annual Report is available on the following websites:

- www.vfex.exchange
- www.binduranickel.co.zw



ABOUT THIS REPORT

Bindura Nickel Corporation Limited ("BNC" or the "Company") has been listed on the Victoria Falls Stock Exchange (VFEX) since 2022. The Company hereby presents its Annual Report for the year ended 31 March 2023. This Report integrates both financial and sustainability information to show our commitment to responsible business practices and values.

Reporting Scope

The report contains information about the operations and exploration projects for Bindura Nickel Corporation Limited ("the Company") and its subsidiaries, together "the Group" in Zimbabwe. Any references in this report to "our", "we", "us", "the Group", "Company" or "BNC" refer to Bindura Nickel Corporation Limited.

Reporting Frameworks

In developing this report, we were guided by the following reporting requirements:

- The Companies and other Business Entities Act [Chapter 24:31];
- Securities and Exchange (Victoria Falls Stock Exchange Listing Requirements) Draft Rules;
- International Financial Reporting Standards ("IFRS"); and
- Global Reporting Initiative ("GRI") Standards.

Sustainability Data

The report was compiled using qualitative and quantitative data extracted from Company policy documents, records and from personnel accountable for material issues herein presented. In some cases, estimations were made and confirmed for consistency with business activities.

Data and Assurance

The Financial Statements were audited by Grant Thornton Chartered Accountants (Zimbabwe) in accordance with the International Standards of Auditing (ISAs). The Independent Auditor's Report is found on page 86 to 89.

Sustainability information was validated for compliance with the GRI Standards by the Institute for Sustainability Africa (INSAF), an independent assessor. A GRI Content Index is contained on page 140 to 142. The sustainability data provided in this report was not externally assured.

Report Declaration

The Directors take responsibility to confirm that this report has been prepared with reference to the GRI Standards "Core" option.

Restatements

Bindura Nickel Corporation did not make any restatement of data previously published.

Board Responsibility and Approval of this Report

The Board of Directors of Bindura Nickel Corporation Limited holds collective responsibility for this report, which has been compiled by members of the management team. The Board recognises its responsibility for ensuring the integrity of this Annual Report and approved the report on 27 June 2023.

Forward-Looking Statements

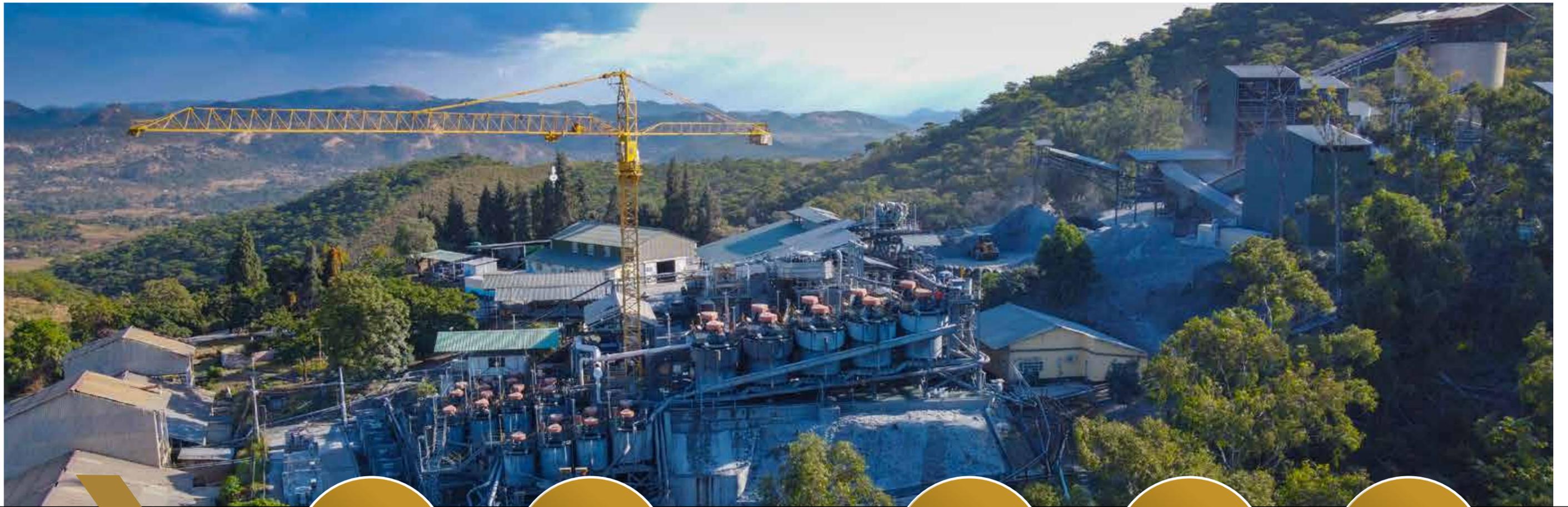
This report may contain forward-looking statements which are based on current estimates and projections by Bindura Nickel Corporation. These statements are however, not guaranteeing future developments and results as these may be affected by several anticipated and unanticipated risks and uncertainties. Stakeholders are cautioned against placing undue reliance on forward-looking statements contained herein. We commit to publicly share any revisions of the forward-looking statements to reflect changes in circumstances and or events after the publication of this report through trading and website updates.

Feedback on the Report

The Company values opinions and feedback from all stakeholders on how we can improve our operations and reporting. We welcome any suggestions and/or inquiries you may have. Kindly share your feedback with Mr Conrad Mukanganga, the Company Secretary, on CMukanganga@bnc.co.zw

CHAIRMAN
M A MASUNDA

MANAGING DIRECTOR
T LUSIYANO



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Creating Value in a Sustainable Manner



BNC has a well-defined SHE policy (Safety, Health and Environmental). The thrust of the operation is ZERO HARM and the operation's aim is to create a safe working environment to all employees and stakeholders, and to mitigate the impacts/effects arising from its activities, services and products. In light of this, BNC is engaged in a number of interventions that support coexistence between employees and the communities and the world at large.

SAFETY

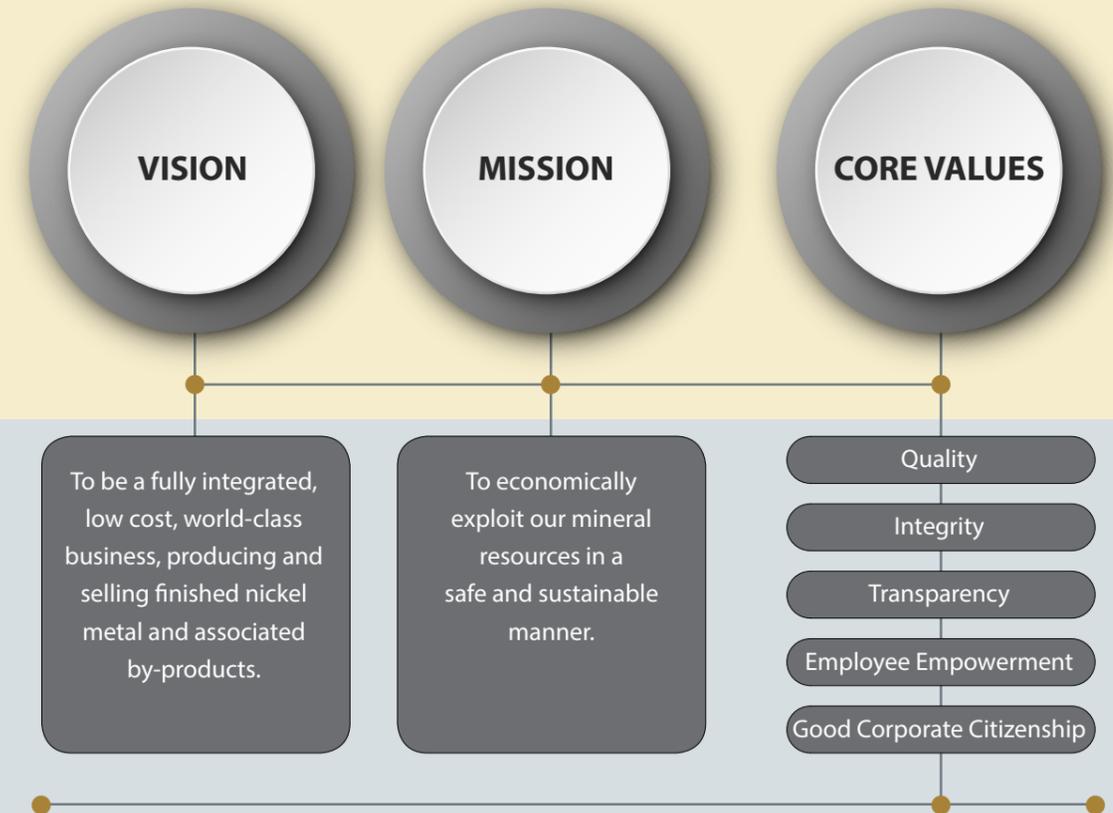
HEALTH

ENVIRONMENT





VISION, MISSION AND VALUES



VISION

To be a fully integrated, low cost, world-class business, producing and selling finished nickel metal and associated by-products.

MISSION

To economically exploit our mineral resources in a safe and sustainable manner.

- CORE VALUES**
- Quality
 - Integrity
 - Transparency
 - Employee Empowerment
 - Good Corporate Citizenship

Quality
The Company recognizes the importance of performance standards that respond proactively, positively and comprehensively to the standards of excellence that its internal and external stakeholders expect. Performance management and measurement structures, systems, processes and procedures are in place, in order to ensure consistency in the adherence to set quality standards in every aspect of the Company's business.

Integrity
We strive to match what we do with what we say we can or will do. We value the manner of our conduct, both internally with respect to employees and externally, viz a viz the diversity of our stakeholders. Through the Company's anti-bribery and anti-corruption policy, as well as through other internal control structures and procedures, we endeavour to consistently enforce uncompromising adherence to strict moral and ethical standards.

Transparency
BNC is a publicly listed entity and has a duty and obligation to regularly report to its shareholders, investors and other stakeholders, how the Company would have performed, both operationally and financially. In addition, in an effort to maintain a good industrial relations atmosphere, Management engages the employees, through their leadership structures, and holds formalised meetings with them to discuss and exchange views that relate to the performance of the Company as well as those that affect their safety, health and welfare.

Employee Empowerment
On a daily, weekly, monthly and quarterly basis, Management and employees conduct planning and operational update meetings, during which performance targets are set and/or reviewed. In addition, through the Works Council platforms, Management and the Workers' Leadership hold structured meetings at least once every month which, in turn, ensures that employees' voices are heard, and they are empowered not to carry out unsafe work. The agendas for such meetings are mutually agreed between both sides and the meetings are recorded. These structures form the basis of the mutual trust that exists between Management and the employees and enable the Company to build and maintain strong interpersonal relationships at the workplace which, in turn, enable our employees to feel that BNC recognizes and values their contribution to the progress that the business continues to make, year in, year out. The Company does not tolerate any form of discrimination at the workplace, whether it be on the basis of race, culture, religion, ethnicity or gender. Every employee has the same rights and entitlement to just and fair treatment and his or her contribution to the success of the business is recognized and appreciated.

Good Corporate Citizenship
BNC prioritizes making a positive social impact, acting ethically and ensuring the long-term environmental sustainability of its operations, among other actions. As a responsible corporate citizen, the Company has Corporate Social Responsibility programmes which target to support the community in which it operates, in such areas as sports and recreational activities and employment creation. Our support also extends to government institutions, local schools, and universities.



1 OVERVIEW

**Bindura Nickel Corporation Limited
at a Glance**

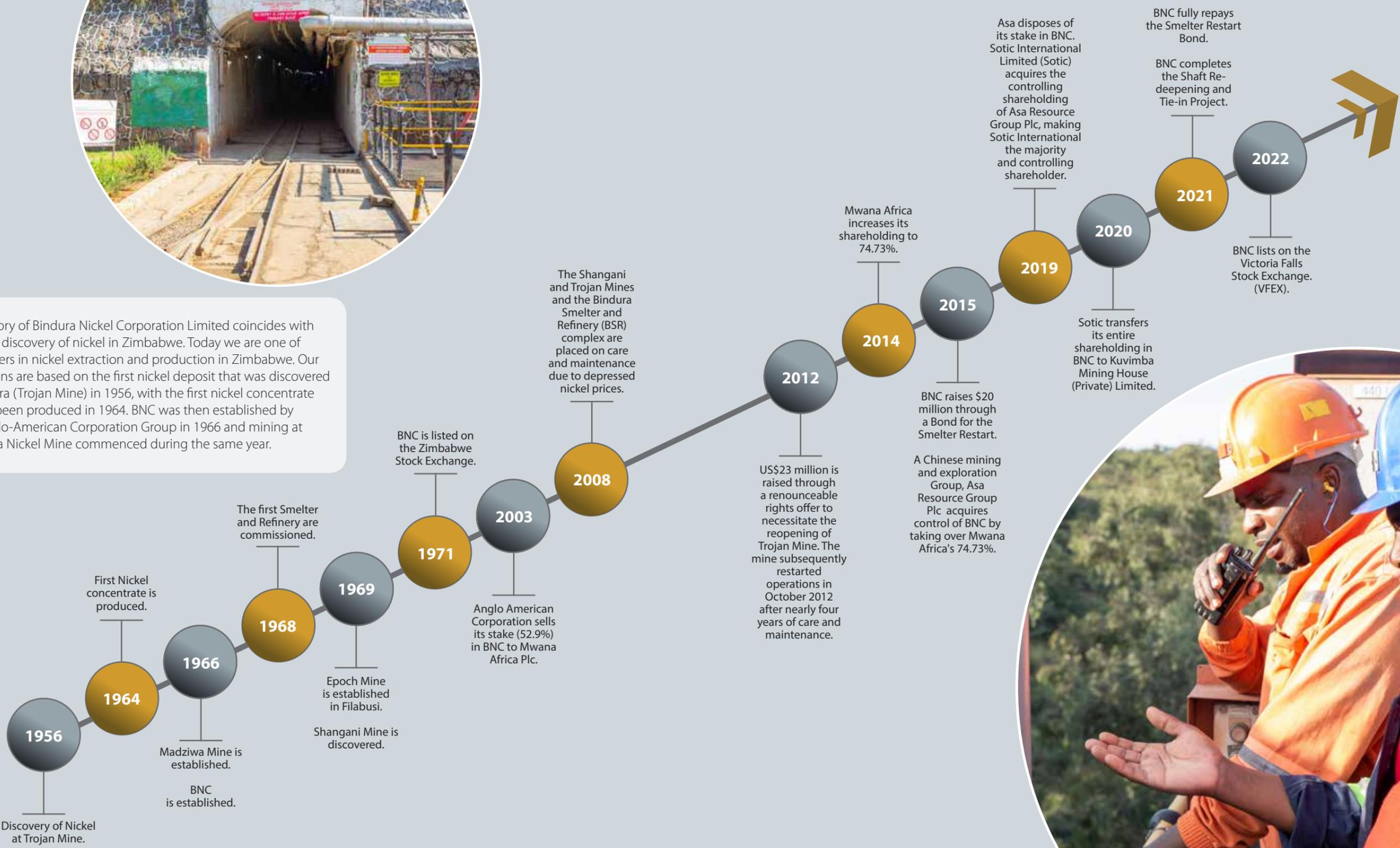


OUR JOURNEY



The history of Bindura Nickel Corporation Limited coincides with the very discovery of nickel in Zimbabwe. Today we are one of the leaders in nickel extraction and production in Zimbabwe. Our operations are based on the first nickel deposit that was discovered in Bindura (Trojan Mine) in 1956, with the first nickel concentrate having been produced in 1964. BNC was then established by the Anglo-American Corporation Group in 1966 and mining at Madziwa Nickel Mine commenced during the same year.

OUR JOURNEY continued

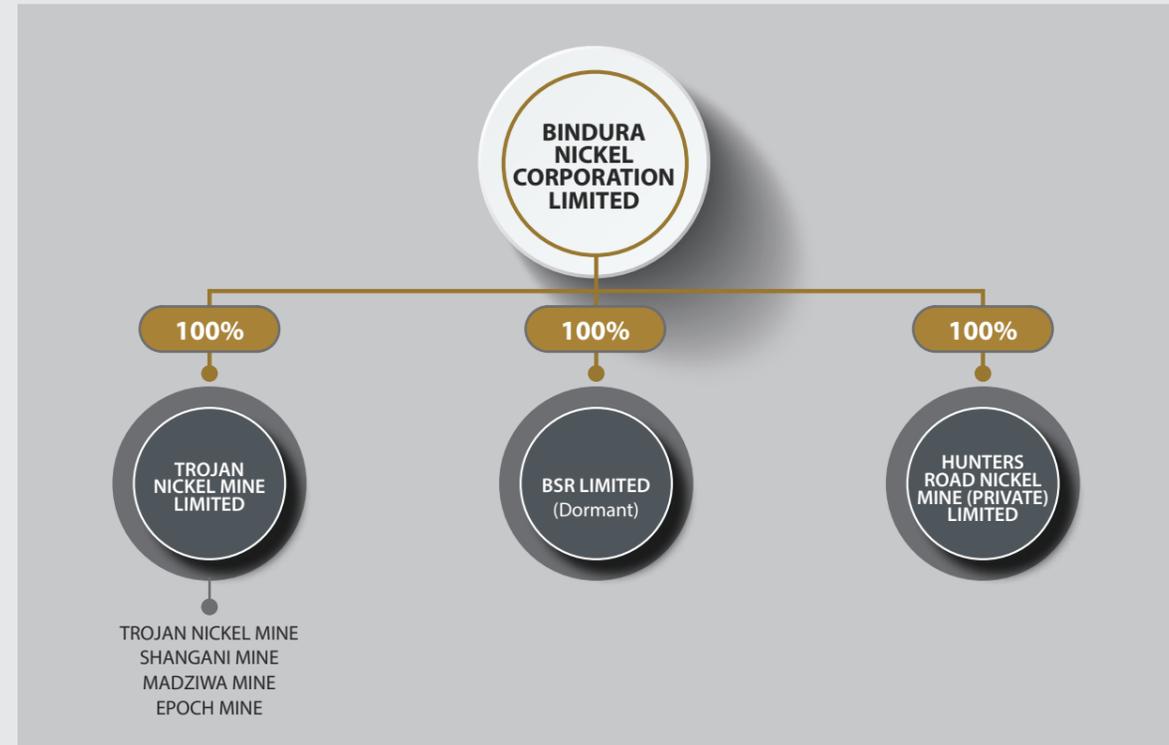




OUR BUSINESS AT A GLANCE

Bindura Nickel Corporation Limited is engaged in the mining and extraction of Nickel in Bindura, Zimbabwe. The Group's major product is Nickel concentrates which contain Nickel sulphide. The main uses of Nickel are the production of stainless steel and battery cathode. With the development of electric and hybrid cars in the automotive industry, the demand for Nickel sulphide is projected to rise steadily in the medium to long term.

Corporate Structure



BNC has three subsidiaries, namely BSR Limited [formerly Bindura Smelter and Refinery (BSR)] Limited, Hunters Road Nickel Mine (Private) Limited (Hunters Road) and Trojan Nickel Mine Limited (TNML). However, TNML is the only operating entity, with BSR having been dormant since 2004 and Hunters Road still at the project stage.

Subsidiary Profiles

Subsidiary	Profile	Status
Trojan Nickel Mine Limited (TNML)	<p>TNML is a wholly-owned subsidiary of BNC, located in Bindura.</p> <ul style="list-style-type: none"> Measured, indicated and inferred resource size - 13.13 Mt of ore at a grade of 0.97% Ni equivalent to 127.0 Kt of contained Nickel. Proved and Probable Ore Reserves – 2.73 million tonnes at an average grade of 0.83% Ni equivalent to 22 700 tonnes of contained Nickel. Restarted in 2012 following a \$23 million restructuring and recapitalisation programme, after a four-year care and maintenance period. 	Operational Mine
Shangani Mine	<p>Shangani Mine is a division of TNML.</p> <ul style="list-style-type: none"> Measured, indicated and inferred resource size – 12.03 million tonnes at an average grade of 0.56 % Ni equivalent to 68 000 tonnes of contained Nickel. 	Mine is on care and maintenance
(BSR)	<ul style="list-style-type: none"> BSR is a dormant company since 2004. 	Smelter Restart Project.

OUR BUSINESS AT A GLANCE continued

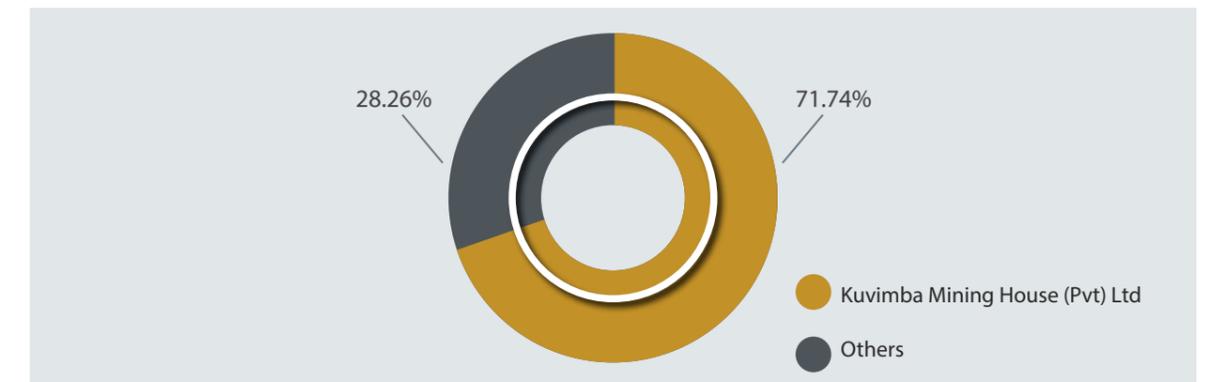


Ownership

Bindura Nickel Corporation Limited is a publicly-traded company listed on the Victoria Falls Stock Exchange (VFEX).

The Company is owned in majority (71.74%) by Kuvimba Mining House (Private) Limited, 28.26% collectively owned by other public and private institutions as well as individuals.

BNC Major Shareholders



Corporate Memberships



Certifications

- ISO/IEC 14001:2015 Environmental Management Standard
- ISO/IEC 45001:2018 Occupational Safety and Health Standard
- ISO/IEC 17025:2017 (ACCREDITATION) - Testing and Calibration Laboratories.

Awards

Sustainability Governance Cluster Award for Transparency in Financial Information Disclosure – Quoted Companies Survey 2022 (The Independent Newspapers Zimbabwe).

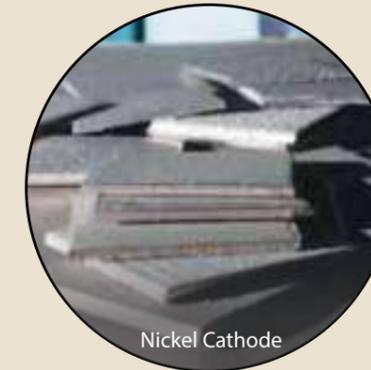


OUR MINING VALUE CHAIN

OUR MINING VALUE CHAIN continued



BNC's core operations cover prospecting, exploration, mining, processing, smelting, refining, sales and despatching of nickel. Our business is so much more than mineral processing and sales, as we are also a value enhancer for suppliers, employees, the government, shareholders, customers, and communities among others.



Our Markets

BNC sells all its Nickel concentrates through an independent trading house, which is registered and based in Geneva, Switzerland. The private trading house focuses on supplying non-ferrous metals and concentrates to global markets.



PERFORMANCE HIGHLIGHTS

Financial Highlights

Revenue
US\$ 49,516,639
 US\$ 74,209,630 in FY2022
 33% Decrease

(Loss)/Profit After Tax
(US\$ 18,482,659)
 US\$ 8,062,245 in FY2022
 329% Decrease

Capital Expenditure
US\$ 8,344,174
 US\$ 6,470,414 in FY2022
 29% Increase

Taxes Paid
US\$ 12,729,394
 US\$ 13,963,149 in FY2022
 9% Decrease

Operational Highlights

Nickel in Concentrate Sales (tonnes)
3,095
 4,720 in FY2022
 34% Decrease

Proved and Probable Resources (tonnes) (Trojan Nickel Mine)
2,040
 2,640 in FY2022
 23% Decrease

Nickel in Concentrate Produced (tonnes)
3,180
 5,082 in FY2022
 37% Decrease

Sustainability Highlights

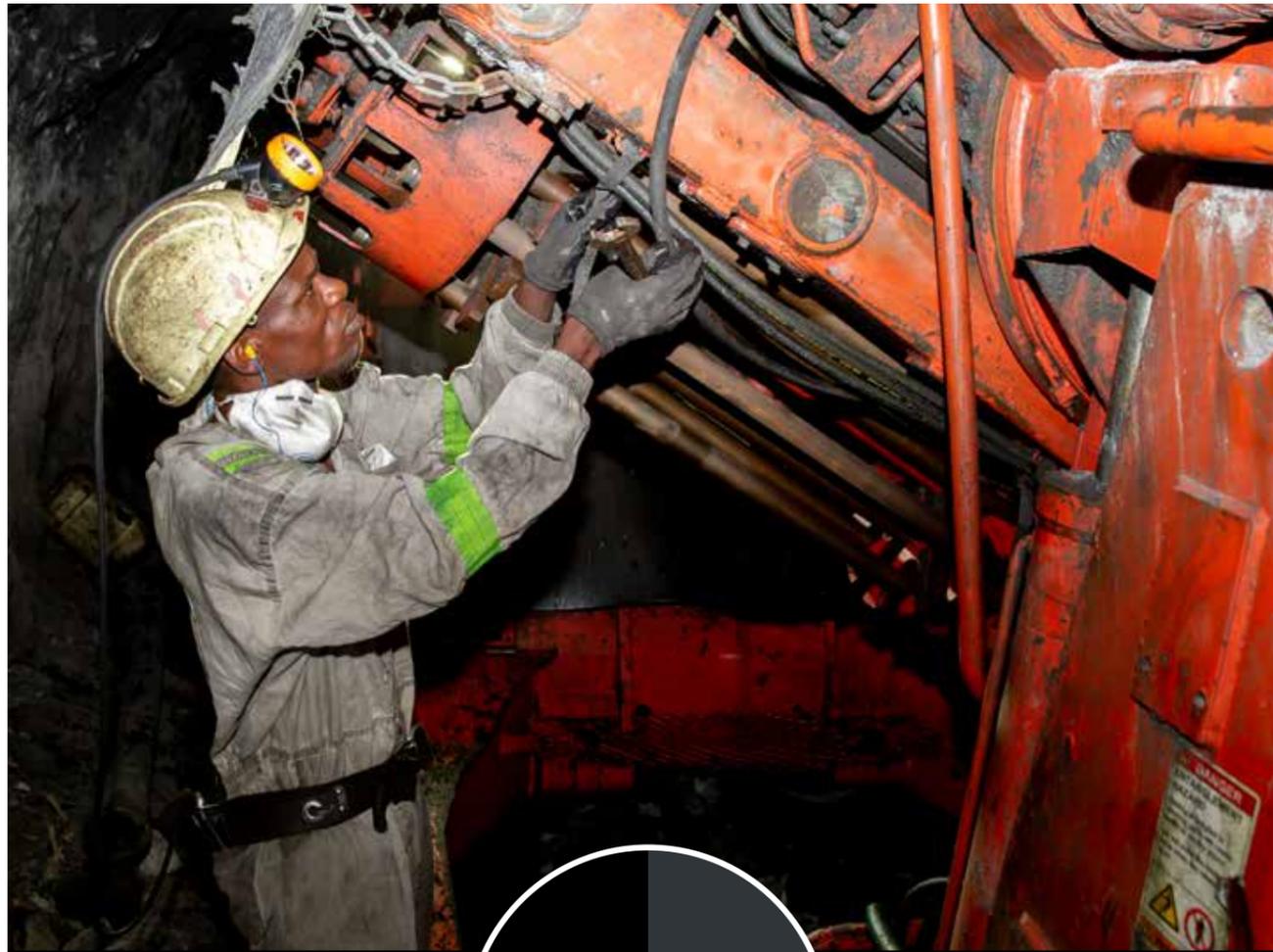
Lost Time Frequency Rate (LTIFR)
1
 0.6 in FY2022
 67% Increase

Electricity (kWh)
65,687,413
 70,969,115 in FY2022
 7% Decrease

Water Consumption (m³)
3,276,159
 3,403,385 in FY2022
 4% Decrease

Total Employees (headcount)
979
 984 in FY2022
 1% Decrease

Nitrous Oxide (NOx) Emissions (kg)
147
 182 in FY2022
 19% Decrease



2 PERFORMANCE REVIEW

- Performance Highlights
- Chairman's Statement
- Managing Director's Review of Operations



CHAIRMAN'S STATEMENT

CHAIRMAN'S STATEMENT continued



Muchadeyi Ashton Masunda
Chairman

“ Safety, Health and Environmental (SHE) systems are continually being upgraded and improved to enhance sustainable operations. The main area of focus continues to be on instituting and deepening the desired SHE culture in order to prevent accidents, promote good health for employees and their surrounding communities, while minimising environmental harm, in line with the Company's Zero Harm policy. ”



Nickel Ore



Ball Mill at the Concentrator Plant

Operating Environment

The global economy was adversely affected by prolonged inflationary pressures and high interest rates. Businesses experienced long delays in the delivery of goods and services, including machinery, equipment and inputs such as spares, due to disruptions in the global supply chains as a result of the protracted effects of the COVID-19 pandemic and the ongoing geo-political tensions related to the Russia-Ukraine conflict. However, the commodity price boom that was experienced during the period under review helped, to some extent, counteract the adverse impacts of the above cost-aggravating factors.

The local operating environment was characterised by disparities between the official foreign exchange rates and the parallel market rates, high inflation, low domestic industrial capacity utilisation, foreign currency shortages, high cost of

debt on both USD and ZWL loans, and high cost of electrical power. In spite of these challenges, the continued growth of the gross domestic product (GDP), anchored on key sectors such as mining, agriculture and construction, engendered hope for a quick recovery.

Safety, Health, and Environment

As part of the Company's pursuit of sustainable mining goals and initiatives, and given the inherently hazardous nature of mining operations, Safety, Health and Environmental (SHE) systems are continually being upgraded and improved to enhance sustainable operations. The main area of focus continues to be on instituting and deepening the desired SHE culture in order to prevent accidents, promote good health for employees and their surrounding communities, while minimising environmental harm, in line with the Company's Zero Harm policy.



CHAIRMAN'S STATEMENT continued

In line with the foregoing, the Company ended the year with the COVID-19 pandemic under control and has, nevertheless, continued with preventative measures and control programmes to ensure the pandemic remains under control.

A new record of 3.7 million fatality-free shifts was achieved as at 31 March 2023, with the last fatality having been recorded in June 2015. Three Lost Time Injuries were recorded in the year, versus two in the prior year.

The Company continues to comply with all applicable environmental legislation and remains ISO 14001:2015 and ISO 45001:2018 certified.

Operations

The Company experienced numerous operational challenges which affected production during the year under review.

The mine was adversely affected by low underground mining mobile equipment availability due to obsolescence. The business was able to acquire four (4) new Load, Haul and Dump (LHDs), in addition to face rigs, support rigs, and production long-hole rigs during the course of the year. However, the delivery of the equipment was delayed due to disruptions to global supply chains.

Production was also negatively impacted by an unexpected change in the ore body, leading to a severe decline in the high-grade massive resource footprint. This change requires a rapid transition in the mining model from a low-volume, high-grade strategy to a low-grade, high-volume strategy. Unfortunately, the transition is behind schedule due to the delays in the delivery of the new underground mining mobile equipment which is a prerequisite to the realization of the new mining strategy.

