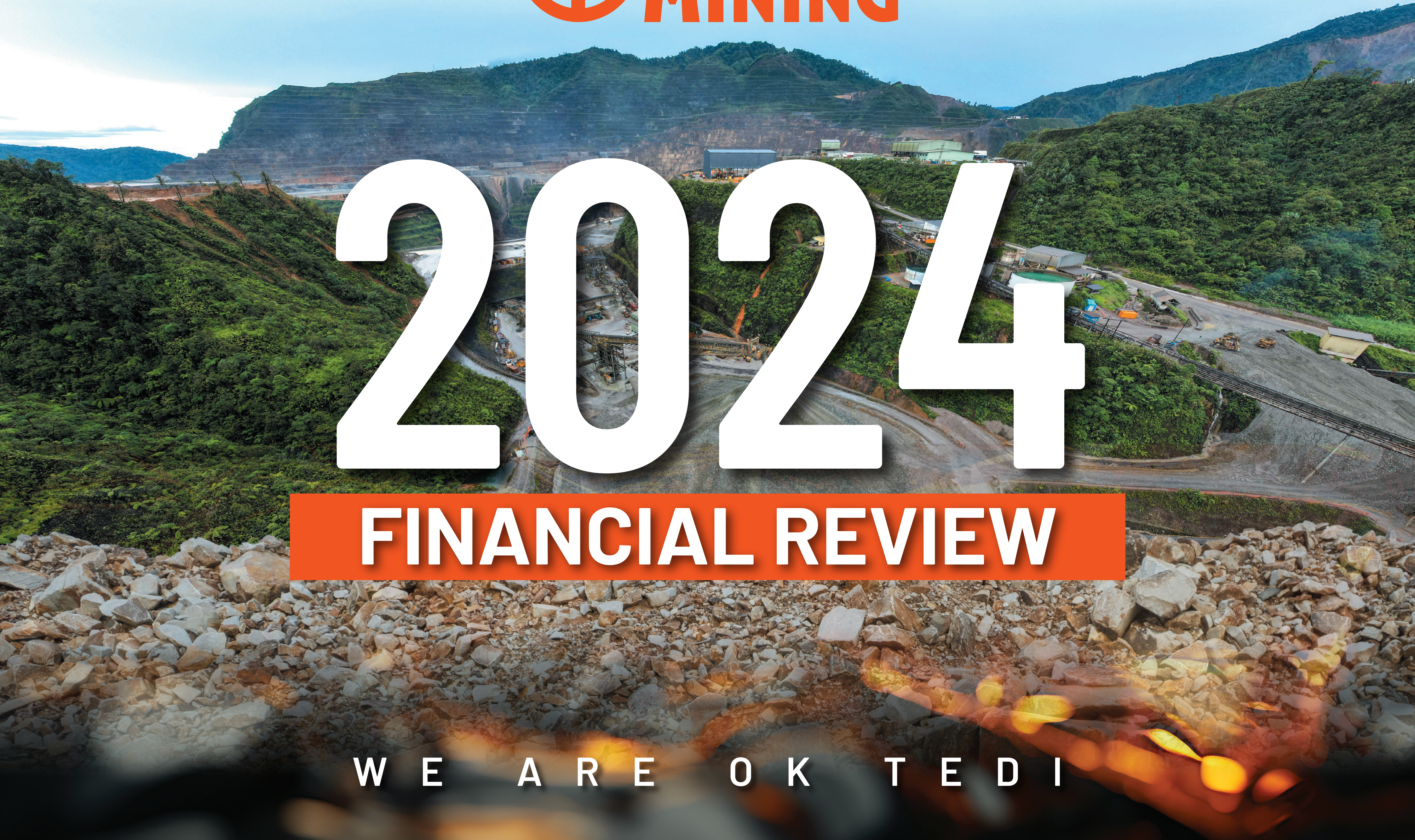
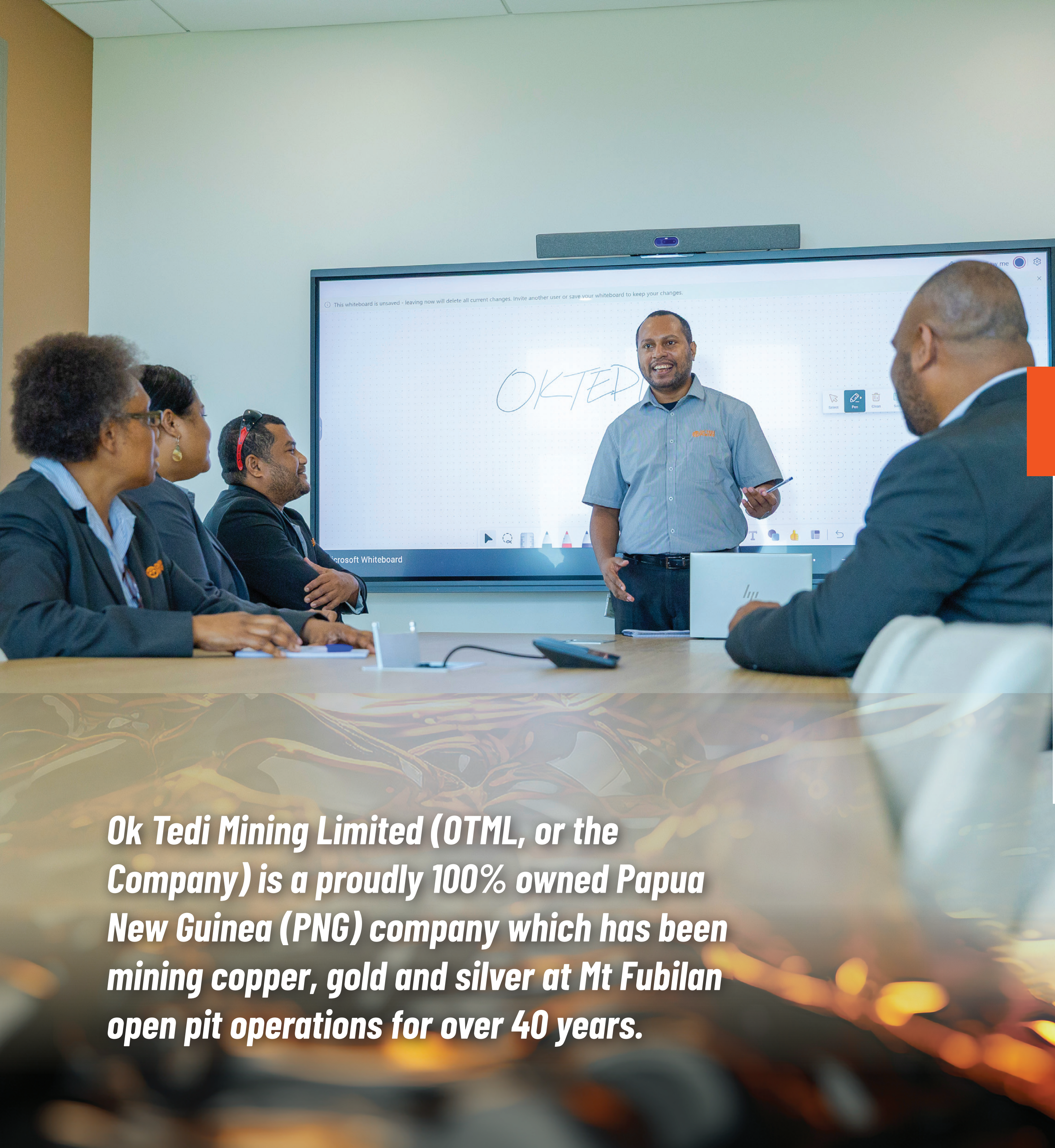
OK TEDI MINING

2024 FINANCIAL REVIEW



WE ARE OK TEDI


OUR MINE,
OUR PRIDE,
OUR FUTURE



Ok Tedi Mining Limited (OTML, or the Company) is a proudly 100% owned Papua New Guinea (PNG) company which has been mining copper, gold and silver at Mt Fubilan open pit operations for over 40 years.

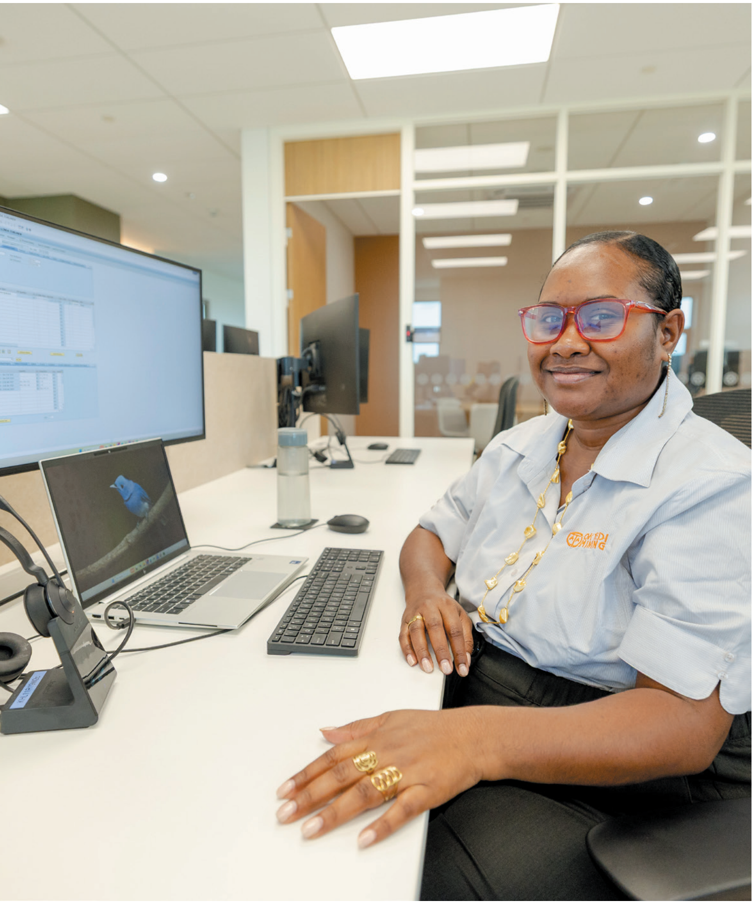
CONTENT PAGE

OK TEDI MINING LIMITED

ANNUAL REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

For the year ended 31 December 2024

The Directors are pleased to present their report on the affairs of the Company and the Group, including the financial statements, for the year ended 31 December 2024.



ACTIVITIES

The Group's principal activity is mining and processing copper ore. Sales for the year totalled 389,227 dry metric tonnes of copper concentrate (2023: 332,946).

FINANCIAL RESULTS

The Group made a profit after tax of PGK1,654,103,000 for the year (2023: PGK681,794,000).

DIRECTORS

The Directors as at the date of the report and for the period were:

Mr. Jeffrey Innes - Chairman
Mr. Kedi Ilimbit - Managing Director/CEO
Mr. Robert Alphonse Kaiyun
Mr. Sarimu Kanu
Mr. Augustine Sanga Mano
Mr. Marjella Meles
Mr. Bonny Ninai
Dr. Ila Temu

The Company Secretary as at balance date was:

Roberto Justo

DIVIDENDS

PGK450 million dividends were declared during the year (2023: PGK450 million).

AUDITORS

Details of amounts paid to the auditors PricewaterhouseCoopers for audit and other services are shown in note 5 to the financial statements.

DONATIONS

The total amount of donations made by the Company is stated in note 5 to the financial statements.

ACCOUNTING POLICIES

Any changes in accounting policies are stated in note 1 to the financial statements.

INTEREST REGISTER

No entries were made in the interest register in 2024.

OTHER DISCLOSURES

In accordance with Section 212(3) of the Companies Act 1997, the shareholders agreed that the Company need not comply with the disclosures required by Section 212(1)(e) to (h) and (j) of the Companies Act 1997.

