LISHEEN MINE PARTNERSHIP

Annual Financial Statements
for the year ended 31 March 2023

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The reports and statements set out below comprise the annual financial statements presented to the partners:

GENERAL INFORMATION

PARTNERS	Vedanta Lisheen Mining Limited Killoran Lisheen Mining Limited
MANAGEMENT COMMITTEE	P. Singla P. Van Greunen
REGISTERED OFFICE	Deloitte & Touche House Charlotte's Quay Limerick Ireland
SOLICITOR	James J Kelly & Son, Solicitors, Patrick Street, Templemore, Co. Tipperary
BANKERS	Barclays Bank Plc 47/48 St. Stephen's Green Dublin 2
AUDITOR	Azets Audit Services Ireland Limited Joyce House 21-23 Holles Street Dublin Ireland D02 YP92
SECRETARY	K.Quinn

REPORT OF THE PARTNERSHIP

The partners present their report and the audited financial statements for the financial year ended 31 March 2023.

Principal activities and review of the business

The Lisheen Mine Partnership is a partnership between Vedanta Lisheen Mining Limited and Killoran Lisheen Mining Limited both subsidiaries of Vedanta Lisheen Holdings Limited. The principal activity of the partnership is the development and operation of a zinc/lead mine at Killoran, Moyne, Thurles, Co. Tipperary.

Mining operations ceased on 18th Deecmber 2015 due to the exhaustion of ore reserves at the mine.

Going concern

The directors, having made appropriate enquiries, consider it reasonable to assume that the company has adequate resources to continue for the foreseeable future and for this reason, have continued to adopt the going concern basis in preparing the accounts.

The directors of Lisheen Mine Partnership have received confirmation that Vedanta Limited, an ultimate holding company of the company is fully prepared and able to support the company as necessary.

Risk and uncertainties

RISK
Health, safety

IMPACT
The resources sector is subject to extensive health, safety, and environmental laws, regulations and standards. Evolving regulations, standards and stakeholder expectations could result in increased cost and litigation.

MITIGATION
Health, Safety and Environment (HSE) is a high priority. Compliance with international and local regulations and standards, and protecting our people, communities and the environment from harm, are our key focus areas.

Results

The result for the financial year ended 31 March 2023 is a profit of US$ 636,144 (2022: profit of US$12,780).

Events after reporting date

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

REPORT OF THE PARTNERSHIP (CONTINUED)

Partners' interests

The partners’ interests are represented by the Management Committee, the membership of which is set out on page 3.

Auditor

Azets Audit Services Ireland Limited were appointed auditors by the directors to fill the casual vacancy and they have expressed their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

The annual financial statements were authorised for issue and were signed on 30 May 2023.

P.Singla	P.Van Greunen
Director	Director
Date: 30 May 2023	Date: 30 May 2023

PARTNERS' RESPONSIBILITIES STATEMENT

The partners are responsible for preparing Partners' Report and the financial statements in accordance with Irish law and regulations.

Irish Company law requires the partners to prepare financial statements for each financial year. Under the law, the partners have elected to prepare the financial statements in accordance Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law, the partners must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss for that year.

In preparing those financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identifying those standards and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

The partners are responsible for ensuring that the Partnership keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Partnership, enable at any time the assets, liabilities, financial position and profit or loss of the Partnership to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with S.I. No. 396/1993 - European Communities (Accounts) Regulations, 1993. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

Signed by:Pushpender Pushpender
Signed at:2023-05-30 10:29:57 +02:00
Reason:Witnessing Pushpender Pushpen

P.Singla	P.Van Greunen
Director	Director
Date: 30 May 2023	Date: 30 May 2023

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INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF LISHEEN MINE PARTNERSHIP

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Lisheen Mine Partnership ('the Qualifying Partnership') for the year ended 31 March 2023, which comprise the Income statement, statement of financial position, statement of changes in equity and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:
- give a true and fair view of the assets, liabilities and financial position of the Qualifying Partnership as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Qualifying Partnership in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the partners' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Qualifying Partnership's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the partners with respect to going concern are described in the relevant sections of this report.