During the second half of the year ended 31 March 2023, the Company experienced additional operational challenges which exacerbated the situation. These included the following factors:

- (i) Sub-vertical Rock Winder (SVR) breakdown, which was declared a force majeure event, resulting in the loss of October and November 2022 production months.
- (ii) Limited hoisting capacity due to the damaged SVR bull gear which is expected to be replaced by September 2023. The SVR Winder continues to run at 50% of its capacity until the damaged bull gear is replaced.
- (iii) Protracted electrical power outages and general grid

instability beginning in the month of February 2023, resulting in severe direct production losses, equipment damage, and recovery inefficiencies.

Against the backdrop of the above factors, ore hoisted for the year was 418,587 tonnes, which was 11% lower than the previous year's 463,338 tonnes.

Tonnes ore milled of 418,020 were 9% lower than last year's tonnage of 461,130, in tandem with the lower tonnage hoisted. Head grade declined to 0.96% from 1.30% for the prior year while recovery efficiency was 77.9% versus 85.0% for last year. Nickel in concentrate production declined by 37% to 3,180 tonnes from the previous year's 5,082 tonnes.

Unit cash cost of production (C1) increased by 70% to US\$18,269 per tonne while the all-in-sustaining cost of production increased by 76% from US\$12,410 per tonne for the prior year, to US\$21,841 per tonne. The increase in unit production cost was mainly due to the decrease in Nickel production, the high cost of maintaining the old and obsolete underground mining mobile equipment and the increase in power tariffs during the year. The disparity between the official auction and parallel market rates continued to widen during the year with local suppliers using the parallel market rates rather than the auction rates in their pricing models. The discrepancy in the two rates had an adverse impact on the Company's costs of local inputs.

Nickel sales volume of 3,095 tonnes was 34% lower than the prior year's sales of 4,720 tonnes, in line with the lower Nickel production.

The average LME Nickel price achieved during the year was US\$25,628 per tonne, compared to US\$20,602 per tonne achieved in the previous year. The 24% increase in the average Nickel price reflected the global increase in the demand for the metal.

Financial Results

Income Statement

Revenue was US\$49.5 million, versus US\$74.2 million in the prior year. The decrease was in line with reduced sales volume which was attributable to the lower production as detailed above.

Cost of sales increased by 18% to US\$60.5 million, compared to US\$51.4 million for the prior year. Cost of sales were heavily impacted by increases in power costs, high maintenance of aged equipment and the effect of exchange rate disparity.

A gross loss of US\$11 million was realised in the year under

CHAIRMAN'S STATEMENT continued

review, compared to a gross profit of US\$22.8 million in the previous year, mainly due to the reduced sales volume emanating from the lower production.

An operating loss of US\$21.8 million was realised, versus the operating profit of US\$11.9 million in FY2022.

The Company incurred losses before and after taxation of US\$24.2 million and US\$18.5 million respectively, which represented a decrease of 320% and 329% respectively, year-on-year.

Balance Sheet

Total equity of US\$41.6 million decreased by 31% from US\$60.1 million as a result of the loss incurred for the year.

The Company closed with a net liabilities position of US\$13.4 million (2022: net current assets of US\$8.4 million) due to operational challenges alluded to above. In addition, the Company increased its current borrowings by US\$4.5 million from the comparable financial year.

Capital Expenditure

Total capital expenditure for the year amounted to US\$8.3 million (FY2022: US\$6.5 million). This was driven by the programme to replace the old and unreliable underground mining mobile equipment and was being funded from bank loans and internal cash flows.

Business Development

The Company continued with the evaluation of the following projects, in order to extend the life of mine and to assess the feasibility of opening new mining operations in the future:

- Trojan Nickel Mine Down Dip Exploration and Extension;
- Kingston Hill Exploration;
- BSR Slag Dump Retreatment Project; and
- Hunters Road Project.

Outlook

1. Nickel Prices Outlook

The Company's cash flows are highly dependent on the Nickel price.

Base metal prices have firmed since the previous financial year, with Nickel prices increasing by 24% during the year under review compared to prior year. The most recent forecasts by analysts predict a steady increase in Nickel prices in the medium

to long-term, owing to an expected rise in demand for Nickel and Lithium (energy metals), particularly given the anticipated increase in the use of electric vehicles. In assessing the future cash flows of the Company, Nickel prices have been assumed to average US\$23,500 per tonne for the period April 2023 to March 2024. These projections have been taken from a consensus forecast compiled by market analysts.

2. Operational Outlook

To address the operational challenges that have been referred to above, during the new financial year and beyond, the Company is implementing a number of measures, which include the following:

- Expediting the transition in the mining model from a low-volume, high-grade strategy to a high-volume, low-grade strategy.
- Complete the installation of the replacement bull gear by October 2023. The replacement bull gear, which is similar in size and duty to the existing one, was identified in South Africa and is currently undergoing refurbishment. The replacement bull gear is expected to be ready for installation in September 2023.
- Ensuring consistent equipment availability and accelerating underground development using the acquired new and rented equipment. The delivery of the new equipment during the period under review is expected to improve overall equipment availability in the ensuing year. In addition, plans are afoot to augment the current fleet in the new financial year by a combination of hiring and acquiring of additional mining equipment, and
- Implementing various cost containment and cash-saving initiatives to ensure the business remains cost effective.

In addition to the above initiatives, the Company's parent Kuvimba Mining House (KMH) has put in place a support structure to cover working capital gaps and ensure the business is adequately funded.

Dividend

The Directors have resolved not to declare any dividend in response to the losses and the need to retain cash for capitalisation of the business.

Directorate

The following changes took place during the financial year:



CHAIRMAN'S STATEMENT continued



Resignations

- Mr. Patrick Maseva-Shaywabaya resigned as the Finance Director of the Company with effect from 31 August 2022, to take up the position of Managing Director at a sister company; and
- Messrs. Obey Chimuka and Michiel Jakobus Bronn resigned as Non-Executive Directors with effect from 13 December 2022 and 31 March 2023, respectively.

I thank all the three Directors for their contributions during their tenure on the Board.

Appointment

Mr. Believmore Dirorimwe joined the Company in the executive position of Finance Director, with effect from 1 May 2023.

I welcome Believmore to the Board and look forward to his

contributions to the Company.

Appreciation

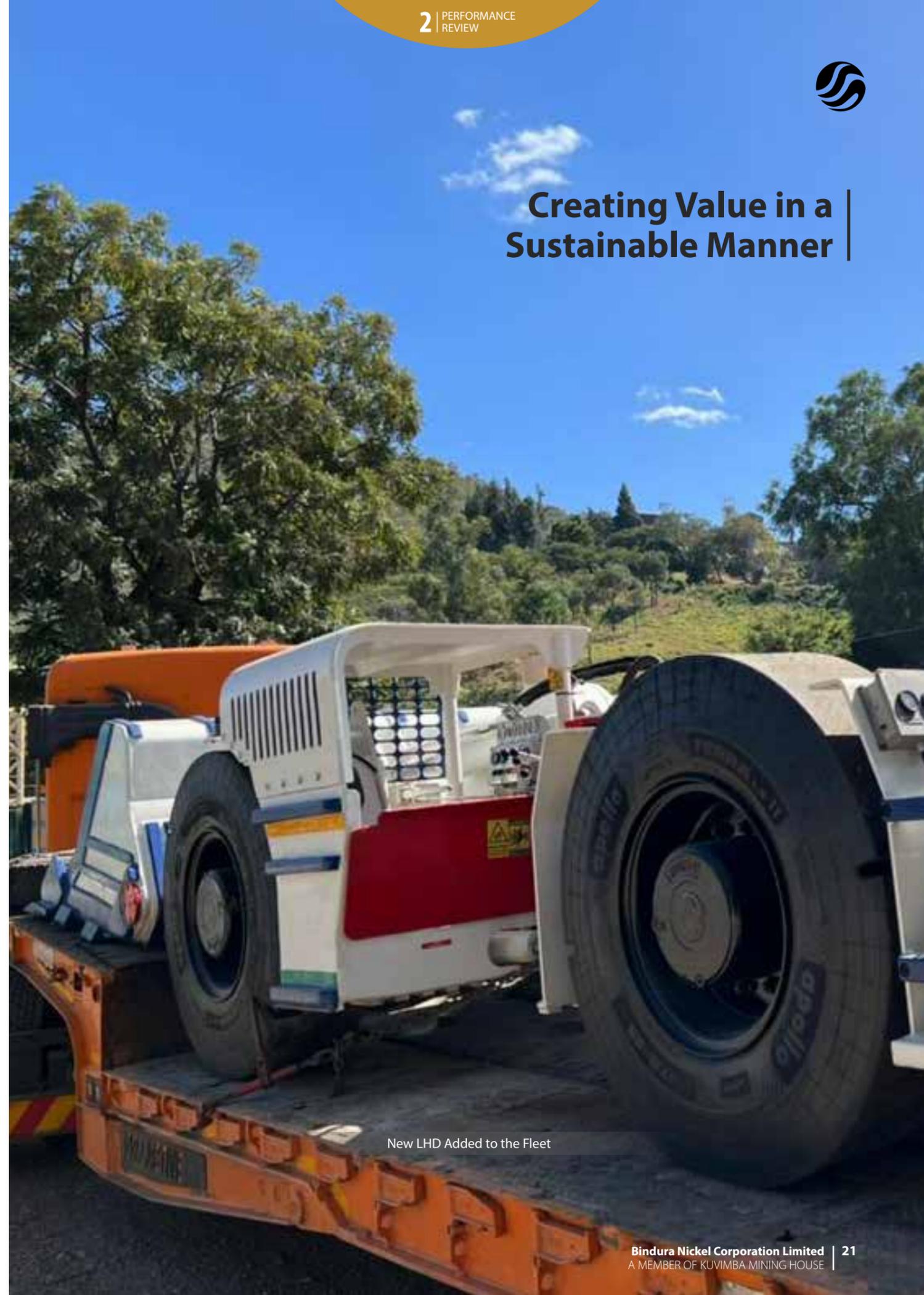
The Board pays tribute to management and staff for their dedication and hard work during a difficult and challenging year.

**On Behalf of the Board
Bindura Nickel Corporation Limited**

**M A Masunda
Chairman**

27 June 2023

Creating Value in a Sustainable Manner



New LHD Added to the Fleet



MANAGING DIRECTOR'S REVIEW OF OPERATIONS
for the Year Ended 31 March 2023

MANAGING DIRECTOR'S REVIEW OF OPERATIONS
for the Year Ended 31 March 2023 continued



Thomas Lusiyano
Managing Director

I hereby present my report on the operational performance of Bindura Nickel Corporation Limited for the year ended 31 March 2023.



Dump Truck

Covid-19

The Company continued to adhere to COVID-19 prevention and control measures in line with the prescribed safety and health requirements of the Government of Zimbabwe and the World Health Organization (WHO) guidelines, to mitigate the effects of the COVID-19 pandemic.

The high surges in COVID-19 infections in the operation dropped drastically from 330 in the prior year to five (5) (comprising of four (4) employees and one (1) community member) during the year under review. This milestone was achieved by ensuring that every employee was fully vaccinated on the 1st and 2nd dose of the COVID-19 vaccine, a process aided by the provision of vaccines by the Kuvimba Mining House Private Sector Initiative and the Ministry of Health and Child Care.

I am happy to report that the number of active cases among employees and the mine community has been eliminated.

Safety, Health and Environment

Three (3) Lost Time Injuries (LTIs) were recorded during the year,

compared to two (2) cases in the previous year. Non-Lost Time Injuries increased to four (4) compared to two (2) cases recorded in the previous year.

As at 31 March 2023, the Company had attained 3.7 million fatality-free shifts, a major milestone considering that the last fatality was recorded in June 2015.

The Company continued to comply with applicable environmental legislation and retained both the ISO 14001:2015 and ISO 45001:2018 certifications. The Company also maintained its ISO 17025:2017 accreditation for the laboratory.

Production

Key Operational Statistics for the Year Ended 31 March 2023

Production statistics for the year ended 31 March 2023, together with the quarterly results for the same period, are as indicated on the following table.



MANAGING DIRECTOR'S REVIEW OF OPERATIONS for the Year Ended 31 March 2023 continued

Table 1: Production Statistics

Key Result Area	Unit of Measure	FY2023 Actual	Quarter Ending 31 March 2023	Quarter Ending 31 December 2022	Quarter Ending 30 September 2022	Quarter Ending 30 June 2022	FY2022 Actual
Tonnes Nickel Produced	Tonnes	3,180	987	275	1,016	902	5,082
Tonnes ore mined	Tonnes	418,586	137,026	51,770	121,158	108,632	463,338
Tonnes ore milled	Tonnes	418,020	136,865	50,907	123,247	107,000	461,130
Head grade	%	0.96	0.92	0.74	1.02	1.04	1.30
Recovery	%	79.1	78.0	72.5	80.7	81.0	85.0
Development metres (Opex)	Metres	2,756	780	724	674	579	3,174
Nickel Sales	Tonnes	3,095	742	207	1,157	989	4,720
Average LME Nickel Price	US\$/tonne	25,628	26,079	25,349	22,054	29,029	20,600
Cash Cost C1	US\$/tonne	18,269	18,900	45,262	13,463	14,770	10,749
Production Cost C2	US\$/tonne	19,972	20,385	50,366	15,020	15,840	11,760
All In Sustaining Cost C3	US\$/tonne	21,841	22,928	52,348	17,466	16,289	12,410

- a. Nickel in concentrate production decreased by 37% to 3,180 compared to the previous year. The decrease in production was mainly attributable to the following:
- Reduction in mined grades due to the drastic change in the massives footprint;
 - Low availability of underground mobile equipment;
 - Lagging development;
 - Constrained volumes that can be hoisted by the Sub-vertical Rock Winder (SVR) due to the damaged bull gear. Hoisting capacity reduced to 50% of installed capacity;
 - Time taken to do inspections on the SVR bull gear;
 - ZESA load shedding resulting in direct production loss and damage to equipment; and
 - Constant breakdowns both underground and on surface due to cash flow constraints caused by the SVR breakdown.
- b. Cash and All-in Sustaining Costs increased from US\$10,749 per tonne and US\$12,410 per tonne achieved in the previous year to US\$18,269 per tonne and US\$21,841 per

tonne respectively. The increase in unit production cost was mainly due to the decrease in Nickel production, the high cost of maintaining the old and obsolete underground mobile equipment and the increase in power tariffs during the year. The disparity between the official auction and parallel market rates continued to widen during the year with local suppliers using the parallel market rates rather than the auction rates in their pricing models. The discrepancy in the two rates had an adverse impact on the Company's costs of local inputs.

Mineral Resources and Ore Reserves

The Mineral Resources and Ore Reserves estimates are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC code, 2012") as the minimum standard. The Mineral Resource estimates reported are inclusive of the Ore Reserves. Rounding off of figures may cause computational discrepancies for totals.

MANAGING DIRECTOR'S REVIEW OF OPERATIONS for the Year Ended 31 March 2023 continued

Table 2: BNC Mineral Resources Statement as at 31 March 2023

Operation	Resource Category	Tonnes (Mt)		Grade (%Ni)		Contained Nickel (Kt)	
		2023	2022	2023	2022	2023	2022
Trojan Mine	Measured	4.28	4.06	1.03	0.98	44.1	39.8
	Indicated	4.90	4.92	0.97	1.08	47.7	53.4
	Measured and Indicated	9.18	8.98	1.0	1.04	91.8	93.2
	Inferred	3.95	3.52	0.89	1.07	35.2	37.6
	Total	13.13	12.50	0.97	1.05	127.0	130.9
Hunters Road	Measured						
	Indicated	36.4	36.4	0.55	0.55	200	200
	Measured and Indicated	36.4	36.4	0.55	0.55	200	200
	Inferred						
	Total	36.4	36.4	0.55	0.55	200	200
Shangani Mine	Measured	1.84	1.84	0.58	0.58	11	11
	Indicated	0.48	0.48	0.59	0.59	3	3
	Measured and Indicated	2.32	2.32	0.59	0.59	14	14
	Inferred	9.71	9.71	0.56	0.56	54	54
	Total	12.03	12.03	0.56	0.56	68	68

Table 3: BNC Ore Reserves as at 31 March 2023

Operation	Resource Category	ROM Tonnes (Mt)		Grade (%Ni)		Contained Nickel (Kt)	
		2023	2022	2023	2022	2023	2022
Trojan Mine		Mt	Mt	(%Ni)	(%Ni)	Kt	Kt
	Proved	1.43	0.84	0.74	0.64	10.6	5.3
	Probable	0.61	0.70	0.70	0.73	4.3	5.2
	Total	2.04	1.54	0.73	0.68	14.9	10.5



MANAGING DIRECTOR'S REVIEW OF OPERATIONS for the Year Ended 31 March 2023 continued

Explanatory Notes:

Trojan Mine

- 1) Mineral Resources are reported inclusive of Ore Reserves.
- 2) Mineral Resources are reported based on a 0.45% Ni cut-off grade.
- 3) Mineral Resource tonnages increased by 5% from 12.50 Mt in March 2022 to 13.13 Mt in March 2023. The contained metal decreased by 3% from 130.9 Kt in March 2022 to 127.0 Kt in March 2023.
- 4) The average grade of the mineral resources decreased by 7% from 1.05% Ni to 0.97% Ni in March 2023. The decrease in the mineral resource, grade and contained metal is attributed to the depletion of the high grade massives.
- 5) The ore reserves have been reported from 35 L (980 mbsl) to 45/2 L (1250 mbsl).
- 6) Ore reserves tonnage increased by 32.5% from 1.54 Mt in March 2022 to 1.204 Mt in March 2023. Reserve equivalent contained metal increased by 41.4% from 10.5 kt (March 2022) to 14.85 kt in March 2023.
- 7) Evaluation drilling below 45 L has confirmed the significant reduction in size of the massive ore body.

Hunters Road

- 1) The effective date for Hunters Road Mineral Resource estimate is May 2006.
- 2) Mineral Resource estimates were based on 0.40% Ni cut-off grade.
- 3) The 36.4 Mt Resource includes 2.4 Kt of resource which forms part of a 30 m cap of oxide ore mineralisation.
- 4) In addition, in 1993, an Anglo-American Mineral Resource Evaluation Department (MinRED) estimate showed 11,000 kt of ore grading at 0.43% Ni, approximately 600 m east of the West Ore body of Hunter's Road which is not included in the resource shown above.

Shangani Mine

- 1) The Mine is under care and maintenance hence no Ore Reserves have been reported.
- 2) Effective date for Shangani Mineral Resources is August 2008.
- 3) The Mineral Resources estimates were reported based on a 0.35% Ni cut-off grade.

Engineering

a. Underground Mining Mobile Equipment

i. LHDs and Dump Trucks

The availability for Load, Haul and Dump (LHD) units declined from 75% in FY2022 to 72% in FY2023. The availability for FY2023 was below budget despite receiving four (4) new Sandvik units and six (6) hired units in the third quarter of FY2023. This was mainly due to engine failures in older units and non-availability of spares. The non-availability of spares also resulted in

critical equipment maintenance not being carried out.

For Dump Trucks, the availabilities also declined from 90% to 83% in FY2022 and FY2023, respectively, due to a general increase in recovery times caused by non-availability of spares.

i. Rigs

The availability of rigs (Production, Face and Support) remained unchanged at 71% in both FY2022 and FY2023. The availability was still below target. The major issues that affected the rigs were recurring drifter failures caused by poor quality spares and non-availability of OEM spares. In addition, mid-life interventions were not carried out due to non-availability of spares.

b. Underground Fixed Plant

On 18 September 2022, a seismic event was experienced, and the resultant ground movement caused localised fall of ground in some parts of Trojan Nickel Mine. After the occurrence of the seismic event, the following was noticed:

- i. The overheating of the SVR centre bearing due to misalignment; and
- ii. Broken teeth on the bull gear, which is the component that drives the SVR.

Winder experts, in consultation with the Company's technical team, carried out re-alignment and commissioned the SVR after a 5-days total production stoppage from 10 October to 30 November 2022.

The results from the Non-Destructive Tests (NDT) carried out on the SVR have shown a rapid rate of deterioration and that catastrophic failure of the equipment is imminent. The Company has implemented the following stopgap measures to extend the life of the SVR until the scheduled bull gear replacement date in August 2023:

- i. Reduced skip load-factor from 10 tonnes to 5 tonnes;
- ii. Reduced maximum speed from 10.5 metres per second to 7.5 metres per second. Coupled with the reduction in skip load factor, this reduces tonnage hoisted from the winder's installed capacity to prolong the life of the damaged bull gear; and
- iii. Consultations with winder experts for a second round of alignment checks to ensure misalignment has not recurred.

The SVR is expected to be recommissioned in October 2023.

Concentrator

a. Concentrator Crushing Plant

The crushing plant's availability was satisfactory and

MANAGING DIRECTOR'S REVIEW OF OPERATIONS for the Year Ended 31 March 2023 continued

improved from 89% in FY2022 to 93% in FY2023.

b. Milling Plant

The milling section's availability was above the budget and improved from 91% in FY2022 to 97% in FY2023.

Electrical Power Supply

A total of 46.25 hours were lost due to Zimbabwe Electricity Supply Authority (ZESA) power outages during the year. Of the lost hours, 20.25 were lost due to load shedding because of depressed power supply on the national grid, the bulk of which was in FY23 Q4. Disturbances were experienced between December 2022 and January 2023 when the mine was fed from the Norton domestic feeder during repair work on the dedicated feeder. Twelve hours were lost due to the maintenance at the Bindura Smelter and Refinery (BSR) Consumer Substation by ZESA in July 2022.

Water Supply

Water is a significant resource for our operations whose adequacy and quality are essential. We draw water from sources shared with nearby communities. A total of 2,394,853 mega litres of water were drawn from Mazowe River, 7% lower than the 2,582,519 mega litres drawn in the previous year. The decrease was attributed to reduced consumption during the down time resulting from the SVR breakdown. Of the total water drawn, 1,031,549 mega litres were treated to provide potable water for domestic use within the Trojan Mine community. The treated water was 5% lower than the 1,090,606 mega litres treated last year.

Human Resources

a. Head Count

The Company had 979 employees, compared to the previous year's 984 of which 733 were permanent employees (FY2022: 715). The reduction in head count was a result of natural attrition.

b. Industrial Relations

The industrial relations climate was calm and stable during the year. Works Council meetings for both the NEC Workers' and Managerial Workers' Committees were held as per schedule, thus fostering good industrial relations. Management continues to maintain an open communication system to allow for quick resolution of issues arising from the Works Council Meetings.

Marketing

The Company sold 3,095 tonnes of Nickel in concentrate, compared to 4,720 tonnes in the previous year. The reduction was in line with the reduced Nickel production for the reasons mentioned in the Chairman's statement. The average London

Metal Exchange ("LME") Nickel price realised increased from US\$20,600 per tonne in the previous year to US\$25,628, reflecting the high demand for Nickel globally.

Business Development

To ensure that the business continues a sustainable growth trajectory, BNC is at various stages towards establishing the feasibility of expanding its future capacity and Life of Mine. In brief, these are:

a. Trojan Nickel Mine Down Dip Exploration and Re-deepening Phase II

Further exploration drilling at Trojan Nickel Mine is being carried out, the envisaged outcome of which is to secure additional Nickel resources and capacity for the mining of additional ore, leading to an extension of the Life of Mine.

b. Kingston Hill Exploration

Situated approximately 4 kilometres to the east of Trojan Nickel Mine, Kingston Hill is an exciting prospect for the Company, as it is expected to yield a significant additional ore source for the Group, in the form of an open pit, low-cost mine, should the ongoing technical and operational feasibility studies yield a viable and sustainable business case. Approximately 120 million tonnes of ore at a grade of 0.36% Nickel, equivalent to 432,000 tonnes of Nickel, are expected to be confirmed from this project. The exploration exercise for Kingston Hill commenced in September 2021. Diamond drilling, to confirm the mineralization of the Kingston Hill, started in February 2023. The exploration exercise will appraise the project to the pre-feasibility stage which will, in turn, inform the definitive feasibility study. Stakeholder engagements were carried out to ensure the smooth execution of the exploration work and subsequent work on the Kingston Hill.

c. Trojan Hill

The Trojan Hill deposit is a near mine prospect located less than 1 kilometre from the current Trojan Nickel Mine workings. Potentially, this deposit could yield an additional resource amounting to approximately 3.2 million tonnes of ore at a grade of 0.40%, equivalent to 13,000 tonnes of Nickel.

d. BSR Slag Dump Re-treatment Project

This project would involve the treatment of a slag dump that accumulated at Trojan Nickel Mine since its inception in the 1960s. The dump contains approximately 3 million tonnes of slag containing an estimated 7,300 tonnes of Nickel, 6,100 tonnes of Cobalt and 2,900 tonnes of Copper. Studies are ongoing to determine the economic viability of extracting the valuable minerals from the high iron content in the slag dump.

e. Hunters Road

MANAGING DIRECTOR'S REVIEW OF OPERATIONS for the Year Ended 31 March 2023 continued



Investor Relations Tour of the Concentrator Plant

Hunters Road is a nickel deposit that is housed under Hunters Road Nickel Mine (Private) Limited, a 100% subsidiary of BNC. If the ongoing feasibility studies prove that the ore deposit can be mined profitably, then Hunters Road presents BNC with additional resources for mining and potentially provide additional feed for value-addition activities.

its operations in the past. BNC adopted the Global Reporting Initiative (GRI) Standards to enable it to comprehensively account for its impacts. The Company will continue to use the standards to measure its performance and impacts on the economy, environment, and society.

Acknowledgements

I wish to express my appreciation to the BNC management team and staff for their hard work and commitment during what was a very difficult year. I also thank the Board for their unwavering support and astute guidance.

**On behalf of the Board
Bindura Nickel Corporation Limited**

**T Lusiyano
Managing Director**

27 June 2023

f. Smelter and Refinery

Discussions have been held with interested parties on possible partnerships towards the resuscitation of the Smelter and Refinery Plants. An external Evaluator has been engaged to carry out a technical and financial evaluation audit of the Smelter Plant and the audit findings will guide the Company on the amount of capital required to resuscitate the Smelter. The Refinery Plant was put on Care and Maintenance in February 2009.

Sustainability

The Company's annual report for 2023 includes a comprehensive section on Sustainability Reporting. The focus continues to be on the identification, quantification and reporting on the impacts that BNC's sustainability efforts have achieved from



BNC received an award in Corporate Governance for its high level of transparency in Sustainability Reporting

**3
LEADERSHIP AND
GOVERNANCE**

Directorate and Management

Corporate Governance



BOARD OF DIRECTORS AND PROFILES

BOARD OF DIRECTORS AND PROFILES continued



Muchadeyi Ashton Masunda	Thomas Lusiyano	Believemore Hatinzwani Dirorimwe		Charity Chiratidzo Jinya (Dr)	Simbarashe Chinyemba	Innocent Rukweza
<p>Non-Executive Chairman (Independent)</p> <p>Tenure: 38 years.</p> <p>Key Skills: Business Law, Corporate Governance and Alternative Dispute Resolution.</p> <p>Qualifications: BL (Hons) (University of Rhodesia), Legal Practitioner, Fellow and Accredited Commercial and Sports Arbitrator (Chartered Institute of Arbitrators and Mediators [UK]).</p> <p>Other Commitments: BMW Guggenheim LAB, Panel of Arbitrators Member, International and Commercial Court of Arbitration for Sport.</p>	<p>Managing Director</p> <p>Tenure: 2 years and 5 months.</p> <p>Key Skills: Mining Engineering, Operations Management, Project Management, Business Leadership, Strategy, Sustainability, and Corporate Governance.</p> <p>Qualifications: Certified Professional Director®, BSc (Hons) Mining Engineering (UZ), BCom (Hons) Accounting (MSU), MBA (UZ), MCom in Strategic Management and Corporate Governance (MSU), MCom in Economics (MSU), Advanced Certificate in Company Direction (IoDZ), Mine Manager's Certificate of Competence (Zim), and Full Blasting Licence (Zim).</p> <p>Other Commitments: Non-Executive Director; Zimbabwe Consolidated Diamond Company (Pvt) Ltd., and Independent Non-executive Director, Fraser Alexander Zimbabwe (Pvt) Ltd.</p> <p>Professional Associations: Institute of Directors Zimbabwe (IoDZ), Institute of Corporate Directors Zimbabwe (ICDZ), Zimbabwe Economics Society (ZES), Marketers Association of Zimbabwe (MAZ), and the Institute of Corporate Governance Zimbabwe (ICGZ).</p>	<p>Finance Director</p> <p>Tenure: Recently appointed.</p> <p>Key Skills: Corporate and Financial Strategy, Risk, Procurement, Planning, Projects, Business Development, Treasury, Secretarial and Admin.</p> <p>Qualifications: B.Acc (Hons) (UZ), B.Sc Acc (Hons) (Unisa), MBA (WBS), CA (Z), CA (SA), FCCA</p> <p>Other Commitments: Board member for Capitol Insurance Brokers and Justice for Children Trust.</p>		<p>Non-Executive (Independent)</p> <p>Tenure: 2 years and 2 months.</p> <p>Key Skills: Banking and Finance, Business Leadership and Corporate Governance.</p> <p>Qualifications: B A (Hons) Economics, DBS (Honoris Causa), Fellow Institute of Bankers Zimbabwe, Fellow Chartered Institute of Customer Management.</p> <p>Other Commitments: Non-Executive Director; Delta Corporation Limited and Old Mutual Investment Group Zimbabwe (Private) Limited</p>	<p>Non-Executive (Non-Independent)</p> <p>Tenure: 1 year.</p> <p>Key Skills: Strategic Leadership and Management.</p> <p>Qualifications: B Com (Hons) (Insurance and Risk Management - NUST) Member, Institute and Faculty of Actuaries (UK).</p> <p>Other Commitments: Group Chief Executive Officer; Kuvimba Mining House (Private) Limited.</p>	<p>Non-Executive (Non-Independent)</p> <p>Tenure: 1 year.</p> <p>Key Skills: Accounting, Finance, Taxation, Systems.</p> <p>Qualifications: BSc (Accounting Science) (Oxford Brookes, UK), B Com (Hons) (Accounting) (MSU - Zimbabwe), MBL (UNISA), CA (Z), FCCA.</p> <p>Other Commitments: Group Chief Finance Officer; Kuvimba Mining House (Private) Limited.</p>



BOARD OF DIRECTORS AND PROFILES continued



Cynthia Dinka Malaba

Non-Executive
(Independent)

Tenure: 2 years and 4 months.

Key Skills:

Accounting, Audit and Risk Management, Supply Chain Management, Manufacturing, Sales and Distribution.

Qualifications:

B.Acc (UZ), B Compt (UNISA), PG Dip Auditing (UNISA), CA (SA), CA (Z), Global Leadership Programme (GIBS).

Other Commitments:

Non-Executive Director; Rainbow Tourism Group, First Mutual Reinsurance (Zimbabwe) and Duly's Holding (Pvt) Ltd

ZIFA Normalisation Committee Committee Member

Craig Gerald Meerholz

Non-Executive
(Non-Independent)

Tenure: 3 years and 2 months.

Key Skills:

Road Freight Management and Commodity Trading.

Qualifications:

B Transport & Logistics (SA), Post Graduate Diploma in Transport and Logistics (SA).

Other Commitments:

Executive Director; Kuvimba Mining House (Private) Limited.

Roseline Nhamo

Non-Executive
(Independent)

Tenure: 2 years and 4 months.

