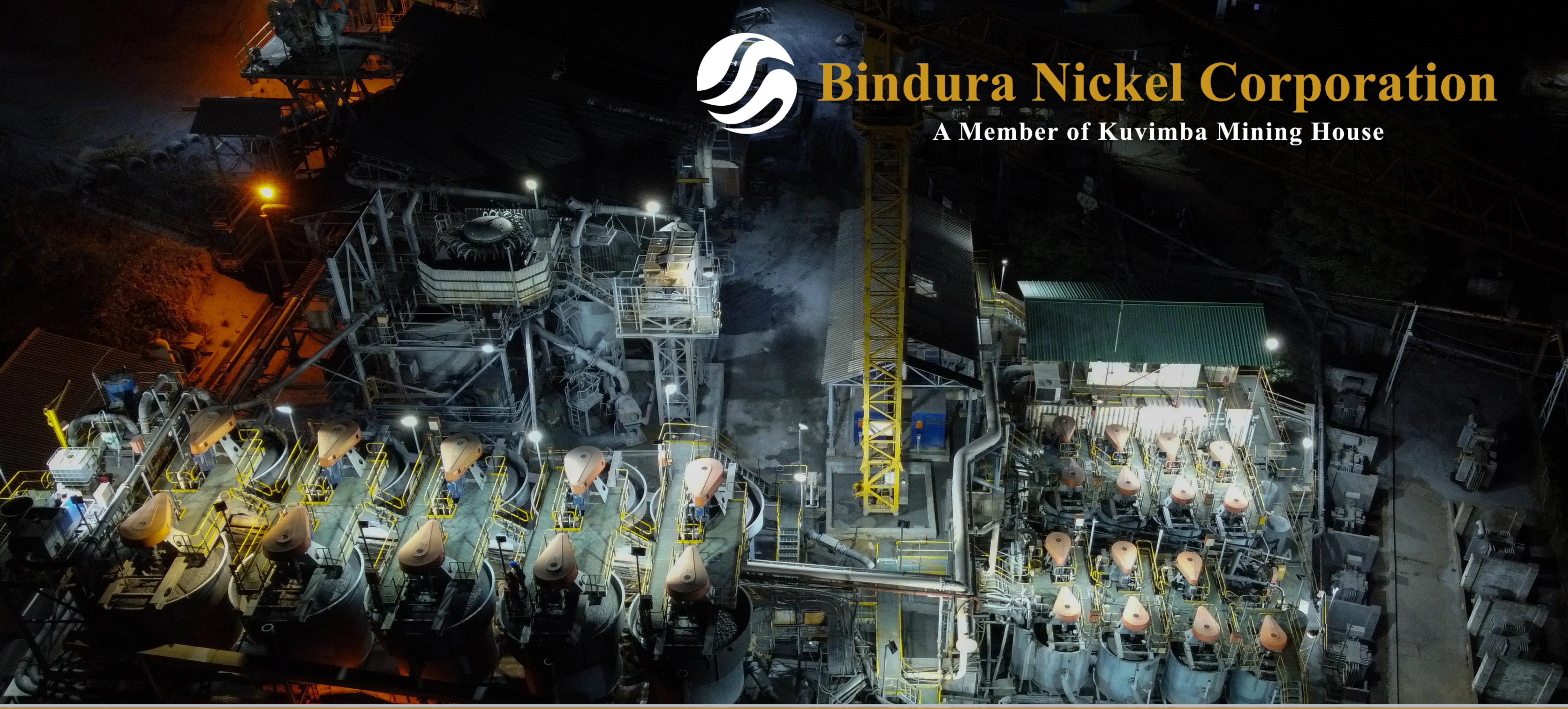

Bindura Nickel Corporation

A Member of Kuvimba Mining House

Reviewed Condensed Consolidated Financial Statements
for the half year ended 30 September 2023

Salient Features

No Lost Time Injuries ("LTIs")
From 1 reported in the same period last year.

Fatality Free Shifts
increased by 12% from 3,498,677 shifts for the same period last year.

Nickel in Concentrates produced
decreased by 31% from 1,918 tonnes for the same period last year.

