

MINERALS COUNCIL
SOUTH AFRICA

2025
ANNUAL
FINANCIAL
STATEMENTS



GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To achieve a policy, legislative and governance framework, which is widely supported and which will allow the mining industry to convert the country's abundant mineral resources into wealth for the benefit of South Africa. Minerals Council South Africa is a non-profit organisation.
Registered office	7th Floor Rosebank Towers 19 Biermann Ave Rosebank
Business address	7th Floor Rosebank Towers 19 Biermann Ave Rosebank
Bankers	ABSA Nedbank First National Bank (FNB)
Auditors	Forvis Mazars Chartered Accountants (SA) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the constitution of Minerals Council South Africa and IFRS for SMEs® Accounting Standard.
Preparer	The annual financial statements were internally compiled by: Juanita Broderick: Financial Manager under the supervision of Tima Norkie: Senior Executive - Finance & Administration
Issued	25 March 2026



Mining Matters

Cover images: Exxaro Resources.

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BOARD'S RESPONSIBILITIES AND APPROVAL

The Board of the Minerals Council South Africa (hereafter "the Minerals Council"), is responsible for the maintenance of adequate accounting records, and for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Minerals Council as at the end of the financial year, and the results of its operations and cash flows for the period then ended, in conformity with the *IFRS for SMEs* Accounting Standard and the Constitution of the Minerals Council South Africa. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the *IFRS for SMEs* Accounting Standard and are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Board acknowledges that it is ultimately responsible for the system of internal financial control established by the Minerals Council and place considerable importance on maintaining a strong control environment. To enable the Board to meet these responsibilities, the Board set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The 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. These controls are monitored throughout the Minerals Council and all employees are required to maintain the highest ethical standard in ensuring Minerals Council business is conducted in a manner that in all reasonable circumstance is above reproach. The focus of risk management in the Minerals Council is on identifying, assessing, managing and monitoring all known forms of risk across the Minerals Council. While operating risk cannot be fully eliminated, the Minerals Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Board is 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 Board has reviewed the Minerals Council's cash flow forecast for the 12 months period subsequent to the financial statements approval date and, in the light of this review and the current financial position, it is satisfied that the Minerals Council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Minerals Council's financial statements. The financial statements have been examined by the Minerals Council's external auditors and their report is presented on page 3 to 4.

The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of the members, the Board and committees of the Board. The Board believes that all representations made to the independent auditors during their audit are valid and appropriate.

The annual financial statements set out on page 5 to 19, which have been prepared on the going concern basis, were approved by the Board on 25 March 2026 and were signed on its behalf by:

Mr M Mthenjane
Chief Executive Officer

Mr P Dunne
President

INDEPENDENT AUDITORS' REPORT

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Independent Auditor's report

To the members of Minerals Council South Africa

Opinion

We have audited the annual financial statements of Minerals Council South Africa set out on pages 5 to 19, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Minerals Council South Africa as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with *IFRS for SMEs*[®] Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Constitution of Minerals Council South Africa.

Basis for opinion

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 Financial Statements* section of our report. We are independent of the Council in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled Minerals Council South Africa Annual Financial Statements for the year ended 31 December 2025, which includes the "Detailed Income Statement" and the Appendix A - Project Funds. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Constitution of Minerals Council South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Council'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 the directors either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT *CONTINUED*



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Council'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 Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Forvis Mazars

Forvis Mazars
Registered Auditors

Per E Sibanda
Partner

27 March 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 R	2024 R
Assets			
Non-current assets			
Property, plant and equipment	2	1,513,863	1,054,909
Other financial assets	3	19,432,420	10,952,159
Other investments		216,627	218,027
Investments and term deposits	4	32,075,393	46,905,495
		53,238,303	59,130,590
Current assets			
Trade and other receivables	5	39,732,775	44,249,666
Other financial assets	3	12,264,059	5,198,155
Cash and cash equivalents	6	201,815,787	192,543,360
		253,812,621	241,991,181
Total assets		307,050,924	301,121,771
Equity and liabilities			
Capital and reserves			
Project funds	7	35,856,332	50,686,432
Retained income		14,668,493	14,668,493
		50,524,825	65,354,925
Liabilities			
Non-current liabilities			
Other financial liability	3	19,432,420	10,952,159
Current liabilities			
Trade and other payables	8	224,829,620	219,616,532
Other financial liabilities	3	12,264,059	5,198,155
		237,093,679	224,814,687
Total liabilities		256,526,099	235,766,846
Total equity and liabilities		307,050,924	301,121,771

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 R	2024 R
Revenue	9	174,829,577	165,646,368
Other income	10	3,444,960	7,581,879
Administrative and operating expenditure	11	(194,152,641)	(190,417,805)
Depreciation and amortisation		(400,112)	(371,664)
Operating deficit	16	(16,278,216)	(17,561,222)
Investment revenue	17	16,278,216	17,561,800
Finance costs	18	-	(578)
Surplus/(deficit) for the year		-	-
Project income	7	55,233,352	58,834,120
Additional project income	7	9,007,887	6,761,040
Project expenditure	7	(79,071,339)	(61,023,114)
(Decrease)/increase in project funding		(14,830,100)	4,572,046
Total comprehensive (loss)/income for the year		(14,830,100)	4,572,046