Key Skills:

Human Resources Management and Labour Arbitration.

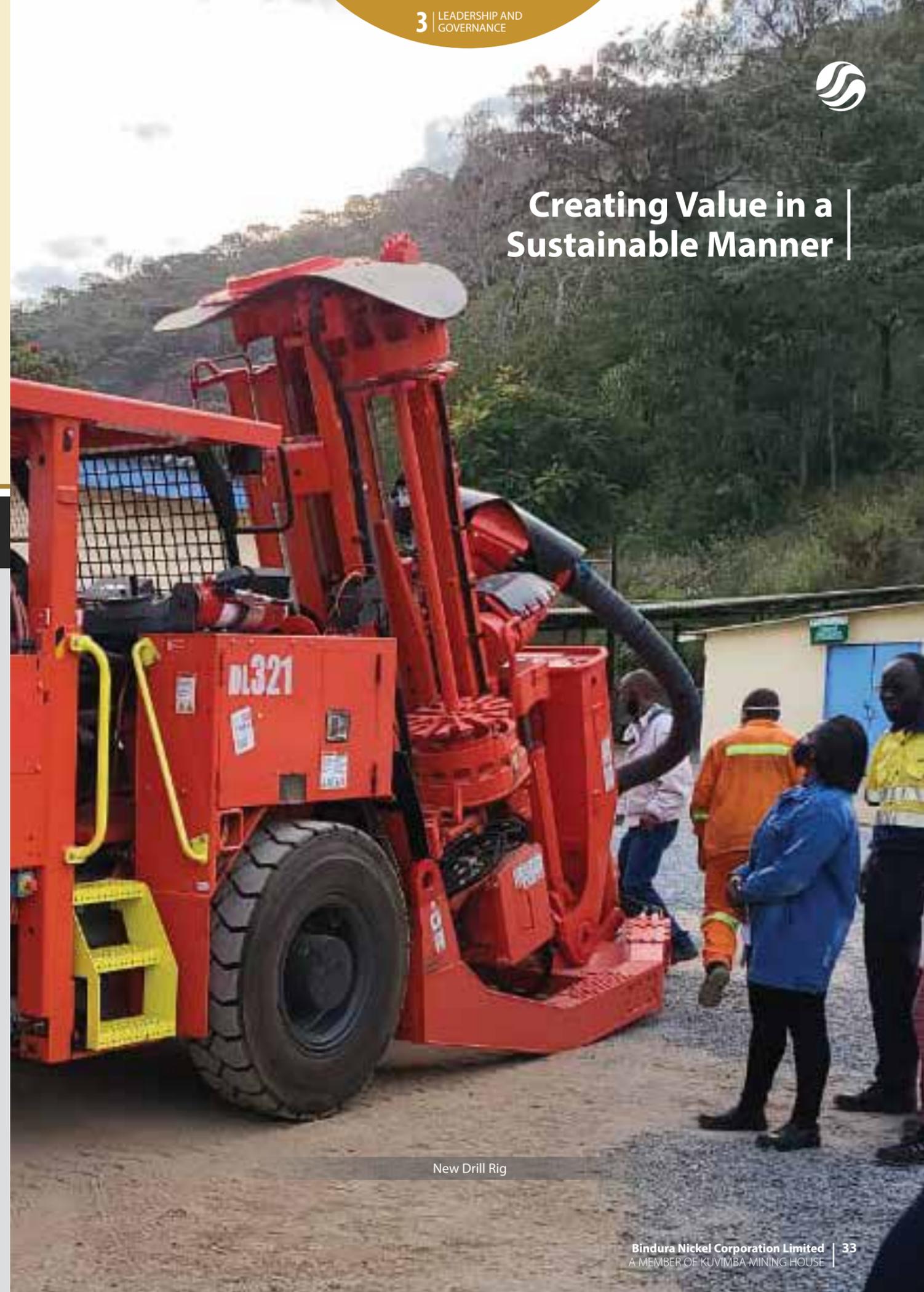
Qualifications:

BBS (Hons) (UZ), MBA Nottingham Trent (UK).

Other Commitments:

Group Managing Consultant; Distinctive Consultancy Services and Edudynamics Business School.

Creating Value in a Sustainable Manner



New Drill Rig



SENIOR MANAGEMENT

SENIOR MANAGEMENT continued



Thomas Lusiyano

Managing Director

Qualifications: Please refer to Board of Directors on page 30.



Believemore Hatinzwani Dirorimwe

Finance Director

Qualifications: Please refer to Board of Directors on page 30.



Conrad Fungai Mukanganga

Company Secretary

B Acc (Hons) (UZ), MBL (UNISA).
Fellow - Institute of Directors Zimbabwe.



Warren Mchina

SHE & Quality Assurance Manager

BSc Chemistry and Mathematics (UZ).



Kudakwashe Chitaukire

Metallurgical Optimisation Manager

BEng (Hons) Chemical Engineering (NUST), EMBA (MSU), EDBL (ZIM), GMDP(UZ). M Com Strategic Management and Corporate Governance (MSU)



Annie Margaret Sikhosana

Marketing Executive

BSc General (UZ), MSc Analytical Chemistry (UZ), MBL (UNISA), MDP (UNISA).



Chawo Nkhoma

Metallurgical Executive

ND Mineral Dressing and Metallurgy, ND Metallurgical Assaying, MBA, Institute of International Business Relations (IBS)



Rumbidzai Mushati

Human Resources Executive

BSc (Hon) Psychology (UZ), MBA (Strategic Leadership) (UZ), IPMZ.



Patrick Sana

Engineering Manager

BSc Electrical Engineering (UZ), Btech Pulp and Paper (UDT), MBA (UZ), Certified Energy Manager.



Eddington Tirivashe Vere

Mine Manager

BSc Hons Min Engineering (UZ), MBA (UZ), Full Blasting Licence (Z), Member SAIMM, ZIE.



Simon Masvipe

Finance Manager

B Acc (Hons) (UZ), FCCA, MBA (UZ).



Jacob Kasumba

Mineral Resources Manager

BSc Geology (UZ).



Ali Nyirenda

Procurement Manager

Masters in Procurement, Logistics and Supply Chain Management (University of Salford)



Perseverance Chavunduka

Production Superintendent

BEng (Hons) Chemical Engineering (NUST).



Tavengwa Mutsambwa

Information Technology Manager

Bachelor of Business Studies and Comp Science (UZ), MBA (ZOU), CISM, CISA.



Pemberai Abide Tanda

Underground Manager

BSc (Hons) Mining Engineering (UZ), MSc Mining Engineering (WITS), Certified Associate in Project Management ("CAPM" – Project Management Institute (USA)).



Amanda Tigere

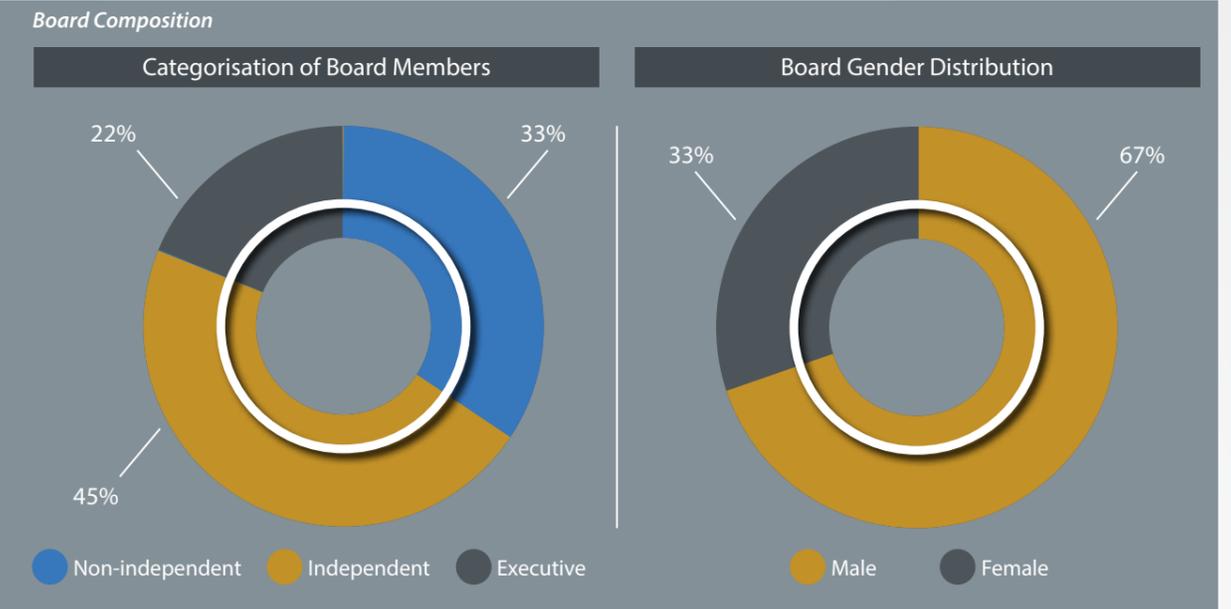
Mine Planning Engineer

BSc (Hons) Mining Engineering (UZ).



GOVERNANCE

GOVERNANCE continued



Corporate Governance

Bindura Nickel Corporation Limited understands the significance of good corporate governance principles. The Board guarantees that its leadership's behaviour is in accordance with best practices of corporate governance and legal provisions. BNC will continue to review and align its corporate governance practices with Securities and Exchange (Victoria Falls Stock Exchange Listing Requirements) Draft Rules, the National Code of Corporate Governance in Zimbabwe ("ZIMCODE"), and the Companies and Other Business Entities Act (Chapter 24:31).

Board's Responsibility

The Board is in charge of developing, reviewing, and approving BNC's strategy, planning, budgets, major capital expenditures, acquisitions, risk management, human resources, and environmental management. The positions of Chairman and Managing Director are distinct, and all directors have access to the Company Secretary's advice and services. The Company Secretary reports to the Board and is responsible for ensuring that Board processes are followed.

Appointment of Board Members

According to the Company's Articles of Association, all non-executive directors must retire by rotation and be re-elected by shareholders at least once every three years. The Board as a whole approves new director appointments. The Nominations, Human Resources, and Remuneration Committee (NHR and REMCOM) proposes any new director appointment to the Board based on the qualities of the candidates as well as the relevance of their background and expertise. The Board's structure, size, and makeup are reviewed on a regular basis.

Board Composition

The Board has nine members: four Independent Non-executive Directors, three Non-independent, Non-executive Directors, and two Executive Directors. There was one Board appointment and three resignations during the year. Messrs Patrick Maseva-Shayawaya, Michiel Jakobus Bronn and Obey Chimuka resigned from the Board. The new director appointed during the year was Mr. Believemore Hatinzwani Dirorimwe.

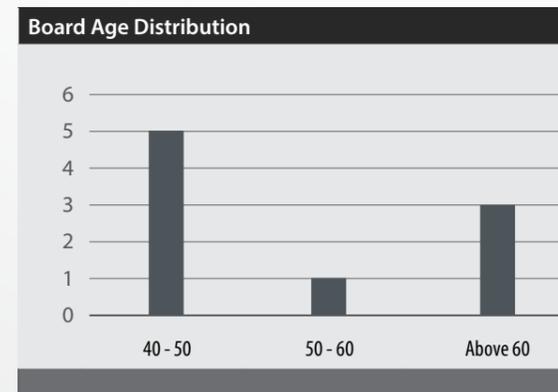
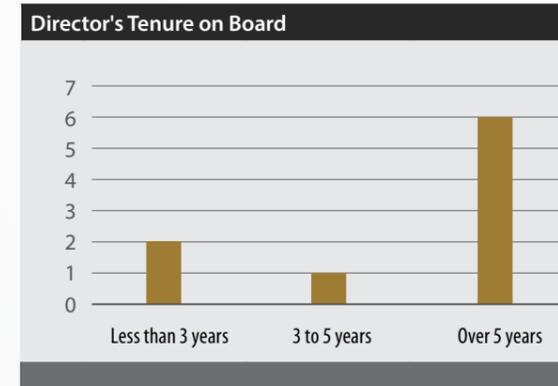
Mr. Patrick Maseva-Shayawabaya resigned as the Finance Director of the Company on 31 August 2022, to take up the position of Managing Director at a sister company, with effect from 1 September 2022. He had joined the Board on 1 April 2021.

Mr. Obey Chimuka resigned from the Board on 13 December 2022. He had joined the Board on 1 November 2019 as a Non-independent, Non-executive Director. We thank Mr. Chimuka for his contribution to the affairs of the Company.

Mr. Michiel Jakobus Bronn resigned from the Board on 31 March 2023. He had joined the Board on 1 October 2021 as a Non-Independent, Non-Executive Director. We thank Mr. Bronn for his contribution to the affairs of the Company.

We wish the former Directors success in their future endeavors.

Mr. Dirorimwe was appointed to the Board as Finance Director with effect from 1 May 2023. He is a qualified Chartered Accountant with a wealth of experience in accountancy, auditing, financial management and financial reporting. He has previously been involved in capital raising initiatives, new projects appraisals and openings.



Board Communication System

The Company recognizes the importance of maintaining ongoing communication with its stakeholders. To that purpose, the Company hosts Analysts Briefings, provide market and website updates and publishes Annual Reports to communicate its strategies as well as operational and financial performance. The Company values the need for constant dialogue with its stakeholders. To this end, the Company holds Analysts Briefings and hosts an interactive website where updates are presented on its strategies as well as operational and financial performance.

Directors' Declarations

In terms of the Company's Articles of Association, Directors are required to declare their beneficial interest in the Company. The beneficial interests of the Directors in the shares of the Company are presented as follows:

Director's Name	Number of Shares 2023	Number of Shares 2022	Number of Shares 2021
Charity Chiratidzo Jinya	1,953	1,953	1,953
Cynthia Dinka Malaba	0	0	656
Muchadeyi Ashton Masunda	666,667	666,667	666,667



GOVERNANCE continued



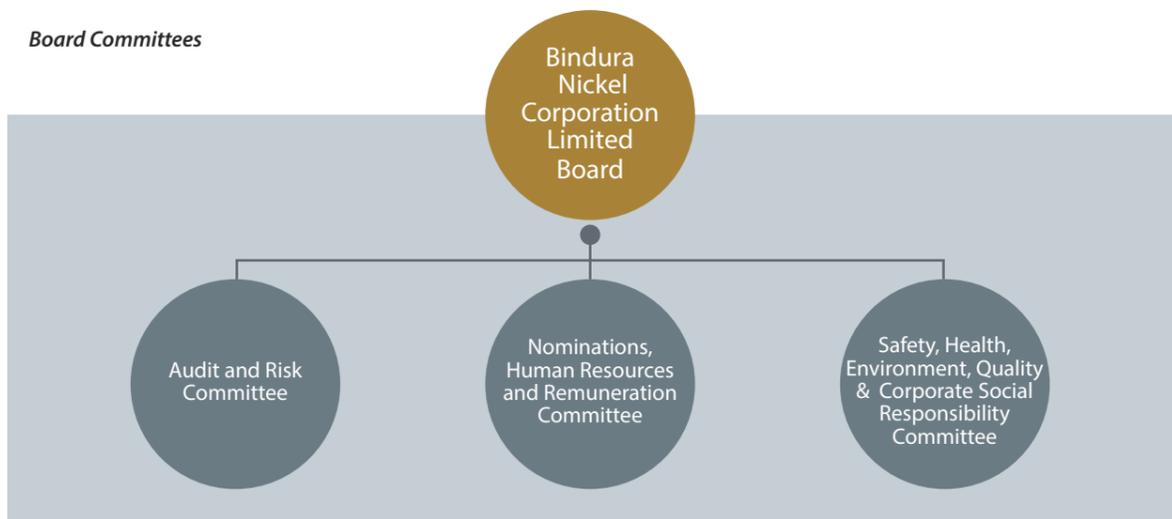
Share Dealings

Any Director, officer or employee of the Company may not deal directly or indirectly in the Company's shares based on unpublished price-sensitive information regarding its business or affairs. In addition, no director, officer or employee may trade in the Company's shares during closed periods. Closed periods are from the end of the interim and annual reporting periods to the announcement of financial and operating results for the respective periods, and while the Company is under a cautionary announcement.

Sustainability Governance

The Board is responsible for approving sustainability targets submitted by the Safety, Health, Environment and Quality (SHEQ) and Corporate Social Responsibility (CSR) Committee. Operational performance targets on sustainability issues are set by the Operations Committee (OPCOM). All sustainability issues are escalated to the Board through relevant committees for timely decisions.

Board Committees



Bindura Nickel Corporation Limited has an Audit and Risk Committee; a Nominations, Human Resources and Remuneration Committee, and a Safety, Health, Environment, Quality and Corporate Social Responsibility (SHEQ and CSR) Committee, whose details are provided as follows:

GOVERNANCE continued

Committee	Members	Terms of Reference
Audit and Risk Committee	Mrs. Cynthia Dinka Malaba (Chairperson) Mr. Innocent Rukweza Dr. Charity Chiratidzo Jinya	The Audit and Risk Committee meets at least four times a year and is responsible for ensuring that the financial performance of the Company is properly reported on and monitored. It liaises with the Auditors and reviews the reports from the Auditors relating to the accounts and internal control systems.
Nominations, Human Resources and Remuneration Committee ("NHR and REMCO")	Mr. Muchadeyi Ashton Masunda (Chairperson) Mrs. Roseline Nhamo	The role of the Nominations, Human Resources and Remuneration Committee is to recommend any new appointment of directors to the Board, based on the attributes of the candidates and the relevance of their background and experience. It periodically reviews the structure, size and composition of the Board. The Committee meets at least three times a year.
Safety, Health, Environment, Quality and Corporate Social Responsibility ("SHEQ and CSR") Committee	Mr. Craig Gerald Meerholz Mrs. Roseline Nhamo	The SHEQ and CSR Committee continuously reinforces the Company's commitment to its employees and the environment in which they are employed. Reporting to the Board of Directors, this Committee ensures procedures and processes are in place to safeguard employees in the workplace and the communities in which the Company operates. The Committee investigates BNC's impact on the environment and recommends ways of benefiting the local area. The Committee meets at least twice a year.

Committee Meeting Attendance

Attendance of Board Committee meetings for the reporting period is illustrated below

Director	Board Meetings	Audit and Risk Committee	NHR and REMCO Committee	SHEQ and CSR Committee
Mr. Muchadeyi Ashton Masunda	4/4		3/3	
Mr. Michiel Jakobus Bronn*	4/4			
Mr. Thomas Lusiyano	4/4			
Mr. Obey Chimuka*	1/4			
Mr. Simbarashe Chinyemba	4/4	4/4		
Dr. Charity Chiratidzo Jinya	4/4			
Mrs. Cynthia Dinka Malaba	4/4	4/4		
Mr. Craig Gerald Meerholz	4/4			2/2
Mrs. Roseline Nhamo	4/4		3/3	2/2
Mr. Innocent Rukweza	4/4	2/4		
Mr. Patrick Maseva-Shayawabaya*	2/4			

* Messrs Bronn, Chimuka and Maseva-Shayawabaya resigned during FY2023.



BUSINESS ETHICS AND CONDUCT

Business Ethics

As a leading Nickel producer, upholding good business ethics and socio-economic values is paramount to our operational success. We are committed to good ethical conduct across all levels of management, staff and business relations to mitigate the potential risk on our reputation. Our operations and processes are guided by the Company's Code of Conduct and the Code of Business Ethics.

Our Company has a culture where employees are not only expected to uphold our standards but also to openly recognise and condemn any unethical behaviour. This crosses our value chain and goes beyond our internal operations. We aim to have a good ethical impact which aids in the eradication of corruption and bribery. A culture of ethics fosters trust, which enhances Company performance and fortifies connections with numerous stakeholders. We induct all new employees on our ethical values and stress their obligations for upholding good ethical standards. On a regular basis, refresher trainings are conducted for management, employees and suppliers on our ethical requirements and consequences of non-compliance. Some of the training covers issues around anti-bribery and anti-corruption.

Our goal is to achieve the highest level of ethical compliance throughout our operations and business value chains. We conduct regular audits and systems checks to assess the effectiveness of our measures. The Company operates a tip-off anonymous platform which enables stakeholders to report any cases of fraud and/or corruption by employees and contractors. Where an incident is reported, investigations are conducted and remedial action taken.

Anti-Corruption

Integrity is one of our core values and is an expectation embedded in all our operations and conduct. We believe good ethical conduct makes us stand out as a good corporate citizen while boosting investor confidence. We are guided by local and international regulations in our conduct and stance against corruption throughout our activities.

We have a zero-tolerance policy on bribery, fraud, theft and other forms of corruption as we aim to be an internationally reputable business. We have internal policies formulated to guide in detecting various forms of misconduct, reporting mechanisms, and remedial actions to be taken when cases of misconduct are confirmed. Reporting of actual and suspected corruption cases is done through the Deloitte Tip-Off Anonymous platform which aims to protect whistle-blowers while obtaining important intelligence.

The whistle-blower project aims to provide an anonymous reporting facility for the following crimes: theft, fraud, corruption, conflict of interest, misappropriation of business property or assets, sabotage, nepotism, sexual harassment,

and safety and health issues. Whistle-blower reports are routed through Deloitte Zimbabwe and given to the Company, which has established administrative processes at the Board and Management levels to address identified issues. To ensure the success of this project, an incentive programme has been put in place, with monetary awards specified for whistle-blowers whose disclosures result in the recovery of lost property or the exposing of the nature of offences and or the perpetrators of the misdemeanours.

Our Audit and Risk Committee is responsible for monitoring and enforcing good business conduct in our operation. They conduct scheduled operational checks as well as internal and external audits. The Finance Director submits progress reports to the Audit and Risk Committee on the number of corrupt activities reported and confirmed, disciplinary cases, dismissals, and any arrests made. The Company implements findings from investigations and hearings to ensure that operations are corruption free.

Security Practices

Due to the nature of our operations, good security practices are critical. We store valuable minerals and materials which can be targeted for criminal activities. As such, we prioritise the security of our premises by controlling access at all times. We have security guards tasked with detecting and deterring security threats.

The Company ensures that security deployments are based on security needs and that all essential stations are manned at all times. We placed security cameras to aid in monitoring and detection of criminal behaviour. Access to sensitive sections of the Company's assets is only granted to authorised individuals. There is prominent signage throughout the Company grounds advising the community of locations with restricted access. Further, there are defined security measures in place for visitors and stakeholders who may wish to visit the Company's facilities to conduct business. A Code of Practice for Incident Reporting and Investigation was established. Daily deployments are overseen, and deployed personnel are checked on an hourly basis by Security Control. In addition, daily security reports are submitted as a proactive security procedure.

Our security personnel are trained on our operations, confidentiality, emergency response, and upholding of human rights when handling suspects. Our premises are monitored through CCTV cameras at strategic locations for real time surveillance. We are committed to complying with the following relevant regulatory requirements:

- Criminal Law (Codification and Reform Act) [Chapter 9:230];
- Criminal Procedure and Evidence Act [Chapter 9:07];
- BNC Code of Conduct; and
- BNC Security Policy.



Sustainability Leadership
Training in Session

4 BUSINESS ETHICS AND CONDUCT

Business Ethics

Anti-Corruption

Security Practices

Human Rights

Risk Management



BUSINESS ETHICS AND CONDUCT continued

We monitor compliance with the above instruments through supervision of security personnel, weekly meetings with contract security representatives, and monthly security reviews. Our goal is to reduce onsite crime by 50%, accounting for 100% of culprits and attain 100% stolen property recovery. During the reporting period, we managed to recover 30% of stolen goods and aim to improve recovery mechanisms in the coming year.

During the year, internal and third-party security personnel were trained as below:

Security	2023
Internal Security Personnel Trained	36
Third party security personnel Trained	73



Human Rights

Human resource management is a pivotal and integral part of our business success. We therefore regard the protection of human rights as an important obligation, as such, we strive to be in line with internationally accepted human rights principles.

We aim to ensure our upstream and downstream activities uphold all forms of human rights. Through our different human resources policies, we aim to provide good and safe working conditions while ensuring fair and equitable remuneration for all regardless of gender, age and disability. We also enforce human rights protection from our suppliers and distributors as we take responsibility for all activities which interact with our products and processes. The Company operates within the minimum standards set by various governing statutes and regulation such as the Labour Act (28.01) and the Collective Bargaining Agreement among others.

Our internal audit task force collaborates with our human resources department to conduct regular audits and assessments on compliance with human rights standards. We provide platforms for engagement with stakeholders such as employees, contractors and suppliers on human rights issues. Through these interactions, we managed to improve our compliance and continue being a reputable Company.

Risk Management

The growing importance of ESG matters to stakeholders necessitates a coordinated approach to managing and reporting these issues to the Board, as well as to identifying and monitoring the associated risks. As BNC, we developed risk management procedures which align with the risk management framework and international best practice which guide our risk management process. Our risk framework is made up of four pillars which involve: (1) identification, (2) assessment, (3) treating and (4) monitoring the risk.

Financial Risks

Mining is inherently associated with financial risks. Our complex mining environment poses the risk related to currency, interest rates, credit, and liquidity. These risks also pose potential legal and reputational risks. The financing risk for BNC is influenced by perceptions of commodity and country risks, which have an impact on the availability of finance in the capital and debt markets. The Company has a strong treasury management system that allows effective management of financial risks under the oversight of the Finance Director.

Sustainability Risks

BNC conducts materiality assessments regularly to identify ESG issues that matter the most. We conduct training for employees on sustainability matters. We are migrating from the low volume - high grade strategy to a low-grade high volume strategy which requires us to pay attention to positive and negative impacts which might be associated with the strategy.

Environmental Risk Management

We are part of a highly regulated industry that requires us to minimise our environmental impacts. BNC strives for zero harm to the environment and follows all environmental regulations. Our environmental risks are mainly in our operations, but we also consider other aspects such as hazardous materials transportation. We rank our potential environmental impacts and use EMA inspections, third party audits and legal plans to check our compliance. Our Environmental Management Plan and robust SHE systems help us to protect the environment and prevent negative effects.

Approach to Risks

A dynamic Risk Management Framework is used to help attain Bindura Nickel Corporation's vision. Heads of Department identify risk in their departments and the risks are pooled in one basket. The risks are then analysed and ranked based on the likelihood, impact and severity. The risk mitigation and control action plans are identified and implemented in order to contain or reduce the risk.

BUSINESS ETHICS AND CONDUCT continued



Safety Induction Underground

Significant Risks identified during the reporting period

Risk Category	Risk Description	Risk Mitigation Measures
Business Interruptions and Downtime Risk	Sub-Vertical Rock Winder (SVR) Bull Gear Failure.	<ol style="list-style-type: none"> 1. Replace the damaged bull gear. 2. Trojan Nickel Mine Limited engineers to work with Winder Controls at all key design and installation stages of the bull gear replacement project. 3. The damaged bull gear to be sent for repairs immediately after dismounting. 4. Regularly carry out Non-Destructive Testing (NDT) to detect failure in advance.
	Power Supply Challenges, including Load Shedding.	<ol style="list-style-type: none"> 1. Import power directly. 2. Provide complementary solar power via Power Purchase Agreement (PPA). 3. Maintain back-up generators for emergency mine evacuation and business (ICT, agitators) support. 4. Localised load shedding, in consultation with ZETDC.
	Unreliable and Obsolete Plant and Equipment.	<ol style="list-style-type: none"> 1. Establish and implement an asset lifecycle management plan. 2. Implement Maintenance Management System which includes Condition based monitoring and preventive maintenance. 3. Ensure that the Company has skills required to maintain the available equipment. 4. Replace / up grade obsolete equipment. 5. Out-source mobile equipment.
	Absence of Insurance Spares.	<ol style="list-style-type: none"> 1. Identify the insurance spares required by the business. 2. Avail funding towards procurement of insurance spares. 3. Implement insurance spares procurement plan. 4. Ensure the insurance spares are kept at the required levels. 5. Ensure the insurance spares are stored correctly and regularly inspected to maintain their integrity.

BUSINESS ETHICS AND CONDUCT continued

Significant Risks identified during the reporting period

Risk Category	Risk Description	Risk Mitigation Measures
Human Capital Risk	Skills gaps and high staff turnover.	<ol style="list-style-type: none"> 1. Talent identification and recruitment of competent staff. 2. Continuous training and development. 3. Continuous review of conditions of service and benefits. 4. Succession planning. 5. Performance management. 6. Recruitment of graduate learners. 7. Introduction of retention incentives such as motor vehicle schemes, housing mortgages. 8. Continuous employee engagement. 9. Work life balance.
Demand Risk	Falling nickel prices.	<ol style="list-style-type: none"> 1. Mine plan for continuous extraction of economic grades and volumes. 2. Cost management.
Political Risk	Changes in government policies / legislative environment.	<ol style="list-style-type: none"> 1. Track and advise on legislative changes through Government Gazette, Veritas, Statutory Instruments, Bills and Acts of Parliament. 2. Assess impact of changes on the business. 3. Lobby policy and legislation, through Chamber of Mines and Kuvimba Mining House.
Business Risk	Inadequate exploration.	<ol style="list-style-type: none"> 1. Acquired new exploration machine (LM90). 2. Improving confidence on the inferred resource and increasing LOM -Drill 21,470m from 37/2L to 59/0L. 3. Procure two new evaluation machines.
Economic Risk	Uncompetitive pricing of goods and services threatening cost of production (Increase in local input cost).	<ol style="list-style-type: none"> 1. Direct procurement from Original Equipment Manufacturers (OEMs) and/or authorised designated agents. 2. Optimise Z\$: US\$ local procurement, through: <ol style="list-style-type: none"> a) Implementation of Local Enterprise Development programme. b) Introduction of Supplier Partnership programme with key suppliers (mainly Original Equipment Manufacturers - OEMs). 3. Competitive buying, i.e., subject suppliers to competition.



Health Facility at Trojan Mine

5 SUSTAINABILITY

Sustainability Approach
Materiality
Stakeholder Engagement
Collective Bargaining



BNC
continues to review its sustainability and sustainable goals and objectives in order to meet the needs of our local communities and the nation without compromising the ability of future generations to meet their own.

Creating Value in a Sustainable Manner



Employees are the cornerstone of our success as a mining company as they provide important skills and labour.