C1 Unit Cash Cost
increased by 21% from US$14,078 per tonnes for the same period last year.

Average London Metal Exchange ("LME")
Nickel price decreased by 19% from US$25,542 per tonnes for the same period last year.

Revenue decreased by
43% from US$32.5 million for the same period last year.

Loss before tax increased by
62% from US$5.5 million for the same period last year.

Loss after tax increased by
25% from US$5.4 million for the same period last year.

Chairman's Statement

ECONOMIC AND MARKET OVERVIEW

Global Market Overview

During the period under review, the average LME cash settlement Nickel price was US$20,614 per tonne, 19% lower than the previous year's price of US$25,542 per tonne, reflecting the global decrease in Nickel prices. The average LME Nickel prices were heavily affected by demand-supply realities associated with the production of surplus Nickel Pig Iron by Indonesia and the slow recovery in China's economy. Nickel prices are expected to remain relatively low in the short to medium term.

Domestic Overview

Economic activity in Zimbabwe was constrained during the period, hampered by macroeconomic conditions such as exchange rate instability, coupled with global headwinds emanating from the cumulative effect of tightened monetary policies and plummeting commodity prices. The mining sector continued to experience persistent power shortages which adversely affected production. The continuous soaring of power cost, increased by 40% in October 2022 and by a further 15% in November 2023, will have a negative impact on mining costs.

On a positive note, the year-on-year inflation rate averaged 18.4% by the end of September 2023, a 91% decrease from the 213% recorded in the comparative period. The operating environment for the remainder of Financial Year 2024 ("FY2024") is projected to remain difficult due to the protracted effects of the macro-economic challenges experienced during the first half of FY2024, leading to an increase in input costs.

OPERATIONAL PERFORMANCE

Safety, Health, Environment and Quality ("SHEQ")

Safety performance during the period under review was satisfactory. No LTIs were recorded, an improvement from one LTI which was recorded in the same period last year. The Company achieved 3,923,710 fatality-free shifts by the end of September 2023 since the last fatality recorded in June 2015. The Company continues to comply with all applicable health and environmental legislation, policies, and procedures, and remains ISO 14001:2015 and ISO 45001:2018 certified.

Operations

Tonnes of ore mined, at 177,179, decreased by 23% compared to the 229,790 tonnes achieved for the same period last year. The run-of-mine ore was low due to the deterioration of the Sub-vertical Rock Winder ("SVR") bull gear, resulting in a 70% decline in SVR hoisting capacity. The decline in hoisting capacity also constrained development work planned for the first half of FY2024 as ore hoisting was prioritised over waste.

Ore head grade, at 1.10% Nickel, was 13% lower than the 1.26% Nickel achieved in the comparable period due to reduced high-grade massive ore sources. Recovery at 73.3% was 13% lower than the 84.2% recorded in the previous year, in sympathy with the lower head grade and breakdowns at the Concentrator Plant due to the deterioration of key components.

Ore milled was 163,674 tonnes, which was 29% lower than the 230,248 tonnes milled in the same period last year due to lower mined volumes. Nickel in concentrate production for the half-year to 30 September 2023 was 1,314 tonnes, 31% lower than the 1,918 tonnes produced in the same period last year. The decrease was attributable to the lower ore mined and milled. Resultantly, Nickel sales volume was 1,416 tonnes, 34% lower than last year's sales of 2,146 tonnes.

The C1 cash cost of US$17,068 per tonne was 21% higher than the previous period's US$14,078 per tonne, while the C3 All-In Sustaining cost of US$19,136 per tonne was 13% higher than last year's unit cost of US$16,913 per tonne. The increase was attributable to low production arising from:

- the lower tonnage of ore milled resulting from the significant decline in SVR capacity;
- the compromised performance of the Concentrator Plant;
- the reduction of higher-grade ore sources;
- the increase in power tariffs which increased by 40% in October 2022; and
- pricing distortions between the US$ and ZWL.

Update on the SVR Bull Gear Replacement

To address the limited hoisting capacity problem caused by the damaged SVR bull gear, the Company procured a replacement bull gear, similar in size and duty to the existing one, and initiated the Bull Gear Replacement Project. The project is scheduled to be commissioned during the third week of December 2023.

