

Lephalale Solar Project

EXXARO CAPITAL MARKETS DAY SITE VISIT

23 June 2026



20TH ANNIVERSARY
IMPACT BEYOND THE SURFACE

exxaro
POWERING POSSIBILITY

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The strategic mandate



Grow the renewable energy business (serving both Exxaro and the broader market)

Expanding capacity to supply Exxaro with green energy

1



Decarbonise Exxaro

Reducing Scope 2 emissions at scale

2



Cost optimisation and certainty

Lowering costs while providing long-term input cost certainty

3



Project at a glance

A world class utility scale solar asset built for Grootegeluk to **reduce** cost, **lower** carbon and **Eskom** dependency.

| 1 Project identity and location | | 2 Technical specifications | |
|--------------------------------------|--|----------------------------|---|
| Location | Lephalale, Limpopo Province, next to the Grootegeluk mine | Installed capacity | 68 MW (Full output reached December 2025) |
| Offtaker | Exxaro Coal (Grootegeluk Mine) | Technology | Solar PV with single-axis tracking and bifacial modules |
| Project status | Operational (Commercial Operation Date (COD) achieved 20 April 2026) | Asset scale | 129,024 solar modules across 185 hectares |
| | | Annual generation | Approximately 176 GWh of renewable energy |
| 3 Commercial and financial structure | | | |
| Total investment | R1.7 billion | | |
| Funding ratio | 75:25 debt-to-equity basis | | |
| Lenders | Nedbank and Standard Bank | | |
| Debt maturity date: | 31 December 2042 | | |
| Agreement | 25-year arm's-length Power Purchase Agreement (PPA) | | |



What makes LSP important

From strategy on paper to electrons in the pit



Strategic proof Point

- › First Cennergi project under Exxaro's revised energy strategy
- › Proves the full value chain: originate, develop, finance, construct and deliver
- › Self-developed with Exxaro and successfully project financed



Direct value to Grootegeluk

- › Significant cost saving per annum (R100m per annum)
- › CPI based increases, ensure input cost certainty



Decarbonisation at scale

- › Reduces Exxaro's scope 2 emission by 17%



Platform for the future

- › Strengthens decentralised energy supply for operations
- › Creates a bankable model for future private off taker projects

How the plant works for GG



Direct supply to Grootegeluk

- LSP supplies renewable energy directly to GG through the mine's main substation
- GG uses LSP power first, reducing daytime Eskom demand



Offset mechanism

- Excess generation is exported to Eskom via the substation (capped at 20 MW)



Future BESS option

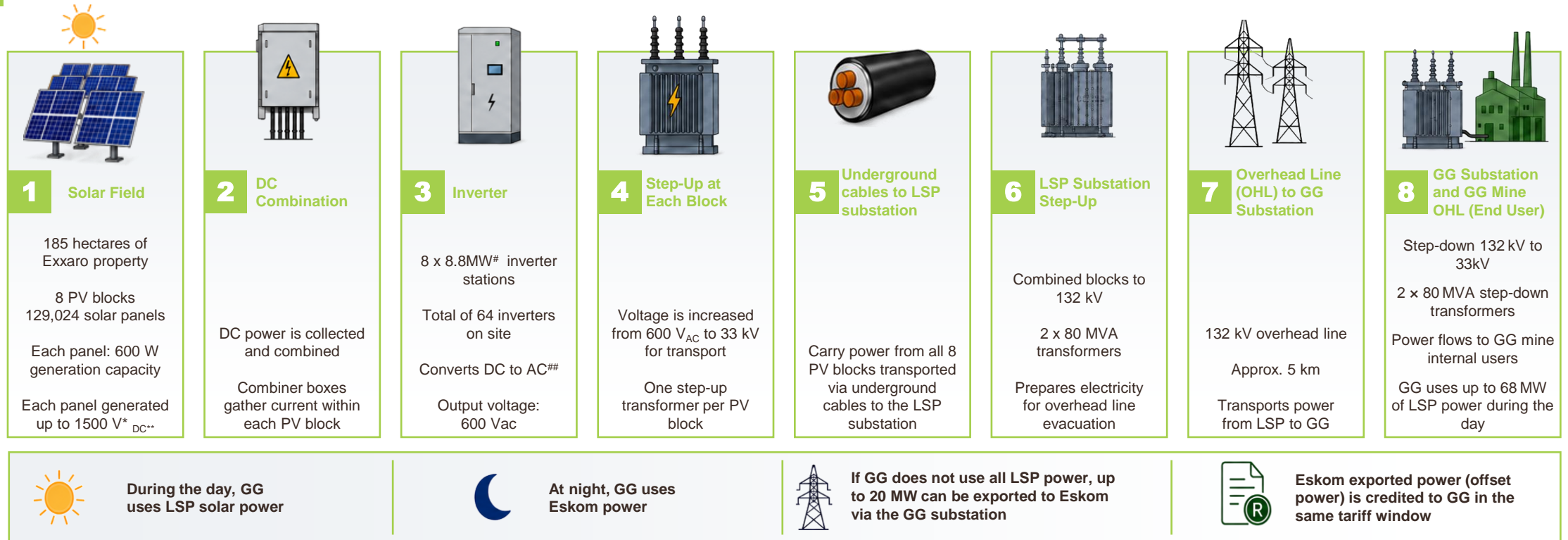
- Site licensed for future Battery Energy Storage System (BESS) integration to store surplus energy and optimise usage