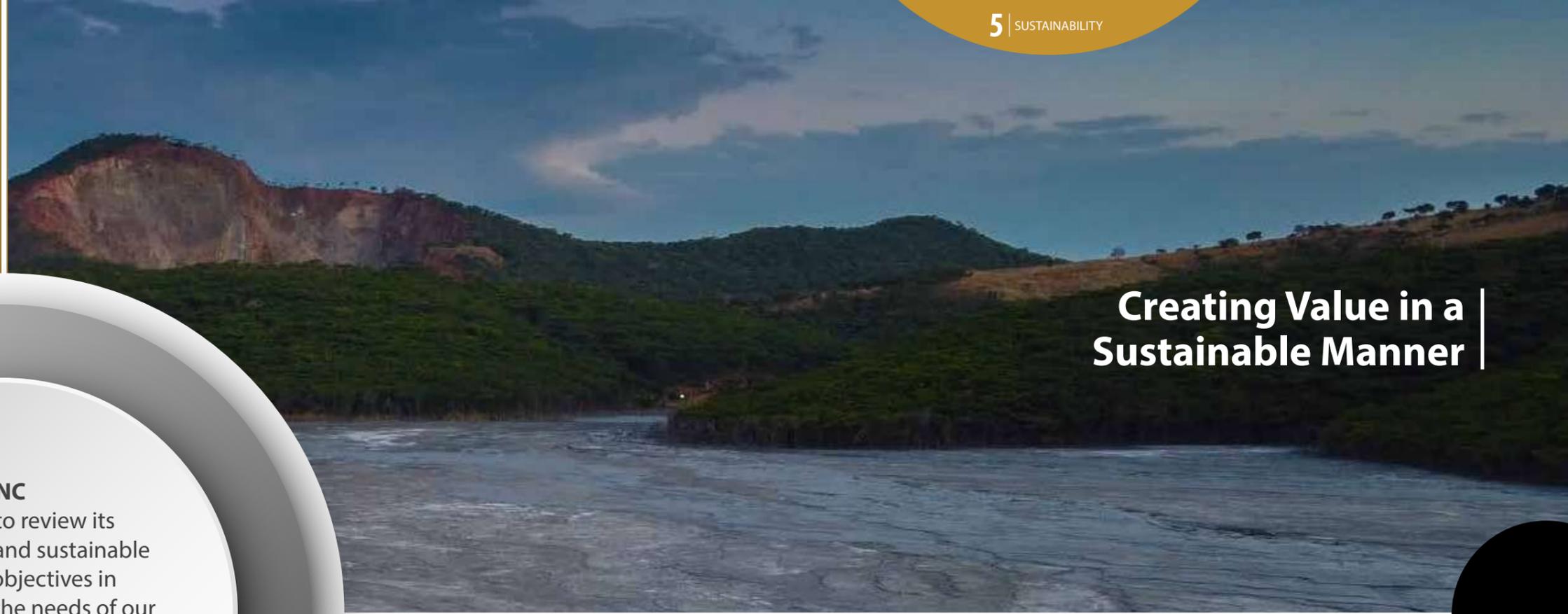
On an annual basis, we commit budgetary support towards social and developmental needs in our communities.



We make every effort to ensure that risks are optimised, through conducting our mining operations with the highest degree of safety, efficiency and quality.



We also support local businesses, suppliers, and contractors by promoting local procurement in our supply chain.





SUSTAINABILITY

SUSTAINABILITY continued



The business strives to extend its impacts beyond Nickel mining through **community development.**

We align our success with the success of communities around our mining operations.

Our Sustainability Approach

BNC sustainability strategy is based on three pillars: environmental, social and economic. The business aims to ensure the health and well-being of employees and contractors, protect the natural resources and biodiversity of our sites, engage with local communities and respect their rights and cultures, and uphold the highest standards of ethics and transparency in our business practices. We continue to leverage on ISO/IEC 14001, ISO/IEC 45001, and ISO/IEC 17025 accreditations and other policies to comprehensively manage and implement the sustainability goals. We believe that by following this strategy, we can create long-term value for our shareholders and contribute to the sustainable development goals in Zimbabwe.

BNC continued to implement the Global Reporting Initiative (GRI) Standards to enable comprehensive integration of economic, environmental, social and governance values across our business value chain, decision making, and operational practices. We continue to use the standards to measure our performance and impacts on the economy, environment, and society.

Our sustainability strategy rests upon the following main themes:

Responsible Mining

At BNC, we are committed to conducting our Nickel mining operations in a responsible and sustainable manner. We adhere to ISO/IEC14001 certification and national environmental laws and regulations. Our major environmental impacts are associated with effluent-discharge, hydrocarbon spillages, sewer handling, biodiversity, and water and electricity usage. We have systems in place to monitor and minimise negative impacts.

Employees

Employees are the cornerstone of our success as a mining company as they provide important skills and labour. We are committed to providing competitive remuneration, a safe working environment and safe working conditions, guided by our Human Resources Policies. We strive to uphold employees' rights, in line with International Labour Organisation (ILO) standards, the Universal Declaration of Human Rights and national labour standards.

Community Responsibility

The business strives to extend its impacts beyond Nickel mining through community development. We align our success with the success of communities around our mining operations. As such, we regularly conduct needs and expectation assessments with the communities and local leadership to assess and understand their needs and concerns. On an annual basis, we

commit budgetary support towards social and developmental needs in our communities. Where possible, we provide support to victims of natural disasters when they occur.

Occupational Health and Safety

Our operations adhere to the requirements of the ISO45001 certification and national regulations as means to achieve Zero Harm. We understand that mining is an inherently risky activity that can involve ground instability, underground fires, failure of machinery and human error threatening the safety of employees and other stakeholders. As such, we make every effort to ensure that risks are minimised, through conducting our mining operations with the highest degree of safety, efficiency and quality. Employee training and education is maintained for prompt reporting of incidents to management.

Economic Impacts

The mining sector plays a significant role in Zimbabwe's macro economy as it is a major source of foreign currency earnings. BNC recognises the significance of its operations to the economic success of the country. As such, we pay close attention to value maximisation in our Nickel extraction and value chains. In addition, we also support local businesses, suppliers, and contractors by promoting local procurement in our supply chain.



SUSTAINABILITY continued

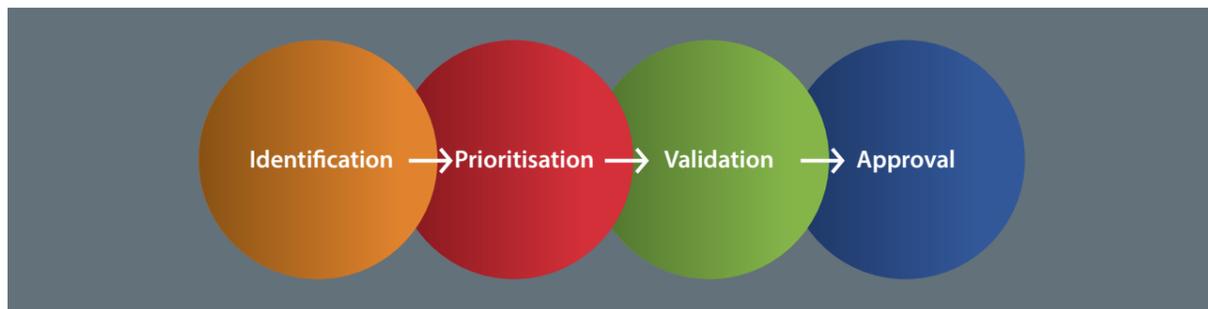
Materiality

Sustainability Materiality Assessment

Our Sustainability Materiality Assessment is a process that helps us identify and prioritise the most relevant Environment, Social and Governance (ESG) issues for our business and stakeholders. We conduct this assessment every year, following the guidelines of the Global Reporting Initiative (GRI). The assessment involves engaging with our internal and external stakeholders, analysing our business risks and opportunities, and benchmarking our performance against our competitors and industry standards. The results of the assessment inform our sustainability strategy, goals and reporting.

Materiality Process

The materiality process was conducted in four stages namely: identification, prioritisation, validation and approval.



Identification - The Company conducted an internal sustainability materiality assessment by identifying topics material to our mining sector while benchmarking with other companies in our industry.

Prioritisation - Identified topics are ranked as material topics based on their significance to the business and stakeholders' interests by senior management from all subsidiaries.

Validation - The Company Executives validate and approve the final topics by assessing the consistency of the topics with business activities. These topics are plotted as a matrix showing their importance to the business and stakeholders.

Approval - This involves verification of prioritised topics by senior management.

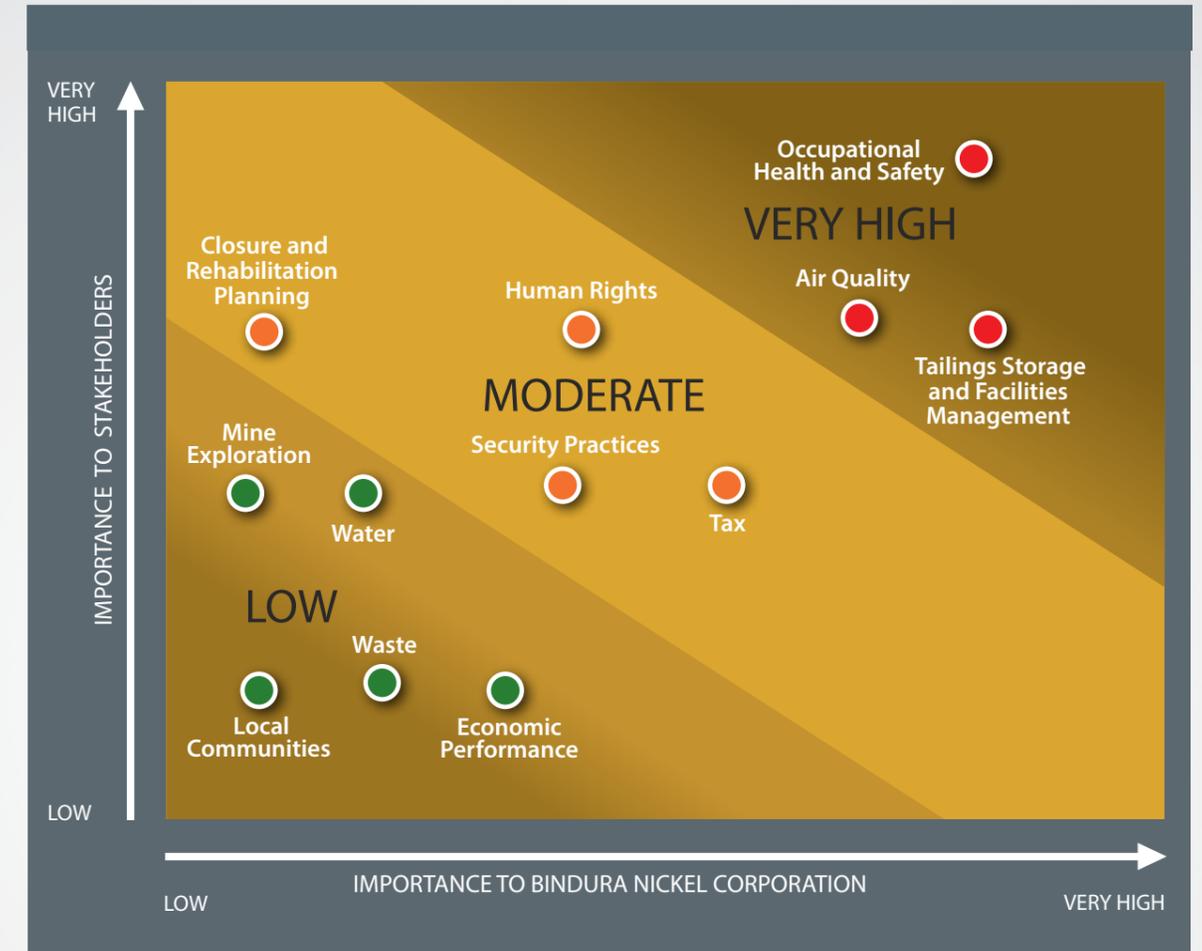
Material Topics

The identified topics were categorised into economic, environmental, social and governance as presented below:

Environment	Economic	Social	Governance
<ul style="list-style-type: none"> Tailings Storage and Facilities Management Water Air Quality Closure and Rehabilitation Planning Waste Mine Expansion Mine Exploration Biodiversity Greenhouse Gas Emissions Materials Energy Artisanal and Small-scale mining 	<ul style="list-style-type: none"> Tax Economic Performance Responsible Sourcing and Supply Chain Management 	<ul style="list-style-type: none"> Occupational Health and Safety Human Rights Security Practices Corporate Social Responsibility Employment Training and Skills Development Employee Relations and Engagement Diversity and Equal Opportunity 	<ul style="list-style-type: none"> Anti-corruption Business ethics and compliance

SUSTAINABILITY continued

Materiality Matrix



The materiality matrix above shows three categories of materiality levels of the prioritised topics. Topics ranked 'very high' represent the most significant risks or opportunities to the business and therefore require urgent attention. Topics ranked 'moderate' are considered less risky while those ranked 'low' can be considered to be under control but requiring continuous monitoring.





Creating Value in a Sustainable Manner



SUSTAINABILITY continued

Stakeholder engagement is a key aspect of our business strategy. We aim to build trust and collaboration with our customers, partners, suppliers, employees and communities. We communicate openly and transparently about our goals, challenges and achievements. We listen to feedback and respond to concerns. As BNC we seek opportunities to create shared value and positive impact with our stakeholders.

Defining Stakeholder Groups

Our stakeholder identification process is a systematic and rigorous method to identify and analyse the interests and expectations of the people and groups who have a stake in our projects. We use various tools and techniques, such as stakeholder mapping, interviews, surveys, and workshops, to collect and evaluate information. We identify stakeholders according to their level of influence and participation in the Company. There is a Needs and Expectations Questionnaire used to capture input from our stakeholders. This process helps us to plan and implement effective communication and engagement strategies that align with our project objectives and address potential risks and issues.



Sustainability: Leadership Training Support Team

Approach to Stakeholder Engagement

Our stakeholder engagement approach is based on four principles: transparency, inclusiveness, responsiveness and accountability. We aim to communicate clearly and openly with our stakeholders, listen to their views and concerns, address their feedback and expectations, and report on our performance and impact. Effective stakeholder engagement helps the Company to pro-actively act upon the needs and desires of stakeholders who have a stake in the mine, which can foster connections, trust, confidence and buy-in for the Company's key initiatives. We believe that this approach helps us build trust and mutual understanding with our stakeholders, and enhance our social license to operate.

Our stakeholder engagement for the year is presented below:

INTERNAL	<ul style="list-style-type: none"> • Employees • Management • Shareholders • Investors
EXTERNAL	<ul style="list-style-type: none"> • Suppliers • Customers • Local Communities • Government and Regulators

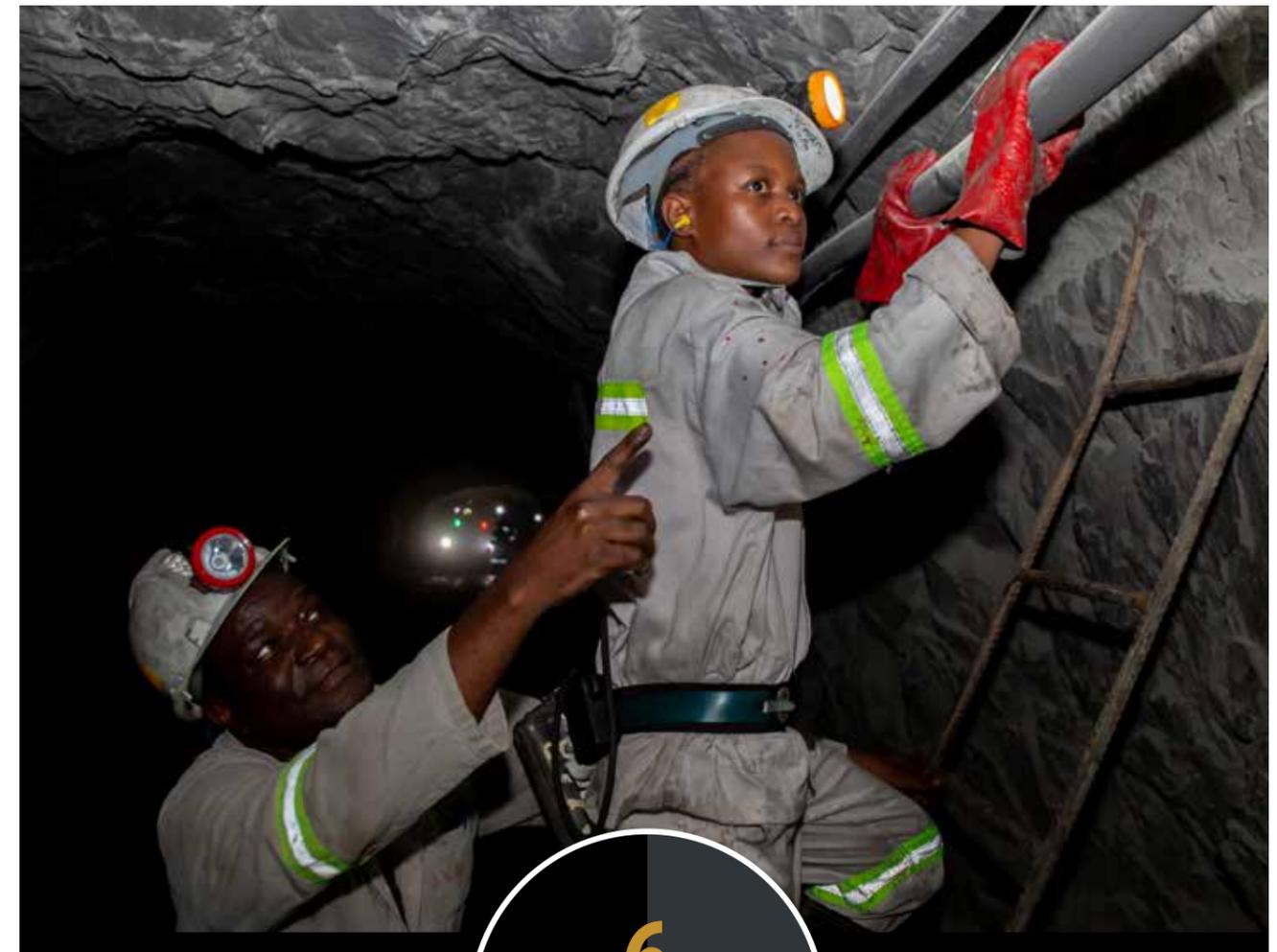
Stakeholder	Material Issues Raised for Stakeholder Concerns	Mitigation Measures	Communication Channels	Frequency of Engagement
Employees	<ul style="list-style-type: none"> • Skills retention strategy • Working conditions 	<ul style="list-style-type: none"> • Continuous employee engagement 	<ul style="list-style-type: none"> • Works Council • Liaison meetings • Employee engagement surveys • Taskforce group 	Monthly and Bi-annually
Shareholders and Potential Investors	<ul style="list-style-type: none"> • Loss making entity • Low share price and no dividends • Life of Mine concern • Negative sentiment and limited borrowing capacity • Going concern risk and volatile Nickel prices 	<ul style="list-style-type: none"> • Explore funding options for recapitalisation, to open new mines and to extend life of existing mine • Stringent cost containment and continual engagement 	<ul style="list-style-type: none"> • Shareholder meetings. • Road shows • Analysts briefings • Press releases • Website updates 	Quarterly, half-yearly, and annually

SUSTAINABILITY continued

Stakeholder	Material Issues Raised for Stakeholder Concerns	Mitigation Measures	Communication Channels	Frequency of Engagement
Government and Regulators	<ul style="list-style-type: none"> Issues pertaining to remittance of funds and or changes in statutes governing the industry 	<ul style="list-style-type: none"> Continuous stakeholder engagement Timely remittance of pension funds 	<ul style="list-style-type: none"> Meetings, Statutory instruments 	Adhoc
Local Communities	<ul style="list-style-type: none"> Women empowerment Recreational and entertainment facilities 	<ul style="list-style-type: none"> Chaplaincy services engagement with the local community women Facilitate sporting activities and facilities for the local community 	<ul style="list-style-type: none"> Consultative meetings with the local community women Meetings 	Adhoc
Civil Society	<ul style="list-style-type: none"> Students Attachment placement Trojan Mine projects affecting community residents 	<ul style="list-style-type: none"> Establishment of memoranda of agreement with local institutions Continuous engagement with stakeholders on projects affecting them 	<ul style="list-style-type: none"> Meetings with representatives 	Adhoc
Suppliers	<ul style="list-style-type: none"> Late payments processing, urgent orders after hours or on weekends 	<ul style="list-style-type: none"> Only confirm orders that are fully funded Involve suppliers early in Material Resource Planning Periodic supplier evaluation 	<ul style="list-style-type: none"> Telephone Email Meeting (Physical & Virtual Site visits) 	<ul style="list-style-type: none"> Adhoc as and when necessary Quarterly assessments
Customers	<ul style="list-style-type: none"> No issues raised in the year 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Emails, physical meetings 	Quarterly

Collective Bargaining

As part of our business and human rights strategy, all employees are free to join and participate in any mining industry trade union and national employment councils of their choice. We are committed to ensuring that employee conditions of service are continuously reviewed in compliance with the Labour Act [Chapter 28.01] and other related Statutory Instruments.



6 RESPONSIBLE MINING OPERATIONS

Mineral Resources and Extraction

Air Quality

Materials

Mine Expansion

Mine Exploration

Tailings Storage and Facilities Management

Artisanal Mining and Small-Scale Mining

Mine Closure and Rehabilitation



RESPONSIBLE MINING OPERATIONS



150 Foot Thickener at the Concentrator Plant

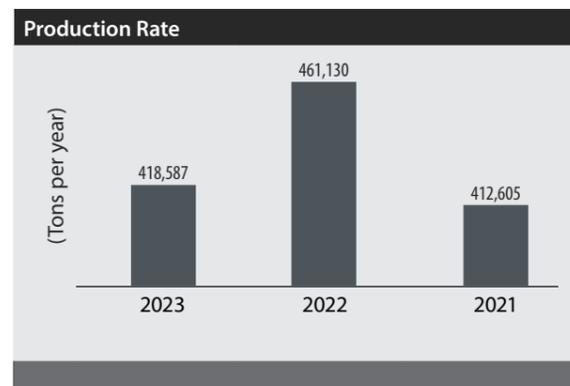
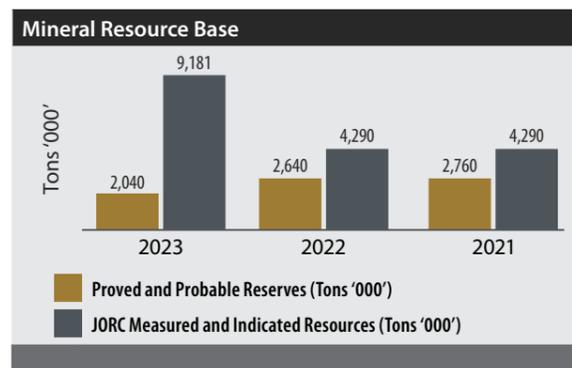
Mineral Resources and Extraction

The production of Nickel has direct implications on the environment through habitat destruction, biodiversity loss and land degradation. The business is cognisant of these risks and ensures extraction is done responsibly and sustainably. BNC is guided by the following commitments:

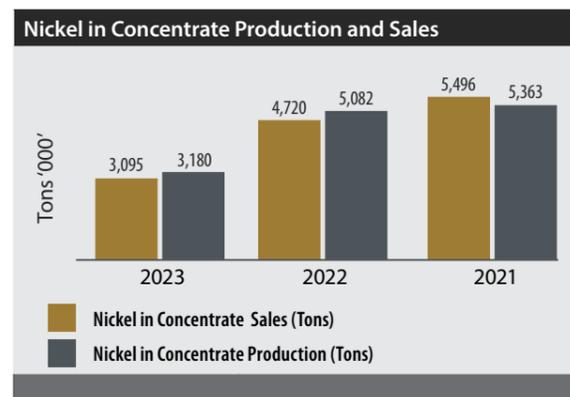
- Zero Harm to the environment;
- Demonstrate active stewardship of land and biodiversity; and
- Prevent or minimise adverse impacts from operations.

These commitments are achieved through the SHE policies signed by the Managing Director, SHE Manager, Works Council Chairpersons (employee and managerial), and Mine Manager.

As follows are our Nickel resource base and extraction statistics:



Production and Sales



RESPONSIBLE MINING OPERATIONS continued

Air Quality

Our mining operations generate fugitive dust and emissions which can impact air quality. As such, we are committed to ensuring the highest standards of air quality management for the safety of staff and surrounding communities. We aim to be among the best in mining air quality management by benchmarking with international best practices and leading Nickel mining companies in the world. Our management timeously provides adequate resources to manage air pollution.

The Company relies on its ISO14001: Environmental Management Systems (EMS) and the SHE Policy to monitor and control air quality around our mining operations. The systems require the Company to monitor dust and other emissions against acceptable Threshold Limit Values (TLV). We conduct monthly dust surveys and monitor the surrounding vegetation for negative impacts on flora and fauna. We rely on local and international TLV guidelines, and where emission quality exceeds the limits, we activate mitigation measures. During the period, we invested in dust suppression and dust extraction mechanisms at critical points.

Our commitment to responsible mining is anchored by our 'Zero Harm' vision. We have an internal target to ensure we do not generate airborne dust exceeding 5mg/m³. The Company is moving towards modelling dispersion and real time air quality monitoring to allow swift control. To achieve this, we conduct periodic employee, SHE, and Community meetings to address concerns on air quality and emissions. To continuously enjoy the social-licence-to-operate, the Company incorporates suggestions from stakeholders to improve operations.

Below are our emissions for the year:

	2023	2022	2021
Nitrous Oxide (NOx) Emissions (kg)	147	182	354
Sulphur Oxide (Sox) Emission (kg)	0	106	158

Materials

The success of our operations relies on good procurement and efficient utilisation of spares and packaging materials. We source various chemicals and equipment for our exploration, extraction, transportation, and disposal processes from local and foreign suppliers. As a sustainable business, our procurement system prioritises environmentally friendly materials. We require all suppliers to meet our obligations before their products or services are accepted. Chemical suppliers are mandated to provide safety data sheets for all chemicals supplied while our staff are trained on chemicals and materials handling. We have measures to reduce land contamination during chemical storage and use to avoid seepage to the natural environment. We have access control measures to protect unauthorised use and exposure to chemicals and materials.

Our aim is to improve optimum use of materials through equipment maintenance and purchase of high-quality materials. On energy consumption, we are currently exploring alternative energy sources for machinery to minimise reliance on diesel. We are working towards sustainable materials usage with a specific target of reducing fuel consumption by 25% over the next five years and reduce greenhouse gas emissions from heavy machinery by 20% by the year 2025. We conducted regular inspections and audits on all our processes during the period and are happy to report progress improved material efficiency use.

Packaging Material

	2023	2022	2021
Packaging Plastic (tons)	19,008	25,920	29,120

Mine Expansion

As part of our growth strategy, we have been exploring expansion projects we believe have potential to bring opportunities for improved investment returns, employment creation, economic contributions, and community development. We strive to ensure all mine expansion processes meet local and international standards. The Company ensures all mine expansion processes are approved by relevant authorities prior to implementation. Where expansion projects are active, action logs are developed with relevant stakeholders' input and regular reviews conducted. The Mine Planning Manager provides progress reports to OPCOM and the Board on key developments.

Our goal is to achieve minimal negative impact on the environment and society including their human rights. For our Kingston Hill Project, we targeted completing the pre-feasibility study by 30 November 2023. We continue to track diamond core drilling metres achieved and number of drilled cores logged and sampled for progress. We targeted achieving 3,850 drilled metres by the end of the project and we are pleased to report that we achieved 3,877 metres during the period. Throughout the project, we ensured our mine expansion remains inclusive of critical stakeholders.

Mine Exploration

In pursuance of our goal to increase our mining territory and outputs, we embarked on several projects to explore areas with potential mineral deposits where we may set up operations. We conduct feasibility studies and exploration under the guidance of experts and regulators. Mine exploration is an ongoing process for the Company as we seek more areas to invest in and develop profitable mining operations. We believe the expansion of our mining activities will contribute to revenue, employment, exports earnings, and infrastructural development. The previously conducted feasibility study for Hunters Road will be updated.

RESPONSIBLE MINING OPERATIONS continued

Tailings Storage Facilities (TSF)

Our tailings storage facilities are designed to safely store and manage mining waste in an environmentally responsible manner. The Trojan Nickel Mine has an active tailings dam whose capacity is still viable for continuity of mining operations and tailings deposits. Our Tailings facilities management procedures are based on our SHE Policies and mining laws which are supported by senior management and the Works Council. Tailings storage facilities are constructed and monitored to prevent environmental pollution. We monitor the tailings' phreatic surface from our specialised installed piezometers. During the year under review, we invested in two more piezometers for improved monitoring. We conduct Jet rodding of under drains twice a year to ensure seepage water is discharged effectively and efficiently to maintain a low phreatic surface or low water saturation in the dam wall. Quarterly analysis of surrounding water bodies and boreholes are conducted to monitor the impact of uncontrolled effluent discharge, if any.

To efficiently manage our Tailings and storage facilities we have ensured that our dam wall is built at a slope of 21 degrees to maintain the wall stability, spillways are cut at 240m from the wall to ensure that water does not overflow from the wall. Dam break analyses are conducted to evaluate the consequence classification of the dam.

As BNC, we ensure that we track our tailings and storage facilities using the following management actions:

- Internal Audits and External Audits;
- Quarterly effluent water analysis by EMA; and
- Quarterly surveys.

Our goal is to ensure zero harm to the environment and ensure dam integrity with a target of 240m Pool distances from wall (critical safe distance), Dam wall inclination angle at 21 degrees, Freeboard height at 2m and a Berm width or bench at 8m. Progress on our goals and targets is measured through piezometer readings, drainage flow rates and density monitoring. We conduct quarterly surveys to assess the effectiveness of implemented initiatives. We are pleased to report that for the year under review our dam wall was maintained at 21 degrees.

Based on the recent dam breakaways in the industry and the scenarios highlighted in the dam operational manual with regards to dam wall breaches, a Standard Operation Procedure (SOP) and an emergency preparedness plan was formulated. Communities were engaged to control movement of their livestock around our tailing storage facilities. We are pleased to report that no livestock drowned or got ill because of tailings effluent associated with our operations.

Artisanal and Small-Scale Mining

Some of our mining claims attract small scale and informal miners referred to as artisanal miners (ASM). We recognise potential benefits and challenges posed by ASMs to local communities and the environment. In this regard, we took a responsible stance of managing and collaborating with these miners to create coexistence and mutual respect. We factored working with ASMs in our corporate social

responsibility initiatives. We recognise that Artisanal and Small-scale mining contributes to the local and national economy, income generation, and employment which thereby improve livelihoods and community development.

ASMs can be associated with adverse impacts such as unsafe and unsustainable mining practices. Further, potential conflicts do arise among themselves or when they encroach into our mine claims. The Company engages the local police and hired security personnel to manage any conflicts when they arise. We try by all means to ensure any conflicts are resolved with minimum violation of human rights of all parties. As part of our future plans, we assembled a multi-disciplinary team which will train the artisanal miners on safe and sustainable mining practices. We believe this will improve coexistence around our mining operations.