FINANCIAL RESULTS

Income Statement

Revenue decreased by 43% from US$32.5 million reported in the same period last year to US$18.5 million on account of low Nickel sales volume and low Nickel prices during the period.

Cost of sales decreased by 22% to US$24.7 million, compared to US$31.5 million for the same period last year. The decrease in cost of sales was mainly due to a lower run-of-mine. Resultantly, the Company recorded a gross loss of US$6.2 million compared to a gross profit of US$1.05 million reported in the same period last year.

A loss from operating activities of US$8 million was incurred, compared to a loss of US$4.9 million in the first half of last year. The loss is reflective of the low revenue recorded during the period. The total comprehensive loss for the period was US$6.7 million, compared to a total comprehensive loss of US$5.4 million for the same period last year.

OUTLOOK FOR THE YEAR ENDING 31 MARCH 2024

Market Outlook

The average LME Nickel prices are expected to trend lower in the third quarter of FY2024, settling at an average of US$18,593 per tonne, due to oversupply in the market. An anticipated acceleration in Chinese economic growth due to the implementation of additional stimuli, accommodative USA Monetary Policies, and demand for Nickel in the energy storage sector are likely to have a positive impact on Nickel prices in the medium to long-term.

Operational Outlook

Despite the challenging nickel price outlook, the company has strategically implemented measures aimed at ensuring a return to profitability and cash generation within the foreseeable future. As fully explained in note 11 (going concern), these measures have been timed to ensure that the Group ends the 2024 financial year in a strong position, in preparation for what we believe will be an improvement in the financial year 2025.

DIVIDEND

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

DIRECTORATE

Appointment

Mr. Trevor Miles Barnard was appointed as a Non-Executive Director of the Company with effect from 23 October 2023. Mr. Barnard has vast experience in holding senior managerial and executive positions and has a demonstrated history of working in the cement manufacturing, mining and metals industries.

The Board extends warm regards to Mr. Barnard and looks forward to his contributions.

Resignation

Dr. Charity Chiratidzo Jinya resigned as a Non-Executive Director of the Company with effect from 16 November 2023. Dr. Jinya joined the BNC Board on 1 February 2021. During her tenure at BNC, she made significant contributions towards the transformation of the Company's financial and administrative systems to a higher level of effectiveness and discipline.

The Board is grateful for the dedicated and comprehensive services that Dr. Jinya provided to the Company during her tenure on the Board and wishes her success in her future endeavours.

APPRECIATION

Tribute is extended to Management and all employees of the Company for their dedication and hard work during the period under review.

On behalf of the Board
Bindura Nickel Corporation Limited

M.A. Masunda
Chairman

4 December 2023

Bindura Nickel Corporation
A Member of Kuvimba Mining House

Reviewed Condensed Consolidated Financial Statements

for the half year ended 30 September 2023

Production and sales

For the half year ended 30 September 2023

	30-Sept-23 Tonnes	30-Sept-22 Tonnes
Nickel production		
BNC production	1,314	1,918
BNC Nickel Sales in Concentrates	1,416	2,146

Condensed consolidated statement of profit or loss and other comprehensive income

For the half year ended 30 September 2023

	Note	REVIEWED 30-Sept-23 US$	REVIEWED 30-Sept-22 US$
Turnover			
Nickel Concentrates	3	18,509,557	32,498,898
Cost of sales		(24,662,705)	(31,451,280)
Gross (loss)/profit		**(6,153,148)**	**1,047,618**
Other income		1,046,291	95,033
Marketing and distribution expenses		(578,003)	(1,020,127)
Administrative expenses		(2,453,095)	(3,500,338)
Net foreign exchange loss		160,375	(1,506,460)
Operating loss	4	**(7,977,580)**	**(4,884,274)**
Net finance costs		(905,138)	(591,579)
Finance income		56,716	56,716
Finance expenses		(961,854)	(648,295)
Loss before taxation		**(8,882,718)**	**(5,475,853)**
Taxation	5	2,192,415	102,925
Total comprehensive loss for the period		**(6,690,303)**	**(5,372,928)**
Basic loss per ordinary share (cents)		**(0.518)**	**(0.440)**
Diluted loss per ordinary share (cents)		**(0.509)**	**(0.410)**
Headline loss per ordinary share (cents)		**(0.518)**	**(0.410)**