Signed for, and on behalf of, the Board on 25 February 2025.

JEFFEREY INNES
DIRECTOR

AUGUSTINE SANGA MANO
DIRECTOR

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OK TEDI MINING LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS OF THE COMPANY AND THE GROUP

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS OF THE COMPANY AND THE GROUP

OUR OPINION

We have audited the financial statements of Ok Tedi Mining Limited (the Company), which comprise the statements of financial position as at 31 December 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flow for the year then ended, and the notes to the financial statements, including material accounting policy information. The Group comprises the Company and the entities it controlled at 31 December 2024 or from time to time during the financial year.

In our opinion, the accompanying financial statements:

- comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and other generally accepted accounting practice in Papua New Guinea; and
- give a true and fair view of the financial position of the Company and the Group as at 31 December 2024 and their financial performance and cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code),* that are relevant to our audit of the financial statements in Papua New Guinea, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm carries out other services for the Group in the areas of taxation and other non-audit services. The provision of these other services has not impaired our independence as auditor of the Company and the Group.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The directors are responsible for the annual report which includes other information. Our opinion on the financial statements does not cover the other information included in the annual report and we do not and will not express any form of assurance conclusion on the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

PricewaterhouseCoopers, PwC Haus, Level 6, Harbour City, Konedobu, PO Box 484

Port Moresby, Papua New Guinea

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OK TEDI MINING LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS OF THE COMPANY AND THE GROUP

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible, on behalf of the Company, for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and other generally accepted accounting practice in Papua New Guinea and the Companies Act 1997, 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act 1997 requires that in carrying out our audit we consider and report on the following matters. We confirm in relation to our audit of the financial statements for the year ended 31 December 2024:

- We have obtained all the information and explanations that we have required;
- In our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

WHO WE REPORT TO

This report is made solely to the Company's shareholders, as a body, in accordance with the Companies Act 1997. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditor's report and for no other purpose. We do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

PricewaterhouseCoopers

PricewaterhouseCoopers

JORDAN YEN PARTNER
Partner
Engagement Leader

CHRIS WICKENHAUSER
Partner
Registered under the Accountants Act 1996

Port Moresby
25 February 2025

OK TEDI MINING LIMITED

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	NOTE	CONSOLIDATED 2024 K'000	CONSOLIDATED 2023 K'000	COMPANY 2024 K'000	COMPANY 2023 K'000
CONTINUING OPERATIONS					
OPERATING REVENUE:					
Sales revenue	4 (a)	5,536,156	3,958,575	5,536,156	3,958,575
Other operating income, net	4 (b)	208,093	48,256	197,603	42,607
TOTAL OPERATING REVENUE		**5,744,249**	**4,006,831**	**5,733,759**	**4,001,182**
Mining costs		(709,229)	(791,027)	(709,229)	(791,027)
Processing costs		(766,126)	(791,578)	(766,126)	(791,578)
General and administrative costs	5	(1,100,650)	(611,696)	(1,098,070)	(602,866)
Depreciation and amortisation	11	(457,119)	(499,447)	(455,411)	(497,722)
Marketing costs		(212,908)	(195,776)	(212,908)	(195,776)
Exploration costs		(54,861)	(39,307)	(54,861)	(39,307)
TOTAL OPERATING COSTS		**(3,300,893)**	**(2,928,831)**	**(3,296,605)**	**(2,918,276)**
PROFIT FROM OPERATING ACTIVITIES		**2,443,356**	**1,078,000**	**2,437,154**	**1,082,906**
Finance income	6 (a)	52,591	3,953	52,553	3,925
Finance cost	6 (b)	(137,538)	(124,983)	(137,028)	(123,671)
PROFIT BEFORE INCOME TAX		**2,358,409**	**956,970**	**2,352,679**	**963,160**
Income tax expense	7	(704,361)	(275,366)	(702,458)	(276,418)
PROFIT FOR THE YEAR		**1,654,048**	**681,604**	**1,650,221**	**686,742**

This statement is to be read in conjunction with the accompanying notes.

OK TEDI MINING LIMITED

STATEMENTS OF COMPREHENSIVE INCOME - *Continue*

For the year ended 31 December 2024

		CONSOLIDATED		COMPANY	
	NOTE	2024 K'000	2023 K'000	2024 K'000	2023 K'000
CONTINUING OPERATIONS					
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME		**1,654,048**	**681,604**	**1,650,221**	**686,742**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners		1,654,103	681,794	1,650,221	686,742
Non-controlling interest	27 (a)	(55)	(190)	-	-
TOTAL COMPREHENSIVE INCOME		**1,654,048**	**681,604**	**1,650,221**	**686,742**

These financial statements were authorised for issue by the Board on [25 February 2025].

For, and on behalf of, the Board.

JEFFEREY INNES
DIRECTOR

AUGUSTINE SANGA MANO
DIRECTOR

This statement is to be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2024

	CONSOLIDATED				COMPANY	
	ORDINARY SHARES K'000	RETAINED EARNINGS K'000	NON-CONTROLLING INTEREST K'000	TOTAL K'000	RETAINED EARNINGS K'000	TOTAL K'000
BALANCE AT 1 JANUARY 2023	**195,102**	**4,046,188**	**-**	**4,241,290**	**4,038,150**	**4,233,252**
COMPREHENSIVE INCOME						
Net profit for the year	-	681,794	(190)	**681,604**	686,742	**686,742**
Non-controlling interest (note 27a)	-	-	14,500	**14,500**	-	**-**
Dividends declared (note 23)	-	(450,000)	-	**(450,000)**	(450,000)	**(450,000)**
BALANCE AT 31 DECEMBER 2023	**195,102**	**4,277,982**	**14,310**	**4,487,394**	**4,274,892**	**4,469,994**
COMPREHENSIVE INCOME						
Net profit for the year	-	1,654,103	(55)	**1,654,048**	1,650,221	**1,650,221**
Non-controlling interest (note 27a)	-	-	2,270	**2,270**	-	-
Dividends declared (note 23)	-	(450,000)	-	**(450,000)**	(450,000)	**(450,000)**
BALANCE AT 31 DECEMBER 2024	**195,102**	**5,482,085**	**16,525**	**5,693,712**	**5,475,113**	**5,670,215**

This statement is to be read in conjunction with the accompanying notes.

OK TEDI MINING LIMITED

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	NOTE	CONSOLIDATED 2024 K'000	CONSOLIDATED 2023 K'000 *(Restated)*	COMPANY 2024 K'000	COMPANY 2023 K'000 *(Restated)*
NON-CURRENT ASSETS:					
Property, plant and equipment	8	2,405,112	2,154,951	2,363,634	2,113,695
Mine development costs	9	2,887,521	2,521,040	2,887,521	2,521,040
Intangible assets	10	23,196	26,294	23,196	26,294
Investment in subsidiaries	27	-	-	26,193	26,193
Financial assurance fund	28	1,020,415	933,253	1,020,415	933,253
Other non-current assets		-	4,937	-	4,937
TOTAL NON-CURRENT ASSETS		**6,336,244**	**5,640,475**	**6,320,959**	**5,625,412**
CURRENT ASSETS:					
Cash and cash equivalents	12	406,453	155,164	377,882	135,419
Trade and other receivables	13	479,461	454,446	473,667	450,163
Inventories	14	1,724,007	1,519,975	1,724,007	1,519,975
Prepayments & other current assets	15	382,507	234,558	380,924	234,467
Income tax refundable	17	-	18,145	-	17,533
TOTAL CURRENT ASSETS		**2,992,428**	**2,382,288**	**2,956,480**	**2,357,557**
TOTAL ASSETS		**9,328,672**	**8,022,763**	**9,277,439**	**7,982,969**
CURRENT LIABILITIES:					
Trade and other payables	16	535,260	502,798	521,694	501,465
Bank loan and facilities	29	75,615	365,241	75,615	365,241
Lease liability	20	249,866	151,368	248,470	149,565
Provisions and other liabilities	19	85,284	153,529	77,791	139,176
Income tax payable	17	99,831	-	98,788	-
TOTAL CURRENT LIABILITIES		**1,045,856**	**1,172,936**	**1,022,358**	**1,155,447**

This statement is to be read in conjunction with the accompanying notes.

OK TEDI MINING LIMITED

STATEMENTS OF FINANCIAL POSITION - *Continue*

As at 31 December 2024

		CONSOLIDATED		COMPANY	
	NOTE	2024 K'000	2023 K'000 *(Restated)*	2024 K'000	2023 K'000 *(Restated)*
NON-CURRENT LIABILITIES:					
Bank loan and facilities	29	470,267	344,317	470,267	344,317
Provision for restoration and rehabilitation	21	487,963	551,870	487,963	551,870
Lease liability	20	520,601	518,065	515,752	512,324
Deferred income tax liability, net	18	1,064,413	886,951	1,065,170	887,811
Provisions and other liabilities	19	45,860	61,230	45,714	61,206
TOTAL NON-CURRENT LIABILITIES		**2,589,104**	**2,362,433**	**2,584,866**	**2,357,528**
TOTAL LIABILITIES		**3,634,960**	**3,535,369**	**3,607,224**	**3,512,975**
NET ASSETS		**5,693,712**	**4,487,394**	**5,670,215**	**4,469,994**
SHAREHOLDERS' EQUITY:					
Ordinary shares	22	195,102	195,102	195,102	195,102
Retained earnings		5,482,085	4,277,982	5,475,113	4,274,892
Non-Controlling Interest		16,525	14,310	-	-
TOTAL SHAREHOLDERS' EQUITY		**5,693,712**	**4,487,394**	**5,670,215**	**4,469,994**

*Comparative information has been restated to reflect the prior period error detailed in note 21.

This statement is to be read in conjunction with the accompanying notes.

OK TEDI MINING LIMITED
STATEMENTS OF CASH FLOWS

For the year ended 31 December 2024

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	5,664,868	4,070,159	5,657,087	4,043,994
Payments to suppliers and others	(3,285,849)	(2,984,396)	(3,287,439)	(2,966,578)
CASH GENERATED FROM OPERATIONS	**2,379,019**	**1,085,763**	**2,369,648**	**1,077,416**
Interest received (note 6 (a))	4,157	3,951	4,119	3,925
Interest paid- Financial fees	(56,262)	(70,455)	(56,256)	(70,450)
Interest paid on lease liability (note 6 (b))	(61,872)	(53,816)	(61,368)	(53,221)
Income tax paid (note 17)	(127,403)	(515)	(127,240)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	**2,137,639**	**964,928**	**2,128,903**	**957,670**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment	(444,825)	(317,491)	(444,578)	(312,217)
Mine development expenditures	(453,989)	(272,750)	(453,989)	(272,750)
Proceeds from sale of property, plant and equipment	2,009	2,237	2,009	2,185
NET CASH USED IN INVESTING ACTIVITIES	**(896,805)**	**(588,004)**	**(896,558)**	**(582,782)**
CASH FLOWS FROM FINANCING ACTIVITIES:				
Dividends paid (note 16 (a))	(625,000)	(275,000)	(625,000)	(275,000)
Proceeds from bank loan net of payments	131,183	-	131,183	-
(Payment) Proceeds from overdraft facility (note 29)	(294,859)	96,568	(294,859)	96,568
Lease payments	(216,455)	(149,060)	(215,059)	(147,852)
Cash from increase in minority interest	1,780	-	-	-
NET CASH USED IN FINANCING ACTIVITIES	**(1,003,351)**	**(327,492)**	**(1,003,735)**	**(326,284)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**237,483**	**49,432**	**228,610**	**48,604**
Cash and cash equivalents at beginning of the year	155,164	106,995	135,419	88,073
Foreign exchange effect on foreign currency balances	13,806	(1,263)	13,853	(1,258)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (NOTE 12)	**406,453**	**155,164**	**377,882**	**135,419**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) BASIS OF PREPARATION

These consolidated financial statements of Ok Tedi Mining Limited have been prepared in accordance with the Papua New Guinea Companies Act 1997 and comply with International Financial Reporting Standards (IFRS) and other generally accepted accounting practice in Papua New Guinea. All amounts are stated in Papua New Guinea Kina, the functional currency of the Company, rounded to the nearest thousand Kina.