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Other Information

The partners are responsible for the other information. The other information comprises the information included in the report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014, to qualifying partnerships

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the partners' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the partners' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Qualifying Partnership were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Qualifying Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the partners' report.

The Companies Act 2014, as applied to qualifying partnerships, requires us to report to you if, in our opinion, the disclosures of partners' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of partners' remuneration and transactions are not complied with by the Qualifying Partnership. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of the Partners for the Financial Statements

As explained more fully in the partners' responsibilities statement set out on page 4, the partners are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they 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 partners are responsible for assessing the Qualifying Partnership'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 management either intends to liquidate the Qualifying Partnership or to cease operations, or has no realistic alternative but to do so.

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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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at:http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Qualifying Partnership's partners, as a body, in accordance with section 391 of the Companies Act 2014, as applied by Regulation 30 of European Union (Qualifying Partnerships: Accounting and Auditing) Regulation 2019 . Our audit work has been undertaken so that we might state to the Qualifying Partnerships' members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Qualifying Partnerships' and the Qualifying Partnerships' members, as a body, for our audit work, for this report, or for the opinions we have formed.

Aidan Kearney.

Aidan Kearney
For and on behalf of
Azets Audit Services Ireland Limited
Statutory Audit Firm
Joyce House
21-23 Holles Street
Dublin 2

Date: 30/05/2023

STATEMENT OF COMPREHENSIVE INCOME

Figures in US$	Notes	31 March 2023	31 March 2022
Operating expenses		639 440	(3 605)
Operating Profit/(Loss)		**639 440**	**(3 605)**
Other income	4	-	17 754
Finance income	**5**	(2 872)	-
Redundancy provision	12	(424)	(1 369)
Net profit/(loss) before tax		**636 144**	**12 780**
Taxation	8	-	-
Net profit for the year		**636 144**	**12 780**
Other Comprehensive income		-	-
Total Comprehensive profitfor the year		**636 144**	**12 780**

STATEMENT OF FINANCIAL POSITION

Figures in US$	Notes	**31 March 2023**	31 March 2022
Assets			
Current assets			
Trade and other receivables	9	7 744 647	5 310 905
Cash and cash equivalents	10	1 349 056	1 022 411
		9 093 703	**6 333 316**
Trade and other payables	11	(7 068 350)	(3 576 032)
Net current assets		2 025 353	2 757 284
Total Assets less Current Liabilities		**2 025 353**	**2 757 284**
Provisions	12	(2 025 353)	(2 757 284)
NET ASSETS		-	-
Capital and reserves			
Cash contributed- Vedanta Lisheen Mining Limited		-	-
Cash contributed- Killoran Lisheen Mining Limited		-	-
Share of profits - Vedanta Lisheen Mining Limited	13	-	-
Share of profits - Killoran Lisheen Mining Limited	13	-	-
Total Liabilities and Equity		-	-

ACCOUNTING POLICIES

1. Basis of preparation and accounting policies

Lisheen Mine Partnership is a partnership between Vedanta Lisheen Mining Limited and Killoran Lisheen Mining Limited both subsidiaries of Vedanta Lisheen Holdings Limited. The principal activity of the partnership is the development and operation of a zinc/lead mine at Killoran, Moyne, Thurles, Co. Tipperary.

These financial statements were prepared in accordance with applicable accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants of Ireland, including FRS 101 'Reduced Disclosure Framework' (Generally Accepted Accounting Practice in Ireland).

Basis of accounting

The partnership prepares its financial statements denominated in US dollars on the historical cost convention.

