

PT MERDEKA GOLD RESOURCES Tbk

(Incorporated in the Republic of Indonesia with limited liability)

Stock code: 6228

GLOBAL OFFERING OF DEPOSITARY RECEIPTS



Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



UBS 瑞銀集團



CITIC SECURITIES

Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

Morgan Stanley



HSBC

Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers



CICC 中金公司



MACQUARIE

Joint Bookrunners and Joint Lead Managers



CRÉDIT AGRICOLE
CORPORATE & INVESTMENT BANK



DBS 星展集團

MIZUHO



NATIXIS
CORPORATE AND
INVESTMENT BANKING



OCBC



**SOCIÉTÉ
GÉNÉRALE**

UOB Kay Hian

IMPORTANT

If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

PT MERDEKA GOLD RESOURCES Tbk

(Incorporated in the Republic of Indonesia with limited liability)

GLOBAL OFFERING OF DEPOSITARY RECEIPTS

Number of Offer HDRs under the Global Offering	:	89,668,600 Sale HDRs (subject to the Over-allotment Option)
Number of Hong Kong Offer HDRs	:	8,966,900 Sale HDRs (subject to reallocation)
Number of International Offer HDRs	:	80,701,700 Sale HDRs (subject to reallocation and the Over-allotment Option)
Maximum Offer Price	:	HK\$26.60 per Offer HDR, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal Value	:	Nil
Stock Code	:	6228

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Joint Bookrunners and Joint Lead Managers*



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SOCIÉTÉ GÉNÉRALE

UOB KayHian

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in the section headed "Documents Delivered to the Registrar of Companies in Hong Kong and Documents on Display — 1. Documents Delivered to the Registrar of Companies in Hong Kong and Documents on Display" in Appendix VI to this prospectus, has been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any of the other documents referred to above.

The Offer Price is expected to be determined by agreement among our Company and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) on or before Wednesday, 24 June 2026. The Offer Price will be not more than HK\$26.60 per Offer HDR. If, for any reason, the Offer Price is not agreed by 12:00 noon on Wednesday, 24 June 2026 (Hong Kong time) among our Company and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), the Global Offering will not proceed and will lapse.

The Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, where considered appropriate and with our consent, reduce the number of Hong Kong Offer HDRs that is stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the number of Hong Kong Offer HDRs will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of our Company at <https://merdekagoldresources.com> as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Please refer to the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer HDRs" in this prospectus for further details.

Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this prospectus, including but not limited to the risk factors set out in the section headed "Risk Factors" in this prospectus. The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure subscribers for, the Hong Kong Offer HDRs, are subject to termination by the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. Please refer to the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in this prospectus for further details.

The Offer HDRs have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, or to, or for the account or benefit of U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to the registration requirements of the U.S. Securities Act. The Offer HDRs are being offered and sold outside the United States in offshore transactions in accordance with Regulation S.

The Offer HDRs do not constitute a public offering in Indonesia under Law No. 8 of 1995 on Capital Market (as amended from time to time) and its implementing regulations (the "Indonesian Capital Market Law"). The Offer HDRs may not be offered within the territory of the Republic of Indonesia or to Indonesian citizens using mass media (which includes the internet, newspapers, magazines, film, television, radio and other electronic media, letter and brochures as well as any printed matter) or offered to more than 100 Indonesian parties and/or sold to more than 50 Indonesian parties or Indonesian residents, wherever they are domiciled, whether in or outside Indonesia within a certain time, in a manner which constitutes a public offering of securities under the Indonesian Capital Market Law.

The Offer HDRs have not been and will not be registered with the Financial Services Authority (*Otoritas Jasa Keuangan*). Accordingly, the Offer HDRs may not be sold to any Indonesian parties wherever they are domiciled, or be made the subject of an invitation for subscription or purchase in a manner that constitutes a public offering under the Indonesian Capital Market Law; and the Offer HDRs must not be circulated or distributed, directly or indirectly, in or into the Republic of Indonesia.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk and the website of our Company at <https://merdekagoldresources.com>. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

17 June 2026

IMPORTANT

IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “*HKEXnews > New Listings > New Listing Information*” section, and our website at <https://merdekagoldresources.com>. You may download and print from these website addresses if you want a printed copy of this prospectus.

To apply for the Hong Kong Offer HDRs, you may:

- (1) apply online via the **White Form eIPO** service at www.eipo.com.hk; or
- (2) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC’s FINI system to apply for the Hong Kong Offer HDRs on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer HDRs by the public. The contents of the electronic version of this prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an intermediary, broker or agent, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses stated above.

Please refer to the section headed “*How to Apply for the Hong Kong Offer HDRs*” in this prospectus for further details on the procedures through which you can apply for the Hong Kong Offer HDRs electronically.

IMPORTANT

Your application through the **White Form eIPO** service or the **HKSCC EIPO** channel must be made for a minimum of 100 Hong Kong Offer HDRs and in multiples of that number of Hong Kong Offer HDRs as set out in the table below.

If you are applying through the **White Form eIPO** service, you may refer to the table below for the amount payable for the number of HDRs you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer HDRs.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer HDRs you applied for.

No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application	No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application	No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application	No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application
	HK\$		HK\$		HK\$		HK\$
100	2,686.82	2,000	53,736.53	30,000	806,047.84	400,000	10,747,304.40
200	5,373.65	3,000	80,604.78	40,000	1,074,730.45	500,000	13,434,130.50
300	8,060.48	4,000	107,473.04	50,000	1,343,413.06	1,000,000	26,868,261.00
400	10,747.31	5,000	134,341.30	60,000	1,612,095.65	1,500,000	40,302,391.50
500	13,434.13	6,000	161,209.57	70,000	1,880,778.26	2,000,000	53,736,522.00
600	16,120.95	7,000	188,077.83	80,000	2,149,460.88	2,500,000	67,170,652.50
700	18,807.78	8,000	214,946.09	90,000	2,418,143.49	3,000,000	80,604,783.00
800	21,494.60	9,000	241,814.35	100,000	2,686,826.10	3,500,000	94,038,913.50
900	24,181.44	10,000	268,682.61	200,000	5,373,652.20	4,000,000	107,473,044.00
1,000	26,868.26	20,000	537,365.22	300,000	8,060,478.30	4,483,400 ⁽¹⁾	120,461,161.37

(1) Maximum number of Hong Kong Offer HDRs you may apply for.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) and the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

No application for any other number of Hong Kong Offer HDRs will be considered and such an application is liable to be rejected.

EXPECTED TIMETABLE⁽¹⁾

If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published on the websites of the Hong Kong Stock Exchange at www.hkexnews.hk and our Company at <https://merdekagoldresources.com>.

Hong Kong Public Offering commences 9: 00 a.m. on Wednesday, 17 June 2026

Latest time for completing electronic applications under the
White Form eIPO service through the designated
website at www.eipo.com.hk⁽²⁾ 11: 30 a.m. on Tuesday, 23 June 2026

Application lists open⁽³⁾ 11: 45 a.m. on Tuesday, 23 June 2026

Latest time for (a) completing payment of
White Form eIPO applications by effecting
internet banking transfer(s) or PPS payment
transfer(s) and (b) giving electronic
application instructions to HKSCC⁽⁴⁾ 12: 00 noon on Tuesday, 23 June 2026

If you are instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer HDRs on your behalf, you are advised to contact your broker or custodian for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists close⁽³⁾ 12: 00 noon on Tuesday, 23 June 2026

Expected Price Determination Date⁽⁵⁾ by 12: 00 noon
Wednesday, 24 June 2026

Announcement of the final Offer Price, the level of
indications of interest in the International Offering,
the level of applications in the Hong Kong
Public Offering, and the basis of allocation of the
Hong Kong Offer HDRs to be published on the
website of the Hong Kong Stock Exchange
at www.hkexnews.hk and our Company's website
at <https://merdekagoldresources.com>⁽⁶⁾ at or before 11: 00 p.m.
on Thursday, 25 June 2026

Announcement of results of allocations in the Hong Kong
Public Offering (with successful applicants' identification
document numbers, where appropriate) to be available through
a variety of channels, including:

- For those applying through
HKSCC EIPO channel, you may also check
with your broker or custodian from 6:00 p.m. on Wednesday, 24 June, 2026
- in the announcement to be posted on our website
and the website of the Hong Kong Stock Exchange at
www.hkexnews.hk and our Company's website at
<https://merdekagoldresources.com>, respectively at or before 11: 00 p.m.
on Thursday, 25 June 2026
- from "Allotment Results" page in the
designated results of allocations website
at www.iporesults.com.hk
(alternatively: [www.eipo.com.hk/
eIPOAllotment](http://www.eipo.com.hk/eIPOAllotment)) with a "search by ID"
function from 11: 00 p.m. on
Thursday, 25 June 2026
to 12:00 midnight on
Wednesday, 1 July 2026
- from the allocation results telephone
enquiry line by calling +852 2862 8555
between 9: 00 a.m. and 6: 00 p.m. on Friday, 26 June 2026,
Monday, 29 June 2026,
Tuesday, 30 June 2026 and
Thursday, 2 July 2026

EXPECTED TIMETABLE⁽¹⁾

HDR certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before⁽⁷⁾⁽⁹⁾⁽¹⁰⁾ Thursday, 25 June 2026

White Form e-Refund payment
instructions/refund checks in respect of wholly or partially successful applications if the final Offer Price per HDR is less than the maximum Offer Price per HDR initially paid on application (if applicable) or wholly or partially unsuccessful applications to be dispatched on or before⁽⁸⁾⁽⁹⁾⁽¹¹⁾ Friday, 26 June 2026

Dealings in HDRs on the Hong Kong Stock Exchange expected to commence at 9: 00 a.m. on Friday, 26 June 2026

Notes:

- (1) All dates and times refer to Hong Kong dates and times, except as otherwise stated.
- (2) You will not be permitted to submit your application under the **White Form eIPO** service through the designated website at www.eipo.com.hk after 11: 30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11: 30 a.m., you will be permitted to continue the application process (by completing payment of the application monies) until 12: 00 noon on the last day for submitting applications, when the application lists close.
- (3) If there is/are a tropical cyclone warning signal number 8 or above, a “black” rainstorm warning and/or Extreme Conditions, collectively (“Bad Weather Signals”) in force in Hong Kong at any time between 9: 00 a. m. and 12: 00 noon on Tuesday, 23 June 2026, the application lists will not open or close on that day. See “How to Apply for Hong Kong Offer HDRs — E. Severe Weather Arrangements”.
- (4) Applicants who apply for Hong Kong Offer HDRs via HKSCC EIPO channel should refer to “How to Apply for Hong Kong Offer HDRs — A. Application for Hong Kong Offer HDRs — 2. Application Channels.”
- (5) The Price Determination Date is expected to be on or before Wednesday, 24 June 2026 and, in any event, not later than 12: 00 noon on Wednesday, 24 June 2026. If, for any reason, we do not agree with the Overall Coordinators (for themselves and on behalf of the Underwriters) on the pricing of the Offer HDRs on or before 12: 00 noon on Wednesday, 24 June 2026, the Global Offering will not proceed and will lapse. We expect to announce the pricing of the Hong Kong Offer HDRs on or around the Price Determination Date.
- (6) None of the websites set out in this section or any of the information contained thereon forms part of this prospectus.
- (7) The HDR certificates will only become valid evidence of title at 8: 00 a.m. on the Listing Date, which is expected to be Friday, 26 June 2026, provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination” has not been exercised. Investors who trade HDRs on the basis of publicly available allocation details or prior to the receipt of HDR certificates or the HDR certificates becoming valid evidence of title do so entirely at their own risk.
- (8) **White Form e-Refund payment** instructions/refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the price payable per Offer HDR on application. Part of the applicant’s identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant’s identification document number before encashment of the refund check. Inaccurate completion of an applicant’s identification document number may invalidate or delay encashment of the refund checks.
- (9) Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation’s chop. Both individuals and authorized representatives must produce evidence of identity acceptable to our HDR Registrar at the time of collection. Any uncollected HDR certificates will be dispatched by ordinary post, at the applicants’ risk, to the addresses specified in the relevant applications.

Further information is set out in the section “How to Apply for Hong Kong Offer HDRs — D. Despatch/Collection of HDR Certificates and Refund of Application Monies”.
- (10) Applicants who have applied for Hong Kong Offer HDRs through the HKSCC EIPO channel should refer to the section headed “How to Apply for Hong Kong Offer HDRs — D. Despatch/Collection of HDR Certificates and Refund of Application Monies” for details.

EXPECTED TIMETABLE⁽¹⁾

- (11) Applicants who have applied through the **White Form eIPO** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **White Form** e-Refund payment instructions. Applicants who have applied through the **White Form eIPO** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund checks in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

The above expected timetable is a summary only. You should see “Structure of the Global Offering” and “How to Apply for Hong Kong Offer HDRs” for details of the structure of the Global Offering, including the conditions of the Global Offering, and the procedures for application for the Hong Kong Offer HDRs.

For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer HDRs, see “Structure of the Global Offering” and “How to Apply for Hong Kong Offer HDRs”, respectively.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such a case, we will make an announcement as soon as practicable thereafter.

CONTENTS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and the Hong Kong Offer HDRs and does not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security other than the Hong Kong Offer HDRs. This prospectus may not be used for the purpose of, and does not constitute, an offer to sell or a solicitation of an offer to subscribe for or buy any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer HDRs in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering of the Offer HDRs in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not contained in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Underwriters, any of our or their respective directors, commissioners, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering. Information contained on our website, located at <https://lmerdekagoldresources.com>, does not form part of this prospectus.

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SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this prospectus. You should read the whole document before you decide to invest in the Hong Kong Offer HDRs. There are risks associated with any investment. Some of the particular risks in investing in the Hong Kong Offer HDRs are set out in the section headed “Risk Factors” in this prospectus. You should read that section carefully before you decide to invest in the Hong Kong Offer HDRs. Among the risks in investing in the Hong Kong Offer HDRs are that the Company was loss-making during the Track Record Period, experienced net operating cash outflows throughout the Track Record Period, and may potentially record a net operating cash outflow position in its fiscal year ending 31 December 2026.

As the Company is seeking a secondary listing on the Stock Exchange under Chapter 19C of the Listing Rules, certain requirements under the Listing Rules (including the free float and public float requirements) do not apply to the Company pursuant to Rule 19C.11 of the Listing Rules. Please refer to the section headed “Regulatory Overview — Listing Rules Which Do Not Apply to the Company” in this prospectus for further details.

OVERVIEW

Who We Are

MGR is an IDX-listed gold mining company positioned among the top pure-play gold producers in Asia. Anchored by the Pani Gold Mine, the largest primary gold mine in Indonesia on Resources and Reserves basis according to CRU, by 2030 we are expected to rank among the top two primary gold mines in Asia by production. MGR is uniquely positioned by virtue of our base of Reserves underpinning prospective resource potential, average strip ratio being among the lowest globally, and rapid ramp-up profile enabling peak production within a short timeframe. The Pani Gold Mine adopts low cost open-pit mining operations. We have capitalised upon Indonesia’s natural endowment and the critical importance of the mining sector in the nation’s economic development. We leverage our competitive advantages in mine scale, operational efficiency, technology, future growth opportunities and resource potential.

We are a majority-owned subsidiary of MCG, an Indonesian mining group that has been listed on the IDX since June 2015. MCG has a proven track record in developing and operating large-scale, low-cost mines, including the Tujuh Bukit Gold Mine in East Java.

Separately, MCG’s additional track record includes operational experience through Sulawesi Cahaya Mineral (“SCM”) mine, a controlled subsidiary of PT Merdeka Battery Materials Tbk (“MBM”) which is also a majority owned, indirect subsidiary of MCG. SCM successfully increased its production capacity during the 2024-2025 period, demonstrating MCG’s capability in executing large-scale mining projects across different minerals and managing operational ramp-ups.

Furthermore, MGR is indirectly supported, through MCG, by two of Indonesia’s most respected investment groups — PT Provident Capital Indonesia (“PCI”) and PT Saratoga Investama Sedaya Tbk (“SRTG”). Together, these groups bring decades of experience in building and scaling multi-billion-dollar public enterprises with a deep understanding of Indonesia’s regulatory, economic and operating landscape.

Net Proceeds from the Global Offering

The entire Offer HDRs represent the Sale HDRs to be sold by the Selling Shareholders in the Global Offering. We will therefore not receive any of the net proceeds from the Global Offering. The Selling Shareholders will receive all the net proceeds from the Global Offering.

Our Controlling Shareholder and Key Investors

We are a majority-owned subsidiary of MCG, an Indonesian mining group listed on the IDX. MCG is the holding company of a diversified portfolio of mining and mineral processing subsidiaries across gold, copper, and battery materials, including the operator of the Tujuh Bukit Gold Mine in East Java and SCM Mine in Konawe (a controlled subsidiary of MBM).

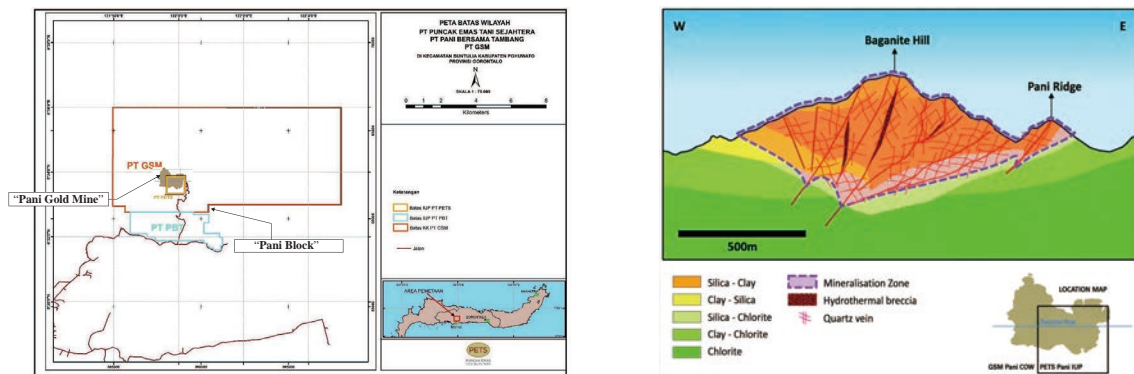
SUMMARY

Through these subsidiaries, MCG has established a strong track record in developing and operating efficient, low-cost mines, reflecting its proven capabilities in mine development, operational optimization, technology and sustainable resource management.

Our Flagship Asset: Pani Gold Mine

Located in Gorontalo, the Pani Gold Mine is our core asset at the heart of our value proposition which achieved its first gold production in February 2026 and completed its first gold sale in March 2026. The Pani Gold Mine covers a tenement area of 135 hectares out of the approximately 8,100 hectares of the Pani Block, which itself sits within the 14,670 hectare full tenement area of the Pani Gold Projects per our mining license. The Pani Gold Mine hosts Mineral Resources of 291.5 million tonnes grading 0.75 grams per tonne gold (“g/t Au”) containing 7.0 million ounces (“Moz”) (218.6 tonnes) of gold and an Ore Reserve of 203.1 million tonnes grading 0.79 g/t Au containing 5.2 Moz (160.5 tonnes) of gold. According to CRU, Pani Gold Mine is the largest primary gold mine in Indonesia on Resources basis, and ranks 5th/4th in Asia in terms of gold Resources and Reserves, respectively. The Pani Gold Mine mainly produces gold doré, and to a lesser extent, silver in doré as a byproduct of its gold production. Pani Gold Mine represents a rare combination of size, grade, mountain style and operational simplicity in today’s increasingly constrained gold supply landscape. Benefiting from its 0.7:1 average strip ratio, one of the lowest mining strip ratios globally, Pani Gold Mine is being developed in two value-accretive phases. This phased development strategy is expected to significantly expand throughput and recovery, positioning MGR for a peak annual gold production of up to approximately 545 koz over an estimated 15-year mine life.

The map at below left depicts the area and position of the Pani Gold Mine, relative to the larger Pani Block; the conceptual image at below right depicts Pani’s geology and mineralisation.



Beyond the current Mineral Resources and Ore Reserves, the Pani Gold Mine holds significant upside potential for further expansion within the existing mining area. From the existing defined Resources base, ongoing progress in feasibility studies and infill drilling initiatives are expected to further increase gold resources and support additional reserve conversion.

From 2023 to 2025 alone, total Resources grew from 6.9 Moz to 7.0 Moz of gold, while from 2023 to 2025, Ore Reserves surged from 51.5 Mt with 1.2 Moz of contained gold (37.3 tonnes) to 203.1 Mt with 5.2 Moz (160.5 tonnes) of contained gold, driven by focused drilling campaigns, feasibility advancement, and a supportive gold price environment. Ongoing ore body drilling is expected to continue this trend, with further increases in the Mineral Resource and Ore Reserve anticipated.

SUMMARY

From 2023 to 2025, our average exploration cost was US\$21 per ounce in terms of gold Resources, which was significantly lower than our Indonesian peers' range of US\$27.9-US\$141.3 per ounce during the same period, according to CRU. Importantly, known mineralization currently occupies only a fraction of the Pani Block's extensive ~7,400 hectare tenement exploration area, leaving vast underexplored ground with high discovery potential.

Our Mineral Resources and Ore Reserves as at 31 December 2025 are based on drilling at depths as of that date, and such drilling has not yet identified the bottom of the orebody, according to the CPR. The mineralisation in the current deposit is open at depth and subject to further exploration and drilling.

Among all of the gold mines that adopt open-pit production, Pani Gold Mine is estimated to have the lowest average strip ratio of 0.7:1 across the production period, according to CRU. Benefiting from the near surface nature, the Pani Gold Mine adopts low cost open-pit mining operations developed in two value-accretive phases, prioritizing near-term cash generation followed by strategic capacity expansion to maximize long-term shareholder value.

Our Project Development and Operating Capabilities

Based on financial projects in the CPR, our Pani Gold Mine targets an AISC including royalties of approximately US\$1,632/oz, and a competitive AISC of approximately US\$794/oz excluding royalties over its mine life, which falls in the lowest quartile globally, according to CRU. Supported by open-pit reserves suited to low-cost bulk mining, close proximity to infrastructure, and a dual-processing approach combining heap leach and CIL, the Pani Gold Mine is designed for rapid ramp-up to its full production profile.

Key infrastructure was substantially commissioned by late 2025, with the 150kV power connection to the state electricity grid ("PLN") being energized in October 2025, followed by the commencement of crushing operations in November, and the commissioning of the ADR plant in December, enabling first gold production in February 2026. The site layout integrates water supply, tailings management, and processing facilities, with heap-leach and future CIL circuits co-located to maximize synergies and shared infrastructure. Year-round site access is ensured via all-weather haul roads managed and operated by PT Mentari Alam Persada ("MAP"). Gold doré is transported securely to an accredited domestic refinery in compliance with Indonesian regulatory protocols.

Our operations are managed through an integrated system that combines real-time grade control, fleet dispatch optimization, standardized equipment fleets, and rigorous reconciliation between geological models and plant data — ensuring continuous alignment between plan and performance. This approach minimizes dilution, maximizes recovery, and reduces fuel and maintenance costs.

Our Market Opportunities

The global gold market is supported by robust structural drivers, with central banks and institutional investors increasingly relying on gold as a pillar component of financial resilience. This trend reflects a strategic reallocation toward non-sovereign assets amid persistent geopolitical and macroeconomic uncertainties. Continued official-sector purchasing, together with sustained investment demand, supports a durable, elevated price environment that significantly enhances the economic viability of low-cost, high-quality gold development projects such as Pani.

Indonesia's domestic gold market further strengthens this favourable backdrop. According to CRU, Indonesia recorded approximately 1.2 Moz of fabricated gold demand in 2025, representing around 1.8% of global fabrication demand, with consistent growth projected at approximately 1.2% CAGR through 2030, reaching 1.3 Moz by the end of the decade. Jewellery remains the dominant segment — historically accounting for over two-thirds of total consumption — and is expected to average 54% of total demand in the coming years. Notably, the electronics sector is emerging as a key growth driver, and is expected to surpass coins as the third-largest end-use category, fueled by Indonesia's expanding consumer electronics market.

SUMMARY

ESG

Our approach to ESG matters is integral to our long-term value creation strategy and is closely aligned with the broader ESG platform of the MCG Group. Leveraging MCG's award-winning sustainability framework — recognized by multiple independent institutions as of December 2025 — we embed ESG principles across our core operations, risk management, and stakeholder engagement activities.

We have developed a comprehensive ESG strategy structured around six integrated sustainability pillars: environmental preservation; occupational health and safety; employee empowerment; community development and empowerment; respect for human rights; and good corporate governance. This strategy is guided by internationally recognized frameworks and standards, including the GRI Standards (2021), the UN Guiding Principles on Business and Human Rights, informed by GRI 14: Mining Sector Supplement (2024), the Ten Principles of the UN Global Compact, and the Sustainable Development Goals, as well as Indonesian regulatory requirements, notably POJK No. 51/POJK.03/2017 on the Implementation of Sustainable Finance issued by the Financial Services Authority. In addition, MGR considers key indicators used by leading independent ESG rating agencies, such as MSCI and Sustainalytics, to ensure our ESG approach addresses material issues from an investor perspective.

Water stewardship is a core component of MGR's environmental management. Under our Water Management Policy, we commit to responsible water use by minimizing freshwater consumption, reducing wastewater discharges, and engaging relevant stakeholders, including local communities and other water users, to ensure sustainable allocation and protection of shared water resources across the water use lifecycle. We are also committed to biodiversity conservation through systematic baseline assessments, identification of protected species and critical habitats, and implementation of a Biodiversity Management Plan (“BMP”) designed to avoid, minimize and mitigate impacts on ecosystems, while promoting the sustainable management of natural resources throughout the mine life cycle.

STRENGTHS

Our Company benefits from the following competitive strengths:

- We have one of the largest gold mines in Asia with significant Resources and Reserves expansion potential driven by exploration at industry-leading cost efficiency.
- We have a low-cost open-pit operation sustained by continuous efficiency optimization.
- Our operational mine achieved first gold production in February 2026, first gold sale in March 2026 and has a clear accelerated path to capacity expansion.
- We are deeply committed to ESG.
- We are powered by MCG's proven expertise for accelerated growth, operational know-how and an experienced management team.
- We have blue-chip investors with a track record in value creation.
- We are well-positioned to benefit from favourable tailwinds in the gold sector.

BUSINESS STRATEGIES

We intend to further develop and grow our business by:

- Delivering timely and safe commercial production at the Pani Gold Mine.
- Applying proven operational systems to ensure execution discipline.
- Expanding our resource base through focused, near-mine expansion in the Pani Block.
- Maintaining financial discipline and balance sheet strength.
- Implementing a forward-looking, industry-leading ESG roadmap across our operations.

SUMMARY

OUR CONTROLLING SHAREHOLDER

Immediately following the Global Offering and without taking into account any Shares that may be issued or repurchased by the Company from time to time, MCG will hold 9,329,376,465 Shares, representing approximately 63.33% of the issued and paid-up capital of the Company. Hence, upon the Listing, we will remain a majority-owned subsidiary of MCG and MCG will be our Controlling Shareholder for the purposes of the Listing Rules. For details, see “Relationship with Our Controlling Shareholders”. Please also refer to “History and Corporate Structure” for the simplified corporate structure of the Group.

OUR MINERAL RESOURCES AND ORE RESERVES

As at the Latest Practicable Date, none of our mining rights was pledged to secure any banking facilities.

Mineral Resources

Based on the CPR, the following estimated gold Mineral Resource is reported in accordance with the JORC Code for the Pani Gold Mine at a cut-off grade of 0.20 grams/tonne Au and assumed gold price of US\$2,300 per ounce as of 31 December 2025:

MRE	Classification	Tonnes <i>(Mt)</i>	Au <i>(g/t)</i>	Ag <i>(g/t)</i>	Au <i>(Moz)</i>	Ag <i>(Moz)</i>
Dec-25	Measured	7.7	0.87	1.66	0.2	0.4
	Indicated	235.6	0.77	0.73	5.9	5.6
	Inferred	48.2	0.59	0.37	0.9	0.6
	Total	291.5	0.75	0.71	7.0	6.6

Ore Reserves

Based on the CPR, the following gold Ore Reserves estimate is reported in accordance with the JORC Code based on the processing stream, e.g. Heap Leach and CIL, in the Pani Gold Mine at a cut-off grade ranging from 0.20 g/t to 0.40 g/t Au estimated at assumed gold price of US\$2,300 per ounce as of 31 December 2025, and consists of 203.1 Mt of ore at an average gold grade of 0.79 g/t for 5.2 Moz of contained gold and an average silver grade of 0.84 g/t for 5.5 Moz of contained silver:

	Proved Reserves			Probable Reserves			Total Reserves		
	Tonnes	Au Grade	Contained Au	Tonnes	Au Grade	Contained Au	Tonnes	Au Grade	Contained Au
	<i>(Mt)</i>	<i>(g/t)</i>	<i>(Moz)</i>	<i>(Mt)</i>	<i>(g/t)</i>	<i>(Moz)</i>	<i>(Mt)</i>	<i>(g/t)</i>	<i>(Moz)</i>
Gold Ore Reserves									
Stockpiles (HL) . .	0.9	0.50	0.0	–	–	–	0.9	0.50	0.0
Heap Leach (HL) .	3.9	0.84	0.1	58.1	0.62	1.2	62.1	0.64	1.3
Carbon-in-Leach (CIL)	2.9	1.07	0.1	137.2	0.86	3.8	140.1	0.86	3.9
Total Gold Ore Reserves	7.7	0.89	0.2	195.4	0.79	4.9	203.1	0.79	5.2

SUMMARY

	Proved Reserves			Probable Reserves			Total Reserves		
	Tonnes	Ag Grade	Contained Ag	Tonnes	Ag Grade	Contained Ag	Tonnes	Ag Grade	Contained Ag
	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Silver Ore Reserves									
Stockpiles (HL) . .	0.9	3.86	0.1	–	–	–	0.9	3.86	0.1
Heap Leach (HL) .	3.9	1.58	0.2	58.1	0.90	1.7	62.1	0.94	1.9
Carbon-in-Leach (CIL)	2.9	1.03	0.1	137.2	0.77	3.4	140.1	0.77	3.5
Total Silver Ore Reserves	7.7	1.64	0.4	195.4	0.81	5.1	203.1	0.84	5.5

OUR PATH TO PROFITABLE COMMERCIAL PRODUCTION

As at 31 December 2025, the MGR Group had not yet commenced gold production. The MGR Group historically has derived all of its revenue from the rental of MMI’s heavy equipment to its subsidiaries, its related parties as well as MCG’s subsidiaries. Such rental activities are expected to be gradually reduced from 2026 onwards as MMI focuses on providing operational support to the Pani Gold Mine. Accordingly, mining equipment rental is not expected to constitute a material portion of our revenue going forward. As mining and processing operations commence at Pani Gold Mine (first gold pour achieved at the Pani Gold Mine in February 2026), MGR is expected to generate all of its revenue from gold mining operation starting 2026. Based on the CPR, our Company is expected to achieve profitability in 2026, and positive accumulated cash flow in 2028. For details, see “Business — Our Business Model and Operations — Our Path to Profitable Commercial Production and Assumptions Underlying our Financial Model”.

SUMMARY

OUR MINING LICENSES AND PERMITS

The following table presents the licenses and permits that have been obtained by our subsidiaries. In addition to this, PIN was established in early-2025 for the purposes of operating the CIL. The application for certain construction and operation permits is ongoing.

Subsidiary	Business permit	Valid until	Location	Area
PETS	IUP-OP based on Decree no. 351/17/IX/2015 dated 4 September 2015, issued by the Governor of Gorontalo as amended by Decree No. 30/DPM-ESDM-TRANS/PER-IUP-OP/IV/ 2020 dated 20 April 2020, issued by the Head of the Investment, Energy and Mineral Resources, and Transmigration of Office Gorontalo Province.	23 November 2032	Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province.	100 Ha
GSM	CoW between the Government and PT Newcrest Nusa Sulawesi (now called GSM) based on Letter No. B-188/Pres/7/1994 dated 20 July 1994 and signed on 15 August 1994 regarding Approval for 5 (five) Contracts of Work in the framework of PMA in the General Mining Sector, issued by the President of the Republic of Indonesia, as last amended by the Amendment to the Contract of Work dated 23 December 2015. The activity stage of this Contract of Work has been adjusted to the production operation activity stage based on the Decree of the Minister of Energy and Mineral Resources No. 457.K/30/DJB/2017 dated 13 December 2017.	1 December 2049	Buol Regency, Central Sulawesi Province, Pohuwato Regency and Gorontalo Regency, Gorontalo Province, and North Bolaang Mongondow Regency, North Sulawesi Province.	14,570 Ha
PBT	Production Operation IUP Specifically for Processing and/or Refining based on the Decree of the Head of the Investment Energy and Mineral Resources and Transmigration Office of Gorontalo Province No. 10/DPMESDM-TRANS/IUP-OP-OLAH/III/2019 dated 14 March 2019, which is valid for 16 years and has been converted into Industrial Business License dated 8 October 2021.	14 March 2035	Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province.	720.71 Ha

The following extract from Table 15-5 from the CPR sets forth a detailed projection of our cash operating and production costs for our gold and silver produced over the life of mine.

Detailed Cash Flow Analysis	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Operating Costs (Opex)																	
Opex for Mining	US\$M	1,407.8	74.6	53.8	108.6	105.3	103.3	98.0	73.9	78.1	65.2	65.3	57.8	52.0	47.3	22.3	22.2
Opex for Processing HL	US\$M	380.8	47.8	53.4	58.4	58.4	58.4	58.4	45.9	—	—	—	—	—	—	—	—
Opex for Processing CIL	US\$M	1,278.6	—	—	92.7	108.9	108.9	108.9	109.3	109.4	109.4	109.4	109.6	109.4	109.4	48.8	44.8
Opex for Tailings	US\$M	183.8	—	—	8.3	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	13.4	11.6
Opex for G&A	US\$M	637.9	26.0	32.0	55.4	56.7	59.2	62.7	54.6	39.8	40.3	40.5	40.5	42.4	41.5	24.3	22.0
Total Operating Costs	US\$M	3,508.9	148.5	139.2	323.4	344.3	344.8	343.0	298.7	242.4	229.9	230.2	223.0	218.9	213.3	108.8	100.6

SUMMARY

OUR CUSTOMERS, SUPPLIERS AND CONTRACTORS

Our Customers

During the Track Record Period, we only had two customers, our related parties PETS and MCG, who rented heavy equipment from us. PETS became our subsidiary in 2025; MCG is our controlling shareholder. For each year of the Track Record Period, rental revenue from our customers amounted to US\$1.4 million, US\$1.7 million and US\$0.1 million, respectively, accounting for 100% of our revenue during the Track Record Periods. Sales to our largest customer for each year of the Track Record Period amounted to US\$1.4 million, US\$1.7 million, US\$0.1 million, accounting for 97.46%, 100% and 100% of our revenue for the same periods, respectively.

We achieved our first gold production in February 2026 and completed our first gold sale in March 2026.

As at the Latest Practicable Date, PT Aneka Tambang (Persero) Tbk (“ANTAM”), an Independent Third Party, was our sole gold customer. ANTAM is an export-oriented mining and metals company with operations across Indonesia. ANTAM undertakes exploration, excavation, processing through to marketing activities for different metals including nickel ore, ferronickel, gold, silver, and bauxite.

In February 2026, we, through PETS, signed a Gold Sales and Purchase Agreement (“GSPA”) with ANTAM. The GSPA is valid for two years with a total transaction volume of up to 3 metric tonnes (up to 100,000 ounces of gold). Under this partnership, PETS will sell refined gold granules to ANTAM domestically. Sales under this agreement will represent a substantial proportion of our revenue.

Going forward, potential domestic customers for our refined gold products may include authorised financial institutions and jewellery fabricators in Indonesia.

Our Suppliers

During the Track Record Period, all of our top five suppliers in each respective year were primarily comprised service providers, such as heavy equipment rental/supply, fuel supply, management consulting services, share service, construction service, technical consulting services, equipment rental, mining equipment supply, spare parts supply, consultancy services, drilling services and freight forwarding services. For each year of the Track Record Period, purchases from our top five suppliers amounted to US\$38.2 million, US\$49.6 million and US\$59.3 million, accounting for 45%, 39% and 37% of our purchases for the same periods, respectively.

Our Contractors

We engage third-party contractors and service providers for certain activities. Contractors are required to comply with all prevailing laws and regulations, including compliance with applicable labour regulations. Compliance is monitored through contractual review prior to engagement and periodic administrative checks during the course of cooperation.

During the Track Record Period, we outsourced primarily the following three service areas to contractors: (i) equipment rental and field operations; (ii) logistics, transportation and site support; and (iii) professional and technical services. We had a total of 132, 165 and 206 contractors in 2023, 2024 and 2025, respectively.

COMPETITION

On a Resources and Reserves basis, Pani is ranked as Indonesia’s largest primary gold mine with the 3rd highest ore grade out of all primary gold mines. Pani also has the lowest average strip ratio during the production period CRU tracks on. Among all Indonesia mines, Pani has the longest LOM (15 years) with potential for future mine life extensions. Pani is expected to be the 2nd largest primary gold mine in Indonesia with an initial production of 108 koz. By 2030, Pani is expected to be the largest primary gold producer in Indonesia producing 505 koz of gold.

SUMMARY

On a global basis, Pani is ranked 12th/11th highest in ore mineral resources/reserves respectively globally, with the lowest average strip ratio (0.7:1) across the production period, considering only primary gold mines tracked by CRU. Among all mines, Pani has the 9th longest LOM (15 years). Pani is expected to rank at the 51st percentile of global primary gold mines by production scale in 2026, rising to the 9th percentile of global primary gold mines by 2030.

Among global primary gold mines, Pani has an AISC of US\$1,295/oz on a royalty-excluded basis and lies within the 3rd quartile on the global AISC (excl. royalties curve) in 2026. By 2030, Pani's AISC will decrease to US \$695/oz on a royalty-excluded basis and lie within the 1st quartile on the global AISC (excl. royalties curve).

For details of the competitive landscape and our market position, see "Industry Overview".

RISK FACTORS

Our business and industry involve certain risks, which are set out in "Risk Factors" in this Prospectus. You should read that section carefully in its entirety before you decide to invest in the Offer HDRs. Some of the primary risks we face include the following:

- Our reserve estimates and gold production estimates are based on a number of assumptions, which, if changed, may require us to lower our estimates. We may not be able to achieve our production estimates.
- We have a limited operating history that makes it difficult to evaluate our business activities and prospects. We were loss-making during the Track Record Period and our ability to achieve profitability is subject to uncertainties.
- Our financial performance is highly dependent on the market price for gold.
- We are subject to risks associated with dependence on a single mining area.
- We may fail to obtain, maintain or renew the government permits, licenses approvals and fulfil related obligations required for the Pani Gold Project's operations and expansion program.
- Damage to the tailing storage facility at our CIL processing facility could negatively impact our business, reputation and operational performance.
- The development and operational activities of the Pani Gold Mine are subject to various environmental laws and regulations, and any failure to comply with such laws and regulations may have an adverse impact on us.
- Indonesia's mining sector is subject to evolving regulatory frameworks, including potential changes to mineral export restrictions, royalty rate hikes, and requirements for domestic processing or value addition.
- Our insurance coverage may be inadequate to cover potential claims.
- The Pani Gold Mine may experience unexpected disruptions to its mining and processing operations as a result of operational risks, infrastructure risks and hazards due to human activities, which may result in increased costs or losses, serious injury or death, damage to reputation, suspension of operation and other penalties, any of which could adversely affect our business, financial condition and results of operations.
- The Pani Block is subject to geotechnical and hydrological risks that could have a material and adverse impact on our mining operations.
- Our operations at the Pani Block are subject to occupational hazards and our workers are subject to risks of serious injury or death caused by use of machinery, exposure to hazardous substances and equipment and tools in the course of production, which increase the risk of a safety incident or accident at our mine or processing facility.

FUTURE PLANS AND PROSPECTS

See "Business — Business Strategies" for a detailed description of our future plans.

For details, see "Future Plans and Prospects."

SUMMARY

LISTING EXPENSES

Based on the maximum Offer Price for the Global Offering and assuming the Over-allotment Option is not exercised, our total listing expenses relating to the Global Offering are estimated to be US\$14.9 million, including Stock Exchange Listing fees, underwriting commission fees, legal and other professional fees and printing and all other expenses related to the Global Offering.

We did not incur any listing expenses relating to the Global Offering during the Track Record Period. We expect to incur listing expenses of approximately US\$14.9 million after 31 December 2025, of which US\$5.4 million is expected to be recognized in our consolidated statement of profit and loss and other comprehensive income in 2026. The balance will be borne by certain shareholders (the “**Selling Shareholders**”) as explained below.

The Selling Shareholders have elected to sell a portion of their shares once the Company is listed on the Hong Kong Stock Exchange. The Selling Shareholders have agreed to bear the listing costs related to the sale of their shares on the Hong Kong Stock Exchange. These costs include the related underwriting commission, sponsor fees, legal fees, Stock Exchange trading fees, SFC transaction levy and AFRC transaction levy. The Company estimates these costs to amount to approximately US\$9.5 million.

The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

In addition, certain listing-related services had not yet been rendered, and the corresponding obligations had not yet arisen at the reporting date. Therefore, the full amount of listing expenses is not recognised as expenses and liabilities of the Group during the Track Record Period.

SECONDARY LISTING AND LISTING OF THE HDRS ON THE STOCK EXCHANGE

Our Shares have been listed and traded on IDX since 23 September 2025. Dealings in our Shares on IDX have been conducted in IDR. Our initial public offering in Indonesia and listing on the IDX raised net proceeds of approximately US\$283.7 million, all of which has been utilized as of May 2026.

We have applied to the listing committee of the Stock Exchange for the granting of listing of, and permission to deal in, the HDRs on the Main Board under Chapters 18 (Mineral Companies), 19B (Depositary Receipts) and 19C (Secondary Listings of Overseas Issuers) of the Listing Rules. Application has been made in respect of up to 589,254,600 HDRs.

All Shares currently in issue are admitted to trading on the IDX. Except as disclosed in this prospectus, no part of our Shares or HDRs is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future. For details, see “Information About this Prospectus and the Global Offering”.

During the Track Record Period and up to the date of this Prospectus, the Group has fully complied with all applicable Indonesian laws and regulations in all material respects. The Company is not required to obtain any approval from the IDX, any other Indonesian governmental authorities, or its shareholders for the proposed secondary listing or the issuance of the HDRs.

The only regulatory requirement applicable to the proposed HDR issuance is a prior notification to the Financial Services Authority (OJK), which the Company has duly submitted on 25 March 2026 based on the Company’s Letter No. 042/EMAS-JKT/CORSEC/III/2026 dated 25 March 2026 in compliance with OJK Regulation No. 8/POJK.04/2020 concerning Issuance of Foreign Depositary Receipts. Other than such Listing Rules of the Hong Kong Stock Exchange as will apply to the Company as a secondary listed overseas issuer and to the HDRs following the completion of the Listing, and related compliance matters, the Listing is not expected to have any material implications on the Group’s legal and regulatory compliance in Indonesia or with the IDX.

SUMMARY

The Company believes that, rather than listing its Shares on the Stock Exchange, secondary listing of HDRs would be preferable and more viable, given that: (a) the IDX rules and regulations (in particular, Article II.4 of IDX Regulation No. I-A) require listed companies to list all its issued shares on the IDX (unless prescribed otherwise under the applicable laws and regulations), therefore the IDX issuers are not permitted to list their issued shares outside of the IDX; (b) the Indonesian public companies must maintain shares administration either (i) on their own (as permitted under OJK Regulation No. 10/POJK.04/2020 on Reports of Share Registrars or Issuers and Public Companies that Organise Their Own Securities Administration) or (ii) by appointing a registered share registrar that holds a license from the OJK in accordance with OJK Regulation No. 9/POJK.04/2020 on Share Registrar Licensing. If the Company lists its shares overseas, the Company is obliged to maintain its shares administration on their own. This process would be impractical and burdensome for the Company considering that the Company would need to have consistent access to trading data from the relevant exchange; and (c) in the context of share ownership, under Article 52 Indonesian Companies Law, rights attaching to the shares (such as voting rights and dividends) shall arise upon registering the name of the holder in a shareholders register. Accordingly, the shareholder recorded in the Company's register is deemed to be the full legal owner of the shares, including the rights attached thereto. This registration-based approach to ownership reflects the principle that proprietary rights vest exclusively in the legally recognised holder, without accommodation for a separation between legal and beneficial interests. As a result, this creates difficulties in recognizing beneficial owners located outside Indonesia where shares are held through intermediary or nominee arrangements.

CORE SHAREHOLDER PROTECTION STANDARDS

Rule 8.14A of the Listing Rules requires that a listed issuer's memorandum and articles of association (or equivalent document) shall (i) conform with the relevant parts of Appendix A1 to the Listing Rules (the Core Shareholder Protection Standards) and the related guidance materials in Chapter 2.1 of the Guide for New Listing Applicants, and (ii) on the whole, not be inconsistent with the Listing Rules and the laws of the place where the listed issuer is incorporated or otherwise established.

The Company is incorporated in Indonesia and is primarily listed on the IDX, therefore the Company is subject to, among other things, the Indonesian Companies Law and the regulations from the OJK. As the core shareholder protection standards offered under the Company's Articles and the Indonesian laws and regulations may be different from the standards under the Listing Rules, including the quorum requirement on the general meeting of shareholders. We have proposed certain measures to address any differences between our standards and the requirements under the Listing Rules that we consider material to our Shareholders and potential investors. Please refer to "Quorum of GMS" and "Core Shareholder Protection Standards" for a detailed discussion on such differences and our proposed measures in that regard.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements and related notes in "Accountants' Report" in Appendix I to this Prospectus. Our consolidated financial information was prepared in accordance with IFRS.

The MGR Group has not yet achieved profitability and was loss-making during the Track Record Period. In 2023, 2024 and 2025, our revenue was US\$1.4 million, US\$1.8 million and US\$0.1 million, our loss for the year was US\$6.8 million, US\$12.7 million and US\$27.5 million, and our total comprehensive loss for the year was US\$6.9 million, US\$13.3 million and US\$27.3 million, respectively, after accounting for exchange difference on financial statements translation, actuarial gain/(loss) and related income tax (expense)/benefit.

As at 31 December 2025, the MGR Group had not yet commenced gold production. The MGR Group has historically derived all of its revenue from the rental of MMI's heavy equipment to PETS and other subsidiaries of MGR, MCG's subsidiaries BSI and MMS, as well as MGR's related parties to support construction and mining preparation activities at the PETS mine and BSI's mine operations.

SUMMARY

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Revenue	1,394	1,750	132
Cost of Revenue	(936)	(1,180)	(278)
Gross Profit/(Loss)	458	570	(146)
Operating Expense			
General and administrative expenses. . .	(2,170)	(1,019)	(9,486)
Loss from Operating	(1,712)	(449)	(9,632)
Finance income.	188	688	1,209
Finance expenses	(8,994)	(20,673)	(14,724)
Other income/(expense) – net	387	5,500	(2,245)
Loss Before Income Tax	(10,131)	(14,934)	(25,392)
Income tax benefit/(expense).	3,294	2,234	(2,102)
Loss for the Year.	(6,837)	(12,700)	(27,494)
Other comprehensive (loss)/income that will be reclassified to profit or loss:			
Exchange difference on financial statements translation	(25)	(680)	158
Other comprehensive (loss)/income that will not be reclassified to profit or loss:			
Actuarial (loss)/gain	(8)	81	4
Related income benefit/(tax)	2	(22)	–
Other comprehensive (loss)/income – net .	(31)	(621)	162
Total Comprehensive Loss for the Year . . .	(6,868)	(13,321)	(27,332)

The Group recorded gross loss of US\$0.1 million in 2025, primarily due to a 94.4% decrease in revenue to US\$0.1 million in 2025 from US\$1.8 million in 2024, because PETS became a subsidiary of the Group on 27 June 2024 and accordingly all of the rental income earned from PETS in 2025 is eliminated on consolidation, partially offset by a 75.0% decrease in cost of revenue to US\$0.3 million in 2025 from US\$1.2 million in 2024.

The Group recorded loss for the year of US\$6.8 million, US\$12.7 million and US\$27.5 million in 2023, 2024 and 2025 respectively. Loss for the year increased by 86.8% to US\$12.7 million in 2024 from US\$6.8 million in 2023, primarily due to a 130.0% increase in finance expenses to US\$20.7 million in 2024 from US\$9.0 million in 2023, primarily due to higher loan balances. Loss for the year increased by 116.5% to US\$27.5 million in 2025 from US\$12.7 million in 2024, primarily due to (i) an 850.0% increase in general and administrative expenses to US\$9.5 million in 2025 from US\$1.0 million in 2024, and (ii) other expense – net of US\$2.2 million in 2025, compared to other income – net of US\$5.5 million in 2024. The fluctuation in other (expense)/income – net was due mainly to the remeasurement fair value gain of PEG's 49% ownership in PETS (a joint venture) of US\$5.0 million and excess value gain of US\$0.8 million in connection with the Company's direct and indirect acquisition of the remaining 51% interest in PETS on 27 June 2024, and to a lesser extent, the loss on foreign currency net of US\$2.0 million in 2025 resulting from reporting in U.S. dollars the Rupiah-denominated net proceeds from our initial public offering in September 2025.

SUMMARY

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
ASSETS			
Total non-current assets	308,967	458,276	679,407
Total current assets	19,684	71,445	61,231
Total assets	328,651	529,721	740,638
LIABILITIES			
Total current liabilities	28,942	56,040	67,729
Total assets less current liabilities	299,709	473,681	672,909
Total non-current liabilities	144,513	200,643	291,970
Total liabilities	173,455	256,683	359,699
Net current (liabilities)/assets	(9,258)	15,405	(6,498)
NET ASSETS	155,196	273,038	380,939

The Group recorded net assets of US\$155.2 million, US\$273.0 million and US\$380.9 million as at 31 December 2023, 2024 and 2025, respectively. Net assets decreased from US\$166.3 million as at 1 January 2023 to US\$155.2 million primarily due to loss for the year of US\$6.8 million. Net assets increased to US\$273.0 million as at 31 December 2024 primarily due to issuance of shares of US\$131.1 million, partially offset by loss for the year of US\$12.7 million. Net assets increased to US\$380.9 million as at 31 December 2025 primarily due to share capital issuance from initial public offering of US\$283.7 million, partially offset by (i) treasury buyback shares of US\$141.4 million and (ii) loss for the year of US\$27.5 million.

The Group recorded net current liabilities of US\$9.3 million as at 31 December 2023 primarily due to trade payables, other payable and accruals of US\$25.6 million, partially offset by cash and banks of US\$12.4 million. The Group recorded net current assets of US\$15.4 million as at 31 December 2024 primarily due to cash and banks of US\$67.3 million, partially offset by trade payables, other payable and accruals of US\$49.3 million. The Group recorded net current liabilities of US\$6.5 million as at 31 December 2025 primarily due to trade payables, other payable and accruals of US\$57.2 million, partially offset by cash and banks of US\$45.3 million.

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
EQUITY			
Equity attributable to owners of the parent entity			
Share capital	6,996	138,115	152,891
Additional paid-in capital – net	168,264	168,264	302,463
Treasury stock	–	–	(13,742)
Translation reserve	1,255	575	733
Employment benefits reserve	(11)	47	51
Accumulated losses	(21,307)	(34,007)	(61,499)
Total equity attributable to owners of the parent entity	155,197	272,994	380,897
Non-controlling interest	(1)	44	42
Total equity	155,196	273,038	380,939
Total liabilities and equity	328,651	529,721	740,638

SUMMARY

The Group recorded accumulated losses of US\$21.3 million, US\$34.0 million and US\$61.5 million as at 31 December 2023, 2024 and 2025, respectively, primarily due to loss for the year recorded in each of those years.

In 2025, MGR Group's net cash flow used in operating activities increased by 244.4% to US\$21.7 million from US\$6.3 million in 2024. The increase was primarily due to an increase in operational costs related to exploration activities as well as the development of mining infrastructure and processing facilities. The Company expects the Group will improve its net operating cash outflow position in 2026 once the Pani Block has ramped up to full operation. In 2024, MGR Group's net cash flow used in operating activities decreased by 61.8% to US\$6.3 million from US\$16.5 million in 2023. The decrease was primarily due to an increase operational costs related to PETS and GSM exploration activities during 2024.

The following table presents a summary of our cash flows for the years indicated.

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Net cash flows used in operating activities . .	(16,489)	(6,281)	(21,714)
Net cash flows used in investing activities . .	(84,697)	(106,039)	(182,561)
Net cash flows from financing activities	107,981	167,983	182,090
Net increase/(decrease) in cash and banks . . .	6,795	55,663	(22,185)
Cash and banks at end of the year	12,351	67,335	45,308

GLOBAL OFFERING STATISTICS

	Based on an Offer Price of HK\$26.60 per HDR
Market capitalisation of our Shares ⁽¹⁾	HK\$44,443 million
Unaudited pro forma adjusted consolidated net tangible asset of the Group attributable to owners of the Company as of 31 December 2025 per Share ⁽²⁾⁽³⁾	HK\$0.037

Notes:

- (1) The calculation of the maximum market capitalization of the Company upon Listing is based on the sum of (a) the market capitalization of 89,668,600 Sale HDRs to be offered by the Selling Shareholders (representing 896,686,000 underlying Shares) pursuant to the Global Offering, assuming the Over-allotment Option is not exercised multiplied by the maximum Offer Price, and (b) the market capitalization of the remaining shares of the Company listed on the IDX (i.e. 13,834,680,060 Shares) multiplied by the closing price of the Shares on the IDX on the Latest Practicable Date (i.e. HK\$3.04).
- (2) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share is arrived at after the adjustments referred to in Appendix II headed "unaudited pro forma financial information" to this prospectus and on the basis that 14,731,366,060 shares (representing 16,180,232,675 shares in issue, excluding 1,448,866,615 treasury shares as at 31 December 2025) were in issue, assuming that the Global Offering had been completed on December 31 2025. It does not take into account any share which may be issued or repurchased by the Company.
- (3) For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share, the amounts stated in United States Dollar ("USD") are converted into Hong Kong dollars at a rate of USD1.00 to HK\$7.84. No representation is made that USD has been or may be converted to Hong Kong dollars, or vice versa, at that rate.

SUMMARY

SELLING SHAREHOLDERS AND OVER-ALLOTMENT OPTION GRANTORS

The Global Offering comprises 12 Selling Shareholders and Over-allotment Option grantors who have agreed to sell a portion of their interests in the Company under the Global Offering (via the issuance of HDRs):

Shareholder	Number of Shares held as of Latest Practicable Date ⁽¹⁾	Approximate percentage of our total issued shares as of the Latest Practicable Date ⁽²⁾	Number of Shares under the Global Offering ⁽³⁾	Approximate percentage of our total issued shares as of the Latest Practicable Date and upon Listing ⁽²⁾	Number of Shares held upon Listing	Approximate percentage of our total issued shares upon Listing ⁽²⁾	Maximum number of the Over-allotment Option ⁽³⁾	Approximate percentage of our total issued shares as of the Latest Practicable Date and upon Listing ⁽²⁾	Number of Shares held upon full exercise of Over-allotment Option ⁽²⁾	Approximate percentage of our total issued shares upon full exercise of Over-allotment Option ⁽²⁾	Total Sale Shares (including Sale Shares under Over-allotment Option) ⁽³⁾	Approximate percentage of our total issued shares as of the Latest Practicable Date and upon Listing and full exercise of Over-allotment Option ⁽²⁾
Over-allotment Option Grantors												
Continuum SPC (acting on behalf of and for the account of Infinity Fund SP)	464,173,100	3.2%	210,490,000	1.4%	253,683,100	1.7%	28,082,000	0.2%	225,601,100	1.5%	238,572,000	1.6%
Mr. Winato Kartono ⁽⁴⁾	548,772,817	3.7%	–	0.0%	548,772,817	3.7%	76,343,000	0.5%	472,429,817	3.2%	76,343,000	0.5%
PT Nugraha Eka Kencana ⁽⁵⁾	195,377,665	1.3%	46,586,000	0.3%	148,791,665	1.0%	20,002,000	0.1%	128,789,665	0.9%	66,588,000	0.5%
PT Unitras Kapital Indonesia ⁽⁵⁾	98,417,360	0.7%	23,468,000	0.2%	74,949,360	0.5%	10,075,000	0.1%	64,874,360	0.4%	33,543,000	0.2%
Other Selling Shareholders												
PT Nusantara Indah Cemerlang	551,877,600	3.7%	352,337,000	2.4%	199,540,600	1.4%	–	–	199,540,600	1.4%	352,337,000	2.4%
Mr. Hardi Wijaya Liong ⁽⁶⁾	235,188,351	1.6%	32,718,000	0.2%	202,470,351	1.4%	–	–	202,470,351	1.4%	32,718,000	0.2%
PT Bintang Delapan Harmoni	221,216,300	1.5%	52,775,000	0.4%	168,441,300	1.1%	–	–	168,441,300	1.1%	52,775,000	0.4%
Mr. Edi Permadi	121,233,165	0.8%	41,307,000	0.3%	79,926,165	0.5%	–	–	79,926,165	0.5%	41,307,000	0.3%
Mr. Alexander Ramlie	107,610,000	0.7%	35,376,000	0.2%	72,234,000	0.5%	–	–	72,234,000	0.5%	35,376,000	0.2%
Sherman Mineral Trading Co., Limited	102,626,200	0.7%	23,311,000	0.2%	79,315,200	0.5%	–	–	79,315,200	0.5%	23,311,000	0.2%
GEM Hong Kong International Co., Limited	59,900,000	0.4%	40,829,000	0.3%	19,071,000	0.1%	–	–	19,071,000	0.1%	40,829,000	0.3%
PT Dze Trading Indonesia	56,600,000	0.4%	37,489,000	0.3%	19,111,000	0.1%	–	–	19,111,000	0.1%	37,489,000	0.3%
Total	2,762,992,558	18.8%	896,686,000	6.1%	1,866,306,558	12.7%	134,502,000	0.9%	1,731,804,558	11.8%	1,031,188,000	7.0%

Notes:

- (1) To the best of the Company's knowledge and based on information available to the Company.
 - (2) Percentages calculated based on the total issued and fully paid-up capital of 14,731,366,060 Shares as of the Latest Practicable Date, upon Listing and upon full exercise of the Over-allotment Option (as the case may be).
 - (3) Each Sale HDRs represent 10 Shares.
 - (4) Mr. Winato Kartono is our Commissioner. See "Director, Senior Management and Commissioners."
 - (5) PT Nugraha Eka Kencana and PT Unitras Kapital Indonesia are both ultimately controlled by Mr. Edwin Soeryadja, the President Commissioner of MCG.
 - (6) Mr. Hardi Wijaya Liong is a director of MCG, our controlling shareholder. Previously, Mr. Hardi Wijaya Liong was our Commissioner from June 2025 to December 2025.
 - (7) Other than Mr. Winato Kartono, PT Nugraha Eka Kencana, PT Unitras Kapital Indonesia and Mr. Hardi Wijaya Liong, other Selling Shareholders and their ultimate beneficial owners are Independent Third Parties.
- For details on their particulars, see "11. Particulars of the Selling Shareholders and the Over-allotment Option Grantors" In Appendix V of this prospectus.

SUMMARY

RECENT DEVELOPMENTS

In February 2026, the Pani Gold Mine achieved its first gold pour, ahead of the original target of the end of the first quarter of 2026. This milestone marks the start of commercial gold production and represents a significant step in the mine's journey.

In February 2026, we, through PETS, signed a Gold Sales and Purchase Agreement (“**GSPA**”) with PT Aneka Tambang (Persero) Tbk (“**ANTAM**”), an Independent Third Party. The GSPA is valid for two years with a total transaction volume of up to 3 metric tonnes (up to 100,000 ounces of gold). Under this partnership, PETS will sell refined gold granules to ANTAM domestically. The first sale of refined gold under the GSPA took place in March 2026.

In March 2026, our IDX-listed Shares joined the Global Junior Gold Miners Index (GDXJ), an index used as a benchmark for the VanEck ETF.

On 10 April 2026, the Company entered into a single currency revolving credit facility, with a facility limit of US\$150 million. The final maturity date of this facility agreement is 10 April 2027, subject to an option to extend the agreement. This facility bears interest at a compounded cumulative reference rate based on the SOFR plus a 2% margin per annum, with an interest period of one day. No security is provided in connection with this facility agreement. Under the terms of this facility, the Company is subject to certain negative covenants, including (i) a negative pledge not to create any security over any of its assets, subject to certain exceptions, and (ii) a covenant not to dispose of any assets, subject to certain exceptions.

In May 2026, the Company entered into a loan agreement with its subsidiary, PBT, whereby the Company agreed to provide loans to PBT up to a limit of US\$175 million. The final maturity date of this loan agreement is 31 August 2029. Under this agreement, any loan funds drawn down by PBT will bear interest at the three months term SOFR plus a 3% margin per annum. No security is provided by PBT in connection with this loan agreement. Under the terms of this agreement, PBT is only allowed to use borrowed funds for general corporate purposes, including capital and operational expenditures as well as working capital, and other purposes as it requires.

In June 2026, the Company announced the first Mineral Resource Estimate (“**MRE**”) for the Kolokoa prospect, located approximately 500 metres from the Pani Gold Mine area in Marisa District, Pohuwato Regency, Gorontalo Province, Sulawesi, Indonesia. Based on the MRE as at 1 June 2026, Kolokoa contains a Mineral Resource of 42 Mt at 0.33 g/t gold, equivalent to 445 koz of contained gold, delivered following 54 infill drill holes for 11,701.6 metres completed over a six-month period and at a discovery cost of approximately US\$5.50 per ounce. The Kolokoa initial MRE increases the broader Pani Gold Mine MRE from 7.0 Moz to approximately 7.4 Moz of gold, reinforcing the scale and long-term growth potential of the Pani Gold Mine, and demonstrating the Company's ability to rapidly advance exploration targets. Kolokoa is located within trucking distance of existing and planned mining infrastructure, and its mineralization remains open in multiple directions. In addition, the Pani deep drilling program has commenced, comprising 3,600-metre initial diamond drilling with two rigs to test the deposit down to depths of 0mRL or further if mineralization remains open. Planned drilling at the Lone Pine prospect is targeted to commence in the second half of 2026. These provide a strong foundation for future resource growth through targeted additional drilling and technical studies.

MSCI has announced that it will release the results of its Global Market Accessibility Review on June 18, 2026, and the results of its Annual Market Classification Review on June 23, 2026. The outcomes of these reviews by MSCI remain uncertain. Indonesia could potentially be reclassified from MSCI Emerging Market to MSCI Frontier Market status. Any such reclassification, or any reduction in the weighting of Indonesian securities in the MSCI Emerging Markets Indices, could indirectly have a material adverse effect on the trading price and liquidity of the Company's Shares on the IDX and the price of the HDRs on the Stock Exchange. For details, see “Risk Factors — Risks Related to Doing Business in Indonesia — Indonesia may be reclassified from MSCI Emerging Market to MSCI Frontier Market status, which could indirectly materially and adversely affect the price of the Company's Shares on the IDX and the price of the HDRs on the Stock Exchange”.

SUMMARY

Financial and Operational Performance after the Track Record Period

The Company successfully commenced commercial production at the Pani Gold Mine in February 2026, marking a significant operational milestone following the completion of construction and commissioning. This transition to production positions the Company as an emerging gold producer in Indonesia's mining sector, marking the culmination of roughly two years of development. As at 31 March 2026, the Pani Gold Mine had produced approximately 1,818 ounces of gold, with cash costs at \$1,202/oz (based on gold produced) inclusive of gold royalties, and 3,496 ounces of silver in aggregate, as its initial operational phase approaches nameplate capacity. No silver sales were recorded during the quarter. Excluding gold royalties (\$233/oz), the cash cost was \$969/oz (all based on gold produced). The cash cost is expected to decline in future as operations stabilise and production increases.

During the operational period from its first gold production to 31 March 2026, the Company sold approximately 516 oz of gold at an average sale price of approximately US\$5,123/oz.

On 30 April 2026, the Company reported on its quarterly activities for the quarter ended 31 March 2026. In addition to the above, the report includes the following highlights:

- The Pani Gold Mine has commenced heap leach operation during the quarter. The initial capacity is 8 Mtpa, increased from the initial design of 7 Mtpa. Further studies remain ongoing to expand capacity to 10 Mtpa after 2026. In addition, the Company has reconfigured its CIL development to commence production at a capacity of 12 Mtpa in 2028, compared to the initial design of commencing at 7.5 Mtpa.
- Gold production guidance for 2026 is expected to be 100,000-115,000 ounces, with cash cost and AISC guidance (excluding royalties and silver credits) of \$900-\$1,100/oz and \$1,300-\$1,450/oz (all based on gold produced), respectively. Silver as a by-product is forecasted to be 100,000-200,000 ounces of production.

NO MATERIAL ADVERSE CHANGE

After due and careful consideration, our Directors and Commissioners confirm that, up to the date of this Prospectus, there has not been any material adverse change in our financial or trading position or prospects since 31 December 2025, and there is no event since 31 December 2025 which would materially affect the information shown in the Accountant's Report in Appendix I to this Prospectus.

DIVIDEND POLICY

The Group has not adopted any formal dividend policy, and the adoption or maintenance of a formal dividend policy is generally not required under the Indonesian Companies Law. We currently have no pre-determined dividend payout ratio, and any future payment of dividends is subject to uncertainties. In accordance with applicable laws and regulations in Indonesia, particularly the Indonesian Companies Law, dividend payment decisions are subject to the provisions of the Company's articles of association and shareholder approval through a GMS based on the recommendation of the Company's Board of Directors. Dividend payments may only be made if the Company has a positive retained earnings balance. The Company's articles of association permit the distribution of interim dividends, provided that such distribution does not result in the Company's net assets being less than the issued and paid-up capital plus statutory reserve. The distribution of interim dividends must not interfere with or cause the Company to be unable to fulfil its obligations to creditors or disrupt the Company's business activities. The distribution of interim dividends is determined based on a decision of the Company's Board of Directors after obtaining approval from the Company's Board of Commissioners. If at the end of the financial year the Company experiences a loss, the interim dividends that have been distributed must be returned by the shareholders to the Company. If the shareholders are unable to return the interim dividends, the Company's Board of Directors and Board of Commissioners will be jointly and severally liable for the Company's losses.

SUMMARY

The recommendation, determination of the amount and distribution of dividends will be proposed by the Board of Directors and approved by the Board of Commissioners at their discretion and will depend on a number of factors (many of which are beyond the control of the Company) including but not limited to (i) net profit, results of operations, cash flow, capital adequacy, capital expenditure requirements and financial condition of the Company and its Subsidiaries; (ii) the obligation to fulfil the establishment of reserve funds; (iii) the fulfilment of other financial obligations of the Company and its Subsidiaries; (iv) the payment of cash dividends by the Subsidiaries; (v) other factors deemed relevant by the Company, including but not limited to (i) the business development plans of the Company and/or its Subsidiaries; (ii) the success in implementing business strategies, finances, business competition and general economic conditions; and (iii) other factors specific to the MGR group and the MGR Group's industry.

If a definitive decision has been made to pay a dividend, the dividend will be paid in Rupiah. Shareholders of the Company will be entitled to receive the full agreed cash dividend on a specified date, subject to income tax deductions in accordance with applicable regulations.

The Company's dividend policy is a statement of its current intentions and is not legally binding as it is subject to changes in the Board of Directors' policy with the approval of shareholders at the time of the GMS.

There are no negative covenants that could prevent the Company from distributing dividends to shareholders.

DEFINITIONS

“ABI”	PT Andalan Bersama Investama
“ABI Merger Deed”	the Deed of Merger No. 142 dated 19 December 2022, drawn up before Darmawan Tjoa, SH, SE, Notary in Jakarta
“Accountants’ Report”	the accountants’ report of the Company for the Track Record Period, the text of which is set out in Appendix I to this prospectus
“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Antam”	PT Aneka Tambang Tbk
“Articles” or “Articles of Association”	the articles of association of our Company to be adopted on 22 April 2026, as amended from time to time, a summary of which is set out in Appendix IV to this Prospectus
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board of Commissioners” or “BOC”	the board of Commissioners of our Company
“Board of Directors” or “BOD”	the board of Directors of our Company
“Business Day” or “business day”	any day on which banks in Hong Kong are generally open for normal banking business (other than a Saturday, Sunday or public holiday in Hong Kong)
“Capital Market Intermediaries”	the capital market intermediaries named in “Directors, Commissioners and Parties Involved in the Global Offering”
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Commissioner(s)”	the commissioner(s) of our Company
“Companies Ordinance” or “Hong Kong Companies Ordinance”	the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), as amended or supplemented from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), as amended and supplemented from time to time
“Company”, “our Company”, “the Company”, “MGR”, “we” or “us”	PT Merdeka Gold Resources Tbk, a company incorporated under the applicable laws of the Republic of Indonesia on 20 November 2015 and domiciled in South Jakarta
“Competent Person”, “MiningOne” or “M1”	has the same meaning ascribed to it under Rule 18.01 of the Hong Kong Listing Rules and, in the context of this prospectus, means PT Mining One Indonesia, an independent mining and geological consultant, which is an Independent Third Party

DEFINITIONS

“Competent Person’s Report”, “CPR” or “M1 Report”	the Competent Person’s Report prepared by M1 on the Pani Gold Mine, the effective date of which is 31 December 2025 and details of which are set out in Appendix III to this prospectus
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules and, unless the context otherwise requires, means MCG
“core connected person”	has the meaning ascribed to it under the Listing Rules
“CRU”	CRU International Limited, our independent industry consultant
“Custodian”	means the agent or agents of the Depositary, being PT Bank HSBC Indonesia
“Deposit Agreement”	the deposit agreement entered into between the Company and the Depositary on 26 May 2026 in relation to the HDRs
“Depositary”	JPMorgan Chase Bank, N.A., in its capacity as depositary for the HDRs, or any successor appointee in that capacity from time to time
“deposited securities”	means all Shares at such time deposited under the Deposit Agreement and any and all other Shares, securities, property and cash at such time held by the Depositary or the Custodian for the account of the Depositary on behalf of the HDR Holders in respect or in lieu of such deposited Shares and other Shares, securities, property and cash
“DHE SDA”	Foreign Exchange Proceeds from Natural Resource Exports (Devisa Hasil Ekspor Sumber Daya Alam)
“Director(s)”	the director(s) of our Company
“ESG”	Environmental, Social, and Governance
“Extreme Conditions”	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale serious affects the working public’s ability to resume work or brings safely concern for a prolonged period
“FINI”	Fast Interface for New Issuance, a digital platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings in Hong Kong
“General Rules of HKSCC”	General Rules of HKSCC, as amended, supplemented or otherwise modified from time to time, and where the context so permits, shall include the HKSCC Operational Procedures
“Global Offering”	the Hong Kong Public Offering and the International Offering

DEFINITIONS

“GMS” or “General Meeting of Shareholders”	general meeting(s) of Shareholders
“Group”, “our Group”, “the Group” or “the MGR Group”	our Company and its subsidiaries or, where the context requires, in respect of the period before our Company became the holding company of its current subsidiaries, the businesses operated by such subsidiaries as if they were subsidiaries of our Company at that time or their predecessors, as the case may be
“GSM”	PT Gorontalo Sejahtera Mining, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“Guide for New Listing Applicants”	the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange effective from January 1, 2024 (as amended, supplemented or otherwise modified from time to time)
“HDR(s)”	means the depositary receipts executed and delivered hereunder by the Depositary as agent for the Company evidencing ownership of the HDSs representing the deposited Shares
“HDR Holder(s)”	a registered holder of any HDR(s), being their legal owner
“HDR Registrar”	Computershare Hong Kong Investor Services Limited
“HDS(s)”	the Hong Kong depositary shares representing the interests in the deposited securities and evidenced by the HDRs issued hereunder
“HK\$”, “Hong Kong dollars”, “HK dollars” or “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC EIPO”	the application for the Hong Kong Offer HDRs to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to the applicant’s or a designated HKSCC Participant’s stock account through causing HKSCC Nominees to apply on the applicant’s behalf, including by instructing the applicant’s broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC’s FINI system to apply for the Hong Kong Offer HDRs on the applicant’s behalf
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“HKSCC Operational Procedures”	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC’s services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force

DEFINITIONS

“HKSCC Participant”	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Offer HDRs”	the 8,966,900 HDRs being initially offered by the Selling Shareholders for sale at the Offer Price pursuant to the Hong Kong Public Offering (subject to reallocation) as further described in “Structure of the Global Offering”
“Hong Kong Public Offering”	the offer by the Selling Shareholders of the Hong Kong Offer HDRs for sale to the public in Hong Kong (subject to reallocation) for cash at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), on the terms and subject to conditions set out in this Prospectus
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering whose names are set out in “Underwriting — Hong Kong Underwriters”
“Hong Kong Underwriting Agreement”	the underwriting agreement dated 16 June 2026, relating to the Hong Kong Public Offering and entered into by, among others, the Overall Coordinators, the Hong Kong Underwriters and our Company, as further described in “Underwriting”
“IDX” or “Indonesia Stock Exchange”	the Indonesia Stock Exchange (Bursa Efek Indonesia)
“IFRS”	the International Financial Reporting Standards issued by the International Accounting Standards Board
“Independent Commissioners”	the Commissioners who meet the criteria for independence as set out in Rule 3.13 of the Listing Rules
“Independent Third Party(ies)”	any entity or person who is not a connected person of our Company or an associate of such person within the meaning ascribed to it under the Listing Rules
“Indonesia”	the Republic of Indonesia
“Indonesian Companies Law”	Law No. 40 of 2007 on Limited Liability Companies, as amended from time to time
“Indonesian Constitution”	the Constitution of the State of the Republic of Indonesia of the Year 1945
“Indonesian Government” or “Government”	the government of the Republic of Indonesia

DEFINITIONS

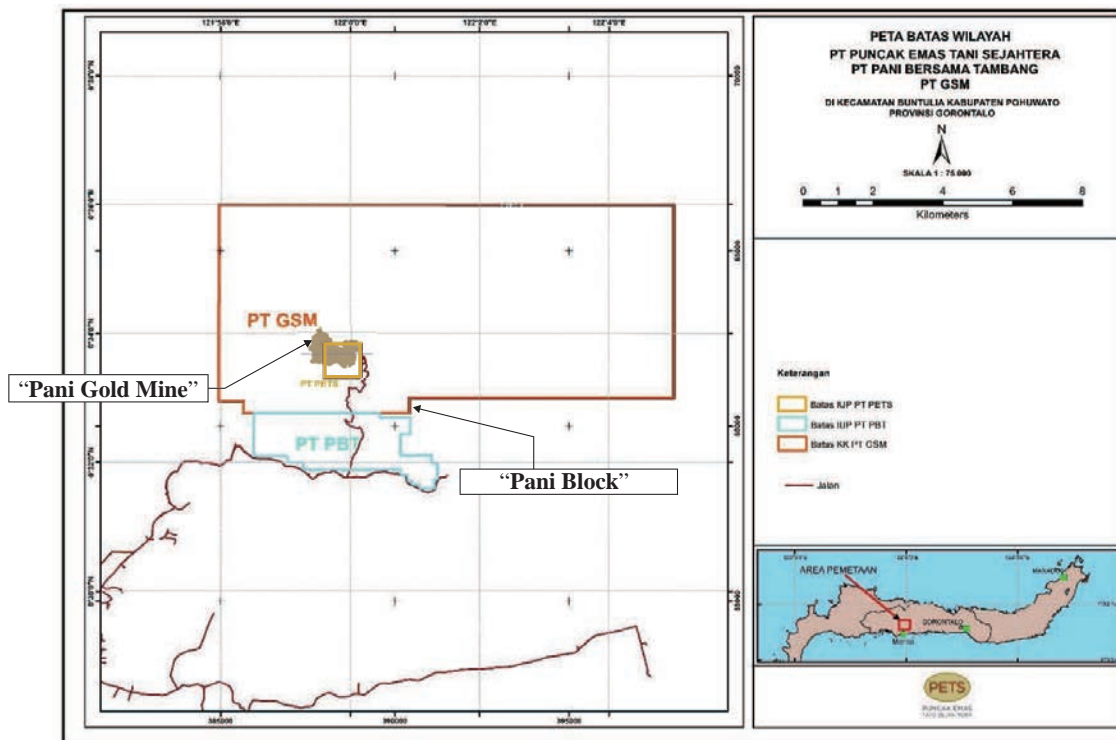
“International Offer HDRs”	the 80,701,700 HDRs (subject to reallocation and the Over-allotment Option) initially being offered by the Selling Shareholders for sale at the Offer Price pursuant to the International Offering
“International Offering”	the offer of the International Offer HDRs at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) outside the United States in offshore transactions in accordance with Regulation S or any other available exemptions from the registration requirements under the U.S. Securities Act, in each case on and subject to the terms and conditions of the International Underwriting Agreement, as further described in “Structure of the Global Offering”
“International Underwriters”	the group of international underwriters expected to enter into the International Underwriting Agreement relating to the International Offering
“International Underwriting Agreement”	the underwriting agreement expected to be entered into on or around 24 June 2026, by, among others, our Company, the Overall Coordinators and the International Underwriters in respect of the International Offering, as further described in “Underwriting”
“Joint Bookrunners”	the joint bookrunners named in “Directors, Commissioners and Parties Involved in the Global Offering”
“Joint Global Coordinators”	the joint global coordinators named in “Directors, Commissioners and Parties Involved in the Global Offering”
“Joint Lead Managers”	the joint lead managers named in “Directors, Commissioners and Parties Involved in the Global Offering”
“Overall Coordinators”	the overall coordinators named in “Directors, Commissioners and Parties Involved in the Global Offering”
“Joint Sponsors”	the joint sponsors named in “Directors, Commissioners and Parties Involved in the Global Offering”
“KSEI”	the Indonesia Central Securities Depository (PT Kustodian Sentral Efek Indonesia)
“Latest Practicable Date”	8 June 2026, being the latest practicable date for ascertaining certain information contained in this Prospectus before its publication
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	the date, expected to be on or around Friday, 26 June 2026, on which the HDRs are to be listed and dealings in the HDRs are first permitted to take place on the Stock Exchange

DEFINITIONS

“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Listing”	the listing of our HDRs on the Main Board of the Stock Exchange
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“MAP”	PT Mentari Alam Persada, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“MCG”	PT Merdeka Copper Gold Tbk, our Controlling Shareholder
“MCG Group”	PT Merdeka Copper Gold Tbk and its subsidiaries, for the purposes of this prospectus, excluding the Group
“MEMR”	Minister of Energy and Mineral Resources of the Republic of Indonesia
“MIM”	PT Merdeka Indonesia Mandiri, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“Minister of Law” or “MOL”	Minister of Law of the Republic of Indonesia, as amended from time to time and formerly known as the Minister of Law and Human Rights
“MKI”	PT Merdeka Kapital Indonesia, a subsidiary of MCG incorporated in Indonesia
“MMI”	PT Merdeka Mining Indonesia, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“MMS”	PT Merdeka Mining Servis, a subsidiary of MCG incorporated in Indonesia
“Offer HDR(s)”	the Hong Kong Offer HDRs and the International Offer HDRs, together with, where relevant, any additional HDRs which may be offered by the Over-allotment Option Grantors for sale at the Offer Price pursuant to the exercise of the Over-allotment Option
“Offer Price”	the final offer price per Offer HDR (exclusive of brokerage of 1%, the SFC transaction levy of 0.0027%, the Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), at which the Offer HDRs are to be purchased pursuant to the Global Offering, and to be determined as described in “Structure of the Global Offering — Pricing and Allocation”

DEFINITIONS

“OJK”	the Indonesian Financial Services Authority (Otoritas Jasa Keuangan)
“Over-allotment Option”	the option expected to be granted to the International Underwriters, exercisable by the International Underwriters under the International Underwriting Agreement to require the Over-allotment Option Grantors to sell up to an aggregate of not more than 15% of the total number of Offer HDRs available under the Global Offering (which will be equal to 13,450,200 Offer HDRs) at the Offer Price to cover over-allocations in the International Offering, if any. See “Structure of the Global Offering — Over-allotment Option” for more details
“Over-allotment Option Grantors”	the Selling Shareholders that will grant the Over-allotment Option to the International Underwriters, being Continuum SPC (acting on behalf of and for the account of Infinity Fund SP), PT Nugraha Eka Kencana, PT Unitras Kapital Indonesia, and Mr. Winato Kartono



“Pani Block”	the ~8,100 Ha area comprised of (i) a ~7,400 Ha area including the Pani Gold Mine and PIN as well as (ii) a 700 Ha mining processing and infrastructure area operated by PBT; located in Hulawa Village, Buntulia District, Pohuwato Regency and Gorontalo Regency, Gorontalo Province
“Pani Gold Mine” or “Pani”	the 135 Ha area gold mine operated by PETS and GSM, located in Hulawa Village, Buntulia District, Pohuwato Regency and Gorontalo Regency, Gorontalo Province

DEFINITIONS

“Pani Gold Projects”	all 14,670 Ha of the mining areas under IUP OP of PETS located in Hulawa Village, Buntulia District, Pohuwato Regency and Gorontalo Regency, Gorontalo Province and under CoW of GSM located in (i) the Pani Block in Hulawa Village, Buntulia District, Pohuwato Regency and Gorontalo Regency, Gorontalo Province, (ii) Buol Regency, Central Sulawesi Province and (iii) Bolaang Mongondow Utara Regency, North Sulawesi Province
“PBT”	PT Pani Bersama Tambang, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“PEG”	PT Puncak Emas Gorontalo, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“PETS”	PT Puncak Emas Tani Sejahtera, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“PIJ”	PT Pani Industri Jaya, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate Structure” in this prospectus
“PIN”	PT Pani Industri Nusantara, our subsidiary incorporated in Indonesia, for more details, please see the section headed “History and Corporate structure” in the prospectus
“Price Determination Date”	the date expected to be on or before Wednesday, 24 June 2026 (Hong Kong time) on which the Offer Price is determined
“Prospectus”	this prospectus being issued in connection with the Hong Kong Public Offering
“Regulation S”	Regulation S under the U.S. Securities Act
“Relevant Persons”	the Joint Sponsors, the Underwriters, any of their or our Company’s respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering
“Rupiah” or “Rp”	the lawful currency of the Republic of Indonesia
“Sale HDRs”	the 89,668,600 HDRs representing 896,686,000 Shares initially being offered by the Selling Shareholders for purchase under the Global Offering
“Sale Shares”	the Shares being offered by the Selling Shareholders and represented by Sale HDRs

DEFINITIONS

“Selling Shareholders”	the selling shareholders in the Global Offering, being PT Nusantara Indah Cemerlang, Continuum SPC (acting on behalf of and for the account of Infinity Fund SP), PT Nugraha Eka Kencana, PT Bintang Delapan Harmoni, Mr. Edi Permadi, GEM Hong Kong International Co., Limited, PT Deze Trading Indonesia, Mr. Alexander Ramlie, PT Unitras Kapital Indonesia, Sherman Mineral Trading Co., Limited, Mr. Winato Kartono and Mr. Hardi Wijaya Liong
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	ordinary share(s) of our Company
“Shareholder(s)”	holder(s) of our Shares
“Stabilizing Manager”	CLSA Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Track Record Period”	the period comprising the three financial years ended 31 December 2023, 2024 and 2025
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United States” or “U.S.”	the United States of America, its territories, possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
“US\$”, “USD” or “U.S. dollars”	United States dollars, the lawful currency of the United States
“White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“White Form eIPO”	the application for the Hong Kong Offer HDRs to be issued in the applicant’s own name by submitting applications online through the designated website of the White Form eIPO Service Provider, at www.eipo.com.hk

GLOSSARY

This glossary contains explanations of certain technical terms used in this Prospectus in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

“Adsorption Desorption Recovery” or “ADR”	a processing method to the recover gold in solution from a heap leach facility, consisting of an adsorption process to adsorb the gold in solution onto activated carbon, a desorption process to desorb the gold off the activated carbon, and a recovery process of electrowinning to recover the gold in solution as solid gold sludge
“Ag”	the chemical symbol of silver
“all-in sustaining cost” or “AISC”	a metric which means operating costs excluding amortization and depreciation, plus all costs not included therein relating to sustaining current production including sustaining capital expenditure. It generally comprises of cash costs (including byproduct credits), sustaining capital, exploration expenses, reclamation cost, inventory movement, royalties, selling expenses and general and administrative expenses
“Ammonium Nitrate/Fuel Oil” or “ANFO”	a commonly used, low-cost, high-volume, solid industrial explosive used in the mining industry
“annual processing capacity”	the quantity of ore that a processing plant can handle and process each year
“annual production capacity”	the maximum annual production capacity within the permitted annual production volume that can be achieved by our Group in the usual and ordinary course of business based on our existing resources and mine design
“Au”	the chemical symbol of gold
“BLS” or “barren leach solution”	the low concentration leach solution after the ADR process which is reused in the heap leach process or a proportion bled from the system and treated by a mine water treatment facility before discharge to the environment
“CIC” or “Carbon-in-Column”	an adsorption process to adsorb the gold in solution from the Pregnant Leach Solution onto activated carbon for a heap leach operation
“CIL” or “Carbon-in Leach”	a processing method to extract and recover gold through a simultaneous cyanidation leaching and carbon adsorption process of milled gold ore slurry to leach the gold into solution and adsorb onto activated carbon
“CoW” or “Contract of Work”	an agreement to conduct mining activities between the Indonesian government and a business entity, where such entity is given the exclusive right to do the mining

GLOSSARY

“cut-off grade”	the minimum grade at which a unit of mineralised material is considered economically viable to mine and process. Material above the cut-off grade is treated as ore because it generates positive economic value, whilst material below the cut-off grade is treated as waste because the cost of mining and processing it would exceed the revenue from the contained metal
“cutback”	the stage to sequence the mining by widening the pit by pushing the pit walls from one phase to the next to access additional ore or maintain safe, stable slopes as mining progresses. Pit cutbacks are typically sequenced in phases to optimise mine scheduling, cash flow, and operational practicality
“doré”	an alloy of precious metal containing a mixture of several metals, typically gold, silver, copper, and other base metals
“electrowinning”	an electrochemical process used to recover metal in solution as solid metal on a cathode. For gold processing, this involves cyanide alkali solution electrolysis using metal as an anode and cathode to deposit metals such as gold and silver
“EMR”	Energy and Mineral Resources
“exploration”	the stage in the mining business involves collecting detailed geological and environmental information regarding the location, shape, dimensions, distribution, quality and measured resources of mineral deposits. This stage aims to estimate Mineral Resources and evaluate the potential economic viability of developing the deposit
“feasibility study”	a detailed technical and economic assessment carried out to determine whether a project can be developed safely, profitably, and in compliance with regulatory and operational requirements
“g”	gram(s)
“g/t”	gram(s) per metric tonne metal concentration
“geological confidence”	the confidence level on a mineral deposit including the size, shape, distribution, quantity and quality according to the exploration stage
“gold granule”	near-spherical gold particles
“grade”	ratio of the content of a useful element or its compounds in an ore, for which the greater the content, the higher the grade. For gold, grade is commonly expressed in grams per tonne of ore (g/t Au)
“Ha” or “ha”	hectare(s)
“heap leach” or “HL”	a method to extract and recover gold by stacking gold ore and irrigating it with a dilute cyanide solution

GLOSSARY

“ILS” or “intermediate leach solution”	recirculated pregnant leach solution to improve the recovery of the heap leach
“Indicated Mineral Resource”	a Mineral Resource for which quantity and quality are determined based on points of observation, where the continuity, densities, shape, dimensions, grade, mineral content can be estimated with a moderate level of geological confidence
“Inferred Mineral Resource”	a Mineral Resource for which the quantity and quality can only be estimated with a low level of geological confidence
“infill drilling”	drilling performed between existing drilling holes with the aim to improve geological confidence and resource classification
“ISO 14001”	the international standard that specifies requirements for an effective Environmental Management System (EMS)
“ISO 14064”	an international standard providing a comprehensive framework for organizations to quantify, monitor, report, and verify greenhouse gas (GHG) emissions and removals
“IUI”	Industrial Business License
“IUP”	Mining Business License
“IUP-OP”	Mining Business License for Production Operation, which authorizes mining companies to conduct production, processing, transportation and sales of minerals or coal
“IUPK”	Special Mining Business License
“IUPK-OP”	Special Mining Business License for Production Operation
“JORC”	Joint Ore Reserves Committee
“JORC Code”	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition issued by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australasian Institute of Geoscientists and Minerals Council of Australia
“JV”	Joint Venture
“koz”	thousand ounces, a unit of weight
“kt”	thousand metric tonnes, a metric unit of weight, being equivalent to 1.0 million kg
“ktpa”	kt per annum/year
“ktpd”	kt per day

GLOSSARY

“LBMA”	London Bullion Market Association, an international trade association representing a collective of global wholesale gold and silver traders, located in London
“LOM” or “life of mine”	the total planned duration of a mining operation, from the start of ore extraction through to the completion of mining and processing, based on the economically mineable mineralised material
“Measured Mineral Resource”	a Mineral Resource for which quantity is determined based on points of observation, where the continuity, densities, shape, dimensions, grade, mineral content can be estimated with a high level of geological confidence
“Moz”	million ounces
“Mt”	million tonnes
“Mtpa”	million tonnes per annum/year
“open pit”	a surface mining method where ore and waste are extracted from a large excavation in the ground, typically developed in successive benches and accessed by haul roads rather than underground methods
“ore preparation plant” or “OPP”	a facility used to crush and size mined ore into smaller and more uniform particles to ensure efficient and consistent processing in the subsequent heap leaching process
“ounce(s)” or “oz”	the unit used to measure gold weight, where one ounce is equal to 31.1035 grams
“PLS” or “pregnant leach solution”	a metal-laden solution containing valuable metals generated from ore leaching
“Probable Ore Reserve”	the economically mineable part of an Indicated Mineral Resource, and in some circumstances, a Measured Mineral Resource. The confidence in the modifying factors applying to a Probable Ore Reserve is lower than that applying to a Proven Ore Reserve
“Proven Ore Reserve”	the economically mineable part of a Measured Mineral Resources that has been demonstrated to have the highest level of confidence after applying all relevant modifying factors
“Reserve” or “Ore Reserve”	the economically minable part of a Measured Mineral Resources and Indicated Mineral Resources, demonstrated by at least a pre-feasibility study and supported by the application of all relevant modifying factors, such as mining, metallurgical, economic, environmental, legal, social, and governmental considerations
“Resource” or “Mineral Resource”	a concentration or occurrence of minerals of economic interest in or on the Earth’s crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction, as defined in JORC Code

GLOSSARY

“ROM”	Run of Mine, which is raw, unprocessed mined material extracted directly from a mine
“slurry”	a mixture of solids and liquids with a consistency of mud or paste
“stacking”	stacking mined ore or processed material before further processing or transportation
“stockpile”	a temporary storage area where mined ore are accumulated before processing, allowing for operational flexibility and continuous workflow
“strip ratio”	the ratio of the volume or weight of waste material that must be removed to the volume or weight of ore mined, usually expressed as a waste-to-ore ratio
“t/d” or “tpd”	tonne per day
“tailing”	waste materials generated from the process of separating ore or minerals from the waste rock. Tailings consist of small particles generated from crushing, grinding, and separation processes that contain ore residue or minerals that cannot be separated from the gangue. Tailings may contain a small amount of ore or minerals that still has extractable elements, where, as a result, tailings are sometimes reprocessed to extract those elements
“tonne” or “t”	metric tonne, a metric unit of weight, being equivalent to 1,000 kg
“TSF”	the Tailing Storage Facility
“waste”	rocks or other material removed during the mining process that do not economically recoverable minerals or ore

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements and information that involve risks and uncertainties, including statements based on our current expectations, beliefs, assumptions, estimates and projections about us, our industries and the regulatory environment in which we operate. In some cases, these forward-looking statements can be identified by words or phrases such as “may,” “will,” “strive to,” “seek,” “expect,” “target,” “goal,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “projected,” “is/are likely to” or other similar expressions. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change.

These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The forward-looking statements included in this prospectus relate to, among others:

- our business and operating strategies and the various measures we use to implement such strategies;
- our dividend distribution plans;
- our operations, business, financial conditions and prospects, including development plans for our business and future cash flows;
- our capital commitment plans;
- our future debt levels and capital needs;
- geopolitical tensions, international trade policies, protectionist policies and other policies that could place restrictions on economic and commercial activity;
- the future developments and competitive environment of the industry and markets in which we operate;
- the regulatory environment as well as the general industry outlook for the industry which we operate in;
- relationships with parties we contract and collaborate with to conduct our business;
- risks identified under the section headed “Risk Factors” in this prospectus;
- general economic trends and business conditions; and
- other statements in this prospectus that are not historical facts.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. In light of the aforementioned and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect or at all.

Accordingly, the forward-looking statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. Moreover, the inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved or realized. All forward-looking statements in this prospectus are qualified by reference to the cautionary statements in this section.

In this prospectus, statements of or references to our intentions or those of the Directors and/or the Commissioners are made as of the date of this prospectus. Any such information may change in light of future developments.

RISK FACTORS

You should carefully consider all of the information in this Prospectus, including the following risk factors, before making any investment decision in relation to the Offer HDRs. Our business, financial condition, results of operations, performance and/or prospects could be materially and adversely affected by any of these risks. The market price of the Offer HDRs could fall significantly due to any of these risks, and you may lose all or part of your investment. The risks and uncertainties described below are not the only risks and uncertainties we face. In addition to the risks described below, there may be other risks and uncertainties not currently known to us or that we currently deem to be immaterial which may in the future become material risks. The risks discussed below may also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. Sub-headings are for convenience only and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Our reserve estimates and gold production estimates are based on a number of assumptions, which, if changed, may require us to lower our estimates. We may not be able to achieve our production estimates.

The information regarding Ore Reserves and Mineral Resources for the Pani Gold Mine presented in this Prospectus is sourced from the CPR. Based on the CPR, the Pani Gold Mine has an estimated 15-year mine life. The quantities and grades of ore presented in this report are estimates and should not be interpreted as accurate indications of the quantities or grades of ore that have been identified or that will be extracted by the MGR Group. Estimates are inherently approximate and, to some extent, subject to different interpretations, which may ultimately prove to be inaccurate and require adjustment.

Calculation of the size and/or grade of Mineral Resources depends on the interpretation and extrapolation of limited geological data, including samples and assays. Complex geological and metallurgical assessments are often required to calculate Mineral Resources, including the interpretation of exposed geological structures, the location, direction and depth of drill holes, the use of sampling techniques and statistical controls applied to the resulting data. There are various risks of bias associated with such data collection and calculations, including data collection techniques. The MGR Group must also make assumptions regarding, but not limited to, commodity prices, drilling costs, operating costs and royalties, as well as applicable regulatory frameworks, environmental and social factors. Many of these assumptions are inherently subjective, and the accuracy of such estimates depends on the MGR Group's ability to make accurate assumptions.

Discovered Mineral Resources may be converted into Ore Reserves after the completion of relevant studies and assessments that include considerations and modifications based on realistic assumptions regarding mining, metallurgical, economic, marketing, legal, environmental, social, and governmental factors. Such studies and assessments are based on available data, professional judgement, and industry practices and may be subject to change based on actual production, operational costs, commodity prices, and other relevant factors. The calculation of Ore Reserves is based on information available at the time the calculation is made and may change significantly when new information becomes available.

Actual future commodity prices, production, operating costs, royalties and recoverable mineral quantities may differ substantially from the MGR Group's assumptions. Consequently, estimates of Ore Reserves and Mineral Resources may be materially inaccurate.

The Ore Reserves and Mineral Resources disclosed by the MGR Group are not necessarily indicative of future operating results and should not be interpreted as assurances of mine life or profitability of future operations. Until minerals are actually mined and processed, ore quantities and grades should be considered only as assumptions. There can be no assurance that the MGR Group's Ore Reserves and Mineral Resources will be consistent with geological, metallurgical or other expectations or that the estimated volumes or grades of ore will be economically recoverable. Any material adjustment to the estimates of Ore Reserves or Mineral Resources, and/or the MGR Group's inability to convert Mineral Resources into Ore Reserves, could adversely affect the MGR Group's development and mining plans. This could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

RISK FACTORS

We have a limited operating history that makes it difficult to evaluate our business activities and prospects. We were loss-making during the Track Record Period and our ability to achieve profitability is subject to uncertainties.

The MGR Group has a limited operational history on which to evaluate its business activities and prospects. Initial mining activities at PETS IUP-OP area commenced only in October 2025, and the heap-leach processing facility was commissioned in November 2025. As a result, the MGR Group has limited historical production data and operating performance records. The transition from pre-production and commissioning phases to steady-state commercial operations may result in material changes in revenue generation, cost structure, working capital requirements, and cash flow profiles. Accordingly, the comparability of our historical financial statements across periods may be significantly affected as operations ramp up and production levels increase. In addition, a number of our key projects, such as mining activities at GSM CoW area and the CIL processing facility, are still in various stages of construction and development.

Moreover, the MGR Group has not yet achieved profitability and was loss-making during the Track Record Period. In 2023, 2024 and 2025, our revenue was US\$1.4 million, US\$1.8 million and US\$0.1 million, respectively, and our total comprehensive loss for the year was US\$6.9 million, US\$13.3 million and US\$27.3 million, respectively, after accounting for exchange difference on financial statements translation, actuarial gain/(loss) and related income tax. As at 31 December 2025, the MGR Group recorded accumulated losses of US\$61.5 million. The MGR Group's ability to generate sustainable revenues at scale, and achieve profitability, is subject to uncertainties and will depend on, among other things, our ability to successfully execute our business plan, complete the development of the Pani Gold Mine in a timely manner and secure adequate financing on commercially competitive terms. Although the MGR Group benefits from being part of the MCG Group, which has a proven track record of successfully developing and operating mining projects in Indonesia, there can be no assurance that the Pani Gold Mine will achieve its expected production profile, cost structure, or financial performance. If the MGR Group is unable to generate sufficient revenues to cover development, operating, financing, and other costs related to the Pani Gold Project, the MGR Group's losses will continue and the MGR Group may not achieve or sustain profitability, which could negatively impact the value of an investment in the Company's Shares and/or HDRs.

Our financial performance is highly dependent on the market price for gold.

The MGR Group's primary revenue is projected to be driven by gold sales, so its financial performance will be highly sensitive to fluctuations in gold prices. Gold prices are based on, or negotiated with reference to, the global gold price index, which tends to be cyclical and subject to significant volatility. As at 29 December 2023, 31 December 2024 and 2025, the price of gold was approximately US\$2,062 per ounce, US\$2,624 per ounce and US\$4,319 per ounce, respectively.

In general, gold prices are influenced by various factors, most of which are beyond the control of the MGR Group, including, but not limited to:

- global, regional and national economic and political conditions;
- actual and anticipated demand and supply dynamics;
- speculative trading activities;
- actual or estimated purchases or releases of gold reserves or inventories by central banks or other significant holders or wholesalers, including purchases made by them under any hedging contracts they may have;
- changes in the use of gold for industrial applications or as an investment;
- fluctuations in demand for jewellery;
- armed conflict, geopolitical tensions, acts of terrorism as well as epidemics and pandemics;
- foreign exchange rates, especially the movement in the value of the United States Dollar against other currencies;

RISK FACTORS

- monetary policies implemented by central banks in the world;
- fiscal policies implemented by countries with dominant economies; and
- actual and expected inflation and interest rates, as well as demand for gold as an inflation hedge.

A prolonged or substantial decline in gold prices could have a material adverse effect on the economic viability of the Pani Gold Project, as projected future revenues may not be sufficient to offset capital expenditures on development and operating costs incurred in order to generate expected returns. As a result of such a price decline, the MGR Group's ability to obtain the necessary financing to further develop the Pani Gold Mine on favourable terms could be limited. Although gold prices remained high in 2025, there can be no assurance that gold prices will not experience volatility in the future. Any such volatility could adversely affect the unit economics of the production of the Pani Gold Mine, and adversely affect our business, financial condition and results of operations.

To a lesser extent, the MGR Group will also sell silver produced by the Pani Gold Mine, so its financial performance will also depend on silver prices, which like gold prices, are based on, or negotiated with reference to, the global silver price index.

We are subject to risks associated with dependence on a single mining area.

All cash flows and operating profits of the MGR Group are currently dependent on the sale of gold and silver produced from the Pani Gold Mine, located within the IUP OP held by PETS and CoW held by GSM. Any operational difficulties, disruptions or material adverse developments affecting the Pani Gold Mine, whether due to internal factors or factors beyond the control of the MGR Group, could have a negative impact on the MGR Group's business, financial condition, result of operations and prospects. In addition, there can be no assurance that the MGR Group will successfully identify, develop and commercialize other prospects within or outside the Pani Gold Mine area within the specified time.

We may fail to obtain, maintain or renew the government permits, license, approvals and fulfil related obligations required for the Pani Block's operations and expansion program.

The MGR Group is required to obtain, maintain, and renew various permits and approvals from the central and/or regional governments to carry out operations in the Pani Gold Mine area and expansion programs in the Pani Block concession area, considering that the majority of the concession area remains unexplored. The permits and approvals required for mining and processing operations in the Pani Gold Mine area include, among others, general corporate, mining, labour, and environmental permits. Many of these permits will expire on different dates, and the MGR Group must ensure that all required permits and approvals are renewed prior to expiry and that any new permits and approvals are obtained when necessary. The licence with the nearest expiry date is PETS' IUP-OP, which is scheduled to expire on 23 November 2032. Pursuant to Regulation of the Minister of Energy and Mineral Resources No. 7 of 2020 on the Procedures for the Granting of Areas, Licensing, and Reporting in Mineral and Coal Mining Business Activities, as amended, an application for the renewal of an IUP may be submitted no earlier than 5 years and no later than 1 year prior to the expiry of the relevant licence.

In addition, the MGR Group must comply with the obligations attached to its permits in accordance with applicable laws and regulations. These obligations include, among others, submitting periodic reports and obtaining required incidental approvals. Failure to fulfil these obligations may result in various sanctions ranging from written warnings to permanent revocation of the permit.

There can be no assurance that the relevant government authorities (whether at the central or local government level) will renew and not revoke existing permits, will not refuse to issue new permits, or issue permits that conflict with the MGR Group's concessions in relation to the approvals required to conduct business activities in the Pani Block and implement any expansion program or impose unfavourable terms and conditions in connection with the issuance or renewal of such permits or approvals. There can also be no assurance that the Indonesian Government or regional authorities will issue or renew the required licenses or permits within the anticipated timeframe, if at all.

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A loss of, or failure to obtain, maintain or renew, any permits, agreements and approvals necessary to conduct business activities at the Pani Gold Mine and Pani Block could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects. In addition, if there are changes in applicable laws and regulations relating to authorizations, concessions, permits or licenses, the MGR Group may be required to make modifications to its technology and operations, which could require the MGR Group to make unanticipated capital expenditures and even ensure the operation of the Pani Gold Mine is economically viable or otherwise, which could have a material adverse effect on the MGR Group.

Damage to the tailing storage facility at our CIL processing facility could negatively impact our business, reputation and operational performance.

PIN, a company operating CIL treatment facilities faces inherent risks associated with operating a TSF, which is designed to contain wastewater from CIL operations. While we have taken steps to mitigate the risks of our TSF operations, see "Business — Risk Management and Internal Control Measures — Risk Management" for more details, damage to a TSF may occur due to several events, including, but not limited to, seismic or earthquake activity, heavy rainfall, dam overflows, pipe failures or water seepage, actual tailings dry density realised below target, equipment failures, system control failures, and human error.

Mining waste generated from processing activities will be neutralized through a detoxification process before being placed in the TSF. However, there is a possibility that damage to the detoxification circuit, due to a combination of equipment failure, control system failure and/or human error, which could result in some levels of toxic substances to aquatic wildlife being sent to the TSF. Such an event could lead to environmental contamination, including potential impacts on aquatic ecosystems and surrounding habitats, regulatory investigations, fines or penalties, suspension of operations, remediation obligations, civil claims, and reputational damage. Any of these outcomes could have a negative impact on the MGR Group's business, financial position and results of operations.

In addition, changes in applicable laws, regulations, or regulatory interpretation may occur that would increase the time and cost of constructing, operating, inspecting, maintaining, and decommissioning the TSF, obtaining new permits or renewing existing permits to construct the TSF, or requiring the use of new technology. New regulations could also impose more restrictive requirements that may exceed the MGR Group's current standards, including mandated compliance with contingency plans and additional insurance requirements, or require the MGR Group to pay additional fees or royalties to operate the TSF. The MGR Group may also be required to provide for and facilitate the relocation of communities and facilities affected by TSF damage. Any such regulatory changes or liabilities could materially increase capital and operating expenditures and adversely affect the MGR Group's business, financial condition, results of operations, and prospects.

The development and operational activities of the Pani Block are subject to various environmental laws and regulations, and any failure to comply with such laws and regulations may have an adverse impact on us.

Due to the potential significant impacts of the Pani Block's mining and processing operations on the environment, facilities and operations, the Pani Block subject to various environmental laws and regulations in force in Indonesia, from the national, provincial to regional levels. These regulations are becoming increasingly stringent and subject to enhanced enforcement, which may result in increased liabilities and impose additional compliance costs for the MGR Group.

These environmental laws and regulations could cause delays in the Pani Block's activities, require the MGR Group to incur substantial compliance costs, or even prohibit or restrict certain activities in environmentally protected areas. In addition, the introduction of new or more stringent environmental standards (including regulations addressing climate change) or stricter enforcement of existing standards, may require the Pani Block to undertake additional capital expenditures beyond those currently anticipated. The MGR Group may also expend significant financial and managerial resources to ensure ongoing compliance, and anticipates that such efforts will continue as environmental regulations evolve. Non-compliance with applicable laws and regulations (including failure to obtain or maintain relevant environmental permits, as well as compliance with technical conditions imposed under environmental approval) may be subject to administrative sanctions (such as warnings, fines,

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or suspension of activities) demolition, and criminal sanctions, in addition to the obligation to remediate environmental damage and compensate affected third parties.

Mining and processing activities have the potential to harm the environment, and incur significant costs for environmental rehabilitation, damage control and losses, where these risks might not fully covered by the MGR Group's current insurance policies.

The Pani Block's reclamation and post-mining obligations may change significantly if there are changes in mining activities including changes in the reclamation plan and mine closure plan, if the actual costs incurred by the Pani Block in connection with mine reclamation and post-mining activities differ from assumptions or if there are changes in government laws and regulations either while PETS and GSM hold their current permits or extend their licenses. Any significant unanticipated increase in reclamation and rehabilitation costs could have an adverse effect on the MGR Group's business, financial condition and results of operations.

If the MGR Group or any of its third-party contractors fail to comply with applicable environmental laws and regulations in Indonesia, or if an incident occurs at an asset site, the MGR Group may be liable for any damages or costs arising from or in connection with such incident, and this may have an adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Indonesia's mining sector is subject to evolving regulatory frameworks, including potential changes to mineral export restrictions, royalty rate hikes, and requirements for domestic processing or value addition.

The mining, processing and exploration activities in the Pani Block have been and will be subject to various laws, policies and regulations governing the ownership, exploration, development and mining of reserves, taxation and royalties, exchange controls, import and export taxes, remittance of foreign currency, restrictions on foreign currency and repatriation of earnings, investment licensing, environmental issues, employment, social relations, and other issues. Over the past 20 years, the government has issued various new laws and regulations impacting the mining industry in Indonesia, some of which imply significant changes that lead to uncertainty about their application.

Changes in applicable royalty rates have a direct impact on the MGR Group's profitability, and royalty rates have been increased in the past. For example, in April 2025 the royalty rates applicable to primary gold were increased by between two and six percentage points. In addition, royalty rates on gold and other commodities were initially intended to be raised in June 2026, before the government in May 2026 postponed the increase. Increases in royalty rates would raise our revenue-linked cash costs, and potentially cause a commensurate increase in our cash cost per ounce and AISC, because royalties are payable by reference to sales value, and our profitability and financial performance would be directly and adversely impacted as a result. Any further increases in royalty rates, the introduction of additional levies, or changes in the method of calculating royalties could adversely affect our business, financial condition and results of operations. For details, see "Financial Information Significant Factors Affecting our Financial Condition and Results of Operations Changes in government policies and laws — Government royalties".

On 30 April 2018, MEMR Regulation No. 25/2018 was enacted. As further discussed below, key provisions include: (i) mining companies must prioritise domestic demand before exporting; (ii) the specific DMO levels (e.g., percentage of production allocated to domestic market) are not fixed in the regulation but may be determined periodically by the MEMR; (iii) MEMR may also regulate types and quantities of minerals required for domestic use. To implement these provisions, MEMR periodically stipulates DMO quotas and/or price caps (e.g., MEMR Decree No. 268.K/MB.01/MEM.B/2025 on the Guidelines for Determining Benchmark Prices for Sales of Metal Mineral and Coal Commodities), and export approvals are contingent on meeting DMO obligations. MEMR Regulation No. 25/2018, as last amended by MEMR Regulation No. 17/2020 and partially revoked by MEMR Regulation No. 17/2025 regarding Procedures for Preparing, Submitting, and Approval of Work Plans and Budgets and Procedures for Reporting the Implementation of Mineral and Coal Mining Business Activities, requires that metallic minerals, including gold, to undergo domestic processing and refining to achieve the specified minimum purity standards before such minerals can be exported. Pursuant to its annex, (i) gold products derived from gold ore must have a minimum aurum (Au) content of at least 99% and (ii) silver products from silver ore must have a minimum argentum (Ag) content of at least 99%, in order to qualify for export

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approval. Accordingly, only refined gold products and silver products that meet the prescribed purity threshold may be exported from Indonesia. The policy of banning the export of raw Mineral Resources is essentially a policy to increase the added value of Indonesia's natural resources, ultimately for the greatest prosperity of the people. However, if this policy is not supported by the development of adequate mineral processing and refining facilities in the near future, it could hamper the export sales of metallic mineral products. As of the date of this Prospectus, PT Aneka Tambang Tbk ("**Antam**") is the only LBMA-certified gold refiner in Indonesia. In addition, in 2025 the output of domestic mineral processing and refining in Indonesia continued to exceed the capacity of the domestic downstream industry. The Indonesian regulatory regime does not impose a domestic market obligation ("**DMO**") for gold and silver commodity. Accordingly, there is currently no mandatory portion of gold and silver production that must be allocated to the domestic market prior to export.

While GR No. 96/2021 and MEMR Regulation No. 25 /2018 (as amended) provide that holders of Production-Operation IUP and Production-Operation IUPK are required to prioritise domestic needs for minerals in general, such provisions will be implemented through further regulations or decrees specifying the relevant minerals and quantities.

MEMR Regulation No. 25/2018 imposes DMO requirements for coal and minerals mining companies, under which mining companies are required to allocate a certain percentage of their production for domestic use before exporting the remainder, with the applicable percentages and commodities determined by the Government through further implementing regulations. To date, while such DMO requirements apply to certain minerals in Indonesia, no specific domestic market allocation requirements have been prescribed for gold and silver. Additionally, there are currently no specific export quotas applicable for gold and silver. The Company will continue to monitor developments in Indonesian mining and export control regulations, including any changes or new policy that may introduce or expand domestic allocation requirements for gold and silver. Nevertheless, holders of IUP-OP and IUPK-OP may export minerals subject to the fulfilment of applicable processing and/or refining requirements and compliance with prevailing export regulations (i.e. the specified minimum purity standards).

On 12 July 2023, the government enacted Government Regulation No. 36 of 2023 on Foreign Exchange Proceeds from Export Activities Derived from the Exploitation, Management, and/or Processing of Natural Resources as amended by Government Regulation No. 8 of 2025 ("**GR No. 36/2023**") (as amended by Government Regulation No. 8/2025) and Bank Indonesia Regulation No. 7 of 2023 on Export Proceeds and Import Payment Proceeds as amended by Bank Indonesia Regulation No. 3 of 2025 which requires exporters to include all DHE SDA, including those from the mining sector, in the Indonesian financial system by placing DHE SDA in a special account through: (a) banks, if the export value is less than US\$250,000 or its equivalent, and (b) banks and/or Indonesian Export Financing Institutions, if the export value is at least US\$250,000 or its equivalent. Furthermore, based on GR No. 36/2023, DHE that has been placed in the special account must be placed at least 100% for a minimum of 12 months from the placement of DHE SDA in the special DHE SDA account. This provision is expected to increase the burden on exporters, including the MGR Group, because they must provide additional working capital during this period.

Changes in Indonesian policies, laws and regulations, including those relating to financial reporting, foreign exchange arrangements or other regulatory requirements, may adversely affect the MGR Group's business, financial condition, results of operations and prospects if the MGR Group fails to comply with changes in such Government policies, laws and regulations. In general, there can be no assurance that changes in Government policies, laws and regulations affecting the mining industry will not be issued or revoked suddenly, which could adversely affect the MGR Group's business, financial condition, results of operations and prospects.

Our insurance coverage may be inadequate to cover potential claims.

The MGR Group's business activities are generally subject to a number of risks and hazards, including but not limited to adverse environmental conditions, industrial accidents, labour disputes, unusual or unforeseen geological conditions, changes in the regulatory environment and natural phenomena such as adverse weather conditions, floods and earthquakes. Such events could result in damage to mining properties and processing facilities, personal injury or death, environmental damage to our properties, delays in development, monetary losses and potential legal liability.

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The MGR Group currently maintains insurance policies covering risks associated with construction activities at the Pani Block, including third-party liability coverage, and insurance for delays in the commencement of operations, machinery breakdown and heavy equipment. We also plan to maintain business interruption insurance policies intended to provide coverage for potential financial losses arising from the suspension or interruption of operations due to certain events.

However, there can be no assurance that the MGR Group's insurance will be sufficient to cover losses or liabilities that may arise or the continued availability of insurance at acceptable premium levels, or at all. In particular, certain financial institutions, asset managers, and insurance companies could in the future limit the availability of insurance coverage to companies which derive their revenues from certain business activities. Therefore, the MGR Group may not always be able to obtain insurance for certain risks due to high premiums or other reasons, and the MGR Group may ultimately incur uninsured losses, which could negatively impact the MGR Group's business, financial condition, results of operations and prospects.

The Pani Block may experience unexpected disruptions to its mining and processing operations as a result of operational risks, infrastructure risks and hazards due to human activities, which may result in increased costs or losses, serious injury or death, damage to reputation, suspension of operation and other penalties, any of which could adversely affect our business, financial condition and results of operations.

The mining, processing, and transportation operations of the Pani Gold Mine are subject to risks and hazards that could disrupt production for varying length of time, including those normally encountered in exploration, mining, development, and production of gold. These risks, hazards, and changes in conditions, including operational and infrastructure risks, include, but are not limited to:

- fire, explosion, embargo, serious injury and death due to industrial and mining accidents in connection with the operation of mining equipment, milling equipment, and/or logistics systems and in connection with transportation, such as the transportation of chemicals, heavy mining equipment, and transportation of employees to and from the site;
- labour disputes;
- lack of competent workforce;
- delays or disruptions in drilling, excavation and other third-party delays;
- delays in the arrival of heavy machinery used in construction arrivals due to port congestion and capacity limitations at the port facilities used by the Pani Block in its barging operations; and
- inability to access haulage roads, jetties, ports and other infrastructure, which are not currently owned by the MGR Group.

Any such occurrence could result in damage to, or destruction of, mines and other production facilities, property damage, environmental damage, and potential legal liability. Processing operations are also subject to hazards such as equipment failure, toxic chemical leakage, power loss, heavy equipment damage, failure of retaining dams around tailings containment areas, and tailings filtration or filtered tailings facility underperformance, resulting in environmental pollution and consequent liability.

In the event that any of the above operational and infrastructure risks or hazards occur, the Pani Block could incur significant losses that may involve serious personal injury or death, severe damage to or destruction of property and equipment, pollution, damage to natural resources or other environmental damage, environmental remediation responsibilities, regulatory investigations and penalties, and suspension of operational activities. Furthermore, the insurance coverage held by the MGR Group may not be sufficient to cover all adverse impacts. Consequently, this could negatively impact the MGR Group's business, financial condition, results of operations and prospects.

The Pani Block is subject to geotechnical and hydrological risks that could have a material and adverse impact on our mining operations.

The Pani Block is exposed to geotechnical and hydrological risks, particularly in relation to the open pit slope, haul route and mine access infrastructure, and heap-leach pad. For

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example, slope instability in the pit walls may result in wall failures or landslides, potentially interrupting or halting mining operations. Landslides or ground instability along route or access road may disrupt ore delivery to processing facilities. Furthermore, ore stacking on the heap-leach pad may be susceptible to instability and potential failure, particularly under conditions of excessive moisture or saturation.

There can be no assurance that unanticipated adverse geotechnical and hydrological conditions, such as landslides and mine wall failures, will not occur in the future, or that such conditions will be detected in advance. Geotechnical instability is inherently uncertain and may be influenced by factors beyond the MGR Group's control, such as severe weather events, prolonged or intense heavy rainfall, flooding and seismic activity which may contribute to slope failures, ground movement, structural instability or material slippage. Geotechnical failures or related incidents could result in restricted access to mine sites, suspension of operations, damage to equipment and infrastructure, regulatory investigations, increased monitoring and mitigation costs, remediation expenditures, or other operational disruptions. Any such events could reduce production levels, increase operating costs, and materially and adversely affect the MGR Group's business, results of operations, financial condition and prospects.

Our operations at the Pani Block are subject to occupational hazards and our workers are subject to risks of serious injury or death caused by use of machinery, exposure to hazardous substances and equipment and tools in the course of production, which increase the risk of a safety incident or accident at our mine or processing facility.

Due to the nature of the work environment, which is typically confined and subject to geological uncertainties, the mining industry is inherently susceptible to a high risk of work-related serious injuries or death, as well as industrial and mining accidents. Such incidents may also result in breaches of the conditions for our mining and exploration licenses or any other approvals, permits or authorizations, which may result in fines and penalties or even potential revocation of such licenses, approvals, permits and authorizations. There can be no assurance that accidents will not occur at our operations in the future despite our efforts to comply with safety protocols and applicable laws and regulations. In addition to adversely affecting our business and results of operations, safety accidents in the region may also adversely affect our reputation.

Our operations are subject to health and safety legislation which imposes duties and obligations on us to ensure, amongst other things, a working environment which is healthy and safe, as far as is reasonably practicable. In terms of the health and safety legislation, we may be subject to significant penalties and/or administrative fines for non-compliance. Depending on the particular circumstances, litigation (criminal and/or civil) may be instituted against us in respect of an accident, dangerous occurrence or health threatening occurrence which has resulted in the death of an employee (or contractor staff). Any changes to the health and safety laws which increase our burden of compliance and impose higher penalties for non-compliance may result in further significant costs for us.

Despite our efforts to protect our employees' health through implementation of safety measures, accidents or safety incidents may occur due to factors beyond our control. There can be no assurance that workplace accidents will not occur at our gold mines in the future. The occurrence of significant accidents could result in damage to or destruction of production facilities, serious injury to or death of employees, environmental damage, business interruption, production delays, increased operating costs, monetary losses and potential legal liability to us. Such incidents may also result in breaches of the conditions for our mining and exploration licenses or any other approvals, permits or authorizations, which may result in fines and penalties or even possible revocation of such licenses, approvals, permits and authorizations. Should we fail to comply with any relevant laws, regulations or policies or should any accident occur, our business, reputation, financial condition and results of operations may be adversely affected, and we may be subject to penalties, civil liabilities or criminal liabilities. Any such accident may also subject us to adverse publicity and damage to our brand name and reputation. Due to the growing awareness of and concern about safety and environmental protection, the risk of such accident may result in social demonstrations against the construction and operation of our mine and facilities, which may further disrupt our business operations, negatively affect our image and reputation and materially and adversely affect the MGR Group's business, results of operations, financial condition and prospects.

Operations or processing facilities at the Pani Block are subject to inherent risks involving, among other things, the operation of heavy equipment, handling of explosives, other

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hazardous and toxic substances including cyanide and other chemicals; therefore, industrial accidents may occur resulting in property damage, personal injury or death. The MGR Group may also still be liable for loss of life and property, medical expenses, medical leave payments and fines or penalties for violations of applicable laws and regulations in Indonesia.

The MGR Group may also experience business disruptions or negative publicity as a result of an order to suspend equipment for investigation by the Government or the implementation or enforcement of mandatory enhanced safety measures as a result of such an accident. These types of accidents or safety measures imposed by Government authorities could have a material adverse effect on the operations of the Pani Block, which could adversely affect the MGR Group's business, financial condition, results of operations and prospects. Furthermore, safety issues involving third parties, such as contractors or business partners at the Pani Block, could also have an indirect impact on the MGR Group's reputation and operations, even if the incident is not directly caused by the MGR Group.

Our assets at the Pani Block are subject to adverse weather and natural disasters.

The Pani Block's operations are located in Gorontalo Province, which is subject to severe weather, particularly during the rainy season, as well as natural disasters such as earthquakes, landslides, volcanic eruptions, prolonged droughts, and other weather events. A prolonged rainy season can significantly impact mining and processing operations, damage haul roads and other critical infrastructure, affect our processing activities, and reduce equipment utilization and overburden removal rates. While the MGR Group routinely monitors rainfall in the operating area using geohazard maps, actual rainfall and rain hours can vary significantly in the area where the Pani Block operates from year to year and may result in our utilization and production volumes of the Pani Block for a given period or a particular year being significantly lower than anticipated and targeted, even after the MGR Group builds in allowances for typical rainfall and rain hours due to seasonal weather conditions. The Pani Block is also exposed to the risk of natural disasters such as earthquakes and landslides, which can significantly damage our mining, processing facilities, and general infrastructure. Further, extensive damage to our facilities, serious injury to or death of our employees, whether as a result of earthquakes, landslides or other natural disasters, may adversely affect our ability to conduct our operations and, as a result, reduce our future operating results. The MGR Group's insurance policies may not be adequate to cover any losses or liabilities arising from the occurrences of these events, and such events could adversely affect the MGR Group's business, financial condition, results of operations and prospects.

Operational activities of the Pani Block may be disrupted by opposition from local communities.

The MGR Group faces the risk that the operations of the Pani Block could be disrupted by opposition from local communities or unrest. Although the MGR Group has adopted social responsibility programs, see "Business — Environmental, Social and Corporate Governance and Sustainability — Corporate Social Responsibility" for more details, due to the adverse environmental impacts associated with our mining and processing activities, local communities surrounding the Pani Gold Project's operational areas may oppose, at times violently, the carrying out of further mining and processing activities. Such opposition from local communities may arise from various factors, including but not limited to, actions taken by the MGR Group or other external factors beyond the control of the MGR Group. While there has been no material adverse impact to our operations, there can be no assurance that any future opposition, unrest or protests will not disrupt our business operations. If the operations of the Pani Block are disrupted by opposition or unrest from local communities and the Pani Block is unable to resolve such disruptions in a timely manner, the Pani Block may not be able to meet its production targets, and this could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Our business prospects are dependent on our ability to continuously and successfully develop the Pani Block.

Our business prospects are dependent on our ability to continuously and successfully develop the Pani Block. The MGR Group is currently developing the Pani Block based on the CPR that provides estimates of the project's expected returns. These estimates are based on a range of assumptions regarding the prices of gold and silver, estimated ore tonnage, grade and metallurgical characteristics, expected recovery rates, projected capital expenditures and operating costs, and anticipated rates of return on investment.

As part of its development strategy, the MGR Group currently plans to develop and operate two major mines within the Pani Gold Mine area, namely PETS and GSM. Both mines are

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designed to be integrated into a single mining operation to support ore processing using heap leach and CIL methods, with the aim of optimizing operational efficiency and maximize metal recovery. This integrated approach is intended to optimize the Mineral Resource potential of each mine and ensure the continuity of ore supply throughout the life of the project. For heap leach facilities, PETS has obtained Techno-Economic Approval based on Letter No. T-1114/MB.04/DBM.PE/2024 dated 22 October 2024, issued by the Acting Director of Mineral Resources Development; Director of Mineral and Coal Revenue.

The estimates and projections set out in the CPR are inherently subject to various uncertainties that many of which are beyond the control of the MGR Group. These uncertainties include, but are not limited to, the timing and costs of constructing mining infrastructure and processing facilities, the availability and costs of skilled labour, electricity, water and transportation facilities, licenses, approvals and permits required by regulatory authorities, fluctuations in commodity prices, and the MGR Group's ability to secure adequate funding for construction and development activities. Actual results may differ from those anticipated, and such differences may be material and could adversely affect the MGR Group's business, financial condition, results of operations and prospects.

Processing facility construction and development projects are subject to operational risks that may result in increased costs or delays and there can be no assurance that we will be successful in implementing or completing such projects.

The MGR Group plans to develop a CIL processing facility under PIN, with the construction commenced in 2026 and targeted for completion in 2028. The facility is designed to have a processing capacity of approximately 12 million tonnes of ore per year.

The construction and development of processing facilities involves various risks that could impact the prospects and profitability of the MGR Group, including but not limited to:

- delays in, or failure to obtain, the required permits and approvals (including new AMDAL approvals and feasibility studies), which may result in project delays or increased costs;
- cost overruns or delays in securing the necessary equipment, machinery, materials, supplies, labour or services, as well as challenges in implementing new technologies to develop and operate the processing facility;
- inadequate operating cash flow or constraints in obtaining additional financing to fund capital expenditure requirements;
- accidents, natural disasters, equipment failures, and public health events (including epidemics and pandemics), which may cause delays, cost overruns, temporary suspension or cancellation of projects; and
- changes in market conditions, commodity prices or regulatory requirements that may reduce the economic viability or profitability of the project.

There can be no assurance that the MGR Group will successfully complete the construction and development projects of the processing facilities on schedule, within budget, or at all. Any delay, cost overrun, or failure to complete the project could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Illegal mining can disrupt our operational activities.

Illegal mining activities, theft and robbery of gold bearing materials and production inputs, and unauthorized mineral extraction are common challenges in the mining industry and may occur within our concession areas. Illegal mining refers to mining activities conducted without valid land rights, mining licenses, exploration or transportation permits, or other legally required authorizations. Such activities are often associated with several negative impacts, including environmental damage, unsafe working practices, corruption, child labour, human trafficking and other unlawful conduct. In regions where illegal mining occurs, local governance structures may be limited or under-resourced, which can contribute to a complex social environment that is less stable.