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or current valuations of non-current assets, other than for certain financial instruments which are measured at fair value. Cost is based on the fair values of the consideration given in exchange for the assets.

The preparation of the financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The Directors have the power to amend these financial statements after their issue.

(B) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

i. **New and amended standards, and interpretations mandatory for the first time for the financial year ended 31 December 2024**
- Amendment to IAS 1 - Non-current liabilities with covenants
- Amendment to IFRS 16 - Leases on sale and leaseback
- Amendment to IAS 7 and IFRS 7 - Supplier finance

The amendments listed above did not have any material impact on the Group.

ii. **New standards, amendments and interpretations issued but not effective for the financial year ended 31 December 2024 and not early adopted**
- Amendments to IAS 21 - Lack of Exchangeability
- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- Annual improvements to IFRS - Volume 11
- FRS 18, 'Presentation and Disclosure in Financial Statements'
- FRS 19, 'Subsidiaries without Public Accountability: Disclosures'

The amendments listed above are not expected to not have a material impact on the Group.

iii. **New IFRS sustainability disclosure standards effective after 1 January 2024 (subject to endorsement by the Accounting Standards Board of PNG)**
- IFRS S1, 'General requirements for disclosure of sustainability-related financial information
- IFRS S2, 'Climate-related disclosures'

The Group has yet to assess the impact of any measurement or recognition issues arising from the release of these new pronouncements that will have a significant impact on the reported financial position or financial performance of the entity.

(C) CONSOLIDATION

The subsidiary undertakings and special-purpose entities in which the Company has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operation are consolidated. They are consolidated from the date on which control is transferred to the Company and are no longer consolidated from the date that control ceases. All inter-entity transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. In the Company's financial statements, investments in subsidiaries are stated at the lower of cost or recoverable amount.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(D) REVENUE RECOGNITION

Revenue from contracts with customers includes the sale of copper concentrate, gold and silver. The Group satisfies its performance obligation with the customer upon shipment or delivery in accordance with specific contract terms. Revenue from the sale is recognised at the point in time when control of the asset is transferred to the customer, generally when the goods are loaded onto the export vessel in Port Moresby. From time to time, the Group enters into bill-and-hold sales in relation to mineral concentrates. In such instances, the inventories are held in the custody of the Company on behalf of third parties, however control over these inventories are passed to the buyer at the time the transaction is entered into and the revenue is recognised at that point.

The transaction price is based upon the amount the Group expects to be entitled to in exchange for the transferring of promised goods. The revenue is based on one hundred percent of provisional weights, assays and prices and is adjusted when actual values are determined and invoiced in accordance with the terms and conditions of the relevant sales contract. The provisional invoice, which is usually 90-95% of the contract price, has an average credit term of 3-5 days after bill of lading date. The final settlement adjustments on the copper portion of the sales contracts are generally based on the average London Metal Exchange (LME) price for a specified future period generally three to five months after arrival at the customers' facility. The copper concentrate invoicing is done net of treatment and refining charges (TCRC).

Sales of copper concentrate are stated net of treatment and refining charges. TCRC are included as part of note 4a.

1. MATERIAL ACCOUNTING POLICIES - Continued

Unfinalized shipments at balance date are valued using metal prices, weights and assays known at that date. Where, in accordance with the terms of the sales contract, prices have not been finalised, sales values have been determined using three months forward price for copper and spot prices at year end for gold and silver. Subsequent changes in fair value are recognised in the Income Statement each period until final settlement and presented as part of total sales revenue.

The average forward prices used based on LME prices at 31 December 2024 were US$4.00 per pound for copper (31 December 2023: US$3.89), US$2,653 per ounce for gold (31 December 2023: US$2,081) and US$29 per ounce for silver (31 December 2023: US$24).

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Interest income is recognised on a time-proportion basis using the effective interest method.

(E) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured.

Certain minor properties owned by the Group and rented externally to third parties would be classified as Investment property under IAS 40. These properties are classified under Property and accounted for under IAS 16 at depreciated costs as the carrying amount is considered immaterial for re-classification.

Property, plant and equipment are depreciated either on a units of production basis or a straight-line basis over their estimated economic lives or the expected life of the mine, whichever is shorter. A change in method from straight line to units of production is accounted for prospectively as a change in estimate. Capital spare parts are depreciated over the life of the equipment for which they are purchased.

The depreciation basis and range of estimated economic lives of the major asset categories are:

Mine production facilities	Units of production
Buildings and improvements	5 years to life of mine
Automotive and other equipment	4 - 10 years to life of mine
Mobile mining equipment	4 years to life of mine
Support facilities	5 years to life of mine
Processing equipment	Units of production

Gains and losses on disposal of property, plant and equipment are brought to account in the determination of operating profit. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Repairs and maintenance costs are charged to the profit and loss account during the financial period in which they are incurred.

(F) PRE-PRODUCTION EXPENDITURE AND EXPLORATION EXPENDITURE

Pre-production expenditure represents the net mine development cost incurred by the Company prior to the commencement of commercial production on 31 January 1985. Such expenditure is classified as a mine development asset and is amortised on a units of production basis over the mine life.

(G) DEFERRED STRIPPING COST

Deferred stripping costs represent the costs incurred in removing overburden and other mine waste materials during the operating phase where those stripping costs are incurred as part of a stripping campaign to access additional ore. This activity is referred to as production stripping. The directly attributable costs (inclusive of an allocation of relevant overhead expenditure) are initially capitalised as a mine development asset, based on the ratio obtained by dividing the amount of waste tonnes mined by the quantity of ore tonnes contained for the specific ore body accessed through the stripping campaign ("the stripping ratio"). Stripping costs incurred in the period are deferred to the extent that the actual current period stripping ratio exceeds the estimated average stripping ratio for the additional ore body accessed.

The stripping asset is then amortised over the life of the additional ore body accessed on a unit of production basis.

(H) RESTORATION AND REHABILITATION

A provision is raised for anticipated expenditure to be made on restoration and rehabilitation to be undertaken after the open pit mine closure based on the present value of the future cash flows.

These costs may include the costs of dismantling and demolishing of infrastructure or decommissioning, the removal of residual material, and the remediation of disturbed areas. Where future economic benefits are probable a corresponding asset is raised and subsequently amortised using the straight-line method.

The Group's restoration, rehabilitation and environmental expenditure policy identifies the environmental, social and engineering issues to be considered and the procedures to be followed when providing for costs associated with the site closure. Site rehabilitation and closure involves the dismantling and demolition of infrastructure not intended for subsequent community use, the removal of residual materials and the remediation of disturbed areas. Community requirements and long-term land use objectives are also taken into account.

The increase in the provision due to passage of time is recognised as interest expense.

Changes in the provision related to changes in the discount rate or changes in the estimated amount and timing of future cash flows are adjusted against the carrying amount of the related asset.

(I) COMPENSATION

The Group has signed various compensation agreements with landowners and other surrounding communities affected by the mine. Compensation packages are denominated in the local currency and, in the majority of instances, are payable over the life of the open pit mine.

Where payments are contingent upon mine continuation, the anticipated amounts payable annually are accrued on a pro-rata basis. Where payments have to be made regardless of mine continuation, a full provision is created against future expected payments using the same principles as in note 1(h).

(J) INVENTORIES

Copper concentrate and product in process are physically measured or estimated and valued at the lower of cost or net realisable value. Cost is derived on an absorption costing basis which includes fixed and variable overheads and depreciation. Net realisable value is the amount estimated to be obtained from the sale of inventories in the normal course of business, less any costs to sell.

Spare parts and consumables are valued at weighted average cost into store. An appropriate provision for stock obsolescence is raised in respect of slow-moving inventory.

(K) FOREIGN CURRENCY TRANSLATION

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Kina, which is the Company's functional and presentation currency.

Transactions denominated in foreign currency are translated at a rate of exchange which approximates the rate of exchange at the date of the transaction. Amounts owing to and by the Company denominated in foreign currencies at balance date are translated at exchange rates current at that date.

Realised and unrealised foreign exchange variations on revenue accounts are recognised in the income statement.

(L) INCOME TAX

The Group provides for all taxes estimated to be payable on net profit for the year. It prepares and lodges its tax return using PNG Kina as the functional and presentation currency.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the near future.

Income tax expense in the income statement comprises the estimated tax payable and the movement in deferred tax balances. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(M) EMPLOYEE BENEFITS

i. Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, annual leave and sick leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date, including on-costs.

ii. Long Service Leave

Liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

iii. Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee accepts voluntary redundancy in exchange for those benefits. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due after more than twelve months from the balance sheet date are discounted to present value.

iv. Retirement Benefits

The Group contributes to NASFUND, an independent defined contribution fund, on behalf of its citizen employees and contributions are charged direct to the income statement when payable. Once the contributions have been paid, the Group has no further payment obligations.

1. MATERIAL ACCOUNTING POLICIES - Continued

(N) CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents include cash at bank and on hand, net of overdraft, and deposits held at call with banks, with maturity of three months or less.

(O) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets Initial recognition and measurement

The Group classifies its financial instruments in the following categories:

Financial Assets at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. The Group's intent is to hold these receivables until cash flows are collected. Receivables are recognised initially at fair value, net of any transaction costs incurred and subsequently measured at amortized cost using the effective interest method. The Group recognises a loss allowance for expected credit losses on a financial asset that is measured at amortized cost.

Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities Initial recognition and measurement

The Group classifies its financial liabilities in the following categories: (a) financial liabilities at amortised cost; and (b) financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss comprises of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Group as at fair value through profit or loss upon initial recognition. The classification depends on the purpose for which the financial liabilities were acquired or incurred. Management determines the classification of its financial liabilities at initial recognition.

Financial liabilities at amortised cost are contractual obligations which are either to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group. They are included in current liabilities, except for those with maturities greater than twelve (12) months after the reporting period, which are then classified as non-current liabilities.

The Group's financial liabilities at amortised cost only consist of trade payables, other payables and borrowings.

The Group does not hold any financial liabilities at fair value through profit or loss during and at the end of each reporting period.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(P) IMPAIRMENT OF ASSETS

Non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment of assets is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is measured as the higher of net selling price and value in use. Value in use for individual assets is calculated by discounting future cash flows using a risk adjusted pre-tax discount rate. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(Q) BORROWING COSTS

Prior to the commencement of commercial production in 1985, the amount of interest costs eligible for capitalisation was based on the actual interest costs incurred because the borrowings were incurred to fund development of the mine property. Capitalisation of borrowing costs ceased following the commissioning of the assets upon commercial production. These pre-production borrowing costs are amortised using the straight-line basis over the life of the mine. Borrowing costs incurred subsequent to the commencement of commercial production are expensed when incurred over the period of the borrowing unless the borrowing relates to the construction of a qualifying asset, in which case the borrowing costs are capitalised. Interest is expensed using the effective interest method. Facility fees are amortised over the period of the facility.

(R) LEASES

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(S) INTANGIBLE ASSETS

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the acquisition, design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

The Company amortises intangible assets with a limited useful life using the straight-line method over the shorter of the life of the asset or the life of the mine.

(T) DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the year in which the dividends are declared by the Company's Directors.

(U) TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(V) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholder. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. Related party balances are shown net where there is a right of set-off.

(W) COMPARATIVE FIGURES

Comparative figures have been amended where appropriate to comply with changes in presentation adopted in the current year.