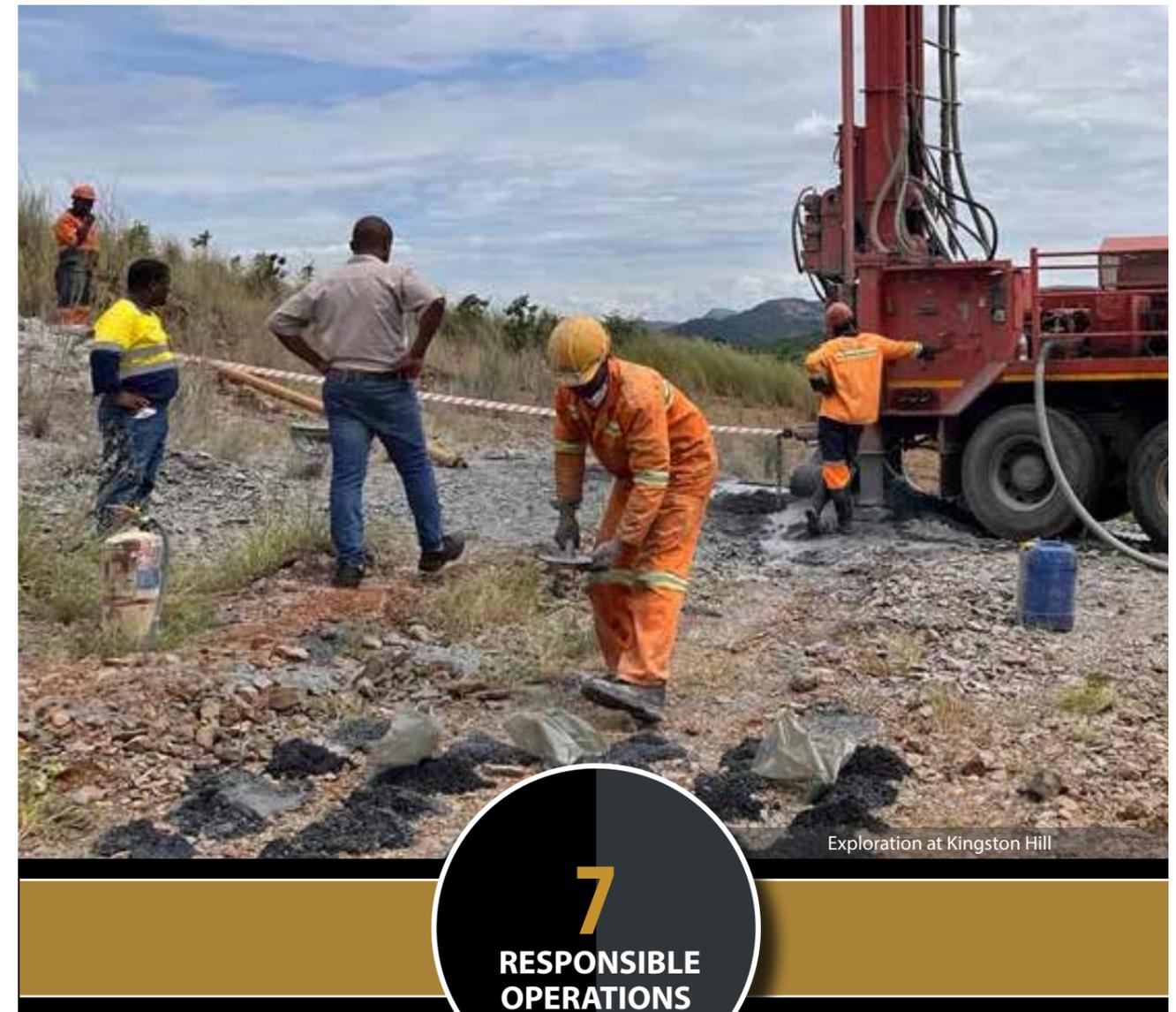
Mine Closure and Rehabilitation

We acknowledge that mineral deposits are finite which require some parts of the mine to be closed out or rehabilitated while mining activities continue in viable areas. As such, we are expected to develop mine closure plans and undertake rehabilitation in areas being closed out. We acknowledge that our operations are associated with environmental and social impacts which we commit to continuously rehabilitate as part of Mine closure and rehabilitation plans. We take into account viable economic activities which benefit the business and local communities. For example, rehabilitating disused mining infrastructure such as dumpsites and slimes dams which could benefit Madziva Teachers College and Gwanda State University (at Epoch Mine) for learning and education, tourism, and fish farming.

The Company's Mine Closure Plan covers all mineral deposit areas, equipment decommissioning, rehabilitating areas for agriculture or forestry activities and other purposes. The plan complies with local legislations and caters for rehabilitation activities for over a decade and takes into account economic, environmental and social impacts. The plan was approved by the Local Authority and EMA, and continues to be monitored through set key performance indicators and objectives.

Our Mine Closure Plan covers employees' welfare post closure. In this regard, we have been facilitating loans for employees from local banks to start income generating projects for a better future. Further, the Company continues to assist employees to secure housing stands from the local councils. Lastly, we offer financial management counselling services to our employees. The Mine Closure Plan is audited every two years against regulations in the mining industry. We strive to align community benefits with our closure plans. For example, handing over mine infrastructure to responsible local authorities. To date, we have handed over Trojan Village to Bindura District Council. Madziwa Mine - Teachers College and Epoch Mine - Gwanda State University.

	2023 (US\$)	2022 (US\$)	2021 (US\$)
Total Financial Provisions for closure and rehabilitation	10 595 985	13,901,936	9,936,830



Exploration at Kingston Hill



Water and Effluent

Energy

Waste

Responsible Sourcing



RESPONSIBLE OPERATIONS continued

Water and Effluent

Water and effluent management is crucial in our mining operation. We use large amounts of water for mineral processing, dust suppression, slurry transportation, and tailings disposal. The quality and quantity of water used and discharged can affect local hydrology and ecosystems which require good water management practices. As part of fulfilling our value of "Commitment to safety", the Company provides treated and tapped water to employees and surrounding communities for free.

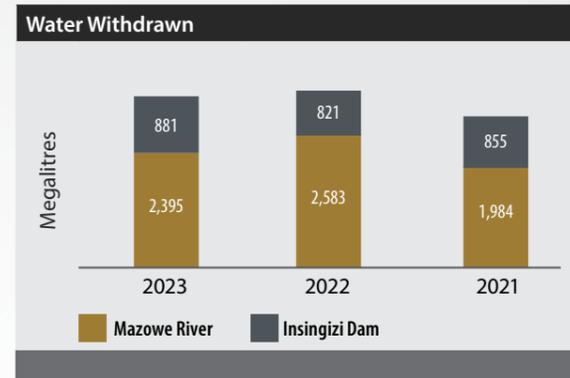
Our water measurement systems include:

- Water balances;
- Flow meters; and
- Quarterly EMA analyses.

Our water and effluent management practices are governed by our SHE policy and water management procedures. We conduct water quality tests at the end of the treatment process to ensure safety while effluents are treated and tested to ensure they are within acceptable parameters before discharge. In some cases, treated effluent is diverted for reuse to reduce fresh water usage.

Our goal is to achieve Zero Harm to the environment which we track using the number of water samples tested. During the reporting period, 1,031,549 cubic metres of water was treated which was 5% above the annual target of 985,500 cubic metres. We have made efforts to build lined slimes dams and sewer ponds to reduce ground water contamination.

Water Consumption



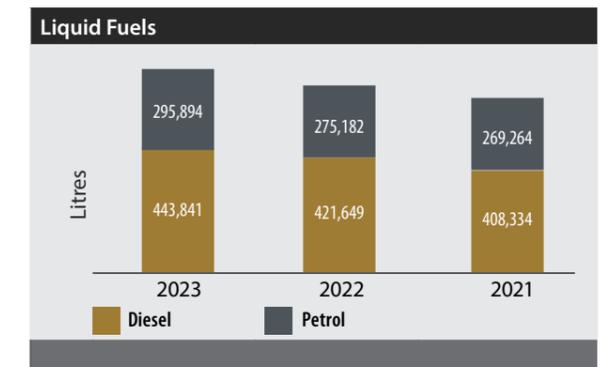
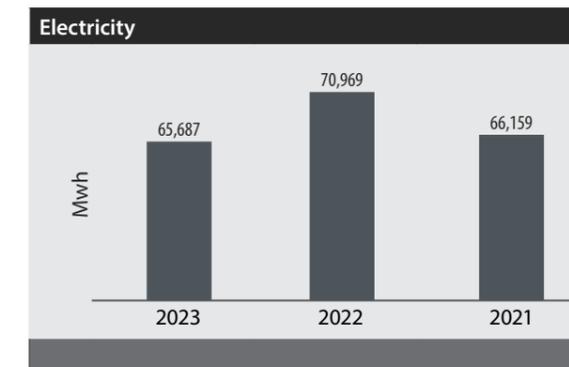
Energy

Mining operations are energy intensive which requires efficient energy management systems in all processes. Energy efficiency can result in reduced production costs and improved profitability. The Company largely consumes electricity in mine operations and the Trojan Village where our employees reside. However, pollution can be experienced in the use of petrol and diesel in some of our operations. Our plans are to transition to clean energy sources to reduce our carbon footprint. To this effect, we have invested in a power factor correction unit and we will be embarking on a solar power plant project.

The Company's Environmental Management Plan (EMP) covers energy management practices across our operations. The EMP is reviewed quarterly based on prevailing energy needs to ensure optimised efficiency at all times. We are pleased to report that we made significant progress in achieving our energy conservation goals during the period under review.

Energy Source	Units	2023	2022	2021
Electricity	kWh	65,687,413	70,969,115	66 158,926
Diesel	Litres	1,040,264	1,183,305	775,911
Petrol	Litres	174,440	276,603	205,458
Total Fuel Consumption	Litres	1,214,704	1,459,908	981,369

RESPONSIBLE OPERATIONS continued



Waste

The commitment to environmental protection requires robust waste management systems. Our aim is to reduce, reuse and recycle as much as possible, and to dispose our waste in a responsible and ethical manner. Our mission is to prevent pollution and become cost effective through:

- Reducing waste at source;
- Complying with relevant legislations and corporate policies; and
- Efficient and effective resource utilisation.

Our approach to waste management is guided by the SHE

Policy which requires the development of a waste management plan submitted to the Environmental Management Agency (EMA) every year. Our environmental plan outlines goals and targets designed to reduce waste as much as possible. Those who collect waste and work at the sewage facility are given a preventative dose for Hepatitis B in line with the Ministry of Health and Child Care guidelines.

The Company conducts internal and external audits to track the effectiveness of policies and procedures for managing waste generated by the mine. We were grateful to the local authority in Bindura who were supportive of our waste management plan. In addition, our consultation with EMA and local communities proved pivotal in improving our waste management practices.

Waste Type	Disposal Method	Unit	2023	2022	2021
Hazardous	Incineration (without energy recovery)	Tons	0	0.51	0.51
	Storage at iron arsenic bay	Tons	84	0.72	142.05
Non-Hazardous	Incineration (without energy recovery)	Tons	0.1	0.0	0.04
	Landfilling	Tons	180	173.11	134.28

Responsible Sourcing

Our operations are input intensive and require various services from third parties. We take responsibility for ensuring sustainability of all work and services done at our sites and those which interact with our mining and production processes. As part of our service agreements, we enforce our internal requirements on all suppliers as we believe they are an extension of us as a Company.

Our Procurement Policy stipulates our obligatory requirements from suppliers taking into account economic, social and governance impacts. The policy is based on regulatory requirements and industrial best practices. It is aimed at ensuring fair and transparent procurement practices while promoting local suppliers and vulnerable groups in our business value chains. We provide support in the form of training and awareness sessions to assist suppliers comply with our expectations and standards. Regular engagements with suppliers enable us to identify gaps and training needs while audits and supplier evaluations ensure that we only work with compliant suppliers to protect our reputation.



CLIMATE CHANGE AND BIODIVERSITY



8 CLIMATE CHANGE AND BIODIVERSITY

- Climate Change
- Emissions
- Biodiversity
- Climate Action

Climate Change

We recognise that climate change poses significant risks and opportunities for our business, our customers, and our stakeholders. As such, we are committed to reducing our environmental impact and contributing to a low-carbon future. BNC closely monitors local and global developments on improving climate change mitigation. The business prioritised energy efficiency and savings and tree planting as its contribution to climate change mitigation.

Emissions

Our mining operations release significant amounts of emissions which contribute to global warming and climate change. We are committed to reducing our carbon footprint and investing in clean energy solutions. We set ambitious targets for lowering our emissions and improving our efficiency. We believe that our greenhouse gas emissions management is not only a responsibility, but an opportunity for contributing to climate change mitigation.

We are guided by the Company's SHE policy and the Environmental Management Act (Statutory Instrument 72 of 2009) on GHG emissions management practices. We conduct monthly checks of mining vehicles and quarterly monitoring of Company emissions to enable better emission management and reduction. The business manages greenhouse gas emissions through the following initiatives:

- Afforestation to increase carbon sinks around our mining operations;
- Quarterly emission and air quality monitoring;
- Dust suppression systems;
- Monthly checks of mining vehicles to reduce emissions;
- External consultations on company emission rate;
- Monitoring of emissions through external consultants; and
- Periodic occupational dust surveys for employees.

Our goal is to manage the emissions produced within the operations and keep them as low as possible with a target of imposing Zero Harm to employees and the environment. We track international threshold limit values on CO₂, C, NO_x, Sox, dust, and particulate matter emissions against our objectives.

Carbon Footprint

The carbon footprint is calculated by converting energy consumption into carbon dioxide (CO₂) emission equivalency, using internationally accepted conversion factors.

Scope 1: Direct Emissions

These are direct emissions from operations that are owned or controlled by BNC. Primarily, these are emissions from fuel consumed by generators and vehicles. Scope 1 refers to direct Greenhouse Gas (GHG) emissions. We applied emission factors obtained from the United Kingdom (UK) Government GHG Conversion Factors to convert liquid bio-fuel usage as presented below:

	Units	2023	2022	2021
Diesel	kg CO ₂ e (Litres)	2,613,487	2,972,853	1,949,344
Petrol	kg CO ₂ e (Litres)	382,638	606,734	450,676
Total	kg CO₂e (Litres)	2,996,125	3,579,587	2,400,021

CLIMATE CHANGE AND BIODIVERSITY continued

Scope 2: Indirect Emissions

These are emissions from the consumption of energy generated and supplied by a third party over which BNC has no control. Our Scope 2 emissions were calculated using emission factors obtained from the Southern African Power Pool 2015 using Operating Margin factors and the Global Warming Potential rates from the Intergovernmental Panel on Climate Change (IPCC) as presented below

	Units	2023	2022	2021
Electricity	kg CO2e (Mwh)	67,408	72,829	67,891

Biodiversity

We acknowledge the impacts our operations have on the natural environment. As such, we are committed to protecting and enhancing the biodiversity in the areas in which we operate. We invested in environmentally friendly mining operations to ensure minimal disturbance to the surrounding ecosystems. Our biodiversity management plan is compliant with the Statutory Instrument 7 of 2007 on Environmental Management and is aimed at ensuring better management of biodiversity around our operations.

Our mining expansion and exploration activities are supported

Area assessed for biodiversity Impacts

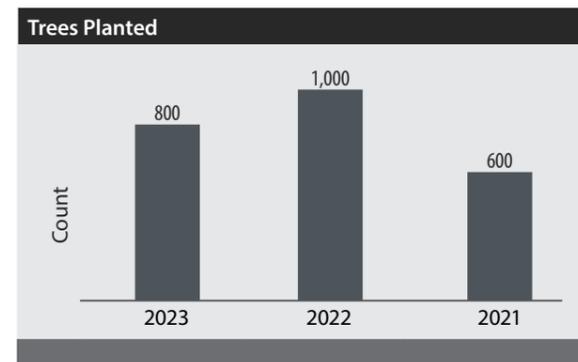
Impacts on Biodiversity	Species affected	Area affected	Reversible/ Irreversible
Introduction of invasive species - Lantana Proliferation	Acacia Karoo, Bracasitigia, Phisphomis, Acacia Poliactha.	119.874 Ha	Reversible
Reduction of herbaceous plants	Herbaceous plants	119.874 Ha	Reversible

by Environmental Impact Assessments (EIA) to ensure minimal environmental disturbance and to have mitigation plans where disturbance is inevitable. The assessments work in tandem with Environmental Management Plans which guide our current and future processes to ensure environmental protection. The Environmental Management Agency (EMA) conducts regular inspections of our operations for compliance and provides guidance where improvements are required. In addition, the Company works with the National Parks and Wildlife Authorities who ensure our operations do not result in human-wildlife conflicts. Our goal is to conduct our operations in a sustainable and responsible manner by prioritising environmental and biodiversity protection.

Climate Action

As part of our environmental stewardship activities, the Company conducts annual tree planting initiatives in an effort to increase carbon sinks around our operations.

During the reporting period we planted 800 trees from 1,000 which were planted in the prior year.



9 HUMAN CAPITAL MANAGEMENT

- Employees
- Occupational Health and Safety
- Training and Skills Development
- Diversity and Inclusion



HUMAN CAPITAL MANAGEMENT

HUMAN CAPITAL MANAGEMENT continued



Employees

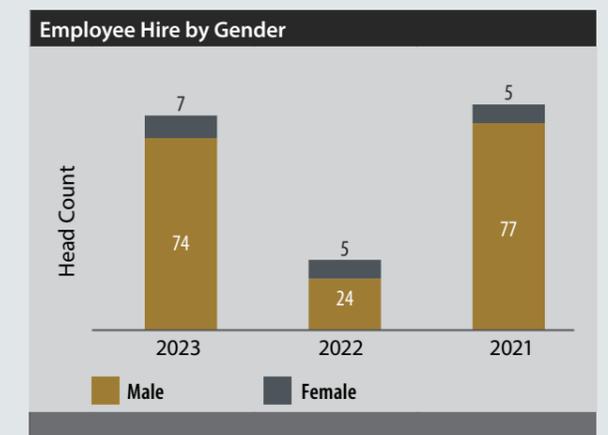
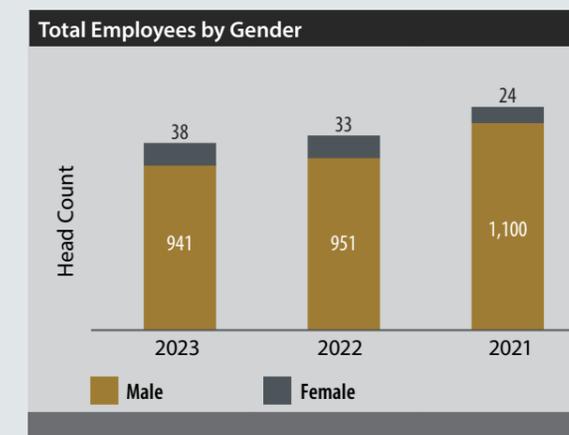
Employees are the driving force behind our operations and success. In this regard, we strive to provide conducive working conditions and an environment where they have their interests acknowledged and addressed. We believe this contributes to productivity, passion and inspires innovation and delivery above and beyond standard performance.

We provide various employee engagement platforms that include departmental and monthly Works Council meetings. These platforms allow employees to bring management attention to issues and grievances affecting their productivity. Management then develops action plans for timeous closure of matters. Employees raised the need to upgrade ventilation systems around the mine which we urgently managed to do. This significantly improved workplace morale.

For communicating substantial operational changes to employees and their representatives, the Company established

a consultation procedure. This is critical for keeping employees informed of operational concerns at the mine, reducing conflict and speculative inclinations between employees and management. Through Works Council meetings, liaison meetings, and employee engagement surveys, the Company maintains an open communication system with its employees. A climate of trust has been developed for employees, which has contributed significantly to healthy relationships and engagement.

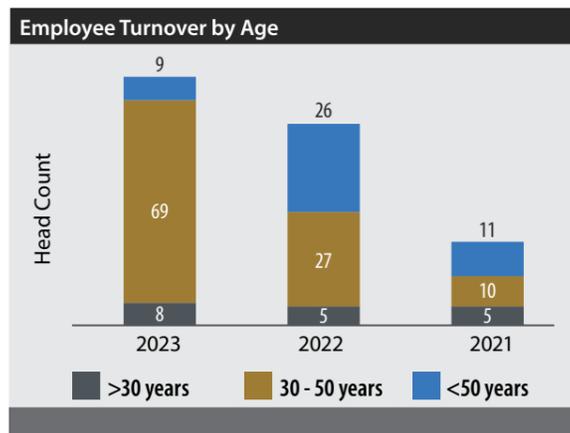
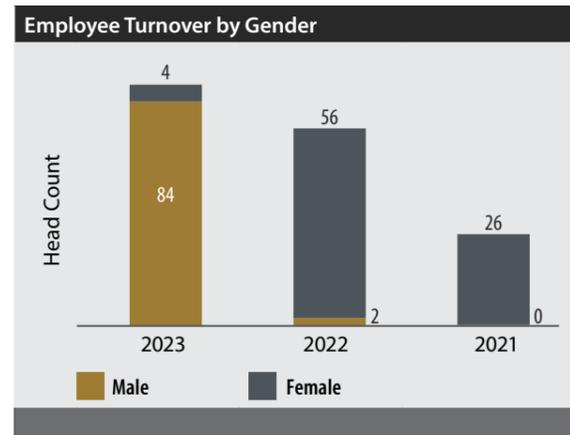
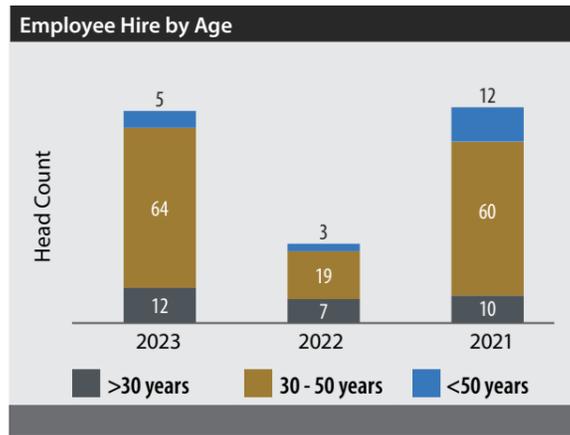
The Company believes in shared values between management and employees. To build this value, management was trained on Visible Felt Leadership (VFL) systems and this helped improve collaboration between employees and management through consultations and engagements. The VFL system involves surveys which generates scores on employee engagement and evaluation metrics such as wellbeing and communication. We believe the new system will continue to improve employee engagement and relations with management for shared vision and values.





Creating Value in a Sustainable Manner

HUMAN CAPITAL MANAGEMENT continued



Third Party Employees

	Unit	2023	2022	2021
Attaches	Count	35	40	11
Interns	Count	63	75	12
Graduate Trainees	Count	32	25	10
Contractors	Count	136	116	116

External contractor teams are inclusive of the following:

- External security contractors assisting in providing guard services around the mine and plant;
- External contractors in production areas beefing up engineering and mining teams; and
- External contractors providing refuse collection services to the employees village.

Defined Contribution Pension Plans

BNC operates a pension scheme, where employees and the Company make monthly contributions to the Mining Industry Pension Fund (MIPF). Our contributions for the year were as follows:

	2023 (US\$)	2022 (US\$)	2021 (US\$)
% of Employees on Group Pension	99%	98%	88%
National Social Security Authority (NSSA)	403,060	295,328	168,122
Mining Industry Pension Fund (MIPF)	828,503	823,558	644,638
Grand Total	1,231,563	1,118,886	812,760





HUMAN CAPITAL MANAGEMENT continued



Visitors Properly Dressed in Protective Clothing

Occupational Health and Safety

We appreciate the risks our operations pose on employees and as such, we have a robust and comprehensive Occupational Health and Safety (OHS) system aimed at promoting the safety and health of all. "Safety first" is our mantra and an obligation for all employees, contractors, and visitors in our operations. We believe in being a responsible employer with workplace safety and employee health as a top priority. Employees' health and safety at workplace improves productivity and creates a positive reputation for the Company.

Occupational Health and Safety Management

BNC's Occupational Health and Safety management is regulated by ISO Standards and SHEMS (Safety, Health, and Environmental Management System). The SHEMS system is based on the ISO Standards (Environmental management systems ISO 14001:2015 and Occupational health and safety management systems ISO 45001:2018), to which BNC is certified. The systems, among other things, provide guidance on Hazard Identification and Risk Assessment, Accident Investigation, and Employee

Training. The policy has local and international regulations embedded to ensure best practice compliance.

It is part of our policy that all new employees must receive occupational health and safety training. As such, we conduct safety induction training for all new employees and contractors. Depending on the training schedule, the training process includes safety and health awareness and campaigns on a weekly, monthly, or quarterly basis. Departmental safety meetings are often arranged to serve as refresher training on the necessary safety precautions. Our health management system consists of the following major elements:

- Leadership commitment;
- Hazard identification and risk management;
- Premises and operation inspections; and
- Incident and accident investigation.

We believe good safety management results in increased employee morale, reduction in downtime, costs associated with accidents and also improves our track record.

OHS Incidences

Employee Work-related Injuries	Unit	2023	2022	2021
Lost Time Injury Frequency Rate	Rate	1	0.6	1.60
Recordable Work-related Injuries	Count	7	4	8

Employee Work-related Injuries
Traumatic amputation of the left hand little finger.
Hairline fracture of the left leg ankle.
Fracture of the right tibia.
Laceration on the right hand shoulder joint.
Laceration on the right cheek.
Soft tissue injury on the left hand.
Laceration on the right hand.

HUMAN CAPITAL MANAGEMENT continued

Hazard Identification, Risk Assessment and Incident Investigation (HIRA)

Hazard Identification and Risk Assessment (HIRA) forms the foundation of our safety system as we can only manage those hazards and risks we have identified. Our HIRA process covers hazard identification, estimation of probability of occurrence and consequences and risk categorisation. From this, we then evaluate the adequacy and efficiency of existing controls which enable us to recommend more measures.

Before any work begins, a pre-task risk assessment must be completed in order to identify work-related dangers. This enables staff to identify and document OHS-related risks and hazards connected with each task, and then devise mitigation strategies. Supervisors and department heads do an Issue

Based Risk Assessment (IBRA) to identify hazards connected with non-routine work, new equipment and new materials. All non-routine tasks are handled through a permit system.

The SHE Department has an open-door policy that allows all employees to report unsafe working conditions within the Company, thus enabling the identification of hazards that could lead to high-impact incidents. To facilitate the reporting of hazards, the Company supplies suggestion boxes throughout the organisation. The ideas allow for new viewpoints and active participation, giving the broader workforce a voice.

The hazards below were determined using the SIMRAC Risk Profiling:

Hazard	Actions taken or underway to eliminate the hazard
Fall of ground	Baring down and adherence to ground support standards.
Explosives handling	Follow explosive handling and transportation procedure.
Noise exposure	Enclosure on noise sources and provision of hearing protection.
Equipment run over	Right of way is given to mobile machinery always.
Heat exposure	Use of standard ventilation mechanisms. An external Consultant was engaged.
Fire	Fire suppression systems to be working always.
Dust -exposure	Dust extraction fans, water blasts and use of respirator protection.
Electrical Safety	Isolation of sources before work commences.
Lifting loads	Use correct lifting techniques and lift only correct load.
Vibration	Isolation of vibration sources, use of kidney belts and comfortable seats.
Hazardous chemicals exposure	Use chemicals with Material Safety Data Sheet (MSDS).

Training and Skills Development

We believe in empowering employees through training and capacity development designed to improve knowledge, skills, and competences. The Company, in turn benefits from improved employee morale and performance which enables us to meet operational objectives and improve our reputation. The Company invests in training programmes based on different training needs identified at departmental level.

Training needs are identified through staff development panel sessions, training assessments, and performance appraisals. Training plans are formulated through training matrix and budgets. Our strategy is to target high cost trainings for long term employees while awareness sessions and other lower

budget trainings is conducted for all employees including part time and contract staff. Our training programmes are tailored to cover gaps in management and individuals placed in succession plans when vacancies arise.

This strategy is aimed at reducing skills flight and is designed around a Graduate Learnership Programme which has proved to be effective in instilling Company culture among employees. In addition, ongoing training for supervisors and middle management ensures continuous alignment with Company objectives and prevailing best practices. BNC measures the efficacy of training and education efforts by conducting weekly evaluations to assess employee commitment, satisfaction, retention targets, monthly production targets, and departmental targets.

Average training hours per employee by gender

Average training hours	2023	2022	2021
Male	0.75	1.57	1.34
Female	2.63	3.49	2.34

HUMAN CAPITAL MANAGEMENT continued

Diversity and Inclusion

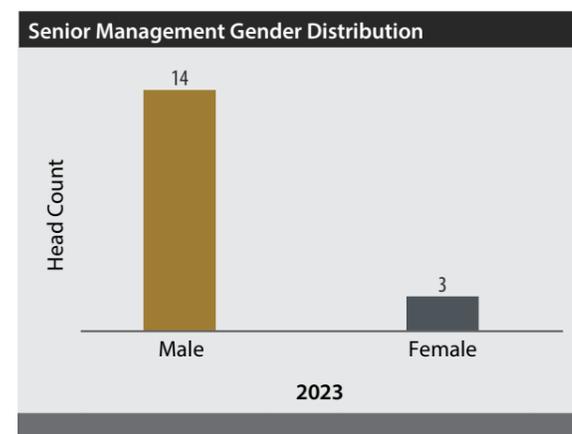
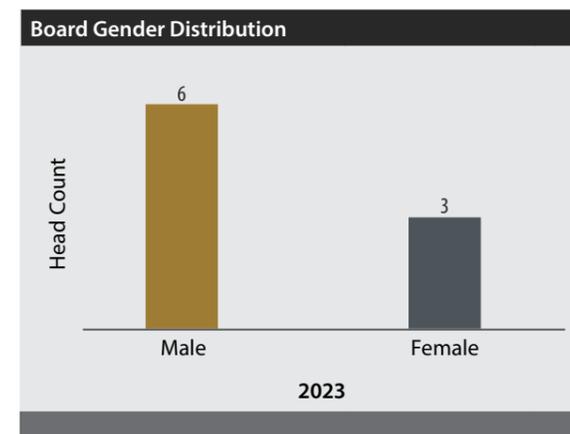
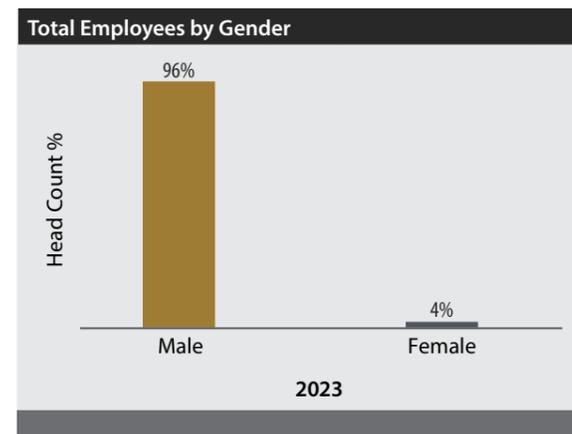
We aim to be a leading employer who promotes diversity and inclusion across the Company. We believe that a diverse workforce is more effective as it creates a complementary culture of the different strengths and weaknesses among our employees. The knowledge and skills of employees as well as their different ethnic, social, and religious backgrounds enabled the Company to have a wider social impact.

Our operations and decisions are guided by our Human Resources Policy, Code of Conduct and the Labour Act [28:01] which promote fair and equitable recruitment, staff development and opportunities across our different departments. As a traditionally male dominated sector, we made deliberate efforts to create an inclusive environment for women and this is also reflected in our Board of Directors. We have a Female Employees forum which advocates for women issues and provides facilities for nursing female employees.

Efforts are being made to implement the Sexual Harassment Policy and educate personnel on the subject. A Lady's Committee was founded to meet the needs of women in the workplace, following a conscious management decision to attract female personnel. A Muslims Committee has been responsible for ensuring that the canteen also serves Halaal certified meat.

We carry out regular employee engagement surveys and consultative meetings to get feedback on how we can improve diversity and inclusion. Issues raised are then logged into an action log which is reviewed on a weekly basis by the Operations Committee (OPCOM) to ensure closure and compliance with relevant statutes. Our goal is to ensure equal employment opportunities and to achieve gender equality with a target of 10% female employees by 2027. During the reporting period, we achieved 4% female employee compared to 3% in 2022, reflecting our continued desire for gender inclusivity.

Gender Distribution



BNC donated trees towards the National Tree Planting Day

10
**INVESTING IN
 COMMUNITY
 AND ECONOMIC
 DEVELOPMENT**

- Corporate Social Responsibility
- Sustainable Development
- Economic Value Generation
- Tax



INVESTING IN COMMUNITY AND ECONOMIC DEVELOPMENT

INVESTING IN COMMUNITY AND ECONOMIC DEVELOPMENT continued



Our role in the community, and our commitment to being a **responsible Company**, are critical to our business strategy and future.