Illegal mining activities within or near our concession may cause environmental degradation, underground fires, property damage, or personal injury or loss of life, for which we may

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potentially be held liable as concession holder. In addition, illegal miners are often supported by syndicates, including, in some cases, employees of legal mining operators. Consequently, in the event that our employees are found to be assisting illegal miners, we will be required to dismiss all implicated employees and this may result in labour unrest. Illegal mining activities could also result in depletion of mineral deposits, potentially making the future mining of such deposits uneconomical. In addition, the presence of illegal miners could lead to project delays and disputes regarding the development or operation of commercial gold deposits.

Unauthorized mineral extraction and illegal mining are common challenges in Indonesia and, in certain instances, cause major disruption to the operations of mining companies. Incidents of illegal mining in Indonesia generally tend to increase during periods of rising mineral prices.

The MGR Group may suffer losses from illegal mining within the Pani Block area, such as the loss of potential future Ore Reserves and Mineral Resources and rehabilitation costs associated with illegally mined areas. In addition to adversely affecting the MGR Group's business, financial condition, results of operations and prospects, illegal mining activities may give rise to health, safety and security risks. The MGR Group has no control over the perpetrators and practices of illegal mining. Such miners may not comply with international health and safety standards and may breach various environmental regulations, for which the MGR Group may be liable by virtue of the concession rights held by the Pani Block.

The process of removing illegal mining activities from the Pani Block concession area may take several years and there can be no assurance that we will be successful in eliminating all such illegal mining activities from the concession area within the targeted timeframe, or at all. While we actively seek to prevent and address illegal mining activities from Pani Block, there can be no assurance that unauthorized mineral extraction or illegal mining within the Pani Block concession area will not occur in the future. Any unauthorized mineral extraction or illegal mining within the Pani Block concession area could have a material adverse effect on our business, financial performance, results of operations and prospects. Currently, the majority of the Pani Block mining area is free from illegal mining activities, although small numbers of illegal miners are still found from time to time. For example, in September 2023, an illegal demonstration was staged seeking to continue unlawful mining activities in the vicinity of the Pani Block, which escalated into limited acts of damage to certain of our facilities and local government offices. The incident did not result in any injuries or health and safety impacts. The damage sustained was minimal and immaterial in nature, and the overall impact on the MGR Group was limited. Site activities were subject to a brief interruption but were promptly restored to normal operations. The MGR Group worked collaboratively with the local government to resolve the matter and the MGR Group did not pursue further legal action in relation to this incident. There can be no assurance that similar events will not occur in the future or that illegal miners will not return to the Pani Block area in the future.

We are dependent on transportation facilities and infrastructure, where lack of access to such facilities and infrastructure can impact production and development.

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, and reliable electricity and water supplies are important determinants affecting capital and operating costs. Major disruptions to transportation systems, including any blocking of access to haulage road infrastructure, could adversely affect the operations and shipping activities of the Pani Block, as well as materially and adversely affect the MGR Group's business, financial condition, results of operations and prospects.

Furthermore, the lack of transportation facilities and infrastructure could delay or prevent the development of the Pani Block. Completion of the Pani Block development is subject to various conditions, including the timely availability of electricity, water, and transportation. The lack of availability of any of these facilities and infrastructure on acceptable terms and conditions, or a delay in providing them, could hinder or delay the development of the Pani Block. If adequate infrastructure is not provided in a timely manner, there can be no assurance that:

- the development of the Pani Block will be completed in a timely manner, if at all;
- the resulting operating activities will achieve the anticipated production volume; or
- the construction costs and operating costs associated with the development of the Pani Block will not be higher than anticipated.

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Unusual or rare weather phenomena and natural disasters such as earthquakes and landslides, sabotage, or interference by community, government, or any other party in any form with the operations, infrastructure, and logistical access of the Pani Block may disrupt the maintenance, availability, utilization, and accessibility to critical infrastructure. Changes in Government policies or regulations may also limit or hinder operational activities.

The occurrence of any of these events could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Any natural disaster could significantly damage the mining infrastructure and general infrastructure of the Pani Block. Furthermore, extensive damage to the Pani Block facilities and serious injury to or death of employees due to natural disasters or other reasons may adversely impact the Pani Block's ability to conduct operations and, consequently, reduce the MGR Group's the MGR Group's financial condition, results of operations and prospects.

We rely on third-party contractors for a number of mining supporting services at the Pani Gold Mine.

A number of mining supporting services at the Pani Gold Mine are performed by third-party contractors, particularly for the provision of fuel, explosives, electricity supply, and maintenance of camp service facilities.

Such arrangements with third-party contractors carry risks associated with the possibility that the contractors may take actions contrary to the instructions or requests of the MGR Group, be unable, or unwilling, to fulfil their obligations, or have economic or other interests or objectives that are inconsistent with the interests of the MGR Group. In addition, changes in economic conditions, regulations, or other external factors may cause contractors to be unable or unwilling to fulfil their obligations. For example, in times of supply shortages, such contractors may not always prioritize the MGR Group's operation, as this depends on their internal policies and decisions.

If any contractor fails to perform its duties or if the MGR Group fails to maintain a long-term and stable working relationship with them and the MGR Group is unable to find suitable alternative suppliers, this could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Labour disputes, labour activism or increases in labour costs could adversely impact companies in Indonesia, including us, which could ultimately affect our business activities, financial condition, results of operations and prospects.

Our business relies on maintaining stable and constructive relationship with our employees. Employees in Indonesia have the right to form and join trade unions and to organise strikes in accordance with applicable laws and regulations. A work slowdown, stoppages, strike or other labour-related disputes at our mining sites could disrupt operations, reduce production levels and result in adverse publicity, which could have a material adverse effect on our business and operation.

There can be no assurance that such disputes or disruptions will not occur in the future. Legislation that facilitates the formation of trade unions, coupled with weak economic conditions, has resulted in, and will likely continue to result in, labour unrest and activism in Indonesia. In 2000, the government issued Law No. 21 of 2000 on Trade Unions (the "**Trade Union Law**"). The Trade Union Law allows employees to form unions without employer interference. In March 2003, the government enacted the Manpower Law, partially amended by the Job Creation Law (Perpu Cipta Kerja), which, among other things, changed the amount of severance pay, service pay, and compensation paid to employees upon termination of employment. The Manpower Law requires further regulations for its implementation, which regulations may have a substantial effect upon employment relations in Indonesia generally. The Manpower Law requires a bipartite forum with participation from employers and employees and participation of more than 50.0% of a company's employees to negotiate collective bargaining agreements, and establishes more permissive procedures for staging strikes. Under the Manpower Law, employees who voluntarily resign are also entitled to payments for, among other things, unclaimed annual leave and relocation costs.

Following its enactment, several labour unions urged Indonesia's Constitutional Court to declare certain provisions of the Manpower Law unconstitutional and order the government

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to repeal them. The Constitutional Court declared the Manpower Law valid except for certain provisions, including provisions relating to employers' rights to dismiss employees who commit serious misconduct and criminal sanctions against employees who initiate or participate in illegal labour strikes. Certain provisions of the Manpower Law may negatively impact the MGR Group's business operations.

The previous Job Creation Law (now repealed and replaced by the Job Creation Law), as further regulated by Government Regulation No. 35 of 2021 on Fixed-Term Employment Agreements, Outsourcing, Working Hours and Rest Periods, and Termination of Employment, introduced several amendments to the Labor Law, including allowing employers to terminate employees based on "efficiency" grounds due to losses, whereas the previous Labor Law required company closure as a condition for termination on such grounds. Another amendment to the Labor Law is that there is only one severance pay formula applicable to all types of termination of employment, whereas previously it was regulated at twice the general severance pay for multiple reasons. Furthermore, there is an overall reduction in the amount of severance pay owed under the new severance pay formula. In addition to the new severance pay formula, employees are entitled to a maximum of six months' salary under the central government's Employment Loss Guarantee. Several demonstrations have occurred against the Job Creation Law, and labour unrest is likely to continue as implementing regulations are issued.

Labor unrest and activism in Indonesia could disrupt the MGR Group's business operations and could have a material adverse effect on the financial condition of Indonesian companies in general, which could ultimately depress the value of the Rupiah relative to other currencies, share prices on the IDX and the share prices of Indonesian companies listed on the Hong Kong Stock Exchange, including our HDRs. Any of these events could have a material adverse effect on the MGR Group's business, cash flows, results of operations, financial condition, or future prospects. In addition, inflationary pressures or changes in applicable laws and regulations could generally result in increased labour costs, which could have a material adverse effect on the MGR Group's business, cash flows, results of operations, financial condition, and future prospects.

The Manpower Law stipulates that employers are prohibited from paying wages below the minimum wage determined annually by the provincial or regional/city government. The minimum wage is determined based on economic and labour conditions. However, because there are no specific provisions governing the determination of the minimum wage increase amount, the increase in the minimum wage cannot be predicted. For example, based on regional regulations established in Jakarta, according to each industry, the minimum wage increased from IDR 5.3 million per month in 2025 to IDR 5.7 million per month in 2026. In Gorontalo Province, where the Pani Gold Mine is located, the minimum wage increased from IDR 3.2 million per month in 2025 to IDR 3.4 million per month in 2026. Increases in the minimum wage in Indonesia could have a material adverse effect on the MGR Group's business, cash flows, financial condition, and future prospects.

We rely on the experience and expertise of key management personnel to develop the Pani Block, and any failure to retain such personnel could have a material adverse effect on our business, financial condition, results of operations and prospects.

The MGR Group relies on the vision, expertise, experience and managerial skills of the Board of Directors, the Board of Commissioners and other members of the MGR Group management team, all of whom are critical to the successful development of the Pani Block. However, there can be no assurance that the MGR Group will be able to retain the services of the Board of Directors, the Board of Commissioners or other members of the MGR Group management team. A loss of any key management team member could adversely affect the MGR Group's ability to develop the Pani Block, and may also result in changes in the implementation of the MGR Group's project, strategy and expansion plans. Consequently, if one or more of the key management personnel cease to be involved in the management of the MGR Group for any reason, it could have a material adverse effect on the MGR Group's business, results of operations, financial condition and prospects.

In addition, the success of the Pani Block depends heavily on the skills and collective efforts of a number of senior management and key personnel within the MGR Group, particularly its mining expertise, including its highly skilled team of engineers, geologists, and metallurgists. Experienced engineers, geologists, and metallurgists cannot be quickly replaced, and resignation of highly skilled employees could significantly impact the MGR Group's ability to

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develop the Pani Block. A key factor in retaining staff and attracting additional highly qualified personnel includes the MGR Group's ability to offer competitive compensation arrangements.

Difficulty in retaining or attracting highly qualified individuals in key management positions as well as highly skilled engineers and geologists could adversely affect the MGR Group's business, financial condition, results of operations and prospects. Failing to hire and retain sufficient numbers of management and other skilled personnel could adversely affect the MGR Group's business, financial condition, results of operations and prospects.

Any increases in operational costs could have a detrimental impact on our mining and processing business activities. We are subject to costs and risks related to mine closure.

Our business has been, and may continue to be, directly affected by volatility in commodity prices and broader inflationary pressures. Inflation in Indonesia could increase our production costs and operating expenses, including raw materials, transportation, wages and power costs. Geopolitical risks and conflicts may further disrupt supply chains and create additional inflationary pressures. The Iran conflict, sanctions, tariffs and other measures have contributed to volatility in commodity prices, including increases in oil, gas, ammonia nitrate, copper, steel and gold prices. Oil prices, in particular, affect a number of our input costs, including fuel and transport costs, while gas prices influence power costs, and other commodity prices may directly impact mining and processing costs. Sustained inflationary pressures may also lead to higher interest rates and the increased cost of borrowing, and could have a material adverse effect on global financial markets and economic conditions. The extent and duration of geopolitical conflicts, sanctions and resulting market disruptions are uncertain and difficult to predict. Any prolonged inflationary impacts or supply chain disruptions could have a material adverse effect on our business, financial condition and results of operations, and may magnify the impact of other risks described in this document.

The MGR Group's mining and processing activities are primarily affected by changes in operating costs, particularly fuel, cyanide (NaCN) consumption, electricity costs, and freight costs associated with transportation to and from the mines. Future increases in the maintenance costs of mining equipment and other processing equipment could reduce the competitiveness of the MGR Group's operations. To the extent that the MGR Group is unable to fully offset the impact of these increased costs through price adjustments, productivity improvements, cost reduction programs or other measures, the MGR Group's business, financial condition, results of operations and prospects could be materially and adversely affected.

In addition, we are subject to costs and risks related to mine closure. Our existing mining operations have finite lives, and the eventual closure of our operations will entail costs and risks regarding on-going monitoring, rehabilitation and compliance with environmental standards, which may exceed the provisions we have made. We have rehabilitation obligations for areas we have cleared or disturbed for mining and production purposes, and are required to rehabilitate and re-vegetate mined land in accordance with applicable regulations. Key costs and risks for mine closures are: (i) long-term management of permanent engineered structures, such as tailings dams, and acid drainage; (ii) achieving environmental remediation, rehabilitation and closure standards, including the assessment, funding and implementation of post-closure polluted and extraneous water pumping treatment; (iii) orderly retrenchment of employees and third-party contractors; and (iv) relinquishment of the sites with associated permanent structures and community development infrastructure and programs to new owners. The successful completion of mine closure activities is dependent on our ability to successfully implement closure plans approved by the relevant government authorities, and aligned with community and employee expectations. Challenges in achieving closure objectives may result in increased closure costs, delays in site relinquishment, extended environmental monitoring and remediation requirements, and reputational damage, as well as giving rise to potential liabilities, particularly if the closure standards are not met or if a post-closure environmental incident occurs. In such circumstances, our business, financial condition and results of operations could be materially and adversely affected.

We face increasing competition from domestic and foreign competitors.

The MGR Group faces increasing competition from domestic and international gold producers and competition in the mining industry is intense at all stages. Certain domestic and international competitors may have certain advantages over the MGR Group, including

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greater financial and technical resources, larger gold reserves, greater economies of scale, better name recognition and more established relationships in certain markets. Competition in selling precious metals may intensify depending on factors such as (i) finding mineral-rich properties that are economically viable to develop and produce; (ii) the availability of technical expertise to find, develop and operate such properties; (iii) access to skilled workforce; (iv) the availability of capital to fund exploration, research and development; and (v) the ability of competitors to establish or strengthen competitive advantage. Such competition may impair the MGR Group's ability to secure attractive concession areas, recruit or retain qualified personnel or to obtain sufficient funding for exploration, development and operation activities. If the MGR Group is unable to compete effectively, it may experience reduced sales and profitability, which in turn, could adversely affect the MGR Group's business, financial position, results of operations and prospects.

Investors increasingly prioritize ESG performance when making investment decisions. Failure to meet evolving ESG standards could lead to negative ESG ratings, exclusion from ESG indices, or reduced access to financing.

Institutional investors have increasingly integrated ESG performance into their capital allocation strategies when making investment decisions. Many investors have established strict exclusionary frameworks or mandates that prioritize high-performing ESG companies. Our inability to satisfy these evolving expectations or meet specific ESG benchmarks could result in material adverse effects.

Many asset managers now rely on third-party ESG ratings (such as those from MSCI or Sustainalytics) to determine eligibility for ESG-themed funds or indices. A downgrade in our rating or a perceived failure to manage material ESG risks, such as climate transition or human capital management, could lead to large-scale divestment by these institutional holders.

In addition, certain financing instruments, including “sustainability-linked” loans and green bonds, incorporate performance targets tied to specified ESG metrics. If we fail to meet the sustainability performance targets associated with these instruments, we may incur financial penalties, including increased interest rates or face limitation accessing certain debt markets.

Furthermore, because there is no single global standard for ESG measurement, we may be subject to diverging requirements across different jurisdictions. Compliance with multiple and evolving ESG frameworks may require significant management attention and additional costs. Any failure on our part to meet certain ESG standards and sustain high ESG ratings could lead to negative investor sentiment, and materially and adversely affect the prices of our Shares and/or HDRs.

Adverse publicity, protests or the inability to maintain good relationships with stakeholders could have a material adverse effect on our business, financial condition, results of operations and prospects.

As an established company, our reputation is sensitive to the public perception of our overall business conduct, which includes our corporate governance, management practice and corporate culture. We cannot guarantee that no one will, intentionally or incidentally, disseminate information about us, our internal management matters and negative information about our management, which may result in negative public perception. There can be no assurance that any measures taken to address, clarify or rectify negative publicity will always be effective in the future. Any negative publicity about our Company, Directors, Commissioners, employees, spokespersons or products, regardless of nature or veracity, could lead to potential loss of customers or investors' confidence or difficulty in retaining or recruiting talents that are essential to our business operations. As a result, our business, financial condition, results of operations, reputation and prospects may be materially and adversely affected.

For example, Mr. Abidin, our President Director, was requested to attend a hearing of the *Badan Kehormatan* (Honorary/Ethics Council) (the “**Honorary Council**”) of the Gorontalo Provincial Parliament (*Dewan Perwakilan Rakyat Daerah Provinsi Gorontalo* or “**DPRD**”) in connection with the Honorary Council's review of a purported payment of IDR50,000,000 (equivalent to approximately USD3,000) by PETS (a subsidiary of the Company) to Mr. Thomas Mopili, the Chairman of the DPRD (the “**Allegation**”). To the best of the Company's knowledge, since the hearing with the Honorary Council and up to the Latest Practicable

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Date, Mr. Abidin is not aware of any further summon, notice, inquiry, communication or appeal process from the Honorary Council or any other authority in connection with the Allegation subsequent to the hearing; nor is he aware of any investigations, regulatory actions or claims by any competent authority in Indonesia against him in connection with the Allegation subsequent to the hearing. For details, see “Directors, Senior Management and Commissioners — Further Information About Mr. Abidin”.

In addition, based on a Writ of Summons in the Action dated and issued on 19 March 2026 (the “**Writ**”), Home Control International Limited (“**Home Control**”, a company listed on the Stock Exchange (stock code: 1747)) alleges that in November 2019, Mr. Gao, our independent Commissioner, by signing a subscription letter and custody service letter for a financial product on behalf of Home Control as a non-executive director and chairman of the board, together with four other co-defendants, acted in breach of duty, conspired and injured Home Control by unlawful means, causing Home Control to be deprived of a substantial portion of proceeds of its initial public offering in November 2019 and to suffer consequential loss and damage. Based on Mr. Gao’s confirmation, the Writ has not been served on Mr. Gao as of the Latest Practicable Date. For details, see “Directors, Senior Management and Commissioners”. For the avoidance of doubt, this disclosure is made solely for regulatory purposes and shall not be misconstrued as acknowledgment of any of the claims, any quantum or any waiver of Mr. Gao’s rights.

Globally, there is growing public concern regarding the impact of mining operations on the surrounding environment, communities, and the natural environment. Non-Governmental Organizations (“**NGOs**”), whether local, national, and international, including those opposed to globalization and resource development, are often vocal critics of the mining industry, including the use of cyanide and hazardous substances.

While the MGR Group strives to operate in a socially and environmentally responsible manner, adverse publicity generated by NGOs, the media, or other third parties, whether directly or indirectly associated with the mining industry, or specifically the operations of the Pani Block, could have a detrimental impact on the reputation and financial condition of the MGR Group and/or on the MGR Group’s relationship with the communities in which the Pani Block operates.

Any adverse and unanticipated environmental impacts resulting from the operations of the Pani Block may result in NGOs, communities or other parties taking action against the MGR Group.

Although the MGR Group believes that it has built good relationships with key stakeholders, if the Pani Block operations are disrupted in the future by protests or criticism from local, national, or global NGOs, the public, or other parties, this could have a material adverse effect on the MGR Group’s reputation, business, financial condition, results of operations and prospects. Furthermore, technological advances and the development of social media have enabled the widespread and rapid dissemination of information, both accurate and inaccurate, beyond the MGR Group’s control. Even inaccurate information or misinformation may influence public perception and pose significant reputational risks.

In the ordinary course of our business activities we may be subject to litigation and administrative investigation matters, and any unfavourable decision or outcome may adversely affect our business and financial performance.

The nature of our business activities may expose us to litigation relating to, among other things, labour, environmental, health and safety, land rights, regulatory, tax and administrative proceedings, government investigations, tort claims and contract disputes, and criminal prosecution. In the context of these and any future proceedings, the MGR Group may not only be required to pay monetary fines or damages, but may also be subject to complementary sanctions or injunctions that may adversely affect the MGR Group’s ability to continue operating. While the MGR Group may contest these matters vigorously and make insurance claims where appropriate, litigation and other proceedings are inherently costly and unpredictable, making it difficult to accurately estimate the outcome of any actual or potential litigation or proceedings. Although the MGR Group may establish provisions as necessary, such amounts may vary significantly from the amounts actually paid by the MGR Group due to the inherent uncertainties of the estimation and judicial processes. There can be no assurance that administrative and other legal proceedings will not have an adverse impact on the MGR Group’s ability to continue operating, its financial condition and results of operations in the event of an unfavourable ruling.

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We may not be able to detect and prevent fraud or other misconduct committed by our employees, representatives, agents, customers, external contractors or other third parties.

We may be exposed to fraud or other misconduct committed by our employees, representatives, agents, customers, or other third parties that could subject us to litigation, financial losses and sanctions imposed by governmental authorities, which may affect our reputation. While our internal control procedures are designed to monitor our operations and ensure overall compliance, such procedures may not be able to identify all incidents of non-compliance or suspicious transactions in a timely manner, or at all.

Furthermore, it is not always possible to detect and prevent fraud and other misconduct. The precautions we take to prevent and detect such activities may not be effective. If such fraud or other misconduct does occur, it may cause negative publicity and could adversely affect our business, financial condition and results of operations. As of the Latest Practicable Date, we are not aware of any ongoing enquiries or investigations by any relevant regulators, agencies or authorities in relation to fraud or other misconduct allegations against us. Any adverse media coverage against us may have a material adverse effect on our reputation, thereby affecting our business, financial condition, results of operations and prospects.

A significant portion of the PETS Operation Production Mining Business License and GSM Contract of Work areas within the Pani Block remain unexplored, and there can be no assurance that further exploration programs will result in additional Mineral Resources.

A majority of the PETS Operation Production Mining Business License and GSM Contract of Work areas within the Pani Block remain unexplored and undeveloped. There can be no assurance that these concession areas will be successfully developed or will yield economical viable deposits, or at all.

Furthermore, there can be no assurance that the mineral deposits in the PETS Operation Production Mining Business License and GSM Contract of Work areas within the Pani Block can be commercially mined. Exploration and development activities for mineral deposits involve a high degree of financial risk over a significant period of time, which a combination of careful evaluation, management experience, and knowledge may not eliminate. Although the discovery of additional ore-bearing deposits may result in substantial rewards, only a limited number of explored areas are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular location. There can be no assurance that the MGR Group's current exploration programs will result in profitable commercial mining operations. The profitability of the MGR Group's operations will, in part, be related to the costs and success of its exploration and development programs, which may be affected by several factors. Additional expenditures are required to establish reserves sufficient to commercially mine and to construct, complete, and install mining and processing facilities within the areas that are mined and developed.

Furthermore, once mineral deposits are discovered, it can take a number of years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial time and expenditure are required to:

- establish Mineral Resources through drilling;
- determine appropriate mining and metallurgical processes to optimize recovery of metal content in ore;
- obtain environmental and other licenses;
- construct mining, processing facilities and infrastructure required for the greenfield project; and
- obtain the ore or extract the minerals from the ore.

If a project proves not to be economically feasible by the time we are able to exploit it, the MGR Group may incur substantial write-offs. Furthermore, potential changes or complications related to metallurgical and other technological processes arising during the life of a project may result in cost overruns, which may render the project not economically feasible.

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Exploration project items, such as any future estimates of reserves, metal recoveries, or cash operating costs will, also, to a large extent, be based on the interpretation of geologic data obtained from numerous drill holes and other sampling techniques, as well as future feasibility studies. Actual operating costs and economic returns of all exploration projects may differ materially from the estimated costs and returns, and accordingly our financial condition, results of operations and cash flows may be negatively affected.

The mining industry is capital-intensive, and we will require additional capital to meet our future capital needs, which may adversely affect our financial position and result in additional dilution to HDR Holders and Shareholders. We may be unable to obtain adequate financing, on terms acceptable to us or at all, to fund the development and business expansion plans of the Pani Block.

The mining industry is capital-intensive, and the MGR Group requires significant capital expenditures to maintain the mining process, processing facilities, and other facilities and equipment at the Pani Block. Substantial capital is also necessary to expand or develop existing facilities and Ore Reserves, as well as to explore for additional Mineral Resources in the Pani Block.

The MGR Group has relied on a mixture of equity capital and debt financing to fund the exploration and development activities of the Pani Block in the past. Going forward, the MGR Group expects to use a combination of cash generated from the operations of the Pani Gold Mine and bank loan facilities to meet its business growth objectives, including the further development of the exploration, mining, and processing operations of the Pani Block. However, there can be no assurance that funding from these sources will be available on a timely basis or in amounts sufficient to fully implement the MGR Group's expansion plans, particularly in the current uncertain global financial environment. Macroeconomic uncertainty, changes in financial institution regulations, constrained liquidity in capital markets, limited financing alternatives, or disruptions at certain financial institutions may adversely affect the MGR Group's access to external financing. If the MGR Group obtains equity funding, it may be on terms that are highly dilutive or otherwise adverse to the Company's HDR Holders and Shareholders.

Therefore, although the MGR Group currently has access to several sources of funding, the failure to obtain additional funding or to do so on commercially acceptable terms when needed could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Our substantial level of indebtedness could impair our ability to raise additional capital to develop the Pani Block, fund our operations and prevent us from meeting our obligations under our indebtedness, which could adversely affect our financial condition.

As at 30 April 2026, the MGR Group's outstanding bank loans in United States Dollars were US\$344.4 million. As the Pani Gold Mine progresses, the MGR Group plans to obtain additional borrowings from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes of the Pani Block.

If the MGR Group incurs additional debt, the risks associated with high level of leverage may increase. In particular, the MGR Group's high level of indebtedness could:

- make it difficult for the MGR Group to fulfil its debt service obligations;
- require a substantial portion of the MGR Group's cash flows to be applied toward principal and interest payments, thereby reducing funds available for working capital, capital expenditures, acquisitions and other general corporate purposes;
- limit the MGR Group's ability to obtain additional financing on acceptable terms, or at all;
- increase the MGR Group's vulnerability to adverse economic, industry or market conditions in general;
- expose the MGR Group to increased interest rate risk, particularly in respect of borrowings with floating interest rates;
- reduce the flexibility of the MGR Group in planning and responding to changes in the industries in which the MGR Group operates;

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- place the MGR Group at a competitive disadvantage relative to less leveraged competitors; and
- increase the MGR Group's overall borrowing costs.

Any of the foregoing factors could have a material adverse effect on the business, financial condition and results of operations of the MGR Group and the ability of the MGR Group to meet its payment obligations under its indebtedness, and prices of the Company's Shares and/or HDRs.

Furthermore, the Company may be required to grant security of its shares in certain subsidiaries, plant, equipment and buildings based on existing or future facilities. Such security arrangements and the restrictive covenants contained in debt agreements may limit the operational and financial flexibility of the MGR Group. A breach of these covenants or restrictions could result in events of defaults, which may materially and adversely affect the business, financial condition and results of operations of the MGR Group.

We are subject to fluctuations in interest rates.

Interest rate fluctuations are beyond the control of the MGR Group. The MGR Group may not be able to hedge its interest rate exposures on commercially reasonable terms, or at all. Increases in prevailing interest rates could significantly result in higher financing costs, particularly in respect of borrowings with floating interest rates, and may increase the cost of future debt financing. On 31 December 2025, if interest rate on borrowing had been 10 basis points higher/lower with all other variables held constant, loss for the year would have been higher/lower US\$0.3 million (31 December 2024 and 2023: US\$0.2 million and US\$0.1 million). Any sustained rise in interest rates could materially and adversely affect the MGR Group's business, financial condition, results of operations and prospects.

Our gold resources may not ultimately be extracted at a profit.

Despite identifying substantial gold resources, the economic feasibility of extracting our gold resources is uncertain due to several factors. Fluctuating gold prices can impact revenue projections, while high extraction costs and technical challenges in mining operations may hinder profitability.

Additionally, unforeseen environmental or regulatory changes could increase operational expenses or restrict access to resources, further complicating extraction efforts. The complexity of developing appropriate metallurgical processes and constructing economically viable mining facilities adds to the uncertainty. If the costs associated with extraction exceed the market value of the gold, or if operational challenges prevent efficient mining, we may incur financial losses, which could adversely affect our business, financial condition, results of operations and prospects.

Certain facts, forecasts and other statistics in this Prospectus obtained from government official data have not been independently verified and may not be reliable.

Certain facts, forecasts and other statistics in this Prospectus, including as to global gold mineral reserves by country, reserves and resources of various mines and their life of mine, mine type data and royalty rates, are derived from government official data. However, our Directors and Commissioners cannot guarantee the reliability of the government official data. We believe that the sources of the government official data are appropriate and have taken reasonable care in extracting and presenting the government official data. We have no reason to believe the government official data is false or misleading or that any fact has been omitted that would render the government official data false or misleading. Nevertheless, the government official data has not been independently verified by us, the Joint Sponsors, or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of the government official data. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on the government official data.

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We may fail to maintain our projected financial performance, particularly with respect to our AISC.

In the mining industry, operations such as enhanced exploration and the initiation of mining activities, along with fluctuations in labour and raw material costs, and the growing stringency of environmental regulations, may increase our costs, including both capital cost and operating costs. For details, please see the Competent Person's Report in Appendix III to this Prospectus. There can be no assurance that we will be able to sustain our projected AISC. Our AISC performance is not indicative of future results, and the inherent risks associated with cost management in our industry could materially affect our financial outlook. Factors beyond our control, such as fluctuations in commodity prices, changes in production costs, and unforeseen operational disruptions, may lead to an increase in our cost structure. Any such increase could adversely affect our financial results and market position, potentially diminishing our comparative advantage in the industry.

We may not be able to maintain adequate, uninterrupted, timely and specification-compliant supplies of utilities, materials, equipment and service at commercially acceptable prices, or at all.

Electricity and water are the main utilities used in our operations. Electricity is used for most of our business and safety-critical operations, including cooling, hoisting and dewatering. We obtain electricity from various sources, including, without limitation, local state grid, licensed state-owned electricity enterprises, local gas-fired power plants and local state electricity power grid. Any power outage, disruption or shortage in power supply available to our operations could therefore have a material adverse impact on our production and employee safety. There may be incidents of power cuts at the Pani Block. There can be no assurance that our production will not be reduced as a result of the power outages. As an open pit mine, the Pani Gold Mine relies on electricity for key operations, including water pumping and ventilation. Any interruption of electricity supply will materially and adversely affect our production and safety by disrupting operations, including water pumping and ventilation. In addition, we may be subject to penalties if our consumption of electricity exceeds the permissible maximum demand pursuant to electricity supply agreements. Our water supplies are sourced from underground water sources and local water companies. As of the Latest Practicable Date, the water permit for the Pani Block was valid. There can be no assurance that we will be granted extension to our water permits should they expire, and if not, we will not be able to continue to access the relevant water resources. There can be no assurance that there will be no interruption in electricity or water. In addition, shortage of critical parts and equipment may adversely affect our operations and development projects. In the event that our existing suppliers cease to supply us with electricity, water, materials or equipment at commercially acceptable prices or at all, our operations will be interrupted, and our business, financial condition, results of operations and prospects will be materially and adversely affected.

We regularly monitor the fluctuations in market prices for the materials used in our operations. However, there can be no assurance that such supplies will not be interrupted or that their prices will not increase in the future. Additionally, if the materials, equipment and services provided by our suppliers do not meet our requirements or specifications, it may lead to production disruptions, safety incidents, legal disputes and financial losses. Any of the foregoing could impact existing profit margins and have a material adverse effect on our business, financial condition, results of operations and prospects.

The physical impacts of climate change and relevant regulations may adversely affect our mining operations, workforce and supply chain.

Our operations, workforce and supply chain may be exposed to a number of physical risks posed by climate change, such as changes in rainfall rates or patterns, rising sea levels, reduced water availability, higher temperatures and more frequent extreme weather events. Such impacts are highly uncertain and would vary by operation based on particular geographic circumstances. As a result, we may face increased operational costs associated with, for example, power and supply chain disruption, delays and increased pricing. In addition, the potential for overall decreases in precipitation could affect the availability of water needed for our operations, leading to increased operating costs, or in extreme cases, disruptions to mining operations. Such events or conditions, including, for example, flooding or inadequate water supplies, could disrupt mining and transport operations, mineral processing and rehabilitation efforts, create resource or energy shortages or damage our property or

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equipment and increase health and safety risks on site. Such events or conditions could have other adverse effects on our workforce and on the communities around our mines, such as an increased risk of food insecurity, water scarcity and prevalence of disease, all of which could have a material adverse effect on our results of operations and financial condition. Each of these potential physical impacts of climate change could disrupt our operations and have a materially adverse effect on our business, financial condition, results of operations and prospects.

Our operations may also be affected by climate change regulations. Greenhouse gases are emitted by our operations as a result of fuel and energy consumption. While our operations are not presently subject to specific regulatory measures to address or limit greenhouse gas emissions, Indonesia may be bound by international or local climate change treaties. As regulatory requirements in respect of climate change evolve, compliance may require additional costs and involve other unexpected effects, which could have a material adverse effect on our business, financial condition, results of operations and prospects. As producing gold is an energy-intensive business, transitioning to a lower-carbon economy will require significant investment and may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change.

As we just began commercial production, our revenue is dependent on a limited number of domestic customers in Indonesia, and any failure to diversify our domestic customer base could adversely affect our business, profit, financial condition, results of operations and prospects.

We began producing gold in February 2026, completed our first sale of gold in March 2026, and had only one gold customer as of the Latest Practicable Date. In February 2026, we agreed to sell refined gold granules domestically to PT Aneka Tambang (Persero) Tbk (“ANTAM”), an Independent Third Party, in a total transaction volume of up to 3 metric tonnes (up to 100,000 ounces) over a two year period. Sales under this agreement will represent a substantial proportion of our revenue. Going forward we expect to derive, and believe that we will continue to derive, a significant portion of our revenue from a limited number of domestic customers.

Although we will seek to build commercial relationships with new domestic customers, given the limited number of domestic gold buyers in Indonesia currently, including state-owned enterprises, private refiners, and large-scale jewelry manufacturing companies, there can be no assurance that we will be able to diversify our domestic customer base, or find new domestic customers to buy our gold products if our current customers do not renew their agreements. If we fail to identify enough domestic customers to buy the volumes of gold products we produce, we may need to resort to selling our gold products internationally, and such international sales would be subject to export duties. For details, see “Financial Information — Significant Factors Affecting our Financial Condition and Results of Operations — Changes in government policies and laws — Export duties and regulation”. The more gold products we sell internationally, incurring export duties, the more our business, profit, financial condition, results of operations and prospects will be adversely affected.

We have had net operating cash outflows and net current liabilities during the Track Record Period and we may experience them again in the future, which may materially and adversely affect our business, liquidity, financial condition, results of operations and prospects.

We had net cash flows used in operating activities of US\$16.5 million, US\$6.3 million and US\$21.7 million in 2023, 2024 and 2025, respectively. If we are unable to generate sufficient cash from operating activities in the future, our business, liquidity, financial condition, results of operations and prospects may be adversely affected. We also had net current liabilities (current liabilities less current assets) of US\$9.3 million and US\$6.5 million as at 31 December 2023 and 2025, respectively. We may continue to have net current liabilities in the future as we continue to ramp up and expand our mining operations, in which case we may face a shortfall of working capital. Having net current liabilities could constrain our operational flexibility and affect our ability to expand our business. We expect to continue to rely upon a combination of cash retained from operations as well as the financing methods we have historically used to fund our expansion. If we do not generate sufficient cash flow from our operations to meet our present and future financial needs, we may need to seek additional funding through new loans and/or credit facilities or financing through the capital markets. If adequate funds are not available, whether on satisfactory terms or at all, we may be forced to delay or abandon our development and expansion plans, and our business, financial condition and results of operations may be materially and adversely affected. We may record net current

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liabilities in the future if we fail to maintain current assets at a level that exceeds current liabilities. If we have significant net current liabilities for an extended period of time, our working capital for purposes of our operations may be subject to constraints, which may materially and adversely affect our business, liquidity, financial condition, results of operations and prospects.

We could experience impairment losses on the carrying value of our mining properties due to material decreases in amounts of our Mineral Resources and Ore Reserves, which may materially and adversely affect our business, financial condition, results of operations and prospects.

As of 31 December 2025, we carried on our balance sheet US\$305.6 million of mining properties. However, mining properties can become impaired. We are required to test mining properties for impairment if events occur or circumstances change that indicate possible impairment. Fair value estimates involved in impairment testing require a significant amount of difficult judgment and assumptions. If, for example, if the market price for gold were to experience a substantial and prolonged decline below a certain threshold, assuming no change in our various costs and expenses, amounts of our Mineral Resources and Ore Reserves may materially decrease because it may no longer be commercially feasible to mine them. We would then be required to test the carrying value of our mining properties for impairment, and we may experience impairment losses. Any such impairment loss we experience could have a material and adverse effect on our business, financial condition, results of operations and prospects.

We may be unable to meet our estimated gold production volume.

Our production estimates are based on, among other things, Ore Reserves estimates, gold recovery rate, and the assumptions regarding ground conditions and physical characteristics of Ore Reserves, our mining schedule, utilization of production facilities, costs of production, conditions of the industry, political stability and the general economy. There are uncertainties in our ability to develop sufficient mining flexibility to achieve our mining schedule. Our Ore Reserves estimates are based on assumed gold price of US\$2,300 per ounce as at 31 December 2025 for the Pani Gold Mine, and as a result, our reserve estimates, production schedule, operation and actual production may be adversely affected if the actual gold price falls significantly below these gold price assumptions. According to the Competent Person Report, in a hypothetical situation, assuming the current project design, the life of mine schedule and all operational factors remain constant, if the gold price decreases by a certain percentage, our projected operations may be considered uneconomic. As a result, our production volume might be affected accordingly. Actual production may vary from estimates for a variety of reasons, including risks and hazards of the types discussed elsewhere in this Prospectus, including but not limited to:

- actual gold ore mined varying from estimates in grade, tonnage, and metallurgical and other characteristics;
- encountering unusual or unexpected geological conditions;
- mining dilution;
- actual gold recovery rate in formal production lower than estimates during the testing;
- restrictions imposed by government authorities;
- industrial accidents;
- equipment failures;
- natural phenomena such as weather conditions, floods, rockslides and earthquakes;
- changes in the costs of utilities;
- decreases in gold price which may cause Mineral Reserves that are currently economic to become uneconomic;
- labour unrest, strikes, labour turnover;
- interference from local communities and competitors;

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- socio-economic impact; and
- shortages of supplies needed for operation.

Such occurrences could result in damage to mineral properties, interruptions in production, injury or death to persons, damage to our property or the property of others, monetary losses and legal liabilities. These factors may cause a mineral deposit that has been mined profitably in the past to become unprofitable. New mining operations frequently experience unexpected issues during the initial development phase. Delays can often occur in the commencement of production. Estimates of production from properties not yet in production or from operations that are to be expanded are based on similar factors (including, in some instances, the CPR or other feasibility studies prepared by our personnel and/or outside consultants), but it is possible that actual facilities utilization, gold recovery rate, cash operating costs and economic returns will differ significantly from those currently estimated. There can be no assurance that we will achieve our production estimates. Our inability to achieve our production estimates could have a material and adverse effect on our business, financial condition, results of operations and prospects.

We are subject to risks relating to the transport of our inventory.

We have a transportation fleet that is responsible for transporting gold doré, and transporting gold products. We also engage third-party logistics service providers to deliver products to certain customers. Our work-in-progress and finished products are valuable items, and we are subject to risk of delay, damage or loss of such items, which may occur for reasons beyond our control, including labour disputes or strikes, acts of war or terrorism and natural disasters. There can be no assurance that such incidents, including safety accidents or losses during transit, will not occur. In addition, we have limited control over third-party logistics service providers. Any delay, damage or loss of our work-in-progress or finished products during transportation may have a material adverse effect on our business, financial condition, results of operations and prospects.

We rely on information technology and communications systems, the failure of which may significantly and adversely impact our operations and business.

We rely on our information technology and communications systems, such as our transportation monitoring system, toxic gas monitoring system, personnel locating system, and financial reporting system. These systems are vital to the safe, efficient and continuous operations of the Pani Block. Our information technology and communications systems could be exposed to, among other things, damage or interruption from telecommunications failure, unauthorized entry and malicious computer code, fire, natural disaster, power loss, industrial action, hardware and software failures and human error. While we maintain backup systems in place, the occurrence of any of the above may also disrupt our information technology and communications systems and may lead to important data (including geophysical and geological data) being irretrievably lost or damaged. Such damage or interruption may adversely affect our business, financial condition, results of operations and prospects.

We are exposed to credit risk in relation to defaults from counterparties.

During the Track Record Period, we had trade and other receivables primarily relating to our loan to related parties and, to a lesser extent, prepaid taxes. As at 31 December 2023, 2024 and 2025, our trade and other receivables amounted to US\$60.2 million, US\$19.7 million and US\$36.5 million, and our trade receivables turnover days were 56.3 days, 44.8 days and 12.4 days, respectively. There can be no assurance that our counterparties will remain creditworthy or will not default on their obligations to us in the future, notwithstanding our credit assessment procedures. In addition, there is limited financial or publicly available information on many of our counterparties, which may constrain our ability to assess their creditworthiness. If any of our counterparties fail to fulfil their contractual obligations to us, we may incur losses, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

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We are exposed to risks associated with higher inventory levels and lower inventory utilization prior to the stabilization and normalization of our commercial operations.

The Group had high inventory turnover days during the Track Record Period. Our inventory turnover days were 141.2 days, 183.0 days and 3,602.1 days in 2023, 2024 and 2025, respectively. Historically the Group maintained inventories primarily to support construction activities, commissioning and operational readiness ahead of the commencement of production in March 2026. As a result, inventory movements and consumption levels during the Track Record Period do not reflect normal operating conditions.

The Group's inventory turnover days may continue to fluctuate until commercial production stabilizes and normalizes. If increases in production are delayed or inventory consumption differs from management's expectations, the Group may face risks associated with excess inventory levels, additional storage and handling costs, or inventory obsolescence, which could adversely affect our business, financial condition, results of operations and prospects.

We are a holding company and rely on dividend payments from our subsidiaries.

The Company is a holding company incorporated in Indonesia and operates its core business through its subsidiaries. Therefore, the Company's availability of funds to pay dividends to Shareholders and repay its indebtedness depends on dividends received from its subsidiaries. If the Company's subsidiaries incur debt or losses, their ability to pay dividends or other payments to the Company may be impaired. Consequently, the Company's ability to pay dividends and repay its indebtedness will be restricted. Furthermore, Indonesian laws require that a company may declare dividends in any year only if it has set aside a portion of its profits for statutory reserve funds and has a positive retained earnings balance, which may differ in many aspects from generally accepted accounting principles in other jurisdictions.

In addition, restrictive covenants in bank credit facilities or other agreements that the Company or its subsidiaries may enter into in the future may also restrict its subsidiaries' ability to provide capital or declare dividends to the Company and its ability to receive such payments. The Company may also enter into similar financing agreements in the future that may further limit the Company's ability to pay dividends, and the Company may incur costs or liabilities that would reduce or eliminate the cash available for dividend distribution. Therefore, these restrictions on the availability and usage of the Company's principal source of funding may impact the Company's ability to pay dividends to its Shareholders and service its indebtedness.

RISKS RELATED TO DOING BUSINESS IN INDONESIA

Political and social instability in Indonesia may materially and adversely affect us.

Indonesia continues to face various socio political challenges and, from time to time, has experienced political instability and social or civil unrest. These developments reflect the evolving and, at times, unpredictable nature of Indonesia's political landscape. Indonesia has a multi party political system, and no single political party has achieved a dominant or outright majority in national elections. As a result, coalition governments are the norm, which may give rise to policy uncertainty and shifts in political priorities.

Following the collapse of President Soeharto's regime in 1998, Indonesia embarked on significant democratic reforms and successfully conducted its first free parliamentary and presidential elections in 1999. Since then, Indonesia has held regular direct elections for the President, Vice President and members of the national legislature in 2004, 2009, 2014, 2019 and most recently in 2024. While recent elections, including the 2019 and 2024 general elections, were conducted largely peacefully and resulted in orderly transfers of power, heightened political activity surrounding elections continues to present the potential for political and social uncertainty.

Indonesia has also experienced periodic demonstrations and public protests in Jakarta and other major cities in response to a range of political, economic and social issues, including fuel price adjustments, subsidy policies, labour matters, corruption related concerns, decentralisation and governance issues. Although many such demonstrations have been peaceful, some have escalated into localized unrest and violence. Political and social developments in Indonesia have therefore, at times, been difficult to predict.

Any recurrence or escalation of political instability or social unrest could adversely affect investor confidence and the broader Indonesian economy, which in turn could have an adverse

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effect on our business, financial condition, results of operations and prospects. There can be no assurance that social or civil disturbances will not occur in the future, nor that any such events will not, directly or indirectly, have a material adverse impact on our operations.

Fluctuations in the value of the Rupiah could have a material adverse impact on our business activities, financial condition, results of operations and prospects.

The Rupiah has experienced and will continue to experience significant volatility. The Rupiah exchange rate against the U.S. dollar (based on Bank Indonesia's middle rate) was Rp15,416 = US\$1.00 as of 31 December 2023, Rp16,162 = US\$1.00 as of 31 December 2024, and Rp16,782 = US\$1.00 as of 31 December 2025.

While the Company's reporting currency is currently U.S. dollars, the Group has subsidiaries using U.S. dollar and Rupiah as their functional currencies. Accordingly the MGR Group has exchange rate risk exposures arising mainly from changes in U.S. dollar exchange rates that result in changes in the value of liabilities denominated in foreign currency, and partly from purchases and transactions by the Group's subsidiaries in currencies other than their functional currencies. The MGR Group's current policy is not to hedge foreign exchange risk. A prolonged or significant appreciation in the value of the Rupiah could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

The Rupiah is generally freely convertible and transferable (except for banks in Indonesia which cannot transfer Rupiah to persons outside Indonesia and cannot conduct certain transactions other than with residents). However, from time to time, Bank Indonesia intervenes in the foreign exchange market in furtherance of its policies, either by selling Rupiah or using its foreign exchange reserves to purchase Rupiah. The MGR Group cannot guarantee that the Rupiah will not experience continued depreciation and volatility, that Bank Indonesia's current floating exchange rate policy will not be changed, that additional depreciation of the Rupiah against other currencies, including the U.S. dollar, will not occur, or that the Government of Indonesia will take additional actions to stabilize, maintain, or increase the value of the Rupiah, or that any of these actions, if taken, will be successful.

Modifications to the current floating exchange rate policy could result in significantly higher domestic interest rates, reduced liquidity, capital or foreign exchange controls, or the withholding of additional financial assistance by multinational lenders. This could result in reduced economic activity, economic recession, loan defaults, or decreased interest from the MGR Group's customers. As a result, the MGR Group may also face difficulties in funding capital expenditures and implementing the MGR Group's strategy. The occurrence of any of the foregoing could have a material adverse effect on the MGR Group's business, financial condition, results of operations, and prospects.

Indonesia is located in an earthquake zone and is at significant risk of geological and other natural disasters that can cause property damage, loss of life, social unrest and economic losses.

The Indonesian archipelago is one of the most volcanically active regions in the world. Because Indonesia is located at the confluence of three major lithospheric plates, it is prone to significant seismic activity that can cause volcanic eruptions, earthquakes, tsunamis, and tidal waves. Historically, Indonesia has experienced a number of natural disasters, including heavy rains, floods, and major earthquakes throughout Indonesia that have triggered tsunamis and volcanic activity. These disasters have resulted in loss of life, the displacement of large numbers of people, and widespread property damage. The occurrence of any of the foregoing could have a material adverse effect on the MGR Group's business, financial condition, results of operations, and prospects.

Changes in the regional or global economy could have a material adverse impact on the Indonesian economy and the MGR Group's business activities.

The MGR Group's business activities are subject to fluctuations in global markets and general economic conditions in Indonesia, Asia, and the global economy. Any global or regional financial instability could adversely affect the Indonesian economy, which could have a material adverse effect on the MGR Group's business, financial condition, results of operations, and prospects.

The Indonesian stock market crashed in early 2020 due to the COVID-19 pandemic, and the global financial market's reaction to it also affected the performance of Indonesia's financial

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markets. Adverse financial developments were characterized by, among other things, a lack of credit availability, a decline in foreign direct investment, the failure of global financial institutions, a decline in global stock markets, a slowdown in global economic growth, and a decline in demand for certain commodities. Furthermore, despite growth in the global economy, the decline in China's economy and the decline in global commodity prices have created additional economic uncertainty worldwide. These negative economic developments have had a detrimental impact on both developed and developing countries, including Indonesia and other Association of Southeast Asian Nations ("ASEAN") countries.

Indonesia and other ASEAN countries, along with emerging market countries globally, have been negatively impacted by unprecedented financial and economic conditions in developed economies. Although the government has taken various steps to improve these conditions, with the aim of maintaining economic stability and public confidence in the Indonesian economy, the continuation of these unprecedented conditions could have a detrimental impact on economic growth, the government's fiscal position, the Rupiah exchange rate, and other aspects of the Indonesian economy.

There can be no assurance that the Indonesian economy will continue to improve. In particular, any changes in the regional or global economic climate that result in a loss of investor confidence in the financial systems of emerging markets and other markets, or other factors, could lead to increased volatility in Indonesia's financial markets, hinder or reverse Indonesian economic growth, or lead to a prolonged economic crisis or recession in Indonesia. Any increased volatility, slower or negative growth in the global economy, including the Indonesian economy, could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Changes in tax policy could have an adverse effect on our business, financial condition, results of operations and prospects.

Indonesia is a large and diverse nation, encompassing many ethnicities, languages, traditions, and customs. Before 1999, the government controlled almost all aspects of national and regional governance. The period following the end of former President Suharto's administration was marked by widespread demands for greater regional autonomy. In response to these demands, in 1999, the House of Representatives (DPR) passed Law No. 22 of 1999 on Regional Government ("**Law No. 22/1999**") and Law No. 25 of 1999 on Fiscal Balance between the Central Government and Regional Governments ("**Law No. 25/1999**"). Law No. 22/1999 has been repealed and replaced several times, most recently by Law No. 23 of 2014 on Regional Government, first amended by Government Regulation in Lieu of Law No. 2 of 2014, then by Law No. 2 of 2015, and Law No. 9 of 2015 and most recently amended by the Job Creation Government Regulation in Lieu of Law (Perpu). Law No. 23/2014 has also been partially revoked by Government Regulation in Lieu of Law No. 1 of 2020 and Law No. 1 of 2022 on Financial Relations between the Central Government and Regional Governments ("**No. 1/2022**").

Meanwhile, Law No. 25/1999 has been revoked and replaced with Law No. 1/2022. Under this regional autonomy law, regional autonomy is expected to grant regions greater authority and responsibility over the use of "national assets" and to create a balanced and equitable financial relationship between the central and regional governments.

Regional autonomy laws and regulations have changed the regulatory environment for businesses in Indonesia by decentralizing certain regulatory, taxation and other powers from the central government to regional governments, and this has the potential to create uncertainty.

This uncertainty arises, among other things, from the lack of implementing regulations for regional autonomy areas and the shortage of government personnel with relevant sector experience at some levels of local government. Furthermore, there is limited precedent or other guidance on the interpretation and implementation of regional autonomy laws and regulations. Under regional autonomy laws, local governments are authorized to adopt their own regulations, which may differ from restrictions, taxes, and levies imposed by other local governments or is in addition to restrictions, taxes and levies set by the central government.

The MGR Group's business activities and operations are located in Indonesia and may be negatively affected by conflicting or additional restrictions, taxes and levies that may be imposed by applicable local governments.

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Terrorist attacks, terrorist activities and certain destabilizing events have caused substantial and ongoing economic and social volatility in Indonesia, which could have a material adverse effect on the MGR Group's business activities.

Historically, there have been several bombings in Indonesia, targeting government and foreign government buildings, as well as public and commercial buildings.

In May 2005, a bombing in Central Sulawesi killed at least 21 people and injured at least 60. In October 2005, a bombing in Bali killed at least 23 people and injured at least 101 others. In July 2009, two separate bombings occurred in Jakarta, killing at least nine people and injuring 50 others. In January 2016, two suicide bombers and two gunmen exchanged fire with police before bombing a police post and a cafe in Central Jakarta, killing at least four people and injuring more than 20. Officials from the Indonesian, Australian, and United States governments have indicated that these bombings may be linked to international terrorist organizations. In May 2017, two suicide bombers attacked a bus terminal in Jakarta, killing three people and injuring ten others. In May 2018, terrorist bombings at three churches in Surabaya resulted in the deaths of more than 10 people and injuring more than 40. In March 2021, a suicide bomber attacked a church in Makassar, South Sulawesi. The bomber attacked the church on Palm Sunday. In response to the terrorist attack, the Indonesian government has instituted certain security improvements and implemented certain legal reforms in an effort to implement better counter-terrorism measures, and several suspected key terrorist figures have been arrested and prosecuted. There can be no assurance that further terrorist acts will not occur in the future.

These terrorist acts could cause destabilization, which could have an adverse impact on investor confidence in Indonesia and the Indonesian economy, and potentially on the MGR Group's business activities. Any terrorist attack, including an attack that causes damage to the MGR Group's infrastructure or to the MGR Group's suppliers and customers, could have a material and adverse impact on the international financial markets and the Indonesian economy. There can be no assurance that the MGR Group's properties will not be the target of terrorist attacks, acts of violence, and political developments, all of which could have a material and adverse impact on the MGR Group's business, financial condition, results of operations, and prospects.

Indonesia may be reclassified from MSCI Emerging Market to MSCI Frontier Market status, which could indirectly materially and adversely affect the price of the Company's Shares on the IDX and the price of the HDRs on the Stock Exchange.

Indonesia is currently classified as an "Emerging Market" under the market classification framework maintained by MSCI. In January 2026, MSCI highlighted fundamental investability issues in the Indonesian market, citing ongoing opacity in shareholding structures that, among others, left concert-party relationships among insiders undisclosed, and signified that the actual, true free float of shares investable by the public were materially lower than officially reported figures, as well as concerns about coordinated trading behavior that undermines proper price formation. MSCI concurrently imposed an interim freeze on certain index-related changes for Indonesian securities. MSCI warned that it could reduce Indonesia's weighting in the MSCI Emerging Markets Indexes or reclassify Indonesia from Emerging Market to Frontier Market status. Although MSCI has acknowledged certain transparency reforms by the Indonesian authorities, it has maintained the interim restrictions and indicated that further assessment will follow as part of its Market Accessibility Review scheduled for June 2026. The outcome of MSCI's ongoing review remains uncertain.

Any reclassification of Indonesia from Emerging Market to Frontier Market status, or any reduction in the weighting of Indonesian securities in the MSCI Emerging Markets Indices, could indirectly have a material adverse effect on the trading price and liquidity of the Company's Shares on the IDX and the price of the HDRs on the Stock Exchange. Such reclassification or weighting reduction could indirectly result in significant selling pressure on the securities of Indonesian companies, including the Shares and HDRs, as passive index-tracking funds and active fund managers benchmarked to the MSCI Emerging Markets Index would be required or expected to reduce or eliminate their holdings.

In addition, certain institutional investors, including pension funds, sovereign wealth funds, insurance companies, and asset managers, may be subject to investment mandates or internal policies that restrict or prohibit investment in securities listed in markets not classified as an MSCI Emerging Market or higher, and index-tracking funds designed to replicate the MSCI

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Emerging Markets Index would be required to divest securities removed from such index. Even while Indonesia retains its current Emerging Market classification, the ongoing uncertainty and interim restrictions may continue to weigh on investor sentiment and deter certain investors from acquiring or maintaining positions in securities of Indonesian companies, including the Company's Shares and HDRs. The outcome of MSCI's ongoing review is subject to uncertainties, and there can be no assurance that Indonesia will maintain its current Emerging Market classification.

Any downgrade of Indonesia's credit rating or that of Indonesian companies could have a detrimental impact on us.

In 1997, several internationally recognized statistical rating organizations, including Moody's, Standard & Poor's, and Fitch Ratings ("**Fitch**"), downgraded Indonesia's sovereign rating and the credit ratings of various Indonesian Government credit instruments and the credit ratings of a large number of banks and other companies in Indonesia. As of the date of this Prospectus, Indonesia's long-term sovereign debt in foreign currencies is rated (i) "Baa2" with a negative outlook by Moody's; (ii) "BBB" with a stable outlook by Standard & Poor's; and (iii) "BBB" with a negative outlook by Fitch. These ratings reflect an assessment of the government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they fall due.

There can be no assurance that Moody's, Standard & Poor's, Fitch, or any other statistical rating organization will not downgrade, or further downgrade, the credit ratings of Indonesia or Indonesian companies. In particular, the credit ratings of Indonesia or Indonesian companies, including the MGR Group, could be further downgraded. Any future downgrade or default could adversely affect liquidity in Indonesia's financial markets and affect the ability of the Government of Indonesia and Indonesian companies, including the MGR Group, to obtain additional financing, the interest rates and other commercial terms on which such additional financing is currently available, and could have a material adverse effect on the MGR Group's business, financial condition, cash flows, results of operations and prospects.

Regulations in Indonesia may impact the ability of non-bank companies like ours to obtain financing.

Bank Indonesia issued Regulation No. 16/21/PBI/2014 dated 29 December 2014 on the Implementation of Prudential Principles in the Management of Foreign Loans for Non-Bank Corporations (as amended by Bank Indonesia Regulation No. 18/4/PBI/2016 dated 21 April 2016) and Circular Letter No. 16/24/DKEM dated 30 December 2014 on Prudential Principles in the Management of Foreign Loans for Non-Bank Corporations (as last amended by Circular Letter No. 18/6/DKEM dated 22 April 2016) ("**Prudential Principles Regulations**"), which require companies in Indonesia that plan to obtain foreign loans to (i) at least hedge (either in the form of forwards, swaps and/or options) their foreign debt; (ii) maintain a minimum liquidity ratio; and (iii) have a minimum credit rating of "BB-" at both the corporate and foreign debt levels provided by a rating agency recognized by Bank Indonesia. The hedge ratio and liquidity ratio are calculated based on certain methods stipulated in the Prudential Principles Regulations. These Prudential Principles Regulations are effective from 1 January 2015. The minimum credit rating requirements apply to foreign loans executed on or after 1 January 2016. Failure to comply with the Prudential Principles Regulations will be subject to administrative sanctions in the form of a warning letter from Bank Indonesia to the debtor, with a copy to the lender, the relevant ministry, the OJK and the IDX (in the case of a public company). If the Company is unable to fulfil the requirements under the Prudential Principles Regulations, there can be no assurance that the Company will be able to obtain funding in the future and adequate short-term and long-term foreign financing which could have a material adverse effect on the MGR Group's business, financial condition, results of operations and prospects.

Uncertainties with respect to the Indonesia legal system could affect our Group.

Our business and operations are governed by Indonesian laws and regulations. The Indonesian legal system, which is based on civil law, may involve certain uncertainties that could materially and adversely affect our business, financial condition, results of operations and prospects. The Indonesian regulatory landscape continues to evolve, and variations may occur between national and regional regulations. Unlike common law jurisdictions, the Indonesian judiciary is not strictly bound by previous court decisions, which may result in

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variations in the interpretation and enforcement of laws, regulations, and contractual provisions. Administrative practices may also differ across different jurisdictions. While we aim to manage these risks effectively, such legal dynamics may from time to time result in additional costs or operational challenges.

RISKS RELATED TO THE GLOBAL OFFERING

The risk associated with complying with two distinct regulatory regimes, including differing disclosure requirements, corporate governance standards, and shareholder rights regulations. Specifically, the divergence between IDX and Hong Kong Stock Exchange requirements could result in non-compliance penalties, delisting risks, or increased administrative costs.

Failure to comply with disclosure, internal control, and financial reporting requirements, and other risk management requirements associated with public companies may result in regulatory sanctions, operational disruptions, and ability to comply with periodic reporting obligations.

Following the completion of the Listing, the Company will be subject to the Listing Rules of the Hong Kong Stock Exchange, on which the HDRs will be listed, in addition the reporting requirements of the IDX, the stock exchange on which the Shares are listed, and the OJK. The rules and regulations of the IDX and OJK require, among other things, the maintenance of relevant procedures, disclosure controls, and internal controls over the periodic reporting of financial and other material information to the OJK, the IDX, and investors. Following the Global Offering, the Company will be required to comply with additional listing requirements and implement new compliance practices, and the divergence between IDX and the Listing Rules could result in the incurrence of substantial additional professional fees and internal administrative costs to expand its legal, compliance, accounting and finance functions.

The Company may face additional challenges related to the implementation of effective disclosure and internal controls. If the Company fails to comply with these regulatory requirements, or fails to maintain appropriate and effective internal controls, this may result in additional costs, loss of business, and failure to meet reporting obligations. Ineffective disclosure could cause Shareholders and potential investors in our HDRs to lose confidence in the Company's financial information, which could negatively impact the trading price of the Company's Shares and/or HDRs.

Market and economic conditions can affect demand, prices for and liquidity of our Shares and/or HDRs, which can fluctuate widely.

Movements in domestic and international stock markets, economic conditions, foreign exchange rates, and interest rates may affect the market price and demand for the Company's Shares and/or HDRs. The Company's Shares and dividends, if any, will be quoted and announced in Rupiah, while the HDRs will be quoted in Hong Kong dollars. Fluctuations in the Rupiah/Hong Kong dollar exchange rate against other currencies will affect, among other things, the value of gains to be received by HDR Holders from the sale of HDRs denominated in foreign currency and the value of dividends distributed in foreign currency. In addition, foreign exchange regulations may be enacted that prevent or restrict the conversion of Rupiah into other foreign currencies. Dividends may also be subject to income tax.

Prices of the Company's Shares and/or HDRs may fluctuate widely, depending on several factors, including:

- the difference between the realization of the Company's financial performance and operating results and the expectations of the shareholders, buyers and analysts;
- addition or departure of key personnel;
- involvement in legal cases;
- announcements by the Company regarding strategic alliances or joint ventures;
- acquisitions made by the Company or the Company's competitors;
- announcements made by the Company or the Company's competitors;
- changes in analyst recommendations or perceptions regarding the Company or Indonesia;

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- changes in economic, political or market conditions in Indonesia in general;
- changes in the share prices of foreign companies (particularly Asian companies) as well as companies in developing and emerging markets;
- market capitalization does not reflect an indication of the valuation of the Company's business activities;
- government regulations including regulations that impose restrictions on trading in certain stocks, price movement restrictions and margin requirements;
- problems previously faced by the IDX continue or recur, including exchange closures, broker violations, strikes and settlement delays;
- the level of market depth and liquidity for a stock, including the liquidity of the stock compared to other stocks in the market at the time of the Global Offering;
- "short squeeze" trading activity, whether actual or suspected;
- fluctuations in stock market prices; and
- sales of Shares by the Company's Controlling Shareholder.

The interests of our Controlling Shareholder and substantial shareholders may differ from the interests of our minority Shareholders and HDR Holders.

MCG is the Company's Controlling Shareholder. Consequently, MCG indirectly has, and will continue to have, the power to influence the Company's policies and business activities. MCG may have business interests outside the Company's operations and may take actions, whether or not involving the Company, that favour or benefit MCG or other companies over the Company, which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. From time to time, the Company has entered into, and expects to continue to enter into, transactions with companies controlled by MCG or its affiliates.

Our HDR price may be affected if additional Shares are issued by us or if there are substantial future sales or perceived potential sales of our Shares in the public market.

Sales of a substantial number of the Company's Shares in the public market, or the perception that such sales may occur in the future, could adversely affect the market price of the Company's Shares or the Company's ability to raise capital through a public offering of equity or equity-backed securities. Sales of large blocks of the Company's Shares by the Company's Shareholders in the future, sales of new Shares by the Company in the future, or the perception that such sales may occur in the future, could cause the Company's share price to decline and make it more difficult for the Company to raise capital. In addition, the sale or issuance of substantial numbers of Shares by the Company, or the market perception that such issuance or sale may occur, could materially and adversely affect the prevailing market price of the HDRs.

We may not declare and pay dividends in the future.

As of the date of this Prospectus, we have never declared nor paid any cash dividends on our Shares. The Company's ability to declare dividends on its Shares will depend on the Company's future financial performance, retained earnings, financial condition, cash flows and working capital requirements, as well as capital expenditures, contractual commitments and costs incurred in connection with the Company's future business activities. In addition, the Company may enter into financing arrangements in the future, which may limit its ability to pay dividends, and the Company may incur costs or obligations that would reduce or eliminate cash available for dividend distribution. Any of these factors could affect the Company's ability to pay dividends to its shareholders. There can be no assurance that the Company will be able to pay dividends or that the Directors and Commissioners will recommend, or that the Company's Shareholders will approve, the distribution of such dividends.

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The rights of HDR Holders may be limited and subject to restrictions.

The Company's affairs and interests are governed by the Company's Articles of Association, laws governing companies incorporated in Indonesia, Indonesian capital market laws and regulations, including but not limited to regulations issued by the IDX and OJK. The rights of the Company's Shareholders and the responsibilities of the Board of Commissioners and the Board of Directors under Indonesian law may differ from the rights and responsibilities applicable to companies incorporated in other jurisdictions.

The obligations of majority shareholders, commissioners, and directors to minority shareholders under Indonesian law may be more limited than those applicable in other countries. Therefore, under Indonesian law, minority shareholders may not be able to protect their interests to the same extent as in other countries. Corporate law principles such as the validity of a company's actions, the fiduciary duties imposed on management, commissioners, directors, and controlling shareholders, and the rights of minority shareholders are governed by the Indonesian Companies Law, OJK regulations (including BAPEPAM-LK regulations), IDX regulations, and the Company's articles of association. These legal principles may differ from those that would apply if the Company were incorporated in a jurisdiction other than Indonesia. In particular, the concept of management's fiduciary duties has not been tested in Indonesian courts. Derivative claims filed in connection with the activities of directors and commissioners are almost never brought on behalf of a company or tested in Indonesian courts, and minority shareholder rights were only defined in 1995 and have not yet been demonstrated in practice. Even if such conduct were prosecutable under Indonesian law, the lack of legal precedent could make pursuing such civil action significantly more difficult. Therefore, there can be no assurance that the legal rights or remedies of minority shareholders will be equivalent to, or as extensive as, those available in other jurisdictions, or adequate to protect the interests of minority shareholders.

HDR Holders that are non-resident individuals of Indonesia or non-Indonesian corporations without a permanent establishment in Indonesia are subject to Indonesian withholding tax on cash distributions.

Dividend distributed and paid by the Company to the Non-Indonesian Tax Resident (HDR Holders) is subject to withholding tax in Indonesia at the rate of 20% (twenty percent) imposed on gross amount of such dividend. However, if there is Double Taxation Avoidance Agreement ("DTAA"), a lower tax rate may apply if certain conditions are satisfied, e.g. the Non-Indonesian Tax Resident can provide the Company the valid Form DGT or Form DGT plus Certificate of Resident in timely manner as well as meet the anti-treaty abuse and beneficial ownership tests.

The Company is responsible for making the withholdings of tax on distributions and payments of dividends to Non-Indonesian Tax Resident HDR Holders by using the 20% rate or reduced tax treaty rates as explained above. However, the ITA may not always agree to accept application of the reduced treaty rates due to considerations such as that the anti-treaty abuse and beneficial ownership tests are deemed to be not satisfied by the Non-Indonesian Tax Resident HDR Holders. Discrepancies between the withholding tax rates used by the Company, on the one hand, and the applicable withholding tax rates accepted by the ITA, on the other hand, could expose the Company to potential additional taxes and liabilities that could adversely affect our financial condition, results of operations and prospects.

The Company is the party obliged to withhold tax at the rate of 20% on income paid to and received by Non-Indonesian Tax Resident (HDR Holders). However, if the Non-Indonesian Tax Resident is a resident of a country that has signed DTAA with Indonesia, and can provide to the Company the valid Form DGT or Form DGT plus Certificate of Resident in timely manner as well as meet the anti-treaty abuse and beneficial ownership test, so that the Non-Indonesian tax resident is eligible for DTAA benefit, the Company will have to apply the reduced rate according to DTAA, as opposed to the 20% rate. The Company is the party that will determine the withholding tax rate to be applied on distribution and payment of the dividend to each tax resident and make the withholding of the tax accordingly. For details, see "Listing, Terms of Depositary Receipts and the Deposit Agreement, Registration, Dealings and Settlement — Filing, Taxation and Reporting Requirements Under Indonesian Law — Tax treatment on Dividend for Non-Indonesian Tax Resident".

The ITA may not always agree to accept application of the reduced treaty rates due to considerations such as that the anti-treaty abuse and beneficial ownership tests are deemed to

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be not satisfied by the Non-Indonesian Tax Resident HDR Holders. Discrepancies between the withholding tax rates used by the Company, on the one hand, and the applicable withholding tax rates accepted by the ITA, on the other hand, could expose the Company to potential additional taxes, such as issuances of underpayment tax assessments, and potential liabilities, such as tax penalties in the case of a tax audit, that could adversely affect our financial condition, results of operations and prospects.

An active trading market for the HDRs on the Hong Kong Stock Exchange might not develop or be sustained.

Following the completion of the Listing, there can be no assurance that an active trading market for the HDRs on the Hong Kong Stock Exchange will develop or be sustained. If an active trading market of the HDRs on the Hong Kong Stock Exchange does not develop or is not sustained after the Global Offering, the market price and liquidity of the HDRs could be materially and adversely affected. As a result, the market price for the HDRs in Hong Kong following the completion of the Introduction may not be indicative of the trading prices of our Shares on the IDX, even allowing for currency differences.

The characteristics of the Indonesian capital markets and the Hong Kong capital markets are different.

The IDX and the Hong Kong Stock Exchange have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of Shares listed in Indonesia and the HDRs might not be the same, even allowing for currency differences. Fluctuations in the price of our Shares due to circumstances peculiar to their local capital markets could materially and adversely affect the price of the HDRs, and vice versa. Because of the different characteristics of the Indonesian and Hong Kong equity markets, the historic and future market prices of the Shares may not be indicative of the performance of our securities (including the HDRs) after the Listing.

Failure to comply with the free float requirement may result in regulatory actions by the IDX, which could potentially have an adverse effect on the Company's listing status, trading liquidity of its Shares, and the interests of HDR Holders. In addition, efforts to increase free float, such as equity issuances, may have a dilutive effect and/or impact the market price of the Company's Shares and/or HDRs.

The IDX has introduced a revised free float regime under (i) Regulation No. I-A and (ii) IDX Circular Letter No. SE-00004/BEI/03-2026 (the “Circular Letter”), both of which came into force on 31 March 2026. Regulation No. I-A specifies, among others, the minimum free float requirements for a company's initial listing on the main board and development board of the IDX.

The minimum free float requirement is determined by reference to the issuer's market capitalisation. In addition, the IDX retains discretion to prescribe a different minimum free float for prospective listed companies conducting a public offering with a proceeds value of at least IDR 30 trillion. IDX-listed companies are required (a) to maintain the prescribed initial free float for a period of at least one year following the effective listing date at the IDX, (b) and thereafter, to continuously comply with subsequent free float requirements, unless otherwise determined by the IDX. For details, see “Regulatory Overview — Laws and Regulations Related to our Indonesia Operations — Capital Market Regulation — Free Float Requirements”.

IDX-listed companies are required to monitor their compliance with the free float requirements on an ongoing basis. If a listed company undertakes a corporate action resulting in non-compliance with the free float requirements due to circumstances beyond its control, the listed company must submit a plan to restore compliance to the IDX no later than two (2) exchange days after becoming aware of such non-compliance. The IDX has the authority to approve or reject the application concerning the timeframe for regaining compliance with the free float requirements. If non-compliance results from a mandatory tender offer pursuant to applicable OJK regulations, Regulation No. I-A allows for re-compliance with the free float requirement within two years from the completion of such mandatory tender offer.

The Company is currently in compliance with the minimum free float requirement. However, there can be no assurance that the Company will be able to continuously comply with the

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IDX's free float requirements going forward. Any failure to continuously comply with the free float requirement may result in regulatory actions by the IDX in accordance with its prevailing regulations. These actions may include administrative sanctions in the form of written warnings and/or monetary fines pursuant to Rule No. I-H (attachment to the Decision of the Board of Directors of IDX No. Kep-307/BEJ/07-2004 dated 19 July 2004 on Sanctions), as well as the placement of the Company's securities on the monitoring board pursuant to Rule No. I-X (attachment to the Decision of the Board of Directors of IDX No. Kep-00035/BEI/06-2025 dated 4 June 2025 on Placement of Company's Securities on the Monitoring Board).

In the event of continued non-compliance, the IDX may impose a trading suspension of the Company's securities pursuant to Rule No. I-L (attachment to the Decision of the Board of Directors of IDX No. Kep-00077/BEI/05-2023 dated 31 May 2023 on Suspension of Securities) and Rule No. I-N (attachment to the Decision of the Board of Directors of IDX No. Kep-00054/BEI/05-2024 dated 6 May 2024 on Delisting and Relisting) ("**Rule I-N**"), and may further require the Company to submit a recovery plan addressing the conditions that led to such suspension, which must at least set out the planned recovery steps and the timeline for each step. If such conditions persist or are not adequately remedied, the IDX may ultimately proceed with the forced delisting of the Company's shares from the IDX in accordance with Rule No. I-N.

In addition, any efforts by the Company to increase its free float, such as equity issuances, may have a dilutive effect and/or impact to the market price of the Company's shares and/or HDRs.

Rights of shareholders under Indonesian law may be different from rights of shareholders in other jurisdictions, including Hong Kong. Changes in Indonesia foreign ownership rules or capital market regulations could adversely affect HDR Holders.

We are primarily governed by Indonesian laws and are principally subject to the Indonesian Companies Law and the IDX Regulations. Our Articles of Association and the Indonesian Companies Law govern our corporate affairs. Legal principles relating to matters such as the validity of corporate procedures, directors' and commissioners' fiduciary duties and liabilities, and shareholders' rights under Indonesian law may be different from those that would apply to a company incorporated in any other jurisdiction, including Hong Kong. Indonesian foreign ownership rules or capital market regulations, including the IDX Regulations, could potentially change in ways that could adversely affect HDR Holders. For further information regarding the shareholder protection regime in Indonesia, waivers that we have been granted under the Core Shareholder Protection Standards set out in Appendix A1 to the Listing Rules, and waivers that we have sought from the Hong Kong Stock Exchange with respect to the Listing, see "Appendix IV — Summary of the Constitution of the Company and the Indonesian Companies Law" and "Waivers and Exemptions".

We have applied for, and been granted, waivers by the Hong Kong Stock Exchange from certain requirements under the Listing Rules. Neither our Shareholders nor the HDR Holders will have the benefit of those Hong Kong laws, rules, regulations and the Listing Rules for which we have applied, and been granted, waivers or exemptions from by the Hong Kong Stock Exchange and the SFC. Additionally, if any of these waivers or exemptions were to be revoked for any reason, including our non-compliance with applicable undertakings, additional legal and compliance obligations might be costly and time consuming, and might result in issues of interjurisdictional compliance, which could adversely affect us and HDR Holders.

As the SFC does not have extra-territorial jurisdiction on any of its powers of investigation and enforcement, it will also have to rely on the regulatory regimes of the IDX and FSA to enforce any corporate governance breaches committed by us in Indonesia. Investors should be aware that it could be difficult to enforce any judgment obtained outside Indonesia against us or any of our associates.

Trading of the HDRs may be suspended as a result of announcements of price sensitive information outside the permitted periods for submitting announcements to the Hong Kong Stock Exchange.

Rule 2.07C(4)(a) of the Listing Rules provides that, subject to certain exceptions, electronic copies of announcements or notices must not be submitted to the Hong Kong Stock Exchange

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between 8:30 a.m. and 12:00 p.m. or between 12:30 p.m. and 4:15 p.m. on a normal Business Day, or between 8:30 a.m. and 12:00 p.m. on the eve of Christmas, New Year and the Lunar New Year when there is no afternoon session, for publication on the Hong Kong Stock Exchange's website ("**Trading Hours**"). However, in the event that any such announcement is made on a Business Day during Trading Hours, the Hong Kong Stock Exchange retains the discretion to impose a temporary suspension of the Company's securities listed on the Hong Kong Stock Exchange.

Compliance with the IDX and OJK Regulations by the Company may require us to make announcements of price sensitive information on a timely basis and outside the permitted periods for submitting announcements to the Hong Kong Stock Exchange under Rule 2.07C(4)(a) of the Listing Rules. Under the IDX and OJK Regulations, an announcement as a result of certain events, including any material event affecting an issuer, is required to be made immediately and regardless of whether such announcement is made during normal trading hours. No suspension in trading of our securities would generally be imposed by the IDX if trading of our HDRs on the Hong Kong Stock Exchange were to be suspended as a result of the Hong Kong Stock Exchange exercising its discretion to impose a temporary suspension of the Company's securities. Differences in trading hours, disclosure deadlines and public holidays between Indonesia and Hong Kong may result in the Company triggering a temporary suspension of trading of its HDRs in Hong Kong due to the prioritization of compliance with Indonesian regulatory requirements, thereby impeding trading activities for Hong Kong investors. This scenario could have an adverse impact on the trading of our HDRs, as it could potentially put Hong Kong investors at a disadvantage compared to investors in Indonesia, who may be able to deal in the Company's securities while Hong Kong investors would be prevented from doing so. And vice versa, due to differences in public holidays in Indonesia and Hong Kong, compliance with the Listing Rules by the Company may require us to announce price sensitive information outside trading hours of the IDX, which could potentially put Indonesian investors at a disadvantage compared to investors in Hong Kong, who may be able to deal in the Company's securities while Indonesian investors would be unable to do so.

HDR Holders are subject to additional obligations under the Deposit Agreement.

The Deposit Agreement to which each HDR Holder is deemed a party provides for additional obligations on the part of the HDR Holders with respect to the payment of fees. These obligations have been fully disclosed in "Listing, Terms of Depositary Receipts and the Deposit Agreement, Registration, Dealings and Settlement — Fees and Expenses".

You may experience difficulty in effecting service of legal process and enforcing judgments against us and our management.

We are incorporated under the laws of Indonesia. Most of our Directors and Commissioners and certain members of senior management reside in Indonesia, substantially all of our assets and most of the assets of these persons are located in Indonesia, and all of our operations are located in Indonesia. As a result, it may not be possible for holders or beneficial owners of HDRs to effect service of process outside of Indonesia upon any of these persons or us, or to enforce against them or us, judgments obtained in courts outside of Indonesia, including judgments obtained in Hong Kong courts. As a result, recognition and enforcement in Indonesia of judgments of a court in a foreign jurisdiction, including Hong Kong court judgments, in relation to any matter not subject to a binding arbitration provision may be difficult or impossible.

HDR Holders are not Shareholders and must rely on the Depositary to exercise on their behalf the rights that are otherwise available to the Shareholders.

HDR Holders only have the contractual rights set forth for their benefit under the Deposit Agreement and must rely on the Depositary to exercise on their behalf the rights that are otherwise available to Shareholders. In particular:

- HDR Holders are not permitted to vote at Shareholders' meetings in the capacity of HDR Holders and they may only vote by providing instructions to the Depositary;
- there can be no assurance that HDR Holders will receive voting materials in time to instruct the Depositary to vote;
- pursuant to Indonesia law, the notice period required for Shareholders' meetings is 3 weeks or 21 calendar days (excluding the date of the invitation for the Shareholders' meeting and the date of the Shareholders' meeting);

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- HDR Holders, or persons who hold their HDRs through brokers, dealers or other third parties, will not have the opportunity to exercise their right to vote, although our Company and the Depositary will endeavour to make arrangements to ensure as far as practicable that all HDR Holders will be able to vote;
- as only the Depositary will be recorded as a Shareholder in the Shareholder registry of the Company, HDR Holders will not be recorded as Shareholders, and thus, dividends and other distributions will not be paid directly to them; and
- HDR Holders will depend on the Depositary and the terms of the Deposit Agreement to receive any dividends or other distributions payable to Shareholders and HDR Holders will also incur charges on any cash distribution made pursuant to the Deposit Agreement and on transfers of certificated or direct registrations of HDRs.

See “Listing, Terms of Depositary Receipts and the Deposit Agreement, Registration, Dealings and Settlement — Fees and Expenses”.

HDR Holders may not receive new HDRs, rights to subscribe for additional HDRs or other distributions.

HDR Holders may not receive new HDRs, rights to subscribe for additional HDRs or other distributions if the Company and/or the Depositary, after having considered, amongst other things, the restrictions under the applicable laws and regulations, the percentage shareholding of the HDRs and/or the administrative procedures to make such distribution, to the extent that is reasonable on a case by case basis, determine that it is not practicable: to distribute new HDRs pursuant to the distribution of Shares; or to offer rights to subscribe for new HDRs; or to make distributions other than cash or Shares.

We will furnish the Depositary with documents which may be reasonably requested by it on a case-by-case basis as required for the specific circumstances in each case under applicable laws and regulations. In the absence of evidence satisfactory to the Depositary that it may lawfully distribute such rights, the Depositary will not distribute such rights to HDR Holders. Any distribution of warrants or other instruments representing such rights is subject to the discretion of the Depositary. See “Listing, Terms of Depositary Receipts and the Deposit Agreement, Registration, Dealings and Settlement — Share Dividends and Other Distributions”.

The time required for HDRs to be exchanged into Shares (and vice versa) may be longer than expected and investors may not be able to settle or effect any sales of their securities during this period.

There is no direct trading or settlement among the stock exchanges on which the Shares and HDRs are traded. In addition, there is a time difference between Indonesia and Hong Kong. There might be unforeseen market circumstances or other factors which delay the exchange of HDRs into Shares (and vice versa) and investors may be prevented from settling or effecting the sale of their securities across the stock exchanges during such periods of delay. In addition, there can be no assurance that any exchange of HDRs into Shares (and vice versa) will be completed in accordance with the timelines investors might anticipate.

Investors are subject to exchange rate risk between Indonesian Rupiah and Hong Kong dollars.

The value of an investment in the HDRs quoted in Hong Kong dollars and the value of dividend payments in respect of the HDRs could be affected by fluctuations in the Indonesian Rupiah/Hong Kong dollar exchange rates.

Withdrawals and exchanges of HDRs into Shares traded on the IDX might adversely affect the liquidity of the HDRs.

The Shares are currently traded on the IDX. Any HDR Holder may at any time request that the HDRs it holds be withdrawn and exchanged into Shares for trading on the IDX. Upon the exchange of HDRs into Shares, the relevant HDRs will be cancelled. For further details on the procedures for the withdrawal of HDRs, see “Listing, Terms of Depositary Receipts and the Deposit Agreement, Registration, Dealings and Settlement”. In the event that a substantial

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number of HDRs are withdrawn and exchanged into Shares and subsequently cancelled, the liquidity of the HDRs on the Hong Kong Stock Exchange may be adversely affected.

HDR Holders will be reliant on the performance of several service providers. Any breach by those service providers of their contractual obligations could have adverse consequences for an investment in the HDRs. The Depositary may resign or be replaced, which could temporarily disrupt HDR services.

An investment in HDRs will depend for its continuing viability on the performance of several service providers, including the Depositary, the HDR Registrar, the Custodian and any sub-custodian appointed in respect of the underlying Shares. A failure by any of those service providers to meet their contractual obligations, whether or not by culpable default, could detract from the continuing viability of the HDRs as an investment. The Company will not have direct contractual recourse against the Depositary, the Custodian, any sub-custodian or the HDR Registrar, hence the potential for redress in circumstances of default will be limited.

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In preparation for the Listing, our Company has sought the following waivers and exemptions from strict compliance with the relevant provisions of the Listing Rules, the SFO and the Companies (Winding Up and Miscellaneous Provisions) Ordinance and have applied for a ruling under the Takeovers Code:

Rules	Subject matter
Rules 3.10 and 3.10A of the Listing Rules .	Appointment of independent non-executive directors
Rule 18.04 of the Listing Rules	Basic Conditions in relation to Qualifications for Listing
Rule 9.09(b) of the Listing Rules	Dealings in Shares prior to Listing
Rule 10.04 and Paragraph 1C(2) of Appendix F1 to the Listing Rules	Subscription for HDRs by Existing Shareholders
Rule 13.25B of the Listing Rules	Monthly Return
Rule 19B.21 of the Listing Rules	Cancellation of HDRs upon repurchase
Section 4.1 of the Introduction to the Takeovers Codes	Not a public company in Hong Kong under the Takeovers Code
Part XV of the SFO	Disclosure of interests under Part XV of the SFO
Paragraphs 41(4) and 45 of Appendix D1A to and Practice Note 5 of the Listing Rules	Disclosure of Interests Information
Paragraph 15(2)(c) of Appendix D1A to the Listing Rules	Disclosure of Offer Price

Appointment of Independent Non-executive Directors

Rule 3.10 of the Listing Rules requires a listed company to appoint (i) at least three independent non-executive directors and (ii) at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise. Rule 3.10A of the Listing Rules requires a listed company to appoint independent non-executive directors representing at least one-third of the board of directors.

Pursuant to the Indonesian Companies Law, it is mandatory for companies incorporated in Indonesia to adopt a two-tier board structure comprising the Board of Directors and the Board of Commissioners. The Board of Directors and the Board of Commissioners have distinctive and separate roles in managing and supervising the Company's operations. The Board of Directors is responsible for making decisions related to the day-to-day management and operation of the company which primarily assumes the ultimate executive function of the Company. In contrast, the Board of Commissioners' role is supervisory and advisory in nature and does not have an executive function or authority in managing the operation of the company's day to day business. For more information on the duties and responsibilities of our Directors and Commissioners, see "Practices of the Boards — Duties and Responsibilities of Directors and Commissioners" in the section headed "Directors, Senior Management and Commissioners" in the prospectus.

Given there is no equivalent concept of non-executive directors under Indonesian laws and the Board of Commissioners in a two-tiered board structure is already designed to undertake a supervisory role to monitor and oversee the performance of the Directors, there is no exact equivalent concept under the Indonesian Laws of independent non-executive directors. Instead, it is required for public or listed companies in Indonesia, such as the Company, to have Independent Commissioners as part of its Board of Commissioners.

The Company is of the view that the substance and the functionality of its two-tiered governance structure is, as a whole, similar to the single-tiered board structure adopted by

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other issuers in Hong Kong, where its Independent Commissioners could be considered as the equivalent of independent non-executive directors under the requirements of the Stock Exchange.

Upon the Listing, the Company's Board of Commissioners and the Board of Directors shall comprise of a total of 11 Directors and Commissioners:

- (a) the Board of Commissioners shall comprise seven Commissioners, with four Independent Commissioners that satisfy the independence requirements under Rule 3.13 of the Listing Rules and at least one of the Independent Commissioners shall possess the appropriate professional qualifications or accounting or related financial management expertise; and
- (b) the Board of Directors shall comprise four Directors with management roles, which shall also represent the senior management of the Company.

We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rules 3.10 and 3.10A of the Listing Rules, subject to the following conditions:

- (a) the aforementioned structure of the Company's Board of Commissioners and the Board of Directors shall be adopted and so long as the Company remains listed on the Hong Kong Stock Exchange, the majority of the Board of Commissioners members will be Independent Commissioners and the attendance quorum for any Board of Commissioners meeting would require that there be more Independent Commissioners attending than Commissioners who are not Independent Commissioners;
- (b) the Company shall, at all times during the period where the HDRs remain listed on the Hong Kong Stock Exchange, appoint at least three independent commissioners representing at least one-third of the total members of both the Board of Directors and the Board of Commissioners (or such number or such proportion of independent commissioners as required under the Hong Kong Listing Rules from time to time);
- (c) each of the Independent Commissioners should satisfy the independence requirements applicable to independent non-executive directors under Rule 3.13 of the Listing Rules;
- (d) at least one of the Independent Commissioners should have appropriate professional qualifications or accounting or related financial management expertise as required of independent non-executive directors under Rule 3.10(2) of the Listing Rules;
- (e) each individual member of the Board of Commissioners should undertake to the Company and the Stock Exchange that, pursuant to Rules 3.09A, 3.09B, 3.09C and 3.20 of the Listing Rules and in performing respective supervisory roles as Commissioners of the Company under applicable Indonesian regulations, he or she (i) accepts the responsibilities and obligations, including the relevant duties of care (including fiduciary duties) that are applicable to a director of the company for the purposes for and as required under the Hong Kong Listing Rules; (ii) accepts the full responsibilities collectively (with other Commissioners and Directors of the Company) and individually for the Company's compliance with the Hong Kong Listing Rules, and (iii) shall comply with all requirements applicable to a director of a listed issuer under the Hong Kong Listing Rules;
- (f) the Company shall confirm that: (i) the Independent Commissioners in the Board of Commissioners will assume and perform all duties and obligations required to be performed by the independent non-executive directors under the Hong Kong Listing Rules; and (ii) the Audit Committee and the Nomination and Remuneration Committee will have the roles and responsibilities equivalent to the audit committee, nomination committee, and remuneration committee under the Hong Kong Listing Rules. In particular, each of the Independent Commissioners (1) has provided undertakings to the Company and the Stock Exchange that he/she will assume and perform all duties and obligations required to be performed by an independent non-executive director under the Hong Kong Listing Rules; and (2) will provide to the Company an annual confirmation of his/her independence pursuant to Rule 3.13 of the Hong Kong Listing Rules.

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Basic Conditions in relation to Qualifications for Listing

Pursuant to Rule 8.05 of the Listing Rules, a new applicant must satisfy either the profit test in Rule 8.05(1) or the market capitalization/revenue/cash flow test in Rule 8.05(2) or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules. Pursuant to Rule 8.05B of the Listing Rules, the Stock Exchange may vary or waive the profit or other financial standards requirement in Rule 8.05 of the Listing Rules in respect of, among others, mineral companies to which the provisions of Chapter 18 of the Listing Rules apply.

Pursuant to Rule 18.04 of the Listing Rules, if a Mineral Company (as defined under Chapter 18 of the Listing Rules) is unable to satisfy either the profit test in Rule 8.05(1), the market capitalization/revenue/cash flow test in Rule 8.05(2), or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules, it may still apply to be listed if it can establish to the Stock Exchange's satisfaction that its directors and senior management, taken together, have sufficient experience relevant to the exploration and/or extraction activity that the Mineral Company is pursuing. Individuals relied on must have a minimum of five years relevant industry experience.

As the Pani Gold Mine was in the pre-production phase during the Track Record Period with the first gold production achieved in February 2026, the results from our business operation during the Track Record Period does not meet the profit requirement under Rule 8.05(1)(a) of the Listing Rules. Our Company has therefore applied for and the Stock Exchange has granted a waiver from strict compliance with Rule 8.05(1)(a) of the Listing Rules in accordance with Rule 18.04 of the Listing Rules for the following reasons:

- (a) our Company was principally engaged in gold exploration, mining and processing in Indonesia and is a mineral company to which Chapter 18 of the Listing Rules applies;
- (b) as supported by the first gold production achieved in February 2026, our Company is able to demonstrate a clear path to commercial production for the Pani Gold Mine. For details of how the Pani Gold Mine have a clear path to commercial production, please refer to the paragraphs headed "Business Strategies — Deliver Timely and Safe Commercial Production at the Pani Gold Mine" in the section headed "Business" of this prospectus; and
- (c) our management team led by our directors possesses sufficient experience in the mining industry relevant to the exploration and extraction in gold mining, all of whom have more than 5 years' experience working in the management of a mining company. For details of the biographical information of our Directors, including details of the relevant experience of our Directors in the mining industry, please refer to the section headed "Directors, Senior Management and Commissioners" of this prospectus. In this regard, our Company is of the view that the Directors, taken together, have sufficient experience that is specifically relevant to the exploration and/or extraction activities that the Company is pursuing.

Dealings in Shares Prior to Listing

According to Rule 9.09(b) of the Listing Rules, there must be no dealing in the securities of a new applicant for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the "**Relevant Period**").

Our Company had 8 subsidiaries, as of 31 December 2025. All of the Company's Shares are publicly traded and listed on the IDX with over 35,000 registered Shareholders as of 31 May 2026. Our Company considers that it is not in a position to control the investment decisions of its shareholders or the investing public in Indonesia. Solely based on public filings with the IDX as of the Latest Practicable Date, other than MCG (as detailed in the section headed "**Substantial Shareholders**"), there are no other shareholders who holds 10% or more of the voting rights of our Company.

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On the basis of the above, our Company considers that the following categories of persons (collectively, the “**Permitted Persons**”) should not be subject to the dealing restrictions set out in Rule 9.09(b) of the Listing Rules:

- MCG in respect of use of their Shares as security (including, for the avoidance of doubt, using Shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period (“**Category 1**”);
- our directors, commissioners and chief executives as well as the directors, commissioners and chief executives of our Subsidiaries, in respect of their respective use of the Shares as security (including, for the avoidance of doubt, using Shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period (“**Category 2**”);
- any other person (whether or not an existing Shareholder) who may, as a result of dealings, become our substantial shareholder and who is not our director, commissioner or chief executive, or a director, a commissioner or chief executive of our subsidiaries, or their close associates (“**Category 3**”); and
- any core connected persons in respect of their dealings in their Shares represented by the HDRs for the Sale HDRs under the Global Offerings and the Over-allotment Options during the Relevant Period for settlement purposes, provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period (“**Category 4**”).

For the avoidance of doubt,

- as the foreclosure, enforcement or exercise of other rights by the lenders in respect of a security interest over the Shares (including, for the avoidance of doubt, any security interest created pursuant to any top-up of security) will be subject to the terms of the financing transaction underlying such security and not within the control of the pledgor, any change in the beneficial owner of the Shares during the Relevant Period resulting from the foreclosure, enforcement or exercise of other rights by the lenders in respect of such security interest will not be subject to Rule 9.09(b) of the Listing Rules; and
- persons in Category 1 and Category 2 who use their respective Shares other than as permitted in this waiver or as a result of foreclosure, enforcement or exercise of other rights by the lenders as described above are subject to the restriction under Rule 9.09(b) of the Listing Rules.

To the best of the Company’s knowledge and as of 31 December 2025 and the Latest Practicable Date, Mr. Winato Kartono has pledged 315,000,000 Shares (representing 57.4% of the total number of Shares held by him) as security in connection with certain financial transactions with United Overseas Bank Limited as security agent and pledgee. Save as above and to the best of the Company’s knowledge, none of the other Category 1 and Category 2 Permitted Persons have entered into any pledges with respect to our Shares.

The Company is of the view that the aforementioned circumstances are consistent with those set out in paragraph 20 in Chapter 4.14 of the Guide for New Listing Applicants, and will not prejudice the interests of potential investors of the Company, therefore our Company has applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 9.09(b) of the Listing Rules in respect of any dealing during the Relevant Period by the Permitted Persons subject to the following conditions:

- where Categories 1 and 2 of the Permitted Persons use the Shares as security, there will be no change in the beneficial ownership of the Shares at the time of entering into the relevant transactions during the Relevant Period;

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- Category 3 of the Permitted Persons do not have any influence over the Global Offering and, to the Company's knowledge, do not possess any of our non-public inside information given that such persons are not in a position with access to information that is considered material to the Company taken as a whole and effectively in the same position as other public investors. Given our Shares are widely held and actively and publicly traded on the IDX, the Company does not have control over the investment decisions of the public investors who may become its substantial shareholders (i.e. Category 3 Permitted Persons) before listing on the Stock Exchange;
- our Company will promptly release any inside information or price sensitive information to the public in Indonesia and Hong Kong in accordance with the relevant laws and regulations of Indonesia and Hong Kong. Accordingly, the Category 3 Permitted Persons are not in possession of any non-public inside information of which we are aware;
- for Category 4 Permitted Persons who are the core connected persons of the Company, the relevant information in respect of their dealings in their Shares represented by the HDRs for the Sale HDRs under the Global Offering and the Over-allotment Option during the Relevant Period is disclosed in this prospectus and the relevant announcement (where applicable), and there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period. For further information, please refer to the sections headed "Summary — Selling Shareholders and Over-allotment Option Grantors" in, and "Statutory and General Information — D. Other Information — 11. Particulars of the Selling Shareholders and the Over-allotment Option Grantors" in Appendix V to, this prospectus;
- our Company will notify the Hong Kong Stock Exchange of any breaches of the dealing restrictions by any of our core connected persons during the Relevant Period when we become aware of the same other than dealings by the core connected persons who are Permitted Persons within the permitted scopes set out above; and
- prior to the Listing Date, other than within the permitted scopes set out above, our directors, commissioners and chief executive as well as the directors, commissioners and chief executives of our Subsidiaries and their close associates will not deal in the Shares during the Relevant Period.

Allocation of the HDRs to existing shareholders and/or their close associates as cornerstone investors or placees

Rule 10.04 of the Listing Rules requires that existing shareholders may only subscribe for or purchase any securities for which listing is sought that are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions in Rule 10.03 of the Listing Rules are fulfilled. Paragraph 1C(2) of Appendix F1 to the Listing Rules states that, without the prior written consent of the Hong Kong Stock Exchange, no allocations will be permitted to be made to directors, existing shareholders of a listing applicant or their close associates, unless the conditions set out in Rules 10.03 and 10.04 are fulfilled.

Chapter 4.15 of the Guide for New Listing Applicants provides that the Stock Exchange will consider granting a waiver from Rule 10.04 of the Listing Rules and a consent, pursuant to Paragraph 1C(2) of Appendix F1 to the Listing Rules, to allow a listing applicant's existing shareholders or their close associates to participate in its initial public offering if any actual or perceived preferential treatment arising from their ability to influence the listing applicant during the allocation process can be addressed.

As a company whose shares are listed on the IDX, our Company is not in a position to prevent any person or entity from acquiring its listed securities prior to the allocation of HDRs in connection with the Global Offering. It would therefore be unduly burdensome for our Company to seek the prior consent of the Hong Kong Stock Exchange for each of its existing shareholders or their close associates who subscribe for HDRs in the Global Offering. Category 3 of the Permitted Persons (as defined in sub-section headed "Dealings in Shares Prior to Listing" above) have no influence over the Global Offering and are not in possession of any inside information in relation to the Listing and are effectively in the same positions as

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our public investors. Category 3 of the Permitted Persons (other than the Selling Shareholders) and other public investors who will purchase HDRs in the Global Offering are referred to as “**Permitted Existing Shareholders**”. Prohibition against Permitted Existing Shareholders who may wish to subscribe for HDRs under the Global Offering in order to maintain their shareholding may put these shareholders in an unfair position, having considered that they would have no influence over the Global Offering.

As our existing public shareholders include renowned investors who are active players in the equity market, it may not be in the best interests of our Company and its shareholders to prohibit certain public shareholders/active deal participants to subscribe for HDRs in the Global Offering since our Company may not be able to achieve the best allocation and pricing outcome should certain of our existing public shareholders are restricted from subscribing for HDRs in the Global Offering.

Our Company applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 10.04 and Paragraph 1C(2) of Appendix F1 of the Listing Rules in respect of the restriction on Permitted Existing Shareholders to purchase HDRs in the Global Offering, subject to the following conditions:

- each Permitted Existing Shareholder is interested in less than 5% of our voting rights immediately before the Listing;
- each Permitted Existing Shareholder is not a core connected person (as defined under the Listing Rules) of the Company or its close associate (as defined under the Listing Rules);
- the Permitted Existing Shareholders do not have the power to appoint directors, commissioners or any other special rights in the Company;
- each Permitted Existing Shareholder is not a Selling Shareholder;
- to the best knowledge and belief of our Company and the Joint Sponsors, and based on discussions between our Company and the Overall Coordinators and confirmations required to be submitted to the Stock Exchange by the Joint Sponsors, we will confirm to the Stock Exchange that:
 - (a) in case of participation as cornerstone investors, no preferential treatment has been, nor will be, given to the Permitted Existing Shareholders and/or their close associates by virtue of their relationship with our Company, other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, nor is the Permitted Existing Shareholder in a position to exert influence on the Company to obtain actual or perceived preferential treatment, and the Permitted Existing Shareholders’ and/or their close associates’ cornerstone investment agreements do not contain any material terms which are more favorable to the Permitted Existing Shareholders and/or their close associates than those in other cornerstone investment agreements; or
 - (b) in case of participation as placees, no preferential treatment has been, nor will be, given to the Permitted Existing Shareholders and/or their close associates, nor is the Permitted Existing Shareholder in a position to exert influence on the Company to obtain actual or perceived preferential treatment, in the allocation process by virtue of their relationship with our Company;
- in the case of participation as placees, the Overall Coordinators will confirm to the Stock Exchange that, to the best of their knowledge and belief, no preferential treatment has been, nor will be, given to any of the Permitted Existing Shareholders or their close associates by virtue of their relationship with our Company in any allocation in the placing tranche; and
- the Joint Sponsors will confirm to the Stock Exchange that, based on (i) their discussions with our Company and the Overall Coordinators; and (ii) the confirmations provided to the Stock Exchange by our Company and the Overall Coordinators, and to the best of their knowledge and belief, (a) they have no reason to believe that the Permitted Existing Shareholders and/or their close associates received any preferential

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treatment in the allocation process either as cornerstone investors or as placees by virtue of their relationship with our Company, other than, in the case of participation as cornerstone investors, the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants; and (b) each Permitted Existing Shareholder is not a Selling Shareholder, and details of allocation to the Permitted Existing Shareholders holding 1% or more of the issued share capital of the Company immediately prior to the completion of the Global Offering will be disclosed in this prospectus and/or the allotment results announcement (as the case may be).

The Company expects to satisfy all the conditions set out in paragraph 14 of in Chapter 4.15 of the Guide for New Listing Applicants as published by the Hong Kong Stock Exchange that no actual or perceived preference will be given to the Permitted Existing Shareholders due to their existing shareholdings in the Company.

Allocation to the Permitted Existing Shareholders will not be disclosed in the Company's allotment results announcement (other than to the extent that such Permitted Existing Shareholders purchase for shares as cornerstone investors) unless such Permitted Existing Shareholders are interested in 5% or more of the issued share capital of the Company after the Global Offering as disclosed in any public filings with the IDX, as it would be unduly burdensome for the Company to disclose such information given that there is no requirement to disclose interests in equity securities under the OJK Regulation No. 4 of 2024 on the Report of Share Ownership or Any Change of Share Ownership in Public Companies and the Report of Share Pledging Activities in Public Companies ("**OJK Regulation No. 4/2024**"), unless the beneficial ownership of such person reaches 5% or more voting rights attached to the shares of the Company. For the avoidance of doubt, details of allocation to cornerstone investors, if any, will be disclosed in the Prospectus and the allotment results announcement and details of allocation to placees who are connected clients (as defined in the Placing Guidelines for Equity Securities set out in Appendix F1 of the Listing Rules), if any, will be disclosed in the allotment results announcement.

Monthly Return

Rule 13.25B of the Listing Rules requires a listed issuer to publish a monthly return in relation to movements in its equity securities, debt securities and any other securitized instruments, as applicable, during the period to which the monthly return relates.

According to the note to Rule 13.25B of the Listing Rules, this common waiver is subject to the condition that the issuer can meet one of the following three conditions:

- (a) it has received a relevant partial exemption from Part XV of the SFO;
- (b) it publishes a "next day disclosure return" in strict compliance with Rule 13.25A of the Listing Rules; or
- (c) it is subject to overseas laws or regulations that have a similar effect to Rule 13.25B of the Listing Rules and any differences are not material to shareholder protection.

Our Company has obtained a relevant partial exemption from strict compliance with Part XV of the SFO. Accordingly, on the basis of condition (a) above, our Company has applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the continuing obligations under Rule 13.25B of the Listing Rules. Our Company will disclose information about share repurchases, if any, in our Company's annual reports and will also disclose such information on the IDX in accordance with applicable Indonesian rules and regulations.

Cancellation of HDRs Upon Repurchase

Rule 19B.21 of the Listing Rules provides that if depositary receipts are purchased by the issuer, the issuer shall surrender the purchased depositary receipts to the depositary. The depositary shall then cancel the surrendered depositary receipts and shall arrange for the shares which the surrendered depositary receipts represent to be transferred to the issuer and such shares shall be cancelled by the issuer.

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The Company has the ability to hold any treasury shares that it repurchases pursuant to its Articles and the OJK Regulation No. 29 of 2023 (“**OJK Regulation 29/2023**”). “See “Regulatory Overview — Indonesian Regulatory Framework — Buy back”. Under OJK Regulation No. 29 of 2023, any share repurchase must, among others, be approved by the General Meeting of Shareholders, supported by adequate internal funding, and subject to mandatory information disclosure and reporting to the OJK and the Indonesia Stock Exchange. As advised by the Company’s Indonesian legal adviser, under Indonesian Companies Law, “treasury shares” refer to shares that have been repurchased by the company itself. Accordingly, shares registered under the name of the depositary (rather than the company’s own name) are not regarded as “treasury shares”. For the avoidance of doubt, depositary receipts repurchased by the company are not legally deemed as “treasury shares” under Indonesian Companies Law given that the underlying shares remain registered in the company’s register of shareholders under the name of the depositary, therefore treasury shares (under the context of Indonesian laws) cannot be held by a depositary. Treasury shares may be held for a maximum period of three years (which can be extendable for (i) two years if the Company fulfils the following conditions: (a) the Company has transferred at least 10% of the total treasury shares; or (b) the Company’s share price has never exceeded the average buyback price for the past 3 years after the completion of the buyback (if neither of these conditions is met, the period can only be extended for one year); and (ii) additional one year if the two-year extension period has lapsed and the Company still holds remaining treasury shares), and must thereafter be transferred or otherwise disposed of through permitted methods, including sale through or outside the stock exchange, transfer to shareholders on a pro rata basis, or use for payment or settlement of certain transactions, in each case subject to the applicable shareholder approval, disclosure, and reporting requirements.

While the Company does not hold any treasury shares as of the Latest Practicable Date, the Company may repurchase its shares (including Shares as represented by HDRs) pursuant to the Articles and in compliance with the OJK Regulation 29/2023. Further, pursuant to Rule 10.06(5) of the Listing Rules and the Guidance Letter 119-24 as published by the Stock Exchange, the Hong Kong Stock Exchange allows shares to be repurchased by an issuer and could be held as treasury shares or cancelled and the listing of all shares which are held as treasury shares shall be retained so long as the issuer ensures that treasury shares are appropriately identified and segregated.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 19B.21 of the Listing Rules to the extent that we shall have the ability to hold any Shares that we repurchase as treasury shares (including Shares represented in the form of HDRs), and we shall not be required to surrender the purchased HDRs to the Depositary subject to the requirements under the Indonesian laws, subject to the following conditions:

- (a) the Company shall have a secondary listing on the Stock Exchange and maintains the primary listing of the Shares on the IDX;
- (b) the Company shall comply with any applicable requirements in the event of any changes to the Hong Kong regulatory regime or the Listing Rules on treasury shares (subject to any waiver which may be sought by the Company and granted by the Stock Exchange or other relevant regulatory authorities);
- (c) the Company shall promptly notify the Stock Exchange of any failure to comply with waiver conditions or any changes being made to the treasury regime in Indonesia;
- (d) the Company shall comply with the relevant Indonesian laws and the OJK and the IDX regulations in relation to treasury shares (including the OJK Regulation 29/2023, which stipulates any share repurchase must, among others, be approved by the general meeting of the shareholders, supported by adequate internal funding, and subject to mandatory information disclosure and reporting to the OJK and the IDX, as relevant. The Company shall only repurchase its shares to the extent that it has the ability to hold treasury shares under the relevant Indonesian laws and regulations);
- (e) the Company shall confirm the compliance with the waiver conditions in successive annual reports, the overseas regulatory announcement that the Company will issue in Hong Kong when it publishes the annual reports, any notice convening shareholders meetings seeking approval for share repurchase after listing on the Stock Exchange.

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Not a Public Company in Hong Kong under the Takeovers Code

Section 4.1 of the Takeovers Code applies to takeovers, mergers and share repurchases affecting public companies in Hong Kong and companies with a primary listing in Hong Kong. In order to determine whether a company is a “public company in Hong Kong,” Section 4.2 of the Takeovers Code provides that the Executive will consider all the circumstances and apply an economic or commercial test, taking into account primarily the number of Hong Kong shareholders and the extent of share trading in Hong Kong and other factors including (i) the location of its head office and place of central management; (ii) the location of its business and assets, including such factors as registration under companies legislation and tax status; and (iii) the existence or absence of protection available to Hong Kong shareholders given by any statute or code regulating takeovers, mergers and share repurchases outside Hong Kong.

While we are a “public company” under the Indonesian laws, our Company has applied for, and the SFC has granted, a ruling that our Company is not a “public company in Hong Kong” for the purposes of the Takeovers Codes. Therefore, the Takeovers Codes do not apply to us. In the event that the bulk of trading in our Shares migrates to Hong Kong such that our Company would be treated as having a dual-primary listing pursuant to Rule 19C.13 of the Listing Rules, the Takeovers Codes will apply to our Company.

Disclosure of Interests under Part XV of the SFO

Part XV of the SFO imposes duties of disclosure of interests in Shares. Under the OJK Regulation No. 4/2024, which our Company is subject to, any director or commissioner of a public company, any party holding at least 5% of voting rights and any controlling shareholder is required to submit a report to the OJK on any change in its ownership of voting shares in the public company. Such report must be made for each change of one percentage point (1%) or more in the ownership of voting shares, calculated from the immediately preceding percentage ownership. Therefore, compliance with Part XV of the SFO would subject our Company’s substantial shareholders, directors, commissioners and their associates to a second level of reporting, which would be unduly burdensome to them, would result in additional costs and would not be meaningful, since the statutory disclosure of interest obligations under the OJK Regulation No. 4/2024 that apply to our Company and its substantial shareholders, directors, commissioners and their associates would provide its investors with sufficient information relating to the shareholding interests of its significant shareholders.

Our Company has applied for, and the SFC has granted, a partial exemption under section 309(2) of the SFO to our Company, its shareholders, directors, commissioners, controllers and chief executives from compliance with Part XV of the SFO (other than Divisions 5, 11 and 12 of Part XV of the SFO) on the conditions that:

- (i) our Company remains secondary listed on the Stock Exchange, i.e. it has not changed its listing status to (and has not been regarded by the Stock Exchange as having) a dual primary or primary listing on the Stock Exchange;
- (ii) all disclosures of interests filed with the OJK are also filed in English with the Stock Exchange as soon as practicable, which will then publish such disclosures in the same manner as disclosures made under Part XV of the SFO; and
- (iii) our Company shall advise the SFC if there is any material change to any of the information which has been provided to the SFC, including any significant changes to the disclosure requirements in Indonesia and any significant changes in the volume of our Company’s worldwide share turnover that takes place on the Stock Exchange.

This exemption may be reconsidered by the SFC in the event there is a material change in information provided to the SFC. For the avoidance of doubt, the Company is not exempt from any requirements or reporting obligations under Divisions 5, 11 and 12 of Part XV of the SFO.

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Disclosure of Interest Information

Part XV of the SFO imposes duties of disclosure of interests in shares. Practice Note 5 and paragraphs 41(4) and 45 of Appendix D1A to the Listing Rules require the disclosure of interests information in respect of shareholders' and directors' interests in this document.

The OJK Regulation No. 4/2024 and the rules and regulations promulgated thereunder require disclosure of interests by shareholders holding at least 5% of voting rights, the requirement of which is equivalent to Part XV of the SFO. Relevant disclosure in respect of the substantial shareholder's interests can be found in the section headed "Substantial Shareholders" in this document.

Our Company has applied for, and the SFC has granted, a partial exemption under section 309(2) of the SFO to our Company, its shareholders, directors, commissioners, controllers and chief executives from compliance with Part XV of the SFO (other than Divisions 5, 11 and 12 of Part XV of the SFO) as discussed above. Our Company has further applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Practice Note 5 and Paragraphs 41(4) and 45 of Appendix D1A to the Listing Rules on the following conditions:

- the SFC granting our Company, its shareholders, directors, commissioners, controllers and chief executives a partial exemption from compliance with Part XV of the SFO;
- our Company undertakes to file with the Hong Kong Stock Exchange, as soon as practicable, any declaration of shareholding and securities transactions made to the IDX by directors, commissioners, executive officers or substantial shareholders under the relevant Indonesian laws and the regulations of the OJK and the IDX; and
- our Company has disclosed/will disclose in present and future listing documents (a) in the same manner as required under the SFO, such interests that were reported to and published by the IDX under the relevant law, and (b) the shareholding interests as disclosed in an IDX filing and the relationship between its directors, commissioners, members of committees and their relationship to any controlling shareholders.

Disclosure of Offer Price

Paragraph 15(2)(c) of Appendix D1A to the Listing Rules provides that the issue price or offer price of each security must be disclosed in the listing document. The Offer Price will be determined by reference to, among other factors, the closing price of our Shares price on IDX on the last trading date on or before the Price Determination Date. Given the Shares of our Company are freely tradable on IDX, there may be price fluctuations in the Shares as a result of market volatility and other factors during the period from the date of this prospectus until the pricing of the Global Offering. We have no control over the market price of our Shares traded on IDX.

Disclosing a fixed price or a price range with a low end offer price per Offer HDR may adversely affect the market price of the Shares and the Hong Kong Offer HDRs considering, among other factors, that this may indicate an arbitrary floor price and potentially prejudice the ability to price in the best interests of our Company and the Shareholders.

For the information of the potential investors, we have disclosed the historical prices of our Shares and average daily trading volume on IDX for the fiscal year ended 31 December 2025 (23 September to 31 December 2025) and 2026 (1 January to 8 June 2026) in "Structure of the Global Offering — Pricing and Allocation — Determining the Offer Price" of this prospectus.

WAIVERS AND EXEMPTIONS

A maximum Public Offer Price will be disclosed in this prospectus. This alternative disclosure approach would not prejudice the interests of the investing public in Hong Kong.

Given in no circumstances will the Public Offer Price for the Hong Kong Offer HDRs be greater than the maximum Public Offer Price as stated in this prospectus, the disclosure of the maximum Public Offer Price in this prospectus will be in compliance with the requirement to disclose the “amount payable on application and allotment on each share” as required by paragraph 9 of Part I of the Third Schedule of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Hong Kong Listing Rules.

The Stock Exchange has granted us a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules on the conditions that this prospectus will disclose:

- (a) the maximum Offer Price;
- (b) the time for the determination of the Offer Price and the form of its publication;
- (c) the historical closing prices of the Company’s Shares and trading volume on IDX during the Track Record Period and up to the Latest Practicable Date;
- (d) the determinants of the final Offer price; and
- (e) the source for investors to access the latest market price of the Company’s Shares on the IDX.

See “Structure of the Global Offering — Pricing and Allocation” in this prospectus for the historical closing prices of our Shares and trading volume on IDX.

RESPONSIBILITY STATEMENT

This prospectus, for which our Directors and Commissioners (including any proposed Director and proposed Commissioner who is named as such in this prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Cap. 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information with regard to us. The Directors and Commissioners, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

THE HONG KONG PUBLIC OFFERING AND THIS PROSPECTUS

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus sets out the terms and conditions of the Hong Kong Public Offering.

The Hong Kong Offer HDRs are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Underwriters, any of our or their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering.

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to us and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters and is subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around the Price Determination Date.

If, for any reason, the Offer Price is not agreed among our Company and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), on or before Wednesday, 24 June 2026, the Global Offering will not proceed and will lapse. Please refer to the section headed “Underwriting” in this prospectus for further information about the Underwriters and the underwriting arrangements.

Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the Offer HDRs should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER HDRS

The procedures for applying for Hong Kong Offer HDRs are set out in the section headed “How to Apply for Hong Kong Offer HDRs” in this prospectus.

STRUCTURE OF THE GLOBAL OFFERING

Details of the structure of the Global Offering, including its conditions, are set out in the section headed “Structure of the Global Offering” in this prospectus.

OVER-ALLOTMENT OPTION AND STABILIZATION

Details of the arrangements relating to the Over-allotment Option and stabilization are set out in the section headed “Structure of the Global Offering” in this prospectus. Assuming that

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

the Over-allotment Option is exercised in full, the Over-allotment Option Grantors may be required to sell up to an aggregate of 13,450,200 additional HDRs.

RESTRICTIONS ON OFFER AND SALE OF THE HDRS

Each person acquiring the Hong Kong Offer HDRs under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of the HDRs to, confirm that he/she is aware of the restrictions on offers and sales of the Offer HDRs described in this prospectus on the Stock Exchange.

No action has been taken to permit a public offering of the Offer HDRs or the distribution of this prospectus in any jurisdiction other than in Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offer and sale of the Offer HDRs in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions and pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

APPLICATION FOR LISTING OF THE HDRS ON THE STOCK EXCHANGE

We have applied to the listing committee of the Stock Exchange for the granting of listing of, and permission to deal in, the HDRs on the Main Board under Chapters 18, 19B and 19C of the Listing Rules. Application has been made in respect of up to 589,254,600 HDRs.

All Shares currently in issue are admitted to trading on the IDX. Except as disclosed in this prospectus, no part of our Shares or HDRs is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

COMMENCEMENT OF DEALINGS IN THE HDRS

Dealings in the HDRs on the Stock Exchange are expected to commence on Friday, 26 June 2026. The HDRs will be traded in board lots of 100 HDRs each. The stock code of the HDRs will be 6228.

HDRs WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the HDRs and we comply with the stock admission requirements of HKSCC, the HDRs will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the HDRs on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

Investors should seek the advice of their stockbrokers or other professional advisors for details of the settlement arrangements as such arrangements may affect their rights and interests. All necessary arrangements have been made enabling the HDRs to be admitted into CCASS.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding, disposing of or dealing in the HDRs, or exercising any rights attaching to the HDRs. We emphasize that none of our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Underwriters, any of our or their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering, accepts responsibility for any tax effects on, or liabilities resulting from, your subscription, purchase, holding, disposing of or dealing in the HDRs, or your exercise of any rights attaching to the HDRs.

REGISTER OF MEMBERS AND STAMP DUTY

Our principal register of members will be maintained by our principal share registrar, PT Datindo Entrycom, in Indonesia, and our register of members of HDR Holders will be maintained by Computershare Hong Kong Investor Services Limited, our registrar in Hong Kong.

Dealings in our HDRs registered in our register of HDR Holders in Hong Kong will be subject to Hong Kong stamp duty. The stamp duty is charged to each of the seller and purchaser at the ad valorem rate of 0.1% of the consideration for, or (if greater) the value of, the HDRs transferred. In other words, a total of 0.2% is currently payable on a typical sale and purchase transaction of the HDRs. In addition, a fixed duty of HK\$5 is charged on each instrument of transfer (if required). For further details of Hong Kong stamp duty, please seek professional tax advice.

EXCHANGE RATE CONVERSION

Unless otherwise specified, amounts denominated in Indonesian Rupiah (“**Rp**”) or US\$ have been converted, for the purpose of illustration only, into Hong Kong dollars in this prospectus at the following exchange rates: HK\$1.00:Rp2,319.25 and US\$1.00:HK\$7.84.

No representation is made that any amounts in Rp or US\$ were or could have been or could be converted into Hong Kong dollars at such rates or any other exchange rates on such date or any other date or at all.

ROUNDING

Certain amounts and percentage figures, such as share or HDR ownership and operating data, included in this prospectus may have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

LANGUAGE

If there is any inconsistency between this prospectus and its Chinese translation, the English version of this prospectus shall prevail. Provided, however, that the translated English names of the Indonesian and foreign laws and regulations, government authorities, departments, institutions, natural persons, entities, facilities, certificates, titles and the like included in this prospectus and for which no official English translation exists are unofficial translations for identification purposes only. In the event of any inconsistency, the names in their original languages shall prevail.

OTHER

Unless otherwise specified, all references to any shareholdings or HDR holdings in our Company following the completion of the Global Offering assume that no other Shares or HDRs are issued prior to the Listing.

DIRECTORS, COMMISSIONERS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

DIRECTORS

Name	Address	Nationality
Mr. Boyke Poerbaya Abidin . .	Jl. Kuricang XVII GD. 2 No. 17, RT003/RW010, Pondok Ranji Sub-District, East Ciputat District, South Tangerang City, Indonesia	Indonesian
Mr. Nicholas John Green	Jl. Kemang Dalam II No I/9, RT 002/003 Bangka, Mampang Prapatan Sub-District, South Jakarta City, Jakarta, Indonesia, 12730	Australian
Mr. Barend Johannes Nicolaas Knoetze	17 Weenit Rd, Ellenbrook, Perth, Western Australia, Australia, 6069	Australian
Mr. Suryadinata Tanu	Apartemen Grand Tropik Unit 909, Tanjung Duren Utara Sub-District, Grogol Petamburan District, West Jakarta City, Indonesia	Indonesian

COMMISSIONERS

Name	Address	Nationality
Commissioners		
Mr. Santoso Kartono	Apartment Roxi Mas Lt.7 No. 11 RT.017/RW 06, Gambir, Cideng Sub-District, Central Jakarta City, Indonesia, 11510	Indonesian
Mr. Winato Kartono	Jl. Subang No. 3A, Menteng Sub-District, Menteng District, Central Jakarta City, Indonesia, 10310	Indonesian
Mr. Xinyu Wang	Room 1701, Block 21, Xingfu Jiayuan (Xingfu Street), Chongwen District, Beijing, the People's Republic of China	Chinese
Independent Commissioners		
Mr. Heri Sunaryadi	River Park GG, 1/5 A Sector. 8, RT 001/RW 006, Pondok Jaya Sub-District, Pondok Aren District, South Tangerang City, Indonesia	Indonesian
Dr. Jona Widhagdo Putri	Apartment Puri Imperium Unit 2195, Jl. Kuningan Madya Kav.5, Guntur Sub-District, Setiabudi District, South Jakarta City, Indonesia 12960	Indonesian
Mr. Yu Gao	Flat A 22/F, Block 12, Pacific Palisades, 1 Braemar Hill Road, North Point, Hong Kong	Chinese

DIRECTORS, COMMISSIONERS AND PARTIES INVOLVED IN THE GLOBAL OFFERING
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Name	Address	Nationality
Mr. John Mackay McCulloch Williamson	38 Chung Hom Kok Road, Chung Hom Kok, Hong Kong	British

For further details, see the section headed “Directors, Senior Management and Commissioners” in this prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	UBS Securities Hong Kong Limited 52/F, Two International Finance Centre 8 Finance Street Central Hong Kong CITIC Securities (Hong Kong) Limited 18/F, One Pacific Place 88 Queensway Hong Kong
Sponsor-Overall Coordinators . . .	UBS AG Hong Kong Branch 52/F, Two International Finance Centre 8 Finance Street Central Hong Kong CLSA Limited 18/F, One Pacific Place 88 Queensway Hong Kong
Overall Coordinators	UBS AG Hong Kong Branch 52/F, Two International Finance Centre 8 Finance Street Central Hong Kong CLSA Limited 18/F, One Pacific Place 88 Queensway Hong Kong Morgan Stanley Asia Limited 46th Floor International Commerce Centre 1 Austin Road West Kowloon Hong Kong The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central, Hong Kong
Joint Global Coordinators	UBS AG Hong Kong Branch 52/F, Two International Finance Centre 8 Finance Street Central Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

Morgan Stanley Asia Limited
46th Floor
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong

China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Macquarie Capital Limited
Level 23, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Joint Bookrunners

UBS AG Hong Kong Branch
52/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

Morgan Stanley Asia Limited
*(Joint Bookrunner in relation to
Hong Kong Public Offering only)*
46/F
International Commerce Centre
1 Austin Road West Kowloon
Hong Kong

Morgan Stanley & Co. International plc
*(Joint Bookrunner in relation to
International Offering only)*
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong

China International Capital Corporation Hong Kong Securities Limited

29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Macquarie Capital Limited

Level 23, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Crédit Agricole Corporate and Investment Bank

28/F, Two Pacific Place
88 Queensway
Hong Kong

DBS Asia Capital Limited

73rd Floor, The Center
99 Queen's Road Central
Hong Kong

Mizuho Securities Asia Limited

14-15/F, K11 Atelier
18 Salisbury Road
Tsim Sha Tsui
Kowloon
Hong Kong

Natixis Hong Kong Branch

Level 72, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Oversea-Chinese Banking Corporation Limited

9/F, Nine Queen's Road
Central
Hong Kong

Societe Generale (incorporated in France with limited liability)

34/F, Three Pacific Place
1 Queen's Road East
Hong Kong

UOB Kay Hian (Hong Kong) Limited

6/F Harcourt House
39 Gloucester Road
Hong Kong

Joint Lead Managers

UBS AG Hong Kong Branch

52/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

Morgan Stanley Asia Limited
*(Joint Lead Manager in relation to
Hong Kong Public Offering only)*
46/F
International Commerce Centre
1 Austin Road West Kowloon
Hong Kong

Morgan Stanley & Co. International plc
*(Joint Lead Manager in relation to
International Offering only)*
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong

**China International Capital Corporation Hong Kong
Securities Limited**
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Macquarie Capital Limited
Level 23, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Crédit Agricole Corporate and Investment Bank
28/F, Two Pacific Place
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34/F, Three Pacific Place
1 Queen's Road East
Hong Kong

UOB Kay Hian (Hong Kong) Limited
6/F Harcourt House
39 Gloucester Road
Hong Kong

Capital Market Intermediaries . . . UBS AG Hong Kong Branch
52/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

Morgan Stanley Asia Limited
46th Floor
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong

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29/F, One International Finance Centre
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Macquarie Capital Limited
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Mizuho Securities Asia Limited

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34/F, Three Pacific Place
1 Queen's Road East
Hong Kong

UOB Kay Hian (Hong Kong) Limited

6/F Harcourt House
39 Gloucester Road
Hong Kong

Depository

JPMorgan Chase Bank, N.A.

8 Connaught Road
Chater House, 18/F
Central
Hong Kong

Legal Advisers to Our Company .