2. FINANCIAL RISK MANAGEMENT

(A) FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks including market risk (consists of currency, price and interest rate risk), credit risk, liquidity risk and fair value risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Group's treasury section under policies approved by the Board of Directors.

The Company and the Group hold the following financial instruments:

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
FINANCIAL ASSETS:				
Cash and cash equivalents (note 12)	406,453	155,164	377,882	135,419
Trade and other receivables (note 13)	479,461	454,446	473,667	450,163
Financial assurance fund (note 28)	1,020,415	933,253	1,020,415	933,253
	1,906,329	**1,542,863**	**1,871,964**	**1,518,835**
FINANCIAL LIABILITIES:				
Trade and other payables (note 16)	535,260	502,798	521,694	501,465
Bank loan and facilities (note 29)	545,882	709,558	545,882	709,558
Lease liability (note 20)	770,467	669,433	764,222	661,889
Other liabilities	230,975	214,759	222,293	200,382
	2,082,584	**2,096,548**	**2,054,091**	**2,073,294**

(B) MARKET RISKS FACTORS

i. Foreign Exchange Risks

The Company operates internationally and is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the US Dollar and the Australian Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Company's revenues are in US dollars and a significant proportion of costs are in US dollars and Australian dollars. Therefore, the Company's operations are exposed to substantial foreign exchange risk. It is not the Company's policy to hedge foreign exchange risk.

The rates used at 31 December 2024 for United States dollars and Australian dollars were 0.2500 and 0.4022 equal to one Kina, respectively (31 December 2023 - 0.2683 and 0.3920, respectively).

At 31 December 2024, if the Kina had moved by 5% against the US dollar with all other variables held constant, the net profit after tax (NPAT) for the year would have an effect of K43.7 million higher/lower, mainly as a result of foreign exchange gains/losses on translation of US dollar denominated trade receivables, financial assurance fund and cash at bank. On the other hand, if the Kina had moved by 5% against the Australian dollar with all other variables held constant, the NPAT for the year would have an effect of K2.7 million higher/lower, mainly as a result of foreign exchange gains/losses on translation of Australian dollar denominated trade payables and cash at bank.

(B) MARKET RISKS FACTORS (CONTINUES)

i. Foreign Exchange Risks (Continues)

Monetary assets, provisions and liabilities denominated in foreign currencies, at balance date, are as follows:

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000 *(Restated)*	2024 K'000	2023 K'000 *(Restated)*
ASSETS:				
Cash - US Dollars	367,583	93,725	367,583	93,725
- Australian Dollars	4,322	10,067	628	8,210
Receivables - US Dollars	344,702	290,955	344,702	290,955
Financial Assurance Fund receivable - US Dollars	1,020,415	933,253	1,020,415	933,253
LIABILITIES:				
Payables - US Dollars	43,014	5,335	43,014	5,335
- Australian Dollars	68,983	59,616	70,656	60,858
Provision - Restoration & rehabilitation - US Dollars	487,963	551,870	487,963	551,870

ii. Price Risks

The final settlement price received by the Company for the sale of its copper/gold concentrate is usually specified in sales contracts as being based on the average London Metal Exchange (LME) price for a defined future period generally three to five months after arrival of shipments at the customers' facilities (refer note 1(d)).

At 31 December 2024, a fluctuation of US$110 per tonne (US$0.05/pound) in the price of copper would have an effect of K29.5 million (US$7.4 million) on the NPAT. A fluctuation of US$10/ounce in the price of gold would have an effect of K7.1 million (US$1.8 million) on NPAT. These sensitivities assume all other variables remain constant.

The Company does not hedge its copper and gold production.

The Company is exposed to debt securities price risk. This arises from the investments held by the Company through offshore fund managers and are classified as financial assurance fund at fair value in the statement of financial position. The investment manager does not use derivative financial instruments to reduce risk in the currency market and to increase or decrease the Company's exposure to particular markets. A 5% change in market price may result in up to US$13.4 million net impact to the fund balance (2023: US$12.5 million).

iii. Interest Rate Risks Exposures

For the year ended 31 December 2024, the Company had on average cash of K257 million (2023: K90 million) at any given time. The cash balances were on demand and earned minimal interest. Part of the Group's Financial Assurance Fund are financial instruments that earn interest based on current market rates. The Financial Assurance Fund is carried at fair value with changes to fair value being recognized in the profit or loss.

As at 31 December 2024, the Group has an existing tailored business loan and business overdraft limit with BSP Financial Group Limited, both of which incurs interest based on the bank's indicator lending rate. Any changes in the indicator lending rate will take effect on the date which occurs at the end of the relevant 30 day publication period. A 1% increase in the interest on the tailored business loan will result in additional interest of PGK7 million over the term of the loan. The Group has no other external liabilities, other than those in relation to its leases, for which the interest rates are generally fixed on its initial recognition.

2. FINANCIAL RISK MANAGEMENT - Continued

(C) CREDIT RISKS EXPOSURES

The credit risk on financial assets of the Company which have been recognised on the balance sheet is generally the carrying amount, net of any provisions for doubtful debts.

For derivatives, credit risk arises from the potential failure of counter parties to meet their obligations under the respective contracts. With respect to commodity contracts outlined above, the Company has an exposure to loss in the event counter parties fail to settle on contracts which are favourable to the Company.

For trade receivables and financial commitments, the Company only deals with counter parties with a credit rating of BBB - or better. Since trade sales are spread over a number of customers the Company believes that no significant concentration of credit risk exists, and it is not the Company's policy to hedge credit risk.

The Company has policies in place to ensure that sales are made to customers with an appropriate credit history. The bulk of its sales are made directly to smelter companies with whom a relationship has existed for a minimum of 25 years with 100% payment performance execution. Sales made to trading companies are only made to reputable buyers with known long term performance execution. Any new buyer would require a letter of credit to be in place where risk assessment determined this to be necessary.

(D) LIQUIDITY RISKS EXPOSURES

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company manages liquidity risk by maintaining sufficient bank balances to fund its operations and the availability of funding through a committed credit facility. Given the nature of its business, a small number of large transactions, the Company has the option with a number of customers to seek advance payments on produced but not shipped copper concentrate, should that be required.

The Group does not see a liquidity risk around the restoration and rehabilitation because of the Financial Assurance Fund in place.

Management monitors rolling forecasts of the liquidity reserve on the basis of expected cash flows.

The table below analyses the Group's financial liabilities which will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	1 YEAR		MORE THAN 2 YEARS TO 5 YEARS		MORE THAN 5 YEARS	
GROUP	2024 K'000	2023 K'000	2024 K'000	2023 K'000	2024 K'000	2023 K'000
AT 31 DECEMBER (2024 & 2023)						
Trade and other payables (note 16)	535,260	502,798	-	-	-	-
Bank loan and facilities (note 29)	75,615	365,241	450,493	321,063	19,774	23,254
Lease liability (note 20(a))	249,866	151,368	472,883	425,797	47,718	92,268
Other liabilities	185,115	214,759	45,860	-	-	-

	1 YEAR		MORE THAN 2 YEARS TO 5 YEARS		MORE THAN 5 YEARS	
COMPANY	2024 K'000	2023 K'000	2024 K'000	2023 K'000	2024 K'000	2023 K'000
AT 31 DECEMBER (2024 & 2023)						
Trade and other payables (note 16)	521,694	501,465	-	-	-	-
Bank loan and facilities (note 29)	75,615	365,241	450,493	321,063	19,774	23,254
Lease liability (note 20(a))	248,470	149,565	468,034	420,392	47,718	91,932
Other liabilities	176,579	200,382	45,714	-	-	-

The Group expects to settle its restoration and rehabilitation (note 21) from 2050 onwards, which is the current expected end of mine life. The Group expects to utilise the balance of the Financial Assurance Fund (note 28) to settle the restoration and rehabilitation obligation.

(E) FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3). The Company has no assets or liabilities classified under Level 3 as at December 31, 2024 and 2023.

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The Company's Financial Assurance Fund is carried at fair value as at December 31, 2024. The Company holds no other financial instruments that are carried at fair value in 2024 and 2023. The Group considers the Financial Assurance Fund as a level 2 fair value financial instrument.

The fair values were determined in reference to observable market inputs reflecting orderly transactions, i.e., market listings, published broker quotes and transacted deals from similar and comparable assets, adjusted to determine the point within the range that is most representative of the fair value under current market conditions. The Group has no non-financial assets or liabilities carried at fair value as at December 31, 2024 and 2023.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfil an obligation.

(F) CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total financial liabilities (including trade and other payables and derivative financial instruments as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as equity as shown in the balance sheet plus debt.

The gearing ratios at 31 December 2024 and 31 December 2023 were as follows:

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Trade and other payables (note 16)	535,260	502,798	521,694	501,465
Bank loan and facilities (note 29)	545,882	709,558	545,882	709,558
Lease liability (note 20(a))	770,467	669,433	764,222	661,889
Other liabilities	230,975	214,759	222,293	200,382
Cash and cash equivalents (note 12)	(406,453)	(155,164)	(377,882)	(135,419)
Net debt	1,676,131	1,941,384	1,676,209	1,937,875
Equity	5,693,712	4,487,394	5,670,215	4,469,994
Total capital	7,369,843	6,428,778	7,346,424	6,407,869
GEARING RATIO	**0.227**	**0.302**	**0.228**	**0.302**

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The most significant estimates and judgements relate to the long-term copper and gold price, mineral reserves and remaining open pit mine life, provision for restoration and rehabilitation obligations, recoverability of long-lived assets (including mine development costs) and depreciation. Actual results could differ from those estimates and may affect amounts reported in future years. Management believes that the estimates and assumptions are reasonable.

(A) CRITICAL ACCOUNTING ESTIMATES

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

i. Uncertainty of mineral reserve and mineral resource estimates

Mineral reserve and mineral resource estimates are imprecise and depend partly on statistical inferences drawn from drilling and other data, which may prove to be unreliable. Future production could differ dramatically from mineral reserve estimates for the following reasons:

- Mineralisation or formations could be different from that predicted by drilling, sampling and similar examinations;
- Declines in the market price of copper, gold and silver may render the mining of some or all of OTML's mineral reserves uneconomic;
- Increases in mining and processing costs could adversely affect the economics of mineral reserves; and
- The grade of mineral reserves may vary significantly from time to time and there can be no assurance that any particular level of copper, gold and silver may be recovered from the mineral reserves.

Any of these factors may require the Company to reduce mineral reserve and mineral resource estimates or increase its costs.

ii. Life of Mine

In 2013, the life of mine over which the mining and processing of copper ore are forecast to continue was extended from 2015 to 2025. The new mine life of 2025 was based on the mine life extension (MLE) feasibility study that was approved by the Board in February 2013.

Agreements for the extension of the mine life were completed and agreed with the nine (9) CMCA impacted regions in December 2012. All other regulatory and legislative approvals that are necessary to give legal attest to the mine continuation beyond 2015 were completed during 2014.

OTML's Special Mining Lease 1 (SML1) was granted for an initial term of 21 years commencing on 28 May 1981 and was extended for a period of 20 years with effect on and from 28 May 2002.

Under clause 12.2 of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363), the First extension should have been granted for a term of 21 years. In January 2021 OTML submitted an application for a one-year extension to the current term of the SML in accordance with the Mining Act to address this issue.

Thereafter OTML sought a Second Extension of SML 1. This process commenced in 2021. In accordance with Clause 12.2 of the Principal Agreement this extension will require OTML and the State to agree on fair and reasonable terms and conditions. In the opinion of directors and management of OTML the Company is well positioned to satisfy such conditions.

On 30 January 2024, OTML received the notice from MRA that the Second Extension SML 1 was approved effective 28 May 2023 for a term of 20 years expiring on 27 May 2042.

