



PetraDiamonds



Building resilience

PETRA DIAMONDS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2024

ABOUT US

Petra Diamonds is a leading independent diamond mining group, supplying rare and precious diamonds to the jewellery industry, safely and to the highest ethical standards.

LISTED ON MAIN MARKET
LSE SINCE

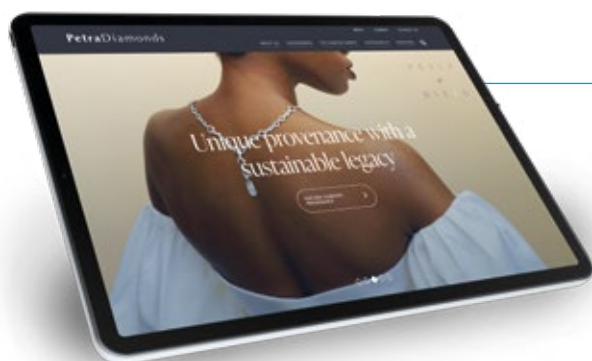
2011

OPERATING MINES IN
SOUTH AND EAST AFRICA

3

EMPLOYEES AND
CONTRACTORS

4,500+



For more information
please visit our website:
[www.petradiamonds.com/
about-us/](http://www.petradiamonds.com/about-us/)

Navigation (reading and web)



Online Sustainability Report



Annual Report page driver



Website driver

Notes to financial measures

1. For all non-GAAP measures, please refer to the Summary of Results table within the Financial Results section.
2. Metrics have been affected by the Koffiefontein Mine being on care and maintenance during part of FY 2024.
3. Scope 1, 2 and 3 GHG emissions: Scope 3 emissions are calculated according to four of the fifteen GHG Protocol Corporate Value Chain categories, including: purchased goods and services (limited), waste generated in operations, business travel and employee commuting.

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Front cover image:
The 39.3 carat blue diamond from the Cullinan Mine sold for US\$40.2 million in July 2021.

OUR PURPOSE

Creating abundance from rarity



We believe that Earth's rare and precious legacy can, through responsible mining, create abundant outcomes for our people, communities, investors, customers and all other stakeholders, giving expression to life's special moments.

Abundance for our people

in realising their full potential to deliver extraordinary outcomes



Read more on
page 46

Abundance for our communities

through partnering to provide enduring benefit for future generations



Read more on
pages 46-48

Abundance for our investors

in generating sustainable returns



Read more on
pages 6-7

Abundance for our customers

in celebrating love, friendship and life's achievements



Read more on
pages 28-30

We are one of the world's largest producers of rough diamonds by value

Our diversified portfolio incorporates interests in underground mines in South Africa and one open pit mine in Tanzania

Our mines

Our mines produce a range of diamonds, from very large, high-quality diamonds spanning Type II white and blue, to yellow, champagne, pink and smaller size fractions.

GROSS GROUP RESOURCES (MCTS)

213.73¹

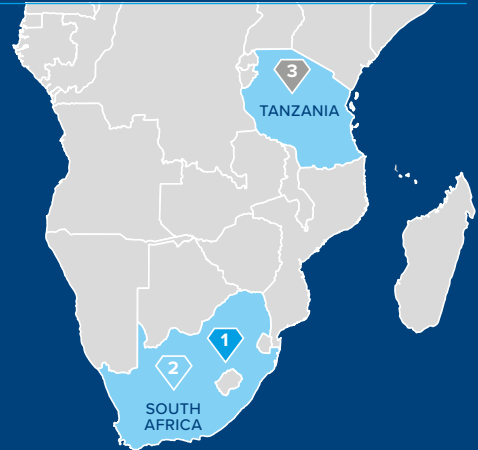
FY23: 217.94

1. As at 30 June 2024, excluding Koffiefontein.

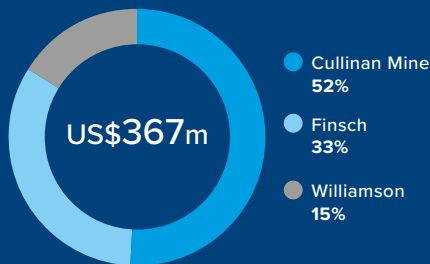
GROSS GROUP RESERVES (MCTS)

27.78

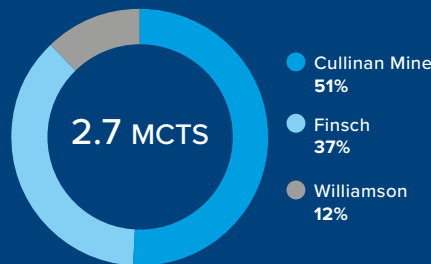
FY23: 28.35



REVENUE BY MINE (%)



TOTAL ROUGH DIAMOND PRODUCTION BY MINE (%)



FY 2024 Resource Statement
pages 40-41

Sustainability
pages 46-55

Market review
pages 26-31

1

Cullinan Mine

Type IIa white and Type IIb blue diamonds.

REVENUE
(US\$M)

189

FY23: 182

TOTAL PRODUCTION
(MCTS)

1.40

FY23: 1.49

POTENTIAL MINE-LIFE:

2048

2

Finsch

A consistent producer of sought-after octahedral diamonds.

REVENUE
(US\$M)

120

FY23: 93

TOTAL PRODUCTION
(MCTS)

1.00

FY23: 1.04

POTENTIAL MINE-LIFE:

2038

3

Williamson

A reliable source of high-value pink diamonds.

REVENUE
(US\$M)

57

FY23: 49

TOTAL PRODUCTION
(MCTS)

0.32

FY23: 0.14

POTENTIAL MINE-LIFE:

2050

Delivering safely and efficiently

Delivering safely and efficiently

SAFETY
(LTIFR)

0.16

FY23: 0.24

ADJUSTED EBITDA
(US\$M)

66

FY23: 113

PRODUCTION
(MCTS)

2.73

FY23: 2.67

ADJUSTED EBITDA MARGIN¹
(%)

18

FY23: 35

REVENUE¹
(US\$M)

367

FY23: 325

BASIC LOSS PER SHARE FROM
CONTINUING OPERATIONS¹
(CENTS)

43

FY23: 38

Notes to financial measures

- For all non-GAAP measures refer to the Summary of Results table within the Financial Results section.
- Consolidated net debt includes cash and cash equivalent and all environmental rehabilitation funds held by the cell captive.
- Metrics have been affected by Koffiefontein and Williamson being on care and maintenance during part of FY 2023.
- Scope 1, 2 and 3 GHG emissions. Scope 3 emissions calculated according to four of the 15 GHG Protocol Corporate Value Chain categories, including: purchased goods and services (limited); waste generated in operations; business travel and employee commuting.
- Includes Koffiefontein.

Continued investing in operations with a focus on debt reduction

CAPITAL EXPENDITURE
(US\$M)

84

FY23: 117

CONSOLIDATED NET DEBT:
ADJUSTED EBITDA^{1,2}

3.0x

FY23: 1.6x

CONSOLIDATED NET DEBT^{1,2}
(US\$M)

201

FY23: 177

GROSS DEBT
(US\$M)

271

FY23: 248

Operating sustainably

CARBON EMISSIONS^{3,4,5}
(KTCO₂-E)

423

FY23: 431

WATER INTENSITY^{3,5}
(M³/T)

0.70

FY23: 0.61

WOMEN IN THE WORKFORCE⁵
(%)

22

FY23: 21

TRAINING SPEND ON
EMPLOYEES⁵
(US\$M)

4.0

FY23: 4.6

Petra's sustainability credentials

B-

Climate Change

B

Water Security

Rating from CDP 2024



#20

Among 118 precious
metals peersRated by
Sustainalytics
(May 2023)

C+

Rated by
ISS-Corporate 2024

Diamonds are a consumer product and Petra recognises its ethical and social responsibilities

Petra adheres to the strict standards of industry bodies that we are affiliated to



Delivering on our commitments

Petra is embedding sustainability into every part of its business operations. We believe that Earth's rare and precious legacy can, through responsible mining, create abundant outcomes for our people, communities, investors, customers, and all other stakeholders, giving expression to life's special moments.

This approach allows us to generate and maintain value for both the Company and our stakeholders. It also ensures a safe, healthy work environment while fostering a diverse and skilled workforce with access to growth and development opportunities. For communities near our operations, our sustainability focus helps drive lasting local economic development even beyond the lifespan of our mines.



Valuing our people

Safety

Health, hygiene and wellness

Diversity and inclusion

Training, development and upskilling



Read more on page 46



Respecting our planet

Climate change

Water management

Circular economy

Biodiversity



Read more on page 47



Driving shared value partnerships

Stakeholder relations

Community and social investment

Responsible sourcing



Read more on page 46



Delivering reliable production

Mining to plan

Processing to plan

Asset reliability

Capex and Opex efficiency



Read more on page 47

Continuous Business Improvement

Production efficiency

Business processes improvements

Digitalisation & innovation

← Ethical and responsible business practices, good governance and constructive, transparent stakeholder engagement →

Our Sustainability Framework aligns with our business strategy, guiding our decisions and holding us accountable to our stakeholders.

Since its introduction in FY 2022, we have been embedding the framework across the Group, influencing everything from organisational design to performance management. The framework is built on our Petra Culture Code, ethical conduct, strong governance, and open, transparent stakeholder engagement.

Our framework provides structure, ensuring sustainability is seamlessly integrated into our business strategy and fully embedded in our operations. We are dedicated to ethical business practices, sound governance, and constructive, transparent engagement with all stakeholders.

Creating value through responsible use of our capitals

Our capitals

People & skills
Petra Culture Code
 Value-led growth strategy
 Productive workforce
 Specialist skills

High-quality assets
Significant resources
 Multiple assets and diverse product range

Financial
Responsible capital allocation
 Access to diversified sources of capital

Relationships
Mutually beneficial partnerships
 Effective internal and external stakeholder engagement

Natural capital
Access to and responsible use of natural resources

Technology and equipment
 Extension of mine lives
 Optimisation
 Trialling traceability technologies



Outputs and outcomes

Investors

US\$30m of interest paid to lenders with US\$5m of 2026 2L Notes repurchased in FY 2024. No dividends were paid to shareholders.
 Through sustainable cost reductions and a smoothed capex profile, we expect to boost future cash generation.

Planet

2.7 Mcts of natural diamonds mined in FY 2024, producing 0.16 tCO₂e/ct and consuming 0.7M³/t of water.
 An increase in diamond production is guided for FY 2025 with slightly lower CO₂e emissions per carat and similar water consumption per tonne.

Customers

Quality and consistent product offering.
 Confirmed provenance and heritage.
 Our aim is to deploy technologies that will enable traceability and provenance for gem and near gem quality diamonds above 0.5 carats in FY 2025.

Employees

US\$119m paid in salaries and other benefits in FY 2024. This is expected to reduce in FY 2025 as a consequence of reducing headcount to rebase costs to match lower future production at Finsch. Wage agreements were reached covering our SA operations until 30 June 2029.

Host governments/communities

US\$48m paid in taxes and royalties. C. 45,000¹ dependents on our operation.
 This is expected to reduce in FY 2025 due to headcount reduction.

Suppliers

US\$223m discretionary procurement expenditure with 100% and 93% of total procurement spend with local suppliers in SA and Tanzania respectively.

1. Using the accepted x10 multiplier effect for South Africa and Tanzania.

A resilient business with a compelling value proposition

With an operating model focused on cash generation, Petra is well-positioned to benefit from market recovery

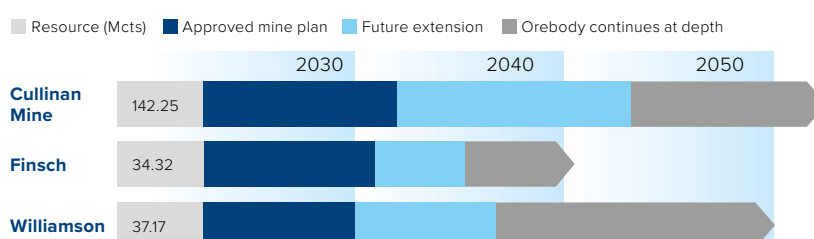
1 A diversified portfolio of long-life assets

Cullinan Mine is a world-class asset

Clients increasingly interested in provenance and Petra's goods are considered a brand

Our significant resource base supports extension opportunities well beyond current mine plans, with further potential to mine ore at depth.

Approved mine plans expected to be self-funded.



2 Disciplined capital allocation

Debt and interest payment optimisation is a priority

Repurchased US\$5m of 2026 2L Notes in FY 2024

We aim to maximise stakeholder value through a disciplined capital allocation approach that balances the profitability and growth of the Company with broader stakeholder returns.

PRIORITY 1	PRIORITY 2	PRIORITY 3	DISCRETIONARY ALLOCATION
Operational and social licence to operate Optimise stay in business capital Service debt obligations Objective: Ensure business sustainability	Execute approved mine extension projects Objective: Generate value through mine life-of-mine extensions	Further brownfield extension Growth projects Early debt redemption Dividends to shareholders Objective: Optimise debt, grow the business and return capital to investors	Special dividends Share buybacks Opportunistic growth opportunities Objective: Excess cash returned to shareholders or reinvested in the business

3 Proactive approach to managing price cycles

Smoothed capital profile of c. US\$100m p.a.

Reset cost base by US\$44m p.a.

Through the detailed replanning and re-engineering work undertaken in FY 2024, our aim is to be cash generative from FY 2025 through market and price cycles and to deleverage below 1.5x Net Debt:EBITDA.

Finsch production now rebased to a 2.2 Mtpa operation to improve maintenance, smooth capex, lower underground risk, rationalise equipment and extend infrastructure life (eg no tailings storage facility replacement needed)

Cullinan Mine will rebase to c. 3.7 Mtpa from FY 2027 to smooth capex, with approved mine plan to develop CC1E, C-Cut Ext 1 & 2 and a new ventilation shaft which will also enable future life extensions

4 Operating model focused on cash generation

US\$76m capex savings and deferrals in FY 2024

Projects self-funded until at least the early 2030s

De-risked production profile with a focus on delivering cash generation from FY 2025. Building resilience through a self-funded, smoothed capital profile able to withstand market cycles.

Stabilising operations to deliver reliable production

Maximise value from existing operations, including approved extension projects

Building resilience to withstand weaker-for-longer market conditions

Production growth to over 3.4 Mcts expected by FY 2028

5 Embedding sustainability

Safety is our Number 1 priority

2030 GHG reduction target

Wide reaching social programmes

Leveraging sustainability credentials with consumers

We continue to strive for a zero harm working environment and have embedded our KPIs into our business objectives. Developments of our Sustainability Framework and the implementation of the Petra Culture Code continue to support our business strategy, guide our actions, and hold ourselves accountable in our commitment to stakeholders.



Valuing our
PEOPLE



Driving shared value
PARTNERSHIPS



Respecting our
PLANET



Delivering reliable
PRODUCTION

6 Supportive natural diamond market

Mined supply has peaked

Lack of new discoveries of significance over the past two decades

Supply of natural diamonds has peaked and growth is muted over the next half decade.

Producers have curtailed production or sales in response to lower prices

Several key mines such as Venetia and Karowe are transitioning from open pit to underground mining

Renewed advertising efforts to promote natural diamonds to US, Chinese and Indian consumers

India could be the next big spenders in the diamond market

Traceability technologies set to empower customers to know origin of natural diamonds

A stronger Petra



We remain confident of the long-term demand for natural diamonds given their rarity, uniqueness and allure, and are well-positioned to weather the current market and benefit from a price recovery.

Varda Shine, Non-Executive Chair

I am delighted to deliver my inaugural update to shareholders as your Chair. It has not been an easy year for Petra, nor the industry, but I am proud of the way management and employees have faced the many challenges to deliver creative solutions and build a stronger and more resilient Petra for our stakeholders in the future. Unfortunately, this did involve job losses and I would like to begin by acknowledging and thanking those affected, as well as the remaining employees who have continued to demonstrate commitment and resolve, despite this Year's many uncertainties.

From the sale of Koffiefontein to the life-of-mine plan revisions and value engineering work that deferred Capex and smoothed future capital spending, Petra has demonstrated the talent that is at the heart of this Company and the agility which has enabled it to adapt to an unprecedented diamond price environment. This work ensures Petra is well-protected against the instabilities of the market and is able to function through both market and capital cycles.

Underpinning all of this is our Purpose, which is fundamental to our strategy and ability to deliver value. It has been even more important to nurture our culture through a challenging year to maintain the morale and momentum, and I am pleased the latest culture performance analysis survey conducted post-Year end, in July, remained in positive territory despite the fall in diamond prices and effects of the organisational restructuring.

The team has also worked hard to deliver on our stakeholder engagement objectives: delivering wage agreements, the successful rehabilitation of Williamson following the tailings storage facility breach and ensuring a responsible exit from Koffiefontein. It has always been a part of Petra's DNA, as a

South African business, to focus on community and environment and be a responsible miner; and this Year was a period of demonstrating our commitment through putting this into action. Sustainability is truly embedded in the Company and we continue to strive to achieve more. For example, this Year we are delighted to have secured long-term Power Purchase Agreements that will deliver renewable energy to our Cullinan and Finsch Mines from FY 2026. Not only will this benefit the environment, it reduces costs and improves the predictability of these costs for budgeting purposes. Reducing our carbon footprint also feeds into our traceability journey for end consumers as they increasingly look for more clarity on sustainability credentials before making their purchase.

Our operating environment

It has been a difficult year for the diamond industry. I am privileged to have had a 30-year career in the diamond industry and must admit these are unprecedented times. From the Russian G7 import ban to a prolonged slowdown in China, a new generation of consumers, lack of historic marketing 'power' for over a decade, and the emergence of lab-grown diamonds (LGDs) – I have not seen the industry face so many different developments. As would be expected, the industry and Petra have risen to these multiple challenges to adapt and become stronger. Producer discipline has emerged as Petra and its larger peers have cut production budgets, while the Indian import moratorium of last year has shown discipline from the mid-stream. Spending on marketing of natural diamonds is set to increase, with partnerships forming between major producers and jewellery chains and the Natural Diamond Council also collaborating with jewellery chains in China to boost demand.

Faced with several internal challenges, in addition to the external ones, Petra has reacted and addressed these in earnest. Williamson's operations were successfully ramped up, resulting in improved Group production, however, total diamond production for the Year fell slightly below the guidance largely as a result of volatility in production at Finsch caused by the maturity/depletion of the Upper Block 5 SLC and a combination of the lower ROM grade at Cullinan Mine together with lower than expected tailings tonnes treated at Cullinan Mine. Petra took the necessary steps to manage these operational challenges which is again testament to the expertise and talent at the heart of the Company.

At Petra, we have world-class assets and are a responsible source of some of the world's rarest and most precious gems. We remain confident of the long-term demand for natural diamonds and are in a position to weather the headwinds of the current market.

Towards the end of the Year, South Africa also held national elections with a coalition forming for the first time since the ANC came to power. Despite this, Petra remains confident regarding its and the mining industry's positive relations with the Government.

Board development and committees

Alongside my appointment as Chair, there were several other developments during the Year as we moved to a smaller and more efficient Board which reduced Board fees by at least c. 25% on an annualised basis. This saw the Board reduced to seven Directors from ten prior to the Company's last AGM. It also led to the merger of the Sustainability and Health & Safety Committees.

For further details of these Board changes, including the Directors that stepped down, please refer to my Introduction to Governance on pages 66 to 67 and to the Report of the Nomination Committee on pages 93 to 95.

Value creation

The steps taken this Year have been focused on building resilience and creating value for shareholders in the long term. We are managing capital in accordance with our capital allocation programme and continue our focus on reducing our debt levels, having prioritised open-market bond repurchases. As mentioned at the Investor Day, our target is to be cashflow generative from FY 2025.

Outlook

There continues to be volatility in the market, but I hope I have reassured shareholders of our resilience in this reflection on the Year. Since the Year-end, we have announced the postponement of Tender 1 of FY 2025 to seek to benefit from seasonally stronger conditions later in the year by combining it with Tender 2. This demonstrates our ability to be flexible to adapt to market conditions, while maintaining our operations and managing our working capital. We also repurchased a total of US\$ 12 million of our 2L Notes since May 2024. Petra is assessing options for the refinancing of its 2L Notes which mature in March 2026, and has started discussions with potential lenders. The Board will be focused on overseeing the refinancing efforts and has appointed a sub-committee to help in this regard.

We remain cautious in the short term but believe the long-term fundamentals remain positive, with increased marketing spending, new consumer markets, such as India, emerging and the LGDs market declining in value. More importantly, we have now adapted the business to a weaker price environment which means it is well-positioned to benefit from any strengthening of prices. Through the optimisation work undertaken as part of our life-of-mine replanning, we have a clear plan to deliver upon with a committed, high-quality team to drive its delivery.

Thank you to all our shareholders for their support as we navigate this period, for a stronger future.



Varda Shine
Non-Executive Chair
23 September 2024

An agile and proactive approach



We have demonstrated our agility and built resilience into the business along with the ability to generate sustainable net free cash flow through the market cycle. Our focus is now on delivery.

Richard Duffy, Chief Executive Officer

I am pleased to provide an update to our shareholders and stakeholders for FY 2024 as we continue to improve our business resilience. Despite ongoing challenges at the macro-economic level and a few operational challenges through the Year, we have continued to proactively resolve these issues. As a responsible business, we have carefully considered our actions to ensure long-term sustainability through future market and capital cycles to deliver value to our shareholders.

We are confident in the steps we have taken and remain optimistic about the future, having built a stronger foundation without compromising our commitment to continuous improvement. While we cannot control market cycles, we have ensured our ability to withstand market downturns with a clear focus on targeting the delivery of free cashflow through the cycle.

As we close the Year, I am proud of the progress we have made and the exceptional qualities of our business, including our world-class mines, highly skilled teams, embedded sustainability and renewed commitment to our value-led growth strategy.

Our focus is to create short, medium and long-term value through:

- Targeting consistent net cash-flow generation from FY 2025
- Right-sizing cost structures to enhance our resilience
- Replanning our business to support a smoother capital profile, incorporating value engineering through this process

Navigating the landscape

We have stabilised operations and further optimised the balance sheet through our disciplined capital allocation approach.

Williamson successfully completed its ramp-up, bringing the Group's total tonnes treated for the full year to 11.7 Mt compared to 9.04 Mt in FY 2023. Unplanned maintenance issues at Finsch led to total diamond production of 2.73 Mct for the Group which was slightly below our guidance. Cullinan Mine was broadly in line with FY 2023, although grades were lower due to natural variations in the orebody.

During the Year, we undertook a detailed review to respond to operational challenges, particularly at Finsch, which has now rebased to a more sustainable 2.2 Mtpa operation. We have had to adjust our cost base accordingly, which regrettably led to job redundancies both at Finsch and the Corporate Office. I would like to thank all our employees who have worked tirelessly through this challenging period and to those we've had to say goodbye to; I wish you all the best.

The deferred capital programme has been a key focus of FY 2024, following the announcement of a capital deferral programme in November 2023 in response to the weaker-for-longer diamond market. The Year has seen us focus on revising life-of-mine plans, leading to a smoothed capital profile with approved life-of-mine plans self-funded until at least the early 2030s, and optimising the long-term potential of our assets. We lowered anticipated cash expenditure in the Year by US\$75 million through deferring capital expansion programmes and reducing our cost base.

Creating value for our stakeholders and building a sustainable business

Our Purpose Creating abundance from rarity

Our Values

Let's do no harm

Let's make
a difference

Let's do it right

Let's take control

Let's do it better

Supported by our Culture Code



Read more on our Culture Code
page 46



See more on our website
www.petradiamonds.com/petra-diamonds-culture-code-creating-abundance-from-rarity-industrial-theatre-2023/

Our value-led growth strategy

Short-term strategic drivers

Current operations:

Maximise value from existing operations

Complete capital projects at Cullinan Mine and Finsch

Longer-term strategic drivers

Brownfield organic expansion projects:

Develop further projects to extend life of existing assets to beyond 2031/32

Inorganic and corporate opportunities:

Assess orebodies either in or near production

Pursue value-accretive corporate opportunities



See Strategy
on pages 20-25

Rewarding our stakeholders

Employees

Customers

Host governments/regulators

Shareholders/noteholders/lenders

Local communities

Suppliers



See Stakeholder Engagement
on pages 49-51

How we measure success

Financial

Operational

Safety

Environment

Social

Share performance



See our KPIs
on pages 38-39

Managing our risks

External

Strategic

Operational



Read more about our Risks
on pages 56-65

This resulted in a reduction in our cash costs for FY 2024 of US\$11 million, exceeding our initial target of between US\$7-10 million, and we expect a sustainable reduction in our operating costs of US\$44 million per annum (US\$30 million at our SA operations and US\$14 million at Williamson) from FY 2025 onwards.

We also made some progress with our debt, decreasing net debt by US\$11 million to US\$201 million as at 30 June 2024, compared to US\$212 million at our half-year in 31 December 2023 and repurchasing US\$12 million of our 2L Notes since May 2024.

We have responded to the challenging business environment through our agile approach and have ended the Year in a much stronger position as a result.

Safety, Culture and Values

We have maintained our unwavering focus on safety through our reassessment of the business. We were pleased to announce the anniversary of 7 fatality-free years, together with a reduction in our lost time injuries, following a focus on remedial actions and behaviour-based intervention programmes in response to an uptick in incidents last year. The safety, health and wellbeing of each employee, and of the communities surrounding our operations, remains our main priority.

We announced the launch of the Petra Culture Code in FY 2023, which continues to evolve as a framework that enables our Purpose of creating abundance from rarity and supports our operating model and future growth aspirations. You will see more of this from Thashmi Doorasamy, Group HR & Public Affairs, in Valuing our people on p46.

Our Purpose goes beyond being a responsible mining company, as we look to leverage Earth's rare and precious legacy to create abundant outcomes for our people, communities, investors, customers and all other stakeholders.

In December 2023, we announced our entry into an agreement to sell Koffiefontein which, once completed, will ensure ongoing economic activity in the region and reduce our future closure-related costs by US\$15-18 million.

With regard to Williamson, we are continuing discussions with Pink Diamonds regarding the sale transaction announced in FY 2023. Likewise, discussions with the Government of Tanzania regarding the completion of the Framework Agreement are also ongoing.

We were also very pleased to have reached five-year wage agreements with organised labour, led by the National Union of Mineworkers, at our South African mines to provide certainty around our labour costs and provide for a stable working environment to support the delivery of our revised life-of-mine plans.

And, of course, while people are important, so is our environment. We were delighted to announce the signing of long-term Power Purchase Agreements (PPAs) in May 2024 to procure wheeled renewable energy at our South African operations, which is expected to provide c. 36-72% of expected load requirements at Cullinan Mine and Finsch from FY 2026. At the same time as reducing our Scope 1 and 2 GHG emissions well ahead of our 2030 target, we expect these PPAs to provide predictable, sustainable cost savings.

We are currently trialling traceability technology, through the collaboration between De Beers' Tracr™ platform and Sarine Technologies Diamond Journey, that will enable our diamonds (gem-quality larger than 0.5 carats) to be mapped and then traced from mine to finger. While we have always produced diamonds to the highest ethical standards, with provenance assured through our tenders being laid out mine-by-mine and as members of the Kimberley Process, this technology will not just provide physical verification of the provenance of our diamonds, but also showcase the benefits and positive impacts that natural diamonds create on their journey. A physical or virtual certificate would share information about the diamond, its provenance and the community and social projects it supports, together with its sustainability credentials (eg its carbon footprint).

We are targeting implementation of this traceability technology by the end of this calendar year. This will enhance our offering through to retail customers, with opportunities to enhance demand and desirability as a result.

At Williamson, we continue to make progress on the implementation of the Independent Grievance Mechanism, to address the historical allegation of human rights abuses, as well as the implementation of the Restorative Justice Projects. For more information on these, see our Sustainability Report at pages 31 and 32.

Market

I've touched on traceability and provenance and the benefits we believe will accrue to Petra, but we can't deny the backdrop of a challenging diamond market throughout the Year. CY 2023 saw a significant decline in prices, following the post-COVID highs of CY 2022. China, the second largest market for diamonds, has not recovered as expected, post-COVID, and with global inflation and interest rates remaining high, this led to elevated inventory levels across the value chain. The significant increase in the supply of cheap LGDs has created further market pressure.

The diamond industry has taken a number of steps to mitigate these challenges. The two-month Indian diamond import moratorium, which ended in December 2023, helped reduce inventory levels in the mid-stream, while several marketing initiatives have been announced by major players across different jurisdictions from the US to China and India. Producers have also shown discipline in restricting supply to the market to assist with rebalancing inventory levels.

With LGD pricing continuing to significantly decline and margins also shrinking, LGDs are now firmly established as a different product category to natural diamonds. It appears that jewellery retailers are again favouring natural diamonds over LGDs to improve both revenues and margins.

Whilst acknowledging the difficult market in FY 2024, we remain cautiously optimistic that prices will stabilise through the end of CY 2024 with some modest improvement in CY 2025.

Outlook

At our Investor Day in June, we outlined our revised life-of-mine plans and provided 5-year guidance for all of our operations. We believe that this information demonstrates our resilience as a business and ability to generate sustainable net free cashflow through the market cycle. Our focus is now on delivery.

Our life-of-mine plans highlight the longevity of our operations and our ability to self-fund our now smoothed capital profile, to deliver circa 500,000 of carat production growth in the next three years. Leading with our Purpose, we will ensure delivery of our value-led growth strategy to the benefit of all of our stakeholders.

In the coming months, our balance sheet remains the priority, and we are assessing options for the refinancing of our 2L Notes that mature in March 2026, and have started discussions with potential lenders.

I've already thanked our team but would like to reiterate our appreciation to all our employees for their hard work in what has been a difficult year. I would like to thank our outgoing CFO, Jacques Breytenbach for his significant contribution to the business during his 18 years at Petra and welcome his replacement, Johan Snyman, who I look forward to working with as we embark on this next chapter of Petra's journey.



Richard Duffy
Chief Executive Officer
23 September 2024

A proactive approach to managing pricing weakness



The actions taken to reduce costs and Capex have improved our resilience and enhanced our ability to generate free cashflow and position Petra well to refinance its debt obligations.

Jacques Breytenbach, Chief Financial Officer

As we reflect on the Year, it is evident the diamond industry has faced unprecedented challenges, leading to a softer-for-longer diamond pricing environment and the two-month Indian diamond import moratorium which ended on 15 December 2023. In response to these market conditions, Petra took decisive actions to navigate this period of uncertainty. We increased our debt facilities by US\$40 million to ensure sufficient liquidity and reduced cash outflows by US\$75 million for the Year through cost savings and the deferral of certain capital projects. These actions have continued into FY 2025 and beyond through the implementation of rigorous cost-reduction measures and a smoothed capital profile and revisions to the life-of-mine plans (LOM) at our South African mines.

By taking these actions we have enhanced our financial resilience while minimising the impact on our business, thus enabling future growth and targeting cash generation through the cycle. Together with detailed five-year operating and production guidance, these actions were shared at an Investor Day held in London in June 2024, the details of which are available on our website. Since releasing our new LOM plans, Petra is assessing options for the refinancing of its 2L Notes which mature in March 2026 and has started discussions with potential lenders.

Since placing Koffiefontein on care and maintenance in FY 2023 and subsequently announcing its sale in FY 2024, these operations have been classified as 'discontinued operations'. Relevant numbers in this section consequently exclude Koffiefontein for FY 2024 and FY 2023 unless otherwise stated.

Revenue (KPI)

We manage the risk associated with diamond prices by maximising achieved prices through the timing and competitive nature of our tenders. Our flexible approach means we may withhold parcels until later tenders when demand might be stronger or propose a profit-sharing agreement to capture additional value from cutting and polishing selected stones.

Total revenue from rough diamond sales for FY 2024 was US\$366 million compared to US\$324 million in FY 2023 and US\$367 million (FY 2023: US\$325 million), including revenue from profit share agreements of US\$1 million (FY 2023: US\$1 million). Year-on-year volume variances were affected by the deferral of certain parcels from FY 2023, which were sold as part of Tender 1 of FY 2024, as well as the ramp-up at Williamson to full production following the tailings storage (TSF) failure in FY 2023.

No Exceptional Stones (≥US\$15 million) were recovered or sold during FY 2024 or FY 2023.

Mine-by-mine average prices are shown in the table below which highlights the decline in prices in FY 2024. Refer to the Market Review section on pages 26 to 31 for a discussion on the state of the diamond market.

Average US\$/carat	FY 2024	FY 2023
Cullinan Mine	116	139
Finsch	98	110
Williamson	191	280

Mining and processing costs

Mining and processing costs comprise on-mine cash costs and other operational expenses.

	On-mine cash costs ¹ US\$m	Diamond royalties US\$m	Diamond inventory and stockpile movement US\$m	Group technical, support and marketing costs ² US\$m	Adjusted mining and processing costs US\$m	Williamson tailings facility – remediation costs US\$m	Group restructure costs ³ US\$m	Depreciation and amortisation US\$m	Total mining and processing costs (IFRS) US\$m
FY 2024	236	5	37	18	296	—	3	94	393
FY 2023	210	4	(34)	22	202	11	—	84	297
% movement	+11%	+25		-18%	+47%			+11%	+32%

1. Includes all direct cash operating expenditure at operational level, ie labour, contractors, consumables, utilities and on-mine overheads.

2. Certain technical, support and marketing activities are conducted on a centralised basis.

3. Restructure costs include retrenchment payments made to employees as part of Finsch's change from continuous operations to a five-day shift structure and a reduction of corporate costs.

Total on-mine cash costs in FY 2024 increased 11% compared to FY 2023 due to the ramp-up at Williamson following the TSF failure, inflation estimated at 5% across operations, electricity price increases and one-off labour restructuring costs. These increases were partly offset by a reduction in corporate expenditure and a weaker ZAR/US\$ exchange rate.

Government royalties on rough diamond revenue marginally increased to US\$5 million (FY 2023: US\$4 million).

Adjusted profit from mining activities

Adjusted profit from mining activities decreased to US\$73 million (FY 2023: US\$123 million), impacted by the increase in adjusted mining and processing costs (primarily diamond inventory movements), which was partly offset by higher revenues. Cullinan Mine and Finsch contributed positively to adjusted profit from mining activities. Williamson posted a gross loss for FY 2024 due to the ramp-up to full production during the Year.

US\$ million	FY 2024				FY 2023			
	Cullinan Mine	Finsch	Williamson	Total	Cullinan Mine	Finsch	Williamson	Total
Revenue	190	120	57	367	183	93	49	325
Adjusted mining and processing costs ¹	(123)	(109)	(64)	(296)	(82)	(65)	(55)	(202)
Other direct mining income	1	1	—	2	—	—	—	—
Adjusted profit (loss) from mining activities	68	12	(7)	73	101	28	(6)	123
Adjusted profit margin	36%	10%	(12%)	20%	55%	30%	(12%)	38%
Adjusted Group G&A	Not allocated per mine			(7)	Not allocated per mine			(10)
Adjusted EBITDA				66				113

1. Adjusted mining and processing costs include certain technical and support activities which are conducted on a centralised basis. These include sales & marketing, human resources, finance & supply chain, technical and other functions. For the purposes of the above, these costs have been allocated 60% to Cullinan Mine and 40% to Finsch. For more information, refer to the operational cost reconciliation available on the analyst guidance pages on our website.

Adjusted EBITDA (KPI)

Adjusted EBITDA, being profit from mining activities less adjusted corporate overhead, reduced to US\$66 million (FY 2023: US\$113 million), representing an adjusted EBITDA margin of 18% (FY 2023: 35%), driven by the increase in adjusted mining and processing costs (primarily diamond inventory movements) and partly offset by higher revenues.

Impairment charge

Full details of impairment charges recorded at Cullinan Mine and Finsch are included in note 5 to the Consolidated Financial Statements.

Net financial expense

The net financial expense of US\$24 million (FY 2023: US\$59 million) comprises:

US\$ million	FY 2024	FY 2023
Gross interest on Notes, bank loans and overdrafts	33	28
Other debt finance costs, including facility fees and IFRS 16 charges	5	2
Unwinding of the present value adjustment for Group rehabilitation costs	6	6
Notes redemption premium and acceleration of unamortised bank facility and Notes costs	—	8
Net foreign exchange losses	—	27
Offset by:		
Interest received on bank deposits	(3)	(4)
Interest receivable on the BEE Partner loans and other receivables	(6)	(5)
Foreign exchange gains on settlement of forward exchange contracts	(5)	(2)
Net foreign exchange gains	(5)	—
Gain on extinguishment of 2026 Loan Notes	(1)	(1)
Net financial expense	24	59

Tax credit/charge

The income tax credit of US\$32 million (FY 2023: US\$23 million charge) is comprised of a deferred tax credit of US\$34 million (FY 2023: US\$22 deferred tax charge), primarily due to the deferred tax impact of impairments and a current tax charge of US\$2 million (FY 2023: US\$1 million).

Sale of Koffiefontein

On 8 April 2024, Petra announced the signing of a definitive transaction agreement for the sale of Koffiefontein, which is expected to result in Petra avoiding closure-related costs of US\$15-18 million, currently included in balance sheet provisions. Completion of the sale remains subject to obtaining the consent of the Department of Mineral and Petroleum Resources in accordance with Section 11 of South Africa's Mineral and Petroleum Resources Development Act.

The Koffiefontein operations are classified as discontinued operations in the annual Financial Statements.

Earnings per share

A basic loss per share of 43 cents (FY 2023: 38 cents loss) was recorded from continuing operations.

Adjusted loss per share from continuing operations (adjusted for restructure costs, impairment charges, transaction costs and accelerated unamortised costs, fees relating to investigation and settlement of human rights abuse claims, taxation credit on net unrealised foreign exchange losses and net unrealised foreign exchange gains and losses) of 21 cents was recorded (FY 2023: 3 cents).

Operational free cashflow (KPI)

Operational free cashflow of negative US\$17 million (FY 2023: negative US\$65 million) improved by US\$48 million during FY 2024, mainly reflecting a decrease of US\$34 million in profit before working capital changes, a US\$49 million cash inflow from working capital changes and a reduction of US\$33 million in total capital expenditure following the deferral of certain capital projects during H1 FY 2024 in response to the depressed diamond market.

Capital expenditure (KPI)

US\$ million	FY 2024					FY 2023				
	Cullinan Mine	Finsch	Williamson	Central	Total	Cullinan Mine	Finsch	Williamson	Central	Total
Extension	36	19	—	—	55	41	31	—	—	72
Stay in Business	12	6	10	1	29	12	12	19	2	45
Total	48	25	10	1	84	53	43	19	2	117

Total capital expenditure reduced to US\$84 million from US\$117 million in the prior year following the planned deferral of capital projects. Through rebasing future capital expenditure to c. US\$100 million per annum on a sustainable basis, the Group expects to be able to generate free cashflow should a weaker-for-longer diamond market scenario persist.

Total shareholder return (KPI)

No dividend was paid in FY 2024. Petra's share price declined by 40% from 67 pence per share as at 30 June 2023 to 40 pence per share as at 30 June 2024, principally due to a weak macro-economic environment and its impact on diamond pricing and sentiment towards equities as well as rough diamond production coming in just below the lower end of guidance.

Balance sheet snapshot

	Unit	As at 30 June 2024	As at 30 June 2023
Cash at bank	US\$m	21	58
Diamond debtors	US\$m	30	9
Diamond inventories	US\$m	32	66
	Cts	286,303	715,222
2026 2L Notes	US\$m	246	247
Bank loans and borrowings	US\$m	25	—
Consolidated net debt	US\$m	201	177
Bank facilities undrawn and available	US\$m	72	53
Consolidated net debt: Adjusted EBITDA (rolling 12 months)	times	3.0x	1.6x

Cash and diamond debtors

As at 30 June 2024, Petra had a net cash and cash equivalent of US\$21 million (FY 2023: US\$58 million). Included in this cash balance, is US\$28 million held as unrestricted cash (FY 2023: US\$44 million) offset by an US\$8 million overdraft (FY 2023: US\$nil) reported at Williamson, and US\$1 million (FY 2023: US\$14 million) held in security deposits and bonds to fund environmental rehabilitation obligations.

Diamond debtors as at 30 June 2024 were US\$30 million (FY 2023: US\$9 million), arising from revenue in the last tender of FY 2024, all of which was received in July 2024.

Loans and borrowings

In response to the depressed diamond market, the Group increased its commitments under the ZAR1 billion (c. US\$53 million) Revolving Credit Facility with Absa Bank to ZAR1.75 billion (c. US\$93 million) providing an additional c. US\$40 million of liquidity headroom.

During the Year, the Group repurchased US\$5 million of 2L Notes in an Open Market Repurchase programme for a cash consideration of US\$4 million.

At 30 June 2024, US\$25 million was drawn on the Revolving Credit Facility (FY 2023: nil) and US\$246 million was outstanding on the 2L Notes (FY 2023: US\$247 million) (including accrued interest and unamortised transaction costs).

Consolidated net debt as at 30 June 2024 increased to US\$201 million (FY 2023: US\$177 million) due to the draw-down on the Revolving Credit Facility.

Bank debt facilities undrawn and available to the Group as at 30 June 2024 were US\$72 million (FY 2023: US\$53 million).

Consolidated net debt: Adjusted EBITDA (KPI)

Consolidated net debt: Adjusted EBITDA increased to 3.0x (FY 2023: 1.6x) due to an increase in consolidated net debt to US\$201 million (FY 2023: US\$177 million) and a reduction in Adjusted EBITDA to US\$66 million (FY 2023: US\$113 million).

Going concern considerations

For the basis of preparation, please refer to note 1.4 of the Financial Statements on page 131. In the financial statements for the year ended 30 June 2023, the Company highlighted material uncertainties that could affect its ability to continue as a going concern, particularly due to volatility in diamond prices driven by

low demand. To mitigate this, major diamond producers reduced supply, and the Gem and Jewellery Export Promotion Council of India imposed a two-month import moratorium from mid-October to mid-December 2023.

Since 30 June 2023, the Company has taken several measures to enhance financial resilience amid ongoing market challenges. Key actions include:

- **Capital Expenditure Reduction:** On 1 November 2023, Petra announced a deferral of capital programmes, reducing FY 2024 capital expenditure by over US\$65 million. After revising the Life of Mine plans for Finsch and Cullinan Mine, average annual capital expenditure for the South African operations is projected at around US\$100 million from FY 2025 onwards;
- **Cost Savings:** US\$10 million in once-off operating and group cash savings were implemented during FY 2024, alongside a re-based operating cost profile that results in US\$44 million in sustainable cost reductions for FY 2025 and beyond. As part of this, Group functions were decentralised, resulting in a reduction of c. 80 roles and a reduction in planned production levels at Finsch from 2.8 Mtpa to 2.2 Mtpa saw c. 350 positions being impacted;
- **Financing:** On 15 February 2024, Absa Bank approved a ZAR750 million (c. US\$40 million) increase in the Group's revolving credit facility; and
- **Asset sale:** The sale of Petra's interest in the Koffiefontein Diamond Mine was announced on 8 April 2024 which, once completed, will avoid closure costs of US\$15-18 million (see note 21 for further information).

These steps have significantly improved the Group's liquidity and solvency outlook.

The performance of the diamond market remains uncertain within the global macroeconomic conditions and the repercussions impacts of the Indian moratorium. Furthermore, the natural diamond market continues to be impacted by the lab-grown diamonds market, affecting diamond prices. However, with interest rates expected to have peaked and the G7's sanctions on Russian diamonds, some medium-term pricing support is anticipated.

To support steps taken by major producers to restrict supply in the seasonally weaker demand period, the August / September 2024 tender from the South African operations was deferred and forms part of the Tender 2 cycle, expected to close in mid-October 2024.

The going concern assessment includes assumptions on forecast diamond prices and is based on average prices achieved over the past year, adjusted where there are specific expectations regarding changes in product mix.

Whilst the Company remains cautious about near-term market conditions, it believes the long-term fundamentals remain sound. This uncertainty is built into downside sensitivities described below.

The group's 2L Notes mature in March 2026, with the Revolving Credit Facility maturing 60 days ahead of this, with some uncertainty remaining around the Group's ability to successfully refinance or restructure the debt on similar terms as existing facilities.

Cash generated from operations less acquisition of property, plant and equipment of negative US\$17 million (FY 2023: US\$67 million negative) improved by US\$52 million during FY 2024, mainly reflecting a decrease of US\$33 million in profit before working capital changes, a US\$56 million cash inflow from working capital changes and a reduction of US\$33 million in total capital expenditure following the deferral of certain capital projects during H1 FY 2024 in response to the depressed diamond market.

Williamson restarted operations in Q1 FY 2024 with current production at its annual steady-state run rate. As stated in the FY 2023 year-end reporting, both the Framework Agreement with the GoT and the Share Sale Agreement with Pink Diamonds are pending satisfaction of certain suspensive conditions and regulatory approvals.

The Group's going concern assessment is performed excluding Williamson's operating results, as Williamson is considered a ring-fenced operation for these purposes, as per the definitions and requirements set forth in the Group's financing agreements. Williamson successfully upsized its overdraft facility from US\$7 million to US\$10 million in September 2023, and to US\$12.6 million in September 2024. Williamson, however, continues to encounter short-term liquidity challenges, and its short-term liquidity is receiving focused attention on an on-going basis.

Forecast Liquidity and Covenants

The Board reviewed the Group's cash flow forecasts, which were based on a number of estimates and assumptions that are consistent with the estimates used in the life of mine plans. Subject to refinancing the 2026 2L Notes and Revolving Credit Facility that mature in March 2026 and January 2026 respectively, these forecasts show that the Group will have sufficient liquidity throughout the going concern period (ie. up to 31 December 2025).

In light of the uncertainties inherent in the forecasts, the Board also reviewed forecasts, applying various downside sensitivities, including:

- A 5% decrease in forecast rough diamond prices from July 2024 to December 2025;
- A 2.5% strengthening in the forecast South African Rand (ZAR) exchange rate against the US Dollar from July January 2024 to December 2025;
- A 5% increase in operating costs from July 2024 to December 2025;
- Combinations of the sensitivities above.

Under certain downside scenarios listed above, the forecasts show that there is a risk of a future covenant breach on the Group's Revolving Credit Facility. In addition, the Group may face a covenant breach by June 2025 if the debt is not refinanced before this date. The Board considers the risk of a future covenant breach to be unlikely and has a reasonable expectation that in the event of a downside scenario there would be a number of mitigating actions to avoid a breach, including obtaining a waiver.

As previously stated, the Group may have to refinance the full outstanding 2L debt of c. US\$250 million and the drawn down Revolving Credit Facility, and management has engaged with banks with a view to refinance prior to the 2L Notes becoming a current liability in March 2025. The Group remains confident in its ability to refinance its debt on the back of the underlying operational cashflow generation, as well as strong net cashflow generation projected from FY2027 onwards, as the Group sees the benefit of an increase in carats recovered from higher-grade areas that are currently in development. The outcome of a refinance, however, remains outside of the Group's control. If the Group is unable to successfully refinance the existing debt on account of the willingness of existing Noteholders and/or the terms and conditions of such a refinance or new debt instruments, the Group would consider whether other options are available such as an equity raise or asset sales in order to settle its obligations.

Conclusion

Based on its assessment of the forecasts, principal risks and uncertainties and mitigation actions considered available to the Group, including steps already undertaken or being executed by management to improve resilience in the business, in the event of downside sensitivities, the Board confirms that it is satisfied that the Group will be able to continue to operate and meet its liabilities as they fall due over the next going concern period.

However, the Board recognises the risks associated with persisting market volatility which may lead to lower diamond prices for longer, as well as the risk to refinancing the Group's 2L Notes and Revolving Credit Facility, given this remains outside of the Group's control. These factors indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Financial Statements do not include the adjustments that would result if the Group were unable to continue as a going concern.



Jacques Breytenbach
Chief Financial Officer
23 September 2024

Summary of results

	Year ended 30 June 2024 (FY 2024) US\$ million	Year ended 30 June 2023 (FY 2023) US\$ million
Revenue	367	325
Adjusted mining and processing costs	(296)	(202)
Other net direct mining income	2	—
Adjusted profit from mining activity	73	123
Other corporate income	—	1
Adjusted corporate overhead	(7)	(11)
Adjusted EBITDA	66	113
Depreciation and amortisation	(95)	(81)
Share-based expense	(1)	(2)
Net finance expense	(29)	(22)
Adjusted (loss) profit before tax	(59)	8
Taxation, excluding taxation credit on impairment of operational assets and unrealised foreign exchange movements	13	(10)
Adjusted net loss after tax	(46)	(2)
Impairment (charge)/reversal – operations and other receivables, net of taxation	(60)	53
Impairment reversal/(charge) – operations and non-financial receivables	5	(38)
Transaction costs and acceleration of unamortised costs on partial redemption of Loan Notes	—	(9)
Gain on extinguishment of Loan Notes	1	1
Williamson tailings facility – remediation costs	—	(11)
Williamson tailings facility – accelerated depreciation	—	(5)
Williamson Diamonds Limited Blocked Parcel inventory write-down and related receivable recognition	—	(12)
Williamson Diamonds Limited receivable recognition	—	12
Restructure costs	(5)	—
Human rights IGM claims provision and transaction (costs)/reversal of settlement agreement	(2)	(9)
Net unrealised foreign exchange gain/(loss), net of taxation	3	(42)
Loss from continuing operations	(104)	(62)
Loss from discontinued operations, net of tax	(3)	(40)
Net loss from continuing and discontinued operations, after tax	(107)	(102)
Earnings per share attributable to equity holders of the Company – US cents		
Basic loss per share – from continuing and discontinued operations	(44)	(54)
Basic loss per share – from continuing operations	(43)	(38)
Adjusted loss per share – from continuing operations	(21)	(3)

Resilient business plan enabling our Strategy



We are well positioned to deliver on our value-led growth strategy through an extensive replanning effort that has resulted in a more resilient Petra.

Vivek Gadodia, Planning and Corporate Development Executive

Our Purpose and value-led growth strategy

Our Purpose is central to everything we do and underpins the values we hold as an organisation. It supports our approach to delivering on our strategy of creating value for our stakeholders and defines the way we integrate risk, opportunity and remuneration into our strategic thinking.

While growth did not materialise on the back of market weakness witnessed over the past c. 18 months, FY 2024 proved to be a watershed year for Petra with a replanned capital profile and sustainably lower cost base allowing Petra to extract maximum value from current operations, while favourably positioning us to pursue growth in the medium to long term as markets recover from the current lower-for-longer pricing scenario.

Petra remains steadfast in applying the value generation lens in all its decision-making, including maintaining its sustainability ambitions to generate value for all stakeholders.

De-risked business plan

On the back of deferring a number of extension projects in November 2023 due to the potential for a lower-for-longer diamond market, we rebased Finsch to a 2.2 Mtpa operation with Cullinan Mine rebasing to c. 3.7 Mtpa from FY 2027 onwards – these changes are discussed in more detail on page 24 and in the operational review section (pages 32 to 37). We believe this de-risks these operations given the lower intensity placed on the operations through concurrent mining and development which uses the same underground infrastructure. The smoother Capex profiles announced at our Investor Day in June 2024 are also aimed at de-risking Petra through future market cycles.

Corporate activities

In addition to the focus on liquidity management which led to the deferral of extension projects at both Cullinan and Finsch Mines, discussed in more detail on page 24, a number of key value-accretive initiatives were executed during FY 2024. These include the sale of Koffiefontein which is awaiting section 11 approval from the Department of Mineral and Petroleum Resources. Once the sale is completed, this will save Petra c. US\$15-18m in avoided closure and rehabilitation costs.

Another key milestone was the entering into agreements to supply the Cullinan and Finsch Mines with renewable energy. From FY 2026, these agreements are expected to supply between 36-72% of the mines' energy requirements, thereby meeting our 2030 GHG reduction target well ahead of time. Furthermore, these agreements will result in both cost savings and cost predictability, while allowing us to further differentiate our diamonds due to their enhanced environmental and social credentials, in keeping with our focus on provenance and traceability which is discussed in more detail on page 28.

Another key event was the conclusion of five-year wage agreements with the National Union of Mineworkers covering our South African operations for the period 1 July 2024 to 30 June 2029. This allows for continued certainty on fixed labour costs and enables us to renew our focus on operational delivery.

Debt management

Our immediate focus on the back of the replanning effort is for a successful refinancing of our 2026 2L Notes, but with a clear focus on continued gross debt reduction going forward which remains a high priority in our capital allocation decision process as shown on page 6.

How we deliver value to stakeholders

Key behaviours and frameworks for strategic delivery, with performance linked to KPIs

A diversified portfolio of long-life assets

Cullinan Mine is a world class asset



Read more on life-of-mine plans pages 33-38

Disciplined capital allocation

Debt and interest payment optimisation is a priority



Read more on capital allocation policy page 6

Operating model focused on cash generation

Maximise value from existing operations, including approved extension projects
Production growth to over 3.4 Mcts expected by FY 2028



Read more on our operating model page 5

Embedding sustainability

Safety our Number 1 priority
2030 GHG reduction target
Wide reaching social programmes
Leveraging sustainability credentials with consumers



Read more on sustainability pages 44-48

A value-led growth strategy underpinned by our Operating Model

1

Current operations

Maximise value from existing operations including approved extension projects

2

Brownfield extension projects

Develop further extension projects to extend life of existing assets to unlock resource potential

3

Further growth opportunities

Assess orebodies either in or near production
Pursue accretive corporate opportunities

Focused on delivering Our Purpose

Creating abundance from rarity

Abundance for our people in realising their full potential to deliver extraordinary outcomes

Abundance for our communities through partnering to provide enduring benefit for future generations

Abundance for our investors in generating sustainable returns

Abundance for our customers in celebrating love, friendship and life's achievements



See more on our website www.petradiamonds.com/about-us/our-purpose-values/

Our purpose-driven strategy

Our strategic objectives

FY 2024 progress

Short-term strategic drivers



Unlock value through corporate activities



Maximise value from current operations

Optimise efficiency and business resilience

Power purchase agreements for renewable energy

✓

Place Koffiefontein on care & maintenance, or sell

✓

Progress supply chain transformation project

⬆

Continued debt optimisation

⬆

Continuous improvement culture to optimise value from existing operations

Sustainably reduce operating costs

⬆

Limit dilution to optimise ROM grades

✗

Embed new Culture Code

✓

Maintain flexibility at tenders

✓

Williamson restart and ramp-up

✓

Longer-term strategic drivers



Life-of-mine extension projects



Growing externally

Unlock value from existing asset base

Life-of-mine plan review to smooth Capex profile

✓

Progress CC1E & C-Cut Ext 1 projects at Cullinan Mine

⬆

Progress Lower Block 5 3L-SLC project at Finsch

⬆

Develop further extension projects to extend life beyond current mine plan

⬆

Consolidate Petra's position as the leading independent diamond miner

Assess orebodies either in or near production

✗

Continuously improve balance sheet to provide optionality for the future

⬆

Pursue value-accretive corporate opportunities

✗

Risk & opportunities

- Group liquidity, managed through disciplined capital allocation and optimising cost and asset base

- Rough diamond prices, managed through reduced capital requirements, RCF, tender process and piloting traceability technologies
- Currency fluctuations, managed through ZAR hedging
- Country and political, managed through monitoring and ongoing engagement with Government

- Prioritise high return projects such as CC1E at Cullinan Mine
- Need to continually re-invest in assets and maintain social licence to operate
- Ramp up in activity in new mining areas and mitigate ROM grade and product mix risks

- Few orebodies available, Petra's market position and skill-set are advantages

Focus for FY 2025

- Active engagement with capital markets to refinance debt
- Limit exposure to Williamson while retaining control
- Complete sale of Koffiefontein
- Continue with supply chain transformation project

- Reduce operating costs sustainably, targeting US\$44m per annum from FY 2025
- Limit dilution to optimise ROM grades
- Maintain flexibility at tenders
- Ongoing optimisation of currency movements through hedging
- Maintain strong labour relations

- Progress CC1E & C-Cut Ext 1 projects at Cullinan Mine
- Progress Lower Block 5 3L-SLC project at Finsch
- Develop further projects to extend life beyond current mine plan

- Assess orebodies either in or near production
- Pursue value-accretive corporate opportunities
- Continuously improve balance sheet to provide optionality for the future

Supported by:

Operating model

Read more on
page 5



Sustainability Framework

Read more on
page 4



Governance

Read more on
pages 66-83

✓ **Achieved**

⬆ **In progress**

✗ **Not achieved**

Our replanning work

Future proofing the business.

Replanned business profile

FY 2024 has been a remarkably difficult year, both for Petra and the natural diamond industry with softer demand and prices from H2 FY 2023 continuing into FY 2024. This resulted in a two-month Indian diamond import moratorium.

In responding to these market challenges and the risk of lower-for-longer diamond prices, Petra prudently took the decision in early November 2023 to defer certain extension projects at our South African operations to preserve liquidity and embarked on a cost optimisation initiative.

The deferral of the extension projects required a full replanning of Petra's life-of-mine (LOM) plans with the goal of creating a business that is resilient and able to withstand weaker-for-longer and future market cycles, while also executing on our extension projects to keep our future production profiles intact.

The aim was to generate free cash-flow through periods of diamond pricing weakness after self-funding our capital projects at a more smoothed level, also enabling Petra to generate more meaningful free cash-flow during periods of stronger pricing. This also allows Petra to target further gross debt reduction and/or pursue opportunistic growth opportunities. Furthermore, our replanning efforts do not assume contribution from Exceptional Stones (≥US\$15 million) even though these may be extracted on a periodic basis, especially from the Cullinan Mine.

The outcome of the replanning effort was shared at an Investor Day in late June 2024, with the following highlights worth noting:

- A smoothed total capital profile at c. US\$100 million per annum for our SA operations
- An optimised cost base targeting US\$44 million of annual saving (US\$30 million at our SA operations and US\$14 million at Williamson) on a sustainable basis from FY 2025
- Finsch rebased to a c. 2.2 Mtpa operation to align with the smoother capital profile, with the potential to continue mining into the late 2030s
- Cullinan Mine continuing at c. 4.4 Mtpa for the next two years and then rebasing to c. 3.7 Mtpa from FY 2027 onwards, with the potential to continue mining into the early 2040s without the need for a new production shaft

Lowering our cost base on a sustainable basis

As part of this replanning work, we reviewed both our short-term and long-term strategic drivers and undertook a comprehensive review of our organisational structure.

Having initially set a target of reducing operating costs (defined as costs at our SA operations, centralised services and overheads) of between US\$8-10 million for FY 2024, this target was increased to US\$30 million on a sustainable basis for FY 2025 onwards with a further US\$14 million of sustainable savings at Williamson. Around half of the savings at our South African operations are expected to come through a rebasing of fixed and variable costs associated with reduced throughput at Finsch, with the remaining half as savings across operating costs and overheads at Cullinan Mine and at the Group level, with the latter reflecting a more streamlined business with the pending sale of Koffiefontein and potentially reduced interest in Williamson.

Vivek Gadodia

Planning & Corporate Development Executive

23 September 2024

Demonstrating our agility

FY 2022

- ✓ Project 2022 success, delivering US\$265 million in net free cash over its three years
- ✓ Purpose, culture, sustainability and strategic reset

- ✓ Cullinan Mine CC1E Capex project approved
- ✓ Finsch 3-Level SLC Capex project approved

- ✓ Settled 1L gross debt (US\$103m)

Record diamond prices

FY 2023

Business

- ✓ Implementation of Culture Code
- ✓ Embedding of Sustainability Framework

Operations

- ✓ C-Cut Ext 1 approved
- ✗ Williamson TSF failure
- ✗ Finsch under-performance
- ✓ Koffiefontein on care and maintenance

Financial

- ✓ Reduced 2L gross debt by US\$145m

Diamond market

Diamond market softens

FY 2024

- ✓ Organisation restructuring delivering US\$11m FY 2024 operating cost savings and US\$44m annual sustainable cost reduction from FY 2025
- ✓ 5-year wage agreement
- ✓ Between 36-72% of SA energy requirements through renewables from FY 2026 at Cullinan Mine and Finsch
- ✓ Piloting mine-to-finger traceability
- ✓ Smoothed capital profile, following US\$75m cost savings and capex deferrals in FY 2024
- ✓ Finsch production rebased to 2.2 Mtpa
- ✓ Williamson ramped up to full production
- ✓ Koffiefontein sale terms agreed

- ✓ Increased RCF and repurchased US\$5m of 2L Notes

Diamond market remains weaker

✓ Achieved ✗ Not achieved

Diamond market



Clients are increasingly interested in provenance. I am excited by the benefits that traceability technology will bring to end-users. Petra is well-placed to benefit from this trend given its goods are considered a brand and our mines have produced many of the world's most famous diamonds.

Gregory Stephenson, Sales and Marketing Executive

Overview

While we continue to expect a supportive diamond market in the medium to longer term as a result of a structural supply deficit, FY 2024 was a weak year for diamond prices due to macro-uncertainty, weak Chinese demand and industry overstocking that followed the easing of COVID-19 restrictions.

A key event in the Year was the Indian diamond import moratorium, announced late September 2023, aimed at rebalancing inventories in the mid and downstream segments of the market. The two-month moratorium ended in December 2023, and was successful in bringing some much-needed stability to prices.

However, persistent weakness in the Chinese economy, the world's second-largest consuming nation and ongoing macro-economic and geopolitical uncertainty in the rest of the world meant that demand did not strengthen following the end of the import moratorium.

The other key event was the tightening of G7 restrictions on the import of diamonds of Russian origin. From 1 March 2024, a phased import ban began, initially requiring documentary evidence of origin for all rough or polished diamonds weighing more than one carat. From 1 March 2025, this ban is expected to be further extended to require traceability technologies to prove the origin of all diamonds weighing more than 0.5 carats.

From a Petra perspective, this provides a generational opportunity to document the provenance of our diamonds from mine to finger while highlighting the unique and rich heritage of our mines and the socio-economic uplift they deliver. This exciting new development is discussed more on page 28.

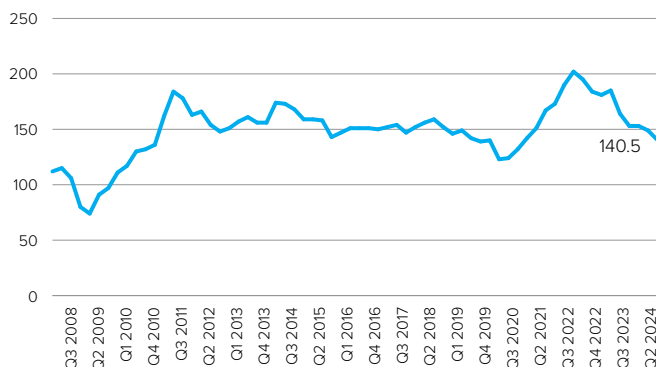
Pricing trends

Throughout the Year, Petra fully utilised its flexible approach to selling diamonds by holding a total of seven tenders and withholding diamonds from sale where there was an expectation that higher prices could be achieved at a later date.

Prices were weak in the early part of FY 2024 prior to the two-month Indian import moratorium, with the Company choosing to adapt its tender cycles to fit around the moratorium. Following a 14% decline year-on-year in like-for-like prices in the period prior to the moratorium, prices rebounded as a result of the moratorium, with a 19% increase between Tender 2 and Tender 3 as inventory was reduced in the mid and downstream segments leading to a more balanced pipeline of supply.

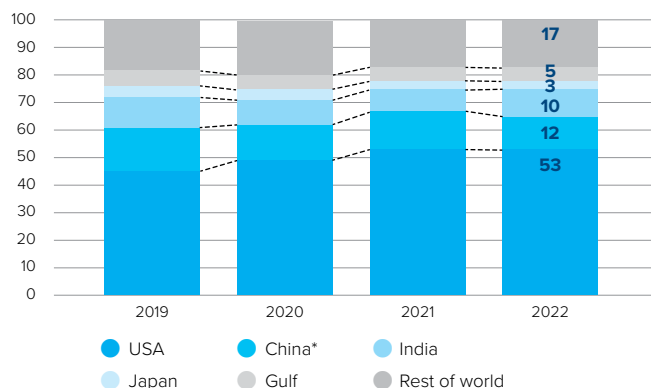
The positive impacts of the moratorium continued into the early part of this calendar year with prices increasing further at our fourth tender, although weakness was becoming evident in the coarser goods categories, which is something we largely attribute to weaker demand from China. However, as we approached the seasonally slower summer months, markets again softened which impacted prices and ultimately led us to proactively defer sales of our South African goods from the early part of FY 2025 in expectation of achieving higher prices in mid-October.

ROUGH DIAMOND PRICE INDEX¹ (US\$, REBASED TO 100)



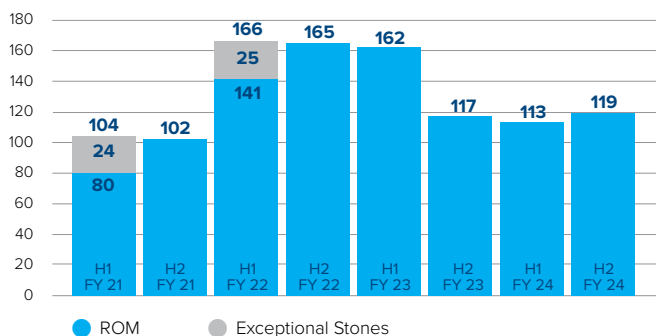
1. The Zimnisky Global Rough Diamond Price Index. Starting Index value 100 as of end-2007. More information can be found at www.paulzimnisky.com/roughdiamondindex

GLOBAL NEW POLISHED DIAMOND DEMAND SHARE BY GEOGRAPHY (% OF GLOBAL DEMAND VALUE IN US\$)



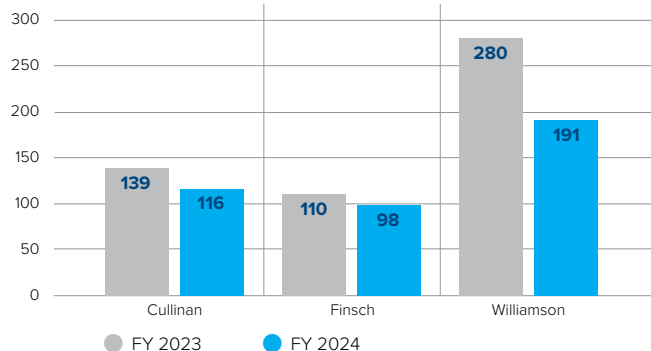
Source: 2023 De Beers Group Diamond Insight Report, www.debeersgroup.com. *Includes Mainland China, Hong Kong and Macau.