As to Hong Kong and U.S. laws:

Simpson Thacher & Bartlett

35th Floor, ICBC Tower
3 Garden Road
Central
Hong Kong

As to Indonesian laws:

Assegaf Hamzah & Partners

Capital Place, Level 36 & 37
Jalan Jenderal Gatot Subroto Kav. 18
Jakarta 12710
Indonesia

DIRECTORS, COMMISSIONERS AND PARTIES INVOLVED IN THE GLOBAL OFFERING
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Legal Advisers to the Joint Sponsors and the Underwriters	<i>As to Hong Kong and U.S. laws:</i>
	Latham & Watkins LLP 18th Floor, One Exchange Square 8 Connaught Place Central Hong Kong
	<i>As to Indonesian laws:</i>
	Hiswara Bunjamin & Tandjung Sudirman 7.8, Tower 1, 18th Floor Jl. Jend. Sudirman Kav.7-8 Jakarta 10220 Indonesia
Legal Advisers to the Depositary .	<i>As to Hong Kong law:</i>
	Norton Rose Fulbright Hong Kong 38th Floor, Jardine House 1 Connaught Place Central Hong Kong
Reporting Accountant and Independent Auditor	BDO Limited <i>Certified Public Accountants</i> 25th Floor Wing On Centre 111 Connaught Road Central Hong Kong
Competent Person	PT Mining One Indonesia Gedung Cibis Nine, Lantai 11 Suite 28 Jl. Simatupang No. 2, Kel. Cilandak Timur, Kec. Pasar Minggu Jakarta Selatan 12560 Indonesia
Industry Consultant	CRU International Limited 30 Raffles Place, #09-04 Singapore 048622
Receiving Bank	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Hong Kong

CORPORATE INFORMATION

Registered Office	Treasury Tower, 67th Floor District 8 SCBD Lot. 28 Jalan Jenderal Sudirman Kav. 52-53 South Jakarta 12190 Indonesia
Principal Place of Business in Hong Kong	31/F, Tower Two, Times Square, 1 Matheson St, Causeway Bay, Hong Kong
Company's Website	https://merdekagoldresources.com <i>(The information contained in this website does not form part of this prospectus)</i>
Authorized Representative	Ms. Jessica Joanne Ruth Treasury Tower, 67th Floor District 8 SCBD Lot. 28 Jalan Jenderal Sudirman Kav. 52-53 South Jakarta 12190 Indonesia
Audit Committee	Mr. Heri Sunaryadi (<i>Chairman</i>) Mr. Aria Kanaka Mr. Atik Wijaksono Susanto
Nomination and Remuneration Committee	Mr. Heri Sunaryadi (<i>Chairman</i>) Mr. Santoso Kartono Ms. Lilis Halim
Compliance Adviser	Somerley Capital Limited 20th Floor, China Building 29 Queen's Road Central Hong Kong
Principal Share Registrar	PT Datindo Entrycom Jl. Hayam Wuruk No. 28, Floor 2 Central Jakarta 10210 Indonesia
HDR Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East, Wan Chai Hong Kong

INDUSTRY OVERVIEW

The information set out in this section and other sections of this Prospectus were extracted from the CRU Report prepared by CRU, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged CRU to prepare the CRU Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the underwriters, or any other parties involved in the Global Offering, or any of our or their respective directors, officers, or representatives, and no representation is given as to its accuracy.

SOURCE AND RELIABILITY OF INFORMATION

We have commissioned CRU, an Independent Third Party, to conduct a study of Global gold and gold mining industry. We agreed to pay CRU a fee of US\$70,000 for the preparation of CRU Report, and our directors consider that such fee reflects market rates and are of the view that the payment of the fee does not affect the fairness of conclusions drawn in CRU Report. CRU offers business intelligence on the global metals, mining and fertilizer industries through market analysis, price assessments, consultancy, and events. Since its foundation in 1969, CRU has consistently invested in primary research and developed robust market assessment methodologies. The consulting team of CRU has extensive experience acting as the Industry Expert for IPOs, including in Hong Kong and for gold mining companies. The CRU brand name is associated with integrity and independence and well regarded by the financial community.

RESEARCH METHODOLOGY

During the preparation of the CRU Report, CRU has relied on data either developed internally or obtained from the public domain. CRU regularly develops its own market outlooks through its expert analysis team. Public domain data may include information obtained from sources such as published corporate annual reports, trade data reported by governments or independent research publications. Our Directors have confirmed that there has been no adverse change in the market situation since the date of CRU Report which may qualify, contradict, or have impact on the information of this section.

BASIS AND ASSUMPTION

CRU Report was compiled based on the following assumptions: (i) the global social and political climate is not expected to have any major disruptions; (ii) global economies are expected to maintain steady growth trajectories in the forecast period; (iii) the commodity discussed in the CRU Report performs according to general economic theory.

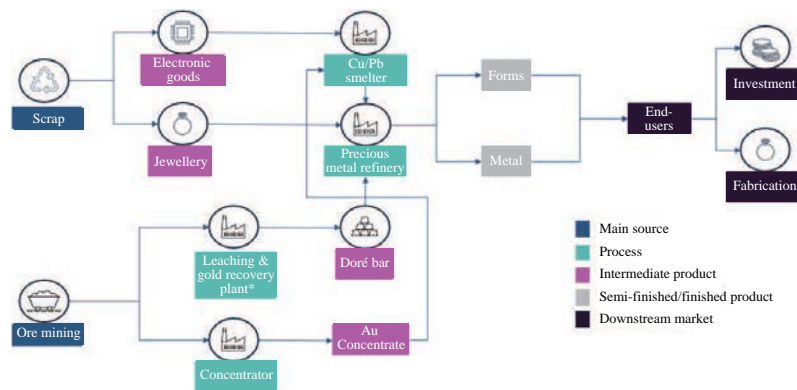
INDUSTRY OVERVIEW

ANALYSIS OF THE GLOBAL GOLD INDUSTRY

Introduction

Gold is a highly corrosion-resistant precious metal. Demand for gold generally comes from fabricator and investments. Due to its relative scarcity and stable properties, gold has long been used in human history as a form of money and as store of value, making it a conventional option for investment. It is a highly desirable financial asset among investors who use it to diversify portfolios, hedge against inflation and protect themselves from economic downturns when gold acts as a safe-haven store of value. Due to its excellent stability, malleability and ductility, gold is used to produce jewellery and dental work. Its high thermal and electricity conductivity also make it popular in the industrial and electronic sectors.

The gold value chain



SOURCE: CRU

Gold is obtained from either mined ore or recycled scrap. Gold ores are usually crushed and ground for further processing. After crushing and grinding, there are various ways to extract and process gold depending upon its mineralogy via:

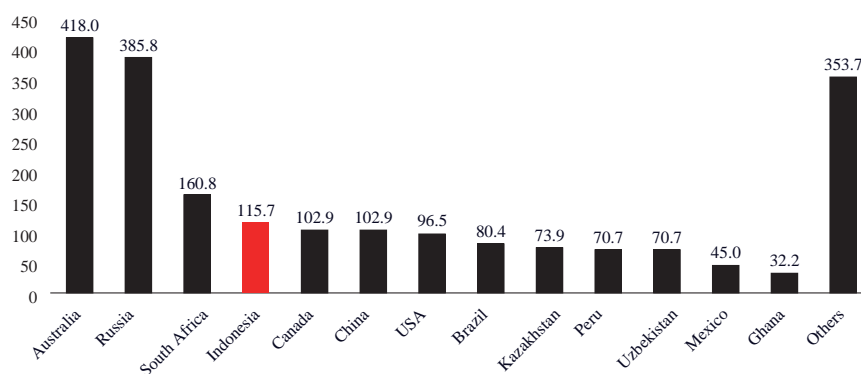
- **Cyanidation**, which is the most common extraction method. Gold is dissolved in dilute cyanide solution with lime and oxygen, then recovered via zinc cementation or activated carbon adsorption.
- **Combinations of pressure oxidation, roasting and chlorination**. This method is used for refractory ores, such as sulphide and carbonaceous ores, which are not applicable to direct cyanide leaching.
- **Amalgamation**: This method alloys gold particles with metallic mercury to extract coarser gold (>30 microns in diameter).
- **Heap leaching**: This method was introduced in 1970s for coarse gold ores, has a lower cost but significantly slower processing time.

INDUSTRY OVERVIEW

GOLD MINERAL RESERVES

According to the 2026 US Geological Survey (USGS) Minerals Commodities Summaries, global mine reserves for gold, in terms of contained gold metal, were estimated to be 2,109.1 Moz (65,600 tonnes). Large gold reserves are concentrated in a few countries, with the top 6 ranking countries, responsible for more than half (61.0%) of all gold reserves. Australia holds the largest reserves and accounts for 19.8% of the global total at 418.0 Moz (13,000 tonnes) followed closely by Russia at 18.3% or 385.8 Moz (12,000 tonnes) of the global total. South Africa places third with sizable deposits of 160.8 Moz (5,000 tonnes), comprising 7.6% of the global total. In Asia, Indonesia holds the highest reserves at 115.7 Moz (3,600 tonnes) or 5.5% of the global reserves. In the Americas, Canada has the largest reserves at 102.9 Moz (3,200 tonnes), accounting for approximately 4.9% of the global total.

Global gold mineral reserves by country, 2025, Moz



SOURCE: USGS, Mineral Commodity Summaries, February 2026 (Reserves in terms of 'contained metal').

GOLD DEMAND

Gold mainly has two types of demand in the forms of fabrication and investment, due to its dual qualities of usage in both consumer and industrial applications and as an investment asset.

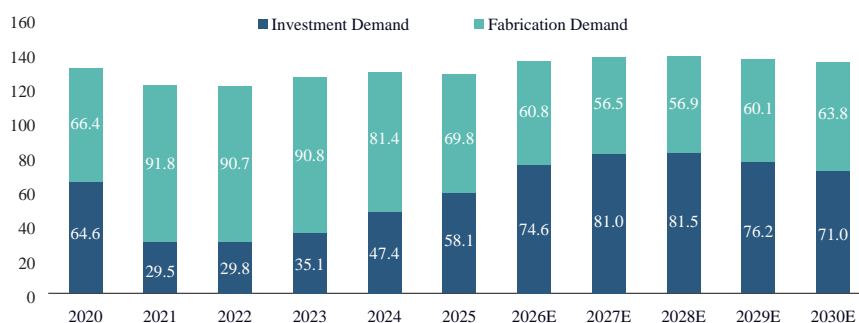
- **Fabrication demand** – Fabrication gold demand can be categorized by end user sectors. Fabrication gold demand is highly dependent on the macro economy and gold prices. Higher fabrication gold demand is usually seen during a recovering global economy, while lower fabrication gold demand is found during times of uncertainty as it is replaced by investment in gold as a safe-haven asset.
- **Investment demand** – Gold serves as a highly desired alternative financial asset and is popular among global investors given its quality to store value. Investors use gold to diversify their portfolios, hedge against inflation and protect themselves from economic downturns when gold acts as a safe-haven store of value.

Gold demand is expected to shift from fabrication-led to a more balanced mix with investment demand rising in the medium term. In 2020, investment and fabrication demand were similar as Covid-19 led to economic uncertainty and resulted in increased investment demand. From 2021 to 2024, gold demand was dominated by fabrication demand as economies reopened and gradually recovered which also saw a spike in jewellery demand. Concurrently, investment demand fell as higher interest rates and rising real yields increased the opportunity cost of holding non-yielding gold.

In the medium term from 2026 to 2029, investment demand is expected to be greater than fabrication demand. This comes amidst a declining interest rate, inflation expectations and geopolitical uncertainty. Lower real interest rates reduce the opportunity cost of holding non-yielding assets like gold, making gold more attractive relative to bonds and cash while rising expectations for sustained inflation increases demand for gold as an inflation hedge.

INDUSTRY OVERVIEW

Global gold demand by type, 2020 – 2030E, Moz

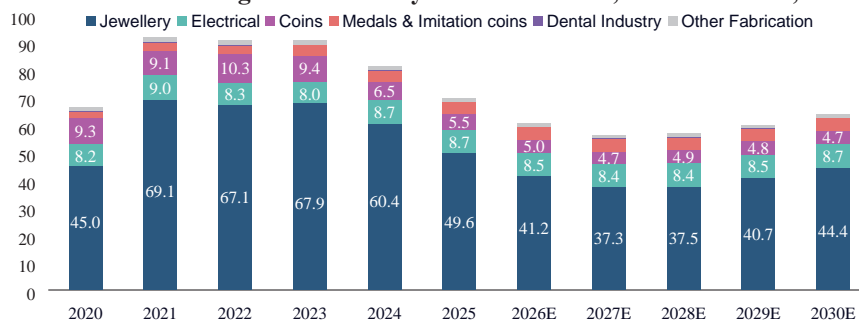


SOURCE: CRU, Industry Associations

Total fabrication demand of gold equaled 66.4 Moz (2,066 tonnes) in 2020 due to the drop in demand from the jewellery sector. However, fabrication demand rebounded quickly and fluctuated between 81 – 92 Moz (2,519 – 2,862 tonnes) from 2021 to 2024. In the medium term, fabrication demand is expected to drop below 2020 levels and fluctuate between 56 – 69 Moz (1,757 – 2,171 tonnes).

From 2024 to 2027, fabrication demand is expected to decline as heightened geopolitical tensions and tariffs could increase investment demand, supporting higher prices; higher prices are likely to suppress price-sensitive jewellery demand. From 2028 to 2030, moderate growth of fabrication demand is expected as gold price gradually declines to restore jewellery affordability alongside slight growth in electrical demand due to AI-driven electronics and device upgrade cycles. However, this recovery is expected to remain modest.

Global fabricated gold demand by end use sectors, 2020 – 2030E, Moz



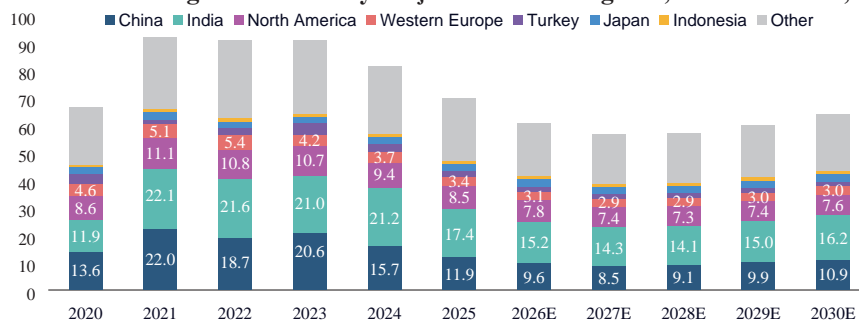
SOURCE: CRU, Industry Associations

On a regional level, China and India have been the two largest consumer countries for gold fabrication and consumed around 13.6 Moz (421.8 tonnes) and 11.9 Moz (370.8 tonnes) of global gold fabrication respectively in 2020. Though global fabrication demand was low in 2020 due to Covid-19 disruptions, it quickly recovered with India overtaking China to lead in gold fabrication demand in 2021 at 22.1 Moz (687.0 tonnes). Majority of this came from India's jewellery sector which recorded its peak of 19.6 Moz (610.9 tonnes) in 2021.

Although global fabrication demand fell back to 2020-levels in 2025, India maintained its lead as the largest gold fabrication consuming country in the world at 24.9% of global fabrication demand, closely followed by China accounting for around 17.0%. North America and Western Europe combined accounted for around 16.9% of global demand for gold fabrication in 2025. Looking forward, India and China are expected to maintain their dominance in gold fabrication demand at a combined 42.5% by 2030.

INDUSTRY OVERVIEW

Global fabricated gold demand by major countries/regions, 2020 – 2030E, Moz



SOURCE: CRU, Industry Associations

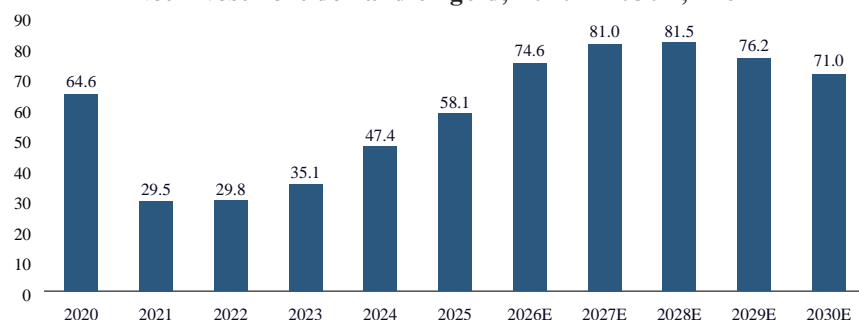
The difference between gold supply and fabrication demand forms the fundamental market balance, which is assumed to be absorbed by the market as investment demand. Investment demand is impacted by various factors related to the macro economy, including inflation, interest rates, the U.S. dollar, investment portfolio, debts, central bank holdings and other monetary policies. In 2025, the investment demand of gold equalled 58.1 Moz (1,806.5 tonnes).

This comes amidst continued geopolitical risks (Russia-Ukraine war, Israel-Iran conflict) which has contributed to global uncertainty and an influx towards gold as a safe-haven asset. Another factor is that central banks, led by China, have also been buying more gold to decrease their exposure to American policy decisions and diversify away from US dollars.

Additionally, gold demand in 2025 increased at a faster pace than mined gold supply, which tends to be more inelastic and responds at a slower pace. As a result, the increase in gold demand along with the speed it increased at led to the spike in gold prices in 2025.

CRU forecasts the investment demand of gold to peak at 81.0 Moz (2,518.5 tonnes) in 2028. Plateauing interest rates and inflation are expected to reduce interest in gold as an asset post 2028. However, investment demand levels are projected to remain higher than pre-pandemic levels as gold's status as a safe-haven asset remains strong.

Net investment demand of gold, 2020 – 2030E, Moz



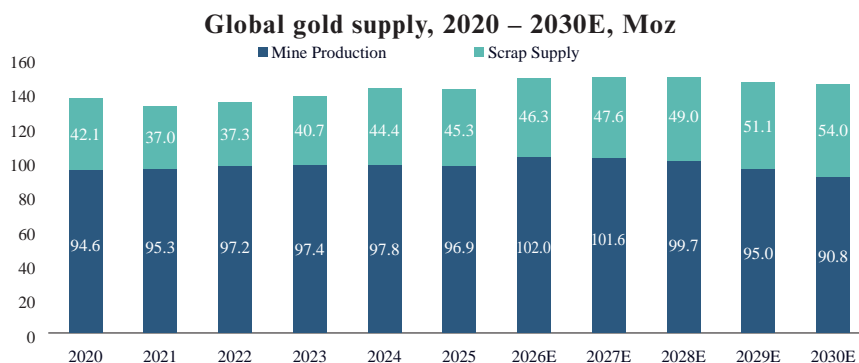
SOURCE: CRU

INDUSTRY OVERVIEW

GOLD SUPPLY

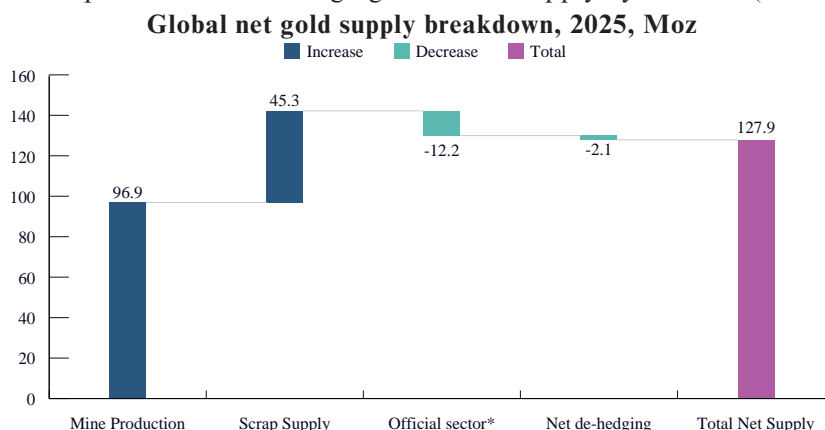
In 2020, global gold supply equalled 136.7 Moz (4,396.1 tonnes). Supply increased by 5.5 Moz (175.8 tonnes) in 2025, mainly because of mine production increasing over the last five years. Global supply is forecast to increase further in the medium term, peaking at 149.2 Moz (4,797.6 tonnes) in 2027 and then falling to 144.8 Moz (4,655.0 tonnes) in 2030. Overall, global gold supply is anticipated to rise at a small CAGR of 0.4% between 2025 and 2030.

It should be noted that the global gold supply includes mine production and scrap supply only and official sector (central banks) and producer net de-hedging have been excluded from the calculation.



SOURCE: CRU

In 2025, gold from mine production formed the largest share of supply, equalling 96.9 Moz (3,013.0 tonnes). Scrap supply is also a significant contributor to the global gold supply, contributing 45.3 Moz (1,410.0 tonnes) in 2025. The official sector (central banks) remained a net buyer in 2025, decreasing overall supply by 12.2 Moz (380.5 tonnes) as gold bought is typically stored in vaults and removed from the circulating supply of gold on the market, while the effect of producer net de-hedging decreased supply by 2.1 Moz (65.0 tonnes).



SOURCE: CRU

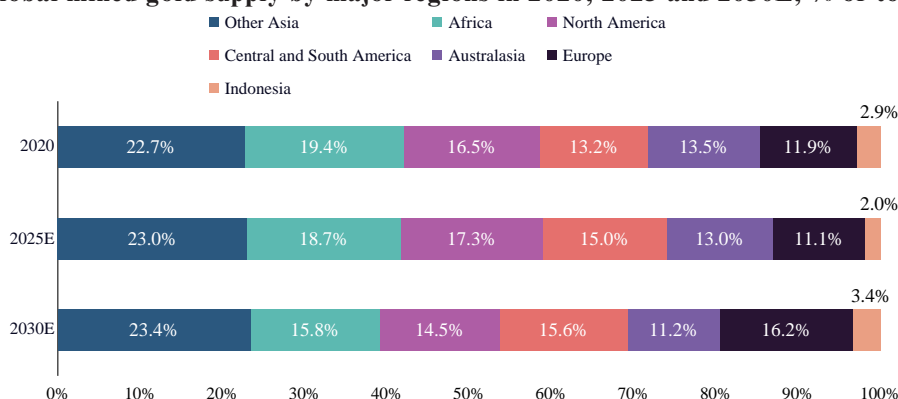
Note: * Official sector refers to official sector net sales.

Mine production is the largest contributor to gold supply. Asia is the world's largest mined gold producing region, estimated to account for 25.0% of total mine production, 24.2 Moz (753.8 tonnes) in 2025. The single largest contributing country in the world is China, which produced 12.2 Moz (380.7 tonnes) of mined gold or 12.6% of the global total in 2025. Aside from China, Uzbekistan and Kazakhstan were the next largest contributing countries in Asia, supplying 4.0 Moz (128.5 tonnes) and 2.3 Moz (73.6 tonnes) respectively in 2025.

Outside Asia, Africa is the second largest mined gold producing region comprising 18.7% of global supply in 2025, with North America closely following it at 17.3%.

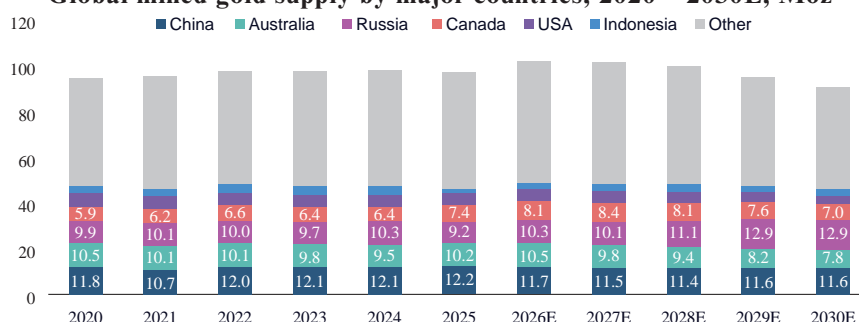
INDUSTRY OVERVIEW

Global mined gold supply by major regions in 2020, 2025 and 2030E, % of total



SOURCE: CRU

Global mined gold supply by major countries, 2020 – 2030E, Moz



SOURCE: CRU

GOLD PRICES

Nominal gold prices have been on the rise since 2020 due to the uncertainty caused by the Covid-19 pandemic as investors sought to purchase more gold. Traditionally, gold prices have an inverse relationship with interest rates, rising when interest rates fall and falling when interest rates rise which matched the trend from 2020 to 2022. From 2022 onwards, gold prices have continued to climb and remained elevated since.

The nominal price of gold was \$3,431/oz in 2025 and is forecasted to increase to \$5,566/oz by 2030. In real 2026 price terms¹, this represents an increase to \$5,150/oz. The forecasted increase in gold prices is mainly due to persistent macroeconomic and geopolitical events, including declining interest rate, continued central bank buying, persistent geopolitical uncertainties, the rising share of gold in global investment portfolio and inelastic gold supply.

- 1) **Declining interest rate:** Historically, lower or negative real interest rates reduce the opportunity cost of holding non-yielding assets like gold, making gold more attractive relative to bonds and cash. Looking forward, the anticipation of further Federal Reserve interest rate cuts is expected to drive real interest rates lower in the US, reducing yields of interest-bearing assets and making gold a more attractive asset.

¹ Real price is the nominal price adjusted for inflation. Here the real price is adjusted using 2026 as base year.

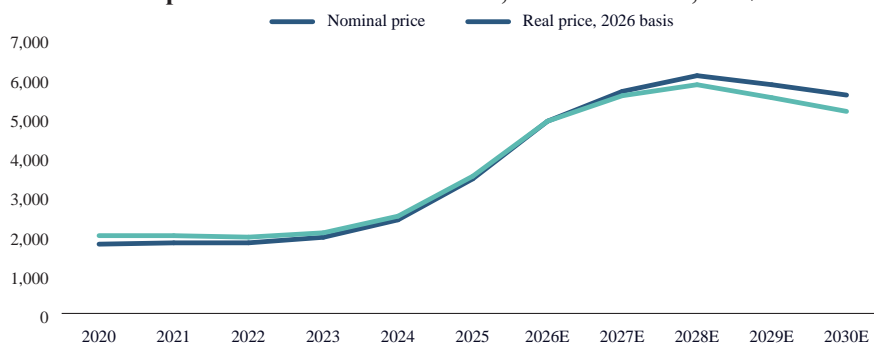
INDUSTRY OVERVIEW

- 2) **Inflation expectations:** Historically, gold has consistently been viewed as an inflation hedge during periods of unanchored inflation expectations. With recent expectations of sustained inflation in the near future, gold's appeal as an inflation hedge is likely to increase. If market price is persistently above-target inflation, investors are likely to sustain their demand for gold as a store of purchasing power, reinforcing the forecast of continued price appreciation.
- 3) **Rising Central Bank buying:** Central banks have been net buyers of gold since 2010, reducing the total net supply of gold available in the market. Looking forward, central banks continue to have strong gold demand particularly from emerging markets diversifying away from the US dollar as they view gold as a stable store of value and seek to reduce their exposure to US policies. This is likely to persist in the reduction of total net supply of gold in the market, leading to rising gold prices.
- 4) **Geopolitical uncertainty:** Geopolitical shocks have historically triggered safe-haven flows into gold, with prices responding most strongly during the buildup of uncertainty. Geopolitical volatility continues to become entrenched. The fragmentation of global power, ongoing conflict flashpoints, and an increasingly multipolar world order are reinforcing investor appetite for politically neutral safe-haven assets. With bonds offering limited protection and equities increasingly exposed to policy shocks, gold is increasingly seen not merely as an inflation hedge, but as protection against systemic instability due to its durability, neutrality and immunity to political risk.
- 5) **Investment flows:** Gold's small share of global portfolios means even marginal allocation increases generate demand shifts that exceed supply growth, historically amplifying price moves. Although gold currently plays a small proportion in global investment portfolios, gold continues to gain popularity as an investment portfolio diversifier. This means that even small percentage changes in portfolio allocation can lead to significant demand changes that are greater than supply changes, supporting continued price appreciation.
- 6) **Supply bottleneck:** Gold mine supply has been historically highly inelastic, with long lead times required to bring new mines into production. This is likely to be supplemented by ore grade declines which further constrain supply responses and limit the gold industry's ability to respond quickly to higher prices. This means that demand increases are more likely to translate to higher prices instead of rapid production growth.

It should be noted that past performance is not indicative of future results, as gold prices are volatile. This forecast does not constitute an investment advice.

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Gold price historical and forecast, 2020 – 2030E², US\$/oz



SOURCE: CRU

NOTE: Nominal price refers to the actual unadjusted price while the real price is the nominal price adjusted for inflation. Here the real price is adjusted using 2026 as base year.

CAGR table of gold price historical and forecast, 2020 – 2030E

	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
Nominal	1,766	1,799	1,800	1,941	2,386	3,431	4,900	5,659	6,061	5,830	5,566
Real, 2026	1,983	1,982	1,945	2,055	2,479	3,498	4,900	5,550	5,830	5,500	5,150
Nominal (y-o-y %) . .		1.8	0.1	7.8	23.0	43.8	42.8	15.5	7.1	-3.8	-4.5
Real, 2026 (y-o-y %) .		-0.1	-1.9	5.7	20.6	41.1	40.1	13.3	5.0	-5.7	-6.4

SOURCE: CRU

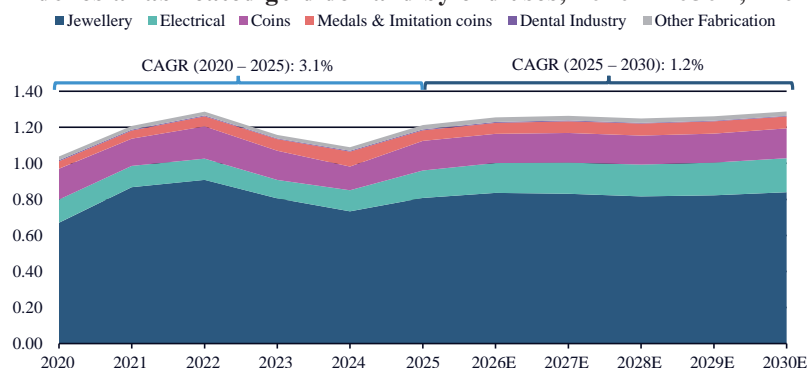
GOLD INDUSTRY IN INDONESIA

Indonesia demand and supply

Demand

CRU estimated that Indonesia fabrication demand was 1.2 Moz, or 1.8% of global fabrication demand in 2025. Jewellery was the largest consuming sector in Indonesia in 2025, accounting for 66.7% of total fabricated gold demand.

Indonesia fabricated gold demand by end uses, 2020 – 2030E, Moz



SOURCE: CRU

² Real price is the nominal price adjusted for inflation. Here the real price is adjusted using 2026 as base year.

INDUSTRY OVERVIEW

Between 2025 and 2030, Indonesia's fabricated gold demand is expected to grow at a CAGR of 1.2% to 1.3 Moz in 2030. Jewellery is expected to continue to be the main driver of this demand averaging 54% of total demand during this period. Demand from the electrical sector is likely to surpass demand for coins due to Indonesia's large and growing consumer electronics market with high demand for appliances and smartphones.

Supply

Indonesia is the third largest gold mine producing country in Asia, supplying an estimated 2.2 Moz in 2025 and accounting for 2.2% of global supply. Supply in Indonesia has historically been concentrated, with the top 3 suppliers contributing ~64% of Indonesia's 2.2 Moz mined gold supply in 2025. However, the top 3 companies' dominance of Indonesia mined gold supply will drop by 2030 given Pani will become the largest primary gold mine in Indonesia with Pani reaching a production scale at 505 koz in 2030. This increase of total global mined supply in Indonesia is also supplemented by the opening of a copper-gold mine, scheduled to become operational in 2028 and forecasted to add ~498 koz of gold production by 2030.

Key business drivers in Indonesia

Gold sales in Indonesia are driven by a combination of cultural, macroeconomic, and commercial forces. Firstly, gold is the most widely held investment after savings accounts among Indonesian households. This is because households associate gold with security, liquidity, and long-term value preservation, with emergency savings, retirement, and inheritance among the primary motivations for ownership. This has created a structurally resilient demand base in Indonesia.

Secondly, the formalisation of bullion banking has been the most significant structural catalyst. Pegadaian and Bank Syariah Indonesia (BSI), launched as Indonesia's first licensed bullion banks in February 2025 under OJK Regulation No. 17/2024, have rapidly grown the formal gold customer base by allowing customers to trade gold-backed financing easily. The bullion banks are expected to help build a gold-based industrial ecosystem and thereby reduce dependence on foreign gold markets and maximize the use of domestic gold. This is likely to incentivise domestic gold sales as there is an established market for businesses to sell their gold to.

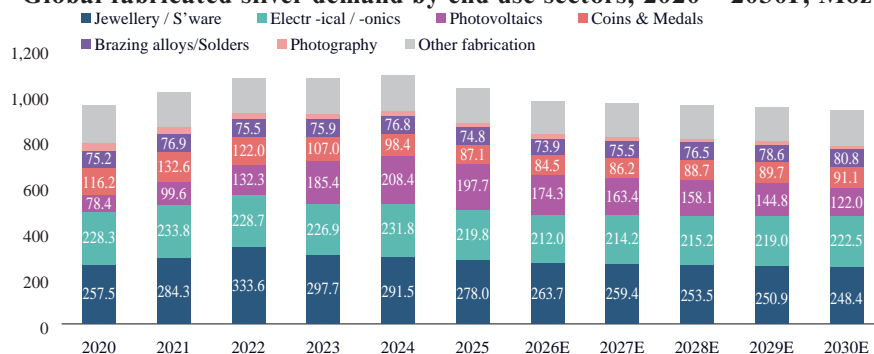
ANALYSIS OF THE GLOBAL SILVER INDUSTRY

Silver is a malleable and ductile precious metal that has been in use for thousands of years as currency and as jewellery. Today, silver serves the dual purpose of being an asset for investment as well as a necessary metal in several industries. Silver can be obtained not only from primary silver mines, but also as a by-product of copper, gold, lead, zinc and other polymetallic mining operations. The largest share of silver is supplied from copper mines, followed by lead/zinc mines.

Demand

Silver mainly has two types of demand in the forms of fabrication and investment, due to its dual qualities of usage in both consumer and industrial applications and as an investment asset. Total fabrication demand in 2025 equalled 1,028.4 Moz and is expected to fall steadily at a CAGR of 1.9% till 2030, reaching 932.1 Moz.

Global fabricated silver demand by end use sectors, 2020 – 2030F, Moz



SOURCE: CRU

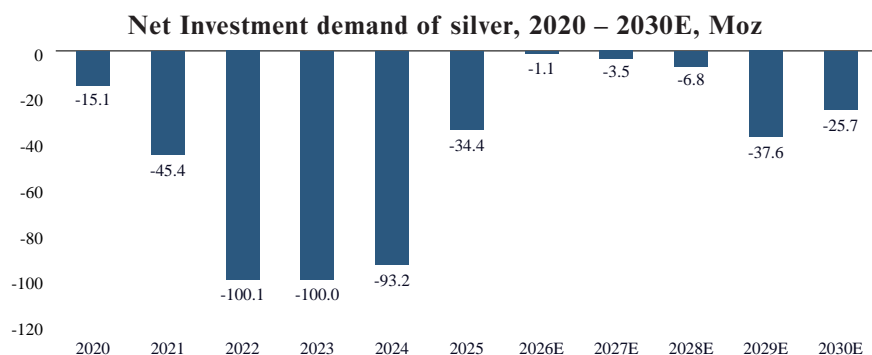
Jewellery and silverware formed the largest end use sector for silver, accounting for 27% of total fabrication demand in 2025. Demand for this sector equalled 257.5 Moz in 2020 amidst the Covid-19 pandemic and is expected to decline to 248.4 Moz by 2030.

INDUSTRY OVERVIEW

The electrical and electronics sector is the second largest consumer, comprising 21% of fabrication demand in 2025. CRU expects that the demand for silver in this sector will grow steadily due to increased use in semiconductors and chips, especially with the roll out of new age technologies such as the Internet of Things (IoT) and electric vehicles. Demand is forecast to grow modestly from 219.8 Moz in 2025 to 222.5 Moz in 2030. Other end-use sectors include use in photovoltaics, which accounted for 19% of total demand in 2025. CRU forecasts that the use of silver in photovoltaics will decline at a CAGR of 9.2% from 2025 to 2030.

The above ground stocks of silver are far greater than an individual year's supply and fabrication demand. As such, the fundamental market balance, that is the difference between the two, is regarded as the net investment demand of silver in a year. This net demand is assumed to be absorbed by the larger above ground market stocks.

The silver market has been in fundamental deficit since 2017, resulting in a net negative investment demand for the metal. The deficit was 34.4 Moz in 2025 and is forecast to decline to 25.7 Moz in 2030. This means that the net interest in silver investments is expected to increase in the upcoming years as the supply of silver shifts away from fabricated uses. It should be noted, however, that while jewellery, silverware and coins and medals are a part of fabrication demand, these are often purchased by individual investors as assets that store value over years and can be considered 'investments.'



SOURCE: CRU

Supply

The total supply of silver hit its peak of 994.0 Moz in 2025 and CRU forecasts that it will gradually decline to 906.4 Moz in 2030, decreasing at a CAGR of 1.8% from 2025 to 2030.



SOURCE: CRU

INDUSTRY OVERVIEW

There are two main sources of silver: mine production and recycled supply. The former forms the larger share of the two, accounting for 86% of total supply at 855.8 Moz in 2025. CRU forecasts mine supply to fall steadily to 761.4 Moz by 2030 with grade depletion, rising costs, and mine closures weighing heavily on production.

Recycled silver supply is influenced by mainly short-term factors, the most important of which is movement in silver prices. When the silver price rises, owners of old and unwanted jewellery have a higher incentive to sell. The same holds true for silver used for industrial purposes, such as electrical contacts in electronic equipment – a rise in the silver price will increase the incentive for the metal to be recovered. With rising prices in the medium term, recycled supply of silver is forecast to grow modestly, from 138.2 Moz in 2025 to 145.0 Moz in 2030.

Silver Prices

The global price benchmark for silver is set by the London Bullion Market Association (“LBMA”) and recorded daily. These prices are then used as benchmarks for the majority of silver trading activity globally. Silver prices are affected both by its industrial demand and as its perception as a safe-haven asset.

Silver price historical and forecast, 2020 – 2030E, US\$/oz

	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
Nominal	20.55	25.14	21.72	23.35	28.27	40.02	83.00	77.49	72.77	78.44	76.73
Real, 2026	23.29	27.96	23.69	24.96	29.49	40.80	83.00	76.00	70.00	74.00	71.00
Nominal (y-o-y %) . .		22.3	-13.6	7.5	21.1	41.6	107.4	-6.6	-6.1	7.8	-2.2
Real, 2026 (y-o-y %) .		20.0	-15.3	5.4	18.1	38.4	103.4	-8.4	-7.9	5.7	-4.1

SOURCE: CRU

NOTE: Nominal price refers to the actual unadjusted price while the real price is the nominal price adjusted for inflation. Here the real price is adjusted using 2026 as base year.

Silver prices have been on the rise in recent years, with nominal prices rising from \$20.55/oz in 2020 to \$28.27/oz to 2024 though there was a slight dip in 2022. The nominal silver price in 2025 was \$40.02/oz. CRU anticipates that silver prices are expected to stay elevated and volatile supported by strong investor appetite but tempered by mounting industrial headwinds. Like gold, silver is being revalued not just as an inflation hedge, but as protection against systemic fragility which includes deglobalization, sovereign debt stress, and eroding confidence in fiat currencies. With the Fed expected to cut rates through 2026, and potential political pressure mounting for even looser policy, the dollar faces renewed downside risk, reinforcing silver’s safe-haven appeal.

COMPETITIVE LANDSCAPE

The ranking and competitiveness analysis only covers producing primary gold mines³ as 1) Pani is a primary gold mine and started operations in Q1 2026; 2) Only producing assets are included as it generally takes a long time to have a mine from discovery to production. This benchmarking approach helps to map Pani’s position in a reasonable scale, which is widely accepted in the industry practice. 2026 and 2030 are selected as benchmark years for Pani to fully capture the evolving competitiveness position of Pani against domestic and overseas peers during its ramp-up.

Pani’s competitive advantage of mining from the mountain top allows it to access gold ore earlier with lesser pre-strip mining and a lower strip ratio compared to other gold mines, shortening the time required for Pani to reach steady-state production. This also reduces waste movement per ton of ore in the early stages and improve early cash flow. Additionally, a higher topographic position can also lead to shortened haul distances as waste dumps, crushers and stockpiles can be placed closer to the mine. Lastly, mining from the mountain top is likely to reduce groundwater inflows compared to low-lying pits.

³ Primary gold mines are defined as mines where >50% of their total revenue is generated by the sales of gold.

INDUSTRY OVERVIEW

Pani also has a competitive recovery rate (HL: 82% and CIL: 92%) comparing to the industry average recovery rate⁴. The recovery rates typically vary by ore type and plant design in the market. For heap leach (HL) processing, the average recovery rate is ~73%. For carbon-in-leach (CIL), the average recovery rate is ~90%. For Pani, a HL processing recovery rate of 82% and a CIL processing recovery rate of 92% is above the industry average.

RESOURCE & RESERVES

As of 2025, Pani is ranked as the largest primary gold mine on Mineral Resources and Reserves basis in Indonesia. Among Indonesian gold mines that adopt open-pit production, Pani is estimated to have the lowest average strip ratio (~0.7:1) across the production period in which CRU tracks on.

Gold resources & reserves, Pani vs. Indonesia primary gold producing mines, 2025

No	Mine	Mineral resources, Moz	Ore reserves, Moz	Mining type	Processing method	Strip ratio*
1	Pani	7.00	5.20	Open-pit	Phase I: HL; Phase II: CIL	~0.7:1**
2	Mine A ⁽¹⁾	7.00	0.86	Underground	CIL	N/A
3	Mine B ⁽²⁾	5.53	3.89	Open-pit	CIL	~4.5:1
4	Mine C ⁽³⁾	1.31	0.53	Open-pit	HL	~1.1:1
5	Mine D ⁽⁴⁾	0.92	0.43	Open-pit	HL	~1.0:1
6	Mine E ⁽⁵⁾	0.65	0.17	Underground	CIL	N/A

*SOURCE: CRU, PT Merdeka Gold Resources, companies' Annual Reports, JORC standard. *. Carbon-in-leach (CIL), Heap leach (HL)*

*Note: ** average strip ratio across the historic & forecast production years. N/A for underground production or non-disclosed information.

- (1) Mine A is owned by an Indonesian gold mining and processing operator. The company is not publicly traded on any stock exchange.
- (2) Mine B is owned by an Indonesian gold mining company that is listed on the Indonesia Stock Exchange (IDX).
- (3) Mine C is owned by an Indonesian mining company that is listed on the Indonesia Stock Exchange (IDX).
- (4) Mine D is owned by an Indonesian gold mining company that is listed on the Indonesia Stock Exchange (IDX).
- (5) Mine E is owned by an Indonesian gold mining company that is listed on the Indonesia Stock Exchange (IDX).

Life-of-Mine (LOM) is a critical factor indicating a mine's ability to generate revenue on a continuous basis. Among all Indonesian mines, Pani has the longest LOM (15 years) with potential for future mine life extensions. Pani also secured the longest license period, with the Contract of Work (CoW) expected to expire in early 2049.

Life-of-mine and Remaining license period of Indonesian primary gold producing mines in 2025

No	Mine	LOM* (yrs)	As of Jan 2026 Remaining license period (yrs)
1	Pani	15	23
2	Mine A	10	3
3	Mine B	9	15
4	Mine C	9	8
5	Mine D	4	4
6	Mine E	2	4

SOURCE: CRU, PT Merdeka Gold Resources, public company reports.

*Note: ** LOM estimates are based on current mine plans and reserve estimates, and are subject to change based on future exploration, economics and operational factors.

Regionally, Pani is ranked as the 5th/4th largest primary gold mine on Mineral Resources and Reserves basis in Asia.

⁴ Industry average recovery rate: This is based on the average of current operating mines

INDUSTRY OVERVIEW

Gold resources & reserves, Pani vs. Asian major primary gold producing mines, 2025

No	Mine	Country	Mineral resources, Moz	Ore reserves, Moz	Mining type	Processing method
1	Mine F ⁽¹⁾	Uzbekistan	96.90	47.00	Open-pit	HL
2	Mine G ⁽²⁾	Kazakhstan	12.41	9.97	Open-pit & underground	Flotation
3	Mine H ⁽³⁾	Kyrgyzstan	12.27	7.64	Open-pit & underground	CIL
4	Mine I ⁽⁴⁾	Saudi Arabia	7.36	4.50	Open-pit	CIL
5	Pani	Indonesia	7.00	5.20	Open-pit	Phase I: HL; Phase II: CIL
6	Mine B	Indonesia	5.53	3.89	Open-pit	CIL
7	Mine J ⁽⁵⁾	Armenia	5.03	2.35	Open-pit	HL
8	Mine K ⁽⁶⁾	Philippines	3.83	1.43	Open-pit	CIL

SOURCE: CRU, PT Merdeka Gold Resources, companies' Annual Reports, JORC standard. Carbon-in-leach (CIL), Heap leach (HL)

Note:

- (1) Mine F is operated by a state-owned mining company in Uzbekistan. The company is not publicly traded on any stock exchange.
- (2) Mine G is owned by a Kazakhstani mining company that is listed on the Astana International Exchange (AIX).
- (3) Mine H is owned by a state-owned mining company in Kyrgyzstan. The company is not publicly traded on any stock exchange.
- (4) Mine I is owned by a Saudi Arabian mining company that is listed on the Saudi Exchange (Tadawul).
- (5) Mine J is owned by an Armenian mining company. The company is not publicly traded on any stock exchange.
- (6) Mine K is owned by a Canadian mining company that is listed on the Toronto Stock Exchange (TSX), New York Stock Exchange (NYSE) and Namibian Stock Exchange (NSX).

On a regional basis, Pani has the 4th longest LOM (15 years) among Asia's major primary gold producing mines.

Life-of-mine of Pani vs Asian major primary gold producing mines

No	Mine	Country	As of January 2026 LOM* (yrs)
1	Mine F	Uzbekistan	30
2	Mine G	Kazakhstan	28
3	Mine H	Kyrgyzstan	17
4	Pani	Indonesia	15
5	Mine J	Armenia	12
6=	Mine D	Indonesia	9
6=	Mine B	Indonesia	9
8	Mine I	Saudi Arabia	8

SOURCE: CRU, PT Merdeka Gold Resources, public company reports.

Note: * LOM estimates are based on current mine plans and reserve estimates, and are subject to change based on future exploration, economics and operational factors.

On a global basis, Pani is ranked as the 12th/11th largest primary gold mine on Mineral Resources and Reserves basis compared to other major primary gold producing mines.

Gold resources & reserves, Pani vs. Global major primary gold producing mines, 2025

No	Mine	Country	Mineral resources, Moz	Ore reserves, Moz	Mining type	Processing method
1	Mine F	Uzbekistan	96.90	47.00	Open-pit	HL
2	Mine L ⁽¹⁾	Russia	55.00	30.70	Open-pit	BIONORD
3	Mine M ⁽²⁾	Australia	38.90	14.40	Open-pit & underground	CIL
4	Mine N ⁽³⁾	United States	34.30	15.00	Open-pit & underground	HL
5	Mine O ⁽⁴⁾	Russia	24.00	11.20	Open-pit	CIL
6	Mine P ⁽⁵⁾	Canada	22.50	19.10	Open-pit	CIP
7	Mine Q ⁽⁶⁾	Papua New Guinea	20.40	15.80	Open-pit	CIL
8	Mine R ⁽⁷⁾	United States	14.40	8.30	Open-pit & underground	HL & CIL
9	Mine S ⁽⁸⁾	Canada	13.09	7.50	Open-pit & underground	CIP
10	Mine T ⁽⁹⁾	United States	12.50	8.90	Open-pit & underground	HL & CIL
11	Mine U ⁽¹⁰⁾	D.R. Congo	8.23	4.60	Open-pit & underground	CIL
12	Pani	Indonesia	7.00	5.20	Open-pit	Phase I: HL; Phase II: CIL

SOURCE: CRU, PT Merdeka Gold Resources, companies' Annual Reports, JORC standard. Carbon-in-leach (CIL), Heap leach (HL), Carbon-in-pulp (CIP).

Note:

- (1) Mine L is owned by a Russian mining company that is listed on the Moscow Exchange (MOEX).
- (2) Mine M is owned by an Australian mining company that is listed on the Australian Securities Exchange (ASX).
- (3) Mine N is operated by a joint venture whose partners are publicly listed on the New York Stock Exchange (NYSE) and the Toronto Stock Exchange (TSX).

INDUSTRY OVERVIEW

- (4) Mine O is owned by a Russian mining company that is listed on the Moscow Exchange (MOEX).
- (5) Mine P is owned by a Canadian company that is listed on the Toronto Stock Exchange (TSX) and New York Stock Exchange (NYSE).
- (6) Mine Q is owned by an American company that is listed on the New York Stock Exchange (NYSE) and Australian Securities Exchange (ASX).
- (7) Mine R is operated by a joint venture whose partners are publicly listed on the New York Stock Exchange (NYSE) and the Toronto Stock Exchange (TSX).
- (8) Mine S is jointly owned and operated by 2 mining companies which are listed on New York Stock Exchange (NYSE) and the Toronto Stock Exchange (TSX).
- (9) Mine T is majority-owned and operated by a publicly listed company on the New York Stock Exchange (NYSE) and the Toronto Stock Exchange (TSX).
- (10) Mine U is operated by a joint venture whose partners are listed on the New York Stock Exchange (NYSE) and the Toronto Stock Exchange (TSX).

On a global basis, Pani has the 9th longest LOM (15 years) among the world's major primary gold producing mines.

Life-of-mine of Pani vs Global major primary gold producing mines

No	Mine	Country	As of January 2026 LOM* (yrs)
1	Mine F	Uzbekistan	30
2	Mine P	Canada	27
3	Mine V ⁽¹⁾	Ghana	24
4	Mine T	United States	21
5	Mine W ⁽²⁾	Papua New Guinea	18
6=	Mine R	United States	16
6=	Mine Q	Papua New Guinea	16
6=	Mine S	Canada	16
9	Pani	Indonesia	15

SOURCE: CRU, PT Merdeka Gold Resources, public company reports.

Note: * LOM estimates are based on current mine plans and reserve estimates, and are subject to change based on future exploration, economics and operational factors.

- (1) Mine V is owned by a gold company that is listed on the New York Stock Exchange (NYSE) and the Toronto Stock Exchange (TSX).
- (2) Mine W operated by a joint venture majority-owned by Canadian and Chinese enterprises, both are publicly listed.

PRODUCTION

Indonesia is the 3rd largest gold mine producing country in Asia, supplying an estimated 2.2 Moz (69.1 tonnes) in 2025 and accounting for 2.2% of global supply. Based on publicly available information, 7 large-scale gold mine operators accounted for over 80% of total mine production in 2025. CRU estimates Pani to be the 2nd largest primary gold mine in Indonesia with an initial production of 108 koz (3.4 tonnes) in 2026. As Pani ramps up with new CIL facility and reaches a production scale of 505 koz (15.7 tonnes) in 2030 and will reach the peak production of 545 koz (17.0 tonnes) in 2031, it is expected to be the largest primary gold producer in Indonesia.

Pani's production scale vs. Indonesian primary gold mines (operating) in 2026E, koz

No	Mine	2026E production	Market share*
1	Mine B	244	46.1%
2	Pani	108	20.4%
3	Mine C	87	16.4%
4	Mine D	58	11.0%
5	Mine E	32	6.0%

SOURCE: CRU, PT Merdeka Gold Resources.

Note: * Market share: mine production of Indonesian primary gold production.

Pani's production scale vs. Indonesian primary gold mines (operating) in 2030E, koz

No	Asset	2030E production	Market share*
1	Pani	505	62.5%
2	Mine B	265	33.0%
3	Mine D	38	4.7%

SOURCE: CRU, PT Merdeka Gold Resources.

Note: *Market share: mine production % of Indonesian primary gold production.

INDUSTRY OVERVIEW

In Asia, Pani is expected to be the 10th largest primary gold producer in 2026, accounting for ~1.2% of regional gold production. With Pani reaching production scale of ~505 koz (15.7 tonnes) in 2030, it is expected to be the 2nd largest primary gold producer, making up ~6.1% of the regional market share.

Pani's production scale vs. top 10 Asian primary gold mines (operating) in 2026E, koz

No	Mine	Country	2026E production	Market share*
1	Mine F	Uzbekistan	1,910	22.1%
2	Mine H	Kyrgyzstan	568	6.6%
3	Mine G	Kazakhstan	315	3.6%
4	Mine I	Saudi Arabia	248	2.9%
5	Mine B	Indonesia	244	2.8%
6	Mine K	Philippines	167	1.9%
7	Mine X ⁽¹⁾	Kazakhstan	163	1.9%
8	Mine Y ⁽²⁾	Japan	119	1.4%
9	Mine Z ⁽³⁾	Philippines	110	1.3%
10	Pani	Indonesia	108	1.2%

SOURCE: CRU, PT Merdeka Gold Resources.

Note: * Market share: mine production % of Asian primary gold production.

- (1) Mine X is located in the northern Kazakhstan. It is owned and operated by a major precious metals producer that is publicly listed on the Moscow Exchange (MOEX) and the Astana International Exchange (AIX).
- (2) Mine Y is owned and operated by a major Japanese metals firm that is publicly listed on the Tokyo Stock Exchange (TYO).
- (3) Mine Z is in the Philippines. It is owned and operated by a multinational miner listed on the Toronto Stock Exchange (TSX).

Pani's production scale vs. top 10 Asian primary gold mines (operating) in 2030E, koz

No	Mine	Country	2030E production	Market share*
1	Mine F	Uzbekistan	1,760	21.3%
2	Pani	Indonesia	505	6.1%
3	Mine G	Kazakhstan	315	3.8%
4	Mine B	Indonesia	265	3.2%
5	Mine I	Saudi Arabia	237	2.9%
6	Mine H	Kyrgyzstan	196	2.4%
7	Mine J	Armenia	182	2.2%
8	Mine X	Kazakhstan	160	1.9%
9	Mine K	Philippines	136	1.6%
10	Mine Y	Japan	124	1.5%

SOURCE: CRU, PT Merdeka Gold Resources. Public documents.

Note: * Market share: mine production % of Asian primary gold production.

ALL-IN SUSTAINING COSTS (AISC), 2026 BENCHMARK

CRU currently tracks the AISC of ~242 primary gold-producing assets, their cumulative production covering ~60% of global mined gold production (including gold from copper and polymetallic mines). The AISC is the cost of sustaining current mining operations, including all cash costs plus royalties, corporate general and administrative costs, reclamation costs, exploration costs, sustaining capital exploration/development and sustaining capital expenditure. It is observed that Indonesia has one of the highest mining royalties incurred on gold producers among major gold producing countries, which is largely determined by national government policy. Note that the curves presented in this section is AISC (excl. royalties) for the purpose of comparing cost excluding this factor.

INDUSTRY OVERVIEW

The table below presents general ranges of gold mining royalty rates applied in key gold-producing countries, including Asia, North America and Africa.

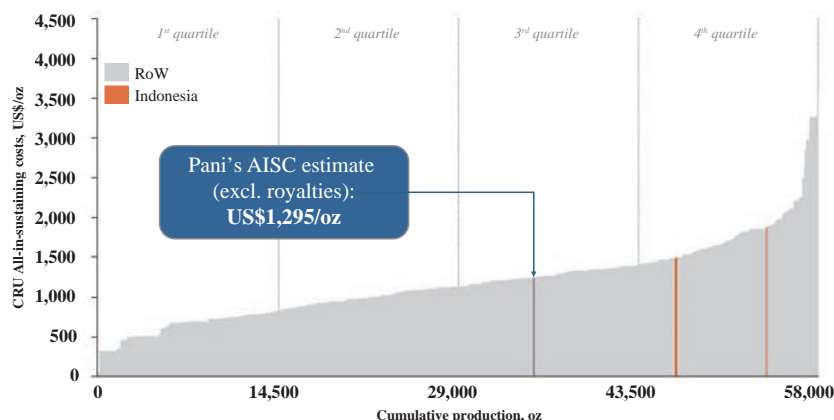
Gold mining royalty rates by main gold producers

Country	General range of royalty rates	Notes
Indonesia	7% – 16%	Progressive rates based on gold price movements
Uzbekistan	7%	Applies for gold only
Ghana	5%	Applies for all minerals
China	2% – 6%	Progressive rates based on gold price movements
Canada	1% – 6%	Rates vary by province
Australia	2.5% – 5%	Rates vary by state
United States	1.5% – 5%	Rates vary by state
South Africa	0.5% – 5%	Rates subject to producer's EBIT against gross revenue

SOURCE: CRU, public documents from national governments.

For 2026, the Company's Pani project is estimated with an average site AISC (excl. royalties) of US\$1,295 per ounce during the Phase 1 production. Pani is expected to fall within the 3rd quartile on the global AISC (excl. royalties) curve. It is worth noting that 2026 will be the first year of operation and the CIL operation (Carbon-in-Leach) is still not online, hence the estimated cost per oz will be higher than that of full-production.

AISC (excl. royalties) curve of primary gold mines, Global, 2026, USD/oz



DATA: CRU, PT Merdeka Gold Resources.

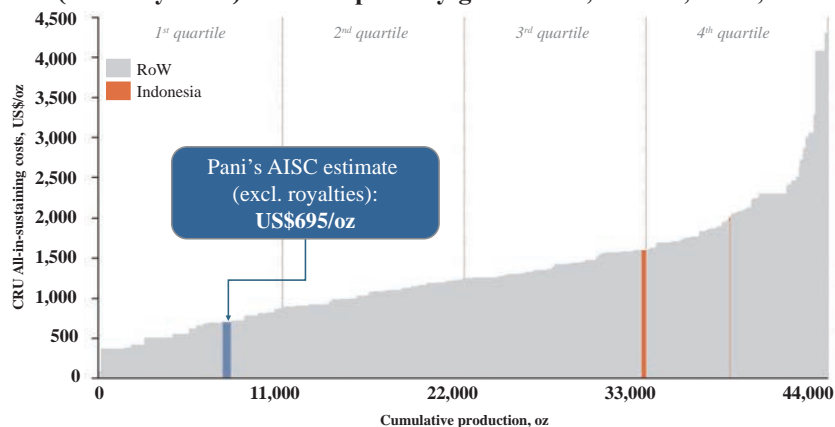
ALL-IN SUSTAINING COSTS (AISC), 2030 BENCHMARK

For 2030, the Company's Pani project is expected to ramp-up and reach production of 505 koz. Therefore, CRU also provides an estimation of its position in global cost curve since the cost after ramp-up stage is usually considered the representative as industry practice. Looking forward, over the life of mine of Pani, the AISC (excl. royalties) is estimated to be US\$794 per ounce.

Below cost curve presents Pani's AISC (excl. royalties) against global primary gold mines that are operational as of 2030. In this case, Pani will stand at the 1st quartile on the global AISC (excl. royalties) curve and is more economic than 85-90% of global primary gold production. It is worth noting that the 2030 cost curve projections are forward-looking, and this depends on the successful ramp-up of Pani to steady-state, without major operational disruptions.

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AISC (excl. royalties) curve of primary gold mines, Global, 2030, USD/oz



DATA: CRU, PT Merdeka Gold Resources.

MARKET DRIVERS

The following are the key market drivers of the global gold market:

- **Falling real yields combined with a weakening US dollar:** Continued rate cuts by the US Federal Reserve have strengthened expectations that real yields will remain low, reducing the opportunity cost of holding a non-yielding asset like gold. This tailwind has been reinforced by a decline in the U.S. dollar driven by the Fed's dovish pivot and widening fiscal concerns, increasing demand for gold as an alternative store of value.
- **Increasing gold reserves by central banks:** Gold is viewed as an important approach of reserve and settlements with gold reserves being used to hedge against the risks of international financial markets and geopolitical risks. There is an increasing trend of emerging markets and developing economies increasing their central bank gold reserves as they seek to diversify away from US dollar exposure.
- **Rising gold price:** Movements in the gold price affect both supply and demand. Higher prices expand miners' profit margins, encouraging increased production and the development of higher-cost projects. On the demand side, rising prices often draw speculative and retail investors who buy in anticipation of further gains. In the current environment, persistent global financial uncertainty has strengthened gold's safe-haven appeal, helping sustain the recent upward price trend.
- **Increasing demand for safe haven assets:** Global socio-economic fluctuations and uncertainties, coupled with geopolitical risks such as the Russia-Ukraine conflict and conflicts in the Middle East, have collectively fuelled market demand for safe-haven assets. This is likely to attract investors as gold is traditionally a choice for risk aversion while countries may also increase their gold reserves to protect their economies from exchange rate fluctuations, thereby driving the growth of the global gold market.

DEVELOPMENT TRENDS

The following are some trends of the global gold mining industry:

- **Green and low-carbon transformation:** Green mining in the gold industry is at the intersection of government policy and company execution. Governments around the world are tightening expectations through regulations in aspects that include emissions, water use, biodiversity impacts and others while simultaneously enacting of policies to encourage the development of environmentally friendly gold mining technologies. This forces gold mining companies to respond by designing projects and upgrading infrastructure to meet the requirements to abide with environmental-friendly mining and reduce approval delays.

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- **Technology and process innovation:** Utilising integrated digital technologies like analytics, automation and real-time operating workflows to optimise decisions across the full mine-to-mill chain and improve safety, productivity, recovery and cost predictability. This integrates data across geology, mining and processing into a system which constantly measures performance and adjusts operations. In practice, intelligent mining includes stronger orebody knowledge and grade control to reduce ore loss and dilution, smarter pit/underground execution via dispatch optimization, and process-plant improvements through advanced process control that lifts throughput and stabilizes recovery. It also covers predictive maintenance to cut unplanned downtime.
- **Grade decline and reserve replacement:** Gold mines are facing declining ore grades as the shallow gold resources have been mined first. Lower ore grades would mean fewer ounces per tonne, which typically increases the per ounce cost of gold and increases sensitivity to dilution. Concurrently, miners must also turn to deep mining to replace depleted reserves to maintain future production. Deep gold mines may range from several hundred meters to several thousand meters deep.
- **Longer permitting timelines:** Permits and approvals are taking a longer duration in many jurisdictions as governments impose more stringent environmental and social regulations regarding water usage, tailings management and land use. This could trigger delays and increase the time from discovery to production.
- **ESG focus and sustainable practices:** Environmental, social, and governance (ESG) factors are increasingly influencing the gold mining industry with many consumers and investors demanding higher ESG standards. This is likely to lead companies to adopt more sustainable practices and focus on decarbonising power at mines, water stewardship, responsible sourcing, community engagement and ethical business practices to improve their reputation and appeal to relevant stakeholders. These practices are likely to contribute to the long-term sustainability of the gold mining industry.
- **Industry concentration continues to improve with resource integration:** The gold mining industry has high capital intensity and technical threshold. Under the pressure of increasing production cost, major leading enterprises have accelerated resource integration through M&As, focusing on a high grade and low-cost gold assets, while small and medium-sized mines with low efficiency, high cost and substandard environmental protection are gradually eliminated due to insufficient competitiveness. This trend of industry integration is conducive to optimizing the allocation of industry resources, improving the overall operational efficiency of the industry, and also provides development opportunities for enterprises with strong capital strength and resource advantages to expand their market share through resource integration.

ENTRY BARRIERS FOR THE GOLD INDUSTRY

New players wishing to enter the gold mining industry in Indonesia and globally may face several barriers to entry such:

- **Lack of availability of profitable deposits:** There are already thousands of gold mines in operation globally and within Indonesia from small artisanal mines to large open-pit and underground mines. A successful gold mine depends, to a large extent, on the ability to find deposits that stand out from the great variety and quantity of existing deposits. Gold mine grades vary considerably on a national and regional basis and to successfully identify high-grade gold resources is not an easy task. This makes it difficult for newcomers to compete with existing miners who benefit from existing reserves and advanced extraction technologies.
- **High capital requirements:** Mine exploration, the development to production stage, and the use of mining equipment all require large sums of capital investment, ranging from several hundreds of millions to several thousand of millions in U.S. dollars. In Indonesia, capital requirements are also impacted by the need to secure Environmental Approval (*Persetujuan Lingkungan*) which can entail additional monitoring commitments. These financial hurdles reinforce the dominance of well-capitalized majors and limit market entry for smaller firms.

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- **High cost to scale operations:** A large-scale gold mine typically requires substantial investment in infrastructure, reliability systems and supply chain resilience, which is especially important when factoring in Indonesia's wet season. While operating a small-scale gold mine with high cost might have lower barriers to entry, operating a large-scale gold mine with competitive low cost is extremely difficult.
- **Paucity of technical knowledge:** Gold mining is highly technical especially where heap leach processing is used. In a heap leach operation, the main waste streams are typically leached ore on the pad and cyanide-bearing solutions, which are reagents used during processing. These waste streams require proper waste management practices but the implementation of adequate waste management practices can become increasingly difficult for new entrants who may lack the capital to fund the necessary equipment for mining waste and tailings disposal. Without access to these technologies, smaller players struggle to compete, reinforcing the dominance of tech-equipped industry leaders.
- **Lack of exploration capabilities:** Exploration is an essential activity for discovering new gold resources. These activities usually require a large amount of capital and experienced, capable teams to increase the probability of success. In Indonesia, successful exploration also requires getting the correct licensing for mining business activities. This adds significant difficulties for new joiners to enter the gold mining market in Indonesia.
- **Infrastructure and access to resources:** The gold mining industry often operates in remote and challenging locations, requiring substantial infrastructure development and logistical support. Constructing roads, power supply networks, and water management systems in remote areas can be logistically complex and financially demanding. This makes it difficult for newcomers to compete with established miners.
- **Permitting and ability to engage with local communities:** Strong and credible engagement with local communities in Indonesia is a strategic imperative that determines whether a project secures land access, obtains and keeps permits, controls operating costs, and can actually produce revenue over its planned life. Existing major gold mines enjoy the benefits of well-established engagement with local communities while newcomers may face challenges.
- **Responsible sourcing and supply chain transparency:** Gold mine companies increasingly face expectations regarding supply chain due diligence and transparency. It is important for new entrants to act in accordance with the OECD Due Diligence Guidance and ensure that their gold has been responsibly mined and responsibly sourced. The policy and regulation guidance favour established mining firms with the expertise and financial resources, while raising the risk and cost for newcomers, further consolidating the industry dominance among existing major players.

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The following sets out as a summary of the laws and regulations that affect our business and operation in Indonesia. Information contained below shall not be construed as a comprehensive summary of all the laws and regulations applicable to us.

LAWS AND REGULATIONS RELATED TO OUR INDONESIA OPERATIONS

Regulation of Gold Mining in Indonesia

Under the Indonesian Constitution, all natural resources in the Republic of Indonesia are controlled by the Indonesian Government and must be used for the maximum benefit of the Indonesian people. The old mining law, Law No. 11 of 1967 on Mining and its implementing regulations adopted this as a fundamental principle. ‘Control’ was interpreted as being equivalent to ownership and therefore no title to particular mineral deposits was granted by the state to private companies or individuals. The state, in general, only granted rights to exploit and sell the mineral deposits to encourage new investment in the Indonesian mining sector.

The Law No. 11 of 1967 on Mining was then replaced by Law No. 4 of 2009 on Mineral and Coal Mining (“**Mining Law**”), as amended by Law No. 3 of 2020, Law No. 6 of 2023 on the Stipulation of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation as Law (“**Job Creation Law**”), and Law No. 2 of 2025 (the “**Mining Law (as amended)**”), revoking the old mining regime. The Indonesian Government has issued several implementing regulations to implement the Mining Law (as amended), including Indonesian Government Regulation No. 96 of 2021 on Implementation of Mineral and Coal Mining Activities as amended by Indonesian Government Regulation No. 25 of 2024 and Indonesian Government Regulation No. 39 of 2025 (“**GR No. 96/2021 (as amended)**”), Indonesian Government Regulation No. 55 of 2010 on the Fostering and Supervision over the Implementation of Mineral and Coal Mining Business Management (“**GR No. 55/2010**”), and Indonesian Government Regulation No. 78 of 2010 on Reclamation and Post-mining (“**GR No. 78/2010**”).

One of the objectives of the Mining Law (as amended) is to provide equal treatment to foreign and domestic investors introduced under the Investment Law (as defined below) through, among other things, (i) the abolition of the contract of work system under the previous mining legal framework; (ii) the introduction of a license-based system equally applicable to both foreign and domestic investors; (iii) the permission of foreign investment subject to certain divestment requirements; (iv) the authorization of the Indonesian Government to designate mining areas (*Wilayah Pertambangan* or “**WP**”) within Indonesia; (v) the requirement of a tender process for the granting of new mineral mining licenses; (vi) the regulation of larger mining areas and reduction terms for production in particular types of mining activities; (vii) the requirement to comply with onshore processing and/or refining obligations; (viii) the regulation of mining services contractors; (ix) the centralization of authority over mining activities in the central Indonesian Government; and (x) continuation of mining operations granted by the Indonesian Government for the issuance of a Special Mining Business License (*Izin Usaha Pertambangan Khusus* or “**IUPK**”) to existing Contract of Work (*Kontrak Karya* or “**CoW**”) holders, which will allow such permit holders to continue mining activities for up to two times extension periods with 10 years additional time for each extension period.

Under GR No. 55/2010, the supervision of licensed mining activities is generally conducted by the MEMR and the governor of the province in which the mining area is located. GR No. 55/2010 also regulates the supervision of finances, mineral and coal processing data, conservation of minerals and coal, operational safety, environmental impacts, land reclamation, post-mining management, technical training of labourers, as well as a host of production data of the types, quality, and total amount of extracted minerals.

Mining licensing system

Old mining licensing system

The Mining Law (as amended) abolished the old mining licensing system, which previously provided for mining authorizations (*Kuasa Pertambangan* or “**KP**”), CoWs (for mineral commodity) and Coal Contract of Works (“**CCoWs**”) (for coal commodity).

The previous mineral mining licensing regime (i.e., by virtue of CoWs) is subject to less regulatory risk and risks pertaining to amendment and extension of the licenses as compared

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to the current mining licensing system. This is due to the nature that of CoWs, as they are considered as an agreement between the Indonesian Government and the relevant CoW holder, pursuant to which the Indonesian Government is considered as being in the same position as the contractor with the respect to their respective legal status as a party under the CoW. In the current regime, concessions are issued in the forms of licenses, which puts the Indonesian Government in the position as an “authority” and allows the Indonesian Government to amend the terms of the licenses granted to the contractors, as well as amend the regulations relating to the licenses that has been issued. Any amendments to the terms of CoWs that were issued under the previous mining licensing regime, in order to amend the CoW to be in accordance with the current mining and tax regime, would be subject to negotiations and agreement between the Indonesian Government and the contractor.

Under the Mining Law (as amended), all existing KPs, CoWs and CCoWs will remain valid for the remainder of their respective terms and, upon their expiration, may be converted into licenses under the new mining licensing system. Pursuant to GR No. 96/2021 (as amended), in order to extend an expiring CoW, the CoW must be converted into an IUPK for the Continuation of Contract/Agreement Operation (*IUPK sebagai Kelanjutan Operasi Kontrak/Perjanjian* or “**IUPK Continuation**”) within five years at the earliest; and one year at the latest, before the end of the CoW validity period.

Below is the principal differences between IUP-OP and CoWs.

Aspect	CoW	IUP-OP
Legal Relationship . . .	A contractual arrangement between the Government and a business entity, under which the entity is granted exclusive rights to conduct mining activities within a designated area.	A regulatory permit specifically granted under Indonesia’s prevailing mining laws and regulations which authorizes the holder to carry out mining activities.
Status.	Under the current Indonesian mining law regime, CoWs are no longer issued as a basis for granting new mining rights. However, existing CoWs remain valid, recognized, and honored until the expiration of their respective terms. Upon expiry, any continuation of mining operations must be carried out through conversion into an IUP-OP (or IUPK, as applicable).	Any party conducting mining business activities — including construction, mining, processing and/or refining, development and/or utilization, transportation, sales, and environmental impact control — must hold a valid IUP-OP.
Amendment of Terms	Amendments require mutual consent of both parties through contractual amendment.	Permit terms may be modified by regulatory changes or administrative decisions.
Forum Dispute	As stipulated in the relevant CoW, disputes are typically resolved through arbitration.	Disputes relating to the issuance, amendment, or revocation of the IUP-OP fall under the jurisdiction of the State Administrative Court (<i>Pengadilan Tata Usaha Negara</i>).
Termination	Termination is carried out based on contractual mechanisms as specified in the relevant CoW, including termination due to contractual default, insolvency, prolonged force majeure, or by mutual agreement of the parties.	An IUP-OP may be unilaterally revoked by the Government in accordance with applicable laws and regulations, including in the event of any non-compliance by the permit holder.

In addition, Law No. 3 of 2020 on Amendment of Law No. 4 of 2009 on Mineral and Coal (“**Mining Law 2020**”) introduced certain incentives to mining license holders, including (i) Mining Business Licenses (*Izin Usaha Pertambangan* or “**IUP**”) and/or IUPK holders for metal mineral commodities that integrate their mining activities with processing and/or refinery facilities, and (ii) IUP, IUPK, and/or IUPK Continuation holders for coal

commodities that integrate their mining activities with development and/or utilization activities for the purposes of increasing the coal quality. Such incentives are in the form of a guarantee that such IUP, IUPK, and/or IUPK holders will obtain the maximum validity period and available extensions for their licenses (i.e., 10 years period for each extension). In order to be eligible for such incentive, the integration with refinery/processing facilities must satisfy the criteria that (i) the refinery/processing activities are conducted independently by the IUP and/or IUPK holder or (ii) the refinery/processing activities are conducted by other company owned by the IUP and/or IUPK holder directly or indirectly of at least 30% and cannot be diluted.

Current mining licensing system

Under the Mining Law, the legality to conduct mining business activity is based on licensing system. However, the amendment to the Mining Law in 2020 introduced a new licensing regime for the mining business which shall be based on the business licenses determined by the central Government — which under the current business licensing regime, the business licenses shall be integrated and based on risk level of the business activities thereby named ‘Risk-Based Business License’. The risk level is segregated into four categories, namely (i) low risk, (ii) medium-low risk, (iii) medium-high risk and (iv) high risk. Mineral and coal mining activities are categorized as high-risk business activities. Further elaboration in connection with the requirements to obtain Risk-Based Business License in mining sector is as follows:

1. Business Identification Number (*Nomor Induk Berusaha* or “**NIB**”) is the proof of registration of business actors to carry out business activities and as an identity for business actors in carrying out their business activities. Low risk business only requires NIB to operate.
2. Standard Certificate is a statement and/or evidence of fulfilment of standards for the implementation of business activities. A self-declared standard certificate is required for medium-low risk business, while a verified standard certificate is required for medium-high risk business.
3. License/Permit is an approval of the Central Government or Regional Government for the implementation of business activities that must be fulfilled by business actors before carrying out their business activities. License/Permit is required for high-risk business activities.

The types of licenses required under the Mining Law (as amended) for mining activities are as follows:

a. IUP

An IUP grants the holder the right to mine one type of resource, including coal, rock, metal minerals or non-metal minerals, within a designated Mining Business License Area (*Wilayah Izin Usaha Pertambangan* or “**WIUP**”). A WIUP must be located within a Mining Business Area (*Wilayah Usaha Pertambangan* or “**WUP**”), which are areas stipulated by the Government, after being determined by the relevant provincial government and consulted with the House of Representatives of the Republic of Indonesia (*Dewan Perwakilan Rakyat* or “**DPR**”). An IUP may only be granted for the mining of one type of resource and, if there are other mining commodities found in the relevant WIUP, then the IUP holder has the right of first refusal to commercialize such other mining commodities. An IUP may only be granted to a “business entity (*Badan Usaha*)” (i.e., Indonesian legal entity engaging in mining activities, which include BUMD (as defined below), BUMN (as defined below) and private business entity), “individual companies (*perusahaan perorangan*)” (i.e., Indonesian individuals (*orang perseorangan*), Indonesian general partnership (*firma*) and Indonesian limited partnership (*perusahaan komanditer*)) or cooperative (*koperasi*) by way of submitting an application to the MEMR or by attending an auction process for an WIUP (except for non-metal mineral and rock mining). In the event that the IUP holder elects to commercialize the other mining commodities found in the relevant WIUP, then the IUP holder will need to apply for a new IUP through another newly established Indonesian business entity. An IUP comprises two stages, as follows:

i. Exploration IUP

An Exploration IUP (*IUP Eksplorasi*) covers general investigation, exploration, and feasibility study stages. IUP holder that have completed the exploration

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activities are guaranteed the ability to conduct production operation as the continuation of their mining business activities. Pursuant to Minister of Energy and Mineral Resources (“MEMR”) No. 7 of 2020 on Procedures for Granting Areas, Licensing and Reporting of Mineral and Coal Mining Business Activities as amended by MEMR Regulation Resources No. 16 of 2021 (“**MEMR Regulation 7/2020**”), when applying for IUP Exploration, business actors are also required to place a time deposit in a state bank as a guarantee for the exploration activity (*jaminan kesungguhan eksplorasi*).

ii. IUP-OP

An IUP-OP covers the stages of construction, mining, processing and/or refinery or development and/or utilization, as well as transportation and sales. Prior to obtaining an IUP-OP, business actors must fulfil administrative, technical, environmental and financial requirements. After obtaining an IUP-OP, for the purpose of mineral and coal conservation, holder of IUP-OP must carry out advanced exploration activities annually and prepare the budget accordingly.

b. IUPK

An IUPK is granted for coal and metal mineral mining within a special mining area (*Wilayah Izin Usaha Pertambangan Khusus* or “**WIUPK**”), which must be located within a special mining operation area (*Wilayah Usaha Pertambangan Khusus* or “**WUPK**”). A WUPK is an area that has been converted into a mining area from a state reserved area (*Wilayah Pencadangan Negara* or “**WPN**”) after being approved by the DPR for mining operations. Similar to an IUP, an IUPK may only be granted for the mining of one type of resource, unless there are other mining commodities found in the relevant WIUPK and the IUPK holder elects to commercialize the other mining commodities found in the relevant WIUPK. In this case, the IUPK holder will need to apply for a new IUPK through another newly established Indonesian business entity. However, the application through a newly established Indonesian business entity would not be required if the IUPK holder is an Indonesian publicly listed company. Furthermore, IUPK also comprises two stages, namely Exploration IUPK (*IUPK Eksplorasi*) which covers the general investigation, exploration, and feasibility study stages and IUPK-OP (*IUPK Operasi Produksi*) which covers the stages of construction, mining, processing and/or refinery or development and/or utilization, as well as transportation and sales.

An IUPK may only be granted to “business entity”, namely an Indonesian legal entity engaging in mining activities established as (i) a state-owned enterprise (*Badan Usaha Milik Negara* or “**BUMN**”), (ii) a regional government-owned enterprise (*Badan Usaha Milik Daerah* or “**BUMD**”) or (iii) a private business entity (*badan usaha swasta*). BUMNs and BUMDs take priority over private business entities in obtaining an IUPK. If a BUMN and/or BUMD do not exercise its privilege to obtain an IUPK, a private business entity may obtain an IUPK by participating in an auction and, upon winning the auction, submitting an application to MEMR to obtain the IUPK.

c. IUPK Continuation

IUPK Continuation is granted to the holder of an existing CoW (for mineral mining) or a CCoW (for coal mining) following the expiry of their CoW or CCoW as an extension of mining rights under such CoW or CCoW. Existing CoWs or CCoWs will remain valid for the remainder of their respective terms but are subject to amendments of certain terms (not including taxes and levies) and may be converted to an IUPK Continuation upon expiration. In order to extend and convert an expiring CoW and/or CCoW into an IUPK Continuation, the holder of the CoW and/or CCoW shall submit an application to the MEMR within five years at the earliest, and at least one year at the latest, prior to the expiry of such CoW and/or CCoW.

d. IPR

People’s Mining License (*Izin Pertambangan Rakyat* or “**IPR**”) is granted to either individual local residents (*orang perseroangan yang merupakan penduduk setempat*) or cooperatives for mining of coal, rock, metal minerals and non-metal minerals within a limited mining operational area that is located in a People’s Mining Area (*Wilayah Pertambangan Rakyat* or “**WPR**”). A WPR is an area designated by the Indonesian Government after determined by the regional government, in consultation with the DPR.

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e. SIPB

Rock Mining License (*Surat Izin Penambangan Batuan* or “**SIPB**”) is granted to BUMD or village-owned enterprises (*badan usaha milik desa*), domestic investment private business entities (*badan usaha swasta dalam rangka penanaman modal dalam negeri*), cooperatives and individual companies for the mining of certain types of rocks or for certain needs of rocks within an WIUP.

f. Assignment License

Assignment License (*Izin Penugasan*) is a license to conduct radioactive mineral-related businesses.

g. Transportation and Sales License

Transportation and Sales License (*Izin Pengangkutan dan Penjualan*), granted either for “business entities”, cooperatives, or individual companies to buy, transport and sell mineral and coal mining commodities. Prior to the enactment of the Mining Law 2020, this license was known as an IUP-OP Special for Transportation and Sales (*IUP Khusus untuk Pengangkutan dan Penjualan*).

h. IUPJ

Mining Service Business License (*Izin Usaha Jasa Pertambangan* or “**IUPJ**”) is granted to “business entities”, cooperatives or individual companies which grants the holder the right to engage in (i) consultation, planning and implementation of general investigation, exploration, feasibility studies, mining construction, transportation, mining environment, reclamation and post mining, and/or mining safety, and (ii) consultation and planning in mining or processing and refining activities.

i. IUP for Sales

IUP for Sales (*IUP untuk Penjualan*) is granted to business entities (*badan usaha*) that do not engage in mining activities but intends to sell mineral and/or coal that has been extracted by other mining companies. IUP for Sales may be granted by the MEMR for a single sale transaction only.

Previously, under the Mining Law, an IUP-OP Specifically for Processing and/or Refinery (*IUP OP Khusus untuk Pengolahan dan/atau Pemurnian*) was granted for processing and/or refinery activities. However, pursuant to Mining Law 2020, to the extent that the processing and/or refinery activities under such licenses have not been integrated within the mining area, the licenses must be converted into an Industrial Business License (*Izin Usaha Industri* or “**IUI**”) within one year after the enactment of Mining Law 2020. IUI fall under the Ministry of Industry’s authority and are not considered mining-related business licenses. See “*Regulatory Overview — Regulation of the Indonesian Industrial Sector*”.

The table below provides details of the mining licenses available under the Mining Law (as amended).

No.	Type and description	Permitted minerals	Validity period	Permitted area (hectares)
1.	Exploration IUP	Metal minerals	Maximum 8 years	Maximum 100,000
		Non-metal minerals	Maximum 3 years	Maximum 25,000
		Certain types of non-metal minerals	Maximum 7 years	Maximum 25,000
		Rock	Maximum 3 years	Maximum 5,000
		Coal	Maximum 7 years	Maximum 50,000

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No.	Type and description	Permitted minerals	Validity period	Permitted area (hectares)
2.	IUP-OP	Metal Minerals	(i) Maximum 20 years, and can be extended twice, each for a period of 10 years; or (ii) Maximum 30 years, which can be extended twice, each for a period of 10 years, if the mining activities are integrated with processing and/or refining facilities.	Maximum 25,000
		Non-metal minerals	Maximum 10 years, and can be extended twice, each for a period of 5 years.	Maximum 5,000
		Certain types of non-metal minerals	Maximum 20 years, and can be extended twice, each for a period of 10 years.	Maximum 5,000
		Rock	Maximum 5 years, and can be extended twice, each for a period of 5 years.	Maximum 1,000
		Coal	(i) Maximum 20 years, which can be extended twice, each for a period of 10 years; or (ii) Maximum 30 years, which can be extended twice, each for a period of 10 years, if the mining activities are integrated with processing and/or refining facilities.	Maximum 15,000
3.	Exploration IUPK	Minerals Coal	Maximum 8 years Maximum 7 years	Maximum 100,000 Maximum 50,000
4.	IUPK-OP	Minerals	(i) Maximum 20 years, and can be extended twice, each for a period of 10 years; or (ii) Maximum 30 years, which can be extended twice, each for a period of 10 years, if the mining activities are integrated with processing and/or refining facilities.	Determined based on the MEMR's evaluation on the development of all areas proposed by the license holder
		Coal	(i) Maximum 20 years, and can be extended twice, each for a period of 10 years; or (ii) Maximum 30 years, which can be extended twice, each for a period of 10 years, if the mining activities are integrated with development and/or utilization activities.	Determined based on the MEMR's evaluation on the development of all areas proposed by the license holder
5.	IUPK Continuation	Any commodity within the existing CoW and/or CCoW mining area.	(i) Maximum period of 10 years following the expiry of the CoW and/or CCoW, with a second extension for a maximum period of 10 years thereafter; or (ii) Maximum period of 10 years for the holders of an IUPK Continuation for Coal Mining that has integrated development and/or utilization activities into its mining activities.	Determined based on the areas approved by the MEMR under the development plan for the production operation stage
6.	IPR	Metal minerals, non-metal minerals and rock	Maximum 10 years, and can be extended twice, each for a period of 5 years.	Maximum 5 hectares for individuals and 10 hectares for cooperatives.
7.	SIPB	Certain types of rock	Maximum 3 years, and can be extended twice, each for a period of 3 years	Maximum 50 hectares
8.	Assignment License	–	Indefinite term	–
9.	Transportation and Sales License	Minerals or coal	5 years, which can be extended up to a period of 5 years for each extension.	–

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No.	Type and description	Permitted minerals	Validity period	Permitted area (hectares)
10.	IUJP	–	5 years, which can be extended up to a period of 5 years for each extension.	–
11.	IUP for Sales	–	Granted for a single sale transaction only.	–

Pursuant to Article 54 GR No. 96/2021, an IUP-OP may be extended up to two (2) times, each for a maximum period of ten (10) years, subject to the fulfilment of the applicable requirements. In this regard, Article 59 paragraph (4) of GR 96/2021 sets out the following minimum documentation required for an application for extension:

- a. map and the coordinate boundaries of the relevant area;
- b. proof of payment of fixed fees and production fees or regional taxes for the past three (3) years;
- c. a tax clearance letter in accordance with the prevailing tax laws and regulations;
- d. a work plan for the extension period;
- e. a final report on production operation activities;
- f. a report on the implementation of environmental management and reclamation; and
- g. a balance sheet of resources and reserves.

The MEMR will then grant approval for such extension based on the evaluation of the application (including the documents set out above) and the performance of the Production Operation. Additionally, as published on the official website of the Directorate General of Mineral and Coal of the MEMR (<https://www.minerba.esdm.go.id/perizinan/persyaratan>), the MEMR has also provided a checklist of additional supporting documents to be submitted in connection with an application for the extension of an IUP-OP:

- a. copy of Business Identification Number (*Nomor Induk Berusaha*) (to be submitted together with the beneficial ownership document);
- b. copy of the IUP-OP decree (license);
- c. composition of management, list of shareholders, and list of beneficial owners of the business entity; and
- d. evaluation of environmental aspects in relation to the IUP extension application, including:
 - (i) final report on the implementation of environmental management, including reclamation;
 - (ii) a copy of proof of placement of reclamation guarantee;
 - (iii) copy of proof of placement of post-mining guarantee;
 - (iv) a duly stamped statement letter confirming compliance with prevailing environmental protection and management laws and regulations;
 - (v) environmental documents and their approvals issued by the competent authority in accordance with applicable laws and regulations; and
 - (vi) environmental permit for mining activities issued by the competent authority in accordance with applicable laws and regulation.

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The checklist further notes that in addition to fulfilling the above requirements, the application may be approved provided that, during the term of the IUP, the applicant demonstrates good mining operational performance, based on the Government's evaluation.

Transferability of License

The Mining Law (as amended), as further regulated under GR No. 96/2021 (as amended), regulates that the transfer by a company holding IUPs and IUPKs (including valid CoW that has not been converted to IUP) of an IUP or IUPK to a third party, must obtain written approval from the MEMR and may only be done after the completion of exploration phase, which is evidenced by availability of resources and/or reserve data, and the fulfilment of all administrative, technical, environmental, and financial requirements.

Transferability of Shares Ownership

The Mining Law (as amended) and GR No. 96/2021 (as amended) stipulate that any transfers of shares ownership and/or changes in shareholding composition of a company holding IUPs and IUPKs must obtain written approval from the MEMR.

The Mining Law and GR No. 96/2021 adopt a predominantly license-focused approach. The regulatory emphasis is on the identity of the direct legal shareholders of a company holding IUPs and IUPKs, rather than on the ultimate ownership or control of such company. While the concept of ultimate beneficial ownership (UBO) is generally recognized under Indonesian law, particularly for transparency and disclosure purposes, neither the Mining Law nor GR No. 96/2021 extends the approval requirement to any transfers of shares and/or changes in shareholding composition at the level of shareholders of a company holding IUPs and IUPKs. Therefore, any transfers of shares and/or changes in shareholding composition at the level of shareholders of a company holding IUPs and IUPKs does not require MEMR approval.

The approval for transfer of shares and/or changes in shareholding composition at the level of a company holding IUPs and IUPKs may be granted if the following requirements are fulfilled namely (i) have completed the exploration stage activities which are evidenced by the availability of resources and reserves data; and (ii) have fulfilled the administrative, technical, environmental, and financial requirements.

The above takes into account Article 93A of Mining Law *juncto* Article 13 of GR No. 96/2021 which clearly stipulates that a company holding an IUP is prohibited from transferring its share ownership without the approval of the MEMR. In its elucidation, the term “*transfer of share ownership*” is explained as changes in shareholders and/or the composition of shareholding conducted outside the stock exchange. There is no provision in the Mining Law or GR No. 96/2021 that extends this obligation to indirect or upstream shareholders of an IUP-holding entity. Accordingly, the change of shareholder prohibition applies at the level of direct shareholding of the IUP-holding entity. Based on publicly available information, there is currently (i) no Constitutional Court or Supreme Court decision mandating a different interpretation of this provision and (ii) no case where the MEMR has applied such approval requirements to indirect or upstream shareholders of an IUP-holding entity pursuant to Article 93A of the Mining Law *juncto* Article 13 of GR No. 96/2021.

Further, from a technical perspective, the Indonesian Government and the public have access to information relating to (i) the shareholding structure of Indonesian companies holding IUP or IUPK through the MEMR website (<https://minerbaone.esdm.go.id/publik/badan-usaha>) and (ii) ultimate beneficial owners of all companies incorporated in Indonesia through the MOL website (<https://ahu.go.id/pencarian/profil-pemilik-manfaat>).

Having considered the above regulations, the requirement for MEMR approval only at the level of direct shareholders of an IUP holding company, reflects the position that MEMR exercises administrative jurisdiction primarily over the licensed entity to which the IUP is granted. Accordingly, as advised by our legal adviser as to Indonesian laws, the transfer of share ownership in the Company from the Selling Shareholders, for conversion into HDRs in connection with the Listing to be held by the investors, does not require any approval from the MEMR. As elaborated, the Mining Law (as amended) and GR No. 96/2021 (as amended) apply solely to companies that directly hold IUPs and IUPKs (including valid CoW that has not been converted to IUP). The Company itself does not directly hold any IUP as the

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relevant IUP and CoW are held by the Company's subsidiaries, namely PETS and GSM. As IUP ownership is assessed on a non-consolidated basis, the transfer of share ownership by the Selling Shareholders does not fall within the scope of transactions requiring MEMR approval.

Foreign Divestment Requirements

Under the Mining Law (as amended), IUP-OP/IUPK-OP holders in the context of foreign investment must divest at least 51% (fifty-one percent) of their shares in stages to the Central Government, Regional Government, BUMN, BUMD, and/or domestic private entities. Further, GR No. 96/2021 (as amended) sets out a foreign divestment scheme for foreign-owned entities holding an IUP/IUPK. Under the divestment obligation, foreign shareholders must divest their interest in the entity until the ownership of Indonesian shareholders is not less than the following percentages in the respective years below on the production operation stage (which shall be counted as of the date of commencement of the operation):

- a. IUP and IUPK holders who carry out mining activities by using open mining method and not integrated with processing and/or refining facilities or mining and/or utilization activities:
 1. tenth year amounting to 5% (five percent);
 2. eleventh year amounting to 10% (ten percent);
 3. twelfth year amounting to 15% (fifteen percent);
 4. thirteenth year amounting to 20% (twenty percent);
 5. fourteenth year amounting to 30% (thirty percent);
 6. fifteenth year amounting to 51% (fifty-one percent).
- b. IUP and IUPK holders who carry out mining activities by using open mining method and integrated with processing and/or refining facilities or mining and/or utilization activities:
 1. fifteenth year amounting to 5% (five percent);
 2. sixteenth year amounting to 10% (ten percent);
 3. seventeenth year amounting to 15% (fifteen percent);
 4. eighteenth year amounting to 20% (twenty percent);
 5. nineteenth year amounting to 30% (thirty percent);
 6. twentieth year amounting to 51% (fifty-one percent).
- c. IUP and IUPK holders who carry out mining activities by using underground mining method and not integrated with processing and/or refining facilities or mining and/or utilization activities:
 1. fifteenth year amounting to 5% (five percent);
 2. sixteenth year amounting to 10% (ten percent);
 3. seventeenth year amounting to 15% (fifteen percent);
 4. eighteenth year amounting to 20% (twenty percent);
 5. nineteenth year amounting to 30% (thirty percent);
 6. twentieth year amounting to 51% (fifty-one percent).

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- d. IUP and IUPK holders who carry out mining activities by using underground mining method and integrated with processing and/or refining facilities or mining and/or utilization activities:
1. twentieth year amounting to 5% (five percent);
 2. twenty first year amounting to 10% (ten percent);
 3. twenty second year amounting to 15% (fifteen percent);
 4. twenty third year amounting to 20% (twenty percent);
 5. twenty fourth year amounting to 30% (thirty percent);
 6. twenty fifth year amounting to 51% (fifty-one percent).

As for the divestment procedures, the GR No. 96/2021 (as amended) sets the same provision with the previous regime, where the foreign-owned shares must be offered in stages to the Central Government, Regional Government, BUMN, BUMD, and/or domestic private entities. However, pending the issuance of the implementing MEMR regulation (as provided in GR No. 96/2021 (as amended)), there is no further detail on the procedures for the divestment obligations under GR No. 96/2021 (as amended) and on whether the new relaxed gradual divestment timeline will be applicable to IUP-OP holders who have been requested to carry out divestment obligation (including if its divestment obligation has not been completed) pursuant to the previous regime. Under MEMR Regulation No. 9 of 2017 on the Procedure of Share Divestment and Mechanism of Divestment Share's Price Determination in Coal and Mineral Mining Business Activities, as amended by MEMR Regulation No. 43 of 2018, IUP-OP/IUPK-OP holder must conduct a share divestment offer to an Indonesian entity no later than 90 calendar days after 5 years of operation. The foreign-owned shares must initially be offered to the Central Government through the MEMR, who will have 90 calendar days to evaluate and negotiate such offer. If the Central Government does not purchase the shares, then the shares shall be offered to provincial and regent/municipal governments. The provincial or regent/municipal government will have 30 calendar days as of the offering date to respond whether or not to accept such offer. If these provincial or regent/municipal governments also do not purchase these shares, these shares are then tendered to both BUMN and BUMD. If there is no BUMN and BUMD willing to purchase the shares, the shares can be tendered to private local companies. If a local private company does not purchase these shares, the shares may then be offered to the public. Divestment may be executed through issuance of new shares and/or transfer of existing shares, whether directly or indirectly. The Government may form a consortium among provincial, municipal, state and/or regional-owned enterprises for the purpose of participating in the purchase of the shares. In addition to the foregoing, GR No. 96/2021 (as amended) stipulates that foreign-owned IUP/IUPK holders increasing issued and paid-up capital after share divestment begins must ensure divested shares are not diluted below the minimum required.

The holding of shares in the Company as underlying shares for the issuance of HDRs by the Depositary Bank, which is a foreign entity, in connection with the Listing will not trigger the divestment obligation stipulated under GR No. 96/2021 (as amended). As elaborated, GR No. 96/2021 (as amended) applies only to companies that directly hold IUPs and IUPKs (including valid CoW that has not been converted to IUP). The Company itself does not directly hold any IUP; the relevant IUP and CoW are held by the Company's subsidiaries, PETS and GSM. Further, the Company is, in any event, a publicly listed company in Indonesia and classified as a domestic investment company under Indonesian law as referred to under the BKPM Regulation No. 5/2025. As at the Latest Practicable Date, the Company is classified as a domestic investment company. Furthermore, PETS and GSM have also been classified as domestic investment companies as at the Latest Practicable Date. On this basis, as advised by our legal adviser as to Indonesian laws, the divestment obligation as stipulated under GR No. 96/2021 (as amended) in respect of the Company's ownership in PETS and GSM does not apply. Further, Depositary Bank's participation through the HDR structure will not trigger any divestment requirement, as the shareholding interest acquired by the Depositary Bank will result only in a minority shareholding interest in the Company and will not affect the Company's investment classification or alter its existing control structure.

Reclamation and post-mining activities

Reclamation plan

Under GR No. 78/2010, as implemented by MEMR Regulation No. 26 of 2018 on Implementation of Good Mining Practices and Supervision of Mineral and Coal Mining (“**MEMR Regulation No. 26/2018**”) and further implemented by MEMR Decree 1827K/30/MEM/2018 on Implementing Guidelines for Good Mining Practices (“**MEMR Decree No. 1827K/2018**”), mining companies are required to carry out reclamation and post-mining activities at every phase of mining activities (i.e. during Exploration and Production Operation phase). Prior to undertaking any exploration activities, Exploration IUP/IUPK holders must prepare a reclamation plan for the Exploration phase in accordance with the approved environmental document and submit it to the MEMR or the respective governor for approval. The approval by the MEMR will state the amount of the reclamation guarantee required to be paid by the license holder. The reclamation guarantee for the exploration phase must be in the form of a time deposit and denominated in either U.S. dollars or Rupiah and placed in an Indonesian Government bank under the name of the Director of the Directorate General of Minerals and Coal (“**DGMC**”) or the respective regional governor and the name of the license holder. The period of the time deposit shall be in line with the reclamation’s schedule.

IUP-OP/IUPK-OP holders are also required to submit a reclamation plan for the Production Operation phase, which must be prepared in accordance with the feasibility study and the approved environmental document. The plan must be included in the submission of the application for an IUP-OP/IUPK-OP to the MEMR or the respective governor. Similar to the reclamation plan at the Exploration phase, the approval of the reclamation plan for the Production Operation phase shall also state the amount of reclamation guarantee which shall be paid by the holder of IUP or IUPK either in US Dollars or Rupiah. The reclamation guarantee may be satisfied in one of the following options: (i) joint account in an Indonesian state-owned bank; (ii) time deposit in an Indonesian Government’s bank in Indonesia; (iii) bank guarantee issued by an Indonesian Government-owned or private bank; or (iv) accounting reserve for a IUP-OP/IUPK-OP holder who lists at least 40.0% of its shares on the Indonesian Stock Exchange (“**IDX**”) and its paid-up capital is in the amount of at least US\$50 million. IUP-OP/IUPK-OP holders who place their reclamation guarantee in an accounting reserve are required to submit a statement letter made before a notary stating that the reclamation guarantee has been paid to MEMR or the respective governor.

The reclamation guarantee both in the Exploration and Production Operation phase may be disbursed by the holder of the IUP or IUPK upon obtaining the approval from the MEMR or the respective governor and such approval will be based on the success rate of the reclamation activities.

Post-mining plan

In addition to the reclamation plan for the Production Operation phase, Exploration IUP/IUPK holders are also required to prepare a post-mining plan as a prerequisite to obtain the IUP-OP/IUPK-OP. Similar to the reclamation plan, the post-mining plan approval will be issued by the MEMR or the respective governor and shall contain the amount of post-mining guarantee which shall be paid by the IUP-OP/IUPK-OP holders, the payment schedule and the holding period of guarantee. The post-mining guarantee shall be placed in an Indonesian state-owned bank in the form of a time deposit under the name of the Director of the DGMC or the respective governor and the name of the license holder, either in US Dollars or IDR. The post-mining guarantee may be withdrawn by the IUP-OP/IUPK-OP holder upon securing approval from the MEMR or the respective governor. Such approval will be based on the success rate of the post-mining activities. In the case that the IUP-OP/IUPK-OP’s validity period is extended by the MEMR or the respective governor, the IUP-OP/IUPK-OP holders shall amend their post-mining plan.

Indonesian Government royalties

Pursuant to Indonesian Government Regulation No. 19 of 2025 on the Types and Tariffs of Non-State Tax Revenue Applicable in the Ministry of Energy and Mineral Resources, IUP and IUPK holders are required to pay production royalties to the Government. Currently, a range of royalties apply with respect to different types of coal and mineral mining. Under the Mining Law (as amended), IUPK-OP holders are required to pay 10% of net profit from the

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mine, which comprises 4% to be paid to the Central Government and 6% to be shared between the relevant provincial and regional governments in whose jurisdictions the mine is located. The above percentages are determined based on the following applicable royalty tariff regulations:

- a. For gold, a progressive royalty rate applies as follows:
- Reference Mineral Price (HMA) below US\$1,800, a royalty rate of 7% of the price per troy ounce applies;
 - $\text{US\$1,800} \leq \text{HMA} < \text{US\$2,000}$, a royalty rate of 10% of the price per troy ounce applies;
 - $\text{US\$2,000} \leq \text{HMA} < \text{US\$2,200}$, a royalty rate of 11% of the price per troy ounce applies;
 - $\text{US\$2,200} \leq \text{HMA} < \text{US\$2,500}$, a royalty rate of 12% of the price per troy ounce applies;
 - $\text{US\$2,500} \leq \text{HMA} < \text{US\$2,700}$, a royalty rate of 14% of the price per troy ounce applies;
 - $\text{US\$2,700} \leq \text{HMA} < \text{US\$3,000}$, a royalty rate of 15% of the price per troy ounce applies; and
 - HMA is equal to or above US\$3,000, a royalty rate of 16% of the price per troy ounce applies.

For silver, a fixed royalty rate of 5% of the price per troy ounce applies.

General mining services

Other than regulating the mining activities, the Mining Law (as amended) along with its implementing regulations also regulate mining services activities. Under the Mining Law (as amended), the mining services business activities encompasses several sectors, among other things (i) exploration, (ii) feasibility study, (iii) mining construction, (iv) mining area environment, and (v) processing of mining commodity. Any company that intends to conduct mining services activities is required to obtain IUPJ and under MEMR Regulation No. 7/2020, IUPJ holders are prohibited from having any other mining licenses, such as an IUP or IUPK. IUPJ holders have several obligations as set forth under the MEMR Regulation No. 7/2020, among other things, (i) prioritize using local products, sub-contractors and manpower, (ii) prepare and submit a written report on its business activities, (iii) appoint an operational person in charge as the head in the operational area, and (iv) submit all documents relating to mining service contracts entered into with IUP, IUPK or other IUPJ holders.

If IUP/IUPK holders intend to engage mining service companies to support its business activities, Mining Law (as amended) requires IUP/IUPK holders to engage with local and/or national mining services companies and where no local and/or national mining service company is available, the IUP/IUPK holders may engage foreign-owned mining services companies. Furthermore, in engaging the mining service companies, the IUP/IUPK holders shall retain responsibility for its mining business activities.

Under GR No. 96/2021 (as amended) IUP/IUPK holders are prohibited from engaging its affiliates and/or subsidiaries with mining services business activities in the WIUP/WIUPK if it operates without approval from the MEMR. Such approval may be granted by the MEMR if:

- a. no mining services company in the area that provides mining services similar as provided by the relevant subsidiary;
- b. no capable mining services company; or
- c. no mining services company that is willing to engage with the IUP/IUPK holders.

For clarity, affiliates and/or subsidiaries in relation to a mining services company refer to a mining company that has a direct share ownership relationship with a mining service

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company. According to Director General of Mineral, Coal and Geothermal Regulation No. 376.K/30/DJB/2010 of 2010 on the Procedure and Requirements to Request Approval of Using Subsidiaries and/or Affiliates in the Mining Service Business, a mining service company has a direct share ownership in a mining company if:

- a. 20% shares of the mining service company's shares are directly owned by an IUP/IUPK holder;
- b. 50% of the voting rights of a mining service company are held by an IUP or IUPK holder by virtue of an agreement directly controlling financial and operation policies of the mining service company; and/or
- c. an IUP/IUPK holder has the authority to appoint and discharge finance and operational directors (or persons having equivalent positions) of a mining service company.

Mandatory approval from MEMR and notification to MEMR

Pursuant to the Mining Law (as amended) and MEMR Regulation 7/2020, any change of shareholding composition in a mining company must be approved by the MEMR. To obtain the approval, the MEMR Regulation No. 48 of 2017 on Business Supervision in The Energy and Mineral Resources Sector ("**MEMR Regulation No. 48/2017**") sets out that the mining company must submit a written application to the MEMR along with administrative requirements and financial requirements. Administrative requirements are comprised of, among other things, the application letter, reason for the shares transfer, GMS' approval for the shares transfer, the latest articles of association ratified by the Minister of Law, a copy of the IUP-OP, shares transfer plan, identity of the buyer of the shares, statement letter certifying that all the information provided are true and digital copies of all the aforementioned documents. Meanwhile, the financial requirements are comprised of, among other things, income tax report letter of the mining company for the last two years, audited financial statement for the last two years, evidence of payment of non-tax state income, income tax report letter of the buyer of the shares for the last two years and audited financial statement of the buyer of the shares for the last two years. Noncompliance with this requirement may result in administrative sanctions in the form of written warning, fines, temporary cessation of Production Operation activities and/or revocation of the IUP.

Additionally, pursuant to MEMR Regulation No. 7/2020, any change of members of board of directors and board of commissioners must be notified to the MEMR no later than 14 days after the change has been notified to the MOL (which under the Indonesian Companies Law, such change should be notified to the MOL by no later than 30 days from the date of the shareholders' resolution). Similarly, noncompliance with this requirement may result in administrative sanctions in the form of written warning, fines, temporary cessation of Production Operation activities and/or revocation of the IUP or IUPK.

Gold sales price controls

On 11 January 2017, the MEMR issued MEMR Regulation No. 7 of 2017 on Method of Determination of Minerals and Coal Benchmark Sale Price as lastly amended by MEMR Regulation No. 11 of 2020 ("**MEMR Regulation No. 7/2017 (as amended)**"). MEMR Regulation No. 7 of 2017 (as amended) stipulates that the gold pricing arrangement between the IUP, IUPK, or CoW holder and the gold purchaser (including their respective affiliated parties) must determine the gold price which is no less than the metal mineral benchmark price (*Harga Patokan Mineral Logam* or "**HPML**"), which constitutes the floor price in calculating the obligation to pay production dues by holders of IUP-OP/IUPK-OP for metallic minerals. The HPML is stipulated by the MEMR for each commodity of the metal minerals, including for gold metal.

The applicable HPML will be determined based on a formula containing several variables including mineral content/value, constant, metal mineral price reference (*Harga Mineral Logam Acuan* or "**HMA**"), corrective factor, treatment cost and refining charges and/or payable metal. The HPML formula is determined by the MEMR which may be regularly reviewed on semi-annual basis and the HMA is determined by the MEMR on monthly basis based on the metal mineral publications issued by LME, London Bullion Market Association, Asian Metal, Indonesia Commodity & Derivatives Exchange, Jakarta Future Exchange and/or other publications (both issued locally and overseas) used in selling metal minerals. The HPML may be calculated in US Dollars or in Rupiah.

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Obligation to Process and/or Refine Minerals and Coal

Pursuant to the Mining Law (as amended) and GR No. 96/2021 (as amended), Operation Production IUP/IUPK holders for mineral commodities ((i) metal minerals, (ii) non-metal minerals, (iii) rocks and (iv) coal) must carry out processing and/or refining to increase the value of minerals originated from domestic mining. The Government guarantees the continuity of processing and/or refining result utilization. The guarantee is granted in the form of export facilities and/or fiscal and/or non-fiscal incentives for companies that build derivative industries of processing and/or refining products. The minimum limit of processing and/or refining for each mineral commodity is set out further in MOTR Regulation No. 23/2023 (as amended) (as defined below) for export purpose.

Mineral export license

Minister of Trade Regulation No. 23 of 2023 on Export Policy and Regulation as lastly amended by Minister of Trade Regulation No. 9 of 2025 (“**MOT Regulation No. 23/2023 (as amended)**”) sets forth limitations on the export of certain types of raw material, ore, and processed and/or refined mining products. Mining products which are subject to limitations under MOT Regulation No. 23/2023 (as amended) are listed in its appendix I, which mainly consists of minerals that have been refined and/or processed in accordance with the minimum applicable level of processing and/or refinery. The export of mining products listed under appendix I of MOT Regulation No. 23/2023 (as amended) may only be performed by the holder of (i) IUP-OP, (ii) IUPK-OP, (iii) IUP for Sales, or (iv) IUI, and such exportation can only be carried out after verification or technical investigation has been performed by a qualified surveyor (save for certain products which are excluded from such verification or technical investigation requirements as stipulated under MOT Regulation No. 23/2023 (as amended), the results of which shall be stated in surveyor report (*laporan surveyor*)).

The Indonesian Government has implemented restrictions on the export of raw mining materials as part of its policy to conserve non-renewable mineral resources and to promote domestic processing and refining activities. Under Annex I of Minister of Trade Regulation No. 22 of 2023 on Goods Prohibited from Being Exported as lastly amended by Minister of Trade Regulation No. 8 of 2025 (“**MOT Regulation No. 22/2023 (as amended)**”), the export of gold and silver ore is expressly prohibited. The regulation does not provide for any exceptions permitting the export of unprocessed gold and silver ore under any circumstances. Specific for the exportation of gold products, under MOT Regulation No. 22/2023 (as amended), (i) gold in powder form, in unworked form, or in other semi-finished forms, not in the form of monetary or coin form, with a purity of less than 99% Au and (ii) partially refined gold in the form of gold ore and its concentrate, as well as doré bullion, are prohibited from being exported. However, under MOT Regulation No. 23/2023 (as amended), such products can be exported for non-commercial purposes, namely for the purposes of (i) research and development, (ii) re-export, and/or (iii) export of industrial products categorized as mining products whose primary raw materials originate from imports and/or metal scrap. Such exportation can be carried out only after (i) verification or technical investigation has been performed by a qualified surveyor, the result of which is stipulated in a surveyor report, and (ii) export approval (*persetujuan ekspor*) from the Ministry of Trade has been obtained. For gold in powder form, in unworked form, or in other semi-finished forms, not in the form of monetary or coin form, with a purity of at least $\geq 99\%$ Au can be exported for commercial and non-commercial purposes after obtaining the surveyor report.

In addition, MEMR Regulation No. 25/2018, as amended from time to time, imposes requirements on, among others, the processing and refining of minerals prior to export. As further discussed below, key provisions include: (i) mining companies must prioritise domestic demand before exporting; (ii) the specific DMO levels (e.g., percentage of production allocated to domestic market) are not fixed in the regulation but may be determined periodically by the MEMR; (iii) MEMR may also regulate types and quantities of minerals required for domestic use. To implement these provisions, MEMR periodically stipulates DMO quotas and/or price caps (e.g., MEMR Decree No. 268.K/MB.01/MEM.B/2025 on the Guidelines for Determining Benchmark Prices for Sales of Metal Mineral and Coal Commodities), and export approvals are contingent on meeting DMO obligations. In particular, metallic minerals, including gold, to undergo domestic processing and refining to achieve the specified minimum purity standards before such minerals can be exported. Pursuant to its annex, (i) gold products derived from gold ore must have a minimum aurum (Au) content of at least 99% and (ii) silver products from silver ore must have a minimum argentum (Ag) content of at least 99%, in order to qualify for export approval. Accordingly, only refined gold products and silver products that meet the prescribed purity threshold may be exported from Indonesia.

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GR No. 96/2021 and MEMR Regulation No. 25 /2018 (as amended) provide that holders of IUP-OP and IUPK-OP are required to prioritise domestic needs for minerals in general, such provisions will be implemented through further regulations or decrees specifying the relevant minerals and quantities.

MEMR Regulation No. 25/2018 imposes DMO requirements for coal and minerals mining companies, under which mining companies are required to allocate a certain percentage of their production for domestic use before exporting the remainder, with the applicable percentages and commodities determined by the Government through further implementing regulations. To date, while such DMO requirements apply to certain minerals in Indonesia, no specific domestic market allocation requirements have been prescribed for gold and silver. Additionally, there are currently no specific export quotas applicable for gold and silver. The Company will continue to monitor developments in Indonesian mining and export control regulations, including any changes or new policy that may introduce or expand domestic allocation requirements for gold and silver. Nevertheless, holders of IUP-OP and IUPK-OP may export minerals subject to the fulfilment of applicable processing and/or refining requirements and compliance with prevailing export regulations (i.e. the specified minimum purity standards).

Implementation of Export Duty on Gold Products

On 9 December 2025, the Minister of Finance of the Republic of Indonesia promulgated Ministry of Finance Regulation No. 80 of 2025 on the Determination of Gold Export Goods Subject to Export Duty and the Export Duty Tariff (the “**MOF Regulation No. 80**”). Under the MOF Regulation No. 80, certain gold products exported from Indonesia may be subject to export duty, with tariff rates determined based on specified reference price ranges. Gold products covered by the regulation include (i) doré in the form of lumps, ingots, cast bars and other forms, (ii) non-doré granules and other untapped forms, (iii) non-doré lumps, ingots and cast bars, and (iv) minted bars.

The applicable export duty tariff varies according to the reference price of gold per troy ounce. Reference prices from USD2,800 to less than USD3,200 per troy ounce fall under the first tariff band specified in the Schedule of the MOF Regulation No. 80, while reference prices of USD3,200 per troy ounce or higher fall under the second tariff band specified in the Schedule of the MOF Regulation No. 80. The export duty percentage for each gold product category is therefore determined by its classification and the prevailing reference price during the relevant period. The duty payable is calculated by multiplying the applicable tariff, the quantity of exported goods, the export price per unit, and the applicable exchange rate, in accordance with the ad valorem formula set out in the regulation. The export price used for this calculation is determined by the Director General of Customs and Excise based on the periodic Export Benchmark Price (HPE) issued by the Minister of Trade.

Land rights for mining purposes in Indonesia

The Mining Law (as amended) regulates that the granting of any mining license does not constitute the granting of land rights over the land located within the mining concession area to the mining company holding such mining license. Therefore, such mining company is obliged by the Mining Law (as amended) and GR No. 96/2021 (as amended) to come to a “settlement” with people holding land titles within the mining concession, as the holder of the mining license only able to conduct the mining activities after obtaining the approval from the land right holder. The purpose of this “settlement” is to compensate the land title holder for the disruption to their utilization of the surface of the land caused by the mining activities. A settlement only needs to be reached with land title holders in areas of the concession which will be affected by mining activities. If the settlement effort by the mining company is failed, the Indonesia Government through the MEMR altogether with the Ministry of Agrarian Affairs and with the assistance of regional government shall mediate the land settlement.

Forestry regulation

Law No. 41 of 1999 on Forestry, as amended by Law No. 19 of 2004 on the Stipulation of Government Regulation in Lieu of Law No. 1 of 2004 as Law (“**Forestry Law 1999**”) provides that open-pit mining operations cannot be conducted within protected forests. However, if a mining company intends to conduct non-open-pit mining operation in forest area, it is required to obtain the Forest Borrow-to-Use Permit (*Izin Pinjam Pakai Kawasan Hutan* or “**IPPKH**”) which is the required permit to carry out the utilization of forest area for mining purposes requires. Such permit is issued by the Minister of Forestry.

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However, after the Forestry Law 1999 was amended by the Job Creation Law (“**Forestry Law (as amended)**”), the IPPKH is replaced by the Forest Area Utilization Permit (*Persetujuan Penggunaan Kawasan Hutan* or “**PPKH**”). In relation to the replacement of IPPKH by PPKH, Indonesian Government Regulation No. 23 of 2021 on the Organization of Forestry (“**GR No. 23/2021**”) regulates that (i) IPPKH that have been issued and fulfilled all obligations prior to the enforcement of this government regulation remains valid up until the expiration of such IPPKH and enforced as the PPKH and (ii) IPPKH that have been issued but have yet fulfilled all obligations prior to the enforcement of this government regulation shall remain valid and shall complete the obligations in accordance with this government regulation.

Under GR No. 23/2021, mining activities in a forest area can only be carried out in production forests (*hutan produksi*) and, if conducted underground, in protected forests (*hutan lindung*). Further, Minister of Environment and Forestry Regulation No. 7 of 2021 on Forestry Plan, Change of Area Function of the Forest and Utilization of Forest Area as amended by Minister of Environment and Forestry Regulation No. 20 of 2025 (“**MOEF Regulation No. 7/2021**”), the quota of mineral and coal mining activities (including its facilities and infrastructure) which may be granted a PPKH shall be (among other limitations):

- a. up to 10% of the total area of the protected forest and production forest, if the mining activities are conducted in an island;
- b. up to 10% of the total area of the forestry holding unit (*kesatuan pemangkuan hutan*) if the mining activities are conducted in a production forest within Perum Perhutani's working area;
- c. up to 10% of the total area of the protected forest in a province if the mining activities are conducted in a protected or production forest within such province.

However, the MOEF Regulation No. 7/2021 also provides exemption on the quota of mineral and coal mining activities which may be granted a PPKH, namely if the PPKH is intended for (among other transitional provisions):

- a. mining exploration or extended exploration;
- b. transportation roads for mining production;
- c. strategic projects pursuant to a cooperation between governments;
- d. mineral production operation activities accompanied by the construction of a smelter that have been determined by the MEMR; or
- e. mineral and coal mining activities that previously have obtained IPPKH for the operation production activities which later re-apply to obtain PPKH for the same location.

Under GR No. 23/2021, Provisi Sumber Daya Hutan (“**PSDH**”) is defined as a non-tax state levy (PNBP) imposed as compensation for the intrinsic value of forest products and/or forest-based outputs taken from State Forests. Under Article 102 of GR No. 23/2021, a holder of a Forest Area Utilization Approval (*Persetujuan Penggunaan Kawasan Hutan*) is permitted to conduct land-clearing tree-cutting activities, provided that the holder pays the applicable PSDH or Dana Reboisasi (DR). GR No. 23/2021 situates PSDH within the national forestry administrative framework, where PSDH constitutes part of the mandatory financial obligations tied to forest utilization activities.

Minister of Environment and Forestry Regulation No. 8 of 2021 on Forest Zoning and the Preparation of Forest Management Plans, as well as Forest Utilization in Protected Forests and Production Forests, as amended (“**MOEF No. 8 of 2021**”) reinforces this construction and integrates PSDH into the operational regime of forest management by classifying PSDH as part of the PNBP obligations used in forest-utilization licensing. Every forest product extracted within a licensed forest-utilization area must be measured, verified, recorded, and reported, and these recorded volumes form the basis for calculating PSDH. Under Article 308 of MOEF No. 8/2021, PSDH is imposed on (1) timber (*Hasil Hutan Kayu*) and non-timber forest products (*Hasil Hutan Bukan Kayu*) extracted from certain areas, and (2) outputs of forest-area utilization and (3) outputs of forest environmental-service utilization.

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Environmental regulation

Environmental protection in Indonesia is governed by various laws, regulations and decrees, including the following:

- a. Law No. 32 of 2009 on Environmental Protection and Management, as amended by the Job Creation Law (“**Indonesian Environmental Law**”);
- b. Indonesian Government Regulation No. 28 of 2025 on Implementation of the Risk-Based Business Licensing (“**GR No. 28/2025**”);
- c. Indonesian Government Regulation No. 22 of 2021 on Implementation and Management of Environmental Protection (“**GR No. 22/2021**”);
- d. Minister of Environment and Forestry Regulation No. 4 of 2021 on List of Business and/or Activities Which Required to Have an Environmental Impact Assessment, Environmental Management Effort and Environmental Monitoring Effort, or Statement on Environmental Management and Monitoring Readiness (*Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup* or “**SPPL**”) (“**MOEF Regulation No. 4/2021**”);
- e. Minister of Environment Regulation No. 16 of 2012 on the Guidelines on Preparation of Environmental Documents (“**ME Regulation No. 16/2012**”);
- f. MEMR Regulation No. 7/2020;
- g. MEMR Regulation No. 26/2018;
- h. MEMR Decree No. 1827K/2018; and
- i. Minister of Environment and Forestry Regulation No. P.26/MENLHK/SETJEN/KUM.1/7/2018 on the Guidelines for the Preparation, Assessment, and Examination of Environmental Documents in the Implementation of OSS (“**MOEF Regulation No. 26/2018**”).

These laws generally provide, among other things, that mining companies must have the facilities and bear the costs and expenses of reclamation and rehabilitation of concession areas and shall prevent and minimize environmental pollution and destruction resulting from mining activities. Mining companies whose operations have a significant environmental or social impact must create and maintain Environmental Impact Assessment (*Analisis Mengenai Dampak Lingkungan* or “**AMDAL**”) documents, which must contain:

- a. an analysis known as Terms of Reference on Environmental Impact Analysis Form (*Formulir Kerangka Acuan Analisis Dampak Lingkungan*);
- b. an environmental impact analysis (*Analisis Dampak Lingkungan*);
- c. an environmental management plan (*Rencana Pengelolaan Lingkungan*); and
- d. an environmental monitoring plan (*Rencana Pemantauan Lingkungan*).

In certain circumstances as set out in the MOEF Regulation No. 4/2021, including where the mining activities are in exploration stage, AMDAL documents are not required and an Environmental Management Effort and Environmental Monitoring Effort (*Upaya Pengelolaan Lingkungan dan Upaya Pemantauan Lingkungan* or “**UKL-UPL**”) document must be prepared instead. Technical guidelines for the preparation of these documents are set out in ME Regulation No. 16/2012 and MOEF Regulation No. 26/2018.

Pursuant to MOEF Regulation No. 26/2018, a company must obtain environmental permits which will be issued by the Online Single Submission system (“**OSS System**”) business licensing system on behalf of the Minister of Environment and Forestry, Governor or Mayor/Regent (in accordance with their respective authorities) through the OSS business licensing system. However, by the issuance of the Job Creation Law, the requirement to obtain a separate environmental permit has now been removed. Instead, pursuant to GR No. 22/2021, a company, in order to legally conduct its business and/or activity, must obtain

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an Environmental Approval (*Persetujuan Lingkungan*) from the central or regional government's approval, which serves as a pre-requisite for the issuance of business license (*perizinan berusaha*) of the company.

An Environmental Approval is obtained through preparation of AMDAL or UKL-UPL and shall have the same validity period with the business license. Any business actors who have conducted their businesses before GR No. 22/2021 takes effect and (i) who do not have the environmental documents or who have environmental documents, but such documents do not comply with prevailing regulations; and (ii) whose business locations are in accordance with the spatial plan (*rencana tata ruang*), are required to have:

- a. an Environmental Evaluation Documents (*Dokumen Evaluasi Lingkungan Hidup*, or “**DELH**”) for business activities with significant environmental effect; or
- b. an Environmental Management Documents (*Dokumen Pengelolaan Lingkungan Hidup*, or “**DPLH**”) for business activities with insignificant environmental effect.

Such DELH or DPLH must be submitted by the business actor to the Minister of Environment and Forestry, or regional government in accordance with their respective authority, through an Environmental Documents Information System, to be approved. The approved DELH or DPLH is equal to an Environmental Approval which is used as pre-condition and integrated in the business licensing.

After all environmental documents are obtained, the company must conduct environmental management of the mining areas under the Good Mining Practice principles under the prevailing laws and regulations. MEMR Regulation No. 26/2018 states that environmental management of the mining areas include the implementation of environmental management and supervision according to the company's environmental document; and prevention and recovery of the environment in the event of pollution and/or environmental damage. Mining companies have to prepare an annual Work Plan and Budget (*Rencana Kerja dan Anggaran Belanja* or “**RKAB**”) which includes environmental aspects. Holders of Exploration IUP, Exploration IUPK, IUP-OP, and IUPK-OP are required to provide a reclamation guarantee, and for holders of IUP-OP/IUPK-OP are also required to provide post-mining guarantee. MEMR Decree No. 1827K/2018 further stipulates the guidelines on the environmental management of the mining areas. The environmental management activities are supervised by the mining inspector with further supervision from the head of the mining inspector.

In addition, mining companies are required to appoint a head of mining technology and Person-in-Charge for Technical and Environmental matters who is required to: submit regular reports on the environmental management and supervision activities to the mining inspector; report if there is a potential environmental pollution and/or damage indication to the mining inspector; submit a report regarding environmental case no later than 24 hours after the case occurred accompanied by the mitigation plan to the mine inspector; create procedural standard for environmental pollution and/or damage mitigation of the potentially caused environmental pollution and damaged area; and lead the reclamation and post-mining operation.

Under Indonesian environmental regulations, remedial and preventative measures and sanctions (such as the imposition of substantial criminal penalties, fines and the cancelation of concessions) may be imposed to remedy or prevent pollution caused by operations. Such sanctions range from three to 15 years of imprisonment for any person who intentionally has caused environmental pollution or environmental damage, and fines ranging from between Rp3 billion to Rp15 billion, subject to an additional penalty of one-third of the fine amount if the charge is filed against the party who ordered the criminal act or against the criminal mastermind. The Minister of Environment and Forestry also reserves the right to impose a monetary penalty in lieu of any rehabilitation obligations of a liable person.

Emission Discharge

Pursuant to the GR No. 22/2021 and Minister of Environment and Forestry Regulation No. 5 of 2021 on Procedures for the Issuance of Technical Approvals and Operational Feasibility Certificates for the Environmental Pollution Control Sector (“**MOEF Regulation No. 5/2021**”), any business actor, including mining companies, that conduct emission discharge activities, is required to obtain Technical Approval on Compliance with Emission Quality Standards (*Persetujuan Teknis Pemenuhan Baku Mutu Emisi*) before conducting any

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emission dischargement activities. Furthermore, such business actor is also required to obtain Operational Feasibility Certificates (*Surat Kelayakan Operasional* or “**SLO**”) for its emission control installations. In addition to the foregoing, under GR No. 22/2021, any business actor that conducts emission dischargement activities is required to submit reports on fulfilment of air pollution control obligation through the Environmental Information System (*Sistem Informasi Lingkungan Hidup* or “**SIMPEL**”).

Wastewater disposal

Pursuant to the GR No. 22/2021 and MOEF Regulation No. 5/2021, any business actor, including mining companies, that dispose wastewater because of its business activities, is required to obtain Technical Approval on Compliance with Wastewater Standard (*Persetujuan Teknis Pemenuhan Baku Mutu Air Limbah*) before conducting the wastewater disposal activities. Furthermore, such business actor is also required to obtain SLO for its wastewater disposal installations. Pursuant to GR No. 22/2021, any business actor that conducts wastewater disposal activities is required to submit reports on fulfilment of water pollution control obligation through SIMPEL.