The current mine plan and resource and reserve statement approved by the Board of Directors in 2024 supports mining of the ore reserve up to 2050 (2023: up to 2049). It is expected that another application for extension will be submitted to MRA when the second extension expires.

iii. Provision for Restoration and Rehabilitation

The Provision for Restoration and Rehabilitation is based largely on an obligation to contribute to the Ok Tedi Financial Assurance Fund (refer note 1(h) and note 21). Pursuant to the Mine Closure Code, contained in the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001, the Company is required to update its Mine Closure Plan and submit it to the Office of the Environment and the Department of Mining every three years. The updated Mine Closure Plan must notify, amongst other things, what the Company's latest estimate is of the open pit mine closure costs. A Mine Closure Plan in 2013 presented an estimated a cost of mine closure of US$227 million which has been further updated in 2016 to reflect the continuation of the mine to 2025 and approved by the regulators in 2017 and estimated a cost of mine closure of US$196 million.

In 2019, the Company submitted an updated estimate of the mine closure cost of US$204 million. Every 3 years, the Company provides an updated estimate of the mine closure. In December of 2022, the Company submitted an updated mine closure estimate of US$208 million pending approval. The Mine Closure Plan was prepared by Sustainable Mining Strategies Pty Ltd in coordination with the Mining Business Strategy team of Ok Tedi Mining Limited. In addition, the Company will be preparing another Detailed Mine Closure Plan 4 years before the end of mine life. The amount of provision recognised at balance sheet date is the latest estimated cost of US$173.2 million escalated to 2050 at an inflation rate of 2.08 percent (2023: 2.08 percent) and is discounted using a US treasury note risk free rate.

iv. Provision for Obsolescence

Materials and supplies are valued at the lower of cost and net realisable value. An allowance for obsolescence is determined by reference to the age of the store items identified.

v. Depreciation and Amortisation of Long-term Assets

In estimating the remaining life of the open pit mine, for the purpose of depreciation and amortisation calculations, due regard is given to the volume of remaining economically recoverable reserves but not to limitations that could arise from the potential for changes in technology, demand and other issues, such as early mine closure. These are inherently difficult to estimate, and this uncertainty can lead to a financial limitation on the basis of depreciation and amortisation adopted and is reviewed annually under prevailing circumstances.

Major costs being depreciated or amortised over the extended mine life to 2050 (2023: 2049) that would have a significant financial impact should earlier mine closure eventuate are:

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000 *(Restated)*	2024 K'000	2023 K'000 *(Restated)*
Property, plant and equipment (note 8)	2,405,112	2,154,951	2,363,634	2,113,695
Mine development cost (note 9)	2,887,521	2,521,040	2,887,521	2,521,040
Intangible assets (note 10)	23,196	26,294	23,196	26,294
TOTAL COSTS AT RISK	**5,315,829**	**4,702,285**	**5,274,251**	**4,661,029**

(A) CRITICAL ACCOUNTING ESTIMATES (CONTINUED)

vi. Assessment of Volume Obtained from Stripping Activities

The determination of the volume of waste extracted and the expected volume for the identified component of the orebody is dependent on an individual mine's design and life-of-mine plan and therefore changes to the design or life-of-mine plan will result in changes to these estimates. Identification of the components of a mine's orebody is made by reference to the life-of-mine plan. The assessment depends on a range of factors including the mine's specific operational features and materiality

(B) CRITICAL ACCOUNTING JUDGEMENTS

vii. Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

viii.Impairment Assessment of Long-Term Assets

In accordance with the Group policy (note 1(p)), the Company has undertaken an assessment of impairment indicators and determined that there are no indicators of potential impairment of long-term assets.

ix. Revenue from Customer Contracts

The Group concluded that it satisfies the performance obligation with customers for the sale of copper concentrate, gold and silver when the goods are loaded onto the export vessel in Port Moresby. In making their judgement, the directors considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Group had transferred control of the goods to the customer. The directors consider that the control has been transferred to the customer when the goods pass the rail on a vessel selected by the buyer and at this point the customer has the ability to direct the use of and obtain substantially all of the remaining benefits of the goods. In relation to the bill-and-hold arrangements the control passes to the customer when the arrangement is executed, and the goods are clearly identified and segregated. For the contracts signed under the shipping terms CIF FO (Cost, Insurance and Freight) and (Free Out), freight services represent a separate performance obligation satisfied over time to the port of discharge.

4. REVENUE

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(A) SALES REVENUE				
Copper	3,162,374	2,317,630	3,162,374	2,317,630
Gold	2,297,973	1,643,202	2,297,973	1,643,202
Silver	86,344	53,642	86,344	53,642
Finalisation/revaluation adjustments	164,143	110,863	164,143	110,863
GROSS REVENUE	**5,710,834**	**4,125,337**	**5,710,834**	**4,125,337**
Treatment and refining charges (TCRC)	(174,678)	(166,762)	(174,678)	(166,762)
TOTAL SALES REVENUE	**5,536,156**	**3,958,575**	**5,536,156**	**3,958,575**
(B) OTHER OPERATING INCOME, NET				
Jet A1 fuel distribution revenue	170,798	-	170,798	-
Change in fair value of the Finance Assurance Fund	18,085	35,411	18,085	35,411
(Loss) gain on disposal of equipment	(123)	582	(123)	582
Other income	19,333	12,263	8,843	6,614
TOTAL OTHER OPERATING INCOME, NET	**208,093**	**48,256**	**197,603**	**42,607**

5. GENERAL AND ADMINISTRATIVE COSTS

	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Social Performance & Sustainability	151,678	127,449	151,678	127,449
Finance and Commercial	166,325	161,214	166,325	161,214
People and Capability	74,538	99,874	74,538	99,874
Managing Director	25,346	36,400	25,346	36,400
Business Strategy & Development	53,917	26,834	53,917	26,834
Engineering, Infrastructure and Projects	98,974	64,297	98,974	64,297
Major Projects	15,275	42,992	15,275	42,992
Inventory Movement	3,232	(191,884)	3,232	(191,884)
Production Levy	28,596	20,627	28,596	20,627
Jet A1 Fuel Distribution Cost	171,090	-	171,090	-
Other expenses	311,679	223,893	309,099	215,063
TOTAL GENERAL AND ADMINISTRATIVE COSTS	**1,100,650**	**611,696**	**1,098,070**	**602,866**

5. GENERAL AND ADMINISTRATIVE COSTS - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
INCLUDED IN THE OPERATING PROFIT BEFORE TAX ARE THE FOLLOWING ITEMS:				
AUDITORS' REMUNERATION:				
- Auditing services	1,632	1,120	1,000	882
- Other services	310	207	245	74
Donations	2,556	738	2,539	625

6. FINANCE INCOME/ FINANCE COST

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(A) FINANCE COST				
Foreign exchange gain, net	48,434	-	48,434	-
Interest Income	4,157	3,953	4,119	3,925
TOTAL FINANCE INCOME	**52,591**	**3,953**	**52,553**	**3,925**
(B) FINANCE COST				
Restoration and rehabilitation accretion (note 21)	19,404	24,486	19,404	24,486
Lease interest expense (note 20)	61,872	55,253	61,368	53,221
Interest facility fees	55,938	30,731	55,938	30,731
Foreign exchange loss, net	-	14,311	-	15,036
Bank charges	324	202	318	197
TOTAL FINANCE COST	**137,538**	**124,983**	**137,028**	**123,671**

7. INCOME TAX EXPENSE

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
THE PRIMA FACIE TAX CHARGE ON THE PROFIT FOR THE YEAR IS RECONCILED TO THE INCOME TAX EXPENSE AS FOLLOWS:				
Profit for the year before tax	2,358,410	956,970	2,352,679	963,160
Prima facie tax on the profit for the year at 30%	707,523	287,091	705,804	288,948
Tax effect of permanent differences:	-			
Non-deductible items	3,651	23	3,468	23
Non-taxable income	(5,425)	(9,951)	(5,425)	(10,756)
Unrealised exchange loss	(770)	(692)	(770)	(692)
Adjustments in tax expense	(618)	(1,105)	(619)	(1,105)
INCOME TAX EXPENSE	**704,361**	**275,366**	**702,458**	**276,418**
TAX EXPENSE COMPRISES:				
Income tax - current year (note 17)	462,132	92,989	460,313	94,080
Deferred tax - current year (note 18(a))	242,847	183,482	242,764	183,443
Previous year tax adjustment	(618)	(1,105)	(619)	(1,105)
INCOME TAX EXPENSE	**704,361**	**275,366**	**702,458**	**276,418**

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For the year ended 31 December 2024

8. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED				COMPANY			
	BUILDINGS AND IMPROVEMENTS K'000	PLANT, MACHINERY EQUIPMENT & OTHERS ASSETS K'000	CAPITAL WORKS IN PROGRESS K'000	TOTAL K'000	BUILDINGS AND IMPROVEMENTS K'000	PLANT, MACHINERY EQUIPMENT & OTHERS ASSETS K'000	CAPITAL WORKS IN PROGRESS K'000	TOTAL K'000
Cost 1 January 2024	552,588	6,084,280	788,108	7,424,976	551,148	6,067,008	754,957	7,373,113
Accumulated depreciation 1 January 2024	(458,731)	(4,811,294)	-	(5,270,025)	(457,823)	(4,801,595)	-	(5,259,418)
NET BOOK VALUE 1 JANUARY 2024 (RESTATED)	**93,857**	**1,272,986**	**788,108**	**2,154,951**	**93,325**	**1,265,413**	**754,957**	**2,113,695**
Addition to right of use assets	-	289,037	-	289,037	-	289,037	-	289,037
Additions - property, plant and equipment	-	-	446,508	446,508		-	444,578	444,578
Transfer from capital works in progress	6,764	164,628	(171,392)	-	6,764	164,457	(171,221)	-
Disposals (net book value)	-	(1,066)	-	(1,066)	-	(1,066)	-	(1,066)
Depreciation charge	(24,063)	(342,450)	-	(366,513)	(23,910)	(340,895)	-	(364,805)
Adjustment to provision (note 21)	-	(117,805)	-	(117,805)	-	(117,805)	-	(117,805)
NET BOOK VALUE 31 DECEMBER 2024	**76,558**	**1,265,330**	**1,063,224**	**2,405,112**	**76,179**	**1,259,141**	**1,028,314**	**2,363,634**
Cost 31 December 2024	559,352	6,474,054	1,063,224	8,096,630	557,912	6,456,613	1,028,314	8,042,839
Accumulated depreciation 31 December 2024	(482,794)	(5,208,724)	-	(5,691,518)	(481,733)	(5,197,472)	-	(5,679,205)
NET BOOK VALUE 31 DECEMBER 2024	**76,558**	**1,265,330**	**1,063,224**	**2,405,112**	**76,179**	**1,259,141**	**1,028,314**	**2,363,634**
Cost 1 January 2023	505,936	6,121,745	547,982	7,175,663	505,094	6,105,304	547,869	7,158,267
Accumulated depreciation 1 January 2023	(438,889)	(4,485,692)	-	(4,924,581)	(438,303)	(4,477,627)	-	(4,915,930)
NET BOOK VALUE 1 JANUARY 2023	**67,047**	**1,636,053**	**547,982**	**2,251,082**	**66,791**	**1,627,677**	**547,869**	**2,242,337**
Addition to right of use assets	-	10,788	-	10,788	-	10,788	-	10,788
Additions - property, plant and equipment	-	-	346,453	346,453	-	-	312,217	312,217
Transfer from capital works in progress	50,226	56,101	(106,327)	-	49,776	55,353	(105,129)	-
Disposals (net book value)	-	(800)	-	(800)	-	(800)	-	(800)
Depreciation charge	(23,416)	(310,348)	-	(333,764)	(23,242)	(308,797)	-	(332,039)
Adjustment to provision (note 21) (Restated)	-	(118,808)	-	(118,808)	-	(118,808)	-	(118,808)
NET BOOK VALUE 31 DECEMBER 2023 (RESTATED)	**93,857**	**1,272,986**	**788,108**	**2,154,951**	**93,325**	**1,265,413**	**754,957**	**2,113,695**
Cost 31 December 2023	552,588	6,084,280	788,108	7,424,976	551,148	6,067,008	754,957	7,373,113
Accumulated depreciation 31 December 2023	(458,731)	(4,811,294)	-	(5,270,025)	(457,823)	(4,801,595)	-	(5,259,418)
NET BOOK VALUE 31 DECEMBER 2023 (RESTATED)	**93,857**	**1,272,986**	**788,108**	**2,154,951**	**93,325**	**1,265,413**	**754,957**	**2,113,695**