Corporate Social Responsibility (CSR)

As BNC, we understand that our responsibilities go beyond our mining Company. Our role in the community, and our commitment to being a responsible Company, are critical to our business strategy and future. We have mutually beneficial relations with our communities as we benefit from their market and labour while the communities benefit from employment opportunities as well as infrastructure developments.

Our Corporate Social Responsibility Policy guides our business and operational decision-making, taking into account our responsibilities to the market, community, and the environment. Our recruitment and selection policy prioritised local residents in order to improve the welfare of the community surrounding our operations. We have a policy on stakeholder engagement which provides consultations, communication, promotes, and maintains good working relations with employees, local communities, regulatory agencies, business organisations and other affected and interested parties. This allows us to appreciate the needs of our stakeholders and how best we can respond through our CSR Initiatives.

During the year, our CSR Contributions were as follows:

THEME	PURPOSE OF INVESTING IN THE THEME	ITEMS DONATED	BENEFICIARIES	AMOUNT (US\$)
Education	<ul style="list-style-type: none"> Strengthening access to education, school facilities and practicals. 	<ul style="list-style-type: none"> Distilled water 141m half core samples 	<ul style="list-style-type: none"> Bindura University Chipindura High School Zimbabwe School of Mines 	5,993
National Events	<ul style="list-style-type: none"> Supporting the national Independence Day celebrations. 	<ul style="list-style-type: none"> Fuel Cash 	<ul style="list-style-type: none"> Mashonaland Central Province 	43,350
Infrastructure Repairs	<ul style="list-style-type: none"> Support local communities' road maintenance through road rehabilitation. Support the construction of the chapel. 	<ul style="list-style-type: none"> Waste rock 	<ul style="list-style-type: none"> Wadzanai Primary School Tripple Tee Primary School Bindura Municipality Bindura University of Science Education Mashonaland Central Province Zimbabwe Ezekiel Guti University 	4,100
Total				53,443



INVESTING IN COMMUNITY AND ECONOMIC DEVELOPMENT continued

Sustainable Development Goals

The United Nations supported Sustainable Development Goals (SDGs) are ambitions set for improving the wellbeing of present and future generations. The Company recognises that it can make a significant impact by contributing to the achievement of the SDGs and that our negative impacts also delay progress and exacerbate these global challenges. The Company identified

the interconnection between material issues for the business and the SDGs. The monitoring and management of our key areas of impact have direct implications on our contribution to the SDGs.

We contributed to the below mentioned sustainable development goals as follows

Sustainable Development Goals	SDG Target	Business Actions	Impact
	Target 4.3	BNC donated distilled water amounting to US\$ 460 to Bindura University and Chipindura High School for Science practicals. Core samples worth US\$5,533 were also donated to the Geology department (Zimbabwe School of Mines).	Promote innovation and practical learning.
	Target 6.1	The Mine extracts water from the Mazowe River Dam and Insingizi Dam for mine use and community use.	Access to safe and affordable water.
	Target 8.1; 8.3; and 8.8	The Mine supports decent work and creates employment opportunities and had 974 employees. For the year 2023, BNC employed 81 new employees. BNC contributed US\$11,659,581 in taxes and US\$1,231,563 in pension contribution for employees.	Economic development, and employee welfare.
	Target 11.6	BNC donated waste rock amounting to US\$4,100 towards road rehabilitation.	Access to safe transport system.
	Target 12.4; 12.5	BNC has an Environmental Impact Plan that monitors the day to day activities and waste management.	Environment sound management of chemicals and waste.
	Target 15.2; 15.5	BNC planted a total of 800 trees (FY2022; 1,000) and has approximately 120,000 hectares of land under biodiversity management.	Afforestation and biodiversity management.

INVESTING IN COMMUNITY AND ECONOMIC DEVELOPMENT continued



Economic Value Generation

The Company remains a major economic contributor in the Mashonaland Central Province as we directly employ more than 1,000 individuals. Our upstream and downstream activities employ thousands more through inbound logistics. At national level, the Company is a significant foreign currency earner with an annual export average of US\$50 million. The Company operates with a revenue budget forecast of US\$75 million per annum at current Nickel Prices.

The Company's upcoming projects at Hunters Road and Kingston Hill are aimed at creating additional employment and adding value to exports. Our long-term goals are to produce above 4,456t of Nickel in concentrate per year in the short to medium term and increase profitability to more than US\$14 million per year by 2026. We targeted to generate revenue of above US\$60 million per year, and reduce sustaining costs to less US\$15,000/tn of Nickel produced by FY2024. We will continue to monitor Tonnes milled per month/year, Nickel in concentrate produced per month/ year, Productivity per man, Cost per tonne Ore, and Nickel (C1-C3) against set goals and targets.

Our goal remains focused on producing at low cost and seeking lucrative markets. We continue to transition from a low volume – high grade strategy to a high volume – low grade

strategy which entails longevity of mine life. The continuous optimisation of our business processes and cost management strategy remains crucial. To achieve our goals, we will continue to rely on:

1. Strategy review and setting of budgets and forecasts;
2. Variance analysis of actual performance against set targets; and
3. Enterprise risk management through:
 - knowing the risks that matter;
 - treating the risks systematically;
 - regularly monitoring risk treatments;
 - routine reporting on the risks that matter; and
 - communication with stakeholders.
4. Benchmarking with other mines with similar operations.

Our operating and regulatory environment is dynamic and therefore requires the Company to regularly update operational policies and procedures for compliance and efficiency. Engaging with business partners, banks, suppliers, and employees remains crucial for building shared values that support the achievement of our goals while creating sustainable value for all stakeholders.

Economic Value Generated and Distributed

Direct economic value generated and distributed is presented on pages 92 to 137 of the financial statements.



INVESTING IN COMMUNITY AND ECONOMIC DEVELOPMENT continued

Tax

As a good corporate citizen, BNC is committed to complying with all applicable tax laws in Zimbabwe. It recognises that tax matters are a significant component of corporate transactions, and therefore the strategy is to ensure all tax matters are managed efficiently.

Approach to Tax

The Board is ultimately responsible for tax affairs for which they assign the responsibility to the Finance Director. All tax matters for BNC are managed through internal policies and a tax strategy. We ensure compliance is prioritised through timeous tax returns preparation and filing. Internal and external tax health checks are carried out to ensure compliance with tax

obligations and identifying risks. This in addition allows us to track the effectiveness of our tax management systems.

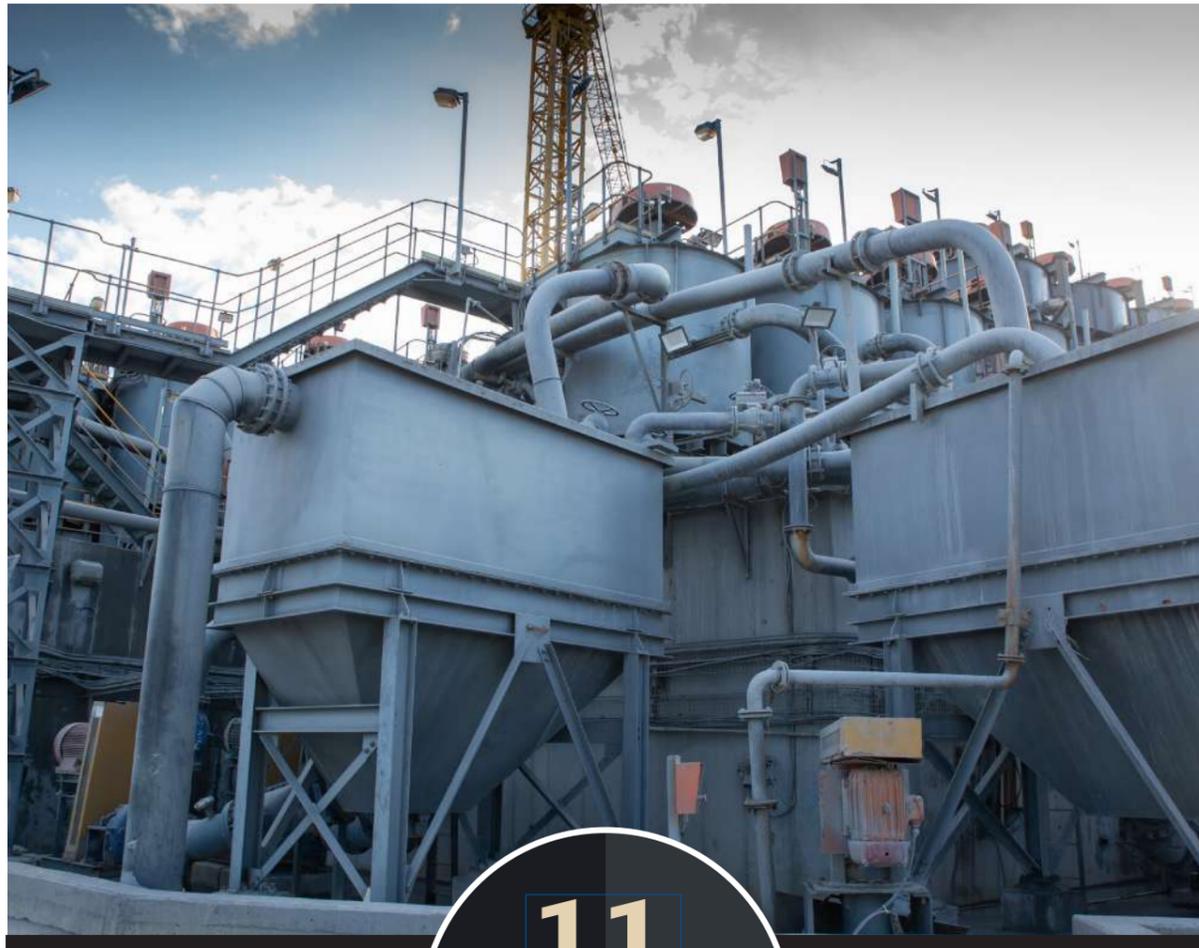
Stakeholder Engagement on Tax

We engage various stakeholders on tax matters and compliance obligations. Priority is placed on engaging with the Zimbabwe Revenue Authority (ZIMRA) on tax matters and developments for continued compliance. Our customers require that we handle our tax affairs timeously to avoid creating tax compliance risks which may affect them. We also participate in collective consultations on tax matters and developments through the Chamber of Mines of Zimbabwe and the Ministry of Mines and Mining Development. These engagements allow the Company to contribute to tax developments in Zimbabwe particularly those that have a bearing on the mining sector.

Tax Payments

	2023 (US\$)	2022 (US\$)	2021 (US\$)
Value Added Tax (VAT)	2,425,876	4,148,670	1,929,794
Import Duty	3,075,210	2,310,815	2,121,010
Pay As You Earn (PAYE)	4,241,075	4,299,041	3,769,762
Withholding Tax-10%	602,198	514,416	202,012
Withholding Tax-1/3	585,031	560,471	380,517
Aids Levy	127,232	128,971	113,093
Inter Mediated Money Transfer Tax (IMTT)	602,959	624,324	312,816
Royalties	1,069,813	1,376,441	1,156,536
Corporate Tax	-	-	2,539,390
Grand Total	12,729,394	13,963,149	12,433,930

Creating Value in a Sustainable Manner



11

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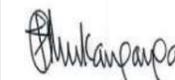
CERTIFICATE BY THE COMPANY SECRETARY

for the year ended 31 March 2023



**Conrad Fungai
Mukanganga**
Company Secretary

I, the undersigned, in my capacity as the Company Secretary, hereby confirm, to the best of my knowledge and belief, that for the year ended 31 March 2023, the Company has complied with the Victoria Falls Stock Exchange. (VFEX) Listing Requirements, lodged with the Registrar of Companies all returns required of a public company in terms of the Zimbabwe Companies and Other Business Entities (COBE) Act (Chapter 24:31) and that all such returns are true, correct and up to date. I also confirm that the Memorandum and Articles of Association of the Company are in line with the provisions of the COBE Act (Chapter 24:31).



C F MUKANGANGA
COMPANY SECRETARY

27 June 2023

DIRECTORS' REPORT

The Directors presents the annual financial statements of Bindura Nickel Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2023.

Basis of presentation

The financial statements of the Company and of the Group are presented in United States dollars (US\$), which is the functional and presentation currency of the Company.

Issued share capital

The issued share capital of the Company was increased from 1 289 228 393 ordinary shares of US\$0.000010307 each to 1 291 216 878 ordinary shares of US\$0.000010307 each during the period.

	31 March 2023 US\$	31 March 2022 US\$
Issued and fully paid	13 309	13 289
Non-distributable reserve Results		
Share premium	32 345 781	32 345 476
Total non-distributable reserves	32 345 781	32 345 476
Other reserves		
Capital contribution	2 631 877	2 631 877
Distributable reserves		
The movement in distributable reserves is as follows:		
As of 1 April	25 128 321	14 488 079
(Loss)/profit for the year attributable to ordinary shareholders	(18 482 659)	8 062 245
Transfer from share based payment reserve	-	2 577 997
As at 31 March	6 645 662	25 128 321

Subsidiary companies operations

Trojan Nickel Mine Limited is currently operating Trojan Nickel Mine only; its Smelter and Refinery and Shangani Mine divisions of the company remain on care and maintenance.

Property, plant and equipment

Capital expenditure for the year amounted to US\$8 344 174 (2022: US\$6 470 414).

Group results

	31 March 2023 US\$	31 March 2022 US\$
(Loss)/profit before taxation	(24 192 436)	11 004 808
Taxation	5 709 777	(2 942 563)
(Loss)/profit for the year	(18 482 659)	8 062 245

DIRECTORS' REPORT (CONTINUED)

Dividend

No dividend was declared for the year.

Directors

The Directors of the Company as at 31 March 2023 were as follows:

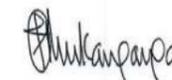
Name	Position	
T Lusiyano	Managing Director	
P M Shaywabaya	Finance Director	(Resigned 31 August 2022)
B H Dirorimwe	Finance Director	(Appointed 1 May 2023)
M A Masunda	Chairman	
M J Bronn	Non-executive Director	(Resigned 31 March 2023)
O Chimuka	Non-executive Director	(Resigned 13 December 2022)
S Chinyemba	Non-executive Director	
C C Jinya	Non-executive Director	
C D Malaba	Non-executive Director	
C G Meerholz	Non-executive Director	
R Nhamo	Non-executive Director	
I Rukweza	Non-executive Director	

Auditors

Grant Thornton was appointed as the Auditor during the year ended 31 March 2023 and will hold office until the conclusion of the Annual General Meeting at which shareholders will be requested to approve their remuneration for the past audit. In addition, shareholders will be requested to approve their re-appointment for the coming year.

By order of the Board

Bindura Nickel Corporation Limited



C F MUKANGANGA
COMPANY SECRETARY

27 June 2023

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The directors are responsible for the maintenance of proper accounting records and the preparation, integrity and fair presentation of the financial statements of Bindura Nickel Corporation Limited (the "Group"). The financial statements presented on pages 90 to 135 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and include amounts based on judgements and estimates made by management.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of Directors (the "Board") sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. These standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. The controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatement or loss.

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the Group will not be a going concern in the foreseeable future based on forecasts and available cash resources.

The financial statements have been audited by an independent firm, Grant Thornton Chartered Accountants (Zimbabwe) who have been given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the Board and committees of the Board. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. Grant Thornton audit report is presented on page 86 to 89.

These financial statements were prepared by the Bindura Nickel Corporation Limited Finance Department under the supervision of the Finance Director, Believemore Dirorimwe.



T Lusiyano
Managing Director



B H Dirorimwe
Finance Director

DECLARATION BY THE FINANCE DIRECTOR



Believemore Hatinzwani
Dirorimwe
Finance Director

These annual financial statements have been prepared under my supervision as the Finance Director of the Group. I confirm that I am a member of the Institute of Chartered Accountants of Zimbabwe ("ICAZ") and registered with the Public Accountants and Auditors Board. My Public Accountant registration number is 03765.



B H Dirorimwe CA (Z)
Finance Director

27 June 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Bindura Nickel Corporation Limited

Report on the Audit of the Group and Company Financial Statements

Qualified Opinion

We have audited the Group and Company financial statements of Bindura Nickel Corporation Limited set out on pages 90 to 135, which comprise the Group and Company statements of financial position as at 31 March 2023, and the Group and Company statements of profit or loss and other comprehensive income, the Group and Company statements of changes in equity and the Group and Company statements of cash flows for the year then ended, and the notes to the Group and Company financial statements, including a summary of significant accounting policies.

In our opinion, except for the matter described in the *Basis for Qualified Opinion* section of our report, the Group and Company financial statements present fairly, in all material respects, the financial position of Bindura Nickel Corporation Limited as at 31 March 2023, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

[*Non-compliance with International Accounting Standard \(IAS\) 21 - The Effect of Changes in Foreign Exchange Rates in the prior financial years and International Accounting Standard \(IAS\) 8 - Accounting Policies, Changes in Accounting Estimates and Errors*](#)

During the prior financial years, the foreign currency denominated transactions and balances of the Group and Company were translated into USD using the interbank exchange rates which were not considered appropriate spot rates for translations as required by IAS 21, *'The Effects of Changes in Foreign Exchange Rates'*. The opinion on the prior year Group and Company financial statements was modified in respect of this matter and the misstatements have not been corrected in the Group and Company financial statements for the year ended 31 March 2023.

As the non-compliance with IAS 21 is from prior financial years and there have been no restatements to the prior year financial statements in accordance with IAS 8, *'Accounting Policies, Changes in Accounting Estimates and Errors'*, the retained earnings as at 31 March 2023 may contain misstatements. Our opinion on the current year Group and Company financial statements is modified because of the residual effects of non-compliance with IAS 21 on the retained earnings of the Group and Company financial statements.

The effects of the above non-compliance with the requirements of IAS 21 have been considered to be material but not pervasive to the Group and Company financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Group and Company Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Material Uncertainty Related to Going Concern

We draw attention to **note 34** to the Group financial statements which indicates that the Group incurred an operating loss before tax of **USD 24 192 436** for the year ended 31 March 2023, and as at that date, the Group's current liabilities exceeded its current assets by **USD 13 375 451**. This indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group and Company financial statements of the current year. These matters were addressed in the context of our audit of the Group and Company financial statements as a whole, and in forming the opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the *Basis for Qualified Opinion* section and *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report:

Areas of focus	How our audit addressed the key audit matter
<p>Valuation of inventory for nickel concentrates</p> <p>The inventory of the Group includes nickel concentrates and most of the costs of production are fixed costs. The Group is currently operating at below full capacity and there is a risk that the unit cost of production exceeds the net realisable value of the nickel concentrates upon sale to customers.</p> <p>The Group exports its nickel concentrates to ZOPCO and has included in its inventories, nickel concentrates valued at USD 2 196 715 as at 31 March 2023.</p> <p>The valuation of nickel concentrates has been considered a key audit matter.</p>	<ul style="list-style-type: none"> Our audit procedures included attendance at year-end physical inventory counts to observe how management quantified the inventory. We reviewed the most recent prices at which nickel concentrates were pegged at on the London Metal Exchange (LME) and verified whether the inventory was carried at the lower of cost and net realisable value. Reviewed the Group financial statements to ascertain whether the inventory for nickel concentrates had been correctly classified. Inspected the Group financial statements to ascertain whether management had made appropriate disclosures with regards to the nickel concentrates. We are satisfied that nickel concentrates have been valued appropriately and accounted for correctly in the Group financial statements.
<p>Impairment of smelter and refinery plant (IAS 36 'Impairment of assets')</p> <p>As at 31 March 2023, the Group's smelter and refinery plant had a carrying amount of USD 6 379 605 and work in progress attributable to the smelter and refinery plant amounting to USD 23 999 008.</p> <p>Due to the significant use of judgement involved in the impairment assessment and determination of the impairment loss, we consider this to be a key audit matter.</p>	<ul style="list-style-type: none"> Obtained an understanding of the management's control procedures of impairment assessment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors. We assessed management's process for the determination of key inputs into the impairment assessment. Reviewed the accounting policy to ascertain whether it complied with IFRS. We reviewed the reasonableness of management's key assumptions in the impairment assessment of the smelter and refinery plant. Reviewed the disclosure made in the financial statements relating to the judgements involved in the impairment assessment.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Other information

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' report', 'Corporate governance', 'Chairman's report', and 'Managing Director's report', which we obtained prior to the date of this auditor's report. The other information does not include the Group and Company financial statements and our auditor's report thereon. Our opinion on the Group and Company financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Group and Company financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Group and Company financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Group and Company Financial Statements

Management is responsible for the preparation and fair presentation of the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal controls as management determines is necessary to enable the preparation of Group and Company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Group and Company financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Group and Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Group and Company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group and Company financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Group and Company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Group and Company Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Group and Company financial statements, including the disclosures, and whether the Group and Company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group and Company financial statements. We are responsible for the direction, supervision, and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Group and Company financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the Group and Company financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The Engagement Partner on the audit resulting in this independent auditor's report is Trevor Mungwazi.

Trevor Mungwazi
Partner

Registered Public Auditor (PAAB No: 0622)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

HARARE

29 June 2023

GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2023

	Note	2023 US\$	2022 US\$
Revenue	5	49 516 639	74 209 630
Cost of sales	6	(60 528 323)	(51 419 892)
Gross (loss)/profit		(11 011 684)	22 789 738
Other income	7	402 406	211 294
Distribution costs		(1 547 245)	(2 295 380)
Administrative expenses	8	(7 118 533)	(7 911 659)
Net exchange loss		(2 520 150)	(848 428)
(Loss)/profit from operating activities		(21 795 206)	11 945 565
Net finance costs	9	(2 397 230)	(940 757)
(Loss)/ profit before taxation	10	(24 192 436)	11 004 808
Income tax credit/(expense)	11	5 709 777	(2 942 563)
Total comprehensive (loss)/income for the year		(18 482 659)	8 062 245
Basic (loss)/earnings per ordinary share (cents)	12	(1.432)	0.631
Diluted (loss)/earnings per ordinary share (cents)		(1.407)	0.619
Headline (loss)/earnings per ordinary share (cents)		(1.432)	0.631

GROUP STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	Note	2023 US\$	2022 US\$
ASSETS			
Non-current assets			
Property, plant and equipment	13	85 032 563	86 073 427
Loans	14	433 858	125 100
		85 466 421	86 198 527
Current assets			
Inventories	15	11 074 850	14 671 960
Trade and other receivables	16	12 356 402	19 240 767
Cash and short-term deposits	17	676 486	226 750
Financial assets	18	1 300 000	-
		25 407 738	34 139 477
Total assets		110 874 159	120 338 004
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	19	13 309	13 289
Share premium		32 345 781	32 345 476
Capital contribution		2 631 877	2 631 877
Retained earnings		6 645 662	25 128 321
		41 636 629	60 118 963
Non-current liabilities			
Interest bearing borrowings	20.1	6 100 659	1 073 568
Environmental rehabilitation provision	21	10 595 985	13 901 936
Deferred tax liability	22	13 740 657	19 450 434
Lease liability	23	17 040	50 486
		30 454 341	34 476 424
Current liabilities			
Trade and other payables	24	29 809 892	21 276 687
Provisions	25	2 898	12 654
Provisional income tax		1 308 724	1 315 652
Lease liability	23	48 572	22 486
Interest bearing loans and borrowings	20.2	7 613 103	3 115 138
		38 783 189	25 742 617
Total equity and liabilities		110 874 159	120 338 004



M A Masundo
Board Chairman



T Lusiyano
Managing Director

27 June 2023

GROUP STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

	Share capital US\$	Share premium US\$	Capital contribution US\$	Share-based payment reserve US\$	Retained earnings US\$	Total US\$
Balances as at 1 April 2021	13 119	32 339 248	2 631 877	2 478 023	14 488 079	51 950 346
Issue of shares	170	6 228	-	-	-	6 398
Share-based payment expense	-	-	-	99 974	-	99 974
Transfer to retained earnings	-	-	-	(2 577 997)	2 577 997	-
Total comprehensive income for the year	-	-	-	-	8 062 245	8 062 245
Balances as at 31 March 2022	13 289	32 345 476	2 631 877	-	25 128 321	60 118 963
Issue of shares	20	305	-	-	-	325
Total comprehensive loss for the year	-	-	-	-	(18 482 659)	(18 482 659)
Balances as at 31 March 2023	13 309	32 345 781	2 631 877	-	6 645 662	41 636 629

GROUP STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

	Note	2023 US\$	2022 US\$
Cash flows from operating activities			
(Loss)/profit from operations before taxation		(24 192 436)	11 004 808
Adjustments for:			
Net finance costs	9	2 397 230	940 757
Depreciation of property, plant and equipment and rehabilitation asset amortisation	13	5 834 199	4 407 823
Share based payment expense		-	99 974
Unrealised exchange losses		2 673 980	546 933
Expected credit loss	16	389 582	55 058
Provision for obsolete stock		847 107	474 728
Operating cash flow before working capital changes		(12 050 338)	17 530 081
Decrease/(increase) in inventories		1 589 743	(5 592 981)
Decrease/(increase) in trade and other receivables		6 376 211	(12 577 164)
Increase in trade and other payables		8 533 205	1 963 588
		4 448 821	1 323 524
Net finance costs			
Interest received		56 716	12 641
Interest paid		(2 209 058)	(851 949)
Tax paid		(6 928)	-
Net cash flows from operating activities		2 289 551	484 216
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(8 344 174)	(6 470 414)
Purchase of treasury bills		(1 300 000)	-
Staff loans issued		(575 283)	(151 920)
Staff loans repaid		113 696	-
Net cash flows from investing activities		(10 105 761)	(6 622 334)
Net cash flows before financing activities		(7 816 210)	(6 138 118)
Cash flows from financing activities			
Issue of shares		325	6 398
Interest bearing borrowings repaid	20.3	(3 047 560)	(2 984 595)
Interest bearing borrowings received	20.3	10 900 000	5 633 295
Principal paid on lease liability	23	(7 360)	(15 482)
Net cash flows from financing activities		7 845 405	2 639 616
Increase/(decrease) in cash and cash equivalents		29 195	(3 498 502)
Net foreign exchange differences on cash and cash equivalents		(408 364)	248 147
Cash and cash equivalents at the beginning of the year		(1 313 257)	1 937 098
Cash and cash equivalents at the end of the year	17	(1 692 426)	(1 313 257)

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

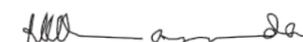
for the year ended 31 March 2023

	2023 US\$	2022 US\$
Administration costs	(50 770)	(279 972)
Loss before tax	(50 770)	(279 972)
Taxation	-	-
Total comprehensive loss for the year	(50 770)	(279 972)

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	Note	2023 US\$	2022 US\$
ASSETS			
Non-current assets			
Investment in subsidiary companies	26	34 880 931	34 880 931
Amounts due from subsidiary companies	26.1	1 043 435	1 093 880
Total assets		35 924 366	35 974 811
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	19	13 309	13 289
Share premium		32 345 781	32 345 476
Retained earnings		3 565 276	3 616 046
		35 924 366	35 974 811
Total equity and liabilities		35 924 366	35 974 811



M A Masundo
Board Chairman

27 June 2023



T Lusiyano
Managing Director

COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

	Share capital US\$	Share premium US\$	Share-based payment reserve US\$	Retained earnings US\$	Total US\$
Balances as at 1 April 2021	13 119	32 339 248	2 478 023	1 318 021	36 148 411
Issue of shares	170	6 228	-	-	6 398
Share-based payment expense	-	-	99 974	-	99 974
Transfer to retained earnings	-	-	(2 577 997)	2 577 997	-
Total comprehensive loss for the year	-	-	-	(279 972)	(279 972)
Balances as at 31 March 2022	13 289	32 345 476	-	3 616 046	35 974 811
Issue of shares	20	305	-	-	325
Total comprehensive loss for the year	-	-	-	(50 770)	(50 770)
Balances as at 31 March 2023	13 309	32 345 781	-	3 565 276	35 924 366

COMPANY STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

	2023 US\$	2022 US\$
Cash flows from operating activities		
Loss from operations	(50 770)	(279 972)
Decrease in amounts due from subsidiary companies	50 445	273 574
Net cash flows from operating activities	(325)	(6 398)
Cash flows from financing activities		
Proceeds from sale of shares	325	6 398
Net cash flows from financing activities	325	6 398
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	-	-

GROUP STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 March 2023

1 GENERAL INFORMATION

Bindura Nickel Corporation Limited (the "Group") is a limited liability company incorporated in Zimbabwe and is listed on the Victoria Falls Stock Exchange (VFEX). The ultimate shareholder of Bindura Nickel Corporation Limited is Kuvimba Mining House. The Group's registered address is Trojan Nickel Mine, Trojan Mine Road, P.O. Box 35, Bindura, Zimbabwe.

The consolidated financial statements of the Group as at and for the year ended 31 March 2023 comprise the Corporation and its subsidiaries (together referred to as the "Group"). The "Corporation" financial statements present the separate financial position, financial performance and cash flows of the Group.

The principal activities of the Group are the mining of nickel and the extraction of related by-products.

2 PRESENTATION

These financial statements are presented in United States dollars (USD), which is the Group's functional currency, rounded to the nearest dollar unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies and Other Business Entities Act (Chapter 24:31), and the Victoria Falls Stock Exchange Listing Requirements "except for the prior year where the group did not comply with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IAS 21 The Effects of Changes in Foreign Exchange Rates".

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

These consolidated financial statements are based on statutory records that are prepared under the historical cost convention. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1.1 Functional and presentation currency

Following the official introduction of the Zimbabwe Dollar (ZWL) as a currency in Zimbabwe alongside the basket of existing currencies, businesses faced the prospect of a change in their functional currency to ZWL. The Group concluded that its functional currency is USD for the period ended 31 March 2023.

In coming up with the functional currency the Group considered the following:

- the currency that mainly influences sales prices for goods and services. (Bindura Nickel Corporation revenue is from export sales and is invoiced in USD).
- the currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services. (Bindura Nickel Corporation sells at prices that reflect USD and market prices are determined mainly by the global nickel market trends).
- the currency that mainly influences operating costs (material and other costs of providing goods or services, salaries, fuel and oils and mining contractors) 68% USD and 32% ZWL.
- the currency in which receipts from operating activities are usually retained. (The majority of receipts from operating activities are retained in USD and where payments are required in ZWL, the funds will be liquidated at auction rates to settle local transactions).

The Group is an exporter earning all its income in United States Dollars, denominating its pricing with reference to global market prices. In line with the requirements of IAS 21, the Group has adopted the United States Dollar (USD) as the functional and presentation currency in line with the requirements of the IFRSs.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

2 PRESENTATION (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policy and disclosures

(a) New standards, amendments and interpretations effective for the first time for 31 March 2023 year end that are relevant to the Group

IAS 16- Property, plant and equipment

The new amendment clarifies the accounting for proceeds before intended use. Through prohibiting an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The amendment is effective for reporting periods beginning on or after 1 January 2022.

IAS 37 - Provisions, Contingent Liabilities and Contingent Assets

The new amendment clarifies on the accounting for Onerous Contracts – Cost of Fulfilling a Contract. Through specifying costs an entity includes when assessing whether a contract will be a loss-making. The amendment is effective for reporting periods beginning on or after 1 January 2022.

(b) New standards, amendments and interpretations issued but not effective for 31 March 2023 year end that are relevant to the Group but have not been early adopted

IAS 1: Presentation of Financial Statements

The amendments clarify the guidance in IAS 1 by:

- Specifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period;
- Stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability;
- Adding guidance about lending conditions and how these can impact classification; and
- Including requirements for liabilities that can be settled using an entity's own instruments.

The amendments are effective for reporting periods beginning on or after **1 January 2023**.