PETRA'S AV. PRICE SPLIT BY RUN-OF-MINE (ROM) AND EXCEPTIONAL STONES (US\$15 MILLION OR HIGHER)²



2. ROM prices are US\$/ct achieved without the contribution from Exceptional Stones.

AVERAGE ANNUAL PRICE (INCLUDING EXCEPTIONAL STONES) IN US\$/CT³



3. Average carat prices impacted by deferred sale of higher valued diamonds from FY 2023 to FY 2024.

Outlook

Current diamond market weakness is expected to continue through to the end of this calendar year with some price volatility. With demand remaining soft, mid-stream inventories have risen again, although production cuts from mining companies should help restore balance with De Beers cutting 2024 forecasts by around 20% and Petra deferring capital spending and reducing throughput at Finsch. The lab-grown diamond (LGD) market continues to grow rapidly, but several recent LGD producer bankruptcies and disclaimers appearing in some US jewellery stores regarding depreciating values points to the issues of oversupply and falling prices that the sector is facing. Furthermore, as a consequence of depreciating prices, margins for jewellery retailers once again favour natural diamonds. This calendar year has seen a step up in the marketing of natural diamonds with several collaborations forming, such as Signet (the world's largest diamond jewellery retailer) and Chow Tai Fook (China's largest jewellery retailer) collaborating with De Beers to drive demand for natural diamonds.

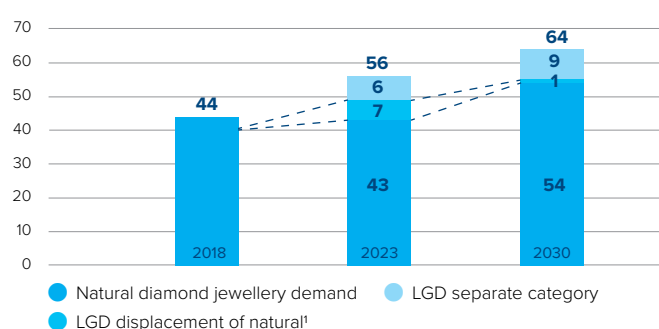
The Natural Diamond Council (NDC) and Chow Tai Fook have also partnered to market natural diamonds, particularly to younger consumers, while the Shanghai Diamond Exchange has partnered with the World Federation of Diamond bourses to promote natural diamonds. With India's economy growing rapidly, it has the potential to soon overtake China to become the world's second-largest diamond consuming nation. With constrained supply going forward, we remain optimistic in market fundamentals providing pricing support in the medium and longer term. Traceability technologies will soon enable natural diamonds to tell their unique story directly to consumers, which means the purchasing experience is about to change drastically and in line with consumer preferences for sustainability and brand awareness. This will also enable Petra to leverage its strong sustainability credentials and the unique and rich heritage of our mines which have produced some of the world's most famous diamonds.

Our external operating environment

Lab-grown diamonds

Lab-grown diamonds are a fast-growing segment, estimated by industry expert Paul Zimnisky to currently account for 20% of global diamond jewellery demand, noting that some of this is incremental from buyers who would never have considered a natural diamond. FY 2024 saw continued price divergence for larger diamonds with the industry chasing remaining pockets of margin as prices continued to decline due to the proliferation of supply.

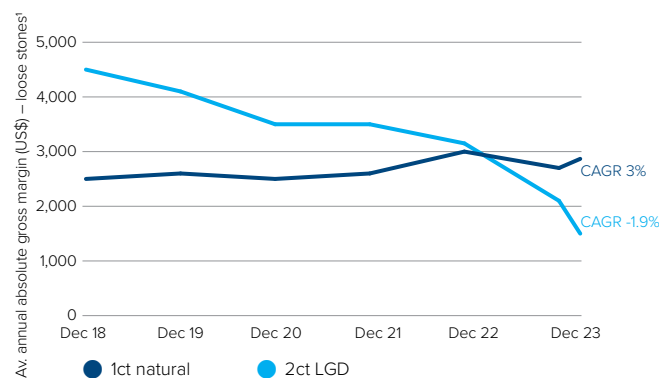
LGD DISPLACEMENT OF NATURAL DIAMONDS IN THE US EXPECTED TO REDUCE (US\$BN REAL)



Source: De Beers Group (May 2024), www.debeersgroup.com.

1. Absent sales of LGD, natural diamond jewellery demand would otherwise have been US\$50bn in 2023 and US\$55bn in 2030.

RETAILER INCENTIVES AGAIN FAVOUR NATURAL DIAMONDS



Source: De Beers Group (May 2024), www.debeersgroup.com.

1. Loose stone sales. Calculations based on D-I, FL-SI round diamonds. Diamonds with unknown properties (carat, colour, clarity) excluded from denominators. Data to end of Feb 2024. Data is based on ERA independent US Point-of-Sales data. Results shown are for ~950 retailers. Retailers are independents and small chains (2-3 doors) accounting for ~40% of the US diamond value sales.

Sanctions & traceability

With the G7 strengthening its resolve on the ban of diamonds of Russian origin, a phased import ban began from 1 March 2024, initially requiring documentary evidence of origin for all rough or polished diamonds weighing more than one carat.

However, there have been reports that buyers in Europe and USA have been refusing to buy goods of any size without confirmation of origin, which suggests the impact of the ban is more wide-ranging. Further reports emerged soon after the introduction of the ban that the Gokhran of Russia (Russia's state gemstone and precious metals repository) was purchasing diamonds mined in Russia.

Our tenders enable buyers to identify the mine from which our diamonds were mined. Petra continues to promote the GIA Origin programme with its clients for use on single stones and +2 carat gem/near gem diamonds. This has become popular with South African clients and overseas clients purchasing blue, yellow and D colour stones from Cullinan Mine in particular. The programme enables customers to know a diamond's origin and know that it was mined responsibly and positively impacted the local community.

Read more about the GIA Diamond Origin programme on its website at: discover.gia.edu/diamond-origin.html

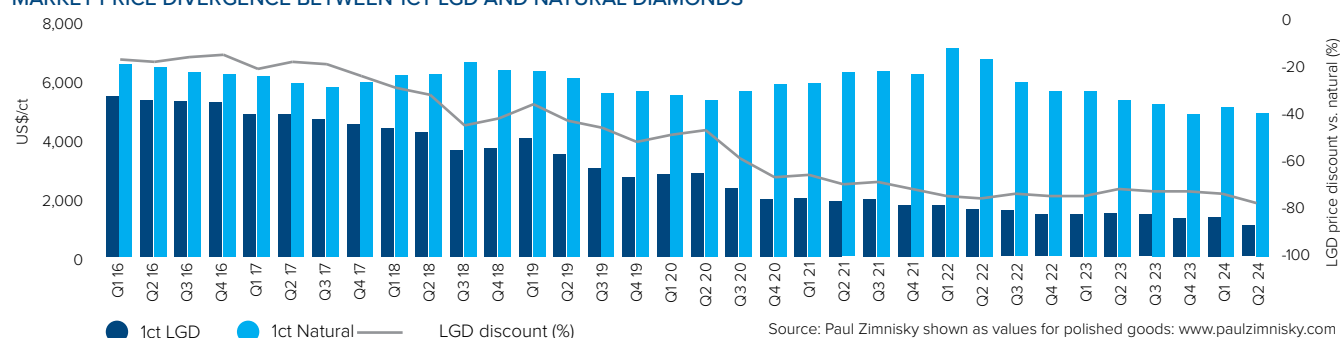
During the Year, the Company began trialling traceability technologies to enable our clients to meet the more stringent G7 import restrictions that require traceability technologies to prove the origin of all diamonds weighing more than 0.5 carats.

This digital technology enables the tracing of natural diamonds from source to consumer, offering the possibility of enabling the mass market to be able to explore a diamond's provenance for the first time.

Multichannel purchase experience could soon be enhanced by enabling purchasers of retail jewellery to understand the uniqueness of a Petra diamond and the benefits it has created.



MARKET PRICE DIVERGENCE BETWEEN 1CT LGD AND NATURAL DIAMONDS¹



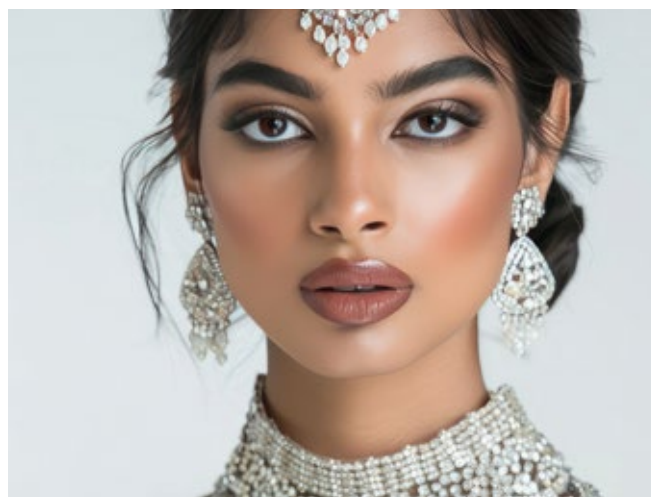
Source: Paul Zimnisky shown as values for polished goods: www.paulzimnisky.com

The next big spenders

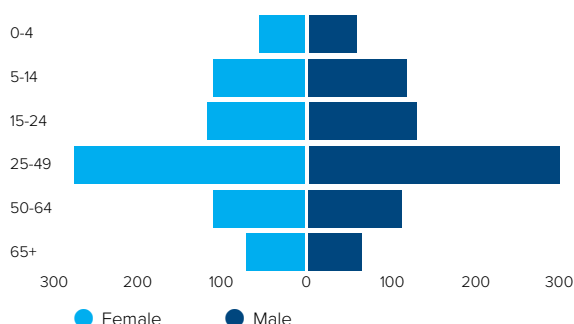
India, with its rich heritage and celebratory culture, could become the next big spender in the diamond market.

India's economic growth has outperformed a slowing world. According to Barclays, with the right policy mix, the economy could become the largest contributor to global growth by the end of this decade. Consumption already forms a bigger part of the Indian economy (58%) than in most large consumer-led economies. This, coupled with an expected surge in India's population, suggests the country's consumption is primed for significant growth and could reach the size of China's current consumption with an economy only c. 68% of China's present size.

In fact, the Natural Diamond Council believes that India is expected to lead global natural diamond demand in 2024 due to its strong financial position and changing demographics. Forevermark has also said it will refocus on India due to the growing consumer market for diamonds.



INDIA: AGE DISTRIBUTION BY 2030, BY GENDER AND AGE GROUP (MILLION PERSONS)



Source: Barclays Research.

Ultra-high-net-worth individuals worldwide continue to grow

Despite a challenging economic backdrop, the number of individuals with a net worth of at least US\$30 million has seen an increase of 4.2% this Year and, by 2028, this is expected to increase 28.1%. Asia will lead the way with India (+50%), mainland China (+47%), Malaysia (+35%) and Indonesia (+34%). The US will also see a 33% increase in newly wealthy people.

3.5x

Potential growth of India's luxury market by 2030, led by younger consumers and a growing upper and middle class.

69%

Growth in number of millionaires projected between 2022 and 2027 vs. 45% globally.

1

Expanding upper and middle class

India's luxury market could expand to 3.5 times current size by 2030 led by younger customers and an expanding upper and middle class.

2

Above average growth in millionaires

India is projected to see a 69% growth in the number of millionaires between 2022 and 2027 compared to a 45% rise globally.

3

Luxury jewellery market experiencing a surge in demand

India's luxury jewellery market is experiencing a surge in demand as affluent consumers seek traditional and intricately designed pieces that showcase the country's rich cultural heritage.

Our flexible approach to sales

Our typical sales process

Petra adopts a flexible approach to diamond sales in order to achieve the best possible route to market, subject to prevailing market conditions. South African goods are prepared for sale (cleaned and sorted) and sold at tenders in South Africa while goods from our Tanzanian mine, Williamson, are sold at tenders in Antwerp. We offer up to 10% of our rough production to the State Diamond Trader in South Africa, with fair market pricing verified by the Government Diamond Valuator.

We carry out sales in-house through a competitive tender process which allows us to achieve the best possible price at the time. Our product mix is highly sought-after and attracts a wide range of clients which stimulates bidding. When diamonds are sold, they are separately grouped per source mine, providing clear provenance for purchasers. High-value stones are sold as individual lots and may be subject to an independent sales process. Where we consider that bids do not match our expectations of value, we may propose sharing any profits generated through cutting and polishing with our customers on a 50:50 basis, through our Partnership Stones programme, or withhold the sale until a future date.

We have the world's third-largest diamond resource

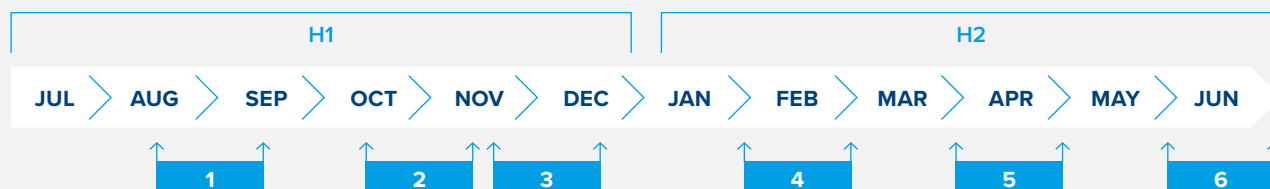
We have the world's third-largest diamond resources which, combined with the significant size of our orebodies, suggests there is significant potential to extend the lives of our mining operations through further development.

Reserves and resources (100% interest basis)¹

	Resources, M&I, I (Mcts)	Reserves (Mcts)
Alrosa	1,064	628
De Beers	855	359
Petra	219	28

1. Company data.

A typical year (in FY 2024 there were seven tenders)



Exceptional Stones and Cullinan Mine's legacy

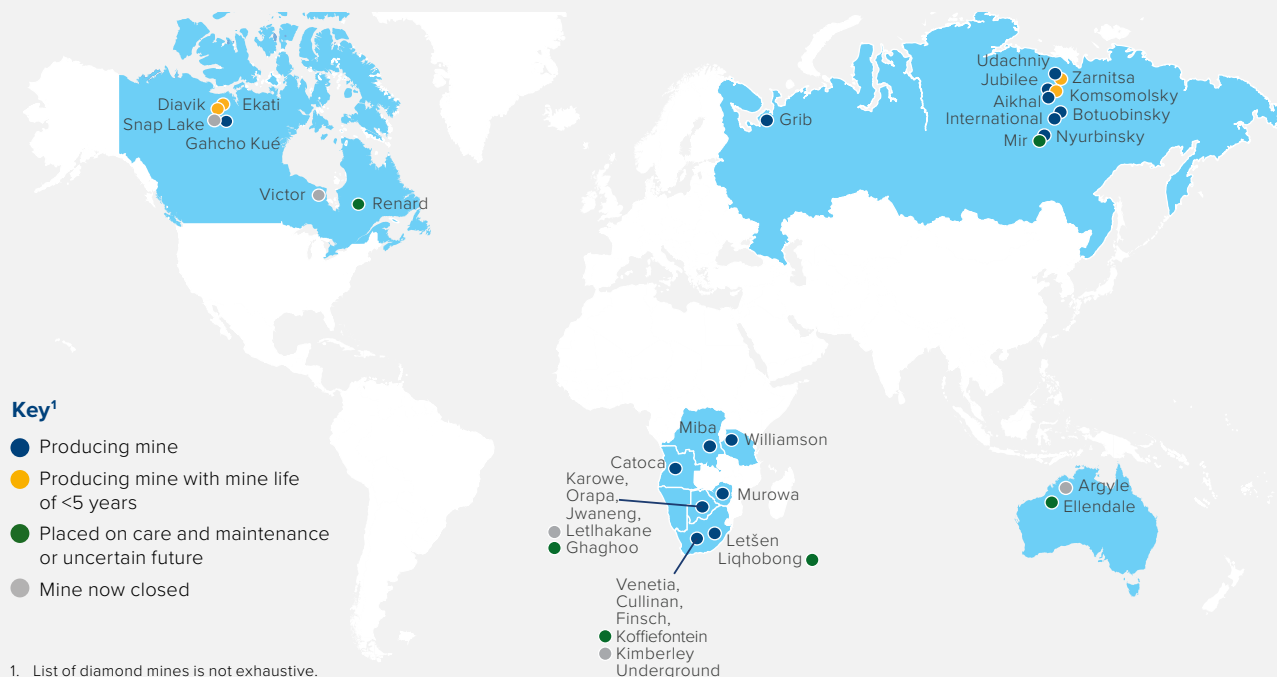
Petra's mines produce some of the world's most beautiful and rare diamonds. Cullinan Mine is believed to produce 80% of the world's blue diamonds and is a renowned producer of high-quality Type IIa white diamonds. Following the closure of Argyle, Williamson has become one of the world's most reliable sources of pink diamonds. No Exceptional Stones were recovered in FY 2024 or FY 2023. In September 2023, Petra decided to update its definition of Exceptional Stones as being rough diamonds that sell for US\$15 million or more, a threshold which more accurately depicts the rarity and exceptional nature of these high-value stones. The last stone recovered under this definition was a 39.3ct Type IIb blue diamond mined at Cullinan Mine which sold for US\$40.2 million in FY 2022, believed to be the highest price per carat ever paid for a rough diamond. Cullinan Mine has a legacy spanning over a century and is one of the world's most famous diamond mines, having produced the largest gem diamond ever at 3,106 carats and other infamous diamonds such as the Great Star of Africa, the Taylor Burton and the Oppenheimer Blue which sold at auction for US\$57.5m in May 2016, making it the most expensive diamond sold at auction.



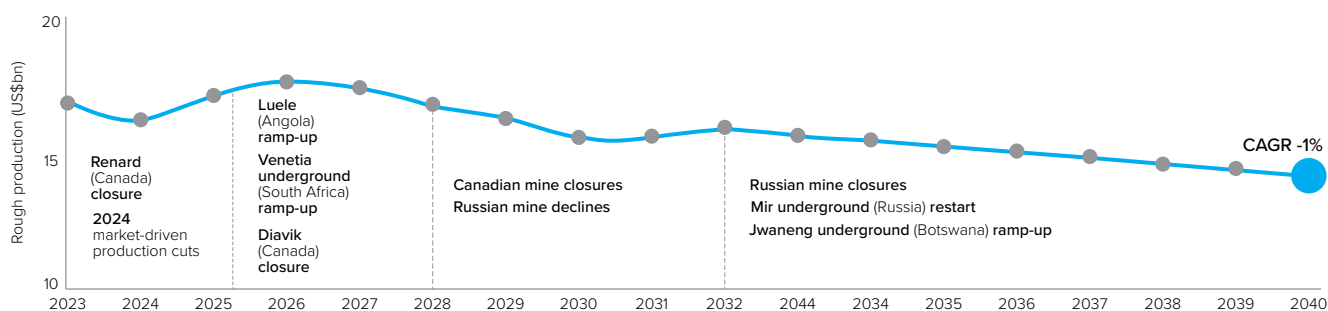
A 39.3 carat blue diamond mined at Cullinan Mine and sold for US\$40.2m

Attractive supply & demand fundamentals

The number of producing diamond mines globally continues to contract



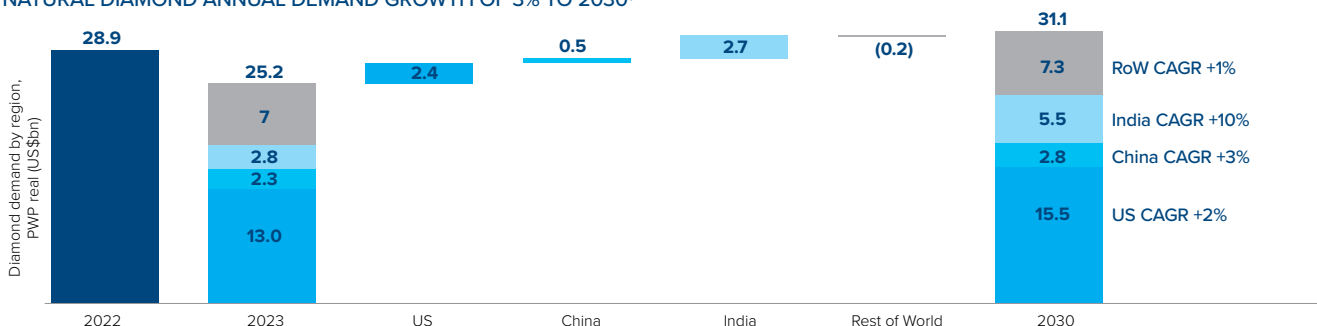
NATURAL DIAMOND SUPPLY IS EXPECTED TO FALL¹



Source: De Beers Group (May 2024), www.debeersgroup.com.

1. Constant DB Index prices 2023.

NATURAL DIAMOND ANNUAL DEMAND GROWTH OF 3% TO 2030¹



Source: De Beers Group (May 2024), www.debeersgroup.com.

1. Natural diamond jewellery demand, converted to polished wholesale price (PWP) at 2023 prices. 2022 demand of US\$28.9bn equates to nominal US\$27.6bn. Numbers may not add up due to rounding.

Focused on safe, reliable production

Diamond production increased slightly from FY 2023, benefitting from the successful ramp-up at Williamson.

Production

Total tonnes treated at a Group level increased to 11.7 Mt compared to 9.0 Mt in FY 2023 which largely reflects the early restart and successful ramp-up of Williamson. Cullinan Mine's production was essentially flat year-on-year, while Finsch's fell 14% due to tunnel availability challenges relating to the depletion of the Upper Block 5 Sub-level cave (SLC) together with the planned transition to a two-shift, five-day configuration from Q4 FY 2024.

Grade performance was variable across operations, with Cullinan Mine and Williamson falling 8% and 11% year-on-year, respectively. At Cullinan Mine, lower grades related to dilution caused by waste ingress associated with the maturity of the C-Cut block cave. This was exacerbated by capital deferrals which slowed development that would have accessed fresh ore from new production blocks. At Williamson, the drop was due to anticipated grade variations in the orebody although grades were 9% above expectations given replanning work that followed the TSF failure. Finsch's grades improved through FY 2024 with better recoveries due to lower dilution and renewed focus on operational stability following the transition from continuous operations to a two-shift, five-day configuration.

Rough diamond production (KPI)

Overall Group diamond production for the Year came in at 2.73Mcts, just below the lower end of guidance. This was largely a result of production volatility at Finsch caused by the maturity and depletion of the Upper Block 5 SLC and a combination of lower run-of-mine (ROM) grades coupled with lower than expected tailings tonnes treated at Cullinan Mine. Lower ROM grades at Williamson were a function of grade variances in the orebody which were partially mitigated by the replanning work.

LTIFR and LTI (KPI)

Safety is Petra's number one priority and our approach to health and safety is focused on identifying, mitigating and managing risk in order to prevent harm to our people, visitors, equipment and the broader environment. We are focused on integrating industry best practices around health and safety awareness into our approach to doing business.

In particular, behavioural-related accidents have resulted in Petra, in line with our Petra Culture Code, placing considerable focus on key initiatives to enhance safety performance and promote a positive mindset, ensuring a healthy and safe working environment.

Production and capital expenditure summary¹

	Unit	FY 2024	FY 2023	Variance
Production				
ROM diamonds	Carats	2,593,471	2,517,309	3%
Tailings diamonds	Carats	136,389	149,216	-9%
Total diamonds	Carats	2,729,861	2,666,525	2%
Tonnages treated				
ROM tonnes	Mt	11,325,340	8,637,232	+31%
Tailings tonnes	Mt	369,546	399,877	-8%
Total tonnes	Mt	11,694,886	9,037,109	+29%
Adjusted mining and processing costs	US\$m	296	202	+47%
Capex				
Extension	US\$m	55	72	-24%
Stay in business	US\$m	29	45	-36%
Total	US\$m	84	117	-28%

1. Numbers may not add up due to rounding.

Following a renewed safety focus on remedial actions and behaviour-based intervention programmes, we saw a significant improvement in our safety performance for the Year following a small regression in FY 2023, with our lost time injury frequency rate (LTIFR) reducing by 33% from 0.24 in FY 2023 to 0.16 in FY 2024. Lost time injuries (LTI) were reduced by 41% from 17 in the FY 2023 to 10 in FY 2024.

We were also pleased to celebrate 7 fatality-free years and continue to pursue health and wellbeing programmes to support our culture and performance. We continually focus on providing a zero harm working environment and we will make every effort to reduce the risk of harm in the workplace.

Reserves and resources

As at 30 June 2024, the Group's gross diamond resources (inclusive of reserves) decreased 1.9% to 218.97 Mcts (30 June 2023: 223.17 Mcts), predominantly due to depletion resulting from ore mined at all our operations in FY 2024. The Group's gross diamond reserves decreased 2.0% to 27.78 Mcts (30 June 2023: 28.85 Mcts) primarily due to mining depletions and changes in mine plans driven by curtailment of capital expenditure on life-of-mine (LOM) extensions at Cullinan Mine and Finsch. These changes included the addition of future mining areas at Cullinan Mine (C-Cut Phase 2) and at Finsch (81 Level) as well as the revision of existing and future production areas already included in reserves and FY 2023 LOM planning.

Internal restructuring and five-year wage agreement

During the Year, the Company underwent an internal restructuring exercise to adapt its cost base in response to a lower-for-longer price environment and in recognition of the reduced size of the business. The reduced size reflects Koffiefontein being placed on care and maintenance in CY 2022, with entry into an agreement for its sale announced on 8 April 2024, and the anticipated reduction in Petra's holding in Williamson. As a consequence, the Company reduced the headcount of its head office and decentralised certain functions to each South African operation, which included Juan Kemp assuming the newly-created role of Operations Executive, Cullinan Mine and Jaison Rajan assuming the newly-created role of Operations Executive, Finsch Diamond Mine. This also saw the creation of a Planning and Corporate Development Executive role with oversight of planning and development of Petra's operations. Further headcount reductions occurred at Finsch related to the rebasing of its production to 2.2 Mtpa and the related move to a reduced shift pattern.

Towards the end of the Year, Petra concluded five-year wage agreements with the National Union of Mineworkers (NUM) covering its South African operations for the period from 1 July 2024 to 30 June 2029. This allows for continued certainty on fixed labour costs at our SA operations and enables Petra to focus on operational delivery. Further cost predictability was added through the entry into two long-term Power Purchase Agreements in May 2024 which are expected to provide c. 36-72% of the expected electrical load requirements at the Cullinan and Finsch Mines from renewable energy from FY 2026.

Revised life-of-mine planning

As part of our efforts to ensure free cashflow generation through the price cycle, a significant amount of time was spent on reconfiguring our mine plans to optimise production whilst smoothing the capital profile of our projects. Through this work, and the internal restructuring mentioned above, we are targeting a sustainable reduction in operating costs of US\$44 million per annum (US\$30 million at our SA operations and US\$14 million at Williamson) from FY 2025 onwards and for capex to be smoothed to c. US\$100 million per annum at our SA operations. More on this can be found on pages 23 and 24.

Focus for FY 2025

At an operating level, safe and reliable production remains a key focus. Further operating stability and an improvement in ROM grades is expected at Finsch as a result of better draw control, accessing fresher ore at 78-Level Phase II with the majority of tunnels commissioned by the end of June 2024. The change to a two-shift, five-day configuration is intended to align resourcing levels with a 2.2 Mtpa production capacity. This, together with the introduction of a non-production "preparation shift" for the first 5 hours of the day that will focus on planned maintenance, is aimed at more predictable and stable operations.

At Cullinan Mine, the focus is to transition from producing only from the C-Cut block cave to producing from a combination of the block cave and the CC1E SLC and the successful ramp-up of SLC production. At Williamson, the focus is on waste stripping to provide sufficient access to the orebody to maintain the LOM plan and to provide materials for construction of the new TSF which commenced in Q1 FY 2025.

Cullinan Mine

Renowned for many famous diamonds and producing very rare and highly valuable Type IIb blue diamonds and large high-quality Type IIa white diamonds.

Mining method:

Underground block cave and sub-level cave

Mine plan:

Self-funded to early 2040s with further life-of-mine extension opportunities



Juan Kemp
Operations Executive – Cullinan Mine

GROSS RESOURCES (MCTS)

142.25

FY23: 145.09

EMPLOYEES AND CONTRACTORS

1,460

FY23: 1,827

LTIFR

0.27

FY23: 0.47

CARBON EMISSIONS (TCO₂-E/CT)

0.16

FY23: 0.16

WATER EFFICIENCY (M³/T)

0.04

FY23: 0.04

Cullinan Mine saw a small 3% increase in tonnes mined from FY 2023 at the upper end of guidance of between 4.3 to 4.5 Mt. ROM grades, however, were below expectations due to waste ingress associated with the C-Cut cave maturity. Several mitigating actions were undertaken to address the underperformance, including maximising tailings treatment and the re-opening of Tunnels 36 and 41. However, tailings treatment tonnes were below expectations and ROM grades were affected by capital curtailment which delayed the contribution of fresh ore from new development and production blocks. As a result, there was increased reliance on the diluted ROM ore from the C-Cut to meet production targets.



Five-year guidance period and beyond

The graph to the right illustrates the currently approved mine plan and future self-funded extension opportunities. The smooth capital development profile results in production stepping down to 3.5–3.7 Mtpa from FY 2027 onwards with carat production increasing to over 1.4 Mcts from FY 2028 as higher grade and fresher orebodies are accessed in the eastern part of the mine. The approved mine plan comprises completing the development of CC1E, C-Cut Ext 1 & 2 and a new ventilation shaft which will also enable future life extensions. Total extension capital over the five-year period is anticipated to be between US\$205-225 million and deliver an IRR of above 20%.

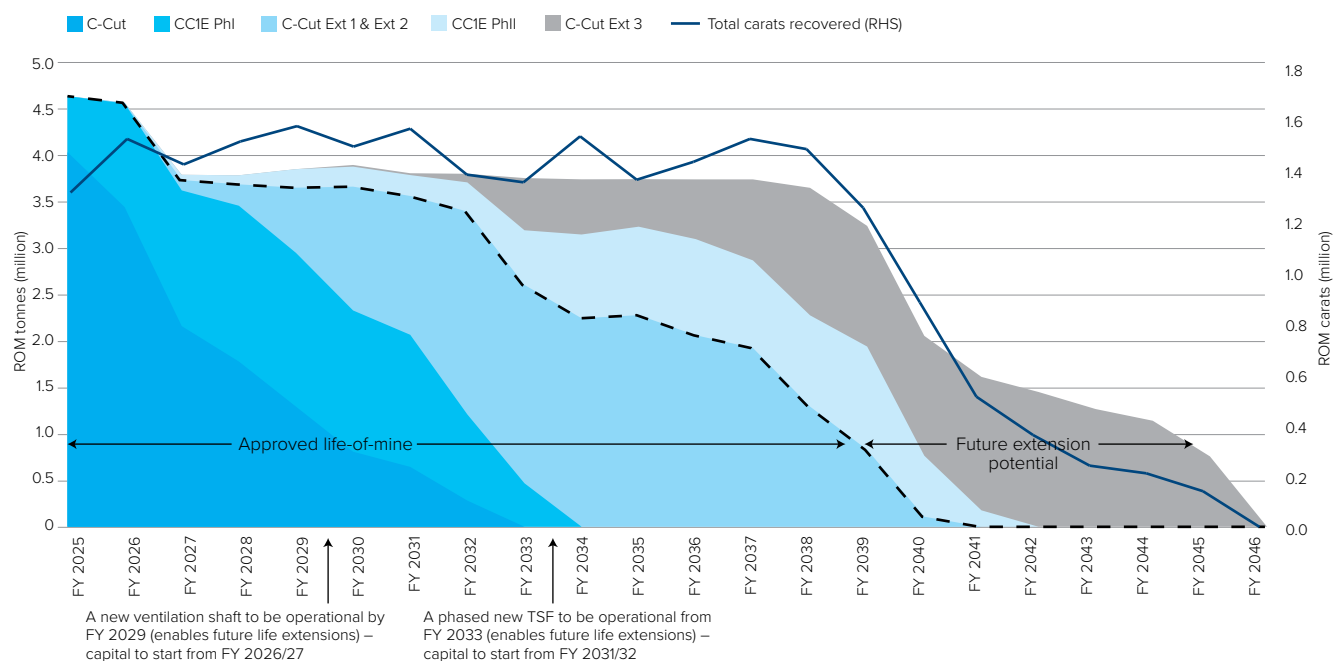
Beyond the five-year guidance period, Cullinan Mine has significant potential, with a further c. 9.6 Mcts that can be mined from the CC1E Phase II and C-Cut Ext 3 orebodies which would require construction of a new TSF. Indicative capital for these projects is expected to be between US\$185-205 million and deliver an IRR of above 20%.

FY 2024 performance

	FY 2024	FY 2023	Variance
Sales			
Revenue (US\$m)	189	182	+4%
Diamonds sold (carats)	1,633,456	1,306,457	+25%
Average price per carat (US\$)	116	139	-17%
Total production			
Tonnes treated (tonnes)	4,866,990	4,728,970	+3%
Diamonds produced (carats)	1,404,791	1,485,846	-5%
Grade¹			
ROM (cpht)	28.2	30.7	-8%
Tailings (cpht)	36.9	40.5	-9%
Operating profit² (US\$m)	(10)	47	n/a
Costs and Capex			
On-mine cash cost per total tonne treated (ZAR/t)	356	332	+7%
Total Capex (US\$m)	48	53	-9%

- Petra is not able to precisely measure the ROM/tailings grade split because ore from both sources is processed through the same plant; the Company therefore back-calculates the grade with reference to resource grades.
- Operating profit includes depreciation of US\$45 million (FY 2023: US\$54 million) and impairment losses of US\$33 million (FY 2023: US\$nil).

CULLINAN MINE MEDIUM-TERM LOM PROFILE TO EARLY FY 2040S SHOWING BASE CASE AND FUTURE EXTENSION POTENTIAL



Finsch

Renowned for highly commercial diamonds of +5 carats and rich gem-quality smaller diamonds together with large and very rare fancy yellow diamonds.

Mining method:

Underground sub-level cave

Mine plan:

Self-funded to late 2030s



Jaision Rajan

Operations Executive – Finsch Diamond Mine

GROSS RESOURCES (MCTS)

34.32

FY23: 35.35

EMPLOYEES AND CONTRACTORS

1,813

FY23: 1,880

LTIFR

0.22

FY23: 0.22

CARBON EMISSIONS (TCO₂-E/CT)

0.13

FY23: 0.14

WATER EFFICIENCY (M³/T)

1.21

FY23: 0.98

Finsch's tonnes mined dropped 14% year-on-year to 2.1 Mt while carat production dropped by only 3% to 1.0 Mcts owing to higher ROM grades. Early in the Year, Finsch suffered from tunnel availability issues in the mature Upper Block 5 SLC with mitigating actions taken to improve draw control that saw an improvement in ROM grades. Issues that occurred with Finsch's winder in the third quarter also contributed to lower mined tonnes and the issue has now been fully resolved. Grade improvements were seen from March 2024 with mining commencing in the 78-Level Phase II which resulted in dilution from waste rock reducing to more normal levels. The phased ramp-up of 78-Level Phase II should be fully complete in Q1 FY 2025. The rebasing of production to a 2.2 Mtpa operation is expected to have multiple benefits, including facilitating more proactive and longer-term maintenance programmes, enabling a smoothed concurrent development Capex profile and reducing risks with regards to truck loop and materials handling and through rationalising equipment.

5-year guidance period and beyond

The graph to the right illustrates the currently approved mine plan as well as future self-funded extension opportunities. With a smaller orebody than Cullinan Mine and Williamson, Finsch's mine life is more limited, although no account is currently made of the potential of the South West Precursor. The approved mine plan includes development of 81L (new level added) as well as completing the deferred 86-90L 3L-SLC project, with remaining capital expected to between US\$150-165 million. Future extension potential could see Finsch continue mining to the late 2030s to the 100 level, though this requires further sampling and resource work. Importantly, it is unlikely that any new infrastructure will be required.



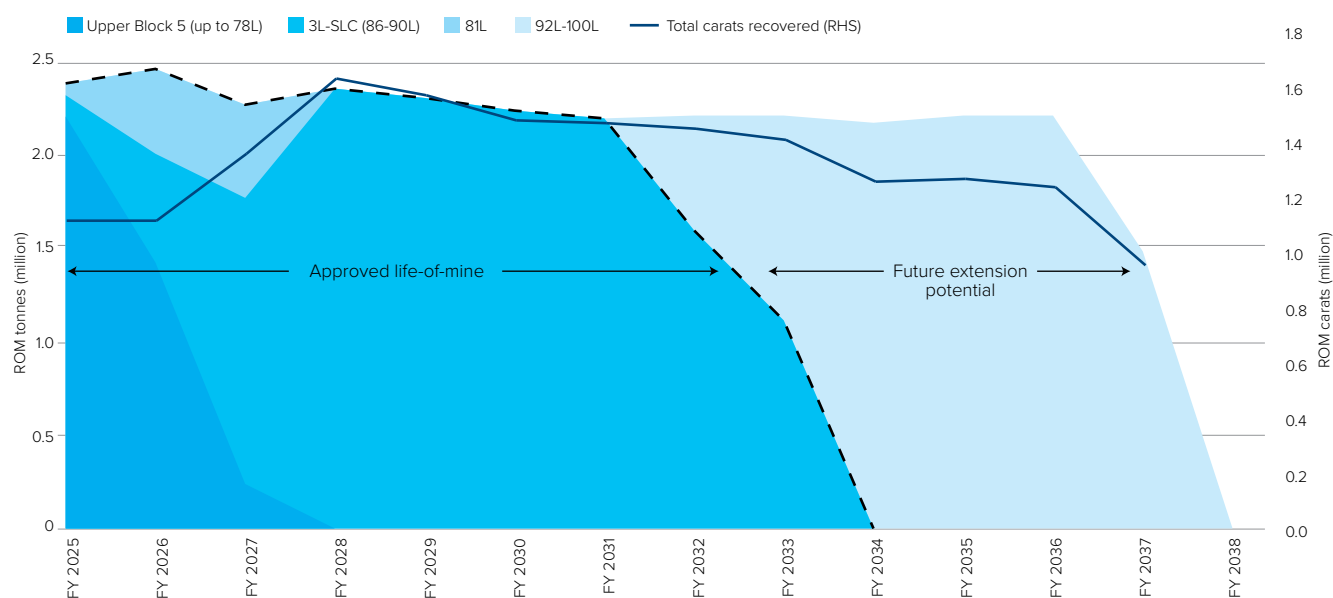
FY 2024 performance

	FY 2024	FY 2023	Variance
Sales			
Revenue (US\$m)	120	93	28%
Diamonds sold (carats)	1,227,409	848,236	+45%
Average price per carat (US\$)	98	110	-11%
Total production			
Tonnes treated (tonnes)	2,096,730	2,478,764	-15%
Diamonds produced (carats)	1,001,636	1,040,164	-4%
Grade¹			
ROM (cpht)	47.8	42.5	+12%
Tailings (cpht)	—	13.8	—
Operating profit² (US\$m)	(65)	63	n/a
Costs and Capex			
On-mine cash cost per total tonne treated (ZAR/t)	744	576	+29%
Total Capex (US\$m)	25	43	-42%

1. Petra is not able to precisely measure the ROM/tailings grade split because ore from both sources is processed through the same plant; the Company therefore back-calculates the grade with reference to resource grades.

2. Operating profit includes depreciation of US\$30 million (FY 2023: US\$20 million) and impairment losses of US\$45 million (FY 2023: US\$53 million reversal of impairments).

FINSCH EXTENDED LOM PROFILE TO FY 2037 SHOWING BASE CASE AND FUTURE EXTENSION POTENTIAL



Williamson

Renowned for 'bubble gum' pink diamonds and rounded white diamonds of high quality.

Mining method:

Open pit

Mine plan:

To 2030 reflecting remainder of Special Mining Licence

Further life-of-mine extension opportunities beyond



Ayoub Mwenda

Country and Mine Manager: Tanzania

GROSS RESOURCES (MCTS)

37.17

FY23: 37.50

EMPLOYEES AND CONTRACTORS

988

FY23: 989

LTIFR

0.00

FY23: 0.00

CARBON EMISSIONS (TCO₂-E/CT)

0.15

FY23: 0.23

WATER EFFICIENCY (M³/T)

1.14

FY23: 1.86

Williamson restarted production in July 2023 ahead of schedule, followed by a steady ramp-up through the Year. ROM grades, while down 11% on FY 2023, were 9% above expectations, having benefitted from replanning related to the production ramp-up after the stoppage linked to the TSF failure. This enabled access to higher-grade ore which was originally scheduled for FY 2025. The Williamson grade profile is not homogenous and is governed by the rate of mining and stripping and which areas can be opened up for production at any given time.

Five-year guidance period and beyond

As one of the largest kimberlites in the world, open pit mining has the potential to continue until at least 2040. During the five-year guidance period, ROM production is expected to remain steady at between 5.4 and 5.6 Mt, producing between 360 and 400 kcts per annum, with no additional extension capital expected before 2030.

FY 2024 performance

	FY 2024	FY 2023	Variance
Sales			
Revenue (US\$m)	57	49	+16%
Diamonds sold (carats)	297,915	175,124	+70%
Average price per carat (US\$)	191	280	-32%
Total production			
Tonnes treated (tonnes)	4,731,166	1,829,376	+159%
Diamonds produced (carats)	323,434	140,516	+130%
Grade (cpht)	6.8	7.7	-11%
Operating profit/(loss)¹ (US\$m)	(19)	(65)	+70%
Costs and Capex			
On-mine cash cost per total tonne treated (US\$/t)	13	24	-46%
Total Capex (US\$m)	10	19	-47%

1. Operating profit/(loss) includes depreciation of US\$14 million (FY 2023: US\$8 million) and impairments of US\$nil (FY 2023: US\$31 million).

FY 2024 Resource statement

The Company or the Group manages one of the world's largest diamond resources of c. 219 million carats (Mcts). This major resource implies that the potential mine lives of Petra's core assets could be considerably longer than the current mine plans in place at each operation, or could support higher production rates.

Gross resources

As at 30 June 2024, the Group's gross diamond resources (inclusive of reserves) decreased 1.9% to 218.97 Mcts (30 June 2023: 223.17 Mcts), predominantly due to depletions resulting from ore being mined at all our operations in FY 2024.

Gross reserves

The Group's gross diamond reserves decreased 2.0% to 27.78 Mcts (30 June 2023: 28.85 Mcts) primarily due to mining depletions and changes in mine plans driven by curtailment of capital expenditure on LOM projects at Cullinan Mine and Finsch. These changes included the addition of new mining areas at Cullinan Mine (C-Cut Ext 2) and at Finsch (81 Level), as well as the revision of existing and future production areas already included in reserves and FY 2023 LOM planning. The following table summarises the gross reserves and resources status of the combined Group operations as at 30 June 2024.

Category	Gross		Contained diamonds (Mcts)
	Tonnes (millions)	Grade (cpht)	
Reserves			
Proved	—	—	—
Probable	94.5	29.4	27.78
Subtotal	94.5	29.4	27.78
Resources			
Measured	—	—	—
Indicated	306.2	47.1	144.37
Inferred	1,281.9	5.8	74.60
Subtotal	1,588.1	13.8	218.97

Cullinan Mine

Category	Gross		Contained diamonds (Mcts)
	Tonnes (millions)	Grade (cpht)	
Reserves			
Proved	—	—	—
Probable	42.9	32.6	13.96
Subtotal	42.9	32.6	13.96
Resources			
Measured	—	—	—
Indicated	210.2	59.5	125.06
Inferred	169.5	10.1	17.19
Subtotal	379.7	37.5	142.25

1. Resource bottom cut-off: 1.0mm.
2. Reserve bottom cut-off: 1.0mm.
3. B-Cut Resource tonnes and grade are based on block cave depletion modelling using Geovia PCBC software and include external waste. A portion of the Resources in these remnant blocks report into the current caving operations as low-grade dilution.
4. C-Cut Resource stated as in-situ.
5. Reserves are based on scheduling using Geovia PCBC software on the C-Cut Phase I and C-Cut Phase II block caves, and Geovia PCSLC software for the CC1E sub-level cave.
6. Factorised grades and carats are derived from a calculated Plant Recovery Factor (PRF). These factors account for the efficiency of sieving (bottom cut-off), diamond liberation and recovery in the ore treatment process.
7. The PRF has been revised in line with the current Resource model and production plant. The PRFs currently applied for the new mill plant per rock type are: Brown kimberlite = 73.8%, Grey kimberlite = 67.9%, Black kimberlite = 70.6% and Coherent kimberlite = 68.0%.
8. US\$/ct values of 120-140 for ROM, excluding exceptional stones, and US\$/ct values of 50-70 for tailings (with reference to FY 2024 sales, diamond price modelling and production size frequency distributions).

Finsch

Category	Gross		Contained diamonds (Mcts)
	Tonnes (millions)	Grade (cpht)	
Reserves			
Proved	—	—	—
Probable	18.6	61.9	11.48
Subtotal	18.6	61.9	11.48
Resources			
Measured	—	—	—
Indicated	21.8	69.8	15.24
Inferred	40.6	47.0	19.08
Subtotal	62.4	55.0	34.32

1. Resource bottom cut-off: 1.0mm.
2. Reserve bottom cut-off: 1.0mm.
3. Block 4 Resource tonnes and grade are based on block cave depletion modelling and include external waste. A portion of this remnant Resource reports into the current caving operations as low-grade dilution.
4. Pit scaling and waste ingress have been included in the Reserve models.
5. Block 5 and Block 6 Resource stated as in-situ.
6. Reserves are based on sub-level cave scheduling using Geovia PCSLC software.
7. US\$/ct values of 90-110 for ROM (with reference to FY 2024 sales, diamond price modelling and production size frequency distributions).

Koffiefontein

Category	Gross		Contained diamonds (Mcts)
	Tonnes (millions)	Grade (cpht)	
Reserves			
Proved	—	—	—
Probable	—	—	—
Subtotal	—	—	—
Resources			
Measured			
Indicated	16.0	8.0	1.28
Inferred	121.3	3.3	3.96
Subtotal	137.4	3.8	5.24

1. Resource bottom cut-off (Koffiefontein underground and Ebenhaezer): 1.15mm.
2. Main Pipe resources above 490L are remnants of the front cave mining block and include external waste. A portion of this remnant Resource reports into the current caving operations as low grade dilution.
3. Resources below 490L are stated as in-situ.
4. US\$/ct values of 380-430 for ROM (based on FY 2023 sales results and production size frequency distributions, adjusted for current market conditions).

Williamson

Category	Gross		Contained diamonds (Mcts)
	Tonnes (millions)	Grade (cpht)	
Reserves			
Proved	—	—	—
Probable	33.0	7.1	2.34
Subtotal	33.0	7.1	2.34
Resources			
Measured			
Indicated	58.1	4.8	2.80
Inferred	950.5	3.6	34.37
Subtotal	1,008.6	3.7	37.17

1. Resource bottom cut-off: 1.15mm.
2. Reserve bottom cut-off: 1.15mm.
3. Resource depletions based on the June 2023 surveyed pit surface.
4. Reserves are stated to the end of the Special Mining Licence in 2030.
5. Reserves are based on a production rate of 5.5 Mtpa using open pit planning and scheduling software.
6. US\$/ct values of 190-240 for ROM (with reference to FY 2024 sales, diamond price modelling and production size frequency distributions).

General notes on reporting criteria

1. Resources are reported inclusive of Reserves.
2. Tonnes are reported as millions; contained diamonds are reported per million carats (Mcts).
3. Tonnes are metric tonnes and are rounded to the nearest 100,000 tonnes; carats are rounded to the nearest 10,000 carats; rounding off of numbers may result in minor computational discrepancies.
4. Resource tonnages and grades are reported exclusive of external waste, unless where otherwise stated.
5. Reserve tonnages and grades are reported inclusive of external waste, mining and geological losses and plant modifying factors; reserve carats will generally be less than resource carats on conversion and this has been taken into account in the applicable statements.
6. Reserves and Resources have been reported in accordance with the South African code for the reporting of mineral reserves and mineral resources (SAMREC 2016).
7. The Petra FY 2024 Resource Statement as shown above is based on information compiled internally within the Group under the guidance and supervision of Andrew Rogers, Pr. Sci. Nat. (reg. No. 120664). Andrew Rogers has 24 years' relevant experience in the diamond industry and is a full-time employee of Petra.
8. All Reserves and Resources have been independently reviewed and verified by John Kilham, Pr. Sci. Nat. (reg. No. 400018/07), a competent person with 44 years' relevant experience in the diamond mining industry, who was appointed as an independent consultant by the Company for this purpose.

Non-financial and sustainability information disclosures

Petra's commitment

As a Bermuda incorporated company, Petra is not subject to the UK Companies Act, and to the non-financial reporting requirements contained in sections 414CA and 414CB. However, in light of our listing on the Main Market of the London Stock Exchange, and recognising the importance of good governance and a high standard of disclosure, we set out our non-financial and sustainability information disclosures statement below.

The table below outlines our principal policies, risks and KPIs in relation to key non-financial and sustainability matters. The location of further relevant information and outcomes is provided on the pages highlighted below and is incorporated into this statement by cross reference.

Matter and policies	Principal risks	Non-financial KPIs	Outcomes
Environment <ul style="list-style-type: none"> Environmental Policy Statement: sets out Petra's commitments to a sustainable environment through the effective management of strategic environmental risks and opportunities Climate change Position Statement: sets out Petra's climate change commitments, including our GHG emission reduction targets, and the steps we are taking to mitigate the impact of climate change risks on our business Tailings Management Policy: sets out Petra's commitment to continually improving the safety and environmental performance of its tailings storage facilities and how it achieves its performance objectives for its tailing storage facilities in alignment with the GISTM 	<ul style="list-style-type: none"> Environment (page 62) Climate change (page 63) Licence to operate – regulatory and social impact and community relations (page 60) 	<ul style="list-style-type: none"> Embedding sustainability 	See pages 7, 42-43, 45 and 47
Climate related financial disclosures <ul style="list-style-type: none"> Climate Change Position Statement: see the description set out above TCFD Statement: as an issuer on the Main Market of the LSE, Petra is required to annually prepare a TCFD statement. The content of this statement is substantially aligned to the requirements of section 414CB of the UK Companies Act. 	<ul style="list-style-type: none"> Climate change (page 63) 	<ul style="list-style-type: none"> Embedding sustainability 	See pages 52-55 (TCFD Statement)
People <ul style="list-style-type: none"> Code of Ethical Conduct: sets out the conduct and behaviours that are expected from all of our staff and business partners Diversity and Inclusion Policy: sets out Petra commitments to promoting an organisational culture that values a diverse and inclusive workforce Whistleblowing Policy: sets out processes for reporting any concerns and ensures those that raise good faith concerns are protected from reprisal or victimisation 	<ul style="list-style-type: none"> Safety (page 62) Labour relations (page 61) Licence to operate – regulatory and social impact and community relations (page 60) 	<ul style="list-style-type: none"> Creating a safe working environment Embedding sustainability 	See pages 7, 42-43, 45 and 46
Social and community <ul style="list-style-type: none"> Code of Ethical Conduct: see the description set out above Social and Labour Plans for the Cullinan, Finsch and Koffiefontein Mines: set out our commitments for each of our South African mines on a range of social, labour and community issues over a five-year cycle, as required by the MPRDA Stakeholder Engagement and Management Policy: sets out who our stakeholder categories are and a framework for how we interact and manage our relationships with them 	<ul style="list-style-type: none"> Licence to operate – regulatory and social impact and community relations (page 60) 	<ul style="list-style-type: none"> Embedding sustainability 	See pages 7, 42-43, 45 and 46
Respect for Human Rights <ul style="list-style-type: none"> Human Rights Policy Statement: sets out Petra's commitment to conduct its business in a manner which respects the human rights and dignity of all people and in a way which is honest, fair and lawful Code of Ethical Conduct: see the description set out above Modern Slavery Transparency Statement: outlines the steps which Petra has taken to address modern slavery and human trafficking risks throughout its supply chain 	<ul style="list-style-type: none"> Licence to operate – regulatory and social impact and community relations (page 60) 	<ul style="list-style-type: none"> Embedding sustainability 	See pages 7, 42-43, 45 and 46
Anti-corruption and anti-bribery <ul style="list-style-type: none"> Code of Ethical Conduct: see the description set out above Public Officials Expenditure Policy: ensures that all expenditure related to Public Officials complies with applicable laws and is for a legitimate business purpose Declaration of Interest Policy: identifies and mitigates actual and potential conflicts of interest across Petra Whistleblowing Policy: see the description set out above 	<ul style="list-style-type: none"> Licence to operate – regulatory and social impact and community relations (page 60) 	<ul style="list-style-type: none"> Embedding sustainability 	See pages 7, 42-43, 45 and 88



Our business model is set out on page 5

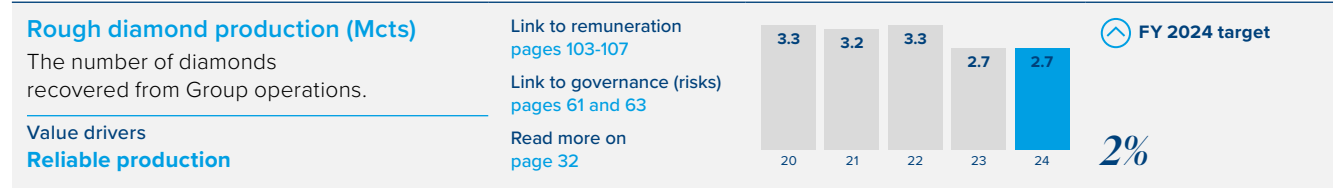
The non-financial KPIs highlighted above, that are used to monitor our progress, are detailed on pages 42 and 43. Further information, including the key policies and documents set out above, is available on our website at <https://www.petradiamonds.com/sustainability/policies-important-information/>

How we measure success

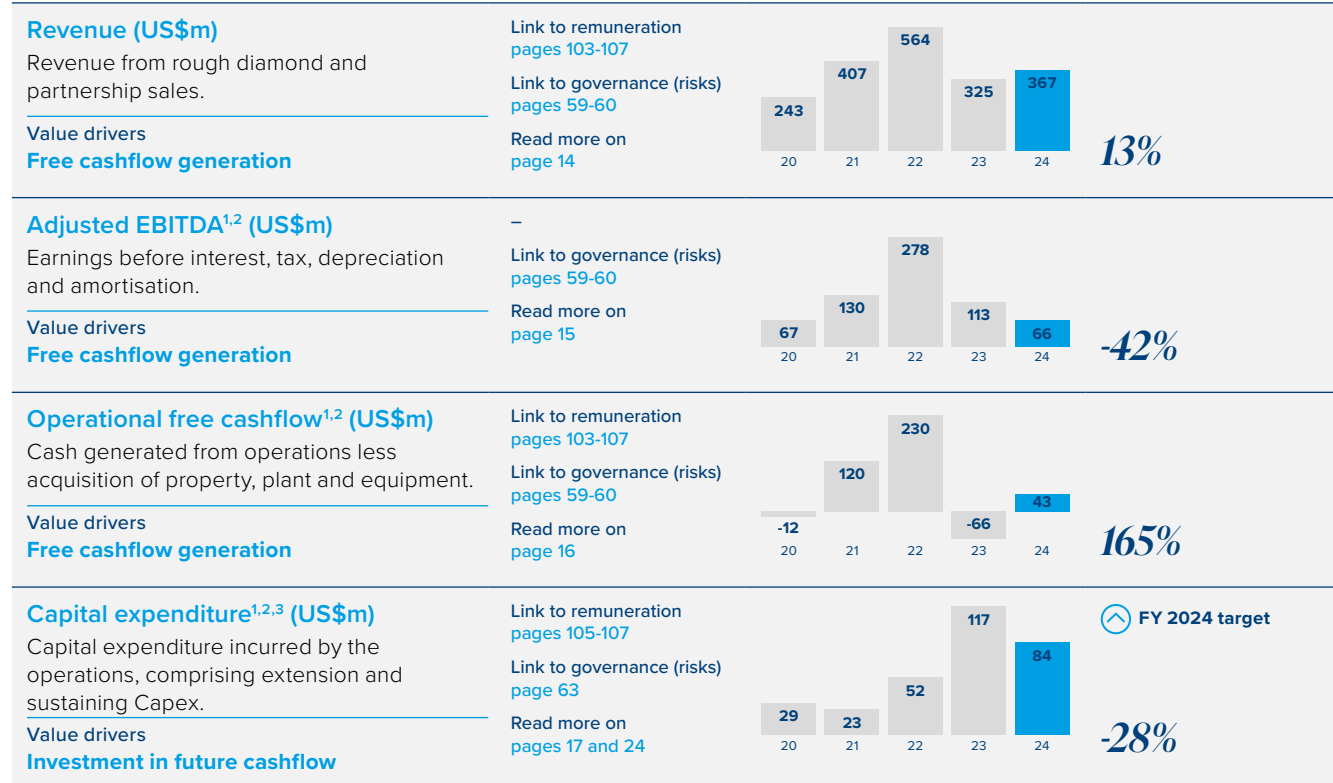
Petra uses a wide range of financial and non-financial metrics that are linked to our strategic objectives to help evaluate the performance of the business. The following KPIs are considered by management to be the most important.

Production and development

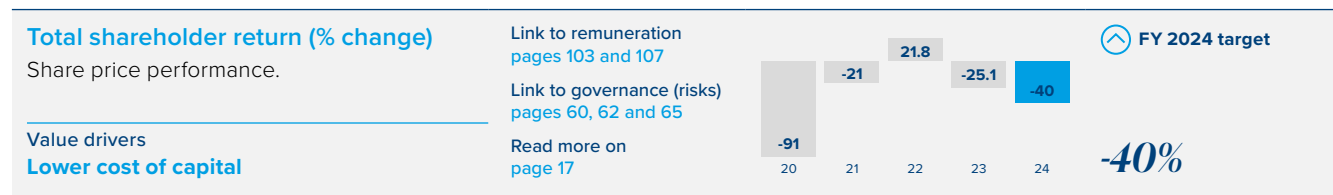
⬆ Increase ⬇ Decrease ⬇ No change



Generating free cashflow



Delivering returns to shareholders



Notes:

- All Alternative Performance Measures (APMs) used are defined on page 219.
- During FY 2023, Koffiefontein was placed on care and maintenance activities in the run-up to a responsible closure. Koffiefontein is classified as a discontinued operation in FY 2023 and FY 2024 in terms of IFRS 5.
- Excluding capitalised borrowing costs.
- Certain environmental figures for FY 2021 relating to Petra's carbon emissions and water consumption have been restated further to the independent verification of the Company's 2021 GHG inventory by TikoTech.
- Includes Koffiefontein.

Creating a safe working environment



Increase



Decrease



No change

LTIFR Lost time injury frequency rate.	Link to remuneration pages 103-106 Link to governance (risks) page 62 Sustainability Report page 14		FY 2024 target -33%
Value drivers Productivity			
LTI Lost time injuries.	– Link to governance (risks) page 62 Sustainability Report page 14		FY 2024 target -41%
Value drivers Productivity			

Embedding sustainability

Consolidated net debt: Adjusted EBITDA^{1,2} (x) Ratio of consolidated net debt to Adjusted EBITDA for the relevant 12-month period.	– – Read more on page 18		FY 2024 target 88%
Value drivers Embedding sustainability			
Carbon emissions^{4,5} (TCO₂-E/CT) Carbon emissions intensity for Scope 1 and 2.	Link to remuneration pages 103-107 Link to governance (risks) page 63 Sustainability Report page 14		FY 2024 target -5%
Value drivers Embedding sustainability			
Water efficiency^{4,5} (M³/T) Total fresh water used in production (ROM plus tailings) per tonne treated.	Link to remuneration pages 103-107 Link to governance (risks) page 62 Sustainability Report page 14		FY 2024 target 15%
Value drivers Embedding sustainability			
Staff turnover⁵ (%) Staff and fixed term contractors' voluntary turnover.	– Link to governance (risks) page 61 Sustainability Report page 45		FY 2024 target -35%
Value drivers Embedding sustainability			
Training expenditure⁵ (US\$m) Investment in employee training and development.	– Link to governance (risks) page 61 Sustainability Report page 14		FY 2024 target -13%
Value drivers Embedding sustainability			
Social expenditure⁵ (US\$m) Total social expenditure on local community development programmes.	– Link to governance (risks) page 60 Sustainability Report page 15		FY 2024 target -47%
Value drivers Embedding sustainability			

Delivering value through embedded sustainability



“

We have embedded sustainability into every aspect of our business. This enables us to create and sustain value for the Company and our stakeholders. It also ensures that we have a safe and healthy work environment that supports a diverse, talented workforce that has access to training and development opportunities. For communities close to our operations, our focus on sustainability means helping to create alternative local economic development that lasts beyond the lives of our mines.

Thashmi Doorasamy, Group HR and Public Affairs Executive

Our Sustainability Framework

Our Sustainability Framework supports our business strategy, guides our actions and helps us hold ourselves accountable in our commitment to our stakeholders.

Since its development in FY 2022, we have been integrating the Sustainability Framework across the Group, from organisational design to performance management. The framework is underpinned by our Petra Culture Code, ethical behaviour, robust governance practices, and constructive and transparent stakeholder engagement processes.

The framework provides structure and guides the integration of sustainability into our strategy and is fully embedded in our business.

We are committed to ethical and responsible business practices, good governance and constructive, transparent stakeholder engagement.

Petra supports the pursuit of the UN Sustainable Development Goals (SDGs). We focus on the following five SDGs which we believe we can contribute to the most:



Please read more in our Sustainability Report 2024

Material issues

Petra's materiality process plays an important role in providing us with a detailed understanding of the material topics and stakeholder concerns that affect our business and how our business impacts our stakeholders. For a detailed discussion on the process and outcomes, see our Sustainability Report, pages 10 to 11.

In FY 2024 we conducted a double materiality assessment in three phases:

Phase 1: We identified a broad range of material issues based on our risk register, peer group analysis, ratings agency and investor relations feedback, sector trends and through leadership feedback. In total, 40 issues were identified.

Phase 2: We asked key stakeholders – shareholders, suppliers, management and employees – to rank issues from both a financial and impact materiality perspective using the following definitions:

- Impact materiality assesses how our activities, operations, and value chain affect a wide range of internal and external stakeholders, as well as the environment; and
- Financial materiality considers how sustainability impacts related to the external environment and stakeholders influence the Company's financial performance, cashflows and prospects

Phase 3: In Phase 3, our leadership considered the recommended list of material issues and made amendments based on market knowledge and strategic priorities.

The final list of material issues was assessed from both a financial and impact materiality perspective and these material issues are discussed and referenced throughout our reporting suite.



See more in Principal risks section
pages 57-63

Changes from FY 2023

The updated list introduces the following new material issues: economic sustainability of the business (including marketing and capital allocation); biodiversity, closure and rehabilitation; respecting human rights (including security practices) and energy security, decarbonisation and climate change resilience. These additions underscore Petra's commitment to aligning with global sustainability standards and addressing critical areas of concern for stakeholders.

In contrast, Digitalisation and innovation, as well as Industrial action from last year, have been omitted from this Year's list. This shift suggests a strategic realignment, prioritising issues with the most significant impact on Petra's operations and long-term sustainability.

Material Topics FY2023	Material Topics FY2024
Effective tailings management	Responsible tailings management
Community relations and social investment	Socio-economic development of and engagement with communities
Climate change impact on mining operations	Energy security, decarbonisation and climate change resilience
Employee safety, health and wellness	Occupational health, safety and wellbeing
Water management	Water security and quality
Traceability	Traceability of our product (including responsible sourcing)
● Compliance and risk management	
● Responsible sourcing	
Ethical business	Ethics and integrity (including compliance, risk management and anti-corruption practices)
Geopolitical risks	Managing geopolitical risks
● Industrial action	
● Digitalisation and innovation	
Diversity, inclusion and employee development	Valuing employees (retaining employees, diversity & inclusion, constructive labour relations, training and development)
	● Economic sustainability of the business (including marketing and capital allocation)
	● Biodiversity management, closure and rehabilitation
	● Waste management
	● Respecting human rights (including security practices)

Legend

- Topic merged with another
- Topic discontinued
- New topic



Valuing our people

Our employees are a vital part of our operations, purpose and strategy. We strive to ensure their safety, health and wellbeing, while creating a compelling culture. Additionally, we are committed to supporting diversity and inclusion, employing and retaining the right people for each role and developing our employees so they can reach their full potential.

Petra Culture Code

Petra's unique Culture Code is a key enabler for the Group to ensure successful delivery of our objectives and was co-created by all of our employees in FY 2022. The Culture Code works as a measurable index that reflects the relationship between enabling and disabling organisational factors that are surveyed on a biannual basis and can provide granularity by operation and by function.

The results provide important quantitative and qualitative information on cultural performance and identify high-priority focus areas and recommend actions on how improvements can be made.

While it is our intention to undertake a Petra Culture Survey biannually, FY 2024 was a particularly challenging year for the Company and it was not considered appropriate to undertake a survey in the midst of an internal restructuring. However, the third Petra Culture Code survey was undertaken in July 2024 for our South African assets, even though it was expected that the culture would have been negatively impacted by such restructuring.

Contrary to expectations, we achieved a participation rate of 92% (second survey in FY 2023: 89%) and a Culture Index of 1.03 (second survey in FY 2023: 1.04). This index was slightly weaker than the previous May 2023 measurement but remains positive, which indicates that Petra has been able to maintain its positive culture despite significant organisational disruptions.

Safety, health and wellbeing

FY 2024 was another fatality-free year for Petra. In the course of the Year, we recorded:

- 31 total injuries, a decline from 41 in FY 2023, making the total injury frequency rate (TIFR) 0.48 per 200,000 hours worked, down from 0.58 in FY 2023
- 10 lost time injuries (LTI), down from 17 in FY 2023. This is a lost time injury frequency rate (LTIFR) of 0.16 (FY 2023: 0.24) per 200,000 hours worked.

Petra also saw a significant reduction in noise induced hearing loss cases, from 11 in FY 2023 to four in FY 2024.

Attracting, developing and retaining talent

We employed 4,544 people at the end of FY 2024. Of the total, 3,004 are permanent employees and 1,540 contractors. Women represented 32% of Petra's Senior Management, 43% of our Board and 32% of management.