Hazardous and toxic substances

Pursuant to the GR No. 22/2021 and Minister of Environmental and Forestry Regulation No. 6 of 2021 on Procedures and Requirements for the Management of Hazardous and Toxic Waste (“**MOEF Regulation No. 6/2021**”), any business actor that produces hazardous and toxic substances (*bahan berbahaya dan beracun* or “**B3 Waste**”) in conducting its business activities is required to temporarily storage the B3 Waste it produces in carrying out the B3 Waste temporary storage activities, such business actor is required to (i) comply with the B3 Waste storage standards which are integrated to the NIB, for hazardous waste producer with business and/or activities that requires SPPL and/or (ii) obtain Technical Specification for B3 Waste Storage Activities (*Rincian Teknis Penyimpanan Limbah B3*) which are included in the Environmental Approval, for hazardous waste producer with business and/or activities that requires AMDAL or UKL-UPL. Furthermore, business actor that conducts B3 Waste storage activities is subject to the obligation to submit the B3 Waste storage activities report at least once every six months since the issuance of its NIB and/or Environmental Approval.

Usage of explosives

Explosives usage in Indonesia for mining purposes is regulated by MEMR Regulation 7/2020 and Head of National Police Regulation No. 17 of 2017 on Licensing, Supervision, Control and Safety of Commercial Explosive Materials (“**National Police Regulation No. 17/2017**”). Based on the National Police Regulation No. 17/2017, an “end-user” is defined as a legal entity performing a government project and/or a private business entity that is directly responsible as the user of an explosive material. The National Police Regulation No. 17/2017 requires end-users who are engaging in the mineral, coal and geothermal sectors to have:

- a. an IUP, CoW, CCoW, concession, or other licenses;
- b. a head of mining technician and explosive expert that holds a Blasting Permit Card (*Kartu Izin Meledakkan*) issued by the DGMC or the head of the provincial mining office, as applicable; or
- c. a local mineral business license for an entity that engages in the industrial mineral sector or C class material in accordance with the prevailing laws and regulations.

National Police Regulation No. 17/2017 also provides that end-users may be granted certain explosive-related licenses including a storage license, ownership, possession, and storage license, purchasing and utilization license, transfer of use license, residual use license, transport of explosives license and annihilation license.

Smelting Regulations

Under the Mining Law (as amended), the holder of IUP-OP/IUPK-OP, other than conducting mining activities, may also engage in processing and/or refinery activities and have their own smelting facility. The IUP-OP/IUPK-OP has become an integrated license to conduct mining and smelting activities. Therefore, the holders of IUP-OP/IUPK-OP are not required to obtain any specific license to carry out processing and/or refinery activities.

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However, if a company intends to only conduct processing and/or refinery activities without conducting any mining activities, such company, under MEMR Regulation No. 7/2020 (as amended), is required to obtain IUP-OP/IUPK-OP for processing and/or refinery (“**IUP OM**”). Under the Mining Law (as amended), the IUP OM issued before the law comes into force shall be adjusted into an IUI that is issued based on laws and regulations in the industrial sector within 1 (one) year at the latest since the law comes into force.

Regulation of the Indonesian Industrial Sector

The primary law on the industrial sector is Law No. 3 of 2014 on Industry as amended by the Job Creation Law (“**Industrial Law**”). Under the grandfathering clause of the Industrial Law, all ancillary regulations of the Law No. 3 of 2014 on Industry enacted prior to the amendment by the Job Creation Law shall remain in force insofar as none of the provisions are in conflict with the Industrial Law and to the extent that no ancillary regulation under the Industrial Law were introduced.

The Industrial Law requires a company operating in the industrial sector to secure business licenses from the Central Government. Prior to the enactment of the Job Creation Law, the business license for industrial sector is the IUI. However, after the enactment of the Job Creation Law and further strengthen by the enactment of the Minister of Industrial Affairs (“**MOI**”) Regulation No. 37 of 2025 on Standards for Business Activity and/or Standards for Products/Services in the Implementation of Risk-Based Business Licensing in the Industrial Sector (“**MOI Regulation No. 37/2025**”), the required business license for a company engaging in industrial sector is determined based on the risk level of the industrial business activities carried out, as follows:

- a. low risk level business activities: NIB;
- b. medium-low risk level business activities: NIB and standard certificate (*sertifikat standar*);
- c. medium-high risk level business activities: NIB and verified standard certificate (*sertifikat standar terverifikasi*); and
- d. high risk level business activities: NIB and permit (*izin*).

However, under the grandfathering clause of the Industrial Law, any IUI that was secured prior to the enactment of the Industrial Law shall remain valid insofar as the industrial activities covered by the IUI remain in place. Failure to secure the required business license for industrial sector business activity may result in administrative sanctions, such as written notice, fines and/or temporary closure while absence of operations for three consecutive years after obtaining the business license may also subject to the administrative sanctions in the form of from written reprimand and revocation of business license and business license to support business activities.

The Industrial Law also mandates that any company engaging in industrial activities must carry out its operations within an Industrial Estate (*Kawasan Industri*) and failure to comply may result in administrative sanctions on such company. However, under the MOI Regulation No. 37/2025, this requirement is not applicable to (i) any industry located in regions which have yet to be equipped with Industrial Estate or whose Industrial Estate are fully occupied, (ii) small or medium-scale industries which have no potential to adversely affect the environment or (iii) industries using certain raw materials and/or running certain manufacturing processes, and which must be located in specialized zones, (iv) any industry located in an industrial zone within a special economic zone.

In addition to the foregoing, the Industrial Law and the MOI Regulation No. 13 of 2025 on the Procedures for the Submission of Industrial Data, Industrial Estate Data, Other Data, Industrial Information, and Other Information Through the National Industrial Information System (“**MOI Regulation No. 13/2025**”) requires every company operating in the industrial sector to submit report of the industrial data through the National Industrial Information System (*Sistem Informasi Industri Nasional* or “**SIINas**”), which must be carried out in the development and production stages periodically four times a year with the following details:

- a. industrial data for the period of January to March must be submitted on 1 April and no later than 10 April of the current year;

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- b. industrial data for the period of April to June must be submitted on 1 July and no later than 10 July of the current year;
- c. industrial data for the period of July to September must be submitted on 1 October until no later than 10 October of the current year; and
- d. industrial data for the period of October to December must be submitted on 1 January until no later than 10 January of the following year.

Furthermore, under the MOI Regulation No. 13/2025, the company operating in the industrial sector may be required to submit other data in the form of (i) additional data, (ii) data clarification, and/or (iii) extraordinary events in the company if requested by the MOI via the SIINas, in which such other data must be submitted via SIINas no later than three days after receiving the request from the MOI. Failure to submit the industrial data and/or other data previously mentioned may subject the company to administrative sanctions ranging from written reprimand to revocation of business license.

Furthermore, in relation to the industrial estate, the Industrial Law and Indonesian Government Regulation No. 28 of 2021 on Industrial Affairs as amended by Government Regulation No. 46 of 2023 stipulate that every company that intends to conduct industrial estate business activity is required to fulfil business licensing from the Indonesian Government. The business licenses that are required to be fulfilled by a company that intends to engage in industrial estate business activities are (i) NIB and (ii) Industrial Estate Business License (*Izin Usaha Kawasan Industri*). Under MOI Regulation No. 13/2025, company that engages in industrial estate is required to submit industrial estate data through SIINas, which shall be carried out during the development and the production stages periodically four times a year with the following details:

- a. industrial estate data for the period of January to March must be submitted on 1 April and no later than 10 April of the current year;
- b. industrial estate data for the period of April to June must be submitted on 1 July and no later than 10 July of the current year;
- c. industrial estate data for the period of July to September must be submitted on 1 October until no later than 10 October of the current year; and
- d. industrial estate data for the period of October to December must be submitted on 1 January until no later than 10 January of the following year.

Furthermore, similar to companies that engage in industrial sector business activities, the companies that engage in industrial estate business activities may be required to submit other data if requested by the MOI via the SIINas. Failure to submit the industrial estate data and/or other data previously mentioned may subject the company to administrative sanctions ranging from written reprimand to revocation of business license.

Building Law

Law No. 28 of 2002 on Buildings as amended by the Job Creation Law (“**Building Law**”) stipulates provisions on construction and utilization of buildings in which each building must have certain function and classification. A function of a building must be obtained through a Building Approval (*Persetujuan Bangunan Gedung* or “**PBG**”) before the building is constructed. The building must fulfil certain technical standard in accordance with its functions. Building Approval will be issued by the central government through an electronic system. Once a building is constructed and prior to its utilization, it must obtain a Functional Worthiness Certificate (*Sertifikat Laik Fungsi* or “**SLF**”). The certificate is issued by the central government or regional government upon its discretion by taking into account among others statement of function feasibility as submitted by the supervisory services or construction management provider. Failure to fulfil requirements under the Building Law is subject to administrative sanctions in the form of among other things, restriction on construction activities, temporary/permanent suspension of construction work, temporary/permanent suspension of building utilization or ultimately order of demolition of the building. In addition, there is also a maximum fine of 10% of the value of the building.

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Indonesian Labor Law

Labor or employment in Indonesia is primarily regulated by the Law No. 13 of 2003 on Labor as amended by the Job Creation Law (“**Indonesian Labor Law**”). Under the Indonesian Labor Law, an employee is any person working for a salary or other form of remuneration. In contrast, an employer is any individual, entrepreneur, legal entity or other body employing manpower by paying a salary or other form of remuneration. An employee is employed by the employer with an employment agreement, which consists of (i) fixed-term employment agreement (*perjanjian kerja waktu tertentu* or “**PKWT**”) and (ii) permanent employment agreement (*perjanjian kerja waktu tidak tertentu*). According to the Indonesian Government Regulation No. 35 of 2021 on Fixed-Term Employment Agreement, Outsourcing, Working Hours and Breaks and Termination of Employment Relationships, a PKWT must be registered to the Ministry of Manpower (“**MOM**”) via an online platform established by the MOM no later than three business days since the signing of the PKWT.

Employers are prohibited from paying wages below the minimum wage. The minimum wage is determined annually by the Governor, based on the calculation formula stipulated in government regulation which will be issued annually. The Governor is obligated to set the provincial minimum wage (*upah minimum provinsi*) and may also establish the regency/city minimum wage (*upah minimum kabupaten/kota*) if the calculation of the regency/city minimum wage results in a figure higher than the provincial minimum wage.

Under the Indonesian Labor Law and Law No. 21 of 2000 on Labor Union, employees of a company with more than ten employees may form a labor union. Such labor union must be registered with the MOM. A registered labor union is entitled to (i) make a collective labor agreement with the employer (see below), (ii) represent employees in solving industrial relations disputes, (iii) represent employees in various employment activities and (iv) carryout activities that can improve employees’ welfare.

The Indonesian Labor Law further provides that any employer that employs ten or more employees is required to maintain a company regulation (*peraturan perusahaan*) which will come into force once registered with the MOM (or its regional offices). The company regulation contains, among other things, the rights and obligations of the employer and the employee, term of works, and rule of the company. A company regulation is valid for two years as from the date it is registered with the MOM and must be renewed once expired. Failure to maintain a valid company regulation is subject to monetary sanctions ranging from Rp5 million up to Rp50 million. The obligation to maintain a company regulation does not apply if the employer has entered into a collective labor agreement (“**CLA**”) with its labor union. The CLA must be made upon consensus between the employer and the labor union. Similar with company regulation, CLA is valid for a maximum of two years from date it is signed (unless otherwise agreed between the parties) and, by written agreement between the parties, can be extended for a further one-year term. The CLA applies to all employees in a company. If at the same time there is an employment contract entered into by the company and an individual employee, the provisions of CLA shall apply in the absence of specific provisions in the employment contract or in the event there are conflicting provisions between the two agreements.

In addition to the above, the Indonesian Labor Law also provides that any employer that employs 50 or more employees is required to establish Bipartite Cooperation Body (*Lembaga Kerja Sama Bipartit* or “**LKS Bipartit**”). The LKS Bipartit is a body functions as a communication and consultation forum on matters related to industrial relations within a company. The members of the LKS Bipartit consist of the employer and the workers’ representatives. According to MOM Regulation No. PER.32/MEN/XII/2008 of 2008 on Procedures on the Establishment and Membership Structure of the Bipartite Cooperation Body, the establishment of an LKS Bipartit must be registered to the MOM no later than 14 days following its establishment.

Moreover, the introduction of the Job Creation Law, particularly in the manpower sector, has reinstated several provisions, including on outsourcing, which was previously deleted by the Old Job Creation Law. Under the Job Creation Law, a company may subcontract part of its work to another company under a written outsourcing agreement. However, the scope of “part of its work” will be determined further by the government in a forthcoming government regulation.

In addition to the abovementioned provisions, under Law No. 24 of 2011 on Social Security Body (*Badan Penyelenggara Jaminan Sosial* or “**BPJS**”) as amended by the Job Creation Law

(“**BPJS Law**”), an employer is required to participate in the Government’s social and security program by gradually registering themselves and its employees as participants in the Manpower BPJS (*BPJS Ketenagakerjaan*) and Health BPJS (*BPJS Kesehatan*). The amount contributed to Manpower BPJS and Health BPJS are to cover the employee for general healthcare and in case of occupational accident, death and for an old age pension is calculated by reference to the amount an employee receives. The Job Creation Law introduces a new unemployment insurance under the Manpower BPJS system. The insurance provides cash payments, access to job openings and training, and compensation from the government. All employees who are already enrolled with the Manpower BPJS system are automatically registered for the unemployment insurance. The monthly premium contributions for these benefits are paid by the central government. Employees’ entitlement will be deemed to have been waived if they do not claim the benefits within three months of termination, obtain new employment or pass away.

Investment Regulation

On 26 April 2007, the Indonesian Government issued Law No. 25 of 2007 regarding Capital Investments (“**Investment Law**”), as amended by the Job Creation Law, which principally regulates direct investments in Indonesia, in the form of foreign capital investments (*Penanaman Modal Asing* or “**PMA**”) and domestic capital investment (*Penanaman Modal Dalam Negeri* or “**PMDN**”). In Indonesia, a foreign investor must undertake its investment through a foreign investment limited liability company (“**PMA company**”).

The Investment Law provides that all types of businesses are open for investment, except for certain sectors which are fully closed to investment and for certain sectors which can only be carried out by the central Indonesian Government. Currently, these prohibited and restricted business activities are listed in Indonesian Presidential Regulation No. 10 of 2021 on Investment Business Sectors, which was amended by Indonesian Presidential Regulation No. 49 of 2021 (“**PR No. 10/2021**”). The types of business which are open for investment are partly or conditionally open based on a system of permitted ownership limits, reserved sectors and licensing requirements. Significantly, the PR No. 10/2021 provides that any sector not stated to be closed or partly closed will be fully open for investment without restriction. The list of business sectors on the Regulation 10/2021 is based on the comprehensive classification of sectors set out in the Central Statistics Bureau (*Badan Pusat Statistik* or “**BPS**”) Regulation No. 2 of 2020 on Indonesian Business Sector Classification (*Klasifikasi Baku Lapangan Usaha Indonesia* or “**KBLI**”) (“**BPS Regulation No. 2/2020**”). However, on 17 December 2025, the BPS Regulation No. 2/2020 has been replaced by the BPS Regulation No. 7 of 2025 on Indonesian Business Sector Classification (“**BPS Regulation No. 7/2025**”). Under BPS Regulation No. 7/2025, various amendments have been made to the KBLI under BPS Regulation No. 2/2020, and all existing use of the KBLI under BPS Regulation No. 2/2020 by Indonesian companies must be adjusted to conform with the KBLI under BPS Regulation No. 7/2025 no later than six (6) months from the enactment date of BPS Regulation No. 7/2025 (i.e., enacted on 18 December 2025). Consequently, the PR No. 10/2021 may be subject to amendment to align with the updated KBLI set forth in BPS Regulation No. 7/2025.

To encourage capital investment, the Indonesian Government provides several incentives to PMA and/or PMDN companies such as relief or reduction of tax and customs and convenience in obtaining immigration and import services and/or permits. Another important feature of the Investment Law is the Indonesian Government’s guarantee that it will not nationalize a PMA company, except were declared by law. If the Indonesian Government nationalizes any PMA company, it must pay compensation as determined by the market price of the investment. This guarantee is accompanied by an assurance that the foreign investor will have the right to transfer and repatriate in foreign currency, profit, bank interest, dividends and other means of income.

If a company converts its investment status from PMDN to PMA or *vice versa*, under the Investment Coordinating Board (*Badan Koordinasi Penanaman Modal* or “**BKPM**”) Regulation No. 5 of 2025 (“**BKPM Regulation No. 5/2025**”), such conversion is subject to post-reporting obligation through the Online Single Submission system (“**OSS system**”) for further validation. Furthermore, based on this regulation, if a company that has subsidiaries converts its investment status from PMDN and PMA, each of its subsidiaries must also convert its status from PMDN to PMA. However, the BKPM Regulation No. 5/2025 does not provide any time limit to carry out such conversion obligation.

Every business actor, according to the BKPM Regulation No. 5/2025 is required to submit Investment Activities Report (*Laporan Kegiatan Penanaman Modal* or “**LKPM**”) through the

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OSS system for each location and business activities stipulated in its NIB. The submitted LKPM encompasses the following data:

- a. realisation of investment;
- b. realisation of employment;
- c. realisation of goods and/or services production;
- d. fulfilment of basic requirements, business license, and/or business license to support business activities;
- e. fulfilment of obligations and responsibilities of the investment business actors; and
- f. constraints encountered by the investment business actors.

Furthermore, under the BKPM Regulation No. 5/2025, the submission of LKPM by every business actor must be carried out in accordance with the following provisions:

- a. Small-scale business actors are required to submit the LKPM every semester, whereby:
 1. first semester report must be submitted no later than 15 July of the current year; and
 2. second semester report must be submitted no later than 15 January of the following year.
- b. Medium and large-scale business actors are required to submit the LKPM every quarter, whereby:
 1. first quarter report must be submitted no later than 15 April of the current year;
 2. second quarter report must be submitted no later than 15 July of the current year;
 3. third quarter report must be submitted no later than 15 October of the current year; and
 4. fourth quarter report must be submitted no later than 15 January of the following year.

Regulations on Corporate, Social and Environmental Responsibility

Indonesian Companies Law imposes an additional obligation on all companies, including companies engaged in the mining and industry sectors, to undertake activities concerning “corporate, social and environmental responsibility”. The purpose of this obligation is to create a sustainable relationship with the environment and to enhance the norms, values and culture of the local community. Such obligation must be budgeted and treated as an expense of the company, and must be implemented through reasonable measures. Any non-compliance will be sanctioned in accordance with applicable laws.

On 4 April 2012, the Indonesian Government issued Indonesian Government Regulation No. 47 of 2012 on Corporate Social and Environmental Responsibility (“**GR No. 47/2012**”) to implement Article 74(4) of the Indonesian Companies Law which imposes corporate, social and environmental responsibilities. GR No. 47/2012 stipulates that the Board of Directors of a company is responsible for implementing the mandatory corporate, social and environmental responsibilities in accordance with the annual working plan of such company. The annual working plan shall include a business plan and budget. The budget plans must be prepared based on considerations of “appropriateness and reasonableness”, based on “the financial capacity of the company having regard to the risks that give rise to the social and environmental responsibilities that must be borne by the company, subject to the obligations of the company as set out in the legislation governing the company’s business operations”. Thus, in theory at least, the higher a company’s profits and the greater the impact of its operations have on the environment, the more resources it should allocate to its corporate, social and environmental responsibilities.

In addition to the foregoing, The Mining Law (as amended), MEMR Regulation No. 26/2018, and GR No. 96/2021 (as amended) also require the holders of IUP/IUPK to organize

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community development programs. In carrying such obligation, holders of IUP/IUPK are required to prepare a master plan for community development and empowerment plan for the community for the communities residing around the WIUP and/or WIUPK that they operate. In preparing such master plan, holder of IUP/IUPK is required to consult with the MEMR and the regional government. Furthermore, the holder of an IUP/IUPK is required to allocate funds for the implementation of a community development and empowerment program, the amount of which shall be determined by the MEMR. Such fund allocation must also be included in the RKAB. Holder of IUP/IUPK is obliged to submit report on realisation of community development and empowerment program to the MEMR. A more specific guidelines to organize community development programs is regulated in the MEMR Decree No. 1824 K/30/MEM/2018 on the Guidelines on Implementation of Community Development and Empowerment Program.

Indonesian Language Law

On 9 July 2009, Law No. 24 of 2009 on Flag, Language, Coat of Arms and National Anthem (“**Law No. 24/2009**”) was enacted. It requires agreements to which an Indonesian party is a party to be executed in the Indonesian language. If both an Indonesian party and a foreign party are parties to an agreement (a “**Cross-Border Agreement**”), in addition to Indonesian language, such Cross-Border Agreement may also be executed in English or the national language of the foreign party. Law No. 24/2009 is silent as to whether both the Indonesian language and foreign language versions of such cross-border agreements need to be executed at the same time. On 30 September 2019, Presidential Regulation No. 63 of 2019 on Use of Indonesian Language (“**PR No. 63/2019**”) was issued as an implementing regulation of Law No. 24/2009. PR No. 63/2019 further stipulates that parties to a Cross-Border Agreement may contractually agree on the governing language of such agreement to determine the interpretation in case where different translation occurs, implying that both the Indonesian language and foreign language versions of a Cross-Border Agreement must at least be executed simultaneously.

Capital Market Regulation

Trading Session

Trading on the IDX is conducted pursuant to IDX Regulation No. II A on Trading of Equity Securities, as last amended on 8 April 2025. Trading of equity securities is carried out during the following sessions:

Trading Session	Markets	New Trading Hours (GMT +7)
Pre-opening	Regular	Monday–Friday 08:45:00–08:59:59
1 st session.	Regular, Cash and Negotiated	Monday–Thursday 09:00:00–12:00:00 Friday 09:00:00–11:30:00
2 nd session	Regular	Monday – Thursday 13:30:00 – 15:49:59 Friday 14:00:00 – 15:49:59
2 nd session	Negotiated	Monday – Thursday 13:30:00 – 16:30:00 Friday 14:00:00 – 16:30:00
Pre-closing session	Regular	Monday – Friday 15:50:00 – 16:01:59
Post closing session	Regular	Monday – Friday 16:02:00 – 16:15:00

Trading of securities is divided into three market segments: regular market, negotiated market and cash market (except for rights issues which may only be traded in the cash market and in the morning session of the negotiated market). The regular market is the mechanism for trading stock in standard lots on a continuous auction market during exchange hours. Regular

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market and cash market trading is generally carried out in unit lots of 100 shares. Price movements of traded securities are as follows:

- a. for shares with a previous price of less than Rp200, in multiples of Rp1 and each price movement should be no more than Rp10;
- b. for shares with a previous price between the range of Rp200 up to less than Rp500, in multiples of Rp2 and each price movement should be no more than Rp20;
- c. for shares with a previous price between the range of Rp500 up to less than Rp2,000, in multiples of Rp5 and each price movement should be no more than Rp50;
- d. for shares with a previous price between the range of Rp2,000 up to less than Rp5,000, in multiples of Rp10 and each price movement should be no more than Rp100; and
- e. for shares with a previous price of Rp5,000 or more, in multiples of Rp25 and each price movement should be no more than Rp250.

Auctioning takes place according to price priority and time priority. Price priority refers to the giving of priority to buying orders at a higher price or selling orders at a lower price. Time priority refers to the giving of priority to the buying or selling order placed first, if they are placed at the same price.

The negotiated market trading is carried out (i) by direct negotiation between members of IDX, (ii) between clients through one member of the IDX, (iii) between one client and one member of the IDX, or (iv) between members of the IDX with the Indonesian Stock Clearing and Guarantee (PT Kliring dan Penjaminan Efek Indonesia or the “KPEI”). Negotiated market trading does not use round lots.

Transactions on the IDX regular market are required to be settled no later than the second trading day after the transaction, except for cross trading. Transactions on the IDX negotiated market are settled based on agreement of the parties involved, or not later than the second trading day after the transaction if the parties have not agreed on the timing of settlement. Transactions on the IDX cash market are required to be settled on the trading day of the transaction. In case of a default by an exchange member on settlement, cash market trading takes place, under which trading of securities by means of direct negotiation on cash and carry terms will be conducted. All cash market transactions must be reported to the IDX. An exchange member is obliged to pay a transaction cost as regulated by the IDX and in the event of a delay in payment of the transaction cost a fine of 1.0% of the outstanding amount will be imposed for each day of delay. For any violation of the IDX rules, the IDX may impose on an exchange member any of the following sanctions namely, (i) a fine up to Rp500 million; (ii) a written warning; and/or (iii) a temporary suspension of trading activities; or (iv) a revocation of license as an exchange member.

All transactions involving shares listed only on the IDX that use the services of brokers must be conducted on the IDX. In order for a trade to be made on the IDX, both the cash and securities settlement must be conducted through the facilities of the IDX.

Between October and December 2008, engaging in short selling was prohibited by the IDX. However, short-selling transactions were permitted after the issuance of an IDX decision which took effect on 1 May 2009, subject to fulfilment of certain requirements such as: (i) the maintenance of a regular securities account that shows the transaction records of the trader, (ii) the maintenance of a margin trading or short selling financing securities account, and (iii) an initial deposit of Rp200 million into the margin trading or short selling financing securities account. Under normal and general conditions, only a member of the IDX that has obtained approval from the IDX can enter into a short selling transaction or margin transaction.

Furthermore, the IDX may cancel a transaction if there exist proof of fraud, market manipulation or the use of insider information. The IDX may also suspend trading if there are indications of fraudulent transactions or artificial inflation of share prices, misleading information, use of insider information, counterfeit securities or securities blocked from trading, or any other material event. The IDX may suspend trading of certain securities or suspend certain members of the stock exchange.

Based on agreements with their clients, members of the IDX charge a brokerage fee for their services up to a maximum of 1.0% of the transaction value. When conducting share

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transactions on the IDX, exchange members are required to pay a transaction levy equal to 0.018% of each transaction value (subject to a minimum fee of Rp20 million a month) for transaction of share and other registered securities, 0.009% of each transaction value for clearing fees and 0.003% of each transaction value for settlement fees. Exchange members generally pass on the cost of this levy to their clients. Clients are also responsible for paying a 11% value-added tax on the amount of the brokerage fee and transaction levy. Indonesian sellers are also required to pay a withholding tax of 0.1% of the total transaction value, and an additional tax of 0.5% for founder shares. A stamp duty of Rp10,000 is also payable on every transaction.

At any time during working hours, shareholders or their appointees may request the issuer or a securities administration bureau appointed by the issuer of such shares to register their shares in the issuer's registry of shareholders.

IDX Auto Rejection Regulations

Pursuant to IDX Rules No. II-A, JATS will automatically reject a sale offer and/or purchase demand for equity type securities if:

- a. the sale offer or purchase demand price is less than Rp50;
- b. the sale offer or purchase demand price is: (a) more than 35% above or 15% below the Reference Price (as defined below) within the range from Rp50 to Rp200; (b) more than 25% above or 15% below the Reference Price within the range from more than Rp200 to Rp5,000; or (c) more than 20% above or 15% below the Reference Price over Rp5,000; or
- c. the volume of the sale offer or purchase demand in regular market or cash market is more than 50,000 lots or 5% out of the total number of the company's shares listed on the IDX (whichever is smaller).

“**Reference Price**” means (a) the closing price (*harga penutupan*) on the previous trading day (the “**previous price**”) for shares that have been traded on IDX, (b) the theoretical price as a result of a corporate action (*harga teoritis hasil tindakan korporasi*) for the shares if the company is conducting a corporate action, (c) the initial price for shares of the company first traded on the IDX, or (d) the fair price of the shares as determined by an independent appraiser registered with OJK.

The above restrictions only apply to the regular market and cash market and not the negotiated market of the IDX. After taking into account trading conditions, the IDX may amend the above provisions upon a decision of the IDX board of directors with prior approval from the OJK. Such amendment shall be announced in IDX and shall be effective, at the earliest, after three trading days from such announcement.

Offering, Listing and Reporting Regulations

The Indonesian Government established the Financial Services Authority (*Otoritas Jasa Keuangan* or “**OJK**”) pursuant to Law No. 21 of 2011 on the Financial Services Authority as amended from time to time, to assume supervisory and regulatory functions over financial services sectors, including banking, capital markets, insurance, pension funds, finance companies, and other financial institutions.

In capital markets sector, OJK regulates and monitors securities issues which are publicly offered or listed in Indonesia. Initial securities offerings are generally conducted as underwritten public offers for sale by subscription. OJK regulates the offering and allocation procedures.

Unless waived, companies are required to meet certain historical financial requirements in order to become listed on the IDX. Requirements for the listing on the IDX are set out in the Amendment of Rule No. I-A, attachment to the Decision of the board of directors of IDX No. Kep-00045/BEI/03-2026 dated 31 March 2026 on Listing of Shares and Equity-Linked Securities other than Shares issued by a Listed Company, which came into force on 31 March 2026 (“**IDX Listing Regulation No. I-A**”), which revoked the provisions in the Decision of the board of directors of IDX No. Kep-00101/BEI/12-2021 dated 21 December 2021 regarding the Amendment of Regulation I-A regarding Listing of Shares and Equity-Linked Securities other than Shares Issued by a Listed Company as the previous IDX Listing Regulation No. I-A.

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Listed companies are required to submit, among other things, the following documents to OJK and the IDX:

- a. an annual report, to be submitted not later than four months after the end of the financial year of the company;
- b. consolidated financial statements consisting of:
 1. an annual financial report audited by an accountant registered with OJK, to be submitted no later than three months after the date of such report;
 2. any of the following mid-year reports: (a) a mid-year report (unaudited), to be submitted no later than one month after the date of such report; (b) a mid-year report with limited review by an accountant registered with OJK, to be submitted no later than two months after the date of such report; or (c) a mid-year report audited by an accountant registered with OJK containing a full opinion on the fairness of such report, to be submitted no later than three months after the date of such report; and
 3. quarterly reports, the preparation of which is required by the rules of the IDX, to be submitted to the IDX no later than one month after the date of such report for a non-audited report, two months after the date of such report for a limited audit report, and three months after the date of such report for a fully audited report;
- c. material information that is important and relevant according to OJK regulations and which may affect the value of the security or an investment decision, which includes merger, spin-off, acquisition, consolidation, stock split, combination of stock, distribution of interim dividends, delisting or relisting, change in direct or indirect control, change in management, repayment of debt securities, purchase or sale of material assets, replacement of public accountants, replacement of trustees, material legal claims, supervision of a relevant regulator which may affect the business, business restriction by a relevant regulatory agency, debt restructuring, any material event which may cause additional financial obligations or cause a disruption to revenue and other important information possibly affecting share prices on the exchange; such information must be submitted to OJK and announced publicly as soon as possible but in any event no later than two business days after such information is found;
- d. a copy of any amendment to the company's articles of association;
- e. the purpose of the utilization of net proceeds from the initial public offering;
- f. notice of any change in the composition of a company's board of directors or board of commissioners;
- g. the amount of shares owned by each director and commissioner of a company;
- h. report on shareholding and any change in shareholding which applies only to a shareholder that owns 5% or more of the paid-up capital of the company;
- i. report on shareholding and any changes in shareholding of a director or commissioner in the company;
- j. notice on appointment and replacement of corporate secretary; and
- k. notice of any material deviation from projections published by the listed companies.

Transfer of Shares

Transfers of listed shares on the IDX are governed by the Indonesian Companies Law and IDX rules. Under the Indonesian Companies Law, as a general matter, ownership of shares is based on the registration of ownership in the relevant company's share register. To be valid against the issuing company, a request for an entry of the transfer into a share registry must be received by the company. To be valid against a third party, the entry of the transfer must actually be made into the share register.

Transfers of scripless shares are made by way of appropriate instructions to the relevant brokers, sub-brokers or custodians with whom the transferor and the transferee involved

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maintain securities accounts in accordance with the individual arrangements with such brokers, sub-brokers or custodians. Upon receipt of such instructions, the relevant brokers, sub-brokers or custodians will, in accordance with such arrangements, effect the relevant changes in the register which they are required to maintain for rights and entitlements purposes.

Effective as of 30 June 2002, only shares held through PT Kustodian Sentral Efek Indonesia (“KSEI”) (and which have not been pledged or foreclosed upon based on a court order or seized for the purpose of criminal proceedings) may be traded on the IDX.

Securities transaction settlement services are part of the central depository services provided for the fulfilment of the rights and obligations as the result of stock exchange transactions or over-the-counter transactions by means of the transfer of securities and or funds between securities accounts. The settlement of stock exchange transactions is performed by KSEI based on transfer instructions received from both a selling Clearing Member (defined as a member of the stock exchange registered as the KSEI Clearing Member) and a buying Clearing Member. Alternatively, KSEI may settle over-the-counter transactions based on transfer instructions from a selling KSEI Selling Account Holder and acceptance from a buying KSEI Account Holder. Over the counter transfer instructions must also state whether the transaction requires a payment. When a transfer of securities and/or funds is completed and settled, KSEI submits a report to the KPEI or the Clearing Member on the settlement of a stock exchange transaction and confirmation is given to the relevant KSEI Account Holder on the settlement of over-the-counter transactions.

Reporting Requirements for Indonesian Mining Listed Companies

Pursuant to Regulation No. I-A on the Listing of Shares and Equity Securities Other than Shares Issued by Companies in the Mineral and Coal Mining Sector, public companies that have entered the production operation stage but have not yet commenced the sales stage, as well as public companies that have not yet commenced the production operation stage, are required to disclose the following information:

- a. A monthly report on the realization of the production operation work plan, which must be submitted to the Exchange no later than the 12th (twelfth) day of the following month. This reporting obligation applies on a continuous basis until the public company has commenced the sales stage.
- b. Information regarding the progress in achieving projected performance as disclosed at the time of listing, which must be disclosed for the purpose of monitoring by the Exchange. Such information must be submitted together with the annual financial statements and disclosed on a periodic basis every 1 (one) year up to the 5th (fifth) year following the company’s listing on the Exchange, or until the company records operating profit and net profit, whichever occurs earlier.

Reporting Requirements on Shares Ownership

According to OJK Regulation No. 4 of 2024 on the Report on Share Ownership or Any Change of Share Ownership in Public Company Shares and the Report on Activities of Guaranteeing Public Company Shares *juncto* OJK Circular Letter No. 10/SEOJK.04/2025 on Submission of Ownership Reports or Any Changes in Ownership of Public Company Shares and Reports on Activities Guaranteeing Public Company Shares Electronically, (a) any member of the board of directors or board of commissioners who owns shares with voting rights (directly or indirectly), (b) any party that directly or indirectly holds at least 5% of the Company’s shares with voting rights (including holders or beneficial owners of multiple voting rights), and (c) any controlling shareholder, must report their ownership of, and any change in the ownership of, the company’s shares to OJK through the electronic system no later than 3 business days after the relevant transaction or change.

Any encumbrance or pledge over the Company’s shares representing at least 5% of voting shares (whether in a single transaction or on an aggregated basis) must be reported to OJK no later than 3 business days after the execution of the relevant encumbrance agreement.

At minimum, the report should include: (i) the reporter’s identity (including status as director, commissioner, $\geq 5\%$ holder, or controller), (ii) the name of the public company and the class of shares (with voting rights), (iii) the number/percentage of shares or voting rights acquired,

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disposed, or encumbered, (iv) transaction date and price (for transfers) or key encumbrance details, (v) purpose of the transaction, (vi) direct/indirect ownership status and, if indirect, the upstream ownership chain/beneficial owner, and (vii) for controllers, a statement on whether control will be maintained. Submission must be made via OJK's electronic system.

OJK's Regulation on Annual Reporting Requirements

OJK Regulation No. 29/POJK.04/2016 on Annual Report of Issuer or Public Company governs the submission timeframe and contents of the annual reports of public companies ("**OJK Regulation No. 29/2016**"). This regulation substantially deals with procedural and technical matters related to corporate, accounting information. In addition, OJK has issued Circular Letter No. 16/SEOJK.04/2021 on the Form and Contents of Annual Reports of Issuers and Public Companies, which was issued on 29 June 2021 as the implementing regulation for OJK Regulation No. 29/2016, ("**OJK Circular Letter No. 16/2021**"). OJK Circular Letter No. 16/2021 sets out in detail the requirements for the form and contents of annual reports, including the requirement for a public company to reveal its ultimate principal or controlling shareholder, clearly spelled out in diagrammatic or chart form. In accordance with OJK Circular Letter No. 16/2021, annual reports may contain contents in any form including images, graphs, tables and/or flowcharts (accompanied by a title and/or description clarifying any such information). Failure to comply with these requirements may result in administrative sanctions ranging from a written warning or suspension of business to business license revocation.

In addition, as required under OJK Regulation No. 14/POJK.04/2022 on Submission of Financial Statement of Issuer or Public Company enacted on 22 August 2022, within three months after the end of each financial year, an issuer or public company must submit to OJK and announce to the public its annual financial statements consisting of, among other things, an audited statement of financial position and an audited profit and loss statement that have been signed by all members of the Board of Commissioners and Board of Directors of the relevant issuer or public company. Furthermore, such annual financial statements should be approved and ratified by the shareholders of the relevant issuer or public company at the annual general meeting of shareholders.

Related Party Transactions and Material Transactions

Under OJK Regulation No. 42/POJK.04/2020 on Affiliated Party Transactions and Conflict of Interest Transactions ("**OJK Regulation No. 42/2020**"), there are two types of related party transactions, namely affiliated transactions and conflict of interest transactions. Pursuant to OJK Regulation No. 42/2020, an affiliated transaction means any activity and/or transaction performed by a public company or controlled company with an affiliate of the public company or affiliate of a member of the board of directors, member of the board of commissioners, major or substantial shareholder (being shareholder(s) who, directly or indirectly, owns 20% or more shares with voting rights or such other lower threshold as determined by the OJK), or controlling shareholder, including any activity and/or transaction performed by the public company or controlled company for the interest of the affiliate of the public company or affiliate of a member of the board of directors, member of the board of commissioners, major shareholder or controlling shareholder.

A "controlling shareholder" is a controller as defined under OJK Regulation No. 9/2018, which is a party that (a) directly or indirectly owns more than 50% of all shares with voting rights that are fully paid up of public company; or (b) has the ability to determine, either directly or indirectly, in any ways, the management and/or policy of a public company. As a general rule, affiliated party transactions do not require the approval of independent shareholders, unless: (i) the value of the affiliated party transaction exceeds the threshold of a "material transaction" within the meaning of OJK Regulation No. 17/POJK.04/2020 on Material Transactions and Change of Business Activities ("**OJK Regulation No. 17/2020**") that requires GMS approval, (ii) the affiliated party transaction may potentially disrupt continuation of the business of the company (e.g., the transaction in pro forma would cause the public company to experience a decrease of 80% or more in its revenue or suffer a net loss) and/or (iii) the OJK deems that the affiliated party transaction requires an approval.

Unless exempted, affiliated party transactions need (i) to be submitted to OJK for notification and publicly announced within two business days following the date of the transaction and (ii) a fairness opinion from an OJK-approved independent appraiser. A summary of such fairness opinion must be published along with the public announcement in the company's and IDX's

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websites. However, if the affiliated transaction falls under certain exemptions as stipulated under OJK Regulation No. 42/2020, such transaction (i) will be required to be reported to OJK only, with no obligation to disclose the same to the public; or (ii) will not be required to be announced to the public or reported to OJK, as the case may be.

Affiliated transactions that are required to be reported to OJK, but not publicly announced, include, among others: (i) transactions performed pursuant to the implementation of laws and regulations or a court decision; (ii) transaction between the following: (a) the public company and a controlled company whose shares are held for at least 99% of paid-up capital of the controlled company; (b) fellow controlled companies whose shares are held for at least 99% by such public company; (c) a controlled company and a company whose shares are held by the controlled company for at least 99% of paid-up capital of such company; (iii) transaction which value not exceeding 0.5% of paid-up capital of the public company or not exceeding the amount of Rp5,000,000,000, whichever is lower; (iv) transaction of loan received directly from a bank, venture capital, financing company, or infrastructure financing company, whether domestic or foreign; (v) transaction of granting of guarantees or security interest to a bank, venture capital, financing company, or infrastructure financing company, whether domestic or foreign, on loan received directly by the public company or controlled company; (vi) transaction of addition or reduction of equity participation to maintain its percentage of ownership after such participation has been performed for at least 1 (one) year; (vii) transaction performed by a public company which is a financial service institution and a controlled company which is a sharia financial service institution in the context of development of such sharia financial service company; and/or (viii) transaction in the context of restructuring performed by a public company directly or indirectly controlled by the government.

Affiliated transactions that are not required to be disclosed to the public or reported to OJK include, among others: (i) use of any facility provided by the public company to member of the board of commissioners, member of the board of directors and/or major shareholder, in the event of major shareholder concurrently serving as employee, and such facility is directly connected to their responsibility to the public company and in accordance with policies of the public company, and has been approved by GMS; (ii) transaction between the public company and an employee, member of the Board of Directors, or member of the Board of Commissioners of the public company or an employee, member of the Board of Directors, or member of the Board of Commissioners of a controlled company with the same requirements, to the extent it has been approved by GMS; (iii) consideration, including salary, pension fund contribution, and/or special benefit provided to member of the Board of Directors, member of the Board of Commissioners, and major shareholder, in the event of major shareholder concurrently serving as employee, if the total amount of such consideration is disclosed in the periodic financial statements, to the extent approved by GMS; (iv) continuing transaction performed prior to the implementation of Initial Public Offering (IPO) by the public company or prior to submission of registration statement as public company, provided that (a) the transaction has been disclosed in the prospectus of initial public offering or in the information transparency or registration statement of public company; and (b) terms and conditions of the transactions has not undergone any change which may harm the public company; and/or (v) continuing transaction performed upon implementation of or upon the coming into effect registration statement as public company, provided that (a) the initial transaction underlying the subsequent transaction has been complied with this regulation of the OJK; and (b) terms and conditions of the transaction has not undergone any change which may harm the public company.

Any transaction by a company listed on the IDX which entails a conflict of interest must be approved by an independent shareholder. A conflict of interest transaction is defined in OJK Regulation No. 42/2020 as a conflict between the economic interests of a public company, on the one hand, and the personal economic interests of any member of its board of commissioners, board of directors, major or substantial shareholders (defined as a holder of 20.0% or more of the issued shares) or controlling shareholders which may harm the relevant public company. OJK has the power to enforce this rule, and shareholders may also bring enforcement action based on this rule.

Corporate Governance of Public Companies

On 17 November 2015, OJK issued OJK Regulation No. 21/POJK.04/2015, on the Implementation of Corporate Governance Guidelines for Public Companies (“**OJK Regulation No. 21/2015**”), which sets out several requirements on good corporate governance

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for public companies. Pursuant to OJK Regulation No. 21/2015, public companies are obliged to implement corporate governance guidelines set by the OJK, and are required to disclose information on the implementation of the recommendations mentioned in the good corporate governance, or “**GCG**”, guidelines issued by the OJK (“**GCG Guidelines**”) in their annual report. The GCG Guidelines are contained in the OJK Circular Letter No. 32/SEOJK.04/2015 on the Corporate Governance Guidelines for Public Companies.

The GCG Guidelines provide several recommendations to assist public companies with implementing good corporate governance principles, including: to set self-assessment procedures for the board of directors and board of commissioners, to issue an internal policy on whistleblowing system, to provide and retain summaries of the resolutions of the general meetings of the shareholders on the company’s website for at least one year. If a public company does not implement the GCG Guidelines, such a public company is required to provide an explanation on the underlying reason as to why the public company does not implement the GCG Guidelines. Failure to implement the GCG Guidelines may be subject to administrative sanctions imposed by the OJK, such as a written warning and a fine, among other things.

Independent Commissioner and Audit Committee

Based on OJK Regulation No. 33/POJK.04/2014 on Board of Directors, Board of Commissioners of Issuers or Public Companies, an independent commissioner of a listed company must:

- a. not own any shares of the listed company, whether directly or indirectly;
- b. not have an affiliated relationship with the listed company, or with any commissioners, directors or principal shareholders or controlling shareholders of the listed company;
- c. not have any business relationship which is directly or indirectly related to the listed company’s business activity; and
- d. not be an employee of the company or a person who has had the authority or responsibility over planning, leading, controlling or supervising the operations of the company within the period of six months prior to appointment except for a re-appointment as an independent commissioner in the listed company for the next period.

Based on OJK Regulation No. 55/POJK.04/2015 on the Establishment and Guidelines for the Duty of Audit Committee, the audit committee of a public company must comprise at least three members, one of whom must be an independent commissioner of the listed company who will serve as chairman of the audit committee. Pursuant to the OJK Regulation No. 55/2015, member of the audit committee must:

- a. be characterized by a high level of integrity and competence, sufficient knowledge and experience in line with educational background, and good communication skills;
- b. understand financial statements, the company’s business (particularly in relation to the service or business operations of the company), audit processes, risk management, capital markets, and the prevailing rules and regulations;
- c. comply with the code of ethics of the audit committee, as adopted by the company;
- d. commit to enhance his/her professional knowledge through education and training;
- e. comprise at least one member having an educational background in the accounting and/or for finance field;
- f. not be an insider in an accountancy firm, law firm, public appraiser, or other institution that has provided assurance services, non-assurance services, appraisal services and/or other consultancy services to the company within a period of six months prior to appointment;
- g. not have authority or responsibility over planning, directing, or controlling the operations of the company within a period of six months prior to appointment, except for the independent commissioner;

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- h. not hold any direct or indirect shareholdings in the company. In the event that a member of the audit committee acquires shares as the result of a legal action, then within a period of not more than six months subsequent to such acquisition, the said shares must be disposed of;
- i. not include members affiliated with members of the board of commissioners, board of directors, or substantial shareholders of the company; and
- j. not have any direct or indirect business relationship with the core business of the company.

Corporate Secretary

The corporate secretary acts as a liaison or contact person between the listed company, Indonesian Government authorities, including OJK, and the public. The corporate secretary must have access to material and relevant information relating to the listed company and must be familiar with all statutory regulations relating to capital markets, particularly on disclosure matters.

Pursuant to the OJK Regulation No. 35/POJK.04/2014 on Corporate Secretary of Listed Company or Public Company, the corporate secretary must fulfill the following requirements:

- a. be capable of performing legal acts;
- b. have sufficient knowledge and understanding in the field of law, finance and corporate governance;
- c. understand the business activity of the issuer or the public company;
- d. possess good communication skills; and
- e. be domiciled in Indonesia.

Nomination and Remuneration Committee

Under OJK Regulation 34/2014 on the Nomination and Remuneration Committee of the Issuer or Public Company, an issuer or a public company is required to have the function of nomination and remuneration conducted by the board of commissioners. The board of commissioners may form a nomination and remuneration committee consisting of at least three members, with an independent commissioner acting as the head of the committee, while the other members may be selected from (i) the board of commissioners, (ii) outside of the public company, or (iii) managerial positions under the board of directors in charge of human resources. In addition, members of the board of directors are not allowed to be appointed as members of the nomination and remuneration committee. The committee is appointed and dismissed following a decision of the board of commissioners. Furthermore, the nomination and remuneration committee is responsible for, among other things:

- a. providing recommendations to the board of commissioners concerning the (i) composition of the board of directors and/or board of commissioners, (ii) policies and criteria required in the nomination process, (iii) policies on the performance evaluation for the board of directors and/or the board of commissioners, (iv) remuneration structure, (v) remuneration provisions, as well as (vi) amount of the remuneration;
- b. assisting the board of commissioners in conducting evaluations of the performance of the board of directors and/or board of commissioners pursuant to the evaluation standards;
- c. providing recommendations to the board of commissioners regarding the skill development program for the board of directors and/or board of commissioners;
- d. proposing qualified candidates for membership on the board of directors and/or board of commissioners to be submitted the general meeting of shareholders;

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- e. providing recommendations to the board of commissioners on remuneration committee; and
- f. assisting the board of commissioners in evaluating the performance of the board of directors and/or board of commissioners pursuant to the remuneration received by the board of directors and/or board of commissioners.

IDX Listing, Relisting, Delisting, and Corporate Governance Rules

The IDX listing rules and regulations for equity securities are aimed at enhancing good corporate governance and clarifying listing, relisting and delisting criteria, sanctions for violation of stock exchange rules and e-reporting and monitoring. The IDX Listing Regulation regulates the four-board system, consisting of the Main Board, the Development Board, the Acceleration Board and the Economic Board.

The Main Board serves as the flag carrier of the IDX and is intended for companies fulfilling regional listing standards relating to size, track record and net tangible assets. The Development Board allows both large and small companies with prospects but who do not qualify to be listed on the Main Board yet, as well as companies in the recovery phase, to be listed on the IDX. The Acceleration Board is a listing board provided to accommodate issuers with small-medium scale assets. Companies which have not been able to meet the requirements of the Development Board can also be listed on the Acceleration Board. The Economic Board is a listing board provided to accommodate issuers that use technology and have high growth rates.

Initial Listing

Under the IDX Listing Regulation No. I-A, for the purposes of an initial listing, a listing applicant must satisfy the following general listing requirements (“**General Listing Requirements**”), which includes, among others: (a) having status as a limited liability company, (b) having a registration statement declared effective by OJK, (c) have an initial listing share price of at least IDR100 per share, (d) enter into an underwriting agreement on a full commitment basis, (e) registering its equity at KSEI, (f) if the company is a subsidiary or a holding company of another listed company, having obtained an appraisal/evaluation by an independent appraiser registered with OJK, stating that upon termination of an affiliation between the company and the listed company, each company can continue to sufficiently perform its operational activities; and showing that either (i) the pro forma financial statements of the company, independent of and without consolidation with the financial statements of the listed company, or (ii) the pro forma financial statements of the listed company, independent of and without consolidation with the financial statements of the company, can satisfy the listing requirements.

Listing on Main Board, Development Board, Acceleration Board and New Economic Board

Under the IDX Listing Regulation No. I-A, a company is deemed qualified to undertake an initial listing on the Main Board if it fulfils certain requirements, including:

- a. having satisfied the General Listing Requirements;
- b. having operated in the same core business for at least 36 (thirty six) consecutive months prior to the listing application which is evidenced by recording an operating revenue from commercial operations;
- c. audited financial reports covering at least the last three financial years or the audited financial statements covering at least two financial years and the last audited interim financial statements if obtained opinion without modification;
- d. either (i) having profit before tax in the last one financial year and net tangible assets of at least IDR250 billion; (ii) having accumulated profit before tax in the last two financial years of at least IDR100 billion and capitalization value of the shares is at least IDR1 trillion before the listing; (iii) having business income in the last one financial year of at least IDR800 billion and capitalization value of the shares is at least IDR8 trillion before the listing; (iv) having total assets in the last one financial year of at least IDR2 trillion and capitalization value of the shares is at least IDR4 trillion

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before the listing; or (v) having cash flows from cumulative operating activities in the last two financial years of at least IDR200 billion and capitalization value of the shares is at least IDR4 trillion before the listing;

- e. having at least 1,000 shareholders, each having a single investor identification number, with the following conditions: (i) for a prospective listed company that is conducting public offering, this minimum number of shareholders requirement must be met after the completion of the relevant initial public offering; and (ii) for a prospective listed company that is not conducting a public offering, this minimum number of shareholders requirement must be met no later than one month before the listing application; and
- f. the number of free float shares after the public offering is at least 300 million and meets the following conditions:
 - 1. at least 25% of the total listed shares for a company with a market capitalization of less than IDR5 trillion;
 - 2. at least 20% shares of the total listed shares for a company with a market capitalization of IDR5 trillion up to IDR50 trillion; or
 - 3. at least 15% shares of the total listed shares for a company with a market capitalization exceeding IDR50 trillion.
- g. a listed company must maintain a minimum free float of at least 15% of its total listed shares (or such other amount approved by the IDX) after one year from the listing date to remain listed on the IDX.

Under such listing rules, a company is deemed qualified to undertake an initial listing on the Development Board if it meets certain requirements, including the following:

- a. having satisfied the General Listing Requirements;
- b. having operated in the same core business for at least the past 12 consecutive months prior to the listing application date which is evidenced by recording an operating income for the last one year;
- c. fulfilled one of the following requirements: (1) it has net tangible assets of at least IDR50 billion; or (2) it has accumulated profit before tax for the last two financial years of at least IDR10 billion and shares capitalization value of at least IDR100 billion prior to the listing; or (3) it has operating income in the last financial year of at least IDR40 billion and shares capitalization value of at least IDR400 billion prior to the listing; or (4) it has total assets in the minimum amount of IDR250 billion in the last financial year and shares capitalization value of at least IDR500 billion prior to listing; or (5) it has cash flow from accumulated operational activities for the last two years of at least IDR20 billion and shares capitalization value in the minimum amount of IDR400 billion prior to listing;
- d. or if the proposed company to be listed is a company which has been experiencing losses, has not yet booked any profit, or has been in operation for less than two years, (1) based on its financial projection to be announced on the stock exchange at the latest at the end of the second financial year as of the listing date the company is projected to obtain operational and net profits; or (2) based on its financial projection by no later at the end of the company's sixth financial year as of the listing date, it has obtained operational and net profits, especially if the proposed listed company is a company that by nature of its business will likely require a longer period of time to reach a break-even point;
- e. shares owned by minority shareholders immediately after the initial listing within five stock exchange days before the listing application which are at least 150 million shares in number and meet the following conditions: (i) at least 20% shares of the paid up capital for a company which has an equity value of less than IDR500 billion before the public offering; (ii) at least 15% shares of the paid up capital for a company which has an equity value ranging from IDR500 billion to IDR2 trillion before the public offering; or (iii) at least 10% shares of the paid up capital for a company which has an equity value of more than IDR2 trillion before the public offering; and

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- f. at least 500 shareholders, each holding a securities account with the following conditions; (i) for a prospective listed company conducting public offering, the number of shareholders is the same with the amount during the Initial Public Offering; and (ii) for a prospective listed company from a public company, the number of shareholders is the latest shareholders no later than one month before the listing application.

The rules allow a company listed in the Development Board to be promoted to the Main Board if it meets the requirement for listing on the Main Board.

Other than the above, under the Decision of the Board of Directors of IDX No. Kep-00104/BEI/07-2023 dated 31 July 2023 on Amendment to the Rule I-V on Specific Provisions on Listing of Shares and Equity Securities other than Shares issued by a Listed Company in Acceleration Board, a company is deemed qualified to undertake an initial listing on the Acceleration Board if it fulfils certain requirements. A company may also be deemed qualified to undertake an initial listing on the New Economic Board if it fulfils certain requirements under the Rule I-Y on the Listing of Shares and Equity Securities other than Shares issued by Listed Companies on the New Economic Board as stipulated in the Attachment to the Decree of the Board of Directors of IDX No. Kep-00083/BEI/11-2022 dated 30 November 2022.

The rules also allow a company listed in the Acceleration Board, to be promoted to the Main Board or Development Board if it fulfils the requirements for listing on the Main Board or Development Board. The requirements for listing on the Main Board generally also apply to a company that is willing to undertake an initial listing on the Economic Board.

Free Float Requirements

The IDX has introduced a revised free float regime under (i) Regulation No. I-A and (ii) IDX Circular Letter No. SE-00004/BEI/03-2026 (the “**Circular Letter**”), both of which came into force on 31 March 2026.

Under Regulation I-A, “Free Float Shares” are defined as shares that:

- (a) are scripless and listed on the IDX;
- (b) are held by shareholders each owning less than 5% of total issued shares;
- (c) are not held by controlling shareholders or their affiliates;
- (d) are not held by members of the board of directors or commissioners;
- (e) are not treasury shares; and
- (f) are not subject to transfer restrictions.

The introduction of the “shares subject to transfer restrictions” criterion is a key refinement, excluding shares that are not freely tradable (e.g., shares under lock-up arrangements, regulatory restrictions, or legal encumbrances).

The Circular Letter provides further guidance on what is considered “shares subject to transfer restrictions”, including:

1. Shares under transfer restriction in accordance with the applicable laws and regulations or as a result of the listed company’s corporate actions;
2. Shares that are part of a portfolio of a venture capital company or private equity firm; and/or
3. Shares that are subject to seizure or blocking by law enforcement officers or competent authorities.

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At the time of initial listing of a company on IDX, the minimum free float requirements for the main board and development board under Regulation No. I-A are as follows:

Initial Free Float Requirement	Main Board	Development Board
Minimum number of free float shares	300,000,000	150,000,000
Market capitalisation < IDR5 trillion (equivalent to approximately USD294 million)	≥ 25%	≥ 25%
Market capitalisation of IDR5 trillion to IDR50 trillion (equivalent to approximately USD294 million to USD2.9 billion)	≥ 20%	≥ 20%
Market capitalisation > IDR50 trillion (equivalent to approximately USD2.9 billion)	≥ 15%	≥ 15%

The minimum free float requirement is determined by reference to the issuer's market capitalisation, replacing the previous equity-based approach. In addition, the IDX retains discretion to prescribe a different minimum free float for prospective listed companies conducting a public offering with a proceeds value of at least IDR 30 trillion.

As advised by the Company's Indonesian legal adviser,

1. shareholder, or in this case of an HDR issuance, the Depositary as the registered shareholder, holding less than 5% of total issued shares in a listed company is classified as "free float shares" under IDX Regulation No. I-A.
2. shareholder, or in this case of an HDR issuance, the Depositary as the registered shareholder, holding 5% or more of total issued shares in a listed company may be calculated as part of the free float, provided that (i) such shares are held for the benefit of public investors and (ii) the shareholder holds less than 10% of the total listed shares. This calculation is subject to an application by the listed company to the IDX and its approval.

As advised by the Company's Indonesian legal adviser, upon the Listing, if the Depositary (which will hold more than 5% the Company's shares) holds less than 10% of the total listed shares, the Company may submit an application to the IDX for the shares held by the Depositary be calculated as part of the free float.

Listed companies are required to maintain the prescribed initial free float for a period of at least one year following the effective listing date at the IDX.

After the lapse of the one-year post-listing period, a listed company is required to continuously maintain:

- at least 15% of its issued and listed shares as Free Float Shares; and
- a minimum of 50,000,000 Free Float Shares,

unless otherwise determined by the IDX.

In addition, a listed company is required to maintain a minimum number of 300 public shareholders, which operates in conjunction with the free float requirement to ensure adequate market dispersion.

A listed company is required to monitor its compliance with the free float requirements on an ongoing basis. In the event that a listed company undertakes a corporate action resulting in non-compliance with the free float requirements due to circumstances beyond the control of the listed company, the listed company must submit a plan to restore compliance to the IDX no later than 2 (two) exchange days after the listed company becomes aware that the free float requirements are not fulfilled. The IDX has the authority to approve or reject the application concerning the timeframe for fulfilling such requirement.

In certain circumstances where non-compliance arises as a result of a mandatory tender offer pursuant to applicable OJK regulations, Regulation No. I-A allows for re-compliance with the free float requirement within two years from the completion of such mandatory tender offer.

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For existing listed companies, the minimum free float requirement has been increased from 7.5% to 15%. Regulation I-A introduces a phased compliance schedule for all public companies that have not met the requirements under the newly enacted regulation, as summarized in the table below:

Market Capitalisation (as of 31 March 2026)	Free Float (as of 31 March 2026)	New Required Free Float	Compliance Deadline
≥ IDR5 trillion (equivalent to approximately USD294 million)	< 12.5% ¹	≥ 12.5%	31 March 2027
		≥ 15%	31 March 2028
	12.5% - < 15%	≥ 15%	31 March 2027
< IDR5 trillion (equivalent to approximately USD294 million)	Any percentage	≥ 15%	31 March 2029

¹ This scenario is subject to a two-stage compliance process.

As of 31 March 2026, the Company's market capitalisation is approximately IDR 120 trillion and its free float was 31.25%. Accordingly, under Regulation No. I-A, the Company is required to maintain a minimum free float of 15% by 31 March 2027. Based on the Company's Shareholders Registry as of 31 May 2026, the total free float shares in the Company amount to 4,048,455,864 ordinary shares, representing approximately 27.48% of the total issued shares of the Company.

Based on the above, the Company is currently in compliance with the minimum free float as of this date and the Company will endeavour to comply with and maintain this free float requirement at all times.

If there is a situation in the future where the free float of the Company becomes less than the required threshold, the Company will explore available options to enhance liquidity, among other things, by submitting an application to the IDX to determine certain shareholders to be calculated as part of the free float (as applicable).

Under Regulation No. I-A, a listed company may submit a request to IDX for certain shareholders to be categorized as part of the free float calculation, provided that the ultimate beneficiaries of such ownership are public investors.

The request must be submitted together with supporting documents demonstrating that the shareholding represents shareholders or an investment portfolio with public investors as the ultimate beneficiaries, and the IDX may, at its discretion, approve or reject the application. Under the Circular Letter, the supporting documents include information such as:

- i. the name of the investment manager or the shareholder proposed to be categorized as part of the free float calculation (the **"Proposed Party"**);
- ii. the shareholders of the Proposed Party;
- iii. the management of the Proposed Party;
- iv. a statement letter confirming that there is no affiliation between: (a) the Proposed Party and the controller of the listed company; (b) the shareholders of the Proposed Party and the controller of the listed company; and (c) the management of the Proposed Party and the controller of the listed company;
- v. the number and list of ultimate beneficiaries (beneficial owners), or other documents providing equivalent information as requested by the IDX, in lieu of disclosing the number and names of beneficial owners of the shareholders or investment portfolio proposed to be categorized as free float shareholders; and
- vi. the number and percentage of free float shares (in the event that the application is approved by the IDX).

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Moreover, the Proposed Party must hold less than 10% of the listed company's total issued shares.

Based on the above, if there is a situation in the future where the free float of the Company becomes less than the required threshold, the Company may submit a request to IDX for certain shareholders to be categorized as part of the free float calculation by demonstrating that, although the shares are legally held by a particular shareholder (e.g., an investment manager), the ultimate beneficiaries are widely dispersed public investors, and that such Proposed Party does not have any affiliation or control relationship with the Company's controlling shareholder. If approved, such reclassification would increase the Company's free float without requiring an actual divestment of shares.

Failure to comply with the free float requirement may result in regulatory actions by the IDX, which could potentially have an adverse effect on the Company's listing status, trading liquidity of its shares, and the interests of HDR holders. In addition, efforts to increase free float, such as equity issuances, may have a dilutive effect and/or impact the market price of the Company's shares.

Under the prevailing Indonesian capital markets laws and regulations, there is no prescribed or standalone concept of "public float". The regulatory framework only recognises free float as governed under Regulation No. I-A and the relevant Circular Letter.

There is no official reference of "public float" in the relevant prevailing Indonesian laws and therefore no requirements for "public float" under Indonesian law to be complied with by the Company. Instead, the Company's compliance is assessed by reference to the applicable free float requirements under the Indonesian regulatory regime.

The total number of base offering shares and over-allotment option shares that will become the underlying HDRs upon Listing (excluding shares from the exercise of over-allotment option portion) is 1,031,188,000 shares in the Company, representing approximately 7% of the total issued shares of the Company. Moreover, the total number of offering shares that will become the underlying HDRs upon Listing is 896,686,000 shares in the Company, representing 6.09% of the total issued shares of the Company.

All shares underlying the HDRs will be recorded in the Company's shareholder registry as being held by the Depositary as a single shareholder. Under the Circular Letter, a listed company may submit an application for certain shareholders to be classified as free float shareholders, provided that such (i) ownership is held for the benefit of public investors and (ii) shareholders hold less than 10% of the total listed shares.

In this regard, as advised by the Company's Indonesian legal adviser, if upon the Listing, the Depositary holds:

- (i) less than 10% of the total listed shares of the Company, the Company may submit an application to the IDX to determine that the shares held by the Depositary are categorised to be free float shares; or
- (ii) more than 10% of the total listed shares of the Company, the shares underlying the HDRs cannot be counted as free float shares, regardless of the level of holdings of the underlying HDR holders or their ultimate beneficial owners.

In consideration that based on the Company's Shareholders Registry as of 31 May 2026, the total free float shares in the Company amounts to approximately 27.48% of the total issued shares of the Company, therefore the Company complies with the free float requirement.

With the assumption that the free float of the Company remains the same since 31 May 2026:

- (i) If the shares registered under the name of the Depositary Bank amounts to more than 10% of the Company's total issued shares, the free float of the Company (based on the Company's Shareholders Register as of 31 May 2026) will be reduced from approximately 27.48% to approximately 20.48%, therefore the Company will still comply with the free float requirement.

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- (ii) If the shares registered under the name of the Depository Bank amounts to less than 10% of the Company's total issued shares, upon obtaining approval from the IDX to count such shares as free float shares, the free float of the Company will remain being 27.48%, therefore the Company will still comply with the free float requirement.

Upon receiving a request from a listed company for certain shareholders to be categorized as part of the free float calculation, the IDX will carry out an evaluation and assessment of the submitted documents on a case-by-case basis. Approval of such request remains subject to the IDX's review and discretion. In this regard, the IDX will consider among other things, the 10% threshold requirement. Since the Regulation No. I-A has just recently been issued, as of the Latest Practicable Date, the IDX has not issued any formal guidelines governing the approval process or the specific criteria to be applied in evaluating such applications.

In practice, it is possible that the IDX may consider the substance of the shareholding arrangement, including whether the relevant shares are held through a depository or custodian, and whether the ultimate beneficiaries of such shares are public investors who are not affiliated with the Company's controlling shareholder. This may include an assessment of whether the underlying holdings reflect a broad base of public investors and whether the depository or nominee acts solely as an intermediary rather than exercising control over the shares.

Regulatory Framework Governing Fundraising Activities of a Public Company

A public company in Indonesian is subject to the applicable Indonesian laws and regulations as well as the rules of the IDX governing the raising of new funds. Below is a comparison between available fundraising mechanisms by public companies:

Equity Fundraising

	<u>Rights Issue</u>	<u>Capital Increase without Pre-Emptive Rights ("NPR")</u>
Regulation . . .	<ul style="list-style-type: none"> • OJK Regulation No. 32/POJK.04/2015 on the Capital Increase of Public Companies with Pre-emptive Rights as amended by OJK Regulation No. 14/POJK.04/2019; • Regulation No. I-A. 	
Regulatory Approval Procedure . .	Subject to submission of a registration statement to OJK to be declared effective.	No requirement to submit a registration statement to OJK.
Size	<p>Not capped.</p> <p>The size of the rights issue is determined by the public company to be approved by the GMS.</p>	<p>In general, may be conducted by public companies which are (i) in financial distress or (ii) not in financial distress.</p> <p><i>Under financial distress</i> Not capped.</p> <p><i>Not in financial distress</i> An NPR by public companies which are not in financial distress is limited to maximum issuance of 10%.</p>

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	<u>Rights Issue</u>	<u>Capital Increase without Pre-Emptive Rights (“NPR”)</u>
GMS Approval	<p>Required. The GMS must be attended and approved by more than ½ of the total issued shares with valid voting rights.</p> <p>Moreover, note that all issuance of shares shall result an amendment to the articles of association, which requires attendance quorum of at least 2/3 and approval threshold of more than 2/3 of total issued shares with valid voting rights.</p>	<p>Required.</p> <p><i>Under Financial Distress</i> GMS must be attended and approved by more than ½ of the total issued shares with valid voting rights.</p> <p><i>Not in Financial Distress</i> GMS must be attended and approved by more than ½ of independent shares.</p> <p>Moreover, note that all issuance of shares shall result an amendment to the articles of association, which requires attendance quorum of at least 2/3 and approval threshold of more than 2/3 of total issued shares with valid voting rights.</p>
Pricing	<p>The exercise price must be at least the higher of (i) the lowest trading price of the shares on the IDX regular and cash markets (i.e., IDR 50), or (ii) the nominal value of the shares.</p>	<p><i>Not in Financial Distress</i> The exercise price must be at least 90% of the average closing price of the shares over the 25 consecutive trading days on the regular market before the application to list the additional shares is submitted to the IDX.</p> <p><i>Under Financial Distress</i> The exact exercise price may be agreed by the parties.</p>

Debt Fundraising

	<u>Debt Securities and/or Sukuk through Public Offering</u>	<u>Debt Securities and/or Sukuk through Private Placement</u>	<u>Debt Securities to Professional Investors</u>
Regulation .	<ul style="list-style-type: none"> • OJK Regulation No. 18/POJK.04/2015 on the Issuance and Requirement of Sukuk as amended by OJK Regulation No. 3/POJK.04/2018; • IDX Rule No. I-B, attachment to the Decision of the board of directors of IDX No. Kep-00038/BEI/05-2020 dated 20 May 2020 on Listing of Bonds; and • IDX Rule No. I-G, attachment to the Decision of the board of directors of IDX No. Kep-00031/BEI/03-2021 dated 26 March 2021 on the Listing of Sukuk. 	OJK Regulation No. 30/POJK.04/2019 on the Issuance of Debt Securities and/or Sukuk without Public Offering	OJK Regulation No. 11/POJK.04/2018 on Public Offering of Debt Securities to Professional Investors

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	Debt Securities and/or Sukuk through Public Offering	Debt Securities and/or Sukuk through Private Placement	Debt Securities to Professional Investors
Regulatory Approval Procedure	Subject to submission of a registration statement to OJK to be declared effective.	Not required, the issuer is only required to submit the issuance documents to OJK prior to the issuance.	Subject to submission of a registration statement to OJK to be declared effective.
Size	Not capped.	The issuance must meet the minimum threshold of at least IDR1,000,000,000, or, in the case of a staged issuance, reaches such amount within the period of 1 year.	Not capped.
GMS Approval .	Not required, unless the public company's AOA requires GMS approval.	Not required, unless the public company's AOA requires GMS approval. The issuance of bonds and/or sukuk through private placement are subject to the material transaction rules if the issuance meets the applicable thresholds.	Not required, unless the public company's AOA requires GMS approval.

As of the Latest Practicable Date, the Company is not subject to specific limitations or prohibitions under applicable Indonesian laws and IDX regulations that restrict the Company from raising additional funds in the future.

In this regard, any fund raising through equity issuance would be subject to the applicable regulatory framework and procedural requirements, including, among others, compliance with the prevailing capital markets regulations, shareholder approval requirements (where applicable), and relevant IDX rules governing the issuance and listing of new shares.

Delisting

Pursuant to IDX Rule I-N on Delisting and Relisting of Shares in Stock Exchange as stipulated in the Attachment to the Decree of the Board of Directors of IDX No. KEP-00054/BEI/05-2024, a company can be delisted by the IDX on several basis. Such basis are (i) request of said listed company, (ii) OJK's request, or (iii) IDX's decree. For a listed company to be able to delist voluntarily, it is required to fulfil several conditions which are (i) its shares have been listed on the IDX for at least five years, (ii) has settled all of its obligations to the IDX as required under the exchange rule, and (iii) has paid the delisting fee amounting to five times of the most recent annual listing fee. Meanwhile, for a listed company to be delisted based on IDX's decree, there are several reasons that might trigger such delisting, namely (i) certain conditions adversely affect the company as a going concern, financially or legally, or such conditions adversely affect the continuing status of the company as a public listed company and the company has not shown it has implemented sufficient remedial actions, (ii) the listed company does not fulfil the listing requirements in the stock exchange, or (iii) its shares are suspended from the regular market and the cash market and may only be traded in the negotiated market within the last 24 months.

Furthermore, under OJK Regulation No. 45 of 2024 on Development and Strengthening of Issuers and Publicly-Traded Companies ("**OJK Regulation No. 45/2024**"), a listed company that is going to be delisted is also required to:

- a. obtain approval from their independent shareholders;
- b. buy back all shares owned by their public shareholders until the number of shareholders is less than 50 (or any other number determined by OJK);
- c. announce their go-private plan along with the announcement of GMS to approve the go-private plan; and
- d. apply to OJK for a revocation of their effective registration statement.

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Buy Back

Pursuant to OJK Regulation No. 29 of 2023 on Buy Back of Share Issued by Public Company enacted on 29 December 2023 (“**OJK Regulation No. 29/2023**”), a public company may repurchase its shares in accordance with Articles 37 and 39 of the Indonesian Companies Law, or to satisfy Article 62 of the Indonesian Companies Law as long as such buyback does not related to or causing fraud, market manipulation and/or insider trading. The repurchase of shares shall be completed within 12 months after the date of approval of the general meeting of shareholders. The public company is required to transfer the buyback shares within three years after the completion of the share repurchase. If, after the three-year period, there are still remaining buyback shares held by the public company, the company is required to complete the transfer of such shares no later than one year after the lapse of the three year period. However, the three year period for transferring the buyback shares may be extended for another two years if (i) the public company has transferred at least 10% of the buyback shares, or (ii) the company’s share price during those three years has never exceeded the average buyback price of a public company.

Furthermore, under OJK Regulation No. 13 of 2023 on Policy to Maintain the Performance and Stability of the Capital Market Under Significantly Fluctuating Market Conditions enacted on 20 July 2023 (“**OJK Regulation No. 13/2023**”) an issuer or a public company also may buy back its shares if there are significantly fluctuating market conditions as long as such buyback does not related to or causing fraud, market manipulation and/or insider trading. “Significantly fluctuating market condition” occurs under the following circumstances:

- a. a decrease in most of all the prices of securities listed on the IDX or market organizer outside the IDX in which such a large amount of material occurs suddenly (crash);
- b. capital market is under significant pressure;
- c. regional and global economic conditions that are experiencing pressure and deceleration to have a significant impact or potential to have a significant impact on the stability of the capital market;
- d. occurrence of natural or non-natural disasters that have an impact on the pressure on the stability of the capital market;
- e. such a large redemption of shares or investment product participation units and material in nature which occurs suddenly (crash), the cessation of securities trading for most of the securities portfolios of investment products at the IDX, or the closing of the IDX in which most of the securities portfolios of investment products are traded;
- f. trading system failures or transaction settlements which cause the market to fluctuate significantly; and/or
- g. other conditions as established by the OJK.

Under OJK Regulation No. 29/2023, every public company that buyback its shares are required to disclose such buyback to its shareholders simultaneously with the GMS announcement by complying with the principle of transparency which must at least contain:

- a. estimated schedule, the estimated cost of the buyback of shares, and the estimated nominal value of all shares to be bought back;
- b. explanation, consideration and reason for the buyback of public company shares;
- c. estimated decrease in revenue of the public company as a result of the implementation of the buyback of shares and the impact on the financing cost of the public company;
- d. pro forma earnings per share of the public company after the plan to buy back the shares, by taking into account the decline in revenue;
- e. limitation of share price for the buyback of shares;
- f. limitation on the period of buyback of shares;
- g. method to be used in order to repurchase the shares;

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- h. management discussion and analysis on the effect of the buyback of shares on the business activities and growth of the public company in the future; and
- i. source of funds to be used for the implementation of the buyback of shares.

EXCHANGE CONTROLS

Exchange Controls

Foreign exchange activities in Indonesia are primarily governed by Law No. 24 of 1999 on Foreign Exchange Traffic and Exchange Rate System (as amended), which adopts a free foreign exchange regime subject to further regulation by Bank Indonesia.

The Rupiah has been, and in general is, freely convertible within or from Indonesia. However, to maintain the stability of the Rupiah and to prevent the utilization of the Rupiah for speculative purposes by non-residents, Bank Indonesia has introduced regulations such as Bank Indonesia Regulation No. 6 of 2024 on the Money Market and Foreign Exchange Market (“**PBI 6/2024**”) to restrict the movement of Rupiah from banks within Indonesia to offshore banks, an offshore branch of an Indonesian bank, or any investment denominated in Rupiah by foreign parties and/or Indonesian parties domiciled or permanently residing outside Indonesia, thereby limiting offshore trading to existing sources of liquidity.

Bank Indonesia retains broad authority under applicable laws to introduce additional foreign exchange measures, liquidity controls or macroprudential regulations in response to market conditions.

Indonesian Law on Currency and Obligation to Use Rupiah in Indonesian Territory

On 28 June 2011, the House of Representatives (or the “**Indonesian Parliament**”) passed Law No. 7 of 2011 on Currencies, which was amended on 12 January 2023 by Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector (the “**Currency Law**”) and on 31 March 2015, Bank Indonesia issued Bank Indonesia Regulation No. 17/3/2015 (“**PBI 17/3**”) and enacted Bank Indonesia Circular Letter No. 17/11/DKSP of 2015 on 1 June 2015 as the implementation guidelines (“**SEBI 17/2015**”). Under the Currency Law and PBI 17/3, all parties are required to use Rupiah for cash and non-cash transactions conducted within Indonesia, including (i) each transaction which has the purpose of payment; (ii) settlement of other obligations which must be satisfied with money; and/or (iii) other financial transactions (including deposits of Rupiah in various amounts and types of Rupiah denomination from customers to banks).

Subject to further requirements under PBI 17/3, the obligation to use Rupiah does not apply to (i) certain transactions relating to the implementation of state revenue and expenditure; (ii) the receipt or provision of grants either from or to overseas; (iii) international trade transactions, which includes (a) export and/or import of goods to or from outside Indonesian territory and (b) activities relating to cross border trade in services; (iv) bank deposits denominated in foreign currencies; (v) international financing transactions; or (vi) transactions in foreign currency which are conducted in accordance with applicable laws and regulations, including, among others; (a) a bank’s business activities in foreign currency which is conducted based on applicable laws regarding conventional and sharia banks, (b) securities in foreign currency issued by the Government in primary or secondary markets based on applicable laws, and (c) other transactions in foreign currency conducted based on applicable laws, including the law regarding Bank Indonesia, the law regarding investment and the law regarding *Lembaga Pembiayaan Ekspor Indonesia* (Indonesia Eximbank).

The Currency Law and PBI 17/3 prohibit the rejection of Rupiah when offered as a means of payment, to settle obligations and/or with respect to other financial transactions within Indonesia, unless there is uncertainty regarding the authenticity of the Rupiah bills offered, or the parties to the transaction have agreed in writing to the payment or settlement of obligations in a foreign currency. Article 10 of PBI 17/3 further explains that the exemption based on such a written agreement between the parties is only applicable to an agreement made with respect to one of the above exempted transactions or transactions related to a strategic infrastructure project.

REGULATORY OVERVIEW

PBI 17/3 took effect from 31 March 2015, and the requirement to use Rupiah for non-cash transactions was effective from 1 July 2015. Written agreements which were signed prior to 1 July 2015 that contain provisions for the payment or settlement of obligations in foreign currency for non-cash transactions will remain effective until the expiry of such agreements. However, any extension and/or certain amendment of such agreements must comply with PBI 17/3.

According to SEBI 17/2015, a business operator in Indonesia must quote the price of goods and/or services in Rupiah and is prohibited from conducting dual quotations where the price of goods and/or services is listed both in Rupiah and a foreign currency, anywhere including on electronic media. The restriction applies to, among others, (i) price tags, (ii) service fees, such as agent fees in the sale and purchase of property, tourism services fee or consultancy services fee, (iii) leasing fees, such as apartment leases, housing leases, office leases, building leases, land leases, warehouse leases or vehicle leases, (iv) tariffs, such as loading/unloading tariff for cargo at the seaport or airplane ticket tariff, (v) price lists, such as a restaurant menu price list, (vi) contracts, such as clauses for pricing or fees, (vii) documents of offer, order, invoice, such as the price clause in an invoice, purchase order or delivery order, and/or (viii) payment evidence, such as the price listed in a receipt.

Further, SEBI 17/2015 stipulates that conditional exemptions may apply to certain infrastructure projects, among others, (i) transportation infrastructure, including airport services, seaport procurement and/or services, railway infrastructure and facilities, (ii) road infrastructure, including toll roads and toll bridges, (iii) watering infrastructure, including standard water bearer channel, (iv) drinking water infrastructure, including standard water bearer building, transmission channels, distribution channels, drinking water treatment installation, (v) sanitation infrastructure, including waste water treatment installation, collector channel and main channel, and waste facility which includes transporter and waste storage, (vi) informatics and telecommunications, including telecommunication network and e-government infrastructure, (vii) power infrastructure, including power plant, which includes power development sourcing from geothermal, transmission or distribution of electricity, and (viii) natural crude oil and natural gas infrastructure, including transmission and/or distribution of crude oil and natural gas. These exemptions apply if (a) the project has been declared by the central or regional government as a strategic infrastructure project, as evidenced by a formal confirmation letter from the relevant ministry/institution with regards to the project owner; and (b) an exemption approval has been obtained from Bank Indonesia.

A failure to comply with the obligation to use Rupiah in cash transactions will result in criminal sanctions in the form of fines and confinement. While a failure to comply with the obligation to use Rupiah in non-cash transactions will be subjected to administrative sanctions in the form of (i) written warning, (ii) fines, and/or (iii) prohibition from undertaking payment activities. Bank Indonesia may also recommend the relevant authorities and institutions to conduct certain action such as revoking the business license or stopping the business activities of the party which fails to comply with the obligation to use Rupiah in non-cash transactions.

Purchasing of Foreign Currencies Against Rupiah through Banks

On 11 July 2024 and 23 September 2024, Bank Indonesia issued PBI 6/2024 and Members of the Board of Governor of Bank Indonesia Regulation No. 11 of 2024 on Foreign Exchange Market Transactions (collectively, “**FX Transaction Regulation**”), respectively. Under the FX Transaction Regulation, any purchase of foreign currency against Rupiah that exceeds a prescribed threshold is required to have an underlying transaction and supported by underlying transaction documents. Certain transactions are exempted from the underlying requirement, including (i) interbank FX transactions, (ii) transactions between a bank and an Islamic bank or Islamic banking unit, and (iii) transactions cleared through a central counterparty (CCP).

REGULATORY OVERVIEW

The threshold is (i) US\$100,000 or its equivalent per month per purchaser, for either spot (cash) transactions, (ii) for forward and domestic-non deliverable forward (DNDF) transactions, US\$100,000 per month per purchaser for buy transactions and US\$5,000,000 per transaction for sell transactions, (iii) US\$5,000,000 per transaction for swap transactions, (iv) for other FX derivative transactions, US\$100,000 per month per purchaser for buy transactions and US\$1,000,000 per transaction for sell transactions. In the event that a purchase exceeds the threshold, the maximum amount of a purchase cannot exceed the value of the underlying transaction. For purchase of foreign currencies against Rupiah within the threshold, the purchaser must declare in a duly stamped or authenticated written statement that its purchase of foreign currency against Rupiah is within the prescribed threshold. The declaration may be provided through various authenticated formats, including signed letters, official email, SWIFT messages, Bank's electronic system-generated confirmations, or negative confirmation.

The underlying transaction for the purposes of the FX Transaction Regulation may consist of: (i) domestic trade of goods and services; (ii) current account activities; (iii) the granting of facility or financing from a bank in Indonesia to Indonesian residents for trade and investment activities; (iv) financial account activities; (v) capital account activities; and (vi) any other underlying transaction which is determined by Bank Indonesia. The underlying transaction may not include: (i) a placement of funds; (ii) securities issued by Bank Indonesia; (iii) undrawn credit or financing facilities; or (iv) cryptocurrency assets.

Failure to comply with underlying transaction documentation requirements or declaration obligations may result in administrative sanctions imposed by Bank Indonesia, including written warnings, fines and/or restrictions on foreign exchange transactions.

The following sets out as a summary of certain Listing Rules that do not apply to the Company pursuant to Rule 19C.11 of the Listing Rules.

LISTING RULES WHICH DO NOT APPLY TO THE COMPANY

As the Company is seeking a secondary listing on the Stock Exchange under Chapter 19C of the Listing Rules, certain requirements under the Listing Rules do not apply to the Company pursuant to Rule 19C.11 of the Listing Rules. These exceptions to the Listing Rules include, among other things, certain requirements on continuous professional development of directors, overboarding and tenure hard cap of independent non-executive directors and establishment of board committees under Rules 3.09F, 3.09G, 3.09H, 3.12A, 3.13A, 3.17, 3.21 to 3.23, 3.25 to 3.27C, 3.28 and 3.29; Chapter 7 (Methods of Listing); the free float and public float requirements under Rules 8.08(1) and 8.08A; certain share repurchase and lock-up requirements under Rules 10.05, 10.06(2)(a) to (c), 10.06(2)(e), 10.06(4), 10.06(5), 10.06A(1), 10.06A(3), 10.06B, 10.07(1), 10.07(2) to (4) and 10.08; certain continuing disclosure obligations under Rules 13.11 to 13.22, 13.23(1), 13.23(2), 13.25A, 13.27, 13.28, 13.29, 13.31(1), 13.32A to 13.32G, 13.36, 13.37, 13.38, 13.39(1) to (5A), 13.39(6) to (7) (exception limited to circumstances other than where a spin-off proposal requires approval by shareholders of the parent), 13.40 to 13.42, 13.44 to 13.45, 13.47, 13.48(2), 13.49, 13.51(1), 13.51(2) (except that each director or member of the overseas issuer's governing body must provide their contact information and personal particulars as soon as possible as required under Rule 3.20), 13.51B, 13.51C, 13.52(1)(b) to (d), 13.52(1)(e)(i) to (ii), 13.52(1)(e)(iv) (exception limited to issues outside the Stock Exchange's markets), 13.52(2), 13.67, 13.68, 13.74, 13.80 to 13.87 (exception limited to circumstances other than where a spin-off proposal requires approval by shareholders of the parent), 13.88, 13.89 and 13.91; Chapter 14 (Notifiable Transactions); Chapter 14A (Connected Transactions); Chapter 15 (Options, Warrants and Similar Rights); Chapter 16 (Convertible Equity Securities); Chapter 17 (Share Schemes); Appendix C1 (Corporate Governance Code); Appendix C2 (Environmental, Social and Governance Reporting Code); Appendix C3 (Model Code for Securities Transactions by Directors of Listed Issuers) and Appendix D2 (Disclosure of Financial Information).

HISTORY AND CORPORATE STRUCTURE

HISTORY

The Company incorporated in November 2015 under the name PT Pani Bersama Jaya, as a limited liability company, pursuant to the Deed of Establishment No. 87 dated 20 November 2015 which was approved by the Minister of Law pursuant to Decree No. AHU-2467705.AH.01.01.TAHUN 2015 dated 20 November 2015. Upon its establishment, the Company's initial business activities were focused on the sector of mining related activities.

MCG acquired 66.70% of the Company's total issued and paid-up capital in November 2018 and the Company became a subsidiary of the MCG Group. Since then, the Company has evolved into a holding company engaged in gold mining and associated mineral processing activities, as well as other related minerals business operations. The Company, through its subsidiaries, manages the Pani Gold Mine at Pohuwato Regency, Gorontalo Province in Sulawesi, Indonesia and oversees mining operations, processing activities, and supporting infrastructure for the Pani Gold Mine.

On 23 September 2025, the Company became primary listed on the IDX under the ticker EMAS through its initial public offering and as a spin-off from MCG. Following its initial public offering, the Company remains a majority-owned subsidiary of MCG.

The Company is an IDX-listed gold mining company anchored by the Pani Gold Mine, which, based on the Industry Report, is recognized as one of the largest primary gold mines in Indonesia on a resources basis. By 2030, the Company is expected to rank among the top two primary gold mines in Asia by production.

KEY HISTORICAL MILESTONE

Set out below are some of our key historical milestones:

Date	Event
November 2015	<ul style="list-style-type: none"> • Incorporation of the Company under the name of PT Pani Bersama Jaya as a limited liability company; and • Incorporation of PBT.
November 2018	MCG acquired a majority stake in the Company, effectively representing 66.70% of the Company's total issued and paid-up capital and became the controlling shareholder of the Company.
December 2022	The Company entered into the ABI Merger Deed, pursuant to which ABI was merged into the Company. As a result of the merger, the Company obtained 99.99% ownership in GSM.
September 2023	Acquisition of 99.99% ownership in MMI.
December 2023	Acquisition of 99.99% ownership in MAP.
June 2024	Acquisition of 51% ownership in PETS through PEG. As a result, the Company obtained an effective ownership of 99.99% in PETS.
August 2024	Incorporation of PIJ, in which the Company holds 99.96% ownership.
January 2025	Incorporation of PIN, in which the Company holds 99% ownership.
June 2025	The Company changed its name to PT Merdeka Gold Resources Tbk.
September 2025	The Company became primary listed on the IDX (under the ticker EMAS) on 23 September 2025.

HISTORY AND CORPORATE STRUCTURE

Date	Event
October 2025	Commencement of initial ore mining activities and energization of the 150kV PLN power grid.
November 2025	Commencement of production activities at the Ore Processing Plant (OPP).
December 2025	<ul style="list-style-type: none"> • Commencement of the crushed ore stacking. • Early works infrastructure and bulk earthworks for CIL commenced construction. The Group obtained a syndicated financing facility of US\$350,000,000 with PT Bank UOB Indonesia as facility agent, security trustee and security agent, and other financial institutions as lenders.
February 2026	<ul style="list-style-type: none"> • First gold production from the Pani Gold Mine. • Entered into the first gold sales and purchase agreement.
March 2026	Completion of the first gold sales.

OUR SUBSIDIARIES

The principal business activities, date of establishment and place of incorporation of each of our subsidiaries as of the date of the Latest Practicable Date are shown below:

Name of subsidiary	Date of Establishment	Date of becoming part of the Group	Place of Establishment	Shareholding percentage held by the Group ^{(1) (2)}	Principal Business Activities
PBT	November 2015	November 2015	Indonesia	99.99%	Precious basic metal manufacturing industry, holder of IUP-OP specifically for Processing and/or Refining
PEG	December 2013	December 2017	Indonesia	99.99%	Holding company
PETS . . .	February 2014	December 2017	Indonesia	99.99%	Gold and silver mining, holder of the IUP-OP of certain part of the Pani Gold Mine
GSM	July 1994	December 2022	Indonesia	99.99%	Gold and silver mining, holder of the CoW in relation to certain part of the Pani Gold Mine
MMI	May 2022	September 2023	Indonesia	99.99%	Support activities for other mining and quarrying, and rental and leasing
MAP	December 2019	December 2023	Indonesia	99.99%	Wholesale trade activities on a fee or contract basis, other supporting transportation activities n.e.c. (not elsewhere classified), other business support service activities n.e.c. (not elsewhere classified), real estate owned or leased, and construction of civil engineering buildings for roads
PIJ	August 2024	August 2024	Indonesia	99.96%	Industrial area
PIN	January 2025	January 2025	Indonesia	99.99%	Precious basic metals manufacturing industry.

HISTORY AND CORPORATE STRUCTURE

Note:

- (1) Such shareholding interest may be held directly by the Company or indirectly through its subsidiaries.
- (2) Pursuant to the Indonesian Companies Law, all companies incorporated in Indonesian are required to have at least two Shareholders. As of the Latest Practicable Date, the remaining 0.01% of PBT is held by Mr. Januarius Felix Lumban Gaol (who is an Independent Third Party and not a representative or nominee of the Company); the remaining 0.01% of GSM is held by MCG; the remaining 0.01% of MMI is held by MKI; the remaining 0.01% of MAP is held by MKI; and the remaining 0.04% of PIJ is held by MKI; PEG is held as to 99.99% by PBT and 0.01% by the Company; PETS is held as to 99.87% by PBT, 0.13% by PEG and the Company; PIN is held as to 55% by PETS and 45% by GSM. Mr. Januarius is an independent third party and is not a representative, nominee, affiliate, or core connected person of the Company, its controlling shareholders, directors or management. To the best knowledge of the Company, he holds the remaining 0.01% equity interest in PBT in his personal capacity.

LISTING ON THE IDX

On 23 September 2025, the Company completed its initial public offering and listing of its Shares on IDX under the ticker “EMAS”. Since the date of our listing on IDX and up to the Latest Practicable Date, our Directors and Commissioners confirmed that the Company had no instances of non-compliance with the rules of IDX in any material respects and to the best knowledge of our directors and commissioners after having made all reasonable enquiries, there is no matter that should be brought to investors’ attention in relation to our compliance record on IDX.

MCG, the Controlling Shareholder of the Company, has been listed on the IDX under the ticker “MDKA” since 19 June 2015. For a period of five full financial years prior to the date of this Prospectus (i.e. during 2021 – 2025), MCG had no instances of non-compliance with the rules of IDX in any material respects and to the best knowledge of our directors and commissioners after having made all reasonable enquiries, there is no matter that should be brought to investors’ attention in relation to MCG’s compliance record on IDX.

REASONS FOR THE SECONDARY LISTING

Our proposed secondary listing on the Hong Kong Stock Exchange represents a strategic initiative to strengthen the Company’s capital market platform and enhance its international profile. We believe that secondary listing on the Hong Kong Stock Exchange would diversify and broaden our investor base by attracting international institutional investors, improve trading liquidity through access to deeper global capital markets, strengthen corporate governance and reporting standards through compliance with international regulatory frameworks, and funding flexibility for project development and growth initiatives. We believe that a Hong Kong listing will further support our long-term development objectives by enhancing our accessibility to international investors seeking exposure to Indonesia’s gold sector, subject to applicable regulatory requirements and market conditions.

REORGANIZATION DURING THE TRACK RECORD PERIOD

During the Track Record Period, the Company consolidated the interests in MMI and MAP as part of its reorganization to consolidate and strengthen operational control over assets related to the Pani Block. These transactions were conducted on normal and arms-length commercial terms. Set out below are the details of such reorganization steps:

The MMI Reorganization:

On 20 September 2023, MMI underwent a reorganization where: (i) MMI issued 990,000 new shares with a nominal value of Rp4,950,000,000 for which the Company subscribed in full of such new shares (the “**MMI Shares Issuance**”); and (ii) the Company and MCG entered into a Shares Sale and Purchase Deed under which MCG agrees to transfer 9,999 shares in MMI that it held, with a nominal value of Rp49,995,000 to the Company (the “**MMI Acquisition**”). The total consideration for both MMI Shares Issuance and MMI Acquisition are approximately US\$325,560.

Each of the MMI Shares Issuance and the MMI Acquisition was approved by the shareholders of MMI through the Deeds of Restatement of Circular Resolution in Lieu of Extraordinary General Meeting of Shareholders of MMI, dated 20 September 2023 and were completed on the same date.

HISTORY AND CORPORATE STRUCTURE

Following the completion of the MMI Shares Issuance and the MMI Acquisition, the Company holds 99.99% of the issued and paid-up capital of MMI. The consideration of the MMI Acquisition was determined on normal commercial terms with reference to, among other things, the net assets of MMI, which was assessed by an independent valuer. MMI carries out other support activities for mining and quarrying, rental of construction equipment with operator, and rental and leasing for mining and energy machinery and equipment.

The MAP Reorganization:

On 18 December 2023, MAP underwent a reorganization where: (i) MAP issued 668,000 new shares with a nominal value of Rp167,000,000,000 for which the Company subscribed in full of such new shares (the “**MAP Shares Issuance**”); and (ii) the Company and MCG entered into a Shares Sale and Purchase Deed under which MCG agreed to transfer 240,199 of its shares in MAP, with a nominal value of Rp60,049,750,000 to the Company (the “**MAP Acquisition**”). The total consideration for both MAP Shares Issuance and MAP Acquisition were approximately US\$14,904,533.

Each of the MAP Shares Issuance and the MAP Acquisition was approved by the shareholders of MAP through the Deed of Restatement of Circular Resolution in Lieu of Extraordinary General Meeting of Shareholders of MAP, dated 18 December 2023 and were completed on the same date.

Following the completion of the MAP Shares Issuance and the MAP Acquisition, the Company holds 99.99% of the issued and paid-up capital of MAP. The consideration of the MAP Acquisition was determined on normal commercial terms with reference to, among other things, the net assets of MAP, which was assessed by an independent valuer. MAP carries out wholesale trade activities on a fee or contract basis, other supporting transportation activities, other business support service activities, real estate ownership or leasing, and construction.

ACQUISITIONS DURING THE TRACK RECORD PERIOD

PETS Acquisition:

On 27 June 2024, the Company and PEG separately entered into a Shares Transfer Deed with KUD Dharma Tani, pursuant to which, KUD Dharma Tani transferred 255 of its shares in PETS, with a nominal value of Rp255,000,000 and representing approximately 51% of the issued and paid up capital in PETS, to the Company and PEG, for a total consideration of Rp677,930,972 and Rp172,194,466,857, respectively (the “**PETS Acquisition**”).

The PETS Acquisition was approved by the shareholders of PETS by way of Deed of Restatement of Circular Resolution in Lieu of Extraordinary General Meeting of Shareholders of PETS dated 27 June 2024 and the PETS Acquisition was completed on the same date.

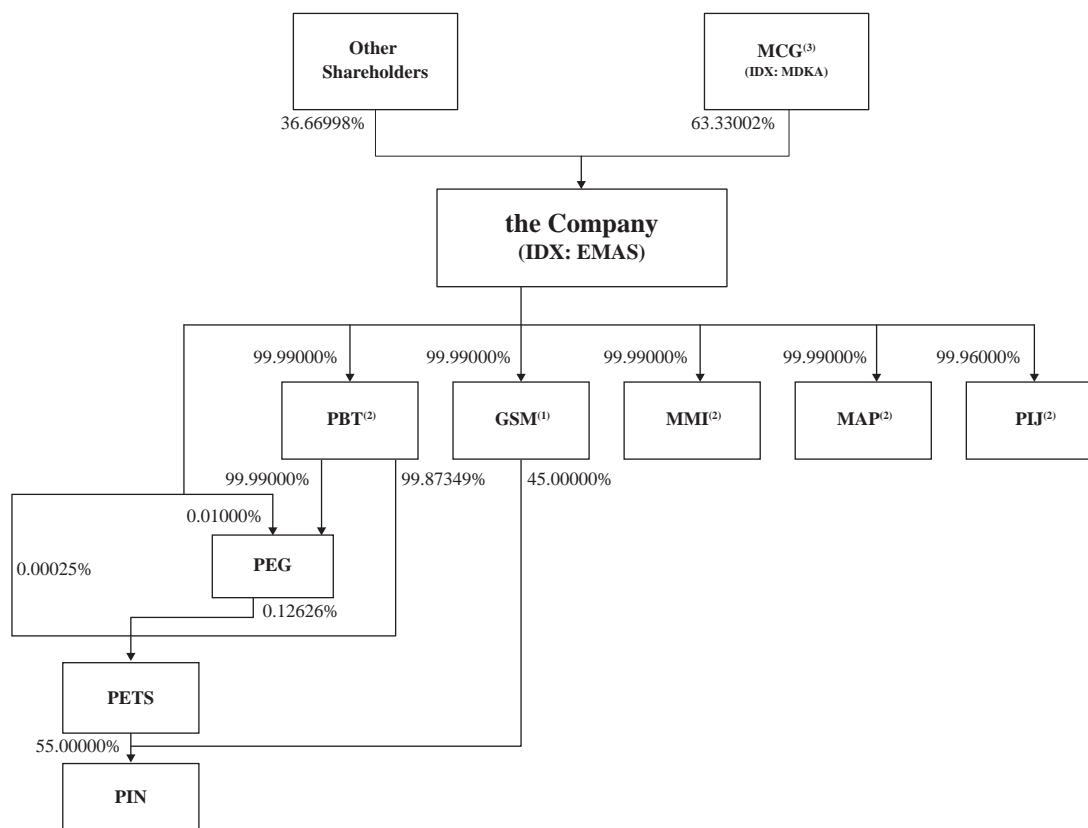
Prior to the PETS Acquisition, the Company held approximately 49% of the issued and paid-up capital in PETS and therefore following the PETS Acquisition, the Company currently indirectly holds 99.99% of the total issued and paid-up capital of PETS. The consideration of the PETS Acquisition was determined on normal commercial terms with reference to, among other things, the net assets of PETS, which was assessed by an independent valuer. PETS carries out gold and silver mining business and holds the IUP-OP covering an area of around 100 hectares in Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province, where the Pani Gold Mine is located.

The PETS Acquisition did not constitute a major transaction pursuant to Note 1 to Rule 4.05A of the Listing Rules. During the Track Record Period and up to the Latest Practicable Date, we did not conduct any major acquisitions, disposals or mergers that we consider material to us.

HISTORY AND CORPORATE STRUCTURE

OUR CORPORATE STRUCTURE IMMEDIATELY PRIOR TO THE GLOBAL OFFERING

The following diagram illustrates the corporate and shareholding structure of our Group immediately prior to the completion of the Global Offering:



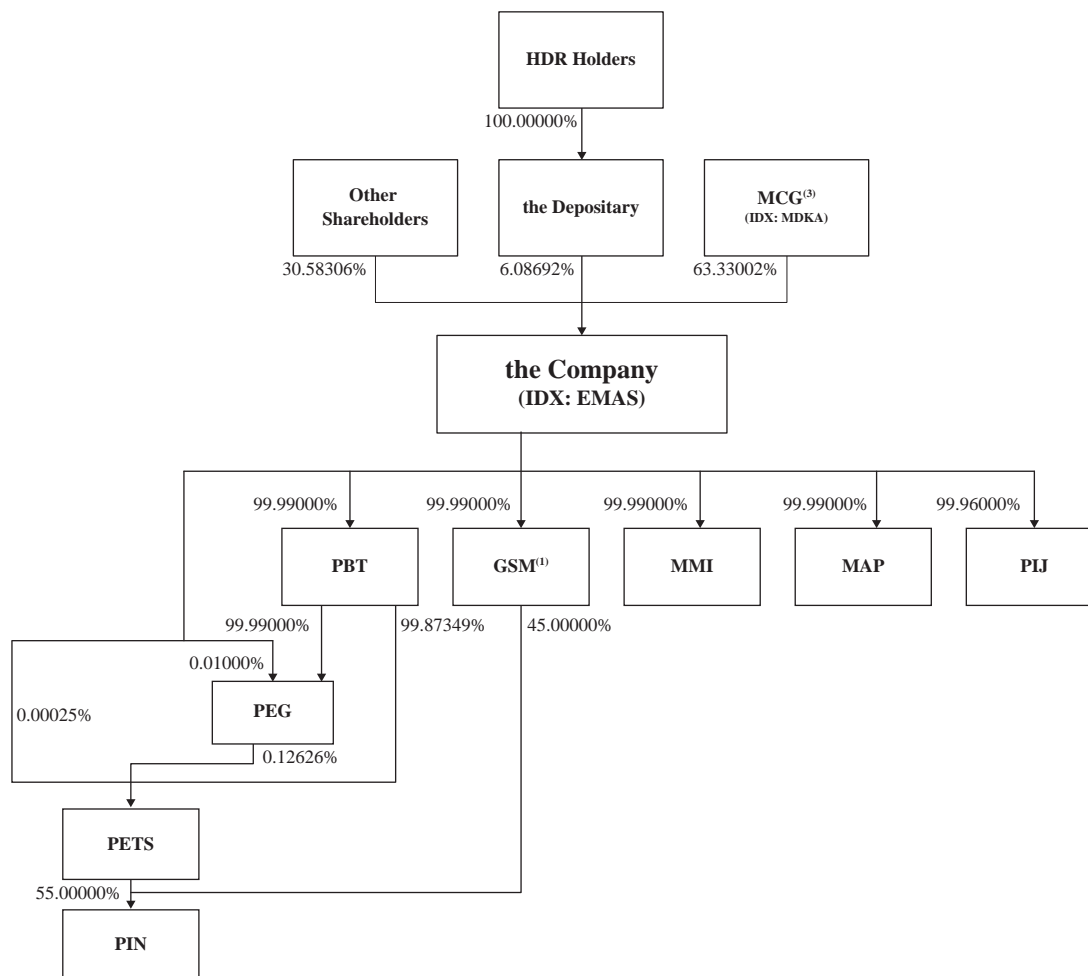
Note:

1. The remaining of 0.01% from GSM is owned by MCG;
2. Please refer to “History and Corporate Structure — Our Subsidiaries” for the ownership of PBT, MMI, MAP and PIJ.
3. MCG is a listed company on the IDX (ticker: MDKA) and it had no single shareholder holding 30% or more of its interest.
4. Other than MCG, there are no other Shareholders holding 5% or more of the Company’s issued shares.

HISTORY AND CORPORATE STRUCTURE

OUR CORPORATE STRUCTURE IMMEDIATELY FOLLOWING THE COMPLETION OF THE GLOBAL OFFERING

The following diagram illustrates the corporate and shareholding structure of our Group immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised):



Note:

1. The remaining of 0.01% from GSM is owned by MCG;
2. Please refer to “History and Corporate Structure — Our Subsidiaries” for the ownership of PBT, MMI, MAP and PIJ.
3. MCG is a listed company on the IDX (ticker: MDKA) and it had no single shareholder holding 30% or more of its interest.
4. Other than MCG, to the best of the Company’s knowledge, there are no other Shareholders holding 5% or more of the Company’s issued shares.

OVERVIEW

Who We Are













MGR is an IDX-listed gold mining company positioned among the top pure-play gold producers in Asia. Anchored by the Pani Gold Mine, the largest primary gold mine in Indonesia on Resources and Reserves basis according to CRU, by 2030 we are expected to rank among the top two primary gold mines in Asia by production. MGR is uniquely positioned by virtue of our base of Reserves underpinning prospective resource potential, average strip ratio being among the lowest globally, and rapid ramp-up profile enabling peak production within a short timeframe. The Pani Gold Mine adopts low cost open-pit mining operations. We have capitalised upon Indonesia's natural endowment and the critical importance of the mining sector in the nation's economic development. We leverage our competitive advantages in mine scale, operational efficiency, technology, future growth opportunities and resource potential.

We are a majority-owned subsidiary of MCG, an Indonesian mining group that has been listed on the IDX since June 2015. MCG has a proven track record in developing and operating large-scale, low-cost mines, including the Tujuh Bukit Gold Mine in East Java.

Separately, MCG's additional track record includes operational experience through Sulawesi Cahaya Mineral ("SCM") mine, a controlled subsidiary of PT Merdeka Battery Materials Tbk ("MBM") which is also a majority owned, indirect subsidiary of MCG. SCM successfully increased its production capacity during the 2024-2025 period, demonstrating MCG's capability in executing large-scale mining projects across different minerals and managing operational ramp-ups.

Furthermore, MGR is indirectly supported, through MCG, by two of Indonesia's most respected investment groups — PT Provident Capital Indonesia ("PCI") and PT Saratoga Investama Sedaya Tbk ("SRTG"). Together, these groups bring decades of experience in building and scaling multi-billion-dollar public enterprises with a deep understanding of Indonesia's regulatory, economic and operating landscape.

Matrix of core statistics of our Company:

 <p>Ranked 5th largest primary gold mine in Asia with lowest average strip ratio of 0.7:1 Ranked 1st in Indonesia in terms of Mineral Resources and Ore Reserves Indonesia ranked 4th globally in gold Reserves, according to CRU</p>	 <p>US\$794/oz Projected AISC (excluding royalties) over LOM (lowest quartile globally) US\$1,632/oz Projected AISC (including royalties) over LOM</p>	 <p>14,670 ha Tenement area of the Pani Gold Projects with full mining license 8,100 ha Pani Block 135 ha Pani Gold Mine</p>
 <p>291.5 Mt Total Mineral Resource* 7.0 Moz Total contained gold in Mineral Resources* 5.2 Moz Total contained gold in Ore Reserves*</p>	 <p>Up to approx. 545 koz/year Peak annual gold production post-CIL expansion</p>	 <p>2026(HL) 2028(CIL) HL plant to ramp-up from 8 to 10 Mtpa in 2028; CIL plant to be commissioned in 2028</p>
 <p>Potential High Exploration Upside: Pani Gold Mine's mineralisation is open at depth Multiple undrilled and underexplored near-mine targets within tenement</p>	 <p>February 2026 First gold production</p>	 <p>February 2026 Signed 2-year domestic Gold Sales and Purchase Agreement with Antam with transaction volume of up to 3t (up to 100 koz of gold)</p>
 <p>Made first domestic sale of refined gold granules in March 2026</p>	 <p>Zero Accident Award from Gorontalo Provincial Government for 7,666,280 person-hours without lost time injury ("LTI") achieved by GSM 2,166,209 person-hours without LTI achieved by PETS</p>	 <p>ESG Will maintain full compliance with Indonesian regulatory requirement as well as global standards</p>

Note:

* As of 31 December 2025

Indonesia is one of the world's leading gold-producing nations and is ranked 4th globally in terms of gold Reserves, according to CRU. Indonesia is endowed with some of the world's richest mineral deposits, supported by a long-standing mining tradition and an established regulatory framework that promotes responsible resource production. As Southeast Asia's most populous country and largest economy, Indonesia has recently implemented reforms to enhance investment certainty while reinforcing environmental and social standards. Gold mining plays a significant role in the national economy, particularly in regions such as Central Sulawesi, an emerging gold district characterized by proven geological potential and supportive local governance. Within this strategic operating environment, we are advancing our development strategy with a disciplined, locally grounded approach that aligns with both Indonesian regulatory requirements and international best practices in sustainable mining.

We believe that sustainable growth and development must be rooted in strong corporate values and culture, specifically, that "Growth can only be achieved if we respect each other, work accountably and collaboratively, improve performance, and always prioritise safety and sustainability."

Currently our primary listing is on the IDX. Since our successful IPO in September 2025, we have demonstrated strong operational start-up, disciplined capital management, and a steadfast commitment to high standards of corporate governance. Our sustainable growth strategy and approach have earned us the trust of domestic and international investors alike.

Our proposed listing on the Hong Kong Stock Exchange represents a strategic step to enhance our access to international capital markets, broaden our global investor base, and further elevate our profile among institutional investors. We believe that a Hong Kong listing will also support our long-term development objectives by positioning MGR as a gateway platform for international investors seeking exposure to Indonesia's gold sector, subject to applicable regulatory requirements and market conditions.

Our Controlling Shareholder and Key Investors

We are a majority-owned subsidiary of MCG, an Indonesian mining group listed on the IDX. MCG is the holding company of a diversified portfolio of mining and mineral processing subsidiaries across gold, copper, and battery materials, including the operator of the Tujuh Bukit Gold Mine in East Java and SCM Mine in Konawe (a controlled subsidiary of MBM). Through these subsidiaries, MCG has established a strong track record in developing and operating efficient, low-cost mines, reflecting its proven capabilities in mine development, operational optimization, technology and sustainable resource management.

While MGR maintains full financial independence, historically our Controlling Shareholder MCG has supported our development. MGR has learned from MCG's high-value technical support and expertise, operational experience and best practices, mining technology and engineering, as well as ESG frameworks and governance standards. Any such support and services from MCG is supplementary in nature and provided on an arm's-length basis.

MGR, indirectly through MCG, is supported by two of Indonesia's most respected investment institutions, namely PCI and SRTG. Both institutions bring decades of experience in building and scaling multi-billion-dollar public enterprises with a deep understanding of Indonesia's regulatory, economic and operating landscape. Their proven investment track records, individually or collectively, include prominent Indonesian companies, such as Tower Bersama Group, MBM, PT Alamtri Resources Indonesia Tbk (formerly Adaro Energy), and PT Gojek Tokopedia Tbk. Their involvement further reinforces MGR's commitment to strong governance, accountability and alignment with international best practices.

Our Flagship Asset: Pani Gold Mine

Located in Gorontalo, the Pani Gold Mine is our core asset at the heart of our value proposition which achieved its first gold production in February 2026 and completed its first gold sale in March 2026. The Pani Gold Mine covers a tenement area of 135 hectares out of the approximately 8,100 hectares of the Pani Block, which itself sits within the 14,670 hectare full tenement area of the Pani Gold Projects per our mining license. The Pani Gold Mine hosts Mineral Resources of 291.5 million tonnes grading 0.75 grams per tonne gold ("g/t Au") containing 7.0 million ounces ("Moz") (218.6 tonnes) of gold and an Ore Reserve of 203.1 million tonnes grading 0.79 g/t Au containing 5.2 Moz (160.5 tonnes) of gold. According to CRU, Pani Gold Mine is the largest primary gold mine in Indonesia on Resources basis, and

ranks 5th/4th in Asia in terms of gold Resources and Reserves, respectively. The Pani Gold Mine mainly produces gold doré, and to a lesser extent, silver in doré as a byproduct of its gold production. Pani Gold Mine represents a rare combination of size, grade, mountain style and operational simplicity in today's increasingly constrained gold supply landscape. Benefiting from its 0.7:1 average strip ratio, one of the lowest mining strip ratios globally, Pani Gold Mine is being developed in two value-accretive phases. We initially leverage a heap-leach operation to process oxide ore near the surface, targeting peak annual gold production of over 200 koz. In the subsequent expansion phase, we will use a carbon-in-leach ("CIL") processing to process broader range of ore types, including oxide, transition, and fresh ore. This phased development strategy is expected to significantly expand throughput and recovery, positioning MGR for a peak annual gold production of up to approximately 545 koz over an estimated 15-year mine life.

Over the past five years, we have successfully obtained control of two mining licenses (IUP and CoW) formerly held by multiple parties to develop Pani as a single integrated asset. The initial transfer of the relevant mining license took place in 2015 through the transfer of the existing IUP-OP, from KUD Dharma Tani as the previous license holder to PETS, which has held such license to date. This transfer was effectuated and formally approved by the Governor of Gorontalo Province pursuant to the issuance of Decree of the Governor of Gorontalo Province No. 351/17/IX/2015 dated 4 September 2015 (the "**2015 IUP Transfer**").

Set out below is the full sequence for the consolidation of PETS and GSM mining licenses:

PETS

Timeline

Items

February 2014

Establishment of PETS by PT Puncak Emas Gorontalo ("**PEG**")* (an independent third party at that time) and KUD Dharma Tani (an independent third party).

September 2015

- The transfer of the IUP OP from KUD Dharma Tani, as the previous license holder, to PETS was effectuated and formally approved by the Governor of Gorontalo Province pursuant to the issuance of Decree of the Governor of Gorontalo Province No. 351/17/IX/2015 dated 4 September 2015.
- KUD Dharma Tani, a third-party, was one of the founding shareholders of PETS, holding a 51% interest, together with PEG, which held the remaining 49% interest in PETS.
- No specific consideration was paid in connection with the transfer of the IUP OP since the IUP OP was transferred from the shareholder (KUD Dharma Tani) to PETS (subsidiary of KUD Dharma Tani at that time).

**November 2015 –
November 2018**

- The Company in November 2015 established PBT, in which the Company holds 99.96% of shares ownership in PBT.
- In December 2017, PBT acquired 100% of the shares in PEG from the previous shareholder of PEG, namely GSM (which, at that time, had not yet been consolidated under the Company) and Alex Sitioko (a third party). Subsequently, in May 2018, PBT transferred 1 (one) share it held in PEG to the Company, resulting in PBT effectively holding 99.98% of the direct share ownership in PEG and the Company holding 0.02% of the direct share ownership in PEG.

BUSINESS

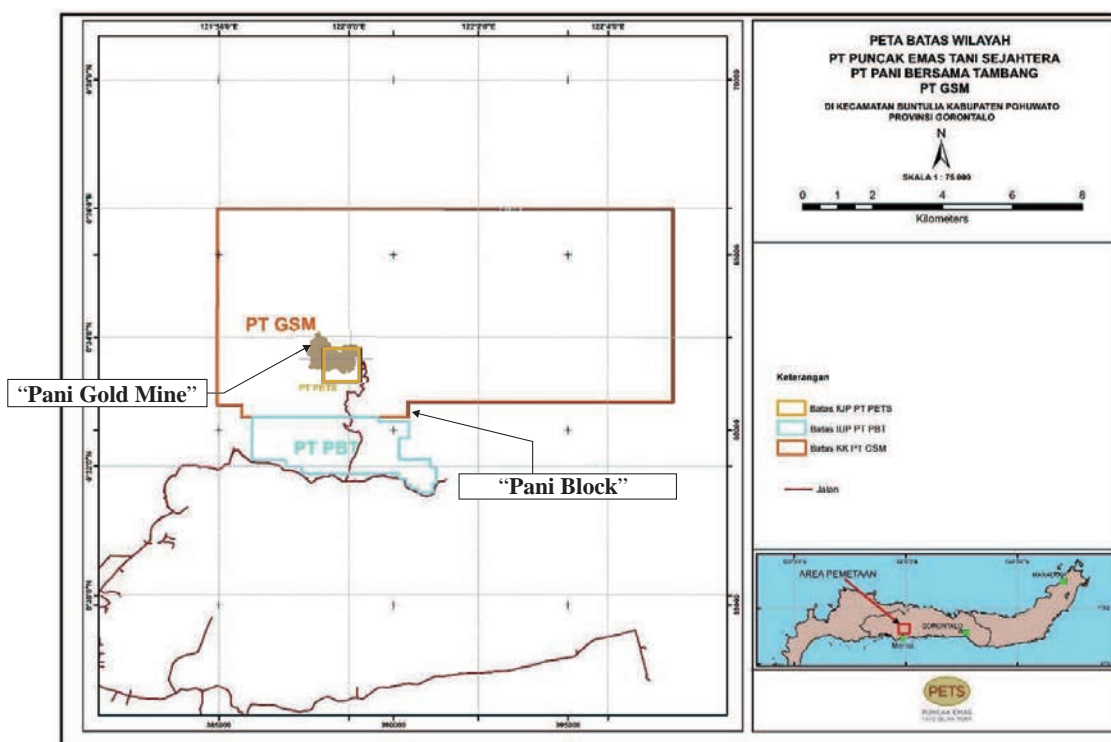
- In November 2018, MCG acquired a majority shareholding in the Company through the purchase of shares held by Ace Power Investment Limited, PT Pani Bersama Emas, and Januarius Felix Lumban Gaol. As a result of such acquisition, MCG became the controlling shareholder of the Company, effectively holding 66.70% of the Company's issued and paid-up capital.
- June 2024**
 - The Company along with PEG, which was already indirectly owned by the Company through its direct shareholding in PBT, subsequently acquired PETS by purchasing the shares held by KUD Dharma Tani. Each of the Company and PEG entered into a deed of transfer in the amount of USD10,551,274 and a deed of acquisition with KUD Dharma Tani.
 - The transfer of ownership has been approved by the MEMR according to the Letter No. T-197/MB.04/MEM.B/2024 dated 13 May 2024.
 - The acquisition resulted in the Company holding an indirect 99.79% interest in PETS through PEG, together with a direct 0.20% ownership, giving the Company an effective ownership of 99.99% in PETS.
- GSM**
- July 1994**
 - Establishment of GSM
 - GSM signed CoW with the Government of Republic of Indonesia.
- December 2021**
 - MCG entered into a conditional shares subscription agreement to subscribe for new shares that will be issued by PT Andalan Bersama Investama ("ABI") (an independent third party at that time), sufficient to provide MCG with shareholding ownership representing 50.1% from the issued and paid-up capital by ABI with the subscription shares price is amounting to IDR1,143,081,600,000.
- December 2022**
 - ABI, as the majority shareholder of GSM holding 99.99% at that time, and the Company agreed to merge ABI into the Company using the pooling of interests method. The merger became effective as of 19 December 2022, upon the Company obtaining the receipt of notification from the Minister of Law. As a result of the merger, the Company directly holds a 99.99% effective ownership interest in GSM.
 - The merger that resulting the change of ownership in GSM has been approved by the MEMR according to the Letter No. T-647/MB.04/MEM.B/2022 dated 8 November 2022.

This enabled us to optimize the planning and development of the Pani Gold Mine, given the pit and supporting infrastructure stretch across the boundaries of these two mining permit areas. To support its optimal development, we established a dedicated holding and operating structure designed to enable the deposit to be developed as one cohesive unit, maximizing value, efficiency, and sustainability. The Pani Gold Mine has all key permits/approvals required for construction and mining operations in place which enabled production to commence. The permit framework includes valid mining licenses held by our subsidiaries,

covering both the historic CoW and the IUP tenements, and satisfies all applicable regulatory requirements for construction, operation, and environmental compliance.

As at the date hereof, the licence with the nearest expiry date is PETS' IUP-OP, which is scheduled to expire on 23 November 2032. Pursuant to Regulation of the Minister of Energy and Mineral Resources No. 7 of 2020 on the Procedures for the Granting of Areas, Licensing, and Reporting in Mineral and Coal Mining Business Activities, as amended, an application for the renewal of an IUP may be submitted no earlier than 5 years and no later than 1 year prior to the expiry of the relevant licence. IUP-OP holders are required to submit applications for the extension to the MEMR in accordance with the designated timeframe as regulated. In this regard, the Group intends to submit its application for the extension of the IUP-OP at the earliest practicable time, in accordance with the prevailing regulations in force at the relevant time during which such extension may be applied for. Based on publicly available information, industry experience, and discussions with industry participants, the Competent Person observes that the renewal process for a mining license of this nature generally takes 12-24 months, subject to the completeness of application documentation, compliance status, supporting permits and approvals, as well as time needed by the relevant authorities to review and approve the renewal. Based on the foregoing, and noting the ability to commence the renewal process from 2027 onwards, the Competent Person considers the available timeframe prior to the 2032 expiry date to be reasonable in the context of comparable mining license renewal processes in Indonesia.

The following map depicts the area and position of the Pani Gold Mine, relative to the larger Pani Block:



Beyond the current Mineral Resources and Ore Reserves, the Pani Gold Mine holds significant upside potential for further expansion within the existing mining area. From the existing defined Resources base, ongoing progress in feasibility studies and infill drilling initiatives are expected to further increase gold resources and support additional reserve conversion.

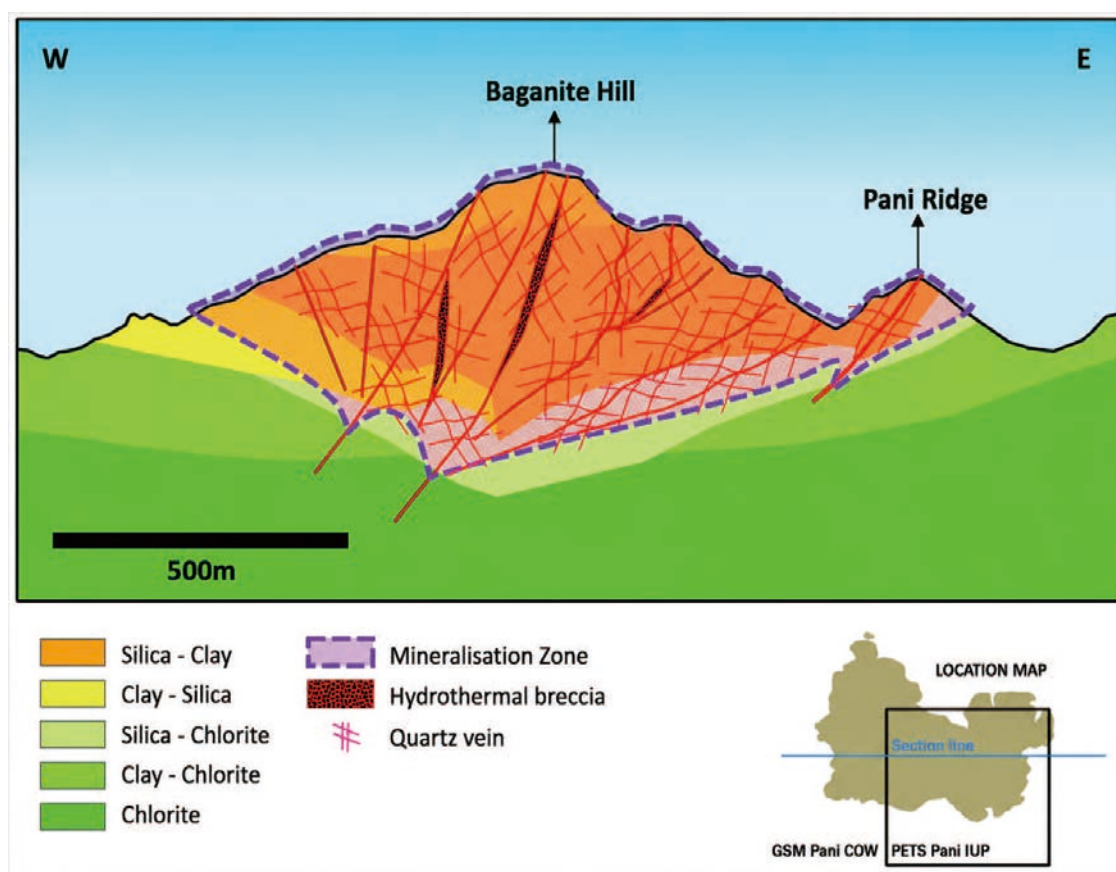
From 2023 to 2025 alone, total Resources grew from 6.9 Moz to 7.0 Moz of gold, while from 2023 to 2025, Ore Reserves surged from 51.5 Mt with 1.2 Moz of contained gold (37.3 tonnes) to 203.1 Mt with 5.2 Moz (160.5 tonnes) of contained gold, driven by focused drilling campaigns, feasibility advancement, and a supportive gold price environment. Ongoing ore body drilling is expected to continue this trend, with further increases in the Mineral Resource and Ore Reserve anticipated.

From 2023 to 2025, our average exploration cost was US\$21 per ounce in terms of gold Resources, which was significantly lower than our Indonesian peers' range of US\$27.9-US\$141.3 per ounce during the same period, according to CRU. Importantly, known mineralization currently occupies only a fraction of the Pani Block's extensive ~7,400 hectare tenement exploration area, leaving vast underexplored ground with high discovery potential. This relatively low cost is largely attributed to the Group's geological team's well planned post-acquisition gap drilling program, which successfully linked the mineralisation between PT GSM and PT PETS across Baganite into Pani Ridge. As a result, these zones were consolidated into a single, continuous deposit extending approximately 1.5 km in length. With the extra drilling data better defining the controls on mineralisation, the integration also led to a revised geological interpretation:

- Pre-2022 MRE: Mineralisation at GSM and PETS was modelled as separate, structurally controlled low-sulphidation (LS) vein systems.
- 2022 MRE onwards: The system is interpreted as a more continuous, disseminated to bulk-tonnage LS mineralised system.

Consequently, mineralisation previously excluded by restrictive vein wireframes is now incorporated within the resource model. Overall, the low exploration cost per additional ounce reflects a model-driven resource uplift, enabled by a well-planned and targeted drilling program and improved geological interpretation.

Our Mineral Resources and Ore Reserves as at 31 December 2025 are based on drilling at depths as of that date, and such drilling has not yet identified the bottom of the orebody, according to the CPR. The mineralisation in the current deposit is open at depth and subject to further exploration and drilling. The following conceptual image depicts Pani's geology and mineralisation:



Among all of the gold mines that adopt open-pit production, Pani Gold Mine is estimated to have the lowest average strip ratio of 0.7:1 across the production period, according to CRU. Benefiting from the near surface nature, the Pani Gold Mine adopts low cost open-pit mining operations developed in two value-accretive phases, prioritizing near-term cash generation followed by strategic capacity expansion to maximize long-term shareholder value.