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Project funds R	Retained income R	Total funds R
Balance at 01 January 2024	46,114,386	8,302,623	54,417,009
Increase in project funding	4,572,046	-	4,572,046
Related party loan	-	6,365,870	6,365,870
Balance at 1 January 2025	50,686,432	14,668,493	65,354,925
Decrease in project funding	(14,830,100)	-	(14,830,100)
Balance at 31 December 2025	35,856,332	14,668,493	50,524,825
Note	7		

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2025 R	2024 R
Cash flows from operating activities			
Cash used in operations	12	(20,956,923)	(26,170,781)
Finance costs		-	(578)
Net cash from operating activities		(20,956,923)	(26,171,359)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(884,714)	(305,822)
Proceeds on sale of property, plant and equipment		5,750	3,001
Movement in financial assets		154,526	(2,328,490)
Decrease/(increase) in investments and term deposits		14,830,098	(4,572,046)
Interest received		16,278,216	17,561,800
Net cash from investing activities		30,229,350	10,358,443
Cash flows from financing activities			
Movement in loans from related parties		-	6,365,870
Total cash movement for the year		9,272,427	(9,447,046)
Cash at the beginning of the year		192,543,360	201,990,406
Total cash at end of the year	6	201,815,787	192,543,360

ACCOUNTING POLICIES

1. Presentation of annual financial statements

The principal accounting policies and basis of accounts used are in all material respects consistently applied. The annual financial statements have been prepared in accordance with the historic cost basis, except for certain financial instruments that are stated at fair value and these policies conform with *IFRS for SMEs* Accounting Standard.

1.1 Revenue recognition

Revenue represents contributions from members, administration fees and interest income. Contributions are recognised when invoiced and consist of contributions for operating costs and capital expenditure, collected in line with the yearly approved budget.

1.2 Administration fees

Administration fees are earned in respect of services provided to associated entities. Interest income is accrued on an effective yield basis.

1.3 Project income

Project income represents contributions from members of specific approved projects.

1.4 Project expenditure

Project expenditure relates to expenditure incurred on projects approved by the Board.

1.5 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which are as follows:

Item	Average useful life (years)
Furniture and fixtures	5-10
Motor vehicles	5
Computer equipment	3-5

1.6 Financial instruments

Initial recognition and measurement

Basic financial instruments are recognised initially when the Minerals Council becomes a party to the contractual provisions of the instruments.

The Minerals Council classifies basic financial instruments, or their component parts, on initial recognitions as a basic financial asset, a basic financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Basic financial instruments are measured initially at fair value, including transaction costs for those that are not at fair value through profit or loss.

Basic financial instruments

Cash and cash equivalents
 Trade and other receivables
 Other financial assets
 Other financial liabilities
 Trade and other payables

Subsequent measurement

Basic financial assets are subsequently measured at amortised cost.
 Basic financial liabilities are subsequently measured at amortised cost.

Derecognition

Financial assets are derecognised when the rights to receive the cash flows have expired or have been transferred and the Minerals Council has transferred substantially all risks and rewards of ownership. The Minerals Council derecognises a financial liability (or a part of a financial liability) when it is extinguished, i.e., when the obligation specified in the contract is discharged, cancelled or expires.

Trade and other receivables

Trade and other receivables are classified as basic financial assets at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are classified as basic financial assets at amortised cost.

Trade and other payables

Trade and other payables are classified as basic financial liabilities at amortised cost



ACCOUNTING POLICIES *CONTINUED*

1. Presentation of annual financial statements (*continued*)

1.7 Impairment of property, plant and equipment

At each reporting date the Minerals Council assesses whether there is any indication that an asset may be impaired. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.8 Interest received

Interest received comprises interest earned on call deposits and investment accounts, held with banking institutions.

1.9 Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.10 Other investments

Other investments consist of gold coins and medallions. These investments are carried at cost and are not held for capital appreciation. It was initially held as collectors' items but can be chosen as a long service award by the employees, depending on the year of service.

1.11 Investments

Unlisted investments comprise shares in related companies and are stated at cost. Other investments comprise monies invested to fund liabilities and projects which are stated at cost. Term deposits are held at financial institutions at the most effective rates.

1.12 Significant judgments and sources of estimation uncertainty

The preparation of annual financial statements in conformity with *IFRS for SMEs* Accounting Standard requires management, from time to time, to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgments in applying accounting policies

LTIP

The Minerals Council operates a cash settled Long-Term Incentive Plan (LTIP). The accounting for this arrangement requires significant judgment because *IFRS for SMEs* does not explicitly address scenarios where accelerated vesting clauses create an unconditional obligation at grant date. Management therefore applied judgment in accordance with *IFRS for SMEs* section 10.4 - 10.6, using the Conceptual Framework and Principles from section 21 (Provisions) to determine the timing of recognition.