Petra continued to invest in training and development, spending US\$4.0 million on employees, including Koffiefontein. This was a 13% decline from FY 2023's US\$4.6 million due to financial constraints and operational disruptions as a result of the organisational restructuring at Finsch and our corporate office.

In FY 2024, Petra supported 13 students through bursaries (FY 2023: 14). Among these bursary holders, 62% are women and 92% are HDSAs. Two female bursars qualified with Chemical Engineering and Metallurgical Engineering degrees respectively. One male bursar graduated with an Industrial Engineering Honours degree.

Labour relations

The business successfully concluded wage negotiations in South Africa, reaching five-year agreements with the National Union of Metalworkers for the period 1 July 2024 to 30 June 2029. Wage negotiations at Williamson will continue into FY 2025.



Driving shared value partnerships

We are committed to creating shared value through our activities and contribute to socio-economic growth in the communities and countries we operate in.

Petra aims to invest 1% of net profit after tax (NPAT), at an asset level, on social expenditure. Contributing to the development of communities based near our operations ensures legal compliance and secures our social licence to operate. Social expenditure decreased in FY 2024 to US\$1.5 million from US\$2.8 million due to delays in SLP 4 approvals and projects taking longer to implement.

One of the ways we create shared value is through our community training and development programmes. In FY 2024, we invested US\$0.2 million towards these programmes (FY 2023: US\$0.4 million), with the 50% decline due to the financial constraints and restructuring processes across the Group.

Petra also contributes to host community economies by procuring local goods and services through an integrated supply chain. In FY 2024, our Group discretionary procurement spend was US\$215.3 million (FY 2023: US\$233.6 million) and 100% of our total procurement in South Africa went towards local supplier procurement. Williamson spent 93% of its total procurement on local goods and services.

We support the principles of the Extractive Industries Transparency Initiative (EITI) and Publish What You Pay. In FY 2024, the Group paid a total of US\$48 million (FY 2023: US\$46 million) in taxes and royalties, with US\$32 million in South Africa and US\$16 million in Tanzania.

Petra's social investment expenditure totalled US\$1.5 million including Koffiefontein, comprising US\$1.1 million of spending in South Africa and US\$0.4 million in Tanzania. Our ESD community fund, which helps local businesses gain access to financing and markets, has approved 468 SMME loans valued at US\$3 million since its inception in 2015. This has created 2,718 jobs and supported 206 local businesses.

Progress continued to be made on the Independent Grievance Mechanism (IGM) and Restorative Justice Projects (RJP) at Williamson, as outlined on pages 29 to 32 of the Sustainability Report.



Respecting our planet

We strive to ensure that we manage the environmental impacts of our business throughout the mining life cycle. Responsible consumption and production are an integral part of our operational planning, with a dedicated focus on improved energy and water consumption, responsible waste management, biodiversity protection, rehabilitation and responsible closure.

We had no significant environmental incidents in FY 2024 (FY 2023: 1).

The business purchases 80% of our electricity from power utilities in South Africa and Tanzania. Although 87% of our energy is currently from non-renewable resources, we anticipate this will decline once we between 36-72% of our energy consumption in South Africa from renewable resources by FY 2026. Our Scope 1 and 2 carbon emissions decreased by 2%, due to reduced electricity consumption at the South African operations and improved grid factors at Eskom. Most of our emissions are Scope 2 (91%), with Scopes 1 and 3 making up 9% and 0.5% respectively.

We recycle 86% (FY 2023: 88%) of the water used at operations, in line with our commitment to reducing our freshwater usage, as water scarcity deepens.

We made progress towards compliance with the requirements of the Global Industry Standard on Tailings Management (GISTM). Petra has also completed most of the socio-economic remediation at the site of the Williamson TSF failure.

Read more about our progress against GISTM on pages 59-60 of our FY 2024 Sustainability Report: <https://wp-petra-diamonds-2023.s3.eu-west-2.amazonaws.com/media/2023/11/Document-2.pdf>



Delivering reliable production

We are committed to delivering reliable production which generates value for the business and its stakeholders and is a key enabler that underpins our Sustainability Framework.

Not only is this imperative for the Company to reach its objectives, but it also ensures stability for employees, contractors and unions, customers, financial stakeholders and suppliers. Petra continues to use the Diamond Value Management Framework; a framework that optimises value creation at each stage in the production, recovery and sales process and aims to create abundance through reliable economic extraction. FY 2024 presented several operational challenges which affected production, particularly at Finsch, which has now been rebased to a more reliable and sustainable 2.2 Mtpa operation. This shortfall was partly offset by the successful restart and ramp-up of production at Williamson during the Year. As a result, total diamond production for the Group was slightly below guidance of 2.73Mct, but up from FY 2023 by 3%.

Capital expenditure supports the maintenance of our operations and further enables our growth and sustainability. We announced capex deferrals earlier in the Year to adapt to the weaker-for-longer market backdrop while minimising the impact on production. There was then a strategic revision of the life-of-mine plans, which has led to a smoothed capital profile at our South African operations, self-funded until at least the early 2030s, and which should optimise the long-term potential of our assets. Capex spend in FY 2024 was US\$84 million (FY 2023: US\$117 million).

While diamond prices weakened in FY 2024, carats sold increased by 36% with revenue up 13% to US\$367 million (FY 2023: US\$324 million).

As for internal operational processes that drive reliable production, digital technologies and capabilities continue to be regularly reviewed to unlock new operational efficiencies.



Driving shared value partnerships: Koffiefontein case studies

As part of our ongoing commitment to community development, we have been involved in various projects at Koffiefontein to enable employability, skills development and income generation for our local residents.

In FY 2024, Petra invested ZAR2 million in a driving licence training programme aimed at enhancing the skill-set of local residents in Dithlake, Koffiefontein, as well as investing ZAR1.3 million to bolster food security and empower informal farmers via a Food Nutrition and Farmers Development Project in Letsemeng Local Municipality.

Running from April to September 2024, the drivers licence training initiative, in partnership with Sophia Drivers Academy, provided comprehensive Code 14 driver training, covering both theory and practical components. Participants can earn certifications enabling them to drive heavy vehicles; increasing their employability beyond the mining sector. Although Petra's involvement ends in September 2024, the skills gained are expected to have a lasting positive impact on the community's economic resilience and personal development.

Petra, in partnership with Letsemeng Local Municipality Council, COGTA's Community Work Programme, Small Economic Development Agency (SEDA), and Buhle Development Academy, launched a six-month initiative from January to June 2024 to support 25 informal farmers in Koffiefontein. The project provided skills training, resources and infrastructure, including a borehole for water access, to help farmers produce vegetables for their families and local markets. Buhle Development Academy offered technical training, while SEDA facilitated the formation of a co-operative to ensure sustainability. Although Petra exited the project in June 2024, ongoing support from SEDA, Buhle Academy, and COGTA aims to establish a self-sustaining agricultural model for the community.

In September 2023, Petra launched the Schools Support Programme in Dithlake, Koffiefontein, investing ZAR2.5 million to support high school learner in grades 10 to 12. The initiative focuses on improving performance in mathematics, physical science and accounting, crucial subjects for university admission. Qualified teachers from the Letsemeng Local Municipality conduct weekend classes, with meals provided to help students concentrate. The programme aims to boost grade 12 pass rates and university eligibility. Petra's involvement will conclude in November 2024 with the hope of leaving a lasting positive impact on educational outcomes in the community.



Farmers at Dithlake, in Koffiefontein.

Section 172 statement

BY THE BOARD OF DIRECTORS PURSUANT TO THE UK CORPORATE GOVERNANCE CODE

Petra is incorporated in Bermuda and is not subject to the UK Companies Act, 2006. However, it is required, as a company listed on the Main Market of the London Stock Exchange, to comply with the UK Corporate Governance Code (the Code). The Code requires Petra to describe how the interests of stakeholders and the matters set out in Section 172 of the UK Companies Act, 2006 have been considered in both Board discussions and decision-making. We believe that considering our stakeholders in key business decisions is not only the right thing to do but is fundamental to our ability to drive value creation in the long term. It should be noted that, in some situations and despite engagements by Petra, our stakeholders' interests may not be aligned with Petra's and interests between different stakeholders may conflict with one another. In these situations, the Board will still seek to understand and consider stakeholders' interests in its discussions and decisions, even if alignment cannot be achieved. Stakeholder considerations continue to be embedded throughout Petra's business, with our Executive Directors and Senior Management actively involved in initiatives to engage and communicate with our stakeholders, including through stakeholder engagement forums.

Some examples of how the Board considered the various elements contained in Section 172(1) of the UK Companies Act, 2006 in its discussions and decisions in FY 2024 are set out below.

Section 172(1)(a): the likely consequences of any decision in the long term

The Board regularly considers the steps needed to provide investors and stakeholders with a compelling value proposition and resilient business in the medium to long term, recognising the evolving environment in which Petra operates. Some examples from FY 2024 of the Board's consideration of the longer-term consequences of its decisions in relation to Petra's stakeholders included:

- **Board strategy session:** in February 2024, the Board held an extensive in-person strategy session. After considering the Company's current external and internal context, the Board agreed on a number of immediate short-term focus areas for delivery by management, which included the transitioning of the Finsch Mine to production output of 2.2 Mtpa, the setting of further cost savings targets and the development of smoothed capital profiles for the revised LOM plans at the Cullinan and Finsch Mines, holding an Investor Day that presented these revised LOM plans to the market and executing a refinancing of Petra's 2L Notes. The Board regularly reviews the progress of these key focus areas at Board meetings. It was also agreed at the strategy session to maintain Petra's Value-led Growth Strategy which had been approved by the Board in February 2022, with potential longer-term growth opportunities being reviewed and noting that priority was being given to the short-term focus areas listed above. Updates were also given on the negotiation of Power Purchase Agreements with Etana Energy for the long-term supply of renewable energy to the Cullinan and Finsch Mines and the negotiations for the sale of Koffiefontein Mine to Stargems.

For more information on Petra's strategy, see pages 20 to 24.

- **Deferral of life extension projects and initial cost savings:** the Board approved a number of steps to improve Petra's ability to withstand weaker-for-longer diamond market conditions, resulting in an announcement in November 2023 which targeted aggregate capex reductions of up to US\$65 million for FY 2024 by (i) deferring the C-Cut extension project and partially deferring the CC1E project at the Cullinan Mine and (ii) deferring the 3-Level SLC Project at the Finsch Mine. In addition, US\$7-10 million of cost savings were targeted for FY 2024. This led to the suspension of production guidance for FY 2025 to 2026 whilst revised LOM plans were worked on. In addition to the long-term interests of the Company, the Board also considered the interests of employees and the impact on suppliers and the communities surrounding the mines in approving these deferrals and cost savings.
- **Approval of revised LOM plans for Cullinan and Finsch Mines:** shortly before the end of the Year, the Board reviewed and approved revised LOM plans for the Cullinan and Finsch Mines which included the approval of the following life extension projects: at Cullinan Mine, CC1E Phase 1, C-Cut Extensions 1 & 2 and a new ventilation shaft; at Finsch, 81 Level and 86, 88 and 90 Level SLC. Management developed these plans in response to the ongoing diamond market challenges referred to above and with a view to enhancing Petra's resilience to future market and capital cycles. In its review of the LOM plans, the Board focused on, amongst other things: the LOM plans' ability to deliver free cash flow through the cycle; the longer-term potential of the Cullinan and Finsch Mines (and the need for this to be communicated to the market at the Investor Day on 27 June); and how these plans support a refinancing of the 2L Notes. For more information on the revised LOM plans, see pages 99 to 100. In addition to the long-term interests of the Company, the Board also considered the interests of employees and the impact on suppliers and the communities surrounding the mines in approving the revised LOM plans.

Section 172(1)(b): the interests of the Company's employees

Without a safe, healthy, skilled and productive workforce, Petra is unable to implement its strategy and create shared value for all its stakeholders. Recognising that Petra's employees are at the heart of its business, and that Petra's success is dependent on attracting, retaining, and motivating talented employees, the Board considered and assessed the impact of its decisions on employees throughout FY 2024. For further detail on how the Board engages with employees, see page 76.

Some examples illustrating the Board's inclusion of employee-related issues in their discussions and decisions in FY 2024 included:

- **Oversight of negotiation of long-term wage agreements:** the Board (and the Safety, Health and Sustainability Committee, in particular) received regular updates on wage agreement negotiations with organised labour in South Africa, culminating in Petra entering into five-year wage agreements with the National Union of Mineworkers in June and July 2024. Wage agreements are a key element in Petra's licence to operate and in providing operational stability. The Board recognises the challenge of balancing the interests of Petra's employees with Petra's financial interests, particularly when faced with challenging diamond market conditions.

- **Review of workforce remuneration as part of cost saving initiatives:** as part of setting cost reduction targets to enable Petra to withstand weaker-for-longer diamond market conditions, management made the difficult decision of cancelling the FY 2024 annual bonus for D-Band employees and above and freezing salaries for FY 2025 for E-Band employees and above. These decisions were overseen and supported by the Board, with the Board having to consider the Company's financial resilience, whilst also taking into account the interests of Petra's employees. These decisions also resulted in the cancelling of the FY 2024 annual bonus for the Executive Directors and Exco and the freezing of their salaries for FY 2025, as outlined in the Directors' Remuneration Report (see pages 103 to 114).
- **Organisational restructuring and Section 189 process:** in response to weaker-for-longer diamond market conditions and the need for Petra to reset its cost base, management commenced an organisational restructuring that led to Section 189 retrenchment consultation processes being undertaken at the Finsch Mine (which reduced its throughput tonnage to 2.2 Mtpa) and for all Group employees. This resulted in a number of employee retrenchments and voluntary separations. These decisions and the Section 189 processes were overseen by and supported by the Board, involving regular updates, with the Board having to consider the Company's financial resilience and organisational efficiency, whilst also taking into account the interests of Petra's employees.

Section 172(1)(c): the need to foster the Company's business relationships with suppliers, customers and others

The delivery of Petra's strategy requires strong and mutually beneficial relationships with suppliers, customers and host governments. Petra's suppliers are critical to the development and safe running of our operations, while its customers are the source of Petra's revenue.

Some examples illustrating the Board's consideration of relationships in FY 2024 included:

- **Board changes:** in December 2023 and in response to feedback from Petra's major shareholders, as well as the challenging diamond market conditions, the Board made a series of changes resulting in a smaller and more efficient Petra Board. These included reducing the Board from ten to seven Directors, merging the Sustainability and Health & Safety Committees and reducing fees for the Chair and Non-Executive Directors. These changes also saw the appointment of José Manuel Vargas, who currently holds 8.75% of Petra's issued share capital, as a non-independent Non-Executive Director, and Alex Watson stepping down from her role as a non-independent Non-Executive Director but becoming a Board Observer, nominated by Franklin Templeton, one of Petra's major shareholders. In addition, in May 2024, Amre Youness, principal owner of Terris Fund SPC, was appointed as a Board Observer to represent the interests of Terris Fund SPC, Petra's largest shareholder. These changes have brought about greater representation by some of Petra's largest shareholders on the Board.
- **Partnership stones:** in FY 2024, Petra continued to make use of partnership agreements with key customers for the sale of certain high-value stones recovered from the Cullinan Mine. These agreements enable Petra to retain an interest in the profit uplift of the proceeds of polished stones, after taking into account all costs. The Board considered the impact such partnerships have in strengthening Petra's relationships with key customers, as well as the ongoing potential for Petra to retain more value from its higher value stones.

Section 172(1)(d): the impact of the Company's operations on the community and the environment

The sustainability of Petra's business in the medium to long term requires that the interests of the environment in which Petra operates (including communities and host governments) be aligned, as far as possible, with Petra's interests, and that we operate in a way which minimises the adverse impact on these stakeholders. The support of local communities, host governments and NGOs are a critical components of Petra's licence to operate. Petra seeks to ensure that it complies in all material aspects with relevant legislation in the countries in which it operates. The Board, and in particular, the Safety, Health and Sustainability Committee, regularly assesses the impact of Petra's operations on the community and the environment. Below are specific examples of how these impacts were included in discussions and decision-making in FY 2024:

- **Approval of long-term Power Purchase Agreements:** in May 2024, the Board reviewed and approved entry into long-term Power Purchase Agreements (PPAs) with Etana Energy for the procurement of wheeled renewable energy for its Cullinan and Finsch Mines. In approving these agreements, the Board considered how they would enable Petra to fulfil its target of reducing scope 1 and 2 GHG emissions by 35-40% by 2030 (against its 2019 base line) well ahead of time and further strengthen the sustainability credentials of Petra's diamonds. In addition to reducing the Company's carbon footprint, the portion of the energy sourced from Etana will contribute to predictable energy costs and is expected to result in sustainable cost savings over the term of the PPAs.
- **Oversight of the IGM and RJP implementation at the Williamson Mine:** the Board and Safety, Health and Sustainability Committee continued to oversee progress on the IGM and RJPs required under the terms of the settlement agreement with Leigh Day. During FY 2024, the IGM started to make remedy payments to complainants and is targeting to process all grievances around the middle of FY 2025. The IGM is a key step to promote reconciliation between WDL, directly affected parties and the broader community by providing remedy to those individuals who have suffered severe human rights impacts. One of the RJPs is an Agribusiness Development Initiative that is being implemented to develop charco-dams to improve water availability for surrounding communities and increase the number of poultry businesses amongst the surrounding communities. For more details on the IGM and the RJPs, see pages 29 to 32 of the Sustainability Report. Apart from reviewing the IGM and RJPs, the Board regularly discussed the incidence of illegal mining incursions at the Williamson mine, as well as its security operations, and continued to deepen its understanding of the underlying factors which drive illegal mining at Williamson and ways in which it might be addressed.

- **Sale of Koffiefontein:** in FY 2023, the Board took the difficult decision of ceasing operations at Koffiefontein and placing it on care and maintenance, with preparations being made for a responsible closure. However, following this decision, Petra continued to explore a potential sale of the mine and, the Board approved the entry into, in April 2024, definitive agreements for the sale of the Koffiefontein Mine to Stargems. Upon completion of the sale, Petra will no longer be responsible for Koffiefontein's environmental rehabilitation liabilities and care and maintenance costs, though it will remain liable for funding certain ongoing social commitments relating to the mine that were made during Petra's ownership. One of the Board's considerations in approving the transaction was that it would, once completed, provide ongoing economic activity for the local community. A further requirement of the responsible exit was the buyer having the technical and financial capability to conduct operations in a responsible manner for all stakeholders.
- The ARC considered the potential impact of the UK Economic Crime and Corporate Transparency Act, noting and reviewing the measures Petra proposed implementing to ensure compliance. These measures include, but are not limited to, assessments of Petra's fraud risk profile, enhanced due diligence on entities which perform or may perform services for Petra, mapping of senior manager roles to identify those potentially in-scope for knowledge attribution and providing further targeted training to these individuals
- Shortly after the end of FY 2024, South African and UK management-level employees received annual online training on Petra's Code of Ethical Conduct and were required to complete an annual certification that they have complied with the requirements of the Code. Employees below this level will receive their training and provide their certifications when they go through their annual refresher training. The ARC received updates on this training and certification process

Section 172(1)(e): the desirability of the Company maintaining a reputation for high standards of business conduct

The Board periodically reviews and approves material policies and standards which apply to Petra and which embed high standards of business conduct across the Petra Group. In FY 2024:

- The Audit and Risk Committee (ARC) reviewed and approved the adoption of a Risk Appetite and Tolerance Framework, a key element of the Company's risk management system. This Framework requires the Company to measure its risk exposures by reference to certain key risk indicators and determine whether they remain within levels approved by the ARC, with regular updates on these key risk indicators being provided to the Exco and the ARC. Further details can be found on page 58
- The SHS Committee reviewed and approved updated versions of the Stakeholder Engagement and Management Policy, the Diversity and Inclusion Policy and the Human Rights Policy Statement
- The ARC considered the updated Global Internal Audit Standards and Petra's plan to implement them by the end of CY 2024

Section 172(1)(f): the need to act fairly as between members of the Company

After weighing up all relevant factors, the Board considers the course of action which best positions Petra to deliver its strategy in the long term, taking into consideration the effect on key stakeholders. Pertinent examples of the factors and engagements taken into account by the Board are set out above. In doing so, our Directors act fairly as between the Company's members, but are not necessarily required to balance the Company's interests with those of other stakeholders. This can sometimes mean that certain stakeholder interests may not be fully aligned and in some situations, may conflict.

In relation to the broader issue of stakeholder engagement, see pages 16 to 19 of the Sustainability Report.

Petra's response to climate change: TCFD recommended disclosures

Petra has made disclosures against all the TCFD Recommended Disclosures, we acknowledge and recognise that we remain on a journey in relation to climate change. We continuously seek to improve the robustness of these disclosures. In addition to this report on our approach to climate change, refer also to the Petra Sustainability Report, which will be published at the same time as this Report.

Our reports comply with the London Stock Exchange (LSE) Listing Requirements and the UK Corporate Governance Code. We have adopted and aligned our reporting with best practice principles and guidelines. We report in accordance with the Global Reporting Initiative (GRI) Standards: 2021, the Sustainability Accounting Standards Board (SASB) Metals & Mining Sustainability Accounting Standard (now part of the IFRS Foundation), and the Task Force on Climate-related Financial Disclosures (TCFD). As a member of the Natural Diamond Council, we adhere to its membership requirements and sustainability pledges. We support the principles of the Extractive Industries Transparency Initiative and report accordingly. We also support the United Nations Sustainable Development Goals (SDGs) and report on our contribution to these throughout this Report.

Key achievements in FY 2024 included the following:

- We advanced our decarbonization objectives during the Year by entering into long-term Power Purchase Agreements (PPAs) with Etana Energy to supply renewable energy to our Cullinan and Finsch Mines. Renewable energy will account for between 36-72% of their energy requirements, starting from FY2026.

- We continue to transparently disclose climate-related information, consistent with global benchmarks and standards, including the TCFD Recommendations.

The contents of this Report have been reviewed by Petra's Exco, the Safety, Health and Sustainability Committee and was approved by the Board on 23 September 2024. Petra engaged an independent third party to verify its carbon footprint.

We re-affirm our commitment to our long-term target of achieving net zero Scope 1 and 2 GHG emissions by 2050, though we aspire to reach this goal by 2040 or earlier. We are also still committed to a short-term target of reducing our Scope 1 and 2 emissions by 35% to 40% by 2030, against a 2019 baseline.

The table below sets out where Petra has made climate disclosures consistent with the TCFD. Certain of these disclosures are contained in our Sustainability Report, to align with how we report on our sustainability and climate change ambitions.

Governance

Recommended disclosures	Discussions/ or key developments in FY 2024	Further info
1. Describe the Board's oversight of climate-related risks and opportunities	<p>The Board, supported by the Audit and Risk, Safety, Health and Sustainability and Remuneration Committees, has ultimate accountability for the Group's strategy, risk and governance of climate-related risks and opportunities. Adopting this approach ensures that the Board sets the risk appetite and tolerances, strategic objectives and accountability for climate-related risks and opportunities.</p> <p>The Board monitors progress against Petra's Climate Change Mitigation and Adaptation Strategy and GHG Roadmap while providing oversight of climate change risk processes and related controls, ensuring that management implement appropriate governance processes and controls that are effective in managing climate change risks and opportunities. The Board is kept apprised of material developments in relation to climate change (and significant environmental events) as and when they occur. To ensure effective oversight, the Board and relevant Committees receive regular updates on climate-related matters, including climate-change-related data and performance information.</p> <p>Previously the Health and Safety and Sustainability Committees operated separately, however these committees were merged in January 2024, to establish the new Safety Health and Sustainability Committee, adopting new Terms of Reference which were approved by the Board. The new merged committee provides effective oversight and monitoring role in relation to Group-wide environmental matters, including climate-change. The Committee meets formally at least quarterly and oversees implementation and compliance with the Group's climate-related policies and monitors performance. The Chair of Petra has also been formally designated as the NED with primary responsibility for ESG matters (which includes climate change). Climate change is classified as one of Petra's principal risks, monitored monthly by Petra's Exco while the Audit and Risk Committee receives quarterly updates on movements in principal risks (including climate change).</p>	<p>Additional Group governance developments during FY 2024 that are related to our climate-related risks and opportunities may be found in the reports of the Safety, Health and Sustainability Committee (page 96), Audit and Risk Committee (page 84) and Remuneration Committee (page 101).</p> <p>For the Terms of Reference of the Audit and Risk, Safety Health and Sustainability and Remuneration Committees, see https://www.petradiamonds.com/about-us/corporate-governance/</p>

Governance continued

Recommended disclosures	Discussions/ or key developments in FY 2024	Further info
2. Describe management's role in assessing and managing climate related risks and opportunities	<p>The Group CEO has overall executive accountability for climate-related risks and opportunities, which includes decarbonisation and energy-related matters. The CEO, assisted by Exco, acts upon the most material risks and opportunities to implement Petra's strategy and unlock maximum stakeholder benefit. The Group CFO holds overall executive accountability for integrating climate-related risks and opportunities into annual budgets, business plans and financial disclosures. Management is responsible for identifying climate-related risks and opportunities including the implementation of adequate processes to enhance the control environment to effectively manage climate change risks and opportunities.</p> <p>Exco meets at least once a month and includes representation from key internal functions. Each Exco member is responsible and accountable for integrating consideration of climate-related risks and opportunities as they relate to their respective functions and overseeing the management of climate-related risks and opportunities that fall within their remit. Petra's performance management system also involves the setting of KPIs which include requiring all managers to effectively identify, assess and manage risks (including climate-related) within their remit and performance against these KPIs is assessed at least biannually.</p>	Additional Group governance developments during FY 2024 that are related to risk management (which includes identification and management of climate related risks) may be found at pages 56 to 58 and 91.

Strategy

3. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	<p>The Group has identified several physical and transition risks that our operations are exposed to (which have a medium (-2030) to long-term (-2040) impact on Petra's business) and opportunities that we can investigate and respond to. The key risks and opportunities were:</p> <ul style="list-style-type: none"> Physical risks: increased precipitation (acute); temperature and droughts/water stress (chronic). Transition risks: access to capital, carbon tax and market risk owing to change in consumer behaviour and policy and legal risks. Physical opportunities to be investigated: improved water use strategies and innovative water remediation and recycling technologies. Innovative use of new technologies focused on the health and safety of employees and the reduction of excessive evaporation. Transition opportunities to be investigated: reduce the Group's exposure to carbon tax and increasing fossil fuel prices by securing renewable energy supply. Positioning Petra as a responsible mining company could increase capital investment and customer preference for Petra's diamonds. <p>All these risks are applicable to the South African and Tanzanian operations.</p>	The detailed risk descriptions are available in the Supplementary information of the Sustainability Report (see pages 54 to 58).
4. Describe the impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning.	Sustainability and climate change are embedded in our strategy, which supports our ambition to create value for our stakeholders and build a sustainable business. Petra prioritises the effective management of climate-related matters as this contributes to the Group's performance and ability to deliver its strategic objectives in both the short and long-term. The impacts of climate change risks are classified into four main categories ie (i) precipitation and flooding, (ii) rising temperatures, (iii) drought hazard and water stress and (iv) transitional risks. The key climate change priority risks across these categories relate to increased cost and capital investments, potential production stoppages and employee health and safety including socio-economic impacts on our surrounding communities resulting from potential climate change risks materialising.	
5. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree or lower scenario	<p>We have bolstered our resilience against identified climate-related risks through our operational health, safety, environmental and risk management processes, monitoring and continuous review through our climate change performance indicators supplemented by our continuous monitoring of key risk indicators. Based on the nature of the risks identified, the appropriate remediation to address these risks is being considered in Petra's business strategy and financial planning process.</p> <p>We have committed to decarbonisation targets and secured renewable energy supply for our operations from FY 2026. Our decarbonisation targets and renewable energy supply will assist us in reducing our carbon emissions and potential future carbon tax liabilities. Our history of climate and sustainability reporting will enable us to proactively address any further reporting requirements. We will continue to report transparently against appropriate ESG disclosure standards (including climate-related requirements) and engage with stakeholders on ESG-related matters.</p>	Please see the following pages in the Sustainability Report to read more about how Petra is improving its resilience: page 38 (Safety, Health & Wellbeing), 59 (entry into PPAs) and 60 (implementation of the GISTM).

Risk management

Recommended disclosures	Discussions/ or key developments in FY 2024	Reference
6. Describe the organisation's processes for identifying and assessing climate-related risks	<p>The Group has implemented a robust Enterprise Risk Management (ERM) Framework to identify, assess and manage current and emerging risks and uncertainties. To ensure that climate-related risks and opportunities are adequately identified and assessed, a multi-pronged approach (detailed below) has been implemented. The risk identification process considers external and internal climate risks including strategic and operational risks and climate risks identified through review of climate change publications and professional and regulatory bodies, globally. The Company conducts climate change scenario analysis with guidance and support from external independent climate change specialists to inform current, medium and long-term climate risks. These risks are processed through the Company's ERM processes focusing on controls in place to mitigate climate risks to acceptable levels and consequent quantification of climate risks to determine the potential impact of these risks on the Company and its operations, and stakeholders.</p> <p>Climate change scenario analysis</p> <p>Climate change scenario analysis uses a standard set of Representative Concentration Pathways (RCP) scenarios (published by the United Nations Intergovernmental Panel on Climate Change) to identify climate-related risks and opportunities based on projected future greenhouse gas concentrations.</p> <p>The Group climate-related scenario analysis include the below pathways and will be reviewed periodically as appropriate:</p> <ul style="list-style-type: none"> • RCP1.9 (a pathway that limits global warming to below 1.5 °C by 2100) as the worst-case scenario for transitional risks. • RCP8.5 (a pathway that estimates global warming at 4.3 °C by 2100) as the worst-case scenario for physical risks. • RCP 2.6 (a pathway that limits global warming to below 2.0 °C by 2100) as a reasonable case. <p>Our assessment of climate-related risks and opportunities was conducted across two timeframes, namely 2030 and 2040 – based on current LOM plans across our operations. These timelines will be reviewed should our operations' LOM plans be extended beyond 2040.</p> <p>The Petra climate-related scenario analysis incorporated 11 climate indicators listed under four climate-related categories, namely temperature and heat, drought, water stress, and precipitation. The evolution of these indicators in considered scenarios was used to identify potential physical and transitional climate-related risks and opportunities for our operations.</p>	Additional Group governance developments during FY 2024 that relate to risk management (which includes identification and management of climate-related risks) may be found at pages 56 to 58 and page 91.
7. Describe the organisation's processes for managing climate-related risks	<p>We recognise that the potential materialisation of climate-related risks has widespread consequences throughout the Company, its operations, employees and broader stakeholders. The Company's ERM Framework clearly sets out acceptable risk management practices for managing climate risks. In most instances the Company treats climate risks through remediation by implementing governance processes and controls that either prevent, detect or minimise the impact of climate related risks. The Company also transfers certain catastrophic climate risks that exceed the Company's risk-bearing capacity to external third parties such as insurers.</p> <p>The outputs from the scenario analysis indicate how hazards and risks could potentially change over the respective timescale to provide a view of the resilience of our operations and will be reviewed every three to five years to adjust scenario projections, extended timescales and strategy as needed (due to care and maintenance, mine closure and LOM extensions).</p> <p>The output of the climate scenario analyses is used to supplement our ERM process as it is critical to the analysis, management and control of risks and informs analysis techniques and risk control mechanisms for implementation to mitigate the impacts of climate-related risks on operations and stakeholders, including:</p> <ul style="list-style-type: none"> • ensuring that identified risks of climate change continue to inform business strategy and decision making; • scaling up the development and implementation of appropriate adaptation response measures to the identified risks and opportunities; and • increasing our support to building community resilience through engagement on shared climate change risks and opportunities. 	Additional Group governance developments during FY 2024 that relate to risk management (which includes identification and management of climate-related risks) may be found at pages 56 to 58 and page 91. Also see the discussion on Petra's updated materiality assessment at pages 10 and 11 of the Sustainability Report.

Risk management continued

Recommended disclosures	Discussions/ or key developments in FY 2024	Reference
8. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	The identification of climate risk is set out in point 6 above. The assessment of climate related risks and opportunities is conducted in accordance with the Company's Enterprise Risk Management (ERM) and Risk Appetite and Tolerance (RAT) Frameworks. The ERM has defined qualitative and quantitative criteria in evaluating likelihood and consequence of climate risks, while the RAT framework proactively measures management's performance against risk mitigation actions through established Key Risk Indicators (risk appetite and tolerance thresholds), providing an early warning indicator of risks breaching acceptable appetite and tolerance thresholds, prompting immediate management action. The identification and assessment of climate risks forms the focal point and underpins strategic and operational decision-making, further including standardised, uniform and appropriate internal controls in our policies and procedures to strengthen the Company's control environment relating to climate risks. The Company's integrated risk management process highlights climate risk impacts across multiple functions and assists management in drawing inferences and correlation between various climate risks and its impact, enabling management to implement remediation steps in an integrated and holistic manner.	Additional Group governance developments during FY 2024 that relate to risk management (which includes identification and management of climate-related risks) may be found at pages 56 to 58 and page 91. Also see the discussion on Petra's updated materiality assessment at pages 10 and 11 of the Sustainability Report.

Metrics and targets

9. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes	<p>Petra discloses an array of climate-related metrics including energy usage and intensity, Scope 1, 2 and 3 GHG emissions and Scope 1 and 2 emissions intensity. When renewable energy becomes a significant part of our energy mix, its percentage will be disclosed. The key metrics linked to the assessment of our GHG emissions include:</p> <ul style="list-style-type: none"> • Absolute gross GHG emissions generated during the reporting period, measured in accordance with the Greenhouse Gas Protocol Corporate Standard, and Corporate Value Chain Standard expressed as metric tonnes of CO₂ equivalent, classified as Scope 1, 2 and 3 emissions; • Verified GHG emission for scope 1 and 2; • Measurement of temperatures (underground and surface) as per health and safety protocols; and • Dam levels are monitored in real time to prevent flooding. 	
10. Disclose Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	<p>The majority of Petra's GHG emissions (approximately 90%) are related to electricity consumption (Scope 2) and therefore represents our biggest risk and focus in relation to emission reduction activities. With respect to our Scope 3 GHG emissions, we are identifying appropriate steps and reporting boundaries of the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard to calculate and measure our baseline and report on Scope 3 emissions. We recognise the challenge in reporting accurate and reliable Scope 3 emissions data.</p> <ul style="list-style-type: none"> • Scope 1 emissions for FY 2024 were 36,586 tCO₂-e • Scope 2 emissions for FY 2024 were 384,283 tCO₂-e • Scope 3 emissions for FY 2024 were 2,098 tCO₂-e 	Additional Group performance metrics during FY 2024 that are related to our climate-related risks and opportunities may be found at pages 55 to 77 of the Sustainability Report.
11. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	<p>We continue to transparently disclose climate-related targets, consistent with global benchmarks and standards, including the TCFD Recommendations.</p> <ul style="list-style-type: none"> • We have committed to a long-term target of achieving net zero Scope 1 and 2 GHG emissions by 2050, though we aspire to reach this goal by 2040 or earlier. • We have committed to a short-term target of reducing our Scope 1 and 2 emissions by 35%-40% by 2030, against our 2019 baseline. 	

Risk Management and Principal Risks

The Group is exposed to a number of risks which could have a material impact on its performance and long-term viability. The effective identification, evaluation, management and mitigation of these risks is a core focus of management and the Board, as this is key to the Company's strategy and objectives being achieved.

Risk Management Framework

The Board has ultimate responsibility for risk management and receives reports and updates from the Board Committees on the key risks facing the business and the steps taken to manage them. The Board delegates responsibility to the Audit and Risk Committee which is responsible for monitoring and assessing Petra's risk management and internal control systems. The ARC receives quarterly updates from the Risk, Assurance and Compliance function on Petra's principal risks, including tracking Petra's risk appetite and tolerance thresholds and risk mitigation action plans. The Safety, Health and Sustainability Committee also monitors developments related to safety, health, environment, climate and social performance, providing strategic direction, oversight and risk assurance.

Exco receives monthly updates on Petra's principal risks, including Petra's risk appetite and tolerance thresholds and risk mitigation action plans and monitors and facilitates the implementation of effective risk management through the organisation, including driving a culture of individual risk owner and employee accountability. Petra's Risk, Assurance and Compliance function continuously reviews, analyses and reports on risks, which includes monitoring emerging risks and consolidating key risks. Internal Audit provides assurance, in conjunction with external assurance providers and the Risk, Assurance and Compliance function, on the effective functioning of the internal control systems.

Petra deploys the four lines of defence model to enable better risk governance. A summary of how this model works is set out below. Petra's risk governance applies the principles of good governance to the identification, assessment, management and communication of risks.

Risk governance – four lines of defence model

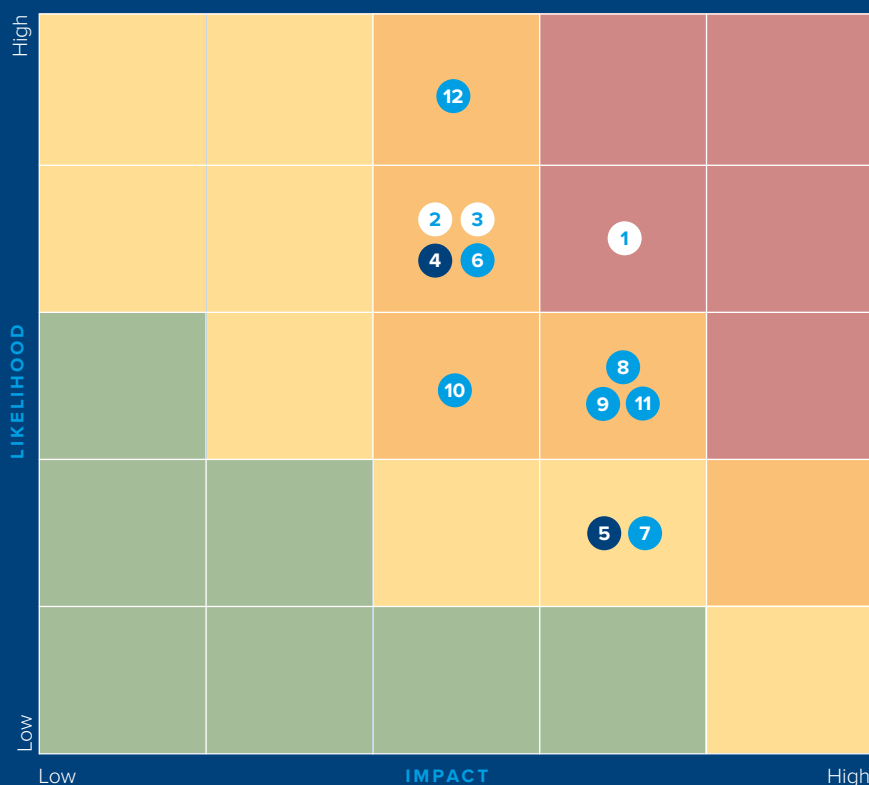
	Board and sub-committees (performs oversight and sets tone)	<ul style="list-style-type: none"> • Approves Enterprise Risk Management (ERM) Framework • Establishes risk appetite/tolerance and strategy • Leverages risk information into decision-making • Evaluates the strategy and business performance on a risk-adjusted basis 	
Fourth line	External assurers	For example: <ul style="list-style-type: none"> • Regulatory audits (DMRE) • ISO certification • Technical audits (resources and reserves) 	
Third line	Internal audit (test and verify)	Planning and execution informed by ERM; aims to identify control weaknesses	
Second line	Regulatory/legal compliance	Monitors compliance with regulations <ul style="list-style-type: none"> • Informed by ERM • Risk-based compliance testing 	Enterprise Risk Management (ERM) <ul style="list-style-type: none"> • Designs Group's ERM Framework • Monitors compliance with Framework and reports on aggregated risks
First line	Business units	<ul style="list-style-type: none"> • Management: identifies, owns, mitigates and reports on risks for ERM 	

Petra has an Enterprise Risk Management (ERM) Framework which outlines the process for identifying, analysing, evaluating, treating and managing the impact of Petra's risks. This ERM Framework is based on ISO 31000 and is illustrated in the diagram on the opposite page (Petra's Risk Assessment Process).

Management within each function and operation is responsible for using this ERM Framework to identify the key risks in their area and for establishing appropriate and effective management processes to control and mitigate the impact of such risks, including assigning risk owners who are accountable for managing these risks. Once assessed, risks are aggregated and integrated into the Group's risk register and ultimately the Group's principal risks. Members of the Exco are assigned ownership of and are accountable for stewardship of each of the principal risks.

Updates to baseline risk assessments are conducted at least annually to re-evaluate existing risks and identify emerging risks, including the effectiveness of mitigating actions resulting from process changes, significant incidents, or disasters, or by instruction from regulatory bodies, amongst others. The relative significance of all identified risks is determined by using the ERM Framework to apply consequence and likelihood criteria, with management evaluating risks prior to internal controls to determine inherent risk levels and also assessing the effectiveness of internal controls to determine residual risk levels.

Principal risks matrix



Group Principal Risk

External

- 1** Rough diamond prices
- 2** Currency fluctuations
- 3** Country and political

Strategic

- 4** Group liquidity
- 5** Licence to operate (social impact)

Operational

- 6** Mining and production (including ROM grade and product mix volatility)
- 7** Labour relations
- 8** Safety
- 9** Environment
- 10** Climate change
- 11** Capital projects
- 12** Supply chain

Petra's Risk Assessment Process



Risk appetite and tolerance

During FY 2024, management developed and implemented a Risk Appetite and Tolerance Framework which was reviewed and approved by the Audit and Risk Committee. Petra accepts there are risks associated with its business activities that cannot be fully eliminated and which must be accepted if we are to deliver our strategy. The initial purpose of the Risk Appetite and Tolerance Framework is to determine Petra's levels of risk appetite and tolerance. Petra has done this by reference to a set of Risk Appetite Statements (that are summarised below)

and Key Risk Indicators (KRIs) that are aligned to Petra's principal risks. Petra then actively monitors these KRIs to prompt management to take necessary action(s) where appetite and tolerance thresholds are exceeded.

Petra's KRIs are kept under review by management and the Audit and Risk Committee to ensure that they align with the Company's Purpose, Values and Strategy and evolving risk profile. Any changes to the KRIs that are used to measure risk appetite and tolerance require the approval of the Audit and Risk Committee.

People

Petra operates in a diverse and inclusive manner, and motivates the workforce to realise their full potential and deliver extraordinary outcomes in support of its strategic intent.

Social License to Operate

Petra conducts operations in a manner that compromises our reputation or our ability to operate, or in a manner that does not support compliance with the relevant legislation in the jurisdictions in which we operate.

Stakeholders

Petra endeavours to act in a manner that is respectful and gives due consideration to the impact on all stakeholders.

Operational performance

Petra pursues mining operations in a manner that supports business resilience and sustainable mining within its targeted cost curve.

Capital allocation

Petra allocates growth and sustaining capital that promotes our strategic intent, provided it meets investment hurdles set by the Board and does not breach liquidity and funding thresholds.

Safety, health and environment

Petra does not pursue operations unless all prescribed and reasonable measures have been taken to ensure the safety and wellbeing of our employees and the environment.

Climate Change

Petra does not pursue operations unless prescribed and reasonable measures have been taken to mitigate the impact of climate change on the well-being of our people and the environment.

GOVERNANCE

Reputation and ethics

Petra has zero tolerance for illegal or unethical behaviour. To this end, Petra will not (i) participate in fraud, bribery and corruption by Petra, any director, employee or business partner; (ii) do business with sanctioned entities and individuals or those involved in modern slavery or human rights violations; and (iii) sell rough diamonds which have not been certified through the Kimberly Process.

Corporate governance and regulatory compliance

Petra mandates full compliance with governing laws and regulations, as well as the application of prescribed governance principles.







Reporting

Petra commits to accurate reporting to its stakeholders in accordance with prevailing legislation and reporting standards.

 Higher	 External risk
 Lower	 Strategic risk
 No change	 Operational risk

Our principal risks

During the Year, Petra's risk profile has been closely monitored, with no new principal risks being identified but some movements in principal risks being tracked as summarised below. Our assessment of the likelihood of our principal risks occurring and the potential consequence of such risks (after taking into account the risk management processes and mitigation action plans we implement) is summarised in the heatmap above. A summary of the Group's principal external, operational and strategic risks (in no order of priority) is set out below.

Risk Description	Mitigation
1. Rough Diamond Prices <p>Our financial performance is closely linked to rough diamond prices which are influenced by global macro-economic conditions, supply and consumer trends. Anecdotal evidence suggests a slowing of growth in LGDs.</p> <p>While long-term market fundamentals remain supportive, diamond market weakness was experienced throughout FY 2024 and is expected to continue through to the end of CY 2024. Average like-for-like prices for FY 2024 were down 12.4% compared to FY 2023.</p> <p>Impact</p> <ul style="list-style-type: none"> Reduction in revenue, cashflow, profitability and overall business performance Increased cost to, and adverse impact on the refinancing of the 2L Notes due in March 2026 Capital programmes negatively impacted 	<ul style="list-style-type: none"> Increased the RCF in FY 2024 by c. \$40m (from ZAR1 billion to ZAR1.75 billion) Reduced capital requirement for FY 2024 by \$75m through cost savings and capital deferrals Targeting sustainable reduction in operating costs of US\$44 million in total per annum (US\$30 million for the South African operations and US\$14 million for Williamson) from FY 2025 onwards Through the increased RCF, retain the ability to defer timing of sales tenders in lower pricing environments Entry into profit sharing agreements to realise additional value from selected diamonds Regular monitoring of diamond market through dialogue with client base and external publications (eg Future of the Natural Diamond Industry by BCG) Various marketing campaigns conducted, through partners and third parties, across value chain in FY 2024 with the aim of stimulating demand for natural diamonds, eg by NDC, Signet (world's largest diamond jewellery retailer) and De Beers (world's largest producer of natural diamonds) Piloting new technologies from Tracr and Sarine to improve the traceability of Petra's diamonds, which has the potential to enable higher prices to be achieved <p> Change in risk profile during the year  Category External Risk, Long term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> CFO Group Sales and Marketing Executive
2. Currency Fluctuations <p>Group revenue is received in US\$ with costs incurred in ZAR. The average exchange rate in FY 2024 was ZAR 18.70/US\$1 compared to ZAR17.77/US\$1 in FY 2023.</p> <p>Impact</p> <ul style="list-style-type: none"> Whilst a weaker Rand has a positive financial impact on Petra, it also tends to contribute towards greater uncertainty from a planning and budgeting perspective 	<ul style="list-style-type: none"> Group policy is to hedge a portion of South African diamond sales when weakness in ZAR allows <p> Change in risk profile during the year  Category External Risk, Long term</p> <p>Risk Owner</p> <ul style="list-style-type: none"> CFO
3. Country and Political <p>Our mining operations are located in emerging market economies (South Africa and Tanzania) which may be subject to greater legal, regulatory, tax, economic and political risks. These risks may be subject to rapid change</p> <p>Impact</p> <ul style="list-style-type: none"> These risks may negatively impact our operations and the cost of doing business in these jurisdictions 	<ul style="list-style-type: none"> Extensive operational experience in South Africa and Tanzania Active monitoring of political, regulatory and legal developments Ongoing engagement with Government at both national and regional levels <p> Change in risk profile during the year  Category External Risk, Long term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Country and Mine Manager (Williamson Mine)

Risk Description	Mitigation
4. Group Liquidity <p>We require sufficient liquidity to meet our current and future financial commitments, including capital and interest payments on our RCF and 2L Notes noting that these mature in January and March 2026, respectively, and will need refinancing. Our ability to generate this liquidity is affected by a number of factors which include (i) the demand for rough diamonds (which remains subdued and which impacts diamond prices), (ii) global economic uncertainty (which has the potential to both reduce demand for rough diamonds and have an inflationary impact on our cost base) and (iii) operational performance, including in relation to product mix.</p> <p>Impact</p> <ul style="list-style-type: none"> Failure to deliver our business plan may negatively impact cashflow and our ability to reduce and refinance our debt, which may affect our ability to meet our financial obligations when they fall due 	<ul style="list-style-type: none"> Adoption of a disciplined capital allocation process, prioritising expenditure on operations and social licence to operate, stay in business capex and servicing of debt obligations Reduced cash requirements for FY 2024 by \$75m through cost savings and capex deferrals Targeting sustainable reduction in operating costs of US\$44 million in total per annum (US\$30 million for the South African operations and US\$14 million for Williamson) from FY 2025 onwards Revised LOMs for Cullinan and Finsch Mines have smoothed capex to c. \$100m per annum to target free cash generation through the cycle Debt optimisation opportunities pursued, with 2L Notes reduced in FY 2024 through open market purchases totalling \$5m Assessing options for the refinancing of its 2L Notes which mature in March 2026 and starting discussions with potential lenders Agreed sale of Koffiefontein Mine which avoids closure-related costs of c. \$15-18m when deal completes (following receipt of DMRE's s.11 approval) Long-term Power Purchase Agreements for Cullinan and Finsch Mines expected to lead to a sustained reduction in our electricity supply costs at our South African operations from FY 2026 <p>Change in risk profile during the year Category Strategic Risk, Short-Medium term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> CFO Planning and Corporate Development Executive

5. Licence to operate – regulatory and social impact and community relations

Maintaining our social licence to operate involves, in particular: (i) managing the social impact of mining activities, (ii) complying with applicable legislation, and (iii) implementing and sustaining Local Economic Development Projects. Our social licence to operate is affected by, amongst other items:

- historical allegations of human rights abuses at the Williamson Mine
- integration and alignment of Integrated Development Plans with DMRE requirements and SLPs in South Africa to ensure community projects are fit for purpose
- community factionalism, personal agendas and political influence which may delay implementation of community projects
- lack of business skills and know-how in communities, resulting in failed projects
- impact on communities of major hazards (eg shaft collapse or TSF failure)

Impact

- Failure to successfully implement SLP projects, deal effectively with community grievances and/or provide employment and business opportunities for local communities may have significant social impacts for surrounding communities which could in turn affect Petra's operations and its ability to meet its regulatory obligations

- Ringfencing of opportunities for SMMEs to achieve enterprise and supplier development targets at our South African operations, strengthening our relationships with communities and business forums
- Ongoing monitoring of SLP projects' implementation
- Structured stakeholder engagement programmes involving regular engagement with local municipalities, host communities and the DMRE
- Inclusion and active participation of local business forums and communities in procurement opportunities
- For the Williamson Mine, IGM fully operational, with grievance registrations closed, payments of remedies to complainants commenced and targeting resolution of all grievances around the middle of FY 2025, with RJPs continuing to be implemented





Change in risk profile during the year





Category
Strategic Risk, Long term

Risk Owners







- Group HR and Public Affairs Executive
- Operations Executives (Cullinan and Finsch Mines)
- Country and Mine Manager (Williamson Mine)

 Higher	 External risk
 Lower	 Strategic risk
 No change	 Operational risk

Risk Description	Mitigation
<p>6. Mining and Production including ROM grade</p> <p>Mining diamonds from kimberlite deposits involves various risks, including geological, geotechnical and industrial and mechanical accidents, unscheduled plant shutdowns, technical failures, ground or water conditions, access to energy and inclement or hazardous weather conditions. Current mining blocks at the Finsch and Cullinan Mines are reaching their end of life, resulting in lower levels of ROM grade and higher product mix variability. ROM grade and product mix may be further impacted by the mix of ore produced from the current mining areas, the level of dilution experienced from waste rock ingress and the inclusion of production from surface resources.</p> <p>Impact</p> <ul style="list-style-type: none"> Failure to deliver on production plan could have a material negative impact on cashflow and in turn on our ability to further reduce and refinance our debt and continue strengthening the balance sheet, which may affect Petra's ability to meet its financial obligations when they fall due 	<ul style="list-style-type: none"> Extensive existing knowledge of the deposits (which have long histories of production) by a team with substantial and specialist knowledge of kimberlite mining and diamond recovery mitigates some of these risks, including through geotechnical modelling, planned maintenance and regular inspections. Approval of the revised LOM plans for the Cullinan and Finsch Mines (including the life extension projects) will allow a ramp-up in activity in the new mining areas which, over time, will provide additional mining flexibility and mitigate some of the ROM grade and product mix risks Operational issues experienced at the Finsch Mine in FY 2023 and H1 FY 2024 are being addressed through a revised shift arrangement to enhance planned maintenance at the mine <p> Change in risk profile during the year  Category Operational Risk, Long term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Country and Mine Manager (Williamson Mine)
<p>7. Labour Relations</p> <p>Production is dependent on a stable and productive labour workforce, with labour relations in the mining sector in South Africa being historically volatile.</p> <p>Impact</p> <ul style="list-style-type: none"> Potential instability at the operations, leading to strike action and consequent production disruptions which in turn impact Petra's liquidity position 	<ul style="list-style-type: none"> Petra maintains open and effective communication channels with its employees and trade union representatives at its operations In June and July 2024, five-year wage agreements were concluded with the NUM and UASA covering the South African operations for the period July 2024 to June 2029 in respect of employees in the A to C Paterson bands. <p> Change in risk profile during the year  Category Operational Risk, Short-medium term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Group HR and Public Affairs Executive

Risk Description	Mitigation
<p>8. Safety</p> <ul style="list-style-type: none"> The operation of large mining and processing facilities carries a potential risk to the health and safety of the workforce, visitors and the community. <hr/> <p>Impact</p> <ul style="list-style-type: none"> Potential fatalities and injuries for our workforce, visitors and the community, impacting Petra's licence to operate The risk of fines or other sanctions by regulators Potential production stoppages impacting Petra's liquidity position Reputational damage 	<ul style="list-style-type: none"> Prioritisation of health and safety by management, with a clear set of KPIs that are regularly tracked Well-established and comprehensive safety policies and procedures Regular updates to policies and procedures following ongoing risk assessment and safety investigations Ongoing hazard identification programme Regular training and updates on safety protocols/requirements for the workforce Regular self-assessments on compliance with safety laws, regulations, policies and procedures and remedial actions where areas of potential non-compliance are noted Oversight, monitoring and reporting of safety compliance and regular engagement with external service providers to conduct independent and objective reviews and inspections Monitoring of workforce health (physical and mental) and access to wellbeing and education programmes <hr/> <div> <div>  Change in risk profile during the year </div> <div>  Category Operational Risk, Short-medium term </div> </div> <hr/> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Country and Mine Manager (Williamson Mine)
<p>9. Environment</p> <p>Mining and processing operations can have a significant impact on the environment and local communities, if not managed appropriately. Some examples of environmental risks include:</p> <ul style="list-style-type: none"> TSF failure, resulting in an outflow of fines residue deposits which could severely impact communities and the environment Loss in ecosystem and ecological functions (eg water purification, prevention of soil erosion) through mismanagement of biodiversity commitments Failure to conduct continuous rehabilitation activities resulting in higher than expected financial commitments at mine closure Non-compliance with material environmental legislation <hr/> <p>Impact</p> <ul style="list-style-type: none"> Environmental damage impacting the local community and Petra's licence to operate The risk of fines or other sanctions by the regulator Potential production stoppages impacting Petra's liquidity position Reputational damage 	<ul style="list-style-type: none"> Prioritisation of environmental compliance by management, with a clear set of KPIs that are regularly tracked Well-established and comprehensive safety policies and procedures Regular updates to policies and procedures following ongoing risk assessment and safety investigations Compliance with conditions attached to water use licences and other environmental authorisations Performance reviews, legal inspections and audits conducted on an ongoing basis, including conducting concurrent rehabilitation processes Annual waste audits conducted at the Cullinan and Finsch Mines Environmental Management Programmes in place for all operations contain management options for mining waste disposal Tailings deposition plans underway for each mine <hr/> <div> <div>  Change in risk profile during the year </div> <div>  Category Operational Risk, Short-medium term </div> </div> <hr/> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Group HR and Public Affairs Executive Country and Mine Manager (Williamson Mine)

 Higher	 External risk
 Lower	 Strategic risk
 No change	 Operational risk

Risk Description	Mitigation
<p>10. Climate Change</p> <p>We are exposed to physical, transitional and potential liability risks which arise as a result of the long-term shift in global and regional climate patterns. Specific risks associated with this include:</p> <ul style="list-style-type: none"> Adverse weather changes such as intense storms (eg rainfall, lightning) which may result in flooding of our mining shafts and overflowing of tailings storage facilities. These events increase our safety risks and the risk of severe socio-economic impacts on our communities, including the sustainability of Petra's business Medium- to long-term transitioning costs in mitigating the likelihood and severity of physical climate change risks Escalating insurance costs and limitations on cover increases the Group's liability risk in the event of adverse climate change events Escalating carbon tax <p>Impact</p> <ul style="list-style-type: none"> Our ability to implement our strategy, our licence to operate and our reputation Reduces access to capital and our ability to attract and retain talent Potential safety and environmental-related incidents impacting employees and local communities Operations impacted by adverse climate change events which in turn impacts production and liquidity Undertaking scenario analyses to refine relevant climate-related risks across different scenarios 	<ul style="list-style-type: none"> Developing a Climate Change Mitigation and Adaptation Strategy, aligned to the TCFD recommendations and our Sustainability Framework Adoption of Climate Change Position Statement by Board Developing our GHG Roadmap to guide us towards our target of reducing Scope 1 & 2 emissions by 35-40% by 2030 (against our 2019 baseline) and our net zero 2050 target In May 2024, entering into long term PPAs that secure the supply of wheeled renewable energy for our South African operations, enabling Petra to meet its interim 2030 target ahead of time Appropriate insurance cover in place in the event of a catastrophic climate change incident Continuous monitoring against annual targets set for on-mine water and electricity consumption and efficiency <p> Change in risk profile during the year</p> <p> Category Operational Risk, Short-medium term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Country and Mine Manager (Williamson Mine) Group HR and Public Affairs Executive
<p>11. Capital Projects</p> <p>Major life extension capital projects at the Cullinan and Finsch Mines were replanned during FY 2024 and approved by the Board as part of the updated LOM plans. These projects are to be executed concurrently and in the same parts of the orebody with ongoing production, consequently requiring continuous interfacing between operations and project teams. These replanned projects with a smoothed capital profile have an inherently lower risk profile compared to the previous baseline.</p> <p>Impact</p> <ul style="list-style-type: none"> Failure to deliver on our planned capital projects could lead to (i) cost overruns impacting Group liquidity and (ii) future production shortfalls due to delayed execution 	<ul style="list-style-type: none"> The Projects Steering Committee, Exco, Investment Committee and Board continue to monitor progress of all projects against approved budgets and schedules Continuous identification, assessment and mitigation of project risks <p> Change in risk profile during the year</p> <p> Category Operational Risk, Short-medium term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> Operations Executives (Cullinan and Finsch Mines) Planning and Corporate Development Executive
<p>12. Supply Chain</p> <p>We continue to implement supply chain improvements that were proposed by an independent expert in FY 2023. The aim of these improvements is to improve internal service delivery and value, including through supply chain contracts.</p> <p>Impact</p> <ul style="list-style-type: none"> Production interruptions and/or shortfalls due to delayed procurement and missed value opportunities through inefficient contract management A failure to conduct appropriate due diligence and vetting of suppliers may lead to legal, financial and reputational risks Inadequate segregation of duties between roles and a lack of adequate audit trails may contribute to weakness in the internal control environment Ineffective and unclear functioning of a tender committee for awarding contracts to suppliers may create uncompetitive pricing and/or conflicts of interest Gap analysis of existing supply chain processes and systems conducted by an independent external expert in FY 2023 	<ul style="list-style-type: none"> A supply chain integrated solution project has been approved for implementation in FY 2025, that will enhance and improve shortcomings identified during the gap analysis project The implementation of the project will address the following key areas: (i) supplier portal, (ii) "source to contract" and "procure to pay" services, (iii) inventory management, (iv) contract lifecycle management, (v) risk management, and (vi) master data governance framework New supply chain policy has been drafted and will be approved in H1 FY 2024, with associated procedures to be concluded as part of the implementation of the improvement project Demand planning to improve inventory management is being rolled out in FY 2025 <p> Change in risk profile during the year</p> <p> Category Operational Risk, Short-medium term</p> <p>Risk Owners</p> <ul style="list-style-type: none"> Chief Financial Officer Operations Executives (Cullinan and Finsch Mines)

Viability statement

The UK Corporate Governance Code requires that the Directors assess the viability of the Group over an appropriate period of time selected by them. The Board has concluded that the relevant time period for this assessment is the three-year period ending June 2027, reflecting the business planning cycle, the March 2026 maturity date of the 2L Notes, the peak capital expenditure years of the approved extension projects at the Cullinan and Finsch Mines, the transition of Koffiefontein from care and maintenance to sale, and the potential impact of the principal risks that could affect the viability of the Group. This assessment is carried out annually before the approval of the annual Financial Statements and informed by continuous business planning processes throughout the Year.

The review of the Group's viability is led by the Executive Directors and involves all relevant functions, including operations, sales and marketing, finance, treasury and risk. The Board actively participates in the annual review process by means of structured Board meetings. As part of this review, the Board considered detailed forecasts in respect of liquidity and the covenants related to the Group's banking facilities, the 2L Notes and their maturity date, and the principal risks of the Group.

Diamond prices and market outlook

For a review of the diamond market, see pages 26 to 31.

Over the past 12 months, diamond prices have experienced significant fluctuations due to a combination of factors, including global macro-economic conditions, changes in consumer behaviour, and industry developments such as the Indian diamond import moratorium. Initially, prices surged after the COVID pandemic due to pent-up demand, but they have since softened amid rising inflation, higher interest rates, and reduced disposable incomes. Additionally, the growing market for lab-grown diamonds, driven by technological advancements and ethical considerations, has further segmented the market, impacting the traditional natural diamond industry. Natural and lab-grown diamonds are expected to coexist, with lab-grown diamonds offering a different purchase proposition and opening the market to a broader spectrum of consumers. With interest rates expected to have peaked and the G7's sanctions on Russian diamonds, some medium-term pricing support is anticipated. Whilst the Company remains cautious about near-term market conditions, it believes the long-term fundamentals remain sound. For liquidity evaluation, diamond prices are assumed to grow at 1.88% real annually (3.88% nominal), supported by De Beers' guidance projecting a nominal increase of 3-5% from 2025 onward.

Capital structure

The Group's US\$93 million (ZAR1.75 billion) senior Revolving Credit Facility (RCF) was drawn by US\$25 million as at 30 June 2024. Post Year End, the Group utilised a further US\$22 million following a decision to defer tender 1 of FY 2025 to October 2024. The Group anticipates settling the drawn balances of its RCF during FY 2025 from the proceeds of sales tenders.

Since May 2024, US\$12 million of the total outstanding 2L Notes was repurchased in an Open Market Repurchase (OMR) programme. While the OMR will continue to be used, Petra is assessing options for the refinancing of its 2L Notes which mature in March 2026 and has started discussions with potential lenders.

In addition, the Group will either extend the current RCF or introduce a new revolving credit facility, keeping in mind the debt structure and working capital requirements of the Group. Any extension of the RCF or any new revolving credit facility is likely to be dependent on the successful refinancing of the 2L Notes. The Group remains confident in its ability to refinance its 2L Notes on the back of the underlying strong operational cash flow generation, as well as the expected net cash-flow generation after the peak FY25-FY27 capital expenditure periods.

Operational update

For a review of our operations, refer to pages 32 to 33 of the Operational Review and pages 34 to 38 for individual mine overviews.

Over the past Year, total tonnes treated increased to 11.7 Mt, largely due to the successful ramp-up at Williamson, while production at the Cullinan Mine remained flat and the Finsch Mine saw a 14% decline due to tunnel challenges and a shift change. Grades varied across operations, with the Cullinan Mine and Williamson experiencing declines due to factors such as waste ingress and orebody variations. Overall, Group diamond production was slightly below guidance at 2.73 Mcts, impacted by lower grades and production volatility at Finsch and Cullinan Mines. The Company also undertook an organisational restructuring to align with the reduced scale of its operations, reducing headcount and decentralising Group functions. Five-year wage agreements with NUM and long-term Power Purchase Agreements to secure renewable energy for our South African operations were entered into, contributing to cost predictability and operational focus. Efforts to optimise mine plans and stabilise operations are expected to yield sustainable cost reductions and smoother capital profiles.

Refer to page 129 in the Financial Statements for an overview of actions taken by management to enhance financial flexibility amid ongoing market challenges.

Review of principal risks

The Group's principal risks and uncertainties, set out in detail on pages 59 to 63, have been considered over the period. Whilst all the risks identified could have an impact on the Group's performance, the specific risks which could materially impact the Group's financial position have been determined to be:

- Rough diamond prices
- Currency fluctuations
- Group liquidity
- Mining and production, including ROM grade
- Capital projects

To assess, either directly or by proxy, the potential impact of these principal risks over the forecast period, the Group has run downside scenarios:

- a 5% decrease in forecast rough diamond prices throughout the period to June 2027
- a 2.5% strengthening in the forecast South African Rand exchange rate throughout the period to June 2027
- a 5% increase in operating costs throughout the period to June 2027
- a 5% increase in extension capital throughout the period to June 2027
- a combined sensitivity: revenue down 5% plus opex up 5% plus total capex up 5%.

These downside scenarios were performed in combination with a reverse stress test to determine if the Group is forecast to have sufficient liquidity and covenant compliance headroom.

The potential impact of each of the Group's other principal risks on the viability of the Group during the forecast period, should that risk arise in its unmitigated form, has been assessed. The Board has considered the risk mitigation strategy for each of these other principal risks and believes they are sufficient to reduce the impact of each risk such that it would be unlikely to jeopardise the Group's viability during the forecast period.

For the purpose of assessing the Group's viability, the Board focused its attention on the critical principal risks. In order to determine the likelihood and impact of those risks, the Board assessed the Group-wide principal external, operational and strategic risks by undertaking consultations with Senior Management (see Risk Management and Principal Risks on pages 56 to 63). Through this analysis, the Board also identified low probability, high loss scenarios – 'singular events' – with the potential magnitude to severely impact the solvency and/or liquidity of the Group. The scenarios tested considered the Group's revenue, underlying EBITDA, cashflows, covenant ratios, as well as the impact on facility availability over the three-year period excluding repayment of the 2L Notes.

Under certain downside scenarios listed above, the forecasts show that there is a risk of a future covenant breach for the Group's Revolving Credit Facility. In addition, the Group may face a covenant breach by June 2025 if the debt is not refinanced before this date. The Board considers the risk of a future covenant breach to be unlikely and has a reasonable expectation that in the event of a downside scenario there would be a number of mitigating actions to avoid a breach, including obtaining a waiver.