(A) RIGHT OF USE ASSETS

Plant, machinery equipment and other assets include the following amounts where the Group is a lessee under its lease contracts (refer to note 20(b) for further details):

8. PROPERTY, PLANT AND EQUIPMENT - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Amount recognised under IFRS 16	1,642,029	1,352,992	1,629,230	1,340,193
Accumulated depreciation	(1,004,332)	(776,735)	(996,652)	(770,335)
NET BOOK AMOUNT	**637,697**	**576,257**	**632,578**	**569,858**
MOVEMENT IN THE RIGHT OF USE ASSETS				
Balance at beginning of the year	576,257	718,296	569,858	710,617
Additional leases during the year	289,037	11,128	289,037	10,788
Depreciation for the year (note 20)	(227,597)	(153,167)	(226,317)	(151,547)
BALANCE AT END OF THE YEAR	**637,697**	**576,257**	**632,578**	**569,858**

In accordance with the Mining (Ok Tedi Agreement) Act, the Independent State of Papua New Guinea (the State) has the right, after the closure of the mine, to acquire certain infrastructure fixed assets. The accounting net book value of these fixed assets is K76,179,463 (2023 K93,325,289). At the time that these accounts were prepared the Company has not received, and does not expect to receive, notice that the State intends to acquire any of the assets concerned. The current life of the open pit mine estimate is that mining and processing of ore will continue until the end of 2050 (2023: 2049) (note 3 (a)(ii)).

9. MINE DEVELOPMENT COSTS

	2024			2023		
	PRE-PRODUCTION EXPENDITURE K'000	DEFERRED STRIPPING COST	TOTAL	PRE-PRODUCTION EXPENDITURE K'000	DEFERRED STRIPPING COST	TOTAL
CONSOLIDATED AND COMPANY						
Cost 1 January 2024	392,749	3,247,459	3,640,208	392,749	2,974,725	3,367,474
Accumulated depreciation 1 January 2024	(390,326)	(728,842)	(1,119,168)	(390,100)	(566,371)	(956,471)
NET BOOK VALUE 1 JANUARY 2024	**2,423**	**2,518,617**	**2,521,040**	**2,649**	**2,408,354**	**2,411,003**
Additions	-	453,989	453,989	-	272,750	272,750
Amortisation	(91)	(87,417)	(87,508)	(226)	(162,487)	(162,713)
NET BOOK VALUE 31 DECEMBER 2024	**2,332**	**2,885,189**	**2,887,521**	**2,423**	**2,518,617**	**2,521,040**
Closing cost 31 December 2024	392,749	3,701,448	4,094,197	392,749	3,247,459	3,640,208
Accumulated amortisation 31 December 2024	(390,417)	(816,259)	(1,206,676)	(390,326)	(728,842)	(1,119,168)
NET BOOK VALUE 31 DECEMBER 2024	**2,332**	**2,885,189**	**2,887,521**	**2,423**	**2,518,617**	**2,521,040**

10. INTANGIBLE ASSETS

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Opening net book value	26,294	26,317	26,294	26,317
Additions	-	2,947	-	2,947
Amortisation	(3,098)	(2,970)	(3,098)	(2,970)
CLOSING NET BOOK VALUE	**23,196**	**26,294**	**23,196**	**26,294**
Cost	69,997	69,997	69,997	69,997
Accumulated amortisation	(46,801)	(43,703)	(46,801)	(43,703)
NET BOOK VALUE	**23,196**	**26,294**	**23,196**	**26,294**

The intangible asset relates to the capitalised development cost of the operations and accounting software of the Company.

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For the year ended 31 December 2024

11. DEPRECIATION & AMORTISATION

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Property, plant and equipment (note 8)	366,513	333,764	364,805	332,039
Mine development costs (note 9)	87,508	162,713	87,508	162,713
Intangible assets (note 10)	3,098	2,970	3,098	2,970
TOTAL DEPRECIATION/AMORTISATION	**457,119**	**499,447**	**455,411**	**497,722**

12. CASH AND CASH EQUIVALENTS

	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Cash on hand	6	10	4	7
Cash at bank	406,447	155,154	377,878	135,412
TOTAL CASH AND CASH EQUIVALENTS	**406,453**	**155,164**	**377,882**	**135,419**

13. TRADE AND OTHER RECEIVABLES

	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Accounts receivable - trade	344,702	290,955	344,702	290,955
Accounts receivable - sundry (a), (b)	144,146	170,959	138,352	166,676
	488,848	**461,914**	**483,054**	**457,631**
Provision for doubtful debts (c)	(9,387)	(7,468)	(9,387)	(7,468)
TOTAL CURRENT RECEIVABLES	**479,461**	**454,446**	**473,667**	**450,163**

The Group's and the Company's exposure to credit risk is discussed in note 2(c).

(A) IMPAIRED RECEIVABLES

As at 31 December 2024, other receivables of the Group with a nominal value of K9.4 million which are over six months overdue (2023: K7.5 million) are considered to be impaired. There was K1.9 million provision for the year (2023: K1.5 million). The individually impaired receivables mainly relate to employee, local, overseas and PNG sundry receivables. It was assessed that a portion of the receivables was expected to be recovered. No impaired receivables were written off in 2024 (2023: K1.6 million).

(B) PAST DUE BUT NOT IMPAIRED

As at 31 December 2024, sundry receivables of K14.2 million (2023: K5.9 million) were past due but not impaired. These relate to employee, local, overseas and PNG sundry receivables for which there is no recent history of default and/or regular partial payments are being received. The ageing analysis of these sundry receivables are as follows:

	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS	TOTAL
2024 K'000	13,193	5,439	831	703	15,529	**35,695**
2023 K'000	5,892	704	748	282	5,102	**12,728**

13. TRADE AND OTHER RECEIVABLES - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(C) PROVISION FOR DOUBTFUL DEBTS				
Opening balance	7,468	7,476	7,468	7,476
Increase in provision	1,919	1,566	1,919	1,566
Write-offs applied against provision	-	(1,574)	-	(1,574)
CLOSING BALANCE	**9,387**	**7,468**	**9,387**	**7,468**

(D) FOREIGN EXCHANGE RISK

Information about the Group's and the Company's exposure to foreign currency risk in relation to Trade and Other Receivables is provided in note 2(b)(i).

(E) FAIR VALUE

Due to the short-term nature of the receivables, their carrying amount is assumed to approximate their fair value.

14. INVENTORIES

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
MATERIALS AND SUPPLIES:				
Spare parts and consumables	1,389,146	1,177,885	1,389,146	1,177,885
Provision for obsolete stock (a)	(45,762)	(41,766)	(45,762)	(41,766)
TOTAL CONSUMABLES	**1,343,384**	**1,136,119**	**1,343,384**	**1,136,119**
CONCENTRATE:				
Product in process	102,957	101,945	102,957	101,945
Product on hand	277,666	281,911	277,666	281,911
TOTAL CONCENTRATE	**380,623**	**383,856**	**380,623**	**383,856**
TOTAL INVENTORIES	**1,724,007**	**1,519,975**	**1,724,007**	**1,519,975**

14. INVENTORIES - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(A) PROVISION FOR OBSOLETE STOCK				
Opening Balance	41,766	49,034	41,766	49,034
Provision - addition/(reversal)	3,996	(7,268)	3,996	(7,268)
CLOSING BALANCE	**45,762**	**41,766**	**45,762**	**41,766**
15. PREPAYMENTS AND OTHER CURRENT ASSETS				
Prepaid services	250,095	151,762	248,512	151,671
Prepaid goods	119,034	72,076	119,034	72,076
Other current assets	13,378	10,720	13,378	10,720
TOTAL PREPAYMENTS AND OTHER CURRENT ASSETS	**382,507**	**234,558**	**380,924**	**234,467**
16. TRADE AND OTHER PAYABLES				
Accounts payable - trade	319,137	197,241	321,467	196,648
Dividends payable (a)	-	175,000	-	175,000
Other payables	216,123	130,557	200,227	129,817
TOTAL TRADE AND OTHER PAYABLES	**535,260**	**502,798**	**521,694**	**501,465**
(A) DIVIDEND PAYABLE				
Opening Balance	175,000	-	175,000	-
Declared	450,000	450,000	450,000	450,000
Paid	(625,000)	(275,000)	(625,000)	(275,000)
CLOSING BALANCE	**-**	**175,000**	**-**	**175,000**

17. INCOME TAX PAYABLE (REFUNDABLE)

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Opening balance refundable	(18,145)	(28,815)	(17,533)	(27,495)
Tax expense (note 7)	462,132	92,989	460,313	94,080
TCS, royalty, and interest withholding tax	(253,072)	(92,996)	(253,072)	(92,996)
Prior year adjustments	36,319	11,192	36,320	8,878
Payments	(127,403)	(515)	(127,240)	–
CLOSING BALANCE PAYABLE (REFUNDABLE)	**99,831**	**(18,145)**	**98,788**	**(17,533)**

The income tax refundable is presented as part of prepayments & other current assets.

18. DEFERRED INCOME TAX, NET

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
DEFERRED INCOME TAX COMPRISES:				
DEFERRED TAX ASSET:				
Employee benefits	14,029	26,127	13,313	25,302
Rehabilitation and restoration liability	154,080	137,911	154,080	137,911
Provision for stock obsolescence	13,729	12,530	13,729	12,530
Others	41,809	54,483	41,763	54,438
TOTAL DEFERRED TAX ASSETS	**223,647**	**231,051**	**222,885**	**230,181**

18. DEFERRED INCOME TAX, NET - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
DEFERRED TAX LIABILITY:				
Prepayments / consumables inventory	(6,453)	(276,863)	(6,448)	(276,855)
Financial Assurance Fund, net of rehabilitation and restoration liability	(246,692)	(225,969)	(246,692)	(225,969)
Property, plant and equipment	(843,662)	(475,918)	(843,662)	(475,918)
Others	(191,253)	(139,252)	(191,253)	(139,250)
TOTAL DEFERRED TAX LIABILITIES	**(1,288,060)**	**(1,118,002)**	**(1,288,055)**	**(1,117,992)**
NET DEFERRED TAX LIABILITY	**(1,064,413)**	**(886,951)**	**(1,065,170)**	**(887,811)**
(A) MOVEMENT IN DEFERRED INCOME TAX LIABILITY				
Opening balance	886,951	713,505	887,811	714,350
Charged to income statement (note 7)	242,847	183,482	242,764	183,443
Adjustment on tax liability	(65,385)	(10,036)	(65,405)	(9,982)
CLOSING BALANCE	**1,064,413**	**886,951**	**1,065,170**	**887,811**

19. PROVISIONS AND OTHER LIABILITIES

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(A) CURRENT PORTION				
Employee entitlements	19,596	56,986	16,743	54,253
Community Mine Continuation Agreements	3,504	17,719	3,504	17,719
Compensation Provision	22,148	42,187	22,148	42,187
Community Projects	5,048	11,596	485	234
Deferred Income - Lease	6,406	6,406	6,406	6,406
Production levy	28,505	20,627	28,505	20,627
Other current liabilities	77	(1,992)	-	(2,250)
TOTAL CURRENT PROVISIONS AND OTHER LIABILITIES	**85,284**	**153,529**	**77,791**	**139,176**