Management concluded that a present obligation exists at the grant date (Remuneration Committee (REMCO) approval), based on:

- Legal and contractual enforceability of LTIP awards once granted, as provided for in the LTIP rules and employment contracts.
- Accelerated vesting clauses under "No Fault Termination" (death, retirement, disability), which require immediate settlement of all unvested units. These clauses remove any realistic alternative to settling the obligation once awards are granted.
- Historical practice of consistently approving and settling awards, which has created a constructive obligation and valid expectation among employees.
- Awards being linked partly to past service and past performance, reinforcing the view that the obligating event occurs before or at the grant date.

Based on this judgment, the full LTIP liability and related expense are recognised at grant date, applying the principles of section 21. Subsequent measurement follows section 26 (cash settled, share-based payments), with the liability remeasured to fair value at each reporting date.

This judgment is considered significant because alternative interpretations (e.g., recognising expense over the vesting period) would materially affect the timing of expense recognition and the reported liability balance.

Fair value measurement

The LTIP liability is measured at fair value at each reporting date in terms of section 26, and its determination requires the use of key estimates and assumptions, including expected vesting outcomes based on

performance and service conditions at year end, the expected timing of settlement derived from projected vesting patterns and historical settlement trends, quoted market prices of Satrix RESI (and previously Satrix 40) exchange traded fund (ETF) units which drive both the fair value of the liability and the ringfenced investments held to fund the LTIP, and assumptions regarding employee turnover, particularly in respect of non-performance and non-vesting scenarios.

Changes in these assumptions may materially affect the recognised LTIP liability. Although the fair value of the LTIP liability generally moves in line with the fair value of the Satrix investments held to fund the obligation – resulting in a typically minimal net impact on profit or loss – the estimation of each component remains significant.

Residual value and useful life

The Minerals Council depreciates its assets over their estimated useful lives taking into account residual values, which are re-assessed on an annual basis. The actual lives and residual values of these assets can vary depending on a variety of factors.

Technological innovation, product life cycles and maintenance programmes all impact the useful lives and residual values of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal value.

Nature of change in estimate of tangible assets-assessment of residual values and useful lives

The basis of these estimates takes into account the following assumptions:

1. The consideration of the average useful lives of the assets including technological obsolescence.
2. Estimated selling values at the end of the asset's useful life.
3. Whether or not there is a second-hand market for the sale of the assets at the end of their useful lives.
4. Planned future capital expenditure and effects on budgets.

No adjustments, for residual values or useful lives, have been made in the 2025 financial year.

Furniture and fixtures

These assets have been in use for 10 years and are still considered to be in good condition and can last another 10 years. The useful life was revised to 20 years with NIL residual values assigned. This is consistent with the prior year.

IT equipment

These assets have been in use for five years previously, due to technological obsolescence and ongoing use, the useful lives have been revised to 10 years and minimal amounts have been allocated as residual values for items such as laptops, expected to be realised at the end of their useful lives. This is consistent with the prior year.

Computer software

Computer software is subject to technological obsolescence and is renewed on an annual basis, the maximum period considered to be the useful life is two years with no estimates being made for residual values as there is no market for second-hand software. This is consistent with the prior year.

Trade receivables

The Minerals Council assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Minerals Council makes judgments as to whether there is observable data indication a measurable decrease in the estimated future cash flows from a financial asset.

1.13 Related parties

A related party is related to an entity if any of the following situations apply to it:

- Individual control: The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the entity.
- Key management: The party is a member of an entity's or its parent's key management personnel.

The party is an entity that is controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly or any individual referred to in key management above.

1.14 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.15 Retirement benefits

The policy of the Minerals Council, subject to the rules of the Momentum Funds At Work Umbrella Fund, is to provide retirement benefits for its employees. Payments to the defined contribution fund are expensed as they fall due.

1.16 LTIP

The investment is recognised when the entity purchases the shares to be used for settling employee share-based awards. A liability is recognised when the awards are granted by REMCO, measured at the best estimate of the amount expected to be paid. The related share-based payment expense is recognised in profit or loss at the same time the liability is recognised. Movements in the value of the shares held that relate to the awards are adjusted against the corresponding liability.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

2. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	1,212,294	(482,429)	729,865	730,600	(409,858)	320,742
Computer equipment	2,068,249	(1,284,251)	783,998	1,725,473	(991,306)	734,167
Total	3,280,543	(1,766,680)	1,513,863	2,456,073	(1,401,164)	1,054,909

Reconciliation of property, plant and equipment – 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	320,742	528,218	(14,443)	(104,652)	729,865
Computer equipment	734,167	356,496	(11,205)	(295,460)	783,998
	1,054,909	884,714	(25,648)	(400,112)	1,513,863

Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	362,789	47,774	(18,460)	(71,361)	320,742
Computer equipment	776,422	258,048	-	(300,303)	734,167
	1,139,211	305,822	(18,460)	(371,664)	1,054,909

3. Other financial assets/(liabilities)

Employees participate in a LTIP. The REMCO at its sole discretion decides who will be included in the scheme for each year's awards. The intention is to include senior executives, head and deputy heads of departments, and other key specialists and talent as recommended by the CEO. Participation in the scheme is not guaranteed.