As previously stated, the Group will have to refinance the full outstanding 2L Notes debt of c. US\$250 million and the drawn down Revolving Credit Facility, and management has engaged with potential lenders with a view to refinance prior to the 2L Notes becoming a current liability in March 2025. The Group remains confident in its ability to refinance its debt on the back of the underlying operational cash-flow generation, as well as strong net cash-flow generation projected from FY2027 onwards, as the Group sees the benefit of an increase in carats recovered from higher-grade areas that are currently in development. The outcome of a refinancing, however, remains outside of the Group's control. If the Group is unable to successfully refinance the existing debt on account of the willingness of existing Noteholders and/or the terms and conditions of such a refinancing or new debt instruments, the Group would consider whether other options are available such as an equity raise or asset sales in order to settle its obligations.

Conclusion

The Board is of the view that the longer-term fundamentals of the diamond market remain sound and that the Group will continue to benefit from the revised LOM plans for the Finsch and Cullinan Mines and the newly embedded operating model throughout the review period.

Based on its assessment of the forecasts, principal risks/uncertainties and mitigating actions considered available to the Group in the event of downside scenarios, the Board confirms that it has a reasonable expectation that the Group will be able to continue to operate and meet its liabilities as they fall due over the review period.

If the Group is unable to raise the necessary debt capital to refinance the remaining 2L Notes, the Group may have to resort to an equity raise or asset sales to settle its obligations. The Group is of the view that a successful equity raise would be supported by the long-term resource potential at both the Cullinan Mine and the Finsch Mine, extending their current LOM plans to mid-2030s and beyond.

Chair's Introduction to Governance



Amidst Board changes and a challenging year, Petra's commitment to robust governance remains strong.

Varda Shine, Non-Executive Chair

Dear Shareholder,

On behalf of the Board, I am pleased to present Petra's Corporate Governance Report for FY 2024. Strong and effective corporate governance, including effective Board oversight, are essential to Petra's success. During FY 2024, the Board has continued to monitor the execution of the Company's strategy and its performance and to ensure that Petra has the appropriate resources, leadership and controls in place to support long-term sustainable value for our shareholders and wider stakeholders.

Board changes

Various changes in FY 2024 have resulted in a smaller and more efficient Petra Board consisting of seven Directors, having been ten Directors at the start of the Year.

Peter Hill CBE elected not to offer himself for re-election at Petra's AGM in November 2023 and retired from the Board at the conclusion of that meeting. Johannes Bhatt also retired as a non-independent NED at the conclusion of that meeting. Jon Dudas and Alex Watson stepped down from their roles as independent NED and non-independent NED, respectively, in February 2024. Alex has assumed a role as Board Observer, nominated by shareholder Franklin Templeton. Jon assumed a six month role as a Board Adviser which ended in August 2024. Finally, it was announced in March 2024 that Jacques Breytenbach will step down as CFO and Director at the end of September 2024, with Johan Snyman being appointed as CFO with effect from 1 October 2024. When Jacques steps down, this will reduce our Board further to six directors. Once again, I would like to take the opportunity to thank Peter, Johannes, Jon, Alex and Jacques for their extensive service and contributions to the Board in recent years.

Following Peter's departure, I was appointed as Chair of Petra, as well as Chair of the Nomination and Investment Committees, and stepped down from the Audit & Risk and Remuneration Committees. Initially my appointment was in an interim capacity, whilst a search for a permanent Chair was conducted. Subsequently, Petra's largest shareholders requested that I remain in role over the next 18-24 months from my appointment, with a search for a permanent Chair then being conducted if I do not wish to continue in the role.

After the AGM in November 2023, Bernard Pryor took over my previous roles as Senior Independent Director and then, in January 2024, as Chair of the Remuneration Committee. We also announced the merger of the Company's Health and Safety and Sustainability Committees to form the Safety, Health and Sustainability Committee, with effect from January 2024. Lerato Molebatsi was appointed Chair of this new Committee, again with effect from January 2024.

In January 2024, we also welcomed the appointment of José Manuel Vargas as a non-independent NED. José Manuel has extensive executive and board experience across a range of sectors and is also a significant shareholder of Petra, currently holding c. 8.75% of Petra's issued share capital. For José Manuel's biography, see page 69.

In May 2024, Petra appointed Amre Youness, principal owner of the Terris Fund SPC (the Company's largest shareholder), as a Board Observer, entitling Amre (like Alex) to attend but not vote at Board meetings. On behalf of the Board, I would like to thank Amre and Alex for all the contributions they have made to the Board during FY 2024 in their roles as Board Observers.

Diversity

The Board is composed of a diverse mix of gender, social and ethnic backgrounds, knowledge, personal attributes, skills and experience. This diversity is reflective of the areas in which we do business and provides a mix of perspectives, which contributes to effective Board dynamics.

The Board remains committed to improving diversity levels throughout Petra's workforce and supports the recommendations of the FTSE Women Leaders Review on gender diversity and the Parker Review on ethnic diversity. Further information on the diversity profile of the Board and senior management is included on page 77.

Culture

In striving to fulfil our purpose of creating abundance from rarity, the Board recognises the critical role that culture plays in shaping Petra's success. In FY 2023, the Board oversaw the co-creation of the Petra Culture Code and in FY 2024 remained committed in its efforts to further embedding the Petra Culture Code across the organisation. Despite the challenges which Petra has faced in FY 2024, the Board continued to monitor the Petra Culture Code scores and feedback, further details of which can be found on page 46. We firmly believe that a strong culture is key to attracting and retaining top talent, driving performance and ultimately creating long-term sustainable value for Petra's stakeholders.

Shareholder engagement

At the AGM in November 2023, resolution 15 (which granted the Board authority to issue and allot shares) passed with a 62.82% majority, though 37.18% of shareholders opposed it. In accordance with our obligations under the UK Corporate Governance Code, Petra consulted with dissenting shareholders to understand their concerns. The consultations revealed a preference for approving equity capital changes on a case-by-case basis rather than granting general or annual authorities. One shareholder highlighted a policy of voting against authorities that could lead to dilution without a specific transaction in mind. Petra clarified that the authority was intended to provide flexibility in capital management and align with UK institutional shareholder guidelines and market practice. After considering shareholder feedback, the Board has decided not to seek the granting of Board authority to issue and allot shares at Petra's AGM in November 2024. For more information on the engagements, see page 83. We thank our shareholders for their feedback and emphasise the importance of ongoing engagement.

Code compliance

The Board remains committed to the highest standards of corporate governance as set out in the 2018 UK Corporate Governance Code. I am pleased to confirm that the Board considers Petra to be in full compliance with the requirements of the Code. The Board is cognisant of the changes to the Code that were published in January 2024 and is well positioned to comply with them when they become effective.

Board evaluation

In Q4 FY 2024, the Board undertook an evaluation of its own performance, facilitated by the Company Secretary, which indicated that Petra's Board remains effective. A summary of how the evaluation was carried out and certain areas identified for improvement are outlined on page 80.

Should any stakeholder like to speak to me or Bernie Pryor, the Senior Independent Director, about any aspects of this Report or the Company's performance, please do not hesitate to contact us through the Corporate Communications in London (see page 171 for contact details).



Varda Shine
Non-Executive Chair

23 September 2024

Board of Directors



Varda Shine
Non-Executive Chair

N I S

Appointment date: January 2019 and as Chair in November 2023

Nationality: British and Israeli

Qualifications: MSc Executive Coaching (Hult/Ashridge) with various business and management courses at Technicon (Israel), Templeton College (Oxford), Cranfield and INSEAD.

Skills and experience: Varda is a Non-Executive Director, executive coach (Meryck & Co since 2014) and diamond industry expert. A 30-year career with De Beers culminated in an appointment as CEO of De Beers Trading Company and the first woman to be awarded honorary lifetime membership of the Israel Diamond Exchange. Varda has also received Honorary Membership of the London Diamond Bourse.

External appointments: Varda is the Senior Independent NED of Ecora Resources plc and an iNED of Sarine Technologies Limited (Singapore listed). Varda is also a trustee of the Teenage Cancer Trust.

Interest in the Company as at 30 June 2024: 24,755 shares (30 June 2023: 24,755 shares).



Richard Duffy
Chief Executive Officer

E S I

Appointment date: April 2019

Nationality: South African

Qualifications: BCom (University of the Witwatersrand) and MBA (Henley Management College).

Skills and experience: Richard has significant business, strategic and financial skills, along with extensive experience in open pit and underground mining. With over three decades of global mining industry experience, initially with Anglo American and then AngloGold Ashanti, he has consistently prioritised safety, productivity and sustainability, leading numerous large-scale mining operations in Africa. Richard was previously CFO and Executive Director of AngloGold Ashanti and founded African Energy Management Platform, a developer of renewable energy plants for mining and industrial clients across Africa.

External appointments: Richard is a Director of the Natural Diamond Council.

Interest in the Company as at 30 June 2024: 879,993 (30 June 2023: 272,792 shares).



Jacques Breitenbach
Chief Financial Officer

I E

Appointment date: February 2018

Nationality: South African

Qualifications: CA (SA), BCompt (Hons) (University of South Africa) and Postgraduate Diploma in Auditing (University of the Witwatersrand).

Skills and experience: Appointed as CFO in 2018, Jacques is responsible for financial and management accounting and reporting, business development, treasury, financial controls and reporting, having previously held the role of Finance Manager for Operations at Petra from 2006. Before joining Petra, Jacques held various roles at Anglo Platinum, including Finance Manager for Capital Projects.

External appointments: None.

Interest in the Company as at 30 June 2024: 419,747 shares (30 June 2023: 183,742 shares).



Bernard Pryor
Senior Independent Non-Executive Director

R A I N S

Appointment date: January 2019

Nationality: British and Australian

Qualifications: Metallurgical Engineer (Royal School of Mines, Imperial College) and Chartered Engineer (Institute of Mines and Metallurgy).

Skills and experience: Bernie has over 35 years' experience in the mining industry, with a diverse skill-set, including project acquisition, development, construction and M&A. As CEO of several mining companies, including Alufer Mining, MC Mining, African Minerals Limited and Q Resources plc, he has managed large-scale, operating assets. Earlier in his career, Bernie held senior positions within Anglo American and was COO at Adastra Minerals Inc.

External appointments: Bernie is the Managing Director of Karo Mining Holdings, which has a concession for a platinum development in Zimbabwe.

Interest in the Company as at 30 June 2024: 13,000 shares (30 June 2023: 13,000).



Deborah Gudgeon
Independent Non-Executive Director

A I N R

Appointment date: July 2021

Nationality: British

Qualifications: BSc (Econ) (London School of Economics and Political Science) and CA (ICAEW).

Skills and experience: Deborah, a Chartered Accountant with over three decades' experience across corporate finance, restructuring and debt management, qualified at PWC (Coopers & Lybrand) before spending eight years as Finance Executive with the Africa-focused miner, Lonrho plc. Since then, Deborah has held positions with Deloitte, BDO and Gazelle Corporate Finance. Deborah has extensive boardroom experience, having been appointed as an iNED and Audit Committee Chair at Acacia Mining, Highland Gold, EVRAZ and latterly at Ithaca Energy and Serabi Gold.

External appointments: Deborah is an iNED (and Chair of the Audit and Risk Committees) of Ithaca Energy plc and Serabi Gold plc.

Interest in the Company as at 30 June 2024: Nil (30 June 2023: Nil).

Committee key

- A** Audit and Risk Committee
- N** Nomination Committee
- R** Remuneration Committee
- S** Safety, Health and Sustainability Committee
- I** Investment Committee
- E** Executive Committee (Exco)
- Chair



Lerato Molebatsi

Independent Non-Executive Director and designated Workforce Engagement iNED

Appointment date: April 2023

Nationality: South African

Qualifications: BA (Psychology) (University of Johannesburg), Senior Executive Leadership Programme for Africa (Harvard University), Diploma in Senior Management Development (University of Stellenbosch Business School) and Diploma in Rural Development Programme (University of the Witwatersrand).

Skills and experience: Lerato has broad executive and non-executive expertise in South Africa, and is experienced on ESG, corporate social investments and black economic empowerment. She served as CEO of General Electric South Africa (2016–2019), prior to which she was Executive VP for Communications and Public Affairs at Lonmin. Lerato has also held senior roles at Old Mutual and Sanlam. In the public sector, Lerato was the Deputy Director-General (Corporate Services) at the Department of Labour and also a Special Adviser to the South African Minister of Transport.

External appointments: Lerato is the lead iNED of the South African Reserve Bank and is an iNED of Spur Corporation, the JSE-listed restaurant franchiser, where she also chairs the Social, Ethics and Environmental Sustainability Committee. Lerato is also a member of the Remuneration Committee of South Africa's Financial Sector Conduct Authority.

Interest in the Company as at 30 June 2024: Nil (30 June 2023: Nil)

Board Observers

Alex Watson

- **Nominated by:** Franklin Templeton which has a 5.03% shareholding in the Company
- **Appointment date:** February 2024
- **Nationality:** South African
- **Qualifications:** BCom (Hons) (University of Cape Town), CA (SA) and Emeritus Professor of Accounting (the University of Cape Town).
- **Skills and experience:** Alex is a chartered accountant with expertise across corporate governance, financial and other forms of corporate reporting, investment, broad business and financial experience. With almost three decades' experience in corporate governance, she has held positions on listed boards for nearly 20 years. With a distinguished career in corporate reporting, Alex is currently an adjudicator of EY's Excellence in Integrated Reporting Awards and is the Chair of the South African Financial Reporting



José Manuel Vargas

Non-independent Non-Executive Director

S A I N R

Appointment date: January 2024

Nationality: Spanish

Qualifications: Licenciatura (Economics and Business) (University of Madrid) Licenciatura (Law) (Universidad Nacional de Educación a Distancia), licenced attorney (Madrid Bar Association) and Chartered Accountant.

Skills and experience: José Manuel has extensive executive and board experience across various sectors. From 2020 until January 2024, he was Chair and CEO of MAXAM, a leading explosives manufacturer. He was previously Chair and CEO of Aena SME S.A., where he led its restructuring, partial privatisation and IPO in 2015. Before Aena, he held senior management positions at Vocento S.A., including CFO and later CEO. He also served as CFO and General Secretary of JOTSA and has been on the boards of several other companies, including Vocento, Diario ABC and Wellbore Integrity Solutions LLC.

External appointments: José Manuel is Chair of MAXAM, on the board of Fluidra S.A. and ASK Chemicals, and is a Managing Director of Rhône Capital.

Interest in the Company as at 30 June 2024: 17,000,000 shares (30 June 2023: n/a)

Investigations Panel. Alex was previously the Vice-Chair of the Global Reporting Initiative as well as of the Accounting Practices Committee, the technical accounting committee of the South African Institute of Chartered Accountants.

- **External appointments:** Alex is the Chair of both Coronation Fund Managers and Advtech Limited and until June 2024, was an independent non-executive director of Steinhoff International Holdings NV (also chairing Steinhoff's Audit and Risk Committee). Alex is also a Non-Executive Director of the South African chapter of the World Wildlife Fund.

Amre Youness

- **Nominated by:** Terris Fund SPC, the Company's largest shareholder, with a 29.49% shareholding
- **Appointment Date:** May 2024
- Amre is the principal owner of the Terris Fund SPC.

Board changes in FY 2024

1. Johannes Bhatt retired from the Board at the conclusion of the Company's AGM on 14 November 2023.
2. Peter Hill CBE notified the Company that he would not offer himself for re-election at the 2023 AGM, and retired from the Board at the conclusion of that meeting on 14 November 2023.
3. Varda Shine was appointed Chair of the Board and Chair of the Nomination and Investment Committees following Mr Hill's retirement from the Board. Ms Shine ceased being the Senior Independent Director, as well as a member of the Audit Committee with effect from this date. Varda ceased being a member and the Chair of the Remuneration Committee with effect from 1 January 2024. In accordance with Code Provision 10 of the UK Corporate Governance Code, Ms Shine was assessed to be independent upon her appointment as Chair. In her capacity as Chair, Ms Shine continues to be the Director designated as responsible for ESG matters.
4. Bernie Pryor was appointed as Senior Independent Director with effect from the conclusion of the Company's AGM on 14 November 2024. Mr Pryor was appointed as Chair of the Remuneration Committee with effect from 1 January 2024.
5. José Manuel Vargas was appointed to the Board as a non-independent NED effective 1 January 2024. While Mr Vargas was not appointed to any of the Board's Committees, he, like all members of the Board remains entitled to attend and speak at all Board and Committee meetings.
6. The Health and Safety Committee and Sustainability Committee merged to form the Safety, Health and Sustainability Committee with effect from 1 January 2024. Lerato Molebatsi was appointed the Chair of this Committee and Varda Shine, Richard Duffy and Bernie Pryor as members of it.
7. Alex Watson stepped down from the Board on 17 February 2024 and took up a role as a Board Observer from that date, nominated by Franklin Templeton.
8. Jon Dudas stepped down from the Board on 17 February 2024 and took up a role as a Board Adviser for six months. This appointment terminated on 17 August 2024.
9. On 8 March 2024, Jacques Breytenbach resigned as Chief Financial Officer and Director of the Company for personal reasons, but will remain in this role until 30 September 2024 to deliver the Company's FY 2024 results. Johan Snyman, the Group Financial Controller has been appointed to succeed Mr Breytenbach with effect from 1 October 2024.
10. In May 2024, Amre Youness was appointed as a Board Observer.

Executive Committee (Exco)



Thashmi Doorasamy Group HR and Public Affairs Executive

Qualifications: BAdmin (Hons) (Public Finance) (University of Durban Westville).

Experience: Thashmi joined Petra in February 2020 as HR and Public Affairs Executive after spending 18 years at the Massmart Group, a leading South African retailer. At Massmart, her main role was as HR Director for Massbuild, their building division, from 2003 to 2013. During this time, Thashmi oversaw the integration of the newly acquired building supply company, Builders Warehouse, into the Massmart group. The merger expanded successfully into the wider South African and African market, leading to Thashmi's promotion in 2013 to Group Compliance Officer. Later that year, Massmart was purchased by the US-based Walmart Group, with Thashmi leading the integration of Massmart's South African businesses into the Walmart Group. In 2015, she joined the Taste Group, overseeing the People Roll-Out plan for Starbucks, which followed their acquisition of the Starbucks licence for Southern Africa.



Vivek Gadodia Planning and Corporate Development Executive

Qualifications: BSc Eng (Hons) in Chemical Engineering (University of KwaZulu-Natal).

Experience: Vivek has over 18 years of experience in the extractives industry. Before joining Petra, Vivek spent nearly 15 years with Sasol in a wide range of engineering, project management and corporate positions. For nearly 6 years, he worked at Sasol's flagship Secunda facility in a range of technical/engineering roles, before being seconded to Houston, Rome, and Seoul on various projects. On his return to South Africa in 2016, Vivek pivoted to the Corporate Strategy function and was appointed as Sasol's Head of Strategy for Sustainability, responsible for the formulation of the Sasol 2.0 framework. After joining Petra in 2021, Vivek was appointed to head up the Planning and Corporate Development function, which includes corporate strategy formulation, business development, business planning and corporate finance.



Juan Kemp Operations Executive: Cullinan Diamond Mine

Qualifications: BSc (Metallurgical Engineering) (Potchefstroom University); and MA (Business Administration) (North West University Business School).

Experience: Juan joined Petra after the purchase of the Cullinan Mine from De Beers and was appointed Surface Manager and Group Metallurgical Manager for all seven of Petra's treatment plants. He was subsequently promoted to General Manager of the Cullinan Mine in 2011, and in July 2019 was appointed as Project Executive, becoming Chief Technical Officer later that year. In 2024, Juan was appointed as Operations Executive for Cullinan Diamond Mine. He has nearly 30 years' experience, with a deep knowledge of the Cullinan Mine (where he acted as Metallurgical Manager for several years) and was an integral member of the team that re-engineered De Beers' South African business model. Before to his time at De Beers, Juan worked at the East Rand Gold and Uranium Division of Anglo American as a Mineral Processing Engineer.



Jaison Rajan Operations Executive: Finsch Diamond Mine

Qualifications: BSc (Mining Engineering) (University of the Witwatersrand), MBA (Mineral Economics and Business Administration) (University of Cape Town) and Mine Manager's Certificate of Competency (South Africa).

Experience: Jaison has over 20 years' industry experience across a range of commodities, including heavy minerals, diamonds, manganese and coal. Jaison was appointed COO at Petra in 2022, having been General Manager at the Cullinan Mine for the previous three years. Given Jaison's deep understanding of Finsch (having started his career there), he was appointed as Operations Executive. Jaison has acted as a section leader, ensuring safe control, management, direction of underground excavations and infrastructure. Before joining Petra, Jaison worked as General Manager at Khutala Colliery (BHP).



Rupert Rowland-Clark General Counsel and Company Secretary

Qualifications: BSc (Economics and Politics) (Bristol University) and Solicitor (England and Wales).

Experience: Rupert assumed the role of General Counsel and Company Secretary in June 2021. He leads Petra's Legal, Company Secretary, Risk, Assurance and Compliance functions and reports into the Chief Executive Officer and Chair. He has over 20 years' legal and executive experience, most recently at Tullow Oil plc, an African-focused FTSE 250 oil and gas exploration and production company, where he was General Counsel from 2015 to 2020. Prior to Tullow, Rupert was a mergers and acquisitions lawyer at global law firm, Freshfields Bruckhaus Deringer LLP, where he worked on a broad range of public and private transactions across multiple sectors and jurisdictions.



Johan Snyman
Group Financial Controller and
Chief Financial Officer (designate)

Qualifications: BCom (Hons) (University of Pretoria), MBA (University of Cape Town), Chartered Accountant (SA and ICAEW) and Certified Internal Auditor.

Experience: Johan has more than 20 years' experience in global mining and metals, latterly as Vice President for Group Financial Reporting at AngloGold Ashanti. At AngloGold, Johan led key finance functions, including group reporting, finance systems, and shared services and played an instrumental role in the strategic re-domiciliation of AngloGold to the United Kingdom. After joining Petra in January 2024 as Group Financial Controller, Johan was appointed to the role of Chief Financial Officer, and will take over this role from October 2024.



Greg Stephenson
Sales and Marketing Executive

Experience: Greg has more than three decades' experience in the buying and selling of diamonds and has led the Sales team at Petra Diamonds since 2008. In this role, Greg oversees the preparation, valuation and marketing of Petra's rough diamonds, managing the full sales process for the South African and Tanzanian production. Before joining Petra, Greg owned and managed GDR Diamonds, Johannesburg, for ten years where he purchased rough diamonds throughout southern Africa, provided independent valuations in Angola and acted as head valuator for a large Belgian company in Moscow. Greg started his career in the London office of De Beers as a trainee diamond buyer. His career with De Beers included eight years in the Overseas Purchasing Division where he went on multiple tours and secondments, including to Kinshasa, Brazzaville, Mbuji-Mayi, Kahemba, Luanda, Johannesburg and Antwerp.

The biographies for Richard Duffy (CEO) and Jacques Breytenbach (CFO) appear on page 69.

UK Corporate Governance Code compliance

Petra recognises the importance of maintaining high standards of corporate governance. The Company looks to not only comply with all applicable governance regulations in the jurisdictions in which it operates but also to meet best practice wherever possible.

Petra is not subject to a code of corporate governance in its country of incorporation, Bermuda. However, as a company which is listed on the Main Market of the London Stock Exchange (LSE), Petra is required to comply with the UK Corporate Governance Code 2018 (the Code) and to explain in this statement any areas of non-compliance with the Code.

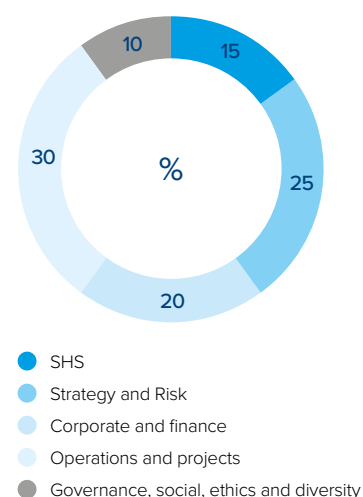
As at the date of this Report, and for the financial year under review, the Board considers that Petra has complied in full with the provisions of the Code. A copy of the Code can be obtained from the Financial Reporting Council's website (<https://www.frc.org.uk>). This Report, together with the other reports in the Corporate Governance section, explains how the principles of the Code have been applied by the Company.

Code Section 1: Board leadership and Company purpose	Details on how the Board promotes the long-term success of the Company is provided in the Strategic Report on pages 4 to 5. The Company's purpose and values are set out on pages 1, 5 and 11. Petra's strategy is outlined on pages 22 to 23. Our Section 172 statement is set out on pages 49 to 51.
Code Section 2: Division of responsibilities	Details of the Board and Exco, as well as Petra's governance structure and Board activities for FY 2024, are described at pages 68 to 71 and 81 to 82 respectively.
Code Section 3: Composition, succession and evaluation	The findings of the internally facilitated FY 2024 Board Evaluation are set out at page 80. The report of the Nomination Committee is at pages 93 to 95.
Code Section 4: Audit, risk and internal control	The report of the Audit and Risk Committee is at pages 84 to 91. A description of Petra's risk management and principal risks is set out at pages 56 to 63.
Code Section 5: Remuneration	Petra's Directors' Remuneration Report for FY 2024 is set out at pages 103 to 114.

Matters reserved for the Board

- Purpose and strategy
- Financial Statements and reporting (supported by the Audit and Risk Committee) and operating updates
- Financing strategy, including material borrowings
- Budgets, mine plan extension projects, capital expenditure and business plans (supported by the Investment Committee)
- Material acquisitions and divestments
- Material contracts
- Corporate governance, ethics and culture, including significant Group policies
- Risk management and internal controls, including consideration of the Viability Statement (supported by the Audit and Risk, Remuneration and Safety, Health and Sustainability Committees)
- Oversight of health, safety, employee, social and environmental matters (supported by the Safety, Health and Sustainability Committee)
- Appointments and succession plans (supported by the Nomination Committee)
- Executive Director remuneration (supported by the Remuneration Committee)

BOARD TIME IN FY 2024¹



1. This split of Board time is an estimate only and is calculated using the Board meeting agendas and rough time split allocated to each item in advance.

BOARD EXPERIENCE (AS AT THE DATE OF THIS REPORT)

MINING INDUSTRY	6/7	AFRICA	7/7
CAPITAL MARKETS	5/7	DIAMOND MARKETING	3/7
ACCOUNTING AND FINANCE	6/7	EXECUTIVE MANAGEMENT	6/7
SUSTAINABILITY (Including Health and Safety)	3/7		

The role of the Board

The Board is responsible for the long-term success of the Company. Petra's Board should have the necessary combination of skills, experience and knowledge, as well as independence (with regard to the iNEDs), to properly discharge its responsibilities and duties.

In order to fulfil its role, the Board:

- Sets the Company's strategic aims, ensures that the necessary resources are in place for the Company to meet its objectives, and reviews management performance in achieving such objectives
- Provides leadership of the Company within a framework of effective systems and controls which enable risks to be assessed and managed
- Develops the collective vision of the Company's purpose, culture, values and the behaviour it wishes to promote in conducting business and ensures that its obligations to its shareholders and other stakeholders are understood and met
- Carries out all duties with due regard for the sustainability and long-term success of the Company

The role of the Non-Executive Chair

Varda Shine

- Leads the Board and is primarily responsible for the effective working of the Board
- In consultation with the Board, ensures good corporate governance and sets clear expectations with regards to Company culture, values and behaviour
- Sets the Board's agenda and ensures that all Directors are encouraged to participate fully in the activities and decision-making process of the Board
- Is the ultimate custodian of shareholders' interests
- Engages with shareholders and other governance-related stakeholders, as required
- Meets with the Senior Independent Director and with the iNEDs without the Executive Directors present, in order to encourage open discussions and to assess the Executive Directors' performance
- Identifies induction and development needs of the Board and its Committees
- Chairs the Nomination Committee, thereby playing an important part in assessing and advising on the appropriate composition of the Board and its skill-set
- Chairs the Investment Committee, which makes recommendations to the Board on the Group's most significant capital expenditure, investment proposals and disposals

The role of the Chief Executive Officer

Richard Duffy

- Is primarily responsible for implementing Petra's strategy established by the Board and for the operational management of the business
- Leads and provides strategic direction to the Company's management team
- Runs the Company on a day-to-day basis
- Implements the decisions of the Board and its Committees, with the support of Exco
- Monitors, reviews and manages key risks
- Ensures that the assets of the Group are adequately safeguarded and maintained
- Is the Company's primary spokesperson, communicating with external audiences, such as investors, analysts and the media
- Leads by example in establishing a performance-orientated, inclusive and socially responsible Company culture
- Chairs the Exco and is a member of the Safety, Health and Sustainability Committee, thereby having direct involvement in the strategic management of Petra's health, safety and sustainability issues, including labour relations, and is also a member of the Investment Committee

The role of the Senior Independent Director

Bernie Pryor

- Provides a sounding board for the Chair and serves as an intermediary for the other Directors as necessary
- Is available to shareholders if they have concerns which contact through the normal channels has failed to resolve, or for which such contact is inappropriate
- Leads the iNEDs in undertaking the evaluation of the Chair's performance
- Is a member of Petra's Audit and Risk, Remuneration, Nomination, Safety, Health and Sustainability and Investment Committees, thereby having oversight of the Group's material risks, issues and opportunities, and bringing his skill-set and independent judgement to the benefit of these Committees

The role of the NEDs

Bernie Pryor, Deborah Gudgeon, Lerato Molebatsi and José Manuel Vargas

- Challenge the opinions of the Executive Directors, provide fresh insights in terms of strategic direction and bring their diverse experience and expertise to the benefit of the leadership of the Group
- Assess the performance of the Chair
- Scrutinise the performance of the Executive Directors in terms of meeting agreed goals and objectives
- Ensure that the governance, financial information, controls and systems of risk management within the Group are robust and appropriate
- Determine the appropriate levels of remuneration of the Executive Directors
- Provide a breadth of skills and experience to Board Committees and, in the case of the iNEDs, independence

How our Board operates

Board and Committee meetings

The full Board normally meets formally in person at least four times a year for Board meetings, but, as can be seen from the table below, meets in person or virtually, at other times as necessary in order to discuss, amongst other things, operational matters and ongoing performance against the Group's development and production plans, including internal budgets and external guidance to the market. There is frequent communication between Board members outside of the set meeting dates, in order to stay abreast of business developments.

The formal Board and Committee meeting dates are scheduled to address key events in the corporate calendar and are allocated sufficient days to allow for considerable interaction by the members, both inside and outside of the formal meetings. Rolling agendas have been developed for the Board and for the Audit and Risk and Remuneration Committees to ensure the necessary standing items are covered during the course of the Year, and sufficient time is allocated to strategic discussions, with extra time factored in for ad hoc and additional items. Agendas are agreed with the Chair of the Board and the Chairs of the Committees and timeframes set in advance for the various meetings, thereby ensuring that the full agenda can be covered in the time allotted. Site visits, dinners and other social engagements are also attended by Board members outside of the meeting times to allow for better understanding and more informal discussion of issues; this assists in clarification and engagement, meaning that consensus during the meeting is more easily attained.

Papers for the meetings are prepared by management following input on the agendas formulated by the Company Secretary and the respective Chairs, and made available electronically prior to the meeting via a secure online Board portal, thereby allowing the Directors adequate time to consider the variety of issues to be presented and discussed. In the meetings, issues for follow-up are identified, ensuring that matters raised by the Directors are actioned and reported back in a timely manner.

In addition to formal Board and Committee meetings, the Chair holds frequent meetings with NEDs during the Year, enabling free discussions without the Executive Directors present.

	Board (11 held)	Audit and Risk Committee (7 held)	Remuneration Committee (4 held)	Nomination Committee (1 held)	H&S Committee (2 held)	Sustainability Committee (2 held)	SHS Committee ¹ (2 held)	Investment Committee (1 held)	Annual General Meeting (1 held)
Varda Shine ²	11/11	3/3	2/2	1/1	2/2	2/2	2/2	1/1	1/1
Peter Hill ³	4/4	n/a	n/a	1/1	n/a	n/a	n/a	n/a	1/1
Richard Duffy	11/11	n/a	n/a	n/a	2/2	2/2	2/2	1/1	1/1
Jacques Breytenbach	11/11	n/a	n/a	n/a	n/a	n/a	n/a	1/1	1/1
Bernie Pryor ⁴	11/11	7/7	4/4	1/1	2/2	n/a	2/2	1/1	1/1
Deborah Gudgeon	11/11	7/7	4/4	1/1	n/a	n/a	n/a	1/1	1/1
Alexandra Watson ⁵	8/8	n/a	n/a	n/a	n/a	2/2	n/a	n/a	0/1
Johannes Bhatt ⁶	4/4	n/a	n/a	n/a	2/2	n/a	n/a	n/a	1/1
Jon Dudas ⁷	8/8	5/5	3/3	1/1	n/a	n/a	n/a	n/a	1/1
Lerato Molebatsi	11/11	7/7	4/4	1/1	n/a	2/2	2/2	1/1	1/1
José Manuel Vargas ⁸	5/5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1. The Health and Safety Committee and Sustainability Committee merged to form the Safety, Health and Sustainability Committee with effect from 1 January 2024. Lerato Molebatsi was appointed the Chair of this Committee and Varda Shine, Richard Duffy and Bernie Pryor as members of it.

2. Varda Shine was appointed Chair of the Board and Chair of the Nomination and Investment Committees with effect from the conclusion of the Company's AGM on 14 November 2024, following Peter Hill's retirement from the Board. Varda ceased being a member of the Audit and Risk Committee with effect from her appointment as Chair of the Board. Varda ceased being Chair and a member of the Remuneration Committee with effect from 1 January 2024.

3. Peter Hill did not offer himself for re-election at the Company's AGM on 14 November 2023 and retired from the Board at the conclusion of that meeting.

4. Bernie Pryor was appointed as Senior Independent Director with effect from the conclusion of the Company's AGM on 14 November 2024. Bernie was appointed as Chair of the Remuneration Committee with effect from 1 January 2024.

5. Alex Watson stepped down from the Board on 17 February 2024 and took up a role as a Board Observer from that date, nominated by Franklin Templeton.

6. Johannes Bhatt retired from the Board at the conclusion of the Company's AGM on 14 November 2024.

7. Jon Dudas stepped down from the Board on 17 February 2024 and took up a role as a Board Adviser for six months. This appointment terminated on 17 August 2024.

8. José Manuel Vargas was appointed to the Board as a non-independent NED effective 1 January 2024.

Site visits

The full Board's annual site visit in FY 2024 was cancelled as part of the Company's cost savings initiatives. The Board recognises the importance of visiting Petra's operations, as these visits provide useful context on developments and progress at the operations, as well as allowing for interaction with and feedback from employees at a range of levels throughout the business and assisting with the ongoing evaluation of Petra's culture. The Board will be looking to reinstate their annual site visit when it is appropriate to do so.

Even though the Board's annual site visit was cancelled, the Executive Directors regularly visited the operations as part of their day-to-day business and there were several visits conducted by NEDs which included:

- January 2024: Varda Shine and Bernie Pryor visited the Bryanston office for discussions with the management team.
- April 2024: Deborah Gudgeon visited the Bryanston office as part of the planning process for the FY 2024 audit and also to discuss CFO succession plans, following the announcement in March 2024 that Jacques Breytenbach will resign as CFO and Director for personal reasons at the end of September 2024.
- June 2024: Varda Shine and Bernie Pryor visited the Bryanston office for discussions with the management teams at the Cullinan and Finsch Mines and Group and also with members of Exco.
- July 2024: Lerato Molebatsi, in her capacity as Workforce Engagement iNED, attended CEO roadshow sessions held with the Cullinan and Finsch Mines. These sessions were held following completion of the S.189 retrenchment processes at Finsch and Group and saw the CEO provide an overview of what had been presented at the Investor Day held on 27 June 2024, including the revised LOM plans for the Cullinan and Finsch Mines. During these visits, Lerato had the opportunity to speak directly with employees, attend the briefings provided by management and engage with union leadership to hear any concerns first hand. The visits also provided Lerato with insights into Petra's culture. Lerato was impressed by the employees' level of engagement and understanding of the Company's business challenges and also the transparency shown by management and reported this and other observations from these visits and engagements to the Board, the effect of which is to enhance communication, promote transparency, and ensure that employee voices are heard and considered in the Board's discussions and decision making.

Gender and ethnicity representation on the Board and executive management (Exco)

	Number of Board members	Percentage on the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	4	57%	3	8	89%
Women	3	43%	1	1	11%
Not specified/prefer not to say	–	–	–	–	–
White British or other White (including minority-white groups)	6	86%	4	6	67%
Mixed/multiple ethnic groups	–	–	–	–	–
Asian/Asian British	–	–	–	3	33%
Black/African/Caribbean/Black British	1	14%	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Workforce Engagement

Petra has an experienced, diverse and dedicated workforce, which is a key business asset, with engaged employees being critical to Petra's success. The Board uses formal and informal ways of engaging with its employees, which are summarised below. For more information on how the Board considered the interests of Petra's employees in its discussions and decision making in FY 2024, see pages 49 and 50.

Designated Workforce Engagement iNED

Lerato Molebatsi is the Company's designated workforce engagement NED, having assumed this role with effect from 1 July 2023. The aim of the role is to ensure the views and concerns of the workforce are brought to the Board's attention and taken into account in deliberations and decisions, helping the Board understand if employees are aligned to, and able to respond to, the Company's priorities. A formal document outlining the key principles and parameters of the role was approved by the Board in FY 2021. Lerato accompanied the Exco on the CEO roadshow meetings at the Cullinan and Finsch Mines in July 2024 at which sessions were held with representatives of the workforce, unions and management. Lerato reported back to the Board her observations of these sessions (which overall were generally positive, duly noting areas of concern).

Site visits

Several site visits are scheduled throughout the Year, giving the Board the opportunity to engage directly with employees. The site visits include an opportunity for formal engagement through business updates, tours of operations and briefings provided by Petra's employees to the Board, as well as informally through the dinners and social events arranged as part of the site visits.

The full Board's annual site visit in FY 2024 was cancelled as part of the Company's cost savings initiatives. However, certain key Board members (including the Chair, Senior Independent Director, Chair of the Audit and Risk Committee and Chair of the Safety, Health and Sustainability Committee in her capacity as Designated Workforce iNED) each individually visited Petra's sites, engaging extensively with the workforce. For more information on these site visits, see page 79.

Engagements with Unions

With 79% of Petra's workforce in South Africa being unionised, an appreciation of the interests and dynamics relating to the key unions which represent Petra's employees is essential for meaningful employee engagement. The Board, through the Safety, Health and Sustainability Committee, receives regular updates on Petra's union membership and key engagements with unions, including, for example, negotiations of any collective bargaining agreements, retrenchment processes and shift configuration changes. Union leadership are also invited to and attend the Exco town hall meetings which are also often attended by Petra's designated workforce engagement NED. In FY 2024, the key areas of union engagement were in relation to the successful negotiation of five-year wage agreements, as well as the S.189 restructuring process undertaken in respect of the Finsch Mine and Petra's Group employees, with the Board providing oversight of these engagements.

How does the Board engage with Petra's employees?

Exco town hall meetings

Petra's Exco seeks to regularly host town hall meetings at Petra's operations to ensure that employees are provided with updates on Petra's performance and also to enable key corporate initiatives to be explained and discussed. These meetings were less frequent in FY 2024 but in July 2024, CEO roadshow sessions were held at the Cullinan and Finsch Mines and with Group employees following completion of the S.189 retrenchment processes at Finsch and Group. These sessions saw the CEO provide an overview of what had been presented at the Investor Day held on 27 June 2024, including the revised LOM plans for the Cullinan and Finsch Mines. Petra's designated workforce engagement iNED, Lerato Molebatsi, attended sessions at the Cullinan and Finsch Mines in July 2024. Employees are encouraged to ask questions of management in these sessions (including anonymously if preferred).

Board and Committee meetings

A number of senior employees are standing invitees to meetings of the Board and its Committees and other employees attend these meetings on an ad hoc basis. These employees will regularly be asked to present on and engage in matters being discussed at these meetings.

Petra Culture Code

A strong culture is key to attracting and retaining top talent, driving performance and ultimately creating long-term sustainable value for Petra's stakeholders. The Board is committed to Petra's Culture Code (which was adopted in FY 2023) and efforts to continue to embed it across the organisation – please see page 46 for more details. A key part of this commitment involves the Board monitoring changes in the scores across the Group and assessing key themes in the feedback received, with scores and feedback being assessed across the organisation.

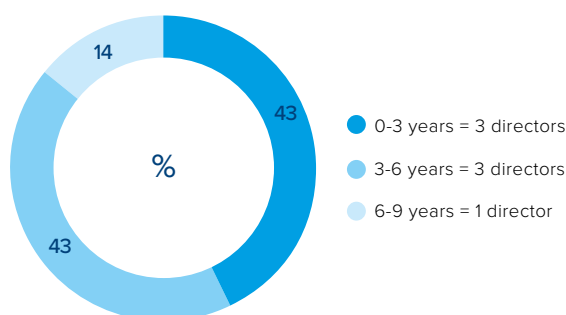
Employee wellness

At each Safety, Health and Sustainability Committee meeting, updates are provided on employee health, hygiene and wellness issues, including in relation to employee utilisation of Petra's Employee Assistance Programme. In FY 2024, the Safety, Health and Sustainability Committee reviewed the outcomes of an employee mental health study, including the benchmarking data from this study and proposed actions.

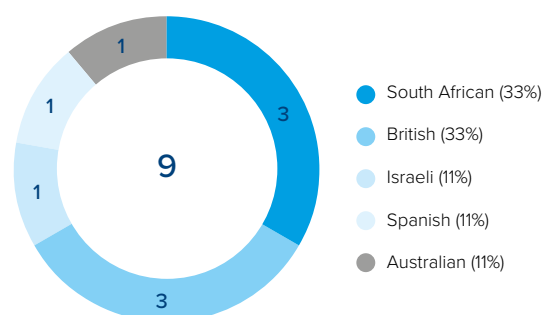
Board composition and diversity statistics

All statistics on this page are given as at 30 June 2024

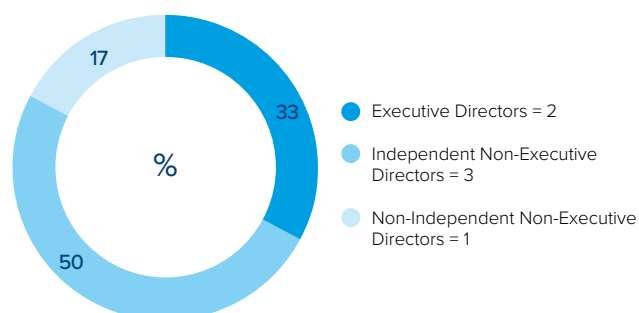
TENURE OF DIRECTORS



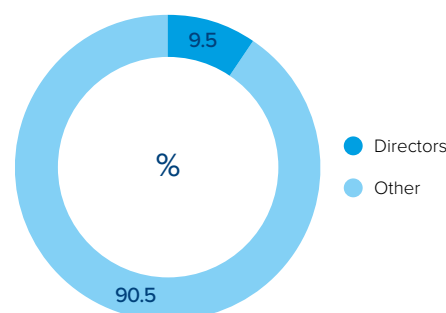
DIRECTORS' NATIONALITIES¹



BOARD COMPOSITION²



PERCENTAGE OF PETRA SHARES HELD



1. Where directors hold multiple nationalities, all nationalities have been reflected.

2. Varda Shine, Petra's Non-Executive Chair, who is considered to be independent and was considered to be independent on her appointment as Chair is excluded from this calculation, in accordance with the Code.

Why our Board is effective

Director commitment

The Directors' biographies and duties can be found on pages 68 to 69 and 73. During the Year, there were no significant changes to the iNEDs' external commitments and they are considered to have sufficient time to fulfil their duties, as confirmed by the internally facilitated Board evaluation, carried out in Q4 FY 2024 – see page 80. The Non-Executive Chair is also considered to have sufficient time to fulfil her duties.

Executive Directors may, subject to Board consent, accept external appointments to act as Non-Executive Directors of other companies. However, the Board reserves the right to review such appointments to ensure no conflicts of interest, and that the time spent on fulfilling such obligations would not affect the respective Director's contribution to Petra. Any fees for such appointments would normally be retained by the Director concerned. Currently, the Executive Directors' external appointments do not affect their contributions to Petra. For more information, see the report of the Nomination Committee.

The Chair and NEDs are required to inform the Board of any proposed new directorships and a similar review process is undertaken to ensure they can adequately continue to fulfil their obligations as Directors of the Company and that there are no conflicts of interest.

Governance Framework

(AS AT THE DATE OF THIS REPORT)

The Board

The Board is responsible for Petra's long-term success and sets the Company's strategic aims, monitoring management's performance against these objectives.

Our strategy
See pages 22-23

Principal risks
See pages 59-63

Board biographies
See pages 68-69

Key activities in FY 2024
See pages 81-82

The Board delegates certain matters to its six principal committees

The Terms of Reference for each of the Board Committees is available at <https://www.petradiamonds.com/about-us/corporate-governance/board-committees-2/>

Audit and Risk Committee	Remuneration Committee	Nomination Committee	Safety, Health and Sustainability Committee	Investment Committee
Oversees matters relating to the Group's financial reporting, internal and external audit, internal control, ICT, risk management, ethics, compliance, whistleblowing and fraud	Determines the policy for Executive Director remuneration, sets remuneration for the Chair, Executive Directors and senior management and reviews workforce remuneration and related policies	Leads the process for Board appointments and ensures plans are in place for orderly succession to both the Board and senior management positions	Oversees the Group's health, safety and sustainability matters, including: health and safety systems, policies and compliance; tailings and water storage facilities; on-mine water management and environmental compliance and social and environmental matters in supporting delivery of the Group's Sustainability Framework	Considers and makes recommendations to the Board for the Group's most significant capital expenditure, investment proposals and disposals
See page 84	See page 101	See page 93	See page 96	See page 99
Chaired by Deborah Gudgeon	Chaired by Bernie Pryor	Chaired by Varda Shine	Chaired by Lerato Molebatsi	Chaired by Varda Shine
Members Bernie Pryor Lerato Molebatsi	Members Deborah Gudgeon Lerato Molebatsi	Members Deborah Gudgeon Bernie Pryor Lerato Molebatsi	Members Varda Shine Richard Duffy Bernie Pryor	Members Deborah Gudgeon Bernard Pryor Lerato Molebatsi Richard Duffy Jacques Breytenbach

To reflect the breadth and importance of ESG matters to Petra, and in addition to the oversight role performed by the Safety, Health and Sustainability Committee, the Chair of the Board of Directors, Varda Shine, has been designated as the NED with overall responsibility for ESG matters.

Executive Committee (Exco)

The Board has delegated the execution of the Company's strategy and day-to-day management of the Company's business to the Executive Directors, supported by the Exco.

CEO's statement
See page 10

Exco membership
See pages 70-71

Petra Culture Code
See page 46

Our performance
See page 3

Assessment of Director independence

Upon her appointment as a Non-Executive Director on 1 January 2019 and at the time of assuming the role of Non-Executive Chair on 14 November 2023, Varda Shine was considered to be independent, and continues to be independent, in accordance with the Code.

The Board also considers Bernie Pryor, Deborah Gudgeon and Lerato Molebatsi and to be independent in accordance with the Code.

All iNEDs are independent of any relationship listed in the provisions of the Code. None of the NEDs received any fees from the Company in FY 2024 other than their contractual iNED fees, as set out on page 109 of the Directors' Remuneration Report.

By virtue of his significant shareholding in the Company (c. 8.75% of total voting rights as at the date of this Report) José Manuel Vargas, was not considered to be independent in accordance with the Code either at the time of his appointment or as at the date of this Report.

Conflicts of interest

Whilst conflicts should be avoided, the Board acknowledges that instances arise where this is not always possible. In such circumstances, Directors are required to notify the Chair before the conflict arises and the details are recorded in the minutes. If a Director notifies the Board of such an interest, they may be, if requested by the Chair, excluded from any related discussion and will always be excluded from any formal decision.

Process used in relation to Board membership, succession planning and appointment process

Petra's Nomination Committee is responsible for reviewing the skills, expertise, composition and balance of the Board on an ongoing basis as part of the Company's succession planning. When considering new appointments, the usual process is for a brief to be prepared and for an independent external search agency to be utilised to identify potential candidates. Read more about the work of the Nomination Committee on pages 93 to 95.

Director induction, information, training and development needs

Detailed knowledge of the specialist world of diamonds (including diamond marketing), the global mining industry, international capital markets, applicable UK legislation/LSE regulation, Sub-Saharan Africa (particularly South Africa), ESG matters and Petra's unique business and operations, is crucial to the Board's ability to effectively lead the Company.

Petra has an induction programme designed to bring new Directors up to speed as quickly as practicable, following their appointment to the Board. Such an induction would typically involve meetings with the Board and various members of Senior Management and an information pack of all necessary corporate documents, including the Company's latest Annual Report, Sustainability Report, the Bye-Laws, Committee Terms of Reference and other key Group policies, such as the Code of Ethical Conduct, enabling them to familiarise themselves with the Group, its procedures and current activities. A site visit to one or more of the Group's key operations is usually held to provide the new Director with further information on the operations, including production updates, mine plans and extension projects and key ESG considerations.

In order to help ensure that existing Board members retain the relevant and up-to-date knowledge and skill-set to properly discharge their duties, ongoing training and other professional development opportunities are provided by the Company and/or the Directors attend external courses and conferences on their own professional behalf.

Training is arranged as appropriate to suit each Director's individual needs, and covers topics such as industry developments, governance, technical subjects related to diamond mining, communication strategies and ESG matters. Board training on specific topics is requested by the Board members and then provided by a specialist at the Board meeting.

During the Year, the Board received a presentation by law firm Latham and Watkins on pending reforms to the UK's capital markets and listing regime. The Board also received a briefing from John Raine CMG OBE, Senior Advisor for Geopolitical Due Diligence at the International Institute for Security Studies on current geopolitical issues and risks relevant to Petra.

As part of his induction programme, José Manuel Vargas received training from Ashurst on directors' duties and on the regulatory framework for UK-listed companies.

The Company's Corporate Communications team acts as a conduit of regular information to the Board and Senior Management, providing regular briefings by email on relevant topics, such as key diamond industry trends, peer group developments and socio-economic information about Petra's countries of operation, as well as internal Company news.

The Company Secretarial team also provides the Board and Senior Management with ongoing updates on legal and regulatory changes, including in relation to corporate governance matters, and the Board has continual access to the advice and services of the Company Secretarial function and external legal advice as required.

Evaluation of the Board's performance

An internally facilitated Board evaluation was undertaken in Q4 FY 2023, the results of which were reported on in the FY 2023 Annual Report. This followed an externally facilitated Board evaluation that was undertaken in FY 2022 and reported on in the FY 2022 Annual Report.

The overall assessment of the FY 2023 Board evaluation was that the Petra Board is effective and high performing. The assessment identified areas with scope for improvement that were discussed in a September 2023 feedback session with the Board. The Company Secretary then agreed an action plan with the Board for how to address these areas for improvement.

Progress against this action plan was then tracked and assessed and discussed by the Board during FY 2024, with good progress being made in all areas and in particular on the following:

- **Strategic focus:** an increased focus on and discussion of Petra's strategic priorities and key issues, including by holding more frequent ad hoc Board meetings to discuss these issues (with 11 Board meetings being held in FY 2024 compared to six in FY 2023)
- **Value proposition:** this issue was discussed extensively during FY 2024, in particular when the Board reviewed cost savings measures, approved the budget for FY 2025 and reviewed the business plans for FY 2026-29 and the revised LOMs for the Cullinan and Finsch Mines. This culminated in the Investor Day presentation that was published on 27 June 2024 and which outlines Petra's value proposition
- **Dynamics:** actions were taken to strengthen Board dynamics further which had already been evaluated as strong. Note that extensive changes to the Board's composition and size in FY 2024 have resulted in changes to the Board's dynamics and these were reassessed in the FY 2024 Board evaluation as summarised below
- **Board and Board Committee streamlining:** various changes to the Board's composition in FY 2024 have resulted in a smaller and more efficient Petra Board consisting of seven Directors (reducing to six Directors when Jacques steps down as Director at the end of September 2024), having been ten Directors at the start of FY 2024. Further efficiencies were achieved through the merger of the Company's Health and Safety and Sustainability Committees to form the Safety, Health and Sustainability Committee, with effect from January 2024. Three additional Audit & Risk Committee meetings were held in FY 2024 to address the Committee's increased workload
- **Board papers and agendas:** various improvements were made during FY 2024 to the content and format of the Board and Committee papers and agendas, including to support the Board's focus on strategic objectives, key issues and risk management. The merger of the Company's Health and Safety and Sustainability Committees to form the Safety, Health and Sustainability Committee also resulted in a significant improvement to this Committee's papers and agendas

The Board's annual evaluation for FY 2024 was undertaken in Q4 FY 2024 and was facilitated by the Company Secretary. The evaluation consisted of each Director completing a focused questionnaire, with the questions being informed by the findings of the internally facilitated Board evaluation undertaken in Q4 FY 2023. The Company Secretary used the responses to the questionnaire to compile extensive feedback which was then shared and discussed at a Board session held in September 2024 to identify actions to be taken forward during FY 2025.

The evaluation of the performance of the Chair was undertaken by Bernie Pryor, the Senior Independent Director, based on feedback obtained from the Board. The Chair appraised the performance of each Director by meeting each of them individually to review their knowledge and effectiveness at meetings, and the overall time and commitment to their role on the Board, using the feedback obtained from the Board to support these appraisals.

The overall assessment from the FY 2024 Board evaluation was that the Petra Board continues to be effective and high performing, with improvements having been made during FY 2024 to address the findings of the internally facilitated evaluation undertaken in FY 2023, though also noting the significant changes to the Board's composition and size that occurred during FY 2024. The Company Secretary compiled a list of priorities for the Board to focus on for FY 2025 which address these areas for improvement identified. These priorities were discussed and agreed by the Board at a September feedback session and will be tracked and discussed by the Board and Company Secretary throughout FY 2025.

Areas for improvement and priorities for the Board identified in the FY 2024 Board evaluation include, amongst others:

- **Strategic focus:** maintain focus on delivering short-term priorities but without losing sight of the long term, broader strategy
- **Operational delivery:** increase the Board's focus on delivering strong operational performance (including execution of the life extension projects at Cullinan and Finsch Mines), particularly in the near-term and perform operational 'deep-dives' during FY 2025
- **Dynamics:** whilst Board dynamics remain strong (despite the significant changes to Board composition and size during FY 2024), various actions were identified to further strengthen Board dynamics
- **Board papers and agendas:** implement various improvements to Board and Committee papers and agendas to support the Board's effectiveness and its oversight of strategic objectives and key issues
- **Increased senior management exposure:** with there being no annual Board site visit in FY 2024, look for further opportunities to increase exposure to senior management. Look to reinstate Board's annual site visit when appropriate to do so
- **Increased NED engagements:** increase the frequency of NED-only engagements, particularly over the next 12-18 months

Key Board and Board Committee activities in FY 2024

Category	Activity	Stakeholders considered
Strategic	<ul style="list-style-type: none"> Approved the deferral of capital extension projects at the Cullinan Mine (C-Cut extension project and part of the CC1E project) and the Finsch Mine (3 level SLC) Reviewed and oversaw project that targets cost savings of \$10m in FY 2024 and a sustainable reduction in operating costs of US\$30 million per annum for the South African operations from FY 2025 onwards (with a further US\$14 million per annum for Williamson identified and targeted post-Year end) Reviewed and oversaw Group restructuring resulting in section 189(3) processes under the South African Labour Regulations Act (LRA) for all Group employees and affected Finsch employees Reviewed rebasing of the Finsch Mine by reducing throughput tonnages from circa 2.8 to 2.2 million tonnes per annum Reviewed and approved revised LOM plans for the Cullinan Mine (including capital expenditure for the CC1E Phase 1 and C-Cut Extensions 1 & 2 life extension projects and a new ventilation shaft) and the Finsch Mine (including capital expenditure for the 81L (5 tunnels), 86L (12 tunnels), and 88-90L life extension projects). These revised LOMs involve a smoothed capital profile of c. \$100m per annum to target free cash generation through the cycle Approved entry into long-term PPAs for the procurement of wheeled renewable energy for the Cullinan and Finsch Mines from Etana Energy enabling Petra to fulfil its target of reducing scope 1 and 2 GHG emissions by 35-40% by 2030 (against its 2019 baseline) well ahead of time as well as contributing to predictable energy costs which are expected to result in sustainable cost savings over the term of the PPAs As part of Petra's focus on debt optimisation, approved the open market repurchases of \$5 million of Petra's 2L Notes Held Board strategy session in February 2024, setting immediate short-term priorities for Petra's management and reviewing longer-term strategic opportunities Reviewed progress towards completion of definitive transaction documents for the sale of 50% (less one share) of Petra's holding in WDL, with Petra retaining a controlling interest Reviewed updates on the progress of the Independent Grievance Mechanism (IGM) and Restorative Justice Projects (RJPs) at Williamson Reviewed progress on the implementation of the Framework Agreement for Williamson and engagements with the Government of Tanzania in this regard Approved the sale of the Koffiefontein Mine to Stargems, following the decision to place the mine onto care and maintenance in FY 2023, which, once completed, is expected to enable Petra to avoid incurring closure-related costs of \$15-18 million Reviewed and approved KPIs to deliver strategy during the Year and assessed performance against KPIs on an ongoing basis Received and discussed presentations from the Company's advisers on strategic options 	Shareholders, Financial Stakeholders, Host Governments, Employees, Unions, Local Communities, Suppliers
Operations	<ul style="list-style-type: none"> Received reports at every Board meeting from the CEO and, where necessary, senior management on operational performance, including on safety, health and environment, mining and processing, security (including security operations at the Williamson Mine), sales and marketing, human resources and community relations Site visits by the Workforce Engagement iNED to the Cullinan and Finsch Mines in July 2024 Received regular updates on completion of the remediation activities for the community at Williamson following the TSF failure 	Shareholders, Financial Stakeholders, Regulators, Employees, Unions, Local Communities, Suppliers
Safety, Health and Sustainability	<ul style="list-style-type: none"> Approved Petra's GHG emissions reduction roadmap Received reports at every Board meeting from the CEO and the Chair of the Health & Safety Committee and then the Chair of the Safety, Health and Sustainability Committee on health and safety performance across the Group Received updates on the implementation of and compliance with the Tailings Management Policy which is aligned to the Global Industry Standard on Tailings Management (GISTM) and on the timeline for GISTM compliance Received an update on the outcome of Petra's double materiality assessment of its material ESG issues Approved the FY 2023 Sustainability Report Received updates on the operationalisation of Petra's Sustainability Framework Received regular reports from the Chair of the Sustainability Committee (which then became the Safety, Health and Sustainability Committee), including in relation to, amongst others, the IGM, community projects (including the RJPs) and remediation of the TSF failure at Williamson 	Employees, Local Communities, Regulators, Host Governments, NGOs, Shareholders

Category	Activity	Stakeholders considered
Finance, reporting and risk management	<ul style="list-style-type: none"> Approved the ZAR750 million increase in available commitments under the Company's revolving credit facility with Absa Bank to provide additional operational and sales flexibility Approved the Group's preliminary results for FY 2023, interim results for H1 FY 2024, operating updates and sales tender results for FY 2024 Approved the FY 2023 Annual Report Approved the Group's FY 2025 budget and reviewed business plans for FY 2026 to FY 2029 Received reports at every Board meeting from the CFO regarding the Group's financial performance and on the diamond market Approved a new Risk Appetite and Tolerance Framework and reviewed on a quarterly basis the Group's Key Risk Indicators Reviewed the Group's internal audit findings and principal risks on a quarterly basis including any material outstanding actions to address audit findings and/or mitigate risks Improved effectiveness of the Audit and Risk Committee with additional meetings held ahead of the Group's preliminary results for FY 2023 and interim results for H1 FY 2024 Received regular reports from the Chair of the Audit and Risk Committee 	Shareholders, Financial Stakeholders, Host Governments, Regulators, NGOs
Governance	<ul style="list-style-type: none"> Approved the appointment of Varda Shine as Chair of the Board and Bernie Pryor as Senior Independent Director, in each case with effect from 14 November 2024 Approved the appointment of José Manuel Vargas to the Board with effect from 1 January 2024 Approved the appointment of Bernie Pryor as Chair of the Remuneration Committee with effect from 1 January 2024 Approved the appointment of Alex Watson as Board Observer, having stepped down as Director with effect from 17 February 2024 Approved the appointment of Jon Dudas as a Board Adviser, having stepped down as Director with effect from 17 February 2024 Approved the merger of the Health & Safety and Sustainability Committees to form the Safety, Health and Sustainability Committee and the appointment of Lerato Molebatsi as the Chair of the merged Committee Approved a reduction in the Chair's fee and the NED fees (including the SID fee, Committee Chair fees and basic NED fees) by 5% with effect from 1 January 2024 Approved the appointment of Amre Youness as Board Observer with effect from 1 May 2024 Approved changes to the Executive Committee, including the appointments of (i) Vivek Gadodia as Planning and Corporate Development Executive and member of Exco and (ii) Johan Snyman as Chief Financial Officer and member of Exco with effect from 1 October 2024 Engaged with significant shareholders throughout the Year Conducted an annual evaluation of the Board's performance facilitated by the Company Secretary Reviewed succession plans for Board and Senior Management Approved cancellation of FY 2024 annual bonuses and freezing of salaries for Executive Directors and Exco and freezing of fees for Chair and NEDs Approved awards and vestings under the PSP to Executive Directors and Exco Reviewed Directors' independence and conflicts of interest 	Shareholders, Employees, Host Governments, Regulators, NGOs
Culture	<ul style="list-style-type: none"> Reviewed scores and feedback from the Petra Culture Code survey held in July 2024 Received regular briefings on employee and community relations Received regular reports from the Chair of the Sustainability Committee (which became the Safety, Health and Sustainability Committee) Considered Lerato Molebatsi's employee engagement reports for her CEO roadshow meetings at the Cullinan and Finsch Mines in July 2024 Met with Women in Mining groups during June 2024 	Employees, Local Communities, Shareholders, Host Governments, NGOs

Annual General Meeting (AGM)

The FY 2023 AGM was held at One Heddon Street, London, W1B 4BF at 9am on 14 November 2023.

Results of our FY 2023 AGM

A summary of the proxy voting for the AGM was made available via the London Stock Exchange and on the corporate website as soon as reasonably practicable on the same day as the meeting.

		Total votes for (as a % of votes cast)	Total votes against for (as a % of votes cast)	Votes withheld (as a % of total shares with voting rights)	Total number of votes withheld
1	Receive the 2023 Annual Report	99.77	0.23	0.066	127,485
2	Approve Directors' Remuneration Policy	98.03	1.97	0.001	1,013
3	Approve Directors' Annual Remuneration Report	98.03	1.97	0.001	1,013
4	Re-appointment of BDO LLP as auditors	99.77	0.23	0.001	1,013
5	Authority to fix the remuneration of the auditors	99.77	0.23	0.001	1,013
6	Re-election of Mr Hill	RESOLUTION WITHDRAWN			
7	Re-election of Mr Duffy	99.77	0.23	0.001	1,013
8	Re-election of Mr Breytenbach	89.4	10.59	0.001	1,013
9	Re-election of Ms Shine ¹	97.69	2.31	0.001	1,013
10	Re-election of Mr Pryor	84.91	15.09	0.001	1,013
11	Re-election of Ms Gudgeon	84.90	15.10	0.001	1,013
12	Re-election of Ms Watson	83.54	16.46	0.001	1,013
13	Re-election of Mr Dudas ²	99.42	0.58	0.001	1,013
14	Election of Ms Molebatsi	99.77	0.23	0.001	1,013
15	Authority to allot relevant securities	62.82	37.18	0.001	1,013

1. Varda Shine ceased to be a member of the Committee when she was appointed as Non-Executive Chair at the conclusion of the Company's AGM on 14 November 2023.

2. Jon Dudas ceased to be a member of the Committee when he stepped down from the Board on 17 February 2024.

Notes:

- As announced on 13 November 2023, and following publication of the notice of the FY 2023 AGM, Peter Hill CBE elected not to offer himself for re-election as a Director at the AGM and ceased to be a Director and Chair of the Board and the Nomination and Investment Committees immediately following the conclusion of that meeting. Varda Shine was appointed as Chair of the Board and Chair of the Nomination and Investment Committees with effect from the conclusion of the FY 2023 AGM. Ms Shine also stepped down from the Audit and Risk Committee and, with effect from 1 January 2024, as a member and Chair of the Remuneration Committee. Bernard Pryor, Non-Executive Director was appointed as Senior Independent Director with effect from the conclusion of the FY 2023 AGM and as Chair of the Remuneration Committee with effect from 1 January 2024.
- Resolution 15, which involved granting the Board authority to issue and allot shares, was passed with a 62.82% majority. However, 37.18% of shareholders voted against this resolution, indicating significant opposition. Following the AGM, Petra consulted with the dissenting shareholders to understand their concerns. These discussions revealed a common preference among shareholders to avoid granting general or annual authorities for changes in equity capital. Instead, they favoured reviewing and approving specific transactions on a case-by-case basis. One shareholder specifically highlighted a policy against authorities that could lead to dilution without a clear transaction in mind. In this consultation, Petra explained to shareholders that the requested authority aimed to provide flexibility in capital management and would only be exercised if deemed in the best interests of the Company and its shareholders. Petra also emphasised that this authority aligns with UK institutional shareholder guidelines and market practices for UK-listed companies. Petra decided, after considering shareholder feedback, that it will not seek authority for the allotment of relevant securities at the FY 2024 AGM, a departure from the practice of previous years. The Board expresses its gratitude to the shareholders who participated in the consultation process and acknowledges the importance of ongoing engagement with shareholders on issues of this nature. For more information on the consultation process, see page 67.

Report of the Audit and Risk Committee

A



Members of the Audit and Risk Committee

Deborah Gudgeon – Committee Chair and iNED

Bernard Pryor (Senior Independent Director)

Lerato Molebatsi (iNED)

Varda Shine (Non-Executive Chair)

Jon Dudas (iNED)

“

The Committee plays a vital role at Petra by ensuring that the Group has effective and appropriate risk management and internal control systems, backed up by comprehensive financial, governance, internal audit and reporting functions.