Condensed consolidated statement of financial position

As at 30 September 2023

	Note	REVIEWED 30-Sept-23 US$	AUDITED 31-Mar-23 US$
ASSETS			
Non-current assets			
Property, plant and equipment	6	82,647,742	85,032,563
Loans		353,183	433,858
Total non-current assets		**83,000,925**	**85,466,421**
Current assets			
Inventories		9,176,940	11,074,850
Trade and other receivables	7	10,081,384	12,356,402
Cash and short term deposits		247,297	676,486
Financial asset		1,300,000	1,300,000
Total current assets		**20,805,621**	**25,407,738**
Total assets		**103,806,546**	**110,874,159**
EQUITY AND LIABILITIES			
Equity			
Share capital		13,309	13,309
Share premium		32,345,781	32,345,781
Capital contribution		2,631,877	2,631,877
(Accumulated losses)/retained earnings		(44,641)	6,645,662
Total equity		**34,946,326**	**41,636,629**
Non-current liabilities			
Environmental rehabilitation provision		10,766,917	10,595,985
Deferred taxation		11,548,241	13,740,657
Lease liability		-	17,040
Interest bearing borrowings		3,408,526	6,100,659
Total non-current liabilities		**25,723,684**	**30,454,341**
Current liabilities			
Trade and other payables	8	35,078,693	29,809,892
Provisions		2,898	2,898
Interest bearing loans & borrowings		6,746,221	7,613,103
Lease liability		-	48,572
Provisional income tax		1,308,724	1,308,724
Total current liabilities		**43,136,536**	**38,783,189**
Total equity and liabilities		**103,806,546**	**110,874,159**

Condensed consolidated statement of changes in equity

For the half year ended 30 September 2023

	Share capital US$	Share premium US$	Capital contribution US$	Retained earnings/ (accumulated losses) US$	Total US$
Balances at 1 April 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 period	-	-	-	(5,372,928)	(5,372,928)
Balances at 30 September 2022	**13,309**	**32,345,781**	**2,631,877**	**19,755,393**	**54,746,360**
Balances at 1 April 2023	**13,309**	**32,345,781**	**2,631,877**	**6,645,662**	**41,636,629**
Total comprehensive loss for the period	-	-	-	(6,690,303)	**(6,690,303)**
Balance at 30 September 2023	**13,309**	**32,345,781**	**2,631,877**	**(44,641)**	**34,946,326**

Condensed consolidated statement of cashflows

For the half year ended 30 September 2023

	REVIEWED 30-Sept-23 US$	REVIEWED 30-Sept-22 US$
Cash flows from operating activities		
Operating loss from operations before interest and taxation	(8,882,718)	(5,475,853)
Adjusted for:		
Depreciation of property, plant and equipment	2,943,588	2,745,487
Net finance costs	905,138	591,579
Unrealised foreign exchange (gain)/loss	(838,500)	1,667,114
Lease liability write-off	(65,612)	-
Provision for expected credit losses	(2,268)	(38,817)
Provision for obsolete inventory	81,610	-
Operating cash flow before working capital changes	**(5,858,762)**	**(510,490)**
Decrease in inventories	1,038,174	3,708,528
Decrease/(increase) in trade and other receivables	2,955,313	(4,491,681)
Increase in trade and other payables	5,445,830	373,851
Net cash flows from operations	**3,580,555**	**(919,792)**
Returns on investments and servicing of finance		
Interest received	26,260	25,622
Interest paid	(760,466)	(490,912)
	(734,206)	**(465,290)**
Net cash flows from operating activities	**2,846,349**	**(1,385,082)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(558,767)	(3,478,592)
Staff loans issued	-	(655,058)
Staff loans repaid	109,670	-
Net cash flows from investing activities	**(449,097)**	**(4,133,650)**
Net cash flows before financing activities	**2,397,252**	**(5,518,732)**
Cash flows from financing activities		
Long-term loan repaid	(1,527,378)	(3,711,957)
Long-term loan received	-	10,620,396
Lease payments	-	(14,712)
Issue of shares	-	325
Net cash flows from financing activities	**(1,527,378)**	**6,894,052**
Increase in cash and cash equivalents	**869,874**	**1,375,320**
Net foreign exchange differences on cash and cash equivalents	1,069,850	754,208
Cash and cash equivalents at the beginning of the period	(1,692,427)	(1,313,257)
Cash and cash equivalents at the end of the period	**247,297**	**816,271**
Cash and cash equivalents represented by:		
	US$	US$
Bank and cash balances	584,572	816,271
Bank overdraft	(337,275)	-
	247,297	**816,271**