19. PROVISIONS AND OTHER LIABILITIES - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(B) NON-CURRENT PORTION				
Deferred income-Lease	18,078	26,182	18,078	26,182
Employee entitlements	27,782	30,111	27,636	30,087
Other non-current liabilities	-	4,937	-	4,937
TOTAL NON-CURRENT PROVISIONS AND OTHER LIABILITIES	**45,860**	**61,230**	**45,714**	**61,206**

20. LEASE LIABILITY

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(A) MEASUREMENT OF LEASE LIABILITIES				
Commitments in relation to leases are payable as follows:				
Within one year	297,885	195,198	296,082	193,395
Later than one year but not later than five years	532,048	505,818	526,638	498,605
Later than five years	52,754	101,974	52,753	101,574
MINIMUM LEASE PAYMENTS	**882,687**	**802,990**	**875,473**	**793,574**
Future finance charges	(112,220)	(133,557)	(111,251)	(131,685)
RECOGNISED AS A LIABILITY	**770,467**	**669,433**	**764,222**	**661,889**
The present value of lease liabilities is as follows:				
Within one year	249,866	151,368	248,470	149,565
Later than one year but not later than five years	472,883	425,797	468,034	420,392
Later than five years	47,718	92,268	47,718	91,932
PRESENT VALUE OF MINIMUM LEASE PAYMENTS	**770,467**	**669,433**	**764,222**	**661,889**
Lease Liability Current	249,866	151,368	248,470	149,565
Lease Liability Non-Current	520,601	518,065	515,752	512,324
PRESENT VALUE OF MINIMUM LEASE PAYMENTS	**770,467**	**669,433**	**764,222**	**661,889**

(B) MEASUREMENT OF RIGHT OF USE ASSETS
The associated right-of-use assets for the leased assets are measured on a retrospective basis.

20. LEASE LIABILITY - Continued

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
(C) AMOUNTS RECOGNISED IN THE BALANCE SHEET				
The following amounts relate to leases presented in the statement financial position:				
Vessels	448,414	352,198	447,697	351,331
Aircraft	53,234	77,089	53,234	77,089
Dredge	128,090	173,037	128,090	173,037
Light Vehicles	56,973	52,903	56,973	52,903
Heavy Equipment	74,316	-	74,316	-
Land lease & Others	9,440	14,206	3,912	7,529
RECOGNISED AS A LIABILITY	**770,467**	**669,433**	**764,222**	**661,889**
(D) AMOUNTS RECOGNISED IN THE INCOME STATEMENT				
The statement of profit or loss shows the following amounts relating to leases				
Depreciation (note 8a)	227,597	153,167	226,317	151,547
Lease Interest Expense (note 6 (b))	61,872	55,253	61,368	53,221
TOTAL IMPACT IN PROFIT AND LOSS	**289,469**	**208,420**	**287,685**	**204,768**

(E) CASH FLOW USED IN LEASES

The total cash outflow for leases in 2024 was K278.3 million (2023 K202.9 million).

(F) THE GROUP'S LEASING ACTIVITIES AND HOW THESE ARE ACCOUNTED FOR

The Group leases vessels, aircraft, dredging equipment, office buildings and land. Lease contracts are typically made for fixed periods of 3 years to 10 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- makes adjustments specific to the lease, e.g. term and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and any lease payments made at or before the commencement date less any lease incentives received and any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the right-of-use asset's useful life and the lease term on a straight-line basis.

Short-term or low value leases are expensed.

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. These options are taken into account in determining the lease term for the purpose of estimating the lease liability.

21. PROVISION FOR RESTORATION AND REHABILITATION

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000 *(Restated)*	2024 K'000	2023 K'000 *(Restated)*
Opening balance	551,870	609,716	551,870	609,716
Adjustment to provision applied against related fixed assets (notes 1 and 8)	(117,805)	(118,808)	(117,805)	(118,808)
Impact of change in exchange rate on provision	34,494	36,476	34,494	36,476
Interest accretion (note 6(b))	19,404	24,486	19,404	24,486
CLOSING BALANCE (NOTES 1(C)(III) AND 1(H))	**487,963**	**551,870**	**487,963**	**551,870**

The Company has revised the restoration obligation to derecognise the impact of obsolete equipment sales at the end of the mine life in accordance with the requirements of IAS 37. The impact of the change to correct this prior year error is to increase the restoration obligations and mine property plant and equipment by K92.2 million, respectively. There has been no change to the prior year reported results or retained earnings in relation to this matter.

	REPORTED 2023 K'000	INCREASE/ (DECREASE) K'000	RESTATED 2023 K'000
STATEMENT OF FINANCIAL POSITION - CONSOLIDATED			
Property, plant and equipment	2,062,783	92,168	2,154,951
TOTAL ASSETS	**7,930,595**	**92,168**	**8,022,763**
Provision for restoration and rehabilitation	459,702	92,168	551,870
TOTAL LIABILITIES	**3,443,201**	**92,168**	**3,535,369**
STATEMENT OF FINANCIAL POSITION - COMPANY			
Property, plant and equipment	2,021,527	92,168	2,113,695
TOTAL ASSETS	**7,890,801**	**92,168**	**7,982,969**
Provision for restoration and rehabilitation	459,702	92,168	551,870
TOTAL LIABILITIES	**3,420,807**	**92,168**	**3,512,975**

22. ORDINARY SHARES

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000	2024 K'000	2023 K'000
Issued and paid-up capital				
192,700,000 SHARES (2023:192,700,000 SHARES)	195,102	195,102	195,102	195,102

23. DIVIDENDS

The Constitution provides that the Board may vote to:

- pay dividends as in the judgment of the Directors that the position of the Company justifies; and
- reduce or increase the amount or delay the payment of an ordinary dividend.

Furthermore, as defined in the Fifth Restated Shareholders Agreement, the declaration and amount of any dividend will be in accordance with the Constitution and otherwise at the sole discretion of the Board.

TOTAL DIVIDENDS DECLARED	450,000	450,000	450,000	450,000

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's Directors.

24. CONTINGENCIES

(A) GUARANTEES				
Collector of Customs	100	100	100	100

(B) LITIGATION

The Company is subject to various claims and litigation. The Directors, however, consider that the probability of significant loss from these claims is remote.

(C) MINE CONTINUATION

The agreement that led to the dismissal of proceedings in relation to environmental damage included an undertaking by the Company to use best endeavours to include the villages that supported the actions in the Community Mine Continuation Agreement (CMCA) process. CMCA review process and negotiations with villages has commenced for the renewal of the CMCA agreement in 2025 to 2032. There is no obligation for the inclusion of these villages to add to the total amount paid under the existing CMCAs.

25. COMMITMENTS

(A) COMPENSATION PAYMENTS

The Mining (Ok Tedi Restated Eighth Supplemental Agreement) Act 1995 (No. 48) of Papua New Guinea was enacted in August 1995 and required the Company to make annual payments to compensation trusts over the remaining life of the mine. Required payments have been made by the Company and current liabilities are recognised in the accounts.

The Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001 (No. 7) was enacted in 2001 and required the Company to make annual payments initially aggregating to K161.5 million over the life of mine.

A requirement of the agreement was to have a mid-term review which addressed many factors including an assessment of whether predicted environmental impacts are being exceeded. This occurred during 2006 and agreements were successfully concluded during the second quarter of 2007 with the formal signing of the CMCA Review Memorandum of Agreement between the delegates of the CMCA regions and shareholders of the Company. The communities downstream of the mine benefited from the agreed increased compensation deal over the period 2007 to 2013.

With the agreement signed in December 2012 by the nine CMCA impacted regions for mine life extension, the total benefits agreed was K515.0 million (US$162.2 million) over ten years from 2016 to 2025.

(B) ENVIRONMENTAL MONITORING COSTS

In OTML's 2022 Detailed Mine Closure Plan (MCP), which was submitted to the PNG Office of Environment and Conservation and the Mineral Resources Authority the Company has undertaken to monitor key environmental aspects for a 30-year period following closure of the open pit mine. The Detailed MCP included a detailed estimate of the cost of this PCEMP (Post Closure Environmental Monitoring Program) which totalled US$26.6 million. This comprises: Monitoring Activities which are aimed at the performance of the cover on the Bige stockpiles and, throughout the riverine system, acid rock drainage, water quality, fish biology and hydrography; Support Programs which cater for labour, equipment, travel and access logistics, and operating, management and reporting costs; and Contingency and Escalation Costs which allow for both pre closure and post closure cost movements.

(C) CAPITAL EXPENDITURE

As at 31 December 2024, the Company has capital commitments totalling K472.8 million which are not provided for in the accounts (31 December 2023: K434.6 million).

26. INSURANCE

The Company places insurance cover with insurers of high credit rating. The insurance policies cover the usual risks that are able to be transferred to insurers under property, liability and transit insurance policies.

The basis of indemnification for Business Interruption (BI) insurance is reimbursement of fixed costs with a cover of US$600 million (2023: US$600 million) inclusive of self-insured retentions.

Self-insured retentions (ISR) include: Property Damage - US$12.5 million; Business Interruption - first 30 days after insurable event plus US$2.5 million for property damage.

27. INVESTMENT IN SUBSIDIARIES

	ORDINARY SHARES		% SHAREHOLDING	
	2024	2023	2024	2023
Ok Tedi Development Foundation Limited (a)	4	4	100 %	100 %
WestAgro Holdings Limited	1	1	100 %	100 %
Fly Vanilla Limited	1,800	1,800	58.92 %	59.52 %
Ok Tedi Australia Pty Limited (b)	10,000	10,000	100 %	100 %
Ok Tedi Power Limited (c)	1	1	100 %	100 %

(A) OK TEDI DEVELOPMENT FOUNDATION LIMITED (OTDF)

OTDF was established pursuant to the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001. Before mine closure, the Company is under an obligation to transfer its shares in OTDF to four reputable organisations engaged in development activities in Papua New Guinea consistent with the objects of OTDF. If the Company does not transfer its shares prior to mine closure, OTDF must be wound up.

The objects of OTDF are to pursue the promotion of sustainable social improvement and economic activity in the Western Province and Telefomin district of the Sandaun Province for the well-being of persons resident in these provinces. OTDF must act solely in pursuit of these objects.

OTDF has a break-even operating result for the year (31 December 2023: break-even). OTDF is exempt from PNG income tax and supplies to OTDF do not attract GST. Further, moneys paid or the cost of assets contributed to OTDF is an allowable deduction to the person making the payment or contribution in the year of payment or contribution.

As at 31 December 2024, OTDF owns 100% (2023: 100%) shareholding in WestAgro Holdings Limited (WAH). WAH was established as an agribusiness

27. INVESTMENT IN SUBSIDIARIES - Continued

company and currently partners with Fly River Provincial Government to guide agribusiness development outcomes for the people of Western Province. Furthermore, as at 31 December 2024, WAH holds 58.92% (2023: 59.52%) shareholding in Fly Vanilla Limited whose principal activities involve the production and distribution of agricultural produce out of Kiunga in the Western Province, Papua New Guinea.

The recognised non-controlling interest represents the 41.08% shareholding of other investors in Fly Vanilla Limited.

	CONSOLIDATED	
	2024 K'000	2023 K'000
Opening Balance	14,310	-
Recognized interest	2,270	14,500
Share in net profit	(55)	(190)
CLOSING BALANCE	**16,525**	**14,310**

(B) OK TEDI AUSTRALIA PTY LIMITED (OTAPL)

OTAPL was incorporated on 19 June 2008 as a wholly owned subsidiary of OTML. The objectives of OTAPL are to provide marketing and logistics services to OTML. The Company's investment in OTAPL at cost is K21 thousand.