Deborah Gudgeon
Audit and Risk Committee Chair

The Audit and Risk Committee (the Committee) continued to focus on its key responsibilities as set out in its Terms of Reference during FY 2024. In particular:

- Ensuring the integrity of the Group's interim and annual financial reporting including compliance with financial reporting standards and governance requirements, the material areas where significant accounting judgements have been made, the critical accounting policies and substance, consistency and fairness of management estimates, the clarity of disclosures and whether the Annual Report, taken as a whole is fair, balanced and understandable
- Overseeing and monitoring the Group's internal control framework and enterprise-wide risk management structure including reviewing and approving the Group's new Risk Appetite and Tolerance Framework
- Ongoing consideration of control systems to ensure they remain effective, relevant and appropriate to the business and the associated risks thereto
- Monitoring the ongoing effectiveness and independence of the external auditors as well as making recommendations to the Board on the re-appointment of the external auditors

Dear shareholder,

The Committee plays a vital role at Petra by ensuring that the Group has effective and appropriate risk management and internal control systems, backed up by comprehensive financial, governance, internal audit and reporting functions. As Chair of the Committee, I am pleased to have this opportunity to summarise some of the key developments during the Year, as well as our ongoing responsibilities and objectives.

The following issues are deemed to be significant and were considered by the Committee in respect of the Group's FY 2024 Financial Statements, based upon its interaction with both management and the external auditors during the Year:

- the Group's going concern review and viability statement
- carrying value of mining assets and resultant impairment considerations
- accounting treatment of the Blocked Parcel following its sale by the Government of Tanzania during FY 2023
- provisioning for IGM grievance remedies at Williamson
- accounting for the sale of the Koffiefontein mine, including provisioning for care and maintenance prior to the sale concluding
- entry into Power Purchase Agreements (PPAs) for the Cullinan and Finsch Mines.

For further detail on the significant issues mentioned above, see page 89.

The Committee's responsibility towards risk management

The Committee continued to execute its risk management oversight responsibilities during the Year, receiving quarterly updates on the Group's principal risks from the Risk, Assurance and Compliance function.

In addition, and during the Year, management developed and implemented a Risk Appetite and Tolerance Framework which was reviewed and approved by the Committee. Petra accepts there are risks associated with its business activities that cannot be fully eliminated and which must be accepted if we are to deliver our strategy. The initial purpose of the Risk Appetite and Tolerance Framework is to determine Petra's levels of risk appetite and tolerance. Petra has done this by reference to a set of Risk Appetite Statements and Key Risk Indicators (KRIs) that are aligned to Petra's principal risks. Petra then actively monitors these KRIs to prompt management to take necessary action(s) where appetite and tolerance thresholds are exceeded. Petra's KRIs are kept under review by management and the Committee to ensure they align with the Company's Purpose, Values and Strategy and evolving risk profile. Any changes to the KRIs that are used to measure risk appetite and tolerance require the approval of the Committee.

Committee composition

On 14 November 2023, and following her appointment as the Company's Non-Executive Chair, Varda Shine stepped down from the Committee. This enabled Petra to meet the requirements of the Code. Jon Dudas also ceased to be a member of the Committee, when he stepped down as a member of the Board on 17 February 2024. Jacques Breytenbach will also step down as a member of the Committee when he leaves the Board on 30 September 2024.

On behalf of the Committee, I extend my sincere thanks to Varda, Jon and Jacques for the contributions they have made to the Committee during their tenure as members and attendees. In particular, I would like to thank Jacques, who leaves Petra after 18 years of service, including six as CFO.



Deborah Gudgeon
Audit and Risk Committee Chair
 23 September 2024

Committee experience and skill-set

The members of the Audit and Risk Committee are considered to possess the appropriate skills and experience to monitor and ensure the integrity of the Group's financial reporting, internal audit, internal financial control and risk management systems and to support Petra's overall governance.

Deborah Gudgeon, who was appointed as Committee Chair on 1 November 2021 (and who joined the Committee on 1 July 2021) fulfils the requirements of the Code with regards to the required level of financial and audit experience. Deborah qualified as a chartered accountant with PwC before going on to hold a range of roles at Deloitte, BDO and within a number of listed mining companies. Most recently, she has extensive experience as a Non-Executive Director and Chair of the Audit Committees of Highland Gold Mining Limited, Acacia Mining plc and Evraz plc. She is currently the Chair of the Audit Committees of Ithaca Energy plc and Serabi Gold plc and has recent and relevant financial experience as well as competence in accounting and auditing, as required by the Code and the FCA's Disclosure Guidance and Transparency Rules (7.1.1A) (the DTRs).

In terms of the other Committee members, and consistent with FRC Guidance, as well as the DTR 7.1.1A, the Committee as a whole has extensive experience in relation to the sector within which Petra operates:

- Bernie Pryor is a metallurgical engineer with 35 years of experience in the international mining industry; and
- Lerato Molebatsi has extensive executive and non-executive experience across a range of sectors, primarily in South Africa, including as the lead independent Director of the South African Reserve Bank.

All Committee members receive appropriate ongoing training and development, as well as regular updates from management and the Group's external auditors on relevant financial reporting, governance and regulatory developments.

The Committee may, if considered necessary, take independent advice at the expense of the Company. Other than BDO LLP, as the external auditors, no other external consultants assisted the Committee during FY 2024.

Committee meetings

Seven meetings were held in FY 2024, with the Committee holding three further meetings after the end of the Year to review and approve the Group's full year results and Annual Report.

At these meetings, the Committee invited the Non-Executive Chair, other Non-Executive Directors, the Executive Directors, members of senior management (including the Group Financial Controller, Group Head of Planning and Business Development, the General Counsel & Company Secretary, Group Head of Internal Audit & Risk and the Group ICT Manager), as well as the Board Observers to attend these meetings, as appropriate. In addition, the Chair of the Committee met separately with the BDO Audit Partner regularly without management present to discuss significant audit and accounting matters, together with relevant financial reporting and governance developments.

Committee members also met with the auditors without the Executive Directors present on two occasions.

The Committee recognises the importance of allocating significant time to fulfil its duties effectively. In advance of each Committee meeting, a formal agenda and information

pack is circulated, allowing each member time to review the information and prepare for the Committee meetings. During the formal meetings, the members then engage in robust and open debate and assessment of relevant matters.

Deborah Gudgeon, as Chair of the Committee, allocates a significant amount of time to this role. In addition to chairing formal meetings of the Committee and attending sessions with the external auditors, Deborah Gudgeon regularly met with the CFO, the Group Head of Internal Audit & Risk and the Group Financial Controller in order to discuss and monitor the financial controls, audit and risk management activities of the Group on a timely basis.

While no formal site visits to the Group's various operations were arranged for the Committee as a whole during the Year, informal discussions held around the Committee's scheduled meetings enabled the Committee and the Chair of the Committee to maintain a comprehensive understanding of corporate and finance developments and activities and any associated risks, as well as the operational risks and issues and controls in place at Petra. The Chair of the Committee also visited the Bryanston office during April 2024 as part of the planning process for the FY 2024 audit and also to discuss CFO succession plans.

Committee role and activities

The principal functions of the Committee are listed below, along with the corresponding activity and performance in FY 2024.

Summary of role	Activities in FY 2024	Outcomes
To monitor the integrity of the interim and full year results announcements, as well as the Annual Report and Financial Statements published by the Company, reviewing significant financial reporting judgements contained therein.	<p>As contemplated by the UK's Corporate Governance Code 2018 (the Code) and the Committee's Terms of Reference, the Committee considered whether the Group's interim results for FY 2024 and the FY 2024 Annual Report and Financial Statements present a fair, balanced and understandable assessment of the Group's performance and prospects.</p> <p>The Committee, on behalf of the Board, has a specific process of review that enables it to make this assessment. For further information on the process which was followed in relation to the FY 2024 Annual Report and Financial Statements, see page 92.</p> <p>In particular, the Committee assessed the balance of information reported against its understanding of the Group, as well as the tone and language used in the reporting, ensuring that it is comprehensible to readers of various backgrounds.</p> <p>Outside of formal Committee meetings, accounting matters were also discussed by the Chair of the Committee, the CFO and Group Financial Controller. Key auditing, financial reporting and governance matters, which typically focused on areas of significant judgement, estimation or accounting policy selection, were discussed with the audit partner ahead of Committee meetings and during Committee meetings</p>	In accordance with the Code and the Committee's Terms of Reference, the Committee considers that the FY 2024 Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides information necessary for shareholders to assess the Company's performance, business model and strategy and advised the Board accordingly.
To review and challenge, where necessary, application of accounting policies and practices, decisions requiring a major element of judgement, the clarity of disclosures, compliance with accounting standards, and compliance with regulatory and legal requirements.	<p>As part of its work to approve the Group's Financial Statements, the Committee reviewed the key financial reporting judgements and accounting policies therein. These judgements were assessed through discussions with the Group's auditors and presentations by management in which the Committee, where appropriate, challenged the basis for such judgements and estimates.</p> <p>Details of the significant matters considered by the Committee in respect of this Annual Report are set out on page 89.</p>	The Committee considers that the accounting policies used, reporting disclosures, compliance with accounting standards and other requirements are appropriate to the Group in all regards, taking account of the specialised nature of its business.

Summary of role	Activities in FY 2024	Outcomes
To review the effectiveness of Petra's risk management systems, internal financial controls and other internal controls.	<p>The Committee assesses the Company's risk management systems, internal controls and internal controls, including internal financial controls on an ongoing basis. As part of this, the Committee invites the Executive Directors, other Exco members, the Group Head of Internal Audit & Risk and the Group Financial Controller, as well as other members of the senior management team, as appropriate, to attend Committee meetings.</p> <p>During these meetings, the Committee was provided with updates on the Group's activities and the members considered the risk and control implications on an ongoing basis. Additionally, the Board as a whole received presentations and reports by management on operational and financial performance each quarter that allowed for an assessment of risk and internal controls.</p> <p>The Committee meetings during FY 2024 included presentations by BDO LLP regarding the results of the FY 2023 audit, the interim review for H1 FY 2024 and the FY 2024 Audit Planning Report, with a presentation by BDO LLP of the results of the FY 2024 audit subsequent to the Year End. These presentations included the auditors' observations and recommendations in respect of internal controls that the Committee incorporated into its overall assessment of the effectiveness of risk management and controls.</p>	<p>The Committee considers that Petra's internal controls, including its internal financial controls, continue to be robust and defensible.</p> <p>The Committee will continue to review and assess the development of risk management and internal control systems, assisted by the work of the Internal Audit and Risk, Assurance & Compliance functions.</p>
To monitor and review the effectiveness of the Internal Audit function, review and approve the Internal Audit Plan, review and recommend the Internal Audit Charter to the Board for approval and ensure the Internal Audit function is adequately resourced.	On a quarterly basis, the Committee receives internal audit reports detailing any significant findings, progress on the resolution of outstanding findings and progress against the Internal Audit Plan approved by the Committee. The Committee continued to assess the effectiveness, independence, resourcing and quality of Internal Audit during the Year, following the Committee approving a revised Internal Audit organisational structure which saw the Group Head of Internal Audit and Group Head of Risk, Assurance & Compliance roles being combined into a Group Head of Internal Audit & Risk role.	The Group Head of Internal Audit & Risk and supporting teams, will continue to work with the Committee to ensure the integrity and effectiveness of the Group's internal control procedures and risk management systems.
<p>To consider and recommend to the Board the appointment, re-appointment or removal of the external auditors, to recommend their remuneration (whether audit or non-audit fees) and approve their terms of engagement and to assess the external auditors' independence and objectivity.</p> <p>To review the engagement of the external auditors to ensure the provision of non-audit services by the external audit firm does not impair their independence or objectivity.</p>	<p>In advance of the FY 2024 audit, the Committee reviewed and approved the external auditors' audit planning presentation and assessed the appropriateness of the audit strategy, scoping, materiality and audit risks.</p> <p>The Committee reviewed the audit fee as part of the audit planning process.</p> <p>The Committee also reviewed audit-related fees incurred in relation to the interim review and agreed upon procedures over the Company's Sustainability Report, assessed the extent of such non-audit fees and the possible impact on the external auditors' independence and confirmed that such non-audit fees are in compliance with the FRC's Revised Ethical Standard 2019 (noting that this will be replaced by the Revised Ethical Standard 2024 from 15 December 2024). For further detail related to audit and non-audit fees see page 90 under the section headed "External Auditors".</p> <p>The Committee considered and updated the Group's policy on non-audit fees, the level of challenge provided to management and the safeguards in place to protect their independence. Having considered all these matters, the Committee ascertained that BDO LLP continue to be independent and approved the services.</p>	<p>The Committee has taken appropriate steps to assess the independence of its auditors, recognising the importance of audit independence to the audit process.</p> <p>The Committee has reviewed and gained a thorough understanding of the external auditors' strategy and has satisfied itself that it is robust and that the auditors remain independent.</p>

Committee role and activities continued

Summary of role	Activities in FY 2024	Outcomes
To review the effectiveness of the Company's whistleblowing system, its fraud detection procedures and the systems and controls in place for bribery prevention.	<p>The Committee was kept updated on the annual Code of Ethical Conduct training and certification for South African management and UK-based employees for FY 2024.</p> <p>The Committee was also kept updated on workshops that were conducted with suppliers at the Cullinan and Finsch Mines in FY 2024 to increase awareness and visibility and enhance compliance with the Code of Ethical Conduct and anti-bribery and corruption and whistleblowing policies and also specialised workshops held with a leading forensic services provider for all finance, shared services and Group employees to increase awareness on cyber security risks.</p> <p>During the Year, Petra continued to implement and embed its Ethics and Compliance Due Diligence Policy and Supplier Compliance Due Diligence Procedure which set out the risk-based approach Petra is required to follow in conducting ethics and compliance due diligence on its existing and prospective third parties – predominantly customers, suppliers and social investment beneficiaries.</p> <p>The independent, external whistleblowing and fraud hotline remains in place and continues to be offered to all employees as well as other stakeholders.</p>	<p>In FY 2024, Petra received 22 tip-off reports involving alleged irregularities of a non-material nature that were considered necessary to investigate, relating mostly to fraud, recruitment scams, procurement irregularities, non-compliance with Company policies and procedures, theft and corruption.</p> <p>The Committee, which has oversight of all ethics related matters, was provided with quarterly overviews of these reports and investigations into them, focusing on the most material reports.</p> <p>Of the 22 reports in total under review, 17 were resolved and closed, with all but one report found to be unsubstantiated. For this one case, appropriate actions were then taken. Five remain under investigation. Further information is included in the Sustainability Report on pages 22 to 23.</p>

Significant issues considered by the Committee in FY 2024

The following are considered by the Committee to be the significant issues that were considered by the Committee in respect of the Group's Financial Statements, based upon its interaction with both management and the external auditors during the Year. These issues align with those disclosed in the Independent Auditors' Report on pages 117 to 119.

The Committee considered a number of key areas warranting specific focus, in particular:

- The Group's going concern review and viability statement
- The carrying value of the mining assets and resultant impairment considerations
- Accounting treatment of the Blocked Parcel following its sale by the Government of Tanzania during FY 2023
- Provisioning for IGM grievance remedies at Williamson
- Accounting for the sale of the Koffiefontein mine, including provisioning for care and maintenance prior to the sale concluding
- Entry into PPAs for the Cullinan and Finsch Mines

The Committee assessed that all matters were adequately covered during the FY 2024 external audit.

The Committee carefully evaluated several key accounting estimates and judgments that have been integral to the preparation of Petra's Financial Statements for the year ended 30 June 2024. These considerations are critical due to their potential material impact on the Group's financial position and performance. Below is a summary of the significant matters reviewed by the Committee during FY 2024.

Significant matters considered	Our response to these matters
Going concern and viability statement See pages 64-65 (Viability Statement) and note 1.1 on page 128 (Going Concern basis of preparation)	<p>The Committee focused extensively on the Group's going concern status and the preparation of the Viability Statement, which extends to a three-year period ending in June 2027. The assessment was influenced by the ongoing volatility in the diamond market, including the impact of LGDs, global economic pressures, and fluctuations in diamond prices. The Group's liquidity was bolstered by the deferral of capital programmes, cash savings, and agreeing the sale of the Koffiefontein Mine, alongside an increased Revolving Credit Facility.</p> <p>Despite these measures, the Committee noted that the viability of the Group is contingent upon the successful refinancing of the 2L Notes.</p> <p>As part of its review, the Committee challenged the assumptions, sensitivities and mitigating actions proposed by management in the going concern assessment and Viability Statement. Having done this, the Committee concluded that while material uncertainties remain, the going concern basis is appropriate for the preparation of the Financial Statements.</p> <p>The Committee assessed the disclosures in the FY 2024 Annual Report and Financial Statements in respect of going concern, viability and covenant compliance and concluded that they were appropriate.</p>
Impairment of assets See note 29 on page 156 (Impairment)	<p>Significant external and internal factors, including fluctuations in diamond prices and operational changes drove the impairment assessment for FY 2024. The review focused on the Cullinan, Finsch, and Williamson mines, with impairment charges recognised for the Cullinan (US\$33 million) and Finsch (US\$45 million) Mines. No impairment or reversal was deemed necessary for Williamson.</p> <p>The Committee reviewed and challenged the critical estimates and assumptions by management that were used for the impairment assessments, including in relation to diamond price growth, cost inflation and discount rates.</p> <p>Having done this, the Committee endorsed the impairment charges reflected in the Financial Statements. The Committee further reviewed the relevant disclosure in the Financial Statements to ensure compliance with reporting standards.</p>
Williamson – Blocked Diamond Parcel See note 14 on page 143 (Trade and other receivables)	<p>The Committee reviewed the accounting treatment for the Blocked Diamond Parcel, which remains unrecovered due to ongoing discussions with the Government of Tanzania (GoT). The Group expensed the full carrying value of the parcel (US\$12.5 million) in FY 2023 and recognised a sundry receivable of US\$12.3 million based on a fair value calculation. As of 30 June 2024, no changes in the fair value were necessary, and the receivable continues to be backed by the legal obligations outlined in the Framework Agreement with the GoT. The Committee concurred with management's approach and the related disclosures in the Financial Statements.</p>
Williamson – IGM grievances See note 21 on page 148 (Provisions)	<p>The IGM, established to address historical grievances related to past security operations at the Williamson Mine, continued to operate throughout FY 2024. The Committee reviewed the provision for the estimated future cost of remedies for successful grievances, which remained at US\$7.9 million as of 30 June 2024. This provision reflects the estimated costs of remedies based on the grievances processed and the ongoing operational efficiency improvements within the IGM. The Committee agreed with management's judgment that the provision has been appropriately recognised in terms of IAS 37.</p>
Accounting consequences of the sale of the Koffiefontein operations See note 21 on page 148 (Provisions)	<p>The sale of the Koffiefontein Mine to Stargems was another significant matter considered by the Committee. As the sale remains subject to regulatory approval, Koffiefontein has been classified as a discontinued operation, but has not been classified as held for sale. The Committee reviewed the associated liabilities, which total US\$22.9 million, and agreed that the sale does not meet the criteria for classification as held for sale under IFRS 5 as of the reporting date.</p>
PPAs for the Cullinan and Finsch Mines	<p>The Committee evaluated the accounting treatment of the PPAs entered into with Etana Energy for the Cullinan and Finsch Mines during FY 2024. The PPAs, aimed at reducing electricity costs and supporting the Group's GHG emission reduction targets, were analysed under IFRS 16 and IFRS 9. The Committee endorsed management's conclusion that the PPAs do not qualify as leases and that they fall under the "Own Use" exemption, with cash flows from FY 2026 onwards reported under operating activities. No assets or liabilities are to be recognised in FY 2024.</p>

Significant issues considered by the Committee in FY 2024 continued

The Committee has rigorously reviewed these key accounting estimates and judgements, ensuring that the Financial Statements for FY 2024 are prepared in compliance with relevant accounting standards. The Committee is satisfied that the estimates and judgements applied are reasonable and supported by appropriate assumptions and methodologies.

External auditors

During the Year, the Committee fully considered the effectiveness, objectivity, skills, capacity and independence of BDO considering all current ethical guidelines, and was satisfied that all these criteria were met. The auditors' fees were approved as part of this process.

The effectiveness of the external auditors was reviewed, giving consideration to FRC guidance on assessing audit quality. The Committee places considerable importance on the following attributes: African mining sector experience (given the specialised nature of the industry), service levels, audit quality, sound auditor judgement, the willingness and ability to challenge management and provision of value for money.

In forming its assessment of the effectiveness of the external auditor and prior to completion of the audit, the Committee received formal presentations regarding the proposed audit strategy and met separately with the audit partner without members of management present. The Chair also met separately with the audit partner to discuss the audit strategy in detail, with the Chair reporting back to the Committee after doing so. These forums enabled the Committee to assess the extent to which the audit strategy was considered to be appropriate for the Group's activities and addressed the risks the business faces, including factors such as: independence, materiality, the auditors' risk assessment versus the Committee's own risk assessment, the extent of the Group auditors' participation in the subsidiary component audits and the planned audit procedures to mitigate risks. Post Year End, the external auditor presented to the Committee the key findings of the FRC's 2023 Audit Quality Review in respect of a sample of BDO's audits, together with the actions being taken by BDO to address such findings.

Following the audit, BDO presented their findings to the Committee and met separately with the Committee Chair to discuss key audit judgements and estimates, with the Chair reporting back to the Committee after doing so. During the Year, BDO also met separately with the Committee without members of management present.

These occasions provided an opportunity to assess the audit work performed, understand how management's assessments had been challenged and assess the quality of conclusions drawn.

The Committee also made enquiries of senior management to obtain its feedback on the audit process and considered this feedback in its assessment. The key attributes for audit effectiveness were considered in the Committee's assessment of the Group's auditors for FY 2024.

Auditors' remuneration US\$ million	FY 2024	FY 2023	FY 2022
Audit services	1.1	1.2	0.9
Audit-related assurance services	0.2	0.2	0.1
Non-audit related services ^{1,2}	—	—	—
	1.3	1.4	1.0

1. Audit services are in respect of audit fees for the Group.

2. Audit-related services are in respect of the interim review and specific agreed upon procedures in relation to the Sustainability Report, under the International Standard on Related Services 4400 as issued by the International Auditing and Assurance Standards Board.

The Committee requires that any non-audit services to be performed by BDO are formally approved by the Committee. Audit-related services encompass actions necessary to perform an audit, including areas such as: internal control testing procedures; providing comfort letters to management and/or underwriters; and performing regulatory audits. BDO provided audit-related services in the Year in relation to the interim review and specific agreed upon procedures on the Company's Sustainability Report.

The provision of any non-audit service requires the pre-approval of the Committee and is subject to careful consideration, focused on the extent to which provision of such non-audit service may impact the independence or perceived independence of the auditors. The auditors provided details of their assessment of the independence considerations, as well as measures available to guard against independence threats and to safeguard the audit independence. There were no non-audit services provided by BDO during the Year.

Internal controls and risk management

The Board, with assistance from the Committee, is responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system can only provide reasonable and not absolute assurance against material misstatement or loss, as it is designed to manage rather than eliminate those risks that may affect the Company in achieving its business objectives. The Code requires that the effectiveness of the system of internal control be reviewed by the Directors, at least annually, including financial, operational and risk management. This review is supported by the work undertaken by the Risk Management function, as outlined below.

The Group's Internal Audit Function

The Group's Internal Audit function underwent significant change during FY 2024, following a review of the Company's organisational structure and changes to the operating model. This resulted in the Head of Internal Audit and Head of Risk, Assurance & Compliance roles being combined into one role. A key rationale for combining these roles is to increase co-ordination between the Internal Audit and Risk functions to ensure a more risk-based approach is taken to internal audit planning. This combined role reports to the Chair of the Committee. Various safeguards have been implemented to maintain the independence of the Internal Audit function, particularly with regards to the Risk, Assurance & Compliance function.

Another key change will see the Internal Audit function engage a co-source partner to undertake more specialist and technical internal audits from FY 2025 onwards, with the aim of increasing the effectiveness and value-add of the Internal Audit function. This will also help maintain the independence of the Internal Audit function.

As a result of the above organisational changes and with the co-source partner yet to be engaged, the Internal Audit plan for FY 2024 was revised and reduced in scope. In early FY 2025 and following a tender process, PWC was appointed as the co-source partner and will start supporting the Internal Audit Function in executing the Internal Audit Plan for FY 2025. In making this appointment, the co-source partner's independence was considered.

Other key developments in FY 2024 saw the Internal Audit function continue to implement actions to address the findings of an independent quality assessment of the Internal Audit function that was concluded in FY 2023, with such assessment being performed in accordance with the International Standards for Professional Practice of Internal Auditing.

Following the introduction in January 2024 of the new Global Internal Audit Standards (GIAS), which become effective from January 2025, Petra has also developed an action plan to ensure it complies with GIAS and this has included the Committee approving, after the Year End, the adoption of a new Internal Audit Charter and Internal Audit Manual that are aligned to the new GIAS.

In FY 2025, the Committee and the Internal Audit function will also consider in greater detail what changes are needed to address the UK's new Corporate Governance Code (2024) and in particular, Code Provision 29 which will require the Board to provide various assurances regarding the effectiveness of the Company's material financial and operational controls in its FY 2027 Annual Report.

The Group's Risk Management function

FY 2024 saw the continued roll-out and implementation of Petra's Enterprise Risk Management (ERM) and Combined Assurance Frameworks following their approval in FY 2023. The roll-out involved a series of workshops held across the Group to explain management's role in identifying, evaluating and managing risks including the implementation of controls. Subsequent to these workshops management has conducted numerous risk assessments in accordance with the ERM and supported by the Risk, Assurance & Compliance function.

During FY 2024, management developed and implemented a Risk Appetite and Tolerance Framework which was reviewed and approved by the Committee. This Framework sets out a number of Key Risk Indicators (KRIs) that are used to measure risk appetite and tolerance for Petra's principal risks. Petra actively monitors these KRIs to prompt management to take necessary action where appetite and tolerance thresholds are exceeded. Petra's KRIs are kept under review by management and the Committee to ensure that they align with the Company's Purpose, Values and Strategy and evolving risk profile. Any changes to the KRIs require the approval of the Committee.

During FY 2024, the Committee considered the potential impact of the UK Economic Crime and Corporate Transparency Act, noting and reviewing the measures Petra proposes implementing to ensure compliance. These measures include, but are not limited to, assessments of Petra's fraud risk profile, enhanced due diligence on entities which perform or may perform services for Petra, mapping of senior manager roles to identify those potentially in scope for knowledge attribution and providing further targeted training to these individuals.

For more details on the Company's approach to risk management, see pages 56 to 58.

System of internal control

The Committee regularly reviews the adequacy and effectiveness of the Group's internal controls procedures and risk management systems through regular reports from the Group's Head of Internal Audit & Risk and through consideration of the external auditors' reports to the Committee and face-to-face discussions between the audit partner and Chair of the Committee and Committee members, as well as, on occasion, ad hoc reports from external consultants.

For FY 2024, the Group Head of Internal Audit & Risk and the Committee remained satisfied that no material weaknesses in internal control systems were identified. Whilst being satisfied that controls and risk management remain appropriate for the Group's activities, the Committee continues to assess the effectiveness and adequacy of the system of internal control, risk management procedures, Internal Audit resourcing and strategy to ensure that its practices develop and remain appropriate in line with internal audit standards. When internal control reviews identified necessary or beneficial improvements, appropriate steps have been taken to help ensure the control environment is effective. This includes systems to monitor the implementation by management of recommended remedial actions and follow-up audits.

Fair, balanced and understandable reporting

Each year, as required by the UK Corporate Governance Code and the Committee's Terms of Reference, the Committee advises the Board on whether or not, in its opinion, the Annual Report is fair, balanced and understandable (FB&U) and whether or not it provides the information required for shareholders to assess Petra's position and performance, business model and strategy. Petra has adopted the process set out below to support the Committee in making this assessment:

1

Planning

In May, the Board and ARC commented on the key themes and focus areas for the Annual Report, with the ARC conducting an early review of potential sensitivities for the viability statement.

2

Internal FB&U assessment

Petra established an internal FB&U Committee consisting of representatives from the (i) Corporate Planning (ii) Investor Relations, and (iii) Company Secretarial functions.

The FB&U Committee reviewed the Annual Report with the aim of it being fair, balanced and understandable. In addition, the FB&U Committee identified significant statements in the Annual Report requiring verification and oversaw the verification process for these statements.

3

External audit

Having conducted its FY 2024 audit, BDO presented the results thereof to the Committee in September. Feedback from BDO throughout the audit process was incorporated into the Annual Report.

4

ARC FB&U assessment

The FB&U Committee tabled its FB&U assessment at a Committee meeting in September, convened for the Committee to review the Annual Report. The FB&U Committee's observations and conclusions were provided to the Committee, and included a summary of the verification process undertaken, as well as the outcomes of the reviews conducted by BDO.

Following its review, the Committee concluded that it was appropriate to confirm to the Board that the FY 2024 Annual Report is fair, balanced and understandable, and provides the information necessary for shareholders to assess Petra's position and performance, business model and strategy.

At a subsequent Board meeting, the Board then approved the Annual Report, which includes the FB&U statement issued by the Directors, as set out on page 115.

Report of the Nomination Committee



Members of the Nomination Committee

Varda Shine – Committee Chair and Non-Executive Chair

Bernard Pryor (Senior Independent Director)

Deborah Gudgeon (INED)

Lerato Molebatsi (INED)

Peter Hill (INED)¹

Jon Dudas (INED)²



The Company's Board of Directors continued to evolve during the Year, in line with the Nomination Committee's focus on succession planning, encompassing the priorities set out in our Diversity and Inclusion Policy.

Varda Shine
Nomination Committee Chair

1. Peter Hill ceased to be a member of the Committee when he retired from the Board at the conclusion of the Company's AGM on 14 November 2023.
2. Jon Dudas ceased to be a member of the Committee when he stepped down from the Board on 17 February 2024.

I am pleased to present my first Report of the Nomination Committee (the **Committee**) since being appointed Non-Executive Chair of the Company and Committee Chair.

Board size and composition

One of the focus areas for the Committee in the Year was to reduce the size and improve the efficiency of the Board, with the number of Directors reducing from ten to seven during the Year. Four Directors stepped down from the Board, one Director was appointed and other Board changes were made as follows:

- After the end of FY 2023, Monarch's shareholding reduced below 5%, resulting in the automatic termination of the Nomination Agreement between Monarch and the Company, and with it, Monarch's right to nominate a Director to Petra's Board. As a result of this, Johannes Bhatt, a Non-Executive Director nominated by Monarch, retired from the Board from the conclusion of the AGM on 14 November 2023. We thank Johannes for his contributions to Petra and wish him every success in his future endeavours
- Peter Hill elected not to offer himself for re-election at Petra's AGM on 14 November 2023, and retired from the Board at the conclusion of that meeting. Peter joined Petra in January 2020 and became Chair in March 2020, just as the COVID-19 pandemic broke. He helped steer Petra through the pandemic and the Company's successful financial restructuring, refreshing the Board in the process and working closely with Richard and his management team to stabilise the Company. On behalf of the Board and Petra, I am grateful to Peter for the significant contribution he made during his tenure and wish him every success in his future endeavours
- With effect from the conclusion of the AGM on 14 November 2023, I was appointed as the Non-Executive Chair of Petra, as well as Chair of the Nomination and Investment Committees, and stepped down from the Audit & Risk Committee and then, with effect from 1 January 2024, the Remuneration Committee. Initially my appointment was in an interim capacity, whilst a search for a permanent Non-Executive Chair was to be conducted. Subsequently, Petra's largest shareholders requested that I remain in role over the next 18-24 months from my appointment, with a search for a permanent Chair then being conducted if I do not wish to continue in the role
- With effect from the conclusion of the AGM on 14 November 2023, Bernie Pryor took over my previous roles as Senior Independent Director and then, with effect from 1 January 2024, as Chair of the Remuneration Committee
- Petra's Health and Safety and Sustainability Committees were merged to form the Safety, Health and Sustainability Committee, with effect from 1 January 2024. Lerato Molebatsi was appointed as Chair of this new Committee, again with effect from 1 January 2024
- Jon Dudas and Alex Watson both retired from the Board as Non-Executive Directors with effect from 17 February 2024. Jon then assumed the role of Board Adviser for six months until 17 August 2024. After stepping down from the Board, Alex assumed the role of Board Observer. Alex had been appointed as a non-independent Non-Executive Director in July 2021, having been nominated by Franklin Templeton pursuant to the Nomination Agreement that was entered into following the successful completion of the recapitalisation of the Company.

The Nomination Agreement also gives Franklin Templeton the right to nominate an Observer to Petra's Board, with the Observer being entitled to attend but not vote at Board meetings. Petra asked Franklin Templeton for Alex to become a Board Observer to reduce the size and costs of the Board. Franklin Templeton agreed to this change, but they retain their right to re-nominate Alex as a Director under the Nomination Agreement. We very much appreciate the contributions Jon and Alex made to the Board during their tenure as Directors and are fortunate to have someone with Alex' wealth of experience continuing to provide input to the Board in her role as Observer

- With effect from 1 January 2024, José Manuel Vargas was appointed to the Board as a new non-independent non-executive director of the Company. José Manuel is a significant shareholder of Petra, currently holding c. 8.75% of Petra's issued share capital. For more information and José Manuel's biography, see page 69. We welcome José Manuel to the Board and look forward to drawing on his extensive executive and Board experience across a range of sectors. José Manuel provides valuable commercial and entrepreneurial perspectives to the Board during these challenging market conditions.
- In March 2024, Jacques Breytenbach resigned as Chief Financial Officer and as a Director of the Company for personal reasons. Jacques will remain in his role until the end of September 2024 to deliver the Company's FY 2024 results, and to ensure an effective transition of his responsibilities to Johan Snyman who becomes Chief Financial Officer with effect from 1 October 2024. Jacques has been in a variety of roles since joining the Group in 2006, becoming Chief Financial Officer in 2016 and becoming an Executive Director in 2018. On behalf of the Board and Petra, I would like to thank Jacques for his commitment and extensive contributions during his time at Petra and we wish him all the best in his future endeavours.
- In March 2024, Petra appointed Amre Youness, principal owner of the Terris Fund SPC, which is the Company's largest shareholder, as a Board Observer, entitling Amre (like Alex) to attend but not vote at Board meetings.

The Committee continues to assess the current skills, experience (as summarised on pages 77 to 80), diversity and size of the Board.

CFO succession and other changes to Exco

The Committee and the Board reviewed, advised on and supported the appointment of Johan Snyman as Chief Financial Officer with effect from 1 October 2024. Johan joined Petra in January 2024, as Group Financial Controller, and has extensive experience in various financial roles in the mining sector. For Johan's biography, see page 71. Johan has been appointed as a member of Exco, but will not, at this stage, be appointed to the Board and so the Board will be reduced to six Directors with effect from 1 October 2024.

The Committee and the Board were also kept updated on and reviewed other changes to Exco that resulted from the organisational restructuring undertaken by the Company during the Year. These changes resulted in Vivek Gadodia being appointed to Exco as the Group's Planning and Corporate Development Executive and the appointment of Juan Kemp as

Operations Executive at the Cullinan Mine and Jaison Rajan as Operations Executive at the Finsch Mine, with both Juan and Jaison having previously been members of Exco as Chief Technical Officer and Chief Operating Officer, respectively. See pages 70 to 71 for each of the Exco biographies.

Board evaluation

The Board's annual evaluation for FY 2024 was undertaken in Q4 FY 2024 and was facilitated by the Company Secretary. The evaluation consisted of each Director completing a focused questionnaire, with the questions being informed by the findings of the externally facilitated Board evaluation undertaken in Q4 FY 2022 and the internally facilitated Board evaluation undertaken in Q4 FY 2023. The Company Secretary used the responses to the questionnaire to compile extensive feedback which was then shared and discussed at a Board session to identify actions to be addressed during FY 2025. More detail around the process followed in conducting the evaluation, as well as the results of the evaluation are set out on page 80. I am pleased to report that the Board and its Committees were found to be working effectively and efficiently.

Diversity

Increasing diversity is important in terms of facilitating the Board's ability to function effectively to the benefit of the business as a whole and all of its stakeholders. The Board fully supports the targets of the FTSE Women Leaders and Parker reviews on gender and ethnic diversity at the board level. This is supported by Petra's Diversity and Inclusion Policy (the D&I Policy), which can be found on our website.

In FY 2024, the D&I Policy was reviewed and updated, with the Safety, Health and Sustainability Committee reviewing it on the Board's behalf. The D&I Policy requires the Board, as a whole, to:

- promote an organisational culture that values a diverse workforce, which should be reflective in its diverse makeup. The Safety, Health and Sustainability Committee is mandated by the Board to advise it on issues of diversity in general and gender diversity in particular as a strategic imperative for the Group and monitors progress against approved targets on issues such as race, gender, ethnicity, education, age, experience, skills and people with disability throughout Petra; and
- take steps to ensure that appointments to the Board and Exco consider the commitment of creating a diverse workforce and not only the skills and competencies of the proposed incumbent to a position, including the requirements set out in the UK Corporate Governance Code and the UK Listing Rules. Petra's commitment to diversity in its broadest sense, is reflected in the fact that in FY 2024 we again met or exceeded the diversity targets set out in the UK Listing Rules, as described in more detail on page 77 and as highlighted below. As at the date of this report (and with the UK Listing Rules' targets reference in brackets below):
 - 43% of Petra's Board are women; from 1 October 2024, this will increase to 50% (target: 40%)
 - our Chair (Varda Shine) is a woman (target: one of the Chair, CEO, CFO or SID should be a woman)
 - one member of our Board (14%) is from an ethnic background other than white; from 1 October 2024, this will increase to 17% (target: one Board member should be from an ethnic background other than white).

In relation to the wider workforce, the overall percentage of women employed in the Company increased marginally to 22% (FY 2023: 21%). We have a number of initiatives in place to further increase female representation at Petra and we were pleased to report further improvements in FY 2024. You can read more about these at pages 51 to 53 of the Sustainability Report.

Additional directorships

Non-Executive Directors must commit sufficient time to fulfil their duties, including, amongst others, attending Board and Committee meetings, the AGM and other general meetings of the Company, site visits, shareholder meetings and informal Board events. They are also expected to review all relevant papers before meetings and must seek the Chair's approval before taking on additional commitments that may affect their availability at Petra.

During the year, Lerato Molebatsi was appointed as a Non-Executive Director of Curro Holdings Limited, a South African private education provider listed on the Johannesburg Stock Exchange. The Chair confirmed with Lerato that she would be able to undertake this role without affecting her responsibilities at Petra or causing a conflict of interest.

Nomination Committee role and activities

The principal functions of the Nomination Committee are listed below, along with the corresponding activity and performance in FY 2024. In addition to the below, the Committee carried out its annual review of its Terms of Reference.

Role	Activities in FY 2024	Outcomes
To review the structure, size and composition of the Board (including appropriate skills, knowledge, experience and diversity), and to make recommendations to the Board with regard to any changes.	<p>The Committee continued to review the size and efficiency of the Board, particularly following feedback from the FY 2023 Board Evaluation and certain major shareholders that the Board at the start of FY 2024 is too large with too many Board Committees.</p> <p>This resulted in various changes to the Board in H1 FY 2024 which saw the Board reduce in size from ten to seven Directors and the merger of the Health and Safety and Sustainability Committees.</p>	<p>The Committee will continue to make recommendations regarding the Board and its Committees and Senior Management composition and structures.</p> <p>The FY 2023 and FY 2024 Board evaluation and major shareholder feedback supports the current size and composition of the Board.</p>
To identify, nominate and recommend, for the approval of the Board, appropriate candidates to fill Board, Committee and Exco vacancies as and when they arise.	<p>Varda Shine was appointed as Non-Executive Chair and Bernard Pryor was appointed as Senior Independent Director, in each case, with effect from 14 November 2024. José Manuel Vargas was appointed as a non-independent NED with effect from 1 January 2024. Bernard Pryor was appointed as Remuneration Committee Chair and Lerato Molebatsi was appointed as Safety, Health and Sustainability Committee Chair, in each case, with effect from 1 January 2024.</p> <p>Johan Snyman was appointed as Chief Financial Officer with effect from 1 October 2024, following the resignation of Jacques Breytenbach as Chief Financial Officer, which was announced in March 2024.</p> <p>Alex Watson was appointed as Board Observer with effect from 17 February 2024, when she stepped down as a Director. In May 2024, Amre Youness (principal owner of the Terris Fund SPC, the Company's largest shareholder) was also appointed as a Board Observer.</p> <p>During the Year and as part of the Group's organisational restructuring, Vivek Gadodia was appointed to Exco as the Group's Planning and Corporate Development Executive, Juan Kemp was appointed as Operations Executive at Cullinan Mine and Jaison Rajan was appointed as Operations Executive at Finsch, with both Juan and Jaison having previously been members of Exco as Chief Technical Officer and Chief Operating Officer, respectively.</p>	<p>The Committee will continue to consider candidates to fill Board, Committee and Exco vacancies, as and when these arise.</p>
To satisfy itself, with regards to succession planning, that plans are in place with regards to both Board and Senior Management positions.	<p>The Committee continued to focus on succession planning, although this was disrupted by the organisational restructuring which took place during the Year.</p>	<p>As part of our succession practices, and particularly following completion of the organisational restructuring during the Year, the Nomination Committee will continue to review programmes in place to assimilate talent into leadership and specialist positions.</p>
To recommend to the Board the re-election by shareholders at the AGM of any Director under the retirement and re-election provisions of the Company's Bye-Laws.	<p>An annual Board evaluation exercise took place the Year, facilitated by the Company Secretary.</p> <p>The overall result of this evaluation was positive, with it being concluded that Petra continues to have an effective and high performing Board as well as highlighting certain areas for further improvement. See page 80.</p>	<p>Each Director was considered to remain effective and will be proposed by the Committee for re-election to the Board at the FY 2024 Annual General Meeting. As stated above, Jacques Breytenbach will cease to be a Director with effect from the end of September 2024.</p>



Varda Shine
Nomination Committee Chair
 23 September 2024

Report of the Safety, Health and Sustainability Committee



Members of the SHS Committee

Lerato Molebatsi – Committee Chair and iNED

Varda Shine (Non-Executive Chair)

Bernard Pryor (Senior Independent Director)

Richard Duffy (Chief Executive Officer)

Alexandra Watson (NED)¹

Johannes Bhatt (NED)²



The health and safety of Petra's people remains our top priority, with the safeguarding of the environment for future generations and the interests of our communities and stakeholders core to Petra's licence to operate. The Committee ensures that the Board is fully apprised of any issues which may affect our licence to operate.

Lerato Molebatsi
Chair of the SHS Committee

1. Alexandra Watson was a member of the Sustainability Committee which met twice in FY 2024, but did not become a member of the Safety, Health and Sustainability Committee and stepped down from the Board on 17 February 2024.

2. Johannes Bhatt was a member of the Health and Safety Committee which met twice in FY 2024, but retired from the Board at the conclusion of the Company's AGM on 14 November 2024.

Petra has always been committed to upholding strong health and safety, social and environmental standards. From the start of FY 2024, given the increasing focus on sustainability and the need to formalise systems and reporting structures that support this work, the Board determined that it was the right time to establish the Sustainability Committee. Later in the Year and consistent with various changes to promote a smaller and more efficient Board, the Board elected to merge the Health and Safety and Sustainability Committees to form the Safety, Health and Sustainability Committee (the Committee).

I am pleased to present the FY 2024 report for the Committee.

The Committee's role and responsibilities

The Committee is responsible for, amongst other things, assessing the effectiveness of Petra's frameworks, policies, procedures, and systems related to safety, health, social, and environmental matters and that they comply with legal requirements. It reviews any material non-compliance with such frameworks, policies, procedures and systems, considers technical developments in relevant fields, and provides strategic guidance on their impact. The core areas of focus for the Committee include, amongst other items:

- **Health and safety:** the Committee oversees the implementation of a recognised safety and health management system, reviews compliance and performance audits and monitors the Group's response to regulatory instructions. It closely reviews reports on injuries, incidents, and accidents and ensures that management responds to these appropriately.
- **Social:** the Committee monitors the implementation and performance of community and social investment projects, evaluates the Group's organisational culture, oversees stakeholder engagement and reviews Group initiatives to promote diversity. It reviews engagements with the workforce, including trade unions.
- **Environmental:** the Committee considers the impact of climate-related risks and opportunities on the Group's business and strategy, monitors the implementation of the Group's Environmental Management Policy and reviews periodic environmental reports. It oversees the quality of the Group's reporting to stakeholders and evaluates compliance and performance through the results of audits. It ensures the Company's sustainability approach aligns with the United Nations Sustainable Development Goals (SDGs).
- **Performance, risk management and reporting:** the Committee assesses the Group's performance on decisions affecting employees, communities and stakeholders and monitors grievance mechanisms and their effectiveness. It approves sustainability and ESG objectives and key performance indicators (KPIs), and reviews performance against such objectives and KPIs. It ensures subsidiaries have systems to record and report statistical data for legal and regulatory purposes, meeting high assurance standards. It reviews material risks related to safety, health, social and environmental matters and communicates them to the Audit and Risk Committee. Finally, the Committee oversees and reviews the Group's public disclosures on health, safety and sustainability matters.

Committee discussions in FY 2024

The Committee has met twice since it was formed on 1 January 2024, with two further meetings of each of the Committee's predecessor committees (the Health and Safety and Sustainability Committees) being held earlier in the Year. At each meeting, the Committee (or its predecessors) reviewed, as standing agenda items, the following:

Health and safety

- Group performance in relation to safety, occupational health and employee wellness, including reviewing the Group's performance against safety and health KPIs
- Significant changes in the Group's Safety risk, with this risk being a principal risk of the Group
- Summaries of the Group's LTIs, NLTIs, dangerous occurrences and HPIs
- Occupational disease and dust monitoring data
- Regulatory instructions issued by the DMRE
- Updates on mudpush occurrences and risks, with associated progress against action plans to address these

Sustainability

- Group performance in relation to social and environmental matters, including performance against social and environmental KPIs
- Movement in principal risks relating to Labour Relations, the Environment and Climate Change, with these risks being deemed principal risks of the Company
- Petra's performance against its SLP projects, including Local Economic Development spending
- Amendments and updates to key legislation relating to sustainability, including, for example, South Africa's Employment Equity Act and Mining Charter
- Changes in union membership
- Implementation and monitoring of performance in respect of the Petra Culture Code, including suggested actions
- Updates on Group performance in respect of diversity, including diversity initiatives conducted by Petra
- Performance of Petra's multi-stakeholder engagement forums, including a quantitative and qualitative assessment of Petra's stakeholder engagements
- Grievances registered with Petra's operational grievance mechanisms
- Training and development and community training spend
- Illegal miner incursions at the Williamson mine, involving security personnel at the mine and actions to improve security at the mine
- Implementation of the IGM at Williamson, including, amongst others, updates on the IGM's progress in resolving the grievances lodged and the key findings of the Independent Monitors' biannual reviews of the IGM and actions being taken to address these
- Implementation of the Restorative Justice Projects at Williamson

In addition to the standing agenda items, the Committee also reviewed and discussed the following matters during FY 2024:

- **Restructuring:** the Committee received detailed updates on the progress of the organisational restructuring that led to section 189 retrenchment consultation processes being undertaken at the Finsch Mine (which reduced its throughput tonnages from c. 2.8 to 2.2 Mtpa) and for Group employees
- **Wage negotiations:** the Committee oversaw Petra's progress in relation to the negotiation of five year wage agreements with the National Union of Mineworkers covering Petra's South African operations for the period 1 July 2024 to 30 June 2029 in respect of employees in the A-C Paterson bands
- **Mining Charter Reporting:** the Committee reviewed Petra's Mining Charter submissions to the DMRE, including Petra's scoring against its reporting criteria
- **Approval of long-term Power Purchase Agreements:** the Committee considered and recommended to the Board for approval entry into long-term Power Purchase Agreements for the procurement of wheeled renewable energy for the Cullinan and Finsch Mines from Etana Energy, a licenced South African energy trader, enabling Petra to fulfil its target of reducing scope 1 and 2 GHG emissions by 35-40% by 2030 (against its 2019 base line) well ahead of time
- **GISTM compliance:** the Committee regularly reviewed Petra's progress in implementing the Global Industry Standard on Tailings Management (GISTM)
- **Revision of policies:** the Committee approved revisions to the Group's (i) Stakeholder Engagement and Management Policy, (ii) Diversity and Inclusion Policy and (iii) Human Rights Policy Statement
- **Mental health baseline study:** the outcomes of a mental health baseline assessment conducted at all our South African operations in partnership with South Africa's Tshwane University of Technology to support employees' mental wellbeing
- **Health and safety campaigns:** the Committee received a number of updates on the dynamic and seasonal health and safety awareness campaigns conducted at each of the Group's mines throughout the year. The content and approach of these campaigns were targeted to address specific emerging safety issues or concerns
- **Groundwater pollution plume:** the Committee reviewed studies conducted in relation to the groundwater pollution plume at the Cullinan Mine, noting that there was no cause for concern.
- **Cullinan No 7 Dam:** the Committee was updated on elevated water levels at this tailings facility caused by unusually high rainfall and the emergency water releases that were required to be made in accordance with applicable laws and regulations. The Committee was also updated on short and long-term mitigation measures levels at the dam

- **Sustainability Report and TCFD Statement:** the Committee reviewed and approved the FY 2023 Sustainability Report and TCFD disclosures in the FY 2023 Annual Report
- **WDL TSF failure:** the Committee received updates on the remediation actions taken in response to the TSF failure at the Williamson mine in November 2022, with compensation payments being completed, environmental initiatives near completion and the construction of replacement housing ongoing
- **Williamson interim TSF:** the Committee reviewed the process followed in designing, constructing and commissioning the interim tailings storage facility at Williamson
- **Contractor management:** the Committee discussed with management ways in which the safety performance of contractors at the Cullinan and Finsch mines could be enhanced through improvements to contracts and contractor management
- **ISO certification:** the Committee reviewed the ISO certification of each of the Group's operations, including the pathway to the achievement of ISO 45001 certification at the Williamson mine
- **Integrated Mine Closure:** the Committee received updates on the Group's approach to integrating mine closure within LOM planning
- **Critical controls review:** the Committee reviewed the Group's critical controls in relation to Significant Unwanted Events and the implementation plan in relation thereto
- **Koffiefontein Home Ownership Programme:** the Committee received updates on the sale and transfer of homes to individuals in the community at Koffiefontein as part of the Home Ownership Scheme at the mine
- **Koffiefontein Social Transition:** the Committee reviewed the social transition and LED projects undertaken at Koffiefontein as part of Petra's movement towards responsible closure
- **Stakeholder mapping:** the Committee received and reviewed the outcome of a stakeholder mapping exercise completed by external service providers for Petra
- **FY 2024 materiality assessment:** the Committee received an update on the outcome of the Group's "double materiality" assessment for the FY 2024 Sustainability Report
- **Workplace harassment training:** the Committee was updated on the progress and outcomes of the Group's workplace harassment training.



Lerato Molebatsi
Safety, Health and Sustainability Committee Chair
 23 September 2024

Report of the Investment Committee



Members of the Investment Committee (as at the date of this Report)

Varda Shine – Committee Chair and Non-Executive Chair

Richard Duffy (Chief Executive Officer)
Jacques Breytenbach (Chief Financial Officer)
Bernard Pryor (Senior Independent Director)
Deborah Gudgeon (iNED)
Lerato Molebatsi (iNED)
Peter Hill (iNED) ¹
Johannes Bhatt (NED) ¹
Alex Watson (NED) ²
Jon Dudas (iNED) ²



The Investment Committee's mandate is to monitor the Company's capital allocation decisions taking into account the interests of the Company and all its stakeholders.

Varda Shine
Investment Committee Chair

1. Peter Hill and Johannes Bhatt ceased to be members of the Committee when they retired from the Board at the conclusion of the Company's AGM on 14 November 2023.
2. Alex Watson and Jon Dudas ceased to be members of the Committee when they stepped down from the Board 17 February 2024.

I am pleased to present my first report of the Investment Committee (the Committee) since being appointed Non-Executive Chair of the Company and Committee Chair.

Monitoring and approving capital allocation and other investments

As a condition of the capital restructuring which completed in March 2021, Petra's Board formed the Committee, to monitor significant capital and other investments and recommend their adoption to the Board.

The Committee's members have been appointed by the Board and include the Chair of the Board, the Senior Independent Director, the Audit and Risk Committee Chair, the Chief Executive Officer and the Chief Financial Officer. The Committee met on one occasion in FY 2024, noting that all but one of the Directors (José Manuel Vargas) are members of the Committee and therefore receive updates and discuss issues at Board meetings that are relevant to the Committee.

The role and responsibilities of the Committee are to:

- Consider and approve all capital expenditure and investment proposals from US\$7.5 million to US\$15.0 million
- Consider and make recommendations to the Board for all capital expenditure and investment proposals above US\$15.0 million
- Consider and make recommendations to the Board for the disposal of operating subsidiaries, operating mines and/or mining rights or assets exceeding US\$7.5 million in either gross book value or reasonably expected market value
- Monitor the progress of major capital investments by way of the investment progress schedule together with post-implementation reviews
- Approve internal processes relating to capital expenditure and investment proposals, including all documentation required to be completed
- Consider and make recommendations to the Board related to Group capital expenditure and related policies

In FY 2023, the Committee received updates on the progress of the major mine plan extension projects at the Cullinan and Finsch Mines that had been approved by the Board in FY 2022. The Committee also considered and recommended to the Board for its approval changes to these projects and also a new C-Cut extension project involving the development of Tunnels 46 and 50 at the Cullinan Mine.

Capital deferrals

As announced in November 2023 and in response to the challenging market conditions faced by Petra, the Board took the decision to immediately defer certain of the Company's previously approved capital programmes.

In relation to the Cullinan Mine:

- the C-Cut extension project was deferred until the end of June 2024; and
- the CC1E project was partially deferred until the end of June 2024, with approximately half the development crews continuing to develop the 813 and 833 levels of the CC1E SLC, so as to ensure higher-grade ore continued to be brought into production from the end of June 2024 onwards.

In relation to the Finsch Mine:

- the 3-Level SLC extension project was deferred until the end of June 2024; and
- the 78-Level Phase II project continued as planned in order to bring these production areas online during FY 2024 to supplement production from the existing SLC which is nearing its end of life.

Recommending life extension projects for revised LOM plans

Following the capital deferrals outlined above, management undertook re-planning work which was aimed at minimising the impact of these deferrals on the Company and its growth profile. This resulted in management creating revised LOM Plans for the Cullinan and Finsch Mines which were comprised of new life extension projects that the Committee reviewed and recommended to the Board for its approval. The revised LOM plans are intended to ensure a smoothed capex profile of c. US\$100 million per annum for these mines and are expected to be self-funded.

No significant changes in respect of capital expenditure were made to the Williamson Mine LOM plan.

Cullinan Mine

The revised LOM plan for the Cullinan Mine involves the following life extension projects:

- the redesigned CC1E Phase I project (813, 833 and 855L SLC) recommencing from FY 2025;
- the redesigned C-Cut Extension 1 project recommencing in FY 2026;
- the C-Cut Extension 2 project with first capital expenditure anticipated in FY 2027; and
- the sinking of a new ventilation shaft, with first capital expenditure anticipated in FY 2026 – 2027. It is expected that this shaft will be operational by FY 2029 and that it will enable future life extensions of the Cullinan Mine.

The Committee unanimously recommended to the Board for its approval the above life extension projects, including the revised LOM plan for the Cullinan Mine and the indicative capital spend (in FY 2025 real terms) of c. US\$205-225 million relating to these life extension projects. In doing so, the Committee noted that capital spent to date in respect of the CC1E Phase I and C-Cut Extension projects has been c. US\$82 million. In determining whether to make these recommendations, the Committee considered the long-term impact of these projects for Petra, noting their robust economics (having an IRR in excess of 20%) and the critical impact these projects have for Petra's long-term viability by extending the LOM at the Cullinan Mine to as far as the early 2040s.

The Committee noted that approval of these projects would not only have significant positive long-term social and economic impacts on the surrounding communities and positive long-term fiscal impacts for the Government, but were also expected to be self-funded.

The Committee also noted that pursuing the above projects would give Petra a platform to consider potential further life extension projects at the Cullinan Mine (including in relation to CC1E Phase II, the C-Cut Extension 3 and the D-Cut).

Finsch Mine

The revised LOM plan for the Finsch Mine involved the rebasing of the mine's production profile from c. 2.8 Mtpa to 2.2 Mtpa and a life extension project (consisting of 81L (5 tunnels) and 86L (12 tunnels) and 88-90L SLC).

The Committee unanimously recommended to the Board for its approval the above life extension projects, including the revised LOM plan for the Finsch Mine and the indicative capital spend (in FY 2025 real terms) of c. US\$150 – 165 million relating to these projects, noting that capital spent to date in respect of these projects has been c. US\$54 million. In determining whether to make these recommendations, the Committee considered the long-term impact of these projects for Petra, noting their robust economics (having an IRR in excess of 20%) and the critical impact these projects have for Petra's long-term viability by extending the LOM at the Finsch Mine to 2031 and beyond. The Committee noted that approval of these projects would not only have significant positive long-term social and economic impacts on the surrounding communities and positive long-term fiscal impacts for the Government, but they were also expected to be self-funded.

The Committee also noted that pursuing the above projects would give Petra a platform to consider potential further life extension projects at the Finsch Mine, including in relation to 92-100L.



Varda Shine
Investment Committee Chair
23 September 2024

Letter from the Remuneration Committee Chair

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Members of the Remuneration Committee (as at the date of this Report)

Bernard Pryor – Committee Chair and Senior Independent Director

Deborah Gudgeon (iNED)

Lerato Molebatsi (iNED)

Varda Shine (Non-Executive Chair)¹

Jon Dudas (iNED)²



We are committed to a remuneration framework which supports delivery of our strategy, aligns to performance, and incentivises our highly regarded management team.

FY 2024's focus was on cost reduction, with the Committee supporting management's decision to cancel the annual bonus, and with the Board structure being simplified to reduce fees. We are confident that our overall approach to remuneration remains aligned to performance and our strategy.

Bernie Pryor, Remuneration Committee Chair

1. Varda Shine ceased to be a member of the Committee when she was appointed as Non-Executive Chair at the conclusion of the Company's AGM on 14 November 2023.
2. Jon Dudas ceased to be a member of the Committee when he stepped down from the Board on 17 February 2024.

Key highlights

- The revised Directors' Remuneration Policy was supported by 98.03% of shareholders at the 2023 AGM, demonstrating strong levels of support for our remuneration structures.
- The annual bonus for FY 2024 was cancelled recognising operational and financial challenges over the Year.
- Performance Share Plan (PSP) awards vested at just above threshold following the end of the three-year performance period, reflecting achievement of some of the operational performance targets over the three years. The value at vesting was around 15% of the Executive Directors' salaries.
- Changes were implemented to simplify the Board structure and NED fees were reduced, resulting in a reduction to Petra's Board fees of more than 25% on an annualised basis.
- The performance measures set for the bonus and PSP for FY 2025 were reviewed to reduce the number of measures so as to be more focussed, and include a significantly increased weighting on cashflow generation.

Dear shareholder,

As Chair of the Remuneration Committee (the Committee) I am pleased to present our Directors' Remuneration Report for the financial year ended 30 June 2024. This is my first report since assuming the role of Chair of the Remuneration Committee and I would like to thank my predecessor, Varda Shine, for her leadership in the role.

Context and Company performance

Ongoing macroeconomic challenges and an unprecedented weaker-for-longer diamond market contributed to another challenging year for Petra and the entire diamond industry. The combination of the market downturn and certain operational challenges resulted in our financial and production performance for the Year being behind expectations.

However, our employees continue to show resilience in the face of these difficulties and have adapted to stabilise operations for the future. By optimising our balance sheet, making adjustments to our cost base and delivering a smoothed capital programme self-funded until the early 2030s, Petra is positioned to benefit from future strengthening of diamond prices. The Board is also delighted to announce our 7th consecutive year without a fatality. Safety and the wellness of each employee and the communities surrounding our operations continue to be at the forefront of our thinking.

Remuneration outturns for FY 2024

Although some progress was made against our annual targets during the Year, Management, with support from the Board, cancelled the annual bonus in respect of FY 2024 for all participants. This decision takes into account the ongoing focus on cost savings as well as the recent shareholder experience.

The FY 2022 PSP awards are due to vest at 22.3% of maximum in respect of the three-year period ending in FY 2024. This relatively modest outturn reflects that share price appreciation targets were not met but that there was some achievement against the operational performance targets over the three years. Further details are provided on page 106. Taking into account the impact of the share price depreciation on the value of the share awards, the PSP vesting equated to c.15% of salary. The Committee considered the vesting outcome appropriate and did not apply further discretion.

The Committee considers that the Remuneration Policy operated as intended in respect of FY 2024 and that the incentive outturns align with Petra's performance.

CFO departure

After eight years as Petra's Chief Financial Officer, Jacques Breytenbach will step down from the Board on 30 September 2024 for personal reasons. Jacques has remained in his role to focus on the delivery of the Company's full year results and to ensure an effective transition of responsibilities to his successor. He will retain only his vested awards, which continue to be subject to post-vesting holding periods where relevant and he will maintain a minimum shareholding in Petra for two years. Unvested awards will lapse. Further details on Jacques' departure are set out on page 108.

Implementation of the Policy for FY 2025

Taking into account the Group's focus on cost savings, the Remuneration Committee decided to freeze salaries for the Executive Directors and other senior management roles. However, during the Year we were pleased to conclude five-year wage agreements with the National Union of Metalworkers covering South African operations for the period 1 July 2024 to 30 June 2029. The average fixed pay increase for the South African workforce was c. 5% in local currency for FY 2025.

Annual bonuses for FY 2025 will continue to be based on a balanced scorecard linked to the financial, operational and strategic objectives of the Group, and a portion of the Executive Director's bonus (30%) will continue to be linked to the achievement of individual strategic performance measures. Further details are on page 106.

For FY 2025, the CEO will be granted a PSP award at the normal level of 150% of salary. The Committee has decided that for FY 2025 the CEO's PSP award will not include the outperformance element which was an additional award introduced last year. The PSP framework is broadly in-line with the framework used in recent years, however the Committee has increased the weighting on cashflow generation in recognition of its importance to Petra.

The Committee continues to recognise the importance of responsible ESG management, and as such ESG metrics will, as last year, form part of both the annual bonus and PSP for FY 2025.

Non-Executive Director fees

During the Year, the Group announced a series of changes to the Board structure to make it smaller and more efficient. The Board has reduced from ten Directors to seven Directors, and the Sustainability and Health and Safety Committees have been merged to form a single Safety, Health and Sustainability Committee. These changes are a small but important part of the ongoing cost saving measures that were implemented across the Group to provide further flexibility should prevailing market conditions continue.

Following these Board changes the fees for the Chair and the NEDs were reviewed. The Board and Remuneration Committee determined that the NEDs' fees and the Chair fees would be reduced by 5% with effect from 1 January 2024, with the exception of the Safety, Health and Sustainability Committee Chair fee, which was increased to match the Audit and Risk and Remuneration Committee Chair fees, and to reflect the increased responsibility of the role. The cumulative impact of these changes was to reduce Petra's Board fees by more than 25%.

2024 Annual General Meeting

Last year the Committee was pleased to note that 98.03% of shareholders voted in favour of both the Directors' Remuneration Report and the Directors' Remuneration Policy. I would like to take this opportunity to thank shareholders for their continued support.



Bernie Pryor
Remuneration Committee Chair
23 September 2024

Directors' Remuneration Report

This report explains how the Company's Directors' Remuneration Policy was implemented during FY 2024 and how the Directors' Remuneration Policy (as set out on pages 138 to 142 of the 2023 Annual Report) will be applied for FY 2025:

Overview of policy and how it will be applied for FY 2025

Salary

Influenced by role, individual performance, experience and market positioning.

Taking into account the Group's focus on reducing costs the Remuneration Committee determined that salaries for the Executive Directors would be frozen for FY 2025. Executive Director base annual salaries therefore remain as follows:

- CEO: Richard Duffy – £479,590 (FY 2024: £479,590)
- Outgoing CFO: Jacques Breytenbach – £319,730 until 30 September 2024 (FY 2024: £319,730)

For reference, the average fixed pay increase for the workforce in South Africa for FY 2025 is around 5% in local currency.

Benefits

Provision of an appropriate level of benefits for the relevant role and local market.

Executive Directors receive:

- A benefits allowance of 10% of salary in lieu of both pension and other benefits and, at the Directors' election, the option to participate in the Company's defined contribution pension scheme, up to the maximum contribution in line with the wider workforce, funded from this allowance
- Group life, disability and critical illness insurance

Annual bonus

Linked to key financial, operational, ESG and strategic goals of the Company, which reflect critical factors of success.

Maximum opportunity for FY 2025 of 150% of salary.

The Committee has reviewed the annual bonus targets for FY 2025 to ensure that they continue to be aligned to our strategic priorities.

The bonus scorecard for FY 2025, which will have an overall weighting of 70%, will be linked to:

- Free cashflow generation (50%)
- ESG objectives (incorporating health, safety, environmental and social and diversity measures) (30%)
- Progress of the approved life extension projects at both Cullinan Mine and Finsch Mine, measured according to approved schedule and budgets (20%)

The remaining 30% of the Executive Director's bonus will be linked to the achievement of individual strategic targets. Annual bonus will be subject to a clawback provision, which may apply for up to two years following the end of the performance period.

Performance Share Plan

Aligned with shareholders and motivating the delivery of long-term objectives.

For FY 2025 PSP awards of 150% of salary will be granted. Performance will be measured over a three-year period to 30 June 2027, subject to the following performance measures:

- Cashflow generation and net debt movement (55%)
- Absolute total shareholder return (TSR) performance (30%)
- Sustainability performance (15%)

PSP awards are subject to a two-year holding period post-vesting to further align executive remuneration to shareholder interests.

The PSP is subject to a clawback provision, which applies for up to two years following the end of the relevant performance period.

Shareholding guidelines

Aligned with shareholders.

Shareholding guidelines of 200% of salary.

Post-employment shareholding requirements apply.

