

THUNGELA RESOURCES LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2021/303811/06)
JSE Share code: TGA
LSE Share code: TGA
ISIN: ZAE000296554
Tax number: 9111917259
(‘Thungela’ or the ‘Company’ and, together with its affiliates, the ‘Group’)

SALE OF GOEDEHOOP NORTH

1. Introduction and Rationale for the Transaction

Thungela is pleased to announce that, subject to regulatory approvals, we have entered into a sale of assets agreement (“the Agreement”) with GHN Resources Proprietary Limited (“GHN”), a private company with limited liability incorporated in South Africa, and Bisichi PLC (“Bisichi”), which holds a controlling shareholding in GHN, (collectively “the Purchasers”), in terms of which inter alia Thungela, through its wholly owned subsidiary, Thungela Operations Proprietary Limited (“the Seller”), will sell Goedehoop North Mining Area Assets and Liabilities (the “Transaction”, as further defined below). Bisichi is acting as guarantor and co-principal debtor for GHN’s consideration payments, which are due on or after completion.

The Group’s South African portfolio is currently in a period of transition, with the closure of select operations as economical reserves are mined out. These operations, however, continue to have infrastructure that have value-in-use and provide an opportunity for neighbouring operations with long-life resources to continue to utilise the economic benefit of the infrastructure for a longer period. This transaction provides an opportunity for the Group to optimise the South African portfolio and continue to strengthen the balance sheet, as the sale will also include the transfer of the rehabilitation liability associated with the Goedehoop North Mining Area.

2. The Transaction

2.1 The Seller has entered into the Agreement with the Purchasers to acquire the Goedehoop North Mining Area Assets and Liabilities which includes the following:

- Rapid Load-out Coal Terminal
- Coal Beneficiation Plant
- Surface Rights
- Mine Residue Dump
- Mining Rights
- Rehabilitation liabilities

2.2 The purchase price consideration payable by the Purchasers to the Seller of the sale of the assets is up to ZAR700 million, excluding value added tax (“VAT”), that includes a cash portion of ZAR50 million (“Cash Portion”), excluding VAT (the “Consideration”). The Cash Portion of the Consideration will be paid as follows:

- 2.2.1 a non-refundable cash deposit of ZAR15 million, plus VAT, is to be paid to the Seller within 15 business days of the date of the Agreement;
- 2.2.2 ZAR15 million, plus VAT, which is payable upon registration of the transfer of the last of the Immovable Property as set out in the Agreement in the Purchasers’ names;
- 2.2.3 ZAR20 million, plus VAT, which is payable after the Seller receiving a copy of the granted Section 11 Consent;
- 2.2.4 the balance of the Consideration (“Deferred Amount”), up to ZAR650 million, excluding VAT, is payable to the Seller in cash in quarterly instalments. The Deferred Amount is contingent on the access and utilisation of the Rapid Load-out Terminal, the Coal Beneficiation Plant and coal resources extracted from the Mining Rights should the licenses be successfully amended. If the Deferred Amount paid to the Seller is less than ZAR60 million, plus VAT, within three years of completion of the Transaction, the Purchasers are required to pay the shortfall.

2.3 As part of the acquisition of the Mining Rights, the Purchasers will assume all rehabilitation liabilities of the Mining Area, including the replacement of rehabilitation financial guarantees to the Department of Mineral and Petroleum Resources currently provided by the Seller for approximately ZAR41 million plus any shortfall. As part of the Transaction, an Environmental Trust will be established and transferred to the Purchasers for the specific rehabilitation and environmental obligations of the Mining Area.

2.4 The closing date for the Transaction will be the fifth business day after the date on which the last of the suspensive conditions as defined in the Agreement, are fulfilled or waived, or such later date as may be agreed in writing by the parties.

2.5 The proceeds from the Consideration will be deployed in line with the Group’s capital allocation framework.

3. Conditions precedent

3.1 Completion of the Transaction is subject to the satisfaction of the following conditions precedent:

- The Purchasers to provide the Seller confirmation of the replacement of the Rehabilitation Guarantee.
- Obtain consent of the Minister, in accordance with Section 11 of the Mineral and Petroleum Resources Development Act, to the cession of the Goedehoop North Mining Rights from the Seller to the Purchasers.
- Approval from the relevant South African Competition Authorities

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3.2 If the conditions precedent are not satisfied, waived or extended by the first anniversary of the execution of the Agreement, the Agreement will terminate. The payment of the Purchase Price, other than the cash deposit, is conditional on completion and, in the case of the Deferred Amount, is subject to the commencement of rail operations, the processing of third-party material, and mining activities.

3.3 The Agreement contains the customary warranties in favour of the Purchasers and is governed by South African law.

4. Information on Goedehoop North

The Goedehoop Colliery is an underground thermal coal mine that uses a fully mechanised bord and pillar mining method. The coal mined is beneficiated through a coal handling processing plant and the product supplied to the export thermal coal market. A railway line traverses the property, connecting the dedicated rail load-out terminal with the Richards Bay Coal Terminal. Based on the current life-of-mine plan, mining operations at Goedehoop are expected to cease in 2025.

5. Financial information

5.1 Net value of assets disposed as at 30 June 2025

The net value of the assets of Goedehoop North was approximately ZAR89 million as at 30 June 2025, being the date of the latest published interim financial statements of the Group, which was prepared in accordance with International Financial Reporting Standards ("IFRS").

5.2 Net loss before tax as at 30 June 2025

The net loss before tax attributable to the net assets of Goedehoop North for the six months period ending 30 June 2025 was approximately ZAR111 million, based on the latest published interim financial statements of the Group, which was prepared in accordance with IFRS.

6. Categorisation of the Transaction

The Transaction is categorised as a Category 2 transaction in terms of section 9 of the JSE Listings Requirements.

Johannesburg
1 December 2025

Disclaimer

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019. Upon the publication of this announcement via the regulatory information service, this inside information is now considered to be in the public domain.

Investor Relations

Hugo Nunes or Shreshini Singh
Email: ir@thungela.com

Media

Hulisani Rasivhaga
Email: hulisani.rasivhaga@thungela.com

UK Financial adviser and corporate broker

Panmure Liberum Limited

JSE Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)

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