The LTIP consists of shares in two portfolios: Satrix 40 and Satrix RESI shares.

Satrix 40 shares

The Satrix 40 shares are part of a previous LTIP. The awards under this scheme have vested. Shares are liquidated and paid on the request of the employee. The investment shall be disposed of upon demand from employees; hence the classification of both the investment and liability as current.

Satrix RESI shares

The Minerals Council introduced a new LTIP in 2017. The awards vest over a three-year period starting at the end of the year following the period of review.

A cash value is awarded to participants which is used to purchase Satrix RESI units. On vesting of the awards, the sale of units provides cash for the payment to the participants. The vesting is a forced vesting and the value of any particular year is subject to the performance of that year.

The investment is recognised when shares are purchased and the liability at the time awards are granted. The liability is expected to vest as follows: current liability R12,264,059. Non-current liability R19,432,420. The awards are reversed when a participant resigns or does not qualify for the LTIP for the particular year.

Money Market

The Money Market investment consist of access amounts held on the above investments.

2025

Description	Investment	Non-current assets	Non-current liabilities	Current assets	Current liabilities
Other financial assets	Satrix RESI	19,432,420	-	-	-
Other financial liability	Satrix RESI	-	(19,432,420)	-	-
Other financial assets	Satrix RESI	-	-	12,264,059	-
Other financial liability	Satrix RESI	-	-	-	(12,264,059)
		19,432,420	(19,432,420)	12,264,059	(12,264,059)

2024

Description	Investment	Non-current assets	Non-current liabilities	Current assets	Current liabilities
Short-term financial assets	Satrix 40	-	-	1,251,301	-
Other liabilities	Satrix 40	-	-	-	(1,251,301)
Other financial assets	Satrix RESI	10,952,159	-	-	-
Other financial liability	Satrix RESI	-	(10,952,159)	-	-
Short-term financial assets	Money Market	-	-	3,946,854	-
Other financial liability	Money Market	-	-	-	(3,946,854)
		10,952,159	(10,952,159)	5,198,155	(5,198,155)

Movements in ringfenced LTIP assets and liabilities

During the year, the Minerals Council recognised several movements relating to the assets ringfenced for LTIP obligations. These movements included disinvestments of R4,948,394 to settle awards vesting as a result of the 2024 performance ratings, and further disinvestments of R2,329,567 relating to awards forfeited due to resignations. Additions of R6,719,846 were made in respect of the 2024 LTIP awards. In addition to these transactions, a fair value gain of R16,104,461 was recognised on the LTIP investment portfolios. These represent some of the key movements for the year, and corresponding adjustments were recognised in the LTIP liability as it mirrors the value of the ringfenced assets.

4. Investments and term deposits

	2025 R	2024 R
Investments		
Rand Mutual Assurance Company Ltd		
Four shares @ R20 each (2018: four shares @ R20 each)	80	80
Term deposits:		
Advocacy for occupational health	-	944,242
Mine water management	1,295,956	3,732,729
Industry repositioning	-	1,397,718
Fire Prevention Peer Review	-	1,011,002
Sustainable trade-offs between mining and agriculture	-	(69,500)
Minerals Council certificates	5,372,841	4,228,883
Strategic partnership for People-Centred Modernisation	25,772	337,883
Junior and Emerging Miners Desk	6,674	996,955
CEO-led Khumbul'ekhaya	1,672,832	1,750,832
Industry alignment for TMM collision management	90,970	4,683,847
Women in Mining	-	1,238,077
Promoting modernisation through communication	-	922,897
Strategic communication	603,685	905,181
Legal expenses	-	2,479,067
Minerals Council regional presence	2,019,965	2,324,573
Mining Industry Performance Report on Sustainable Mining Practices	995,140	1,176,385
Bulk use of combustible materials in underground	-	1,234,346
Mining Matters campaign	1,374,721	184,605
Minerals Policy Review	547	-
Impact of Junior Mining and Exploration Sectors	977,402	-
Transformation	284,731	(233)
Mining Innovation Co-Investment Model	17,354,077	17,425,926
Total term deposits	32,075,313	46,905,415
Total investments and term deposits	32,075,393	46,905,495

Term deposits represent funds received in advance from members to finance the execution of special projects. The funds are invested in risk free call deposit accounts with ABSA and Nedbank.