The following table provides details of how the Remuneration Policy addresses the factors set out in Provision 40 of the 2018 UK Corporate Governance Code:

Clarity Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	The Committee is mindful of ensuring that our remuneration arrangements are clear and transparent for both participants and shareholders.
Simplicity Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Petra's remuneration framework is simple, consisting of fixed remuneration, an annual bonus and a single Long Term Incentive Plan.
Risk Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	<p>The Committee takes risk factors into account when setting and assessing remuneration arrangements. The performance framework includes a balanced range of measures which include operational, financial and ESG measures.</p> <p>The remuneration framework provides the Committee with discretion to adjust incentive outturns or to clawback remuneration in certain circumstances.</p>
Proportionality The link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	<p>In order to align Executive pay with performance, two of the overarching principles of our Policy are that remuneration packages should be weighted towards performance-related pay and that performance targets should be suitably demanding.</p> <p>The Committee has a track record of applying discretion to amend awards where they do not consider them to be appropriate in the context of performance.</p>
Alignment to culture Incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	The Company's values, purpose and culture are reflected in remuneration outcomes. Salary increases for Executives typically take account of the wider workforce. Pension benefits are aligned to the workforce. Both the annual bonus and PSP include metrics linked to Petra's ESG and sustainability strategy, including health, safety, social and environmental performance.

Single figure of total remuneration

The following table gives a breakdown of the remuneration received by the Executive Directors for FY 2024 and FY 2023. Although the Company's reporting currency is US Dollars, these figures are stated in Pounds Sterling so as to be aligned with the Directors' service contracts.

	Richard Duffy Chief Executive Officer		Jacques Breytenbach Chief Financial Officer	
	2024 £	2023 £	2024 £	2023 £
Salary	479,590	456,750	319,730	304,500
Benefits ¹	59,702	57,456	27,715	26,622
Retirement benefits ¹	—	—	12,106	11,682
Total fixed remuneration	539,292	514,206	359,551	342,804
Annual bonus – paid in cash	—	284,156	—	187,724
Annual bonus – deferred to shares	—	94,718	—	62,575
Long-term incentives ^{2,3}	71,567	103,592	47,711	74,090
Total variable remuneration	71,567	482,466	47,711	324,389
Total	610,859	996,672	407,262	667,193

- Executive Directors are provided with a 10% benefits allowance and may use a portion of such allowance, limited to 7.5% of salary, to contribute to the Company's outsourced defined contribution pension plan which is also available to the Group's South African workforce. No additional retirement benefits are provided. In addition, the Executive Directors are members of the Group's management life insurance scheme (which includes disability and critical illness cover).
- The performance period for the FY 2022 PSP awards granted on 12 January 2022 ended on 30 June 2024. The awards will vest at 22.3% of maximum (see page 106). The values included in the table above are based on the three-month volume weighted average share price to 30 June 2024 of 42.6 pence. As this is below the share price at grant none of the amounts in the table above are attributable to share price appreciation.
- The performance period for the FY 2021 PSP awards granted on 12 January 2022 ended on 30 June 2023. The awards vested at 31.2% of maximum. The values included in the table above are based on the share price on the date of vesting (19 October 2023) of 52.0 pence. As this is below the share price at grant, none of the amounts in the table above are attributable to share price appreciation. Note that as the FY 2021 PSP awards vested after the FY 2023 Annual Report was published, the amounts used in the FY 2023 Annual Report were based on the three-month volume weighted average share price to 30 June 2023 of 73.4 pence, rather than the share price on the day of vesting (19 October 2023) which was 52.0 pence.

Additional notes to the remuneration table

Salary

During the Year, the Remuneration Committee reviewed the salaries of the Executive Directors. Following careful consideration and taking into account the Group's focus on cost savings, the Committee decided to freeze the Executive Directors' salaries for FY 2025. With effect from 1 July 2024, Executive Director base salaries are as follows:

	Base salary from 1 July 2023 £	Base salary from 1 July 2024 £
Richard Duffy	479,590	479,590
Jacques Breytenbach (CFO until 30 September 2024)	319,730	319,730

Benefits

In lieu of pension plan participation and other benefits, the Executive Directors receive a benefit cash supplement of 10% of salary. Other than membership of the Group management life insurance scheme (which includes disability and critical illness), Executive Directors are not provided with any further benefits and may elect, at their own discretion, to participate in the Company's defined contribution pension scheme that applies to the Group's South African workforce.

Annual bonus

The annual bonus plan is designed to reward and incentivise performance over the financial year. The bonus framework uses a balanced scorecard approach, linked to the financial, operating and strategic objectives of the Company (with a weighting of 70% of the Executive Directors' bonus award), and individual strategic performance measures with a weighting of 30%. The maximum bonus for the Executive Directors for delivery of exceptional performance is capped at 150% of base salary. Prior to determining the final bonus outcomes, the Committee considers all-round performance to ensure that actual bonuses are appropriate.

Although some progress was made against our annual targets during the Year, Management, with support from the Board, cancelled the annual bonus in respect of FY 2024 for all participants. This decision takes into account the ongoing focus on cost savings as well as the recent shareholder experience. Although there will be no annual bonus payment in respect of FY 2024, in the interests of transparency, the following table sets out the key scorecard targets and the Group's performance against those targets. The Committee and the Board have considered the retrospective disclosure of targets and have disclosed targets where this is not considered to be commercially sensitive.

Performance metrics	Performance and targets				Scorecard weighting	
Operational efficiencies and profitability (including free cashflow generation, carat production, capex and cost management)				FY 2024 Performance	65%	
	Threshold	Target	Maximum			
	Free cashflow (US\$m)	42.6	50.1	57.6		3.8
	Carats (thousands)	2,591	3,049	3,506		2,730
	Costs (for tonnes variance)	6	8	10		8.6
	Capex (out of 10)	6	8	10		7.7
Sustainability measures (including health, safety, social and environmental performance)				FY 2024 Performance	35%	
	Threshold	Target	Maximum			
	LTIFR ¹	0.29	0.24	0.19		0.18
	TIFR ¹	0.71	0.59	0.47		0.48
	ESG scorecard ²	6	8	10		7.9
	<div><div>1. The outcome of the health and safety measures for FY 2024 was also subject to maintaining zero fatalities for the Year, which was achieved.</div><div>2. The ESG scorecard includes an assessment of performance against environmental, social and diversity and inclusion targets. The outcome for the environmental measures was also subject to there being no major environmental incidents.</div></div>					

The overall outcome was 0%, reflecting that the annual bonus in respect of FY 2024 was cancelled.

Personal performance measures – Executive Directors

Annual bonus for FY 2025

For FY 2025, the Committee will continue to use a scorecard framework to determine annual bonuses, as set out below. In line with the approach used for FY 2024, 70% of the CEO's bonus will be linked to the financial, operating and strategic objectives of the Company and 30% of the CEO's bonus will be linked to the achievement of individual strategic performance measures.

The financial, operating and strategic objectives of the Company for 70% of the CEO's bonus award for FY 2025 will have the following performance measures and weighting:

Performance measure	Scorecard weighting
Operational performance and profitability (including free cashflow generation and capex)	70%
ESG measures (including environmental efficiencies, social and community, diversity and inclusion, and health and safety performance)	30%

As noted above, the bonus framework includes both measurement against pre-defined targets and the exercise of judgement, within a scoring framework which uses measurable and defined objectives.

Long-term incentives – Performance Share Plan

Annual long-term share awards are granted under the Performance Share Plan, approved at the 2021 AGM, with vesting conditional on the achievement of both shareholder return and operational measures.

FY 2022 to FY 2024 award – vesting outcome

The long-term incentive outturn post-period-end relates to the awards granted under the PSP in respect of FY 2022 subject to performance measures assessed over three years. These awards were linked to absolute share price growth (33.3%), to cashflow generation and net debt (33%) and to operational performance and efficiencies (33.3%). Following the end of the performance period, the Committee assessed performance achieved against the pre-determined measures and targets.

Total shareholder return (33.3%)

Performance measure	Weighting	25% of element vests	80% of element vests	100% of element vests	Actual performance
Absolute share price growth	33.3%	50% ¹	75%	100%	Below threshold (0% vested)
Vesting outcome for this element					0.0% out of 33%

1. No portion of an element vests for performance below this threshold level.

Cashflow generation and net debt (33.3%)

	Weighting	25% of element vests ¹	80% of element vests	100% of element vests	Actual performance
Operational free cashflow	16.7%	US\$51.3m	US\$181.0m	US\$245.8m	US\$147.5m
Net debt/(Net cash): EBITDA ratio	16.7%	3.0x	1.3x	0.8x	3.0x
Vesting outcome for this element					15.1% out of 33.3%

1. No portion of an element vests for performance below this threshold level.

Operational performance and efficiencies (33%)

	Weighting	25% of element vests ¹	80% of element vests	100% of element vests	Actual performance
Cumulative tonnes treated (million)	11.6%	22.8	25.3	26.5	22.3
Cumulative carats recovered (million)	11.6%	8.9	9.9	10.3	8.4
Opex and capex efficiencies	10%	6	8	10	7.7
Vesting outcome for this element					7.2% out of 33.3%
Overall vesting outcome for FY 2022 to FY 2024 awards					22.3% out of 100%

Opex and capex efficiencies were measured considering an assessment of actual progress of the four life extension projects currently underway in the Group (being the CC1-East SLC and C-Cut Extension projects at Cullinan Mine, and the 78-Level Phase 2 and 90-Level SLC projects at Finsch) measured against approved project schedules, cost performance considering achieved progress of these extension projects and operational cost efficiencies against approved budgets over the three year period. The impact of the FY 2024 decisions to defer capital projects and reduce operating costs were included in the measurements. Further details of performance at each site are set out in the Operational Review on pages 32 to 33.

The Committee is satisfied that the final vesting of 22.3% of maximum was appropriate. Taking into account the impact of the share price depreciation on the value of the share awards, the PSP vesting equated to c. 15% of salary. The Committee considered the vesting outcome appropriate and did not apply further discretion.

FY 2025 awards

For FY 2025, PSP awards of 150% of salary will be granted as normal. Performance will be measured over a three-year period to 30 June 2027, subject to the following performance measures, which are linked to the Company's long-term strategic priorities.

Summary of performance targets: FY 2025–FY 2027

Summary of performance targets FY 2019 - FY 2021			
Performance measures	Weighting		
Absolute TSR performance	30%	This element is based on the following absolute share price growth targets:	
		25% of element vests ¹	100% of element vests
		10% CAGR	25% CAGR
		Absolute TSR performance	
		1. No portion of an element vests for performance below this threshold level. CAGR reflects targeted Compound Annual Growth Rate over the three-year period.	
Cashflow generation and net debt	55%	<ul style="list-style-type: none">This element is linked to the Company's ability to generate positive operational free cashflow (after sustaining capex) and the resultant improvement in the net debt:EBITDA ratio over the three-year measurement periodThe targets were set with reference to the Company's internal projections	
		Weighting of this element	25% of element vests ¹
			100% of element vests
		Operational free cashflow	70%
		US\$75m	US\$135m
		Net debt/(Net cash): EBITDA ratio	30%
		1.73x	1.13x
		1. No portion of an element vests for performance below this threshold level.	
ESG and sustainability	15%	This element is linked to achieving absolute reductions in our GHG emissions, with targets set taking into account the detailed execution roadmap.	
		25% of element vests ¹	100% of element vests
		Reduction in GHG emissions (relative to a 2019 baseline)	
		20%	35%
		1. No portion of an element vests for performance below this threshold level.	
Committee discretion		The Remuneration Committee retains discretion to adjust outturns if they are not considered to be appropriate, taking into account the underlying performance of the Company and Executive Directors over the performance period	

CFO departure

As announced in March 2024, Jacques Breytenbach resigned as Chief Financial Officer for personal reasons and will step down on 30 September 2024 following an effective transition of his responsibilities to Johan Snyman who will become Chief Financial Officer with effect from 1 October 2024.

Jacques Breytenbach will retain only share awards which have vested prior to his departure, including the FY 2022 to FY 2024 PSP Award which is due to vest in September 2024. All awards will continue to be subject to post-vesting holding periods where applicable. All other unvested share awards will lapse on departure. In accordance with the terms of his Service Agreement, Jacques Breytenbach will receive payment in lieu of notice of £153,305 which is equivalent to his basic salary and benefits allowance for the period from 1 October 2024 to 7 March 2025. This payment in lieu of notice reflects his contractual entitlement based on the 12 months' written notice he gave when he resigned on 7 March 2024. The amount shall be paid in monthly instalments and may be subject to mitigation. Jacques Breytenbach is not eligible for an annual bonus or PSP award in respect of FY 2025.

Jacques Breytenbach will be expected to maintain a minimum shareholding for two years following ceasing to be an Executive Director.

Non-executive Director remuneration

The Chair receives a fixed fee for all services. The other NEDs receive a fixed basic fee for their normal services rendered and fees for other responsibilities such as the chairing of Committees and the Senior Independent Director. All fees are payable in cash. Independent NEDs do not participate in the Company's bonus arrangements, share schemes or pension plans, and for FY 2024 (in accordance with the Company's normal policy), did not receive any other remuneration from the Company outside of the fee policy outlined above.

As announced in December 2023, the Group has made a series of changes resulting in a smaller and more efficient Petra Board. The number of Directors has been reduced from ten to seven and will further reduce to six when Jacques Breytenbach steps down from the Board on 30 September 2024. The Sustainability and Health and Safety Committees have been merged to form a single Safety, Health and Sustainability Committee. These changes are a small but important part of the ongoing cost saving measures that are being implemented across the Group and they are also a direct response to feedback from shareholders.

In addition to these structural changes, the Remuneration Committee and Board agreed to reduce the Chair's fee and NED fees by 5% with effect from 1 January 2024. In light of the change in responsibilities the fee for the Chair of the Sustainability, Health and Safety Committee was increased slightly to match the Audit and Risk and Remuneration Committee Chair fees.

Peter Hill stepped down as Chair of the Board at the Group's AGM on 14 November 2023. Varda Shine was appointed Chair with effect from the AGM and initially received an annual fee of £189,000 (in line with Peter Hill's fee). Varda Shine's fee was reduced by 5% to £179,550 from 1 January 2024 as set out above, at which point she also stood down as Chair of the Remuneration Committee being replaced by Bernie Pryor.

The annual fees for the NEDs for FY 2025 are as follows:

	Fee from 1 July 2023 £	Fee from 1 January 2024 £
Chair of the Board of Directors	189,000	179,550
Basic NED fee	61,267	58,200
Additional NED fees		
Senior Independent Director	12,000	11,400
Chair of the Audit and Risk Committee	12,000	11,400
Chair of the Remuneration Committee	12,000	11,400
Chair of the Sustainability Committee	10,500	n/a
Chair of the Health and Safety Committee	10,500	n/a
Chair of the Sustainability, Health and Safety Committee	n/a	11,400

Single figure of total remuneration

The following table gives a breakdown of the remuneration received by the NEDs for FY 2024 and FY 2023. Although the Company's reporting currency is US Dollars, these figures are stated in Pounds Sterling so as to be aligned with the Directors' service contracts. NED fees were reduced in January 2024 as explained above.

	Year	Fees £	Benefits £	Total £
Varda Shine ¹	2024	147,840	—	147,840
Chair of the Board of Directors (from 14 November 2023)	2023	82,350	—	82,350
Bernard Pryor ²	2024	77,984	—	77,984
Senior Independent Director and Remuneration Committee Chair	2023	68,850	—	68,850
Deborah Gudgeon	2024	71,434	—	71,434
iNED and Audit and Risk Committee Chair	2023	70,350	—	70,350
Lerato Molebatsi ³	2024	70,684	—	70,684
iNED and Safety, Health and Sustainability Committee Chair	2023	14,587	—	14,587
José Manuel Vargas ⁴	2024	29,100	—	29,100
NED	2023	—	—	—
Former NEDs				
Peter Hill ⁵	2024	78,750	—	78,750
Chair of the Board of Directors (until 14 November 2023)	2023	180,000	2,001	182,001
Jon Dudas ⁶	2024	38,170	—	38,170
iNED (until 17 February 2024)	2023	58,350	—	58,350
Alex Watson ⁷	2024	38,170	—	38,170
NED (until 14 February 2024)	2023	58,350	—	58,350
Johannes Bhatt ⁸	2024	25,528	—	25,528
NED (until 14 November 2023)	2023	58,350	—	58,350

1. Varda Shine was initially appointed as the Chair of the Board and Chair of the Nomination and Investment Committees on 14 November 2023.
2. Bernie Pryor was appointed as the Senior Independent Director on 14 November 2023. He was appointed as Chair of the Remuneration Committee with effect from 1 January 2024. He also served as the Chair of the Health and Safety Committee until 31 December 2023.
3. Lerato Molebatsi was appointed to the Board as an independent NED on 3 April 2023. She was appointed the Chair of the Safety, Health and Sustainability Committee with effect from 1 January 2024. She also served as the Chair of the Sustainability Committee until 31 December 2023.
4. José Manuel Vargas was appointed to the Board as non-independent Non-Executive Director with effect from 1 January 2024.
5. Peter Hill stepped down from the Board on 14 November 2023.
6. Jon Dudas stepped down from the Board with effect from 17 February 2024. He assumed the role of Board Adviser for six months until 17 August 2024.
7. Alexandra Watson stepped down from the Board with effect from 17 February 2024, and assumed the role of Board Observer with effect from this date.
8. Johannes Bhatt retired from the Board with effect from 14 November 2023.

Directors' shareholding and share interests

It is the Company's policy that each of the Executive Directors holds a meaningful number of Petra shares. The guideline is to build and maintain a minimum of two years' basic salary for the applicable Director. A number of years from the date of appointment to reach this shareholding will normally be set. The Committee may review the time horizon over which Executive Directors are expected to meet their shareholding guideline.

The share interests of the Directors as at 30 June 2024 (or the date of standing down from the Board) are detailed below.

		Shareholding as at 30 June 2024	Shareholding as at 30 June 2023	Shareholding guideline ¹
Varda Shine ²	Chair	24,755	24,755	n/a
Richard Duffy ^{3, 7, 8}	Chief Executive Officer	879,993	272,792 ⁵	2,251,596
Jacques Breytenbach ^{4, 9}	Chief Financial Officer	419,747	183,742 ⁶	1,501,079
Bernard Pryor	Senior iNED	13,000	13,000	n/a
Deborah Gudgeon	iNED	—	—	n/a
Lerato Molebatsi	iNED	—	—	n/a
José Manuel Vargas	NED	17,000,000	n/a	n/a
Former NEDs				
Peter Hill	Chair	n/a	140,000	n/a
Jon Dudas	iNED	—	—	n/a
Alex Watson	NED	—	—	n/a
Johannes Bhatt	NED	—	—	n/a

1. Shareholding guideline of 200% of salary based on three-month VWAP to 30 June 2024 of 42.6 pence per share.

2. Post Year End, Varda Shine purchased 32,671 shares.

3. Post Year End, 167,976 awards made in respect of FY 2022 to FY 2024 under the Company's PSP are expected to vest, adding to Richard Duffy's shareholding.

4. Post Year End, 111,984 awards made in respect of FY 2022 to FY 2024 under the Company's PSP are expected to vest, adding to Jacques Breytenbach's shareholding.

5. In the FY 2023 Directors' Remuneration Report, Richard Duffy's shareholding as at 30 June 2023 was reflected as 232,463. In accordance with the Investment Association's Principles of Remuneration, this has been updated to include shares which had vested as at 30 June 2023, but which at that time were subject to the two year post-vesting holding period described on page 103.

6. In the FY 2023 Directors' Remuneration Report, Jacques Breytenbach's shareholding as at 30 June 2023 was reflected as 159,434. In accordance with the Investment Association's Principles of Remuneration, this has been updated to include shares which had vested as at 30 June 2023, but which at that time were subject to the two year post-vesting holding period described on page 103.

7. During FY 2024, Richard Duffy purchased 266,411 shares, and a further 80,879 shares were purchased by him post Year End.

8. During FY 2024, Richard Duffy was awarded 141,672 shares, representing 25% of his total annual performance bonus for FY 2023 and had 199,118 shares vest in respect of the FY 2021 to FY 2023 PSP award.

9. During FY 2024, Jacques Breytenbach was awarded 93,594 shares, representing 25% of his total annual performance bonus for FY 2023 and had 142,411 shares vest in respect of the FY 2021 to FY 2023 PSP award.

Post-employment shareholding guidelines

Executive Directors are expected to maintain a shareholding for a period of two years post cessation of employment. The expected shareholding will be the lower of the Executive Directors' shareholding guideline of two years' basic salary or their actual relevant shareholding at the date of termination if lower. This requirement will only apply to shares delivered from incentives from the date of the new Policy. The Committee may, in exceptional circumstances, allow an Executive Director to reduce this holding guideline to 50% after at least one year from the date of cessation.

Directors' interests

As at 30 June 2024, the Directors' interests in share plans of the Company were as follows:

	Shares			Options	
	Unvested and subject to performance ¹	Vested share awards subject to holding period ²	Unvested and not subject to performance ³	Vested but not exercised	Lapsed in the Year
Breakdown of share plan interests as at 30 June 2024					
Richard Duffy	3,424,416	232,309	261,288	nil	nil
Jacques Breytenbach	2,076,840	154,737	253,028	nil	nil

1. This comprises awards made in respect of FY 2022, FY 2023 and FY 2024 under the Company's PSP.

2. This comprises awards made in respect of FY 2022 and FY 2021 under the Company's PSP.

3. This comprises outstanding deferred share awards in respect of FY 2022 and FY 2023 and, for Jacques Breytenbach, FY 2021 (in order to comply with post-employment shareholding guidelines following his resignation effective 30 September 2024).

As at 30 June 2024, Executive Directors held the following interests in the PSP:

	Date of award	Outstanding at 1 July 2023	Awarded during the Year	Vested during the Year	Lapsed during the Year	Outstanding at 30 June 2024	Performance period ⁶
Richard Duffy	12/01/2022 ¹	638,196	—	199,118	439,078	nil	FY 2021–FY 2023
	12/01/2022 ²	753,255	—	—	—	753,255	FY 2022–FY 2024
	14/12/2022 ³	1,236,688	—	—	—	1,236,688	FY 2023–FY 2025
	18/10/2023 ⁴	—	1,075,998	—	—	1,075,998	FY 2024–FY 2026
	17/01/2024 ⁵	—	358,475	—	—	358,475	FY 2024–FY 2026
Total		2,628,139	1,434,473	199,118	439,078	3,424,416	
Jacques Breytenbach	12/01/2022 ¹	456,444	—	142,411	314,033	nil	FY 2021–FY 2023
	12/01/2022 ^{2,7}	502,170	—	—	—	502,170	FY 2022–FY 2024
	14/12/2022 ^{3,7}	618,344	—	—	—	618,344	FY 2023–FY 2025
	18/10/2023 ^{4,7}	—	717,340	—	—	717,340	FY 2024–FY 2026
	17/01/2024 ^{5,7}	—	238,986	—	—	238,986	FY 2024–FY 2026
Total		1,576,958	956,326	142,411	314,033	2,076,840	

1. The performance measures applicable to the awards consist of: (a) absolute TSR (one-third); (b) cashflow generation and net debt (one-third); and (c) operational performance and efficiencies (one-third). The closing share price on 12 January 2022 was 74 pence; the 60-day VWAP used to determine these awards was 86.5 pence. During the Year this award vested at 31.2%.
2. The performance measures applicable to the awards consist of: (a) absolute TSR (one-third); (b) cashflow generation and net debt (one-third); and (c) operational performance and efficiencies (one-third). The closing share price on 12 January 2022 was 74 pence; the 60-day VWAP used to determine these awards was 86.5 pence. Post Year-end, these awards vested at 22.3%.
3. The performance measures applicable to the awards consist of: (a) absolute TSR (15%); (b) relative TSR (15%); (c) cashflow generation and net debt (30%); and (d) operational performance and efficiencies (25%). The closing share price on 14 December 2022 was 94.5 pence; the 30-day VWAP to 16 November used to determine these awards was 110.8 pence.
4. The performance measures applicable to the awards consist of: (a) absolute TSR (15%); (b) relative TSR (15%); (c) cashflow generation and net debt (30%); (d) operational performance and efficiencies (25%); and (e) ESG and sustainability (15%). The closing share price on 17 October 2023 was 51.7 pence; the 30-day VWAP to 17 October used to determine these awards was 66.9 pence.
5. The performance measures applicable to the awards consist of: absolute TSR (100%). The 30-day VWAP to 17 October used to determine these awards was 66.9 pence.
6. Performance periods with respect to operational performance metrics are measured on respective financial years' results, whilst the relevant TSR measurements are based on returns from date of award to date of final vesting.
7. Following Jacques Breytenbach's resignation, effective 30 September 2024, the FY 2022 – FY 2024 awards vested normally during September 2024 at 22.3%, subject to the two-year post-termination holding period. The balance of unvested awards for FY 2022 – FY 2024 will lapse, as will all outstanding awards for FY 2023 – FY 2025 and FY 2024 – FY 2026.

External non-executive directorships

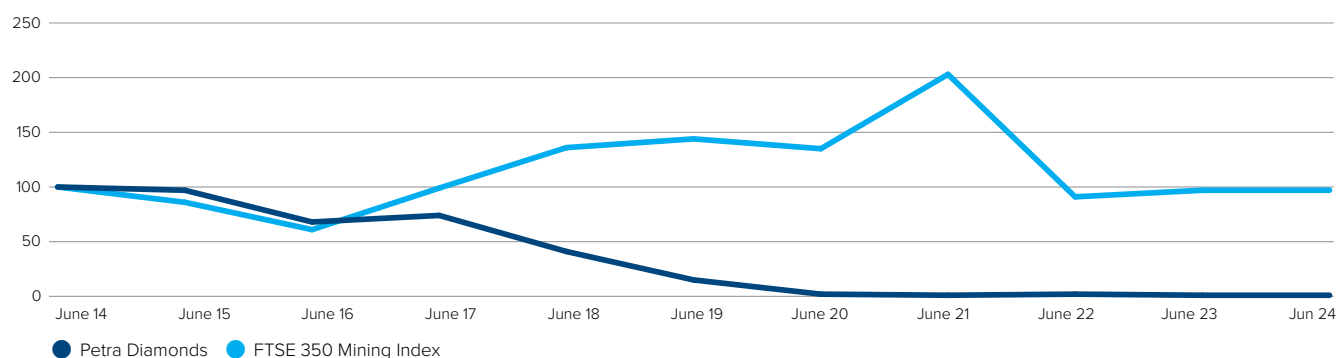
Neither of the Company's Executive Directors hold a directorship at another listed company.

Other disclosures

Performance graph

The graph below shows a comparison between the TSR for Petra shares for the ten-year period to 30 June 2024 and the TSR for the companies comprising the FTSE 350 Mining Index over the same period. This index has been selected to provide a relevant sector comparator to Petra. The TSR measure is based on a 30-day trading average. The Company's share price was impacted by the Company's capital restructuring which completed in 2021 and this impact is shown in the graph below.

TSR – BASED ON 30 TRADING DAY AVERAGE



Source: DataStream

Table of historical data for the Chief Executive Officer

The table below provides historical comparable remuneration data for the Chief Executive Officer over the last ten financial years.

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 ¹		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
					Johan Dippenaar	Richard Duffy					
Single figure of total remuneration (£)	999,034	1,137,521	545,687	550,801	449,172	145,222	384,256	805,629	1,038,240	996,672	610,859
Annual bonuses as a % of maximum	40.0%	55.0%	11.4%	17.6%	23.7%	29.6%	0.0%	58.9%	78.6%	55.3%	0.0%
Long-term incentives (PSP vesting) as a % of maximum	57.0%	55.0%	24.9%	17.5%	16.6%	n/a	n/a	n/a	40.9% ²	31.2%	22.3%
Long-term incentives (LTSP vesting) as a % of maximum	42.5%	42.3%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1. Johan Dippenaar departed effective 31 March 2019 and the table reflects his remuneration (excluding payment in lieu of notice) for the nine-month period to date of his departure. Richard Duffy joined as Chief Executive Officer effective 1 April 2019 and the above table reflects his remuneration for the three-month period to 30 June 2019.

2. The vesting outcome for FY 2022 reflects the percentage vesting for FY 2020 to FY 2022 PSP awards only. In addition, Richard Duffy was granted a PSP award equivalent to ca. 40% of salary on appointment. Vesting of this award was subject to the Company achieving a consolidated net debt:consolidated EBITDA ratio of not more than 2.5 times for the Year ended 30 June 2022. This was achieved and the award vested in full.

Annual percentage change in remuneration of the Directors

The following table sets out the annual percentage change in salary, benefits and bonus in respect of each Director and the average for the Company's employees (on a full-time equivalent basis).

	FY 2020 Year-on-year change in pay			FY 2021 Year-on-year change in pay			FY 2022 Year-on-year change in pay			FY 2023 Year-on-year change in pay			FY 2024 Year-on-year change in pay		
	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus
Average Company employee	5.0%	13%	10%	2.4%	0%	100%	10.1%	7.0%	25.7%	17.0%	15.0%	(22%)	5.0%	4.0%	(28%)
Executive Directors															
Richard Duffy Chief Executive Officer	(8.3%) ¹	(2.4%)	(100%)	0.0% ¹	0.6%	100%	17.3%	21.2%	31.3%	5.0%	5.0%	(26.1%)	5.0%	5.0%	(100%)
Jacques Breytenbach Chief Financial Officer	(6.5%) ¹	0.9%	(100%)	0.0% ¹	0.6%	100%	9.4%	13.0%	20.8%	5.0%	5.0%	(25.9%)	5.0%	5.0%	(100%)
Non-Executive Directors															
Vada Shine Non-Executive Chair (from 1 January 2024)	(2.0%)	n/a	n/a	33.0% ³	n/a	n/a	3.8%	n/a	n/a	7.4%	n/a	n/a	0%	n/a	n/a
Bernie Pryor Senior Independent Director	(6.3%)	n/a	n/a	18.4% ⁴	n/a	n/a	(15.0%) ⁵	n/a	n/a	7.3%	n/a	n/a	0%	n/a	n/a
Deborah Gudgeon iNED (appointed 1 July 2021)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5.6%	n/a	n/a	0%	n/a	n/a
Lerato Molebatsi iNED (appointed 3 April 2023)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	n/a	n/a
José Manuel Vargas NED (appointed 1 January 2024)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	n/a	n/a

	FY 2020 Year-on-year change in pay			FY 2021 Year-on-year change in pay			FY 2022 Year-on-year change in pay			FY 2023 Year-on-year change in pay			FY 2024 Year-on-year change in pay		
	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus
Peter Hill (retired 13 November 2023)	n/a	n/a	n/a	0.0% ²	n/a	n/a	0%	(3.2%)	n/a	9.1%	33.1%	n/a	0.0%	n/a	n/a
Jon Dudas INED (stepped down 17 February 2024)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.0%	n/a	n/a	0.0%	n/a	n/a
Johannes Bhatt INED (retired 14 November 2023)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.0%	n/a	n/a	0.0%	n/a	n/a
Alex Watson, NED (stepped down 17 February 2024)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.0%	n/a	n/a	0.0%	n/a	n/a

1. The base salaries for Richard Duffy and Jacques Breytenbach of £370,800 and £265,200 respectively remained unchanged during FY 2021 and FY 2020.
2. Peter Hill's base fees as Non-Executive Chair for FY 2022, FY 2021 and FY 2020 (pro rata) was £165,000.
3. Varda Shine assumed the role of Senior Independent Director on 17 November 2020.
4. Bernie Pryor received an additional fee of £10,000 in FY 2021 as Chair of the Tunajali Committee.
5. Bernie Pryor ceased to receive a fee as Chair of the Tunajali Committee when it was disbanded in May 2021 which explains the reduction in his fees for FY 2022 compared to FY 2021.

Relative importance of spend on pay

The following table sets out the percentage change in payments to shareholders and overall expenditure on pay across the Group.

	FY 2024 US\$m	FY 2023 US\$m	Change %
Payments to shareholders	Nil	Nil	0%
Group employment costs	123	125	(2%)

Service contracts

Director	Role	Date current engagement commenced	Expiry of current term	Notice period by Company or Director
Executive Directors				
Mr Duffy	Chief Executive Officer	1 April 2019	n/a	12 months
Mr Breytenbach	Chief Financial Officer	19 February 2018	30 September 2024	12 months
Non-executive Directors				
Varda Shine	Non-Executive Chair	14 November 2023	31 December 2024	1 month
Bernie Pryor	Senior Independent Director	14 November 2023	31 December 2024	1 month
Deborah Gudgeon	Independent Non-executive Director	1 July 2024	30 June 2027	1 month
Lerato Molebatsi	Independent Non-executive Director	3 April 2023	2 April 2026	1 month
José Manuel Vargas	Non-independent Non-Executive Director	1 January 2024	31 December 2026	1 month
Peter Hill	Non-Executive Chair	1 January 2023	14 November 2023 ¹	n/a
Jon Dudas	Independent Non-executive Director	1 March 2022	17 February 2024 ²	1 month
Johannes Bhatt	Independent Non-executive Director	1 July 2021	14 November 2023 ³	n/a
Alex Watson	Non-independent Non-Executive Director	1 July 2021	17 February 2024 ³	n/a

1. Peter Hill retired from the Board with effect from 14 November 2023.
2. Jon Dudas stepped down from the Board with effect from 17 February 2024 and assumed the role of Board Adviser until 17 August 2024.
3. Johannes Bhatt stepped down from the Board with effect from 14 November 2023.
4. Alex Watson stepped down from the Board with effect from 17 February 2024 and assumed the role of Board Observer with effect from this date.

Membership of the Committee

The Committee members for FY 2024 were Bernie Pryor, Deborah Gudgeon, Lerato Molebatsi, Varda Shine (stepped down on 1 January 2024) and Jon Dudas (stepped down on 17 February 2024).

The Committee is responsible for determining on behalf of the Board and shareholders:

- The Company's general policy on the remuneration of the Executive Directors, the Chair and the Senior Management team
- The total individual remuneration for the Chair, Executive Directors and Senior Management including base salary, benefits, performance bonuses and share awards
- The design and operation of the Company's share incentive plans
- Performance conditions attached to variable incentives
- Service contracts for Executive Directors
- Oversight of Group-wide workforce remuneration

The full Terms of Reference for the Remuneration Committee have been approved by the Board and are available on the Company's website at <https://www.petradiamonds.com/about-us/corporate-governance/board-committees>.

Where appropriate, the Chair and Executive Directors attend Committee meetings to provide suitable context regarding the business. Individuals who attend meetings do not participate in discussions which determine their own remuneration.

External advisers

The Committee engages the services of Deloitte LLP (Deloitte) to provide independent advice to the Committee relating to remuneration matters. Deloitte is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the code of conduct in relation to executive remuneration consulting in the UK. The Committee is satisfied that the advice it has received from Deloitte during the Year has been objective and independent. The fees paid to Deloitte for work carried out in FY 2024 for the Committee totalled £39,800 (FY 2023: £70,300) and were based on a time and materials basis.

During the Year, Deloitte also provided unrelated tax and general advisory services to the Company. BDO LLP remains the Group's auditors.

Statement of shareholder voting

The voting outcomes for the FY 2023 Directors' Remuneration Report and the FY 2023 Directors' Remuneration Policy Report were as follows:

	For	% for	Against	% against	Total votes cast	Withheld
2023 Directors' Remuneration Report	128,933,692	98.03%	2,586,900	1.97%	131,520,592	1,013
2023 Directors' Remuneration Policy Report	128,932,971	98.03%	2,587,621	1.97%	131,520,592	1,013



Bernie Pryor
Remuneration Committee Chair

23 September 2024

Directors' Responsibilities Statement

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with the Bermuda Companies Act 1981 (as amended).

Company law requires the Directors to prepare financial statements for each financial year. The Directors have elected to prepare the Group Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

In preparing the Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether they have been prepared in accordance with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the Financial Statements
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping proper accounting records that are sufficient to ascertain with reasonable accuracy at any time the financial position of the Company and to ensure that the Financial Statements comply with the Bermuda Companies Act 1981 (as amended). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that the Annual Report and the Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

Website publication

The Directors are responsible for ensuring the Annual Report and the Financial Statements are made available on a website. Financial Statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the Financial Statements contained therein.

Directors' responsibilities pursuant to DTR4

In accordance with Chapter 4 of the Disclosure and Transparency Rules issued by the Financial Conduct Authority in the United Kingdom the Directors confirm to the best of their knowledge:

- The Group's Financial Statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group
- The Annual Report includes a fair review of the development and performance of the business and the financial position of the Group, together with a description of the principal risks and uncertainties that it faces

Fair, balanced and understandable

The Directors consider that the Annual Report and the Financial Statements, taken as a whole, is fair, balanced and understandable and provide the information necessary for shareholders to assess Petra's position, performance, business model and strategy, as well as the principal risks and uncertainties which could affect the Group's performance.

Auditors

As far as each of the Directors are aware at the time this report was approved:

- There is no relevant available information of which the auditors are unaware
- They have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

In accordance with Section 89 of the Bermuda Companies Act 1981 (as amended), a resolution to confirm the re-appointment of BDO LLP as auditors of the Company is to be proposed at the 2024 AGM to be held on 13 November 2024.

The Financial Statements were approved by the Board of Directors on 23 September 2024 and are signed on its behalf by:



Richard Duffy
Chief Executive Officer

23 September 2024

Independent Auditor's Report

TO THE MEMBERS OF PETRA DIAMONDS LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 June 2024 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with European Union adopted international accounting standards (IFRSs); and
- have been prepared in accordance with the requirements of the Bermuda Companies Act 1981.

We have audited the financial statements of Petra Diamonds Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2024 which comprise the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cashflows, the Consolidated Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and European Union adopted international accounting standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

We remain independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group.

Material uncertainty related to going concern

We draw attention to Note 1.1 to the financial statements, which explains that there are risks associated with persisting market volatility which may lead to lower diamond prices for longer and that the Group is dependent on refinancing its 2L Notes and Revolving Credit Facility which is not guaranteed. As stated in Note 1.1, these events or conditions, along with other matters as set forth in Note 1.1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Given the material uncertainty noted above and our risk assessment, going concern was considered to be a key audit matter.

Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included the following:

- We evaluated the Directors' base case cashflow and covenant forecasts, including the Directors' assumptions in respect of diamond prices, production, operating costs, foreign exchange rates and capital expenditure. In doing so, we considered historic performance, trading to date, external market data, and the extent to which risks and uncertainties have been appropriately considered and reflected in the forecasts. Additionally, we benchmarked the Directors' base case cashflow forecast to the life of mine models, given it is used as the basis of the underlying data in the forecast.
- We obtained and reviewed the Directors' downside sensitivities scenarios in respect of strengthening of the South African Rand exchange rate against the US Dollar, increase in operating costs, decrease in diamond prices and a combination of these scenarios, to model the potential impact of covenant breaches in Note 1.1.
- We made inquiries of the Directors' on the progress of the refinancing of the Group's Revolving Credit Facility and 2L Notes.
- We considered the adequacy of the going concern disclosures in Note 1.1 against the requirements of the relevant accounting standards, and our knowledge and understanding of the underlying business.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

	100% (2023: 100%) of Group revenue	
Coverage	98% (2023: 99%) of Group total assets	
Key audit matters ("KAM")	2024	2023
KAM 1	The risk that the life of mine estimates are inappropriate, and assets require impairment.	The risk that the life of mine estimates are inappropriate, and assets require impairment.
KAM 2	Not applicable.¹	The risk in relation to the legislative environment in Tanzania – Sale of the blocked diamond parcel.
KAM 3	Not applicable.²	Risk that the environmental rehabilitation and decommissioning provision estimates are inappropriate.
KAM 4	Going concern.	Going concern.
	<p>1. KAM 2 was only considered to be a KAM in 2023 because it came to the Group's attention that the Government of Tanzania (GoT) had partially sold the blocked diamond parcel and this was verbally confirmed with GoT officials including the Minister of Mines. This change resulted in a reassessment of the accounting treatment, which required significant auditor attention. This complex technical accounting treatment was resolved in 2023, and therefore, in 2024, the subsequent measurement for the blocked diamond parcel receivable was not considered to be complex.</p> <p>2. KAM 3 was only considered to be a KAM in 2023 because there was a higher level of complexity applied in determining the environmental rehabilitation and decommissioning provision which required significant auditors attention as a result of the changes in the methodology of determining the best estimate of the provision in 2023. In 2024, due to no changes to the methodology or legislative changes, a lower level of complexity was applied in determining the provision.</p>	
Materiality	<p>Group financial statements as a whole</p> <p>\$4.5m (2023:\$4.0m) based on 1.25% (2023: 1.25%) of Revenue.</p>	

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Our involvement with component auditors

For the work performed by component auditors, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole.

Whilst Petra Diamonds Limited is a London Stock Exchange premium listed company, the Group's operating mines are located in South Africa and Tanzania. We assessed there to be three significant components, being the Finsch and Cullinan mines which operate in South Africa and the Williamson mine in Tanzania.



An overview of the scope of our audit continued

Full scope audits for Group reporting purposes were performed on-site on the two significant South African reporting components by the BDO member firm in South Africa. The BDO member firm in South Africa also performed specified audit procedures on the South African non-significant components for Group reporting purposes. A full scope audit of the one significant component in Tanzania was performed by a non-BDO firm in Tanzania. The Group audit team performed specified audit procedures on Petra Diamonds Limited as a standalone entity, along with the audit of the head office component, and the consolidation. The remaining non-significant holding companies were principally subject to analytical review procedures by the Group audit team.

As part of our audit strategy, our involvement with component auditors included the following:

- Issue of detailed Group reporting instructions, which included the significant areas to be covered by their audit (including all significant and elevated risks identified by the Group audit team), materiality levels, and required procedures relating to irregularities and fraud. The instructions also set out the information required to be reported to the Group audit team.
- The Group audit team performed procedures independently over key audit risk areas, as considered necessary, including the key audit matters below.
- Regular communication with the component auditors throughout the planning, execution, and completion phases of the audit.
- The Group audit team was actively involved in the direction of the audits performed by the component auditors for Group reporting purposes, along with the consideration of findings and determination of conclusions drawn.
- Review of the component auditors' working papers with additional challenge and specific work requests to ensure alignment with conclusions drawn.

Climate change

Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board and Audit Committee meeting and other papers related to climate change.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in management's going concern assessment, viability assessment and impairment assessments.

We also assessed the consistency of managements disclosures included as 'Other Information' on page 52 to 55 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we considered the following KAM 1 to be impacted by climate-related risks. The explanation of and our audit response to this climate-related risk is included in the related key audit matter below.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material uncertainty related to going concern section of our report, we have determined the matter below to be the key audit matters to be communicated in our report.

What we considered to be a key audit matter	The risk that the life of mine estimates are inappropriate, and assets require impairment.
Why it represented a key audit matter	Management was required to exercise significant judgement and estimation in assessing the recoverable amount of the mining operations. There was a high level of inherent uncertainty and critical judgements, and estimates are applied by Management in the assessment. The appropriate disclosure of such judgements and estimates was also a focus for our audit.
Relevant information in Financial Statements and Report of the Audit and Risk Committee	Note 5. Report of the Audit and Risk Committee page 89.

Key audit matters continued

1. The risk that the life of mine estimates are inappropriate, and assets require impairment.

The carrying values of the mining assets at all of the operations were key focus areas for our audit given the current global rough diamond market, the current global economic environment, the variability in product mix and volatility in the ZAR/US Dollar exchange rate. The appropriate disclosure of such judgements and estimates was also a focus for our audit.

As detailed in Note 5, as at 30 June 2024, the Group recognised impairments amounting to US\$33 million and US\$45 million relating to Cullinan mine and Finsch mine respectively. No impairment charge or impairment reversal was considered appropriate at Williamson mine.

How we addressed the matter:

- We obtained an understanding of the controls operating in respect of the Group's impairment reviews, including confirming that the impairment models utilised the Board approved life of mine plans.
- We evaluated Management's impairment models against approved life of mine plans and our understanding of the operations, and critically challenged the key estimates and assumptions used by Management for each of the mining operations.
- We compared the trading performance against budget/plan for FY2024 in order to evaluate the quality of Management's forecasting and, where over or under performance against budget/plan was highlighted, evaluated the impact on the forecasts.
- In respect of short-term pricing assumptions, our testing included evaluation of Management's diamond price forecasts against prices achieved during the Year and post year end, compared the prices achieved in FY2024 against Management's previous forecasts and evaluated the near-term diamond price forecasts against market analyst commentary.
- In respect of short-term pricing for FY2025, we considered the appropriateness of the starting price assumptions for FY2025 which are based on prices achieved during FY2024.
- In respect of long-term pricing, we considered the appropriateness of the real price growth escalator of 1.9% above a long-term US inflation rate of 2.0% per annum from FY2026 onwards. In evaluating whether Management's estimate was within an acceptable range we compared the price escalator to market guidance and historical market pricing trends. In addition, we searched for alternative views on the long-term outlook and challenged Management's forecasts using a variety of information sources, including market analyst commentary, and demand and supply side factors that would be expected to impact market pricing.
- We held meetings with mine management (mine managers, geologists, mining engineers) to understand and challenge the plans for changes in production, operating cost, and capital expenditure forecasts. In doing so we critically assessed the feasibility of assumed changes in production and the basis for and ability to deliver cost reductions.
- On the other key assumptions, our testing included comparison of foreign exchange rates to market spot and forward rates; recalculation of discount rates in conjunction with our internal experts and evaluation of the appropriateness of risk premiums therein; and critical review of the forecast cost, capital expenditure and production profiles against approved mine plans, reserves and resources reports and empirical performance.
- We engaged modelling specialists from the BDO member firm in South Africa to perform a due diligence review which included model accuracy and integrity review.
- We reviewed Management's sensitivity analysis for the impairment models and performed additional sensitivity analysis where considered necessary. We held discussions with the Audit and Risk Committee to consider the recoverable amount under the forecasts, including risks and sensitivity around pricing, production, foreign exchange rates, and discount rates.
- We performed a detailed walkthrough of the reserves and resources process, including gaining an understanding of the controls in place.
- We have confirmed the consistency of the reserves and resources in the models through discussion with the Group's geologist to understand the basis for the revisions to the estimates and performed procedures to test the accuracy of underlying data.
- We reviewed the appropriateness and adequacy of disclosures in note 5.

Key observations:

In respect of the recoverable amount of the mining assets, we found the Group's conclusion to be appropriate and that the Board's assessment of the recoverable amount at 30 June 2024 considered both the Group's plans, recent performance and continued risks and uncertainties. We found the disclosures in note 5 to be appropriate.

Our application of materiality continued

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group Financial Statements	
	2024	2023
Materiality	US\$4.5 million	US\$4.0 million
Basis for determining materiality	1.25% of Group Revenue	
Rationale for the benchmark applied	In both FY2023 and FY2024, We considered revenue to be an appropriate benchmark for materiality, given the losses incurred by the Group in both FY2023 and FY2024 and the losses were not as a result of a once off occurrence.	
Performance materiality	65% of materiality	75% of materiality
Basis for determining performance materiality	65% of materiality considering the nature of activities, historic audit adjustments and control deficiencies. The percentage was decreased from 75% in FY2023 due to the number and high value of brought forward uncorrected audit adjustments from FY2023, and a recurring significant control deficiency which remains relevant for the current financial year.	75% of materiality considering the nature of activities and historic audit adjustments and control deficiencies.

Component materiality

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, based on a percentage of between 29% and 84% (2023: 30% and 83%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from US\$1.3 million to US\$3.78 million (2023: US\$1.2 million to US\$3.3 million). In the audit of each component, we further applied performance materiality levels of 65% (2023: 75%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of US\$0.09 million (2023: US\$0.08 million). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements for the Year Ended 30 June 2024 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements, or our knowledge obtained during the audit.

Going concern and longer-term viability	<ul style="list-style-type: none"> The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified (set out on pages 128 to 129); and The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate (set out on pages 64 to 65).
Other Code provisions	<ul style="list-style-type: none"> Directors' statement on fair, balanced and understandable (set out on page 92); Board's confirmation that it has carried out a robust assessment of the emerging and principal risks (set out on page 56); The section of the annual report that describes the review of effectiveness of risk management and internal control systems (set out on pages 86 to 88); and The section describing the work of the audit committee (set out on pages 84 to 91).

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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 (UK) 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance, legal counsel, Audit and Risk Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Bermuda Companies Act 1981, the UK Listing Rules, the applicable accounting standards, the UK Bribery Act 2010, and tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Listing Rules issued by UK Listing Authority, IFRS as adopted in the European Union, Bermudan Companies Act 1981, South African and Tanzanian mining and environmental legislation, health and safety legislation, UK Bribery Act, and taxation and employment laws in the jurisdictions that the Group operates in.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Auditor's responsibilities for the audit of the financial statements continued

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, those charged with governance, legal counsel, internal audit, and the Audit and Risk Committee to consider any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls through inappropriate journal entries, revenue recognition, and bias in key estimates and judgements.

Our procedures in respect of the above included:

- Engaging BDO Forensics to assist with the fraud risk assessment, including assisting the audit team to determine the sufficiency of the audit procedures to address the risk of fraud;
- Performing a detailed review of the Group's year end adjusting entries and investigated any that appear unusual as to nature or amount and agreeing to supporting documentation;
- For a sample of journals entries throughout the year that met the defined risk criteria, particularly those occurring at or near year end, we obtained supporting documentation and evidence for the business rationale of these transactions and the sources of financial resources supporting the transactions;
- Assessing whether the judgements made in accounting estimates were indicative of a potential bias (refer to key audit matters above);
- Extending inquiries to individuals outside of management and the accounting department to corroborate Management's ability and intent to carry out plans that are relevant to developing the estimate set out in the key audit matters section above;
- Testing a sample of revenue entries to supporting documentation, including testing the cut-off of revenue transactions in the period before and after year end;

- Reviewing the whistleblowing register and obtained an understanding of a selection of reports the tip-off matters disclosed in the report and the status of the investigation, including assessing the impact of these tip-off matters on our fraud risk assessment; and
- Agreeing the financial statement disclosures to underlying supporting documentation, review of correspondence with regulators, review of correspondence with legal advisers, enquiries of management, review of significant component auditors' working papers and review of internal audit reports in so far as they related to the financial statements.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Bermuda Companies Act 1981. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Jack Draycott

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Jack Draycott

For and on behalf of BDO LLP, Statutory Auditor

London, UK

23 September 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Income Statement

FOR THE YEAR ENDED 30 JUNE 2024

US\$ million	Notes	2024	2023
Revenue	2	367	325
Mining and processing costs	3	(393)	(297)
Other direct mining expense		—	(13)
Other direct mining income		2	12
Other corporate expenditure	4	(13)	(23)
Other corporate income		—	1
Impairment reversal of non-financial assets	5	—	53
Impairment charge of non-financial assets	5	(78)	(33)
Impairment reversal/(charge) of other receivables		3	(5)
Total net operating costs		(479)	(305)
Operating (loss)/profit¹		(112)	20
Financial income	6	19	11
Financial expense	6	(44)	(71)
Gain on extinguishment of Notes net of unamortised costs	6	1	1
Loss before tax		(136)	(39)
Income tax release/(charge)	7	32	(23)
Loss for the year from continuing operations		(104)	(62)
Loss on discontinued operation (net of tax)	31	(3)	(40)
Loss for the year		(107)	(102)
Loss for the year attributable to:			
Equity holders of the parent company		(86)	(105)
Non-controlling interest		(21)	3
		(107)	(102)
Loss per share attributable to the equity holders of the parent during the year			
From continuing operations:			
Basic loss per share – US\$ cents	9	(43)	(38)
From continuing and discontinued operations:			
Basic loss per share – US\$ cents	9	(44)	(54)

1. The comparative period for 30 June 2023 has been restated to add the subtotal "Operating (loss)/profit" to improve disclosure.

Consolidated Statement of Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2024

US\$ million	2024	2023
Loss for the year	(107)	(102)
Other comprehensive profit/(loss) that will be reclassified to the Consolidated Income Statement in subsequent periods		
Exchange differences on translation of foreign operations	8	(50)
Translation differences on non-controlling interest	—	(2)
Total comprehensive loss for the year, net of tax	(99)	(154)
Total comprehensive loss for the year attributable to:		
Equity holders of the parent company	(78)	(155)
Non-controlling interest	(21)	1
	(99)	(154)

Consolidated Statement of Financial Position

AT 30 JUNE 2024

US\$ million	Notes	2024	Restated 2023
ASSETS			
Non-current assets			
Property, plant and equipment	10	532	598
Right-of-use assets	11	22	27
Loans receivable	12	42	37
Other receivables ¹	14	10	11
Total non-current assets		606	673
Current assets			
Other financial assets ¹	16	14	—
Trade and other receivables	14	68	42
Inventories	15	55	88
Cash and cash equivalents ¹	17	29	58
Total current assets		166	188
Total assets		772	861
EQUITY AND LIABILITIES			
Equity			
Share capital	18	146	146
Share premium		609	609
Foreign currency translation reserve		(491)	(499)
Share-based payment reserve		3	4
Other reserves		—	(1)
Accumulated (losses)/reserves		(23)	62
Attributable to equity holders of the parent company		244	321
Non-controlling interests	13	(27)	(4)
Total equity		217	317
Liabilities			
Non-current liabilities			
Loans and borrowings	19	246	222
Provisions	21	112	99
Lease liabilities	11	21	26
Deferred tax liabilities	22	50	82
Total non-current liabilities		429	429
Current liabilities			
Loans and borrowings	19	25	25
Lease liabilities	11	4	3
Bank overdraft	17	8	—
Trade and other payables	20	81	69
Provisions	21	8	18
Total current liabilities		126	115
Total liabilities		555	544
Total equity and liabilities		772	861

1. Historically, the Group has classified funds held by the Group's insurer for environmental rehabilitation guarantees as cash and cash equivalents within current assets. Following a review during the year, Management concluded that these assets should not be classified as cash and cash equivalents as, unlike similar funds, they do not form part of the cell captive and are not directly controlled by the group. Accordingly, they have been reclassified as other receivables within non-current assets on the Statement of Financial Position, in order to reflect the timing of cash realisation. This correction has been accounted for retrospectively, and accordingly the comparative information for 30 June 2023 has been restated, which has resulted in a reclassification between cash and cash equivalents and non-current other receivables of \$4m. There has been no impact on the income statement, earnings per share or net assets.

The Financial Statements were approved and authorised for issue by the Directors on 23 September 2024.

Consolidated Statement of Cashflows

FOR THE YEAR ENDED 30 JUNE 2024

US\$ million	Notes	2024	Restated 2023
Cash generated from operations	25	67	48
Net realised gains on foreign exchange contracts		5	2
Interest paid		(30)	(8)
Income tax received		—	1
Net cash generated from operating activities		42	43
Cashflows from investing activities			
Acquisition of property, plant and equipment		(84)	(113)
Proceeds from sale of property, plant and equipment		1	1
Repayment of loans		—	1
Other financial assets	16	(14)	—
Interest received		4	4
Net cash utilised in investing activities		(93)	(107)
Cashflows from financing activities			
Lease instalments paid		(6)	(5)
Repayment of borrowings		(4)	(146)
Repayment of Revolving Credit Facility		(21)	—
Draw-down on Revolving Credit Facility		45	—
Net dividend paid to B-BBEE partners ²		(2)	(4)
Net cash from/(utilised in) financing activities		12	(155)
Net decrease in cash and cash equivalents¹		(39)	(219)
Cash and cash equivalents at the beginning of the year ¹		58	285
Effect of translation on cash held		2	(8)
Cash and cash equivalents (net of bank overdraft) at the end of the year	17	21	58

1. Historically, the Group did not include restricted cash balances held within its cell captive as cash and cash equivalents in the consolidated statement of cashflows. Following a review during the year, Management concluded that these balances should be included in cash and cash equivalents in the consolidated statement of cashflows in accordance with IAS 7. As a result, the comparatives on the consolidated statement of cash flows for the year ended 30 June 2023 have been restated to correctly include brought forward restricted cash balances, carried forward restricted cash balances, and movements in restricted cash within cash generated from operations for the 12 months to 30 June 2023.

2. The comparative period for 30 June 2023 has been restated to reclassify the US\$4 million net dividend paid to the B-BBEE Partners from net cash utilised in investing activities (2023: US\$111 million as previously stated), to net cash utilised in financing activities (2023: US\$151 million as previously stated).

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2024

US\$ million	Share capital	Share premium account	Foreign currency translation reserve	Share-based payment reserve	Other reserves	Accumulated (losses)/ reserves	Attributable to the parent	Non-controlling interest	Total equity
At 1 July 2023	146	609	(499)	4	(1)	62	321	(4)	317
Loss for the year	—	—	—	—	—	(86)	(86)	(21)	(107)
Other comprehensive income	—	—	8	—	—	—	8	—	8
Total comprehensive expense	—	—	8	—	—	(86)	(78)	(21)	(99)
Dividend paid to non-controlling interest shareholders	—	—	—	—	—	—	—	(2)	(2)
Equity-settled share-based payments	—	—	—	1	—	—	1	—	1
Transfer between reserves	—	—	—	(2)	1	1	—	—	—
At 30 June 2024	146	609	(491)	3	—	(23)	244	(27)	217

US\$ million	Share capital	Share premium account	Foreign currency translation reserve	Share-based payment reserve	Other reserves	Accumulated reserves/ (losses)	Attributable to the parent	Non-controlling interest	Total equity
At 1 July 2022	146	959	(449)	3	(1)	(184)	474	5	479
Loss for the year	—	—	—	—	—	(105)	(105)	3	(102)
Other comprehensive expense	—	—	(50)	—	—	—	(50)	(2)	(52)
Total comprehensive expense	—	—	(50)	—	—	(105)	(155)	1	(154)
Conversion of share premium	—	(350)	—	—	—	350	—	—	—
Dividend paid to non-controlling interest shareholders	—	—	—	—	—	—	—	(10)	(10)
Equity-settled share-based payments	—	—	—	2	—	—	2	—	2
Transfer between reserves	—	—	—	(1)	—	1	—	—	—
At 30 June 2023	146	609	(499)	4	(1)	62	321	(4)	317

Notes to the Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

1. Material accounting policies

Petra Diamonds Limited (Petra or the Company), a limited liability company listed on the Main Market of the London Stock Exchange, is registered in Bermuda and domiciled in the United Kingdom. The Company's registered address is 2 Church Street, Hamilton, Bermuda. The Financial Statements incorporate the material accounting policies set out below and in the subsequent notes to these Financial Statements, which are consistent with those adopted in the previous year's Financial Statements, apart from the adoption of new standards, interpretations and amendments where applicable as detailed in note 1.4.

1.1 Basis of preparation

The Financial Statements of the Company and its subsidiaries (the Group) are prepared in accordance with IFRS Accounting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union. The comparative period for 30 June 2023 has been represented to remove decimals to make the Financial Statements more user friendly. All amounts are rounded to the nearest US\$ million, unless otherwise stated.

Going concern

In the financial statements for the year ended 30 June 2023, the Company highlighted material uncertainties that could affect its ability to continue as a going concern, particularly due to volatility in diamond prices driven by low demand. To mitigate this, major diamond producers reduced supply, and the Gem and Jewellery Export Promotion Council of India imposed a two-month import moratorium from mid-October to mid-December 2023.

Since 30 June 2023, the Company has taken several measures to enhance financial resilience amid ongoing market challenges. Key actions include:

- **Capital Expenditure Reduction:** On 1 November 2023, Petra announced the deferral of capital programmes, reducing FY 2024 capital expenditure by over US\$65 million. After revising the life-of-mine plans for Finsch and Cullinan Mine, average annual capital expenditure for the South African operations is projected at around US\$100 million from FY 2025 onwards.
- **Cost savings:** US\$10 million in once-off operating and Group cash savings were implemented during FY 2024, alongside a re-based Operating cost profile that results in over US\$30 million in sustainable cost reductions for the South African operations from FY 2025 and beyond. As part of this, Group functions were decentralised, resulting in a reduction of c. 80 roles and a reduction in planned production levels at Finsch from 2.8 Mtpa to 2.2 Mtpa saw c. 350 positions being impacted.
- **Financing:** On 15 February 2024, Absa Bank approved a ZAR750 million (c. US\$40 million) increase in the Group's Revolving Credit Facility.
- **Asset sale:** The sale of Petra's interest in the Koffiefontein Diamond Mine was announced on 8 April 2024, which will, once the sale completes, avoid closure costs of US\$15-18 millions. The transaction is subject to the Department of Mineral Resources and Energy (DMRE) approval. See note 21 for further detail.

These steps have significantly improved the Group's liquidity and solvency outlook.

The performance of the diamond market remains uncertain within the global macro-economic conditions and the impacts of the Indian moratorium. Furthermore, the natural diamond market continues to be impacted by lab-grown diamonds, affecting diamond prices. However, with interest rates expected to have peaked and the G7's sanctions on Russian diamonds, some medium-term pricing support is anticipated.

To support steps taken by major producers to restrict supply in the seasonally weaker demand period, the August / September 2024 tender from the South African operations was deferred and forms part of the Tender 2 cycle, expected to close in mid-October 2024.

The going concern assessment includes assumptions on forecast diamond prices and is based on average prices achieved over the past year, adjusted where there are specific expectations regarding changes in product mix.

Whilst the Company remains cautious about near-term market conditions, it believes the long-term fundamentals remain sound. The uncertainty is built into downside-sensitivities described below.

The Group's 2L Notes mature in March 2026, with the Revolving Credit Facility maturing 60 days ahead of this, with some uncertainty remaining around the Group's ability to successfully refinance or restructure the debt on similar terms as existing facilities.

Cash generated from operations less acquisition of property, plant and equipment of negative US\$17 million (FY 2023: US\$65 million negative) improved by US\$48 million during FY 2024, mainly reflecting a decrease of US\$34 million in profit before working capital changes, a US\$49 million cash inflow from working capital changes and a reduction of US\$33 million in total capital expenditure following the deferral of certain capital projects during H1 FY 2024 in response to the depressed diamond market.

Williamson restarted operations in Q1 FY 2024 with current production at its annual steady-state run rate. As stated in the FY 2023 year-end reporting, both the Framework Agreement with the GoT and the Share Sale Agreement with Pink Diamonds are pending satisfaction of certain suspensive conditions and regulatory approvals.

The Group's going concern assessment is performed excluding Williamson's operating results, as Williamson is considered a ring-fenced operation for these purposes, as per the definitions and requirements set forth in the Group's financing agreements. Williamson successfully upsized its overdraft facility from US\$7 million to US\$10 million in September 2023, and to US\$12.6 million in September 2024.

1. Material accounting policies continued

1.1 Basis of preparation continued

Williamson, however, continues to encounter short-term liquidity challenges, and its short-term liquidity is receiving focused attention on an on-going basis.

Forecast liquidity and covenants

The Board reviewed the Group's cash flow forecasts, which were based on a number of estimates and assumptions that are consistent with the estimates used in the life-of-mine plans. Subject to refinancing the 2L Notes and Revolving Credit Facility that mature in March 2026 and January 2026 respectively, these forecasts show that the Group will have sufficient liquidity throughout the going concern period (ie. up to December 2025).

In light of the uncertainties inherent in the forecasts, the Board also reviewed forecasts, applying various downside sensitivities, including:

- A 5% decrease in forecast rough diamond prices from July 2024 to December 2025
- A 2.5% strengthening in the forecast South African Rand (ZAR) exchange rate against the US Dollar from July 2024 to December 2025
- A 5% increase in operating costs from July 2024 to December 2025
- Combinations of sensitivities above

Under certain downside scenarios listed above, the forecasts show that there is a risk of a future covenant breach for the Group's Revolving Credit Facility. In addition, the Group may face a covenant breach by June 2025 if the debt is not refinanced before this date. The Board considers the risk of a future covenant breach to be unlikely and has a reasonable expectation that in the event of a downside scenario there would be a number of mitigating actions to avoid a breach, including obtaining a waiver.

As previously stated, the Group may have to refinance the full outstanding 2L Notes debt of c. US\$250 million and the drawn down Revolving Credit Facility, and management has engaged with potential lenders with a view to refinance prior to the 2L Notes becoming a current liability in March 2025. The Group remains confident in its ability to refinance its debt on the back of the underlying operational cashflow generation, as well as strong net cashflow generation projected from FY2027 onwards, as the Group sees the benefit of an increase in carats recovered from higher-grade areas that are currently in development. The outcome of a refinance, however, remains outside of the Group's control. If the Group is unable to successfully refinance the existing debt on account of the willingness of existing Noteholders and/or the terms and conditions of such a refinance or new debt instruments, the Group would consider whether other options are available such as an equity raise or asset sales in order to settle its obligations.

Conclusion

Based on its assessment of the forecasts, principal risks and uncertainties and mitigation actions considered available to the Group, including steps already undertaken or being executed by management to improve resilience in the business, the Board confirms that it is satisfied that the Group will be able to continue to operate and meet its liabilities as they fall due over the going concern period (i.e. up to 31 December 2025).

However, the Board recognises the risks associated with persisting market volatility which may lead to lower diamond prices for longer, as well as the risk to refinancing the Group's 2L Notes and Revolving Credit Facility, given these remain outside of the Group's control. These factors indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Financial Statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

Currency reporting

The functional currency of the Company is Pounds Sterling (GBP). The functional currency of the Group's business transactions in Tanzania is US Dollars (US\$). The functional currency of the South African operations is South African Rand (ZAR or R) with diamond sales being made in US Dollars. The Group Financial Statements are presented in US Dollars (US\$ millions), the currency in which Group revenue is generated. ZAR balances are translated to US Dollars at ZAR18.19 as at 30 June 2024 (2023: ZAR18.83) and at an average rate of ZAR18.70 for transactions during the year ended 30 June 2024 (2023: ZAR17.77).

Financial Statements of foreign entities

Assets and liabilities of foreign entities (i.e. those with a functional currency other than US\$) are translated at rates of exchange ruling at the financial year end; income and expenditure and cashflow items are translated at rates of exchange ruling at the date of the transaction or at rates approximating the rates of exchange at the date of the translation where appropriate. Fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate ruling at the reporting date. Exchange differences arising from the translation of foreign entities are recorded in the Consolidated Statement of Other Comprehensive Income and reclassified to the Consolidated Income Statement on disposal of the foreign entity.