Notes to the condensed consolidated financial statements

For the half year ended 30 September 2023

1 INCORPORATION AND ACTIVITIES

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 majority shareholder of Bindura Nickel Corporation Limited is Kuvimba Mining House (Private) Limited.

The Group's registered address is Trojan Nickel Mine, Number 1 Trojan Mine Road, P.O. Box 35, Bindura, Zimbabwe.

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

2 PRESENTATION

The interim condensed consolidated financial results are presented in United States dollars (US$), which is the Group's functional currency, rounded to the nearest dollar unless otherwise stated.

2.1 Principal group accounting policies

Accounting policies have been applied consistently as in prior years. There was no significant impact arising from adoption of new and revised standards applicable for the period ended 30 September 2023.

Notes to the condensed consolidated financial statements (continued)

For the half year ended 30 September 2023

3 REVENUE

Bindura Nickel Corporation Limited (the "Group") is a limited liability company incorporated in Zimbabwe and is listed on the Victoria Falls Stock Exchange (VFEX).

	30-Sept-23 tonnage	30-Sept-22 tonnage	30-Sept-23 US$	30-Sept-22 US$
Nickel	-	-	-	-
Nickel in concentrates	1,315	2,146	19,030,959	36,558,762
Revenue from contract with customers			**19,030,959**	**36,558,762**
Provisional pricing adjustment				
Fair value adjustment (trade receivables)			(521,402)	(4,059,864)
Fair value gains			-	170,235
Fair value losses			(521,402)	(4,230,099)
Total			**18,509,557**	**32,498,898**

Revenue from one major customer of the group represents 100% of the Group's revenue US$18,509,557 (2022: US$32,498,898)

4 (LOSS)/PROFIT FROM OPERATING ACTIVITIES

	30-Sept-23 US$	31-Mar-23 US$
(Loss)/profit from operating activities is arrived at after taking into account the following:		
Depreciation of property, plant and equipment	2,943,588	2,745,487
Exchange gain	160,375	(3,268,101)
Exchange losses	-	3,335,566

5 INCOME TAX

	30-Sept-23 US$	31-Mar-23 US$
Current income tax	-	-
Deferred tax	2,192,415	102,925
	2,192,415	**102,925**

6 PROPERTY, PLANT AND EQUIPMENT

During the half year ended 30 September 2023, the Group acquired assets with a cost of US$558,767 as per the accounts (2022: US$3,478,592). No assets were disposed during the period.

	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 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
Transfer	788,648	-	5,070,575	(5,859,223)	-
Lease modification	-	-	-	-	-
Rehabilitation asset	-	-	(3,550,839)	-	(3,550,839)
At 31 March 2023	**8,831,274**	**22,474,230**	**82,045,766**	**48,725,779**	**162,077,049**
Additions	-	-	6,179	552,588	558,767
Lease modification	-	-		-	-
Rehabilitation asset	-	-	-	-	-
At 30 September 2023	**8,831,274**	**22,474,230**	**82,051,945**	**49,278,367**	**162,635,816**
Depreciation					
At 1 April 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**
Current year charge	132,577	198,773	2,574,036	-	2,905,386
Rehabilitation asset amortisation	-	-	38,202	-	38,202
At 30 September 2023	**5,220,106**	**16,293,398**	**57,465,443**	**1,009,127**	**79,988,074**
Carrying amount :					
At 30 September 2023	**3,611,168**	**6,180,832**	**24,586,502**	**48,269,240**	**82,647,742**
At 31 March 2023	**3,743,745**	**6,379,605**	**27,192,561**	**47,716,652**	**85,032,563**