Due to the uncertainty regarding the timing of the utilisation of the above term deposits, all deposits have been disclosed as non-current.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

5. Trade and other receivables

	2025 R	2024 R
Trade receivables – members	25,597,428	27,680,639
Trade receivables – non members	459,868	-
Deposits	819,964	5,304,678
VAT	7,189,999	7,684,707
Other receivables	5,843,817	4,058,924
Allowance for doubtful debts	(178,301)	(479,282)
	39,732,775	44,249,666

The average credit period is 30 days. No interest is charged on trade receivables. The Minerals Council has recognised an allowance for doubtful debts of 100% against all receivables over 120 days that are considered to be irrecoverable. Allowance for doubtful debts is recognised against trade receivables between 90 and 120 days based on estimated irrecoverable amounts determined by an analysis of the counterparty's current financial position.

A total of 5.00% (2024: 5.09%) of trade receivables over 90 days have been provided for as doubtful debts in the current period. The reason being that 99% of trade receivables consist of members contributions invoices that have been approved by Minerals Council members upon acceptance of the yearly budget. These trade receivables have therefore been committed and pre-approved by Minerals Council members for payment and are capable of paying. Trade receivables disclosed above include amounts (see below for age analysis) that are past due at the end of the reporting period for which the Minerals Council has not recognised an allowance for doubtful debts as there has not been a significant change in credit quality and the amounts are still considered recoverable.

	2025 R	2024 R
Age of receivables that are past due but not impaired		
90–120 days	3,620,130	9,416,202

6. Cash and cash equivalents

	2025 R	2024 R
Cash and cash equivalents consist of:		
Cash at bank	26,662,324	18,649,546
Cash on call	207,228,776	220,799,229
Amounts classified under investments and term deposits	(32,075,313)	(46,905,415)
	201,815,787	192,543,360

Cash and cash equivalents comprise cash and short-term deposits. The carrying amount of these assets approximates fair value. Credit risk is limited as the counter parties are financial institutions with high credit ratings.

7. Project funds

	2025 R	2024 R
Balance at beginning of period	50,686,432	46,114,386
Project income	55,233,352	58,834,120
Additional project income	9,007,885	6,761,040
Project expenditure	(73,518,806)	(61,023,114)
Projects closed	(5,552,531)	-
Closing balance	35,856,332	50,686,432

Refer to Appendix A on page 28 for a detailed breakdown.

8. Trade and other payables

	2025 R	2024 R
Trade payables – members	12,850,903	13,896,405
Trade payables – non members	4,796,439	9,562,743
Accruals	1,386,786	3,596,832
Special projects – members	169,838,151	160,548,265
Bonuses	23,432,114	17,456,243
Accrued leave pay	12,525,227	14,556,044
	224,829,620	219,616,532

The Minerals Council has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

9. Revenue

	2025 R	2024 R
Contribution from members	174,829,577	165,646,368

10. Other income

	2025 R	2024 R
Discount received	-	89,793
MQA grants, administrative income and director's fees	944,960	955,694
Chamber of Mines Building Co Ltd loan written off (Refer to note 9)	-	6,365,870
Write off members credit balances	2,500,000	170,522
	3,444,960	7,581,879

11. Administrative and operating expenditure

	2025 R	2024 R
Auditors' remuneration – external	789,511	761,392
Auditors' remuneration – internal	324,000	84,200
Employee related expenses	158,368,580	147,505,976
Operating costs	34,670,550	42,066,237
	194,152,641	190,417,805

12. Cash generated from (used in) operations

	2025 R	2024 R
Total comprehensive (deficit)/surplus for the year	(14,830,100)	4,572,046
Adjustments for:		
Depreciation and amortisation	400,112	371,664
Loss on sale of assets	19,898	15,459
Interest received – investment	(16,278,216)	(17,561,800)
Finance costs	-	578
Fair value gain Satrix RESI	(15,546,165)	-
Other investments – long service coins	1,404	5,547
Changes in working capital:		
Trade and other receivables	4,516,891	7,681,841
Trade and other payables	5,213,088	(17,218,736)
Loans from related parties	-	(6,365,870)
Movement in other financial liability	15,546,165	2,328,490
	(20,956,923)	(26,170,781)



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

13. Financial instruments

The Minerals Council's financial instruments consist of cash deposits with banks, trade and other receivables, trade and other payables, loans from related parties, Industrial Development Corporation (IDC) debt, incentive plan investments and investment in Rand Mutual.

The Minerals Council is exposed to several financial risks through its normal operations. These risks arise from the use of financial instruments and are managed in accordance with the Minerals Council's approved financial risk management policies. The primary financial risks include credit risk, liquidity risk, interest rate risk and market risk. The objective of the risk management function is to ensure that the Minerals Council remains financially sustainable and able to meet its obligations as they fall due.

The carrying amounts of financial assets and financial liabilities at reporting date represent the Minerals Council's maximum exposure to financial risks.

Currency risk management

The Minerals Council has no exposure to foreign currency risk, as all transactions and financial instruments are denominated in South African rand.