Project development of Pani Gold Mine

We initially utilize a heap-leach (“**HL**”) processing to process oxide ore near the surface, targeting peak annual gold production of over 200 koz of recoverable gold. We will then use carbon-in-leach (“**CIL**”) processing to process a broader range of ore types, including oxide, transition, and fresh ore, targeting peak annual gold production of over 340 koz of recoverable gold.

HL operation

We initially utilize heap-leach processing to process near-surface oxide ore mineralization. The heap-leach operation is expected to produce gold from 2026 to 2032, with first gold production achieved in February 2026. It is estimated that the heap-leach facility will recover 110 koz to 204 koz of gold annually over seven years of operation.

HL operation commenced with processing capacity of 8.0 million tonnes per year in 2026. We will ramp up the capacity of the HL operation to 9 Mtpa by 2027, and further increase it to 10.0 Mtpa by 2028.

We plan to increase the HL operation’s capacity to 10 Mtpa by (i) adding a mobile crushing circuit to supplement the OPP, (ii) upgrading the pumping capacity of the BLS and ILS Pumps of the heap-leach pads to sustain the same irrigation rate for a higher stacking rate, (iii) upgrading the PLS Pumps to increase the PLS flowrate, and (iv) increasing carbon loadings in the ADR plant.

CIL operation

We will then focus on scaling up production through the development of a CIL processing facility. The CIL facility is expected to complete construction and enter production in the first half of 2028. The CIL facility will have an initial processing capacity of 12 million tonnes per year. During its first 11 years of operation, it is estimated that the CIL facility will produce 262 koz to 344 koz ounces of gold annually.

Earthworks construction for the CIL facility commenced in January 2026. In the first quarter of 2026 detailed engineering for the TSF starter dam was released and TSF construction works commenced. We prepared an optimised mine plan to support ore feed to the CIL processing facility starting in 2028. An updated definitive feasibility study (“**DFS**”) is currently underway to evaluate potential increases in life of mine processing throughput, identify value engineering opportunities, as well as establish a final capital estimate and baseline schedule. Additional metallurgical confirmatory test work has commenced on previously mined ore to reconfirm key design parameters in advance of the detailed engineering design phase. Accommodation facilities and infrastructure are due to complete construction by the third quarter of 2026 so that mobilization of the CIL processing plant can begin in the late third quarter of 2026.

Permitting for the development of the CIL facility is progressing as planned. Pohuwato Regency has submitted a National Strategic Project (“**PSN**”) proposal for the Pani Gold Mine. Once obtained, PSN status will expedite permitting processes for future projects.

Our Project Development and Operating Capabilities

Based on financial projections in the CPR, our Pani Gold Mine targets an AISC including royalties of approximately US\$1,632/oz, and a competitive AISC of approximately US\$794/oz excluding royalties over its mine life, which falls in the lowest quartile globally, according to CRU. Supported by open-pit reserves suited to low-cost bulk mining, close proximity to infrastructure, and a dual-processing approach combining heap leach and CIL, the Pani Gold Mine is designed for rapid ramp-up to its full production profile.

Key infrastructure was substantially commissioned by late 2025, with the 150kV power connection to the state electricity grid (“**PLN**”) being energized in October 2025, followed by

the commencement of crushing operations in November, and the commissioning of the ADR plant in December, enabling first gold production in February 2026. The site layout integrates water supply, tailings management, and processing facilities, with heap-leach and future CIL circuits co-located to maximize synergies and shared infrastructure. Year-round site access is ensured via all-weather haul roads managed and operated by PT Mentari Alam Persada (“**MAP**”). Gold doré is transported securely to an accredited domestic refinery in compliance with Indonesian regulatory protocols.

The Pani Gold Mine employs a proven heap-leach stacking methodology enhanced by targeted cyanide dosing. The design of the heap leach processing facilities incorporates operational and technical experience derived from the development and operation of the Tujuh Bukit Gold Mine which the MCG Group has been operating successfully since 2017. In addition, since 2018, the MCG Group has also operated a heap leach processing facility in the Wetar Copper Mine.

The Pani CIL circuit, designed for 12 Mtpa and >92% gold recovery, has been validated by metallurgical laboratory and pilot testing. Both processing facilities are engineered for both efficiency and scalability. Metallurgical performance has been optimized for robustness across variable ore types and throughput levels, with the objective of maintaining consistent recovery and operational reliability over the life of mine.

Our operations are managed through an integrated system that combines real-time grade control, fleet dispatch optimization, standardized equipment fleets, and rigorous reconciliation between geological models and plant data — ensuring continuous alignment between plan and performance. This approach minimizes dilution, maximizes recovery, and reduces fuel and maintenance costs.

To date, the Pani Gold Mine has achieved 19.9 million man hours without a lost-time incident across all construction and commissioning activities, reflecting a proactive safety culture, disciplined on-site protocols, and direct oversight by our in-house team.

Our Company is led by an experienced Board of Directors and supported by management and professional team with end-to-end expertise across project development, construction and sustained operations. Critically, core functions including engineering, mine development, and plant operations are executed internally, ensuring direct control over quality, scheduling, cost discipline and regulatory compliance. The Board of Directors is supported by the Board of Commissioners (including Independent Commissioners), whose members bring extensive experience across Indonesia’s natural resources sector and publicly listed companies, providing oversight and governance.

Our Market Opportunities

The global gold market is supported by robust structural drivers, with central banks and institutional investors increasingly relying on gold as a pillar component of financial resilience. This trend reflects a strategic reallocation toward non-sovereign assets amid persistent geopolitical and macroeconomic uncertainties. Continued official-sector purchasing, together with sustained investment demand, supports a durable, elevated price environment that significantly enhances the economic viability of low-cost, high-quality gold development projects such as Pani.

Indonesia’s domestic gold market further strengthens this favourable backdrop. According to CRU, Indonesia recorded approximately 1.2 Moz of fabricated gold demand in 2025, representing around 1.8% of global fabrication demand, with consistent growth projected at approximately 1.2% CAGR through 2030, reaching 1.3 Moz by the end of the decade. Jewellery remains the dominant segment — historically accounting for over two-thirds of total consumption — and is expected to average 54% of total demand in the coming years. Notably, the electronics sector is emerging as a key growth driver, and is expected to surpass coins as the third-largest end-use category, fueled by Indonesia’s expanding consumer electronics market.

Pani benefits from both exceptional geological endowment and proximity to a stable, expanding domestic market. Against a backdrop of constrained global supply, declining discovery rates, and limited new production expected to come online by 2030, Pani’s scale, cost efficiency, and development timing align closely with the industry’s need for reliable and responsible gold supply. Its development not only addresses international demand but also reinforces Indonesia’s role as a key producer and consumer within the global gold ecosystem.

ESG

Our approach to ESG matters is integral to our long-term value creation strategy and is closely aligned with the broader ESG platform of the MCG Group. Leveraging MCG's award-winning sustainability framework — recognized by multiple independent institutions as of December 2025 — we embed ESG principles across our core operations, risk management, and stakeholder engagement activities.

We have developed a comprehensive ESG strategy structured around six integrated sustainability pillars: environmental preservation; occupational health and safety; employee empowerment; community development and empowerment; respect for human rights; and good corporate governance. This strategy is guided by internationally recognized frameworks and standards, including the GRI Standards (2021), the UN Guiding Principles on Business and Human Rights, informed by GRI 14: Mining Sector Supplement (2024), the Ten Principles of the UN Global Compact, and the Sustainable Development Goals, as well as Indonesian regulatory requirements, notably POJK No. 51/POJK.03/2017 on the Implementation of Sustainable Finance issued by the Financial Services Authority. In addition, MGR considers key indicators used by leading independent ESG rating agencies, such as MSCI and Sustainalytics, to ensure our ESG approach addresses material issues from an investor perspective.

We have developed a suite of formal policies to operationalize these pillars, all of which are publicly available. In line with our Climate Policy, MGR supports the objectives of the Paris Agreement to limit global warming to well below 2°C and is implementing a decarbonization pathway aligned with that of our parent company, MCG.

Water stewardship is a core component of MGR's environmental management. Under our Water Management Policy, we commit to responsible water use by minimizing freshwater consumption, reducing wastewater discharges, and engaging relevant stakeholders, including local communities and other water users, to ensure sustainable allocation and protection of shared water resources across the water use lifecycle. We are also committed to biodiversity conservation through systematic baseline assessments, identification of protected species and critical habitats, and implementation of a Biodiversity Management Plan (“BMP”) designed to avoid, minimize and mitigate impacts on ecosystems, while promoting the sustainable management of natural resources throughout the mine life cycle.

Through a dedicated compliance function, we maintain proactive relationships with local communities surrounding our operations. Community programs are developed through participatory processes and focus on co-created development programs that prioritize local employment, vocational skills training, and community-led social investment initiatives. These programs are intended to generate shared value and strengthen community partnerships, while also mitigating social risks and fostering stable, long-term operating conditions aligned with national development priorities and international best practices.

Oversight of ESG implementation is embedded within our governance structure. The General Manager of Operations at the mining site is responsible for the day-to-day execution of ESG policies at the site, monitoring progress against defined targets, and reporting regularly to the Board of Directors. The Board retains ultimate responsibility for the Group's sustainability governance, and the Company has dedicated operational personnel responsible for implementing sustainability initiatives on a day-to-day basis. Post-listing, we will further align our ESG disclosures in accordance with HKEX ESG Reporting Guide requirements and will proactively engage with ESG rating providers to ensure accurate representation of our performance and continuous improvement in sustainability practices.

STRENGTHS

One of the largest gold mines in Asia with significant Resources and Reserves expansion potential driven by exploration at industry-leading cost efficiency

The Pani Gold Mine stands out as a large-scale gold asset in the region, underlined by substantial Mineral Resources and Ore Reserves, strong production potential and a long mine life. As of 31 December 2025, we hold Ore Reserves of 203.1 million tonnes ores with contained gold of 5.2 million ounces (160.5 tonnes), ranking 1st in Indonesia and 4th in Asia, and Mineral Resources of 291.5 million tonnes ores with contained gold of 7.0 million ounces (218.6 tonnes), ranking 1st in Indonesia and 5th in Asia, according to CRU. Upon reaching

CIL full nameplate production in 2029, Pani is expected to achieve a processing capacity of 10 Mtpa for heap-leach and 12 Mtpa for carbon-in-leach, supporting peak annual gold production of up to approximately 545,000 ounces (17.1 tonnes) and positioning it as the largest primary gold mine in Indonesia, according to CRU. With an estimated 15-year mine life, ranking 1st in Indonesia and 4th in Asia, Pani also offers mine life extension potential through continuous efforts in exploration.

We have established a strong and consistent track record of Mineral Resources expansion and Ore Reserves conversion. Between 2023 and 2025, our total Mineral Resources increased from 6.9 million ounces (195.9 tonnes) of contained gold to 7.0 million ounces (218.6 tonnes) of contained gold, representing a 3.6% CAGR, while between 2023 and 2025 total Ore Reserves increased from 51.5 million tonnes ores with 1.2 million ounces (37.3 tonnes) contained gold to 203.1 million tonnes ores with 5.2 million ounces (160.5 tonnes) contained gold, representing a 108.1% CAGR over the same period. These achievements were driven by systematic drilling, feasibility study advancement and a supportive gold price environment.

Our exploration strategy delivers strong cost efficiency by leveraging our disciplined targeting of high-priority zones, the inherently low strip ratio of our deposits, and shared infrastructure. From 2023 to 2025, our average exploration cost was US\$21/oz in terms of gold discovery, which is even below the lowest end of our Indonesian peers' range of US\$27.9/oz — US\$141.3/oz, according to CRU. We are confident that such structural cost advantages will be sustained in future exploration and drilling campaigns. We believe the tenement continues to offer meaningful organic growth potential, with ongoing resource growth and reserve conversion opportunities across both explored and underexplored areas. Currently, substantial upside in Resources remains within the unexplored tenement area, given our defined Resources and Reserves are delineated over 135 Ha out of the ~7,400 Ha Pani Block, which is in turn a subset of the total concession area of 14,670 Ha of the Pani Gold Projects. Within the Pani Block area, multiple exploration prospects supported by historical surface sampling and scout drilling have been identified, such as the Kolokoa and Lone Pine Prospects, indicating meaningful potential for future resources expansion, subject to further drilling and technical evaluation. For Reserves from current defined Resources base, continuous feasibility study advancement, infill drilling campaigns and expected expansion of the Resources base are anticipated to drive further reserve conversion. The mineralisation in the current deposit is open at depth and subject to further exploration and drilling. Additionally, under the prevailing gold price environment, an assumed gold price that is higher over the long term could expand our Resources and Reserves base relative to the current estimate, which is based on a gold price of US\$2,300/oz.

Low-cost open-pit operation sustained by continuous efficiency optimization

The Pani Gold Mine benefits from a highly competitive cost structure. In 2026, Pani is expected to achieve an average AISC (including royalties) of US\$2,080/oz, while extending to average AISC (including royalties) of US\$1,516/oz in 2030.

According to CRU, Indonesia's gold royalties account for around 50% of our AISC base and is fixed by its nature. To further enhance our cost advantages, we have made significant efforts in cost optimization. Excluding the impact of royalties, our structural cost advantage becomes even more pronounced, with average estimated AISC (excluding royalties) of US\$1,295/oz in 2026 and US\$695/oz in 2030, positioning Pani firmly within the first quartile of the AISC cost curve.

Pani's low-cost position is driven by multiple inherent advantages of the deposit and mine design. The near-surface nature of the ore body enables a low-cost open-pit mining method. The large and continuous nature of Pani's ore body is a key advantage is that it enables bulk open-pit mining with large-scale mining fleets, driving higher productivity, lower unit mining costs and reduced reliance on selective mining relative to narrower-vein deposits. The use of large-scale mining fleets coordinated under a centralized dispatch system will further generate economies of scale that support low unit mining costs and maximize reserves recognition from available resources through improved economy. Also, our industry leading strip ratio of 0.7, which is among the lowest globally according to CRU, would significantly enhance mining efficiency and reduce costs related to waste movement, related site logistics and waste storage facilities. In addition to the inherent advantages, Pani will also deploy selective and procurement of key consumables, such as explosives, cyanide and other reagents to enhance productivity and reinforce sustained cost optimization.

Looking ahead, Pani's operating cost structure is expected to be further improved through systematic, continuous optimization initiatives, which will be implemented through various

programs including a fuel management system, fleet management system, and continuous improvement and evaluation through cost monitoring. These initiatives aim to refine operational parameters, strengthen mine planning accuracy and further drive down unit costs over time.

Operational mine with first gold production achieved in February 2026 and clear accelerated path to capacity expansion

The Pani Gold Mine has successfully transitioned from development to production with first gold production achieved in February 2026, underscoring the project's operational profile and strong execution capability. To achieve the milestone of first gold production, we have successfully completed the construction and commissioning of key facilities, including the ore processing plant, ADR plant, and heap-leach processing infrastructure. Essential infrastructure, including port facilities, fuel storage systems and explosive magazines are all operational, with key equipment delivered to site as well. Our execution capability is further evidenced by the fact that critical milestones were achieved including commissioning of heap-leach mining commencing in October 2025 and first crushing activity at ore processing plant being completed in November 2025.

Following first gold production, Pani offers clear visibility toward run-rate production driven by a well-defined capacity expansion and ramp-up schedule. The ore processing plant using heap-leach method will start with processing capacity of 8.0 million tonnes per year, enhanced from 7.0 million tonnes per year in the original plan, with subsequent increases to 10.0 million tonnes per year in 2028. The ore processing facilities will be developed using the carbon-in-leach processing method with a first stage capacity of 12.0 million tonnes per year, increased from the initial staged approach of 7.5 million tonnes per year to 12.0 million tonnes per year and a significantly reduced ramp-up time by 3 years. The upgraded capacity expansion schedule supports a higher run-rate gold production of up to approximately 545,000 ounces. Following the strategic optimization of the development plan, the commercial operation date (COD) for the CIL facility has been advanced from 2029 to 2028, and the nameplate production year has likewise been brought forward from 2032 to 2029.

The accelerated ramp-up schedule of the Pani Gold Mine is supported by robust financing arrangement and stringent construction cost control. Historically, project development has been financed through a combination of shareholder loans from MCG and external project loans from banks, reflecting trust from both internal and external stakeholders in the prospects and economic feasibility of the project. In December 2025, the project secured US\$350 million in bank financing, enabling full repayment of shareholder loans and providing sufficient funding for heap leach capital expenditures and working capital requirements. The future development is expected to be funded primarily through debt financing, including bank loan facilities and/or public bond issuances, supplemented by operating cash flow. The total estimated capital requirement for the development of the CIL project is approximately US\$1,314 million, including US\$935 million in real terms to commission the CIL project, and the remaining US\$379 million in real terms to support the business operation.

We are deeply committed to ESG

Our parent company, MCG, is widely recognized as one of Indonesia's leading mining groups and a top performer in global ESG ratings recognized by leading international rating agencies such as MSCI, Sustainalytics and CDP. MCG held an A rating in MSCI's ESG Rating as of 31 December 2025, ranked No.1 among its peers (with market capitalization of US\$3.2 billion-US\$3.3 billion) in the Sustainalytics ESG Risk Rating with a score of 27.8, and received a "B-" score in CDP's 2024 Climate Change reporting. These achievements underscore MCG's industry-leading ESG framework, strong accountability structures and long-standing commitment to sustainable development, forming the foundation upon which we build our ESG strategy for the Pani Gold Projects.

As a subsidiary of MCG, MGR and our Pani Block adheres closely to MCG's ESG framework, benefiting from its established leadership and governance discipline to ensure alignment with international best practices.

We maintain full compliance with Indonesian regulatory requirements, as well as using global standards including ISO 14001:2015 Environmental Management Systems. We have implemented concrete onsite measures at the Pani Block to align operations with these

environmental guidelines. To reduce carbon emissions, Pani uses B40 biodiesel in mobile equipment and generators for Scope 1 reduction and purchases Renewable Energy Certificates (RECs) from PT Energy Management Indonesia to ensure PLN-supplied electricity is sourced from renewable energy for Scope 2 reduction. During the Track Record Period, the Pani Block recorded no major environmental incidents and was not subject to any significant administrative penalties, lawsuits or disputes from the government or local community due to any environmental controversies.

We emphasize the importance of contributing to sustainable community development around the Pani Block, supported by a dedicated Community Relations team that works closely with local government, community leaders and other stakeholders to deliver programs that address community priorities. In addition, we actively involve local residents in selected project activities, enabling them to benefit from new business opportunities.

In addition, we are committed to fostering a skilled, diverse and empowered workforce by prioritizing employment opportunities for local residents and equipping them with the capabilities needed to succeed. During the Track Record Period, we provided 802, 771 and 1,252 positions to local residents, representing 63%, 48% and 53% of our total workforce (including direct employees and contractors), respectively. During the Track Record Period, we also provided five positions to expatriates, representing only 1% of our 448 direct employees. We emphasize the value of gender equality in workplace as well, actively engaging female employees in decision-making and production process. Our strong focus on workforce wellbeing is further reinforced by our ISO 45001:2018 certified Occupational Health and Safety Management System, which we have maintained since 2022. We deliver comprehensive safety training tailored to specific roles and risk profiles, requiring all new employees to complete mandatory OHS Induction Training before commencing work. These initiatives collectively ensure a safe, supportive and development focused work environment that enables our employees to thrive.

Powered by MCG's proven expertise for accelerated growth, operational know-how and an experienced management team

MCG is one of Indonesia's leading mining groups, distinguished by a robust development and operation track record. Its flagship Tujuh Bukit Gold Mine can serve as a direct and clear illustration of operational know-how and experience in running an open-pit, heap-leach gold mine, which has reliably met and aligned with production guidance from 2023 to 2025 and successfully extended its mine life to 2029 in the second quarter of 2024, followed shortly by a further extension to 2030 in the first quarter of 2025, under the MCG Group's disciplined management approach.

The MCG Group through its subsidiary (MBM) has experience in development of greenfield project demonstrated by its rapid ramp-up of the SCM mine, which was acquired as an undeveloped asset in 2022 and advanced to first production of 6.4 million wet metric tonnes of nickel ore and commercial sales in 2023. Meanwhile at the Tujuh Bukit Copper Project, there is a track record of resources upgrade (indicated resources increased from 443 million tonnes in 2022 MRE to 755 million tonnes in 2023 MRE), reserve conversion of 289 million tonnes in 2023 MRE and continued exploration success of new prospects at Tujuh Bukit Copper Project manifests the effectiveness of MCG's geological exploration and drilling program.

Across its asset base (through MBM), MCG has also built a strong framework of collaboration with leading Chinese partners, including Tsingshan and GEM, spanning co-development of mining assets and industrial infrastructure. Such extensive partnership networks can bring in financial as well as technical support. These partnerships enhance MCG's access to both capital and cutting-edge technical capabilities, reinforcing its ability to execute large-scale projects effectively. In addition, MCG has a strong capital-market reputation, sustained investor confidence and longstanding relationships with regulators and stakeholders, which facilitate smoother permits processes and strategic partnerships.

MCG's development and operational track record, reputation in the capital markets and excellent relationships with regulators collectively strengthen our position as an emerging gold producer and enhance our ability to deliver high quality, sustainable project execution aligned with global industry standards.

Our growth is further supported by an experienced management team with an average of over 25 years of experience in the mining and processing industries. The management team

comprises senior executives who have played key roles in developing and operating other MCG major projects, bringing in extensive, full lifecycle experience across permitting, regulation, exploration, development, and operations. Leveraging their deep expertise in project development and operation, our leadership is well positioned to drive operational performance, enhance profitability and unlock long-term value for the Pani Gold Projects.

Blue-chip investors with a track record in value creation

We are supported by investors, namely PCI and SRTG, with strong track records in value creation, regulatory compliance, access to capital, international network and local connection.

PCI and SRTG are among Indonesia's most reputable blue-chip investors, with a long history of investing together and a distinguished track record in building multibillion-dollar businesses. They have founded, developed and scaled market-leading companies across various industries, consistently transforming early-stage ventures into highly valued public companies, as exemplified by MCG whose market capitalization grew from US\$519 million at IPO to approximately US\$3.3 billion as of the Latest Practicable Date.

A key factor marking our sponsors' strong track record of value creation in the Indonesian market is their decades of experience navigating the country's regulatory landscape, reinforced by deep-rooted relationships with government bodies, regional authorities, and local stakeholders. Their proven ability to secure permits across multiple industries, resolve community matters and work constructively with government institutions has been instrumental in the successful development of numerous complex projects nationwide. These longstanding ties significantly mitigate execution risk and reinforce the long-term viability of sponsored projects.

In addition, our sponsors have established a strong reputation for upholding the highest standards of corporate governance, regulatory compliance, and transparency. The robust reporting protocols, disciplined governance frameworks, and best-in-class investor communication practices applied across the listed companies within their portfolio have been central to reinforcing confidence and trust among regulators, partners, and capital markets.

Building on these strengths, the sponsors have established broad and reliable access to capital in both domestic and international markets. Their portfolio companies have become major issuers in the Indonesian capital markets, including serving as prominent issuers of Rupiah-denominated bonds. In addition, the sponsors' extensive relationships with local and international banks, together with their strong connectivity to global capital markets, provide a robust and diversified foundation of financing support.

In international market, our sponsors' strong credibility and consistent delivery of value have attracted a broad base of reputable international investors and investors focusing on long-term value creation, strengthening their global network and enhancing access to strategic partners. Their established relationships with top-tier global institutions, further support future capital-raising efforts, cross-border collaboration opportunities and the continued growth of portfolio companies on an international scale.

Well-positioned to benefit from favourable tailwinds in the gold sector

Gold prices are expected to remain well supported in the coming years, anchored by multiple catalysts including a declining interest rate environment that lowers the holding cost of gold, rising central bank buying particularly from emerging markets diversifying away from the U.S. dollar, geopolitical uncertainties that reinforce gold's safe haven appeal, the still low but rising share of gold in global investment portfolios, rising expectation for sustained rising inflation resulting in increasing demand for gold as inflation hedge, and inelastic gold supply given ore-grade declines in existing mines and the long lead times required to bring new mines into production. These structural drivers are projected to support a steady rise in gold prices to US\$5,566 per ounce by 2030 (nominal term), underpinning a sustained gold price environment.

The Pani Gold Mine is well-positioned to capitalize on this constructive backdrop. With a large-scale Resources and Reserves base, active and functional operations, and a clear path to capacity expansion (with designed capacity of heap-leach operation finished upgrading from 7.0 million tonnes per year to 8.0 million tonnes per year from the first production year, to

further expand to 10.0 million tonnes per year in 2028), Pani offers strong visibility on production growth. Combined with our senior management's proven operational expertise, we are well positioned to deliver stable, scalable output following first gold production in February 2026 and translate favourable market conditions into sustained value creation.

BUSINESS STRATEGIES

Deliver Timely and Safe Commercial Production at the Pani Gold Mine

Our primary growth strategy is to achieve safe, on-schedule commercial production at the Pani Gold Mine. Construction of the heap-leach processing facility has already supported the commencement of commercial operations in the first quarter of 2026. This phase is designed to generate positive cash flow in the short to medium term by processing near-surface oxide and transitional ores. Over its planned life from 2026 to 2032, the heap-leach operation is projected to produce approximately 1.0 Moz of gold.

We will execute a staged expansion by developing CIL processing facility, along with associated tailings storage and mining support infrastructure. Targeted for commissioning in 2028, this expansion will increase total ore processing capacity at Pani to 22 Mtpa including heap-leach operation, enabling the achievement of a combined peak production target of approximately up to 545,000 oz/year. The CIL operation alone is projected to produce approximately 3.5 Moz of gold between 2028 and 2040. The Company is also studying the potential to expand the CIL processing facility.

Apply Proven Operational Systems to Ensure Execution Discipline

We will implement a disciplined operational execution framework anchored in MCG's standardized systems, which have been rigorously tested and refined across multiple mining operations in Indonesia. This approach is designed to ensure consistent, safe, and efficient project delivery at the Pani Gold Mine from construction through to steady-state production. Central to this strategy is the adoption of MCG's integrated K3 (Occupational Health, Safety, and Security) management system, which is certified to ISO 45001 standards and has delivered a strong safety track record across MCG's portfolio. We will enforce mandatory training, certification, and procedural compliance for all personnel operating specialized equipment in strict alignment with both Indonesian regulatory requirements and international best practices.

Complementing this safety foundation, we will deploy real-time digital monitoring and data analytics platforms to enhance production control, ore tracking, and grade reconciliation throughout the mining and processing chain. These systems enable dynamic adjustment of mine plans based on actual geological conditions and metallurgical performance, minimizing dilution and maximizing recovery, which is critical for maintaining predictable mill feed quality and throughput. Recognizing the operational challenges posed by Gorontalo's high-rainfall tropical climate and steep terrain, we have embedded climate-responsive scheduling protocols into our mine plan. Specifically, the dry season will be strategically leveraged to accelerate the mining and stockpiling of high-grade oxide and transitional ores, creating a weather-resilient inventory buffer that ensures uninterrupted, high-quality feed to the heap-leach facility during periods of heavy rainfall when pit access or haul road conditions may be constrained. This proactive adaptation — supported by site-specific hydrological modelling and sediment/erosion controls detailed in the Environmental and Social Management Plan — directly mitigates weather-related production volatility and safeguards near-term cash flow generation.

By utilizing these proven, standardized, and digitally enabled operational systems, we aim not only to de-risk execution and accelerate ramp-up but also to establish a scalable, repeatable operating model that can support future growth while upholding the highest standards of safety, efficiency, and environmental stewardship.

Expand Resource Base Through Focused, Near-Mine Exploration

We intend to systematically expand our Mineral Resource and Ore Reserves base through a disciplined, near-mine exploration strategy focused on high-potential targets within our extensive and underexplored tenement of the Pani Block. Building on the current Pani Block resource, we have identified multiple priority exploration areas, including Kolokoa (to the south of the main deposit) and Lone Pine.

To advance this strategy, we will maintain an active drilling program supported by a dedicated annual exploration budget. The program is designed to achieve two key objectives: (i) upgrade confidence in the existing Resource through infill drilling to support mine planning and Reserve conversion; and (ii) discover new, higher-grade ore bodies in close proximity to the current open pit to enable near-term production upside and extend mine life.

Historically, we have achieved proven low-cost exploration activities with US\$21 per ounce of gold resource discovered. Consistent with our commitment to financial discipline going forward, our strategy is focused around efficient and low-cost exploration of the most promising targets across our concession area. By prioritizing targets that offer logistical synergies and a rapid path-to-production, we aim to de-risk exploration success and create long-term tangible value for shareholders through high-potential resource growth.

While we remain primarily focused on organic growth through internal expansion and development of our existing portfolio, we maintain an open-minded approach to strategic opportunities that could enhance long-term value. In the event that a highly attractive gold asset becomes available, we would consider evaluating such opportunities. Any potential transaction would be assessed based on alignment with our core competencies, operational synergies, financial discipline, and clear path to production.

Maintain Financial Discipline and Balance Sheet Strength

We are committed to maintaining rigorous financial discipline and a strong balance sheet as foundational pillars of our long-term value creation strategy. We intend to prioritize capital efficiency, disciplined phased investment, and strong internal cash generation to preserve financial flexibility, minimize shareholder dilution, and deliver sustainable returns through all phases of the business cycle.

Our capital allocation framework is both conservative and growth-oriented, ensuring that every investment, whether in project development, exploration, or operational enhancement, is subject to rigorous evaluation against clear criteria: strategic alignment, risk-adjusted return potential, payback horizon, and consistency with core operational objectives. This disciplined approach prevents over-extension during volatile markets while enabling the timely deployment of capital when high-quality opportunities arise.

By targeting prudent leverage levels and maintaining ample liquidity, we aim to build a strong financial position that helps us create value despite commodity price fluctuations, geopolitical shifts, and macroeconomic uncertainty. A robust balance sheet not only supports operational continuity but also enhances our credibility with lenders, suppliers, and host communities.

This financial discipline empowers us to fund organic growth initiatives from operating cash flow, selectively pursue high-impact strategic opportunities, and respond swiftly to evolving market dynamics without compromising long-term stability. Ultimately, it ensures that the interests of all stakeholders — including shareholders, employees, partners, and local communities — are safeguarded through transparent, responsible, and forward-looking stewardship of capital.

We intend to implement a dividend policy under which the recommendation, determination, and distribution of dividends will be proposed by the Board of Directors and approved by the Board of Commissioners at their discretion, taking into account various factors, many of which may be beyond the Company's control. These factors include, among others, the Company's and its subsidiaries' net profit, operating results, cash flow, capital position, capital expenditure requirements, financial condition, reserve requirements, other financial obligations, dividend distributions from subsidiaries, business development plans, implementation of business strategies, competitive conditions, general economic circumstances, and other factors relevant to the MGR Group and its industry. The Company currently intends to commence dividend distributions when appropriate, subject to the availability of distributable profits and compliance with applicable laws and regulations.

Roadmap of our future Industry-Leading ESG Across Operations

Building upon the foundation of MCG's award-winning sustainability platform, we are committed to implementing a forward-looking ESG roadmap that systematically integrates environmental, social, and governance values into our long-term business strategy and operational life cycle. This roadmap is designed not only to meet evolving regulatory and

investor expectations but also to proactively position us as a leader in responsible resource development in Indonesia and across Southeast Asia. Central to this approach is the recognition that sustainable performance is a strategic driver of operational resilience, stakeholder trust, and long-term value creation.

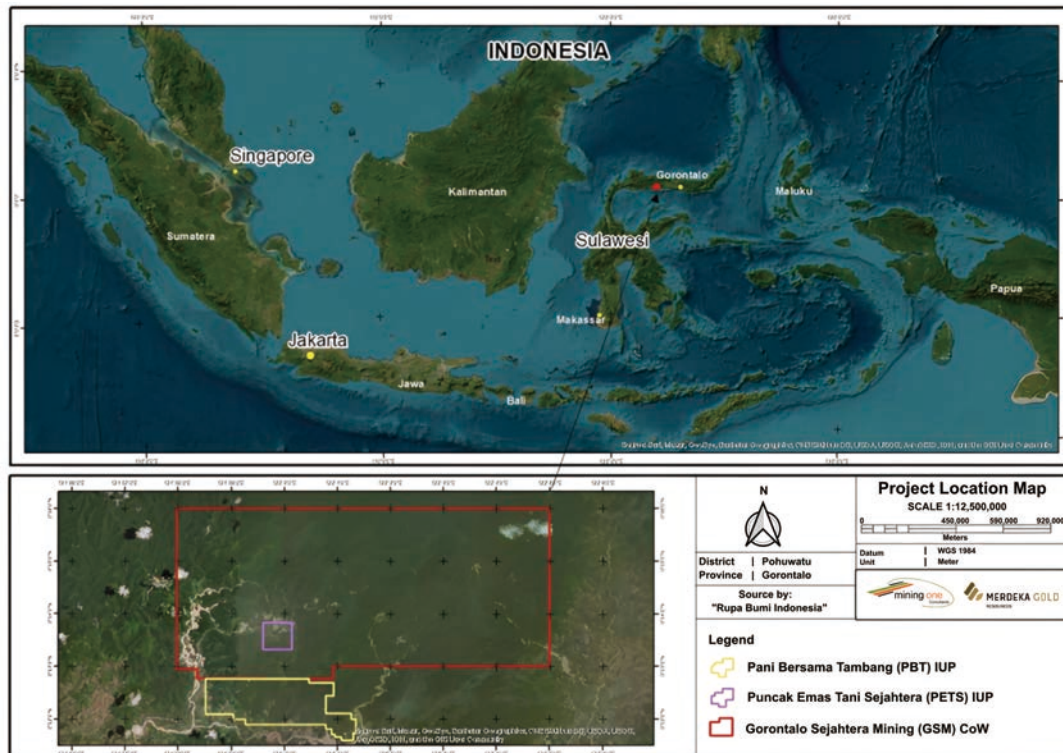
Our future ESG efforts will prioritize environmental stewardship by continuing to adopt responsible mining practices, enhancing biodiversity conservation measures, and integrating low-carbon technologies across our operations. This includes advancing energy efficiency initiatives, developing site-specific biodiversity action plans aligned with international best practices, and strengthening water and waste management systems to minimize ecological impacts over the mine life and beyond. Concurrently, we intend to deepen our community partnerships by co-creating long-term local development programs focused on education, skills training, and livelihood enhancement, with an emphasis on increasing local employment and ensuring that social investments are responsive to community-identified needs. Respect for human rights will remain a fundamental principle guiding our interactions with employees, contractors and their workers, and local communities. Transparent engagement mechanisms and structured dialogue channels will be maintained to uphold social license and foster mutual accountability.

On the governance front, we will reinforce our commitment to integrity, transparency, and human rights by implementing robust anti-corruption protocols, embedding environmental, social, and governance criteria into procurement and contractor management, and ensuring board-level oversight of material ESG risks. By embedding ESG as a core component of our growth trajectory — not as an add-on but as a strategic enabler — we aim to set a new benchmark for sustainable, future-ready mining in emerging markets.

OUR BUSINESS MODEL AND OPERATIONS

Our Pani Gold Mine

The Pani Gold Projects cover a 100 Ha PETS Operation Production Mining Business License (“**PETS IUP OP**”) area in Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province and a 14,570 Ha GSM Contract of Work (“**GSM CoW**”) area in Buol Regency, Central Sulawesi Province, Pohuwato Regency and Gorontalo Regency, Gorontalo Province, and North Bolaang Mongondow Regency, North Sulawesi Province.



We plan to develop the potential of the 100 Ha PETS IUP-OP area together with the 14,570 hectare GSM CoW area, both of which have obtained all key permits for such development. By developing the PETS and GSM areas together, we expect to benefit from larger-scale gold mining operations, optimization of reserve extraction, and significant cost savings in terms of facilities, capital and other resources. Processing activities are planned to be carried out by (i) PBT for heap-leach processing; and (ii) PIN for CIL processing. PBT has obtained an Environmental Permit and Industrial Business License (“IUI”), which is a conversion of the Operation Production Mining Business License Specifically for Processing and/or Refining as required by applicable laws and regulations in the mining sector. PIN was established in early 2025 and is still in the process of obtaining the required licenses and permits, which the principal license required for CIL processing is a IUI. PIN is presently compiling the necessary technical data and administrative documentation to support the application for the IUI, which PIN intends to submit at the earliest practicable time, currently targeted for early 2028, as the application process may be initiated closer to plant commissioning, subject to the completion of internal preparations and receipt of all necessary regulatory clearances and approvals.

Our Directors are of the view, and the Joint Sponsors concur, that there are no material technical or legal impediments to the progression of the Group’s development plans of the Pani Gold Mine.

Mineral Resources and Ore Reserves

Independent Report

We engaged Mining One Consultants, an Independent Third Party and an international consulting company that offers advice and solutions to resource industries for mining projects, to prepare the CPR in Appendix III to this Prospectus, which is an independent assessment and evaluation of our Mineral Resources and Ore Reserves as of 31 December 2025.

The information set forth below relating to our Mineral Resources and Ore Reserves constitutes forward looking information, which is subject to certain risks and uncertainties. Please refer to “Risk Factors” and “Forward-Looking Statements” for details.

According to Mining One, there was no material change in the CPR, or our Mineral Resources and Ore Reserves estimate, since 31 December 2025, being the effective date of the CPR, and up to the date of this Prospectus.

Mineral Resources

Based on the CPR, the following estimated gold Mineral Resource is reported in accordance with the JORC Code for the Pani Gold Mine at a cut-off grade of 0.20 grams/tonne Au and assumed gold price of US\$2,300 per ounce as of 31 December 2025:

MRE	Classification	Tonnes <i>(Mt)</i>	Au <i>(g/t)</i>	Ag <i>(g/t)</i>	Au <i>(Moz)</i>	Ag <i>(Moz)</i>
Dec-25	Measured	7.7	0.87	1.66	0.2	0.4
	Indicated	235.6	0.77	0.73	5.9	5.6
	Inferred	48.2	0.59	0.37	0.9	0.6
	Total	291.5	0.75	0.71	7.0	6.6

BUSINESS

Ore Reserves

Based on the CPR, the following gold Ore Reserves estimate is reported in accordance with the JORC Code based on the processing stream, e.g. Heap Leach and CIL, in the Pani Gold Mine at a cut-off grade ranging from 0.20 g/t to 0.40 g/t Au estimated at assumed gold price of US\$2,300 per ounce as of 31 December 2025, and consists of 203.1 Mt of ore at an average gold grade of 0.79 g/t for 5.2 Moz of contained gold and an average silver grade of 0.84 g/t for 5.5 Moz of contained silver:

	Proved Reserves			Probable Reserves			Total Reserves		
	Tonnes	Au Grade	Contained Au	Tonnes	Au Grade	Contained Au	Tonnes	Au Grade	Contained Au
	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Gold Ore Reserves									
Stockpiles (HL) . .	0.9	0.50	0.0	–	–	–	0.9	0.50	0.0
Heap Leach (HL) .	3.9	0.84	0.1	58.1	0.62	1.2	62.1	0.64	1.3
Carbon-in-Leach (CIL)	2.9	1.07	0.1	137.2	0.86	3.8	140.1	0.86	3.9
Total Gold Ore Reserves	7.7	0.89	0.2	195.4	0.79	4.9	203.1	0.79	5.2
	Proved Reserves			Probable Reserves			Total Reserves		
	Tonnes	Ag Grade	Contained Ag	Tonnes	Ag Grade	Contained Ag	Tonnes	Ag Grade	Contained Ag
	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Silver Ore Reserves									
Stockpiles (HL) . .	0.9	3.86	0.1	–	–	–	0.9	3.86	0.1
Heap Leach (HL) .	3.9	1.58	0.2	58.1	0.90	1.7	62.1	0.94	1.9
Carbon-in-Leach (CIL)	2.9	1.03	0.1	137.2	0.77	3.4	140.1	0.77	3.5
Total Silver Ore Reserves	7.7	1.64	0.4	195.4	0.81	5.1	203.1	0.84	5.5

The Group's silver is produced as a by-product of its gold mining operations and undergoes the same ore preparation, HL and CIL processing as gold, as both metals remain combined throughout mining and processing stage. The Group subsequently produces gold doré and silver in doré after completion of the HL and CIL processes, with the separation of the two metals taking place at the refining stage with gold and silver granules as the end products. Under the current refining arrangement with ANTAM (being an LBMA-certified refiner), the silver is refined into silver granules with purity of up to 99.95%, which is in line with LBMA standards.

Our Mining Licenses and Permits

During the Track Record Period and as at the Latest Practicable Date, the Group has obtained all major licenses, permits and certificates that are necessary to its operations.

The following table presents the licenses and permits that have been obtained by our mining subsidiaries. In addition to this, PIN was established in early-2025 for the purposes of operating the CIL. The application for certain construction and operation permits is ongoing.

BUSINESS

Subsidiary	Business permit	Valid until	Location	Area
PETS	IUP-OP based on Decree no. 351/17/IX/2015 dated 4 September 2015, issued by the Governor of Gorontalo as amended by Decree No. 30/DPM-ESDM-TRANS/PER-IUP-OP/IV/ 2020 dated 20 April 2020, issued by the Head of the Investment, Energy and Mineral Resources, and Transmigration of Office Gorontalo Province.	23 November 2032	Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province.	100 Ha
GSM	CoW between the Government and PT Newcrest Nusa Sulawesi (now called GSM) based on Letter No. B-188/Pres/7/1994 dated 20 July 1994 and signed on 15 August 1994 regarding Approval for 5 (five) Contracts of Work in the framework of PMA in the General Mining Sector, issued by the President of the Republic of Indonesia, as last amended by the Amendment to the Contract of Work dated 23 December 2015. The activity stage of this Contract of Work has been adjusted to the production operation activity stage based on the Decree of the Minister of Energy and Mineral Resources No. 457.K/30/DJB/2017 dated 13 December 2017.	1 December 2049	Buol Regency, Central Sulawesi Province, Pohuwato Regency and Gorontalo Regency, Gorontalo Province, and North Bolaang Mongondow Regency, North Sulawesi Province.	14,570 Ha
PBT	IUP-OP Specifically for Processing and/or Refining based on the Decree of the Head of the Investment Energy and Mineral Resources and Transmigration Office of Gorontalo Province No. 10/DPMESDM-TRANS/IUP-OP-OLAH/III/2019 dated 14 March 2019, which is valid for 16 years and has been converted into Industrial Business License dated 8 October 2021.	14 March 2035	Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province.	720.71 Ha

As advised by our legal adviser as to Indonesian laws, based on Government Regulation No. 96 of 2021 on the Implementation of Mineral and Coal Mining Business Activities, as amended (“**GR 96/2021**”), an IUP is transferable or assignable to another party subject to prior approval of the MEMR. In addition, under GR 96/2021 the transfer of ownership of a company holding an IUP must obtain prior approval from the MEMR.

GR 96/2021 superseded the previous regulatory regime under Government Regulation No. 23 of 2010 on the Implementation of Mineral and Coal Mining Business Activities, as last amended in 2018 (“**GR No. 23/2010**”). Under GR No. 23/2010, an IUP could only be transferred to a business entity in which the IUP or IUPK holder owned at least 51% of the shares.

The initial transfer of the relevant mining license occurred in 2015 through the transfer of the existing IUP-OP currently held by PETS from KUD Dharma Tani, as the previous license holder to PETS (the “**2015 IUP Transfer**”).

The 2015 IUP Transfer was conducted under the regulatory regime of GR No. 23/2010. In 2015, KUD Dharma Tani held a 51% shareholding interest in PETS, thereby satisfying the requirement under GR No. 23/2010 that an IUP may only be transferred to a business entity in which the IUP or IUPK holder owns at least 51% of the issued and paid-up shares.

Thereafter, the consolidation of the relevant mining interests into the Group was effected through transfer of share ownership in PETS and GSM from the previous owner to the Company between 2018 and 2024. Consideration for such transactions was satisfied through cash payments and capital contributions to the relevant parties, rather than through any direct transfer, assignment, or novation of the underlying IUP or CoW. Accordingly, following the 2015 IUP Transfer, the legal ownership of the IUP remains vested in PETS, while GSM is the original holder of the CoW.

Further, (i) approval from the MEMR pursuant to Letter of Approval No. T-197/MB.04/MEM.B/2024 dated 13 May 2024 was obtained for the acquisition of PETS by the Company in 2024, and (ii) approval from the MEMR pursuant to Letter of Approval No. T-647/MB.04/MEM.B/2022 dated 8 November 2022 was obtained for the acquisition of GSM by the Company in 2022.

In light of the approvals that were obtained from the MEMR, it is understood that both acquisitions were carried out in compliance with applicable Indonesian laws and regulations.

Although the validity period of the IUP-OPs owned by the Group are shorter than the estimated life of the mine, the Group plans to apply for extensions of the relevant IUP-OPs in accordance with prevailing Indonesian mining laws and regulations prior to their expiry. This is intended to ensure continuity of licensing, so that no gap arises between the expiration of the existing IUP-OPs and the issuance of their extensions, thereby preventing any period of unlicensed operations.

Pursuant to GR No. 96/2021, holders of an IUP-OP are granted the right to apply for an extension of the validity period of their IUP-OP. In this regard, holders of an IUP-OP for metallic minerals may be granted an extension of the IUP-OP up to two times, with each extension having a maximum validity period of ten years, subject to the fulfilment of applicable requirements, further assessment, and approval by the Government.

As advised by our legal adviser as to Indonesian laws, subject to governmental discretion, assessment and prevailing policy considerations, the Group is not expected to have material impediments in connection with the renewal of its license, provided that:

- (i) the application for extension is submitted within the prescribed timeframe;
- (ii) the Group remains in continuous compliance with applicable laws and regulations;
- (iii) all licensing obligations and requirements are duly satisfied, including those relating to environmental approvals, reclamation, and post-mining guarantees;
- (iv) mining operations are continuously conducted in accordance with the approved work plans and budgets; and
- (v) there are no material changes in the applicable Indonesian regulatory framework or governmental policies relevant to the IUP-OPs that would adversely affect such renewal.

Notwithstanding the efforts undertaken by the Company, see “Risk Factors — Risks Related to Our Business and Industry — We may fail to obtain, maintain or renew the government permits, licenses, approvals and fulfil related obligations required for the Pani Block’s operations and expansion program.”

As at the date hereof, the licence with the nearest expiry date is PETS’ IUP-OP, which is scheduled to expire on 23 November 2032. Pursuant to Regulation of the Minister of Energy and Mineral Resources No. 7 of 2020 on the Procedures for the Granting of Areas, Licensing, and Reporting in Mineral and Coal Mining Business Activities, as amended, an application for the renewal of an IUP may be submitted no earlier than 5 years and no later than 1 year prior to the expiry of the relevant licence.

BUSINESS

Based on publicly available information, industry experience, and discussions with industry participants, the Competent Person observes that the renewal process for a mining license of this nature generally takes 12-24 months, subject to the completeness of application documentation, compliance status, supporting permits and approvals, as well as time needed by the relevant authorities to review and approve the renewal. Based on the foregoing, and noting the ability to commence the renewal process from 2027 onwards, the Competent Person considers the available timeframe prior to the 2032 expiry date to be reasonable in the context of comparable mining license renewal processes in Indonesia.

As advised by our legal adviser as to Indonesian laws, subject to governmental discretion, assessment and prevailing policy considerations, PIN is expected to be on track to obtain the required construction and operation permits in accordance with the applicable regulatory framework, provided that:

- (i) all relevant applications and supporting documents are prepared and submitted within the prescribed timeframes;
- (ii) PIN remains in continuous compliance with applicable laws, regulations, and administrative requirements throughout the permitting process; and
- (iii) PIN duly fulfils all applicable licensing obligations and substantive requirements, including the timely obtainment and maintenance of all necessary environmental approvals and related clearances as required by the competent authorities.

Environmental License

The following table presents the environmental permits that have been obtained by our mining subsidiaries.

Subsidiary	Environmental Licenses	Valid until	Details
PETS	Environmental Permit pursuant to (i) the Decree of the Head of the Investment Office of Pohuwato Regency No. 205/07/IL/DPM/XI/2018 dated 23 November 2018 concerning the Environmental Permit for the proposed gold mining activities covering an area of 131.46 hectares of PETS located in Huwala Village, Buntulia Sub-district, Pohuwato Regency; in conjunction with (ii) the Decree of the Head of the Environmental Office of Pohuwato Regency No. 800/PLH-PHWT/SKKL/01/XI/2018 dated 19 November 2018 concerning the Environmental Feasibility Decision for the proposed gold mining activities covering an area of 136 hectares located in Hulawa Village, Buntulia Sub-district, Pohuwato Regency; in conjunction with (iii) the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.1208/MENLHK/SETJEN/PLA.4/12/2022 dated 2 December 2022 concerning the Environmental Feasibility for the Gold Mining Infill Drilling activities in Hulawa Village, Buntulia Sub-district, Pohuwato Regency, Gorontalo Province; and in conjunction with (iv) the Decree of the Minister of Environment/Head of the Environmental Control Agency No. 797 dated 9 May 2025 concerning the Environmental Feasibility for the additional Gold Mining Infill Drilling activities of PETS	Remains valid for as long as the business and/or activities are conducted, provided that no changes are made to the business and/or activities.	–

BUSINESS

Subsidiary	Environmental Licenses	Valid until	Details
	IPPKH pursuant to the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.310/MENLHK/SETJEN/PLA.0/4/2019 dated 29 April 2019 concerning the Forest Area Borrow-to-Use Permit for Gold Production Operations and its supporting facilities within a Limited Production Forest area, granted to PETS, covering an area of approximately 93.90 hectares located in Pohuwato Regency, Gorontalo Province	Valid until 3 September 2028	–
GSM	Environmental Permit pursuant to the Decree of the Governor of Gorontalo No. 305/22/VII/2016 dated 15 July 2016, in conjunction with the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. 146 of 2024 concerning the Environmental Feasibility for the proposed development of gold mining and its associated minerals in Hulawa Village, Buntulia Sub-district, Pohuwato Regency, Gorontalo Province, granted to GSM, dated 5 February 2024	Remains valid for as long as the business and/or activities are conducted, provided that no changes are made to the business and/or activities.	–
	PPKH pursuant to the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. 1011 of 2024 dated 7 August 2024 concerning the Extension and Consolidation of the Forest Area Utilisation Approval for Gold Production Operations and its supporting facilities granted to GSM, covering a total area of 1,788.63 hectares located within Limited Production Forest areas and Convertible Production Forest areas in Pohuwato Regency, Gorontalo Province	Valid until 1 December 2049	–
PBT	Environmental Permit pursuant to the Decree of the Head of the Investment, Energy and Mineral Resources, and Transmigration Office of Gorontalo Province No. 02/DPMESDM-TRANS/IL/I/2019 dated 31 January 2019 on the Environmental Permit for the Gold Ore Processing and Refining Activities covering an area of 763.90 hectares located in Hulawa Village, Buntulia Sub-district, Pohuwato Regency, Gorontalo Province, granted to PBT, as subsequently amended by the Decree of the Head of the One-Stop Integrated Investment and Licensing Service of Gorontalo Province No. 01/DPMPSTSP/SKKL/I/2025 concerning the Approval of the Environmental Feasibility Letter for the Addendum to the ANDAL and RKL-RPL for the planned Gold Ore Processing and Refining Activities in Hulawa Village, Buntulia Sub-district, Pohuwato Regency, Gorontalo Province, dated 8 January 2025	Remains valid for as long as the business and/or activities are conducted, provided that no changes are made to the business and/or activities.	–

BUSINESS

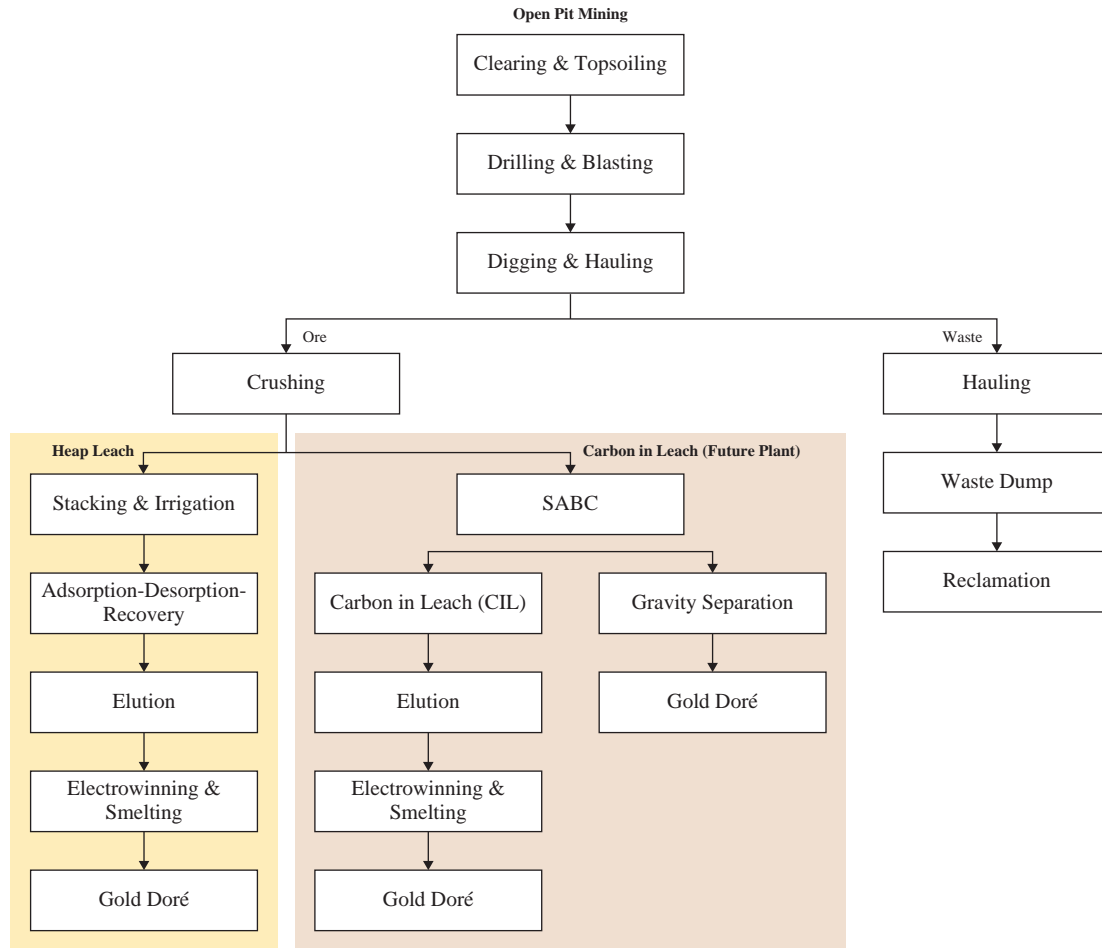
Subsidiary	Environmental Licenses	Valid until	Details
	<p>PPKH pursuant to the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.188/MENLHK/SETJEN/PLA.0/3/2022 dated 4 March 2022 on the Approval for the Utilisation of Forest Area for Supporting Facilities for Gold Ore Processing and Refining Activities on behalf of PBT, covering an area of approximately 289.08 hectares within a Limited Production Forest area located in Pohuwato Regency, Gorontalo Province, as subsequently amended by the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. 831 of 2024 dated 10 July 2024</p>	Until 13 March 2035	The area covers, inter alia, mining access roads with an area of approximately 18.32 hectares and buffer zones with an area of approximately 416.69 hectares.
PIN	<p>Environmental Permit pursuant to the Decree of the Minister of Environment/Head of the Environmental Control Agency of the Republic of Indonesia No. 3235 of 2025 dated 2 December 2025 on the Environmental Feasibility of the Proposed Gold Ore Processing and Refining (DMP) Activities located in Hulawa Village, Buntulia Sub-district, Pohuwato Regency, Gorontalo Province</p>	Remains valid for as long as the business and/or activities are conducted, provided that no changes are made to the business and/or activities	–
	<p>Water Resources Utilization Permit pursuant to the Decree of the Minister of Public Works No. 2307/KPTS/M/Izin-SDA/2025 dated 26 November 2025 regarding the utilization of water resources for industrial and construction activities in Pohuwato Regency, Gorontalo Province</p>	Until 26 November 2030	–

BUSINESS

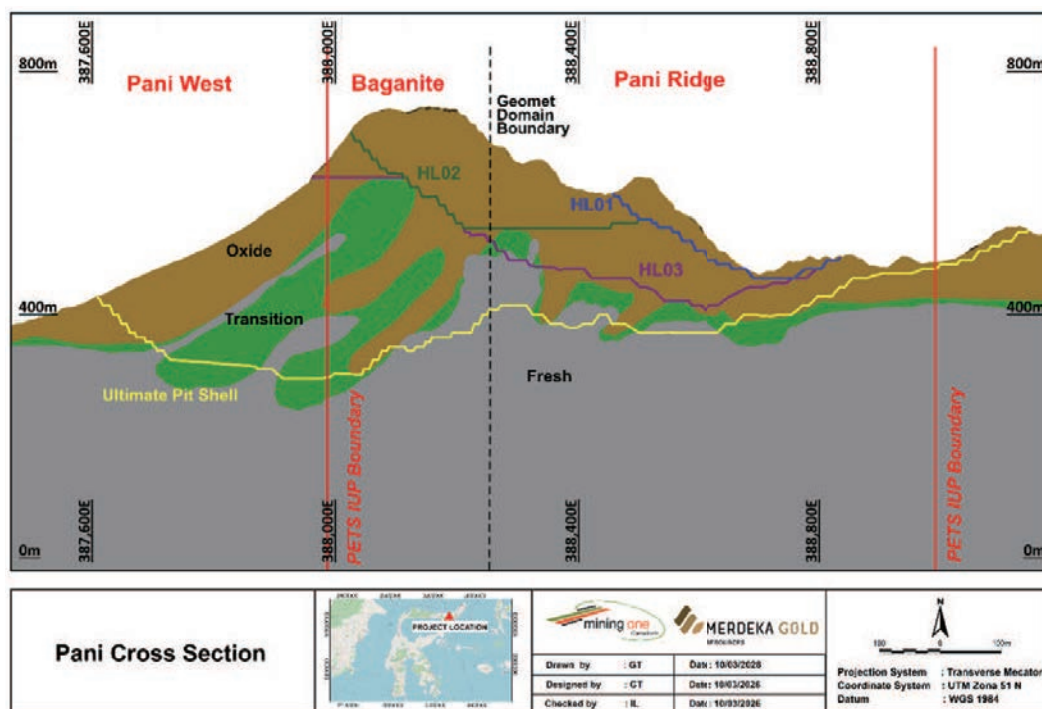
Operating Process

Overview

The following diagram sets forth the general workflow of the operation process for mining and processing of Pani Gold Mine:



Mining



Baganite and Pani Ridge deposits at the Pani Gold Mine are mined using conventional open-pit mining, commencing with topsoil stripping and overburden removal, followed by drill-and-blast operations and conventional load-and-haul ore extraction. The deposits are located on separate mining tenements held by different entities, namely PETS and GSM, both operating under the Company's corporate structure.

Mining activities in both zones will be phased according to ore supply requirements for the operation of the heap leach and carbon-in-leach processing facilities. For heap-leach processing, mining areas are divided between Pani Ridge within PETS IUP-OP area and Baganite which spans portions of both PETS IUP-OP and GSM CoW. For CIL processing, ore supply is determined based on processing requirements and is not restricted by zone-specific allocation. Mining activities to supply oxide ore to the heap-leach facility has commenced in 2026 in the Pani Ridge, while mining to supply ore to the CIL processing facility is scheduled to commence in 2028. The project value is expected to be optimized through a sequenced mining strategy that prioritizes areas with lower cost-per-ounce profiles before progressing to higher-cost zones.

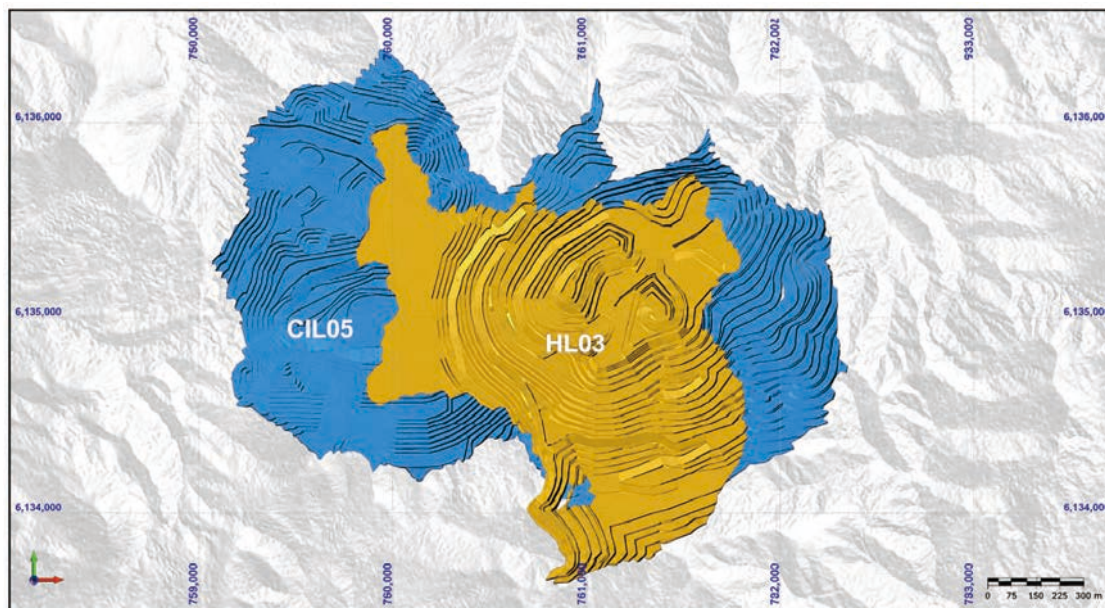
Based on metallurgical test work completed as part of the Definitive Feasibility Study concluded in 2024, it is confirmed that ore from the Pani Ridge is more suitable for heap leaching, and ore from both deposits will perform equally well under the CIL process. Therefore, mined ore is segregated into two components: ore suitable for immediate heap leaching and ore to be stockpiled for later processing through the planned CIL processing facility. The mine plan will target the Pani Ridge ore for heap-leach processing due to its higher recovery. The LOM schedule has been developed to prioritise ore from the heap leach pit to be sent to the heap leach processing facility and ore from the CIL pit to be sent to the CIL processing facility. However, the schedule was set up to recognize the higher profitability of sending some ore types from the heap leach pit to the CIL processing facility and vice versa. Consequently, the set priorities are not always followed in order to achieve higher economics of the project. Waste material will be placed in valley-fill waste dumps designed with sufficient capacity to accommodate waste movement over the LOM period.

We use two different processing methods at different stages of development to decrease the overall risk of the project. HL has lower capex and operating costs, does not require tailings, and therefore can be implemented faster. Resulting early cash flow generated from HL operation can fund the development of CIL. CIL has higher processing capacity, and also

higher capex and operating costs, when compared with HL. Certain oxide ores are better suited to HL processing, and less amenable to CIL processing.

Grading and depth of ore for different processing routes

As further outlined in Section 9.5.2 of the CPR, the ultimate heap-leach pushback (HL03) is designed to reach a bottom elevation of 405.5 mRL, with mining commencing from an elevation of approximately 785 mRL. The ultimate pushback for the CIL pit (CIL05), which fully encompasses HL03, is designed to reach a final elevation of 305 mRL. CIL05 extends approximately 1.6 km along its major axis and 1.2 km along its minor axis. The figure below, extracted from Figure 9.9 in the CPR, illustrates the relationship between the two pits, where the blue outline represents the CIL ultimate pit (CIL05) and the gold outline represents the HL ultimate pit (HL03).



As further discussed in Section 9.6 of the CPR, although separate pits have been designed for each processing route, the mine schedule allows for material to be diverted between the HL and CIL plants to meet ore-feed targets. Such diversion is infrequent but typically occurs in the early years, when material that would generate higher value through the CIL plant is temporarily redirected to the HL plant. This strategy supports achieving plant feed requirements, bringing forward revenue to strengthen early-stage project economics, and reducing overall project cash drawdown.

The Ore Reserves, including the grades, that have been reported for each processing route are summarised in table below:

Processing Route	Ore Tonnes	Au Grade (g/t)	Ag Grade (g/t)
HL Pits*	62.9	0.63	0.98
CIL Pits	140.1	0.86	0.77

* Including ore in the stockpile that will be processed through heap leaching.

Heap leach pit

The heap leach pit, consisting of three staging cutbacks, namely Pit HL01, HL02 and HL03, is designed to supply ore for heap-leach processing. Pit HL01 serves as the starter pit and is mined initially to open up the area, which will establish access to the Pani Ridge and subsequently the Baganite. Both HL01 and HL02 pits can be mined simultaneously, providing

flexibility in the mining schedule. Mining at Pit HL03 will commence once Pits HL01 and HL02 reach certain depth. Pits HL01, HL02, and HL03 are collectively expected to deliver 62 million tonnes of ore.

CIL Pit

The CIL pit comprises five staging cutbacks, namely CIL01 to CIL05, with CIL05 serving as the final cutback. Pit CIL01 is designed below the Pit HL01 Baganite platform to continue staged mining of Baganite area. Pits CIL02 and CIL03 will expand the mining footprint to include Baganite and Pani Ridge deposits, extending extraction to deeper elevation. These two pits will be combined into one large pit when mining Pit HL03 and Pit CIL03. Pit CIL04 is designed to reach the lowest level of the Baganite Zone, while Pit CIL05 represents the final design for life of mine.

Run-of-Mine (“ROM”) Embankment

Several ore stockpile areas have been identified within the mining area with the majority located within the GSM CoW area. The total stockpile capacity is approximately 5 million tonnes. Ore will be stockpiled and segregated by grade to support blending strategies and grade control management. Certain stockpiles will be strategically located in proximity to the heap-leach and CIL processing facilities.

Mining plan

We plan to conduct mining activities within the Pani Block for the full term of PETS’ and GSM’s respective mining licenses. Mining activities in both areas commenced in 2025. The total ore production during life of mine is estimated at 203.1 million tonnes of ore, with a production range of 3 to 25 million tonnes per year.

The annual mining plan is prepared based on the long-term production planning for the Pani Gold Mine’s open pit mining operation which is subject to change from time to time due to factors within or beyond our control. Factors that may affect future production plans include, among other things, fluctuations in gold prices, weather conditions, operational incidents, availability of mining equipment and machinery, performance of third-party contractors, and labour-related matters. To mitigate these risks, we intend to implement disciplined grade control, cost management, operational efficiency improvements and phased capacity expansion, which we expect to support long-term profitability.

Mining operations follow a conventional drill-blast-load-haul sequence. Grade control and production drilling are conducted using drill rigs with specified patterns and hole spacing. Hard material is fragmented through controlled blasting prior to excavation. Following blasting, material is excavated and loaded into haul trucks for transportation to designated stockpiles or waste facilities. Drill cuttings are sampled and analysed at the on-site laboratory for grade control and material classification.

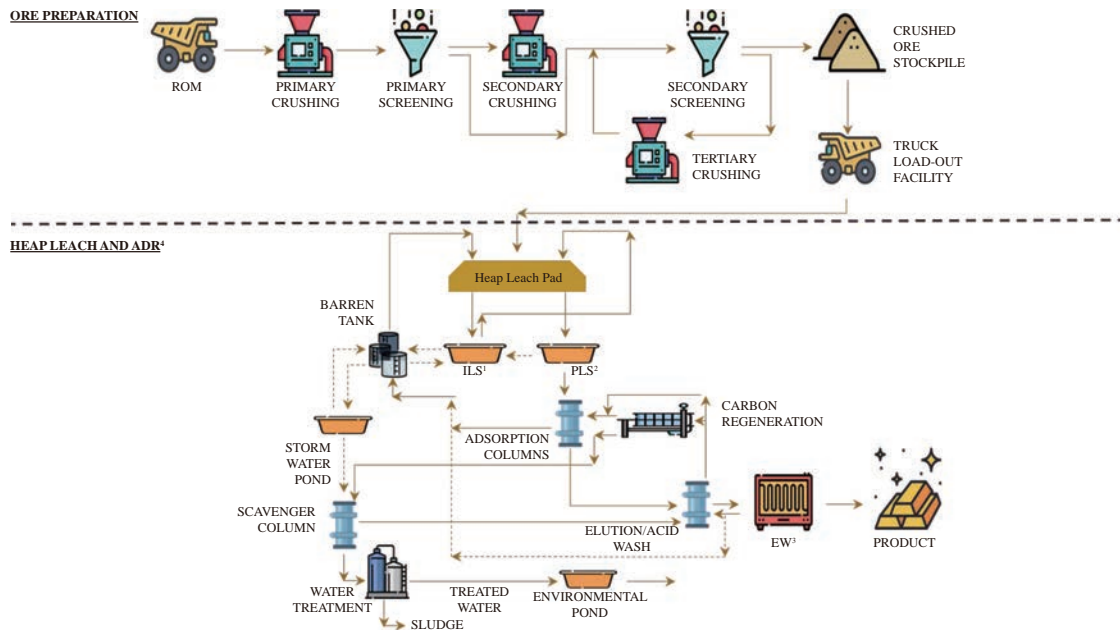
Processing

Ore processing activities to produce gold doré bars will be carried out at the heap-leach processing facility and the CIL processing facility, operated by PBT and PIN, respectively. The heap-leach processing facility was originally designed with an installed capacity of 7.0 million tonnes per year, which has since been expanded to 8.0 million tonnes per year from 2026 as a function of higher crushing plant utilisation and ramping up to 10.0 million tonnes per year in 2028. The CIL processing facility is designed with an initial installed capacity of 12 million tonnes per year, with operation scheduled to commence in the first half of 2028.

The heap-leach processing facility is designed to treat oxide ore type with an estimated average gold recovery rate of approximately 82%. The CIL processing facility is designed to treat transitional to fresh ore type, which typically exhibit higher grades than the heap-leach feed, thereby maximizing gold recovery and improving overall project economics. The CIL processing facility is expected to achieve an average recovery rate of approximately 92%.

Heap-leach processing facility

The diagram below depicts the simplified process flow of the heap-leach processing facility:



Mined ore is currently transported from the pit to the heap-leach processing facility using 60-tonne articulated dump trucks via a private haul road, with purchase of larger and more efficient 100-tonne rigid dump trucks being implemented in the second quarter of 2026. The ore is transported directly to the Ore Preparation Plant (“**OPP**”) where it is crushed to 100% passing less than 19mm, before being stacked onto the heap-leach pads. The crushing and screening circuit comprises three crushing stages, primary, secondary, and tertiary crushing, and two screening stages, primary and secondary, to produce a material with a nominal particle size of less than 19mm. Lime is added to the final product prior to discharge into the load-out bins to control pH. The crushed ore is then loaded into dump trucks and transported to the heap-leach pads for stacking.

After the crushing and screening, the ore is stacked on heap-leach pads and irrigated with a cyanide solution. The leachate solution that percolates into the ore stack will carry the dissolved valuable minerals out of the stack. The leachate is collected and directed to the PLS Pond or ILS Pond. Leachate with a high gold content will be directed to the PLS Pond, while those with a low gold content will be directed to the ILS Pond and subsequently pumped back into the stack for further leaching.

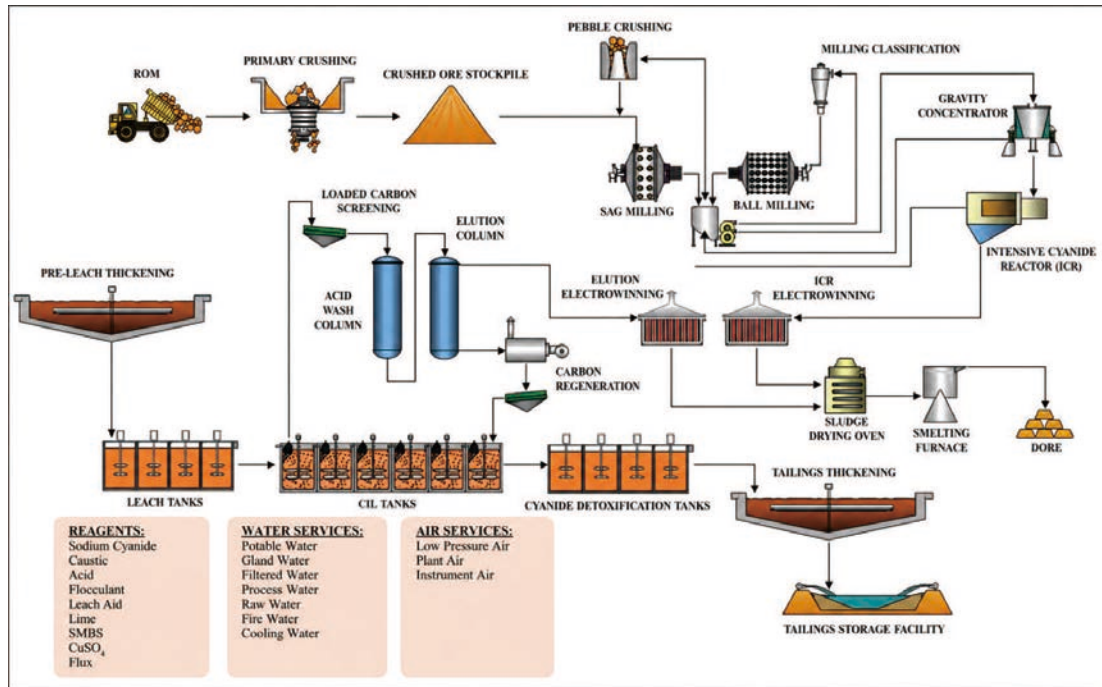
Solution collected from the PLS Pond will be pumped to the ADR facility, where it passes through a carbon -in-column (“**CIC**”) circuit, in which gold and silver are absorbed from the PLS solution onto the activated carbon. The remaining solution becomes a barren leach solution (“**BLS**”) to be reused in the ore leaching process. The gold-laden carbon is transferred to a loaded carbon screen, washed by clean water (filtered water), and conveyed to the elution circuit, where gold and silver are stripped from the carbon using a pressure zadra stripping circuit to produce a gold-rich solution. The solution is subsequently directed to the electrowinning cells located in the gold room for metal recovery.

In the electrowinning process, dissolved gold in the electrolyte is deposited onto the cathodes through an electrochemical process. The recovered gold collected at the cathodes is then dried and ready to be smelted into ingots. During this smelting process, fluxes are added to capture impurities and lower the melting temperature of gold and other metals.

Heap leaching is a cost-effective gold recovery method characterized by relatively low pre-production capital expenditure and operating costs. Our senior management has extensive experience operating in heap-leach facility through their prior role in operating subsidiaries of MCG, including the operators of the Tujuh Bukit Gold Mine and the Wetar Copper Mine.

CIL processing facility

The diagram below depicts the simplified process flow of the CIL processing facility:



Mined ore will be transported via haul road from the pit to the primary crushing facility using 100-tonne dump trucks. The ore will be dumped directly into a run-of-mine ore bin, which feeds a primary gyratory crusher that reduces the ore size to below 250 mm. The crushed ore is then conveyed to a stockpile before being reclaimed and conveyed to the grinding circuit. The crushed ore will then undergo further comminution in a traditional “SABC” circuit (semi-autogenous grinding (“SAG”) mill, ball mill, and pebble crusher) for size reduction to 80% passing 150 µm.

Slurry is then pumped from the mill discharge hopper through a gravity concentrator circuit to produce gold concentrate. This concentrate will be subsequently treated through an intensive leaching reactor process using a concentrated sodium cyanide and sodium hydroxide solution, a batch process that takes up to 24 hours. This process will generate a gold-rich solution, which will then be collected in an eluate tank and pumped into electrowinning cells. Gold sludge is recovered from the electrowinning cell, press filtered, dried and then smelted into gold doré in the form of bars. The gravity circuit accounts for up to 50% of the total gold recovered from the process.

After the gold is dissolved and recovered from the concentrate via the reactor, the remaining slurry (residue) is discharged back into the main processing plant’s grinding circuit. The material returned can still contain significant, unrecovered gold, as it is a byproduct of the initial leaching stage. This allows for further processing in the main circuit to maximize overall recovery.

Slurry is then pumped from the grinding circuit into a pre-leach thickener to control density before being transferred into the leaching tank circuit. The leaching/CIL circuit consists of four leaching tanks and six CIL adsorption tanks.

Activated carbon will be introduced in the CIL tanks to adsorb the gold from the solution. The gold-laden carbon will be pumped from the adsorption tank to a loaded carbon screen and washed with filtered water before being transferred to the elution circuit. In the acid wash column, the carbon will be treated with hydrochloric acid to remove impurities, followed by elution, during which gold and silver will be stripped from the carbon into a gold-rich solution. The solution will be subsequently directed to the electrowinning cells located in the gold room for metal recovery. The stripped carbon will be fed to the carbon regeneration kiln

for the carbon reactivation process before being reused for further gold adsorption processes. In the electrowinning process, dissolved gold in the electrolyte will be deposited onto the cathodes through an electrochemical process. The recovered gold collected at the cathodes will then be dried and ready to be smelted into ingots. During this smelting process, fluxes will be added to capture impurities and lower the melting temperature of gold and other metals.

The CIL circuit is designed for a slurry retention time of 24 hours, maximizing the gold recoveries. Spent ore slurry exiting the CIL circuit will pass across fine carbon screens, recovering attritted carbon for further processing, before entering a cyanide detoxification circuit to reduce residual cyanide concentrations to below applicable environmental discharge standards, before passing through a tailings thickener and being pumped to the tailings storage facility, or be filtered and stacked on the Filtered Tailing Facility.

Tailings storage facility (“TSF”)

The tailing stream from the processing facility will be split into two parts (i) approximately 8 Mtpa will be directly pumped to the slurry Tailing Storage Facility Hulawa (“TSF01”), and (ii) approximately 4 Mtpa will be directed to a filter plant to produce filtered tailings cake for disposal at a Filtered Tailing Facility (“FTF”). Both tailing storage facilities will be constructed and commissioned before the commencement of the processing facility.

TSF01 is designed as a cross-valley embankment constructed in two stages. The first stage serves as a starter dam at elevation RL300 to support CIL operations in 2028, followed by a downstream raise to the final elevation of RL356 to maximise tailings storage in this location. The storage capacity of the starter dam at elevation RL300 is estimated at 10 million tonnes, sufficient for first year operations. Upon completion of the downstream raise to RL356, total storage capacity is expected to increase to approximately 89 million tonnes, based on assumed dry density of 1.5 t/m³.

FTF will consist of a filter-press plant building designed to dewater tailings and maximize process water recovery for recycling to the plant. The resulting filtered tailings cake will be transported by truck to the FTF for placement and storage. The FTF will have a maximum storage capacity of 54 million tonnes of tailings solids, based on an assumed dry density of 1.5 t/m³, generated over the life of mine.

Quality Control

PBT currently has an onsite metallurgical laboratory that will be operated independently by PT Intertek Utama Services (an Independent Third-Party operator), who will be responsible for monitoring, inspecting, and quality control of the doré bars produced prior to dispatch to a third-party refining facility. Testing will be conducted on a continuous basis to verify the grade and metal content of the doré bars. Upon delivery to the refining facility, the doré bars will be independently re-assayed to confirm metal content at a certain purity level, namely 95%. The refining service provider will then process the doré bars into gold granules with a purity level of 99%, in accordance with international export standards.

Transportation and Logistics

Transportation activities begin at the pit and extend to the ore stockpile in the processing area, and also include the transport of doré bars to the refining facility. Access roads, haul roads, and other mining infrastructure are constructed in accordance with our designs and specifications to ensure safety and efficiency. All mine haul roads are engineered and constructed to accommodate regular dump trucks and articulated trucks in all weather conditions. As at the Latest Practicable Date, all road routes connecting to the Pani Gold Mine have been fully established and are operational, and none remain under construction or are yet to be completed.

The nearest port to the mine is MAP-owned Bumbulan Port, located approximately 19 km away. Bumbulan Port plays a key role in the project development and operations for the delivery of large equipment, reagents, and bulk fuel supplies.

We currently utilize the Trans-Sulawesi toll road and a nine-kilometre access road to transport goods to and from the mine site.

For the transportation of bars of gold doré and silver in doré, we will engage a leading logistics provider with experience in handling high-value commodities. Doré bars will be

transported from the PBT and PIN facilities to Djalaluddin Gorontalo Airport via land routes of approximately 145 km. From there, the doré bars will be flown to Soekarno Hatta Airport and subsequently delivered to a third-party refining facility.

The map below shows the location of the Pani Block and Pani Gold Mine and their proximity to infrastructure. Other GSM CoW areas are in Central Sulawesi and North Sulawesi:



Latest Developments

CIL processing facility development

CIL earthworks construction commenced in January 2026. Detailed engineering for the TSF starter dam was released in the first quarter of 2026. The TSF construction works commenced in the first quarter of 2026. An optimised mine plan has been prepared to support ore feed to the CIL processing facility starting in 2028. An updated definitive feasibility study (“DFS”) is currently in progress to evaluate potential increases in life of mine processing throughput, identify value engineering opportunities, and establish a final capital estimate and baseline schedule.

An additional program of metallurgical confirmatory test work has commenced, based on ore from the early mining years, to reconfirm key design parameters in advance of the detailed engineering design phase.

Construction activities are targeting completion of accommodation facilities, infrastructure expansions, and site access roads by the third quarter of 2026 to support mobilization of the CIL processing plant scheduled to start in the late third quarter of 2026.

We are also actively assessing opportunities to redirect, recycle and repurpose tailings generated from the CIL process. Potential applications under evaluation include co-disposal with mine waste, development of additional TSFs, landfill use and incorporation into construction materials. Composed primarily of high-silica and non-toxic sand, these tailings may present opportunities to transform waste into commercially viable products.

Permitting for the development of the CIL facility is progressing as planned. Pohuwato Regency has submitted a National Strategic Project (“PSN”) proposal for the Pani Gold Mine. Once obtained, PSN status will expedite the permitting process for future projects.

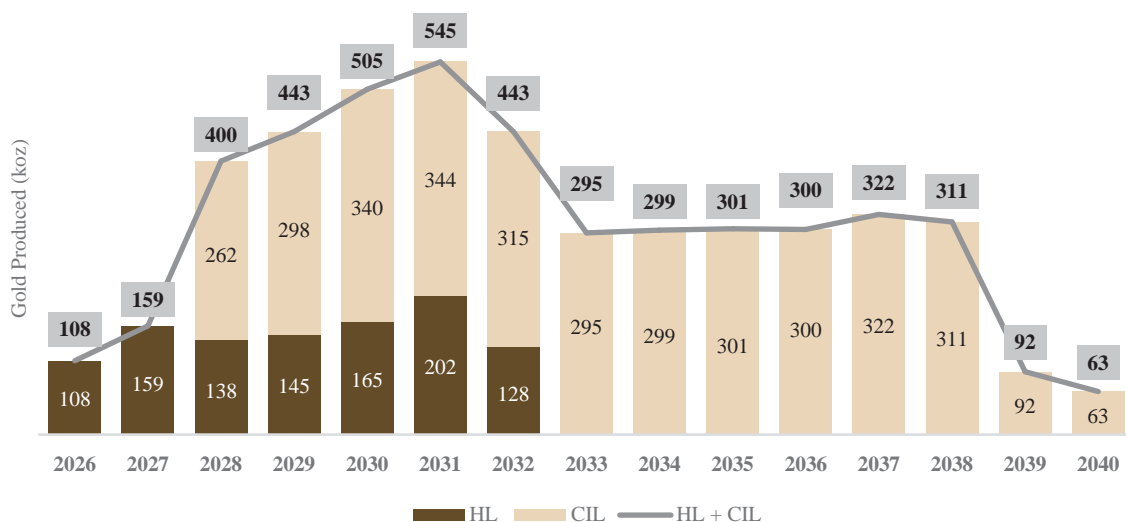
Supporting facilities

Our mining and production activities are supported by waste dumps, explosives magazines for storing emulsion and explosives, and backup diesel generators for emergency power supply. These facilities are designed and constructed to support operational reliability, cost efficiency and risk management. In addition, we have developed a mining, processing and administration offices, mobile and fixed plant maintenance workshops, a training centre, employee accommodation camp, mosque, clinic, security post at the mine entrance, and a plant nursery facility to support rehabilitation and revegetation activities in mined-out areas. The perimeter of the property has sediment control facilities installed to treat all surface water prior to environment release. Our core shed is a core processing facility with sample prep and fire assays, and we have commissioned a full scale metallurgical laboratory operated by an Independent Third-Party lab specialist. On-site emergency response and firefighting facility have been constructed to support the processing facilities, including the existing heap leach facility and the planned CIL facility.

Planned Production Schedule

Production plan of processing facility using heap-leach and CIL methods

The Pani Gold Mine achieved production operations with first gold pour in February 2026. Production at the Pani Gold Mine is expected to ramp up significantly in 2028 following the operation of the CIL facility. Peak gold production is estimated up to approximately 545 koz in 2031.



**Note:* In developing the above production projections, we developed various assumptions based on the mining plan for the Pani Gold Mine. We also assumed that PETS would be able to extend its IUP-OP beyond 2032. Volatility in the price for gold could impact the unit economics of the Pani Gold Mine.

The table below sets forth the key production metrics for the period from 2026 to 2040:

	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Pani Gold Mine																	
Mined Tonnes	kt	344,278	20,426	15,330	34,594	36,079	36,533	33,949	23,598	28,333	21,854	24,610	21,708	18,301	16,955	6,107	5,901
Milled Tonnes	kt	200,290	8,001	9,000	19,854	22,009	22,009	17,911	12,001	12,001	12,001	12,001	12,034	12,001	12,001	3,995	3,461
Gold Produced	koz	4,585	108	159	400	443	505	545	443	295	299	301	300	322	311	92	63

For more details, see Table 15-3 and Table 15-4 in the CPR in Appendix III to this prospectus, as well as the following Table 15-5 from the CPR as to the detailed cash flow projection and analysis of the Pani Gold Mine.

The basis and assumptions underlying the cash flow and net profit projections in Table 15-5 have taken into account gold prices forecasted by CRU, as well as estimates of capital expenditures, operating expenses (including mining costs, respective operating costs for heap leach, CIL and tailings, and site general and administration operating costs). For details, see Section 14 of the CPR in Appendix III.

In order to fund our projected negative cash flow of US\$304.2 million and projected accumulated cash outflow of US\$329.4 million for 2027, we intend to seek additional funding through new bank loans and/or credit facilities or financing through the capital markets. In December 2025 and April 2026, we entered into two revolving credit facility agreements, with facility limits of US\$350 million and US\$150 million, respectively. As at 30 April 2026, the undrawn available balances under these facilities amounted to US\$20 million and US\$130 million, respectively, representing total available liquidity of US\$150 million. During the Track Record Period and up to the Latest Practicable Date, we have not experienced any difficulties in obtaining additional debt and equity financing when needed. Our Directors and Commissioners do not foresee any potential difficulty in obtaining bank facilities should the need arise, given that we began commercial gold production in February 2026, sold approximately 516 oz of gold at an average sale price of approximately US\$5,123/oz in March 2026, and gold production guidance for 2026 is expected to be 100,000-115,000 ounces.

Table 15-5 Pani Gold Project Key Economic Outputs — Detailed Cash Flow Projection

Detailed Cash Flow Analysis	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Metal Price Assumptions																	
Gold Price	US\$/oz	5,251	4,900	5,550	5,830	5,500	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Gold Payable Price	US\$/oz	5,222	4,876	5,522	5,801	5,473	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124
Silver Price	US\$/oz	72	83	76	70	74	71	71	71	71	71	71	71	71	71	71	71
Silver Payable Price	US\$/oz	68	82	75	69	73	70	70	70	70	70	70	70	70	70	70	70
Revenue																	
Gold Revenue	US\$M	23,943.1	528.6	877.0	2,319.5	2,421.4	2,585.9	2,793.9	2,268.3	1,511.6	1,531.0	1,540.0	1,536.8	1,647.6	1,590.9	469.6	321.0
Silver Revenue	US\$M	203.6	11.5	10.9	35.5	29.8	16.9	16.6	15.7	11.8	9.5	11.0	8.8	11.5	9.6	2.7	1.9
Total Revenue	US\$M	24,146.7	540.1	887.9	2,355.0	2,451.2	2,602.8	2,810.5	2,284.1	1,523.4	1,540.5	1,551.0	1,545.5	1,659.1	1,600.5	472.2	322.9
Royalties																	
Gold royalty	US\$M	3,830.9	84.57	140.33	371.12	387.43	413.74	447.02	362.93	241.85	244.97	246.41	245.88	263.61	254.55	75.13	51.36
Silver royalty	US\$M	10.2	0.58	0.54	1.77	1.49	0.85	0.83	0.79	0.59	0.47	0.55	0.44	0.57	0.48	0.13	0.10
Total royalty	US\$M	3,841.1	85.15	140.87	372.89	388.92	414.58	447.85	363.72	242.44	245.44	246.95	246.32	264.19	255.03	75.27	51.46
Operating Costs (Opex)																	
Opex for Mining	US\$M	1,027.8	74.6	53.8	108.6	105.3	103.3	98.0	73.9	78.1	65.2	65.3	57.8	52.0	47.3	22.3	22.2
Opex for Processing HL	US\$M	380.8	47.8	53.4	58.4	58.4	58.4	58.4	45.9	—	—	—	—	—	—	—	—
Opex for Processing CIL	US\$M	1,278.6	—	—	92.7	108.9	108.9	108.9	109.3	109.4	109.4	109.4	109.6	109.4	109.4	48.8	44.8
Opex for Tailings	US\$M	183.8	—	—	8.3	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	13.4	11.6
Opex for G&A	US\$M	637.9	26.0	32.0	55.4	56.7	59.2	62.7	54.6	39.8	40.3	40.5	40.5	42.4	41.5	24.3	22.0
Total Operating Costs	US\$M	3,508.9	148.5	139.2	323.4	344.3	344.8	343.0	298.7	242.4	229.9	230.2	223.0	218.9	213.3	108.8	100.6
Earnings before Depreciation/Amortisation	US\$M	16,796.7	306.5	607.8	1,658.7	1,718.0	1,843.4	2,019.6	1,621.7	1,038.5	1,065.2	1,073.8	1,076.2	1,176.0	1,132.2	288.1	170.9
Depreciation and Amortization (D/A)	US\$M	1,948.3	53.8	106.2	169.2	162.9	159.3	160.9	146.3	103.8	93.3	84.1	78.6	71.2	64.8	59.2	434.8
Taxable Income	US\$M	14,848.4	252.7	501.7	1,489.5	1,555.1	1,684.1	1,858.7	1,475.4	934.8	972.0	989.8	997.7	1,104.8	1,067.3	228.9	—263.8
Income tax rate	%	22%	22%	22%	25%	26%	26%	26%	30%	27%	29%	28%	28%	26%	28%	29%	25%
Income tax payable	US\$M	4,061.0	55.6	111.2	369.2	410.6	442.0	480.9	446.1	253.4	283.8	277.3	276.6	290.1	298.3	66.0	—
Profit after tax	US\$M	10,787.4	197.1	390.4	1,120.3	1,144.5	1,242.1	1,377.8	1,029.3	681.4	688.1	712.4	721.1	814.7	769.0	162.9	—263.8
Net Profit after adding back D/A	US\$M	12,735.7	250.9	496.6	1,289.4	1,307.4	1,401.4	1,538.8	1,175.6	785.2	781.4	796.5	799.6	886.0	833.9	222.1	170.9
Sunken Capital	US\$M	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Expansion Capital	US\$M	1,414.6	296.0	721.7	144.0	55.5	45.5	42.6	89.4	—	—	—	20.1	—	—	—	—
Sustaining Capital	US\$M	273.6	3.2	3.5	20.0	20.8	21.5	22.2	23.2	19.6	19.6	19.6	20.0	20.0	20.0	20.0	20.0
Working Capital	US\$M	0.0	—23.2	75.7	17.1	—22.5	—3.9	—0.6	—0.1	—6.1	—8.5	—0.7	0.4	0.1	—1.5	—3.1	—23.0
Mine Closure	US\$M	50.0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17.00
Residual Value	US\$M	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash flow	US\$M	10,997.4	—25.1	—304.2	1,108.3	1,253.6	1,338.3	1,474.6	1,063.2	771.6	770.3	777.5	759.2	865.8	815.3	172.1	156.9
Accumulated cash flow	US\$M	10,997.4	—25.1	—329.4	779.0	2,032.6	3,370.8	4,845.5	5,908.6	6,680.3	7,450.5	8,228.1	8,987.2	9,853.0	10,668.3	10,840.5	10,997.4
Unit AISC (including Royalties)	US\$/oz	1,632	2,080	1,719	1,704	1,639	1,516	1,463	1,515	1,672	1,627	1,618	1,604	1,531	1,544	2,560	2,988
Unit AISC (Excluding Royalties)	US\$/oz	794	1,295	832	772	760	695	642	694	850	805	797	783	710	723	1,739	2,167

Based on the CPR, our Company is expected to achieve profitability in 2026, and positive accumulated cash flow in 2028. According to the CPR, the Pani Gold Mine's estimated payback period (which is the amount of time required to recoup the initial development capital) is approximately 1.3 years.

The Competent Person considers the Company's assumed AISC including royalties of US\$1,632/oz to be reasonable for the level of study. This estimate is supported by the maturity of the underlying cost inputs, which have been developed from first principles, informed by recent vendor quotations and the Company's latest internal forecast and budget. The cost definition and engineering completeness are consistent with an Association for the Advancement of Cost Engineering (AACE) Class 2 estimate, appropriate for this phase of project and typically associated with an accuracy range of approximately -15% to +20%. This level of accuracy provides confidence that the cost assumption applied in the cash flow model is realistic and defensible for the level of study underpinning the CPR.

Our Path to Profitable Commercial Production and Assumptions Underlying our Financial Model

Gross revenue

As at 31 December 2025, the MGR Group had not yet commenced gold production. The MGR Group historically has derived all of its revenue from the rental of MMI's heavy equipment to its subsidiaries, its related parties as well as MCG's subsidiaries. Such rental activities are expected to be gradually reduced from 2026 onwards as MMI focuses on providing operational support to the Pani Gold Mine. Accordingly, mining equipment rental is not expected to constitute a material portion of our revenue going forward. As mining and processing operations commence at Pani Gold Mine (first gold pour achieved at the Pani Gold Mine in February 2026), MGR is expected to generate all of its revenue from gold mining operation starting 2026.

Gross revenue of Pani Gold Mine's mining operation is mainly driven by two drivers:

- i) Metal production and sales volume;
- ii) Metal price.

The forecast for metal production and sales volume from mining operation is as follows:

During the production process, ore (after removing waste rock) undergoes the main mining and processing stages to ultimately produce saleable products. The general process from ore mined to metal sales, as well as the forecast basis, is as follows. Our mining, processing and production forecasts are based on the CPR in Appendix III:

Items	Prediction
Ore Mined	<p>According to CPR. Ore mined during life of mine is strictly abide by the amount of ore in the total reserve as of 31 December 2025.</p> <p>Mining One has prepared an independent LOM production schedule for the Pani Gold Mine using staged pit designs and the Alastri Tactical Scheduler software. The LoM plan covers mining from 2026 through end of mine life (2040), with monthly schedules in 2026 to 2028, quarterly schedules in 2029, and annual schedules thereafter. Mining will extract 202 Mt of ore at an average grade of 0.79 g/t Au, with an overall strip ratio of 0.70. The basis of estimating ore tonnes and grades is the geological block model which has been provided to and reviewed by Mining One's Competent Person for Mineral Resources. Further, production rates are based on estimated equipment capacities, operational and time constraints to determine achievable production rates.</p>

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Items	Prediction
	<p>The schedule prioritises ore routing from the HL pit to the HL plant and from the CIL pit to the CIL plant, while allowing selective diversion of ore between plants to maximize project economics.</p> <p>In 2026, Pani Gold Mine is expected to mine 9,903kt ore from the pit.</p> <p>The lower strip ratio is primarily due to the Pani deposit being a near-surface bulk-tonnage system, with mineralisation hosted in competent, silica-rich rocks forming topographic highs. Surrounding weaker rocks have been preferentially eroded, resulting in minimal overburden and a favorable waste-to-ore ratio. In addition, the continuous geometry of the orebody supports efficient open pit mining, contributing to a lower strip ratio compared to typical open pit gold operations. The project's low strip ratio is further supported by the lower economic cut off grade of 0.20 g/t Au used to distinguish ore with economic value from waste. This is driven by higher processing recoveries and lower operating costs, even when applying a conservative gold price assumption of US\$2,300/oz, below the spot price at the time the CPR was prepared, and with no revenue attributed to silver. These favorable economic parameters result in most of the mineralised material reporting above cut off and defined as ore, which in turn reduces the volume of waste and contributes directly to the project's low strip ratio.</p>
Ore Processed	<p>According to CPR, ore feed to the plants is designed to peak capacity at 10 Mtpa in 2028 and 12 Mtpa in 2029 for the HL and CIL plant respectively. The CIL will start the operation in the first half of 2028 with the designed capacity at 12 Mtpa, hence the first year to reach full year production is expected to be in 2029. Feed to the HL plant will conclude in 2032 once the HL pads are fully stacked with ore. Over the LOM, 62.9 Mt of ore will be processed through the HL plant and 137.4 Mt through the CIL plant, sourced from mined ore from the pit and existing stockpiles as of 31 December 2025.</p> <p>In 2026, Pani Gold Mine is expected to process 8,001kt ore through heap leach operations.</p>
Metal Recovered/Metal Production	<p>According to CPR. $\text{Metal Recovered} = \text{Ore Processed} \times \text{Metal Feed Grade} \times \text{Metal Recovery Rate}$</p> <p>The basis for the metal feed grade and recovery rate in the LOM schedule is derived from a combination of geological modeling, dilution factor, metallurgical testwork, and plant design parameters.</p> <p>The average gold grades used in the schedule are based on block model estimates. These grades reflect the spatial distribution of ore within the HL and CIL pits and incorporate dilution and mining recovery factors.</p>

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Items	Prediction
	<p>The processing recovery assumptions are based on metallurgical testwork specific to ore types from both pits, supported by technical studies. Ore processed through heap leach will result in delayed gold production compared to CIL processing. This is due to the longer leach cycle times inherent in heap leach operations, where gold recovery occurs progressively over months rather than immediately.</p> <p>In 2026, Pani Gold Mine is expected to produce 108koz gold and 145koz silver, both from heap leach operations.</p>
Metal Sales Volume . . .	Assuming a 99.5% payable gold and 98.4% payable silver over life of mine, this is based on the refinery contract signed with ANTAM in 2026, Pani Gold Mine is expected to record gold sales of 108koz and silver sales of 143koz.

Gold/Silver price forecast is as follows:

We understand that as part of the gold sales price controls, MEMR set metal mineral benchmark price (*Harga Patokan Mineral Logam* or “**HPML**”) as the floor price (i.e. company cannot sell the metal mineral below HPML). For gold and silver, the applicable HPML is determined by reference to mineral reference price (*Harga Acuan Mineral* or “**HMA**”), which, in turn, is derived from internationally recognized spot price benchmarks, such as the London Bullion Market Association. As such, we believe that this floor price will not materially affect the model given the price assumption in the model representing expectations on the forecast gold price in LOM. When forecasting gold/silver market prices for the years 2026 and beyond, we adopted price forecasts prepared by CRU International Limited (the independent industry consultant) on 2026 real terms as shown in the below table.

Gold prices are expected to hit \$4,900/oz in 2026 and are expected to trend higher over the next few years, peaking at around \$5,830/oz in 2028 before easing to around \$5,150/oz by 2030.

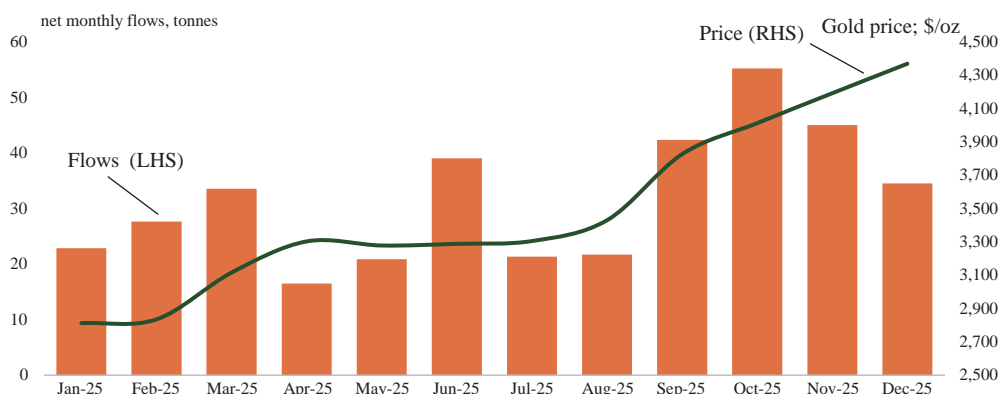
The forces that have supported gold prices since 2025 are likely to remain firmly in place.

Gold prices hit \$1,983/oz in 2020 and continued to rise to \$3,431/oz (nominal) in 2025. This came amidst geopolitical shocks notably the Russia-Ukraine war which resulted in a safe-haven spike in 2022 and changed the structural demand of gold. The freezing of Russia's foreign reserves accelerated central bank gold purchases globally which has a direct effect of reducing the supply in the market. In this environment, geopolitical shocks have proven to be able to trigger structural demand to support prices in the medium to long term. More recently, the fluctuations in gold prices have been driven by two key factors:

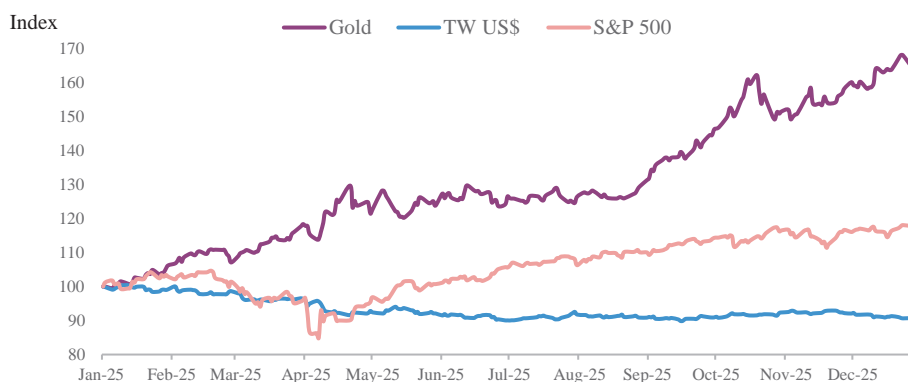
- **USD strength:** A stronger dollar raises gold's cost for non-US buyers and makes dollar assets relatively more attractive. Looking forward, the USD is expected to weaken which reduces the cost for non-US buyers. This is likely to increase gold demand and drive gold prices up.
- **Federal Reserve interest rate cut expectations:** Federal Reserve interest rate cuts generally boost gold prices by lowering the opportunity cost of holding non-yielding assets and signals potential economic instability. This increases demand for safe-haven assets like gold.

Firstly, geopolitical risk continues to remain elevated with the fragmentation of global power, ongoing conflict flashpoints, and an increasingly multipolar world order reinforcing investor appetite for politically neutral safe-haven assets. Bonds are perceived to offer limited protection while equities are increasingly exposed to policy shocks, leading gold to be seen as protection against systemic instability due to its neutrality and immunity to political risk. This is supplemented by the anticipation of further Federal Reserve interest rate cuts which are expected to drive real interest rates lower in the US. This would reduce the yields of interest-bearing assets and make gold a more attractive asset.

Gold remains central-bank favourite, despite record prices

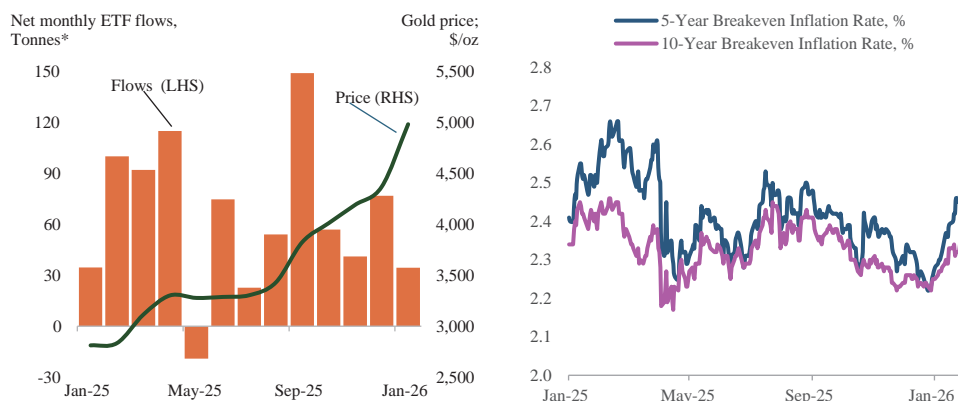


Gold outperforms S&P and USD as uncertainty builds



Gold's appeal as an inflation hedge is also likely to increase with recent expectations of sustained inflation in the near future. If market prices are persistently above target inflation, investors are likely to sustain their demand for gold as a store of purchasing power, reinforcing the forecast of continued price appreciation. Additionally, although gold currently plays a small proportion in global investment portfolios, gold continues to gain popularity as an investment portfolio diversifier. This means that even small percentage changes in portfolio allocation can lead to significant demand changes that are greater than supply changes, supporting continued price appreciation.

US Fed credibility concerns ignite inflation fears and drive gold ETF inflows in 2026



On the supply front, central banks are expected to maintain their strong gold demand particularly from emerging markets. They are likely to reduce their exposure to US policies by diversifying away from the US dollar as they view gold as a stable store of value. This is likely

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to persist in the reduction of total net supply of gold in the market, leading to rising gold prices. Additionally, gold mine supply have historically been highly inelastic, with long lead times required to bring new mines into production. This is likely to be supplemented by ore grade declines which further constrain supply responses and limit the gold industry's ability to respond quickly to higher prices. This means that demand increases are more likely to translate to higher prices instead of rapid production growth.

Beyond 2028, the backdrop should become less supportive. Headline-driven volatility and policy shock risk is expected to reduce with the next U.S. presidential administration. At the same time, the Fed is not expected to keep cutting rates beyond 2026, with only limited easing before policy settles. As these forces come together, gold's upside should slow and transition into a gentler downtrend.

Gold price historical and forecast, 2026E – 2030E, US\$/oz

	<u>2026E</u>	<u>2027E</u>	<u>2028E</u>	<u>2029E</u>	<u>2030E</u>	<u>Long-term</u>
Real, 2026 basis	4,900	5,550	5,830	5,500	5,150	5,150

Silver price historical and forecast, 2026E – 2030E, US\$/oz

	<u>2026E</u>	<u>2027E</u>	<u>2028E</u>	<u>2029E</u>	<u>2030E</u>	<u>Long-term</u>
Real, 2026 basis	83.00	76.00	70.00	74.00	71.00	71.00

Total revenue for each year is calculated as based on gold/silver sales volume of the year multiplied by gold/silver price forecast of the year. In 2026, the Company is expected to record total gross revenue of US\$540.1 million.

Export tax

On 17 November 2025, the Minister of Finance issued Minister of Finance Regulation No. 80 of 2025 concerning the Determination of Export Goods in the Form of Gold Subject to Export Duty and Export Duty Rates (“**MOF Reg No. 80/2025**”), which came into effect on 23 December 2025. MOF Reg No. 80/2025 stipulates that exported goods in the form of gold are subject to export duty. Export duty rates are applied progressively based on reference price levels as determined periodically by the Minister of Trade (in coordination with relevant agencies).

For our sales of gold products, it will not be subject to export tax, as we intend to primarily sell our gold products domestically within Indonesia going forward, partly in response to MOF Reg No. 80/2025. In February 2026, MGR Group, through PETS, signed a Gold Sales and Purchase Agreement (“**GSPA**”) with PT Aneka Tambang (Persero) Tbk (“**ANTAM**”), which is valid for two years. The expected delivery volume is approximately 30 kg of gold per week, which translates into an estimated annual delivery volume of approximately 50,000 oz of gold. Based on the two-year contract period, the total transaction volume is up to 3 metric tonnes (up to 100,000 oz of gold). The GSPA stipulates that the sales price will be set based on the prevailing LBMA market prices. The first sale of refined gold under the GSPA took place in March 2026. As sales are directed domestically under this agreement, export duty is not applicable and has therefore not been modelled in the economic evaluation presented in the CPR.

Silver is produced as a by-product and will be marketed internationally. At the time of preparing the CPR, Indonesia imposes no export duty on silver.

Realization cost

Realization costs include freight and assay costs and refining costs. Given the corresponding freight and assay contracts were under review and negotiation during preparation of the assumptions, freight and assay unit cost was assumed based on actual historical freight and assay cost incurred by BSI (operating entity of Tujuh Bukit Gold Mine owned by MCG) from 2021 to 2025, while refining unit cost was assumed based on refining contract between PT PETS and ANTAM.

Total realization cost for each year is projected based on the constant unit cost assumption multiplied by the amount of metal in doré, which is the end product from HL and CIL that would be further processed by ANTAM to become gold and silver granules. In 2026, the Company is expected to record total realization costs of US\$0.7 million.

Royalties

Before gold and silver products are sold, PETS and GSM as mining permit holders are obliged to pay royalties to the Government, whose rate is set progressively between 7.00%-16.00% of the price per troy ounce based on the Reference Mineral Price (“HMA”) set by the Minister of Energy and Mineral Resources (“ESDM”) each period following the below regime.

- Reference Mineral Price (HMA) below US\$1,800, a royalty rate of 7% of the price per troy ounce applies;
- $US\$1,800 \leq HMA < US\$2,000$, a royalty rate of 10% of the price per troy ounce applies;
- $US\$2,000 \leq HMA < US\$2,200$, a royalty rate of 11% of the price per troy ounce applies;
- $US\$2,200 \leq HMA < US\$2,500$, a royalty rate of 12% of the price per troy ounce applies;
- $US\$2,500 \leq HMA < US\$2,700$, a royalty rate of 14% of the price per troy ounce applies;
- $US\$2,700 \leq HMA < US\$3,000$, a royalty rate of 15% of the price per troy ounce applies;
- HMA is equal to or above US\$3,000, a royalty rate of 16% of the price per troy ounce applies.

For silver, a fixed royalty rate of 5.00% of the price per troy ounce is imposed.

Given the gold price assumption adopted by us per CRU forecast is higher than US\$3,000/oz (threshold for the highest royalty rate bucket per Indonesian regime), 16% royalty rate (i.e. the highest royalty rate) is applied based on net revenue from sales of gold product, and 5% royalty rate for net revenue from sales of silver product over the LOM in the model.

Total royalties for each year include gold royalties and silver royalties, which are calculated based on net revenue from gold/silver sales multiplied by 16% and 5% respectively. In 2026, the Company is expected to record total royalty of US\$85.2 million, based on the forecasted gold and silver price in the project economic evaluation.

Operating cost

Assumptions for operating costs are prepared by the Company and provided to and reviewed by Mining One. Mining One has prepared the cost estimates related to mining activities, including drilling, blasting, loading, hauling, and ancillary mine services. The remaining cost components, encompassing processing, tailings, and general and administrative (G&A) overheads, were taken from the Feasibility Study, updated by MGR and provided to and reviewed by Mining One. Mining One has undertaken a technical review of these inputs to assess the appropriateness of the assumptions, the consistency of the methodologies applied, and the adequacy of the level of detail to ensure compliance with the requirements of the JORC Code (2012) for the reporting of Ore Reserves. The activity-based operating cost estimate has been structured into five principal categories, with defined battery limits to ensure clarity of scope:

- **Opex for Mining:** Includes all mining-related activities from initial land clearing and topsoil stripping through drilling, blasting, loading, hauling, and ore delivery up to the primary crusher feed point. Costs beyond the crusher feed (i.e., within the processing plant) are excluded. Mining opex was determined through a structured, activity-based approach which was estimated using a excel model informed by the mine plan and parameters. Operations are assumed to rely on equipment rented from MMI under wet and dry hire arrangements, with blasting contracted to PT Orica Mining Services. Estimates were derived from first-principles calculations and verified against current contracts, supplier quotations, OEM data, benchmarking with comparable operations, inputs from MGR’s other projects, and Mining One’s internal database, ensuring assumptions are realistic and compliant with JORC Code (2012) requirements. Mining

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Opex was mainly categorised as fixed and variable costs. The major component for mining opex is the hauling (which is closely related to distance from the pit to the crusher) and blasting costs.

- **Opex for Processing HL:** Covers all costs associated with ore processing via heap leach, commencing at the crusher discharge and extending through agglomeration, stacking, leaching, solution handling, and recovery circuits. Opex estimated in economic evaluation was primarily derived from the Feasibility Study completed in FS 2024, prepared by NewPro, a consultant engaged by MGR to conduct the heap leach study. These estimates have subsequently been updated to reflect supplier quotations and tender outcomes, as well as adjustments for increased production throughput from the original design prepared during Feasibility Study 2024. Opex for processing HL comprises of labours, electrical power, reagents and consumables, laboratory, maintenance materials, and mobile equipment costs. The majority of HL processing costs are for reagents (which covers key chemicals required to dissolve gold from the ore) and power.
- **Opex for Processing CIL:** Encompasses all costs related to ore treatment through the carbon-in-leach (CIL) facilities, beginning at the crusher discharge and including milling, leaching, adsorption, elution, electrowinning, and gold recovery. The CIL operating cost estimates are based on a throughput of 12.0 Mtpa and incorporate the addition of a filter press for dry-stacked tailings, recent supplier quotations, and tender outcomes to ensure alignment with current market conditions. Costs are structured across labour, consumables, fuel, power, and maintenance materials.
- **Opex for tailings:** Includes all costs associated with the handling, storage, and management of tailings generated from CIL processing, covering both wet tailings deposition and dry stacking operations. Tailings management incurs costs estimated by MGR based on the technical study conducted by WSP-Golder.
- **Opex for G&A:** Represents site overheads not captured within the above activity-based categories, including administration, camp services, security, mining concession compensation, and other general site support functions. These costs were estimated based on a combination of existing running expenses, supplier quotations, benchmarking against other similar site operations, compliance with government regulations (e.g., Land and Building Taxes), and internal budget allocations.

In 2026, the Company is expected to record total operating costs of US\$148.5 million. Please also refer to the below table for a detailed breakdown of Opex items discussed above.

Table 1. 2026 – 2027 Operating Costs (Real Term)*

Cost Category	Unit	2026	2027
Mining – Fixed	\$M	3.01	3.01
Mining – Variable	\$M	71.59	50.75
HL Processing – Labour & Maintenance	\$M	9.53	10.72
HL Processing – Reagents & Power	\$M	26.77	30.04
HL Processing – Mobile Equipment	\$M	8.94	10.06
HL Processing – General	\$M	1.5	1.5
Infrastructure	\$M	1.11	1.11
Site G&A	\$M	26.04	30.09
Total	\$M	148.5	137.3

* CIL is yet to operate in 2026 and 2027 and therefore no CIL processing and tailing costs incurred in these years.

Specifically, with regards to energy supply as part of operating costs, the Company utilizes diesel for heavy equipment including mobile equipment used in mining, CIL and Heap Leach Operations, blasting, the elution heater in CIL, light vehicles, and allowance for back-up gensets. To secure stable diesel supply, subsidiaries of the Company have entered into various forward purchase agreements for high speed diesel (HSD) with PT AKR Corporindo Tbk

starting from 1 November 2022 to 31 October 2027 or 31 May 2032, as applicable, for the Group's mining operations. The purchase price under these agreements is determined based on a floating pricing mechanism linked to the Mean of Platts Singapore ("MOPS") benchmark for gasoil pricing in Singapore. The HSD purchase price is calculated as the sum of two components, namely, a product component and a transport fee component. The product component is determined by reference to the MOPS Gasoil 0.25% Sulfur benchmark (Product 70 – Supply Only (CIF)) together with an agreed alpha premium. The applicable alpha premium varies depending on the prevailing MOPS price range as follows:

- where MOPS is below US\$70, the applicable alpha premium is 24%;
- where MOPS is between US\$70 and US\$90, the applicable alpha premium is 16%; and
- where MOPS exceeds US\$90, the applicable alpha premium is 15%.

Accordingly, the product component is calculated as the product of 100% MOPS, multiplied by 1 + the alpha premium. The transport fee component (*ongkos angkut*, or "OAT") is separately determined based on the applicable truck capacity and prevailing MOPS price range, calculated on a franco delivery basis to the Group's designated delivery point. The agreements further provide that if delivery requires truck capacity or delivery locations different from those specified in the agreement, the applicable transport fee shall be separately agreed between the parties. Following the implementation of Indonesian MEMR Decree No. 341.K/EK.01/MEM.E/2024 regarding the implementation of B40 biodiesel for the Non-Public Service Obligation ("Non-PSO") sector effective from January 2025, the pricing formula from January 2025 onwards additionally incorporates the monthly Government-issued biodiesel base price difference (*Harga Indeks Pasar*, or "HIP"), multiplied by the applicable biodiesel percentage, together with the applicable transport fee and OAT FAME. Under the agreement, the applicable OAT FAME for deliveries sourced from the Bitung fuel depot is IDR125 per litre. The supplier is required to submit an offering letter to the Group on a bi-weekly basis setting out the quoted price per litre for the supply and delivery of the HSD products together with supporting substantiation of the applicable daily MOPS prices for the Group's review and record. The agreements further provide that the pricing formula shall be reviewed and adjusted if there are any changes to government regulations relating to biodiesel requirements applicable to the HSD products. The pricing mechanism shall remain applicable throughout the contractual period unless there are changes imposed by the relevant government authorities relating to the composition of the HSD products. Any proposed amendment to the pricing mechanism must be supported by official notification from the relevant government authority and shall only become effective upon written approval by the Group.

We confirmed that the fuel supply chain remains undisturbed so far, while Supply Chain Department of the Company will closely monitor the situation. In addition, the Company's reliance on conventional petroleum is reduced by the fact that it utilizes B40 diesel, where approximately 40% of the fuel is biodiesel derived from domestically sourced crude palm oil (CPO) and 60% conventional petroleum diesel. To further enhance supply security, the Company is in the process of constructing an additional fuel storage tank, expected to be completed in 2H2026. This will increase storage capacity and extend the Company's fuel supply coverage from 1ML (approximately 7 days) to 3ML (approximately 21 days). Given that diesel cost accounts for approximately 2-4% of total AISC over LOM, the recent fluctuation in diesel price is not expected to have significant negative impact on the Company's financial performance and profitability.

For the purpose of the CPR, a closure allocation of \$50M has been included to ensure that an adequate allocation is included in the financial analysis. Post mining reclamation cost is added at the end of mine life (2039 and 2040) as a stand-alone item and separate to the aforementioned opex.

Depreciation and amortization

We calculate depreciation and amortization of development capital expenditure and sustaining capital expenditure based on the declining balance method at a rate of 12.5%.

We adopted the declining balance method for depreciation and amortization of development and sustaining capital expenditure to better reflect the economic reality of mining operations. Unlike straight-line depreciation, the declining balance method accelerates the recognition of

capital costs in the earlier years of the mine life, which aligns with faster consumption of asset value during initial ramp-up and peak production phases. This approach ensures that depreciation charges are proportionate to the actual usage and economic benefit derived from the assets.

In 2026, the Company is expected to record depreciation and amortization of US\$53.8 million.

Corporate Income tax

Given that GSM operates under CoW permit and subject to 35% tax rate, while PETS operates under IUP permit and subject to 22% tax rate, a split between different tax regimes for PT Puncak Emas Tani Sejahtera (PETS) and PT Gorontalo Sejahtera Mining (GSM) is calculated using the pro-rata mining production in each particular year.

In 2026, the Company is expected to record income tax payable of US\$55.6 million.

Net Operating Profit After Tax (“NOPAT”)

As a result of the foregoing, our net profit is expected to reach US\$197.1 million in 2026, achieving profitability with net operating profit margin of 36.5%.

Sensitivity analysis

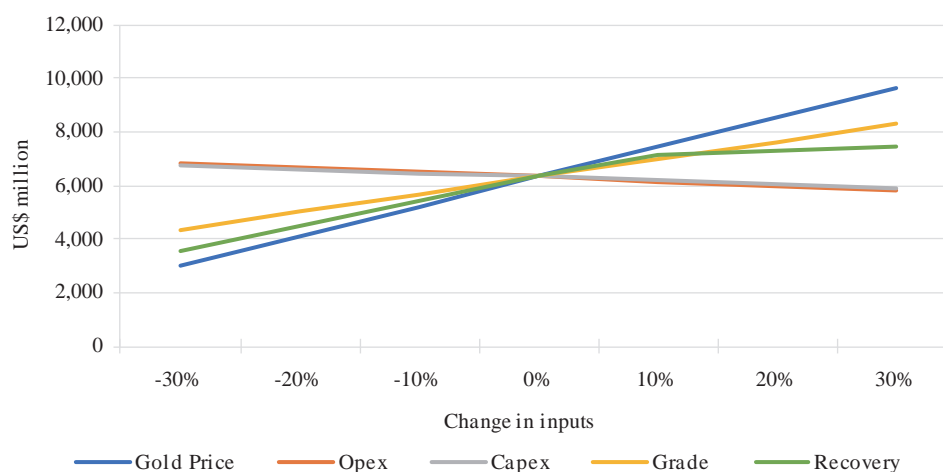
Per the CPR, the Competent Person conducted a sensitivity analysis to evaluate the impact of key technical and economic parameters on the financial performance of the Pani Project. The objective of this analysis is to assess the robustness of project economics under varying assumptions and to identify the parameters that exert the greatest influence on NPV and IRR. The parameters tested include gold price, capital expenditure, operating expenses, head grade, plant throughput, and metallurgical recovery.

Each parameter was varied within a reasonable range, at +/- 30%, relative to the base case assumptions as stated above:

- Gold price scenarios were selected to reflect both conservative long-term planning assumptions and current market conditions.
- Capital expenditure and operating costs were adjusted to account for potential cost escalation or efficiency gains.
- Grade, throughput, and recovery were varied to reflect operational uncertainties and potential improvements in mine and plant performance.

The resulting changes in NPV were calculated to quantify the sensitivity of project economics to each parameter, as presented in the below chart.

Sensitivity of NPV @ 8%; Real Terms



Exploration Activities

Exploration activities will include regional exploration and infill drilling to enhance geological confidence and upgrade resource classification, and additional drilling to support the continued development and viability of the Pani Gold Mine. Exploration activities will be conducted by PETS and GSM, with support from drilling contractors and other support providers.

The drilling programs will be aligned with the conceptual production plan and long-term mining sequence of the Pani Gold Mine. As additional drilling data is collected, the geological model will be updated, followed by revised resource estimates, which will serve as the basis for updated mine plans.

In 2025, exploration activities concentrated on exploration drilling, geological mapping, surface sampling and desktop studies, resulting in the development of a more comprehensive geological model. Recent drilling at Kolokoa area, located to the south of the Pani Gold Mine area, utilised two rigs and completed 12 holes for a total of 2,199 meters. The drilling results identified new zones of mineralisation, while assay results from geotechnical drill holes in the pit were consistent with the result from previous drilling campaigns. Specifically, historical drill results at the Kolokoa area returned 32m @ 1.1g/t Au and 8m @ 1.9g/t Au from 41m and 142m downhole respectively.

In 2026, the exploration drilling program will continue at the Kolokoa Prospect, together with detailed geological mapping and channel sampling. Drilling at a second prospect, Lone Pine, is planned. Historical drill results at a second prospect, Lone Pine, include 10m @ 1.7g/t Au and 8m @ 1.5g/t Au from 52m and 186m downhole, respectively. The Company has allocated a budget of approximately US\$6.4 million for the exploration activities in 2026.

In April 2026, the Company announced positive initial drilling results from the Kolokoa prospect, located adjacent to the Pani Gold Mine concession area in the Marisa District, Pohuwato Regency, Gorontalo Province, Sulawesi, Indonesia, which results indicate the presence of a sizeable gold system with the potential to add meaningful resources and extend the life of mine of the project.

In June 2026, the Company announced the first Mineral Resource Estimate (“MRE”) for the Kolokoa prospect, located approximately 500 metres from the Pani Gold Mine area in Marisa District, Pohuwato Regency, Gorontalo Province, Sulawesi, Indonesia. Based on the MRE as at 1 June 2026, Kolokoa contains a Mineral Resource of 42 Mt at 0.33 g/t gold, equivalent to 445 koz of contained gold, delivered following 54 infill drill holes for 11,701.6 metres completed over a six-month period and at a discovery cost of approximately US\$5.50 per ounce. The Kolokoa initial MRE increases the broader Pani Gold Mine MRE from 7.0 Moz to approximately 7.4 Moz of gold, reinforcing the scale and long-term growth potential of the Pani Gold Mine, and demonstrating the Company’s ability to rapidly advance exploration targets. Kolokoa is located within trucking distance of existing and planned mining infrastructure, and its mineralization remains open in multiple directions. In addition, the Pani deep drilling program has commenced, comprising 3,600-metre initial diamond drilling with two rigs to test the deposit down to depths of 0mRL or further if mineralization remains open. Planned drilling at the Lone Pine prospect is targeted to commence in the second half of 2026. These provide a strong foundation for future resource growth through targeted additional drilling and technical studies.

Going forward, and as at the Latest Practicable Date, the Group currently plans to continue to explore and develop the Pani Block (including the Pani Gold Mine) in line with the three existing drilling programs at the Kolokoa Prospect, Lone Pine, and Pani deep area drilling.

SALES AND MARKETING

During the Track Record Period, the sole service we provided was the rental of MMI’s heavy equipment to PETS, which has been one of our subsidiaries since June 2024, and/or our related entities, namely, PT Bumi Suksesindo (“BSI”) and PT Merdeka Mining Servis (“MMS”), to support construction and mining preparation activities at the PETS mine and BSI’s mine operations. In 2023 and 2024, the Group generated revenue from renting mining equipment to PETS before the Company acquired control of PETS in 2024. In addition, the Group rented some mining equipment to its related party for use in operations at the Tujuh Bukit gold mine located in Banyuwangi, East Java, Indonesia. In 2025, the Group rented its

mining construction equipment to MMS as the Group's mining contractor during construction and development activities at the Pani Gold Mine. Such rental activities are being gradually reduced in 2025 and 2026 and MMI's resources will be focused to supporting the Pani Gold Mine.