Overall impact

The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors

The amendments clarify the guidance in IAS 8 by:

- Aligning the definition of "material" across the standards and to clarify certain aspects of the definition.
- The new definition states that, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity".

The amendments are effective for reporting periods beginning on or after **1 January 2023**.

Overall impact

The amendments are not expected to have a material impact on the Group's financial statements.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

2 PRESENTATION (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

(b) New standards, amendments and interpretations issued but not effective for 31 March 2023 year end that are relevant to the Group but have not been early adopted (continued)

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

Overall impact

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

Overall impact

The Group is currently assessing the impact of the amendments.

3 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.1 Pre-licence costs

Pre-licence costs relate to costs incurred before the Group has obtained legal rights to explore in a specific area. Such costs may include the acquisition of exploration data and the associated costs of analysing that data. These costs are expensed in the period in which they are incurred.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has all of the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.

3.2.1 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains.

3.3 Property, plant and equipment

3.3.1 Recognition and measurement

All items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Subsequent expenditure, including borrowing costs, are capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Exploration expenditure which meets asset recognition criteria is capitalised to mining assets. Costs related to property acquisitions, surface and mineral rights are capitalised to mining assets and are recorded at cost less accumulated depreciation and less any accumulated impairment losses. Borrowing costs are capitalised to qualifying mining assets.

Mining assets include plant, equipment and capitalised development costs incurred to develop new mining operations, define mineralisation in existing ore bodies and expand the capacity of the mine.

Smelter and refinery assets refer to plant and equipment that are specific to the smelting and refinery plants. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Property, plant and equipment (continued)

3.3.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably.

Repairs and maintenance are expensed in the year in which they are incurred and only expenditure that meets the recognition criteria of an asset and constitutes replacement of a significant component is recognised in the carrying amount of property plant and equipment.

3.3.3 Depreciation

Smelter and refinery assets are depreciated at varying rates on a straight line basis over their expected useful lives, which range from 5 to 40 years. Buildings are depreciated over 40 years. Mining assets are depreciated on a straight line basis over the lesser of asset's useful life ranging between 3 to 7 years or life of the mine.

The lives of the mines as at 31 March 2023 were as follows:

• Hunters Road	20 years
• Trojan Mine	7 years
• Shangani Mine	6 years

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period and adjusted prospectively, if appropriate.

3.3.4 Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss and other comprehensive income when the asset is derecognised.

3.4 Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.4.1 Financial assets and liabilities – Recognition and derecognition

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (continued)

3.4.1 Financial assets and liabilities – Recognition and derecognition (continued)

The Group's financial assets include cash and cash equivalents, trade and other receivables and long term receivables (loans to employees).

The Group initially recognises loans and receivables on the date when they become party to a contract. All other financial assets and financial liabilities are initially recognised on the trade date.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost net of directly attributable transaction costs.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The Group derecognises a financial asset when the contractual rights to cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to the other party. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire.

3.4.2 Financial assets and liabilities – measurement

Financial Assets at amortized cost:

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortised cost are subsequently measured at amortised cost using effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes loans, trade and other receivables and 'Cash and cash equivalents' which are classified under current assets except for maturities greater than 12 months after the reporting date which are classified under non-current assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments. Cash and cash equivalents are measured at amortised cost with any movement in the foreign currency denominated balances arising from changes in exchange rates, being recognised in profit or loss. In the statement of financial position, bank overdrafts are shown under current liabilities.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (continued)

3.4.2 Financial assets and liabilities – measurement (continued)

Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category applies to the Group's trade receivables that are subject to provisional pricing (quotational period). The "Quotational Period (QP)" is the period after the physical shipment of goods during which the sales price is subject to change based on fluctuations in quoted commodity market prices up to the date of final settlement. The QP can be between one to three months.

Given the exposure to the commodity price, these provisionally priced trade receivables will fail the cash flow characteristics test within IFRS 9 and will be required to be measured at fair value through profit or loss from initial recognition until the date of settlement. Subsequent changes in fair value are recognised through profit or loss in each period. Changes in fair value over, and until the end of the QP, are estimated by reference to updated forward market prices as well as taking into account other relevant fair value considerations as set out in IFRS 13, including interest rate and credit risk adjustments.

Financial Liabilities at Amortized cost

The Group's loans and borrowings comprise interest-bearing loans and borrowings, fixed term payables and trade and other payables.

Loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are subsequently measured at amortised cost using the effective interest rate method.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Financial instruments (continued)

3.4.2 Financial assets and liabilities – measurement (continued)

Investments in subsidiary companies

Investments in subsidiaries are carried at cost, less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Cash flow movements on amounts due from subsidiary companies

BNC does not have separate bank accounts however, its treasury function is handled by its subsidiary Trojan Nickel Mine (Pvt) Limited. Funds received and payments are handled by Trojan Nickel Mine on behalf of BNC. Trojan Nickel Mine makes payments to BNC's suppliers to settle BNC operating expenses which reduce the amounts owed to BNC. These movements are recorded under operating activities in the statement of cash flows of BNC as these are payments relating to costs which are recognised as expenses by BNC.

Share capital

Ordinary shares

Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are deducted from equity net of any related taxes.

Capital contribution

Capital contribution consists of forgiveness of debt by the parent company. It is recognised in equity net of any related taxes.

3.5 Impairment of assets

3.5.1 Impairment of financial assets

An allowance for expected credit losses (ECLs) is recognised when an impairment exists. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). Default events may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Impairment of assets (continued)

3.5.1 Impairment of financial assets (continued)

For trade receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

3.5.2 Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to dispose, an appropriate valuation model is used.

Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For assets an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

3.6 Development activities

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development costs are capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to prepare the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred. Mining development costs are capitalised while prospecting expenditure is written off in the year it is incurred. When a decision is taken that a mining property is capable of commercial production, all further pre-production expenditure is capitalised.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Inventory and consumables

Inventory of nickel and consumables are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The costs are determined on the following basis:

Inventory (own production):	weighted average cost of production.
Inventory (externally sourced):	weighted purchase cost plus additional cost on processing.
Consumables:	weighted average cost.
Ore milled:	weighted average cost of production.

3.8 Employee benefits

Short term benefits

Short term employee benefits are expensed as the relevant service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Bonus plans

The group recognises a liability and an expense for bonuses based on a formula that takes into consideration production and safety performance. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Share-based payments

Share-based payment benefits are provided to employees via the BNC share option scheme, an equity settled employee share option scheme. The fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income under cost of sales over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period. When all options have vested, the cumulative amount in the share-based payment reserve is transferred to retained earnings.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Revenue recognition

The Group produces nickel, copper and other minerals in concentrate for sale to third parties. Metal sales are measured at the price agreed between BNC and the buyer. Negotiations begin at London Metals Exchange (LME) market prices prevailing on the day. For the Group's metal in concentrate sales, the performance obligations are the delivery of the concentrate which is satisfied on the date of dispatch from the mine (FCA Mine Gate Incoterms,) and "Freight and Insurance," which is satisfied over time until the goods arrive at the port of shipment. The revenue is measured at the consideration to which the Group expects to be entitled in exchange for those metals.

Contract terms for the Group's sale of metal in concentrate to third parties allow for a price adjustment based on final assay results of the metal in concentrate by the customer to determine the final content.

These are referred to as provisional pricing arrangements, and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after shipment to the customer (the quotation period (QP)). The provisional pricing arrangements based on initial assays give rise to variable consideration.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty relating to the final assays is subsequently resolved. The Group estimates the amount of consideration to which it will be entitled in exchange for transferring metals in concentrate to the customer using provisional assays agreed by both parties. Adjustments to the sales price are done based on the final assays after final processing of the metal by the customer i.e. at the end of the QP. The period between provisional invoicing and final settlement can be between one to three months.

Revenue is recognised when control passes to the customer, which occurs at a point in time when the metal in concentrate reaches the mine gate (FCA Mine gate.) The revenue is measured at the amount which the Group expects to be entitled, being the estimate of the price expected to be received at the end of the QP, and a corresponding trade receivable is recognised.

The Group applies the practical expedient not to adjust the promised consideration for the effects of a significant financing component as the period between transfers of the metals to a customer and when the customer pays for the metals is one year or less.

For these provisional pricing arrangements, any future adjustments to the sales price based on movements in quoted market prices up to the date of final settlement over the QP are embedded within the provisionally priced trade receivables and are, therefore, within the scope of IFRS 9 and not within the scope of IFRS 15.

Amounts arising from the volume adjustment constitute a variable consideration and thus recognised as revenue from contracts with customers and amounts arising from fair value price adjustment are not included in revenue from contracts with customers as they constitute a financial instrument receivable.

Export incentive is recognised when the Group's right to receive the export incentive has been established.

Interest income is accrued on a time basis by reference to the principal outstanding applying the effective interest rate.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are included within property, plant and equipment and are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

Lease payments made at or before commencement of the lease;

- Initial direct costs incurred; and
- The amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right of use assets are depreciated from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term.

3.11 Taxation

Current taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Taxation (continued)

Current taxation (continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting, and any adjustment to tax payable in respect of previous years.

Deferred taxation

Deferred tax liabilities are recognised for all taxable temporary differences, unless the deferred tax liability arises from:

- Goodwill for which amortisation is not deductible for tax purposes or
- The initial recognition of an asset or liability in a transaction which:
 - is not a business combination, and
 - at the time of the transaction affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction which is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is calculated based on the tax rates that are expected to apply to the period when the asset or liability is settled. The effect on deferred tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to the items previously recognised directly in equity or other comprehensive income.

The deferred tax effect of items directly affecting equity or other comprehensive income is recorded directly against equity or other comprehensive income respectively.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax liabilities in respect of taxable temporary differences associated with investments in subsidiaries are not recognised as the timing of the reversal of the temporary differences can be controlled by the parent and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets in respect of deductible temporary differences associated with investments in subsidiaries are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

When there is uncertainty concerning the Group's filing position regarding the tax bases of assets or liabilities, the taxability of certain transactions or other tax-related assumptions, then the Group:

- Considers whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
- Determines if it is probable that the tax authorities will accept the uncertain tax treatment; and
- If it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Taxation (continued)

Value Added Tax

Expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables on the statement of financial position.

3.12 Foreign currencies

The Group and the Company's consolidated financial statements are presented in United States dollars, which is also the functional currency for the Group and the Company.

Foreign currency transactions are translated to the functional currency of Group companies at the exchange rates ruling on the date of the transaction. Subsequent to that, all foreign currency denominated monetary assets and liabilities are translated to the functional currency at each reporting date, using the exchange rates ruling at that date.

Foreign exchange gains or losses that results from the translation of monetary assets and liabilities at the reporting date and from settlement of foreign denominated assets and liabilities are recognised in profit or loss.

3.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.14 Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.15 Rehabilitation provision

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production. Costs are estimated on the basis of a formal closure plan and local regulatory requirements. These provisions are subject to regular review.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is expensed.

If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value that portion of the increase is charged directly to expense. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments of the time value of money and the risks specific to the liability.

The periodic unwinding of the discount is recognised in the statement of profit or loss and other comprehensive income as part of finance costs. For closed sites, changes to estimated costs are recognised immediately in profit or loss.

The Group recognises neither the deferred tax asset in respect of the temporary difference on the decommissioning liability nor the corresponding deferred tax liability in respect of the temporary difference on a decommissioning asset in line with the initial recognition exemption provided in IAS 12.

4 SIGNIFICANT ESTIMATES AND JUDGEMENTS

Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Ore reserve and mineral resource estimates

The Group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

4 SIGNIFICANT ESTIMATES AND JUDGEMENTS (CONTINUED)

Use of estimates and judgements (continued)

Ore reserve and mineral resource estimates (continued)

The Group estimates and reports ore reserves and mineral resources in line with the principles contained in the Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code'). The JORC Code requires the use of reasonable investment assumptions including:

- Future production estimates, which include proved and probable reserves, resource estimates and committed expansions.
- Expected future commodity prices, based on current market prices, forward prices and the Group's assessment of the long-term average price
- Future cash costs of production, capital expenditure and rehabilitation obligations
- Ore reserves and mineral resource estimates are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. Such reserves and mineral resource estimates and changes to these may impact the Group's reported financial position and results, in the following way:
 - The carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, and goodwill may be affected due to changes in estimated future cash flows.
 - Depreciation and amortisation charges in the statement of profit or loss and other comprehensive income may change where such charges are determined using the unit of production method, or where the useful life of the related assets change.
 - Provisions for rehabilitation and environmental provisions may change where reserve estimate changes affect expectations about when such activities will occur and the associated cost of these activities.
 - The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

Consequently, management will form a view of forecast sales prices based on current and long-term historical average price trends. For example, if current prices remain above long-term historical averages for an extended period of time, management may assume that lower prices will prevail in the future. As a result, those lower prices would be used to estimate ore reserves and mineral resources under the JORC Code. Lower price assumptions generally result in lower estimates of reserves. As the economic assumptions used may change and as additional geological information is produced during the operation of a mine, estimates of ore reserves and mineral resources may change.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements unless otherwise stated.

Property, plant and equipment (note 13)

Assets' useful lives and depreciation rates for property, plant and equipment and mineral interests

Depreciation, depletion and amortisation rates are calculated on a straight-line basis based on the estimated assets' useful lives. Should the assets' useful lives differ from the initial estimate, an adjustment would be made. The assets' useful lives are estimated based on the shorter of the life of the mine and the useful life of the specific component of the asset. The Group utilises independent asset valuers or internal experts to determine the residual value of property, plant and equipment assets, and any material movement in the residual value is accounted for as a change in estimate in terms of IAS 8.

Commencement of commercial/operating level production

As a mine or plant is developed and until it reaches an operating level that is consistent with the use intended by management, costs incurred are capitalised as property, plant and equipment. The Group exercises judgement to determine the commencement of commercial production that is defined as the date when a mine achieves a sustainable level of production that provides a basis for a reasonable expectation of profitability along with various qualitative factors including but not limited to the achievement of mechanical completion, whether production levels are sufficient to be at least capable of generating sustainable positive cash flow, and whether the product is of sufficient quality to be sold.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

4 SIGNIFICANT ESTIMATES AND JUDGEMENTS (CONTINUED)

Use of estimates and judgements (continued)

Deferred tax asset (note 22)

In assessing the probability of realising deferred tax assets management makes estimates related to expectations of future taxable income, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognised. Also, future changes in tax laws could limit the Group from realising the tax benefits from the deferred tax assets. The Group reassesses unrecognised deferred income tax assets at each reporting period.

Deferred tax assets and liabilities are measured at the tax rates applicable in the year the asset is expected to be recognised or liability settled using information from tax legislation available on reporting date.

Inventories (note 15)

The assumptions used in the valuation of work-in-progress and finished goods inventories include estimates of nickel contained in the concentrates produced, recovery percentage and the estimation of the nickel price expected to be realised when the nickel is recovered. Inventories are valued at lower of cost or net realisable value in accordance with IAS 2 with inventory write-downs being expensed in the period of occurrence.

Rehabilitation provisions (note 21)

The cost estimates are updated annually during the life of the mine to reflect known developments, (e.g., revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Rehabilitation liabilities are estimated based on the Group's interpretation of current regulatory requirements and constructive obligations and are measured at the present value of future rehabilitation costs required. Present value is determined based on the estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon rehabilitation of the mine site adjusted for inflation growth rate and changes in discount rate. Such estimates are subject to change based on changes in laws and regulations, technology and negotiations with regulatory authorities.

Provisions (note 25)

The use of estimates regarding the probability of the outflow of expected cash flows as well as whether the Group has an obligation which needs to be settled.

Going concern (note 34)

The directors assess the ability of the Group to continue as a going concern at the end of each financial year. The assessment involves making assumptions in the budgets and forecasts.

Contingencies (note 28)

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

GROUP STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

For the year ended 31 March 2023

4 SIGNIFICANT ESTIMATES AND JUDGEMENTS (CONTINUED)

Use of estimates and judgements (continued)

Impairment

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to dispose. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Income taxes

The Group is subject to income tax in Zimbabwe. Significant judgement is required in determining the income tax payable. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from amounts that were initially recognised, such differences will impact the income and deferred income tax provisions in the period in which such determination is made.

NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 March 2023

5 REVENUE

	2023 tonnage	2022 tonnage	2023 US\$	2022 US\$
Nickel	-	-	-	-
Nickel in Concentrates	3 095	4 720	53 479 233	68 822 054
Revenue from contract with customers			53 479 233	68 822 054
Provisional pricing adjustment:				
Fair value adjustment (trade receivables)			(3 962 594)	5 387 576
Fair value gains			801 728	5 849 985
Fair value losses			(4 764 322)	(462 409)
Total			49 516 639	74 209 630

Revenue for the Group for the year ended 31 March 2023 amounting to US\$49 516 639 (2022: US\$74 209 630), equivalent to 100%, was derived from one customer.

6 COST OF SALES

	2023 US\$	2022 US\$
Back of mine costs	52 538 299	49 871 472
Depreciation	5 436 654	5 137 315
Change in inventory	2 553 370	(3 588 895)
Total	60 528 323	51 419 892

Cost of sales are comprised of direct production costs that include power, fuel and lubricants, explosives, reagents, equipment spares and labour.

7 OTHER INCOME

	2023 US\$	2022 US\$
Sale of scrap	402 406	211 294
Scrap sales relates to sale of redundant materials.		

8 ADMINISTRATION EXPENSES

	2023 US\$	2022 US\$
Arrangement fees	435 997	224 219
Depreciation	397 545	384 141
Corporate services	3 746 063	4 060 789
IMTT & bank charges	932 962	836 738
Management fees	569 449	984 058
Shangani- Care & Maintenance	399 498	395 139
Other	637 019	1 026 575
Total	7 118 533	7 911 659

Included in administration costs are costs relating to care and maintenance for Shangani Mine amounting to US\$399 498 (2022: US\$395 139).

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

	2023 US\$	2022 US\$
9 NET FINANCE COSTS		
Finance income		
Interest received	56 716	12 641
Finance expenses		
Interest paid	(2 201 706)	(843 178)
Unwinding discount on rehabilitation provision	(244 888)	(101 449)
Lease expense	(7 352)	(8 771)
	(2 453 946)	(953 398)
Net finance costs	(2 397 230)	(940 757)
10 (LOSS)/PROFIT FROM OPERATING ACTIVITIES		
Loss from operating activities is arrived at after taking into account the following:		
Auditors' remuneration - current year	70 396	110 000
Depreciation of property, plant and equipment (note 13)	5 165 988	4 291 563
Environmental rehabilitation asset amortisation (note 13.2)	668 211	116 260
Net unrealised foreign exchange loss	2 520 150	848 428
Remuneration of Directors	230 941	244 500
Staff costs	18 247 319	18 649 261

Included in administration costs are costs relating to care and maintenance for Shangani Mine amounting to US\$344 320 (2022: US\$284 423).

11 INCOME TAX (CREDIT)/EXPENSE

	2023 US\$	2022 US\$
Charge based on loss for the year		
Current tax	-	3 763 064
Deferred tax (note 22)	(5 709 777)	(820 501)
	(5 709 777)	2 942 563
Reconciliation of tax charge		
(Loss)profit before tax	(24 192 436)	11 004 808
Notional tax based on current tax rates at 24.72% (Taxation savings)/additional taxation resulting from:	(5 980 370)	2 720 389
- non-deductible expenses	274 682	479 213
- exempts	(4 089)	(1 529 524)
- income tax prepaid	-	1 272 485
	(5 709 777)	2 942 563

Non-deductible expenses include excess pension contributions, legal expenses, management fees disallowed, share-based payment expense and donations.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

12 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of the basic loss per share attributable to the ordinary equity holders and weighted average number of shares outstanding for the Company.

	2023 US\$	2022 US\$
Profit attributable to ordinary shareholders (basic and diluted)		
(Loss)/profit for the year attributable to owners of the Company	(18 482 659)	8 062 245
Headline earnings	(18 482 659)	8 062 245
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at 31 March	1 289 228 393	1 272 732 638
Effect of shares issued during the year	1 453 197	4 050 989
Weighted average number of shares – basic earnings per share	1 290 681 590	1 276 783 627
Effect of dilutive shares	23 168 687	25 067 274
Weighted average number of shares – diluted earnings per share	1 313 850 277	1 301 850 901
Basic (loss)/earnings per share (cents)	(1.432)	0.631
Diluted (loss)/earnings per share (cents)	(1.407)	0.619
Headline (loss)/earnings per share (cents)	(1.432)	0.631

Non-deductible expenses include excess pension contributions, legal expenses, management fees disallowed, share-based payment expense and donations.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

13 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings US\$	Smelter and refinery plant and equipment US\$	Mining assets US\$	Capital work in progress US\$	Total US\$
Cost/valuation					
At 1 April 2021	7 178 224	22 474 230	61 200 246	56 021 189	146 873 889
Additions	-	-	3 160 308	3 310 106	6 470 414
Transfer	788 648	-	5 070 575	(5 859 223)	-
Lease modification	75 754	-	-	-	75 754
Rehabilitation asset (Note 13.2)	-	-	3 863 657	-	3 863 657
At 31 March 2022	8 042 626	22 474 230	73 294 786	53 472 072	157 283 714
Additions	-	-	7 231 244	1 112 930	8 344 174
Rehabilitation asset (Note 13.2)	-	-	(3 550 839)	-	(3 550 839)
At 31 March 2023	8 042 626	22 474 230	76 975 191	54 585 002	162 077 049
Depreciation					
At 1 April 2021	4 464 551	15 326 343	46 002 443	1 009 127	66 802 464
Current year charge	311 489	384 141	3 595 933	-	4 291 563
Rehabilitation asset amortisation	-	-	116 260	-	116 260
At 31 March 2022	4 776 040	15 710 484	49 714 636	1 009 127	71 210 287
Current year charge	311 489	384 141	4 470 358	-	5 165 988
Rehabilitation asset amortisation	-	-	668 211	-	668 211
At 31 March 2023	5 087 529	16 094 625	54 853 205	1 009 127	77 044 486
Carrying amount :					
At 31 March 2023	2 955 097	6 379 605	22 121 986	53 575 875	85 032 563
At 31 March 2022	3 266 586	6 763 746	23 580 150	52 462 945	86 073 427

13.1 Borrowings from financial institutions are secured on land and buildings with a carrying amount of US\$654 336 (2022: US\$475 877).

13.2 Rehabilitation asset

	2023 US\$	2022 US\$
At 1 April	4 677 477	930 080
Change in estimate	(3 550 839)	3 863 657
Depreciation	(668 211)	(116 260)
At 31 March	458 427	4 677 477

The rehabilitation asset represents the net present value of estimated future decommissioning costs that are capitalised and it is connected to the rehabilitation provision (note 21). These estimates are reviewed annually and discounted using a pre-tax rate that reflects current market assessments of the time value of money. The discount rate represents the risk free rate. Any increases in such revised estimates are capitalised to rehabilitation asset while decreases in estimates are recognised by recording a credit to the asset.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

13.3 Right of use asset

Within property, plant and equipment the following amounts relates to leases:

	2023 US\$	2022 US\$
At 1 April	87 816	44 992
Modification	-	75 754
Depreciation	(32 930)	(32 930)
At 31 March	54 886	87 816

The Group has a lease contract for an office building used in its operations. The Group is restricted from subleasing the office building. There are no leases of 12 months or less and leases with a low value.

13.4 Management conducted a review of the carrying amount of the Group's property, plant and equipment in terms of the Group's accounting policy in order to assess if impairment of the carrying amount was necessary. The Group's projected cash flows discounted reflects that no impairment to the carrying amount is necessary in the current year. In determining the value in use for the purpose of assessing the impairment, the Group used the following assumptions:

Discount Rate: 19.07%
 Nickel Prices: US\$20 305
 Life of Mine: 7 years

The recoverable amounts of cash generating units and individual assets are determined based on the higher of value in use computations and fair value less costs to dispose.

14 LOANS

	2023 US\$	2022 US\$
Opening balance	151 920	-
Issued	575 283	151 920
Repaid	(113 696)	-
	613 507	151 920
Non-current portion	433 858	125 100
Current portion	179 649	26 820
	613 507	151 920

These represent amounts due from employees in respect of vehicle loans. The loans carry an interest of 10% per annum and are repayable monthly over 5 years. The current portion US\$179 649 (2022: US\$26 820) is included in trade and other receivables note 16.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

15 INVENTORIES

	2023 US\$	2022 US\$
Nickel in concentrates	2 196 715	3 858 432
Consumables	10 305 372	11 393 658
Provision for obsolete inventory	(1 427 237)	(580 130)
	11 074 850	14 671 960

The cost of inventories for the Group recognised as an expense and included in 'Cost of Sales' amount to US\$15.3 million (2022: US\$13.8 million).

16 TRADE AND OTHER RECEIVABLES

	2023 US\$	2022 US\$
Trade receivables (not subject to provisional pricing)	5 780 176	4 839 172
Trade receivables (subject to provisional pricing)	243 084	3 760 015
Less: allowance for expected credit losses	(448 868)	(59 286)
Trade receivables – net	5 574 392	8 539 901
Prepayments	2 249 742	5 324 765
Value Added Tax	4 163 134	5 167 984
Other receivables	38 812	140 380
Related party receivables	150 673	40 917
Loans	179 649	26 820
	12 356 402	19 240 767

Trade and other receivables are non-interest-bearing and are generally on terms of 30 to 180 days. These terms are normal in the industry and hence the trade and other receivables carrying amount is considered equal to fair value. Prepayments consist of payments in advance of customs duty, insurance and deposit payments for goods and services. Receivables from related parties are current and will be settled during the course of the next financial year.

Impairment of trade and other receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customer. The Group has identified the gross domestic product (GDP), interest rates and inflation rate as key macroeconomic factors. As at 31 March 2023, trade receivable had life time expected credit losses of US\$448 868 (2022: US\$59 286). Set out below is the movement in the allowance for expected credit losses of trade receivables:

	2023 US\$	2022 US\$
At 1 April	59 286	4 228
Provision for expected credit losses	389 582	55 058
At 31 March	448 868	59 286

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

16 TRADE AND OTHER RECEIVABLES (CONTINUED)

Impairment of trade and other receivables (continued)

Trade receivables (subject to provisional pricing) are non-interest bearing but are exposed to future commodity price movements over the Quotational Period (QP) hence fail the solely payment of principal and interest (SPPI) test and are measured at fair value until the date of settlement. The trade receivables are initially measured at the amount which the Group expects to be entitled, being the estimate of the price expected to be received at the end of the QP. The provisional invoiced sale (based on the price at the beginning of the month of shipment) is received when the Nickel concentrates leave the Mine gate. Final settlement is done after 90 to 120 days and is based on agreed final assays and average nickel prices for the month following the month of initial invoicing.

17 CASH AND CASH EQUIVALENTS

	2023 US\$	2022 US\$
Cash and short-term deposits	676 486	226 750
Bank overdraft (note 20.2)	(2 368 912)	(1 540 007)
	(1 692 426)	(1 313 257)

18 FINANCIAL ASSETS

	2023 US\$	2022 US\$
Treasury bills	1 300 000	-

During the year, the company received Treasury Bills worth US\$1.3 million from Kuvimba Mining House which were used as a pledge against Bindura Nickel Corporation's loan facility with AFC Commercial Bank.

19 SHARE CAPITAL (GROUP AND COMPANY)

	2023 US\$	2022 US\$
19.1 Authorised: 3 000 000 000 ordinary shares at US\$ 0.000010307	30 921	30 921

19.2 Issued and fully paid:

	2023 Shares	2022 Shares	2023 US\$	2022 US\$
At 1 April	1 289 228 393	1 272 732 638	13 289	13 119
Shares issued during the year (note 19.3)	1 988 485	16 495 755	20	170
At 31 March	1 291 216 878	1 289 228 393	13 309	13 289

19.3 During the year, employees exercised their rights to purchase shares as part of an employee share option scheme. 1 988 485 shares (2022: 16 495 755 shares) were purchased at a nominal value of US\$0.000 010 307 at an average price of US\$0.0002 per share (2022: US\$0.0003)

19.4 Subject to the right of the shareholders to take up new shares in proportion to their existing holdings and to Section 98 of the Companies and Other Business Entities Act (Chapter 24:31), unissued shares are under the control of the Directors.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

20 INTEREST BEARING LOANS AND BORROWINGS

	2023 US\$	2022 US\$
20.1 Non current portion		
Loans from financial institutions (i)	6 100 659	1 073 568
20.2 Current portion		
Loans from financial institutions (i)	4 412 629	743 569
Kuvimba Mining House (ii)	831 562	831 562
Bank overdraft (iii)	2 368 912	1 540 007
	7 613 103	3 115 138

- (i) Loans totaling US\$10 513 288 were secured and drawn from local financial institutions. One loan facility of US\$1 000 000 bears interest at a rate of 9.6% per annum and is repayable over 36 months, commencing March 2023. The other loan facility in the sum of US\$900 000 loan bears interest at a rate of 11% per annum and is repayable over 24 months, commencing February 2022.
- (ii) The loan from Freda Rebecca Holdings (Private) Limited is an emergency standby facility and bears interest at a rate of 9% per annum payable for any draw down not repaid within 90 days.
- (iii) At year end, the Group had ZWL bank overdraft facilities from local financial institutions equivalent to US\$2.5 million, of which US\$2 368 912 had been utilized. The facilities bear interest at a rate of 100% per annum and are renewable annually.

20.3 Changes in interest-bearing loans and borrowings arising from financing activities.

	1-Apr-22 US\$	Acquisitions US\$	Payments US\$	Interest US\$	Modification US\$	31-Mar-23 US\$
2023						
Interest bearing borrowings	2 648 699	10 900 000	(3 047 560)	843 711	-	11 344 850
Lease	72 972	(7 360)	-	-	-	65 612
	1-Apr-22 US\$	Acquisitions US\$	Payments US\$	Interest US\$	Modification US\$	31-Mar-23 US\$
2022						
Interest bearing borrowings	-	5 633 295	(2 984 595)	-	-	2 648 700
Lease	12 700	(15 482)	-	-	75 754	72 972

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

21 ENVIRONMENTAL REHABILITATION PROVISION

	2023 US\$	2022 US\$
At 1 April	13 901 936	9 936 830
Unwinding discount	244 888	101 449
Change in estimate recognised as part of asset (note 13.2)	(3 550 839)	3 863 657
	10 595 985	13 901 936
Significant assumptions used in calculating the provision: Discount rate	3%	3%
Inflation	8%	8%
Life of mine (years)	7	7

The Group makes full provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing the mines, installing and using those facilities. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites.

The rehabilitation provision was ascertained by independent consultants. The process involved the review of the existing closure plan and its associated costs taking into account relevant changes. Compliance with legal and other regulations pertaining to mine closure rehabilitation requirements was evaluated. The review also included technical evaluation of the closure plans and processes.

The increase in the estimate is mainly due to a rise in inflation. Management believes that these estimates are reasonable. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future nickel prices, which are inherently uncertain.

22 DEFERRED TAX LIABILITY

Profit/(loss) before tax from continuing operations is arrived at after taking the following income/(expenditure) into account:

	Balance as at 31 March 2022 US\$	Recognised in profit or loss US\$	Balance as at 31 March 2023 US\$
Analysis of deferred tax asset as at 31 March 2023			
Property, plant and equipment	20 121 079	222 011	20 343 090
Exchange differences	(375 337)	(285 671)	(661 008)
Leave provision	(295 308)	(37 336)	(332 644)
effect of assessed loss	-	(5 608 781)	(5 608 781)
	19 450 434	(5 709 777)	13 740 657
	Balance as at 31 March 2021 US\$	Recognised in profit or loss US\$	Balance as at 31 March 2022 US\$
Analysis of deferred tax asset as at 31 March 2022			
Property, plant and equipment	21 238 268	(1 117 189)	20 121 079
Exchange differences	(595 160)	299 852	(295 308)
Leave provision	(372 173)	(3 164)	(375 337)
	20 270 935	(820 501)	19 450 434

Deferred tax liabilities have been recognised in respect of taxable temporary differences amounting to US\$80 771 242 (2022: US\$78 682 985). As at year end, the Group had assessed tax losses amounting to US\$23 342 947 (2022: nil).