Fair value of financial instruments

The carrying amounts of the Minerals Council's financial instruments approximate their fair values. This is due to the short-term maturities of receivables and payables, and the fact that investments are measured at fair value using quoted market prices. Satrix investments acquired to fund LTIP obligations are measured at fair value in accordance with *IFRS for SMEs* section 12, using quoted prices for Satrix RESI and Satrix 40 ETF units at the reporting date.

The LTIP liability, being a cash settled, share-based payment, is measured at fair value at each reporting date in terms of *IFRS for SMEs* section 26. Changes in the fair value of the LTIP liability correspond closely with changes in the fair value of the ringfenced Satrix investments held to fund the obligation, resulting in minimal net impact on profit or loss. Although the LTIP related assets and liabilities are economically aligned, they are not offset in the financial statements as *IFRS for SMEs* does not permit offsetting.

No financial instruments are measured using Level 2 or Level 3 valuation techniques, as all fair value measurements are based on quoted market prices (Level 1).

Categories of financial instruments

The financial assets of the Minerals Council consist of investments, trade and other receivables, and cash and cash equivalents. These are considered loans and receivables for both 2025 and 2024 financial years and are carried at amortised cost and fair value. The financial liabilities consist of trade and other payables (excluding accruals) and loans from related parties. These are considered financial liabilities at amortised cost for both 2025 and 2024 financial years.

Interest rate risk management

Interest rate risk arises from interest bearing deposits held in call accounts, savings accounts and money market investments. The Minerals Council's exposure results from call deposits, bank balances and term deposits. Interest earnings fluctuate in response to prevailing market interest rates. The Minerals Council monitors its exposure to interest rate movements on an ongoing basis and invests only with reputable, highly rated financial institutions to minimise this risk.

The Minerals Council is not materially exposed to interest rate movements because its interest-bearing assets comprise short-term deposits and money market holdings that reprice on a frequent basis, while the LTIP funding assets consist of equity index ETFs that are not interest rate sensitive. Due to the nature of these instruments, reasonably possible changes in market interest rates would not result in a material change in the surplus, and therefore no quantitative sensitivity analysis has been presented.

Market risk

The Minerals Council is exposed to equity price risk arising from the Satrix 40 and Satrix RESI units held under the LTIP. These investments fluctuate according to changes in the JSE Top 40 and JSE Resources indices. The Minerals Council does not actively trade these units; purchases are made solely to meet LTIP obligations. The liability to employees mirrors the value of the related investments, thus reducing net exposure to market volatility.

Credit risk management

Credit risk is the risk that a counterparty will fail to meet its contractual obligations, resulting in financial loss to the Minerals Council. The Minerals Council is exposed to credit risk primarily through trade and other receivables, cash and cash equivalents, and short-term financial assets.

Trade and other receivables

Approximately 99% of receivables relate to member contributions, which are contractually committed through the approval of annual budgets. This results in a low inherent credit risk. The Minerals Council applies a provision matrix in accordance with *IFRS for SMEs* section 11.21, assessing receivables older than 90 days for impairment and fully providing for those outstanding for more than 120 days. Management evaluates the financial position of members and non-members at each reporting date and adjusts allowance levels accordingly.

	2025 R	2024 R
Movement in allowance for doubtful debts		
Balance at the beginning of the year	(479,282)	(139,984)
Provision (raised)/decreased for the period	115,204	(478,348)
Provision utilised for the period	185,776	139,050
Balance at the end of the year	(178,302)	(479,282)

In determining the recoverability of a trade receivable, the Minerals Council considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Included in the provision for doubtful debt are amounts not considered recoverable relating to debtors who face financial difficulty, amounts long overdue, as well as amounts in dispute pending a recalculation of fees. The provision recognised represents the difference between the carrying amount of these trade receivables and the present value of expected future payments. The Minerals Council does not hold any collateral over these balances.

Liquidity risk

Liquidity risk is the risk that the Minerals Council will encounter difficulty in meeting its financial obligations as they fall due. The Minerals Council manages liquidity risk by maintaining adequate cash reserves, ringfencing project related funds, investing surplus resources in liquid instruments, and performing regular cashflow forecasting.

Cash and cash equivalents

Cash resources are held with major South African banking institutions (ABSA, Nedbank and FNB), all of which have strong credit ratings. Deposits are diversified across multiple institutions to mitigate concentration risk.

Short-term financial assets

Short-term investments comprise Satrix 40, Satrix RESI and Money Market holdings. These instruments expose the Minerals Council to the credit risk of the underlying issuers and investment managers; however, the investments are held with reputable, regulated financial institutions and are considered to have a low risk of default.

The carrying amount of financial assets represents the maximum exposure to credit risk.

No collateral is held over these balances. Other financial assets are ringfenced to settle LTIP obligations.