Sales and Marketing Efforts after the Track Record Period

The market for gold and silver products consists of demand from the jewellery, medical, chemical, and electronics sectors, with the majority of consumption coming from India, China, North America, Western Europe and Turkey. In addition, gold bars are widely traded as investment products and can be bought and sold through financial institutions and traders. Central banks also represent an important source of demand for gold, as part of their reserve diversification strategies. Growing demand from these sectors support the long-term market outlook for our products.

We have established a marketing team that manages our gold sales and offtake arrangements. Gold and silver will be sold at prices referenced to prevailing spot prices in domestic and international markets, based on benchmark prices published by the LBMA, with applicable commercial adjustments determined through negotiation. Where appropriate, we may also consider factors such as settlement terms and the ability to bundle gold and silver offtake, and may enter into forward sales contract to manage price exposure. We plan to sell gold domestically and silver products internationally in granular form. Gold products refined from our doré will be collected by the buyer at the third-party refining facility, with shipment arranged by the buyer. Before refined gold and silver products are sold to the domestic market, PETS and GSM as mining permit holders are obliged to pay royalties to the Government in accordance with Government Regulation No. 19/2025. In the attachment to Government Regulation No. 19/2025, the gold royalty rate is set progressively between 7.00%-16.00% of the price per troy ounce based on the Reference Mineral Price ("HMA") set by the Minister of Energy and Mineral Resources ("ESDM") each period.

For silver, a fixed royalty rate of 5.00% of the price per troy ounce is imposed.

The Group currently has not entered into any forward sales contracts in respect of its gold and silver sales. Going forward, the Group may implement measures to manage exposure to gold and silver price volatility which may include, among others, gold and silver hedging arrangements and/or gold streaming transactions. Any such arrangements, if entered into, would be subject to the Group's internal risk management and approval processes and would be assessed based on prevailing commercial terms and market conditions at the relevant time. For details, see "Financial Information — Treasury and Investment Management — Policy Financial risk management". With the current gold price environment, the Company believes that its profitability and operating margins remain competitive. Accordingly, the Company's primary approach to managing gold price fluctuation is through operational discipline and continuous cost optimization initiatives, with the objective of maintaining sufficient margins between production costs and prevailing gold prices. The Company believes this approach supports positive operating cash flow generation across most commodity price scenarios.

On 17 November 2025, the Minister of Finance issued Minister of Finance Regulation No. 80 of 2025 concerning the Determination of Export Goods in the Form of Gold Subject to Export Duty and Export Duty Rates ("MOF Reg No. 80/2025"), which came into effect on 23 December 2025. MOF Reg No. 80/2025 stipulates that exported goods in the form of gold are subject to export duty. Export duty rates are applied progressively based on reference price levels as determined periodically by the Minister of Trade (in coordination with relevant agencies). Accordingly, and partly in response to MOF Reg No. 80/2025, we intend to primarily sell our gold products domestically within Indonesia going forward; any silver by-products of our mining operations would be sold internationally and would not be subject to export duty.

In February 2026, we, through PETS, signed a Gold Sales and Purchase Agreement ("GSPA") with PT Aneka Tambang (Persero) Tbk ("ANTAM"), an Independent Third Party. The GSPA is valid for two years with a total transaction volume of up to 3 metric tonnes (up to 100,000 ounces of gold). Under this partnership, PETS will sell refined gold granules to ANTAM domestically. The first sale of refined gold under the GSPA took place in March 2026. As of the Latest Practicable Date, while ANTAM was the Company's only domestic gold buyer, the Company is in ongoing preliminary and exploratory discussions with other local prospective customers in relation to potential gold sales arrangements.

There are no specific eligibility criteria applicable to domestic gold buyers in Indonesia. In principle, gold may be sold to any domestic buyer. However, where the purchase is made for commercial, non-retail purposes, the buyer is required to hold a valid Transportation and Sales Licence (*Izin Pengangkutan dan Penjualan*) in order to purchase gold for commercial purposes, as governed under Government Regulation No. 96 of 2021 on the Implementation of Mineral and Coal Mining Business Activities.

Our Relationship and GSPA with ANTAM

ANTAM is an export-oriented mining and metals company with operations across Indonesia. ANTAM undertakes exploration, excavation, processing through to marketing activities for different metals including nickel ore, ferronickel, gold, silver, and bauxite.

The Company became acquainted with ANTAM through the Group's parent company, MCG. MCG's relationship with ANTAM started in 2016, when MCG's Tujuh Bukit Mine started its first ore mining. ANTAM, an LBMA-accredited refinery, provides metal refinery services to MCG for selling gold into the international export market. MCG has refined gold produced from its Tujuh Bukit Mine through ANTAM.

Key GSPA terms with ANTAM

The salient terms of our GSPA with ANTAM are set out below:

The Company has entered into a GSPA with ANTAM governing the sale and delivery of refined gold. The agreement establishes the general framework for pricing, payment, delivery, and other commercial arrangements.

Quantity and Supply. The agreement provides for both fixed and variable supply arrangements. Fixed quantities are determined as estimated weekly volumes for each contract year and form part of the committed deliveries. Variable quantities depend on production availability and may be offered or requested subject to mutual agreement.

Pricing. The purchase price for gold is determined on a per-transaction basis by references to prevailing LBMA market prices, subject to mutually agreed adjustments. Any required currency conversion will use the relevant central bank exchange rate prior to the delivery date.

Payment Terms. Payment is made against delivery and is supported by standard commercial documentation, including invoices, assay certificates, and delivery reports. Payments are typically settled in accordance with agreed timelines and banking arrangements between the parties.

Termination. The agreement is entered into for a defined term and may be extended by mutual agreement of the parties. It may also be terminated by either party, in accordance with its terms, including in certain customary circumstances. This termination does not affect rights and obligations accrued prior to termination.

Arrangements with refineries and buyers

The Group's refined gold and silver granules are the end products resulting from the refining process conducted by independent LBMA third-party refiners (such as ANTAM). Gold granules are expected to be sold to domestic downstream purchasers, including gold trading companies, jewellery groups and, in certain cases, the refiners themselves. ANTAM acts as both a refiner and a downstream purchaser of gold. In respect of silver sales, the Group currently intends to market and sell its silver products primarily through export channels. As at the Latest Practicable Date, the Group has not entered into any definitive export sales contracts for silver products and does not limit its target market to any particular geographical region.

In a typical gold sale transaction, the Group acts as the producer of gold doré and silver in doré, which is delivered to an independent LBMA third-party refiner (such as ANTAM) for further refining into gold and silver granules meeting required purity specifications. Following completion of the refining process, the refined gold and silver granules are sold to relevant buyers. Under the Group's current contractual arrangements, the Group remains responsible for the refining costs and for ensuring delivery of refined gold granules meeting the purity specifications stipulated by the buyer. The refiner provides refining services pursuant to a separate refining arrangement.

The Group is not contractually restricted from utilizing other refining service providers, including non-LBMA-certified refiners in Indonesia. However, the acceptability of any refiner is generally subject to product standards, specifications and requirements imposed by the relevant buyers, which may vary depending on the customer requirements.

The Group's royalty payment obligations to the Government of Indonesia in relation to gold sales, in accordance with Minister of Energy and Mineral Resources Regulation of the Republic of Indonesia No. 9 Year 2025 regarding Procedures for the Imposition, Calculation, and Payment and/or Remittance of Non-Tax State Revenue to the Directorate General of Minerals and Coal, are generally settled in two stages. First, a provisional royalty payment is made prior to the completion of the gold sale transaction, based on estimated quality and quantity on the estimated sales date and the base price prevailing on the date when the provisional payment is billed. Subsequently, a final royalty payment is made, no later than thirty (30) calendar days after the proposed transaction date based on the actual quantity, quality and the price on the sales date. To the extent there is any difference between the provisional royalty payment and the final royalty payment, only the remaining balance is required to be settled upon the final royalty payment.

Under the current GSPA with ANTAM, the time when risks are transferred from the seller to the buyer depends on which of two mechanisms applies to the transaction. For transactions conducted immediately after completion of the refining process by the buyer, the risks of gold loss and damage transfer from the seller to the buyer when the transaction confirmation letter is signed. For transactions where the refined gold is already stored at the seller's storage facility, the risk of gold loss and damage transfers from the seller to the buyer when the gold is physically handed over at the agreed delivery location, as evidenced by the handover minutes. Notwithstanding the foregoing, legal ownership of the gold is only transferred after the buyer has made payment in full for the transaction and the seller has confirmed receipt of such payment.

With respect to the Group's sales arrangements with ANTAM, ANTAM acts as the purchaser of the Group's gold products under the GSPA. ANTAM's role as a refiner is governed under a separate refining arrangement and is not regulated under the sales contract itself. The Group expects ANTAM may subsequently sell the refined gold products to downstream customers. In addition, as ANTAM is also a producer and distributor of retail precious metals, ANTAM may further process and market the refined gold products under its own brand and retail channels. As at the Latest Practicable Date, the Group's sales arrangements with ANTAM do not impose any minimum purchase requirement on ANTAM. Both refining costs charged and sale prices paid by ANTAM are determined on an arms-length basis.

Key refining terms with ANTAM

PETS, as producer, and ANTAM, as refiner, entered into a Trial Shipment of Refining Service Agreement No. 381/0505/MAT/2026 dated 26 February 2026 (the "**Trial Refining Agreement**"). Under the agreement, the parties agree to conduct a trial shipment arrangement for the refining of doré, whereby PETS shall deliver a minimum of 250 kg of doré to ANTAM for refining and evaluation purposes, including assessment of the consistency of metal content and impurity characteristics, in consideration of a potential definitive refining agreement in the future. The Trial Refining Agreement further regulates, among others, the specifications of the doré, shipment procedures, allocation of risks, insurance, as well as the sampling and refining processes. Pursuant to the agreement, ANTAM shall return gold granules with a purity level of 99.99% and silver granules with a purity level of 99.95%. Upon completion of the refining process by ANTAM, the refined granules will be delivered back to PETS. PETS may either sell such granules directly from ANTAM's refinery or store it in a third-party secured vault warehouse, Brinks, until a buyer has been secured. With respect to extracted residual metal content, under the agreement, all cleaning products, slag residues, and residues generated from the anode cleaning process, including any residual gold or silver, will be collected, weighed, and returned to PETS. PETS will subsequently process such residual metal content through its smelting operations to produce doré containing gold and silver.

Following the completion of the trial refining arrangement, PETS and ANTAM entered into a Refining Service Agreement No. 951/0505/MAT/2026 No. 017/PETS/SRVC/V/2026 dated 3 June 2026 (the "**Refining Service Agreement**"), superseding the previous Trial Refining Agreement and governs the ongoing provision of refining services by ANTAM to PETS.

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The principal terms of the Refining Service Agreement remain substantially aligned with those under the Trial Refining Agreement. Notable updates under the Refining Service Agreement include the establishment of a longer contractual term for 2 years, starting from 3 June 2026 up until 2 June 2028 (unless terminated earlier based on condition set forth per agreement), refining service fees, along with quantity estimation of product delivered determined based on PETS' projected one-year of doré, gold, and silver production and shipment volumes subject to its approved RKAB. Based on the Refining Service Agreement, PETS shall deliver a minimum of 200 kg of doré and shall not exceed a total gross weight of 1,500 kg of doré to ANTAM per each shipment for refining purposes, unless otherwise agreed by the parties.

CUSTOMERS

Top customers during the track record period

During the Track Record Period, we only had two customers. For each year of the Track Record Period, rental revenue from our customers amounted to US\$1.4 million, US\$1.7 million and US\$0.1 million, respectively, accounting for 100% of our revenue during the Track Record Periods. Sales to our largest customer for each year of the Track Record Period amounted to US\$1.4 million, US\$1.7 million, US\$0.1 million, accounting for 97.46%, 100% and 100% of our revenue for the same periods, respectively.

The following table sets forth our customers for each year during the Track Record Period. We are listed on the IDX.

Customer	Year established relationship	Place of incorporation	Currency	Payment terms	Current Relationship	Total in USD			Percentage to total sales		
						31 December 2023	31 December 2024	31 December 2025	31 December 2023	31 December 2024	31 December 2025
PT Puncak Emas Tani Sejahtera ("PETS")*	2023	Indonesia	IDR	30 Days	Subsidiary Shareholder of the Company	35,447	1,749,657	-	2.54%	100.0%	0.00%
MCG	2022	Indonesia	IDR	30 Days		1,358,851	-	131,964	97.46%	0.00%	100.0%

*Note: The Company acquired control of and began consolidating PETS from June 2024.

Key terms with customers

The salient terms of our standard heavy equipment rental service contracts are set out below:

Term. We and our customers typically have framework agreements with indefinite terms, ending automatically when all services are delivered at the end of the last lease period covered by the contract.

Services & Pricing. We rent heavy equipment for use by our customers. We provide heavy equipment for hire by hour. We offer different hire rates both (i) including and without fuel, and (ii) including and without the provision of an operator.

Payment. We generally require our customers to pay us within 30 days after invoices are received and accepted.

Health, safety, environmental and sustainability. We agree to comply with health, safety, environmental and sustainability ("HSE") requirements of enumerated by the customer, including social responsibility and external relations procedures.

Insurance. We agree to maintain adequate insurance coverage in accordance with laws and regulations.

PROCUREMENT AND SUPPLIERS

We have a dedicated procurement team focused on supply chain management.

Our Supply Chain Management (“SCM”) consists of three core departments, each of which that play strategic roles in meeting the goods and services requirements of our Group:

Strategic Sourcing Department: Responsible for identifying and selecting the most suitable suppliers or partners to meet our operational requirements. This department manages the procurement of goods and services, ensuring cost efficiency, adherence to quality standards, and effective supplier selection and control.

Contract Management Department: Responsible for structuring, negotiating and administering contractual arrangements, and defining the respective rights and obligations of the Group and counterparties. This department oversees contract drafting, review, and administration to mitigate commercial and legal risks and to safeguard our interests.

Logistics & Warehouse Management Department: Responsible for controlling logistics activities to ensure timely delivery of goods. The warehouse function manages inventory through structured planning and inventory control, balancing stock availability with lead times to support operational continuity.

Collectively, these departments support effective supply chain governance, cost control and operational reliability across the Group.

Key materials and services

During the Track Record Period, the key materials and services procured by the Group included fuel, cyanide, explosives, processing reagents, drilling services, camp and site services, logistics and transportation services, security services, EPC contractor services, heavy equipment, engineering consultancy services, mining contractor services and laboratory services.

During the Track Record Period, the Group prioritized the utilization of heavy equipment owned by MMI, one of the Group’s subsidiaries which engaged in the heavy equipment rental business especially to support its mining construction, development, and operational activities at the Pani Gold Mine. As operational requirements and equipment demand increased in connection with the ongoing construction, development, commissioning, and project completion activities at the Pani Gold Mine, the Group entered into additional leasing arrangements, primarily for heavy equipment to ensure the timely execution of its projects and operational activities.

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Top 5 suppliers during the track record period

During the Track Record Period, all of our top five suppliers in each respective year were primarily comprised service providers, such as heavy equipment rental/supply, fuel supply, Management consulting services, share service, construction service, technical consulting services, equipment rental, mining equipment supply, spare parts supply, consultancy services, drilling services and freight forwarding services. For each year of the Track Record Period, purchases from our top five suppliers amounted to US\$38.2 million, US\$49.6 million and US\$59.3 million, accounting for 45%, 39% and 37% of our purchases for the same periods, respectively.

The following tables set forth our top five suppliers for each year during the Track Record Period:

Top 5 suppliers for the year ended 31 December 2025

No	Suppliers	Amount Procurement (USD, millions)	% of total procurement	Type Product/Services	Related Party (Y/N)	Date Cooperation Begin	Date Cooperation End	Place of incorporation	Payment term	Payment method (E.g. Wire Transfers)
1 . .	MCG	24.5	15%	Management consulting services, shared service, construction service, technical consulting services and equipment rental	Y	2022	2032, Some of agreement will take effect since effective date up to 2 (two) year and will be automatically extended over the same period continuously.	INDONESIA	30 Days	Wire transfers
2 . .	Supplier A	15.5	10%	Fuel Supply	N	2022	2032	INDONESIA	30 Days	Wire transfers
3 . .	Supplier B	8.6	5%	Heavy Equipment Rental	N	2024	2027	INDONESIA	30 Days	Wire transfers
4 . .	Supplier C	5.7	4%	Freight Forwarding Services	N	2022	2028	INDONESIA	30 Days	Wire transfers
5 . .	Supplier D	5.0	3%	Consultant Services	N	2022	2028	INDONESIA	30 Days	Wire transfers

Top 5 suppliers for the year ended 31 December 2024

No	Supplier	Amount Procurement (USD, millions)	% of total procurement	Type Product/Services	Related Party (Y/N)	Date Cooperation Begin	Date Cooperation End	Place of incorporation	Payment term	Payment method (E.g. Wire Transfers)
1 . .	Supplier E	20.8	16%	Heavy Equipment Supply	N	2024	2025	INDONESIA	30 Days	Wire transfers
2 . .	MCG	10.4	8%	Management consulting services, share service, Construction service, Technical consulting services and equipment rental.	Y	2022	2032, Some of agreement will take effect since effective date up to 2 (two) year and will be automatically extended over the same period continuously.	INDONESIA	30 Days	Wire transfers
3 . .	Supplier F	7.7	6%	Mining Equipment & Spareparts Supply	N	2024	2025	INDONESIA	14-30 Days	Wire transfers
4 . .	Supplier G	5.8	5%	Mining Equipment Supply	N	2024	2025	AUSTRALIA	30 Days	Wire transfers
5 . .	Supplier A	4.9	4%	Fuel Supply	N	2022	2032	INDONESIA	30 Days	Wire transfers

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Top 5 suppliers for the year ended 31 December 2023

No	Supplier	Amount Procurement (USD, millions)	% of total procurement	Type Product/Services	Related Party (Y/N)	Date Cooperation Begin	Date Cooperation End	Place of incorporation	Payment term	Payment method (E.g. Wire Transfers)
1.	MCG	12.0	14%	Management consulting services, share service, Construction service, Technical consulting services and equipment rental.	Y	2022	2032, Some of agreement will take effect since effective date up to 2 (two) year and will be automatically extended over the same period continuously.	INDONESIA	30 Days	Wire transfers
2.	Supplier D	8.4	10%	Consultant Services	N	2022	2028	INDONESIA	30 Days	Wire transfers
3.	Supplier H	7.0	8%	Heavy Equipment Supply	N	2023	2028	INDONESIA	30 Days	Wire transfers
4.	Supplier I	5.8	7%	Drilling Services	N	2022	2025	INDONESIA	30 Days	Wire transfers
5.	Supplier J	5.0	6%	Heavy Equipment Rental	N	2022	2026	INDONESIA	30 Days	Wire transfers

Key terms with suppliers

The salient terms of standard third-party suppliers' agreements are set out as below:

Term. We and our suppliers typically have framework agreements with a term of one year. We also have agreements with a term of two or three years with some of our suppliers.

Pricing. We employ various pricing mechanisms for different types of bulk materials, including annual fixed prices established in framework agreements, floating prices determined by formulas linked to publicly available indices, and prices negotiated and determined monthly by both parties.

Payment. Our suppliers usually grant us a credit term of 10 to 30 days from our receipt of the invoice for payment settlement.

Qualification. We require our suppliers to possess a business license and other necessary permits. For certain types of supplies, we require our suppliers to possess specialized certifications or qualifications for the materials or goods they provide.

Quality control. Our agreements with suppliers typically include warranty and return clauses to address any potential defects or non-conformities of the supplies.

Delivery. Our suppliers are generally responsible for delivering purchased materials or goods to locations designated by us.

Renewal or termination: Our agreements with suppliers typically grant both parties rights to renew or terminate the agreement with notice in writing.

Minimum purchase commitment: Subject to case-by-case negotiation, our agreements with suppliers may include the minimum purchase commitment of certain amount. We generally do not agree to penalty in case of shortfall of minimum purchase commitment.

During the Track Record Period and up to the Latest Practicable Date, there had been no material breaches of our agreements with suppliers. During the Track Record Period and as of the Latest Practicable Date, we did not experience any material impact on our operation or financial condition due to any significant fluctuation in prices set by our suppliers or any material breach of contract on the part of our suppliers.

During the Track Record Period and as of the Latest Practicable Date, except for (i) MMI and (ii) MCG, none of our Directors, Commissioners, or any of our shareholders (who or which to the knowledge of the Directors and Commissioners owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers, in each year of the Track Record Period and the top five suppliers are all independent third parties.

Customers who are also our suppliers

During the Track Record Period and as of the Latest Practicable Date, except for MCG and ANTAM, none of our customers were also our suppliers.

During the Track Record Period, our transactions with MCG primarily involved (i) our rental of heavy equipment to MCG in the amounts of US\$1.4 million and US\$0.1 million, representing 97.5% and 100% of our total sales in 2023 and 2025, respectively, and (ii) our purchasing management consulting services, share service, construction service, technical consulting services and renting equipment from MCG in the amounts of US\$12.0 million, US\$10.4 million and US\$24.5 million, representing 14%, 8% and 15% of our total procurement in 2023, 2024 and 2025. These transactions were made on an arms-length basis and were not inter-conditional.

The Group's suppliers consist of suppliers of goods and materials, as well as third-party contractors. In general, suppliers of goods and materials mainly provide fuel supply, equipment and material supplies, while third-party contractors mainly provide equipment rental and field operations, logistics, transportation and site support, and professional and technical services. The equipment supplied or rented by third-party contractors is primarily mining-related and operational support equipment used in the Group's mining, processing, hauling, construction, and other site operational activities. The consulting and technical services provided by contractors mainly relate to mining operations, engineering, technical studies, operational support, and other professional services supporting the Group's mining and processing activities. Examples include services provided by NewPro for heap leach studies and technical studies conducted by WSP-Golder.

In contrast, the Group rented some of its mining equipment only to related parties during the Track Record Period. In 2023 and 2024, the Group's revenue came from mining equipment rental to PETS before the Company acquired and became the controlling shareholder of PETS in 2024. In addition, some mining equipment was rented to a related party for the Tujuh Bukit gold mine operation, which is located in Banyuwangi, East Java, Indonesia. In 2025, the Group rented its mining construction equipment to MMS as the Group's mining contractor during the construction and development activities conducted at the Pani Gold Mine.

The heavy equipment leased by the Group from third-party suppliers during the Track Record Period primarily consisted of excavators and bulldozers, which were mainly utilized to support construction, development, commissioning, and project completion activities at the Pani Gold Mine. Separately, certain equipment rented to related parties, other than MMS, consisted of bell trucks used to support mining activities at the Tujuh Bukit project in Banyuwangi, East Java, outside the Pani Gold Mine area.

CONTRACTORS

We engage third-party contractors and service providers for certain activities. Contractors are required to comply with all prevailing laws and regulations, including compliance with applicable labour regulations.

During the Track Record Period, we outsourced primarily the following three service areas to contractors: (i) equipment rental and field operations; (ii) logistics, transportation and site

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support; and (iii) professional and technical services. Professional and technical services used by the Group primarily consist of: design engineering and mining construction services; conducting geotechnical, hydrogeological, and hydrological studies; engineering design, project management, and technical consulting services for mining and mineral processing projects; and technical studies, engineering assessments, and consulting services for mining and infrastructure projects. We had a total of 132, 165 and 206 contractors in 2023, 2024 and 2025, respectively.

	As at or for the year ended 31 December					
	2023		2024		2025	
	Number of contractors	Fee incurred US\$	Number of contractors	Fee incurred US\$	Number of contractors	Fee incurred US\$
Equipment rental & field operations	9	11,721,946	11	9,092,100	10	15,089,571
Logistics, transportation & site support	19	4,718,710	26	6,312,653	43	14,103,960
Professional & technical services	104	33,088,672	128	36,079,307	153	63,339,577
Total	132	49,529,328	165	51,484,060	206	92,533,108

Key terms with contractors

The salient terms of the standard contractor agreement are set out below:

Scope of work. The Contractor shall perform the agreed scope of work, including all necessary activities required for the proper and complete execution of the services.

Contract price & payment. The contract price and payment terms shall be mutually agreed during negotiations, with payments linked to verified work progress and subject to completion and acceptance requirements.

Acceptance & deliverables. All deliverables shall be subject to inspection and formal acceptance by the Company, evidenced through duly signed acceptance documentation.

Project schedule & timeline. The Contractor shall execute the services in accordance with the agreed schedule and milestones, with clear timelines for completion and delivery.

Variation orders. Any changes to the scope of work shall be managed through a formal variation order process, including prior approval, impact assessment, and agreed adjustment to price and/or schedule.

Health, safety & environment. The Contractor shall comply with all applicable HSE requirements, including the preparation and implementation of risk assessments and safety procedures prior to and during execution.

Insurance. The Contractor shall maintain adequate insurance coverage, as agreed during negotiations, to cover personnel, equipment, and potential liabilities arising from the performance of the services.

Performance security. The Contractor shall provide performance security in a form and amount to be agreed, to ensure proper fulfillment of its contractual obligations.

Warranty & defect liability. The Contractor shall warrant that the services are free from defects in workmanship and comply with the agreed specifications, for a period to be mutually agreed.

Liability & indemnity. The Contractor shall be responsible for and indemnify the Company against losses, damages, or liabilities arising from the Contractor's performance, subject to the agreed contractual terms.

Manpower & compliance. The Contractor shall provide qualified personnel and ensure full compliance with applicable laws, regulations, and Company requirements.

Termination. The Company shall have the right to terminate the contract in accordance with agreed terms, including termination for default, non-performance, breach, or for convenience, with consequences governed by the agreed provisions.

Liquidated damages. The Contractor shall be subject to liquidated damages for delays or failure to meet agreed performance requirements, as defined in the contract.

Dispute resolution & payment control. Any disputes shall be resolved in accordance with the agreed dispute resolution mechanism, and the Company reserves the right to withhold payment for incomplete, disputed, or non-compliant work.

While we do not maintain a standalone formal audit procedure specifically dedicated to contractor workforce compliance, compliance is monitored through contractual review prior to engagement and periodic administrative checks during the course of cooperation. These reviews may include verification of invoices, supporting documentation, and, where relevant, employment-related information provided by contractors.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes with our contractors that would have material adverse impact on our operation. Due to the intensive competition in the relevant contracting service market, we do not expect significant difficulty in identifying alternative contractors to provide similar services on terms comparable to those offered by our existing contractors.

As of the Latest Practicable Date, except for MCG, none of our Directors, Commissioners, or any of our shareholders (who or which to the knowledge of the Directors and Commissioners owned more than 5% of our issued share capital) had any interest in any of our contractors.

We typically select contractors through a competitive bidding process. Prior to engagement, we will assess each contractor based on qualification, competence and relevant experience. Candidates are required to provide copies of their qualifications, licenses, certificates and permits for review and verification. An evaluation committee and supervision committee is formed to conduct the selection procedure according with prescribed procedures, following which shortlisted candidates may proceed to commercial negotiations before a final appointment is made.

We require our contractors to comply with all applicable laws and regulations in respect of safety and environmental protection. We also require our contractors to abide by our safety management system and internal control policies. Our internal control policies establish internal accountability and oversight procedures that require regular supervision and management of contractor performance to ensure compliance with all applicable rules and their contractual obligations. The relevant departments within our Company undertake periodic inspections and performance reviews to confirm that contractors are operating in accordance with the technical specifications of our project and industry standards. Pursuant to our internal control policies, in the event that a contractor cannot or will not comply with applicable laws and regulations, or we discover significant non-compliance or other issues in the implementation of our project, we are entitled to suspend such contractor's work and require them to take correctional actions. In addition, we require our contractors to purchase insurance for their employees and properties.

UTILITIES

During the Track Record Period and up to the Latest Practicable Date, the Group did not experience any significant interruption in its operations, whether due to power shortages or water supply issues.

Electricity

The Pani Block receives electricity through a 150 kV switchyard and 20 kV main switch room, that are operated and maintained by PT PLN Nusantara Power Construction (PLN), a state-owned electricity utility company that supplies electricity to the mine. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant interruptions in our operations due to power shortages or outages.

On 1 October 2025, GSM and PBT purchased Renewable Energy Certificates (“RECs”) from PT Energy Management Indonesia (“EMI”), a subsidiary of PLN. As a result of this purchase, effective 1 January 2026, the electricity supply consumed at the Pani Gold Mine is originated from clean energy generated by the Bakaru Hydropower Plant and/or other power plants provided by PLN.

Water

The Pani Block sources water from the Botudulanga River. The mine’s water intake facility draws water from the river for use in the processing plant, pursuant to a permit allowing withdrawal of up to 250 litres per second. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant interruptions in operations due to water supply issues.

We are committed to using water responsibly through effective water management practices across its operations. This includes managing and reducing wastewater (effluent) discharges, incorporating a life-cycle perspective in supply chain management to reduce water consumption and wastewater generation, and engaging with relevant stakeholders to identify water users and address potential impacts on other water uses, with objective of promoting sustainable water use.

INVENTORY

During the Track Record Period, our inventories primarily consisted of ore inventories, spare parts and supplies. Inventory management is overseen by dedicated personnel responsible for implementation of our inventory policies. The inventory function is segregated into (i) a warehousing team, responsible for physical handling activities, such as receiving, storing and issuing supplies; and (ii) an inventory team, responsible for maintaining our inventory management system and monitoring inventory data, including stock levels for individual items. Inventory levels are managed based on historical consumption patterns and supplies lead times. All inventory information is recorded in our inventory management system and categorized to facilitate monitoring and data analysis. We set the minimum and maximum inventory levels in our inventory system to support timely procurement planning. We undertake routine and periodic inventory review to ensure accuracy and adequacy of stock levels. Inventories may be increased prior to certain predictable events, such as periods of heavy rainstorms to mitigate potential supply chain disruptions.

COMPETITION

We face competition from gold and silver producers in both domestic and global markets. Gold producers do not compete on quality, brand, or product marketing. Gold prices are also entirely determined by market supply and demand. Competition with other gold producers is primarily based on cost structure and ore quality.

We implement various cost management strategies aimed at maintaining operational resilience and cost discipline across commodity price cycles.

SEASONALITY

Our Directors and Commissioners considered that, and as confirmed by CRU, our operational and development activities may also be impacted to some extent by unusual or adverse weather conditions, particularly during the rainy season when heavy rainfall can create challenging working conditions. To mitigate this risk, construction and production activities are scheduled with reference to weather forecasts, demand for goods, and inventory levels, with the objective of maintaining cost discipline and operational continuity during periods of heavy rainfall.

INTELLECTUAL PROPERTY

During the Track Record Period, we did not possess intellectual property rights which are material to our business operations.

During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material dispute or litigation relating to infringement of trademarks and patents nor, to the best of our knowledge, did we infringe any trademarks and patents belonging to other parties.

BUSINESS

The trademarks used by the Company have been registered under the name of MCG, with the Directorate General of Intellectual Property of the Ministry of Law of the Republic of Indonesia. As of the date hereof, a formal trademark license agreement is currently being prepared to be signed by and between MCG and the Company.

EMPLOYEES

As of 31 December 2025, the MGR Group had a total of 448 direct employees, consisting of 268 permanent employees and 180 employees with fixed-term work agreements, all of whom are employees of MGR Group (including PETS, GSM, MMI and PBT) and are located in Indonesia.

The Subsidiaries, namely PEG, MAP, PIJ and PIN, currently have no employees because their operational activities are limited to administrative functions, so that all operational activities of these Subsidiaries are currently carried out by employees of other Subsidiaries.

Function	Permanent	Fixed-term	Total
Production	133	138	271
Exploration	36	11	47
Support	99	31	130
Total	268	180	448

Learning and Development Programs

We are committed to providing employment opportunities to the communities surrounding our operations. Recognising that certain local communities may lack the technical knowledge and skills required for construction or mining activities, we implement structured Human Resources (“HR”) training and development programs to support workforce capacity building. From the point of hire, we provide trainings designed to equip employees with the knowledge and skills required to consistently meet our standards. Training programmes are tailored accordingly to specific job requirements, such as occupational safety or emergency response training, heavy equipment technical training, environmental management and conservation, and community relations training. Environmental risk management training is also provided to ensure that potential environmental hazards at the mine site and surrounding areas are continuously identified, monitored and controlled.

We believe that these training programs enhance employee competencies, skills, and knowledge, enabling performance aligned with industry standards. In addition, our HR development programs aim to strengthen career development and organisational capability across the Group. We have also established a competency improvement program aligned with the governance and compliance standards applicable to companies listed on the IDX. We have developed an employee information system that records personnel data, payroll calculations, overtime calculations, and training activities.

Employee Compensation, Benefits and Welfare Programs

We structure our compensation, benefits, and welfare programs in alignment with our financial capability and in compliance with applicable laws and regulations. Our overall framework is designed to attract, retain and motivate employees while supporting productivity and operational sustainability.

Employee compensation primarily consists of base salary and fixed allowances. Permanent employees are eligible for long-service award benefits, as well as telecommunication and communication equipment. Contract employees receive termination compensation payments in accordance with applicable laws.

In addition to base salary, both permanent employees and contract employees receive statutory and supplementary benefits, including Holiday Allowance (THR), participation in BPJS Kesehatan and BPJS Ketenagakerjaan (covering work accident insurance, pension benefits, death benefits and health coverage), maternity leave, annual leave, other paid leave, maternity assistance, eyeglass assistance, menstrual leave, field break allowance, and provision of personal protective equipment.

We believe that fostering a comfortable and supportive work environment is a key driver of productivity. We periodically evaluate employees' support facilities and provide channels for employees to share feedback and suggestions to enhance productivity. The outcomes of these assessments, together with employee input, are considered in developing and improving facilities such as accommodation, sports and recreational amenities, and employee shuttle services.

As of the Latest Practicable Date, we do not have agreements in place to involve employees or management in share ownership, including employee share ownership program or share ownership arrangements for members of the Board of Directors or the Board of Commissioners.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE AND SUSTAINABILITY

Sustainability is a core pillar of our Group's strategy as part of the MCG Group. MCG, the Company's parent company, held an A rating from MSCI as of 31 December 2025. Moreover, MCG maintained its Sustainalytics ESG Risk Rating at Medium, with a score of 27.8 based on the latest full update as of 31 December 2025. This positions MCG as the leading company among their peers (with market capitalization of US\$3.2 billion - US\$3.3 billion) within the Sustainalytics ESG Risk Rating comprehensive assessment category.

The MGR Group intends to align with the MCG Group's commitment to strong ESG and sustainability principles and practices by conducting all business activities in a sustainable and responsible manner, with the aim of creating value for stakeholders and having a positive impact on the economy, the environment, employees and the communities around the areas of operation. The MGR Group will leverage ESG and sustainability initiatives already implemented at MCG, the Company's parent company, tailored to the needs of the MGR Group.

The MGR Group's sustainability goals and commitments are outlined in a sustainability policy. This policy sets out the foundation for how the MGR Group conducts its operations in a sustainable and responsible manner, creating value for stakeholders and generating positive impacts on the economy, the environment, society and the communities in which it operates.

MGR Group's commitment to ESG and sustainability has six core pillars, each of which covers the following key focus areas: (i) Preserving the Environment; (ii) Ensuring Occupational Health and Safety (K3); (iii) Empowering Workers; (iv) Caring for the Community; (v) Respecting Human Rights; and (vi) Adopting Good Corporate Governance.



To turn this commitment into action, MGR has established Six Sustainability Strategy Pillars that outline its key focus areas. These pillars are aligned with the United Nations Sustainable Development Goals ("SDGs"), ensuring that the company's sustainability efforts contribute meaningfully to global priorities while reinforcing its long-term vision, mission, and values.

Environmental Protection

The MGR Group conducts environmental management using the principle of continuous improvement based on applicable environmental regulations in Indonesia and the Environmental Management System Standard in accordance with ISO 14001:2015 concerning Environmental Management Systems (“**ISO 14001:2015**”). As of February 2025, the Company’s subsidiaries, PETS and GSM, have obtained ISO 14001:2015 certification, which is valid through March 2028.

The MGR Group has established an Environmental Policy that reflects the commitment of its highest leadership to environmental stewardship and protection. This Environmental Policy applies to all subsidiaries under the MGR Group’s control, including the Company, as well as to relevant business partners operating within the MGR Group’s value chain. The MGR Group Environmental Policy includes commitments to solutions for climate change and greenhouse gas emissions, water conservation, waste management, tailings management, management of toxic and hazardous waste (“**B3**”), and management of land reclamation and biodiversity. To monitor environmental management performance, the MGR Group periodically conducts internal and external audits which will then be used as material for discussion in management review meetings.

MGR assigns a General Manager of Environment at headquarters and or General Manager Subsidiaries to ensure the effective implementation of environmental policies, objectives, targets, and programs. Periodically, the General Manager of Environment at the head office and the KTT or General Manager of each Subsidiary report the results of the implementation of environmental policies, objectives, targets, and programs to the MGR Board of Directors, which will then serve as material for evaluation and the development of environmental strategies.

Waste and wastewater management

As stated in MGR’s Water Management Policy, the MGR Group is committed to the responsible use of water resources through effective water management practices and strives to reduce wastewater discharges (“**effluent**”). The MGR Group also encourages the implementation of a *life cycle perspective* among suppliers to reduce water use and wastewater generation. The MGR Group collaborates with relevant stakeholders to identify water users and others who may be affected by the company’s operations, with the goal of achieving responsible and sustainable water use. The MGR Group also adopts a mitigation hierarchy that includes preventing and minimizing the impacts of water use and wastewater generation on workers, affected communities, and the surrounding environment. If prevention is not possible, the MGR Group will minimize the impact and provide compensation.

The MGR Group consistently complies with the Decree of the State Minister of Environment of the Republic of Indonesia No. 202 of 2004 on Wastewater Quality Standards for Gold and/or Copper Ore Mining Businesses and/or Activities in managing the quality of wastewater or discharge from mining activities. Each mining operation has a compliance point where the quality of wastewater is measured regularly in accordance with the AMDAL document of each operation, taking into account the conservation of water resources so as not to impact water sources shared by the community.

To meet operational needs, the MGR Group uses water sources from surface water, groundwater, and third-party sources.

Waste management

As a company engaged in gold and silver mining and processing, the MGR Group is committed to meeting all relevant Indonesian regulatory requirements and adhering to best-practice standards in waste management as stated in the MGR’s Waste Management Policy. The MGR Group consistently documents and implements waste transportation, handling, storage, and disposal in accordance with established procedures. The MGR Group follows a mitigation hierarchy that prioritizes avoiding and minimizing the impacts of hazardous and toxic, non-hazardous, and domestic waste on workers, surrounding communities, and the environment. When preventative measures are not possible, the MGR Group is committed to minimizing impacts and providing compensation.

Hazardous and toxic waste processing mechanism (“**B3**”)

In compliance with Regulation of the Minister of Environment and Forestry of the Republic of Indonesia No. 6 of 2021 on the Procedures and Requirements on Management of Toxic and

Hazardous Waste, the MGR Group has adopted a comprehensive B3 Waste Management Procedure. The procedure includes rules on waste sorting, packaging, labelling with special symbols, storage, internal delivery, inspection, recording, and return of B3 to the producer, inspection, cleaning, maintenance of B3 waste satellites, and B3 Waste Temporary Storage Sites (TPS LB3). In addition, this procedure also regulates the delivery of B3 waste to licensed third parties, reporting to the government, as well as emergency response procedures and handling of B3 waste spills. This procedure is designed to ensure that B3 waste management is carried out safely, responsibly, and in accordance with applicable regulations, in order to minimize impacts on the environment and health. Throughout 2025, B3 waste management in the MGR Group was carried out through internal mechanisms and in collaboration with third parties licensed by the Ministry of Environment and Forestry (“KLHK”). The selected licensed third parties have safe transportation and storage facilities to ensure waste handling meets safety standards.

The MGR Group has established complaint mechanisms, procedures, and infrastructure to handle hazardous waste leaks, as well as an Emergency Response Team (“ERT”) tasked with mitigating any hazardous waste spills. Throughout 2025, there were no large-scale hazardous waste spills within the MGR Group’s operational areas that caused disruption to the environment or surrounding communities.

Non-B3 waste processing mechanism

As a form of compliance with Law No. 18 of 2008 concerning Waste Management, the MGR Group adopted the Non-B3 Waste Management Procedures established by the MCG Group, covering the collection, delivery, and transportation of domestic waste. The procedure also covers waste management at the Temporary Storage Site (TPS) for domestic waste and waste utilization by third parties. For the management of non-biodegradable inorganic waste, the MGR Group applies the Reduce, Reuse, Recycle (“3R”) principle, while organic waste is used for composting, recycling and reuse. The MGR Group generated 259.78 tonnes of non-B3 waste in 2025.

Tailings management

The MGR Group plans to adopt the Tailings Policy established by the MCG Group to ensure the safe and responsible generation, management, and disposal of future tailings. The MCG Group Tailings Policy encompasses the development and implementation of best practices, with a primary focus on minimizing adverse impacts on workers, communities, and the environment throughout the tailings management process.

The approach will encompass the entire tailings processing cycle, from design and construction to management and monitoring of the tailings storage facility. This approach emphasizes risk identification and mitigation, reducing potential long-term impacts on humans and the environment, and considering climate change implications. The MGR Group also considers the implications of climate change in every aspect of tailings management to ensure sustainable solutions.

The MGR Group will actively engage stakeholders throughout the tailings lifecycle by promoting open communication, knowledge sharing, and educational initiatives on effective tailings management. A key aspect of the MGR Group’s commitment will involve independent reviews conducted at various stages, including the design, construction, operation, and closure of tailings management facilities. This is to ensure that the MGR Group conducts rigorous and objective assessments of tailings management practices to maintain the highest standards and ensure sustainability and compliance with applicable regulations.

Air quality management

The MGR Group is committed to protecting human health and the environment from the adverse effects of air emissions in accordance with applicable regulations, by adopting the Air Emissions Policy established by the MCG Group. Air emissions include, but are not limited to, PM2.5, PM10, TSP, SOx, NOx, CO, Hg, and ozone-depleting gases (“ODS”).

The MGR Group periodically monitors, manages, and reports air emissions to authorized government agencies, and adopts technology and implements preventative measures to minimize the impacts of air emissions. The MGR Group is committed to assessing the

potential impacts of air emissions on human health, safety, and the environment and continuously implementing corrective actions. In line with this commitment, the MGR Group promotes a lifecycle perspective to its suppliers through training to encourage the supply chain to reduce air emissions.

Climate change

The MGR Group is committed to complying with all applicable laws and regulatory requirements in Indonesia and aligning with international instruments related to climate change, as stated in the MGR Group Climate Policy. To guide its climate change governance, strategy, and reporting processes, the MGR Group uses a comprehensive approach aligned with global best practices, including the Task Force on Climate-related Financial Disclosures (“TCFD”) to integrate climate risks and opportunities into business strategy, the Carbon Disclosure Project (“CDP”) for disclosure of climate risk and emissions data, the Greenhouse Gas Protocol (“GHG Protocol”) for measurement and reporting of greenhouse gas emissions, the Intergovernmental Panel on Climate Change (“IPCC”) for projections and analysis of climate change impacts, as well as the Global Reporting Initiative (“GRI”) for transparent and accountable environmental impact reporting.

The MGR Group supports the Paris Agreement’s goal of limiting global temperature rise to below 2°C and contributing to reducing Greenhouse Gas emissions through research, innovation and energy efficiency implementation, and participation in carbon offset programs. Governance practices, stakeholder engagement, and disclosure of climate change-related information have been integrated into our business decision-making process. Risks and opportunities related to climate change, including physical and transition risks, are regularly evaluated to ensure long-term business sustainability. Furthermore, the MGR Group promotes a lifecycle approach throughout the supply chain to reduce its carbon footprint, while contributing to the global effort towards net-zero GHG emissions.

The MGR Group continues to strengthen its climate management framework through the establishment of a GHG inventory, enhancement of emissions data quality, and implementation of early decarbonization actions. In 2025, the MGR Group completed the calculation of its Scope 1 and Scope 2 emissions consistent with the principles of the GHG Protocol. As part of ongoing efforts to reduce emissions, GSM and PBT purchased RECs from EMI, a subsidiary of PLN on 1 October 2025. As a result of this purchase, effective 1 January 2026, the electricity consumed at the Pani Gold Mine is originated from clean energy generated by the Bakaru Hydropower Plant and/or other power plants provided by PLN.

Energy

MGR is committed to complying with all applicable laws and regulations related to energy efficiency, utilization, and consumption; to continuously establishing and implementing energy efficiency objectives, targets, and programs aligned with MGR’s Climate Change Policy.

In line with the Decree of the Minister of Energy and Mineral Resources No. 341.K/EK.01/MEM.E/2024, since January 2025, all MGR Group operational areas have used B40 Biodiesel, a 40% biofuel blend.

In 2025, the MGR Group’s total energy consumption was 605,256 gigajoules (“GJ”), and its energy intensity per venue was 4.59 gigajoules (GJ)/USD. Of this total energy consumption, 237,288 GJ (39%) came from renewable energy sources and 367,968 GJ (61%) from non-renewable energy sources.

Emissions

The Company is using the TruCount emissions accounting platform to measure, monitor, manage, and report GHG emissions. The TruCount platform is based on two globally recognized international standards: the GHG Protocol and ISO 14064-1:2018 Greenhouse Gases, ensuring calculation accuracy and compliance with international standards.

Until 2025, the MGR Group has calculated GHG emissions for scope 1 and scope 2. The calculation of scope 1 GHG comes from the use of B40 Biodiesel for operational vehicles and mining equipment across all Subsidiaries. The use of generators as power plants is also a source of scope 1 emissions. Meanwhile, the calculation of scope 2 GHG emissions is generated from the use of electrical energy supplied by PLN.

In 2025, MGR Group's total location-based GHG emissions reached 84,131 tonnes CO₂ (e), with 81,524 tonnes CO₂ (e) coming from scope 1 and 2,608 tonnes CO₂ (e) coming from scope 2. In the same year, the MGR Group's location-based GHG intensity per revenue was 0.64 tCO₂(e)/USD.

The MGR Group supports the target of achieving net-zero scope 1 and scope 2 emissions by 2050.

Reclamation and biodiversity

The MGR Group is a gold mining company committed to complying with all applicable government regulations, including the Minister of Energy and Mineral Resources Regulation No. 26 of 2018 concerning the Implementation of Good Mining Principles and Supervision of Mineral and Coal Mining. As a form of compliance, all MGR Group operational areas have obtained Operation Production Mining Business Licenses issued by the Indonesian Government. Furthermore, the MGR Group has adopted the MCG Group Biodiversity Management Policy, which aligns with International Finance Corporation Standards ("IFC") and International Council on Mining and Metals Principles ("ICMM"), which states a commitment to protecting and conserving biodiversity, maintaining the benefits of ecosystem services, and promoting sustainable management of natural resources.

In carrying out exploration activities and eventually production operations, the Pani Gold Mine has developed a mine closure plan involving the community through public consultations and a reclamation plan that has received government approval. This plan not only serves as a formal document but also serves as the main guideline to ensure that mining operations are carried out in accordance with the principles of environmental sustainability. In addition, the MGR Group periodically prepares reclamation implementation reports as part of the company's responsibility to the environment and the community. As mining permit holders, PETS and GSM will ensure that before commencing the exploration and production process, the companies have placed a reclamation guarantee in accordance with the provisions of Government Regulation No. 78/2010, which requires mining permit holders to provide funds as collateral for reclamation implementation.

In managing biodiversity, the MGR Group is committed to protecting and preserving biodiversity, maintaining ecosystems, and supporting sustainable natural resource management as stated in MGR's Biodiversity Management Policy. In developing and implementing biodiversity management plans, the MGR Group actively engages in dialogue with local communities, biodiversity experts, and relevant external parties, particularly in areas that constitute natural habitats. The MGR Group is also committed to adopting a mitigation hierarchy, which includes anticipatory measures and avoidance of environmental impacts. Where avoidance is not possible, the MGR Group strives to minimize these impacts and compensate for or restore any residual impacts that occur throughout the company's operations.

The MGR Group ensures that all stages of biodiversity management activities involve the authorities, namely the Natural Resources Conservation and Agency (BKSDA) and the Environmental Service.

The MGR Group has developed a Biodiversity Management Plan ("BMP") for the Pani Gold Mine. This BMP outlines the mitigation measures to be implemented to avoid, minimize, and reverse impacts during the construction and operations phases, and establishes a governance structure for BMP implementation.

The preparation of BMPs refers to national and international regulations, including IFC Performance Standard ("PS"), ICMM Principles on Biodiversity Conservation, environmental responsibility requirements from the Initiative for Responsible Mining Assurance ("IRMA"), and the Red List of the International Union for Conservation of Nature and Natural Resources ("IUCN").

The Company conducted environmental training covering Scope 3 GHG calculation, life cycle assessment, and Ministry of Environment Regulation (PERMENLH) No. 11 of 2025 concerning Wastewater Quality Standards and Domestic Wastewater Treatment Technology Standards (ALD), with a total duration of 24 hours.

As of the date of this Prospectus, there are no environmental issues that have a material impact on the use of MGR Group's assets. In 2025, MGR Group recorded environmental

management and environmental monitoring costs of approximately US\$0.3 million and US\$0.1 million, respectively. In the same year, MGR placed time deposits as guarantees for reclamation and post-mining obligations amounting to US\$1.7 million.

MGR's ESG policies, including its Sustainability Policies, Environment Policies (as to our commitment to mine closure and reclamation plans) and other policies, are applicable to all of MGR's subsidiaries. Considering the complexity of calculating and compiling the inventory of Scope 3 GHG emissions, MGR has not yet initiated the quantification and inventory process for Scope 3 emissions. In 2026, MGR plans to develop an in-house GHG inventory application covering Scope 1 and Scope 2 emissions, which will subsequently be expanded to include Scope 3 emissions in 2027. Upon completion of the application, MGR will commence the calculation, recording, and reporting of Scope 3 GHG emissions, as well as establish emission reduction targets for the following 3-5 years.

The Group does not utilize mercury in its operation processes in accordance with the Regulation of the Minister of Environment and Forestry of the Republic of Indonesia No. P.81/MENLHK/SETJEN/KUM.1/10/2019 on the National Action Plan for Mercury Reduction and Elimination.

Downstream refiners

The Group does not conduct any refining activities. Precious metals produced by the Group are refined and processed downstream by ANTAM, through its Precious Metals Processing and Refinery Business Unit (the "**ANTAM Refinery Business Unit**"). The following is an excerpt from ANTAM's 2025 Sustainability Report on its ESG-related initiatives, sustainability-related disclosures and controls specifically relating to its precious metals refining and processing activities.

ANTAM's precious metals refining activities are conducted under internationally recognised governance and responsible sourcing standards, including LBMA accreditation and Responsible Gold certification, which cover raw material processing, refining and laboratory analysis processes. The ANTAM Refinery Business Unit received a Green PROPER award from the Indonesian Ministry of Environment. ANTAM disclosed that the ANTAM Refinery Business Unit is covered under ANTAM's greenhouse gas emissions monitoring and decarbonisation initiatives, including renewable energy certificate ("**REC**") purchases and emissions reporting aligned with IPCC Guidelines, GHG Protocol, and ISO 14064 standards. ANTAM further disclosed that the ANTAM Refinery Business Unit operates under internationally recognised management system certifications, including ISO 9001 Quality Management System certification and ISO 45001 Occupational Health and Safety Management System certification applicable to precious metals processing, refinery, manufacturing, trading and laboratory analysis activities.

Corporate Social Responsibility

The sustainability of mining companies depends heavily on harmonious relationships with surrounding communities. Community support and participation not only minimize social risks but also increase operational acceptance and create shared benefits. Therefore, the MGR Group, as part of the MCG Group, is committed to involving the community in every stage of its operations, in accordance with applicable government regulations and international standards.

All MCG Group Subsidiaries, including the MGR Group, are committed to implementing sustainable Community Development and Empowerment ("**CDE**") programs. These programs are implemented according to CDE standards, which emphasize compliance with applicable Indonesian laws, respect for local cultural wisdom, and the application of the principles of transparency and fairness. In preparing the CDE plan, the Company refers to the Community Development and Empowerment Master Plan, which is prepared based on information from baseline studies, social impact analysis, and input from various stakeholders.

The MGR Group is committed to implementing an integrated Community Empowerment Program ("**CEP**") in eight main areas, namely education, health, real income/employment levels, economic independence, socio-cultural and religious, community participation in environmental management, community institutions in supporting CEP independence and infrastructure development, for communities around mining areas.

The Company has continued to adopt an accommodative approach to address claims raised by former unlicensed gold miners operating within areas that currently form part of the PETS

and GSM mining licence areas, including through ongoing engagement and coordination with local and provincial government authorities as well as the implementation of community development and empowerment programs. As part of this effort, the Company continues to implement empowerment and community development programs across eight pillars, namely education, health, environment, economy, infrastructure, people's income, community institutions, and socio-cultural development, in line with applicable regulations and the results of prior social mapping assessments conducted to identify community needs and priorities. Examples of the Company's empowerment and community development initiatives include:

- **Educational programs** such as teacher coaching and capacity-building initiatives aimed at strengthening teaching quality and developing school curricula that are more aligned with current and future challenges. The Company also implements the “Pengajar Merdeka Puhwato” initiative, which supports educational access and development opportunities for children from communities;
- **Health programs** conducted in collaboration with local health centers, including supplementary nutrition programs (“**Pemberian Makanan Tambahan**”). These programs also involve active participation in community nutrition activities;
- **Economic empowerment and people's income programs**, including renovation and support for local mini markets and small businesses, many of which are owned or managed by families of former unlicensed miners, to improve hygiene, business attractiveness, and economic resilience. The Company also prioritizes local business owners as suppliers or vendors whenever possible to help improve local transactions and cash flow; and
- **A “Pasar Murah” (subsidized market) program** organized for former unlicensed miners and the wider community, particularly during the Ramadan period to help mitigate increases in staple food prices. Through this initiative, community members are able to purchase basic necessities at significantly reduced prices, while proceeds from the program are donated to Baznas to support broader social welfare initiatives.

Former unlicensed miners and their family members in the Puhwato Regency area have participated in several of these empowerment and livelihood development programs, which primarily focus on improving the employability and economic welfare of local communities. One of the key initiatives is the “On the Job Training” program, which provides practical mining-related training across operational departments. The program includes classroom and hands-on operational training over a 12-month period, aimed at improving participants' technical skills, safety awareness, and work readiness. Participants who complete the program may become eligible for employment opportunities with the Group or its contractors. Through these initiatives, the Company seeks to promote inclusive economic opportunities, improve community welfare, and encourage sustainable alternative livelihoods for communities surrounding the operational area. During the Track Record Period and as at the Latest Practicable Date, the claims raised by former unlicensed gold miners and the miners themselves have caused no material disruption to our normal mining operations. An illegal demonstration that was staged in September 2023 seeking to continue unlawful mining activities in the vicinity of the Pani Block, and which escalated into limited acts of minimal and immaterial damage to certain of our facilities and local government offices, resulted in a brief interruption to site activities; but normal operations were promptly restored, the overall impact on the MGR Group was limited, and the Company considers the incident as a whole to be immaterial. For details, see “Risk Factors — Risks Related to Our Business and Industry — Illegal mining can disrupt our operational activities”.

Education

The CEP in education seeks to improve the quality of education through various capacity-building activities, including training, vocational training, and incentives for teachers. It also includes increasing access to education through scholarships and non-formal learning programs, as well as providing supporting educational facilities such as mobile libraries, reading gardens, school buses, and school building renovations. As part of its efforts to expand access to education, enhance the competencies of educators and students, and develop a competitive and high-quality local workforce in Puhwato Regency, we implemented various programs and collaborations reaching more than 450 beneficiaries in 2025. These initiatives included support for nutritional programs for students and teachers at

SMAN 01 Buntulia, a public primary school; and the renovation of primary schools in the Pani Gold Projects Areas, including SDN 09 Buntulia, SDN 05 Buntulia, and SDN 02 Buntulia, thereby enhancing the learning environment for both teachers and students.

Health

The CEP in the health sector seeks to improve the quality of public health through training and incentives for health workers, the provision of medicines and health facilities such as social service vehicles, and support for healthy lifestyle campaigns. In 2025, we implemented a range of health-focused programs and partnerships aimed at improving nutrition, strengthening maternal and child health, and promoting healthy lifestyles. These initiatives benefited pregnant women, children, teachers, and students in Hulawa and Buntulia Villages. Key activities included the establishment of a community health centre in Hulawa Village, the provision of health services and nutritional monitoring for children affected by stunting and undernutrition as well as for pregnant women, and the implementation of the “Healthy Eating” awareness campaign.

Real income/employment levels

The CEP aims to increase the income of communities around the mine through mentoring groups of farmers, livestock breeders, fishermen, and home industry players. This program focuses on providing assistance, support, and business development such as freshwater fish farming and goat farming, as well as businesses in similar sectors. This includes promotional support for tourist destinations and special recruitment for communities around the mine. In 2025, we implemented programs aimed at increasing real income and expanding employment opportunities, with a focus on empowering local service providers and strengthening the motivation of community health workers. This support contributed to enhanced work motivation, improved household economic stability.

Economic independence

The CEP aims to increase the economic independence of the community by developing businesses and the potential of natural resources, which involves the development of an integrated agricultural system, as well as support for MSMEs and Village-Owned Enterprises (BUMDes). In 2025, we implemented various community empowerment programs and local economic collaborations focused on strengthening community enterprises, supporting micro, small, and medium enterprises (“MSMEs”), and increasing village-level economic participation.

Socio-cultural and religious

The CEP in the socio-cultural and religious sector aims to help preserve and develop socio-cultural and religious activities through financial support and facilities for the preservation and development of social, cultural, and religious activities, including the rehabilitation of places of worship damaged by natural disasters. In 2025, we carried out a range of social and religious programs focused on strengthening social solidarity, community care, and the preservation of local traditions. These initiatives reached 4,698 individuals and 2,400 families, including low-income communities, local journalists, and residents across nine villages surrounding the mining area and throughout Pohuwato Regency.

Key activities included the implementation of Safari Ramadan and Tumbilotohe programs in nine surrounding villages, as well as the organization of a subsidized community market, which supported low-income families in accessing essential goods at affordable prices. We also distributed sacrificial animals and implemented the Tebar Hewan Kurban 1446 H program for beneficiaries in the Buntulia and Marisa areas.

Community participation in environmental management

The CEP for environmental management is carried out through collaboration with various stakeholders in the form of equipment support and coastal tourism development, environmental cleanup, waste processing, and organic fertilizer production. In 2025, our environmental Community Empowerment Program (CEP) initiatives focused on water resource management, the enhancement of agricultural infrastructure, and environmental conservation.

Key activities included sediment dredging of irrigation channels in Duhiadaa Sub-district to optimize water flow to community rice fields. This initiative provided farmers with more

stable and reliable water access, supporting increased agricultural productivity while mitigating flood risks in surrounding farmland. Overall, the program contributed to improved water-use efficiency, strengthened local food security, and the advancement of sustainable environmental management practices in Pohuwato Regency.

Community institutions in supporting the independence of CEP

Under the community institutional pillar, we implemented programs aimed at advancing social development, promoting sports activities, and strengthening village- and government-level institutional facilities. These initiatives reached communities in Buntulia Sub-district, Marisa Sub-district, and Hulawa Village. Primary beneficiaries included young athletes, as well as pregnant women and children who indirectly benefited from enhanced health service facilities and improved community infrastructure.

Infrastructure development

The CEP program in the field of infrastructure development is carried out in the form of financial support and the construction of public infrastructure such as roads, bridges, public facilities, and pipe network systems and clean water reservoirs, especially for remote areas. Our infrastructure-focused CEP programs benefited 1,810 individuals across Bulangita, Siduwonge, and Hulawa Villages, as well as the wider Pohuwato Regency. Key initiatives included the Manunggal Air program, implemented in collaboration with KODIM 1313/Pohuwato, which expanded access to clean water for families in Bulangita and Siduwonge Villages. In addition, we supported the renovation of the Baiturrahim Grand Mosque in Pohuwato, enhancing comfort and facilities for worship.

Occupational Health and Safety

The MGR Group implements an Occupational Health and Safety Management System (“K3”) (“SMK3”) and a Mining Safety Management System (“SMKP”) based on applicable regulations, namely the Minister of Energy and Mineral Resources Regulation No. 26 of 2018 concerning the Implementation of Good Mining Principles and Supervision of Mineral and Coal Mining, Minister of Energy and Mineral Resources Decree No. 1827 K/30/MEM/2018 (as amended), Government Regulation No. 50 of 2012 concerning the Implementation of Occupational Health and Safety Management System (SMK3). The MGR Group’s Occupational Health and Safety Management System has been independently certified in accordance with the international standard ISO 45001:2018 concerning the Occupational Health and Safety Management System (“ISO 45001:2018”). To ensure the effectiveness of the implementation of SMKP, SMK3, and ISO 45001:2018, the three guidelines are integrated in the Environmental Occupational Health and Safety Management System (“SMK3L”) Manual document, which is prepared based on the Plan-Do-Check-Act (“PDCA”) management framework. This document serves as the main guideline in the implementation of SMK3L which must be applied by all Subsidiaries, employees, work partners, contractors, visitors, and related stakeholders. The PDCA concept, which is an interactive process, is applied by the company to achieve strategic goals in creating a safe and healthy work environment to prevent work accidents, diseases, or dangerous incidents, and encourage the responsibility of all parties towards K3 in order to achieve the MGR Group’s goal: Everyone Safe, Always.

The implementation of SMK3L covers all activities carried out by companies within the MGR Group, both primary mining activities and other supporting activities. SMK3L also covers all work areas, including mining areas and supporting areas used to support mining activities. In addition, policies related to K3 are stated in the Company Regulations (PP), which regulate safety protection for all workers (100%), consisting of MGR Group employees. No employee is missed or excluded from the implementation of the company’s SMK3, so that every individual involved in the MGR Group’s operations receives equal protection regarding Occupational Safety and Health.

In 2025, the MGR Group provided 4,085 hours of OHS training across 1,014 instances of individual employee participation, and 8,888 hours of training across 2,166 instances of individual contractor participation. The MGR Group also conducted a total of 850 annual and pre-employment medical check-ups for MGR Group employees and 2,223 medical check-ups for contractors with no record of any occupational diseases. The MGR Group successfully achieved its Total Recordable Injury Frequency Rate (“TRIFR”) target of below 0.91 with a 2025 end of year TRIFR result of 0.68, down from 0.7 in 2024.

As of the first quarter 2026, the Pani Gold Mine has achieved 19.9 million cumulative man-hours without a lost time injury (“**LTi**”). This performance demonstrated robust safety management practices and a deeply embedded safety culture across its operations. During the Track Record Period and up to the Latest Practicable Date, there were no major accidents (including no fatalities) at the Pani Gold Mine or the Group’s facilities involving the Group’s employees, contractors and third-party service providers.

Potential ESG-Related Risks and Our Strategies

Our mining activities and production processes pose potential ESG-related risks such as gas emission, wastewater, noise, solid waste, tailings management, and land remediation and biodiversity risks. To mitigate the adverse impact of these risks, we have taken the following measures:

Energy Consumption and GHG. To address risks associated with high energy use, fuel dependency, and greenhouse gas emissions from mining and processing activities, the Company implements energy conservation measures through operational optimization, preventive maintenance, and energy performance monitoring. An Energy Manager has been appointed to oversee the implementation of an Energy Management System. As part of the Company’s roadmap, energy audits are planned within the next three years to establish baselines and identify efficiency improvement opportunities.

In addition, the Company utilizes B40 biodiesel to reduce the carbon intensity of fuel use (Scope 1). For Scope 2 GHG emissions, GSM and PBT purchased RECs from EMI, a subsidiary of PLN, the state-owned electricity utility, on 1 October 2025. As a result of this purchase, effective 1 January 2026, the electricity consumed at Pani Gold Mine is originated from clean energy generated by the Bakaru Hydropower Plant and/or other power plants provided by PLN.

Water Treatment. The MGR Group applies water management practices focused on efficient use and minimizing freshwater withdrawal. Wastewater generated from mining is treated in accordance with regulatory standards before discharge.

Environmental Monitoring and Regulatory Compliance Risks. The MGR Group conducts periodic environmental monitoring covering water quality, waste management, and emissions to ensure compliance with environmental regulations and internal environmental policies. Monitoring results are used to improve operational controls and support continuous improvement.

Governance, Policy, and Continuous Improvement. Environmental protection and energy conservation are governed under the MGR Group’s environmental policy framework, which covers climate change, emission management, water management, waste management, and biodiversity protection. These commitments are embedded into operational planning, employee awareness programs, and management review processes to ensure continuous improvement across mining and processing operations.

ESG 2025 Performance and 2026 Targets

The following table summarizes selected ESG performance indicators of the Company for the year ended 31 December 2025, together with the Company’s sustainability targets for 2026. These indicators reflect management’s commitment to continuous improvement across environmental, social, and governance aspects of operations.

ENVIRONMENT

Topic	2025 Performance	2026 Targets
Management System	<ul style="list-style-type: none"> 100% of sites obtained ISO 14001:2015 certification Environmental Policy developed 	<ul style="list-style-type: none"> Maintain 100% ISO 14001:2015 certification across all sites

BUSINESS

Topic	2025 Performance	2026 Targets
Water, Wastewater & Waste	<ul style="list-style-type: none"> • Water Management Policy and Waste Management Policy developed • Waste reduction initiatives implemented • Water quality complied with applicable regulations 	<ul style="list-style-type: none"> • Ensure water quality complies with applicable laws and regulations
Climate Change & Energy	<ul style="list-style-type: none"> • Climate Change Policy and Energy Policy developed • Entered REC agreement 	<ul style="list-style-type: none"> • Implement and monitor energy management programs • Implement and monitor climate change programs
Biodiversity	<ul style="list-style-type: none"> • Biodiversity Management Policy developed 	<ul style="list-style-type: none"> • Implement and monitor Biodiversity Management Plan • Establish permanent nursery station • Establish fauna shelters
Air Emissions	<ul style="list-style-type: none"> • Emissions Policy developed • Operations complied with air emission standards 	<ul style="list-style-type: none"> • Ensure operations comply with applicable air emission standards

OCCUPATIONAL HEALTH & SAFETY (“OHS”)

Topic	2025 Performance	2026 Targets
Incident Prevention & Fatality Elimination	<ul style="list-style-type: none"> • Zero fatalities • Zero LTI • TRIFR: 0.68, achieved against the target of below 0.91 • Safety Management System Scorecard improved to 93% 	<ul style="list-style-type: none"> • Zero fatalities • Zero LTI • TRIFR lower than 0.86 • Safety Scorecard ≥ 95%
Employee Wellness	<ul style="list-style-type: none"> • Medical check-ups provided to all employees 	<ul style="list-style-type: none"> • MGR employees and contractors undergo annual medical check-ups • Monitor medical high-risk employees and contractors according to schedule and within 95% attendance.
OHS Training	<ul style="list-style-type: none"> • 1,014 employees trained (4,085 hours) • 2,166 contractors trained (8,888 hours) 	<ul style="list-style-type: none"> • Conduct OHS training per 2026 training plan

BUSINESS

Topic	2025 Performance	2026 Targets
OHS Management Systems . . .	<ul style="list-style-type: none"> • SMKP audit: PETS 88.16%, GSM 87.86% • 100% ISO 45001:2018 certification across business units 	<ul style="list-style-type: none"> • Conduct SMKP Audits and Safety audits as per schedule • Maintain ISO 45001:2018 certification • Senior Management Safety Inspections (“SMSI”) achieve target of 7 per month (84 per year). • Risk Reviews conducted as per schedule.

LABOR

Topic	2025 Performance	2026 Targets
Skills & Leadership Development	<ul style="list-style-type: none"> • 7,360 training hours delivered 	<ul style="list-style-type: none"> • Conduct training needs analysis • Increase training hours per employee • Improve training facilities and instructor capability • Develop competency metrics for non-staff • Pre-retirement training • Leadership training for managers • Refresher training on Code of Conduct & Anti-bribery
Diversity, Equity & Inclusion (“DEI”)	<ul style="list-style-type: none"> • Female workforce: 15.4% of total workforce • Women Workers Protection Forum established • 40 female heavy equipment operators (contractors) 	<ul style="list-style-type: none"> • Increase female workforce participation • Increase local workforce participation • Expand female employee forum activities
Employee Engagement	<ul style="list-style-type: none"> • Employee Satisfaction Survey conducted • Engagement forums facilitated • Long-Service Awards provided 	<ul style="list-style-type: none"> • Improve employee satisfaction • Increase engagement forum activities • Establish employee cooperative

BUSINESS

COMMUNITIES

Topic	2025 Performance	2026 Targets
Community Development & Empowerment	<ul style="list-style-type: none"> • US\$210,743 disbursed for programs • Programs implemented in line with approved plans 	<ul style="list-style-type: none"> • Ensure effective implementation aligned with approved annual plans
Community Engagement . . .	<ul style="list-style-type: none"> • Regular meetings conducted 	<ul style="list-style-type: none"> • Ensure regular meetings with communities

HUMAN RIGHTS

Topic	2025 Performance	2026 Targets
Human Rights Management System	<ul style="list-style-type: none"> • Human Rights Policy developed 	<ul style="list-style-type: none"> • Implement and monitor Human Rights Policy
Security & Human Rights . . .	<ul style="list-style-type: none"> • Annual human rights training delivered to security personnel 	<ul style="list-style-type: none"> • Provide human rights training to 100% of security personnel
Human Rights in Supply Chain		<ul style="list-style-type: none"> • Provide human rights training to employees and contractor representatives

GOOD GOVERNANCE

Topic	2025 Performance	2026 Targets
Regulatory Compliance	<ul style="list-style-type: none"> • No instances of non-compliance resulting in fines or sanctions from authorities or regulators 	<ul style="list-style-type: none"> • Maintain zero non-compliance incidents from authorities and regulators
Code of Conduct		<ul style="list-style-type: none"> • Ensure 100% employees receive Code of Conduct training and communication
Responsible Supply Chain	<ul style="list-style-type: none"> • Zero contract terminations due to ESG impacts • 100% primary contractors assessed under CMS 	<ul style="list-style-type: none"> • Increase CMS training participants • Maintain zero ESG-related contract terminations • Maintain 100% CMS assessment for primary contractors
Risk Management	<ul style="list-style-type: none"> • Risk & Opportunity Management Policy established • Risk and opportunity management committee regular meetings conducted on extreme and high risks 	<ul style="list-style-type: none"> • Increase risk and opportunity management training participation throughout 2026 • Conduct regular risk and opportunity management committee meetings on extreme and high risks

INSURANCE

As of the Latest Practicable Date, we had insurance policies covering transportation of cargo (non-bullion and bullion), plant, machinery, heavy equipment, property all risks and business interruption, combined general and products liability, environmental impairment liability, political violence, and directors and officers insurance.

We believe that our insurance policies are adequate to replace the insured objects or cover the risks insured by us. We consider our insurance coverage to be in line with the industry norm and the relevant laws and regulations in Indonesia. However, the protection from such insurance may not be sufficient to cover actual losses because we have agreed to policy limits for certain coverage. For details, see “Risk Factors — Risks Related to Our Business and Industry — Our insurance coverage may be inadequate to cover potential claims.”

PROPERTIES

As of the Latest Practicable Date, we (i) owned land with a carrying amount of US\$51 thousand, (ii) owned buildings with a carrying amount of US\$16.2 million, and (iii) had the right-of-use to a building with a carrying amount of US\$31 thousand. All of these properties were used to support our business activities.

As at 31 December 2025, none of the properties held or leased by us had a carrying amount of 15% or more of our consolidated total assets. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance which requires a valuation report with respect to all our interests in land or buildings.

ENVIRONMENTAL LICENSES AND PERMITS

We conduct environmental impact identification based on Environmental Impact Analysis (“AMDAL”) to ensure appropriate and effective responses to actual and potential environmental risks, in accordance with applicable regulations in Indonesia and international standards. The following is a list of AMDAL, UKL-UPL and/or Environmental Permit documents held by our subsidiaries:

PETS	Decree of the Head of the Pohuwato Regency Investment Office No. 205/07/IL/DPM/XI/2018 dated 23 November 2018 concerning Environmental Permit for the 131.46 Ha Gold Mining Activity Plan of PT Puncak Emas Tani Sejahtera in Hulawa Village, Buntulia District, Pohuwato Regency in conjunction with Decree of the Head of the Pohuwato Regency Environmental Office No. 800/PLH-PHWT/SKKL/01/XI/2018 dated 19 November 2018 concerning the Decision on Environmental Feasibility of the 136 Ha Gold Mining Activity Plan in Hulawa Village, Buntulia District, Pohuwato Regency in conjunction with Decree of the Minister of Environment and Forestry No. SK/1208/MENLHK/SETJEN/PLA.4/12/2022 dated 2 December 2022 concerning the Environmental Feasibility of Infill Drilling Mining Activities of DMP Gold Mining in Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province in conjunction with Decree of the Minister of Environment/Head of the Environmental Control Agency No.797 dated 9 May 2025 concerning the Environmental Feasibility of Infill Drilling Additional Activities of DMP Gold Mining of PT Puncak Emas Tani Sejahtera.
GSM	Decree of the Governor of Gorontalo No. 305/22/VII/2016 dated 15 July 2016 in conjunction with Decree of the Minister of Environment and Forestry No. 146 of 2024 dated 5 February 2024 concerning the Environmental Feasibility of the Gold and Associated Mineral Mining Development Activity Plan (DMP) in Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province by PT Gorontalo Sejahtera Mining.
PBT	Environmental Permit based on the Decree of the Head of the Investment, Energy and Mineral Resources and Transmigration Office of Gorontalo Province No. 02/DPMESDM-TRANS/IL/I/2019 dated 31 January 2019 concerning the Environmental Permit for Gold Ore Processing and Refining Activities covering an area of 763.90 Ha in Hulawa Village, Buntulia District, Pohuwato Regency, Gorontalo Province by PT Pani Bersama Tambang in 2019, as amended by the Decree of the Head of the Investment and One-Stop Integrated Service Office of Gorontalo Province No. 01/DPMPSTSP/SKKL/I/2025 dated 8 January 2025 concerning Approval of the Environmental Feasibility Letter Addendum to the ANDAL and RKL-RPL for the Gold Ore Processing and Refining Activity Plan of PT Pani Bersama Tambang.

MAP Decree of the Head of Gorontalo Province Investment and One-Stop Service Office No. 500.16.7.2/DPMPSTP/02/III/2025 dated March 2025 on Approval of the Statement of Commitment to Environmental Management of the Planned Construction of Warehousing, Roads and Other Supporting Facilities in the Form of a Special Terminal in Bumbulan Village, Paguat District, Pohuwato Regency, Gorontalo Province by PT Mentari Alam Persada covering an area of 79,062.91 m².

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we had not been a party to, and were not aware of any threat of, any material legal, arbitral or administrative proceeding which, in our opinion, would likely have a material and adverse effect on our business, financial condition or results of operations. We may from time to time become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business.

Legal Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in (i) any material non-compliance incidents that have led to fines, enforcement actions or other penalties which could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations, and (ii) any legal claims or proceedings that may have an material influence on our rights to explore or mine.

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any non-compliance with environmental laws and regulations by the Group, any breach of anti-corruption, anti-bribery, anti-money laundering, sanctions, financial and export control regulations and similar laws and regulations by the MGR Group or its employees or any material incident of economic, political or social instability in the regions where the MGR Group operated that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. We had not experienced any material adverse impact from sanctions and export controls during the Track Record Period and up to the Latest Practicable Date.

RISK MANAGEMENT AND INTERNAL CONTROL MEASURES

Risk Management

We are subject to various risks relating to our operations. For details, see the “Risk Assessment” section in the CPR in Appendix III to this prospectus. We have established risk management systems, further discussed below, to manage our risk exposures. Based on the CPR, we are subject to the risks of (i) failure of the heap leach stack, (ii) tailings filtration and filtered tailings facility underperformance, (iii) actual tailings dry density realised below target, (iv) underestimation of costs or cost inflation, and/or (v) seismic/earthquake activity causes damage to site infrastructure such as TSF, pit and plant. To mitigate these risks we adopt the following risk management policies or procedures: (i) build the dump to engineering specifications and monitor/survey the dump for movement/slumping; (ii) carry out comprehensive testing of the ore prior to engineering the tailings filter, and build some redundancy into the filter press to ensure no shortfalls occur; (iii) validate that the higher density is a reasonable assumption to base the TSF design on, and incorporate some redundancy in the tailings design to incorporate additional capacity if required; (iv) incorporate higher levels of contingency on longstanding price estimates, and have large capital elements repriced; and (v) focus mitigation efforts on response capabilities rather than elimination, as it is difficult to avoid impacts from a large seismic event.

To manage the risk of illegal mining that may disrupt our operational activities, we implement comprehensive security measures in our concession area to protect the Pani Gold Mine from illegal mining. These measures include the deployment of security officers and coordination with the Indonesian National Police (Polri) to maintain security within the concession boundaries. In addition to security enforcement, we have implemented career transfer programs and provided compensation arrangements to facilitate the orderly removal of illegal miners from the concession area.

Risk management is a key pillar of our Corporate Governance strategy and plays a crucial role in business management. MGR has adopted the MCG Risk Management Software to record and monitor risks and track mitigation actions as necessary. We implement risk management to mitigate the above risk factors outlined in the CPR, and to address the key material risks outlined in “Risk Factors.”

Internal Control

To ensure business continuity in line with objectives and programs, and to promote efficiency and compliance with management policies, our internal control system will include various processes designed to provide reasonable assurance that financial reporting is accurate and complete, and that corporate objectives are achieved. This assurance is primarily supported by the Internal Audit Unit, which conducts periodic audits of significant operational and financial activities. As part of the MCG Group, we have adopted the MCG Group’s internal control system.

In general, internal control activities aim to assist the Board of Commissioners and Board of Directors in: (i) protecting our assets; (ii) ensuring the availability of reliable and trustworthy financial reports; (iii) enhancing the Company’s compliance with laws and regulations; (iv) mitigating the risk of loss, deviation and violation of the principle of prudence; (v) increasing organizational effectiveness; and (vi) increasing cost efficiency.

We have implemented internal control functions in the financial and operational aspects as follows:

Financial control. To ensure the reliability of reporting and presentation of financial statements, we have implemented the following internal controls: (i) clear separation of functions; (ii) regular updates to all policies, procedures, operational systems and standards accountancy; (iii) maintain complete and accurate financial records which are checked through a multi-level review process; (iv) preparation of financial reports in a timely manner; and (v) physical asset control.

Operational control. To ensure the effectiveness of operational internal control, we conduct periodic evaluations through our Internal Audit Unit. These evaluations are designed to assess and verify that field activities are carried out in alignment with applicable internal policies, standard operating procedures, and established work standards.

Regulatory compliance. We ensure that our mining operations and other business activities are conducted in full compliance with applicable laws and regulations, as well as adhere to relevant international standards and the principles of Good Mining Practices.

Our Directors and Commissioners are of the view that we have taken all reasonable steps to establish a proper internal control system. As such, our Directors and Commissioners are of the view that our internal control measures are adequate and effective.

FINANCIAL INFORMATION

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated financial statements as at and for the years ended 31 December 2023, 2024 and 2025, and the accompanying notes included in the Accountant's Report in Appendix I to this Prospectus. The Accountant's Report has been prepared in accordance with IFRS. Potential investors should read the Accountant's Report in Appendix I in its entirety and not rely merely on the information contained in this section. The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. For additional information regarding these risks and uncertainties, see "Risk Factors".

OVERVIEW

MGR is an IDX-listed gold mining company positioned among the top pure-play gold producers in Asia. Anchored by the Pani Gold Mine, the largest primary gold mine in Indonesia on a Resources and Reserves basis according to CRU, by 2030 we are expected to rank among the top two primary gold mines in Asia by production. MGR is uniquely positioned by virtue of its base of Reserves underpinning prospective resource potential, average strip ratio being among the lowest globally, and rapid ramp-up profile enabling peak production within a short timeframe. The Pani Gold Mine adopts low cost open-pit mining operations. We have capitalised upon Indonesia's natural endowment and the critical importance of the mining sector in the nation's economic development. We leverage our competitive advantages in mine scale, operational efficiency, future growth opportunities and resource potential.

In 2023, 2024 and 2025, our revenue was US\$1.4 million, US\$1.8 million and US\$0.1 million, our loss for the year was US\$6.8 million, US\$12.7 million and US\$27.5 million, and our total comprehensive loss for the year was US\$6.9 million, US\$13.3 million and US\$27.3 million, respectively, after accounting for exchange difference on financial statements translation, actuarial gain/(loss) and related income tax.

SIGNIFICANT FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Directors and Commissioners believe that the factors described below significantly affected our business activities, results of operations and financial condition during the Track Record Period and/or will have a significant impact on our business activities, results of operations and financial condition in the future.

Macroeconomic conditions and fluctuations in global commodity prices, supply and demand

The majority of the MGR Group's future revenue will be derived from the sale of gold and silver products. Gold and silver will be sold at prices referenced to prevailing spot prices in domestic and international markets, based on benchmark prices published by the London Bullion Metal Association ("LBMA"), with applicable commercial adjustments determined through negotiations. Therefore, the MGR Group's future operational performance and financial condition will be directly affected by global gold price fluctuations. Gold prices have historically fluctuated, and are influenced by various factors beyond the MGR Group's control, such as global and regional supply and demand, global economic conditions, advance sales by producers, buying and selling of precious metals by various central banks and financial institutions, interest rates and interest rate expectations, exchange rates, inflation or deflation, fluctuations in the value of the United States Dollar and other foreign currencies, as well as geopolitical issues. The market for gold commodities is also influenced by demand from end users. For example, the price and demand for gold as a safe haven tend to increase in market environments filled with uncertainty, high inflation and a weak United States Dollar.

With the current gold price environment, the Company believes that its profitability and operating margins remain competitive. Accordingly, the Company's primary approach to managing gold price fluctuation is through operational discipline and continuous cost optimization initiatives, with the objective of maintaining sufficient margins between production costs and prevailing gold prices. The Company believes this approach supports positive operating cash flow generation across most commodity price scenarios.

Production volume and production capacity expansion

The MGR Group's production volumes will be primarily influenced by the stages of mining, production and processing operations and variations in ore grade cycles.

FINANCIAL INFORMATION

The mining method used at the Pani Gold Mine is open-pit mining, which exploits mineral deposits near the surface. Generally, open-pit mining operations begin with drilling and blasting, followed by overburden excavation and ore extraction using a combination of excavators, shovels, hydraulics and rock transportation using dump trucks. Overburden and transported ore will be placed in locations appropriate to the material type. Due to the nature of the Pani Gold Mine, mining is being carried out in stages by deepening the pit floor to access the ore. MGR Group's mining activities will strictly adhere to the established mine plan and mining sequence.

In addition to mining stages, production volume achievement can also be affected by planned and unforeseen events. Planned events include planned repair times for equipment and facilities and scheduled maintenance times. Operational activities can also be affected by unforeseen events such as difficulties encountered during drilling and blasting, unusual or severe weather events, particularly heavy rainfall patterns, or equipment failure. To minimize these risks, production activities will be scheduled based on weather forecasts, demand for goods, and inventory levels, with the objective of maintaining cost discipline and operational continuity during periods of heavy rainfall.

Production volume has the potential to increase along with the discovery of new Mineral Resources or the increase in Ore Reserves that have economic feasibility as a result of the MGR Group's ongoing asset development activities.

Exploration load

One of the MGR Group's primary strategies is to sustainably optimize its resource potential by increasing Mineral Resources and Ore Reserves, and extend the life of the Pani Gold Mine. Certain costs related to exploration activities can be capitalized, deferred, and amortized after mining operations commence.

As a result, the MGR Group's operating results may be affected from time to time depending on the timing of capitalization, amortization or potential impairment of such costs. There can be no assurance that exploration activities will be successful and that mineral discoveries can be commercially developed, and therefore, exploration-related costs should be written off. Key factors that could impact further exploration activities include permitting, mineral distribution, topography, and infrastructure.

Capital expenditure

The MGR Group is further estimated to require additional funding of approximately US\$72 million in real terms between 2026 and 2029 to increase the capacity of the heap leach site, US\$935 million in real terms to commission the CIL project, and the remaining US\$379 million in real terms to support the business operation. These are major capital expenditures, which are planned to be financed through a combination of cash flows from operating and financing activities. The MGR Group's ability to obtain the most efficient funding will impact the MGR Group's revenue, costs and results of operations.

Changes in government policies and laws

The MGR Group's business activities are subject to various laws, policies and regulations, particularly those governing production operations, contract work, exploration, development and mining activities, taxation and royalties, as well as import and export taxes. Increased regulations related to precious mineral mining business activities may result in additional time and costs in complying with all regulations and ultimately impact the economic feasibility of assets and projects in the MGR Group portfolio. In accordance with applicable laws and regulations, the Group's business activities are subject to various obligations including: (i) land and building tax; (ii) income tax; (iii) Value Added Tax ("VAT"); (iv) royalties; (v) corporate social responsibility activities, the management of which is carried out jointly between the subsidiaries of the Company and the local government; (vi) borrow-to-use forest area permit; (vii) fixed fees (dead rent); (viii) reclamation and post-mining obligations; and (ix) export duties in the form of placement of Foreign Exchange Proceeds from Natural Resource Exports (Devisa Hasil Ekspor Sumber Daya Alam, or "DHE SDA"). Although the current policy of the Indonesian Government towards the domestic mineral mining industry is generally market-oriented, the Indonesian Government may, from time to time, promulgate new policies or laws that affect the Company's mining and processing operations and sales of its mining products. See "— Export duties and regulation" below.

FINANCIAL INFORMATION

Fixed contribution

For each year during the term of the mining permit, the MGR Group must pay the Government a fixed annual fee calculated at Rp60,000 (US\$4) per hectare. The annual fixed fees for PETS and GSM are approximately Rp6,000,000 (US\$358) and Rp874,200,000 (US\$51 thousand), respectively.

Government royalties

By engaging in sales activities, the MGR Group is required to pay royalty fees to the Government based on the type and quantity of minerals produced. These royalty fees must be deposited directly into the state treasury through e-PNBP, with the provision that they are fully paid in advance according to the sales plan in the form of provisional billing/invoices before the mineral mining commodities are on the mode of transportation for the purpose of mineral sales. On 11 April 2025, the Government issued Government Regulation No. 19/2025 which came into effect on 26 April 2025 and revoked the previous regulation, namely Government Regulation No. 26/2022. Through Government Regulation No. 19/2025, the Government set a higher gold royalty rate for the MGR Group's main commodities, namely gold and silver. In addition, the subject gold royalty rate of price per troy ounce is determined progressively based on the Reference Mineral Price ("HMA") set by the Ministry of Energy and Mineral Resources each period.

HMA price	Subject rate (of price per troy ounce)
HMA < US\$1,800	7%
US\$1,800 ≤ HMA < US\$2,000	10%
US\$2,000 ≤ HMA < US\$2,200	11%
US\$2,200 ≤ HMA < US\$2,500	12%
US\$2,500 ≤ HMA < US\$2,700	14%
US\$2,700 ≤ HMA < US\$3,000	15%
HMA ≥ US\$3,000	16%

For silver, a fixed rate of 5% of the price per troy ounce is charged.

Export duties and regulation

If and when we should elect to conduct export sales, based on Government Regulation No. 8/2025, the MGR Group is required to place all DHE SDA into the DHE SDA Special Account at 100% and at least 12 months from the placement in the DHE SDA Special Account. DHE SDA that has been placed into the DHE SDA Special Account can be used for several things as regulated in Government Regulation No. 8/2025.

On 17 November 2025, the Minister of Finance issued Minister of Finance Regulation No. 80 of 2025 concerning the Determination of Export Goods in the Form of Gold Subject to Export Duty and Export Duty Rates ("MOF Reg No. 80/2025"), which came into effect on 23 December 2025. MOF Reg No. 80/2025 stipulates that exported goods in the form of gold are subject to export duty. Export duty rates are applied progressively based on reference price levels as determined periodically by the Minister of Trade (in coordination with relevant agencies).

Accordingly, and partly in response to MOF Reg No. 80/2025, we intend to primarily sell our gold products domestically within Indonesia going forward; any silver by-products of our mining operations would be sold internationally and would not be subject to export duty.

As advised by our legal adviser as to Indonesian laws, as of the date hereof, the Company has not conducted any gold export activities, therefore the Group and its products are not yet subject to export tariffs applicable to gold, nor to the obligation to place export proceeds (*Devisa Hasil Ekspor Sumber Daya Alam/DHE SDA*) in a special account. The applicability of export-related tariffs, regulatory requirements, and the requirement to deposit export proceeds in a designated special account pursuant to Government Regulation No. 36 of 2023 on Foreign Exchange Proceeds from Export Activities Derived from Exploitation, Management, and/or Processing of Natural Resources as amended by Government Regulation No. 8 of 2025 will only arise upon the commencement of gold export activities.

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Currency exchange rates

Fluctuations in foreign exchange rates, particularly fluctuations in the U.S. Dollar exchange rate against the Rupiah, may affect the MGR Group's results of operations. The MGR Group's revenues are substantially denominated in Rupiah, while its expenses are denominated in both U.S. Dollars and Rupiah. Therefore, an appreciation of the Rupiah against the U.S. Dollar could effectively increase the MGR Group's expenses without increasing the MGR Group's revenues and could result in a decrease in the MGR Group's profit after tax in U.S. Dollars. The MGR Group does not currently have a hedging policy against foreign exchange risk.

Mining and processing costs

As at 31 December 2025, the Company was in the process of preparing the Pani Gold Mine for commencement of operations in early 2026, with gold production achieved in the first quarter of 2026. While mining and processing costs are not yet reflected in the Company's results of operations during the Track Record Period, such costs will be significant and will be reflected in the Company's results of operations going forward and for future periods.

Mining and processing expenses are expected to constitute the largest portion of the MGR Group's cost of sales. These expenses reflect direct production costs associated with overburden removal, ore mining, ore processing, as well as supporting costs directly attributable to these activities such as energy costs, costs of materials and equipment used, contractor fees, and shipping and handling services.

Based on the CPR, mining and processing expenses are expected to represent approximately 77% of total operating expenses over the life of mine for both HL and CIL, excluding royalties. Mining and processing costs are generally influenced by the production volumes and operational efficiency of the mining and processing facilities, as well as the availability and productivity of contractors and employees. Increased overburden removal activities and greater pit depths are expected to contribute to higher mining and processing costs. The MGR Group's mining and processing costs are expected to continue to increase in line with the increase in production levels at the Pani Gold Mine. The MGR Group can leverage MCG's proven expertise in mining and processing operations as operations at the Pani Block gradually increase.

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RESULTS OF OPERATIONS

The following table sets forth a summary, for the years indicated, of the Group's consolidated results of operations in absolute amounts for the year. The Group's historical results presented below are not indicative of the results that may be expected for any future period.

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Revenue	1,394	1,750	132
Cost of Revenue	(936)	(1,180)	(278)
Gross Profit/(Loss)	458	570	(146)
Operating Expense			
General and administrative expenses . . .	(2,170)	(1,019)	(9,486)
Loss from Operating	(1,712)	(449)	(9,632)
Finance income	188	688	1,209
Finance expenses	(8,994)	(20,673)	(14,724)
Other income/(expense) – net	387	5,500	(2,245)
Loss Before Income Tax	(10,131)	(14,934)	(25,392)
Income tax benefit/(expense)	3,294	2,234	(2,102)
Loss for the Year	(6,837)	(12,700)	(27,494)
Other comprehensive (loss)/income that will be reclassified to profit or loss:			
Exchange difference on financial statements translation	(25)	(680)	158
Other comprehensive (loss)/income that will not be reclassified to profit or loss:			
Actuarial (loss)/gain	(8)	81	4
Related income benefit/(tax)	2	(22)	–
Other comprehensive (loss)/income – net .	(31)	(621)	162
Total Comprehensive Loss for the Year . . .	(6,868)	(13,321)	(27,332)

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MAJOR COMPONENTS OF OUR CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Revenue

As at 31 December 2025, the MGR Group had not yet commenced gold production. The MGR Group has historically derived all of its revenue from the rental of MMI's heavy equipment to PETS and other subsidiaries of MGR, MCG's subsidiaries BSI and MMS, as well as MGR's related parties to support construction and mining preparation activities at the PETS mine and BSI's mine operations. MMI also rents heavy equipment to PBT, GSM and MAP, all of which are fully eliminated in the consolidated financial statements. In connection with the acquisition of additional shares in PETS in June 2024 which increased the Company's effective ownership in PETS from 48.99% to 99.99%, revenue from heavy equipment rentals to PETS since June 2024 has been fully eliminated in the consolidated financial statements. Such rental activities are expected to be gradually reduced from 2026 onwards as MMI focuses on providing operational support to the Pani Gold Mine. Accordingly, mining equipment rental is not expected to constitute a material portion of our revenue going forward.

The following table presents information regarding the details of revenue and its percentage of revenue for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Mining equipment rental	1,394	100	1,750	100	132	100
Total	1,394	100	1,750	100	132	100

Cost of revenue

Cost of revenue consists of depreciation and repair and maintenance and other expenses which arise from heavy equipment rental activities.

The following table presents details of the components of cost of revenue and their percentage of total cost of revenue for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Depreciation	336	35.9	206	17.5	27	9.7
Repair and maintenance and other expenses	600	64.1	974	82.5	251	90.3
Total	936	100	1,180	100	278	100

Depreciation. Depreciation expense arises from the depreciation of heavy equipment.

Repair and maintenance and other expenses. These costs arise from routine maintenance and repairs of heavy equipment and also include fuel costs (where rental agreement is inclusive of fuel) and related overhead costs.

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Gross profit/(loss)

Gross profit/(loss) is calculated by subtracting cost of revenue from revenue.

The table below presents gross (loss)/profit and its percentage of revenue for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Gross profit/(loss)	<u>458</u>	<u>32.9</u>	<u>570</u>	<u>32.6</u>	<u>(146)</u>	<u>(110.6)</u>

General and administrative expenses

General and administrative expenses consist primarily of fees and services community development, salaries and allowance.

The following table presents details of the components of general and administrative expenses, and their percentage of total general and administrative expenses for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Professional fees and community development program.	1,525	70.3	656	64.4	8,586	90.5
Salaries and allowances	406	18.7	119	11.7	245	2.6
Others	239	11.0	244	23.9	655	6.9
Total	<u>2,170</u>	<u>100</u>	<u>1,019</u>	<u>100</u>	<u>9,486</u>	<u>100</u>

Professional fees and community development program. Professional fees and community development program were US\$8.6 million in 2025, due primarily to professional fees incurred in connection with our initial public offering of Shares and IDX listing completed in September 2025. Historically, professional fees have been paid to MCG for management consulting services. The community development program portion mainly represents a commitment by the MGR Group to implement social responsibility programs to support social and economic development in mining areas.

Salaries and allowances. Salaries and allowances include salaries, bonuses, and allowances for management and both permanent and temporary employees of the MGR Group.

Others. Other expenses primarily consist of various miscellaneous costs that are individually insignificant, including insurance costs, employee permit and license costs and costs of purchasing low-value assets.

Loss from Operating

Operating loss is calculated by subtracting operating expenses from gross profit.

The table below presents operating losses and their percentage of revenue for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Loss from Operating	<u>1,712</u>	<u>122.8</u>	<u>449</u>	<u>25.7</u>	<u>9,632</u>	<u>7,297.0</u>

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Finance income

Finance income consists of interest received from cash balances maintained in current accounts.

Finance expenses

Finance expenses primarily consist of interest on loans, sale and leaseback arrangements and finance leases.

The following table presents details of the components of finance expenses and their percentage of total finance expenses for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Interest on related party borrowings . .	8,520	94.7	18,791	90.9	22,618	153.6
Interest on bank borrowings	–	–	112	0.5	1,040	7.1
Interest on sale and leaseback arrangements	443	4.9	1,536	7.4	1,957	13.3
Interest on lease liabilities	31	0.4	5	0.1	9	0.1
Amortized borrowing cost	–	–	229	1.1	1,031	7.0
Accretion interest on mine rehabilitation provision	–	–	–	–	514	3.4
Less: Interest capitalized . .	–	–	–	–	(12,445)	(84.5)
Total	8,994	100	20,673	100	14,724	100

Interest on related party borrowings. Interest on related party borrowings consists of interest arising in connection with loans from MCG. The increase in interest on related party borrowings in 2024 and 2025 was primarily attributable to the gradual increase in borrowings obtained from MCG to finance the acquisition of capital goods and support the Group's construction-stage activities.

Interest on bank borrowings. Interest on bank borrowings consists of interest arising in connection with loans from bank loan facilities. The increase in interest on bank borrowings from 2024 to 2025 was primarily attributable to drawdowns made in 2025 under a significant new syndicated bank loan facility with a total facility amount of US\$350 million.

Interest on sale and leaseback arrangements. Interest on sale and leaseback arrangements consists of interest arising in connection with heavy equipment acquired under sale and leaseback arrangements. The increase in interest on sale and leaseback arrangements in 2024, which continued to increase in 2025, was primarily attributable to the increase from the additional heavy equipment units acquired to support the Group's construction activities in 2024 and 2025, as well as the commencement of mining production activities in 2025.

Interest on lease liabilities. Interest on lease liabilities represents interest arising in connection with office lease contracts.

Amortized borrowing cost. Amortized borrowing cost is the amortization of transaction costs incurred in connection with bank loan facilities.

Accretion interest on mine rehabilitation provision. Accretion interest represents costs related to the increase in the carrying amount of the mine rehabilitation provision over time

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associated with the Asset Retirement Obligation (“ARO”), which is calculated using the inflation rate and the IBPA rate. ARO represents the obligation of the MGR Group to restore mining sites that have been completed and returned to their original condition.

Interest capitalized. Interest capitalized represents interest on loans that is capitalized to capital expenditures, because the loans are used for construction of plant activities.

Other income/(expenses)

Other income/(expenses) primarily arise from changes in the fair value of equity investments and gain/loss on foreign currency.

The following table presents details of other income/(expense) components of total other income/(expense) – net for each year:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
(Gain)/loss on foreign currency – net . . .	(56)	(266)	1,971
Fair value changes on equity interest . . .	–	(4,950)	–
Excess value in acquisition of a subsidiary	–	(845)	–
Other (income)/expenses – net	(331)	561	274
	<u>(387)</u>	<u>(5,500)</u>	<u>2,245</u>

(Gain)/loss on foreign currency – net. Losses and gains on foreign currency are primarily driven by revaluations of cash and banks, receivables and payables denominated in currencies other than the functional currency of the Company or its subsidiaries. Loss on foreign currency – net was US\$2.0 million in 2025, due primarily to the net proceeds from our initial public offering of Shares in September 2025 being denominated in Rupiah, while our reporting currency is U.S. dollars.

Fair value changes on equity interest. Changes in fair value of equity interest represent the remeasurement fair value gain of PEG’s 49% ownership interest in PETS (a joint venture) of US\$4.9 million.

Excess value in acquisition of a subsidiary. Excess value in acquisition of a subsidiary represents the and excess value gain of US\$0.8 million in connection with the Company’s direct and indirect acquisition of the remaining 51% interest in PETS on 27 June 2024.

Other income/(expense) – net. Other income/(expense) mainly consist of various costs/other income not related to the MGR Group’s business activities, the amount of which is individually insignificant, including shipping costs and bank administration fees, as well as other income from third parties.

Loss before income tax

Loss before income tax is calculated by subtracting operating loss from the sum of financial income and finance expenses, plus Other income/(expense) – net.

The table below presents the loss before income tax and its percentage of revenue for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Loss before income tax	<u>10,131</u>	<u>726.8</u>	<u>14,934</u>	<u>853.4</u>	<u>25,392</u>	<u>19,236.4</u>

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Income tax benefit/(expense)

The MGR Group's operational activities are subject to income tax calculated at a tax rate of 22% of the estimated taxable profit for the current year in accordance with the prevailing corporate income tax rate in Indonesia. Specifically for GSM as the holder of the Contract of Work, the applicable income tax rate is 35% of the estimated taxable profit as stipulated in the terms of the contract.

The MGR Group also derives income tax benefits in the form of the recognition of deferred tax arising from temporary differences between commercial and fiscal reporting, as well as the accumulation of tax losses that can be carried forward for five years from the year of accumulation. These deferred tax assets provide future economic benefits because they can be used to reduce income tax expenses in subsequent years. Where the tax losses cannot be used before they expire or where it is considered they are unlikely to be utilized, such deferred tax assets are reversed.

Loss for the year

Loss for the year is calculated by subtracting income tax expense or adding income tax benefit from loss before income tax.

The table below presents the current year loss and its percentage of revenue for each year:

	Year ended 31 December					
	2023		2024		2025	
	US\$'000	%	US\$'000	%	US\$'000	%
Loss for the year	<u>6,837</u>	<u>490.5</u>	<u>12,700</u>	<u>725.7</u>	<u>27,494</u>	<u>20,828.8</u>

Exchange difference on financial statements translation

Exchange difference on financial statements translation recognized in other comprehensive income/(loss) relates to foreign exchange differences arising from the translation of financial statements of subsidiaries that use a functional currency other than U.S. dollars.

Actuarial (loss)/gain

Actuarial (loss)/gain recognized in other comprehensive (loss)/income relates to actuarial gains or losses arising from the remeasurement of defined benefit obligations under employee benefit plans as a result of experience adjustments and changes in actuarial assumptions.

OPERATING SEGMENTS

Based on the financial information reviewed by the chief operating decision maker, which we consider to be our Board of Directors, in evaluating the Group's performance and in allocating resources, management has determined that the Group operates in a single operating segment. Although the Group's operations include mining support services, mining, and processing activities, these are integrated and managed as one inseparable unit.

The Group operates in a single geographical area, Indonesia. During the years ended 31 December 2023, 2024 and 2025, the Group's revenue was generated substantially from mining equipment rental services to customers in Indonesia, and 100% of the Group's non-current assets are located in Indonesia.

Revenue from services is recognized using output method based on actual heavy equipment operating hours incurred during the reporting period. Revenue from services is recognised over time. Going forward, the Group expects a significant portion of its revenue to be derived from the sale of gold products.

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YEAR-TO-YEAR COMPARISON OF RESULT OF OPERATIONS

Year Ended 31 December 2025 Compared to Year Ended 31 December 2024

Revenue. Revenue decreased by 94.4% to US\$0.1 million in 2025 from US\$1.8 million in 2024, because PETS became a subsidiary of the Group on 27 June 2024 and accordingly all of the rental income earned from PETS in 2025 is eliminated on consolidation.

Cost of revenue. Cost of revenue decreased by 75.0% to US\$0.3 million in 2025 from US\$1.2 million in 2024.

Depreciation. Depreciation included in cost of revenue decreased by 85.0% to US\$0.03 million in 2025 from US\$0.2 million in 2024 due to decrease in heavy equipment rental operating hours.

Repair and maintenance and other expenses. Repair and maintenance and other costs decreased by 70.0% to US\$0.3 million in 2025 from US\$1.0 million in 2024 in line with the decrease in revenue from mining equipment rental for mining support services to PETS which has been fully eliminated since June 2024 in the consolidated financial statements.

Gross (loss)/profit. As a result of the foregoing, the Group recorded gross loss of US\$0.1 million in 2025, compared to gross profit by US\$0.6 million in 2024. Gross profit margin decreased to (110.6%) in 2025 from 32.6% in 2024.

General and administrative expenses. General and administrative expenses increased by 850.0% to US\$9.5 million in 2025 from US\$1.0 million in 2024.

Professional fees and community development program. Professional fees and community development program increased by 1,128.6% to US\$8.6 million from 2024, due primarily to professional fees incurred in connection with our initial public offering completed in September 2025.

Salaries and allowances. Salaries and allowances increased by 100.0% to US\$0.2 million in 2025 from US\$0.1 million in 2024, primarily due to an increase in the number of employees.

Others. Others increased by 250% to US\$0.7 million in 2025 from US\$0.2 million in 2024.

Loss from operating. As a result of the foregoing, loss from operating increased by 2,300.0% to US\$9.6 million in 2025 from US\$0.4 million in 2024.

Finance income. Finance income increased by 71.4% to US\$1.2 million in 2025 from US\$0.7 million in 2024, primarily due to interest earned.

Finance expenses. Finance expenses decreased by 29.0% to US\$14.7 million in 2025 from US\$20.7 million in 2024 primarily due to interest capitalized of US\$12.4 million. Excluding the impact of such interest capitalization, the Group's overall interest from borrowings increased from 2024 to 2025, mainly due to the increase in borrowings and financing activities undertaken to support the completion of construction activities and the commencement of production operations in 2025.

Other (expense)/income – net. The Group recorded other expense – net of US\$2.2 million in 2025, compared to other income – net of US\$5.5 million in 2024, this was due mainly to the remeasurement fair value gain of PEG's 49% ownership in PETS (a joint venture) of US\$5.0 million and excess value gain of US\$0.8 million in connection with the Company's direct and indirect acquisition of the remaining 51% interest in PETS on 27 June 2024, and to a lesser extent, the loss on foreign currency net of US\$2.0 million in 2025 resulting from reporting in U.S. dollars the Rupiah-denominated net proceeds from our initial public offering in September 2025.

Loss before income tax. As a result of the foregoing, loss before income tax increased by 70.5% to US\$25.4 million in 2025 from US\$14.9 million in 2024.

Income tax expense. The Group recorded income tax expense of US\$2.1 million in 2025, compared to income tax benefit of US\$2.2 million in 2024. This was primarily due to the reversal of deferred tax assets brought forward arising from tax losses.

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Loss for the year. As a result of the foregoing, loss for the year increased by 116.5% to US\$27.5 million in 2025 from US\$12.7 million in 2024.

Other comprehensive income(loss) – net. The Group recorded other comprehensive income – net of US\$0.2 million in 2025, compared to other comprehensive loss – net of US\$0.6 million in 2024.

Total comprehensive loss for the year. As a result of the foregoing, total comprehensive loss for the year increased by 105.3% to US\$27.3 million in 2025 from US\$13.3 million in 2024.

Year Ended 31 December 2024 Compared to Year Ended 31 December 2023

Revenue. Revenue increased by 28.6% to US\$1.8 million in 2024 from US\$1.4 million in 2023, due to an increase in revenue from heavy equipment rental to PETS, a joint venture in which the Group had a 49% interest. On 27 June 2024, the Group acquired the remaining 51% interest in PETS and accordingly income from rental of heavy equipment after that date has been eliminated on consolidation.

Cost of revenue. Cost of revenue increased by 33.3% to US\$1.2 million in 2024 from US\$0.9 million in 2023.

Repair and maintenance and other expenses. Repair and maintenance and other costs increased by 66.7% to US\$1.0 million in 2024 from US\$0.6 million in 2023, primarily due to increased hours of mining equipment rental usage in line with increased construction activity on mining infrastructure and processing facilities.

Depreciation. Depreciation costs decreased by 33.3% to US\$0.2 million in 2024 from US\$0.3 million in 2023, primarily due to the elimination of depreciation expense on MMI's heavy equipment leased to PETS following the consolidation of PETS into the MGR Group in June 2024.

Gross profit. As a result of the foregoing, gross profit increased by 20.0% to US\$0.6 million in 2024 from US\$0.5 million in 2023. Gross profit margin decreased to 32.6% in 2024 from 32.9% in 2023.

General and administrative expenses. General and administrative expenses decreased by 54.5% to US\$1.0 million in 2024 from US\$2.2 million in 2023.

Professional fees and community development program. Professional fees and community development decreased by 53.3% to US\$0.7 million from US\$1.5 million in 2023.

Salaries and allowances. Salaries and allowances decreased by 75.0% to US\$0.1 million in 2024 from US\$0.4 million in 2023.

Others. Others increased by 2.1% to US\$244 thousand in 2024 from US\$239 thousand in 2023.

Loss from operating. As a result of the foregoing, loss from operating decreased by 76.5% to US\$0.4 million in 2024 from US\$1.7 million in 2023.

Finance income. Finance income increased by 250.0% to US\$0.7 million in 2024 from US\$0.2 million in 2023. The increase was primarily attributable to higher interest income earned from the placement of funds in banks during 2024, as the Group maintained higher cash balances throughout the period derived from related party borrowings and newly obtained bank loan facilities.

Finance expenses. Finance expenses increased by 130.0% to US\$20.7 million in 2024 from US\$9.0 million in 2023, primarily due to higher loan balances from related party borrowings which gradually increase from MCG to finance the acquisition of capital goods and support the Group's construction-stage activities.

Other income – net. Other income – net increased by 1,275.0% to US\$5.5 million in 2024 from US\$0.4 million in 2023, primarily due to the remeasurement fair value gain of PEG's 49% ownership in PETS (a joint venture) of US\$5.0 million and excess value gain of US\$0.8 million in connection with the Company's acquisition of the remaining 51% interest in PETS on 27 June 2024.

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Loss before income tax. As a result of the foregoing, loss before income tax increased by 47.5% to US\$14.9 million in 2024 from US\$10.1 million.

Income tax (expense)/benefit. Income tax benefit decreased by 33.3% to US\$2.2 million in 2024 from US\$3.3 million in 2023.

Loss for the year. As a result of the foregoing, loss for the year increased by 86.8% to US\$12.7 million in 2024 from US\$6.8 million in 2023.

Other comprehensive income/(loss) – net. Other comprehensive loss – net increased by 1,903.2% to US\$621 thousands in 2024 from US\$31 thousand in 2023.

Total comprehensive loss for the year. As a result of the foregoing, total comprehensive loss for the year increased by 92.8% to US\$13.3 million in 2024 from US\$6.9 million in 2023.

DISCUSSION OF SELECTED ITEMS FROM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Assets

The following table presents the details of our assets as at the dates indicated.

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	69,194	148,724	317,195
Exploration and evaluation assets	175,843	182,258	–
Mining properties	–	82,923	305,584
Advances and prepayments – non-current portion	2,956	13,667	10,628
Goodwill	122	122	–
Trade and other receivables – non-current portion	55,068	19,689	36,076
Deferred tax assets	4,385	8,622	7,402
Other non-current assets	1,399	2,271	2,522
Total non-current assets	308,967	458,276	679,407
CURRENT ASSETS			
Inventories	610	573	10,515
Trade and other receivables – current portion	5,128	–	428
Advances and prepayments – current portion	1,595	3,537	4,980
Cash and banks	12,351	67,335	45,308
Total current assets	19,684	71,445	61,231
TOTAL ASSETS	328,651	529,721	740,638

Position as at 31 December 2025 compared to position as at 31 December 2024

Total assets as at 31 December 2025, increased by 39.8% to US\$740.6 million, compared to US\$529.7 million as at 31 December 2024. This increase was primarily attributable to additions of property, plant and equipment and mining properties in line with the increased construction activities by PETS, PBT and GSM for mining infrastructure and development of the processing facility by PBT, to prepare for first gold production in the first quarter of 2026.

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Position as at 31 December 2024 compared to position as at 31 December 2023

Total assets as at 31 December 2024, increased by 61.1% to US\$529.7 million, compared to US\$328.7 million as at 31 December 2023. This increase was primarily due to the addition of mining properties following the consolidation of PETS into the MGR Group in June 2024, an increase in cash and cash equivalents from loans from MCG, as well as an increase in property, plant and equipment.

Property, plant and equipment as at 31 December 2024 increased by 114.9% to US\$148.7 million, compared to US\$69.2 million as at 31 December 2023, and as at 31 December 2025 further increased by 113.3% to US\$317.2 million. The increases throughout the Track Record Period reflected the Group's transition to the pre-production stage and were in line with the significant development and construction activities at the Pani Gold Mine in preparation for the commencement of first gold production expected in the first quarter of 2026. These increases were primarily due to (i) mining infrastructure construction activities, including mine roads and supporting facilities, mine water treatment systems, waste dump facilities, and land clearing, (ii) processing facility construction activities, comprising the development of heap leach pads and heap leach ponds, and (iii) construction of other supporting facilities in the mining area, such as buildings, laboratories, security offices, and operational offices.

The fluctuations in exploration and evaluation assets from US\$182.3 million as at 31 December 2024 to nil as at 31 December 2025, and in mining properties from US\$82.9 million as at 31 December 2024 to US\$305.6 million as at 31 December 2025, primarily reflected the Group's transition at the Pani Gold Mine from the exploration and evaluation stage to the production stage following the achievement of technical feasibility and the commencement of commercial operations. As part of this transition, the Group reclassified US\$190.5 million of exploration and evaluation assets to mining properties in 2025. Accordingly, exploration and evaluation assets decreased to nil as at 31 December 2025, while mining properties increased significantly, reflecting the substantial development activities undertaken by the Group, including the commencement of its first mining activities in October 2025.

The Group recorded net current liabilities of US\$9.3 million, net current assets of US\$15.4 million, and net current liabilities of US\$6.5 million as at 31 December 2023, 2024 and 2025, respectively. The fluctuations between net current liabilities and net current assets as at these dates reflect the early construction and development stage of the Group and its processing facilities. Working capital requirements, capital expenditures, and operating expenses increased significantly between 31 December 2023 and 31 December 2025. In 2025, the Group entered the ore mining stage, and commenced commercial production in February 2026, marking an important operational milestone following the completion of the construction and commissioning stage of the Group's processing facilities. Alongside the commencement of commercial production, the Group expects that its operational capacity and cash flows from operating activities will increase. These increases are expected to improve the Group's working capital and return the Group to a net current assets position going forward.

In performing the impairment indicator assessment, the Directors considered both internal and external sources of information, including the findings and conclusions contained in various technical and economic assessments prepared by independent competent persons throughout the Track Record Period, including the CPR prepared by the Competent Person. Such assessments included, among others, reviews of Mineral Resources and Ore Reserves, mine development plans, expected operating and capital costs, prevailing and forecast gold prices and overall project economics. The Directors also considered that (i) the Group continued to hold valid mining licences throughout the Track Record Period; (ii) there were no significant adverse changes in the legal, regulatory or operating environment; (iii) the Group continued to progress its mine development activities and related capital expenditure substantially in accordance with its development plan; (iv) the Competent Person's assessments indicated that the relevant mining projects were economically viable based on the latest life-of-mine plans and financial projections; and (v) according to CRU, prevailing gold prices remained favourable and generally increased throughout the Track Record Period from around an average price of US\$1,941/ounce in 2023 to US\$2,386/ounce in 2024 and US\$3,431/ounce in 2025, all in nominal terms. As at the Latest Practicable Date, gold was trading at approximately US\$4,300/ounce. Per the CPR, the gold price is one of the most significant factors affecting the viability of the Group's operations. The Group's projected ASIC over the LOM is approximately US\$1,632/oz including royalties and US\$794/oz excluding royalties, leaving significant headroom in the event gold prices do fall. Based on the above assessments, the Directors are of the view that no impairment indicators existed in relation to the Group's non-financial assets.

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The Group fluctuated between recording net current liabilities and net current assets during the Track Record Period due to fluctuations in its underlying balances of current assets and current liabilities as discussed below.

The balance of current assets as at 31 December 2025 decreased by 14.3% to US\$61.2 million, compared to US\$71.4 million as at 31 December 2024. The decrease was primarily attributable to the utilization of investment funds received from shareholder PT Permata Alam Kapital amounting to US\$125 million in the fourth quarter of 2024, resulting in a decrease in cash and banks balance. The decrease was partially offset by the receipt of proceeds from the Group's initial public offering in Indonesia amounting to approximately US\$283.7 million, of which US\$17.4 million remained unutilized as at 31 December 2025, as well as an increase in inventory amounting to US\$9.9 million following the commencement of the Group's initial mining activities in October 2025. The increase in inventory reflected the initial build-up of ore stockpiles in line with the Group's transition from construction and development stage into the early operational and production phase.

The balance of current liabilities as at 31 December 2025 increased by 21.1% to US\$67.8 million compared to US\$56.0 million as at 31 December 2024, primarily due to additional payables and accrued liabilities arising from continuing equipment purchases during 2025, including related supporting inventory spare parts and contractor services required for the Group's processing activity and first gold production in early 2026.

The balance of current assets as at 31 December 2024 increased by 262.4% to US\$71.4 million, compared to US\$19.7 million as at 31 December 2023. The increase was primarily attributable to the increase in cash and banks arising from the receipt of investment funds from shareholder of PT Permata Alam Kapital amounting to US\$125 million in the fourth quarter of 2024. As at 31 December 2024, US\$48.7 million of such funds had not yet been fully utilized and that portion was intended to support the Group's ongoing construction and development activities, including the construction of mining infrastructure, processing facilities and other supporting facilities within the mining area. The investment was made as part of the Group's effort to commence mining activities and achieve initial production.

The balance of current liabilities as at 31 December 2024 increased by 93.8% to US\$56.0 million, compared to US\$28.9 million as at 31 December 2023, primarily due to additional payables and accrued liabilities arising from the Group's construction and development activities during 2024. The balance started increasing significantly in 2024 due to the procurement of new equipment and spare parts as well as contractor services to support construction and operational readiness for first mining activities by the end of 2025. The construction activities involved mining infrastructure, processing facilities and other supporting facilities within the mining area.

The Group recorded net current liabilities of US\$9.3 million as at 31 December 2023, primarily due to trade payables, other payable and accruals as of US\$25.6 million, partially offset by cash and banks of US\$12.4 million. The trade payables, other payable and accruals primarily comprised US\$14.1 million in payables for purchases of property, plant and equipment and mining properties to third parties, and US\$8.6 million in borrowings interest to third parties.

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Liabilities

The following table presents the details of our liabilities as at the dates indicated.

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
LIABILITIES			
CURRENT LIABILITIES			
Trade payables, other payable and accruals	25,586	49,289	57,248
Sale and leaseback arrangement – current portion	3,339	6,732	9,835
Lease liabilities – current portion	17	19	620
Provision for mining rehabilitation – current portion	–	–	26
Total current liabilities	28,942	56,040	67,729
Total assets less current liabilities	299,709	473,681	672,909
NON-CURRENT LIABILITIES			
Borrowings	133,700	177,946	260,404
Sale and leaseback arrangement – non-current portion	10,663	15,609	16,081
Lease liabilities – non-current portion	52	39	2,657
Deferred tax liabilities	–	6,404	6,705
Employment benefits liability	98	645	1,222
Provision for mining rehabilitation – non current portion	–	–	4,901
Total non-current liabilities	144,513	200,643	291,970
TOTAL LIABILITIES	173,455	256,683	359,699

Position as at 31 December 2025 compared to position as at 31 December 2024

Total liabilities as at 31 December 2025, increased by 40.2% to US\$360.0 million, compared to US\$256.7 million as at 31 December 2024. This increase was primarily due to increase bank loan used by the MGR Group to repay loans to MCG.

Borrowings (non-current) as at 31 December 2025 further increased by 46.4% to US\$260.4 million, compared to US\$177.9 million as at 31 December 2024. This increase was primarily due to an additional drawdown of a bank loan facility of US\$310 million for the Group's project financing, partially offset by a loan repayment to MCG of US\$174 million and bank loan facility of US\$50 million.

The balance of trade payables, other payables and accruals as at 31 December 2025 increased by 16.0% to US\$57.2 million, compared to US\$49.3 million as at 31 December 2024. The increase was primarily attributable to higher accrued expenses and operational liabilities incurred to support the Group's ongoing construction and development activities during the year. Such increase was mainly due to the accelerated development of mining infrastructure, processing facility construction, and the construction of other supporting facilities within the mining area. The acceleration of these activities was carried out as part of management's effort to achieve the first mining in 2025 and first gold production in early 2026, which resulted in increased procurement activities, contractor services and related outstanding obligations at year end.

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Provision for mining rehabilitation increased from nil as at 31 December 2024 to US\$4.9 million as at 31 December 2025, primarily due to the commencement of initial mining activities in late 2025 and the receipt of approval from the Ministry of Energy and Mineral Resources of the estimated reclamation and post-mining obligations during the period. The provision represented the estimated costs to be incurred for reclamation and mine closure activities in accordance with applicable mining and environmental regulations.

Position as at 31 December 2024 compared to position as at 31 December 2023

Total liabilities as at 31 December 2024, increased by 48.0% to US\$256.7 million, compared to US\$173.5 million as at 31 December 2023. This increase was primarily due to higher accrued expenses and borrowings from MCG.

Borrowings (non-current) as at 31 December 2024 increased by 33.1% to US\$177.9 million, compared to US\$133.7 million as at 31 December 2023. This increase was primarily due to an increased loan from MCG for the Group's project financing, which loan was fully paid at 15 December 2025. Borrowings (non-current) as at 31 December 2025 further increased by 46.4% to US\$260.4 million in 2025 compared to 2024. This increase was primarily due to an additional drawdown of a bank loan facility of US\$310 million for the Group's project financing, partially offset by a loan repayment to MCG of US\$174 million and bank loan facility of US\$50 million.

The balance of trade payables, other payables and accruals as at 31 December 2024 increased by 92.6% to US\$49.3 million, compared to US\$25.6 million as at 31 December 2023. The increase was primarily attributable to higher accrued expenses and operational liabilities incurred to support the Group's ongoing construction and development activities during the year. Such increase was mainly in line with the growth of the Group's total assets, particularly relating to the development of mining infrastructure, processing facility construction, and the construction of other supporting facilities within the mining area. In particular, the significant increase in 2024 was mainly driven by the acceleration of construction activities relating to mining infrastructure, processing facilities and other supporting facilities within the mining area, in preparation for the Group's commencement of production activities starting in late 2025 and ramping up into 2026. This resulted in higher procurement activities, contractor costs, and related accrued liabilities outstanding at year end. Significant vendors with outstanding balances include PT Tetrasa Geosindo, a geosynthetic products and installation service provider, and PT Sangati Soerya Sejahtera, an industrial engineering and equipment supplier, amounting to US\$1.1 million and US\$0.3 million, respectively.

Equity

The following table presents the details of our equity as at the dates indicated.

	31 December 2023	31 December 2024	31 December 2025
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
EQUITY			
Equity attributable to owners of the parent entity			
Share capital	6,996	138,115	152,891
Additional paid-in capital – net	168,264	168,264	302,463
Treasury stock	–	–	(13,742)
Translation reserve	1,255	575	733
Employment benefits reserve	(11)	47	51
Accumulated losses	(21,307)	(34,007)	(61,499)
Total equity attributable to owners of the parent entity	155,197	272,994	380,897
Non-controlling interest	(1)	44	42
TOTAL EQUITY	155,196	273,038	380,939

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Position as at 31 December 2025 compared to position as at 31 December 2024

Total equity as at 31 December 2025, increased by 39.5% to US\$380.9 million compared to total equity as at 31 December 2024, which amounted to US\$273.0 million. This increase was primarily due to the increase in the Company's share capital in relation to its IPO in September 2025. This increase was partially offset by treasury buyback shares and an increase in accumulated losses. As at 31 December 2025, most of our subsidiaries have not yet commenced commercial operations, so their activities still generate additional operational costs without a commensurate contribution to revenue.

Position as at 31 December 2024 compared to position as at 31 December 2023

Total equity as at 31 December 2024, increased by 75.9% to US\$273.0 million compared to total equity as at 31 December 2023, which amounted to US\$155.2 million. This increase was primarily due to the increase in the Company's share capital made in September 2024. This increase was partially offset by an increase in accumulated losses, reflecting the MGR Group's ongoing business development phase. As at 31 December 2023 and 2024, most of our subsidiaries had not yet commenced commercial operations. Accordingly, while certain expenditures and cash outflows were capitalized to the capital expenditure, the Group continued to incur operating and administrative expenses without generating significant operating revenue.

Additional paid-in capital – net as at 31 December 2025 increased by 79.7% to US\$302.5 million, compared to US\$168.3 million as at 31 December 2024. This increase was primarily due to additional paid-in capital of US\$268.9 million from our IPO and IDX primary listing in 2025, partially offset by our buyback of over 1.4 billion shares with a total value of US\$141.4 million added to our treasury stock.

The following table presents the amount and percentage of subsequent settlement of trade and other receivables, trade payables, other payable and accruals as at 31 December 2025, and subsequent consumption/sale of inventories as at 31 December 2025.

	31 December 2025	Subsequent settlement up to Latest Practicable Date	%
	<i>USD'000</i>	<i>USD'000</i>	
Trade and other receivables	36,504	2,441	6.7

Our trade receivables turnover days were 56.3 days, 44.8 days and 12.4 days in 2023, 2024 and 2025, respectively. As of the Latest Practicable Date, the average subsequent collection period for the settled trade and other receivables outstanding as at 31 December 2025 was 68.5 days.

The Group's trade receivables turnover days decreased from 56.3 days in 2023 to 44.8 days in 2024 and further to 12.4 days in 2025. The decrease was primarily attributable to balance from related parties being generally settled on a timely basis in the ordinary course of business, improved collection efficiency and the timing of billings and collections during the respective periods.

No impairment issue was identified on trade and other receivables. The balance primarily relates to prepaid taxes for cumulative input VAT totaling US\$36.1 million that were incurred during the Group's exploration, construction and development phase. Such prepaid VAT can be realized gradually through an offset by VAT output and/or restitution process. As the Group commenced commercial sales in March 2026 and is ramping up its production activities, management expects the balance of prepaid cumulative input VAT to be fully and gradually recovered in the future. As the balance remains recoverable, no provision for impairment has been recorded and such provision is considered not necessary.

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An aging analysis of trade receivables at the end of each Track Record Period based on invoice dates were as follows:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
1 – 30 days	430	–	9
	<u>430</u>	<u>–</u>	<u>9</u>

Trade receivables aging categorized as a current aging throughout the Track Record Period, with receivables generally collected within 30 days from the invoice date, indicating that collection remained on a timely basis. Trade receivables decreased from US\$0.4 million as at 31 December 2023 to nil as at 31 December 2024, before slightly increasing to US\$0.01 million as at 31 December 2025, primarily reflecting the timing of billings and collections at the respective period ends. The movement during the Track Record Period were mainly attributable to the timing of outstanding billings at the respective period ends.

	31 December	Subsequent settlement up to Latest Practicable Date	%
	2025		
	USD'000	USD'000	
Trade payables, other payables and accruals	57,248	44,853	78.3
	<u>57,248</u>	<u>44,853</u>	

Our trade payables turnover days were 626.7 days, 292.2 days and 2,032.4 days in 2023, 2024 and 2025, respectively. As of the Latest Practicable Date, the average subsequent settlement period for the settled trade payables, other payables and accruals outstanding as at 31 December 2025 was 45.7 days.