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

23 LEASE LIABILITY

	2023 US\$	2022 US\$
Land and buildings		
At 1 April	72 972	12 700
Interest expense	7 352	8 771
Lease modification	-	75 754
Principal payment	(7 360)	(15 482)
Interest payment	(7 352)	(8 771)
At 31 March	65 612	72 972
Non-current portion	17 040	50 486
Current portion	48 572	22 486
	65 612	72 972

	Up to 3 months US\$	Between 3 and 12 months US\$	Between 1 and 2 years US\$	Between 2 and 5 years US\$	Balance US\$
Lease liability maturity analysis At 31 March 2023					
Lease liability	32 789	22 068	19 615	-	74 472
Lease liability maturity analysis At 31 March 2022					
Lease liability	7 356	22 068	29 424	19 616	78 464

24 TRADE AND OTHER PAYABLES

	2023 US\$	2022 US\$
Trade payables	10 594 113	11 050 963
Other payables:		
Employee liabilities	3 751 596	3 189 634
Marketing creditors	190 073	265 263
Leave accrual	1 345 647	1 442 940
Retrenchment	811 974	811 974
Sundry creditors	6 052 797	1 051 387
Related parties (note 30.4)	7 063 692	3 464 526
	29 809 892	21 276 687

Trade and other payables are non-interest bearing and are normally settled within 30- 90 days.

Related party payables are also non-interest bearing and will be settled within the course of the following financial year.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

25 PROVISIONS

	Provisions at the beginning of the year US\$	Additional provisions US\$	Foreign exchange US\$	Provisions at the end of the year US\$
2023				
Litigation provisions	12 654	-	(9 756)	2 898
2022				
Litigation provisions	35 822	-	(23 168)	12 654

Litigations provisions relate to staff legal claims levied against the company by mainly employees.

26 INVESTMENTS IN SUBSIDIARY COMPANIES

	2023 US\$	2022 US\$
Trojan Nickel Mine Limited (100% owned)	34 880 246	34 880 246
BSR Limited (100% owned)	685	685
	34 880 931	34 880 931

26.1 Amounts due from subsidiary companies

Trojan Nickel Mine Limited (100% owned)	1 043 435	1 093 880
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27 CAPITAL COMMITMENTS

	2023 US\$	2022 US\$
Contracted	2 772 960	3 991 426
Authorised but not contracted	-	-
	2 772 960	5 932 626

The capital expenditure is to be financed from internal resources and existing facilities.

28 CONTINGENCIES

The Group monitors potential contingent liabilities, including those relating to taxation, environmental rehabilitation on an ongoing basis. Where there are contingent liabilities the Group provides the required disclosures in the financial statements and where there are provisions, the Group records a liability in the financial statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

29 PENSIONS AND RETIREMENT SCHEMES

Mining Industry Pension Fund

The fund is administered by the Mining Industry Pension Fund. Benefits provided by this fund are determined by reference to contributions made by the employer and the employee, thus is a defined contribution fund.

National Social Security Authority Scheme

This is a defined contribution plan enacted under the National Social Security Act, 1989. Both the Group and employees contribute to the scheme. The Group's contributions to the schemes are charged to profit or loss.

	2023 US\$	2022 US\$
Pension costs recognised in profit or loss:		
Mining Industry Pension Fund	828 503	823 558
National Social Security Authority	403 060	295 328
	1 231 563	1 118 886

30 RELATED PARTY TRANSACTIONS

The Company, in the ordinary course of business, enters into various sales, purchase, service and investment transactions with associates and other entities in which the holding company, Kuvimba Mining House (Private) Limited, has a material interest.

30.1 Identification of related parties

The following is a list of related parties of the Company as at 31 March 2023:

Subsidiaries

Trojan Nickel Mine Limited
BSR Limited (currently dormant)

Key management personnel

Directors

Name	Position	
T Lusiyano	Managing Director	
P M Shayawabaya	Finance Director	(Resigned 31 August 2022)
B H Dirorimwe	Finance Director	(Appointed 1 May 2023)
M A Masunda	Non-executive Chairman	
M J Bronn	Non-executive Director	(Resigned 31 March 2023)
O Chimuka	Non-executive Director	(Resigned 13 December 2022)
S Chinyemba	Non-executive Director	
C C Jinya	Non-executive Director	
C D Malaba	Non-executive Director	
C G Meerholz	Non-executive Director	
R Nhamo	Non-executive Director	
I Rukweza	Non-executive Director	

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

30 RELATED PARTY TRANSACTIONS (CONTINUED)

30.1 Identification of related parties (continued)

Key management personnel (continued)

Management

Name	Position
P Chavunduka	Production Superintendent
J Kasumba	Mineral Resources Manager
K Chitaukire	Metallurgical Optimisation Manager
C F Mukanganga	Company Secretary
S Masviye	Finance Manager
W Mchina	SHE & Quality Assurance Manager
A Tigere	Mine Planning Engineer
R Mushati	Human Resources Executive
T Mutsambwa	Information Technology Manager
C Nkhoma	Metallurgical Executive
A Nyirenda	Procurement Manager
P Sana	Engineering Manager
A Sikhosana	Marketing Executive
P Tanda	Underground Manager
E T Vere	Mine Manager

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

	2023 US\$	2022 US\$
Short term employee benefits	2 256 182	1 914 123
Share-based payment expense	-	55 194
Post-employment pension benefits	130 956	121 914
Termination benefits	456 289	261 196
	2 843 427	2 352 427

List of related party entities

- Kuvimba Mining House (Private) Limited, – ultimate parent company
- Freda Rebecca Gold Mine (Private) Limited
- Gold Fields of Shamva (Private) Limited
- Jena Gold Mines (Private) Limited
- Great Dyke Investments (Private) Limited
- Freda Rebecca Holdings (Private) Limited
- Greenline Enterprises Limited
- Bevco Management Services (Private) Limited - significant influence

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

30 RELATED PARTY TRANSACTIONS (CONTINUED)

30.2 Transactions

	2023 US\$	2022 US\$
Freda Rebecca Gold Mine Limited		
- production consumables purchased	(98 264)	(71 772)
- milling equipment purchased	(88 647)	(107 658)
Jena Mines (Private) Limited		
- Scrap material sold	6 235	4 477
Gold Fields of Shamva (Private) Limited		
- Scrap material sold	30 206	-
Bevco Management Services (Private) Limited		
- management fees	1 498 113	1 549 890

30.3 Amounts owing from related parties

Name of company	Relationship	2023 US\$	2022 US\$
Jena Mines (Private) Limited	Common control	51 053	10 712
Gold Fields of Shamva (Private) Limited	Common control	6 080	30 205
Zimbabwe Alloys (Private) Limited	Common control	93 540	-
		150 673	40 917

Receivables from the related parties are current and will be settled during the course of the next financial year and are included in trade and other receivables. No collateral is held in respect of these receivables and no interest is charged.

30.4 Amounts owing to related parties

Name of company	Relationship	2023 US\$	2022 US\$
Kuvimba Mining House *	Holding company	4 340 362	802 140
Greenline Enterprise Limited*	Common control	2 502	2 502
Freda Rebecca Gold Mine Limited*	Common control	605 069	555 133
Bevco Management Services*	Significant influence	1 498 113	2 104 751
Freda Rebecca Holdings*	Common control	-	831 532
Zimnick*	Common control	617 647	-
		7 063 693	4 296 058

* The related party balances are included in trade and other payables in the statement of financial position.

31 SEGMENTAL REPORTING

Management have determined that the entity operates with only one reportable segment (both in terms of business and geography) whose principal activities are mining of nickel and the extraction of related by products. All the operations of the business are located in Zimbabwe. Revenue for the Group is derived from that single geographical area and most of it is received from one customer (note 5).

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

32 TREASURY AND FINANCIAL RISK MANAGEMENT

32.1 Currency risk

The Group finances operations by a mixture of retained profits and financial instruments denominated in both United States dollars and foreign currencies. The Group operates a central treasury function, the objective being to minimise funding costs and minimise financial risk. The main risks arising from the Group's financial instruments are currency risk, interest rate risk, credit risk and liquidity and cash flow risks. The Group does not use derivative financial instruments for speculative purposes.

The Group undertakes certain transactions denominated in currencies other than the United States dollar (US\$), hence exposure to exchange rate fluctuations arises. The currency giving rise to the currency risks is primarily the South African Rand (ZAR), Euro (EUR) and the Zimbabwe dollar (ZWL). Currency risk is, as far as possible, managed by hedging foreign currency denominated liabilities with foreign currency denominated liquid assets.

The Group's exposure to foreign currency risk was as follows based on respective foreign currency amounts:

	Cash and bank	Payables	Loans	Net exposure
2023				
ZAR	1 050	(14 498 566)	-	(14 497 516)
ZWL	17 829 746	(265 895 265)	-	(248 065 519)
EUR	22 873	(4 159 334)	-	(4 136 461)
2022				
ZAR	66 102	(19 202 031)	-	(19 135 929)
ZWL	6 237 402	(161 550 337)	-	(155 312 935)
EUR	34 307	(3 269 824)	-	(3 235 517)

Sensitivity analysis

The after tax effects on profit or loss of the Group, of a 10% (2022: 10%) depreciation and appreciation in the United States dollar against the following currencies, to the cross exchange rates as at 31 March 2023, are reflected below.

	Exchange rate	Equity US\$	Profit or loss US\$
2023			
ZAR (Appreciation)	16.0713	(90 214)	(90 214)
ZAR (Depreciation)	19.6427	73 811	73 811
ZWL (Appreciation)	836.87562	(31 772)	(31 772)
ZWL (Depreciation)	1022.84809	25 996	25 996
EUR (Appreciation)	1.19878	3 469 639	3 469 639
EUR (Depreciation)	0.98082	(4 240 670)	(4 240 670)
2022			
ZAR (Appreciation)	13.07	(149 164)	(149 164)
ZAR (Depreciation)	15.97	359 713	359 713
ZWL (Appreciation)	128.18	(292 309)	(292 309)
ZWL (Depreciation)	156.67	239 197	239 197
EUR (Appreciation)	1.228	332 748	332 748
EUR (Depreciation)	1.004	(361 245)	(361 245)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

32 TREASURY AND FINANCIAL RISK MANAGEMENT (CONTINUED)

32.2 Interest rate risk

The interest rates for both interest receivable and payable from/to local financial institutions are generally pegged on fixed interest rates and therefore do not expose the Group to interest rate risk.

The Group finances its operations through a mixture of retained earnings and borrowings. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. The Group policy is to keep as much of its borrowings as possible at a fixed rate of interest.

32.3 Commodity price risk

For the 2023 financial year, the Group's earnings were mainly exposed to changes in prices of nickel. A 10% increase or decrease in the nickel price would have increased/(decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis for 2023.

	2023 US\$	2022 US\$
Effect on equity and results:		
Effect on 10% decrease in nickel price on profit before tax	(4 952)	(7 420)
Effect on 10% increase in nickel price on profit before tax	4 952	7 420

32.4 Credit risk

Credit risk arises on cash and cash equivalents and trade receivables. The risk in respect of cash and cash equivalents is managed by only investing with financially sound institutions and by setting prudent exposure limits for each institution. The risk arising on trade receivables is managed through normal credit limits, continual review, and exception reporting. Adequate provision is made for doubtful debts.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The maximum exposure to credit risk at the reporting date was as follows:

	2023 US\$	2022 US\$
Loans	433 858	151 920
Third party trade receivables	5 574 392	8 539 901
Group receivables	150 673	40 917
Other receivables	38 812	140 380
Cash and cash equivalents	676 486	226 750
	6 874 221	9 099 868

The Group's trade receivables are mainly due from one customer. The allowance account in respect of trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the amount is considered irrecoverable and is written off against the financial asset directly. At the reporting date no trade receivables were past due.

It is the view of management that there is low risk of default as the entity deals with one major customer who is reputable and has no history of default. Furthermore, most of the balance was current and was settled after year end.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

32 TREASURY AND FINANCIAL RISK MANAGEMENT (CONTINUED)

32.5 Liquidity risk

To mitigate any liquidity risk that the Group may face, the Group's policy has been, throughout the year ended 31 March 2023, to renegotiate facilities in line with working capital requirements.

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	0 - 6 months	6 - 12 months	More than 1 Year
2023					
Amounts owing to related parties	7 063 692	7 063 692	7 063 692	-	-
Trade payables	10 594 113	10 594 113	10 594 113	-	-
Other payables	-	-	6 761 168	-	-
Interest bearing borrowings	13 713 762	13 713 762	7 613 103	-	6 100 659
	31 371 567	31 371 567	32 032 076	-	6 100 659
2022					
Amounts owing to related parties	4 296 058	4 296 058	4 296 058	-	-
Trade payables	11 050 993	11 050 993	11 050 993	-	-
Other payables	6 761 168	6 761 168	6 761 168	-	-
Interest bearing borrowings	4 188 706	4 188 706	3 115 138	-	1 073 568
	26 296 925	26 296 925	25 223 357	-	1 073 568

The above non-derivative financial liabilities are all classified as financial liabilities measured at amortised cost.

The Group had no derivative financial liabilities at 31 March 2023 (2022: nil).

32.6 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. The Group monitors capital using a gearing ratio, which is net debt divided by the aggregate of equity and net debt. The Group's policy is to keep the gearing ratio between 20% and 50%. The Group includes in its net debt, interest-bearing loans and borrowings, trade and other payables, lease liability, less cash and short-term deposits. In addition, the Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. Due to the prevailing operating economic conditions, the Board of Directors has set any net positive return in each operating period as acceptable in terms of maintenance of capital. There were no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

32 TREASURY AND FINANCIAL RISK MANAGEMENT (CONTINUED)

32.6 Capital management (continued)

	2023 US\$	2022 US\$
Gearing		
Interest bearing borrowings	13 713 762	4 188 706
Trade and other payables	29 809 892	22 677 965
Less cash and short-term deposits	(676 486)	(226 750)
Net debt	42 847 168	26 639 921
Equity	41 636 629	60 118 963
Capital and net debt	84 483 797	86 758 884
Gearing ratio	51%	31%
(Loss)/profit after tax	(18 482 659)	8 062 245
Equity	41 636 629	60 118 963
Return on capital (equity)	(44%)	13%

Accounts payable and accrued liabilities includes provisions balance.

33 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value of trade receivables, interest bearing borrowings and all other receivables and payables approximates their carrying amount.

Fair value hierarchy

The Group used the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable either directly or indirectly.
- Level 3: techniques that use inputs that have significant effect on the recorded fair value that are not based on observable market data

	Level 1	Level 2	Level 3
31/3/2023			
Trade receivables subject to provisional pricing	-	243 084	-
31/3/2022			
Trade receivables subject to provisional pricing	-	3 760 015	-

Valuation techniques

During the period, the Group had trade receivables (subject to provisional pricing) arising from provisional pricing sales arrangements which the Group entered into with some of its metals in concentrate customers. Final settlement value would be based on final dry weight, agreed assays and final prices which were to be determined at the end of the Quotational Period (QP), usually 60 days after date of shipment. The QP is the period after the physical shipment of goods during which the price and grade of mineral sold is subject to change due to fluctuations in commodity prices.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

33 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

Valuation techniques (continued)

Description of valuation technique used and key inputs to valuation of the trade receivables.

Type of financial instrument	31/3/2023	31/3/2022	Valuation Technique	Significant inputs
Trade receivables (subject to provisional pricing)	243 084	3 760 015	DCF	Estimated future commodity prices. Quantities and final assays.

34 GOING CONCERN

In assessing the going concern position of the Group, the Directors have considered the current trading activities, funding position and projected funding requirements for the Group, particularly in respect of the main operating subsidiary, Trojan Nickel Mine Limited, for at least 12 months from the date of approval of these financial statements.

While the Group incurred a loss before taxation for the year ended 31 March 2023 amounting to US\$24.2 million (2022: profit US\$11.0 million), and while at that date its current liabilities exceeded current assets by US\$13.4 million (2022: current assets exceeded current liabilities by US\$8.4 million), its ability to continue as a going concern is dependent on its ability to increase production and generate positive cash flows.

The Group encountered significant operational challenges during the year ended 31 March 2023 as summarised below:

- There was a change in the structure of the ore body at Trojan Nickel Mine, which reduced the quantum of the high grade massives portion of the mineral resource, hence reducing the tonnes of Nickel produced per tonne of ore mined;
- The company experienced a major equipment breakdown of the Sub-vertical Rock winder (SVR) bull gear which hoists waste and ore from underground for processing at the concentrator plant, resulting in no production in October and November 2022. Whilst the SVR bull gear was temporarily fixed, its hoisting capacity was significantly reduced to around 55%;
- Low Load Haul Dump trucks (LHDs) availability due to obsolescence. In an endeavour to address this challenge, delivery of newly acquired underground mining mobile was then delayed mainly by the global supply chain disruptions emanating from the protracted effects of COVID-19, compounded by the geo-political tensions caused by the Russo-Ukraine conflict; and
- Protracted electrical power outages and general grid instability beginning in the month of February 2023, resulting in severe direct production losses, equipment damage, and recovery inefficiencies.

Consequently, these among other challenges resulted in the Group producing lower nickel in concentrate amounting to 3 180 tonnes (2022: 4 720 tonnes) and incurring a loss as reported above.

The following factors constitute material conditions that require consideration in assessing the Group's ability to continue as a going concern.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

34 GOING CONCERN (CONTINUED)

1. Nickel prices

The Group's cash flows are highly dependent on the Nickel price. During the year under review, average LME Nickel prices rose by 25% to an average price of US\$20 600 per tonne compared to US\$16 460 per tonne during the year ended 31 March 2022. Latest forecasts by analysts predict a steady increase in Nickel prices in the medium to long-term owing to expected rise in demand for Nickel and Lithium (energy metals) particularly given the anticipated increase in the use of electric vehicles.

In assessing the future cash flows of the Group, average Nickel prices have been projected to average US\$23 500 per tonne for the period April 2023 to March 2024 despite the current price of US\$21 300. These projections have been taken from a consensus forecast compiled by market analysts.

2. Operational measures

To address the above-mentioned challenges in the new financial year and beyond, the Group is implementing several measures, which include the following:

- The reduction in massives footprint, necessitated a rapid transition in the mining model from a low-volume, high-grade strategy to a high-volume, low-grade strategy;
- Replacement of damaged SVR bull gear in September 2023. A replacement bull gear of the similar size was identified in South Africa and is currently undergoing refurbishment. The fully refurbished bull gear is expected to be ready for installation in September 2023;
- Ensuring consistent equipment availability and accelerating underground development using the acquired new and rented equipment. The arrival of four new LHDs in December 2022, in addition to the production rig, face rig and articulated dump truck that were delivered earlier in 2022 will improve the equipment availability in the ensuing year. In addition, plans are afoot to augment the current fleet in the new financial year by a combination of hiring and acquiring of additional mining equipment;
- The Group has adopted various cost containment and cash-saving initiatives to ensure the business remains cost effective; and
- The Group has been assured of continued support from the parent company, Kuvimba Mining House (KMH).
- Considering the above, the Directors have concluded that the Group will continue as a going concern.

35 EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date.

35.1 Approval of financial statements

The consolidated financial statements were approved by the Board of Directors on 27 June 2023.



Concentrator

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TOP 20 SHAREHOLDERS

Rank	Account Name	Total Shares	Percentage
1	KUVIMBA MINING HOUSE (PVT) LTD	926,610,403	71.74
2	QUANT AFRICA WEALTH MANAGEMENT (PVT) LTD	89,549,737	6.93
3	STANBIC NOMINEES (PVT) LTD	52,520,542	4.07
4	MELLOFIELDDE CHEMICALS (PVT) LTD	45,155,867	3.50
5	MEGA MARKET (PVT) LTD	22,516,252	1.74
6	PUBLIC SERVICE COMMISSION PENSION FUND	9,128,383	0.71
7	SURENDR SHARMA ROOPUN	9,095,000	0.70
8	ABC ASSET MANAGEMENT (PVT) LTD	8,618,242	0.67
9	ENGINEERING AND ELECTRICAL SUPPLIES	8,475,864	0.66
10	NSSA STAFF PENSION FUND - ABC	8,346,907	0.65
11	SCB NOMINEES	5,546,641	0.43
12	SUNCOLD INVESTMENTS (PVT) LTD	5,370,943	0.42
13	MMCZ STAFF PENSION FUND - ABC	3,265,742	0.25
14	STANBIC NOMINEES (PVT) LTD - NNR	3,147,869	0.24
15	SECURICO SERVICES	3,083,368	0.24
16	PSMAS PENSION FUND-ABC	2,557,542	0.20
17	ZIMSEC PENSION FUND - ABC	2,549,198	0.20
18	CHRISTOPHER MACQUIRE	2,536,000	0.20
19	PIM NOMINEES (PVT) LTD	2,294,105	0.18
20	GONA, BERNARD RWATINYANYA	2,144,513	0.17
SUB TOTAL		1,212,513,118	93.87
OTHER SHAREHOLDERS		79,198,288	6.13
TOTAL NUMBER OF SHARES		1,291,711,406	100.00

CORPORATE INFORMATION

REGISTRATION NUMBER

552/66

REGISTERED AND CORPORATE OFFICES

Bindura Nickel Corporation Limited
Trojan Mine Road
Bindura, Zimbabwe

LEGAL ADVISORS

Chimuka Mafunga Commercial Attorneys

9th Floor, ZB Life Towers,
Corner Sam Nujoma Street/Jason Moyo Avenue
Harare
Zimbabwe

Gill, Godlonton and Gerrans Legal Practitioners

Beverley Court
100 Nelson Mandela Avenue
Harare
Zimbabwe

Mawere Sibanda Commercial Lawyers

10th Floor, Chiedza House, Corner First Street/
Kwame Nkrumah Avenue
Harare
Zimbabwe

Clairewood Chambers - Mutamangira and Associates

Clairwood Chambers
38 Clairwood Road
Alexandra Park
Harare
Zimbabwe

AUDITORS

Grant Thornton Chartered Accountants (Zimbabwe)

Camelsa Business Park
135 Enterprise Road, Highlands
P.O.Box CY2619, Causeway
Harare
Zimbabwe

BANKERS

AFC Commercial Bank

14-16 Nelson Mandela Avenue
Harare
Zimbabwe

BancABC Zimbabwe Limited

1 Endeavour Crescent
Mt Pleasant Business Park
Mt Pleasant
Harare
Zimbabwe

CBZ Bank Limited

7 Selous Avenue
Harare
Zimbabwe

ZB Bank Limited

28, Robert Mugabe Road
Bindura
Zimbabwe

SHARE TRANSFER SECRETARIES

First Transfer Secretaries (Private) Limited

1 Armagh Avenue
Eastlea, Harare
Zimbabwe

SUSTAINABILITY ADVISORS

Institute for Sustainability Africa (INSÁF)

65 Whitwell Road
Borrowdale West
Harare
Zimbabwe

SHARE PRICE INFORMATION AS AT 31 MARCH 2023

Exchange: Victoria Falls Stock Exchange ("VFEX")

Shares in issue: 1,291,711,406

Shares price: \$0.0198

Market capitalization: \$25,575,886

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the 57th Annual General Meeting ("AGM") of Members of Bindura Nickel Corporation Limited (the "Company") will be held virtually on Thursday, 28 September 2023 at 0900hrs, for the purpose of transacting the following business:

ORDINARY BUSINESS

To consider and adopt, with or without amendment, the following resolutions:

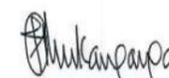
- 1. Virtual AGM**
To note and approve the convening of the 57th AGM through a virtual platform.
- 2. Financial Statements and Report**
To receive, consider and adopt the Financial Statements and Reports of the Directors and Auditors for the Financial year ended 31 March 2023.
- 3. Directorate**
 - 3.1.** 3.1.To re-elect the following Directors who retire by rotation in terms of Article 100 of the Company's Articles of Association (the "Articles") and, being eligible, offer themselves for re-election in terms of Article 101 of the Articles.
 - Mr. Muchadeyi Ashton Masunda;
 - Dr. Charity Chiratidzo Jinya;
 - Mrs. Cynthia Dinka Malaba; and
 - Mrs. Roseline Nhamo.

The profiles of the Directors seeking re-election are provided fully in the Annual Report from pages 34 to 36.

- 3.2.** To approve the remuneration of the Directors for the year ended 31 March 2023. The Directors' Remuneration Report will be available for inspection on the date of the AGM.
- 4. Auditors**
 - 4.1** To confirm the appointment of Grant Thornton Chartered Accountants (Zimbabwe) as Auditors to hold office until the conclusion of this Annual General Meeting.
 - 4.2** To re-appoint Grant Thornton Chartered Accountants (Zimbabwe) as Auditors to hold office until the conclusion of the next Annual General Meeting.
 - 4.3** To approve the remuneration of the Auditors for the past audit.
- 5. Any Other Business**

To transact such other business as may be dealt with at an AGM. In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not be a member of the Company. Proxy forms must be lodged with the Company Secretary at the registered address of the Company, not less than forty-eight (48) hours before the time for holding the meeting.

BY ORDER OF THE BOARD



C F MUKANGANGA
COMPANY SECRETARY

6 September 2023

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standard	Disclosure	Page number	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2016					
General Disclosures					
Organizational profile					
GRI 102: General Disclosures 2016	102-1 Name of the organization	Front Cover			
	102-2 Activities, brands, products, and services	10			
	102-3 Location of headquarters	138			
	102-4 Location of operations	9			
	102-5 Ownership and legal form	10-11; 137			
	102-6 Markets served	13			
	102-7 Scale of the organization	8-10,15			
	102-8 Information on employees and other workers	66-72			
	102-9 Supply chain	61			
	102-10 Significant changes to the organization and its supply chain	-	To include in next report		
	102-11 Precautionary Principle or approach	41-44			
	102-12 External initiatives	11, 74-77			
	102-13 Membership of associations	11			
Strategy					
102-14 Statement from senior decision-maker	28				
Ethics and integrity					
102-16 Values, principles, standards, and norms of behaviour	7, 41-42				
Governance					
102-18 Governance structure	30-39				
Stakeholder engagement					
102-40 List of stakeholder groups	50				
102-41 Collective bargaining agreements	54				
102-42 Identifying and selecting stakeholders	53				
102-43 Approach to stakeholder engagement	53				
102-44 Key topics and concerns raised	53-54				
Reporting practice					
102-45 Entities included in the consolidated financial statements	10, 126				
102-46 Defining report content and topic boundaries	1				
102-47 List of material topics	50				
102-48 Restatements of information	1				
102-49 Changes in reporting	1	There were changes in the list of material topics.			
102-50 Reporting period	1	The reporting of this report 1 April 2022 to 31 March 2023.			
102-51 Date of most recent report	-	31 March 2022.			
102-52 Reporting cycle	1				
102-53 Contact point for questions regarding the report	1				
102-54 Claims of reporting in accordance with the GRI Standards	1				
102-55 GRI content index	140-143				
102-56 External assurance	1				

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (CONTINUED)

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
Material Topics					
200 series (Economic topics)					
Economic Performance					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	77			
	103-3 Evaluation of the management approach	77			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	90-135			
	201-3 Defined benefit plan obligations and other retirement plans	68			
Indirect Economic Impacts					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	74-75			
	103-3 Evaluation of the management approach	74			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	75			
Procurement Practices					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	61			
	103-3 Evaluation of the management approach	61			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	-	To include in next report.		
300 series (Environmental topics)					
Energy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	60			
	103-3 Evaluation of the management approach	60			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	60-61			
	302-2 Energy consumption outside of the organization	60-61			
Water					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	60			
	103-3 Evaluation of the management approach	60			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	60			
	303-5 Water consumption	60			
Waste					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	58			
	103-3 Evaluation of the management approach	58			
Waste 2020	306-3 Waste generated	58			
	306-5 Waste directed to disposal	58			

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (CONTINUED)

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
Material Topics					
400 series (Social topics)					
Employment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	66			
	103-3 Evaluation of the management approach	66			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	67-68			
Occupational Health and Safety					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	70			
	103-3 Evaluation of the management approach	70			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	70			
	403-2 Hazard Identification and Risk Assessment	71			
Training and Education					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	71			
	103-3 Evaluation of the management approach	71			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	71			
Freedom of Association and Collective Bargaining					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	72			
	103-3 Evaluation of the management approach	72			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	72			
Human Rights Assessment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 50			
	103-2 The management approach and its components	42			
	103-3 Evaluation of the management approach	42			

FORM OF PROXY 2023- 57th ANNUAL GENERAL MEETING

For use at the 57th Annual General Meeting (“AGM”) of Bindura Nickel Corporation Limited (“the Company”) to be held virtually on Thursday, 28 September 2023 at 0900 hrs.

I/We.....
(Name/s in block letters)

of
Being a member of Company

And entitled tovotes

Hereby appointof.....

Or failing him/her.....of.....

ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
1. To note and approve the convening of the 57th AGM through a virtual platform.			
2. To receive, consider and adopt the Financial Statements and Reports of the Directors and Auditors for the Financial year ended 31 March 2023.			
3. Re-election of Mr. Muchadeyi Ashton Masunda.			
4. Re-election of Dr. Charity Chiratidzo Jinya.			
5. Re-election of Mrs. Cynthia Dinka Malaba.			
6. Re-election of Mrs. Roseline Nhamo.			
7. To approve the Remuneration of Directors for the year ended 31 March 2023.			
8. To confirm the appointment of Grant Thornton Chartered Accountants (Zimbabwe) as Auditors to hold office until the conclusion of this Annual General Meeting.			
9. To re-appoint Grant Thornton Chartered Accountants (Zimbabwe) as Auditors to hold office until the conclusion of the next Annual General Meeting.			
10. To approve the remuneration of the Auditors for the past audit.			

Full Name

Signature.....

Dated this..... of.....2023

FORM OF PROXY 2023- 57th ANNUAL GENERAL MEETING

INSTRUCTIONS FOR SIGNING AND LODGING THIS FORM OF PROXY

1. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the signatory/ies.
2. If two (2) or more proxies attend the meeting then that person attending the meeting whose name appears first on the proxy form and whose name is not deleted, shall be regarded as the validly appointed proxy.
3. When there are joint holders of shares, any one holder may sign in the form of proxy. In the case of joint holders, the senior who tenders a vote will be accepted to the exclusion of the other joint holders. Seniority will be determined by the order in which names stand in the register of members.
4. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.
5. In order to be effective, completed proxy forms must reach the Company's Transfer Secretaries not less than forty-eight (48) hours before the time appointed for the holding of the meeting.

SHARE TRANSFER SECRETARIES

First Transfer Secretaries (Private) Limited

1 Armagh Avenue

Eastlea,

P O Box 11, Harare

Zimbabwe

Tel. +263 4 782869/72 or +263 4 776 628/49/59/69

Cell. +263 785 986 103

Email: zmazhandu@fts-net.com



Bindura Nickel Corporation

A Member of Kuvimba Mining House

REGISTERED OFFICE

No.1 Trojan Mine Road P.O. Box 35
Bindura, Zimbabwe

www.binduranickel.co.zw