1. Material accounting policies continued

1.1 Basis of preparation continued

Foreign operations

Unrealised gains and losses arising on the translation of loans to subsidiaries into the currency in which they are denominated and that are not expected to be repaid in the foreseeable future are treated as part of the net investment in foreign operations. The unrealised foreign exchange gains and losses attributable to foreign operations are taken directly to the Consolidated Statement of Other Comprehensive Income and reflected in the foreign currency translation reserve. Such unrealised gains and losses are recycled through the Consolidated Income Statement on disposal of the Group's shares in the entity.

Unrealised gains and losses arising on the translation of loans to subsidiaries into the currency in which they are denominated and that are expected to be repaid in the foreseeable future are recognised in the Consolidated Income Statement.

Foreign currency transactions

Transactions in foreign currencies are recorded at rates of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains and losses arising on translation are credited to, or charged against, income. The issue of shares is included in share capital and share premium at the prevailing US\$/GBP spot rate at the date of the transaction.

Net investments in foreign operations

Management assesses the extent to which intra-group loans to foreign operations that give rise to unrealised foreign exchange gains and losses are considered to be permanent as equity or repayable in the foreseeable future. The judgement is based upon factors including the life-of-mine (LOM) plans, cashflow forecasts and strategic plans. The unrealised foreign exchange gains or losses on permanent as equity loans are recognised in the foreign currency translation reserve until such time as the operation is sold, whilst the foreign exchange gains or losses on loans repayable in the foreseeable future is recognised in the Consolidated Income Statement.

1.2 Basis of consolidation

Subsidiaries

Subsidiaries are those entities over whose financial and operating policies the Group has the power to exercise control. Control is achieved where the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group Financial Statements incorporate the assets, liabilities and results of operations of the Company and its subsidiaries. The results of subsidiaries acquired and disposed of during a financial year are included from the effective dates of acquisition to the date control ceases. Where necessary, the accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

Subsidiaries are deconsolidated from the date control ceases. The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders' proportionate share of the acquiree's identifiable net assets (after any relevant fair value adjustments to the assets, liabilities and contingent liabilities recognised as part of the business combination).

Changes in the Group's ownership interests that do not result in a loss of control are accounted for as equity transactions with the existing shareholders.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any gains or losses arising from intra-group transactions, are eliminated in preparing the Consolidated Financial Statements.

Non-controlling interests

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholders' share of changes in equity since the date of the combination. The non-controlling interests' share of losses, where applicable, is attributed to the non-controlling interests irrespective of whether the non-controlling shareholders have a binding obligation and are able to make an additional investment to cover the losses.

1. Material accounting policies continued

1.3 Key estimates and judgements

The preparation of the Consolidated Financial Statements requires management to make estimates and judgements and form assumptions that affect the reported amounts of the assets and liabilities, reported revenue and costs during the periods presented therein. The estimates and assumptions that have a significant risk of causing a material adjustment to the financial results of the Group in future reporting periods are discussed in the relevant sections of this Report and summarised as follows:

Key estimate or judgement	Note
Going concern	1.1
Net investments in foreign operations judgements	1.1
Life-of-mine and ore reserves and resources estimates and judgements	5
Impairment review estimates and judgements	5
Taxation	7 and 22
Depreciation judgements	10
B-BBEE guarantee and expected credit loss assessment for loans receivable	12
Recoverability of VAT in Tanzania	14
Recoverability of Blocked Diamond Parcel proceeds in Tanzania	14
Inventory and inventory stockpiles	15
Provision for rehabilitation estimates	21
Provision for Koffiefontein mine closure costs estimates	21
Provision for Human rights settlement claims estimates	21
Provision for tailings storage facility costs	21
Pension scheme estimates	27
Post-retirement medical fund estimates	28
Discontinued operations	31

1.4 Accounting standards that are newly effective in the current year

The following new standards and amendments became effective during the year ended 30 June 2024, none of which have had a material impact on the Group:

IFRS 17 Insurance Contracts

In May 2017, the International Accounting Standards Board (IASB) issued IFRS (International Financial Reporting Standards) 17 Insurance Contracts and in June 2020 issued amendments to IFRS 17. IFRS 17 introduces requirements on accounting for insurance contracts. None of the Group's contracts are required to be accounted for as insurance contracts under IFRS 17.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies

In February 2021, the International Accounting Standards Board (IASB) issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments to IAS 1 require the disclosure of material accounting policy information rather than significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has revised the accounting policy disclosures to align to the amended requirements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8 to clarify how to distinguish changes in accounting policies from changes in accounting estimates. This amendment has had no impact on the Consolidated Financial Statements because there have been no changes to accounting policies in the year.

1. Material accounting policies continued

1.4 Accounting standards that are newly effective in the current year continued

Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12 to require deferred tax to be recognised on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This has had no material impact on the Consolidated Financial Statements because the Group's existing approach does not result in a materially different outcome to applying the new amendments.

Amendments to IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules

On 23 May 2023, the IASB issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12. Pillar Two is a set of global tax reforms led by the OECD designed to ensure that multinational groups with revenue above €750m have an effective tax rate of at least 15% in every jurisdiction in which they operate. The Group does not expect any exposure to Pillar Two income taxes as revenue is currently below the threshold.

Accounting standards that are not yet mandatory and have not been applied by the Group

At the date of authorisation of these Consolidated Financial Statements, the Group has not applied the following revised IFRS Accounting Standards that have been issued but are not yet effective, none of which are expected to have a material effect on the Group other than presentational changes required under IFRS 18 Presentation and Disclosure in Financial Statements, the impact of which is still being assessed:

- Amendments to IFRS 16 Leases – Lease Liability in a Sale-and-Leaseback
- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments – Supplier Finance Arrangements
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability
- IFRS 18 – Presentation and Disclosure in Financial Statements

2. Revenue

Accounting policy

Revenue comprises gross invoiced diamond sales to customers excluding VAT. Revenue is split between rough diamond sales and revenue from interest in polished diamonds, when applicable. Diamond sales are made through a competitive tender process or private sales and recognised when control passes to the buyer, costs can be measured reliably and receipt of future economic benefits is probable. The performance obligation for tender sales is met at the point at which the tender is awarded. The performance obligation for private sales is met at the point at which the agreement on pricing and terms of sale are confirmed and control is transferred between both parties. Where the Group makes rough diamond sales to customers and also retains a right to an interest in their future sale as polished diamonds, the Group records the sale of the rough diamonds but such contingent revenue on the onward sale is only recognised at the date when the polished diamonds are sold. Revenue on rough diamond sales, where the Group retains an interest, is recognised when point of control passes to the buyer, costs can be measured reliably and receipt of future economic benefits is probable. The performance obligation is met at the point at which the control of the rough diamond passes to the buyer. The onward sale of the polished diamonds contains elements of variable consideration, as the Group's right to consideration is contingent on the occurrence of the future sale by the buyer. The variable consideration is not recognised as the Group is unable to ascertain the future sale amount of the polished diamonds and cannot determine that it is highly probable that its inclusion will not result in a significant revenue reversal in the future when the uncertainty has been subsequently resolved.

US\$ million	2024	2023
Sale of rough diamonds	366	323
Sale of polished stones	1	2
	367	325

3. Mining and processing costs

Refer to notes 8, 10, 11 and 15 for the Group's policies, relevant to the significant cost lines below, on employment costs, depreciation, inventories, share-based payments and related key judgements and estimates.

US\$ million	2024	2023
Raw materials and consumables used	138	138
Employee expenses	119	104
Depreciation of mining assets	89	82
Amortisation of right-of-use asset	5	3
Diamond royalty	5	4
Changes in inventory of finished goods and stockpiles	37	(34)
	393	297

4. Other corporate expenditure

US\$ million	2024	2023
Depreciation of property, plant and equipment	1	—
London Stock Exchange and other regulatory expenses	1	1
Transaction costs – redemption of Notes	—	7
Legal fees	3	—
Other	4	—
Costs – human rights claims at Williamson (including IGM remedies)	—	8
Staff costs:	4	7
Share-based expense – Directors	1	2
Salaries and other staff costs	3	5
	13	23

5. Impairment of operational assets and other assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. Recoverable amount is the higher of fair value less costs to sell and value in use. The recoverable amount is determined on the value in use basis.

In assessing the recoverable amount, the expected future post-tax cashflows from the asset are discounted to their fair value less cost to sell using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Discounting the future cashflows to their present value using a pre-tax rate would not materially change the outcome. The mine plan for each mine is the approved management plan at the reporting date for ore extraction and its associated capital expenditure. The capital expenditure included in the impairment model does not include capital expenditure to enhance the asset performance outside of the existing mine plan. The ore tonnes included in the Resource Statement, which management considers economically viable, often include ore tonnes in excess of those used in the mine model and therefore the impairment test.

For an asset that does not generate cash inflows that are largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Each mine represents a separate cash-generating unit. An impairment loss is recognised in the Consolidated Income Statement whenever the carrying amount of the cash-generating unit exceeds its recoverable amount.

5. Impairment of operational assets and other assets continued

Significant judgements and estimates relevant to impairment of non-financial assets

Life-of-mine and ore reserves/resources

There are numerous risks inherent in estimating ore reserves and resources and the associated current mine plan. The mine plan for each mine is the current approved management plan for ore extraction that considers specific ore reserves and resources and associated capital expenditure. The mine plan frequently includes fewer tonnes than the total reserves and resources that are set out in the Group's Resource Statement and which management may consider to be economically viable and capable of future extraction.

Management must make a number of assumptions when making estimates of reserves and resources, including assumptions as to exchange rates, rough diamond and other commodity prices, extraction costs and recovery and production rates. Any such estimates and assumptions may change as new information becomes available. Changes in exchange rates, rough diamond and commodity prices, extraction and recovery costs and production rates may change the economic viability of ore reserves and resources and may ultimately result in the restatement of the ore reserves and resources and potential impairment to the carrying value of the mining assets and mine plan.

The current mine plans are used to determine the ore tonnes and capital expenditure in the impairment tests.

Ore reserves and resources, both those included in the mine plan and certain additional tonnes contained within the Group's Resource Statement, which form part of reserves and resources considered to be sufficiently certain and economically viable, also impact the depreciation of mining assets depreciated on a units-of-production basis (refer to note 10). Ore reserves and resources further impact the estimated date of decommissioning and rehabilitation.

Impairment reviews

While conducting an impairment review of its assets using the fair value less cost to sell basis, the Group exercises judgement in making assumptions about future exchange rates, rough diamond prices, contribution from Exceptional Diamonds, volumes of production, ore reserves and resources included in the current mine plans, feasibility studies, future development and production costs and macro-economic factors such as inflation and discount rates. Changes in estimates used can result in significant changes to the Consolidated Income Statement and the Consolidated Statement of Financial Position.

US\$ million	2024	2023
Cullinan Mine	33	2
Finsch	45	(53)
Williamson	—	31
Total impairment charge/(reversal) of non-financial assets	78	(20)

The key inputs and sensitivities are detailed in this note.

30 June 2024

During the year, consumer demand for diamonds decreased following uncertainty in the macroeconomic environment in the US and China, as well as a strengthening of the US Dollar against consumer country currencies which has had an adverse impact on demand in US Dollar terms. The advancement of lab-grown diamonds has continued to significantly change the natural diamond market, with the differentiation between lab-grown and natural diamonds impacting estimates of diamond prices.

In response to the lower demand, a group of Indian trade organisations, led by the Gem and Jewellery Export Promotion Council (GJEPC), announced a two-month voluntary moratorium on diamond imports to India (from 15 October 2023 to 15 December 2023), to allow the mid-stream to normalise inventory levels.

The Group's response to the market conditions, by deferring capital projects and reducing costs, impacted estimates of life of asset plans.

The recoverable amount of Cullinan Mine was assessed as at 30 June 2024 and an impairment of US\$33 million was recorded to reduce the carrying value to the recoverable amount of US\$342 million, calculated using a discount rate of 13.5% (2023: 13.5%). The impairment was allocated primarily to property, plant and equipment.

The recoverable amount of Finsch was assessed as at 30 June 2024 and an impairment of US\$45 million was recorded to reduce the carrying value to the recoverable amount of US\$168 million, calculated using a discount rate of 13.5% (2023: 13.5%). The impairment was allocated primarily to property, plant and equipment.

No impairment charge or impairment reversal was considered appropriate at Williamson.

5. Impairment of operational assets and other assets continued

30 June 2023

During FY 2023, the Group reviewed the carrying value of its investments, loan receivables and operational assets for indicators of impairment. Following the assessment, impairment of property, plant and equipment was considered appropriate for Cullinan Mine and Williamson, and an impairment reversal was considered appropriate for Finsch. The Group recognised an asset level net impairment reversal of US\$20 million. The net impairment reversal comprised a US\$53 million reversal of prior year impairments at Finsch, and impairment charges of US\$2 million at Cullinan Mine and US\$31 million at Williamson.

Key estimates and assumptions

The key estimates used in determining the recoverable amount calculated, determined on a fair value less cost to sell, are listed in the table below:

Key estimate	
Current mine plan and recoverable value of reserves and resources	Economically recoverable reserves and resources are based on management's expectations based on the availability of reserves and resources at mine sites and technical studies undertaken in-house and by third party specialists. The end of life-of-mine based on current mine plans for the operations are as follows: Cullinan Mine: FY 2035 (FY 2023: FY 2032) Finsch: FY 2033 (FY 2023: FY 2031) Williamson: FY 2030 (FY 2023: FY 2030)
Current mine plan reserves and resources	Resources remaining after the current mine plans have not been included in impairment testing for the operations. Cullinan Mine: 39.1 Mt (FY 2023: 32.9 Mt) Finsch: 18.3 Mt (FY 2023: 22.3 Mt) Williamson: 33.0 Mt (FY 2023: 37.4 Mt)
Current mine plan – capital expenditure	Management has estimated the timing and quantum of the capital expenditure based on the Group's current mine plans for each operation. There is no inclusion of capital expenditure to enhance the asset beyond exploitation of the current mine plan orebody.
Diamond prices	The diamond prices used in the impairment test have been set with reference to recently achieved pricing and market trends, and long-term diamond price escalators are informed by industry views of long-term market supply/demand fundamentals. Given the current market uncertainty, the assessment of short-term diamond prices and the rate and extent of pricing recovery, together with the longer-term pricing escalators, represented a critical judgement. The 30 June 2024 impairment testing models starting price assumptions have been adjusted to reflect the actual pricing achieved during the FY 2024. The long-term models incorporate normalised real diamond price growth of 1.88% per annum (3.88% nominal) (FY 2023: 1.9% above a long-term US inflation rate of 2.0% per annum from FY 2025 onwards). The Cullinan Mine and Williamson, from time to time, recover stones of high value. The Group used to classify stones above US\$5m in value as Exceptional Stones. From FY 2023 onwards, the Group has revised its definition of Exceptional Stones to those stones with a value above US\$15m. The Group does not include any contribution from Exceptional Stones as part of the business planning or price assumptions, and these stones would represent windfall earnings for the Group.
Discount rates	A discount rate of 13.5% (2023: 13.5%) was used for the South African operations and a discount rate of 13.5% (2023: 15.2%) for Williamson. Williamson's discount rates were predominantly driven by in-country risk premium. Discount rates were calculated based on a nominal weighted cost of capital including the effect of factors such as market risk and country risk as at the year end. US\$ and ZAR discount rates are applied based on the respective functional currency of the cash-generating unit.
Cost inflation	Long-term inflation rates of 4.0 – 10.0% (2023: 3.5 – 9.0%) above the long-term US\$ inflation rate were used for operating and capital expenditure escalators.
Exchange rates	Exchange rates are estimated based on an assessment of current market fundamentals and long-term expectations. The US\$/ZAR exchange rate range used for all South African operations commenced at ZAR18.36 (2023: ZAR18.36) for FY 2025, thereafter devaluing at 3.5% per annum. Given the volatility in the US\$/ZAR exchange rate and the current levels of economic uncertainty, the determination of the exchange rate assumptions required significant judgement.
Valuation basis	Discounted present value of future cashflows. Fair value hierarchy level 3.

Sensitivity analysis

The total impairment after applying sensitivities on the key inputs is noted below:

US\$ million	2024		
	Cullinan Mine	Finsch	Williamson
Base case:	33	53	—
Increase in discount rate by 100 basis points	45	53	—
Reduction in pricing by 5% over mine plan	81	76	—
Reduction of 10% carat production	122	107	—
Increase in operating expenditure by 5%	57	62	—
ZAR stronger by 5% through the LOM period	81	76	n/a

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6. Net finance expense

US\$ million	2024	2023
Gross interest on senior secured second lien notes, bank loans and overdrafts	(33)	(28)
Other debt finance costs, including loan interest, facility fees and charges	(5)	(2)
Unwinding of rehabilitation obligations	(6)	(6)
Note redemption premium and acceleration of unamortised bank facility and Notes costs	—	(8)
Net unrealised foreign exchange losses	—	(27)
Finance expenses	(44)	(71)
Interest received on loans and other receivables	6	5
Interest received on bank deposits	3	4
Foreign exchange gains realised on settlement of forward exchange contracts ¹	5	2
Net unrealised foreign exchange profits	5	—
Finance income	19	11
Gain on extinguishment of Notes	1	1
Net finance expense	(24)	(59)

7. Taxation

Significant judgments and estimates relevant to taxation

The Group primarily operates in South Africa and Tanzania with certain corporate functions of the Group being performed in the United Kingdom. Accordingly, the Group is subject to, and pays annual income taxes under the various income tax regimes in the countries in which it operates. From time to time the Group is subject to a review of its income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Group's business conducted within the country involved. Management evaluates each of the assessments and recognises a provision based on its best estimate of the ultimate resolution of the assessment, through either negotiation or through a legal process.

US\$ million	2024	2023
Current taxation:		
– Current tax charge	2	1
Deferred taxation:		
– Current period	(34)	22
	(32)	23
Reconciliation of tax rate:		
– Loss before taxation (including loss on discontinued operation)	(139)	(79)
Tax at South African corporate rate of 27% (2023: 27%)	(38)	(21)
Effects of:		
– Tax charge at different rates in foreign jurisdictions	(1)	—
– Non-deductible expenses	2	5
– Tax losses and temporary differences not recognised	5	38
– Prior year adjustments to tax	—	1
Total tax (release)/charge	(32)	23

The tax reconciliation uses the South African corporation tax rate, as the majority of the group's income and expenses arise in South Africa.

In the current year the movement in unrecognised tax losses and temporary differences totalled US\$5 million (2023: US\$38 million). Tax losses not recognised do not have an expiry period in the country in which they arise unless the entity ceases to continue trading. Gross tax losses available but not recognised as at 30 June 2024 amount to US\$246 million (2023: US\$289 million) and primarily arise in South Africa, Tanzania and the United Kingdom; amounts stated provide tax benefit at 27%, being the tax rate in South Africa, 30%, being the tax rate in Tanzania and 25%, being the tax rate in the United Kingdom. These losses are not recognised as it is not probable that the related tax benefit will be realised in the future. There is no taxation arising from items of other comprehensive income and expense. Refer to note 22 for further information regarding deferred tax balances and movements.

8. Director and employee remuneration

Refer to note 23 for the Group's policy in respect of share-based payments and related key judgements and estimates.

Staff costs during the year were as follows:

US\$ million	2024	2023
Wages and salaries – mining	119	105
Wages and salaries – administration	4	7
	123	112

	Number	Number
Number of employees (excluding the Non-Executive Directors and contractors and discontinued operations)	2,870	3,042

Key management personnel

Key management is considered to be the Non-Executive Directors, the Executive Directors and the Executive Committee (Exco). The Exco comprises the Operating Executive Finsch Mine, Operating Executive Cullinan Mine, Planning & Corporate Development Executive, the Group Head of Human Resources and Public Affairs, the Group Head of Legal and the Group Head of Sales and Marketing. Remuneration for the year for key management is disclosed in the table below:

US\$ million	2024	2023
Salary and benefits	3	3
Annual bonus – paid in cash	1	1
Share-based payment charge	1	3
	5	7

9. Loss per share

Accounting policy

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of Ordinary Shares outstanding during the year. Diluted loss per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the parent by the weighted average number of Ordinary Shares outstanding during the year plus the weighted average number of Ordinary Shares that would be issued on conversion of all the dilutive potential Ordinary Shares into Ordinary Shares.

Numerator	Continuing operations 30 June 2024 US\$ million	Discontinued operation 30 June 2024 US\$ million	Total 30 June 2024 US\$ million	Continuing operations 30 June 2023 US\$ million	Discontinued operation 30 June 2023 US\$ million	Total 30 June 2023 US\$ million
Loss for the year	(84)	(2)	(86)	(74)	(31)	(105)
Denominator	Shares	Shares	Shares	Shares	Shares	Shares
Weighted average number of Ordinary Shares used in basic Loss per Share: As at 30 June	194,201,785	194,201,785	194,201,785	194,201,785	194,201,785	194,201,785
	US\$ cents	US\$ cents	US\$ cents	US\$ cents	US\$ cents	US\$ cents
Basic and diluted loss per share	(43)	(1)	(44)	(38)	(16)	(54)

The number of potentially dilutive Ordinary Shares, in respect of employee share options and Executive Director and Senior Management share award schemes, is nil (2023: nil).

There have been no significant post-balance sheet changes to the number of options and awards under the share schemes to impact the dilutive number of Ordinary Shares.

10. Property, plant and equipment

Accounting policies

Stripping costs

Costs associated with the removal of waste overburden at the Group's open cast mine are classified as stripping costs within property, plant and equipment or inventory, depending on whether the works provide access to future ore tonnes in a specific orebody section or generate ore as part of waste removal. The stripping asset is depreciated on a units-of-production basis over the tonnes of the relevant orebody section to which it provides future access.

Depreciation

The Group depreciates its mining assets using a units-of-production or straight-line basis, depending on its assessment of the most appropriate method for the individual asset. When a units-of-production basis is used, the relevant assets are depreciated at a rate determined as the tonnes of ore treated (typically production facility assets) or hoisted (typically underground development and conveying assets) from the relevant orebody section, divided by the Group's estimate of ore tonnes held in reserves and resources which have sufficient geological and geophysical certainty and are economically viable. The relevant reserves and resources are matched to the existing assets which will be utilised for their extraction. Where an operation is on care and maintenance, non-mining assets will continue to be depreciated over their useful life. The Group depreciates its assets according to the relevant sections of the orebody over which they will be utilised. A key estimate involves determination of future production units assigned to on-mine shared infrastructure, which is an ongoing assessment given the mining plan and development projects. Shared infrastructure is defined as common infrastructure enabling ore extraction, treatment and related support services, shared across more than one section of the orebody (such as the mine shaft or processing plant).

When the shared infrastructure assets provide benefit over multiple sections of the orebody they are depreciated over the reserves of the relevant sections of the orebody. When the shared infrastructure is expected to be utilised to access or process ore tonnes from deeper areas of the mine, which frequently represent ore resources that are outside of the current approved mine plan but for which the Group considers there to be sufficient certainty of future extraction, such assets are depreciated over those reserves and resources.

The depreciation rates are as follows:

Mining assets

Plant, machinery and equipment	Units-of-production method or 4–33% straight-line basis depending on the nature of the asset
Mineral properties	Units-of-production method

Other assets

Plant and machinery	10–25% straight-line basis
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Refer to notes 5 and 21 for the Group's policy on impairment, rehabilitation provisions and associated decommissioning assets.

10. Property, plant and equipment continued

Judgements

Judgements are applied to property, plant and equipment as follows:

- When using the units-of-production depreciation method in estimating the ore tonnes held in reserves and resources which have sufficient geological and geophysical certainty of being economically viable and are extractable using existing assets.
- The future production unit assigned to on-mine shared infrastructure which is utilised over more than one section of the orebody or is used to access ore tonnes outside the current approved mine plan
- When assessing the estimated useful life of individual assets and residual values.

US\$ million	Plant and machinery	Mineral properties	Assets under construction	Total
Cost				
Balance at 1 July 2022	1,226	58	48	1,332
Additions	2	—	115	117
Disposals	(143)	—	—	(143)
Change in rehabilitation assets	(5)	—	—	(5)
Transfer of assets under construction	67	—	(67)	—
Translation differences	(162)	(8)	(9)	(179)
Balance at 30 June 2023	985	50	87	1,122
Additions	—	—	84	84
Disposals	(28)	—	—	(28)
Transfer of assets under construction	46	—	(46)	—
Translation differences	35	2	4	41
Balance at 30 June 2024	1,038	52	129	1,219
Depreciation and impairment				
Balance at 1 July 2022	652	44	2	698
Depreciation for the year	79	4	—	83
Disposals	(141)	—	—	(141)
Impairments	(19)	—	—	(19)
Translation differences	(89)	(7)	(1)	(97)
Balance at 30 June 2023	482	41	1	524
Depreciation for the year	86	4	—	90
Disposals	(24)	—	—	(24)
Impairments	78	—	—	78
Translation differences	18	1	—	19
Balance at 30 June 2024	640	46	1	687
Net book value				
At 30 June 2023	503	9	86	598
At 30 June 2024	398	6	128	532

Capital commitments

The Group has total commitments of US\$29 million (2023: US\$103 million).

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11. Leases

Information for leases for which the Group is a lessee is presented below:

Right-of-use assets

US\$ million	Buildings	Plant and machinery	Total
Cost			
Balance at 1 July 2022	4	31	35
Additions	2	8	10
Balance at 30 June 2023	6	39	45
Balance at 30 June 2024	6	39	45
Amortisation and impairment			
Balance at 1 July 2022	2	10	12
Amortisation for the year	1	3	4
Capitalised to property, plant and equipment	—	2	2
Balance at 30 June 2023	3	15	18
Amortisation for the year	—	5	5
Balance at 30 June 2024	3	20	23
Net book value			
At 30 June 2023	3	24	27
At 30 June 2024	3	19	22

Lease liabilities

US\$ million	Buildings	Plant and machinery	Total
Balance at 1 July 2022	2	21	23
Additions	2	7	9
Finance charges	—	1	1
Capitalised to property, plant and equipment	—	1	1
Lease payments	(1)	(4)	(5)
Balance at 30 June 2023	3	26	29
Balance at 1 July 2023	3	26	29
Finance charges	—	2	2
Lease payments	(1)	(5)	(6)
Balance at 30 June 2024	2	23	25
US\$ million		2024	2023
Current		4	3
Non-current		21	26
At 30 June		25	29

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Amounts recognised in profit and loss

US\$ million	2024	2023
Amortisation on right-of-use assets	(5)	(3)
Finance expense on lease liabilities	(2)	(2)
	(7)	(5)

12. Loans receivable

Refer to note 29 for the Group's policy in respect of financial instruments, which include loans receivables.

Significant judgements and estimates relevant to loans receivable

Refer below for significant judgements in respect of the loans receivable and expected credit loss provision recorded in respect of loans receivables.

US\$ million	2024	2023
Non-current assets		
B-BBEE loans receivable ¹	42	37

1. Interest on the loans receivable is charged at the prevailing South African JIBAR plus an interest margin of 5.25%. The movement in the year includes advances, repayments, accrued interest and foreign exchange retranslation. The loans are repayable from future cashflows, attributable to the loan holders, generated from the underlying mining operations.

B-BBEE loans receivable

The non-current B-BBEE loans receivable represents those amounts receivable from the Group's (Black Economic Empowerment (B-BBEE) Partners (Kago Diamonds and the IPDET) in respect of advances historically provided to the Group's B-BBEE Partners to enable them to discharge interest and capital commitments under the B-BBEE Lender facilities, advances to the B-BBEE Partners to enable trickle payment distributions to both Kago Diamonds shareholders and to the beneficiaries of the IPDET (Petra Directors and Senior Managers do not qualify as beneficiaries under the IPDET Trust Deed), and financing of their interests in the Koffiefontein mine.

As a result of historical delays in the Cullinan Mine plant ramp-up and the Finsch SLC ramp-up, the Group has historically elected to advance the B-BBEE Partners' funds using Group treasury to enable the B-BBEE Partners to service their interest and capital commitments under the B-BBEE Lender facilities (refer below). These receivables, including interest raised, will be recoverable from the B-BBEE Partners' share of future cashflows from the underlying mining operations.

The Group has applied the expected credit loss impairment model to its financial assets and the loans receivable. In determining the extent to which expected credit losses may apply, the Group assessed the future free cashflows to be generated by the mining operations, based on the current LOM plans. In assessing the future cashflows, the Group considered a probability weighted range of diamond price outlooks. Based on the assessment, no expected credit loss provision has been recognised in the Consolidated Income Statement for the year (2023: US\$nil).

US\$ million	2024	2023
As at 1 July	37	44
Repayment of loan from B-BBEE Partners	—	(6)
Interest receivable	6	5
Expected credit loss provision	(3)	—
Translation differences	2	(6)
As at 30 June	42	37

The IPDET holds a 12% interest in each of the Group's South African operations, with Petra's commercial B-BBEE Partners holding the remaining 14% interest through their respective shareholdings in Kago Diamonds, in which Petra has a 31.46% interest. The effective interest percentages attributable to the remaining operations for the Group's shareholders are disclosed in the table below:

Mine	B-BBEE Partner	B-BBEE interest %	Resultant Group's effective interest %
Cullinan Mine	Kago Diamonds and IPDET	26.0	78.4
Finsch	Kago Diamonds and IPDET	26.0	78.4
Koffiefontein	Kago Diamonds and IPDET	26.0	78.4

Further details of the transactions with the B-BBEE Partners are included in note 24.

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13. Non-controlling interests

The non-controlling interests of the Group's partners in its operations are presented in the table below:

US\$ million	Cullinan Mine	Finsch	Koffiefontein	Tarorite	Williamson ¹	Total
Effective interest %	21.6	21.6	21.6	17.8	25.0	
Country	South Africa	South Africa	South Africa	South Africa	Tanzania	
As at 1 July 2023	16	17	(37)	—	—	(4)
Loss for the year	(7)	(13)	(1)	—	—	(21)
Dividend paid to non-controlling interest shareholders	(2)	—	—	—	—	(2)
Translation difference	—	1	(1)	—	—	—
At 30 June 2024	7	5	(39)	—	—	(27)

US\$ million	Cullinan Mine	Finsch	Koffiefontein	Tarorite	Williamson ¹	Total
Effective interest %	21.6	21.6	21.6	17.8	25.0	
Country	South Africa	South Africa	South Africa	South Africa	Tanzania	
As at 1 July 2022	13	23	(31)	—	—	5
Profit/(loss) for the year	4	8	(9)	—	—	3
Dividend paid to non-controlling interest shareholders	—	(10)	—	—	—	(10)
Translation difference	(1)	(4)	3	—	—	(2)
At 30 June 2023	16	17	(37)	—	—	(4)

1. Non-controlling interest at Williamson is not recognised as the Government of Tanzania will not contribute in respect of accumulated losses. The finalisation of the FWA will result in future non-controlling interest at Williamson being recognised.

During the year, Cullinan Mine declared and paid a dividend out of profits generated in FY 2023 to its non-controlling interests of US\$2 million (Finsch 2023: US\$10 million). The B-BBEE Partners repaid US\$nil (2023: US\$6 million) towards their loans owing to the Group. For additional information on total assets, total liabilities and segment results for each operation in the table above refer to note 30.

14. Trade and other receivables

Accounting policy

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and the 12-month approach, unless a specific risk exists, for other receivables. To measure expected credit losses on a collective basis, trade receivables and other receivables are grouped based on similar credit risk and ageing.

US\$ million	2024	Restated 2023
Current		
Diamond debtors	30	9
Trade receivables	5	3
Other receivables – net ¹	24	25
Income tax receivable	—	1
Prepayments	9	4
	68	42
Non-current		
Williamson VAT receivable ²	5	7
Environmental rehabilitation investment ³	5	4
Other receivables	10	11

1. Included in other receivables is an amount relating to the proceeds from the partial sale of the Blocked Parcel of US\$12 million.

2. Other non-current receivables comprised the VAT receivable at Williamson.

3. Environmental rehabilitation investment held by Guardrisk as part of the mining rehabilitation guarantee provided to South Africa's Department of Mineral Resources.

As at 30 June 2024 trade receivables of US\$30 million (2023: US\$9 million) comprised diamond debtors, all of which had settled.

14. Trade and other receivables continued

Significant judgements and estimates relevant to VAT receivable at Williamson

The Group has net VAT receivable of US\$13 million (2023: US\$7 million) (after providing for the time-value of money and risk adjustments for various factors) in respect of Williamson, US\$5 million (2023: US\$7 million) of which are past due and have therefore been classified as non-current given the potential delays in receipt.

Update

An amount of US\$9 million (2023: US\$17 million) of VAT is receivable for the periods pre-July 2017 and subsequent to 1 July 2020. The Group is considering various alternatives in pursuing payment in accordance with legislation. Given the uncertainty around the timing of receipts of the amount outstanding, a provision was raised, resulting in a carrying value of US\$5 million (2023: US\$7 million).

While the remaining pre-July 2017 and post-1 July 2020 VAT balance is considered recoverable, significant uncertainty exists regarding the timing of receipt. A delay of 7 years over the remaining LOM at Williamson and a discount rate of 13.5% (2023: 14%) have been applied to the expected cash receipts inclusive of estimated country credit risk. A one percentage point increase in the discount rate would increase the provision by US\$nil and a one-year delay would increase the provision by US\$1 million.

During the year, an impairment reversal of US\$7 million (2023: US\$4 million charge) was recognised in the Consolidated Income Statement.

Recoverability of trade and other receivable from the partial sale of the of blocked diamond parcel

During FY 2018, an investigation into the Tanzanian diamond sector by a parliamentary committee in Tanzania was undertaken to determine if diamond royalty payments were being understated. In connection with this, Petra announced on 11 September 2017 that a parcel of diamonds (71,654.45 carats) from Williamson in Tanzania had been blocked for export to Petra's marketing office in Antwerp.

The confirmation from the Government of Tanzania (GoT) confirming that the Blocked Diamond parcel has been partially sold, resulted in the inventory no longer being available for sale. Management has applied judgement to the sales proceeds of the Blocked Diamond Parcel by estimating the fair value as at 30 June 2024, based on the original valuation of US\$15 million (11 September 2017), the movement in the diamond index (147.1 in Q1 FY 2017, compared to 103.72 at June 2024), a two-year expected delay to concluding the discussions with the GoT and a discount rate of 14%.

While these engagements between the Company and the GoT are ongoing, based on the above judgements and assessment thereof, management remains confident that based on the signed Framework Agreement, and the legal advice received from the Group's in-country attorneys, Williamson will derive future economic benefit from the sale proceeds of the parcel (both the portion already sold and any portion that is yet to be sold).

15. Inventories

Accounting policy

Inventories, which include rough diamonds, are stated at the lower of cost of production on the weighted average basis or estimated net realisable value. Cost of production includes direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less marketing costs. Net realisable value also incorporates costs of processing in the case of the ore stockpiles. Consumable stores are stated at the lower of cost on the weighted average basis or estimated replacement value. Work in progress is stated at raw material cost including allocated labour and overhead costs.

Significant judgements and estimates relevant to diamond inventories

Judgement is applied in making assumptions about the value of inventories and inventory stockpiles, including diamond prices, production grade and expenditure, to determine the extent to which the Group values inventory and inventory stockpiles. The Group uses empirical data on prices achieved, grade and expenditure in forming its assessment.

US\$ million	2024	2023
Diamonds held for sale	32	66
Work in progress stockpiles	1	4
Consumables and stores (net of provisions)	22	18
	55	88

16. Other financial assets

US\$ million	2024	2023
At fair value		
Guardrisk environmental rehabilitation policy	14	—

Legislation stipulates that all mining operations within South Africa are required to make a provision for environmental rehabilitation during the life-of-mine and at closure. In line with this requirement, the Group has entered into policies with a reputable insurance broker to set aside funds for the aforementioned purposes. On the back of these policies, the insurance broker provides the required mining rehabilitation guarantees which are accepted by South Africa's Department of Mineral Resources. The Group makes annual premium payments towards structured products that will allow the matching of the environmental rehabilitation liability against the Group assets over a period of time. The Group's environmental rehabilitation insurance product, which currently includes the Finsch, Cullinan and Koffiefontein mines. The Group has a commitment to pay insurance premiums over the next year of US\$2 million (2023: US\$2 million) to fund the environmental rehabilitation insurance product for the South African operations. The rehabilitation provisions are disclosed in note 21.

The fair value of the asset is based on valuations supplied by Guardrisk.

17. Cash and cash equivalents

US\$ million	2024	Restated 2023
Cash and cash equivalents – unrestricted cash	28	44
Cash and cash equivalents – restricted cash ¹	1	14
Cash and cash equivalents – Statement of financial position	29	58
Bank overdraft	(8)	—
	21	58

1. The Group's environmental rehabilitation insurance product, which currently includes the Finsch, Cullinan and Koffiefontein mines, has secured cash assets of US\$1 million (2023: US\$14 million) held in a cell captive and by the Group's bankers. Refer to note 16 for more detail.

18. Equity and reserves

Share capital

US\$ million	Number of shares	2024	Number of shares	2023
Authorised – Ordinary Shares of 0.05 pence (2023: 0.05 pence) each	10,000,000,000	164	10,000,000,000	164
Issued and fully paid				
At 30 June	194,201,785	146	194,201,785	146

The Group's equity and reserve balances include the following:

Share capital

The share capital comprises the issued Ordinary Shares of the Company at par.

Share premium account

The share premium account comprises the excess value recognised from the issue of Ordinary Shares at par less share issue costs.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of entities with a functional currency other than US Dollars and foreign exchange differences on net investments in foreign operations.

18. Equity and reserves continued

Share capital continued

Share-based payment reserve

The share-based payment reserve comprises:

- The fair value of employee and Director options as measured at grant date and spread over the period during which the employees or Directors become unconditionally entitled to the options
- The fair value of shares awarded under the Performance Share Plan measured at grant date (inclusive of market-based vesting conditions) with estimated numbers of awards to vest due to non-market-based vesting conditions evaluated each period and the fair value spread over the period during which the employees or Directors become unconditionally entitled to the awards
- Foreign exchange retranslation of the reserve
- Amounts transferred to retained losses in respect of exercised and lapsed options
- Amounts derecognised as part of cash settlement of vested awards originally planned for equity settlement

19. Interest-bearing loans and borrowings

Accounting policy for substantial modification of financial liabilities

When the Group's borrowings are refinanced, and the refinancing is considered to be a substantial modification, the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised as a charge in the income statement.

Under the quantitative test, the modification is classed as substantial if the present value of the modified cashflows is at least 10% different to the present value of the remaining original cashflows. There may be circumstances where the 10% test is not met, but other qualitative factors indicate there has been a substantial modification.

The following table summarises the Group's current and non-current interest-bearing borrowings:

US\$ million	2024	2023
Current		
Loans and borrowings – senior secured second lien notes (refer note 27)	25	25
Non-current		
Loans and borrowings – senior secured lender debt facilities	25	—
Loans and borrowings – senior secured second lien notes	221	222
Total non-current borrowings (refer note 27)	246	222
Total borrowings	271	247

(a) US\$337 million senior secured second lien notes

A wholly owned subsidiary of the Company, Petra Diamonds US\$ Treasury Plc, issued debt securities consisting of US\$337 million five-year senior secured second lien Loan Notes, with a maturity date of 8 March 2026. The Notes carry a coupon from:

- 9 March 2021 to 31 December 2022 of 10.50% per annum, which is capitalised to the outstanding principal amount semi-annually in arrears on 31 December and 30 June of each year
- 1 January 2023 to 30 June 2023 of 10.50% per annum on 37.7778% of the aggregate principal amount outstanding, which is capitalised to the outstanding principal amount semi-annually in arrears on 31 December and 30 June of each year and 9.75% per annum on 62.2222% of the aggregate principal amount outstanding which is payable in cash semi-annually in arrears on 31 December and 30 June of each year
- 1 July 2023 to 31 December 2025 of 9.75% per annum on the aggregate principal amount outstanding which is payable in cash semi-annually in arrears on 31 December and 30 June of each year
- 1 January 2026 to 8 March 2026 (final coupon payment) of 9.75% per annum on the aggregate principal amount outstanding which is payable in cash

During May and June 2024, the Group through the Issuer of the bonds repurchased some of its bonds with a nominal value of US\$5 million and accrued interest of US\$0.2 million at a value of US\$4 million in three tranches. The principal outstanding after these Note repurchases is US\$206 million. The Group generated a gain of US\$1 million on the repurchase of these Notes at market price.

19. Interest-bearing loans and borrowings continued

(a) US\$337 million senior secured second lien notes continued

The remaining costs associated with issuing the Notes of US\$14 million was originally capitalised against the principal amount and US\$7 million remains unamortised as at 30 June 2024 (2023: US\$11 million). Interest of US\$47 million has been capitalised as at 30 June 2024 (2023: US\$47 million).

The Notes are guaranteed by the Company and by the Group's material subsidiaries and are secured on a second-priority basis on the assets of the Group's material subsidiaries (refer to note 26 for further detail). The Notes are listed on the Irish Stock Exchange and traded on the Global Exchange Market. The Company has the right to redeem all or part of the Notes at the following redemption prices (expressed as percentages of the principal amount), plus any unpaid accrued interest:

	Redemption price
Period of 12 months from 9 March 2024	102.44%
Period of 12 months from 9 March 2025	100.00%

The Notes are secured on a second-priority basis to the senior secured lender debt facilities by:

- The cession of all claims and shareholdings held by the Company and certain of the guarantors within the Group
- The cession of all unsecured cash balances held by the Company and certain of the guarantors
- The creation of liens over the moveable assets of the Company and certain of the guarantors
- The creation of liens over the mining rights and immovable assets held and owned by certain of the guarantors

b) Senior secured lender debt facilities

Effective 15 February 2024, following the completion of an amendment agreement, Absa approved the increased commitments under the existing RCF from ZAR1 billion (US\$54 million) to ZAR1.75 billion (US\$96 million), providing an additional c. US\$41 million of liquidity headroom.

The terms of the Revolving Credit Facility (RCF) with Absa are:

- Maturity date 7 January 2026. The final repayment date is 60 days prior to 8 March 2026 creating a 60-day buffer between the redemption of the Notes and the maturity of the RCF
- To maintain a net debt: EBITDA ratio tested semi-annually on a rolling 12-month basis
- To maintain an interest cover ratio tested semi-annually on a rolling 12-month basis, which if breached will give rise to an event of default under the bank facilities
- To maintain a minimum 12-month forward-looking liquidity requirement that consolidated cash and equivalents shall not fall below US\$20.0 million.
- Interest rate of SA JIBAR + 4.15% per annum, payable monthly (with the margin to be reassessed annually based on Petra's credit metrics). The year-end interest rate was 12.65% (2023: 9.16%)
- Foreign exchange settlement facility of ZAR300 million, no additional settlement fees
- The RCF facility is secured on the Group's interests in Finsch, Cullinan and Koffiefontein mines

The Company's covenant levels for the respective measurement periods are outlined below:

	FY22 H2	FY23 H1	FY23 H2	FY24 H1	FY24 H2	FY25 H1	FY25 H2	FY26 H1
Consolidated net debt:EBITDA leverage ratio (maximum)	4.00	4.00	4.00	3.50	3.50	3.25	3.25	3.00
Interest cover ratio (minimum)	1.85	1.85	1.85	2.50	2.50	2.75	2.75	3.00

1. Fees, comprising commitment fees of 1.25% per annum of the principal amount.

2. Consolidated net debt for covenant measurement purposes is bank loans and borrowings plus Loan Notes, less cash, restricted cash, bank overdraft and diamond debtors.

There were no covenant breaches at 30 June 2024.

At Year End, an amount of ZAR1.3 billion (US\$72 million) remained available for draw-down on the RCF, following drawdowns totalling ZAR850 million (US\$45 million) and repayments of ZAR400 million (US\$21 million) during FY 2024 for working capital requirements.

20. Trade and other payables

US\$ million	2024	2023
Current		
Trade payables	48	35
Accruals and other payables	30	33
	78	68
Income tax payable	3	1
	81	69

21. Provisions

Accounting policy – Decommissioning, mine closure and environmental rehabilitation

The obligation to restore environmental damage caused through mining is raised as the relevant mining takes place. Assumptions are made as to the remaining life of existing operations based on the approved current mine plan and assessments of extensions to the mine plans to access resources in the Resources Statement that are considered sufficiently certain of extraction.

Decommissioning and rehabilitation will generally occur on or after the closure of the mine, based on current legal requirements and existing technology. A rehabilitation provision is raised based on the present value of the estimated rehabilitation costs. These costs are included in the cost of the related asset. The capitalised assets are depreciated in accordance with the accounting policy for property, plant and equipment. Increases in the provision, as a result of the unwinding of discounting, are charged to the Consolidated Income Statement within finance expense. The cost of the ongoing programmes to prevent and control pollution, and ongoing rehabilitation costs of the Group's operations, is charged to profit and loss as incurred.

Changes to the present value of the obligation due to changes in assumptions are recognised as adjustments to the provision together with an associated increase/(decrease) in the related rehabilitation asset. In circumstances where the rehabilitation asset has been fully amortised, reductions in the provision give rise to other direct income.

Significant estimates and assumptions are made in determining the amount attributable to decommissioning and rehabilitation provisions. These deal with uncertainties such as the legal and regulatory framework, timing and future costs. In determining the amount attributable to decommissioning and rehabilitation provisions, management used a discount rate range of 6.8–12.1% (2023: 7.8–12.4%), estimated decommissioning and rehabilitation timing of 6 to 20 years (2023: 7 to 21 years) and an inflation rate range of 4.0–9.6% (2023: 4.2–9.9%). The Group estimates the cost of decommissioning and rehabilitation with reference to approved environmental plans filed with the local authorities. Reductions in estimates are only recognised when such reductions are approved by local legislation. Increases in estimates are immediately recognised.

US\$ million	Human rights settlement claims	Provisions for unsettled and disputed tax claims, and severance payments	Provision for TSF costs	Provision for closure of Koffiefontein	Pension and post-retirement medical fund	Decommissioning and rehabilitation	Total
Balance at 1 July 2023	8	22	3	12	11	61	117
(Utilised)/increased during the year	—	—	(2)	(7)	—	6	(3)
Decrease in rehabilitation provision – change in estimate	—	—	—	—	—	(6)	(6)
Unwinding of present value adjustment of rehabilitation provision	—	—	—	1	—	8	9
Translation differences	—	—	—	1	—	2	3
Balance at 30 June 2024	8	22	1	7	11	71	120

US\$ million	2024	2023
Current	8	18
Non-current	112	99
Balance at 30 June 2024	120	117

Employee entitlements and other provisions

The provisions relate to provision for an unfunded post-retirement medical fund, pension fund and retrenchment costs. Details in respect of the post-retirement medical and pension schemes and related key judgements and estimates are disclosed in notes 27 and 28.

21. Provisions continued

Human rights settlement claims

The Independent Grievance Mechanism (IGM) is a non-judicial process that has the capacity to investigate and resolve complaints alleging severe human rights impacts in connection with security operations at the Williamson diamond mine. It is being overseen by an Independent Panel of Tanzanian experts taking an approach informed by principles of Tanzanian law, and with complainants having access to free and independent advice from local lawyers. The overall aim of the IGM is to promote reconciliation between the Williamson diamond mine, directly affected parties and the broader community by providing remedy to those individuals who have suffered severe human rights impacts. Petra Diamonds Limited (Petra) has agreed to fund the remedies determined by the IGM.

On 28 November 2022, the IGM became operational with the commencement of the IGM's pilot phase. The pilot phase, which was completed in May 2023, has allowed the IGM's systems and procedures to be further developed and adjusted to take into account learnings. The Independent Panel (IP) has started making decisions on the merits of the cases considered during the pilot phase and the associated remedies for successful grievances. Registration of new grievances closed on 31 January 2024 and first remedy payments to claimants were made on 14 June 2024.

Judgement has been applied by management in assessing the estimated future cost of remedies for successful grievances based on the outcome of claims investigated during the pilot phase. Management has assessed the results of these investigated claims and performed its own estimate based on calculations received from consultants. The estimate makes a number of different assumptions, including, amongst others, the categories of the grievances, the number of non-returning claimants, the success rates of the grievances and the settlement payment that apply to successful grievances due to, for example, limitation periods, contributory negligence, the involvement of the Tanzanian police, self-defence and a lack of supporting evidence. These estimates also do not make any allowance for non-financial remedies that the IP may award. The outcomes of the concluded cases, spread across all categories, have been extrapolated across the grievance population, based on the average claim settlement per category and the various categories of the grievances (nature of claims). Management's assessment resulted in estimated aggregate costs of US\$8 million to be provided at Year End (2023: US\$8 million).

Unsettled and disputed tax claims

The Framework Agreement records a US\$20 million settlement between the parties concerning long-standing historical disputes with the Government of Tanzania. The Group raised a provision of US\$19 million (2023: US\$19 million) (adjusted for the time-value of money) in respect of the aforementioned settlement. This settlement payment shall be made in instalments, with the first instalment of US\$5 million to be paid when the Framework Agreement becomes effective and upon receipt of proceeds by Williamson from the sale of the confiscated diamond parcel. The subsequent annual instalments of the settlement amount are to be made annually at amounts between US\$3 million and US\$5 million depending on Williamson's ability to pay, as determined by Williamson's board of directors.

Williamson tailings storage facility

In FY 2023, the tailings storage facility at Williamson failed, resulting in flooding away from the pit which extended into certain areas outside of the mine lease area. A provision for ongoing remediation of US\$3 million was raised. During the Year almost all of the remediation work was completed and a remaining provision of US\$1 million remains as at 30 June 2024.

Koffiefontein closure provisions

The Company has been engaged in a process to responsibly exit the Koffiefontein Diamond Mine since April 2022, with the mine placed on care and maintenance in November 2022. Following the failure to secure a buyer, the mine's decommissioning, rehabilitation, and closure were initially planned. However, on 8 April 2024, Petra entered into a definitive transaction agreement with affiliates of Stargems diamond group for the sale of Koffiefontein.

The completion of the sale is contingent on obtaining consent from the Department of Mineral Resources and Energy (DMRE) under Section 11 of South Africa's Mineral and Petroleum Resources Development Act. The sale agreement includes the transfer of Petra's stake in Koffiefontein to Stargems for a nominal cash consideration, with Petra retaining liability for certain ongoing social commitments related to Koffiefontein.

As of 30 June 2024, Koffiefontein remains classified as a discontinued operation. Liabilities associated with environmental rehabilitation, social commitments, and care and maintenance costs have been accounted for, with the total liabilities recognised at \$24 million (2023: US\$26 million). The sale of Koffiefontein does not meet the IFRS 5 criteria for classification as non-current assets and liabilities held for sale as of the reporting date due to uncertainties regarding the timing of the DMRE's approval process.

Significant estimates and assumptions are made in determining the amount attributable to care and maintenance provisions. These deal with uncertainties such as the regulatory framework, timing and future costs. In determining the amount attributable to care and maintenance provisions at Koffiefontein, management used a discount rate of 10.5%, estimated timing to final closure of 11 years and an inflation rate of 6%. Management's estimate of costs has taken into account discussions with suppliers, contractors, quotes and historical on-mine costs. Management's assessment resulted in additional estimated aggregate costs of US\$1 million provided at Year End (2023: US\$12 million). US\$7 million of actual expenditure was incurred in the Year. The estimate will be reassessed at each future reporting date.

22. Deferred tax liabilities

Significant estimates and judgements related to deferred tax assets

Judgement is applied in making assumptions about recognition of deferred tax assets in respect of the timing and value of estimated future taxable income and available tax losses, as well as the timing of rehabilitation costs and the availability of associated taxable income.

Management has made assumptions in the recognition of deferred tax assets including the timing and value of estimated future taxable income, available tax losses and capital allowances at Williamson and their application thereof against unsettled and disputed tax claims referred to in the Framework Agreement (refer to note 32). As a result, the recognised and unrecognised deferred tax balances reflect amounts based on the actual submitted tax returns.

US\$ million	2024	2023
Balance at the beginning of the year	82	71
Income statement (credit)/debit	(34)	22
Foreign currency translation difference	2	(11)
Balance at the end of the year	50	82

Deferred taxation comprises:

US\$ million	Total	2024 Recognised	2024 Unrecognised
Deferred tax liability			
– Property, plant and equipment	132	132	—
	132	132	—
Deferred tax asset			
– Capital allowances	(96)	(61)	(35)
– Provisions and accruals	(37)	(19)	(18)
– Tax losses	(73)	(2)	(71)
	(206)	(82)	(124)
Net deferred taxation (asset)/liability	(74)	50	(124)

US\$ million	Total	2023 Recognised	2023 Unrecognised
Deferred tax liability			
– Property, plant and equipment	153	153	—
	153	153	—
Deferred tax asset			
– Capital allowances	(81)	(51)	(30)
– Provisions and accruals	(39)	(20)	(19)
– Tax losses	(83)	—	(83)
	(203)	(71)	(132)
Net deferred taxation (asset)/liability	(50)	82	(132)

No deferred tax liabilities (2023: US\$nil) have been recognised in relation to US\$310 million (2023: US\$310 million) of gross temporary differences associated with investments in subsidiaries as the Company is able to control the timing and amount of dividends from the related subsidiaries and there are no plans for future dividend payments and therefore it is probable that the reversal of the related temporary differences will not occur in the foreseeable future.

At Year end, potential deferred tax assets of US\$124 million (2023: US\$132 million) relating to gross deductible temporary differences of US\$440 million (2023: US\$422 million) were not recognised as it is not probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised.

Tax uncertainties

Several taxation issues are currently being addressed at Williamson with the Tanzania Revenue Authority (TRA). Management has obtained external legal advice and is of the opinion that the claims of the Tanzania Revenue Authority are unlikely to succeed. If the legal outcome with the TRA is unsuccessful, the Framework agreement, signed in December 2021, and the subsequent economic benefit arrangement will be used to guide negotiations with the TRA. These negotiations may result in a reduction in the carried forward tax losses of Williamson.

23. Share-based payments

Accounting policies

Employee and Director share option scheme

The fair value of options granted to employees or Directors is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees or Directors become unconditionally entitled to the options. The fair value of the options granted is measured based on the Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting. The exercise price is fixed at the date of grant and no compensation is due at the date of grant. On exercise, equity is increased by the amount of the proceeds received applicable to the option strike price. As the Company has the option to settle the options granted either through the issue of equity or a cash settlement, the Company has not recognised a present obligation to settle in cash.

The Long Term Incentive Plan (LTIP) award fair value is measured annually at the date of grant with reference to the Company share price and award quantum. The amount recognised as an expense is then adjusted to reflect the final number of LTIPs which vest once the final performance conditions and weighted average share price are determined. Measurement of the expense is calculated on a straight-line basis (LTIP award multiplied by the vesting percentage, multiplied by the Company's share price, multiplied by the foreign exchange rate).

Company schemes

The total share-based payment charge of US\$1 million (2023: US\$2 million) for the Performance Share Plan (PSP) comprises US\$1 million (2023: US\$2 million) charged to the Consolidated Income Statement.

There was no charge for the LTIP share plan to the Consolidated Income Statement (2023: US\$nil).

Share grants to Directors and Senior Management: PSP and deferred awards

The share-based payment awards are considered to be equity settled, albeit they can be cash settled at the Company's option. The PSP granted during the current year comprised the PSP with duration from FY 2024 to FY 2026. The fair value of the PSP granted during the current and prior year and the assumptions used in the Monte Carlo model are as follows:

PSP – market and non-market-based performance conditions	2024 (FY 2024–FY 2026)	2024 (FY 2024–FY 2026)	2023 (FY 2023–FY 2025)
Fair value (PSP absolute TSR/PSP relative TSR/PSP non-market)	1.8p/38.1p/66.9p	1.8p/38.1p/66.9p	1.8p/63.2p/110.8p
Grant date	18 January 2024	19 October 2023	14 December 2022
Share price at grant date	60.5	51.9p	110.8p
Expected volatility	85.0%	85.0%	85.0%
Life of award	3 years	3 years	3 years
Performance period	3 years	3 years	3 years
Correlation	19.8%	19.8%	19.8%
Risk-free interest rate (based on national government bonds)	0.5%	0.5%	0.5%

The expected volatility is based on historical volatility of the Group's share price, adjusted for any extreme changes in the share price during the historical period. During the year, 2,643,805 (2023: 1,855,032 under the FY 2023–FY 2025 PSP) PSP shares were awarded under the FY 2024–FY 2026 plan to the Executive Directors and Senior Management at a fair value price of 66.9 pence (2023: 110.8 pence). The awards were granted under the Company's 2021 PSP rules. In addition, a further 880,798 performance share awards were granted to the Executive Directors and Senior Management. These outperformance share awards to Executive Directors represent 50% of the Executive Directors' salaries and were approved by shareholders at the AGM on 14 November 2023. The correlation factor used above is based on analysis of historical correlation rates between the Company and mining companies within the FTSE 350. The grant date fair values incorporate the effect of the relevant market-based conditions. The awards have no exercise price.

23. Share-based payments continued

Senior Management LTIP

The LTIP 2016 scheme is a cash-based reward scheme with each LTIP unit equivalent in value to a Petra share award at time of vesting, linked to the share price performance. Upon vesting, no shares will be issued to Senior Management under the LTIP 2016 scheme. Awards will vest with reference to set performance criteria covering a three-year measurement period. The LTIP scorecard includes a component measuring Petra's sustainability performance with a focus on GHG emission reduction efforts in support of the Group's FY 2030 GHG emission reduction target, as well as our longer-term commitment to be net zero for Scope 1 and 2 emissions by 2050 while aspiring to reach this by 2040. Upon vesting, no shares will be issued to Senior Management.

24. Related parties

Subsidiaries

Details of subsidiaries are disclosed in note 26.

Directors

Details relating to key management personnel (including Directors') remuneration are disclosed in note 8.

B-BBEE Partners and related party balances

Details relating to the Group's interests in its B-BBEE Partners are disclosed in note 12.

The Group's related party B-BBEE Partner, Kago Diamonds, and its gross interests in the mining operations of the Group are disclosed in the table below.

Mine	Partner and respective interest as at 30 June 2024	Partner and respective interest as at 30 June 2023
Cullinan Mine	Kago Diamonds (14%)	Kago Diamonds (14%)
Finsch	Kago Diamonds (14%)	Kago Diamonds (14%)
Koffiefontein	Kago Diamonds (14%)	Kago Diamonds (14%)

The non-current loans receivable, finance income and finance expense due from and due to the related party B-BBEE Partner and other related parties are disclosed in the table below:

US\$ million	2024	2023
Non-current receivable		
Kago Diamonds	21	21
	21	21
Finance income		
Kago Diamonds	3	2
	3	2
Dividend paid		
Kago Diamonds	1	1
	1	1

Interest on the loans receivables is charged at South African JIBAR plus 5.25% (2023: South African JIBAR plus 5.25%).

Kago Diamonds is one of the B-BBEE Partners which obtained bank financing from the B-BBEE Lenders to acquire its interests in Cullinan Mine and Finsch.

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25. Notes to the cashflow statement

(a) Cash generated from operations

US\$ million	2024	2023
Loss before taxation for the year from continuing and discontinued operations	(139)	(79)
Depreciation of property, plant and equipment	90	83
Amortisation of right-of-use asset	5	4
Net impairment charge/(reversal)	75	(15)
Gain on extinguishment of Notes	(1)	(1)
Non-cash items relating to discontinued operations	3	22
Movement in provisions	(9)	7
Dividend income from B-BBEE Partners	—	(1)
Finance income	(19)	(11)
Finance expense	44	71
(Profit)/loss on sale of property, plant and equipment	(1)	1
Share-based payment expense	1	2
Operating profit before working capital changes	49	83
(Increase)/decrease in trade and other receivables	(19)	1
Increase/(decrease) in trade and other payables	2	(10)
Decrease/(increase) in inventories	35	(26)
Cash generated from operations	67	48

(b) Financing activities – change in loans and borrowings (per note 19) and change in lease liability (per note 11)

US\$ million	Senior secured second lien notes 2024	Senior secured lender debt facilities 2024	Lease liability 2024	Total 2024	Senior secured second lien notes 2023	Senior secured lender debt facilities 2023	Lease liability 2023	Total 2023
Loans and borrowings								
At 1 July	247	—	29	276	366	—	23	389
Cash draw-downs	—	45	—	45	—	—	—	—
Cash repayments (capital and interest)	(25)	(26)	—	(51)	(8)	—	—	(8)
Lease payments	—	—	(6)	(6)	—	—	(5)	(5)
Repurchase of Notes/ Debt tender offer	(5)	—	—	(5)	(145)	—	—	(145)
Non-cash								
– Initial recognition of lease liability	—	—	—	—	—	—	9	9
– Cancellation of \$492,000 Notes	—	—	—	—	(1)	—	—	(1)
– Unamortised transaction costs	—	—	—	—	7	—	—	7
– Interest accruing during the year	29	5	2	36	28	—	1	29
– Capitalised to property, plant and equipment	—	—	—	—	—	—	1	1
Effect of foreign exchange	—	1	—	1	—	—	—	—
At 30 June	246	25	25	296	247	—	29	276

26. Subsidiaries

At 30 June 2024 the Group held ordinary shares of the following significant subsidiaries:

	Country of incorporation	Class of share capital held	Direct percentage held 30 June 2024	Direct percentage held 30 June 2023	Nature of business
Blue Diamond Mines (Pty) Ltd ¹	South Africa	Ordinary	74%	74%	Mining and exploration
Cullinan Diamond Mine (Pty) Ltd ¹	South Africa	Ordinary	74%	74%	Mining and exploration
Ealing Management Services (Pty) Ltd ¹	South Africa	Ordinary	100%	100%	Treasury
Finsch Diamond Mine (Pty) Ltd ¹	South Africa	Ordinary	74%	74%	Mining and exploration
Johannesburg Diamond Trading Company (Pty) Ltd	South Africa	Ordinary	100%	100%	Dormant
Kalahari Diamonds Ltd	United Kingdom	Ordinary	100%	100%	Investment holding
Mwadi Mining Holdings Ltd	United Kingdom	Ordinary	100%	100%	Investment holding
Petra Diamonds Angola Holdings Ltd	BVI	Ordinary	100%	100%	Dormant
Petra Diamonds Belgium BV	Belgium	Ordinary	100%	100%	Services provision
Petra Diamonds Foundation PPC	South Africa	Ordinary	100%	100%	Community development
Petra Diamonds Holdings SA (Pty) Ltd ¹	South Africa	Ordinary	100%	100%	Investment holding
Petra Diamonds Jersey Treasury Ltd ²	Jersey	Ordinary	100%	100%	Treasury
Petra Diamonds Netherlands Treasury B.V. ¹	Netherlands	Ordinary	100%	100%	Treasury
Petra Diamonds Southern Africa (Pty) Ltd ¹	South Africa	Ordinary	100%	100%	Services provision
Petra Diamonds UK Services Ltd	United Kingdom	Ordinary	100%	100%	Services provision
Petra Diamonds UK Treasury Ltd ¹	United Kingdom	Ordinary	100%	100%	Treasury
Petra Diamonds US\$ Treasury Plc ¹	United Kingdom	Ordinary	100%	100%	Treasury
Premier Transvaal Diamond Mining Company (Pty) Ltd	South Africa	Ordinary	100%	100%	Mining and exploration
Tarorite (Pty) Ltd ¹	South Africa	Ordinary	74%	74%	Beneficiation
Willcroft Company Ltd ¹	Bermuda	Ordinary	100%	100%	Investment holding
Williamson Diamonds Ltd	Tanzania	Ordinary	75%	75%	Mining and exploration

1. The companies are guarantors to the senior secured second lien notes.

2. Petra Diamonds Jersey Treasury Ltd was dissolved on 1 December 2023.

27. Pension scheme

The Company operates a defined benefit scheme and defined contribution scheme. The defined benefit scheme was acquired as part of the acquisitions of Cullinan and Finsch Mines and is closed to new members. The rules of the scheme do not currently indicate that surpluses will be allocated to the employer. Therefore, the Company has not recognised fund surpluses. Plan assets are therefore limited to the value of the funded obligations.

All new employees are required to join the defined contribution scheme. The assets of the pension schemes are held separately from those of the Group's assets.

Defined benefit scheme

The defined benefit scheme, which is contributory for members, provides benefits based on final pensionable salary and contributions.

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27. Pension scheme continued

Defined benefit scheme continued

The pension charge or income for the defined benefit scheme is assessed in accordance with the advice of a qualified actuary using the projected unit credit method.

US\$ million	2024	2023
Defined benefit scheme		
Defined benefit obligations	(8)	(7)
Plan assets	8	7
Net amounts recognised	—	—
Plan assets		
At 1 July	7	9
Translation adjustments	—	(1)
Return on plan assets – net of actuarial movements	1	—
Benefits paid to members	—	(1)
At 30 June	8	7
Defined benefit obligations		
At 1 July	(7)	(9)
Translation adjustments	—	1
Benefits paid to members	—	1
Finance expense	(1)	(1)
Actuarial gain	—	1
At 30 June	(8)	(7)
Effect of the asset ceiling	1	1

The previous statutory valuation showed that no further deficit funding was required from the employer. Normal employer contributions were reduced to 29.94% with effect from 1 April 2024. There have been no significant rule amendments or changes to the Fund's structure since the previous valuation. A 1.73% pension increase has been recommended by the Fund valuator with effect from 1 July 2024. This increase has been included in the liabilities valued as at 30 June 2024.

US\$ million	2024	2023
Estimation of future pension benefit payments (for the next 5 years)		
Benefit payments 2024	—	—
Benefit payments 2025	—	1
Benefit payments 2026	1	1
Benefit payments 2027	1	1
Benefit payments 2028	1	1
Benefit payments 2029	1	—
Liabilities at fair market value at 30 June	4	4

28. Post-retirement medical fund

The Group's post-retirement medical fund is unfunded and recognised as a liability on the Consolidated Statement of Financial Position within provisions.

The scheme was acquired as part of the acquisitions of Cullinan Mine and Finsch and is closed to new members. The Group's post-employment healthcare liability consists of a commitment to pay a portion of the members' post-employment medical scheme contributions. This liability is also generated in respect of dependants who are offered continued membership of the medical scheme on the death of the primary member.

Significant judgements and estimates relevant to medical funds

The post-employment medical liability is annually calculated by a qualified actuary using the projected unit credit method. The most recent actuarial valuation was at 30 June 2024. Assumptions made in connection with the scheme valuation include the health care cost of inflation, the average yield of South African Government long-dated bonds and withdrawal rates and life expectancies.