	2025 R	2024 R
Financial asset category		
Trade and other receivables	39,732,775	44,249,666
Cash and cash equivalents	201,815,787	192,543,360
Other financial assets	12,264,059	5,198,155
Non-current financial assets	19,432,420	10,952,159
	273,245,041	252,943,340

14. Events after the reporting period

The Board is not aware of any material event that occurred after the reporting date and up to the date of this report.

15. Commitments and contingencies

There is no contingent liability at year end.

Operating lease commitments

The Minerals Council has entered into a commercial property lease.

Future minimum rentals payable under the non-cancellable lease at 31 December 2025:

	2025 R	2024 R
Operating lease		
1 year	6,835,278	6,448,375
2-5 years	35,045,992	10,457,975
	41,881,270	16,906,350

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

16. Operating deficit

Operating deficit for the year is stated after accounting for the following:

	2025 R	2024 R
Operating lease charges		
Premises		
- Contractual amounts	6,448,375	6,101,130
Property, plant and equipment – loss on disposal	19,898	15,459
Depreciation on property, plant and equipment	400,112	371,664
Employee costs	158,368,580	147,505,976

17. Investment revenue

	2025 R	2024 R
Interest revenue		
Banks	16,278,216	17,561,800

18. Finance costs

	2025 R	2024 R
IDC loan	-	578

19. Related parties

Relationships

Chamber of Mines Building Company Ltd	The Chamber of Mines Building Company Ltd Board is constituted entirely by the Minerals Council South Africa. The shareholders of the Chamber of Mines Building Company Ltd are the Minerals Council's gold members. The Chamber of Mines Building Company Ltd is a separate legal entity and is independently audited.
Executive Management	Board of Directors

20. Executive's remuneration

Executive

	Emoluments	Bonus	Pension paid	Total
2025				
Mr M Mthenjane	6,945,201	5,676,367	562,540	13,184,108
	Emoluments	Pension paid	Total	
2024				
Mr M Mthenjane	6,664,038	500,287	7,164,325	

21. Going concern

The Board believes that the Minerals Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Board has satisfied itself that the Minerals Council is in a sound financial position. The Board is not aware of any new material changes that may adversely impact the Minerals Council. The Board is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation that may affect the Minerals Council.

DETAILED INCOME STATEMENT

	Notes	2025 R	2024 R
Revenue			
Contribution from members		174,829,577	165,646,368
Other income			
Discount received		-	89,793
Sundry revenue		3,444,960	7,492,086
Interest received	17	16,278,216	17,561,800
		19,723,176	25,143,679
Expenses (Refer to operating expenses below)		(194,552,753)	(190,789,469)
Operating profit	16	-	578
Finance costs	18	-	(578)
Operating expenses			
Auditors' remuneration		(1,113,511)	(845,592)
Bad debts		115,205	(478,348)
Bank charges		(98,646)	(84,875)
Cleaning		(138,803)	(118,067)
Consulting and professional fees		(6,832,959)	(9,590,656)
Depreciation, amortisation and impairments		(400,112)	(371,664)
Employee costs		(158,368,580)	(147,505,976)
Entertainment		(149,696)	(39,640)
Conferences and seminars		(1,547,076)	(2,519,026)
Committee expenses		(1,072,498)	(330,952)
Project expenses		(1,400)	(44,812)
Sundry expenses		(40,414)	(38,141)
Sponsorships		(808,438)	(279,304)
Insurance		(218,135)	(310,982)
Office rent		(6,448,375)	(6,101,130)
Magazines, books and periodicals		(304,866)	(369,627)
Municipal expenses		-	480,490
Catering and functions		(180,406)	(195,412)
Placement fees		(416,680)	(2,528,425)
Postage		-	(5,729)
Printing and stationery		(532,765)	(370,459)
Profit and loss on sale of assets and liabilities		(19,898)	(15,459)
Repairs and maintenance		(540,625)	(799,935)
Software expenses		(5,549,344)	(6,990,819)
Subscriptions		(4,514,819)	(4,460,836)
Telephone		(240)	-
Training		(1,275,903)	(1,372,825)
Travel - local		(1,967,257)	(1,904,627)
Travel - overseas		(2,126,512)	(3,596,641)
		(194,552,753)	(190,789,469)

APPENDIX A – PROJECT FUNDS (REFER TO NOTE 7)