Basis of preparation

The Partnership meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with Financial Reporting Standard 101 (FRS 101) Reduced Disclosure Framework, as defined above.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

The following paragraphs of IAS 1, 'Presentation of financial statements':

- 10(d), (statement of cash flows),
- 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements. or when it reclassifies items in its financial statements),
- 16 (statement of compliance with all IFRS),
- 38A (requirement for minimum of two primary statements. including cash flow statements),
- 38B D (additional comparative information),
- 40A D (requirements for a third statement of financial position),
- 111 (cash flow statement information), and
- 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'

Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)

Basis of preparation (continued)
The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
Disclosure requirements of IFRS 9: Financial Instruments
Where relevant, equivalent disclosures have been given in the group accounts of Vedanta Resources Plc. The group accounts of Vedanta Resources Plc are available to the public.

Going concern
The directors, having made appropriate enquiries, consider it reasonable to assume that the company has adequate resources to continue for the foreseeable future and for this reason, have continued to adopt the going concern basis in preparing the accounts.

The directors of Lichen Mine Partnership have received confirmation that Vedanta Limited , an ultimate holding company of the company is fully prepared and able to support the company as necessary.

Other income
Other income comprises of rental income earned. Rental income includes amounts received from the rental of buildings as well as the rental of the windfarms situated on the property. Rental income is recognised net of repairs, maintenance, rates and insurance.

Foreign currency translation
The functional currency of the company is US dollars.

Transactions denominated in foreign currencies relating to revenues, costs and non-monetary assets are translated to US dollars at the spot rate of exchange prevailing at transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to US dollars at the rate of exchange ruling at the statement of financial position date. The resulting profits or losses are dealt with in the statement of comprehensive income.

Closure costs
Provision is made for the estimated closure and related costs arising at the end of the economic useful life of the mine. This provision represents the present value, at the statement of financial position date, of the estimated costs of restoring the environment disturbance. Changes in these estimates and changes to the discount rate are dealt with prospectively in the financial statements.

Provisions
Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, a reliable estimate of that obligation can be made and it is probable that an outflow of economic benefits will be required to settle the obligation.

When the effect of the time value of money is material, provisions are recognised at a discounted rate. The discount rate is based on an inflation rate of 2% (2022: 2%) and the rate of return on the deposit and the finance charge is included in the statement of comprehensive income and added to the provision each financial year.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Partnership's accounting policies, which are described in note 1, the partners are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Lisheen Mine Partnership considers the following areas as the key sources of estimation uncertainty:

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Impairment

Management reviews its property, plant and equipment, including mining properties, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in commodity prices, business plans and changes in regulatory environment are taken into consideration.

The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of commodity prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above-mentioned factors could impact the carrying value of the assets.

Provision for closure costs

Provision is made for costs associated with restoration and rehabilitation of mining related sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimated because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of the closure provision are disclosed in note 12 (i).

Provisions for redundancy costs

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can be reasonable estimated. Under an orderly closure programme, the company agreed the terms of redundancy with employees and a provision for such costs has been recognised to reflect the estimated cost of redundancies up to the balance sheet date.
The actual cash outflows may take place over a number of years and hence the carrying amounts are regularly reviewed and adjusted to take into account changes in legislation or other factors that may influence the provision. Details of the closure provision are disclosed in note 12 (ii).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in US$	31 March 2023	31 March 2022

3. Employees and remuneration

The average number of persons employed during the financial year is 1 (2022: 1) and this is analysed into the following catergories:

	Number	Number
Development and production	1	1

The staff costs are comprised of:

Wages and salaries	30 564	77 612
Social welfare costs	12 383	9 104
Other pensions	1 594	3 359
	44 541	90 075

The partnership has availed of the exemption set out in Financial Reporting Standard 101Section 8(j) from disclosing key management personnel compensation in accordance with International Accounting Standard 24 “Related Party Disclosures”.