(C) OK TEDI POWER LIMITED (OTPL)

OTPL was incorporated on 12 June 2014 as a wholly owned subsidiary of OTML. The sole purpose of OTPL is to manage the provision of electricity in the Western Province, Papua New Guinea. The Company's investment in OTPL at cost is nil.

28. OK TEDI FINANCIAL ASSURANCE FUND - RESTRICTED ASSET

The Mine Closure Code contained in the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001 requires the Company to contribute to a Mine Closure Fund (referred to as the Ok Tedi Financial Assurance Fund). The Ok Tedi Financial Assurance Fund has been established with Standard Bank Offshore Trust Company (Jersey) Ltd acting as independent Trustee. The Fund covers costs of (a) deconstruction and clean up, (b) revegetation, (c) environmental monitoring and maintenance, (d) employee retrenchment, (e) dredging after closure and (f) post closure monitoring which are valued in US$ based on current cost with contingency and escalation considered up to mine closure.

The Ok Tedi Financial Assurance Fund is established to provide sufficient cash at the open pit mine closure for settlement of mine rehabilitation and restoration liabilities (refer note 1(h)). A Detailed Mine Closure Plan which was approved by the Minister for Mining on 7 May 2012 indicated that the Fund should contain US$227 million by 2013.

As at 31 December 2013, the Company had already met the funds required and ceased the semi-annual payments. The Funds are held by the Trustee to be applied in assisting both the Company and the State to comply with their respective Mine Closure Plan obligations under the Mine Closure Code. A detailed review of the mine closure plan and cost estimate to reflect the continuation of the mine to 2025 was updated in 2016 and approved by the regulators in 2017. Management will continue to assess the sufficiency of funds until the expected end of mine life.

The assets of the Ok Tedi Financial Assurance Fund are legally separate from the Company and are not available to meet the claims of creditors in any winding up of the Company. They are irrevocably dedicated to funding open pit mine closure costs and cannot be used for any other purpose. Contributions to the Fund are initially recorded at cost and the Company recognises its receivable from the Fund at fair value.

In accordance with accounting practice, the Ok Tedi Financial Assurance Fund is considered to be a special purpose entity controlled by the Company and it is consolidated in the Group financial statements. The assets of the Fund at 31 December 2024 comprised a portfolio of investments, valued at balance date at K1,020 million or US$255 million (2023: K933 million or US$250 million). These investments are accounted for as a financial asset at fair value through profit or loss.

Total contributions by the Company to the Fund and the consolidated Fund equity are summarised as follows:

	CONSOLIDATED (Cash, cash equivalents and available for sale investments at fair value)		COMPANY (Receivable from the FAF)	
	2024 K'000	2023 K'000 *(Restated)*	2024 K'000	2023 K'000 *(Restated)*
Opening balance	933,253	848,035	933,253	848,035
Portfolio return - current year	87,162	85,218	87,162	85,218
CLOSING BALANCE	**1,020,415**	**933,253**	**1,020,415**	**933,253**

28. OK TEDI FINANCIAL ASSURANCE FUND - RESTRICTED ASSET - Continued

Without considering the Ok Tedi Financial Assurance Fund and the Restoration and Rehabilitation liability, the Company Financial Position would be:

	CONSOLIDATED		COMPANY	
	2024 K'000	**2023 K'000** *(Restated)*	**2024 K'000**	**2023 K'000** *(Restated)*
Total Assets	8,308,257	7,089,510	8,257,024	7,049,716
Total Liabilities	(3,146,997)	(2,983,499)	(3,119,261)	(2,961,105)
NET ASSETS	**5,161,260**	**4,106,011**	**5,137,763**	**4,088,611**

29. BANK LOAN AND FACILITIES

	CONSOLIDATED 2024 K'000	CONSOLIDATED 2023 K'000 (Restated)	COMPANY 2024 K'000	COMPANY 2023 K'000 (Restated)
Business overdraft limit	-	294,859	-	294,859
Tailored business loan - current	75,615	70,382	75,615	70,382
Total bank loan and facilities - current	75,615	365,241	75,615	365,241
Tailored business loan - non-current	470,267	344,317	470,267	344,317
TOTAL BANK LOAN AND FACILITIES	**545,882**	**709,558**	**545,882**	**709,558**

(A) BUSINESS OVERDRAFT LIMIT

The Group has an existing overdraft facility of K200 million with BSP Financial Group Limited (BSP). The facility is charged an annual rate of 5.2%. As at 31 December 2024, the Group utilised nil (2023: K294.9 million) of the facility.

(B) TAILORED BUSINESS LOAN

In 2023, the Group obtained a bank loan with BSP for a total amount of K500 million to fund various capital projects of OTML. In March 2024, a new tailored business loan was established with the amount of K604.1 million. As at the time of the restructure, a total K599.7 million was drawn to refinance the old business loan together with the business overdraft limit. As at 31 December 2024, the loan has a balance of K545.9 million, net of cumulative payments. The loan charges an interest of 5.75% per year and is payable within 7 years

Tailored business loan - current	75,615	70,382	75,615	70,382
Tailored business loan - non-current	470,267	344,317	470,267	344,317
TOTAL BANK LOAN AND FACILITIES	**545,882**	**414,699**	**545,882**	**414,699**

29. BANK LOAN AND FACILITIES - Continued

BSP has secured its K604 million loan facility through the following:

- First registered fixed and floating charge over the whole of the Company's assets and undertakings including called but unpaid and uncalled capital;
- Deed of guarantee and indemnity;
- Negative pledge; and
- Subordination agreement.

Certain financial undertakings were required by the Bank which includes: (1) OTML is to meet an interest cover ratio of more than four times in the relevant period; (2) OTML is to meet the debt service cover ratio of more than three times in the relevant period; and (3) OTML is not to exceed debt to earnings before interest, taxes, depreciation and amortisation (EBITDA).

	CONSOLIDATED		COMPANY	
	2024 K'000	2023 K'000 *(Restated)*	2024 K'000	2023 K'000 *(Restated)*
Interest cover ratio	95.87	69.28	95.87	69.32
Debt service cover ratio	28.87	17.36	28.87	17.37
Debt to EBITDA ratio	0.19	0.26	0.19	0.26

As at 31 December 2024, the Group has complied with all the above financial undertakings.

30. RELATED PARTY TRANSACTIONS

(A) OWNERSHIP	ORDINARY SHARES	% HOLDING
Shareholders and their respective shareholdings are as follows:		
Kumul Minerals (Ok Tedi) Limited	129,109,000	67
Minerals Resources Ok Tedi No. 2 Limited	23,124,000	12
Minerals Resources CMCA Holdings Limited	23,124,000	12
Minerals Resources Star Mountain Limited	17,343,000	9
	192,700,000	**100**

(B) TRANSACTIONS DURING THE YEAR

Transactions with the Independent State of Papua New Guinea predominantly comprise the payment of taxes and other statutory payments.

	CONSOLIDATED	
(C) KEY MANAGEMENT COMPENSATION	2024 K'000	2023 K'000
Salaries and short-term employment benefits	28,395	32,649
Post-employment benefits	-	-
TOTAL COMPENSATION	**28,395**	**32,649**

31. EMPLOYEE BENEFITS

The number of people employed by the Company at the end of the year was 2,624 (2023: 2,727).

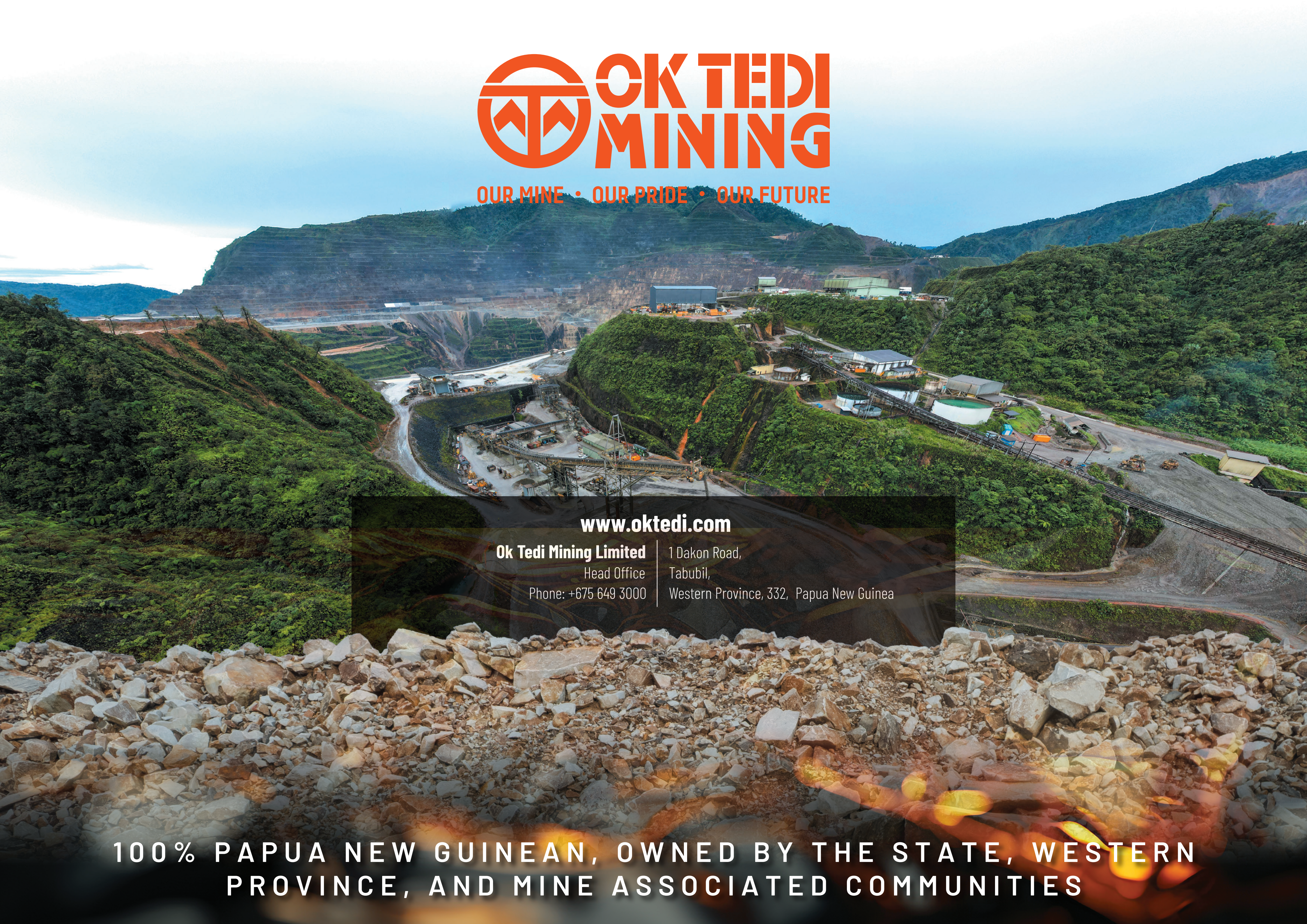
	CONSOLIDATED		COMPANY	
	2024	2023	2024	2023
Staff costs comprise of the following:				
Salaries and wages	417,281	379,753	404,096	365,178
Contribution to retirement benefit funds	40,534	28,984	38,838	27,689
Other employee on-costs	80,975	77,754	79,337	76,731
TOTAL STAFF COSTS	**538,790**	**486,491**	**522,271**	**469,598**

32. INCORPORATION AND REGISTERED OFFICE

The Company is incorporated in Papua New Guinea. The Registered Office and Address for Service of Notices is 1 Dakon Road, Tabubil, and Western Province, Papua New Guinea.

33. EVENTS AFTER REPORTING PERIOD

There are no significant events that occurred post balance date that require an adjustment or disclosures in the financial statements.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100% PAPUA NEW GUINEAN, OWNED BY THE STATE, WESTERN PROVINCE, AND MINE ASSOCIATED COMMUNITIES