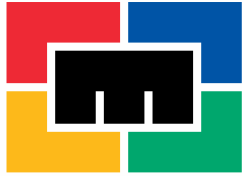
Project funds	2025 R	2024 R
Advocacy for occupational health	-	944,242
Balance at 31 December 2024	944,242	
Received	4,620,000	
Expenditure	(5,580,386)	
Closed	16,144	
Balance as at 31 December 2025	-	
Minerals Council certificates	5,372,843	4,228,883
Balance at 31 December 2024	4,228,883	
Additional income*	3,949,035	
Expenditure	(2,805,075)	
Balance as at 31 December 2025	5,372,843	
Mine Water Management	1,295,956	3,732,729
Balance at 31 December 2024	3,732,729	
Received	-	
Expenditure	(2,436,773)	
Balance as at 31 December 2025	1,295,956	
Fire Prevention Peer Review	-	1,011,002
Balance at 31 December 2024	1,011,002	
Received	-	
Closed	(1,011,002)	
Balance as at 31 December 2025	-	
Mining Industry Performance Report	995,140	1,176,385
Balance at 31 December 2024	1,176,385	
Received	-	
Expenditure	(181,245)	
Balance as at 31 December 2025	995,140	
Mining Matters campaign	1,374,721	184,605
Balance as at 31 December 2024	184,605	
Received	3,040,000	
Expenditure	(1,849,884)	
Balance as at 31 December 2025	1,374,721	
Junior and Emerging Miners Desk	6,674	996,955
Balance at 31 December 2024	996,955	
Expenditure	(990,281)	
Balance as at 31 December 2025	6,674	
CEO-led Khumbul'ekhaya	1,672,832	1,750,832
Balance as at 31 December 2024	1,750,832	
Received	-	
Expenditure	(78,000)	
Balance as at 31 December 2025	1,672,832	
Industry alignment for TMM collision management	90,970	4,683,847
Balance as at 31 December 2024	4,683,847	
Received	-	
Expenditure	(4,592,877)	
Balance as at 31 December 2025	90,970	
Women in Mining	-	1,238,077
Balance as at 31 December 2024	1,238,077	
Received	3,420,000	
Expenditure	(4,665,862)	
Closed	7,785	
Balance as at 31 December 2025	-	

Project funds (continued)	2025 R	2024 R
Promoting modernisation through communication	-	922,897
Balance as at 31 December 2024	922,897	
Received	-	
Closed	(922,897)	
Balance as at 31 December 2025	-	
Strategic communication	603,685	905,181
Balance as at 31 December 2024	905,181	
Received	-	
Expenditure	(301,496)	
Balance as at 31 December 2025	603,685	
Strategic partnership for People-Centred Modernisation	25,772	337,883
Balance as at 31 December 2024	337,883	
Received	5,000,000	
Expenditure	(5,312,111)	
Balance as at 31 December 2025	25,772	
Legal expenses	-	2,479,067
Balance as at 31 December 2024	2,479,067	
Expenditure	(17,022,918)	
Received	9,485,000	
Additional income	5,058,851	
Balance as at 31 December 2025	-	
Minerals Council regional presence	2,019,965	2,324,573
Balance as at 31 December 2024	2,324,573	
Received	3,050,000	
Expenditure	(3,354,608)	
Balance as at 31 December 2025	2,019,965	
Bulk use of combustible materials in underground mines	-	1,234,346
Balance as at 31 December 2024	1,234,346	
Received	-	
Closed	(1,234,346)	
Balance as at 31 December 2025	-	
Industry repositioning	-	1,397,718
Balance at 31 December 2024	1,397,718	
Received	-	
Closed	(1,397,718)	
Balance as at 31 December 2025	-	
Annual Mining Survey	-	
Balance at 31 December 2024	-	
Received	1,080,000	
Closed	(1,080,000)	
Balance as at 31 December 2025	-	
Minerals Policy Review	547	-
Balance at 31 December 2024	-	
Received	800,000	
Expenses	(799,453)	
Balance as at 31 December 2025	547	
Impact of the Junior Mining and Exploration sectors in SA	977,402	-
Balance at 31 December 2024	-	
Received	1,440,000	
Expenses	(462,598)	
Balance as at 31 December 2025	977,402	

APPENDIX A – PROJECT FUNDS *CONTINUED*

Project funds (continued)	2025 R	2024 R
Transformation	284,731	(233)
Balance as at 31 December 2024	(233)	
Received	1,100,000	
Expenditure	(815,036)	
Balance as at 31 December 2025	284,731	
Mining Innovation Co-Investment Model	17,354,077	17,425,926
Balance as at 31 December 2024	17,425,926	
Received	22,198,352	
Expenditure	(22,270,201)	
Additional project income*	-	
Balance as at 31 December 2025	17,354,077	
Trade-offs between mining and agriculture	-	(69,500)
Balance as at 31 December 2024	(69,500)	
Received	-	
Closed	69,500	
Balance as at 31 December 2025	-	
Project funding recovery	3,781,017	3,781,017
Balance as at 31 December 2024	3,781,017	
Severance bonus paid	-	
Balance as at 31 December 2025	3,781,017	
	35,856,332	50,686,432
Summary		
Balance at beginning of period	50,686,432	46,114,386
Project income	55,233,352	58,834,120
Additional project income*	9,007,887	6,761,040
Project expenditure	(73,518,805)	(61,023,114)
Projects closed	(5,552,534)	-
Balance at end of period	35,856,332	50,686,432

* Additional income related to income from other sources, over and above the approved budget for the period recovered from members.



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