



ASX Code: IKW

31 October 2022

Company Announcements Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

QUARTERLY ACTIVITIES REPORT – 3 MONTHS ENDED 30 SEPTEMBER 2022

Ikwezi Mining Limited (ASX: IKW) – “Ikwezi Mining” or “the Company”

Corporate update - Delisting of shares

ASX has reviewed the Company’s in-principle application for delisting of its ordinary shares (“**the Delisting**”) and accordingly a market announcement was made by Ikwezi Mining on 25 October 2022, after obtaining the requisite ASX in-principle decision. The Board of Directors considered Delisting due to certain factors (which are more fully described in recent market announcements), including but not limited to the following matters:

- (a) Low levels of trading liquidity;
- (b) No physical presence or Australian operations;
- (c) Lack of legitimate investor interest;
- (d) Negative thermal coal perception;
- (e) Costs: The Company estimates that Delisting will save it approximately AUD\$250,000 per year¹;
- (f) Management time and effort; and
- (g) Speculative trading.

In accordance with the next steps, the Company has called for an Extraordinary General Meeting (**EGM**), to be held on 24 November 2022, to consider a special resolution² (“**the Resolution**”) for approval of Delisting. Based on outcome of the Resolution, Ikwezi would run a buy-back program (“**the Buy-back**”) for a period of 30 days as previously announced on 25 October 2022. Further, it is expected that the shares would be delisted effective on or around 29 December 2022³, on completion of the Buy-Back and compliance with ASX Listing Rules insofar as relevant to the Delisting.

¹ This is an estimate only. The actual cost savings may differ depending on various factors, some of which are out of the Company’s control.

² A special resolution will be passed if at least 75% of the votes cast in person, or by proxy, by Shareholders at the EGM are entitled to vote the Resolution are cast in favour of the Resolution.

³ The Delisting date of the Company is subject to ASX’s continued discretion and this is an indicative date only.

Finance update

Cash and cash equivalents of the Company at 30 September 2022 amounted to A\$ 10.111 million (30 June 2022: A\$ 1.843 million). Higher cash and cash equivalents balance at the end of the current quarter is attributable to the collection of all significant receivables and the deferment of certain spends/payments aggregating A\$ 8.534 million, comprising of the following:

- i) Current liabilities for goods and services aggregating A\$ 3.89 million would be paid in October;
- ii) Audited financial statements for the year ended 30 June 2022 reported capital commitments of A\$ 3.5 million. Further commitments made, until the date of reporting, aggregate A\$ 1.380 million. Out of the total commitments of A\$ 4.880 million for the year, A\$ 1.226 million was spent during the current quarter and the balance is likely to be incurred in the next quarter/s, by utilising available cash; and
- iii) Funds required for the Buy-back, including costs associated with the Delisting, of A\$ 0.990 million.

No expenditure was incurred on exploration or development activities during the quarter. Total expenditure of A\$ 17.89 million was incurred on mining production activities during the quarter.

Summary

Key management focus in the short term remains on ensuring a smooth and efficient conduct of the Buy-Back and completion of the Delisting process by complying with relevant ASX Listing Rules and requirements.

ABOUT IKWEZI

Ikwezi Mining Limited is focused on the exploration and development of coal projects in South Africa. The Ikwezi mining right area consists of a number of opencast and underground areas. The Kliprand Colliery (previously, Ntendeka) is the initial opencast area where mining operations have commenced. Ikwezi has a 70% stake in the mining right area located in the province of KwaZulu-Natal and are in close proximity to rail and port infrastructure.

For further information contact:

Nitin Agrawal

Chairman

Tel: +27 10 446 8452

Email: nitin@ikwezi.co.za

Disclaimer regarding future matters and forward-looking statements

This announcement contains reference to certain intentions, expectations, estimates, future plans, strategy and prospects of the Company. Those intentions, expectations, estimates, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved and each of those persons expressly disclaims all liability with respect to such forward-looking information. Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects.

Appendix – Tenement information

In accordance with Listing Rule 5.3.3, details of the Company and its controlled entities' interests in tenements as at 30 September 2022 are outlined below:

Project name	Type	Reference	Number of hectares and location	Ownership	Licensee
Newcastle Project (previously “Ntendeka Colliery”).	Mining Right	KZN 30/5/1/2/2/297 MR MPTRO: 77/2012 MR	12,182ha, Northern KwaZulu Natal, South Africa	70% ¹	Ikwezi Mining (Pty) Ltd

Note 1: Ikwezi Mining Limited holds a 70% interest through its 70% holding in Ikwezi Mining (Pty) Ltd.

Mining tenements acquired during the quarter:

None.

Mining tenements disposed of during the quarter:

None.

Other beneficial interests

Ikwezi Mining Limited held no other beneficial interests in farm-in or farm-out arrangements during the quarter ended 30 September 2022.