4. Other Income

Rental Income	-	17 754
	-	17 754

5. Finance income

Interest received - bank	2 872	-

6. Auditors' Remuneration

Auditors' remuneration for work carried out for the company in respect of the financial year is as follows:

Audit of individual company accounts	23 066	33 978
Other assurance services	-	7 496
	23 066	41 474

7. Directors' Remuneration

The directors' of the company has received nil remuneration for the year ended 31 March 2023 (2022: $nil).

8. Taxation

Any tax payable is the responsibility of the Partners.

9. Trade and other receivables

Prepayment and other receivables	716 876	595 055
Amounts owed to group companies	7 026 139	4 691 836
VAT - Receivable	1 632	24 014
	7 744 647	5 310 905

Intercompany amounts are unsecured, non-interest bearing and are repayable on demand.

10. Cash and cash equivalents

Cash at bank and in hand	1 349 056	1 022 411

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in US$	31 March 2023	31 March 2022

11. Trade and other payables

Trade creditors	574	54 563
Accruals	69 429	196 399
Amounts owed to group companies	6 998 347	3 325 070
	7 068 350	3 576 032

12. Provisions for liabilities and charges

The following provisions are included in accounts payable

(i) Provision for closure costs

Carrying amount at the beginning of the year	2 683 095	3 361 402
(Release) for the financial year	(445 651)	(308 202)
Unwinding of discount rate	34 718	18 355
Paid during the financial year	(188 941)	(218 985)
Foreign exchange gain	(57 868)	(169 475)
Carrying amount at the end of the year	**2 025 353**	**2 683 095**

The provision represents the present value at the statement of financial position date of the estimated costs of restoring the environmental disturbance at the end of the economic useful life of the mineral processing site. The provision has been estimated using existing technology, at current prices inflated at 2% (2022: 2%) and discounted using a discount rate of 3.13% (2022: 1.49%). The estimate of future costs to restore the environmental disturbance and reviewed and approved on a quarterly basis by the Environmental Protection Agency (Ireland), the Department of Communications, Climate Action and Environment and the Tipperary County Council through the mechanism of the Mine Closure and Rehabilitation Agreement.

(ii) Provision for redundancy costs

Carrying amount at the beginning of the year	74 189	76 874
Charge for the financial year	424	1 369
Paid during the financial year	(68 230)	-
Foreign exchange gain	(6 383)	(4 054)
Carrying amount at the end of the year	**-**	**74 189**

In 2009 under an orderly closure programme for the remaining mine life, the partnership agreed the terms of redundancy with employees and a provision for such costs has been recognised to reflect the estimated cost of redundancies up to the statement of financial position date.

(iii) Other provisions

Carrying amount at the beginning of the year	-	310 162
(Credit)/charge for the financial year	-	(310 162)
Carrying amount at the end of the year	**-**	**-**

Total Provisions	**2 025 353**	**2 757 284**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in US$	31 March 2023	31 March 2022

13. Share of profits/(losses)

The interests of the partners are as follows		
Vedanta Lisheen Mining Limited	1	1
Killoran Lisheen Mining Limited	1	1

For the year ended 31 March 2023 , the share on the profit of the partners are as follows:

	Vedanta Lisheening Mining Limited	Killoran Lisheen Mining Limited	Total
Opening Balance at 1 April 2022	-	-	-
Profit for the financial year	318 072	318 072	636 144
Transfer of profit to partners	(318 072)	(318 072)	(636 144)
	-	-	-

14. Events after the reporting date

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

15. Parent Company

The company is a wholly owned subsidiary of Vedanta Lisheen Holdings Limited, incorporated in Ireland. Vedanta Limited is the smallest group company which prepares consolidated financial statements that are available to the public. The ultimate parent company is Vedanta Resources Limited, a company incorporated in the United Kingdom. The consolidated financial statements of Vedanta Resources Limited may be obtained from the Companies House, Cardiff, Wales.

16. Approval of financial statements

The financial statements are approved for issue by the board of directors on 30 May 2023. The revision to these financial statements is permitted by the board of directors after obtaining necessary approval.