7 TRADE AND OTHER RECEIVABLES

	30-Sept-23 US$	31-Mar-23 US$
Trade receivables (not subject to provisional pricing)	2,746,458	5,780,176
Trade receivables (subject to provisional pricing)	22,384	243,084
Less: allowance for expected credit losses	(446,600)	(448,868)
Trade receivables - net	**2,322,242**	**5,574,392**
Prepayments	1,919,776	2,249,742
Value Added Tax receivable	5,339,682	4,163,134
Other receivables	198,357	38,812
Related party receivables	150,673	150,673
Loans	150,654	179,649
	10,081,384	**12,356,402**

8 TRADE AND OTHER PAYABLES

	30-Sept-23 US$	31-Mar-23 US$
Trade payables	10,987,526	10,594,113
Other payables:		
Payroll related liabilities	8,688,664	7,569,956
Marketing creditors	196,971	190,073
Leave accrual	1,508,811	1,345,647
Liabilities in lieu of past retrenchments	811,974	811,974
Sundry creditors	2,113,650	2,234,437
Related parties (note 10.3)	10,771,097	7,063,692
	35,078,693	**29,809,892**

9 CHANGES ARISING FROM FINANCING ACTIVITIES

	1 April-23 USD	Acquisitions USD	Payments USD	Interest USD	Modification USD	30-Sept-23 USD
30 September 2023						
Interest bearing borrowings	11,344,850	-	(1,527,378)	-	-	9,817,472
Lease	65,612	-	-	-	(65,612)	-
30 September 2022						
Interest bearing borrowings	2,848,699	10,620,396	(3,711,957)	-	-	9,557,139
Lease	72,972	-	(14,712)	-	3,846	62,106

Loans totalling US$8,985,910 were secured and drawn from local financial institutions. Interest bearing borrowings excludes bank overdraft which are included in cash and cash equivalents for cash flow statement purposes. The average cost of borrowings was 11% and these are secured by mortgage bonds over properties owned by the Group.

10 RELATED PARTY TRANSACTIONS

10.1 Transactions with related parties

Transactions	Nature of transaction	US$	US$
Freda Rebecca Gold Mine Limited	Consumables purchased	(147,594)	(919,912)
Gold Fields of Shamva (Private) Ltd	Scrap material sold	-	781
Bevco Management Services (Pvt) Ltd	Management fees	185,098	380519

10.2 Amounts owing from related parties

Name of company	Relationship	30-Sept-23 US$	31-Mar-23 US$
Jena Mines (Private) Limited	Common control	51,053	51,053
Gold Fields of Shamva (Private) Limited	Common control	6,080	6,080
Zim Alloys (Private) Limited	Common control	93,540	93,540
		150,673	**150,673**

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.

10.3 Amounts owing to related parties

Name of company	Relationship	30-Sept-23 US$	31-Mar-23 US$
Kuvimba Mining House	Holding company	7,696,359	4,340,362
Greenline Enterprise Limited	Common control	-	2,501
Freda Rebecca Gold Mine Ltd	Common control	1,331,000	605,069
Bevco Management Services	Significant influence	1,126,091	1,498,113
Zimnick	Common control	617,647	617,647
		10,771,097	**7,063,692**

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

11 GOING CONCERN

The Directors have assessed the Group's going concern position by considering the current trading activities, financial position, and projected funding requirements of the Group's operating subsidiary, Trojan Nickel Mine Limited, for at least 12 months from the reporting date.

While the Group incurred a loss before taxation of US$8.9 million for the six months ended 30 September 2023 (full year 2023: loss of US$24.2 million), and as of that date, its current liabilities exceeded current assets by US$22.3 million (31 March 2023: current liabilities exceeded current assets by US$13.4 million), its ability to continue as a going concern hinges on its capacity to increase production and generate positive cash flows.