How the plant works

Lephalale Solar Project (LSP) - From panel to end user

Simple view of how solar electricity is generated, stepped up, transported, stepped down and used at Grootegeluk Mine



Generate DC Power → Invert to AC → Step Up Voltage → Transport → Step Down Voltage → End User

* Voltage ** Direct current # Mega Watts ## Alternating current

Technical highlights

Smart tracking, flexible integration and future storage-ready design

Tracking solar panels

- › 129,024 JA Solar PV modules installed
- › Bifacial modules capture light from front and rear
- › 10-30% higher yield potential than single-sided panels
- › Game-Change single-axis trackers follow the sun east to west
- › Creates a smoother and more stable generation profile
- › Supported by long-term warranties and a 30-year design life

BESS future optionality

- › Site licensed for future Battery Energy Storage Systems
- › Fully permitted for a 100 MWh BESS

Grid connection & integration

- › Directly integrated with Grootegeluk's power system via the main substation
- › Power is prioritised for on-site consumption, reducing Eskom reliance
- › Flexible operation aligned to varying mine load requirements



What the project delivers

Beyond megawatts - LSP delivers lower carbon, lower cost energy positively impacting local communities



Environmental impact (The Green Result)

- › **Annual clean energy:** Delivering ~176 GWh of renewable energy per year
- › **Decarbonisation:** Successfully meeting approximately 30% of Grootegeluk's (GG) annual demand
- › **Emission reduction:** A confirmed 17% reduction in Exxaro's Scope 2 emissions in Year 1



Commercial impact (The Financial Result)

- › **Cost efficiency:** Direct replacement of Eskom grid power with lower-cost solar
- › **Price stability:** Long-term tariff certainty secured through the 25-year arm's-length PPA
- › **Revenue optimisation:** Utilising the 20 MW offset mechanism to earn Eskom credits for surplus power



Social impact (The Community Legacy)

- › **Job creation:** 808 jobs during construction, with a high local concentration (69% local recruitment)
- › **Local spend:** 41.9% local content achieved, supporting 13 local subcontractors
- › **Skills and education:** Over R1.12 million invested in community bursaries and worker training



Strategic impact (The Business Result)

- › **Proof of concept:** Proves the full value chain-originate, develop, finance, construct, and operate-as a bankable model
- › **Market credibility:** Establishes Cennergi's reputation with lenders (Nedbank and Standard Bank) for future private offtake projects

How we delivered it

Built through collaboration, financed with confidence, delivered through partnerships



Construction and execution

- › EPC delivered by Elsewedy Electric
- › Notice to Proceed issued August 2023
- › Executed through close coordination with Exxaro and Grootegeluk
- › Exemplary health and safety performance under Mine Health and Safer Act



Development and financing

- › Self developed in partnership with Exxaro
- › Financial close achieved in June 2023
- › Project financed by Nedbank and Standard Bank
- › Structured on an arm's length, bankable project finance basis






Commissioning and COD

- › Commissioning and energisation completed in Q4 2025
- › First power delivered December 2025
- › COD achieved April 2026

Site operations and maintenance

From daily operations to long-term asset care - keeping LSP safe, reliable and productive

| | | |
|---|--|--|
|  <h2>Operations and maintenance</h2> <ul style="list-style-type: none">› Outsourced O&M to Elsewedy for the first 5 years post-COD› Transition to Cennergi-led asset management thereafter› Dedicated site management oversight ensuring contract and performance compliance› Facility availability guarantee of 99%› Performance ratio* ~80% |  <h2>Operating model</h2> <ul style="list-style-type: none">› Aligned to Grootegeluk's load requirements› Continuous performance monitoring and optimisation› Coordinated operations between Cennergi, GG and O&M provider |  <h2>Site management</h2> <ul style="list-style-type: none">› Routine maintenance to sustain output and asset life› Basic site upkeep, including cleaning and vegetation control |
|---|--|--|

* Percentage of all the solar energy available converted into exported electricity. Formula: Actual energy generated/Expected energy based on sunlight and installed capacity



Our repeatable growth engine

From one flagship project to a repeatable growth engine

Proven platform

- › Built on operational wind experience at Amakhala and Tsitsikamma (Bid Window 2 Projects)
- › LSP added self-developed, private-off taker and project-financed capability
- › Cennergi now has deeper in-house development, construction, finance and asset management expertise

Bankable execution model

- › LSP proved the model: develop, finance, construct, own and operate
- › Arm's-length structure created commercial discipline
- › Strong lender confidence supports future transactions

Karreebosch as the next proof point

- › 140 MW wind farm under construction with G7
- › Cennergi shareholding in the project is 80%, with power sold to Northam under a 20-year private offtake PPA
- › LSP lessons are being applied across execution, health and safety, ESG, stakeholder management and governance

Scalable growth engine

- › Model can be replicated across Exxaro sites, both Coal and Metals, and private off-taker opportunities
- › Supports future solar, wind, wheeling, BESS and hybrid solutions
- › Builds Cennergi's pathway toward its 1.6 GW managed capacity ambition

From strategy to operational reality

Exxaro gave Cennergi the platform. Cennergi gave Exxaro the proof.
Together, the transition can be delivered

› Exxaro has created the platform; Cennergi is turning it into operating assets

› LSP proves that strategy, capital and execution can meet in one bankable model

› From wind to solar, Cennergi is building repeatable delivery capability

› This is energy transition with discipline: lower carbon, lower cost and stronger resilience

› Exxaro is not only planning the transition - it is executing it