The Group's trade payables turnover days decreased from 626.7 days in 2023 to 292.2 days in 2024, primarily due to the increase in construction, development and operational activities as the Group progressed from the pre-construction stage into the construction phase, resulting expenses and purchases from operational vendors during the period, which resulted in a higher cost base used in the calculation of trade payables turnover days. Trade payables turnover days subsequently increased significantly to 2,032.4 days in 2025, turnover days are not reflective of normal operating conditions since as at 31 December 2025 the Group was still in its pre-production construction and development stage and had not yet commenced commercial production or ramped up its commercial operations.

Aging analysis of trade payables at the end of each of the Track Record Period based on invoice dates were as follows:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
1 – 30 days	43	530	383
31 – 60 days	99	1,217	477
61 – 90 days	–	–	–
More than 90 days ^(a)	–	–	489
	<u>142</u>	<u>1,747</u>	<u>1,349</u>

^(a) Aging over than 90 days mostly represent payables to related parties that will be repaid gradually.

Trade payables increased from US\$0.1 million as at 31 December 2023 to US\$1.7 million as at 31 December 2024, primarily due to increased procurement and contractor activities in line

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with the progression of the Group's mining development and construction activities. Trade payables subsequently decreased to US\$1.3 million as at 31 December 2025 mainly due to settlement of outstanding balances during the period. The trade payables during the Track Record Period were calculated based on invoice date, accordingly, balances aged beyond the suppliers normal credit term did not necessarily indicate overdue amounts, but primarily attributable to the timing settlement during the Group's ongoing mining development, construction and operational activities. Balances aged within 31 to 60 days primarily reflected normal supplier credit terms and the timing of invoice settlement in the ordinary course of business. As at 31 December 2025, payables aged more than 90 days amounted to US\$0.5 million, primarily representing balances due to related parties in relation to services rendered, although such balance exceeded the original credit term, the related parties had not enforced strict settlement timelines, taking into account funding requirements of the Group.

	31 December 2025	Subsequent consumption/ sale of inventories up to Latest Practicable Date	%
	<i>USD'000</i>	<i>USD'000</i>	
Inventories			
Ore in stockpiles and goods in process	5,601	5,233	93.4
Spareparts and supplies	4,914	4,914	100.0
	<u>5,601</u>	<u>5,233</u>	

Our inventory turnover days were 141.2 days, 183.0 days and 3,602.1 days in 2023, 2024 and 2025, respectively. As of the Latest Practicable Date, the average subsequent consumption/sale period for inventories outstanding as at 31 December 2025 was 55.6 days.

Inventory turnover is calculated based on spareparts inventory only, excluding ore stockpiles and goods in process, since as at 31 December 2025 the Group had not yet reached commercial production and no cost of sales was recognized.

The increase in inventory turnover days from 183.0 days in 2024 to 3,602.1 days in 2025 was primarily attributable to the substantial increase in spareparts and supplies inventory maintained to support the Group's initial mining, construction, commissioning and ramp-up activities in preparation for commercial gold production commencing in early 2026. As 2025 represented the early stage of mining and production activities and the Group had not yet commenced commercial sales of gold, there was no cost of sales associated with mining production recognized during the period. The cost of sales recognized during 2025 only represented cost of sales related to the Group's rental activities. In addition, a significant portion of spare parts and supplies utilized during 2025 was capitalized as part of work in progress, ore in stockpiles and goods in process rather than recognized as inventory consumption in cost of sales during 2025, which amounted to US\$0.3 million. As a result, the inventory turnover ratio in 2025 was significantly affected by the relatively low cost of sales recognized during the period and does not yet fully reflect the Group's normal operating cycle. The Group expects the inventory turnover ratio to normalize following the commencement of commercial sales and the recognition of the related cost of sales in 2026.

Inventories consist of ore in stockpiles, goods in process, spareparts and supplies. The following table sets out a breakdown of inventories as of the Track Record Period:

	31 December		
	2023	2024	2025
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Ore in stockpiles	—	—	4,633
Goods in process	—	—	968
Spareparts and supplies	610	573	4,914
	<u>610</u>	<u>573</u>	<u>10,515</u>

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The Group's spareparts and supplies inventory levels remained relatively stable from 2023 to 2024 before increasing significantly in 2025 as the Group transitioned into operational readiness preparations. The increase also due to its commencement of first mining and crushing activities in October 2025, which resulted the Group recognising ore inventories and good in process for the first time.

An aging analysis of our inventories at the end of each Track Record Period were as follows:

	As of 31 December		
	2023	2024	2025
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Within 1 year	610	484	10,436
1-2 years	—	89	79
2-3 years	—	—	—
Total	610	573	10,515

During the Track Record Period, substantially all inventories were classified within the less than one year category. In 2023 and 2024, inventories primarily represented spareparts and supplies related to pre-construction and construction activities undertaken in preparation for operational commencement. The increase in inventories within the less than one year category in 2025 was mainly attributable to the commencement of mining and crushing activities, inventory build-up for commissioning and operational readiness activities, as well as preparations for the first good production in the first quarter of 2026.

Our trade payable turnover days and inventory turnover days are not reflective of normal operating conditions since as at 31 December 2025 the Group was still in its pre-production construction and development stage and had not yet commenced commercial production or ramped up its commercial operations. During the Track Record Period, the Group increased inventory levels to support the ramp-up to production and ensured sufficient materials were available for initial operations. Accordingly, our inventory turnover days were higher than those of companies that have already ramped up, stabilized and normalized their commercial operations.

As a result, inventory days appear above normal operating level and trade payables days are extended. These ratios are expected to normalize once the Group ramped up its commercial operations, inventory usage and payment cycles become more aligned with normal operational levels.

Provision for inventories is determined based on management's assessment of inventory condition, aging, expected future utilization and estimated net realizable value, where applicable. Net realizable value assessment is primarily relevant to ore stockpiles, goods in process and finished goods, while inventories held for operational support are reviewed periodically for obsolescence and slow-moving indicators.

As at 31 December 2025, management was not aware of any issue relating to the recoverability or utilization of the Group's inventories. The inventories were primarily procured to support the commencement and ramp-up of commercial operations in 2026; accordingly, management considers the inventories to remain usable and recoverable in the ordinary course of business. Ore stockpiles and goods in process are assessed based on their estimated net realizable value, which reflected then-current market conditions. No provision adjustment was required based on the above assessment.

As at 31 December 2025, subsequent consumption and sales of inventories remained relatively limited as ore stockpiles and goods in process still required further processing before becoming saleable products. The Group commenced sales in March 2026 as part of the start of its commercial operations. In addition, spare parts inventories are expected to be utilized more extensively as commercial operations are further ramped up. Accordingly, management does not consider low level of subsequent consumption and sales to indicate any material issue relating to the recoverability of inventories, and no provision was considered necessary.

LIQUIDITY AND CAPITAL RESOURCES

The MGR Group's primary liquidity needs are to finance exploration activities, develop mining infrastructure and processing facilities, fund working capital, and maintain cash reserves. The MGR Group's primary sources of liquidity have historically come from capital injections and borrowings. As at 31 December 2025, the MGR Group had internal liquidity sources in the form of cash and cash equivalents of US\$45.3 million.

If, in the future, the MGR Group's liquidity is insufficient to meet its working capital and capital expenditure requirements, the MGR Group will seek to obtain additional borrowings and/or new credit facilities or funding through the capital markets. The MGR Group's ability to obtain adequate funding to meet its capital expenditure requirements, contractual obligations, and to repay principal and interest may be constrained by the MGR Group's financial condition and operating results, as well as domestic financial market and operating liquidity conditions. The Company cannot guarantee that the MGR Group will be successful in obtaining funding on acceptable terms.

As the MGR Group is currently in its development phase, it has negative operating and investing cash flows, while financing cash flows are positive. This is due to the limited revenue generated by the MGR Group from mining equipment rentals and the high capital expenditure required to complete the construction of mining infrastructure and processing facilities. To finance these operating and investment activities, the MGR Group primarily uses funding from new share issuances, related party loans, and bank loans.

The MGR Group's liquidity could be materially impaired if third-party processing and refining activities are disrupted. The MGR Group will collaborate with third parties to perform processing and refining activities, but there is no guarantee that doré processing will always be completed within the agreed timeframe.

As at the Latest Practicable Date, there are no restrictions on the ability of the Company's subsidiaries to transfer funds to the Company that could impact the Company's ability to meet its cash payment obligations.

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The following table presents a summary of our cash flows for the years indicated.

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax	(10,131)	(14,934)	(25,392)
Adjustments for:			
Depreciation of property, plant and equipment	352	235	56
(Gain)/loss on foreign currency	(56)	(266)	1,971
Fair value change on equity interest	—	(4,950)	—
Excess value in acquisition of subsidiaries	—	(845)	—
Employee benefit expense	3	4	6
Impairment of goodwill	—	—	122
Finance income	(188)	(688)	(1,209)
Finance expense	8,994	20,673	14,724
Operating cash flow before working capital change	(1,026)	(771)	(9,722)
(Increase)/decrease in inventories	(496)	46	(8,508)
Increase in trade and other receivables	(6,849)	(1,096)	(18,127)
Increase in advances and prepayments	(1,464)	(1,942)	(1,442)
Decrease/(increase) in other non-current assets	5	(872)	(251)
(Decrease)/increase in trade payables, other payable and accruals	(6,911)	(2,334)	15,279
Increase in employee benefit liabilities	64	262	575
Cash used in operations	(16,677)	(6,707)	(22,196)
Finance income	188	688	1,209
Income taxes paid	—	(262)	(727)
Net cash flows used in operating activities	(16,489)	(6,281)	(21,714)
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition of exploration and evaluation assets	(18,011)	(3,576)	(4,850)
Addition of mining properties	—	(3,474)	(25,590)
Acquisition of property, plant and equipment	(39,402)	(90,928)	(152,121)
Consideration paid for acquisition of a subsidiary	—	(8,061)	—
Borrowing to a related party	(27,284)	—	—
Net cash flows used in investing activities	(84,697)	(106,039)	(182,561)

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	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowing from a related party	100,200	140,656	261,250
Repayment of borrowing from a related party	–	(100,606)	(435,000)
Proceeds from issuance of shares	–	131,119	283,691
Share issuance cost	–	–	(7,058)
Consideration paid for treasury stock	–	–	(141,400)
Proceeds from sale and leaseback arrangement	9,541	12,989	12,174
Payment of sale and leaseback arrangement	(653)	(4,713)	(8,599)
Payment of interest for sale and leaseback arrangement	(443)	(1,536)	(1,957)
Payment of principal portion lease liabilities	(498)	(11)	(15)
Payment of interest portion of lease liabilities	(31)	(5)	(9)
Proceeds from bank borrowing	–	5,000	310,000
Payment of bank borrowing	–	–	(50,000)
Payment of borrowing cost	–	(804)	(4,823)
Payment of interest on a related party borrowing	(135)	(13,994)	(35,126)
Payment of interest on bank borrowing	–	(112)	(1,038)
Net cash flows from financing activities	107,981	167,983	182,090
NET INCREASE/(DECREASE) IN CASH AND BANKS	6,795	55,663	(22,185)
CASH AND BANKS AT BEGINNING OF THE YEAR	5,582	12,351	67,335
Effect of foreign exchange translation on cash and banks	(26)	(679)	158
CASH AND BANKS AT END OF THE YEAR	12,351	67,335	45,308

Cash flow from operating activities

In 2025, MGR Group's net cash flow used in operating activities increased by 244.4% to US\$21.7 million from US\$6.3 million in 2024. The increase was primarily due to an increase in operational costs related to exploration activities as well as the development of mining infrastructure and processing facilities. The Company expects the Group will improve its net operating cash outflow position in 2026 once the Pani Block has ramped up to full operation.

In 2024, MGR Group's net cash flow used in operating activities decreased by 61.8% to US\$6.3 million from US\$16.5 million in 2023. The decrease was primarily due to an increase operational costs related to PETS and GSM exploration activities during 2024.

Net cash flow used for investing activities

In 2025, the MGR Group's net cash flow used in investing activities increased by 72.2% to US\$182.6 million from US\$106.0 million, primarily due to higher additions of property, plant and equipment at PBT, MAP, GSM, and PETS.

In 2024, the MGR Group's net cash flow used in investing activities increased by 25.1% to US\$106.0 million from US\$84.7 million, primarily due to increased acquisitions of property, plant and equipment at PBT and GSM. The Company, through PEG, also provided a loan to PETS in 2023 to fund PETS' capital expenditure and working capital needs during the period prior to PETS's consolidation into the MGR Group in June 2024.

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Net cash flow from financing activities

In 2025, MGR Group's net cash flow provided by financing activities increased by 8.4% to US\$182.1 million from US\$168.0 million in 2024, primarily due to proceeds from the IPO and bank borrowings, partially offset by repayments of loans to related parties and treasury share buyback.

In 2024, MGR Group's net cash flow provided by financing activities increased by 55.6% to US\$168.0 million from US\$108.0 million in 2023, primarily due to proceeds from the issuance of common shares and loans from related parties, partially offset by payments on loans to related parties.

Working Capital Sufficiency

The Directors and Commissioners are of the opinion that, taking into consideration the financial resources presently available to us, including cash generated from operating activities and available undrawn loan facilities, we have sufficient working capital required for 125% of our present requirements for at least the next 12 months from the date of this Prospectus.

CAPITAL EXPENDITURES

The MGR Group continues to develop and construct mining infrastructure around the Pani Gold Mine. The development plan includes the construction of mining infrastructure such as mining roads and their supporting facilities, mine water treatment, waste dump facilities, land clearing, processing infrastructure such as processing facilities, construction of heap-leach pads and heap-leach ponds, and the construction of supporting facilities in other mining areas such as warehouses, laboratories, security offices, and operational offices. All such costs are capitalized and recorded as construction in progress, exploration and evaluation, and mining properties.

The following table presents details of historical capital expenditures for each period:

	Year ended 31 December		
	2023	2024	2025
	US\$'000	US\$'000	US\$'000
Construction in progress	33,964	66,798	163,157
Exploration and evaluation assets ⁽¹⁾	21,440	6,415	8,218
Mining properties ⁽²⁾	—	82,923	32,990
Others ⁽³⁾	15,749	16,189	11,976
Total	71,153	172,325	216,341

Notes:

- (1) Exploration and evaluation assets are capitalized costs consisting of compensation land costs, consultant fees, drilling, salaries and benefits, permits and licenses and other costs related to the MGR Group's mineral resource mining activities. When technical and commercial feasibility of mining of Mineral Resources are demonstrable, exploration and evaluation assets are reclassified as "mining under development" at "mining properties" account.
- (2) Mining properties are capitalized costs consisting of compensation land costs, consultant fees, drilling, salaries and benefits, permits and licenses and other costs related to the MGR Group's mineral resource mining activities before the production stage, including the results of the acquisition of subsidiaries.
- (3) Others include land, buildings, office equipment, factories, machinery, equipment, vehicles and heavy equipment.

Mining properties increased from nil in 2023 to US\$82.9 million in 2024, due primarily to the fair value of mining properties of US\$79.0 million that we acquired as part of our acquisition of PETS.

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Capital expenditure plan

The MGR Group expects capital expenditure of approximately US\$306 million for 2026, the majority of which will be used on the construction of CIL facilities.

As at 30 April 2026, the Group had secured an additional US\$150 million bank financing facility, which is expected to be utilized, among others, to support the Group's capital expenditure requirements. The Group's estimated remaining capital expenditure for the remaining mine life of approximately US\$1,738 million is expected to be funded through a combination of: (i) operating cash flows generated from the Group's mining operations; and (ii) external financing sources, including existing and future bank loan facilities and/or potential public bond issuances.

Actual capital expenditures may vary from the planned amounts due to various factors, including, among other things, changes in contractor fees, evolving project requirements, and the Company and/or its Subsidiaries' ability to secure external funding to support the planned capital expenditures.

INTEREST RATES ON LOANS

Interest rate fluctuations

MGR Group's interest rate risk arises primarily from borrowings. Loans issued at floating interest rates expose MGR Group to cash flow interest rate risk.

The Company's policy is to manage cash flow risk from interest rates by financing loans at lower interest rates.

On 31 December 2025, if interest rate on borrowing had been 10 basis points higher/lower with all other variables held constant, loss for the year would have been higher/lower US\$0.3 million (31 December 2024 and 2023: US\$0.2 million and US\$0.1 million).

INDEBTEDNESS

The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of 31 December			As of 30 April
	2023	2024	2025	2026
	US\$'000	US\$'000	US\$'000	US\$'000
Current				
Lease liabilities	17	19	620	1,344
Sale and leaseback arrangement	3,339	6,732	9,835	13,321
Bank borrowings				
US\$150 million syndicated revolving credit facility	—	—	—	18,868
Subtotal	3,356	6,751	10,455	33,533

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	As of 31 December			As of 30 April
	2023	2024	2025	2026
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current				
Lease liabilities	52	39	2,657	4,125
Sale and leaseback arrangement	10,663	15,609	16,081	22,861
Bank borrowings				
US\$50 million syndicated revolving credit facility	–	4,196	–	–
US\$350 million syndicated revolving credit facility	–	–	260,404	325,563
Other borrowings				
Loans payable to MCG	133,700	173,750	–	–
Subtotal	144,415	193,594	279,142	352,549
Total	147,771	200,345	289,597	386,082

As at 30 April 2026, being the indebtedness date for the purpose of the indebtedness statement, our indebtedness included: (i) borrowings of US\$344.4 million; (ii) sale and leaseback arrangement of US\$36.2 million and (iii) lease liabilities of US\$5.5 million.

As at 31 December 2025, our indebtedness included: (i) borrowings of US\$260.4 million; (ii) sale and leaseback arrangement of US\$25.9 million; and (iii) lease liabilities of US\$3.3 million.

As at 31 December 2024, our indebtedness included: (i) borrowings of US\$177.9 million; (ii) sale and leaseback arrangement of US\$22.3 million; and (iii) lease liabilities of US\$0.06 million.

As at 31 December 2023, our indebtedness included: (i) borrowings of US\$133.7 million; (ii) sale and leaseback arrangement of US\$14.0 million; and (iii) lease liabilities of US\$0.07 million.

Borrowings

We had borrowings of US\$133.7 million as at 31 December 2023, US\$177.9 million as at 31 December 2024, US\$260.4 million as at 31 December 2025, and US\$344.4 million as at 30 April 2026, being the indebtedness date for the purpose of the indebtedness statement.

	31 December 2023	31 December 2024	31 December 2025	30 April 2026
	US\$'000	US\$'000	US\$'000	US\$'000
Other borrowings				
Loans payable to MCG	133,700	173,750	–	–
Bank borrowings				
US\$150 million syndicated revolving credit facility	–	–	–	18,868
US\$50 million syndicated revolving credit facility	–	4,196	–	–
US\$350 million syndicated revolving credit facility. . . .	–	–	260,404	325,563
	133,700	177,946	260,404	344,431

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Loans payable to MCG refers to unsecured loans from MCG that were repayable on 8 April 2027 and 20 December 2028 (or such later date as may be determined in accordance with the senior facility agreement), and bearing interest at a rate of 3-month London Interbank Offered Rate (“LIBOR”) plus 5.50% margin per annum, as subsequently amended to 3-month Term SOFR plus a 5.76% margin per annum. The Company fully repaid such loans payable to MCG using proceeds from the Company’s IPO in September 2025.

Bank borrowings refer to (i) a secured syndicated loan pursuant to a syndicated revolving credit facility entered into by the Company on 13 September 2024, maturing on 13 March 2026, (ii) a syndicated revolving facility entered into by PBT, GSM and PETS on 4 December 2025, maturing on 5 December 2030, and (iii) a syndicated revolving credit facility entered into by the Company on 10 April 2026, maturing on 10 April 2027.

On 13 September 2024, the Company entered into a syndicated revolving credit facility, with a facility limit of US\$50 million. The final maturity date of this facility agreement is 13 March 2026. This facility bears interest at a compounded cumulative reference rate based on the Secured Overnight Financing Rate (“SOFR”) plus a 3% margin per annum, with an interest period of one month, three months, or any other period as agreed between the agent of the borrowers, the facility agent, and all lenders. This facility is secured by pledges over certain shares in the Company and its subsidiaries, as well as pledges over bank accounts, including certain of such shares held by MCG. The facility was drawn down in the amount of US\$50 million in 2025 and also fully repaid in 2025.

On 4 December 2025, PBT, GSM, and PETS entered into a syndicated revolving credit facility, with a facility limit of US\$350 million. The final maturity date of this facility agreement is 5 December 2030. This facility bears interest at a compounded cumulative reference rate based on the SOFR plus a 3.00%-3.20% margin per annum, with an interest period of one month, three months, or any other period as agreed between the agent of the borrowers, the facility agent, and all lenders. This facility is secured by pledges over certain shares in the Company’s subsidiaries, as well as pledges over the bank accounts of the subsidiaries. Under the terms of this facility, PBT, GSM and PETS are subject to a financial covenant whereby the borrowers shall ensure the ratio of consolidated net debt to EBIDTA is less than 5:1. However, the relevant financial covenant testing under such facility agreement will only commence in 2028. Accordingly, such covenants were not applicable during the Track Record Period and up to the Latest Practicable Date. A portion of drawdowns made under this facility were utilized to partially repay outstanding shareholder loans and accrued interest in the amount of US\$236.6 million, which loans were used to fund capital expenditures relating to the heap-leach processing plant before it entered production.

On 10 April 2026, the Company entered into a single currency revolving credit facility, with a facility limit of US\$150 million. The final maturity date of this facility agreement is 10 April 2027, subject to an option to extend the agreement. This facility bears interest at a compounded cumulative reference rate based on the SOFR plus a 2% margin per annum, with an interest period of one day. No security is provided in connection with this facility agreement. Under the terms of this facility, the Company is subject to certain negative covenants, including (i) a negative pledge not to create any security over any of its assets, subject to certain exceptions, and (ii) a covenant not to dispose of any assets, subject to certain exceptions.

Except as disclosed above as to the pledges securing the syndicated revolving credit facility with a limit of US\$50 million, and the pledges securing and covenant under the syndicated revolving credit facility with a limit of US\$350 million, the Group is not subject to any other banking covenants, undertakings, guarantees, pledges or contingent obligations relating to its indebtedness. As at the Latest Practicable Date, the Group confirms that it has complied with all applicable covenants under its outstanding debt facilities throughout the Track Record Period and up to the Latest Practicable Date, and no breach, default, waiver request, remedial action or enforcement action has arisen in connection therewith.

We had committed and unutilised banking facilities in the amounts of (i) US\$20 million under the US\$350 million syndicated revolving credit facility, and (ii) US\$130 million under the US\$150 million syndicated revolving credit facility, as at 30 April 2026.

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The following table sets forth our borrowings scheduled to be repaid:

	31 December			30 April
	2023	2024	2025	2026
	USD'000	USD'000	USD'000	USD'000
Bank borrowings repayable:				
On demand or within one year	–	–	–	18,868
More than one year, but not exceeding two years	–	4,196	–	–
More than two years, but not exceeding five years	–	–	260,404	325,563
	<u>–</u>	<u>4,196</u>	<u>260,404</u>	<u>344,431</u>
Other borrowings repayable:				
On demand or within one year	–	–	–	–
More than one year, but not exceeding two years	–	–	–	–
More than two years, but not exceeding five years	133,700	173,750	–	–
	<u>133,700</u>	<u>177,946</u>	<u>260,404</u>	<u>344,431</u>

Our borrowings increased from US\$260.4 million as at 31 December 2025 to US\$344.4 million as at 30 April 2026.

Sale and leaseback arrangement

	31 December 2023	31 December 2024	31 December 2025	30 April 2026
	US\$'000	US\$'000	US\$'000	US\$'000
Sale and leaseback arrangement				
Current portion	3,339	6,732	9,835	13,321
Non-current portion	10,663	15,609	16,081	22,861
	<u>14,002</u>	<u>22,341</u>	<u>25,916</u>	<u>36,182</u>

Our sale and leaseback arrangement (current and non-current portions) increased by 59.3% to US\$22.3 million as at 31 December 2024 from US\$14.0 million as at 31 December 2023. This increase was primarily due to MMI's sale and leaseback arrangements for the acquisition of heavy equipment, which were entered into to support construction and operational activities at the Pani Gold Mine, enabling the Company to efficiently develop mining infrastructure and processing facilities. Our sale and leaseback liabilities were US\$25.9 million as at 31 December 2025. Our sale and leaseback liabilities were US\$36.2 million as at 30 April 2026.

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The maturity analysis of the amount due under sale and leaseback arrangement are as follows:

	31 December			30 April
	2023	2024	2025	2026
	USD'000	USD'000	USD'000	USD'000
Within one year	3,339	6,732	9,835	13,321
More than one year, but not exceeding two years	4,317	8,044	9,773	11,852
More than two years, but not exceeding five years	6,346	7,565	6,308	11,009
Total	14,002	22,341	25,916	36,182

Lease liabilities

The following table sets forth the contractual cash flow of our lease liabilities as at the dates indicated:

	31 December	31 December	31 December	30 April
	2023	2024	2025	2026
	US\$'000	US\$'000	US\$'000	US\$'000
Within one year	23	22	919	1,680
More than one year, but not exceeding two years	22	23	919	1,659
More than two years, but not exceeding five years	42	19	1,841	2,872
Total	87	64	3,679	6,211

Contingent Liabilities

As at 31 December 2023, 2024 and 2025 and 30 April 2026, we did not have any material contingent liabilities.

Indebtedness Statement

As at 30 April 2026, being the latest practicable date for the purpose of the indebtedness statement, except as otherwise disclosed in “— Borrowings” and “— Contingent Liabilities”, we did not have any outstanding mortgages, charges, debentures, other issued debt capital and debt securities, bank overdrafts, borrowings, hire purchase commitments, liabilities under acceptance or other similar indebtedness, any guarantees or other material contingent liabilities.

Our Directors and Commissioners confirm that, from 30 April 2026 up to the Latest Practicable Date, there has not been any material change in our indebtedness.

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any difficulties in obtaining additional debt and equity financing when needed. Our Directors and Commissioners do not foresee any potential difficulty in obtaining bank facilities should the need arise. If the MGR Group’s liquidity is insufficient to meet its working capital and capital expenditure needs, the MGR Group intends to seek additional funding through new loans and/or credit facilities or financing through the capital markets. However, the MGR Group’s ability to obtain such funding, including new loan facilities, to meet its capital expenditure needs, contractual obligations, and repay debt and interest may be affected by its financial condition and results of operations, as well as prevailing conditions in the domestic financial markets.

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KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as at and for the years indicated:

	As at and for the year ended 31 December		
	2023	2024	2025
Rates of return			
Return on assets ⁽¹⁾ (%)	(2.1)	(3.0)	(4.3)
Return on equity ⁽²⁾ (%)	(4.3)	(5.9)	(8.4)
Liquidity ratios			
Current ratio ⁽³⁾ (times)	0.68	1.27	0.90
Quick ratio ⁽⁴⁾ (times)	0.66	1.26	0.75
Gearing ratio ⁽⁵⁾ (times)	0.95	0.73	0.76
Profit/(loss) margin			
Gross (loss)/profit margin ⁽⁶⁾ (%)	32.9	32.6	(110.6)
Net loss margin ⁽⁷⁾ (%)	(490.5)	(725.7)	(20,828.8)

Notes:

- (1) Return on assets ratio is calculated using the net profit for the year divided by the average of total assets at the end of the year, multiplied by 100%.
- (2) Return on equity ratio is calculated using the net profit attributable to owners of the parent entity for the year divided by the average of total equity attributable to owners of the parent entity at the end of the year, multiplied by 100%.
- (3) Current ratio is calculated using total current assets divided by total current liabilities.
- (4) Quick ratio is calculated using total current assets less inventories divided by total current liabilities.
- (5) Gearing ratio is calculated by dividing total debt (which includes current and non-current portions of interest-bearing bank and other borrowings, sale and leaseback arrangement and lease liabilities) by total equity.
- (6) Gross (loss)/profit margin is calculated based on the gross (loss)/profit for the year divided by the total revenue for the respective year and multiplied by 100%.
- (7) Net profit/(loss) margin is calculated based on the profit/(loss) for the year divided by the total revenue for the respective year and multiplied by 100%.

NO MATERIAL OFF-BALANCE SHEET ARRANGEMENTS

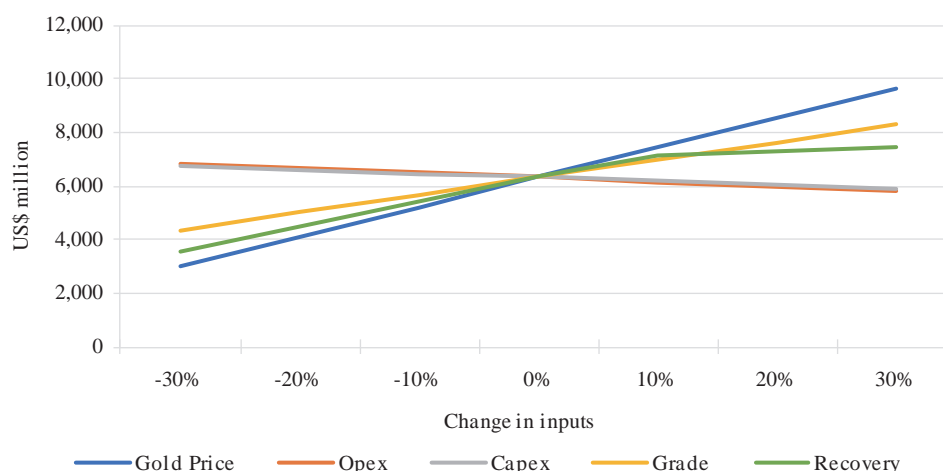
During the Track Record Period, we did not have any material off-balance sheet arrangements.

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SENSITIVITY ANALYSIS

The following sensitivity analysis at a discount rate of 8% as set forth in the CPR illustrates the impact of certain key parameters (including gold price, operating expenditure/expenses, capital expenditure/expenses, head grade, and metallurgical recovery) on the net present values (NPVs) of the Pani Gold Mine:

Sensitivity of NPV @ 8%; Real Terms



RELATED PARTY TRANSACTIONS AND BALANCES

In the ordinary course of conducting its business, the Group has entered into certain business and financial transactions with its related parties. Our Directors and Commissioners are of the view that the related party transactions set out in Note 32 to the Accountant's Report in Appendix I to this Prospectus, were conducted in the ordinary course of our business, on an arm's length basis and with normal commercial terms between the relevant parties.

Name of related parties	Relationship
1. PETS	Joint venture/subsidiary after 27 June 2024.
2. MCG	Shareholder of the Company
3. MMS	Fellow subsidiary
4. PT Merdeka Indonesia Mandiri ("MIM")	Fellow subsidiary
5. PT Bumi Suksesindo ("BSI")	Fellow subsidiary
6. PT Merdeka Teknik Servis ("MTS")	Fellow subsidiary
7. Key management personnel	Board of Commissioners and Directors

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Balances with related parties during the Track Record Period were as follows:

Name of related party	Account	Total		
		31 December 2023	31 December 2024	31 December 2025
		US\$'000	US\$'000	US\$'000
1. PETS	Revenue	35	1,750	—
	Borrowings	45,482	—	—
	Trade and other receivables	38	—	—
2. MCG	Borrowings	133,700	173,750	—
	Trade and other receivables	—	—	25
	Service cost	1,783	3,661	6,445
	Interest expense	8,520	18,791	22,618
	Trade payables, other payable and accruals	8,729	16,109	3,656
3. MMS	Revenue	—	—	132
	Service cost	10,185	6,763	17,715
	Trade and other receivable	—	—	52
	Trade payables, other payable and accruals	1,752	1,540	8,997
4. MIM	Rental expense	61	6	60
	Lease liabilities	69	58	43
5. BSI	Revenue	1,359	—	—
	Trade and other receivable	392	—	21
6. MTS	Service cost	—	—	270
	Trade payables, other payable and accruals	—	—	574

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The summary of information about our material accounting and financial reporting policies are set forth in Note 4 to the Accountant's Report in Appendix I to this Prospectus. Significant accounting judgements, estimates and assumptions are set forth in Note 5 to the Accountant's Report in Appendix I. Significant accounting judgements, estimates and assumptions are those that require the management of the Company and its subsidiaries to exercise judgement in applying Group's accounting policies that would yield materially different results if our management applied different assumptions or made different estimates. Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. We make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes

Group has exposure to income taxes. Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognizes liabilities for expected tax issues, if any, based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact in the period in which such determination is made.

Useful lives of property, plant and equipment

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets.

Management estimates the useful lives of property, plant and equipment to be between 4 to 20 years. These are common life expectancies applied in the industry. However, for heavy

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equipment, useful lives are estimated based on total estimated operating life (hour meter basis). Therefore, future depreciation charges could be revised.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which such losses can be utilised. Tax losses in Indonesia may be carried forward for a maximum of five years.

Management judgement is required in determining the amount of deferred tax assets that can be recognised, based on the expected timing and level of future taxable profits, together with future tax planning strategies.

Employment benefits

The costs, assets and liabilities of the Group's defined benefit plans are determined using actuarial valuation methods that involve significant estimates and assumptions.

The Group engages independent actuaries to provide advice on the appropriateness of these assumptions. Changes in the actuarial assumptions may have a material impact on the Group's consolidated statements of profit or loss and other comprehensive income, and the consolidated statements of financial position.

Provision for mining rehabilitation

The Government Regulation No. 78/2010 deals with reclamation and post-mining activities for both Mining License Permit (IUP) — Exploration and Contract of Work and Production and the Ministerial Decree of ESDM No. 26/2018 deals with reclamation and post-mining activities in the mineral and coal mining business.

Restoration, rehabilitation and environmental expenditure to be incurred related to the remediation of disturbed areas during the production phase are charged to cost of sales when the obligation arising from the disturbance occurs as extraction progress.

The reclamation of disturbed areas and decommissioning of mining assets and other long lived assets will be undertaken during several years in the future and precise requirements are constantly changing to satisfy political, environmental, safety and public expectations. As such, the timing and amounts of future cash flows required to settle the obligation at each of the statement of financial position dates are subject to significant uncertainty. Changes in the expected future costs could have an impact on the Company's financial statements.

Ore Reserves

Proven and probable Reserves are estimates of the amount of ore that can be economically and legally exploited from the Group's mining properties. The Group determines and reports its Ore Reserves under the principles incorporated in the Code for Reporting of Mineral Resources and Ore Reserves (the "JORC Code") of the Australasian JORC.

In order to estimate Ore Reserves, assumptions are required about a range of geological, technical and economic factors, including production quantities, production techniques, strip ratio, production costs, transportation costs, demand and prices of gold and exchange rates. Estimating the quantity and/or gold content of Ore Reserves requires the size, shape and depth of orebodies to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgements to interpret the data.

Because the economic assumptions used to estimate Reserves change from period to period and because additional geological data is generated during the course of operations, estimates of Reserves may change from period to period. Changes in the reported Reserves may affect the Group's financial results and financial position in a number of ways, including the following:

- a. Assets carrying values may be affected due to changes in the estimated future cash flows.
- b. Depreciation, depletion and amortisation charged to profit or loss may change where such charges are determined on the units-of-production basis, or where the useful economic lives of assets change.

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- c. Decommissioning, site restoration and environmental provisions may change where changes in estimated Reserves affect expectations about the timing or cost of these activities.

The carrying value of deferred tax assets/liabilities may change due to changes in estimates of the likely recovery of the tax benefits.

Impairment Assessment

Impairment Assessment of Goodwill

Prior to September 2025, the Group was part of the MCG Group. Management has indicated goodwill impairment testing was done at MCG Group level, which had goodwill of USD358M. However, as the goodwill of PEG was only USD122K, no goodwill impairment testing was done specifically on PEG's goodwill as it was clearly immaterial to both MCG (and MGR). The Accountants' Report does set out the history of how goodwill in PEG arose and why it was considered impaired in 2025.

Impairment Assessment for Non-Financial Assets

The Group is a mining company and up to 31 December 2025, it was in the pre-production stage. Although the Group was loss-making throughout the Track Record Period, the Directors consider such losses are common for pre-production mining companies.

Notwithstanding the above, the Directors have made assessments as to whether there were any impairment indicators relating to the Group's non-financial assets such as PPE, ROU assets, exploration and evaluation assets and mining properties at the level which independent cash inflows are generated throughout the Track Record Period. These assessments were based on the findings and conclusions reached in various internal and external mining reports prepared by Competent Persons throughout the Track Record Period. These reports all concluded that the mining licenses owned by the Group and which underpin the Group's mining operations were economically viable. Based on these reports, the Directors are of the view that the recoverable amount of the relevant assets exceeded their carrying amount.

QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of financial risks including credit risk, liquidity risk, currency risk and interest rate risk.

Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to cash and bank, trade and other receivables and other non-current assets.

Since counterparties of cash and bank balances are banks with good reputation and high credit ratings, credit risk arising from these financial instruments is insignificant.

The Group's other financial assets comprise trade and other receivables, as well as the non-current assets. The credit risk associated with amounts due from related parties within trade receivables is considered immaterial, given the positive repayment history. Restricted time deposits included in other non-current assets are placed with reputable banks with high credit ratings, credit risk arising from these financial instruments is insignificant.

For other receivables and security deposit in non-current assets, the credit risk arises from potential defaults by counterparties, with the maximum exposure being equal to the carrying amounts of these financial instruments. The Group continue to minimize the credit risk by monitoring on an ongoing basis with the objective that the Group's exposure to expect credit loss is not significant.

Group is confident in its ability to control and sustain minimal exposure of credit risk. The maximum credit risk exposure as at 31 December 2025 is US\$48.3 million (31 December 2024: US\$69.6 million and 31 December 2023: US\$64.4 million).

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Liquidity risk

Liquidity risk is the risk that Group will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group monitors its liquidity needs by closely monitoring debt servicing payment schedule for financial liabilities, particularly its cash outflows due to day-to-day operations. Management also continuously assesses conditions in the financial markets for opportunities to obtain optimal funding sources.

The maturity profile of the Group's financial liabilities as at the end of each year is as follows:

31 December 2023					
	Carrying amount	Within one year	One to two years	Two to five years	Contractual cash flows
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Liabilities					
Trade payables, other payable and accruals . . .	25,586	25,586	–	–	25,586
Borrowings	133,700	8,639	–	133,700	142,539
Sale and leaseback arrangement	14,002	4,423	4,342	7,735	16,500
Lease liabilities	69	23	22	42	87
Total liabilities	173,357	38,671	4,364	141,477	184,512
31 December 2024					
	Carrying amount	Within one year	One to two years	Two to five years	Contractual cash flows
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables, other payable and accruals . . .	49,289	49,289	–	–	49,289
Borrowings	177,946	13,430	–	178,750	192,180
Sale and leaseback arrangement	22,341	8,295	8,025	9,048	25,368
Lease liabilities	58	22	23	19	64
Total liabilities	249,634	71,036	8,084	187,817	266,901
31 December 2025					
	Carrying amount	Within one year	One to two years	Two to five years	Contractual cash flows
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables, other payable and accruals . . .	57,248	57,248	–	–	57,248
Borrowings	260,404	1,325	–	265,000	266,325
Sale and leaseback arrangement	25,916	11,435	10,414	6,715	28,564
Lease liabilities	3,277	919	919	1,841	3,679
Total liabilities	346,845	70,927	11,333	273,556	355,816

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Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates.

The Group manages the currency risk by matching receipts and payments in the same currency and through regular monitoring related to the exchange rate fluctuation.

		31 December 2023	31 December 2024	31 December 2025
	Increase/ (decrease) in percentage	Effect on profit before tax	Effect on profit before tax	Effect on profit before tax
		<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
United States Dollar:				
Indonesian Rupiah	(5%)	1,465	2,447	3,102
	5%	(1,465)	(2,447)	(3,102)
Australian Dollar	5%	2	4	5
	(5%)	(2)	(4)	(5)

The impact of the above change in exchange rate of U.S. Dollar to other currencies is mainly the result of change in the value of foreign currencies denominated monetary assets and liabilities.

Interest rate risk

The Group's interest rate risk mostly arises from borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk.

The Group's policy is to manage its cash flows interest rate risk by refinancing borrowings at a lower interest rate.

On 31 December 2025, if interest rate on borrowing were 10 basis points higher/lower with all other variables held constant, loss for the year would have been higher/lower by US\$0.3 million (31 December 2024 and 2023: US\$0.2 million and US\$0.1 million).

DIVIDEND POLICY

The Group has not adopted any formal dividend policy, and the adoption or maintenance of a formal dividend policy is generally not required under the Indonesian Companies Law. We currently have no pre-determined dividend payout ratio, and any future payment of dividends is subject to uncertainties. In accordance with applicable laws and regulations in Indonesia, particularly the Indonesian Companies Law, dividend payment decisions are subject to the provisions of the Company's articles of association and shareholder approval through a GMS based on the recommendation of the Company's Board of Directors. Dividend payments may only be made if the Company has a positive retained earnings balance. The Company's articles of association permit the distribution of interim dividends, provided that such distribution does not result in the Company's net assets being less than the issued and paid-up capital plus statutory reserve. The distribution of interim dividends must not interfere with or cause the Company to be unable to fulfil its obligations to creditors or disrupt the Company's business activities. The distribution of interim dividends is determined based on a decision of the Company's Board of Directors after obtaining approval from the Company's Board of Commissioners. If at the end of the financial year the Company experiences a loss, the interim dividends that have been distributed must be returned by the shareholders to the Company. If the shareholders are unable to return the interim dividends, the Company's Board of Directors and Board of Commissioners will be jointly and severally liable for the Company's losses.

The recommendation, determination of the amount and distribution of dividends will be proposed by the Board of Directors and approved by the Board of Commissioners at their discretion and will depend on a number of factors (many of which are beyond the control of the Company) including but not limited to (i) net profit, results of operations, cash flow, capital adequacy, capital expenditure requirements and financial condition of the Company

FINANCIAL INFORMATION

and its Subsidiaries; (ii) the obligation to fulfil the establishment of reserve funds; (iii) the fulfilment of other financial obligations of the Company and its Subsidiaries; (iv) the payment of cash dividends by the Subsidiaries; (v) other factors deemed relevant by the Company, including but not limited to (i) the business development plans of the Company and/or its Subsidiaries; (ii) the success in implementing business strategies, finances, business competition and general economic conditions; and (iii) other factors specific to the MGR group and the MGR Group's industry.

If a definitive decision has been made to pay a dividend, the dividend will be paid in Rupiah. Shareholders of the Company will be entitled to receive the full agreed cash dividend on a specified date, subject to income tax deductions in accordance with applicable regulations.

The Company's dividend policy is a statement of its current intentions and is not legally binding as it is subject to changes in the Board of Directors' policy with the approval of shareholders at the time of the GMS.

There are no negative covenants that could prevent the Company from distributing dividends to shareholders.

TREASURY AND INVESTMENT MANAGEMENT POLICY

The Group has a Treasury and Investment Management Policy, which sets forth the Group's key policies as follows:

Cash flow forecasting

Our cash flow forecasting policy covers the preparation of cash flow projections, including key inflows and outflows such as operating cash flows, capital expenditures and debt servicing, as well as periodic comparison against actual performance, variance analysis and escalation of material deviations in accordance with defined thresholds.

Financial risk management

Our financial risk management policy addresses exposure to financial risks, including foreign exchange, interest rate, commodity price (including gold and silver), liquidity and counterparty risks. This policy governs any use of risk management instruments (such as foreign exchange spot and forward contracts, cross-currency swaps and commodity-related arrangements) where supported by underlying exposures and subject to internal approvals and documentation, as well as commercial considerations, and prevailing laws and regulations in Indonesia. The Group considers these instruments to be sufficient, and that hedging strategies are not needed to mitigate its foreign exchange risk. The Group currently does not enter into forward sales contracts in respect of its gold and silver sales. The policy also covers ongoing monitoring processes, including valuation, reconciliation and counterparty exposure monitoring, as well as escalation procedures.

Foreign exchange fluctuation is also managed by matching receipts and payments in the same currency, thereby reducing net exposure.

With the current gold price environment, the Company believes that its profitability and operating margins remain competitive. Accordingly, the Company's primary approach to managing gold price fluctuation is through operational discipline and continuous cost optimization initiatives, with the objective of maintaining sufficient margins between production costs and prevailing gold prices. The Company believes this approach supports positive operating cash flow generation across most commodity price scenarios.

Investment management

Our investment management policy covers a structured investment process, including identification of opportunities aligned with strategy, preparation of feasibility studies and financial models, investment approval, investment agreements, and maintaining supporting documentation. The policy also includes ongoing monitoring and reporting of investment performance, with comparison against approved assumptions and escalation of material deviations.

Borrowing and financing

Our borrowing and financing policy addresses financing activities, including assessment of funding requirements, securing borrowing, utilisation of facilities through formal drawdown

FINANCIAL INFORMATION

processes, calculation and repayment of interest and principal in accordance with contractual terms, maintaining financing documentation, and covenant monitoring.

REPORTING CURRENCY

The Group presents its financial statements in U.S. dollars, which is the functional currency of the primary operating entities within the Group, as it best reflects the economic substance of the underlying transactions and events.

The Group's revenue is largely driven determination of the functional currency which is based on the primary economic environment in which the Group operates, including the currency that mainly influences sales prices and costs. The Group's sales prices are primarily influenced by global commodity markets, where prices are denominated in U.S. dollars, following with product pricing to customers is referenced in U.S. dollars. While the Group incurs certain operating expenditures and capital expenditures in Indonesian Rupiah, a portion of the Group costs and financing arrangements are also denominated in U.S. dollars. As a result, the Group's overall foreign exchange exposure is considered manageable. Accordingly, the Group does not currently implement formal hedging arrangements, but continues to monitor foreign exchange movements and manage exposure by aligning U.S. dollar inflows and outflows where practicable. The Group will continue to assess the need for hedging strategies should foreign exchange exposure increase materially.

LISTING EXPENSES

Based on the Offer Price for the Global Offering and assuming the Over-allotment Option is not exercised, our total listing expenses relating to the Global Offering are estimated to be US\$14.9 million, including Stock Exchange Listing fees, underwriting commission fees, legal and other professional fees and printing and all other expenses related to the Global Offering.

We did not incur any listing expenses relating to the Global Offering during the Track Record Period. We expect to incur listing expenses of approximately US\$14.9 million after 31 December 2025, of which US\$5.4 million is expected to be recognized in our consolidated statement of profit and loss and other comprehensive income in 2026. The balance will be borne by certain shareholders (the “**Selling Shareholders**”) as explained below.

The Selling Shareholders have elected to sell a portion of their shares once the Company is listed on the Hong Kong Stock Exchange. The Selling Shareholders have agreed to bear the listing costs related to the sale of their shares on the Hong Kong Stock Exchange. These costs include the related underwriting commission, sponsor fees, legal fees, Stock Exchange trading fees, SFC transaction levy and AFRC transaction levy. The Company estimates these costs to amount to approximately US\$9.5 million.

The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

In addition, certain listing-related services had not yet been rendered, and the corresponding obligations had not yet arisen at the reporting date. Therefore, the full amount of listing expenses is not recognised as expenses and liabilities of the Group during the Track Record Period.

NO MATERIAL ADVERSE CHANGE

After due and careful consideration, our Directors and Commissioners confirm that, up to the date of this Prospectus, there has not been any material adverse change in our financial or trading position or prospects since 31 December 2025, and there is no event since 31 December 2025 which would materially affect the information shown in the Accountant's Report in Appendix I to this Prospectus.

UNAUDITED PRO FORMA NET TANGIBLE ASSETS

For details, see “Unaudited Pro Forma Financial Information” in Appendix II to this Prospectus.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

CONTROLLING SHAREHOLDERS

Immediately following the Global Offering and without taking into account any Shares that may be issued or repurchased by the Company from time to time, MCG will hold 9,329,376,465 Shares, representing approximately 63.33% of the issued and paid-up capital of the Company. Hence, upon the Listing, we will remain a majority-owned subsidiary of MCG and MCG will be our Controlling Shareholder for the purposes of the Listing Rules. Please refer to “History and Corporate Structure” for the simplified corporate structure of the Group.

MCG is an Indonesian mining group founded in 2012 that has been listed on the IDX (ticker: MDKA) since June 2015. MCG is engaged in gold, silver, copper, and nickel mining, as well as other related minerals, industrial, and ancillary businesses. Together with the Company and PT Merdeka Battery Materials Tbk (“MBM”), another subsidiary of MCG listed on the IDX (ticker: MBMA), MCG maintains a track record in developing and operating large-scale, low-cost mines in Indonesia, including:

- the Tujuh Bukit Mining Site in Banyuwangi, East Java
- the Wetar Copper Mine on Wetar Island, Southwest Maluku
- the Sulawesi Cahaya Mineral (“SCM”) Nickel Mine, in Konawe, Southeast Sulawesi (managed and operated by MBM); and
- the Pani Gold Mine, managed and operated by the Group.

For the year ended 31 December 2025, MCG realized an operating profit of US\$143 million (unaudited and based on management account) and profits before tax of US\$29 million (unaudited). As at 31 December 2025, MCG’s total assets amounted to US\$5.7 billion (unaudited and based on management account), and the total assets of the Group amounted to approximately 13% of MCG’s total assets.

To the best of the Company’s knowledge and based on the public information disclosed under the rules of the OJK and IDX as of 31 May 2026, shareholders that hold more than 5% of the total issued shares of MCG include PT Saratoga Investama Sedaya Tbk (“SRTG”) (approximately 19.37%), PT Mitra Daya Mustika (approximately 11.88% and ultimately controlled by PT Provident Capital Indonesia (“PCI”)), Mr. Garibaldi Thohir (approximately 7.46%) and PT Suwarna Arta Mandiri (approximately 5.46%). PCI and SRTG are among Indonesia’s most reputable blue-chip investors, in which PCI is ultimately controlled by Mr. Winato Kartono (who is our Commissioner) and SRTG is ultimately controlled by Mr. Edwin Soeryadjaya (who is the President Commissioner of MCG). Mr. Garibaldi Thohir is the Vice President Commissioner of PT AlamTri Resources Indonesia Tbk, which is a company focusing on metallurgical coal mining, mineral processing, mining services and renewable energy businesses and listed on the Indonesia Stock Exchange (IDX: ADRO). PT Suwarna Arta Mandiri is a subsidiary of PT Provident Investasi Bersama Tbk, a listed investment company controlled by PCI.

INDEPENDENCE OF OUR GROUP FROM OUR CONTROLLING SHAREHOLDERS

Our Directors and Commissioners are of the view that our Group is able to carry out its business independently from our Controlling Shareholders and their close associates following the completion of the Global Offering for the following reasons.

Clear Delineation of Business

As described above, MCG is a mining conglomerate that consists of group of entities that engages in various types of minerals, including gold, silver, copper, and nickel. Among which the operation, administration and management of the various entities are independently organized and are categorized by each of the relevant mine, given that under Indonesian laws, the mining rights and licenses are granted on an area-based basis determined by the relevant government authority in such area.

The Tujuh Bukit Mining Site

Among its widespread investment in the mining industry, MCG owns and operates the Tujuh Bukit mining site, which comprises the Tujuh Bukit Copper Project and the Tujuh Bukit Gold

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Mine (the “**Tujuh Bukit Mining Site**”). The Tjueh Bukit Copper Project is one of the world’s largest pre-production copper projects. The Tjueh Bukit Gold Mine, on the other hand, is located above the Tjueh Bukit Copper Project. The Tjueh Bukit Gold Mine specializes in gold and silver production through its wholly-owned subsidiaries PT Bumi Suksesindo (“**BSI**”).

BSI obtained the IUP to operate the Tjueh Bukit Gold Mine in 2012 with mining activities beginning in 2016 and first gold pour in early 2017. For the year ended 31 December 2025, the Tjueh Bukit Gold Mine produced approximately 103,156 ounces of gold and 818,196 ounces of silver and BSI (being the entity that engages in sales) recorded a net revenue (after realised hedge) of US\$327 million and net profit (before tax) of US\$65 million.

Notwithstanding the similar nature of the Tjueh Bukit Mining Site and the Pani Gold Mine, the Company is of the view that the two mines can be delineated on the basis that: (i) the Tjueh Bukit Mining Site will focus on the Tjueh Bukit Copper Project and the Pani Gold Mine is a pure-play gold producer; (ii) the gold mine portion of the Tjueh Bukit Mining Site and the Pani Gold Mine are at different stages of their lifespan; and (iii) they are located in different geographical location and are subject to different regulations.

Different Focus

While the Tjueh Bukit Mining Site comprises the Tjueh Bukit Copper Project and the Tjueh Bukit Gold Mine, MCG will focus in developing in the Tjueh Bukit Copper Project with respect to the Tjueh Bukit Mining Site. The Tjueh Bukit Copper Project is one of the world’s largest pre-production copper projects. Since 2018, MCG has invested significantly in assessing the feasibility to advance the project, including a 1,990-metre exploration decline, resource definition drilling, geological modeling, technical studies, a pre-feasibility study completed in May 2023 and a Mineral Resource estimate conducted in March 2024. This is contrasted to the Company’s positioning, which is to be among the top pure-play gold producers in Asia. This is also reflected in the Mineral Resources in the Tjueh Bukit Mining Site and the Pani Gold Mine, as despite having significant potential as a copper project, the Tjueh Bukit Gold Mine currently has Mineral Resources of 1.31 Moz and ore reserve of 0.53 Moz, which is insignificant to the Pani Gold Mine, which has Mineral Resources of 7.00 Moz and ore reserve of 5.20 Moz. Therefore, while certain parts of the Tjueh Bukit Mining Site operates as the Tjueh Bukit Gold Mine, its focus and development strategy is different from the Pani Gold Mine and is therefore delineated from the Company’s business.

In addition, although the Tjueh Bukit Gold Mine also produces silver, its development strategy is primarily focused on the Tjueh Bukit Copper Project (rather than the the Tjueh Bukit Gold Mine) and silver production is immaterial to the Group, the competition thereof is not material. The Group’s silver sales are expected to be conducted independently in the international precious metals market, which comprises a broad and diverse customer base. Given the size and nature of the market, there may from time to time be certain overlaps with customers or markets served by MCG, but the Group does not consider such overlap to be material.

Different lifespan

The Tjueh Bukit Gold Mine and the Pani Gold Mine were acquired and developed at different timeframes with different lifespan, where the Tjueh Bukit Gold Mine was first acquired by MCG in 2012 with the IUP to operate obtained in 2012 and mining activities began in 2016, whereas the Company was first acquired by MCG in November 2018 with the first mining activities beginning in 2025 and the first gold production started in 2026. Therefore, the two mines have different remaining lifespan as a gold mine. As of January 2026, the Pani Gold Mine has an estimated life-of-mine of 15 years based on current mine plans and reserve estimates, while the Tjueh Bukit Gold Mine has a remaining life-of-mine of 4 years and is expected to cease gold production by 2030. Therefore, the Pani Gold Mine is at its early development stage with a substantially longer remaining lifespan than the Tjueh Bukit Gold Mine.

Different Geographical Location and Different Regulations

Under Indonesian laws, the mining rights and licenses are granted on an area-based basis determined by the relevant government authority in such area, and therefore each mine will be established and operated independently with its own key operating entities that hold the relevant IUP and/or CoW with other subsidiaries established to conduct the ancillary services

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

such as equipment leasing and rental services, that complete an “eco-system” that surrounds and serves primarily such mine, each located in different geographical areas with different designated lifespan. The Tujuh Bukit Mining Site and the Pani Gold Mine are no exception. The Tujuh Bukit Mining Site is located in Banyuwangi, East Java Province and the Pani Gold Mine is located in Gorontalo Province, Sulawesi Island, which are in different islands that are far apart with distinctive administrative and provincial regions within Indonesia and therefore the two mines require different regulatory licenses, approvals and are subject to different compliance obligations and operational scopes. While both mining sites are within the MCG Group, each of the Tujuh Bukit Mining Site and the Pani Gold Mine is held by different entities that are independently managed and operated in response to the different regulatory requirements.

In addition, despite the Pani Gold Mine and the Tujuh Bukit Mining Site may have overlapping markets due to the fungible nature of gold ore until 2030 when the Tujuh Bukit Gold Mine is expected to cease production, the Company does not consider there to be material competition between the Group and the Tujuh Bukit Mining Site given the production and demand of gold is a huge market with fragmented sources of supply, including mine production and scrap supply. With a total of more than 1,000 gold mines globally and an estimated net global gold supply of 136.8 Moz in 2026 according to CRU, whereas the Pani Gold Mine and the Tujuh Bukit Gold Mine, despite being large-scaled gold mines with significant reserve, are expected to produce 108 Koz and 87 Koz in 2026, representing 0.088% and 0.064% of the estimated global gold supply, indicating that the global gold market is highly fragmented. Specifically, the Indonesian domestic market size is expected to range from 1.95 to 2.06 Moz from 2026 to 2030 according to CRU and therefore, it is expected that the total production of Tujuh Bukit Gold Mine and Pani Gold Mine combine to a range of 18% of the domestic market from 2026 to 2030. The combined production should be able to be absorbed by the domestic market alone.

In addition, the pricing mechanism for gold and silver sold by the Group and MCG follows the pricing benchmarks determined by the London Bullion Market Association and the demand for gold and silver are affected by various factors beyond the Company’s control, including but not limited to economic and political conditions, regionally, nationally, and globally. Therefore, there will not be any competition on pricing between the Pani Gold Mine and the Tujuh Bukit Gold Mine.

According to CRU, it is anticipated that Indonesia’s refined gold trade will shift from net importer to near-balanced or mild net exporter in the medium to long term, mainly driven by the aggressive downstream processing and refining plan under the Indonesian government’s policies, and imposition of export tax on gold in 2026 and the upcoming announcements or plans to increase refining capacity from key refineries and market players such as PT Aneka Tambang (Persero) Tbk (“ANTAM”) and Freeport. As Indonesia is undergoing this structural transformation to a self-sufficient, value-added gold producer, CRU anticipates that the Indonesian market will have sufficient capacity to process/refine all gold doré produced by Pani during the period where the Tujuh Bukit Gold Mine remains in operation.

This is also supported by the Group’s first Gold Sales and Purchase Agreement (“GSPA”) with ANTAM in February 2026. The GSPA is a framework agreement that is valid for two years with a total transaction volume of up to 3 metric tonnes (up to 100,000 ounces of gold), securing the sales of a meaningful and significant part of the Pani Gold Mine’s production in the coming two years.

Based on the foregoing, the Company believes that (i) there is clear delineation between our business and MCG’s business; and (ii) notwithstanding MCG’s interests in the Tujuh Bukit Mining Site, there will not be material competition between our Group and MCG Group. Moreover, the Company is of the view that given the significant market size, the standardized pricing mechanism for gold and silver in the global and regional market and the transformative shift of the Indonesian market in the medium to long term, there is no material competition between our Group and MCG.

Operational Independence

As our controlling shareholder and particularly at the earlier stage of the Company’s development, MCG provides strategic direction, oversight and long-term commitment to our development and growth.

Our Group is currently not operationally dependent on our controlling shareholders. Our Group (through our subsidiaries) holds all material licenses, qualifications and permits

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

necessary to carry on our business. We have sufficient capital, facilities, equipment and employees to operate our business independently of our controlling shareholders. Our access to, and relationship with, our customers and suppliers are independent of our controlling shareholders, and we have an independent team that manages and operates our business as well as independent sales channel (as supported by the GSPA with ANTAM).

As a primary listed issuer on IDX and to safeguard the independence of the Group in the management and operation of the Group, we have internal policy and guideline on conflicts of interest that adheres to the Indonesian capital markets regulations, in particular OJK Regulation No. 42/2020. Under such policy, any Company's transaction involving a conflict of interest with the counter party must be identified, disclosed, and conducted in compliance with prescribed procedural safeguards, including approval by independent shareholders where required. Directors or Commissioners who have a direct or indirect interest in such transactions are required to disclose the nature of their interest and are prohibited from participating in deliberations and voting on the relevant resolutions.

We have certain ongoing transactions with MCG Group, including certain technical support and equipment sharing. For details, see "Accountant Report" in Appendix I to this prospectus.

Management Independence

Our business is managed and conducted by our Board of Directors (who are also our senior management) and is supervised by our Board of Commissioners. Upon the Listing, our Board of Directors and Board of Commissioners will consist of four Directors and seven Commissioners, of whom four are Independent Commissioners. For more information, please see the section headed "Directors, Senior Management and Commissioners."

Specifically, two of our Directors and two of our Commissioners will maintain certain roles in MCG Group as illustrated below:

Roles in MCG Group	
<i>Our Directors:</i>	
Mr. Boyke Poerbaya Abidin	Director and/or commissioner in certain subsidiaries of MCG Group
Mr. Suryadinata Tanu	the General Manager of Finance, Accounting and Tax
<i>Our Commissioners:</i>	
Mr. Santoso Kartono	Commissioner in certain subsidiaries of MCG Group
Mr. Wang Xinyu	Consultant

Specifically and with reference to the section headed "Directors, Senior Management and Commissioner" in this prospectus, Mr. Boyke Poerbaya Abidin, our President Director, is responsible for the formulation and provision of guidance and development strategies for the overall development of our Group. While he does not serve any executive or management role in the group level of MCG, Mr. Abidin remains as the director and/or commissioner in certain subsidiaries of MCG due to his prominence, reputation as a highly experienced and respected prominent market player in the mining industry in Indonesia with strong relationships with external parties including the government. Such roles were more nominal in nature and are on subsidiaries level, therefore Mr. Abidin has devoted majority of his time in the Company's business since he became our Director and is expected to continue devote majority of his time and attention in the Group's business upon Listing. Mr. Suryadinata Tanu is responsible for overseeing financial and tax management and risk control of our Group. While he has been historically devoting majority of his time to the operation and management of the Group, he will also maintain a role as the General Manager of Finance, Accounting and Tax in the finance function of the MCG Group. Since the Company's listing on IDX, Mr. Tanu has devoted and is expected to continue devote majority of his time and attention in the Group's business upon the Listing. On the basis that both of Mr. Abidin and Mr. Tanu will devote a majority of their time in the management and operation of the Company and that they will not be involved in the day-to-day management and operation of MCG, the Company is of the view that they are able to devote sufficient time to the Group notwithstanding their dual roles.

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Other than our Directors, two of our Commissioners (who are of non-executive nature in our Group) also maintain roles in MCG. Specifically, Mr. Santoso Kartono is currently a commissioner in certain subsidiaries of MCG Group and Mr. Xinyu Wang is a consultant (on a non-full time basis) at MCG where he leverages his wealth of experience in developing other mining projects (see the section headed “Directors Senior management and Commissioners”) and provides strategic and technical advisory support to MCG as and when MCG and the Group requires. As both Mr. Santoso Kartono and Mr. Xinyu Wang are Commissioners of the Company with no executive involvement in our management and operation (see “Director, Senior Management and Commissioners — Practices of the Boards — Duties and Responsibilities of Directors and Commissioners” for further discussion), the Company is of the view that their involvements in MCG would bring experience and guidance to the Group but not impede our management independence.

Further to the above, our Directors and Commissioners consider that our Board of Directors and Board of Commissioners will function independently of our controlling shareholders because:

- (a) the majority of the members of the Board of Directors and Board of Commissioners (collectively 11 Directors and Commissioners) do not have any directorship and/or other roles with, the Controlling Shareholders and/or their respective close associates;
- (b) each of our Directors and Commissioners is aware of his/her fiduciary duties owed to the Company, which require, among other things, that he/she acts for the benefit, and in the interests, of our Company and does not allow any conflict between his/her duties as a director or commissioner and his/her personal interests;
- (c) our daily management and operations are carried out independently by professionals that have substantial experience in our Group’s business and/or the industry in which we operate, and will be able to make decisions that are in our best interest;
- (d) we have four independent commissioners and certain matters of our Company will always be referred to them for review and/or approval;
- (e) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our directors, commissioners or their respective associates, the interested director(s) or commissioner(s) is required to declare the nature of his/her interest and abstain from voting at the relevant meeting(s) in respect of that transaction; and
- (f) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our controlling shareholders that would support our independent management; see “— Corporate Governance Measures”.

Financial Independence

While MCG has offered support during early-stage development, including funding for exploration, permitting, and foundational infrastructure which was provided on an arm’s-length basis and in accordance with applicable regulatory and corporate governance requirements, we maintain full financial independence with our own capital structure, funding arrangements, and financial management, and are capable of obtaining financing from third parties, if necessary, without reliance on MCG. We also have independent internal control and accounting systems with an independent finance department responsible for discharging the treasury function.

The Company does not currently rely, or expect to rely in the future, on funding from MCG to (including by way of shareholder loan) to finance its business activities going forward. In the earlier stage of the Company’s development, the Company had shareholder loans from MCG in the total amount of US\$174 million during the Track Record Period, but such amount had been fully repaid in December 2025. As of the Latest Practicable Date, there was no outstanding shareholders’ loan due to MCG.

While MCG has provided flexibility to our Group by providing a shareholder’s loan facility (of up to US\$510 million, none of which is currently drawn) to supplement any third-party financing on an arm’s length basis comparable to market rates, such shareholder’s loan facility has not been drawn as the Group is able to obtain external financing with independent third

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

parties. The Company is also able to obtain such external financing without relying on MCG to act as guarantor or to provide any form of financial assistance. Most recently, in December 2025 and April 2026, the Group obtained two rounds of external financing from a number of financial institutions by way of revolving credit facility agreements in the respective principal amounts of up to US\$350 million and US\$150 million. The Company expects that any future capital needs may be addressed by external financings without the reliance of MCG.

Based on the above, our Directors believe that our Board of Directors and Board of Commissioners as a whole are able to manage, operate and carry on our business independently of, and do not place undue reliance on, our Controlling Shareholders and their respective close associates.

DISCLOSURE UNDER RULE 8.10 OF THE HONG KONG LISTING RULES

Our controlling shareholders and/or our directors and Commissioners may, save as disclosed in the foregoing and from time to time, make minority investments or hold non-executive board positions in entities that operate in, or have subsidiaries that operate in, the broader industries in which our business also operates. As our Controlling Shareholders and/or directors and Commissioners have no executive or shareholding control over any of these entities, and these entities have separate businesses with separate management and shareholder bases that control their entities, our controlling shareholders will not inject any of their interested entities into our Group; and to the extent our Directors or Commissioners hold non-executive board positions or make minority investments in these entities, we believe that this strengthens the experience and diversity of our Directors and Commissioners, as a group, and signifies their passion for the industries in which we operate.

Our controlling shareholders, Directors and Commissioners confirm that as of the Latest Practicable Date and save as otherwise disclosed, they did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Hong Kong Listing Rules.

CORPORATE GOVERNANCE

We recognize the importance of good corporate governance in protecting our shareholders' interests. We have adopted the following measures to ensure good corporate governance standards and to avoid potential conflicts of interest between our Group and our controlling shareholders:

- (a) where our Directors and Commissioners reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company's expense;
- (b) we have appointed Somerley Capital Limited as our compliance advisor to provide advice and guidance to us in respect of compliance with the applicable Laws, as well as the Listing Rules, including various requirements relating to corporate governance;
- (c) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors, Commissioners or their respective associates, the Company is required to comply with our internal conflict of interests policies and the applicable conflict of interest transaction requirements under OJK Regulation No. 42/2020, including, where applicable, the interested director and/or commissioner shall be prohibited from participating in deliberations and voting on the relevant resolutions and if required, the Company shall obtain prior approval from independent shareholders through an independent GMS; and
- (d) we have established our Audit Committee and Nomination and Remuneration Committee with Written Charters in compliance with the rules of the OJK. All of the members of our audit committee, including the chairman, are independent commissioners or external independent professionals.

Based on the above, our Directors and Commissioners are satisfied that we have sufficient corporate governance measures in place to manage conflicts of interest that may arise between our Group and our controlling shareholders, and to protect our minority shareholders' interests after the Listing.

SHARE CAPITAL

AUTHORIZED, ISSUED AND FULLY PAID-UP CAPITAL

The following is a description of the authorized, issued and fully paid-up capital of our Company immediately prior to and upon the completion of the Global Offering, assuming that the Global Offering becomes unconditional.

Authorized, Issued and Fully Paid-Up Capital as at the Latest Practicable Date and immediately following the completion of the Global Offering

(i) Authorized share capital

Number of shares	Description of Shares	Nominal Value per share	Approximate aggregate Nominal Value
20,005,839,840	Ordinary shares	Rp150	Rp3,000,875,976,000

(ii) Issued and fully paid-up capital

Number of shares	Description of Shares	Nominal Value per share	Approximate aggregate Nominal Value
14,731,366,060	Ordinary shares ⁽¹⁾	Rp150	Rp2,209,704,909,000

Notes:

- (1) As no shares will be issued in the Global Offering, there will be no change to the Company's share capital between the Latest Practicable Date and immediately following the completion of the Global Offering.

RANKING

The Shares represented by the HDS(s) will rank pari passu with all existing Shares currently in issue by the Company, in particular, such Shares represented by the HDS(s) will rank in full for all dividends and/or other distributions declared and/or other rights declared, made or paid on the Shares in respect of a record date which falls after the date of this Prospectus, subject to applicable laws and regulations.

SUBSTANTIAL SHAREHOLDERS

Except as otherwise noted, the following table sets forth information with respect to the ownership of our ordinary shares as of 31 May 2026 and immediately after the Global offering by each person known to us to hold more than 5% of our total issued Shares as disclosed under the rules of the OJK and IDX:

Name of shareholder	Number of Shares as of 31 May 2026	Approximate percentage of shareholding as of 31 May 2026	Number of Shares immediately after the Global Offering	Approximate percentage of shareholding immediately after the Global Offering
MCG ⁽¹⁾	9,329,376,465	63.33%	9,329,376,465	63.33%

Note:

- (1) MCG, the Controlling Shareholder of the Company, has been listed on the IDX under the ticker “MDKA” since 19 June 2015. To the best of the Company’s knowledge and based on the public information disclosed under the rules of the OJK and IDX as of 31 May 2026, shareholders that hold more than 5% of the total issued shares of MCG include PT SRTG (approximately 19.37%), PT Mitra Daya Mustika (approximately 11.88% and ultimately controlled by PCI), Mr. Garibaldi Thohir (approximately 7.46%) and PT Suwarna Arta Mandiri (approximately 5.46%)

Save as disclosed above, our Directors and Commissioners are not aware of any person who will, immediately following the completion of the Global Offering and assuming that the Over-allotment Option is not exercised, hold more than 5% of our total issued Shares (including such Shares represented by HDRs).

THE CORNERSTONE PLACING

We (for ourselves and on behalf of the Selling Shareholders) have entered into cornerstone investment agreements (each a “**Cornerstone Investment Agreement**”, and together the “**Cornerstone Investment Agreements**”) with the cornerstone investors set out below (each a “**Cornerstone Investor**”, and together the “**Cornerstone Investors**”), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, purchase, or cause their designated entities to purchase, at the Offer Price for such number of Offer HDRs (rounded down to the nearest whole board lot of 100 HDRs) that may be purchased for an aggregate amount of US\$152 million (or approximately HK\$1,191.14 million, calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this prospectus) (the “**Cornerstone Placing**”). The aggregate amount of the investment contributed by the Cornerstone Investors does not include the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee which the Cornerstone Investors will pay in respect of the Offer HDRs to be purchased by them.

Based on the Offer Price of HK\$26.60 per HDR, the total number of HDRs to be purchased by the Cornerstone Investors would be approximately 44,779,800 Offer HDRs, representing (i) approximately 49.94% of the Offer HDRs pursuant to the Global Offering (assuming the Over-allotment Option is not exercised); or (ii) approximately 43.43% of the Offer HDRs pursuant to the Global Offering (assuming the Over-allotment Option is fully exercised), and the total number of Sale Shares represents approximately 3.04% (assuming the Over-allotment Option is not exercised) and 3.04% (assuming the Over-allotment Option is fully exercised), respectively, of the total issued shares of the Company immediately following the completion of the Global Offering.

The Company believes that the Cornerstone Placing signifies the Cornerstone Investors’ confidence in the Company and its business prospect, and that the Cornerstone Placing will help raise the profile of the Company. The Company became acquainted with each of the Cornerstone Investors during its ordinary course of operations, either through the Group’s business network or through introduction by the Company’s business partners or the Underwriters.

The Cornerstone Placing will form part of the International Offering and, save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors (and for the Cornerstone Investor who will purchase the Offer HDRs through qualified domestic institutional investor (“**QDII**”), both the Cornerstone Investor and the QDII) and their respective close associates will not purchase any Offer HDRs under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The underlying shares of the Offer HDRs to be purchased by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid Shares in issue following the completion of the Global Offering.

Immediately following the completion of the Global Offering, (i) none of the Cornerstone Investors and/or their close associates will become a substantial shareholder of the Company; (ii) the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in the Company; and (iii) equity interests in the Company being beneficially owned by the three largest public Shareholders will be less than 50% for the purpose of Rule 8.08(3) of the Listing Rules. Other than a guaranteed allocation of the relevant Offer HDRs at the Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements compared with other public HDR Holders. There are no side arrangements or agreements between the Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Global Offering, other than a guaranteed allocation of the relevant Offer HDRs at the Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants. The Cornerstone Investors have agreed to pay for the relevant Offer HDRs that they have purchased before dealings in the Company’s HDRs commence on the Stock Exchange.

Among the Cornerstone Investors, CNGR Hong Kong Material Science & Technology Co., Limited is a close associate of an existing minority Shareholder of the Company, with them holding an aggregate of less than 5% of the voting rights in the Company before Listing. The Stock Exchange has granted a waiver from strict compliance with the requirements of Rule 10.04 of, and Paragraph 1C(2) of Appendix F1 to, the Listing Rules to permit Offer HDRs in the International Offering to be placed to certain existing minority Shareholders. For further

CORNERSTONE INVESTORS

details, please refer to the section headed “Waivers and Exemptions — Allocation of HDRs to existing shareholders and/or their close associates as cornerstone investors or placees”.

There will be no deferred settlement of the Offer HDRs to be purchased by the Cornerstone Investors. Where delayed delivery takes place, each Cornerstone Investor that may be affected by such delayed delivery arrangement has agreed that it shall nevertheless pay for the relevant HDRs in full before the Listing. Some of the Cornerstone Investors have agreed that the Overall Coordinators may in their sole discretion delay the delivery of all or part of the Offer HDRs they will purchase on a date later than the Listing Date. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering.

To the best knowledge of the Company, (i) each of the Cornerstone Investors and its ultimate beneficial owners is an Independent Third Party; (ii) none of the Cornerstone Investors is accustomed to take and has not taken instructions from the Company, the Directors, the Commissioners, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer HDRs; and (iii) none of the purchase of the Offer HDRs by the Cornerstone Investors is financed directly or indirectly by the Company, the Directors, the Commissioners, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or any of its subsidiaries or their respective close associates. In addition, to the best knowledge of the Company, each of the Cornerstone Investors is independent from each other and makes independent investment decisions.

To the best knowledge of the Company and as confirmed by the Cornerstone Investors, (i) their purchase under the Cornerstone Investment Agreements would be financed by their own internal resources, external financing from prime broker or the assets managed for its investors (in case of Cornerstone Investors which are funds or investment managers), as the case may be, as their source of funding for the purchase of the Offer HDRs; and (ii) all necessary approvals have been obtained with respect to the Cornerstone Placing, and that no specific approval from any stock exchange (if relevant) or its shareholders is required for the relevant Cornerstone Placing.

The total number of Offer HDRs to be purchased by the Cornerstone Investors might be affected by the reallocation of the Offer HDRs between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering. If the total demand for Offer HDRs in the Hong Kong Public Offering falls within the circumstance as set out in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in this prospectus, the Joint Sponsors, the Overall Coordinators and the Company have the sole and absolute discretion, but not obliged, to deduct the number of HDRs to be purchased by the Cornerstone Investors on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreements to satisfy the public demands under the Hong Kong Public Offering, after taking into account the requirements under Appendix F1 to the Listing Rules and the discretion of the Overall Coordinators (for themselves and on behalf of the International Underwriters) to exercise the Over-allotment Option. Further, the Cornerstone Investors have agreed that the Joint Sponsors, the Overall Coordinators and the Company can adjust the allocation of the number of Investor HDRs in their sole and absolute discretion for the purpose of satisfying the relevant requirements under the Listing Rules, including but not limited to, (i) Rule 8.08(3) of the Listing Rules which provides that no more than 50% of the HDRs in public hands on the Listing Date can be beneficially owned by the three largest public Shareholders, and (ii) the requirements under Practice Note 18 of the Listing Rules. Details of the actual number of Offer HDRs to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by the Company on or around 25 June 2026.

CORNERSTONE INVESTORS

The information about the Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Ping An AM

Ping An of China Asset Management (Hong Kong) Company Limited (“**Ping An AM**”) is a wholly-owned subsidiary of, and Ping An Life Insurance Company of China, Ltd. (中國平安

人壽保險股份有限公司) (“**Ping An Life Insurance**”) is a subsidiary of, Ping An Insurance (Group) Company of China, Ltd., a company listed on the Stock Exchange (stock code: 2318 (HKD counter) and 82318 (RMB counter); debt stock code: 5131) and the Shanghai Stock Exchange (stock code: 601318). Ping An AM acts as the investment manager for Ping An Life Insurance on a fully discretionary basis. It has entered into a cornerstone investment agreement on behalf of Ping An Life Insurance. Ping An Life Insurance will hold the Offer HDRs on behalf of its participating life insurance policyholders, all of whom are individuals, none of whom holds 30% or more of the interests in the participating life insurance account of Ping An Life Insurance.

Ping An AM is licensed by the SFC in Hong Kong for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO (Central Entity Number: AOD938).

Wanguo

Wanguo Gold Group Limited (“**Wanguo**”) was incorporated the Cayman Islands on 13 May 2011. It principally engages in the business of mining, ore processing and sale of the concentrates products and gold products in China and Solomon Islands, and it also invests in gold mines with potential growth. Wanguo is a company listed on the Stock Exchange (stock code: 3939) and there is no shareholder holding 30% or more of the shareholding in Wanguo.

Glencore AG

Glencore International AG (“**Glencore AG**”) is a wholly-owned subsidiary of Glencore plc. Glencore plc is listed on the London Stock Exchange, with a secondary listing on the Johannesburg Stock Exchange and is one of the world’s largest global diversified natural resource companies and a major producer and marketer of more than 60 commodities. Through a network of assets, customers and suppliers that spans the globe, Glencore plc produces, processes, recycles, sources, markets and distributes commodities that meet current energy needs. As of the Latest Practicable Date, there is no single shareholder who has a beneficial ownership interest of 30% or more in Glencore plc.

Mercuria

Mercuria Holdings (Singapore) Pte. Ltd. (“**Mercuria**”) is a wholly-owned subsidiary of Mercuria Energy Group Limited (“**Mercuria Energy Group**”), one of the world’s leading independent energy and commodity trading companies. Headquartered in Geneva, Mercuria Energy Group operates in over 50 countries across five continents and is engaged in energy and commodity trading, renewable power generation, metals and minerals trading, and infrastructure investment. The ultimate controlling beneficial owners of Mercuria Energy Group are Mr. Marco Dunand and Mr. Daniel Jaeggi, each of whom is an Independent Third Party.

Mercuria serves as Mercuria Energy Group’s Asia platform, overseeing operations across the Asia-Pacific region and focusing on the development of sustainable and integrated energy and resource solutions.

Trafigura Group

Trafigura Pte. Ltd. is a wholly-owned subsidiary of Trafigura Group Pte. Ltd. (“**Trafigura Group**”).

Trafigura Group is a leading commodities group, owned by its employees and founded over 30 years ago. At the heart of global supply, Trafigura Group deploys infrastructure, market expertise, and a worldwide logistics network to move oil and petroleum products, metals and minerals, gas and power from where they are produced to where they are needed. Trafigura Group invests in renewable energy projects and technologies and also comprises industrial assets and operating businesses. Trafigura Group employs approximately 14,500 people, of which over 1,400 are shareholders, and operates in over 150 countries. There is no single ultimate beneficial owner holding 30% or more interest in Trafigura Group.

Intera Mining

Intera Mining Investment Limited (“**Intera Mining**”) is a company incorporated in Hong Kong. Intera Mining is wholly-owned by JCHX Mining Management Co Ltd (“**JCHX**”), a

company listed on the main board of the Shanghai Stock exchange (stock code: 603979). JCHX is an international mining corporation engaged in mine development services, mine investment, mine engineering design and technology innovation, intelligent equipment manufacturing and supply chain management. JCHX has undertaken nearly 40 large-scale mine construction and mining operation management projects globally and holds five self-owned mineral resource projects, having established a dual-engine development model driven by mining services and resource development.

GF Fund

GF Fund Management Co., Ltd. (“**GF Fund Management**”) and GF International Investment Management Limited (“**GF Fund HK**”, together with GF Fund Management, “**GF Fund**”) have respectively entered into cornerstone investment agreements with the Company.

GF Fund Management was established on 5 August 2003. As of 31 December 2025, its assets under management exceeded RMB2 trillion. It offers a comprehensive range of product offerings, covering active equity, bonds, money market, overseas investments, passive investments, FOF, and quantitative hedging, among others, to meet the diversified investment needs of domestic and international clients. The controlling shareholder of GF Fund Management is GF Securities Co., Ltd. (“**GF Securities**”), a company limited by shares listed on the Stock Exchange (stock code: 1776) and the Shenzhen Stock Exchange (stock code: 000776), holding a 54.53% equity interest in GF Fund Management. Apart from GF Securities, no other shareholder holds 30% or more of the equity in GF Fund Management.

GF Fund HK is a wholly-owned subsidiary of GF Fund Management. GF Fund HK (central entity number of its SFC license: AXL121) was incorporated in Hong Kong in December 2010. It is licensed by the SFC to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities in Hong Kong. GF Fund HK serves as the global investment and business platform for its parent company, GF Fund Management. Acting as GF Fund Management’s overseas window company, GF Fund HK strategically connects the Chinese and overseas markets. Leveraging the investment and research capabilities of GF Fund Management and its competitive advantages in the overseas market, GF Fund HK provides comprehensive and high-quality services to its clients.

GF Fund Management and GF Fund HK will purchase the Offer HDRs as cornerstone investors in their capacity as the discretionary investment managers of certain funds under their management. To the best knowledge of GF Fund Management and GF Fund HK, each fund is an Independent Third Party, and no ultimate beneficial owner holds more than 30% interest.

CNGR

CNGR Hong Kong Material Science & Technology Co., Limited is a company incorporated in Hong Kong on 27 February 2019, which primarily engages in strategic equity investment, import and export trade. It is a wholly-owned subsidiary of CNGR Advanced Material Co., Ltd. (“**CNGR**”), a global leader in the new energy materials industry.

CNGR is listed on the Shenzhen Stock Exchange (stock code: 300919) and the Hong Kong Stock Exchange (stock code: 02579). Its core products are precursor cathode active materials (pCAM), which are key components of lithium-ion batteries widely used in electric vehicles, energy storage systems, consumer electronics, low altitude aircraft and humanoid robots.

Orix

Eurus Holdings SPC (“**Eurus**”), acting for and on behalf of OAAM Diversified Opportunities III S.P. (“**OAAM DO III**”), is entering into the cornerstone investment agreement with the Company. OAAM DO III is a segregated portfolio created by and held under Eurus, a segregated portfolio company registered as a mutual fund with the Cayman Islands Monetary Authority. Carnelian Hime Holding Limited (“**Carnelian**”), as sole management shareholder, holds all of the shares with voting rights in Eurus, and the controlling shareholder of Carnelian is ORIX Corporation (TYO:8591, NYSE:IX). ORIX Asia Asset Management Limited (“**ORIX Asia AM**”) acts as the investment manager on a discretionary basis of OAAM DO III. To the best of ORIX Asia AM’s knowledge and after making all reasonable enquiries, the underlying investors of OAAM DO III are independent third party of the Company, its subsidiaries, and its substantial shareholders, ORIX Asia AM and the

companies which are members of the same group of ORIX Asia AM. Save for Anyi Investment Limited, which is ultimately owned by Mr. Wu Hao, an Independent Third Party, none of the underlying investors of OAAM DO III holds 30% or more interest in OAAM DO III.

ORIX Asia AM is a key investment management platform for ORIX Corporation in the Asia-Pacific Region. ORIX Group (ORIX Corporation: TYO: 8591, NYSE: IX) was established in 1964 and has grown from its roots in leasing in Japan to become a global, diverse, and unique corporate group. Today, it is active around the world in financing and investment, life insurance, banking, asset management, real estate, concession, environment and energy, automobile-related services, industrial/ICT equipment, ships and aircraft. Since expanding outside of Japan in 1971, ORIX Group has grown its business globally and now operates in around 30 countries and regions across the world.

Wind Sabre

Wind Sabre Fund SPC acts on behalf of and for the account of Wind Sabre Opportunities Fund SP (“WSOF”), which is a fund established in the Cayman Islands holding securities on a discretionary basis on behalf of its clients who are Independent Third Parties. Wind Sabre Fund SPC is a segregated portfolio company incorporated in the Cayman Islands with limited liability and is an Independent Third Party, and WSOF is a segregated portfolio of Wind Sabre Fund SPC. Wind Sabre Fund SPC is controlled by Wind Sabre Capital Limited as the investment manager, which is a company incorporated in Hong Kong and licensed to carry out Type 9 (asset management) regulated activities under the SFO in Hong Kong by the SFC. Well Smart Developments Limited is the only client of WSOF holding 30% more interest in WSOF, which is wholly owned by Mr. Tsang On Yip Patrick, an Independent Third Party.

Wind Sabre may obtain external financing from a prime broker to finance its purchase of the Offer HDRs. The loan(s), if obtained, will be on normal commercial terms after arm’s length negotiations. The Offer HDRs to be purchased by Wind Sabre will not be charged to such prime broker as security for such loan(s).

DAMSIMF

Dymon Asia Multi-Strategy Investment Master Fund (“**DAMSIMF**”) is an investment fund established in the Cayman Islands. The investors in DAMSIMF are Dymon Asia Multi-Strategy Investment Fund and Dymon Asia Multi-Strategy Investment (US) Fund. DAMSIMF is a multi-manager, multi-asset class fund which seeks to generate absolute consistent uncorrelated returns with minimal volatility. Asset classes traded are: FX, Fixed Income/Rates, Equities, Credit and Commodities. DAMSIMF is managed by Dymon Asia Capital (Singapore) Pte. Ltd. (“**DACS**”). DACS is a wholly-owned subsidiary of and directly controlled by Dymon Asia Capital Ltd, whose shareholders Danny Yong and Keith Tan each holds more than 10% interests therein, with Danny Yong having the controlling stake of Dymon Asia Capital Ltd. DACS is headquartered in Singapore with an affiliate in Hong Kong that is licensed by the SFC to carry out Type 9 (asset management) and Type 1 (dealing in securities) regulated activities. Save for an Australian sovereign wealth fund who holds over 30% interest in DAMSIMF, no other single ultimate beneficial owner holds 30% or more interest in DAMSIMF.

CORNERSTONE INVESTORS

The table below sets out the details of the Cornerstone Placing:

Based on Offer Price of HK\$26.60 per HDR

Cornerstone Investor	Purchase amount (US\$ million)	Purchase amount (HK\$ million)	Number of Offer HDRs to be purchased	Number of Sale Shares to be purchased	Assuming Over-allotment Option is not exercised	Assuming Over-allotment Option is fully exercised		
					Approximate percentage of Offer HDR/ Sale Shares	Approximate percentage of total issued shares of the Company	Approximate percentage of Offer HDR/ Sale Shares	Approximate percentage of total issued shares of the Company
Ping An AM	30	235.10	8,838,200	88,382,000	9.86%	0.60%	8.57%	0.60%
Wanguo	20	156.73	5,892,100	58,921,000	6.57%	0.40%	5.71%	0.40%
Glencore AG	20	156.73	5,892,100	58,921,000	6.57%	0.40%	5.71%	0.40%
Mercuria	20	156.73	5,892,100	58,921,000	6.57%	0.40%	5.71%	0.40%
Trafigura Group . .	20	156.73	5,892,100	58,921,000	6.57%	0.40%	5.71%	0.40%
Intera Mining	10	78.37	2,946,000	29,460,000	3.29%	0.20%	2.86%	0.20%
GF Fund	10	78.37	2,946,000	29,460,000	3.29%	0.20%	2.86%	0.20%
CNGR	7	54.86	2,062,200	20,622,000	2.30%	0.14%	2.00%	0.14%
ORIX	5	39.18	1,473,000	14,730,000	1.64%	0.10%	1.43%	0.10%
Wind Sabre	5	39.18	1,473,000	14,730,000	1.64%	0.10%	1.43%	0.10%
DAMSIMF	5	39.18	1,473,000	14,730,000	1.64%	0.10%	1.43%	0.10%
Total	152	1,191.16	44,779,800	447,798,000	49.94%	3.04%	43.43%	3.04%

Notes:

- (1) The investment amount excludes the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee, and is calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this prospectus.
- (2) Rounded down to the nearest whole board lot of 100 HDRs.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to purchase the Offer HDRs under their respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

- (a) the underwriting agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in these underwriting agreements, and neither of the aforesaid underwriting agreements having been terminated;
- (b) the Offer Price having been agreed upon between the Company (as proxy of the Selling Shareholders) and the Overall Coordinators (for themselves and on behalf of the Underwriters);
- (c) the Listing Committee having granted the approval for the listing of, and permission to deal in, the HDRs (including the HDRs under the Cornerstone Placing as well as other applicable waivers and approvals) and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the HDRs on the Stock Exchange;
- (d) all of the necessary approvals in connection with the Global Offering having been obtained, valid and are not otherwise revoked, withdrawn, amended or invalidated;

CORNERSTONE INVESTORS

- (e) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or herein and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (f) the respective representations, warranties, acknowledgements, undertakings and confirmations of the Cornerstone Investor under the Cornerstone Investment Agreement are (as of the date of the Cornerstone Investment Agreement) and will be (as of the Listing Date) accurate and true in all respects and not misleading or deceptive and that there is no material breach of the Cornerstone Investment Agreement on the part of the Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that without the prior written consent of each of the Company, the Joint Sponsors and the Overall Coordinators, it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the “**Lock-up Period**”), dispose of, in any way, any of the HDRs it has purchased or any interest in any company or entity holding such HDRs, pursuant to their respective Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries which will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

DIRECTORS, SENIOR MANAGEMENT AND COMMISSIONERS

INTRODUCTION

Pursuant to the Indonesian Companies Law, it is mandatory for companies incorporated in Indonesia to adopt a two-tier board structure comprising the Board of Directors and the Board of Commissioners. The Board of Directors and the Board of Commissioners have distinctive and separate roles in managing and supervising the Company's operations, see “—Duties and Responsibilities of Directors and Commissioners”.

BOARD OF DIRECTORS

Upon the Listing, the Board of Directors will consist of 4 Directors. The table below set out certain information about our Directors upon the Listing:

Name	Age	Time of joining our business	Date of appointment as Director	Position	Roles and responsibilities
<i>Directors</i>					
Mr. Boyke Poerbaya Abidin	62	December 2017	July 2020	President Director	Responsible for overseeing all Company activities relating to internal audit, external affairs, and risk management, as well as formulating and providing strategic guidance and development direction for the overall growth and development of the Group
Mr. Nicholas John Green	50	May 2022	April 2026	Director	Responsible for overseeing all Company activities relating to construction activities, developing new growth projects, expanding existing operating facilities, and providing strategic guidance across the Company's subsidiaries to support the Group's long-term growth and operational enhancement
Mr. Barend Johannes Nicolaas Knoetze .	56	November 2023	April 2026	Director	Responsible for overseeing the all Company activities relating to the Group's overall operations activities, including mining and processing activities, operation planning, and key operational decisions to support effective execution and business performance
Mr. Suryadinata Tanu	43	November 2017	April 2026	Director	Responsible for overseeing all Company activities relating to finance, accounting, and tax, as well as formulating strategies to support the financial matters of the Group

Set forth below are the biographies of the Directors upon the Listing:

Mr. Boyke Poerbaya Abidin (“Mr. Abidin”), aged 62, was appointed as a Director of the Company in July 2020 and has been the President Director of the Company since June 2025.

Mr. Abidin has a wealth of 26 years of experience in management consulting, external affairs, and corporate governance with over a decade's experience in management in the mining industry.

Mr. Abidin currently holds several leading executive positions within the Group, including as a Commissioner and/or Director in a number of the Company's subsidiaries, including as a Director of PEG since December 2017, President Director of PETS and Chief External Affairs of MCG since January 2018, President Director of GSM since March 2022, President Director of MMI since May 2022, President Director of MAP since December 2019, Director of PIJ since August 2024, and Director of PIN since January 2025. He is also a President Director of certain subsidiaries of MCG (among others, PT Merdeka Tambang Nusantara,

DIRECTORS, SENIOR MANAGEMENT AND COMMISSIONERS

PT Batutua Alam Persada, PT Batutua Abadi Jaya, PT Batutua Pelita Investama, PT Merdeka Kapital Indonesia PT Batutua Tambang Indonesia, PT Batutua Tambang Jaya, PT Batutua Tambang Nusantara, SCM, PT Zhao Hui Nickel, PT Cahaya Smelter Indonesia, PT Bukit Smelter Indonesia), Director of certain subsidiaries of MCG (among others, PT Damai Suksesindo, PT Beta Bumi Suksesindo, PT Cinta Bumi Suksesindo), President Commissioner of PT Merdeka Tsingshan Indonesia (a subsidiary of MCG), and/or Commissioner of certain subsidiaries of MCG (among others, PT Lestari Jaya Kekal, PT Cahaya Sulawesi Kekal, PT Cahaya Kapur Alfa, PT Indonesia Cahaya Kekal Sulawesi, PT Konawe Cahaya Indonesia, PT Kapur Maxima Gemilang, PT Indogreen Cahaya Surya, PT Anugerah Batu Putih, PT Indonesia Konawe Industrial Park, PT Cahaya Energi Indonesia, PT Ciptawana Lestari Mandiri, PT Cahaya Hutan Lestari, PT Merdeka Energi Baru). He has also been a director of PT Masmindo Dwi Area (an Indonesian gold mining company operating the Awakmas Gold Project) since 2000.

Through holding senior management and advisory roles in the mining industry for 26 years, Mr. Abidin has significant experience in managing a mineral company, particularly in the regulatory, social and communities, sustainability, external affairs, management and oversight aspect of the Company's business. Specifically, under Mr. Abidin's leadership as Chief External Affairs of MCG (who is responsible for, among other things, overseeing MCG's social and governance aspects), MCG and certain of its subsidiaries have received various recognitions, including but not limited to Platinum Rating at 2025 Asia Sustainability Reporting Rating from National Center for Corporate Reporting (NCCR) and "Asia ESG Positive Impact Awards for Human Rights and Labor Category in Kuala Lumpur, Malaysia" for MCG, "TOP CSR Award 2025" and "TOP Leader on CSR Commitment" for PT Merdeka Tsingshan Indonesia, and Occupational, Health and Safety Award from Governor of East Java in 2026 and Prasetya Ahimsa Award for Occupational Health and Safety Practice for PT Bumi Suksesindo in 2024 (a subsidiary of MCG). In addition, Mr. Abidin has also overseen various mining projects as senior management, for example, as the president director of PT Puncak Emas Tani Sejahtera since 2018, he has overseen the Pani Gold Mine Project from exploration to feasibility study, construction and commercialization in February 2026; as a director of PT Sulawesi Cahaya Mineral, he has overseen the first production in 2023 and ramp-up of ore production from 6.4 million wet metric tonnes in 2023 to 21.6 million wet metric tonnes in 2025; as a director of PT Bumi Suksesindo (which operates the Tujuh Bukit Copper Project and the Tujuh Bukit Gold Mine), he has overseen the government relation, community relation, operational compliance and post mining land reclamation and rehabilitation; as the president director of PT Batutua Tembaga Raya ("**BTR**") and PT Batutua Kharisma Permai ("**BKP**"), he has overseen government relations, community affairs and operational compliance, and during his tenure, both BTR and BKP successfully managed the production stage operations and commenced the sale of pyrite for further processing into sulfuric acid, copper and gold, demonstrating a sustainable and circular mining approach, as well as a pioneering operational model within the mining industry; and as a director of PT Masmindo Dwi Area, he has overseen the definitive feasibility study of the Awakmas Gold Project. Therefore, the Company is of the view that he has obtained sufficient and relevant mining and regulatory knowledge, strategic communication skills and management consulting experience in the exploration and/or extraction activity of a mineral company, which would be transferable to the Group's mining activities (especially the Company's exploration in the Pani Gold Mine), and is suitable for his position as our President Director who is primarily responsible for overseeing all Company activities relating to internal audit, external affairs, and risk management, as well as formulating and providing strategic guidance and development direction for the overall growth and development of the Group.

Mr. Abidin obtained a Bachelor of Science in Business Administration degree from the United States International University School of Business and Management, San Diego, in June 1985.

Mr. Nicholas John Green, aged 50, was appointed as a Director in April 2026. His responsibilities include developing new growth projects, expanding existing operating facilities, and providing strategic guidance across the Company's subsidiaries. Mr. Green joined the Group in May 2022 and has been the Company's General Manager since then. He was also the General Manager of Pani Project MMS between May 2022 to May 2024 and has been the General Manager of GSM since May 2024.

Mr. Green has accumulated key experience in mining project management and operations. Prior to joining the Company, Mr. Green held senior project leadership roles in the mining industry. He served as Group Head of Projects at PT Meares Soputan Mining, a subsidiary of

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PT Archi Indonesia (IDX: ARCI), an Indonesian-based company principally engaged in gold mining and listed on the Indonesia Stock Exchange, from April 2021 to April 2023, and at PT Maruwai Coal, a subsidiary of PT Alamtri Resources Indonesia Tbk (formerly PT Adaro Energy Tbk) (IDX: AADI), a subsidiary of a holding company principally engaged in coal mining and power generation and listed on the Indonesia Stock Exchange, from January 2018 to January 2021. He was a construction engineer of the Martabe Mine, owned by PT Agincourt Resources from July 2015 to October 2015, and a Construction Manager at Nui Phao Mining Co. Ltd., a subsidiary of Masan High-Tech Materials (UPCoM: MSR), a company principally engaged in operating a large-scale open-pit polymetallic mine in Vietnam and listed on the UPCoM exchange in Vietnam, from March 2011 to June 2015. Earlier, he worked as a Project Manager at Ausenco Minerals Pty. Ltd., an Australian company offering engineering, construction, and project management services for industrial and mineral sectors, from October 2006 to January 2011.

Through holding senior project leadership roles in the mining industry for many years, Mr. Green has acquired significant experience in managing a mineral company, particularly in the technical and engineering aspect of various projects. Specifically and prior to joining the Company, Mr. Green has accumulated experience in the development of over 10 mining projects, involving various minerals such as gold, copper, iron ore, tungsten and Zinc. Such mining projects include but not limited to the Toka Tindung Gold Mine in Indonesia (in which he was the group head of projects and was responsible for mining pit optimisation studies, geothermal power studies and studies to duplicate the processing capability of the plant), the Maruwai Coal Mine in Indonesia (in which he was the project manager), the Martabe Gold Mine in Indonesia (in which he was the construction engineer and was responsible for assessing existing mining operations and optimizing and expanding the processing capacity), and the Nui Phao Concentrates Mine in Vietnam (in which he was the deputy construction manager and was responsible for full project lifestyle delivery). Given that Mr. Green has consistently developed and delivered a number of mining projects in project management positions for 20 years (in particular, similar to our Pani Gold Mine, the Toka Tindung Gold Mine and the Martabe Gold Mine are also open-pit mines with CIL processing facilities), the Company is of the view that he has obtained sufficient and relevant mining knowledge, technical skills, as well as project management and operations experience in the exploration and/or extraction activity of a mineral company and in mining projects, which would be transferable to the Group's mining activities, and is suitable for his position as our Director who is primarily responsible for overseeing all Company activities relating to construction activities, developing new growth projects, expanding existing operating facilities, and providing strategic guidance across the Company's subsidiaries to support the Group's long-term growth and operational enhancement.

Mr. Green graduated with a Bachelor of Engineering with Honours from the University of Tasmania, Australia, in December 1997. He also holds a Certificate of Competence in Mineral and Coal Mining as a First-Level Operations Supervisor issued by the Indonesian Professional Certification Authority in July 2023.

Mr. Barend Johannes Nicolaas Knoetze, aged 56, was appointed as a Director of the Company in April 2026. Mr. Knoetze joined the MCG Group in November 2023 and served as the General Manager of the Wetar Copper Mine. Since November 2025, Mr. Knoetze serves as the General Manager of the Pani Gold Mine, overseeing day-to-day operations, planning, budgeting, and alignment with long term strategic plans.

Mr. Knoetze has accumulated significant international experience in mining operations and metallurgical processing with senior technical, operational, and advisory roles in publicly listed and multinational mining companies engaged in mining operations. Prior to joining us, he was the Head of Processing in K92 Mining Inc., a Canada headquartered gold producer listed on the Toronto Stock Exchange (TSX: KNT). He served as Process Manager at Novo Resources Corp. (TSX: NVO), a Canadian mining company engaged in gold and copper exploration and listed on the Toronto Stock Exchange from November 2020 to July 2021. From March 2018 to October 2020, he served as Processing Manager at Allied Gold (previously Afrique Gold), an African-focused, Canadian-headquartered gold mining company. Prior to that, Mr. Knoetze also held the position of Mill Manager at Minjar Gold Pty Ltd (an Australian gold producer, developer and explorer) from April 2013 to February 2018. Prior to that, he was the Registered Manager of the Coolgardie Operations from 2009 at Focus Minerals Ltd, a gold producer listed on the Australian Stock Exchange (ASX: FML), and was subsequently appointed as Operations General Manager in 2011.

Through holding senior technical, operational and advisory roles in the mining and metal industry for over 16 years, Mr. Knoetze has acquired significant experience in managing a

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mineral company, particularly in the technical and engineering aspect of various projects. Specifically and prior to joining the Company, Mr. Knoetze has accumulated experience for over a decade in the maintenance and operations of other mining projects, involving various minerals such as gold and copper. Such mining projects include but not limited to the Wetar Copper Mine in Indonesia (which is processed via heap leach stacking, and in which he was the general manager and was responsible for day-to-day operations and improvement of the operation's safety, operational and financial performance), the Kainantu Gold Mine in Papua New Guinea (in which he was the Head of Processing and was responsible for the mineral processing & infrastructure aspect of the mine), the Golden Dragon Mine in Australia (in which he was the Mill Manager and was responsible for all operations of the site, as well as refurbishment of the processing plant, commissioning and operations), the Nullagine Gold Mine in Australia (in which he was responsible for restarting the processing plant and achieving design throughput) and the Coolgardie Operations of Focus Minerals Ltd, a gold mine in Australia (in which he was the Registered Manager of the Coolgardie Operations, and subsequently appointed as Operations General Manager and was responsible for Focus Mineral Ltd's operations). Therefore, the Company is of the view that he has obtained sufficient and relevant mining and processing knowledge, technical and engineering skills, as well as management and operational experience in the exploration and/or extraction activity of a mineral company and in mining projects, which would be transferable to the Group's mining activities, and is suitable for his position as our Director who is primarily responsible for overseeing all Company activities relating to the Group's overall operation activities (including mining and processing activities, operation planning, and key operational decisions to support effective execution and business performance).

Mr. Knoetze graduated with a National Diploma in Extraction Metallurgy in July 1992 and a National Higher Diploma in Extraction Metallurgy in January 1993 from Technicon Witwatersrand (now University of Johannesburg), South Africa.

Mr. Suryadinata Tanu, aged 43, was appointed as a Director in April 2026. Mr. Tanu joined our business in November 2017 and has since served as the General Manager of Finance, Accounting, and Tax at the MCG Group, with significant devotion in managing our business and has gained significant experience in managing the financial matters of our Group.

Mr. Tanu has extensive professional experience in finance, accounting, and tax, including in the mining and resources sector. Prior to joining us, he served as a Senior Manager at PricewaterhouseCoopers from July 2005 to October 2017.

Mr. Tanu received his Bachelor of Economics degree from Tarumanagara University, Jakarta, in August 2005, majoring in accounting and economics. Mr. Tanu's extensive technical expertise, professional qualifications, and long tenure in finance leadership roles provide the Company with robust capability in financial oversight, reporting integrity, and compliance.

Mr. Tanu has significant financial experience acquired from serving at an audit firm for 12 years and overseeing the financial aspect of the Company's business, and therefore the Company is of the view that he has obtained sufficient and relevant experience, which is suitable for his position as our Director who is primarily responsible for overseeing all Company activities relating to finance, accounting, and tax, as well as formulating strategies to support the financial matters of the Group.

Mr. Tanu holds the following qualifications: (i) he is a Certified Public Accountant accredited by the Indonesian Institute of Certified Public Accountants, obtained in July 2013, (ii) he is a Chartered Accountant accredited by the Indonesian Institute of Accountants, obtained in December 2014, (iii) he received professional accounting certification from Secretariat General of the Center for Accountant and Appraiser Development, Ministry of Finance of the Republic of Indonesia in June 2008, and (iv) he is also an Accountant by the University of Indonesia in February 2008.

During the Track Record Period and up to 22 April 2026, Mr. Albert Saputro, Mr. David Thomas Fowler, and Mr. Adi Adriansyah Sjoekri were also our Directors, and they have resigned from their directorship in April 2026, taking effect upon the completion of the General Meeting of Shareholders held on 22 April 2026. Their resignation was part of directors rotation and due to the Company's development into production phase where the current Directors have more experience in leading the Company, a mining company that has begun production. All of Mr. Albert Saputro, Mr. David Thomas Fowler, and Mr. Adi Adriansyah Sjoekri have confirmed that they have no disagreement with the Company and the Board and have remained in various positions in either MCG or the Company.

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SENIOR MANAGEMENT

In accordance with Indonesian laws and regulations, our Directors are responsible for the day-to-day operations and management of the business of our Group. Therefore, each of our Directors are members of our senior management team. For their biographical details, please refer to “Board of Directors” in this section.

BOARD OF COMMISSIONERS

Upon the Listing, the Board of Commissioners will comprise of 7 Commissioners, among which 4 are independent commissioners. The table below sets out certain information about our Commissioners upon the Listing.

Name	Age	Time of joining our business	Date of appointment as Commissioners	Position(s)	Roles and responsibilities
<i>Commissioners</i>					
Mr. Santoso Kartono ⁽¹⁾	53	December 2025	December 2025	President Commissioner	Provide strategic advice and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making
Mr. Winato Kartono ⁽¹⁾	55	April 2026	April 2026	Commissioner	Provide strategic advice and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making
Mr. Xinyu Wang	55	July 2025	April 2026	Commissioner	Provide strategic advice and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making
<i>Independent Commissioners⁽²⁾</i>					
Mr. Heri Sunaryadi	60	June 2025	June 2025	Independent Commissioner	Provide independent and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making
Dr. Jona Widhagdo Putri	44	April 2026	April 2026	Independent Commissioner	Provide independent and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making
Mr. Yu Gao	52	April 2026	April 2026	Independent Commissioner	Provide independent and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making

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Name	Age	Time of joining our business	Date of appointment as Commissioners	Position(s)	Roles and responsibilities
Mr. John Mackay McCulloch Williamson	67	April 2026	April 2026	Independent Commissioner	Provide independent and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making

Notes:

- (1) Mr. Santoso Kartono is the brother of Mr. Winato Kartono, both are proposed Commissioners of the Company.
- (2) Our Independent Commissioners appointed under applicable Indonesian laws and regulations are also considered as our independent non-executive Directors for the purposes of the Hong Kong Listing Rules. We have determined that Mr. Heri Sunaryadi and Mr. John Mackay McCulloch Williamson have the appropriate accounting or financial management expertise under the Hong Kong Listing Rules.

Set forth below are the biographies of the Commissioners upon the Listing:

Commissioners

Mr. Santoso Kartono, aged 53, has been the President Commissioner of our Company since December 2025.

Mr. Santoso Kartono has served as the President Commissioner for key mineral entities. Other than being our Commissioner, he is also a commissioner of certain subsidiaries of the MCG Group, including serving as the President Commissioner of PT ESG Industri Energi Baru since March 2024, PT Sulawesi Nickel Cobalt since December 2024, and PT ESG New Energy Material since November 2023. Additionally, he has served as a Commissioner of PT GoTo Gojek Tokopedia Tbk since December 2025, PT Sulawesi Cahaya Mineral since November 2024, and PT Merdeka Industri Anantha since July 2024. Prior to these appointments, Mr. Kartono served as the Director of Retail at PT Jingdong Indonesia Pertama (JD.ID), an Indonesian e-commerce platform, from October 2015 to February 2023.

Mr. Santoso Kartono is the brother of Mr. Winato Kartono.

Mr. Winato Kartono, aged 55, has been a Commissioner of our Company since April 2026.

Mr. Kartono has extensive experience in investment and banking. He served as a Director at PT Provident Investasi Bersama Tbk (formerly PT Provident Agro Tbk) (IDX: PALM), an investment firm listed on the Indonesia Stock Exchange, from May 2007 to June 2012 and later as a Commissioner from June 2012 to March 2022. Additionally, he was a Commissioner at PT Tower Bersama Infrastructure Tbk (IDX: TBIG) from March 2010 to May 2022 and Commissioner at PT GoTo Gojek Tokopedia Tbk (IDX: GOTO) from March 2023 to December 2025. Currently, Mr. Kartono serves as a Commissioner at PT Provident Capital Partners since March 2005 and PT Provident Capital Indonesia since February 2006. He also serves as the President Commissioner of PT Merdeka Battery Materials Tbk (IDX: MBMA) since January 2023.

Mr. Kartono has significant experience in investments into mineral companies with his experience with PT Provident Capital Partners since March 2005 and PT Provident Capital Indonesia since February 2006, which have significant experience in the investment and development of various mining projects, including the Pani Gold Mine and the Tujuh Bukit Mining Site, and therefore the Company is of the view that he has obtained sufficient experience relevant to MCG and the Company's exploration in the Pani Gold Mine, which is suitable for his position as our Commissioner who is primarily responsible for providing strategic advice and objective supervision, opinions, and judgment to the Company, the Board of Commissioners, and the Board of Directors to support good governance and sound decision-making.

He received his Bachelor of Economics degree from the Trisakti University in Indonesia in January 1994.

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Mr. Winato Kartono is the brother of Mr. Santoso Kartono. Please refer to the section headed “Substantial Shareholders” in this prospectus for information on the Mr. Winato Kartono’s shareholding interests in the Company.

Mr. Xinyu Wang (王心宇), aged 55, has been a Commissioner of our Company since 22 April 2026. Mr. Wang has also been appointed as a consultant at MCG since June 2025.

Mr. Wang is a seasoned mining executive with years of global leadership experience in mine development, construction, and smelting complexes. He served as the Vice Chairman at JCHX Mining Management Co., Ltd.* (金誠信礦業管理股份有限公司) (SSE: 603979) (“JCHX”), a company principally engaged in construction of metal mines and listed on the Shanghai Stock Exchange, from May 2023 to December 2024 and as its President and Chief Executive Officer from May 2020 to May 2023, where he spearheaded large-scale mining and infrastructure projects. Previously from July 1994 to December 2019, he worked at China Non-Ferrous Metal Industry’s Foreign Engineering and Construction Co. Ltd.* (“China NFC”) (中國有色金屬建設股份有限公司) (SZSE:000758), a company principally engaged in non-ferrous metal projects and mining investment and production operation and listed on the Shenzhen Stock Exchange, serving in roles including Superintendent, Deputy Project Manager, Project Manager, Assistant Vice President, Vice President, and Assistant General Manager overseeing and managing global project development and execution of smelter and mining-related projects.

Through holding leadership roles in the mining industry for over 30 years, Mr. Wang has acquired significant experience in managing a mineral companies, particularly in mine development, construction, smelting and related aspects of various projects. Specifically, Mr. Wang has accumulated experience in the development of over 21 mines and processing complexes across Australia, Asia, Africa and South Australia. Such projects include but not limited to the Alacran Project in Colombia (a copper-gold project in which he was the President and Chief Executive Officer of JCHX and was responsible for feasibility study support and engineering and procurement contract negotiations), the Lonshi Copper Mine and Smelter Complex (in which, as the President and Chief Executive Officer of JCHX, he was responsible for overseeing the construction of mine and smelter complex) in the Democratic Republic of Congo, and the Shalkiya Zinc Mine Project (in which he was the President and Chief Executive Officer of JCHX and was responsible for project development and implementation) in Kazakhstan.

During his tenor in China NFC, he was involved in various projects, including Arak Aluminum Project in Iran (an aluminum project in which he was the project manager and was responsible for overall project execution), NFC Zinc Project in Iran (a zinc project in which he was the project manager and was responsible for overall project execution), a copper smelter project in Vietnam in which he was the Assistant General Manager of China NFC and his responsibilities included monitoring HSE management, sub-contractor management, and overall project implementation, a 100ktpa lead smelter EPC project in India in 2010 in which he was the Assistant General Manager of China NFC and his responsibilities included overall management and supervision of the project, as the lead of the project, he successfully led the team to complete the construction of the project in 2011. As Assistant GM of China NFC, he was part of the team which secured the mandate to act as the main contractor to construct PT DPM’s DAIRI lead-zinc mine project in North Sumatra Province, Indonesia, including lead-zinc mining, beneficiation, auxiliary and related facilities. As Assistant GM of China NFC, he delivered a safety and environmental report and action plan for NFC group in 2019. Therefore, the Company is of the view that he has obtained sufficient and relevant mining knowledge, technical skills and project management experience in the exploration and/or extraction activity of a mineral company and in mining projects, which would be transferable to the Group’s mining activities, and is suitable for his position as our Commissioner to provide strategic advice and objective supervision, opinions, and judgment to support good governance and sound decision-making.

Mr. Wang received a Master of Science in automation control degree from Harbin Engineering University (哈爾濱工程大學) in April 1995.

Independent Commissioners

Mr. Heri Sunaryadi, aged 60, was appointed as an independent Commissioner of our Company in June 2025. He also had been an independent Commissioner of MCG from May 2018 to January 2022.

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Mr. Sunaryadi has held various commissioner positions at several financial institutions and listed issuers in Indonesia. Since May 2022, he has served as an Independent Commissioner at PT Tower Bersama Infrastructure Tbk (IDX: TBIG), a telecommunications tower operator listed on the Indonesia Stock Exchange. From October 2021 to March 2025, he was an Independent Commissioner at PT Bank Rakyat Indonesia (Persero) Tbk (IDX: BBRI), an Indonesian state-owned bank listed on the Indonesia Stock Exchange. From July 2020 to February 2022, he was an Independent Commissioner at PT Solusi Sinergi Digital Tbk (IDX: WIFI), a company principally engaged in fiber optic and digital products and listed on the Indonesia Stock Exchange. From 2016 to 2022, he was a Commissioner at PT Integra Indocabinet Tbk (IDX: WOOD), a furniture manufacturer listed on the Indonesia Stock Exchange.

From January 2015 to August 2016, he was a Commissioner of PT Telekomunikasi Selular, a telecommunications operator. From December 2014 to April 2016, he was a Finance Director of PT Telekomunikasi Indonesia Tbk (IDX: TLKM), a telecommunications company listed on the Indonesia Stock Exchange.

Mr. Sunaryadi also held various positions in PT Kustodian Sentral Efek Indonesia (“KSEI”), Indonesia’s central securities depository, including between 2009 and 2012 as well as between June 2015 and 2018 where he was a Commissioner, and between 2013 and March 2015 where he was the President Director.

Mr. Sunaryadi earned a Master of Management from Universitas Bina Nusantara in April 2011 and a Bachelor of Agricultural Engineering from the Institut Pertanian Bogor in August 1987. He also holds a professional qualification in bank risk management issued in February 2025 by the Banking Professional Certification Body.

Dr. Jona Widhagdo Putri, aged 44, has been appointed as an independent Commissioner of our Company since April 2026.

Dr. Putri has significant experience in international relations, diplomacy, and cross-border investment cooperation. Since November 2024, she has served as Special Advisor to the Chairman of the National Economic Council of the Republic of Indonesia (印尼國家經濟委員會), where she provides advisory support on international economics relations, geoeconomic analysis and cross-border investment considerations. Her role is advisory and non-executive in nature.

From September 2022 to October 2024, Dr. Putri served as Special Advisor for Infrastructure and Technology to the Coordinating Minister for Maritime Affairs and Investment of the Republic of Indonesia (印尼海事與投資統籌部). Between April 2018 and August 2022, she served as Special Advisor for Indonesia-China Cooperation at the Cooperation Ministry for Maritime Affairs of the Republic of Indonesia, supporting bilateral economic and investment initiatives.

Between November 2021 and 2024, Dr. Putri served as Vice Secretary General of the China-Indonesia High-Level Dialogue Mechanism, where she coordinated strategic programmes across economic, maritime, investment, political-security, and human development pillars. In addition to her government and academic roles, Dr. Putri has held cross-sectoral leadership roles. Since July 2022, she has served as Vice Chairwoman of the Indonesia Chamber of Commerce and Industry Bilateral Committee for China (印尼工商會館中國委員會), coordinating bilateral trade and investment initiatives. She has served as Chairwoman for International Affairs of the Indonesian Athletics Association (印尼田徑協會) since February 2021.

Dr. Putri has received several recognitions, including the Presidential Medal of Honor (Satyalancana Wira Karya) in October 2024. She has been appointed as a member of the Strategic Advisory Committee of the BRICS PartNIR Innovation Center (April 2025 – April 2028), and as a member of the Expert Committee of the China-ASEAN Business and Investment Summit and Business Council (July 2024 – July 2026). In June 2024, she was awarded the Outstanding Academic Performance Certificate by Fudan University.

Dr. Putri received her Doctor of Law in International Relations from Fudan University (復旦大學) in June 2024. She obtained a Diploma in Economics from the London School of Economics and Political Science in August 2005.

Mr. Yu Gao, aged 52, has been appointed as an independent Commissioner of our Company since April 2026.

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Mr. Gao has significant experience in private equity and investment banking across Asia. He previously worked as an analyst in the debt capital markets division at Donaldson Lufkin & Jenrette, an investment banking firm. From December 2000 to August 2005, he worked in Citigroup Global Markets Asia, where his last position served was an investment banking associate. Mr. Gao then spent 17 years at Morgan Stanley Asia Limited from August 2005 to July 2022, covering various roles, including as managing director, co-chief investment officer of Morgan Stanley Private Equity Asia, chairman of the investment committee of Morgan Stanley's RMB Fund, and member of Morgan Stanley's China management committee.

Mr. Gao also has some directorship experience in Hong Kong listed companies. He has served as a non-executive director since April 2017, and is now also an audit committee member of China Feihe Limited* (中國飛鶴有限公司) (HKEX: 6186). In addition, Mr. Gao has joined the board since July 2007 as a Non-Executive Director and as of today, Mr. Gao is an Independent Non-Executive Director and a member of the Audit and Nomination Committee of China Dongxiang (Group) Co., Ltd.* (中國動向(集團)有限公司) (HKEX: 3818).

Mr. Gao has been recognized as one of the “Top 100 Investors” by PE Daily in China in 2020.

Mr. Gao received a Master of Science in engineering-economic systems & operations research from Stanford University in September 1999 in the U.S. and dual bachelor's degrees in Engineering and Economics from Tsinghua University (清華大學) in July 1997 in the PRC.

Based on a Writ of Summons in the Action dated and issued on 19 March 2026 (the “**Writ**”), Home Control International Limited (“**Home Control**”, a company listed on the Stock Exchange (stock code: 1747)) alleges that in November 2019, Mr. Gao by signing a subscription letter and custody service letter for a financial product of approximately HK\$38 million on behalf of Home Control as a non-executive director and chairman of the board, together with four other co-defendants, acted in breach of duty, conspired and injured Home Control by unlawful means, causing Home Control to be deprived of a substantial portion of proceeds of its initial public offering in November 2019 and to suffer consequential loss and damage. Based on Mr. Gao's confirmation, the Writ has not been served on Mr. Gao as of the Latest Practicable Date. Specific quantum of Home Control's claims have not yet been pleaded but according to Home Control's public announcement, two partial redemptions have been made by Home Control reducing the outstanding principal of the financial product to HK\$25.24 million. For the avoidance of doubt, this disclosure is made solely for regulatory purposes and shall not be misconstrued as acknowledgment of any of the claims, any quantum or any waiver of Mr. Gao's rights. Given that (i) the Writ at this stage only contains bare and unsubstantiated allegations pertaining to events alleged to have occurred in November 2019; (ii) no statement of claim has been served or filed in the relevant court action as of the Latest Practicable Date, and the full basis and particulars of the plaintiff's allegations presently remain unknown; and (iii) Mr. Gao's position is that he had authority to sign the letters and should the relevant court action proceed further, he would have a considerable and substantive defence to the claims alleged in the Writ, our Company is of the view that the Writ would not raise any concern over the issue of integrity or character of Mr. Gao which would cast doubt on his suitability to serve as an Independent Commissioner of our Company under Rules 3.08 and 3.09 of the Listing Rules. As the claims are directed against Mr. Gao in connection with events alleged to have occurred prior to his involvement with our Company, the Writ does not have, and is not expected to have, any material adverse impact on the business operations, financial position or prospects of our Company. Based on the independent due diligence conducted by the Joint Sponsors, in particular having taken into account (a) the reasons considered by the Company as disclosed above; and (b) the legal opinion obtained from the legal adviser of Mr. Gao in relation to the Writ, the Joint Sponsors concur with the Company's view that the Writ would not raise any concern over the issue of integrity or character of Mr. Gao which would cast doubt on his suitability to serve as an Independent Commissioner of our Company under Rules 3.08 and 3.09 of the Listing Rules.

Mr. John Mackay McCulloch Williamson, aged 67, has been appointed as an independent Commissioner of our Company since April 2026.

Mr. Williamson has decades of experience in global financial markets, investment management, and corporate governance. He began his career in Edinburgh in 1980 where he trained and qualified in 1984 as a Chartered Accountant. He worked at NatWest Markets (both in UK and Hong Kong) in senior operational and management roles before being seconded and subsequently appointed as Chief Operating Officer of Wheelock NatWest, a joint venture set up between NatWest and Wheelock in Hong Kong, in January 1996.

DIRECTORS, SENIOR MANAGEMENT AND COMMISSIONERS

In September 1998, Mr. Williamson joined Morgan Stanley Asia Limited as Executive Director, Infrastructure and Risk Manager. He was promoted to a senior regional role as Managing Director of Morgan Stanley Asia Pacific (Holdings) Limited in December 1999. In August 2007, Mr. Williamson joined Search Group, where he held multiple senior executive positions in Hong Kong, including Senior Managing Director at Search Investment Group until he left in February 2018.

In addition to the above, Mr. Williamson has held significant non-executive and board appointments. Since April 2023, he has been chairman of the London Metal Exchange where he had served as a non-executive director from September 2021 to April 2023. He also served as independent non-executive director of Hong Kong Exchanges and Clearing Limited (“**HKEX**”) (HKEX: 0388) from June 2008 to April 2021, and as senior advisor to the board of HKEX from April 2021 to April 2022.

During his tenure at HKEX, Mr. Williamson had held positions in various committees, including as the chairman of the risk committee and statutory risk management committee, and as a member of the executive committee, ESG committee, remuneration committee, and audit committee.

Since September 2025, he has been a board director of Commodity Pricing and Analysis Limited (CPAL), a subsidiary of HKEX incorporated in Dubai and principally engaged in commodity benchmark pricing and administration. He was appointed as Chairman of CPAL’s board of directors in December 2025. He is also the non-executive chairman of UK Tote Group Limited and an independent non-executive Director of Pacific Basin Shipping Limited* (太平洋航運集團有限公司) (HKEX: 2343), positions he has held since September 2020 and November 2020 respectively. From 2021 to 2022, he was an independent non-executive director of Provident Acquisition Corp. (NASDAQ: PAQC), a special purpose acquisition company with focus on consumption-focused companies with disruptive growth potential and listed on NASDAQ.

Mr. Williamson has also contributed to public service and professional bodies, including serving on the Advisory Board of MIND HK since 2022 and as a board member of the Hong Kong Securities and Investment Institute (香港證券學會)* from December 2006 to December 2009.

Mr. Williamson graduated from Heriot-Watt University, Edinburgh, in 1980 with a Bachelor of Arts in accountancy and computer science. He qualified as a Chartered Accountant and became a Member of the Institute of Chartered Accountants of Scotland in 1984.

Mr Williamson was awarded an Honorary Fellow of the Chartered Institute for Securities & Investment (UK) in February 2025 for his outstanding positive contribution to the financial services profession and to the CISI. He is also a Senior Fellow of the Hong Kong Securities and Investment Institute.

Based on the disclosure in the biographies of our Directors and Commissioners and the breadth of experience of our Directors and Commissioners in various aspects of managing a mineral companies and investing into mines, as well as the exploration and/or extraction activity of mines such as the Pani Gold Mine, the Company is of the view that our Directors and Commissioners, taken together, have sufficient experience relevant to the exploration and/or extraction activity that the Company is pursuing.

FURTHER INFORMATION ABOUT MR. ABIDIN

In July 2025, Mr. Abidin received a written attendance request from the *Badan Kehormatan* (Honorary/Ethics Council) (the “**Honorary Council**”) of the Gorontalo Provincial Parliament (*Dewan Perwakilan Rakyat Daerah Provinsi Gorontalo* or “**DPRD**”), which requested for his attendance at a hearing of the Honorary Council (the “**Hearing**”) to provide information (in his capacity as witness) in connection with the Honorary Council’s review of a purported payment of IDR50,000,000 (equivalent to approximately USD3,000) (the “**Purported Payment**”) by PETS (a subsidiary of the Company) to Mr. Thomas Mopili (“**Mr. Mopili**”), who is the Chairman of the DPRD (the “**Allegation**”) elected in 2024 and will serve until 2029. The DPRD is a regional legislative body at provincial levels, which is responsible for enacting local regulations, approving regional budgets and overseeing local government administration. It functions as the counterpart to the executive branch (governor, mayor or regent) in regional governance.

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By way of background, to the best of the Company's knowledge, (i) any interactions between Mr. Mopili and Mr. Abidin are primarily incidental to their respective positions held in their official capacities, given that Mr. Mopili is the Chairperson of DPRD and Mr. Abidin is the President Director of the Company (which is one of the largest mining companies in the province), but there is no business and/or personal relationship between Mr. Mopili and Mr. Abidin, the Group or its Controlling Shareholders; and (ii) Mr. Mopili has no involvement in, and does not exercise any influence over, the approval process of the Group's mining and other licenses.