The company continued to face significant operational challenges during the six months ended 30 September 2023 summarised below:

- the effects of a major breakdown of the Sub-vertical Rock winder (SVR) bull gear, previously reported, continued, with its hoisting capacity reduced to less than 25% at the time of replacement;
- except for the four LHDs purchased last year, the availability of the remaining fleet was subdued during the period due to aging and obsolescence. The Processing plant was also affected by aged components, resulting in frequent breakdowns, reduced plant efficiencies, and lower production;
- protracted electrical power outages and general grid instability during the early months of the period resulted in severe direct production losses, equipment damage, and recovery inefficiencies;
- depressed nickel prices during the period resulted in reduced revenue and cash flows. Global nickel prices, which were above US$28,840/t at the beginning of the year, plummeted by more than 40% to below US$18,000/t in November 2023; and
- an increase in power tariffs in October 2022 weighed down on the company's costs during the year. Further, the recent tariff increase, effective November 1, 2023, will further impact the company's ability to return to profitability.

Consequently, these challenges, among others, resulted in the company producing less nickel in concentrate, amounting to 1,314 tonnes (2022: 1,918 tonnes), and incurring significant losses as reported above.

To address the challenges, the Group is implementing several measures, which include the following:

- replacement of the damaged SVR bull gear commenced on September 22, 2023, and is expected to be completed by the third week of December, 2023. The replacement SVR is expected to increase the Mine's ore hoisting capacity;
- ensuring consistent equipment availability through a repair and maintenance program starting in December 2023 and expected to be completed by the end of March 2024;
- accelerating underground development as the Group moves towards a high-volume, low-grade strategy;
- implement various cost containment and cash-saving initiatives to ensure the business remains cost-effective. These initiatives are expected to be fully implemented by the end of the first quarter of 2024 and will save costs in excess of US$3 million per annum going forward;
- the Group will continue to lobby and engage with relevant authorities to obtain a ring-fenced power structure and tariff that is sustainable considering the subdued nickel prices in the short to medium term to ensure the mine's survival;
- the Group has undrawn bank facilities amounting to ZWL5.3 billion, which will be used for short-term funding requirements; and
- The Group has received assurances 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.

12 EVENTS AFTER THE REPORTING PERIOD

There are no events which have occurred after the reporting period which would be material to the interim condensed consolidated financial statements.

13 AUDITOR'S STATEMENT

These interim condensed consolidated financial statements for the six months ended 30 September 2023 have been reviewed by Messrs Grant Thornton Chartered Accountants (Zimbabwe) and an unmodified review conclusion was issued thereon. The review report includes a section on material uncertainty related to going concern. The conclusion is not modified in respect of this matter.

The Engagement Partner on the review resulting in this review conclusion is Trevor Mungwazi (PAAB Number 0622).

Grant Thornton

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Grant Thornton
Camelsa Business Park
135 Enterprise Road, Highlands
PO Box CY 2619
Causeway, Harare
Zimbabwe

T +263 (242) 442511-4
F +263 (242) 442517 / 496985
E info@zw.gt.com
www.grantthornton.co.zw

To the members of Bindura Nickel Corporation Limited

We have reviewed the accompanying interim condensed consolidated statement of financial position of Bindura Nickel Corporation Limited as at 30 September 2023 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant Group accounting policies and other explanatory notes.

Responsibilities of Management and Those Charged with Governance for the interim condensed consolidated financial statements

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting* and the Group's accounting policies, this includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of interim condensed consolidated financial statements that are free of material misstatement whether due to fraud or error.

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity."* A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects the financial position of Bindura Nickel Corporation Limited as at 30 September 2023, and of its financial performance and its cash flows for the six months then ended in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

Material Uncertainty Related to Going Concern

We draw attention to note 11 for the interim condensed consolidated financial statements which indicates that the Group incurred an operating loss before tax of **USD 8 882 718** for the half year ended 30 September 2023, and as at that date, the Group's current liabilities exceeded current assets by **USD 22 330 915**. As stated in note 11, these events or conditions, along with other matters as set forth in note 13, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

The engagement partner on the review engagement resulting in this independent review conclusion is Trevor Mungwazi.

Grant Thornton

Trevor Mungwazi
Partner
Registered Public Auditor (PAAB No: 0622)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

05 December 2023

HARARE