US\$ million	2024	2023
Unfunded post-retirement medical fund		
Present value of post-employment medical liability	11	10
Movements in the present value of the post-retirement medical liability recognised in the Consolidated Statement of Financial Position		
Net liability for the post-retirement medical fund obligation as at 1 July	10	12
Translation adjustment	—	(1)
Net expense recognised in the income statement	1	1
Membership changes	1	(1)
Benefit payments	(1)	(1)
Net liability for post-employment medical care obligations at 30 June	11	10
The expense is recognised in the following line items in the income statement		
Finance expense	1	1
Principal actuarial assumptions		
Discount rate	12.4%	12.9%
Health care cost inflation	7.9%	8.4%
Net discount rate	4.1%	4.1%
US\$ million	2024	2023
Estimated future benefit payments (for the next 5 years)		
The following future benefit payments, which reflect the expected future services, as appropriate, are expected to be paid:		
2024	—	—
2025	—	1
2026	1	1
2027	1	1
2028	1	1
2029	1	—
	4	4

29. Financial instruments

Accounting policies

The Group classifies its financial assets (excluding derivatives) into the following category and the Group's accounting policy for the category is as follows:

Financial assets

Amortised cost

These assets arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary assets where the objective is to hold these assets in order to collect contractual cashflows and the contractual cashflows are solely payments of principal and interest. They are initially recognised at the fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest method, less provision for impairment.

Impairment

Impairment provisions for current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the Consolidated Income Statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions/reversals for receivables from related parties, B-BBEE Partners and other third parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's financial assets measured at amortised cost comprise non-current receivables, trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

The financial assets classified at amortised cost included in receivables are as follows:

US\$ million	Total 2024	Total 2023
Diamond debtors	30	9
Trade receivables	5	3
Other receivables (excluding taxation, VAT and prepayments)	15	21
Non-current receivables (excluding VAT)	47	41
	97	74

The trade receivables are all due within normal trading terms. Trade receivables are due within two days of awarding the rough diamond sales tender to the successful bidder. The trade receivables relating to the year end tender have all been received post Year End. No trade receivables are considered to be subject to credit loss or impaired.

29. Financial instruments continued

The carrying values of financial assets held at amortised cost are denominated in the following currencies:

US\$ million	Total 2024	Total 2023
Pound Sterling	1	1
South African Rand	55	52
US Dollar	42	21
	98	74

The financial assets classified at fair value through profit or loss (FVTPL) are held within the Guardrisk rehabilitation policy (refer note 16). Fair value is measured at the market price for the listed investments. Inputs to the fair value are based on level 2 of the fair value hierarchy. Fair value at 30 June 2024 is US\$14 million (2023: US\$nil). No fair value profit or loss was recognised during 2024 as the investment was transferred during June 2024.

Financial liabilities

The Group classifies its financial liabilities (excluding derivatives) into one category: other financial liabilities. The Group's accounting policy is as follows:

Other financial liabilities

Trade payables, other payables and leases

Trade payables, other payables and leases, which are initially recognised at fair value, are subsequently carried at amortised cost using the effective interest rate method.

The other financial liabilities included in trade and other payables (which exclude taxation) are as follows:

US\$ million	Total 2024	Total 2023
Trade payables	48	35
Other payables (excluding taxation)	33	32
Current lease liability	4	3
Bank overdraft	8	—
Non-current lease liability	21	26
	114	96

The carrying values of other financial liabilities are denominated in the following currencies:

US\$ million	Total 2024	Total 2023
Pound Sterling	14	14
South African Rand	30	17
US Dollar	70	65
	114	96

29. Financial instruments continued

Interest-bearing borrowings

Refer to note 19 for the Group's policy on interest-bearing borrowings.

The details of the categories of financial instruments of the Group are as follows:

US\$ million	Total 2024	Total 2023
Financial assets		
Held at amortised cost:		
– Non-current trade and other receivables (excluding VAT)	47	41
– Trade receivables	35	12
– Other receivables (excluding taxation, prepayments and VAT)	15	21
– Cash and cash equivalents (including restricted cash)	29	58
Held at fair value through profit and loss:		
– Other financial asset	14	—
	140	132
Financial liabilities		
Held at amortised cost:		
– Non-current lease liability	21	26
– Non-current loans and borrowings	246	222
– Current loans and borrowings	25	25
– Bank overdraft	8	—
– Trade and other payables (excluding taxation, VAT and derivatives)	81	67
– Current lease liability	4	3
	385	343

There is no significant difference between the fair value of financial assets and other financial liabilities and the carrying values set out in the table above, noting that non-current loan receivables and payables bear interest.

The currency profile of the Group's financial assets and liabilities is as follows:

US\$ million	Total 2024	Total 2023
Financial assets		
Pound Sterling	1	8
South African Rand	71	79
US Dollar	68	45
	140	132
Financial liabilities		
Pound Sterling	14	14
South African Rand	54	17
US Dollar	317	312
	385	343

Further quantitative information in respect of these risks is presented throughout these Financial Statements.

Exposures to currency, liquidity, market price, credit and interest rate risk arise in the normal course of the Group's business. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. The Group uses financial instruments, in particular forward currency option contracts, to help manage foreign exchange risk. The Directors review and agree policies for managing each of these risks.

29. Financial instruments continued

Credit risk

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

The Group sells its rough diamond production through a tender process on a recognised bourse. This mitigates the need to undertake credit evaluations. Where production is not sold on a tender basis, the Directors undertake suitable credit evaluations before passing ownership of the product. At the reporting date there were significant concentrations of credit risk in respect of the loans receivable. The maximum exposure to credit risk is represented by the carrying amount of the financial assets in the Consolidated Statement of Financial Position. The material financial assets are carried at amortised cost, with no indication of impairment. The Group considers the credit quality of loans and receivables to be good with expected losses incurred as disclosed in notes 12 and 14.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, and in the absence of any mutual agreed settlement, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. The loans receivable represents those amounts receivable from the Group's B-BBEE Partners (Kago Diamonds and the IPDET) in respect of advances historically provided to the Group's B-BBEE Partners to enable them to discharge interest and capital commitments under the BEE Lender facilities, advances to the B-BBEE Partners to enable trickle payment distributions to both Kago Diamonds shareholders and to the beneficiaries of the IPDET (Petra Directors and Senior Managers do not qualify as beneficiaries under the IPDET Trust Deed), and financing of their interests in the Koffiefontein (refer to note 12). These receivables, including interest raised, will be recoverable from the B-BBEE Partners' share of future cashflows from the underlying mining operations, Cullinan Mine and Finsch.

The Group applies the expected credit loss model to the loans receivable. In determining the extent to which expected credit losses may apply, the Group assesses the future free cashflows to be generated by its mining operations, Cullinan and Finsch Mines. In the estimation of these future cashflows, management is required to consider available reasonable and supportive forwarding-looking information relating to reserves and resources, assumptions related to exchange rates, rough diamond and other commodity prices, extraction costs and recovery and production rates. Any such estimates and assumptions may change as new information becomes available. Changes in exchange rates, rough diamond and commodity prices, extraction and recovery costs and production rates may change the economic viability of ore reserves and resources and may ultimately result in a significant increase in credit risk related to the B-BBEE loans receivable.

Group cash balances are deposited with reputable banking institutions within the countries in which it operates. Excess cash is held in overnight call accounts and term deposits ranging from seven to 30 days. Refer to note 16 for environmental rehabilitation investment secured in respect of rehabilitation obligations. At Year End the Group had undrawn borrowing facilities of US\$72 million (2023: US\$53 million).

Derivatives

The fair values of derivatives are recorded on the Consolidated Statement of Financial Position within 'Trade and other receivables' or 'Trade and other payables'. Derivatives are classified as current or non-current depending on the date of expected settlement of the derivative.

The Group utilises derivative instruments to manage certain market risk exposures. The Group does not use derivative financial instruments for speculative purposes; however, it may choose not to designate certain derivatives as hedges for accounting purposes. Such derivatives are classified as 'non-hedges' and fair value movements are recorded in the Consolidated Income Statement. At Year End the Group had a derivative asset of US\$3 million (2023: US\$1 million derivative liability) recognised in the Consolidated Statement of Financial Position and a net realised foreign exchange gain of US\$5 million (2023: US\$2 million gain) and unrealised foreign exchange gains of US\$3 million (2023: US\$nil) recognised in the Consolidated Income Statement.

The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to the Board.

29. Financial instruments continued

Foreign exchange risk

Foreign exchange risk arises because the Group has operations located in parts of the world where the functional currency is not US Dollars. The Group's net assets arising from its foreign operations are exposed to currency risk resulting in gains and losses on translation into US Dollars.

Foreign exchange risk also arises when individual Group operations enter into transactions denominated in a currency other than their functional currency. The policy of the Group is, where possible, to allow Group entities to settle liabilities denominated in their local currency with the cash generated from their own operations in that currency, having converted US Dollar diamond revenues to local currencies. In the case of the funding of non-current assets, such as projects to expand productive capacity entailing material levels of capital expenditure, the central Group treasury function will assist the foreign operation to obtain matching funding in the functional currency of that operation and shall provide additional funding where required. The currency in which the additional funding is provided is determined by taking into account the following factors:

- The currency in which the revenue expected to be generated from the commissioning of the capital expenditure will be denominated
- The degree to which the currency in which the funding is provided is a currency normally used to effect business transactions in the business environment in which the foreign operation conducts business
- The currency of any funding derived by the Company for onward funding to the foreign operation and the degree to which it is considered necessary to hedge the currency risk of the Company represented by such derived funding

The sensitivity analysis to foreign currency rate changes is as follows:

US\$ million	30 June 2024			
	Year-end US\$ rate	Year-end amount	US\$ strengthens 10%	US\$ weakens 10%
Financial assets				
Pound Sterling	0.7910	1	1	1
South African Rand	0.0550	71	63	77
US Dollar	1.0000	68	69	69
		140	133	143
Financial liabilities				
Pound Sterling	0.7910	14	13	15
South African Rand	0.0550	54	48	59
US Dollar	1.0000	317	317	317
		385	378	391

US\$ million	30 June 2023			
	Year-end US\$ rate	Year-end amount	US\$ strengthens 10%	US\$ weakens 10%
Financial assets				
Pound Sterling	0.7872	8	7	9
South African Rand	0.0531	79	71	87
US Dollar	1.0000	45	45	45
		132	123	141
Financial liabilities				
Pound Sterling	0.7872	14	12	15
South African Rand	0.0531	17	15	19
US Dollar	1.0000	313	313	313
		344	340	347

The tables above reflect the impact of a 10% cumulative currency movement over the next 12 months and are shown for illustrative purposes.

29. Financial instruments continued

Liquidity risk

Liquidity risk arises from the Group's management of working capital, capital expenditure, finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations and when necessary will seek to raise funds through the issue of shares and/or debt.

It is the policy of the Group to ensure that it will always have sufficient cash to allow it to meet its liabilities when they fall due. To achieve this, the Group maintains cash balances and funding facilities at levels considered appropriate to meet ongoing obligations.

Cashflow is monitored on a regular basis. The maturity analysis of the actual cash payments due in respect of loans and borrowings is set out in the table below. The maturity analysis of trade and other payables is in accordance with those terms and conditions agreed between the Group and its suppliers. For trade and other payables, payment terms are 30 days, provided all terms and conditions have been complied with.

Maturity analysis

The below maturity analysis reflects cash and cash equivalents and loans and borrowings based on actual cashflows rather than carrying values.

30 June 2024								
US\$ million	Notes	Interest rate	Total	3 months or less	3-6 months	6-12 months	1-2 years	2-5 years
Cash and cash equivalents								
Cash – unrestricted	17	0.1–5.1%	28	28	—	—	—	—
Cash – restricted	17	0.1–5.1%	1	1	—	—	—	—
Total cash			29	29	—	—	—	—
Loans and borrowings								
Bank loan – secured	19	12.38%	30	—	1	1	28	—
Trade payables	20	0.0%	48	48	—	—	—	—
Bank overdraft	17	5.0-9.0%	8	8	—	—	—	—
Senior secured second lien notes	19	9.75%	294	—	12	12	270	—
Lease liabilities	11	5.98%	31	2	1	3	6	19
Cashflow of loans and borrowings			411	58	14	16	304	19
30 June 2023								
US\$ million	Notes	Interest rate	Total	3 months or less	3-6 months	6-12 months	1-2 years	2-5 years
Cash and cash equivalents								
Cash – unrestricted	17	0.1–5.1%	44	44	—	—	—	—
Cash – restricted	17	0.1–5.1%	14	14	—	—	—	—
Total cash			58	58	—	—	—	—
Loans and borrowings								
Bank loan – secured	19	12.65%	—	—	—	—	—	—
Trade payables	20	0.0%	35	35	—	—	—	—
Senior secured second lien notes	19	9.50%	326	—	13	13	25	275
Lease liabilities	11	5.98%	31	2	1	3	6	19
Cashflow of loans and borrowings			392	37	14	16	31	294

29. Financial instruments continued

Interest rate risk

The Group has borrowings that incur interest at fixed and floating rates. The Group's fixed rate borrowings comprise the senior secured second lien notes which incur interest at a fixed interest rate of 9.75%. Management constantly monitors the floating interest rates so that action can be taken should it be considered necessary. Management considered the impact of a change in the floating interest rate to the Group's financial results as the quantum of borrowings at floating rates is US\$25 million (2023: US\$nil). In the current year, the impact of a 100-basis point increase/decrease would result in a financial loss/gain of US\$2 million (2023: US\$nil).

Other market price risk

The Group predominantly generates revenue from the sale of rough and polished diamonds, as well as occasionally from polished stones. The significant number of variables involved in determining the selling prices of rough diamonds, such as the uniqueness of each individual rough stone, the content of the rough diamond parcel and the ruling US\$/ZAR spot rate at the date of sale, makes it difficult to accurately extrapolate the impact the fluctuations in diamond prices would have on the Group's revenue.

Capital disclosures

Capital is defined by the Group to be the capital and reserves attributable to equity holders of the parent company. The Group's objectives when maintaining capital are:

- To safeguard the ability of the entity to continue as a going concern
- To provide an adequate return to shareholders

The Group monitors capital on the basis of the debt-to-equity ratio. This ratio is calculated as net debt-to-equity. Net debt is calculated as US\$ Loan Notes (less transaction costs), bank loans and borrowings less restricted and unrestricted cash and cash equivalents (as defined by the RCF agreement) and bank overdraft. Equity comprises all components of equity attributable to equity holders of the parent company.

The debt-to-equity ratios at 30 June 2024 and 30 June 2023 are as follows:

US\$ million	Total 2024	Total 2023
Total debt	271	248
Net cash and cash equivalents	(21)	(58)
Net debt	250	190
Diamond debtors	(30)	(9)
Environmental rehabilitation investment	(19)	(4)
Consolidated net debt	201	177
Total equity attributable to equity holders of the parent company	244	321
Consolidated net debt-to-equity ratio	0.82:1	0.55:1

The Group manages its capital structure by the issue of Ordinary Shares, raising debt finance where appropriate and managing Group cash and cash equivalents.

30. Segment information

Segment information is presented in respect of the Group's operating and geographical segments:

- Mining – the extraction and sale of rough diamonds from mining operations in South Africa and Tanzania
- Corporate – administrative activities in the United Kingdom
- Beneficiation – beneficiation activities in South Africa

Segments are based on the Group's management and internal reporting structure. Management reviews the Group's performance by reviewing the results of the mining activities in South Africa and Tanzania, and reviewing the corporate administration expenses in the United Kingdom. Each segment derives, or aims to derive, its revenue from diamond mining and diamond sales, except for the United Kingdom corporate and administration cost centre.

Two customers individually contributed 10% or more to the total revenue, amounting to US\$126 million from all mining operations. operations and these two customers generated revenue of US\$78 million and US\$48 million in the year (2023: US\$67 million and US\$20 million).

30. Segment information continued

The Group's non-current assets located in South Africa are US\$548million (2023: US\$607 million) and Tanzania are US\$53 million (2023: US\$62 million).

Non-current assets include the Group's property, plant and equipment of which US\$493 million (2023: US\$567 million) are located in South Africa and US\$38 million (2023: US\$31 million) are in Tanzania.

	South Africa – mining activities			Tanzania – mining activities	United Kingdom	South Africa		
Operating segments US\$ million	Cullinan Mine 2024	Finsch 2024	Koffiefontein ⁵ 2024	Williamson 2024	Corporate and treasury 2024	Beneficiation ⁴ 2024	Inter-segment 2024	Consolidated 2024
Revenue	190	120	—	57	—	—	—	367
Segment result ¹	22	(21)	—	(25)	(14)	—	(1)	(39)
Impairment (charge)/ reversal – property, plant and other receivables	(33)	(45)	—	7	(3)	(1)	—	(75)
Other direct income	1	1	—	—	—	—	—	2
Operating profit/(loss) ²	(10)	(65)	—	(18)	(17)	(1)	(1)	(112)
Financial income								19
Financial expense								(44)
Gain on extinguishment of Notes net of unamortised costs								1
Income tax charge								32
Loss on discontinued operation including associated impairment charges (net of tax)								(3)
Non-controlling interest								21
Loss attributable to equity holders of the parent company								(86)
Segment assets ³	395	199	1	87	3,159	5	(3,074)	772
Segment liabilities ³	349	152	57	114	2,049	7	(2,173)	555
Cash flow from operating activities	68	12	—	(7)	(3)	—	—	70
Capital expenditure	48	25	—	10	1	—	—	84

1. Total depreciation of US\$90 million included in the segmental result comprises depreciation incurred at the Cullinan Mine of US\$45 million, Finsch of US\$30 million, Williamson of US\$14 million and Corporate and treasury of US\$1 million.

2. Operating profit/(loss) is equivalent to revenue of US\$367 million less total costs of US\$479 million as disclosed in the Consolidated Income Statement.

3. Segment assets and liabilities include inter-company receivables and payables which are eliminated on consolidation.

4. The beneficiation segment represents Tarorite, a cutting and polishing business in South Africa, which can on occasion cut and polish select rough diamonds.

5. The operating results of Koffiefontein are included under loss on discontinued operation including associated impairment (net of tax) as the operation has been placed on permanent care and maintenance.

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30. Segment information continued

Operating segments US\$ million	South Africa – mining activities			Tanzania – mining activities	United Kingdom	South Africa		Consolidated 2023
	Cullinan Mine 2023	Finsch 2023	Koffiefontein 2023	Williamson 2023	Corporate and treasury 2023	Beneficiation ⁴ 2023	Inter-segment 2023	
Revenue	183	93	—	49	—	—	—	325
Segment result ¹	49	10	—	(29)	(23)	—	(2)	5
Impairment reversal – operations	(2)	53	—	(31)	—	—	—	20
Impairment (charge)/ reversal – other receivables	—	—	—	(4)	(1)	—	—	(5)
Other direct income	—	—	—	(1)	1	—	—	—
Operating profit/(loss) ²	47	63	—	(65)	(23)	—	(2)	20
Financial income								11
Financial expense								(71)
Gain on extinguishment of Notes net of unamortised costs								1
Income tax charge								(23)
Loss on discontinued operation including associated impairment charges (net of tax)								(40)
Non-controlling interest								(3)
Loss attributable to equity holders of the parent company								(105)
Segment assets ³	419	249	—	85	3,019	5	(2,916)	861
Segment liabilities ³	336	143	50	84	1,946	6	(2,021)	544
Cash flow from operating activities	101	28	—	(6)	(75)	—	—	48
Capital expenditure	53	43	—	19	2	—	—	117

1. Total depreciation of US\$82 million included in the segmental result comprises depreciation incurred at the Cullinan Mine of US\$53 million, Finsch of US\$20 million, Williamson of US\$8 million and Corporate and treasury of US\$1 million.

2. Operating profit/(loss) is equivalent to revenue of US\$325 million less total costs of US\$305 million as disclosed in the Consolidated Income Statement.

3. Segment assets and liabilities include inter-company receivables and payables which are eliminated on consolidation.

4. The beneficiation segment represents Tarorite, a cutting and polishing business in South Africa, which can on occasion cut and polish select rough diamonds.

31. Discontinued operations

Accounting policy

A component of the Group should be classified as a discontinued operation when it has been disposed of, or abandoned, and represents a separate major line of business or geographical area of operations.

Significant judgements and estimates – discontinued operation

Judgement is required when determining whether the component represents a separate major line of business or geographical area of operations. Judgement is required when determining whether the component represents an abandoned operation. This was applied to the classification of Koffiefontein as a discontinued operation. Koffiefontein is considered a major geographical area of operations which has been reported as a separate segment in the past.

During financial year 2023 management took the decision to put Koffiefontein on care and maintenance. In the current financial year, Petra entered into a definitive sale agreement for the sale of Koffiefontein, which is expected to result in Petra avoiding closure-related costs of US\$15-18 million, currently included in balance sheet provisions. Completion of the sale remains subject to obtaining the consent of the Department of Mineral Resources and Energy in accordance with Section 11 of the South Africa's Mineral and Petroleum Resources Development Act.

Based on the above, management considered that Koffiefontein is classified as discontinued.

The Group designates the results of discontinued activities, separately and reclassifies the results of the operation in the comparative period from continuing to discontinued operations. The Group does not consider mines held on care and maintenance to be discontinued activities unless the mine is abandoned and the discontinued criteria are met. The results of discontinued operations are presented separately in the Consolidated Income Statement.

Result of Koffiefontein:

US\$ million	1 July 2023 – 30 June 2024	1 July 2022 – 30 June 2023
Revenue	—	4
Cost of sales	—	(24)
Gross loss	—	(20)
Impairment charge – operations	—	(1)
Provisions for rehabilitation and closure costs	(1)	(22)
Financial income	—	3
Financial expense	(2)	—
Loss before tax	(3)	(40)
Taxation	—	—
Net loss for the year	(3)	(40)
Attributable to:		
Equity holders of the parent	(2)	(31)
Non-controlling interest	(1)	(9)
	(3)	(40)

The Consolidated Cashflow Statement includes the following amounts relating to Koffiefontein:

US\$ million	1 July 2023 – 30 June 2024	1 July 2022 – 30 June 2023
Operating activities	—	(19)
Financing activities	(3)	—
Net cash utilised in discontinued operations	(3)	(19)

32. Williamson

Framework Agreement

On 13 December 2021, the Company signed an agreement in principle with the Government of Tanzania (GoT) relating to the Williamson operations. The Framework Agreement provides for a capital restructuring of Williamson Diamonds Limited (Williamson), including the 16% free carried interest that the Government of Tanzania is entitled to receive in Williamson and its shareholder loans under Section 10 of the Tanzanian Mining Act, 2017 and Regulation 10 of the Tanzanian Mining (State Participation) Regulations, 2020. The capital restructuring will include:

- A Williamson share issue with the effect of reducing Petra's indirect shareholding from 75% to 63% and consequently increasing the Government of Tanzania's shareholding from 25% to 37%
- A contribution to the Government of Tanzania of 16% of the principal outstanding value of the Group's shareholder loans payable by Williamson, with the remaining 84% of such principal outstanding loans continuing to be owed to the Group
- The transfer of the Williamson shares held by the Group to another member of the Petra Group (either Petra itself or a special purpose subsidiary). Petra has registered Mwadui Mining Holdings Ltd, a subsidiary registered in the United Kingdom, for this purpose

With respect to the reorganisation of the parties' legal interests in Williamson, the Framework Agreement also provides for an overall 55:45 economic benefit-sharing ratio between the Government of Tanzania and Petra in relation to future economic benefits from Williamson. This arrangement is intended to capture the parties' entitlements as shareholders as well as, with respect to the Government of Tanzania, the revenue it collects from Williamson arising from taxes, royalties, duties, fees and other fiscal levies (Government Imposed Charges). The Framework Agreement also provides that Williamson shall be entitled to offset its undisputed unpaid and overdue VAT receivables against future Government Imposed Charges, whereby such Government Imposed Charges will be offset and treated as paid for the purposes of the economic benefit-sharing ratio.

The Framework Agreement provides that Petra and the Government of Tanzania will provide financial assistance for the restart of operations at Williamson. The Government of Tanzania had agreed to allocate the sales proceeds of the 71,654.45 carat diamond parcel from Williamson that was previously confiscated and blocked for export. Based on the recent confirmation that the parcel was sold in whole or part, the full carrying value of US\$13 million (2023: US\$13 million) is classified as a trade and other receivable.

The Framework Agreement records an important US\$20 million settlement between the parties concerning long-standing historic disputes with the Government of Tanzania. The Group raised a provision of US\$19 million (2023: US\$19 million) (adjusted for the time-value of money) in respect of the aforementioned settlement. This settlement payment shall be made in instalments, with the first instalment of US\$5 million to be paid when the Framework Agreement becomes effective and upon receipt of proceeds by Williamson from the sale of the confiscated diamond parcel. The subsequent annual instalments of the settlement amount are to be made annually at amounts between US\$3 million and US\$5 million depending on Williamson's ability to pay, as determined by Williamson's board of directors.

The Framework Agreement is subject to a number of conditions, including Tanzanian regulatory approvals and is therefore not yet effective as at 30 June 2024. Certain conditions precedent remain outstanding awaiting resolution from the GoT.

Memorandum of Understanding with Caspian Limited (MOU)

On 31 May 2023, the Company announced that it entered into definitive transaction documents which give effect to the MOU entered into in December 2022 relating to the sale by the Company of 50% less one, share of the entity which holds Petra's shareholding in Williamson Diamonds Limited (Williamson) and a prorated portion of shareholder loans owed by Williamson for a total consideration of US\$15 million. The Company has entered into these transaction documents with Pink Diamonds Investments Limited (Pink Diamonds), a company nominated by and affiliated with Taifa. Taifa remains the long-term technical services contractor at Williamson.

Upon completion of the transactions contemplated by the MOU and the capital restructuring in the aforementioned Framework Agreement becoming effective, Petra and Taifa will each indirectly hold a 31.5% stake in Williamson but with Petra retaining a controlling interest in Williamson.

Completion of the Transaction with Taifa is subject to the parties obtaining all necessary governmental, regulatory and lender approvals, including the Tanzanian Fair Competition Commission, the Bank of Tanzania, and a binding ruling from the Tanzania Revenue Authority on the tax treatment of the transaction.

33. Events after the reporting period

Revolving Credit Facility draw-down

In August and September 2024, as a result of the deferral of South African goods from the first diamond tender for FY 2025, the Group drew down, in total, an additional amount of ZAR855 million (US\$47 million) from the RCF.

Alternative Performance Measures – Unaudited

In addition to GAAP figures reported under International Financial Reporting Standards (IFRS), Petra provides certain Alternative Performance Measures (APMs). These APMs are used internally in the management, planning, budgeting and forecasting of the business and are also considered to be helpful in terms of the external understanding of the Group's underlying performance. As these are non-GAAP measures, they should not be considered as replacements for IFRS measures. The Company's definition of these non-GAAP measures may not be comparable to other similarly titled measures reported by other companies.

The use of APMs by listed companies to better explain performance and provide additional transparency and comparability is common. However, APMs should always be considered in conjunction with IFRS reported numbers and not used in isolation. Commentary within the Annual Report, including the Financial Review, as well as the Consolidated Financial Statements and the accompanying notes, should be referred to in order to fully appreciate all the factors that affect our business. We strongly encourage readers not to rely on any single financial measure, but to carefully review our reporting in its entirety.

APM	Method of calculation	Relevance
Adjusted EBITDA	Adjusted EBITDA is stated before depreciation, amortisation of right-of-use assets, costs and fees relating to investigation and settlement of human rights abuse claims, share-based expense, net finance expense, tax expense, impairment charges, expected credit loss release/(charge), gain on extinguishment of Notes net of unamortised costs, profit on disposal of subsidiary and net unrealised foreign exchange gains and losses.	Adjusted EBITDA excludes the impact of certain non-cash items and one-off items (ie loss/profit on discontinued operations) and is used to provide further clarity on the ongoing, underlying financial performance of the Group.
Adjusted loss per share (LPS) from continuing operations	Adjusted LPS from continuing operations is stated before impairment charge, expected credit release/ (loss) provision, gain on extinguishment of Notes net of unamortised costs, profit on disposal of subsidiary, costs and fees relating to investigation and settlement of human rights abuse claims and net unrealised foreign exchange gains and losses, and excluding taxation (charge)/credit on net unrealised foreign exchange gains and losses and excluding taxation credit on impairment charge.	This is used to assess the Group's operational performance from continuing operations per Ordinary Share. It removes the effect of items that are not directly related to operational performance.
Adjusted mining and processing costs	Mining and processing costs stated before depreciation and share-based expense.	This removes the impact of non-cash items from the actual operational cost.
Adjusted net profit/(loss) after tax	Adjusted net profit/(loss) after tax is net profit/(loss) after tax stated before impairment charge, expected credit release/(loss) provision, gain on extinguishment of Notes net of unamortised costs, profit on disposal of subsidiary and net unrealised foreign exchange gains and losses, and excluding taxation (charge)/credit on net unrealised foreign exchange gains and losses and excluding taxation credit on impairment charge.	By removing the impact of items that are not directly related to operational performance, as well as the effect of any discontinued operations, this is one of the indicators used to assess the underlying performance of the business.
Consolidated net debt: EBITDA	Consolidated net debt:EBITDA is consolidated net debt divided by adjusted EBITDA.	This ratio is used by creditors, credit rating agencies and other stakeholders.
Consolidated net debt	Bank loans and borrowings plus US\$ Loan Notes, less cash, environmental rehabilitation investment and diamond debtors.	This consolidated figure is used by the lender group, analysts, rating agencies and other stakeholders.
Operational free cashflow	Cash generated from operations less capital expenditure for the year as per the Consolidated Cashflow Statement.	Free cashflow reflects the cash generated from operations after capital expenditure requirements have been met. This measure reflects the Company's ability to generate cash from profit, reflecting strong working capital management and capital expenditure discipline.
Net debt	The US\$ Loan Notes (gross), bank loans and borrowings, net of cash at bank (including restricted cash).	Net debt combines the various funding sources that are included in the Consolidated Statement of Financial Position and the accompanying notes. It provides an overview of the Group's net indebtedness, providing transparency on the overall strength of the balance sheet.
Profit from mining activities	Revenue less adjusted mining and processing costs plus other direct income.	Provided to demonstrate the Group's ability to achieve profit from its core operating activities.

Five-year Summary of Consolidated Figures

FOR THE YEAR ENDED 30 JUNE 2024

US\$ million	2024	2023	2022	2021	2020
Income statement					
Revenue (gross) ¹	367	325	564	402	243
Adjusted mining and processing costs ²	(296)	(202)	(273)	(261)	(169)
Profit from mining activity ³	73	123	291	141	74
Adjusted EBITDA ³	66	113	278	135	67
Adjusted net (loss)/profit after tax ³	(46)	(2)	115	(16)	(55)
Net (loss)/profit after tax – Group	(107)	(102)	88	197	(223)
Statement of financial position					
Current assets	166	188	409	274	191
Non-current assets	606	673	702	745	851
Total assets	772	861	1,111	1,079	1,042
Borrowings (short and long term)	271	247	366	430	769
Current liabilities (excluding borrowings)	89	69	75	49	53
Total equity	217	317	479	440	12
Movement in cash					
Net cash generated from operating activities	42	43	284	140	27
Net cash utilised in investing activities	(93)	(107)	(53)	(25)	(51)
Net cash (utilised in)/generated from financing activities	12	(155)	(101)	(8)	52
Net (decrease)/increase in cash and cash equivalents	(39)	(219)	128	94	(7)
Ratios and other key information					
Basic (loss)/earnings per share attributable to the equity holders of the Company – US\$ cents	(44)	(54)	35	261	(22)
Adjusted basic (loss)/earnings per share from continuing operations attributable to the equity holders of the Company – US\$ cents ³	(21)	(3)	48	(36)	(5)
Capital expenditure	84	117	52	24	36
Cash at bank (including restricted cash and bank overdraft)	21	58	288	164	68

The Group uses several non-GAAP measures above and, as these are non-GAAP measures, they should not be considered as replacements for IFRS measures. The Company's definition of these non-GAAP measures may not be comparable to other similarly titled measures reported by other companies.

1. Revenue (gross) excludes revenues for Koffiefontein Mine for FY 2023 and FY 2022, and Williamson for FY 2021 and FY 2020. Under IFRS, these revenues were classified in the Consolidated Income Statement as part of the loss from discontinued operations.
2. Adjusted mining and processing costs are mining and processing costs (excluding Koffiefontein Mine for FY 2023 and FY 2022, and Williamson for FY 2021 and FY 2020) stated before depreciation and share-based expense. Under IFRS, the adjusted mining and processing costs were classified in the Consolidated Income Statement as part of the loss from discontinued operations.
3. For definitions of these non-GAAP measures refer to page 169.

FY 2024 Summary of Results and Non-GAAP Disclosures

US\$ million	2024	2023
Revenue	367	325
Adjusted mining and processing costs ¹	(296)	(202)
Other direct income	2	—
Profit from mining activities²	73	123
Other corporate income	—	1
Adjusted corporate overhead ³	(7)	(11)
Adjusted EBITDA⁴	66	113
Depreciation and amortisation of right-of-use asset	(95)	(81)
Share-based expense	(1)	(2)
Net finance expense	(29)	(22)
Adjusted net (loss)/profit before tax⁵	(59)	8
Tax expense (excluding taxation credit/(charge) on impairment charge and unrealised foreign exchange gain/(loss)) ⁵	13	(10)
Adjusted net loss after tax⁶	(46)	(2)
Impairment reversal – operations and other receivables ⁷	6	53
Impairment charge – operations and non-financial receivables ⁷	(78)	(38)
Impairment charge – BEE receivables ⁷	(3)	—
S189 retrenchment costs	(5)	—
Transaction costs and acceleration of unamortised costs on partial redemption of Notes ⁸	—	(9)
Gain on extinguishment of Notes net of unamortised costs	1	1
Williamson tailings facility – remediation costs	—	(11)
Williamson tailings facility – accelerated depreciation	—	(5)
Williamson Blocked Parcel inventory write-down ⁹	—	(12)
Williamson receivable recognition ⁹	—	12
Costs and fees relating to investigation and settlement of human rights abuse claims	(2)	(9)
Net unrealised foreign exchange gain/(loss)	4	(29)
Taxation (charge)/credit on unrealised foreign exchange movements ⁵	(2)	1
Taxation credit/(charge) on impairment charge/reversal	21	(14)
Loss from continuing operations	(104)	(62)
Loss on discontinued operations, net of tax ¹⁰	(3)	(40)
Net loss after tax	(107)	(102)
Loss per share attributable to equity holders of the Company – US\$ cents		
Basic loss per share – from continuing operations	(43)	(38)
Adjusted loss per share – from continuing operations ¹¹	(21)	(3)

The Group uses several non-GAAP measures above and throughout this Report to focus on actual trading activity by removing non-cash or non-recurring items. These measures include adjusted mining and processing costs, profit from mining activities, adjusted EBITDA, adjusted net profit after tax, adjusted earnings per share, adjusted US\$ Loan Notes and net debt. As these are non-GAAP measures, they should not be considered as replacements for IFRS measures. The Company's definition of these non-GAAP measures may not be comparable to other similarly titled measures reported by other companies.

- Adjusted mining and processing costs are mining and processing costs stated before depreciation and share-based expense.
- Profit from mining activities is revenue less adjusted mining and processing costs plus other direct income.
- Adjusted corporate overhead is corporate overhead expenditure less corporate depreciation, share-based expenses and non-recurring costs related to the tender offer transaction and the IGM claims.
- Adjusted EBITDA is stated before depreciation, amortisation of right-of-use asset, share-based expense, net finance expense, tax credit/(charge), expected credit loss release/(charge), S189 retrenchment costs, recovery of fees relating to investigation and settlement of human rights abuse claims, Williamson tailings facility remediation costs and accelerated depreciation, unrealised foreign exchange gains and losses and discontinued operations.
- Tax credit/(expense) is the tax credit/(expense) for the year excluding taxation credit/(charge) on impairment charge/reversals to property, plant and equipment and unrealised foreign exchange movements for the year; such exclusion more accurately reflects resultant adjusted net loss after tax.
- Adjusted net loss after tax is net loss after tax stated before any impairment (charges)/reversals, S189 retrenchment costs, gain on extinguishment of Notes net of unamortised costs, Williamson tailings facility remediation costs and accelerated depreciation, recovery of fees relating to investigation and settlement of human rights abuse claims, net unrealised foreign exchange movements for the year and related tax adjustments.
- Impairment charges of US\$75m (2023: US\$15m reversal) were due to the Group's impairment review of its operations and other receivables. Refer to note 5 for further details.
- Transaction costs and acceleration of unamortised costs on partial redemption of Notes comprise transaction costs of US\$nil (2023: US\$1m) included within corporate expenditure (refer to note 4) and US\$nil (2023: US\$8m) in respect of the redemption premium and acceleration of unamortised costs included within finance expense (refer to note 6).
- Diamond inventories for periods prior to 30 June 2023 included the 71,654.45 carat Williamson parcel of diamonds blocked for export during August 2017, with a carrying value of US\$12.5m. In prior discussions, the GoT confirmed that the Blocked Parcel was partially sold during the FY 2023, and so this parcel has been excluded from diamond inventories and expensed to other direct mining expense with the calculated fair value proceeds of US\$12.4m for the Blocked Parcel recognised as other direct mining income and trade and other receivables in the Group's FY 2023 Financial Statements. Under the Framework Agreement entered into with the Government of Tanzania (GoT) in December 2022, it is stated that the proceeds from the sale of this parcel are to be applied to Williamson to assist with the restart of operations and that, in the event such proceeds are not received by Williamson, Williamson is not required to pay a US\$20m liability relating to the settlement of past tax disputes.
- The loss on discontinued operations reflects the results of the Koffiefontein Mine operation (net of tax), including impairment, of US\$3m (FY 2023: US\$40m) as per the requirements of IFRS 5 for an abandoned operation; refer to note 31.
- Adjusted LPS is stated before impairment charge, movement in the expected credit loss provision, gain on extinguishment of Notes net of unamortised costs, acceleration of unamortised costs on restructured loans and borrowings, costs and fees relating to investigation and settlement of human rights abuse claims, provision for unsettled and disputed tax claims and net unrealised foreign exchange movements, S189 retrenchment costs, and the impact on taxation on impairment reversal/charge to property, plant and equipment and unrealised foreign exchange movements for the year (refer Annexure 1).

Annexure 1

Adjusted loss per share (non-GAAP measure)

In order to show loss per share from operating activities on a consistent basis, an adjusted loss per share is presented which excludes certain items as set out below. It is emphasised that the adjusted loss per share is a non-GAAP measure. The Petra Board considers the adjusted loss per share to better reflect the underlying performance of the Group. The Company's definition of adjusted loss per share may not be comparable to other similarly titled measures reported by other companies.

	Continuing operations 30 June 2024 US\$ millions	Discontinued operation 30 June 2024 US\$ millions	Total 30 June 2024 US\$ millions	Continuing operations 30 June 2023 US\$ millions	Discontinued operation 30 June 2023 US\$ millions	Total 30 June 2023 US\$ millions
Loss for the year	(84)	(2)	(86)	(74)	(31)	(105)
Adjustments:						
Net unrealised foreign exchange (gains)/ losses ¹	(4)	—	(4)	29	—	29
Present value discount – Williamson VAT receivable	(6)	—	(6)	4	—	4
Impairment charge/(reversal) – operations	61	—	61	(9)	1	(8)
Impairment charge – other receivables	4	—	4	1	—	1
Taxation charge/(credit) on unrealised foreign exchange loss ¹	1	—	1	(1)	—	(1)
Taxation (charge)/credit on impairment charge ¹	(17)	—	(17)	11	—	11
Williamson tailings facility – remediation costs	—	—	—	11	—	11
Williamson tailings facility – accelerated depreciation	—	—	—	5	—	5
Retrenchment costs S189	4	—	4	—	—	—
Transaction costs – acceleration of unamortised costs on restructured loans and borrowings	—	—	—	9	—	9
Gain on extinguishment of Notes net of unamortised costs	(1)	—	(1)	—	—	—
Transaction costs – human rights settlement agreement and provisions for unsettled and disputed tax claims	2	—	2	8	—	8
Adjusted loss for the year attributable to parent	(40)	(2)	(42)	(6)	(30)	(36)

1. Portion attributable to equity shareholders of the Company.

	Continuing operations 30 June 2024 US \$	Discontinued operation 30 June 2024 US \$	Total 30 June 2024 US \$	Continuing operations 30 June 2023 US \$	Discontinued operation 30 June 2023 US \$	Total 30 June 2023 US \$
Weighted average number of Ordinary Shares used in basic loss per share						
As at 30 June	194,201,785	194,201,785	194,201,785	194,201,785	194,201,785	194,201,785
	US\$ cents	US\$ cents	US\$ cents	US\$ cents	US\$ cents	US\$ cents
Adjusted basic loss per share	(21)	(1)	(22)	(3)	(16)	(19)

The number of potentially dilutive Ordinary Shares, in respect of employee share options and Executive Director and Senior Management share award schemes, is nil (2023: nil).

Shareholder and Corporate Information

Petra Diamonds Limited

Registered office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Group management office

One Heddon Street
London W1B 4BD
Tel: +44 (0)784 192 0021
info@petradiamonds.com
www.petradiamonds.com

Corporate communications team

Tel: +44 (0)784 192 0021
Email: investorrelations@petradiamonds.com

Company registration number

EC 23123

Company Secretary

Rupert Rowland-Clark
15–17 Heddon Street
London W1B 4BF
Email: companysecretary@petradiamonds.com

Solicitors

Bermuda: Conyers Dill & Pearman Limited

Clarendon House
2 Church Street
Hamilton HM11
Bermuda
Tel: +1 441 295 1422

United Kingdom: Ashurst LLP

London Fruit & Wool Exchange
1 Duval Square
London E1 6PW
Tel: +44 20 7638 1111

Corporate brokers

BMO Capital Markets

100 Liverpool Street
London EC2M 2AT
Tel: +44 20 7236 1010
www.bmocm.com

Peel Hunt

100 Liverpool Street
London EC2M 2AT
Tel: +44 20 7418 8900
www.peelhunt.com

Registrar

Link Market Services (Jersey) Limited

IFC5
St. Helier
Jersey JE1 1ST

Tel: UK: 0371 664 0300 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate; lines are open 9.00am–5.30pm GMT Mon–Fri)

International: +44 371 664 0300

Website: www.linkgroup.co.uk

Email: shareholderenquiries@linkgroup.co.uk

Transfer agent

Link Group

Central Square
29 Wellington Street
Leeds LS1 4DL

Tel: UK: 0371 664 0300 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate; lines are open 9.00am–5.30pm GMT Mon–Fri)

International: +44 (0) 371 664 0300

Website: www.linkgroup.co.uk

Email: shareholderenquiries@linkgroup.co.uk

Auditors

BDO LLP

55 Baker Street
London W1U 7EU
Tel: +44 207 486 5888

Standard financial calendar

Accounting period end	30 June
Annual Report published	October
Annual General Meeting	November
Interim accounting period end	31 December
Interim results announced	February

Stock exchange listing

The Company's shares are admitted to the Main Market of the London Stock Exchange, in the Commercial Companies (Equity Shares) category. The Ordinary Shares (as defined below) themselves are not admitted to CREST, but dematerialised depositary interests representing the underlying Ordinary Shares issued by Link Market Services Trustees Limited can be held and transferred through the CREST system. The rights attached to the Ordinary Shares are governed by the Companies Act 1981 (Bermuda) (as amended) (the Act) and the Company's Bye-Laws as adopted on 28 November 2011 (the Bye-Laws).

Dividend

The Company has not resolved to declare any dividend for FY 2024.

Substantial shareholdings

The interests in the table below are based on shareholder disclosures and share register analysis conducted by Orient Capital, the following shareholders have holdings of more than 3% in Petra's issued share capital.

Shareholder	Percentage of voting rights held
The Terris Fund Ltd., SAC	29.49%
Azvalor Asset Management SGIIC SA	18.72%
José Manuel Vargas	8.75%
Vontobel Holding AG	6.11%
Franklin Templeton Investment Management Limited	5.03%

Shares in issue

There were a total of 194,201,785 Ordinary Shares in issue at 30 June 2024.

Company Bye-Laws

The Company is incorporated in Bermuda and the UK City Code on Takeovers and Mergers (the City Code) therefore does not apply to the Company. However, the Company's Bye-Laws incorporate material City Code protections appropriate for a company to which the City Code does not apply.

The Bye-Laws also require that all Directors stand for re-election annually at the Company's Annual General Meeting.

The Bye-Laws of the Company may only be amended by a resolution of the Board and by a resolution of the shareholders.

The Bye-Laws of the Company can be accessed here: www.petradiamonds.com/about-us/corporate-governance.

Share capital

The Company has one class of shares of 0.05 pence each (the Ordinary Shares). Details of the Company's authorised and issued Ordinary Share capital together with any changes to the share capital during the Year are set out in note 18 to the Financial Statements.

Power to issue shares

At the AGM held on 14 November 2023 (the 2023 AGM), authority was given to the Directors to allot Relevant Securities (as defined in the Bye-Laws) up to a maximum aggregate nominal amount of £32,366.96 (being 64,733,928 Ordinary Shares). The Directors did not seek authority to allot any Relevant Securities on a non-pre-emptive basis.

Share rights

In accordance with the Company's Bye-Laws, shareholders have the right to receive notice of and attend any general meeting of the Company. Each shareholder who is present in person (or, being a corporation, by representative) or by proxy at a general meeting on a show of hands has one vote and, on a poll, every such holder present in person (or, being a corporation, by representative) or by proxy shall have one vote in respect of every Ordinary Share held by them.

There are no shareholders who carry any special rights with regard to the control of the Company.

The Company's 2024 AGM will be held at 09.00am (GMT) on Tuesday, 13 November 2024 at One Heddon Street, London W1B 4BF. Details of the AGM are included in the accompanying Notice of AGM.

Shareholder voting

The Company utilises a digital approach to voting and therefore requests that all shareholders vote electronically. The Company will not be sending paper proxy forms and, instead, shareholders should vote either via the Shareholder Portal (www.signalshares.com) or, for CREST holders, via the CREST network. You will require your username and password in order to log in and vote using the Shareholder Portal.

If you have forgotten your username or password, you can request a reminder via the Shareholder Portal. If you have not previously registered to use the Shareholder Portal, you will require your investor code (IVC) which can be found on your share certificate. Voting in this way is cost effective and efficient and mitigates the risk of lost items via postal systems thus ensuring your vote is received and recorded.

Restriction on transfer of shares

There are no restrictions on the transfer of Ordinary Shares other than:

- The Board may at its absolute discretion refuse to register any transfer of Ordinary Shares over which the Company has a lien or which are not fully paid up provided it does not prevent dealings in the Ordinary Shares on an open and proper basis

During the Year, the Board did not place a lien on any shares nor did it refuse to transfer any Ordinary Shares.

The Board shall refuse to register a transfer if:

- It is not satisfied that all the applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained
- Certain restrictions on transfer from time to time are imposed by laws and regulations
- So required by the Company's share dealing code pursuant to which the Directors and employees of the Company require approval to deal in the Company's Ordinary Shares
- Where a person who holds default shares (as defined in the Bye-Laws) which represent at least 0.25% of the issued shares of the Company has been served with a disclosure notice and has failed to provide the Company with the requested information in connection with the shares

Repurchase of shares

The Company may purchase its own shares for cancellation or to acquire them as Treasury Shares (as defined in the Bye-Laws) in accordance with the Companies Act 1981 (Bermuda) on such terms as the Board shall think fit. The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Companies Act 1981 (Bermuda), provided, however, that such purchase may not be made if the Board determines in its sole discretion that it may result in a non de minimis adverse tax, legal or regulatory consequence to the Company, any of its subsidiaries or any direct or indirect holder of shares or its affiliates.

Appointment and replacement of Directors

The Directors shall have power at any time to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, removal, disqualification or resignation of any Director or to fill any deemed vacancy arising as a result of the number of Directors on the Board being less than the minimum number of Directors that may be appointed to the Board from time to time.

The Company may by resolution at any special general meeting remove any Director before the expiry of their period of office. Notice of such meeting convened for the purpose of removing a Director shall contain a statement of the intention to do so and be served on such Director not less than 14 clear days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.

A Director may be removed (with or without cause) by notice in writing by all of their co-Directors, provided such notice is delivered to the Secretary and such Director.

Financial instruments

The Group makes use of financial instruments in its operations as described in note 29 of the Financial Statements.

Creditors' payment policy

It is the Group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Group and its suppliers, provided that all terms and conditions have been complied with.

Website publication

The Directors are responsible for ensuring the Annual Report and the Financial Statements are made available on a website. Financial Statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of Financial Statements, which may vary from legislation in other jurisdictions.

The Company operates a website which can be found at www.petradiamonds.com. This site is regularly updated to provide relevant information about the Group. In particular all of the Company's regulatory announcements and public presentations are made available and there is a dedicated Investors section at www.petradiamonds.com/investors.

The maintenance and integrity of the Company's website (as well as the integrity of the Financial Statements contained therein) is the responsibility of the Directors.

Shareholder enquiries

Any enquiries concerning your shareholding should be addressed to the Company's registrar. The registrar should be notified promptly of any change in a shareholder's address or other details.

The Company also has a Frequently Asked Questions section to assist shareholders available on its website at: www.petradiamonds.com/investors/shareholders/faqs.

Shareholder Portal

The Company has set up an online Shareholder Portal, www.signalshares.com, which offers a host of shareholder services online.

Investor relations

Requests for further copies of the Annual Report and Accounts, or other investor relations enquiries, should be addressed to the investor relations team in the London office on +44 (0)784 192 0021 or investorrelations@petradiamonds.com.

eCommunications

Shareholders have the flexibility to receive communications from Petra electronically, should they so choose, and can update their preferences at any time either by contacting Link Group or by logging in to the Shareholder Portal.

Share price information

The latest information on the Ordinary Share price is available in the Investors section of the corporate website at www.petradiamonds.com/investors/share-price. Closing share prices for the previous business day are quoted in most daily newspapers and, throughout the working day, time delayed share prices are broadcast on the text pages of the principal UK television channels.

Share dealing services

The sale or purchase of shares must be done through a stockbroker or share dealing service provider. The London Stock Exchange provides a 'Locate a broker' facility on its website which gives details of a number of companies offering share dealing services. For more information, please visit the Private Investors section at www.londonstockexchange.com.

Please note that the Directors of the Company are not seeking to encourage shareholders to either buy or sell shares. Shareholders in any doubt about what action to take are recommended to seek financial advice from an independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000.

Shareholder security

Shareholders are advised to be wary of any unsolicited advice, offers to buy shares at a discount, or offers of free reports about the Company. Details of any share dealing facilities that the Company endorses will be included in Company mailings or on our website. More detailed information can be found at www.fca.org.uk/consumers/scams/investment-scam.

Glossary

“2023 AGM”	the Company’s Annual General Meeting for FY 2023, held on 14 November 2023
“2L Notes”	the Company’s senior secured second lien loan notes due in March 2026, of which a principal amount of US\$206 million remain outstanding
“Act”	the Bermuda Companies Act, 1981
“ADI”	Agribusiness Development Initiative, one of the RJs being undertaken by Petra in the Mwadui community
“AGM”	Annual General Meeting
“alluvial”	deposits of diamonds which have been removed from the primary source by natural erosive action over millions of years and eventually deposited in a new environment such as a river bed, an ocean floor or a shoreline
“APM”	Alternative Performance Measure
“ARC”	the Audit and Risk Committee of the Company
“ASM”	artisanal small-scale mining
“BEE”	black economic empowerment, a policy of the South African Government to redress past economic imbalances
“BEE Partners”	the Group’s black economic empowerment partners, who hold minority interests in the Group’s South African operations, as set out in ‘BEE Structure’ at https://www.petradiamonds.com/about-us/who-we-are/group-structure/
“beneficiation”	the refining of a commodity; in the case of diamonds, refers to the cutting and polishing of a rough stone
“block cave”	a method of mining in which large blocks of ore are undercut so that the ore breaks and caves under its own weight. The undercut zone is initially drilled and blasted and some broken ore is drawn down to create a void into which initial caving of the overlying ore can take place. As more broken ore is drawn progressively following cave initiation, the cave propagates upwards through the orebody or block until the overlying rock also caves and surface subsidence occurs. The broken ore is removed through the production or extraction level developed below the undercut level. Once the caves have been propagated, it is a low cost mining method which is capable of automation to produce an underground ‘rock factory’
“Blocked Parcel” or “Blocked Diamond Parcel”	the parcel of diamonds (71,654.45 carats) blocked for export to Petra’s marketing office in Antwerp by the Government of Tanzania, as announced by Petra on 11 September 2017
“bottom cut-off”	refers to the smallest size of recoverable diamond in a resource or reserve estimate that is considered economic to extract. It is generally defined by the bottom screen aperture size of the diamond sample plant used in a resource estimate, or the production plant considered in a reserve estimate
“BSI”	British Standards Institute
“BRICS”	grouping of Brazil, Russia, India, China and South Africa
“Bye-Laws”	the Company’s Bye-Laws, as adopted on 28 November 2011
“c.”	circa
“C-Cut”	the C-Cut area of the Cullinan Mine orebody
“C-Cut Extension”	Tunnels 46 and 50 plus the C-Cut Centre areas of the Cullinan Mine orebody
“CAGR”	compound annual growth rate
“Capex”	capital expenditure
“carat” or “ct”	a measure of weight used for diamonds, equivalent to 0.2 grams
“CC1-E”	the CC1 East area of the Cullinan Mine orebody
“CDM”	Cullinan Diamond Mine
“CDP”	Carbon Disclosure Project, a global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts
“CEO”	Chief Executive Officer
“CFO”	Chief Financial Officer
“City Code”	the UK City Code on Takeovers and Mergers
“Code”	the UK Corporate Governance Code 2018

“conflict free”	ie not ‘conflict diamonds’, which are defined by the Kimberley Process as ‘rough diamonds used to finance wars against Governments’
“COO”	Chief Operating Officer
“COVID-19”	COVID-19 is an infectious disease caused by the coronavirus
“Cpht”	carats per hundred metric tonnes
“Culture Code”	Petra’s Culture Code, consisting of icons representing enabling and disabling behaviours
“CY”	calendar year
“DMRE”	the South African Department of Minerals Resources and Energy
“double materiality”	a reporting term referring to how a business is affected by sustainability issues (outside-in) and how its activities impact society and the environment (inside-out)
“drawpoint”	an opening through which ore from a higher level can fall and subsequently be loaded
“EBITDA”	earnings before interest, tax, depreciation and amortisation
“effluent”	mine effluent is a regulated discharge from a point source like a treatment plant or dam spillway
“EPS”	earnings per share
“ERM”	enterprise risk management
“ESD”	Enterprise and Supplier Development
“ESG”	environmental, social and governance
“Exceptional Stones”	rough diamonds that sell for US\$15 million or more each. This definition was updated for FY 2023 from US\$5 million used historically
“Exco”	Executive Committee
“FDM”	Finsch Diamond Mine
“FRC”	the UK’s Financial Reporting Council
“FWA”	the Framework Agreement Petra entered into in December 2022 with the Government of Tanzania
“FY”	Petra’s financial year (1 July to 30 June)
“G7”	the intergovernmental political forum consisting of Canada, France, Germany, Italy, Japan, the United Kingdom and the United States
“G&A”	general and administrative expenditure
“GAAP”	Generally Accepted Accounting Principles, issued by the Financial Accounting Standards Board
“GDP”	gross domestic product
“Genovia”	a software package designed specifically for the planning and scheduling of block cave mines
“GHG”	greenhouse gases
“GISTM”	Global International Standard on Tailings Management
“GoT”	Government of the United Republic of Tanzania
“Group”	Petra and its subsidiaries, jointly controlled operations and associates
“grade”	the content of diamonds, measured in carats, within a volume or mass of rock
“H1” or “H2”	first half, or second half, of the financial year
“Ha”	hectares
“HDSA”	historically disadvantaged South Africans
“hard rock”	hard rock diamond mining is based on kimberlite or lamproite primary orebodies, as opposed to alluvial mining (ie deposits of diamonds which have been removed from the primary kimberlite source)
“HIV/AIDS”	human immunodeficiency virus infection and acquired immune deficiency syndrome
“HSE”	health, safety and environment
“IASB”	International Accounting Standards Board
“ICR”	interest cover ratio
“IFRIC”	International Financial Reporting Interpretations Committee

“IFRS”	International Financial Reporting Standards
“IGM”	the non-judicial independent grievance mechanism which will have the capacity to investigate and resolve allegations of severe human rights violations in connection with security operations at Williamson in Tanzania through an independent panel of Tanzanian experts applying Tanzanian law and with complainants having access to free and independent advice from local lawyers
“IMF”	International Monetary Fund
“INED”	independent Non-Executive Director
“Indicated Resource”	that part of a resource for which quantity, grade or value, density, shape and physical characteristics of the deposit are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
“Inferred Resource”	that part of a diamond resource for which quantity, grade and average diamond value are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply, but not verify, geological and grade continuity
“inventory”	diamonds held with the ultimate goal of resale
“IPDET”	Itumeleng Petra Diamonds Employee Trust, which is a registered trust holding a 12% interest in each of Petra's South African operations, through which the current and certain former employees (with some exceptions in both cases) of Petra's South African operations participate
“IRR”	internal rate of return
“ISO”	International Standards Organisation
“ISO 14001”	an international standard on environmental management administered by the ISO; it specifies a framework of control for an Environmental Management System against which an organisation can be certified by a third party
“KEM JV”	former joint venture; Petra disposed of its interest in KEM JV during FY 2019
“Kimberley Process”	the Kimberley Process is a joint government, industry and civil society initiative to remove conflict diamonds from the global supply chain
“KPCS”	Kimberley Process Certification Scheme
“kimberlite”	an ultramafic igneous rock consisting mainly of olivine, often with phlogopite mica and pyroxenes. Kimberlite is generated at great depth in the Earth's mantle, and may or may not contain diamonds
“KDM”	Koffiefontein Diamond Mine
“KPI”	key performance indicator
“LED”	local economic development
“LGD”	laboratory/lab-grown diamond
“like-for-like”	refers to the change in realised diamond prices between tenders and excludes revenue from all single stones and Exceptional Stones, while normalising the product mix impact
“Loan Notes”	the Company's senior secured second lien loan notes due in March 2026, of which a principal amount of US\$206 million remain outstanding
“LOM”	life-of-mine
“LTI”	lost time injury; a work-related injury resulting in the employee/contractor being unable to attend work on the day following the injury
“LTIFR”	lost time injury frequency rate; the number of LTIs multiplied by 200,000 and divided by the number of hours worked
“Mcts”	million carats
“Measured Resource”	that part of a resource for which quantity, grade or value, density, shape and physical characteristics of the deposit are estimated with sufficient confidence to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit
“midstream”	refers to the segment of the diamond industry involved in cutting, polishing and manufacturing activities
“Minerals Council SA”	the Minerals Council of South Africa

“Mining Charter”	the Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry in South Africa, commonly known as the Mining Charter, has a core objective to facilitate meaningful participation of HDSAs in the mining industry, by deracialising the ownership of the industry, expanding business opportunities for HDSAs, and enhancing the social and economic welfare of employees and mine communities
“Modifying Factors”	considerations used to convert mineral resources to mineral reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors
“MOU”	the Memorandum of Understanding entered into by Petra in December 2021 with Caspian Limited
“MPRDA”	the Mineral and Petroleum Resources Development Act, 28 of 2002 of the Republic of South Africa
“Mt”	million tonnes
“Mtpa”	million tonnes per annum
“NDC”	Natural Diamond Council
“NED”	Non-Executive Director
“NGO”	non-governmental organisation
“NPV”	net present value
“NUM”	National Union of Mine Workers in South Africa
“NEMA”	the National Environmental Management Act of the Republic of South Africa
“NEMC”	the National Environmental Management Council, Tanzania
“OECD”	Organisation for Economic Co-operation and Development
“OFCF”	operational free cashflow
“open pit”	mining in which ore that occurs close to the Earth’s surface is extracted from a pit or quarry
“Opex”	operating costs
“Ordinary shares”	ordinary shares of 0.05 pence each in Petra’s share capital
“orebody”	a continuous well-defined mass of material of sufficient ore content to make extraction feasible
“pa”	per annum
“Paterson A, B and C-Low Bands”	the Paterson grading system is an analytical method of job evaluation, used predominantly in South Africa, and is comprised of grades A to F, with A being the lowest skilled and F being the highest
“Period”	1 July 2023 to 30 June 2024
“PIK”	payment in kind. In relation to a bond, loan note or debt instrument, if an instrument is PIK, it means that its interest is satisfied by issuing further bonds rather than being settled in cash. Until 30 June 2023, the interest payable on Petra’s Loan Notes is PIK
“PRF”	Plant Recovery Factor
“Probable Reserves”	the economically mineable part of an indicated, and in some circumstances, a measured diamond resource
“Proved Reserves”	the economically mineable part of a measured resource
“PSP”	Performance Share Plan
“Q”	quarter of the financial year
“RCF”	Revolving Credit Facility
“rehabilitation”	the process of restoring mined land to a condition approximating to a greater or lesser degree its original state
“Restructuring”	the capital restructuring carried out by the Group and completed in FY 2021
“RJC”	Responsible Jewellery Council
“RJPs”	Restorative Justice Projects
“ROM”	run-of-mine, relating to production from the primary orebody
“Rough Diamond Price Index”	the Zimnisky Global Rough Diamond Price Index was created to consolidate reliable natural rough diamond price information and publish the current price change of natural rough diamonds on a weekly basis in the form of an index

“SAMREC”	South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves
“SDGs”	the United Nations Sustainable Development Goals
“SED”	social, ethics and diversity
“SEP”	stakeholder engagement plan
“Severity Rate”	indicates the severity of work-related injuries (number of days lost due to injuries) where individuals were booked off from work impacting on workforce effectiveness. The rate calculus is as follows: number of days off from work due to injury x 200 000 ÷ total man-hours worked
“shaft”	a vertical or inclined excavation in rock for the purpose of providing access to an orebody. Usually equipped with a hoist at the top, which lowers and raises a conveyance for handling workers and materials
“SIA”	Social Impact Assessment
“SIB capex”	staying-in-business capex
“SID”	Senior Independent Director
“SLC”	sub-level cave
“SLP”	social and labour plans
“slimes dam”	an embankment dam, usually created from waste material, used to store sand-like fines residue (less than 1mm) waste products from mining operations
“SMMEs”	small, medium and micro enterprises
“SRM”	stakeholder relationship management
“stockpile”	a store of unprocessed ore
“stripping”	the removal of waste overburden at an open pit mine
“sub-level cave”	follows the same basic principles as the block caving mining method; however, work is carried out on intermediate levels and the caves are smaller in size and not as long lasting. This method of mining is quicker to bring into production than block caving, as the related infrastructure does not require the level of permanence needed for a long-term block cave. This method is used to supplement block caving in order to provide production flexibility
“TAMICO”	the Tanzania Mines, Energy, Construction and Allied Workers Union
“tailings”	material left over after processing ore
“TB”	tuberculosis
“TCFD”	Task Force on Climate-related Financial Disclosures
“tCO₂-e/ct”	tonnes of CO ₂ equivalent per carat produced
“tender”	Petra sells all its rough diamond production by method of open tender
“TIFR”	total injury frequency rate
“tonnage”	quantities where the tonne is an appropriate unit of measure, typically used to measure reserves of target commodity bearing material or quantities of ore and waste material mined, transported or milled
“TPF”	Tanzanian Police Force
“TSF”	tailings storage facility
“TSR”	total shareholder return
“Tunajali Committee”	a sub-committee of the Board comprised of independent NEDs which was established for the purpose of carrying out the independent investigation into the allegations of human rights abuses at Williamson in Tanzania and disbanded in May 2021 upon the conclusion of the investigation
“Tunnel Availability”	Availability of a tunnel to be blasted in a sub-level cave. Tunnels become available once they have been cleared of ore and waste, made safe and drilled in preparation for blasting
“Type II diamonds”	Type II diamonds have no measurable nitrogen impurities, meaning they are often of top quality in terms of colour and clarity. Type IIa diamonds make up 1–2% of all natural diamonds. These diamonds are almost or entirely devoid of impurities, and consequently are usually colourless. Many large famous diamonds, such as the Cullinan and the Koh-i-Noor, are Type IIa. Type IIb diamonds make up about 0.1% of all natural diamonds. In addition to having very low levels of nitrogen impurities comparable to Type IIa diamonds, Type IIb diamonds contain significant boron impurities which is what imparts their blue/grey colour. All blue diamonds are Type IIb, making them one of the rarest natural diamonds and very valuable.

“underground pipe mines”	Petra’s underground kimberlite pipe mines, being Cullinan Mine, Finsch and Koffiefontein
“US\$”	US Dollar
“UK Companies Act”	the United Kingdom Companies Act, 2006
“VPSHR”	the Voluntary Principles on Security and Human Rights
“waste ingress”	waste and fines (fine grained kimberlite waste which has the tendency to flow uncontrollably) that are channelled from highly depleted areas of the previous mining levels prematurely into new lower loading points
“WDL”	Williamson Diamonds Limited, the owner and operator of Williamson in Tanzania
“Wheeling”	the process of transporting electricity from a generator to a consumer in a difference location using an existing transmission or distribution system
“WiL”	Women in Leadership
“Year”	1 July 2023 to 30 June 2024
“ZAR”	South African Rand

Group Management Office

ONE HEDDON STREET
LONDON W1B4BD
UNITED KINGDOM
TEL: +44 (0)784 192 0021
EMAIL: INVESTORRELATIONS@PETRADIAMONDS.COM
WWW.PETRADIAMONDS.COM

Company Secretary

RUPERT ROWLAND-CLARK
EMAIL: COMPANYSECRETARY@PETRADIAMONDS.COM

South African Office

Physical Address

SILVER POINT OFFICE PARK, BLOCK 3,
22 EALING CRESCENT, BRYANSTON, 2021,
JOHANNESBURG, SOUTH AFRICA

Postal Address

P.O. BOX 71007
BRYANSTON
2021
SOUTH AFRICA

Contact Details

TELEPHONE: +27 11 702 6900
FAX: +27 11 706 3071
EMAIL: INFO@PETRADIAMONDS.COM



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PetraDiamonds

PETRA DIAMONDS LIMITED ANNUAL REPORT AND FINANCIAL STATEMENTS 2024