As advised by the Company's Indonesian legal adviser, the Honorary Council is an internal organ of the DPRD established under Law No. 23 of 2014 on Regional Government and the Gorontalo Provincial DPRD Standing Orders. The Honorary Council has the duty to review alleged violations of the oath or promise and the Code of Ethics committed by DPRD members. In conducting its duties, the Honorary Council has the authority to request for a statement or information from witnesses or other relevant parties. As such, the Honorary Council was only exercising its authority to request for attendance of Mr. Abidin to provide a statement and/or information as witness (not as a suspect or respondent) to assist the Honorary Council to consider the validity of the Allegation, and as advised by the Company's Indonesian legal adviser, such request does not solely give rise to basis of litigation per se. The Honorary Council's jurisdiction is limited to reviewing and sanctioning violations of the Code of Ethics and Oath of Office of DPRD members. It is not a judicial body and does not exercise criminal jurisdiction. The sanctions available to the Honorary Council are administrative and disciplinary in nature (ranging from verbal or written reprimands to proposals for temporary suspension or permanent dismissal of DPRD members) and are directed at the DPRD member concerned, rather than external parties (such as Mr. Abidin or PETS who is not a DPRD member).

During the Hearing, no documentary evidence was presented to Mr. Abidin that substantiated the Allegation, and Mr. Abidin denied any knowledge of, involvement in or connection to the Purported Payment on the basis that: (i) no Purported Payment or any other payment has been made by Mr. Abidin or PETS to Mr. Mopili or any other DPRD officials; (ii) no accounting, disbursement or other financial record in relation to the Purported Payment has been identified in the Company's system; (iii) no deviation from the Company's internal control relating to disbursement and approval procedures has been identified; (iv) no business rationale, benefit or advantage that would have been sought or obtained by the Company or PETS through the Purported Payment has been identified; and (v) no testimonial or circumstantial evidence has been produced to substantiate the Allegation. To the best of the Company's knowledge, as of the Latest Practicable Date, the Honorary Council had no evidence of any money transfer or bribery having taken place, or of Mr. Abidin or PETS being involved in the Allegation. On May 26, 2026, the Honorary Council issued a letter (the "**Council Letter**") confirming that the Honorary Council had not found any facts, evidence, or elements of violation that could be further pursued and as such the Honorary Council declared the Allegation had been resolved and would not be continued to a further examination stage. Based on the Council Letter, the Honorary Council also states that the entire complaint process relating to the Allegation has been finalized and completed, and the Company's Indonesian legal adviser considers that (i) the Council Letter constitutes the formal final determination of the Honorary Council on the Allegation, (ii) the Council Letter itself contains no indication of any further internal appeal or examination, and (iii) the Honorary Council is the competent authority to issue the Council Letter and there is no other party that is empowered to request the Honorary Council to overturn its decision. To the best of the Company's knowledge, since the hearing with the Honorary Council and up to the Latest Practicable Date, Mr. Abidin and PETS are not aware of any further summon, notice, inquiry, communication or appeal process from the Honorary Council or any other authority in connection with the Allegation subsequent to the Hearing, and as advised by the Company's Indonesian legal adviser, there is also no indication to expect that the Allegation will be escalated to any judicial proceedings or investigations by other competent authorities.

Given that (a) Mr. Abidin has denied any knowledge of, involvement in or connection to the Purported Payment on the above basis; (b) the Company is not aware of any documentary evidence that substantiates the Allegation; (c) the Company's finance team has reviewed the books and records of PETS, but no disbursement matching the description of the Purported Payment has been identified in PETS's financial systems, bank statements, cash ledgers, or any other record of transactions; (d) the Company is not aware of any of the members of the Group, nor any other Directors or Commissioners, being involved in the Allegation; (e) the Honorary Council has issued the Council Letter to confirm that the entire complaint process

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relating to the Allegation has been finalized and completed; and (f) the Honorary Council is the competent authority to issue the Council Letter, (i) the Company believes that the Allegation is unsubstantiated and does not consider that the Allegation would bring any material adverse impact to the Group, its Directors, Commissioners or committee members, and (ii) nothing has come to the attention of the Company and the Indonesian legal adviser that would raise any concern over the issue of integrity or character of Mr. Abidin which would cast doubt on his suitability to serve as a Director under Rules 3.08 and 3.09 of the Listing Rules.

In addition, based on the public information and other information made available to the Company's Indonesian legal adviser, as at the Latest Practicable Date, Mr. Abidin is not involved in any litigation or formal investigation by any government authorities in the capacity of a suspect. Specifically regarding the Allegation, as of the Latest Practicable Date, there is no evidence of indication linking Mr. Abidin to any wrongful act. Accordingly, the Company's Indonesian legal adviser considers that Mr. Abidin is not involved in any wrongful act and satisfies the director suitability requirements under the applicable Indonesian laws and regulations.

Based on the independent due diligence conducted by the Joint Sponsors, in particular having taken into account (a) the reasons considered by the Company as disclosed above; (b) the view of the Company's Indonesian legal adviser that the Allegation does not affect Mr. Abidin's eligibility to act as a director of a publicly listed company under Indonesian laws; and (c) the legal opinion obtained from the Company's Indonesian legal adviser in relation to the Council Letter, nothing has come to the attention of the Joint Sponsors which casts reasonable doubt on the above view of the Company that (a) the Allegation did not adversely affect Mr. Abidin's suitability to act as a Director under Rules 3.08 and 3.09 of the Listing Rules; (b) the Honorary Council is the competent authority to issue the Council Letter; (c) the entire complaint process relating to the Allegation has been finalized and completed; and (d) solely based on the legal opinion obtained from the Company's Indonesian legal adviser in relation to the Council Letter, there is no other party that is empowered to request the Honorary Council to overturn its decision as set out in the Council Letter.

The Company has adopted anti-bribery and anti-corruption policies to ensure that business interactions with the government and the Company's partners are carried out in a professional, fair and law-abiding manner with high integrity. In particular, the Company and its employees are prohibited from, among other things, (i) paying, giving or receiving value or something of value, or things for institutions or commercial entities or government officials for the sake of obtaining business benefits; (ii) giving or receiving facilitation payments; or (iii) promising, offering, giving, requesting or receiving anything of value, which may influence or appear to affect a bona fide or good relationship between the Company or its employees and other parties. In addition, the employees and partners of the Company (either individually or in groups) are also prohibited from carrying out, participating or being involved in acts of corruption, such as (a) providing assistance, opportunities, facilities or information to, or conspiracy with, government officers or other parties; or (b) conducting bribes with government officials or other parties to gain profit or take personal advantage of certain parties.

PRACTICES OF THE BOARDS

Duties and Responsibilities of Directors and Commissioners

It is mandatory under the Indonesian Companies Law for companies incorporated in Indonesia to adopt a two-tier board structure comprising the Board of Directors and Board of Commissioners with distinctive and separate roles in managing and supervising the Company's operation. The Board of Directors is the executive body of the Company and is responsible for the full management of the Company in accordance with its purposes and objectives. The Board of Directors represents the Company both inside and outside the court and has authority over all operational and strategic decisions relating to the day-to-day management of the Company. The Board of Commissioners is a non-executive supervisory body whose role is supervisory and advisory in nature. The Board of Commissioners oversees the policies of management and the general course of the Company's operations and provides advice to the Board of Directors. While the Board of Commissioners exercises oversight and ensures accountability and alignment with shareholders' interests, it does not participate in or manage the day-to-day operations of the Company.

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According to the Indonesian Companies Law, both Directors and Commissioners owe fiduciary duties to the Company. These duties include the obligation to act in good faith, with full responsibility, and in the best interest of the Company. Members of the Board of Directors are responsible for the proper management of the Company. Each Director may be held personally liable for losses incurred by the Company if such losses arise from fault, negligence, or breach of fiduciary duty in the performance of his or her responsibilities. Members of the Board of Commissioners, similarly, in exercising their supervisory function, are required to act in good faith, with due care and in the best interest of the Company, also responsibility in supervising and advising the Board of Directors. The Board of Commissioners exercises their supervisory authority collectively. The Board of Commissioner may also be held personally liable for losses suffered by the Company resulting from a failure to properly supervise, unless they can demonstrate that: (i) they have performed their duties in good faith and with due care, (ii) they had no direct or indirect personal interest in the management actions that caused the loss, and (iii) they have provided advice or taken actions intended to prevent or mitigate such loss. This statutory separation of executive management and supervisory oversight forms a core element of the Company's corporate governance framework and ensures clear accountability, checks and balances, and alignment with Indonesian legal requirements.

The Board of Directors is responsible for the full and effective management of the Company and for executing the Company's strategy in accordance with its purposes and objectives. In performing its duties, the Board of Directors handles day-to-day operational and business matters, including entering into transactions, managing assets, representing the company in legal and business matters as well as overseeing the financial reporting obligations, and ensuring compliance with the applicable laws and regulations. The Board of Directors represents the Company both inside and outside the court and is responsible for ensuring the integrity of the Company's financial reporting, internal control systems, and statutory reporting obligations.

Pursuant to the Company's Articles of Association, members of the Board of Directors are appointed by the general meetings of shareholders, each for a term commencing from their appointment until the closing of the third annual general meeting of shareholders thereafter, without prejudice to the right of the general meeting of shareholders to dismiss them at any time in accordance with applicable laws and the Articles of Association. Upon the expiration of their term, such members may be reappointed by the general meeting of shareholders.

The Board of Commissioners performs supervisory and advisory functions and oversees the management policies, the general course of management, both concerning the Company and its business. The Board of Commissioners provides advice to the Board of Directors and ensures the management actions are carried out in accordance with applicable laws, the Company's Articles of Association and the Company's best interests. In exercising its supervisory authority, the Board of Commissioners acts collectively. Under the Indonesian Companies Law, the Board of Commissioners is empowered to temporarily suspend one or more members of the Board of Directors, provided that clear and specific reasons for the suspension are stated. During the suspension period, the suspended Director is not permitted to perform any managerial functions.

As the authority to dismiss and appoint Directors ultimately resides with the general meeting of shareholders, the Board of Commissioners shall subsequently convene a general meeting of shareholders to determine whether such suspension should be upheld as a permanent dismissal or revoked. Such general meeting of shareholders should be held no later than 90 days from the date of the temporary dismissal. The suspended Director must be afforded the opportunity to present his or her defense, consistent with the director's right to be heard before a final dismissal decision is adopted by the shareholders in the general meeting of shareholders under the Indonesian Laws. At the same general meeting of shareholders, the shareholders may resolve to appoint any new Director to fill any vacancy arising from such dismissal.

Members of the Board of Commissioners are appointed by the general meeting of shareholders for a term commencing from their appointment until the closing of the third annual general meeting of shareholders thereafter, without prejudice to the right of the general meeting of shareholders to dismiss them at any time in accordance with applicable laws and the Articles of Association. Upon the expiration of their term, such members may be reappointed by the general meeting of shareholders.

Independent Commissioners

Under the Indonesian Companies Law, companies incorporated in Indonesia adopt a two-tier board structure comprising a Board of Directors and a Board of Commissioners. In this

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structure, members of the Board of Directors perform executive management functions and are considered senior management of the Company. Accordingly, Indonesian companies do not appoint independent non-executive directors in the same manner as companies incorporated in jurisdictions with a single-board structure.

Instead, Indonesian law and applicable capital market regulations require certain members of the Board of Commissioners to qualify as Independent Commissioners. Independent Commissioners must satisfy statutory independence requirements and must not have affiliations with the controlling shareholders, members of the Board of Directors, other members of the Board of Commissioners, or the Company that could affect their ability to exercise independent judgment.

The roles and responsibilities of the Independent Commissioners are substantially equivalent to those required of independent non-executive directors under the Listing Rules. In particular, Independent Commissioners are expected to: (i) remain informed of the Company's business, financial performance, and corporate affairs and monitor the Company's performance in achieving agreed corporate goals and objectives, (ii) provide independent judgment on matters of strategy, policy, performance, accountability, risk management, internal controls, resources, key executive appointments, and standards of conduct, (iii) oversee financial reporting and ensure the integrity of performance reporting, (iv) review and assess major transactions and significant corporate actions, and (v) take the lead in addressing and managing potential conflicts of interest.

To align with the requirements of the Listing Rules, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rules 3.10 and 3.10A of the Listing Rules, which require the appointment of at least three independent non-executive directors representing at least one-third of the issuer's Board of Directors. The waiver is granted on condition that the Independent Commissioners will assume and perform all the duties and obligations required to be performed by independent non-executive directors under the Listing Rules. For further details, please refer to the section in this prospectus headed "Waivers and Exemptions — Appointment of independent non-executive directors".

BOARD COMMITTEES

In accordance with applicable Indonesian regulations and to further strengthen its corporate governance framework, the Company has established two committees under the Board of Commissioners: (i) the Audit Committee, and (ii) the Nomination and Remuneration Committee. Each committee operates pursuant to a written charter that clearly defines its authority, composition and responsibilities, consistent with applicable Indonesian regulations. The composition and principal duties of each committee are described below.

Audit Committee

In accordance with OJK Regulation, the Company has established an Audit Committee with Mr. Heri Sunaryadi, Mr. Aria Kanaka and Mr. Atik Wijaksono Susanto being the current members. Mr. Heri Sunaryadi is the chairman of the Audit Committee. The Audit Committee convenes meetings at least once every three months, with additional meetings held as necessary.

Under the charter of the Audit Committee, the Audit Committee is responsible for, among other things:

- reviewing financial information to be disclosed by the Company to the public and/or regulatory authorities, including financial statements, projections and other financial reports;
- reviewing compliance with laws and regulations relevant to the Company's activities;
- providing independent opinions in the event of differences of opinion between management and the public accountant;
- providing recommendations to the Board of Commissioners regarding the appointment, dismissal or replacement of the public accountant and/or public accounting firm based on independence, scope of engagement and audit fees;

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- reviewing the implementation of internal audit examinations and oversees follow-up actions taken by the Board of Directors;
- reviewing the implementation of risk management activities;
- evaluating complaints relating to the Company's accounting processes and financial reporting;
- reviewing the independence and objectivity of the public accountant;
- evaluating the implementation of audit services for the Company's annual historical financial information, provides advice to the Board of Commissioners regarding potential conflicts of interest involving the Company; and
- maintaining the confidentiality of the Company's documents, data and information.

Members of the Audit Committee also include two external independent professionals as appointed to maintain the independence of the committee. Set forth below are the biographies of such members:

Mr. Aria Kanaka, aged 52, was appointed as a member of the Audit Committee in June 2025.

Mr. Kanaka has served as partner at Mazars (an audit and accounting firm) in Indonesia since 2014 and he is currently its Head of Audit & Assurance. He is also a lecturer of the Department of Accounting at Universitas Indonesia.

Mr. Kanaka has been holding positions of independent commissioner of PT Gihon Telekomunikasi Indonesia Tbk since December 2017 and has also been a member of the audit committee of PT Merdeka Battery Materials Tbk since January 2023. He was previously an audit committee member of Provident Agro (now PT Provident Investasi Bersama Tbk) from 2013 to 2022. He also sits as the Chairman of Quality Review and as a member of the Certification Board of the Indonesian Institute of Certified Public Accountants. Mr. Kanaka is a Fellow Member of the Institute of Indonesia Chartered Accountants (IAI) and a Practicing Member of the Indonesian Institute of Certified Public Accountants (IAPI).

Mr. Kanaka received a Bachelor's degree in Economics, majoring in Accounting, in August 1997 and a Master's degree in Accounting in August 2010 from Universitas Indonesia, and he is a registered accountant in Indonesia.

Mr. Atik Wijaksono Susanto, aged 54, was appointed as a member of the audit committee in June 2025.

Mr. Susanto has been the founding partner of Susanto and Partners since 2018. Prior to that, he was a partner at Oentoeng Suria & Partners in association with Ashurst OSP from 2015 to 2018.

Mr. Susanto has served as a member of the audit committee of MCG since January 2025, PT Intiland Development Tbk since May 2021, and PT Menteng Heritage Realty Tbk since 2023.

Mr. Susanto has been a member of the Indonesian Advocates Association (Perhimpunan Advokat Indonesia) and the Association of Financial Sector Legal Consultants (Himpunan Konsultan Hukum Sektor Keuangan, HKHSK).

Mr. Susanto received a Bachelor of Science degree major in management info systems in June 1993 and a Master of Business Administration degree in June 1994 from the University of South Alabama, United States of America, and a Bachelor of Laws degree from Universitas Katolik Atma Jaya in 2003.

Nomination and Remuneration Committee

In accordance with OJK Regulation, the Company has established a Nomination and Remuneration committee with Mr. Heri Sunaryadi, Mr. Santoso Kartono and Ms. Lilis Halim being the current members of the committee. Mr. Heri Sunaryadi is the chairman of the remuneration committee. The Nomination and Remuneration committee convenes meetings at least once every four months, with additional meetings held as necessary.

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Under the charter of the Nomination and Remuneration committee, the Nomination and Remuneration committee is responsible for, among other things:

- providing recommendations to the Board of Commissioners regarding the composition of the Board of Directors and the Board of Commissioners, the policies and criteria required in the nomination process, and the performance evaluation policies for members of the Board of Directors and the Board of Commissioners;
- assisting the Board of Commissioners in conducting performance assessments based on predetermined benchmarks;
- providing recommendations regarding capacity building programs for members of the Board of Directors and the Board of Commissioners;
- proposing qualified candidates for membership in the Board of Directors and the Board of Commissioners for submission to the general meeting of shareholders;
- providing recommendations to the Board of Commissioners regarding the remuneration structure, remuneration policies and the amount of remuneration; and
- assisting the Board of Commissioners in assessing the appropriateness of remuneration received by each member of the Board of Directors and the Board of Commissioners.

Members of the nomination and remuneration committee also include one external independent professional as appointed to maintain the independence of the committee. Set forth below are the biography of such member.

Ms. Lilis Halim, aged 65 was appointed as a member of the Nomination and Remuneration Committee in June 2025.

Ms. Halim has more than 25 years of experience holding the position of Consulting Director at Willis Towers Watson, a global advisory firm specialising in work & rewards, human capital and financial and brokerage services. She is recognised for her expertise in executive compensation, incentive structures and remuneration governance. She also has experience in advising human capital matters, including talent retention and workforce-related challenges, as well as involving in conducting industry surveys on relevant human capital topics.

Ms. Halim previously served as independent commissioner and chair of the nomination and remuneration committee of PT Kalbe Farma Tbk from May 2019 until May 2025. The positions she currently holds include member in the nomination and remuneration committee of MCG since April 2023, an independent commissioner and chair of the nomination and remuneration committee of PT IMC Pelita Logistik Tbk since 2019, and an independent commissioner and chair of the audit committee of PT Asuransi Allianz Life Indonesia since July 2023. After her retirement, Lilis remains with Willis Towers Watson as the President Commissioner.

Ms. Halim obtained a Bachelor of Science degree from the University of New South Wales in Sydney, Australia in October 1985.

DIVERSITY, EQUALITY, AND INCLUSIVITY POLICY

To foster a diverse, equitable, and inclusive corporate culture and to maintain the high standard of corporate governance, the Company has adopted a formal diversity, equality, and inclusivity policy which sets out the objectives, principles, and framework for promoting diversity at the Board of Directors and Board of Commissioners (“**Board**”) and senior management levels, as well as throughout the Company’s Group. The Company recognizes that diversity contributes to effective oversight, balanced decision-making, and long-term sustainable growth. In pursuing the Board diversity, the Company considers a broad range of factors, including but not limited to: (i) professional experience and industry exposure, (ii) technical expertise, skills, and knowledge, (iii) gender, (iv) age, (v) cultural and education background, (vi) ethnicity and (vii) length of service with our Company.

The Company’s Directors and Commissioners collectively bring a balanced mix of knowledge, skills and experience, including the areas of business management, engineering, extraction metallurgy, finance and accounting, economics, automation and international relations. They obtained academic qualifications in various disciplines, including engineering, business and

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international relations. Furthermore, our Board also has a wide age range, ranging from 43 years old to 67 years old. The Company has taken, and will continue to take, active steps to promote gender diversity at all levels of our Company's Group, including but not limited to the Board also the senior management levels. The Company remains committed to improving gender representation over time, taking into account its business development needs and talent pipeline.

Going forward, the Company will continue to assess its Board composition in light of its evolving business strategy and operational requirements, with a view to maintaining an appropriate balance of skills, experience, independence, and diversity. All Board appointments will be made on the basis of merit, having due regard to the benefits of diversity and the overall effectiveness of the Board.

The nomination and remuneration committee is responsible for ensuring the structure, size, and composition of the diversity of our Board members. The committee periodically reviews the Company's diversity profile (including gender balance) from time to time with reference to our diversity, equality, and inclusive policy to ensure its continued effectiveness.

CONFIRMATION FROM OUR DIRECTORS AND COMMISSIONERS

Save as disclosed above, none of the Directors and Commissioners of our Company has been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus.

Save as disclosed above, none of the Directors and Commissioners of our Company is related to any other Directors or Commissioners of our Company.

Save as disclosed above, to the best knowledge, information and belief of our Directors and Commissioners having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors and Commissioners that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

Each of our Directors and Commissioners confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in February 2026, and (ii) understands his or her obligations as a director or commissioner of a listed issuer under the Listing Rules.

Each of the independent Commissioner has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointments.

Save as otherwise disclosed in this Prospectus, each of our Directors and Commissioners confirms that, as of the Latest Practicable Date, he or she does not have any interest in any business which competes or is likely to compete, whether directly or indirectly, with the Company's business, and which would require disclosure pursuant to Rule 8.10 of the Listing Rules.

COMPENSATION OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS

Our Directors and Commissioners receive remuneration in the form of fees, salaries, allowances, discretionary bonuses, contributions to statutory retirement and other benefit scheme contributions and other benefits in kind, as determined in accordance with the Company's remuneration policies and subject to approval by the general meeting of shareholders where required under applicable Indonesian laws and regulations.

For each of the three years in the period ended 31 December 2025, the Company paid an aggregate cash compensation of approximately US\$166,068, US\$159,581 and US\$154,420 respectively, to our Directors and Commissioners. The Company has not set aside or accrued any amount to provide pension, retirement or other similar benefits to our Commissioners and directors. In accordance with Indonesian laws and regulations, our Indonesian

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subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her health insurance and work accident insurance.

During the Track Record Period, no remuneration was paid by the Company to, or receivable by, our Directors, Commissioners or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors or Commissioners waived any remuneration. Save as disclosed above, no other payments were paid, or are payable, by the Company or any of its subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

COMPLIANCE ADVISER

The Company has appointed Somerley Capital Limited as its compliance adviser (the "**Compliance Adviser**"), upon listing of our HDRs on the Hong Kong Stock Exchange in compliance with Rule 3A.19 of the Hong Kong Listing Rules. Pursuant to Rule 3A.23 of the Hong Kong Listing Rules, the Compliance Adviser will provide advice to us when consulted by us in the following circumstances: during the period of appointment, our Company must consult with, and if necessary, seek advice from the compliance adviser on a timely basis in the following circumstances:

- before the publication of any regulatory announcement, circular and financial report;
- where the Company's business activities, developments or financial results materially deviate from any forecast, estimate or other information in this prospectus; and
- where the Hong Kong Stock Exchange makes an inquiry of the Company regarding unusual movements in the price or trading volume of our HDRs under Rule 13.10 of the Listing Rules.

The term of the Compliance Adviser's appointment shall commence on the Listing Date and shall end on the date on which the Company distributes its annual report in respect of its financial results for the first full financial year commencing after the Listing Date, unless terminated earlier in accordance with the terms of the compliance adviser agreement and the Listing Rules.

FUTURE PLANS AND PROSPECTS

FUTURE PLANS

See “Business — Business Strategies” for a detailed description of our future plans.

REASONS FOR THE SECONDARY LISTING

Our proposed secondary listing on the Hong Kong Stock Exchange represents a strategic initiative to strengthen the Company’s capital market platform and enhance its international profile. We believe that secondary listing on the Hong Kong Stock Exchange would diversify and broaden our shareholder base by attracting international institutional investors, improve trading liquidity through access to deeper global capital markets, strengthen corporate governance and reporting standards through compliance with international regulatory frameworks, and funding flexibility for project development and growth initiatives. We believe that a Hong Kong listing will further support our longterm development objectives by enhancing our accessibility to international investors seeking exposure to Indonesia’s gold sector, subject to applicable regulatory requirements and market conditions.

PROCEEDS FROM THE GLOBAL OFFERING

We will not receive any of the net proceeds from the Global Offering. The Selling Shareholders will receive all the net proceeds from the Global Offering.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

A deposit agreement has been entered into in respect of the secondary listing. This section includes a summary of the principal terms of the Deposit Agreement. Because it is a summary, it does not contain all the information that may be important. For more complete information, you should read the entire Deposit Agreement and the form of HDR which contains the terms of HDSs. A copy of the Deposit Agreement is available for inspection as provided in Appendix VI to this prospectus.

LISTING

Application has been made to the Listing Committee for granting the admission to the secondary listing on the Main Board of the Hong Kong Stock Exchange of, and permission to deal in, the HDRs. Application has been made in respect of up to 589,254,600 HDRs.

The HDRs will be denominated in HK dollars and have no par value.

TERMS OF HDRS

Each HDR will be issued against a HDS held by the Custodian for the account of the Depositary on behalf of the HDR Holders. The Depositary holds the HDRs on trust for the sole benefit of the HDR Holders.

JPMorgan Chase Bank, N.A., as Depositary, will issue (as agent of the Company) HDRs representing the HDSs to investors in the HDRs pursuant to the Global Offering.

Each HDS will represent an ownership interest in 10 Shares and will be deposited with the Custodian, as agent of the Depositary, under the Deposit Agreement.

The Custodian will hold the Shares for the account of the Depositary on behalf of the HDR Holders, segregated from all other property of the Custodian.

In the future, the HDSs will also represent any securities, cash or other property deposited with the Depositary or the Custodian for the account of the Depositary on behalf of the HDR Holders. The HDSs will be registered in the HDR register in registered form and will be in either certificated form or book-entry form. Computershare Hong Kong Investor Services Limited at 46/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, will be in charge of keeping the records of all registered HDR Holders.

The Depositary's representative office is located at 8 Connaught Road, Chater House, 18/F, Central, Hong Kong.

Holders may hold HDSs either directly (in physical form) or indirectly (in electronic book-entry form) through their broker or other financial institution. If they hold HDSs directly, by having a HDS registered in their name in the HDR register, they are a HDR Holder. This description assumes direct holding of HDSs. If holders hold the HDSs through their broker or financial institution nominee, they must rely on the procedures of such broker or financial institution to assert the rights of a HDR Holder described in this section. They should consult with their broker or other professional adviser to find out what those procedures are.

HDR Holders are not Shareholders. Indonesian law governs the rights of Shareholders. Because the Depositary or its nominee will be the holder of record for the Shares represented by all outstanding HDSs, Shareholder rights rest with such holder of record. HDR Holders only have the contractual rights set forth on their behalf under the Deposit Agreement and must rely on the Depositary to exercise on the rights attaching to the Shares, including the right to attend and vote at the Company's general meeting of shareholders in the capacity as our Shareholders, on their behalf. For details of the material Shareholder protections in Indonesia, see "Appendix IV — Summary of the Constitution of the Company and the Indonesian Companies Law" in this Prospectus. The obligations of the Depositary and its agents are also set out in the Deposit Agreement. As the Depositary or its nominee will be the registered holder of the Shares underlying the HDSs, HDR Holders will not be recognized as shareholders of the Company under Indonesian law and may only exercise rights in respect of the Shares through the Depositary in accordance with the Deposit Agreement. The Deposit Agreement is governed by Hong Kong law and the HDRs will be created under and governed by Hong Kong law.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

SHARE DIVIDENDS AND OTHER DISTRIBUTIONS

How will dividends and other distributions on the Shares underlying the HDSs be received?

We may make various types of distributions with respect to our securities. The Depositary has agreed that, to the extent practicable, it will pay the cash dividends or other distributions it or the Custodian receives on Shares or other deposited securities, after converting any cash received into HK dollars and, in all cases, making any necessary deductions provided for in the Deposit Agreement. Any conversion of dividends paid in a currency other than HK dollars will occur at the available market rates prevailing at the time of conversion.

Except as stated below, the Depositary will deliver such distributions to HDR Holders in proportion to their interests in the following manner:

- **Cash.** The Depositary will distribute any HK dollars available to it resulting from a cash dividend or other cash distribution or the net proceeds of sales of any other distribution or portion thereof (to the extent applicable), on an averaged or other practicable basis, subject to (i) appropriate adjustments for taxes withheld, (ii) such distribution being impermissible or impracticable with respect to certain registered HDR Holders, and (iii) deduction of the Depositary's expenses in (1) converting any foreign currency to HK dollars to the extent that it determines that such conversion may be made on a reasonable basis, (2) transferring foreign currency or HK dollars to Hong Kong by such means as the Depositary may determine to the extent that it determines that such transfer may be made on a reasonable basis, (3) obtaining any approval or license of any governmental authority required for such conversion or transfer, which is obtainable at a reasonable cost and within a reasonable time and (4) making any sale by public or private means in any commercially reasonable manner; provided, however, that in the event that any of the deposited Shares is not entitled, by reason of its date of issuance, or otherwise, to receive the full amount of such cash dividend or distribution, the Depositary shall make appropriate adjustments in the amounts distributed to the HDR Holders issued in respect of such Shares; and provided, further, that in the event that the Company or the Depositary shall be required to withhold and does withhold from any cash dividend or other cash distribution in respect of any HDSs an amount on account of taxes, the amount distributed on the HDRs issued in respect of such deposited Shares shall be reduced accordingly. The Depositary determines in its discretion that it would not be permitted by applicable law, rule or regulation, or it would not otherwise be practicable, to convert foreign currency into Hong Kong dollars and/or distribute such Hong Kong dollars to any or all of the Holders entitled thereto, the Depositary may in its discretion distribute some or all of the foreign currency received by the Depositary as it deems permissible and practicable to, or retain and hold such foreign currency uninvested and without liability for interest thereon for the respective accounts of, the HDR Holders entitled to receive the same.
- **Shares.** In the case of a distribution in Shares, the Depositary will issue additional HDRs to evidence the number of HDSs representing such Shares. Only whole HDSs will be issued. Any Shares comprised in a distribution which would result in fractions of HDSs will be sold and the net proceeds will be distributed in the same manner as a cash distribution to the HDR Holder entitled thereto.
- **Rights to receive additional Shares.** In the case of a distribution of rights to subscribe for or acquire additional Shares or other similar rights, if we provide evidence satisfactory to the Depositary that it may lawfully distribute such rights, the Depositary will distribute warrants or other instruments in the discretion of the Depositary representing such rights. The Company has given no undertaking and is not obliged to provide such evidence to the Depositary in case it distributes rights to receive additional Shares. However, if we do not furnish such evidence, the Depositary may:
 - o sell such rights if practicable and distribute the net proceeds in the same manner as cash to the HDR Holders entitled thereto; or
 - o if it is not practicable to sell such rights, do nothing and allow such rights to lapse, in which case HDR Holders will receive nothing

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

- **Other distributions.** In the case of a distribution of securities or property other than those described above, the Depositary may either (i) distribute such securities or property in any manner that it deems equitable and practicable; or (ii) to the extent the Depositary deems distribution of such securities or property not to be equitable and practicable, sell such securities or property and distribute any net proceeds in the same way it distributes cash.

If the Depositary determines that any distribution described above is not permissible by applicable law, rule or regulation, or is not otherwise practicable with respect to any or all HDR Holders, the Depositary may in its discretion make such distribution as it so deems permissible and practicable for such HDR Holder, including the distribution of foreign currency, securities or property, or it may retain such items, without paying interest on or investing them, on behalf of the HDR Holder as deposited securities, in which case the HDRs will also represent the retained items.

Any HK dollars will be distributed by cheques for whole dollars and cents. Fractional cents will be withheld without liability and dealt with by the Depositary in accordance with its then current practices.

The Depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any HDR Holders.

There can be no assurance that the Depositary will be able to convert any currency at a specified exchange rate or sell any property, rights, Shares or other securities at a specified price, nor that any of such transactions can be completed within a specified time period.

DEPOSIT, WITHDRAWAL AND CANCELLATION

How does the Depositary register title to HDSs?

The Depositary shall appoint and may remove the HDR Registrar, who will satisfy the requirements under the Listing Rules, to maintain the HDR Register and to register HDSs, HDRs and transfers, combinations and splitups of HDRs and to countersign HDRs in accordance with the terms of any such appointment. The Depositary will register title to HDSs if Shareholders or their broker deposit Shares or evidence of rights to receive Shares with the Custodian and pay the fees and expenses owing to the Depositary.

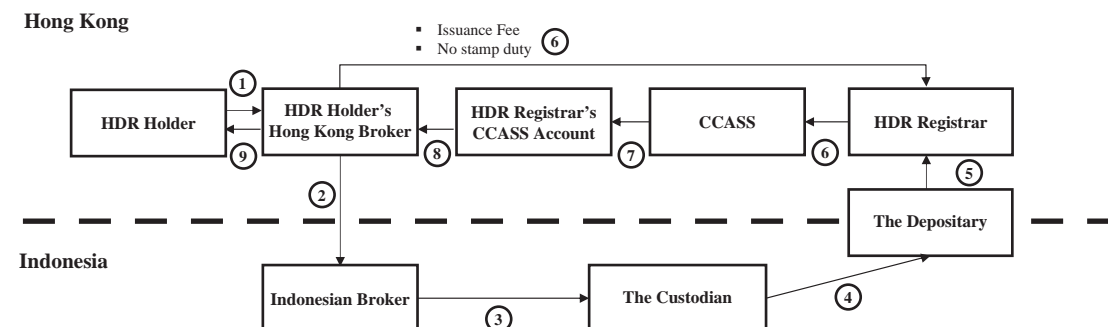
Shares deposited with the Custodian might be required to be accompanied by certain delivery documentation, including instruments showing that such Shares have been properly transferred or endorsed to the person on whose behalf the deposit is being made.

The Custodian will hold all deposited Shares for the account of the Depositary on behalf of the HDR Holders. HDR Holders thus have no direct ownership interest in the Shares and only have such rights as are contained in the Deposit Agreement. The Custodian will also hold any additional securities, property and cash received on or in substitution for the deposited Shares. The deposited Shares and any such additional items are referred to as “deposited securities”.

Upon each deposit of Shares, receipt of the related delivery documentation and compliance with the other provisions of the Deposit Agreement, including the payment of the fees and charges of the Depositary and any taxes or other fees or charges owing, the Depositary will issue a HDR(s) in the name or upon the order of the person entitled thereto evidencing the number of HDSs to which such person is entitled.

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Please see below a flowchart illustration on the typical circumstances of HDR issuance:



- ① HDR Holder's Hong Kong broker receives order from HDR Holder to purchase HDRs for delivery to their CCASS account
- ② HDR Holder's Hong Kong broker executes the trade through Indonesian broker
- ③ Indonesian broker delivers ordinary shares to the Custodian
- ④ Upon confirmation of receipt of ordinary shares, the Depository instructs issuance of HDRs
- ⑤ The Depository instructs HDR Registrar to issue HDRs certificates
- ⑥ Upon receiving issuance fee (HKD0.4 per HDR) from the HDR Holder's Hong Kong Broker, HDR Registrar increases position of HDRs on register and deposit the HDR certificate(s) into CCASS
- ⑦ CCASS credits HDR position in DR Registrar's CCASS account
- ⑧ HDR Registrar instructs its custodian bank to deliver HDRs to the HDR Holder's Hong Kong broker's CCASS account
- ⑨ HDR Holder's Hong Kong broker receives HDRs into CCASS account and credits HDR Holder's account accordingly

Note: The issuance process will usually take 2 to 3 business days to complete

How do HDR Holders cancel an HDS and obtain deposited securities?

A HDR Holder may from time to time surrender the HDRs for cancellation and request for the Deposited Security represented by the HDSs to be transferred to the name of the HDR Holder, in each case in accordance with the terms of the Deposit Agreement. The Depository will, upon payment of certain applicable fees, stamp duties, charges and taxes and upon surrender of (i) a certificated HDR in form satisfactory to the Depository, together with the HDR Holder's written order directing the Depository to cause the Deposited Securities represented by the HDSs evidenced thereby to be withdrawn and delivered to, or upon the written order of, any person designated in such order, or (ii) proper instructions and documentation in the case of a book-entry HDR (i.e. HDR deposited in CCASS and traded and settled on a book-entry electronic basis), the HDR Holder is entitled to delivery of the Deposited Securities at the time represented by such HDSs. At the request, risk and expense of the HDR Holder, the Depository may deliver such Deposited Securities at such other place outside the United States as may have been requested by the Holder.

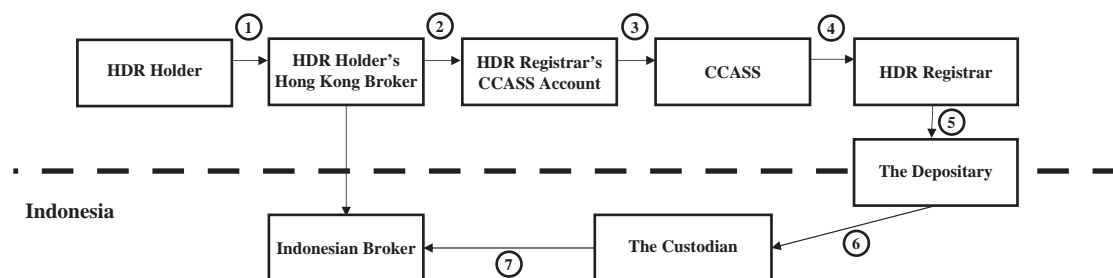
The Depository may restrict the withdrawal of deposited securities in connection with:

- temporary delays caused by closing our transfer books or those of the Depository or the deposit of Shares in connection with voting at a Shareholders' meeting, or the payment of dividends;
- the payment of fees, taxes and similar charges;
- compliance with any Hong Kong or foreign laws, governmental regulations relating to the HDRs or to the withdrawal of deposited securities; or
- any other situation where restriction of the right to withdraw at that time is deemed advisable by the Depository.

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Please see below a flowchart illustration on the typical circumstances of HDR cancellation:

Hong Kong



- ① HDR Holder's Hong Kong broker receives an order from HDR Holder to cancel HDRs into ordinary shares
- ② HDR Holder's Hong Kong broker submits cancellation instruction and pay cancellation fees to HDR registrar. HDR Holder's Hong Kong broker will then deliver HDRs to HDR Registrar's CCASS account
- ③ CCASS debit HDRs position in HDR Registrar's CCASS account and withdraw HDR certificate(s) from its vault
- ④ HDR Registrar receives HDR certificates returned from CCASS, cancels HDRs, updates the HDR register
- ⑤ HDR Registrar confirms completion of HDR cancellation to the Depository that ordinary shares can be released to Indonesian local broker
- ⑥ The Depository instructs the Custodian to deliver ordinary shares to Indonesian local broker as per the local SSI provided by HDR Holder's Hong Kong broker
- ⑦ Indonesian local broker receives ordinary shares from the Custodian

Note: The cancellation process will usually take 3 to 4 business days to complete, provided that CCASS has the required denomination of certificates for withdrawal. Otherwise, the process may take up to 7 to 15 business days.

RECORD DATES

The Depository may, after consultation with the Company if practicable, fix record dates (which, to the extent applicable, shall be as near as practicable to any corresponding record date set by the Company) for the determination of the registered HDR Holders who will be entitled (or obligated, as the case may be):

- to bear the responsibility for fees assessed by the Depository for administration of the HDR program and for any expenses as further elaborated in the Deposit Agreement;
- to receive any distribution on or in respect of Shares;
- to participate in rights issues;
- to give instructions for the exercise of any voting rights; or
- to receive any notice or to act in respect of other matters and only such HDR Holders shall be so entitled or obligated,

all subject to the provisions of the Deposit Agreement.

For illustration purposes and pursuant to Indonesian laws, the record date to determine the eligibility of shareholders to attend a general meeting shall be announced no later than thirty five (35) clear calendar days prior to the date of the general meeting of shareholders and such announcement shall be, upon Listing, published on the websites of the Company, the IDX and the Stock Exchange.

VOTING RIGHTS

How to vote?

HDR Holders are not Shareholders and must rely on the Depository to exercise on their behalf the rights that are otherwise available to the Shareholders, including voting rights. Because the Depository or its nominee will be the holder of record for the Shares represented by all outstanding HDRs, Shareholder rights, including the right to appoint a proxy to attend and vote at our GMS, rest with such holder of record. HDR Holders only have the contractual rights set forth on their behalf under the Deposit Agreement and must rely on the Depository

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

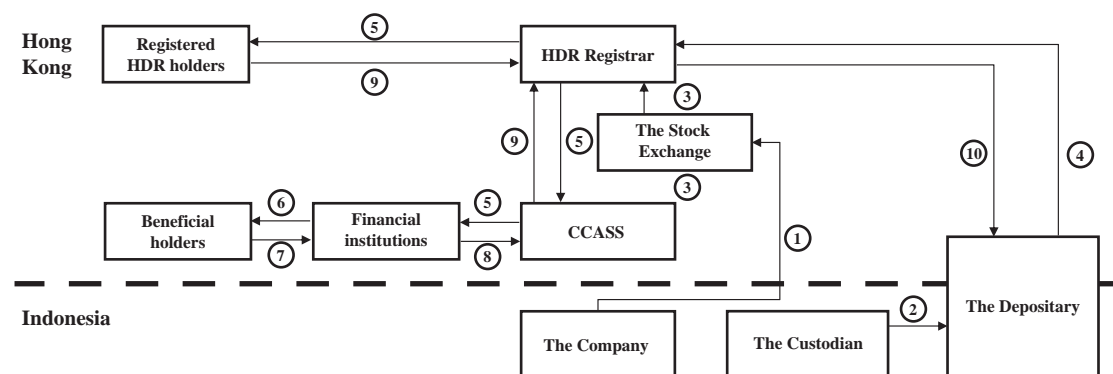
to exercise on the rights attaching to the Shares on their behalf. In particular, HDR Holders are not permitted to speak or vote at Shareholders' meetings in the capacity of HDR Holders or Shareholders and they may only speak and/or vote by providing instructions to the Depositary to exercise such rights on their behalf. The HDR provides that, as soon as practicable after receipt from the Company of notice of any meeting or solicitation of interests or intention to speak and/or vote at any meeting or proxies shareholders, the Depositary shall within 1 (one) business day distribute to HDR Holders a notice stating (a) such information as is contained in such notice and any solicitation materials, (b) that each HDR Holder on the record date set by the Depositary therefor will, subject to any applicable provisions of the laws and regulations of Indonesia, be entitled to appoint the Depositary or other persons as its proxy and instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Shares represented by the HDSs evidenced by such HDR Holder's HDRs and (c) the manner in which such instructions may be given. Upon receipt of instructions of a HDR Holder as such record date in the manner and on or before the date established by the Depositary for such purpose, the Depositary shall endeavor insofar as practicable and permitted under the provisions of Indonesian law and the constitutional documents of the Company, to speak and/or to vote or cause to be voted the Shares represented by the HDSs evidenced by such HDR Holder's HDRs in accordance with such instructions. The Depositary will not itself exercise any voting discretion in respect of any Shares. The Depositary shall have no liability if the obligations above are not complied with.

There is no guarantee that HDR Holders will receive voting materials in time to instruct the Depositary to vote and it is possible that HDR Holders, or persons who hold their HDSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote, although in practice our Company and the Depositary will endeavour to make arrangements to ensure as far as practicable that all HDR Holders will be able to vote.

Alternatively, if HDR holders wish to attend the GMS to speak, vote and/or to appoint proxies as shareholder(s), they could surrender their HDRs for cancellation in exchange for the underlying shares subject to the applicable Indonesian laws.

Shareholders (and HDR Holders) may be required to abstain from voting or may not be permitted to vote or constitute quorum on certain resolutions. For more details, see "General Meeting of Shareholders — Quorum of GMS" and "Core Shareholder Protection Standards" in Appendix IV of this prospectus.

Please see below a flowchart illustration on the typical circumstances of proxy processing on voting rights:



- ① HDR issuer makes a shareholders' meeting announcement on record date with entitlement to attend and vote in the local market and HK (through the Stock Exchange's Website).
- ② The Depositary also receives the meeting information from the Custodian.
- ③ The announcement uploaded on HKEX's website becomes available to CCASS and HDR Registrar and public investors
- ④ The Depositary provide additional meeting information and proxy materials such as the draft meeting notice and proxy form, to HDR registrar for further review
- ⑤ The Depositary signs off proxy documents and HDR registrar to arrange bulk printing, mailing and dispatch to all HDR holders. In relation to HDR proxy processing, the Depositary will respond around 30 days before the dispatch date.
- ⑥ HK Financial institutions inform Beneficial holders being their clients
- ⑦ By proxy deadline of the HK Financial institutions to their clients, all instructions from beneficial holders to be sent to the respective HK Financial institutions
- ⑧ By proxy deadline of the CCASS to its clients, all consolidated instructions from HK Financial institutions to be sent to CCASS
- ⑨ By proxy deadline of the HDR Registrar, all instructions from registered holders to be provided directly to the HDR Registrar, while all consolidated instructions from CCASS to be sent to the HDR Registrar.
- ⑩ HDR Registrar consolidates proxy instructions received and sends proxy summary to the Depositary; the Depositary sends voting instructions in Indonesia through the Custodian.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

REPORTS AND OTHER COMMUNICATIONS

Will HDR Holders be able to view our reports?

Subject to such waivers and exemptions from compliance with the requirements of the Listing Rules as may be granted by the Hong Kong Stock Exchange to us, we will send or otherwise making available the corporate communication (as defined in the Listing Rules) to our HDR holders using electronic means and make the corporate communication available on our website and the Stock Exchange's website. If we are required to send printed copies of any notices, reports, voting forms or other communications to HDR Holders under the Listing Rules or any other laws or regulations, we will make available printed copies thereof to the Depositary, who will distribute the same to the HDR Holders. Any such documents or communication will also be made available for inspection at the offices of both the Depositary and the Custodian listed in the section in this prospectus entitled "Directors, Commissioners and Parties involved in the Global Offering".

FEEES AND EXPENSES

What are the fees and expenses?

The Depositary may charge each person holding HDSs, including, without limitation, issuances against deposits of Shares; issuances in respect of Share distributions, rights and other distributions; or issuances pursuant to a stock dividend or stock split declared by us; or pursuant to a merger, exchange of securities or any other transaction or event affecting the HDSs or deposited securities, and each person surrendering HDSs for withdrawal of deposited securities or whose HDRs are cancelled or reduced for any other reason, HK\$0.40, in accordance with the specific provisions of the Deposit Agreement, for each HDR (or any portion thereof) issued, delivered, reduced, cancelled or surrendered, as the case may be. The Depositary may sell (by public or private sale) sufficient securities and property received in respect of Share distributions, rights and/or other distribution prior to such deposit to pay such charge.

The following additional charges shall be incurred by the HDR Holders, by the beneficial owners, by any party depositing or withdrawing Shares or by any party surrendering or receiving HDSs (including, without limitation, issuance pursuant to a stock dividend or stock split declared by us or an exchange of stock regarding the HDRs or the deposited securities or a distribution of HDSs), whichever is applicable:

- a fee of up to HK\$0.40 per HDS for any cash distribution made, or for any elective cash/stock dividend offered, pursuant to the Deposit Agreement;
- a fee of up to HK\$0.40 per HDS held for the direct or indirect distribution of securities (other than HDSs or rights to purchase additional HDSs or the net cash proceeds from the public or private sale of any such securities, regardless of whether any such distribution and/or sale is made by, for, or received from, or (in each case) on behalf of, the Depositary, the Company and/or any third party;
- a fee of up to HK\$0.40 per HDS per calendar year (or portion thereof) for services performed by the Depositary in administering the HDRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against HDR Holders (for the avoidance of doubt, including HKSCC Nominees) as of the record date or record dates set by the Depositary during each calendar year and shall be payable at the sole discretion of the Depositary by billing such HDR Holders or by deducting such charge from one or more cash dividends or other cash distributions);
- a cancellation transaction fee of HK\$115.00 per cancellation request;
- reimbursement of such fees, charges and expenses as are incurred by the Depositary and/or any of the Depositary's agents (including, without limitation, the Custodian, and expenses incurred on behalf of holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the Shares or other deposited securities, the delivery of deposited securities or otherwise in connection with the Depositary's or the Custodian's

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compliance with applicable law, rule or regulation (which charge shall be assessed on a proportionate basis against holders as of the record date or dates set by the Depositary and shall be payable at the sole discretion of the Depositary by billing such holders or by deducting such charge from one or more cash dividends or other cash distributions);

- stock transfer or other taxes and other governmental charges;
- a transaction fee per cancellation request (including any cancellation request made through SWIFT, facsimile transmission or any other method of communication);
- transfer or registration fees for the registration of transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities; and
- expenses of the Depositary in connection with the conversion of foreign currency into HK dollars,

each in accordance with the specific provisions of the Deposit Agreement.

We will pay all other charges and expenses of the Depositary and any agent of the Depositary (except the Custodian) pursuant to agreements from time to time between us and the Depositary. The charges described above may be amended from time to time by agreement between us and the Depositary.

For costs and expenses that may be incurred in relation to the trading of the HDR, please see “Conversion of Shares into HDRs-Fees and expenses for conversion from the Listing Date” below.

RECLASSIFICATIONS, RECAPITALISATIONS AND MERGERS

If we take certain actions that affect the deposited securities, including (i) any change in par value, split-up, consolidation, cancellation or other reclassification of deposited securities or (ii) any distributions not made to HDR Holders or (iii) any recapitalization, reorganization, merger, consolidation, liquidation, receivership, bankruptcy or sale of all or substantially all the assets of the Company, then the Depositary may choose to:

- (1) amend the form of HDR;
- (2) distribute additional or amended HDRs;
- (3) distribute cash, securities or other property on the record date set by the Depositary;
- (4) sell any securities or property received and distribute the proceeds as cash; or
- (5) none of the above.

If the Depositary does not choose any of the above options, any of the cash, securities or other property it receives will constitute part of the deposited securities and each HDS will then represent a pro-rata interest in such property.

LOST, DESTROYED, STOLEN OR MUTILATED HDR CERTIFICATES

In the event that the certificate to any certificated HDR is lost, destroyed, or stolen, unless the Depositary has notice that such HDR has been acquired by a bona fide purchaser, the Depositary shall execute and deliver a new certificated HDR in substitution for such destroyed, lost or stolen certificated HDR upon the HDR Holder thereof filing with the Depositary a request for such execution and delivery and a sufficient indemnity bond and satisfying any other reasonable requirements imposed by the Depositary. In the event that the certificate to any certificated HDR is mutilated the Depositary shall execute and deliver a new certificated HDR in exchange and substitution for any mutilated certificated HDR upon cancellation thereof.

TERMS OF THE DEPOSIT AGREEMENT

The Deposit Agreement is required to be in a form acceptable to the Hong Kong Stock Exchange.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

APPOINTMENT AND ROLE

Under the Deposit Agreement, the Depositary is appointed to act on our behalf in accordance with its terms. The Depositary's role is to issue the HDRs as our agent and to arrange for deposit of the HDSs which the HDRs represent.

AMENDMENT AND TERMINATION

How may the Deposit Agreement be amended?

Our Company and the Depositary may only amend the terms of the HDRs and Deposit Agreement in accordance with their provisions, namely in respect of:

- any amendment that imposes or increases any fees or charges payable under a single head of fee/charge mentioned in "Terms of HDRs — Fees and Expenses" above in respect of one HDR (stamp duty, stock transfer or other taxes and other governmental charges, transfer or registration fees, costs for SWIFT, facsimile transmission or any other method of communication, delivery costs or other such expenses) by 25% or HK\$1.00 (whichever is the lesser increase) or less from the rate in effect at the time of proposed amendment shall become effective upon the expiry of 30 days' notice and HDR Holders continuing to hold HDRs shall be deemed to consent and agree to such amendment and to be bound by the relevant Deposit Agreement as amended;
- any amendment that:
 - imposes or increases such fees in respect of one HDR by more than 25% or HK\$1.00 (whichever is the lesser increase) from the rate in effect at the time of proposed amendment; or
 - in the sole opinion and absolute discretion (which shall be exercised with reasonable care) of our Company, will prejudice any substantial rights of the HDR Holders (including any amendment that relates to any matter set out in Rule 19B.16(a) to (t) of the Listing Rules), the Depositary shall provide HDR Holders with not less than 21 days' nor more than 60 days' notice of the proposed amendment and of HDR Holders' right to vote for or against such amendment, the record date for determining entitlement to vote, all necessary details regarding the procedures for voting and the method and date by which HDR Holders will be notified of the results, and any HDR Holder who does not vote (for whatever reason) in accordance with the terms and procedures set out in such amendment notice shall be taken to have abstained from voting. A proposal for any such amendment shall be approved by a majority of votes cast in favour, and votes must be cast in respect of HDRs held by at least three HDR Holders or, if there are fewer than three HDR Holders, by all HDR Holders who cast their vote.

We may agree with the Depositary to amend the Deposit Agreement and the HDRs without the consent of the HDR Holders in circumstances other than those described above and such amendments shall become effective in accordance with the terms of any agreement between us and the Depositary.

Notwithstanding the foregoing, if any governmental body or regulatory body should adopt new laws, rules or regulations which would require amendment or supplement of the Deposit Agreement or the form of HDR to ensure compliance therewith, we and the Depositary may amend or supplement the Deposit Agreement and the HDRs at any time in accordance with such changed laws, rules or regulations, which amendment or supplement may take effect before a notice is given or within any other period of time as required for compliance. No amendment, however, will impair the right of HDR Holders to surrender their HDSs and receive the underlying securities, except in order to comply with mandatory provisions of applicable law.

How may the Deposit Agreement be terminated?

The Depositary may, and shall at our written direction, terminate the Deposit Agreement and the HDRs by mailing notice of such termination to the HDR Holders at least 30 days prior to

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the date fixed in such notice for such termination. However, (i) if the Depositary has resigned as Depositary under the Deposit Agreement, it will not provide a termination notice to registered holders unless a successor Depositary is not operating under the Deposit Agreement within 60 days of the date of such resignation, and (ii) if the Depositary has been removed as Depositary under the Deposit Agreement, it will not provide a termination notice to HDR Holders unless a successor Depositary is not operating under the Deposit Agreement on the 60th day after our notice of removal was first provided to the Depositary. After termination, the Depositary's only responsibility will be (i) to deliver deposited securities to HDR Holders who surrender their HDRs, and (ii) to hold or sell distributions received on deposited securities. As soon as practicable after the expiration of six months from the termination date, the Depositary will sell the deposited securities which remain and hold the net proceeds of such sales (as long as it may lawfully do so), without liability for interest, in trust for the pro rata benefit of the HDR Holders who have not yet surrendered their HDRs. After making such sale, the Depositary shall be discharged from all obligations in respect of the Deposit Agreement and this HDR except to account for such proceeds and other cash. After the termination date, we shall be discharged from all obligations under the Deposit Agreement, except for obligations to the Depositary and its agents.

How may the Custodian be replaced or removed?

The Depositary reserves the right to add to, replace, substitute, discharge or remove a Custodian or appoint additional custodians, after consultation with our Company to the extent practicable. The Depositary will give prompt notice of any such action, which will be advance notice if practicable in accordance with the Listing Rules.

The Custodian may resign from its duties hereunder by serving at least 30 days written notice to the Depositary. The Custodian ceasing to act hereunder as Custodian shall deliver, upon the instruction of the Depositary, all deposited securities held by it to a Custodian continuing to act.

Notwithstanding the foregoing, if the removal of a Custodian is made by the Depositary for the protection of HDR Holders (including, but not limited to, where (i) the Custodian has committed a material breach under the custodian agreement and the breach cannot reasonably be remedied or (ii) the Custodian has become insolvent, or there are legal restrictions for the appointment of the Custodian and the Depositary and our Company could reasonably be expected to incur a loss or liability if the Custodian is not removed), the Depositary is entitled to remove the Custodian immediately.

How may the Depositary be replaced or removed?

The Depositary may resign by written notice to our Company, such resignation to take effect upon the appointment of a successor Depositary and its acceptance of such appointment as provided in the Deposit Agreement. The Depositary may at any time be removed by our Company by no less than 60 days prior written notice and such termination shall take effect upon the later of the expiry of such 60-day period or the time when a successor depositary has been appointed and has accepted such appointment as provided in the Deposit Agreement. In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depositary, which shall be a bank or trust company having an office in Hong Kong. Every successor depositary shall execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor. Any successor depositary, including in connection with any merger or consolidation of the Depositary, shall be acceptable to the Stock Exchange of Hong Kong in accordance with the Listing Rules.

Upon receipt of any notice of resignation from the Depositary or its service of notice on the Depositary of the termination of its appointment, the Company shall, as soon as practicable, make appropriate disclosure in accordance with the Listing Rules, including publishing an announcement of the prospective resignation, removal and/or replacement of the Depositary and/or the Custodian.

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Limitations on Obligations and Liability to HDR Holders

Limits on our obligations and the obligations of the Depositary; limits on liability to HDR Holders and holders of HDSs

Prior to the issue, registration, registration of transfer, split-up, combination, or cancellation of any HDRs, or the delivery of any distribution in respect thereof, and from time to time, we or the Depositary or the Custodian may require:

- payment with respect thereto of (i) any stamp duty, stock transfer or other tax or other governmental charge, (ii) any stock transfer or registration fees in effect for the registration of transfers of Shares or other deposited securities upon any applicable register and (iii) any applicable fees and expenses described in the Deposit Agreement;
- the production of proof satisfactory to it of (i) the identity of any signatory and genuineness of any signature and (ii) such other information, including without limitation, information as to citizenship, residence, exchange control approval, beneficial ownership of any securities, compliance with applicable law, regulations, provisions of or governing deposited securities and terms of the Deposit Agreement and the HDRs, as it may deem necessary or proper; and
- compliance with such regulations as the Depositary may establish consistent with the Deposit Agreement.

The issuance of HDRs, the acceptance of deposits of Shares, the registration, registration of transfer, split-up or combination of HDRs or the withdrawal of Shares, may be suspended, generally or in particular instances, when the HDR Register or any register for deposited securities or book-entry of the Shares is closed or when any such action is deemed advisable by the Depositary; provided that the ability to withdraw Shares may only be limited under the following circumstances (i) temporary delays caused by closing transfer books of the Depositary or our transfer books or the deposit of Shares in connection with voting at a Shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes, and similar charges, and (iii) compliance with any laws or governmental regulations relating to HDRs or to the withdrawal of deposited securities.

The Deposit Agreement expressly limits the obligations and liability of the Depositary, ourselves and our respective agents. Neither we nor the Depositary nor any such agent will be liable for:

- any present or future law, rule, regulation, fiat, order or decree of Indonesia, Hong Kong, the United States and/or any other country or jurisdiction, or of any governmental or regulatory authority or any securities exchange or market or automated quotation system, the provisions of or governing any Deposited Securities, any present or future provision of the Company's charter, any act of God, war, terrorism, epidemic, pandemic, nationalization, expropriation, currency restrictions, extraordinary market conditions, work stoppage, strike, civil unrest, revolutions, rebellions, explosions, cyber, ransomware or malware attack, computer failure or circumstance beyond its direct and immediate control shall prevent or delay, or shall cause any of them to be subject to any civil or criminal penalty in connection with, any act which the Deposit Agreement or this HDR provides shall be done or performed by it or them (including, without limitation, voting);
- any non-performance or delay caused in the performance of any act or things which by the terms of the Deposit Agreement it is provided shall or may be done or performed or any exercise or failure to exercise any discretion given it in the Deposit Agreement or the HDR;
- it performs its obligations under the Deposit Agreement and HDRs to the extent they are specifically set forth in this HDR and the Deposit Agreement without gross negligence or willful misconduct;
- it takes any action or refrains from taking any action in reliance upon the advice of or information from legal counsel, accountants, any person presenting shares for deposit,

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

any registered HDR Holders, or any other person believed by it to be competent to give such advice or information; or

- it relies upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

Neither the Depositary nor its agents have any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the HDRs. We and our agents shall only be obligated to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the HDRs, which in our opinion may involve us in expense or liability, unless indemnity satisfactory to us against all expense (including fees and disbursements of counsel) and liability is furnished as often as may be required. The Depositary and its agents may fully respond to any and all demands or requests for information maintained by or on its behalf in connection with the Deposit Agreement, any HDR Holder or Holders, any HDRs or otherwise related to the Deposit Agreement or HDRs to the extent such information is requested or required by or pursuant to any lawful authority, including without limitation laws, rules, regulations, administrative or judicial process, banking, securities or other regulators. The Depositary shall not be liable for the acts or omissions made by any securities depository, clearing agency or settlement system in connection with or arising out of book-entry settlement of deposited securities or otherwise. Furthermore, the Depositary shall not be responsible for, and shall incur no liability in connection with or arising from, the insolvency of the Custodian, if not a branch or affiliate of JPMorgan Chase Bank, N.A.

Additionally, none of us, the Depositary or the Custodian shall be liable for the failure by any registered HDR Holders or beneficial owner therein to obtain the benefits of credits on the basis of non-U.S. tax paid against such holder's or beneficial owner's income tax liability. Neither we nor the Depositary shall incur any liability for any tax consequences that may be incurred by holders or beneficial owners on account of their ownership of HDRs or HDSs.

Neither the Depositary nor its agents will be responsible for any failure to carry out any instructions to vote any of the deposited securities, for the manner in which any such vote is cast or for the effect of any such vote. Neither the Depositary nor any of its agents shall be liable to HDR Holders or beneficial owners of interests in HDSs for any indirect, special, punitive or consequential damages (including, without limitation, lost profits) of any form incurred by any person or entity, whether or not foreseeable and regardless of the type of action in which such a claim may be brought.

The Depositary may rely upon instructions from the Company or its counsel in respect of any approval or license required for any currency conversion, transfer or distribution.

The Depositary may own and deal in any class of our securities and in HDRs.

Disclosure of Interest in HDSs

To the extent that (i) the provisions of or any applicable laws and regulations governing any deposited securities may require disclosure of or impose limits on, or (ii)(a) any competent authority having jurisdiction over us or (b) we or the Depositary may request disclosure of, beneficial or other ownership of deposited securities, other shares or other securities of the Company and may provide for blocking transfer, voting or other rights to enforce such disclosure or limits, HDR Holders and all persons holding HDRs (except in the case of HKSCC Nominees) shall comply with all such disclosure requirements and ownership limitations and to comply with any reasonable Company instructions in respect thereof.

Books of Depositary

The Depositary or its agent will maintain in Hong Kong a register for the registration of issue, transfer, combination, split-up and cancellation of HDRs. HDR Holders may inspect such records at the HDR Registrar's office at all reasonable times, which office shall be open for such inspection by HDR Holders and our Company for the purpose of communicating with other holders in the interest of the business of our Company or a matter relating to the Deposit Agreement. Such register may be closed from time to time, when deemed expedient by the Depositary.

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The Depositary will maintain facilities for the delivery and receipt of HDRs.

Deeming provision

In the Deposit Agreement, each registered HDRs and each person holding an interest in HDSs, upon acceptance of any HDSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement will be deemed for all purposes to:

- be a party to and bound by the terms of the Deposit Agreement and the applicable HDR or HDRs, and
- appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable HDR or HDRs, to adopt any and all procedures necessary to comply with applicable laws and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable HDR and HDRs, the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

Governing Law and Jurisdiction

The Deposit Agreement and the HDRs shall be governed by and construed in accordance with the laws of Hong Kong. In the Deposit Agreement, the parties have submitted to the jurisdiction of the courts of Hong Kong, provided that the parties agree and acknowledge that if the Company submits to any other jurisdiction, the Depositary shall have the right to bring proceedings in any court of competent jurisdiction in that other jurisdiction. In addition, the Company irrevocably waives any objection that it may now or hereafter have to the laying of venue of any such proceeding. The Company also irrevocably agrees that any legal suit, action or proceeding against or involving the Depositary brought by the Company, arising out of or based upon this Deposit Agreement, the HDSs, the HDRs or the transactions contemplated thereunder, may only be instituted in the courts of Hong Kong.

Indemnification

The Company shall indemnify, defend and save harmless each of the Depositary and its agents against any loss liability or expense (including reasonable fees and expenses of legal advisers) which may arise out of acts performed or omitted (i) in connection with the provisions of this Deposit Agreement and of the HDRs, as the same may be amended, modified or supplemented from time to time in accordance herewith or (ii) at the direction of the Company in connection with this Deposit Agreement or the HDRs, as the same may be amended, modified or supplemented from time to time in accordance herewith, in each case by either the Depositary or its agents or their respective directors, employees, agents and affiliates, except for any liability or expense directly arising out of the negligence or willful misconduct of the Depositary.

THE RIGHTS ACCRUED TO THE HDR HOLDERS PURSUANT TO THE DEED POLL

Our Company and the Depositary have executed a Deed Poll in favour of the HDR Holders. Pursuant to the Deed Poll, if our Company is in breach of any obligation imposed towards HDR Holders on it in the Deposit Agreement, any HDR Holder may enforce the relevant provisions of the Deposit Agreement (as if it is a party to the Deposit Agreement and in the capacity of the Depositary in respect of the number of HDRs held by the relevant HDR Holder) against our Company.

Our Company is further required to indemnify the HDR Holder for any direct loss arising from or incurred as a result of the breach (set out in the preceding paragraph) by our Company of any provisions of the Deposit Agreement imposing upon our Company any obligation towards HDR Holders.

Each HDR Holder shall be able to enforce the rights to which it is entitled to pursuant to the Deposit Agreement against our Company and the Depositary.

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DEALINGS AND SETTLEMENT

Issuance and cancellation of certificated HDRs

The HDR Registrar shall issue a certificated HDR upon receipt of the issuance instruction from the Depositary on the first Business Day after receipt of that instruction. The certificated HDR will be ready for collection at the office of the HDR Registrar on the second Business Day thereafter.

For certificated HDR cancellation, investors are required to present the physical certificate together with the cancellation instruction and duly executed transfer form stamped by the Hong Kong stamp office to the HDR Registrar's counter during its business hours.

HDRs will be eligible for admission into CCASS

Subject to the granting of Secondary Listing of, and permission to deal in, the HDRs on the Hong Kong Stock Exchange and our Company's compliance with the admission requirements of HKSCC, the HDRs will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the HDRs on the Hong Kong Stock Exchange or any other date as HKSCC chooses. Settlement of transactions between participants of the Hong Kong Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures. All necessary arrangements have been made for the HDRs to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

Commencement of dealings in the HDRs

The HDRs are expected to be issued and dealings in the HDRs on the Hong Kong Stock Exchange are expected to commence at 9:00 a.m. on Friday, 26 June 2026.

INSPECTION OF THE DEPOSIT AGREEMENT AND THE RELATED DOCUMENTS

Copies of the latest Deposit Agreement and the provisions of or governing the HDRs and any written communications from our Company will be available for inspection by the HDR Holders after the Listing at the offices of the Company and at the office of the HDR Registrar and will be available on our Company's website and the website of the Hong Kong Stock Exchange. Each of the HDR Holders will be provided with the proxy card or other relevant documents from time to time.

FILING, TAXATION AND REPORTING REQUIREMENTS UNDER INDONESIAN LAW

Indonesia Taxation (including Withholding Tax on Dividend Income)

The following is summary of the principal Indonesian tax consequences of the ownership and transfer of HDRs both for an Indonesian Tax Resident or Non-Indonesian Tax Resident. Particularly, Indonesian Income Tax imposes a twenty percent (20%) withholding tax on dividends paid to nonresident investors. The Company paying the dividend is obliged to withhold the 20% tax, to remit it to the State Treasury, to report it to the Indonesia Tax Authority ("ITA") and to provide the withholding tax slip to the investors as evidence that the tax has been imposed.

Indonesia adopts worldwide income basis and the income will have to be reported to the Indonesia Tax Authority on self-assessment principle. The Statute of Limitation in Indonesia is five years but can be extended to ten years in the case of a tax fraud/tax crime.

Indonesian Individual Tax Resident is an individual that can be Indonesia citizen or foreign citizen (i) who resides in Indonesia or (ii) who is physically present in Indonesia for more than 183 days within 12-month period or (iii) who is present in Indonesia and intends to reside in Indonesia, indicated by obtaining a permanent stay permit ("KITAP") or limited stay permit card ("VITAS/ITAS") or having a contract of employment, business, or activities that are performed in Indonesia for more than 183 days or residence rent contract for more than 183 days. Failure to satisfy the requirements will result an individual is regarded as Non-Indonesian Tax Resident.

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Indonesian Entity Tax Resident is a body that is established under Indonesian laws or domiciled in Indonesia. As opposite, Non-Indonesian Entity Tax Resident is a body that is established under jurisdiction of other country or not domiciled in Indonesia.

Tax treatment on Dividend for Indonesian Tax Resident

If the Company distributes and pays dividends to Indonesian Tax Resident, the following tax treatment will apply. Dividend distributed and paid by the Company to the Indonesian Tax Resident is not a tax object and hence is not subject to withholding tax by the Company and shall not constitute taxable income for the Indonesian Entity Tax Resident. Whilst for the Indonesian Individual Tax Resident, it is not subject to withholding tax by the Company but will constitute taxable income that is subject to 10% final tax for the Indonesian Individual Tax Resident unless such dividend is invested in Indonesia in certain investment instruments and for certain period.

In addition to the above, the tax exemption of dividend income is applicable for dividend that is distributed based on general meeting of shareholders or interim dividend mechanism, in accordance with prevailing laws and regulations.

Tax treatment on Dividend for Non-Indonesian Tax Resident

Dividend distributed and paid by the Company to the Non-Indonesian Tax Resident is subject to withholding tax in Indonesia at the rate of 20% (twenty percent) imposed on gross amount of such dividend. However, if there is Double Taxation Avoidance Agreement (“DTAA”), a lower tax rate may apply if certain conditions are satisfied, e.g. the Non-Indonesian Tax Resident can provide the Company the valid Form DGT or Form DGT plus Certificate of Resident in timely manner as well as meet the anti-treaty abuse and beneficial ownership tests.

The Company is the party obliged to withhold the tax with the rate of 20% on income paid to and received by the recipient that is Non-Indonesian Tax Resident. However, if the Non-Indonesian Tax Resident is a resident of a country that has signed DTAA with Indonesia, and can provide to the Company the valid Form DGT or Form DGT plus Certificate of Resident in timely manner as well as meet the anti-treaty abuse and beneficial ownership test, so that the Non-Indonesian tax resident is eligible for DTAA benefit, the Company will have to apply the reduced rate according to DTA, as opposed to 20% rate. So, the Company is the party that will determine the withholding tax rate to be applied on distribution and payment of the dividend to each tax resident and make the withholding of the tax accordingly.

If the Indonesia withholding tax of 20% is imposed and subsequently the beneficial owner of the dividend income can provide the valid Form DGT (or Form DGT accompanied by a Certificate of Domicile) so that the reduced treaty rate applies, e.g. reduced to 15%, there is a mechanism/procedure in Indonesia for the tax-reclaim process so that the 5% difference in withholding tax can be refunded in Indonesia. This process will have to be initiated by the foreign beneficial owner of the dividend income that has been subjected to 20% withholding tax (the HDR holder) giving Power of Attorney (“POA”) to the Company for the Company to process the tax-reclaim with the Indonesia Tax Authority. The Company will have to submit application for this tax-reclaim to the ITA on behalf of the foreign income recipient by attaching (a) the 20% withholding tax slip, (b) the POA, (c) the valid Form DGT (or Form DGT accompanied by a Certificate of Domicile) and (d) a statement letter made by the foreign income recipient to confirm that the 5% withholding tax has not been claimed as foreign tax credit nor claimed as deductible expense in the income tax calculation in the respective country. The required documents can be delivered by the foreign beneficial owner through email to hdr-tax@merdekagoldresources.com. Considering potential complexity in this process, the foreign income recipient need to appoint tax consultant to submit their tax reclaim applications in coordination with the Company, when applicable.

Pursuant to the Indonesia-Hong Kong DTAA, the withholding tax on dividend income for beneficial owner who is a Hong Kong investor is reduced to ten percent (10%). If the beneficial owner is a company (other than a partnership) that directly holds at least twenty-five percent (25%) of the capital of the company, the withholding tax shall be further reduced to five percent (5%).

The reduced treaty rates apply only if (i) the beneficial owner of the dividend income can be determined and documented and (ii) the beneficial owner can provide a valid Form DGT (or

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Form DGT accompanied by a Certificate of Domicile) to the Company in a timely manner where (a) the relevant anti-treaty abuse and beneficial ownership requirements stipulated in the Form DGT are entirely satisfied and (b) the covered period stated in the Form DGT (or Form DGT accompanied by a Certificate of Domicile) include the period where the transaction takes place (in this case, the distribution declaration of or payment of the dividend whichever comes earlier). The Company will subsequently upload the complete set of the Form DGT (or Form DGT accompanied by a Certificate of Domicile) to the Coretax system and will receive an electronic receipt. The electronic receipt will have to be forwarded to the Hong Kong investor to be used if the Hong Kong investor will enjoy DTAA benefit in transactions with other Indonesian tax residents.

A qualified “Hong Kong Investor” is a non-Indonesian tax resident, including a Hong Kong tax resident that is beneficial owner of the dividend income and satisfies the following requirements:

- (i) the beneficial owner of the dividend income can be determined and documented; and
- (ii) the beneficial owner of the dividend income can provide a valid Form DGT (or Form DGT accompanied by a Certificate of Domicile) is required if the Form DGT is not signed by the tax authority of the country of domicile) to PT Merdeka Gold Resources, Tbk (“the Company” as the payor of the dividend) in a timely manner where (a) the relevant anti-treaty abuse and beneficial ownership requirements stipulated in the Form DGT are entirely satisfied and (b) the covered period stated in the Form DGT (or Form DGT accompanied by a Certificate of Domicile) include the period where the transaction takes place (in this case, the distribution declaration of or payment of the dividend whichever comes earlier).

The criteria for determining beneficial ownership are set out under Article 19 of Minister of Finance Regulation Number 112 of 2025 concerning Procedures for the Application of Double Taxation Avoidance Agreements, as follows:

- (1) For non-Indonesia individual taxpayer, such individual does not act as an agent or nominee.
- (2) For non-Indonesia corporate taxpayer, such entity does not act as an agent, nominee, or conduit company. Furthermore, the corporation must satisfy the following requirements:
 - a. has control over the use or enjoyment of funds, assets, or rights that generate income from Indonesia;
 - b. does not use more than 50% (fifty percent) of its income, under any name, in any form, and from any source, based on the non-consolidated financial statements of the non-resident taxpayer, to fulfill obligations to other parties, except for payments in the form of remuneration to:
 - employees, provided such remuneration is reasonable in the context of employment; and
 - other parties for costs that are customarily incurred by the non-resident taxpayer in the course of its business activities.
 - c. bears the risk in respect of the assets, capital, or liabilities owned; and
 - d. does not have an obligation, whether written or unwritten, to pass on part or all of the income received from Indonesia to another party.

Failure to comply with such withholding tax obligation, the Company will be exposed to potential tax exposure (e.g. issuance of underpayment tax assessment plus tax penalty in the case of a tax audit).

From Hong Kong tax perspectives, the dividend income to be received by the individual HDR holders would not be subject to individual income tax in Hong Kong. Therefore, no tax credit can be claimed in such case.

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In the event that the HDR holders are subject to Hong Kong profits tax, the dividend would not be chargeable to Hong Kong profits tax as the source of the dividend is offshore sourced i.e. from the place of business operations of the investee entity, or the place where the investee entity derived the profit out of which the dividend is paid is not from Hong Kong, unless the offshore dividend income is taxable under the refined Foreign-sourced Income Exemption (“FSIE”) regime.

If the dividend income will be subject to Hong Kong profits tax under the FSIE regime, the HDR Holders can claim such tax credit in respect of the offshore dividend income which is subject to double taxation under the Indonesia-Hong Kong DTAA if they are Hong Kong resident person. The amount of tax credit is capped at the lower of foreign tax paid and the profits tax that would have been payable on the same income. The tax credit claim is typically made during the HDR Holders’ annual tax filings for the relevant year of assessment by including the tax credit claim and detailed calculation as part of the tax return and supporting tax computation filed to the Hong Kong Inland Revenue Department (“HKIRD”). The HDR holders are also required to provide the tax payment notices or receipts issued by the Indonesian tax authorities to the HKIRD as the supporting documents.

Tax treatment on Transfer of HDR

For the Indonesian Tax Resident, gain derived from sale/transfer of the HDR or gain derived from conversion of the HDR into shares of the Company constitutes taxable income that may be subject to Corporate Income Tax at rate of 22% for Indonesian Entity Tax Resident or subject to Individual Income Tax at progressive rates from 5% up to maximum of 35% for the Indonesian Individual Tax Resident. The gain on conversion of HDR into shares of the Company shall be computed by reference to the market value of shares of the Company. Please note that this tax treatment applies for Indonesian Tax Resident and an Indonesian Citizen may not always be qualified as Indonesian Tax Resident (e.g. if the Indonesian Citizen has been outside of Indonesia for more than 183 days within 12-month period and met certain requirements such as permanent home/*tempat tinggal*, centre of vital interest/*pusat kegiatan utama*, and/or habitual abode/*tempat menjalankan kebiasaan* are located or conducted outside of Indonesia, then he/she will be considered Non-Indonesian Tax Resident).

Whilst for the Non-Indonesian Tax Resident, the gain derived from sale/transfer of the HDR or gain derived from conversion of the HDR into shares of the Company is not subject to tax in Indonesia.

If the Indonesian Tax Residents fail to fulfil their obligations as explained above, they will be exposed to potential tax exposure, i.e. tax underpayment plus tax penalty. In this kind of situation, in the case of a tax audit, the ITA will normally use the Article 13 paragraph 1 of the General Tax Provision Law (Undang-Undang tentang Ketentuan Umum dan Tata Cara Perpajakan) by issuing tax underpayment assessment plus tax penalty of late payment of tax calculated using the interest rate issue monthly by the Ministry of Finance multiplied with actual number of months of late payment capped at 24 months. If there is indication of tax fraud/tax crime, a tax audit status can be increased to Preliminary Evidence type of tax audit in order for ITA to find strong evidence on the conduct of tax fraud/tax crime of taxpayer before a tax investigation is initiated. In this case, notification on Instruction to Conduct Preliminary Evidence Tax Audit will be issued and the on-going tax audit will be temporarily stopped. Indonesia tax system is also designed to adopt the concept of *ultimum remedium* where criminal sanctions are placed as the last resort. This concept prioritizes recovering state losses (monetary recovery through payment of tax and penalty by the taxpayer) rather than imprisoning taxpayer.

Stamp Duty

In Indonesia, Stamp Duty is generally imposed on document prepared in or to be used in Indonesia. For this purpose, the Stamp Duty is IDR10,000 (equivalent to around USD60 cents). Stamp duty becomes due at the time the document is executed or signed.

Hong Kong Exchanges and Clearing Limited (“HKEX”) and/or its subsidiaries and affiliated entities (together, the “HKEX Companies”) shall not be liable for any Indonesian withholding tax on dividend income and capital gains arising from the sale, transfer or conversion of HDRs, including the circumstances where the relevant transferors or the transferees fail to paid such capital gain tax or where the Company fails to pay the applicable withholding tax on dividend income.

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Hong Kong Taxation

Stamp Duty

Dealings in the HDRs registered on the register of HDR holders in Hong Kong will be subject to Hong Kong stamp duty. Hong Kong stamp duty will be payable by the purchaser on a purchase, and by the seller on a sale, of the HDRs registered on the register of HDR holders in Hong Kong. The stamp duty is charged at the ad valorem rate of 0.1% of the consideration for, or (if greater) the value of, the HDRs transferred on each sale and purchase. In other words, a total of 0.2% of stamp duty is normally payable on a sale and purchase of the HDRs. In addition, any instrument of transfer (if required) will be subject to a flat rate of stamp duty of HK\$5.

Profits Tax on Dividend

In the event that the HDR holders are subject to Hong Kong profits tax, the dividend would not be chargeable to Hong Kong profits tax as the source of the dividend is offshore sourced i.e. from the place of business operations of the investee entity, or the place where the investee entity derived the profit out of which the dividend is paid is not from Hong Kong, unless the offshore dividend income is taxable under the refined Foreign-sourced Income Exemption (“FSIE”) regime.

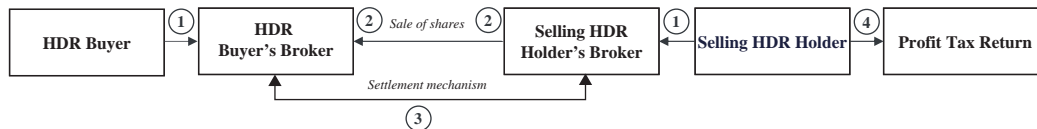
If the dividend income will be subject to Hong Kong profits tax under the FSIE regime, the HDR Holders claim such tax credit in respect of the offshore dividend income which is subject to double taxation under the Indonesia-Hong Kong DTAA if they are Hong Kong resident person. The amount of tax credit is capped at the lower of foreign tax paid and the profits tax that would have been payable on the same income. The tax credit claim is typically made during the HDR Holders’ annual tax filings for the relevant year of assessment by including the tax credit claim and detailed calculation as part of the tax return and supporting tax computation filed to the HKIRD. The HDR holders are also required to provide the tax payment notices or receipts issued by the Indonesian tax authorities to the HKIRD as the supporting documents.

Profits Tax on Transfer of HDR

Hong Kong does not impose capital gains tax. If the taxpayer is regarded as carrying on a trade, profession, or business of share dealing and the HDRs constitute “trading stocks” rather than capital assets of the taxpayer, the resulting gains from dealings in the HDRs arising in or derived from Hong Kong may be subject to Hong Kong profits tax at the standard rate which is 16.5% for corporations and 15% for unincorporated businesses.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

Please see below a flowchart illustration on the typical circumstances of a transaction involving HDRs



1. Order placement: both the Selling HDR Holder and the HDR Buyer submit their respective sell and buy orders to their appointed brokers.
2. The sale and purchase transaction is executed on the Stock Exchange.
3. Clearing, settlement, and stamp duty: following execution, the transaction is cleared and registered in CCASS or the HDR Registrar, as applicable. The Hong Kong Stamp duty is imposed on both the HDR Buyer and the HDR Seller at the applicable rate (each of 0.1%) and is collected automatically by the broker through the Stock Exchange's settlement process if the transaction was conducted on the Stock Exchange.
4. Any profit or loss arising from the sale of the HDRs is required to be reported in the relevant Hong Kong Profits Tax Return of a person carrying on a trade, profession or business in Hong Kong. A pure holding of HDR (investment ownership) is not required to be reported in the Hong Kong tax return.

Notes:

- If the seller of the HDR is not Indonesian tax resident, there will be no requirement to file the Indonesia tax return.
- The Group does not bear any withholding tax obligations for HDR Holders.

EACH PROSPECTIVE PURCHASER AND/OR SELLER IS/ARE ADVISED TO CONSULT ITS TAX ADVISORS ABOUT THE PARTICULAR TAX CONSEQUENCES OF AN INVESTMENT IN OUR HONG KONG DEPOSITARY RECEIPTS

Filing and Reporting Requirements under Indonesian Laws

Among other things, the following requirements or regulations might apply to HDR Holders:

Tax filings

For the Indonesian Tax Resident, gain derived from sale/transfer of the HDR constitutes taxable income that may be subject to Corporate Income Tax at rate of 22% for Indonesian Entity Tax Resident (seller) or subject to Individual Income Tax at progressive rates from 5% up to maximum of 35% for the Indonesian Individual Tax Resident (seller). Whilst for the Non-Indonesian Tax Resident, the income from sale/transfer of the HDR is not subject to tax in Indonesia.

Securities interests reporting and filings

Indonesian laws do not specifically prescribe any reporting or disclosure obligations in relation to depositary receipts. OJK Regulation No 4 of 2024 on the Reports on Ownership of or Any Ownership Changes in Public Company Shares and Reports on Activities on Guaranteeing Public Company Shares ("**OJK Reg 4/2024**") stipulates reporting requirements applicable to public companies, including the Company. Pursuant to OJK Reg 4/2024, any party that holds shares with voting rights of at least five percent (5%) whether held directly or indirectly in a public company ("**Reporting Party**") must report to the OJK (i) their ownership of voting rights in shares; and (ii) any change in the ownership of voting rights in shares ("**Report**"). Any Reporting Party whose percentage of ownership of voting shares falls below five percent (5%) must also report the change in voting share ownership to the OJK.

In relation to (ii) above, this applies to any change of *one* percentage point in the ownership of voting shares from the previous percentage. If the change in the percentage of voting rights in the shares results in a fractional figure, the ownership percentage shall be rounded down to determine whether a one-percentage-point change has occurred.

The Report must be submitted immediately, and in any case no later than three (3) business days from the occurrence of the acquisition of voting rights in shares or any change in the ownership of voting rights in shares of a public company.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

Pursuant to OJK Reg 4/2024, the Reporting Party includes not only those who directly, but also those who indirectly, own shares with voting rights through another party, and that such a party who indirectly own shares through another party constitutes the ultimate beneficial owner of the shares and/or forms part of the chain of ownership leading to the ultimate owner.

Therefore, the ultimate beneficial owner falls within the scope of Reporting Party as the scope of which explicitly includes any party who indirectly own shares with voting rights. In this regard, any underlying ultimate beneficial owner who meets the criteria of a Reporting Party (i.e., holding shares with voting rights of at least five percent (5%)) shall be required to submit the Report.

Any non-compliance to the reporting requirement shall be subject to administrative sanctions from the OJK in the forms of: (a) written warning; (b) fine, i.e., an obligation to pay a certain amount of money; (c) restriction of business activities; (d) suspension of business activities; (e) revocation of business licence; (f) cancellation of approval; and/or (g) cancellation of registration

Neither Hong Kong Exchanges and Clearing Limited (“**HKEX**”) and/or its subsidiaries and affiliated companies (including CCASS) (together, the “**HKEX Companies**”), the Company nor the Depositary will comply with such filing, tax reporting and/or disclosure of interest obligations as set out above or any other applicable additional obligations on behalf of the HDR Holders and the HDR Holders shall obtain independent professional advice in order to comply with the filing, tax reporting, disclosure of interest or other obligations under the then applicable Indonesian and Hong Kong law. HDR holders and potential investors are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in HDRs or exercising any rights attaching to them. None of our Company, our Directors, Commissioners or the other parties involved in the Listing can accept responsibility for any tax effect on, or liabilities of, HDR holders resulting from their subscription for, purchase, holding or disposal of or dealing in HDRs or exercising any rights attaching to them.

CONVERSION OF SHARES TO HDRS

All Indonesian listed companies, including the Company, are unable to issue physical certificates with respect to the listed shares, except in limited circumstances where scrip shares may be issued from a scripless system, and all transfers of listed shares of Indonesian listed companies must be made through the book-entry system operated by KSEI. For transfer of shares on the stock exchange, title to the Shares of the Company passes to the transferee at the time when the transferred number of Shares is recorded in the transferee’s account in the broker under KSEI. For transfer of shares off the stock exchange (over the counter), title to the Shares of the Company passes to the transferee at the time when the transfer of such Shares has been duly recorded in the shareholders’ register of the Company, following receipt of complete and valid transfer documentation.

Accordingly, a Shareholder who wishes to convert his Shares into HDRs will be required to instruct his KSEI-designated broker to transfer his Shares to the account designated by the Depositary or its local custodian or agent through the book-entry system operated by KSEI.

The Depositary and the HDR Registrar expect to complete the conversion of Shares to HDRs within three Business Days. Upon completion of the conversion of the Shares into HDRs, the names and address(es) of such HDR Holders will appear on the HDR Register. Once any HDR has been registered to the HDR Register, the HDR certificates may be deposited in CCASS in accordance with the General Rules of HKSCC and the HKSCC Operational Procedures. Whether such HDR will be immediately credited to the account of the CCASS participant for electronic book-entry settlement in CCASS will also be subject to the General Rules of HKSCC and the HKSCC Operational Procedures.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

Fees and expenses for conversion from the Listing Date

The following table sets forth the conversion services offered by the Depositary and HDR Registrar from the Listing Date:

	<u>Conversion of Shares to HDRs</u>	<u>Trading of HDRs on the Hong Kong Stock Exchange</u>
Depositary fees		
Maximum issuance and cancellation fee	HK\$0.4/HDS	N/A
Trading cost⁽¹⁾		
Stamp duty	N/A	0.2% (0.1% each for the buyer and the seller)

Note:

- (1) Other transaction costs include broker commission, transaction levies, trading fees and safekeeping fees which depends on the transaction volume and size.

CANCELLATION OF HDRS AND CONVERSION OF HDRS TO SHARES

Any HDR Holder whose HDRs are registered on the HDR Register will be able to obtain a request for conversion form from the HDR Registrar for a conversion of the HDRs to Shares from the Listing Date. On the return of such form to the HDR Registrar, duly completed, together with the corresponding HDR certificates and payment for the relevant charges, the HDR Registrar will arrange for the conversion of such HDRs to Shares. HDRs held in CCASS must be withdrawn from CCASS in accordance with the General Rules of HKSCC and the HKSCC Operational Procedures and registered onto the HDR Register before the conversion.

HDR Holders should note that all Indonesian listed companies, including the Company, do not issue physical share certificates for listed shares, except in limited circumstances where physical (scrip) certificates may be issued out of the scripless system in accordance with Indonesian law procedure and all transfers of listed shares must be made through the book-entry system operated by KSEI. For transfer of shares on the stock exchange, title to the Shares of the Company passes to the transferee at the time when the transferred number of Shares is recorded in the transferee's account in the broker under KSEI. For transfer of shares off the stock exchange (over the counter), title to the Shares of the Company passes to the transferee at the time when the transfer of such Shares has been duly recorded in the shareholders' register of the Company, following receipt of complete and valid transfer documentation. Accordingly, HDR Holders who wish to convert their HDRs into Shares will require an account opened at a broker recognized by KSEI for deposit of Shares converted from HDRs.

Where a duly completed request for conversion form is received by the HDR Registrar together with the corresponding HDR certificate prior to 12:00 noon (Hong Kong time) on a Business Day, the HDR Registrar expects to complete the conversion to Shares within the next Business Day. This service will be available to the HDR Holder concerned. Once an HDR has been converted to Shares, it may be deposited into the relevant HDR Holder's account opened at a broker recognized by KSEI for deposit of Shares converted from HDRs in accordance with the relevant rules and regulations of Indonesia.

LISTING, TERMS OF DEPOSITARY RECEIPTS AND THE DEPOSIT AGREEMENT, REGISTRATION, DEALINGS AND SETTLEMENT

Fees and expenses for cancellation from the Listing Date

The cancellation of the HDRs and the conversion of the HDRs into Shares will be subject to the following conversion fees payable to the HDR Registrar collected on behalf of the Depositary:

Conversion of HDRs to Shares

Depositary fees

Maximum issuance and cancellation fee	HK\$0.4/HDR
Cancellation Transaction Fee	HK\$115.00 per cancellation request

In addition to the fees charged by the Depositary Bank above, there is CCASS Withdrawal Fee of HK\$3.50 per board lot and odd lot payable to HKSCC Nominees Ltd. The CCASS withdrawal fee is applicable when the HDRs are held in CCASS.

OTHERS

Rule 19C.11 of the Listing Rules provides that, among other things, Chapter 7 (methods of listing), Chapter 14 (notifiable transactions) and Chapter 14A (connected transactions) do not apply to an overseas issuer that has a secondary listing on the Stock Exchange. The Company has also applied for, and the SFC has granted, a ruling that the Company is not a “public company in Hong Kong” for the purpose of the Takeovers Code. Accordingly, the Company will not be required to, on the Stock Exchange’s website, publish any announcement or circular with disclosures required under the Listing Rules or the Takeovers Code for its corporate actions such as rights issue, share repurchase or offering to the public involving shares listed on the IDX (even though the HDR Holders and their beneficial owners are entitled to participate in these corporation actions of the Company). However, in compliance with Rule 13.10B of the Listing Rules, the Company will announce on the Stock Exchange’s website (by way of overseas regulatory announcement and/or voluntary announcement) any information released to the IDX (including that of any rights issue, share repurchase or offering to the public) at the same time as the information is released to the IDX.

After Listing, the Company will continue to monitor the development of the Indonesian laws (and in case any securities of the Company may be listed on any other stock exchange(s), the laws of the relevant jurisdiction(s)), including any changes under the applicable laws that would affect the Company’s compliance with the Core Shareholder Protection Standards, the Guide for New Listing Applicants or the depository agreement, or would otherwise affect the tax obligations of HDR Holders or the disclosure of interests obligation by shareholders holding at least 5% of voting rights. Should there be such potential conflicts in legal compliance, the Company will provide timely information to the Stock Exchange.

CONSULTATION WITH PROFESSIONAL ADVISERS

Intending HDR Holders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in HDRs or exercising any rights attaching to them. It is emphasised that none of our Company, our Directors, Commissioners or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, HDR holders resulting from their subscription for, purchase, holding or disposal of or dealing in HDRs or exercising any rights attaching to them.

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HONG KONG UNDERWRITERS

UBS AG Hong Kong Branch
CLSA Limited
Morgan Stanley Asia Limited
The Hongkong and Shanghai Banking Corporation Limited
China International Capital Corporation Hong Kong Securities Limited
Macquarie Capital Limited
Crédit Agricole Corporate and Investment Bank
DBS Asia Capital Limited
Mizuho Securities Asia Limited
Natixis Hong Kong Branch
Oversea-Chinese Banking Corporation Limited
Societe Generale (incorporated in France with limited liability)
UOB Kay Hian (Hong Kong) Limited

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 8,966,900 Hong Kong Offer HDRs and the International Offering of initially 80,701,700 International Offer HDRs, subject, in each case, to reallocation on the basis as described in “Structure of the Global Offering” as well as to the Over-allotment Option in the case of the International Offering.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, the Selling Shareholders are offering the Hong Kong Offer HDRs (subject to reallocation) for subscription by the public in Hong Kong in accordance with the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement.

Subject to (a) the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, the HDRs on the Main Board of the Hong Kong Stock Exchange and such approval not having been withdrawn and (b) certain other conditions set forth in the Hong Kong Underwriting Agreement (including the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and our Company agreeing upon the Offer Price) being satisfied (or, as the case may be, waived), the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable portions of the Hong Kong Offer HDRs in aggregate, now being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

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Grounds for termination

The Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and the Joint Sponsors shall be entitled, in their sole and absolute discretion, by giving a written notice to our Company to terminate the Hong Kong Underwriting Agreement with immediate effect if at any time prior to 8: 00 a.m. on the Listing Date:

- (1) there develops, occurs, exists or comes into force:
 - (a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority in or affecting Hong Kong, Indonesia, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore, or other jurisdictions relevant to the Group or the Global Offering (each a “**Relevant Jurisdiction**” and collectively, the “**Relevant Jurisdictions**”); or
 - (b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, Indonesian rupiah, or United States dollar against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer HDRs; or
 - (c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or
 - (d) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Hong Kong Stock Exchange, the Indonesia Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or
 - (e) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or
 - (f) the issue or requirement to issue by the Company of a supplement or amendment to the Prospectus or other documents in connection with the offer and sale of the Offer HDRs pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Hong Kong Listing Rules or upon any requirement or request of the Hong Kong Stock Exchange and/or the SFC; or

UNDERWRITING

- (g) the commencement by any Authority or other regulatory or political body or organization of any public action or investigation against a Group Company or a director or commissioner of the Company or announcing an intention to take any such action; or
- (h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company, any Selling Shareholder or the Controlling Shareholder or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of this Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or
- (i) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or
- (j) any non-compliance of the Prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer HDRs), or any aspect of the Global Offering with the Hong Kong Listing Rules or any other applicable Laws; or
- (k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group, any Selling Shareholder or any Controlling Shareholder or any Director or Commissioner as named in the Prospectus; or
- (l) that any Director or Commissioner of the Company named in the Prospectus is removed from office or vacating his/her office; or
- (m) any Director, or Commissioner of the Company named in the Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or
- (n) any contravention by any Group Company, any Selling Shareholder or any Director or Commissioner of the Hong Kong Listing Rules or applicable Laws; or
- (o) any change or prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in the Prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

- i. has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders’ equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company or the Group as a whole; or
- ii. has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or
- iii. makes or will make or may make it impracticable, inadvisable or incapable for any material part of this Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering, or the delivery or distribution of the Offer HDRs on the terms and in the manner contemplated by the Offering Documents; or

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- iv. has or will or may have the effect of making any part of this Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or
- (2) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:
- (a) any statement contained in any of the Offering Documents and/or any notices, announcements, advertisements, communications or other documents issued or used by, for or on behalf of the Company or the Selling Shareholders in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the “**Global Offering Documents**”) was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or
 - (b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Prospectus, constitute a material omission or misstatement in any Global Offering Document; or
 - (c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by the Company or the Selling Shareholders in this Agreement, the International Underwriting Agreement, the Share Purchase Agreements (as defined in the Hong Kong Underwriting Agreement) or the Share Settlement Agreements (as defined in the Hong Kong Underwriting Agreement); or
 - (d) any event, act or omission which gives rise or is likely to give rise to any liability of any of the Indemnifying Parties pursuant to the indemnities in this Agreement; or
 - (e) any material breach of any of the obligations or undertakings imposed upon the Company or the Selling Shareholders or any cornerstone investor (as applicable) to this Agreement, the International Underwriting Agreement, the Cornerstone Investment Agreements, the Share Purchase Agreements or the Share Settlement Agreements; or
 - (f) there is any material adverse effect or any development involving a prospective material adverse effect, on the profits, losses, results of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders’ equity, position or condition (financial, trading or otherwise) of the Group, taken as a whole; or
 - (g) the Company withdraws the Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer HDRs pursuant to the Global Offering) or the Global Offering; or
 - (h) that the approval by the Listing Committee of the listing of, and permission to deal in, the HDRs is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or
 - (i) any person whose consent is required in connection with the issue of the Prospectus has withdrawn its consent to the inclusion in the Prospectus of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or
 - (j) any prohibition on the Company or any Selling Shareholder for whatever reason from offering, allotting, issuing or selling any of the Offer HDRs pursuant to the terms of the Global Offering; or

UNDERWRITING

- (k) an order or petition is presented for the winding-up or liquidation of any member of the Group or any Selling Shareholder, or any member of the Group or any Selling Shareholder makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or any Selling Shareholder or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or any Selling Shareholder or anything analogous thereto occurs in respect of any member of the Group or any Selling Shareholder; or
- (l) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the CMIs, the Joint Bookrunners, the Joint Lead Managers, and the Hong Kong Underwriters that except pursuant to the Global Offering (including pursuant to the Over-allotment Option), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the “**Six Month Period**”), it will not, without the prior consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters)(such consent not to be unreasonably withheld or delayed) and unless in compliance with the requirements of the Hong Kong Listing Rules:

- (a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of our Company, as applicable), or deposit any share capital or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or
- (b) enter into any transaction with the same economic effect as any transaction described in clause (a) above; or
- (c) offer to or agree to do any of the foregoing specified in clause (a) and (b) above or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the Six Month Period), except for allotment and issuance of new shares of our Company pursuant to a bona fide merger and acquisition transactions which is subject to shareholders’ approval of our Company pursuant to the applicable Laws.

Indemnity

Each of the Company and the Selling Shareholders has agreed to severally indemnify the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer or incur, including losses arising from

UNDERWRITING

their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by our Company or the Selling Shareholders of the Hong Kong Underwriting Agreement.

Hong Kong Underwriters' interests in our Company

Except for its obligations under the Hong Kong Underwriting Agreement and save as disclosed below and elsewhere in this prospectus, the Hong Kong Underwriters do not have any shareholding interest in our Company or any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in our Company or any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the HDRs as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

International Offering

International Underwriting Agreement

In connection with the International Offering, our Company expects to enter into the International Underwriting Agreement with, among others, the International Underwriters. Under the International Underwriting Agreement and subject to the Over-allotment Option, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Offer HDRs initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. See “Structure of the Global Offering — The International Offering” in this Prospectus.

Over-allotment Option

The Over-allotment Option Grantors are expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Overall Coordinators on behalf of the International Underwriters at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, pursuant to which the Over-allotment Option Grantors may be required to sell up to an aggregate of 13,450,200 additional HDRs, representing approximately 15% of the number of Offer HDRs initially available under the Global Offering, in aggregate, to cover over-allocations in the International Offering, if any. See “Structure of the Global Offering — Over-allotment Option” in this Prospectus.

Commissions and Expenses

An aggregate of the fees of up to 2.25% of gross proceeds to be raised from the subscription tranche and the placing tranche of the Global Offering is payable by the Selling Shareholders to all syndicate members participating in the Global Offering, among which the syndicate members (i) will receive a fixed underwriting commission which is equal to 1.5% of the aggregate gross proceeds to be raised from the Global Offering (the “**Fixed Fees**”), out of which they will pay any sub- underwriting commissions and other fees; and (ii) may receive a discretionary incentive fee of up to 0.75% of the aggregate gross proceeds to be raised from the Global Offering (the “**Discretionary Fees**”).

For the purpose of disclosure of the ratio of fixed and discretionary fees payable (the “Fee Split Ratio”) as required under paragraph 3B of Appendix D1E to the Listing Rules, assuming the Discretionary Fees are paid in full, the Fee Split Ratio will be approximately 67:33.

For any unsubscribed Hong Kong Offer HDRs reallocated to the International Offering, the Fixed Fee will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

UNDERWRITING

The Fixed Fees and Discretionary Fees together with the Hong Kong Stock Exchange listing fees, the SFC transaction levy, the AFRC transaction levy and the Hong Kong Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering are estimated to be up to approximately US\$14.9 million (assuming maximum offer price of HK\$26.60 per Offer HDR) and will be paid by our Company and the Selling Shareholders, where applicable.

An aggregate amount of US\$800,000 is payable by our Company as sponsor fees to the Joint Sponsors.

Independence of the Joint Sponsors

The Joint Sponsors satisfies the independence criteria applicable to a sponsor as set out in Rule 3A.07 of the Listing Rules.

Conversion of Offer HDRs

Considering the operational and procedural requirements of our settlement agent and the Depository, in order to facilitate the conversion of the Shares held by the Selling Shareholders into the Offer HDRs, and the timely settlement and completion of the Global Offering, the Hong Kong Underwriters have authorized, and the International Underwriters will authorize, CLSA Limited (or its affiliates), as purchasing agent and settlement agent of the Global Offering acting for itself and for and on behalf of the Underwriters, to (or arrange to) purchase Shares of the Selling Shareholders (the amount of which is capped at the number of Shares being offered under the Global Offering) under certain share purchase agreements entered into between, amongst others, CLSA Limited (or its affiliates) and the Selling Shareholders.

Under such share purchase agreements, CLSA Limited (or its affiliates) shall purchase the respective Shares from the Selling Shareholders for and on behalf of the Underwriters prior to the Global Offering. CLSA Limited (or its affiliates) will then transfer such Shares to the Depository in order for the Depository to issue the Offer HDRs. Upon completion of the Global Offering, the Underwriters will receive the gross proceeds from the Global Offering and arrange for the net proceeds to be remitted to the Selling Shareholders (after deduction of the relevant costs and expenses).

Similarly, to facilitate the settlement of the Over-allotment Option, CLSA Limited (or its affiliates) will enter into share purchase agreements in the same manner as the Global Offering with the Over-allotment Option Grantors under which CLSA Limited (or its affiliates) shall have the option to purchase Shares from the Over-allotment Option Grantors (the amount of which is capped at the number of Shares being offered in connection with the Over-allotment Option) for and on behalf of the International Underwriters prior to the Global Offering for the purpose of converting such Shares into additional HDRs. Such Shares will similarly be converted to HDRs in the same mechanism as described above in order to facilitate the timely settlement of the Over-allotment Option.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group’s loans and other debt.

UNDERWRITING

In relation to the HDRs, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the HDRs, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the HDRs (which financing may be secured by the HDRs) in the Global Offering, proprietary trading in the HDRs, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the HDRs. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the HDRs, which may have a negative impact on the trading price of the HDRs. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the HDRs, in baskets of securities or indices including the HDRs, in units of funds that may purchase the HDRs, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the HDRs as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the HDRs in most cases.

All such activities may occur both during and after the end of the stabilizing period described in the section headed “Structure of the Global Offering” in this Prospectus. Such activities may affect the market price or value of the HDRs, the liquidity or trading volume in the HDRs and the volatility of the price of the HDRs, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- (a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer HDRs, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer HDRs), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer HDRs at levels other than those which might otherwise prevail in the open market; and
- (b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to our Company and each of its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer HDRs in the Global Offering.

STRUCTURE OF THE GLOBAL OFFERING

THE GLOBAL OFFERING

This Prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

The listing of the HDRs on the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, the HDRs. Application has been made in respect of up to 589,254,600 HDRs.

89,668,600 Offer HDRs will initially be made available under the Global Offering comprising:

- (a) the Hong Kong Public Offering of initially 8,966,900 HDRs (subject to reallocation) in Hong Kong as described in “— The Hong Kong Public Offering” in this section below; and
- (b) the International Offering of initially 80,701,700 HDRs (subject to reallocation and the Over-allotment Option) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in the sub-section headed “— The International Offering” in this section below.

Investors may either:

- (i) apply for Hong Kong Offer HDRs under the Hong Kong Public Offering; or
- (ii) apply for or indicate an interest for International Offering HDRs under the International Offering, but may not do both.

The Offer HDRs will represent approximately 6.09% of the issued share capital of our Company immediately following the completion of the Global Offering, assuming (i) the Over-allotment Option is not exercised. If the Over-allotment Option is exercised in full, the Offer HDRs will represent approximately 7.00% of the enlarged issued share capital immediately following the completion of the Global Offering.

References in this Prospectus to applications, application monies or the procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Hong Kong Offer HDRs initially offered

Our Company is initially offering 8,966,900 HDRs for subscription by the public in Hong Kong at the Offer Price, representing approximately 10% of the total number of Offer HDRs initially available under the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in HDRs and other securities and corporate entities that regularly invest in HDRs and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in “— Conditions of the Global Offering” in this section.

Allocation

Allocation of Offer HDRs to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer HDRs validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer HDRs, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer HDRs.

STRUCTURE OF THE GLOBAL OFFERING

For allocation purposes only, the total number of Hong Kong Offer HDRs available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally into two pools: pool A and pool B (with any odd lot being allocated to pool A). The Hong Kong Offer HDRs in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer HDRs with an aggregate subscription price of HK\$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer HDRs in pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer HDRs with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer HDRs in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer HDRs will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the “price” for Hong Kong Offer HDRs means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer HDRs from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 4,483,400 Hong Kong Offer HDRs (being 50% of the 8,966,900 Offer HDRs initially available under the Hong Kong Public Offering) is liable to be rejected.

Reallocation

The Offer HDRs to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer HDRs from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer HDRs in such amounts as they deem appropriate.

In each case, the additional Offer HDRs reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer HDRs allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate. In the event of reallocation of Offer HDRs between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer HDRs are fully subscribed or oversubscribed and the Hong Kong Offer HDRs are fully subscribed or oversubscribed irrespective of the number of times, or (b) the International Offer HDRs are undersubscribed and the Hong Kong Offer HDRs are fully subscribed or oversubscribed irrespective of the number of times, then up to 4,483,300 Offer HDRs may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer HDRs available for subscription under the Hong Kong Public Offering will increase up to 13,450,200 Offer HDRs, representing approximately 15% of the number of Offer HDRs initially available under the Global Offering (before any exercise of the Over-allotment Option), in accordance with Chapter 4.14 of the Guide for New Listing Applicants. In the circumstance where the International Offer HDRs are fully subscribed or oversubscribed and the Hong Kong Offer HDRs are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of HDRs to the Hong Kong Public Offering. Where both the International Offer HDRs and the Hong Kong Offer HDRs are undersubscribed, the Global Offering will not proceed and will lapse, unless the shortfall is taken up by the Underwriters.

Given the initial allocation of the Offer HDRs to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer HDRs under the Hong Kong Public Offering to a certain percentage of the total number of Offer HDRs offered under the Global Offering.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose

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benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offering HDRs under the International Offering. Such applicant's application is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be) or if he has been or will be placed or allocated International Offering HDRs under the International Offering.

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$26.60 per Offer HDR in addition to the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable on each Offer HDR, amounting to a total of HK\$2,686.82 for one board lot of 100 HDRs. Further details are set out in the section headed "How to Apply for Hong Kong Offer HDRs" in this Prospectus.

THE INTERNATIONAL OFFERING

Number of Offer HDRs initially offered

The International Offering will consist of an offering of initially 80,701,700 HDRs, representing approximately 90% of the total number of Offer HDRs initially available under the Global Offering (subject to reallocation and the Over-allotment Option).

Allocation

The International Offering will involve private placements of the Offer HDRs to institutional and professional investors and other investors anticipated to have a sizeable demand for our Offer HDRs in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in HDRs and other securities and corporate entities that regularly invest in HDRs and other securities. Allocation of Offer HDRs pursuant to the International Offering will be effected in accordance with the "book-building" process described in "— Pricing of the Global Offering" in this section and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further HDRs and/or hold or sell its HDRs after the Listing. Such allocation is intended to result in a distribution of the HDRs on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Group and the HDR holders as a whole.

The Overall Coordinators (on behalf of the International Underwriters) may require any investor who has been offered Offer HDRs under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer HDRs under the Hong Kong Public Offering.

Reallocation

The total number of Offer HDRs to be issued or sold pursuant to the International Offering may change as a result of the arrangement described in "— The Hong Kong Public Offering — Reallocation" in this section above, the exercise of the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer HDRs originally included in the Hong Kong Public Offering.

PRICING AND ALLOCATION

Determining the Offer Price

We will determine the pricing for the Offer Shares for the purpose of the various offerings under the Global Offering on the Price Determination Date, which is expected to be on or about Wednesday, 24 June 2026 and, in any event, no later than 12:00 noon on Wednesday, 24 June 2026, by agreement with the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

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We will determine the Offer Price by reference to, among other factors, the closing price of the Shares on IDX on the last trading day on or before the Price Determination Date (which is accessible to the Shareholders and potential investors at <https://www.idx.co.id/en/listed-companies/company-profiles/EMAS>), and the Offer Price will not be more than HK\$26.60 per Hong Kong Offer Share. The historical prices of our Shares and trading volume on IDX are set out below.

Period	High (IDR)	Low (IDR)	ADTV (Shares) ^(note)
Fiscal year ended 31 December 2025 (from 23 September to 31 December 2025)	5,625.00	3,300.00	58,813,191
Fiscal year of 2026 (up to 8 June 2026) . .	9,700.00	5,025.00	29,383,363

Note: Average daily trading volume (“ADTV”) represents daily average number of our Shares traded over the relevant period.

Determining the Pricing of the Offer HDRs

The Offer Price for the purposes of the various offerings under the Global Offering will be fixed between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date. The Price Determination Date is expected to be on or before Wednesday, 24 June 2026 (Hong Kong time) and in any event no later than 12:00 noon on Wednesday, 24 June 2026, and the allocation of the International Offer HDRs under the International Offering will be determined shortly thereafter.

The Offer Price will be not more than HK\$26.60 per Offer HDR unless otherwise announced, as further explained below. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to the application channels), the maximum Offer Price of HK\$26.60 for each Hong Kong Offer HDR together with brokerage of 1%, a Stock Exchange trading fee of 0.00565%, a SFC transaction levy of 0.0027% and an AFRC transaction levy of 0.00015%.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer HDRs in the International Offering. Prospective professional and institutional investors will be required to specify the number of HDRs under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

Applicants under the Hong Kong Public Offering must pay, on application (subject to application channels), the maximum Offer Price of HK\$26.60 per Offer HDR plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$2,686.82 for one board lot of 100 HDRs.

If, based on the level of interest expressed by prospective institutional, professional and other investors during the book-building process, Overall Coordinators (for themselves and on behalf of the Underwriters) and the Joint Sponsors considers it appropriate, with our consent the number of Offer HDRs being offered under the Global Offering and/or the maximum Offer Price as stated in this prospectus may be reduced at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the website of the Stock Exchange at www.hkexnews.hk and the Company at <https://merdekagoldresources.com>, notices of the reduction of the Offer HDRs and/or the maximum Offer Price, and the cancellation of the Global Offering and relaunch of the offer at the revised number of Offer HDRs and/or the revised Offer Price. The Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus or a new prospectus updating investors of the change in the number of Offer HDRs being offered under the Global Offering and/or the Offer Price, and giving investors at least three business days to consider the new information. The supplemental or new prospectus should include at least the following: updated (i) Offer

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Price and market capitalization; (ii) listing timetable and underwriting obligations; (iii) price/earning multiple, unaudited pro forma and adjusted net tangible assets; and (iv) working capital adequacy confirmation based on revised offering size. In the absence of any such supplemental or new prospectus so published, the number of Offer HDRs and/or the Offer Price will not be reduced.

In the absence of any such notice and supplemental prospectus so published, the number of Offer HDRs and/or the maximum Offer Price will not be reduced.

If there is any change to the offer size due to change in the number of Offer HDRs initially offered in the Global Offering (other than pursuant to the exercise of the Over-allotment Option and/or reallocation mechanism as disclosed in this prospectus), or change to the maximum Offer Price, or if the Company becomes aware that there has been a significant change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our HDRs as prescribed under Rule 11.13 of the Listing Rules, we are required to cancel the Global Offering and relaunch the offer and issue a supplemental prospectus or a new prospectus.

Before submitting applications for the Hong Kong Offer HDRs, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer HDRs being offered under the Global Offering may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering.

The Hong Kong Offer HDRs and the International Offer HDRs may, in certain circumstances, be reallocated as between the Hong Kong Public Offering and International Offering at the discretion of the Overall Coordinators and the Joint Sponsors.

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer HDRs and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in “How to Apply for Hong Kong Offer HDRs — B. Publication of Results.”

Price Payable on Application

Applicants for Hong Kong Offer HDRs may be required to pay, on application (subject to application channel), the maximum Offer Price per Hong Kong Offer HDR plus the brokerage fee of 1%, the SFC transaction levy of 0.0027%, the AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$2,686.82 for one board lot of 100 HDRs. If the Offer Price, as finally determined in the manner described in “— Determining the Pricing of the Offer HDRs” above, is less than the maximum Offer Price, appropriate refund payments (including the brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out in “How to Apply for Hong Kong Offer HDRs.”

Announcement of the Basis of Allocations

The level of applications in the Hong Kong Public Offering, level of indications of interest in the International Offering, and basis of allocations of the Hong Kong Offer HDRs are expected to be made available through a variety of channels in the manner described in the subsection headed “How to Apply for Hong Kong Offer HDRs — B. Publication of Results.”

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Over-allotment Option Grantors are expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Overall Coordinators at their sole and absolute discretion (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require the Over-allotment

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Option Grantors to sell up to an aggregate of 13,450,200 additional HDRs, representing not more than 15% of the total number of Offer HDRs initially available under the Global Offering, at the Offer Price under the International Offering to, among other things, cover over-allocations in the International Offering, if any. We will delay delivery of the Offer HDRs allocated to certain investors under the International Offering in order to cover over-allocation of the Offer HDRs before exercise of the Over-allotment Option.

If the Over-allotment Option is exercised in full, the additional Offer HDRs to be sold pursuant thereto will represent approximately 0.91% of our issued share capital immediately following the completion of the Global Offering and the issue of Offer HDRs pursuant to the Over-allotment Option. If the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the HDRs at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager reasonably regards as the best interest of our Company; (b) may be discontinued at any time; and (c) is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering. The number of HDRs that may be over-allocated will not exceed the number of HDRs that may be sold under the Over-allotment Option, being 13,450,200 HDRs, which is approximately 15% of the Offer HDRs initially available under the Global Offering.

Stabilization action will be entered into in accordance with the laws, rules and regulations in place in Hong Kong. Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes (a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the HDRs; (b) selling or agreeing to sell the HDRs so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the HDRs; (c) purchasing, or agreeing to purchase, the HDRs pursuant to the Over-allotment Option in order to close out any position established under paragraph (a) or (b) above, (d) purchasing, or agreeing to purchase, any of the HDRs for the sole purpose of preventing or minimizing any reduction in the market price of the HDRs, (e) selling or agreeing to sell any HDRs in order to liquidate any position established as a result of those purchases, and (f) offering or attempting to do anything as described in paragraph (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer HDRs should note that:

- (a) the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the HDRs;
- (b) there is no certainty as to the extent to which and the time or period for which the Stabilizing Manager (or any person acting for it) will maintain such a long position;
- (c) liquidation of any such long position by the Stabilizing Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of the HDRs;
- (d) no stabilizing action can be taken to support the price of the HDRs for longer than the stabilization period, which will begin on the Listing Date, and is expected to expire on Thursday, 23 July 2026, being the 30th day after the last day for lodging applications

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under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the HDRs, and therefore the price of the HDRs, could fall;

- (e) the price of the HDRs cannot be assured to stay at or above the Offer Price either during or after the stabilization period by the taking of any stabilizing action; and
- (f) stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price and can, therefore, be done at a price below the price paid by applicants for, or investors in, the Offer HDRs.

In order to effect stabilization actions, the Stabilizing Manager will arrange cover of up to an aggregate of 13,450,200 HDRs, representing up to approximately 15% of the initial Offer HDRs, through delayed delivery arrangements with investors who have been allocated Offer HDRs in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer HDRs to such investor and the Offer Price for the Offer HDRs allocated to such investor will be paid before the Listing Date.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

Over-Allocation

Following any over-allocation of HDRs in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by exercising the Over-allotment Option in full or in part, by using HDRs purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price or a combination of these means.

Reduction in Number of Offer HDRs and/or Offer Price

The Overall Coordinator (on behalf of the Underwriters) may, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with our consent, reduce the number of Offer HDRs below that stated in this prospectus at any time on or before the morning of the last day for making applications under the Hong Kong Public Offering. In this case, we will as soon as practicable after the decision to make the reduction (and no later than the morning of the last day for making applications under the Hong Kong Public Offering) publish on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and our website at <https://merdekagoldresources.com> the cancellation of the Global Offering and the relaunch of the Global Offering at the revised number of Offer HDRs. This notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as set out in this prospectus, as well as any other financial information which may change as a result of the reduction.

We will, as soon as practicable following the decision to make the reduction, in addition to publishing the notice, issue a supplemental prospectus containing details in relation to the change in the number of Offer HDRs being offered. The Global Offering will be cancelled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before making applications for the Hong Kong Offer HDRs, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer HDRs may not be made until or before the day which is the last day for making applications under the Hong Kong Public Offering.

In the absence of a notice of reduction, the number of Offer HDRs (if our Company agrees with the Overall Coordinators (for themselves and on behalf of the Underwriters)) will not be reduced.

Announcement of Offer Price and Basis of Allocations

The final Offer Price, the level of indications of interest in the Global Offering, the results of allocations and the basis of allotment of the Hong Kong Offer HDRs are expected to be announced on Thursday, 25 June 2026 on the website of the Stock Exchange at www.hkexnews.hk and on the website of our Company at <https://merdekagoldresources.com>.

STRUCTURE OF THE GLOBAL OFFERING

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to, among other things, the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company agreeing on the Offer Price.

Our Company expects to enter into the International Underwriting Agreement relating to the International Offering on or around the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarized in the section headed “Underwriting” in this Prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer HDRs will be conditional on, among other things:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, the HDRs in issue and to be issued pursuant to the Global Offering (including the additional Offer HDRs which may be issued pursuant to the exercise of the Over-allotment Option), and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the HDRs on the Stock Exchange;
- (b) the Offer Price having been agreed between the Overall Coordinators and our Company and not subsequently having been varied or adjusted by the Company and the Overall Coordinators;
- (c) the execution and delivery of the International Underwriting Agreement; and
- (d) the obligations of the Underwriters under the respective Underwriting Agreements becoming and remaining unconditional (including, if relevant, as a result of the waiver of any conditions by the Overall Coordinators, for themselves and on behalf of the Underwriters) and not having been terminated in accordance with the terms of the respective agreements in each case on or before the dates and times as specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event no later than the date which is the 30th day after the date of this prospectus).

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company’s website at <https://merdekagoldresources.com>, respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in the section headed “How to Apply for Hong Kong Offer HDRs — D. Despatch/Collection of HDR Certificates and Refund of Application Monies” in this Prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Cap. 155 of the Laws of Hong Kong).

HDR certificates for the Offer HDRs will only become valid evidence of title at 8:00 a.m. on Friday, 26 June 2026, provided that the Global Offering has become unconditional in all respects at or before that time.

DEALINGS IN THE HDRS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, 26 June 2026, it is expected that dealings in the HDRs on the Stock Exchange will commence at 9:00 a.m. on Friday, 26 June 2026.

The HDRs will be traded in board lots of 100 HDRs each and the stock code of the HDRs will be 6228.

HOW TO APPLY FOR HONG KONG OFFER HDRS

IMPORTANT NOTICE TO INVESTORS OF HONG KONG PUBLIC OFFER HDRS

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offer and below are the procedures for application.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “HKEXnews > New Listings > New Listing Information” section, and our website at <https://merdekagoldresources.com>.

The contents of this Prospectus are identical to the Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER HDRS

1. Who Can Apply

You can apply for Hong Kong Offer HDRs if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older;
- have a Hong Kong address (*for the **White Form eIPO** service only*);
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act); and
- are not Indonesian citizens or Indonesian entities.

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer HDRs if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director or Commissioner or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offer period will begin at 9:00 a.m. on Wednesday, 17 June 2026 and end at 12:00 noon on Tuesday, 23 June 2026 (Hong Kong time).

To apply for Hong Kong Offer HDRs, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
White Form eIPO service	www.eipo.com.hk enquiry: 2862 8555	Investors who would like to receive a physical HDR certificate. Hong Kong Offer HDRs successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Wednesday, 17 June 2026 to 11:30 a.m. on Tuesday, 23 June 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Tuesday, 23 June 2026, Hong Kong time.

HOW TO APPLY FOR HONG KONG OFFER HDRS

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit electronic application instruction on your behalf through HKSCC's FINI system in accordance with your instruction	Investors who would not like to receive a physical HDR certificate. Hong Kong Offer HDRs successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **White Form eIPO** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer HDRs.

For those applying through the **White Form eIPO** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **White Form eIPO** service to make an application for Hong Kong Offer HDRs, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of **electronic application instructions** has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **White Form eIPO** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **White Form eIPO** service, you are deemed to have authorized the **White Form eIPO** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **White Form eIPO** service.

By instructing your broker or custodian to apply for the Hong Kong Offer HDRs on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer HDRs on your behalf and to do on your behalf all the things stated in this Prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offer.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer HDRs or for any breach of the terms and conditions of this Prospectus.

HOW TO APPLY FOR HONG KONG OFFER HDRS

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
<ul style="list-style-type: none"> • Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: <ul style="list-style-type: none"> i. HKID card; or ii. National identification document; or iii. Passport; and • Identity document number 	<ul style="list-style-type: none"> • Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: <ul style="list-style-type: none"> i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and • Identity document number

Notes:

1. If you are applying through the **White Form eIPO** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.
2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for Hong Kong Offer HDRs. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.
3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.
4. The maximum number of joint applicants on FINI is capped at 4 in accordance with market practice.
5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.
6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"**Unlisted company**" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"**Statutory control**" means you:

- control the composition of the board of directors of our company;
- control more than half of the voting power of our company; or

HOW TO APPLY FOR HONG KONG OFFER HDRS

- hold more than half of the issued share capital of our company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer HDRs for Application

Board lot size : 100 HDRs

**Permitted number of
Hong Kong Offer
HDRs for application
and amount payable on
application/successful
allotment**

Hong Kong Offer HDRs are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The maximum Offer Price is HK\$26.60 per HDR.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer HDRs you applied for. By instructing your broker or custodian to apply for the Hong Kong Offer HDRs on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

If you are applying through the **White Form eIPO** service, you may refer to the table below for the amount payable for the number of HDRs you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer HDRs.

HOW TO APPLY FOR HONG KONG OFFER HDRS

No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application	No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application	No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application	No. of Hong Kong Offer HDRs applied for	Amount payable ⁽²⁾ on application
	HK\$		HK\$		HK\$		HK\$
100	2,686.82	2,000	53,736.53	30,000	806,047.84	400,000	10,747,304.40
200	5,373.65	3,000	80,604.78	40,000	1,074,730.45	500,000	13,434,130.50
300	8,060.48	4,000	107,473.04	50,000	1,343,413.06	1,000,000	26,868,261.00
400	10,747.31	5,000	134,341.30	60,000	1,612,095.65	1,500,000	40,302,391.50
500	13,434.13	6,000	161,209.57	70,000	1,880,778.26	2,000,000	53,736,522.00
600	16,120.95	7,000	188,077.83	80,000	2,149,460.88	2,500,000	67,170,652.50
700	18,807.78	8,000	214,946.09	90,000	2,418,143.49	3,000,000	80,604,783.00
800	21,494.60	9,000	241,814.35	100,000	2,686,826.10	3,500,000	94,038,913.50
900	24,181.44	10,000	268,682.61	200,000	5,373,652.20	4,000,000	107,473,044.00
1,000	26,868.26	20,000	537,365.22	300,000	8,060,478.30	4,483,400 ⁽¹⁾	120,461,161.37

(1) Maximum number of Hong Kong Offer HDRs you may apply for.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) and the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed “— *A. Applications for Hong Kong Offer HDRs* — 3. *Information Required to Apply*” in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **White Form eIPO** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **White Form eIPO** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer HDRs.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer HDRs through the **White Form eIPO** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

- (i) undertake to execute all relevant documents and instruct and authorize us and/or the Overall Coordinators, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer HDRs allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer HDRs directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;
- (ii) confirm that you have read and understand the terms and conditions and application procedures set out in this Prospectus and the designated website of the **White Form eIPO** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;
- (iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer HDRs;

HOW TO APPLY FOR HONG KONG OFFER HDRS

- (iv) confirm that you are aware of the restrictions on offers and sales of HDRs set out in this Prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;
- (v) confirm that you have read this Prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;
- (vi) agree that the Relevant Persons¹, the HDR Registrar and HKSCC will not be liable for any information and representations not in this Prospectus and any supplement to it;
- (vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the HDR Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed “— *G. Personal Data* — 3. *Purposes* and 4. *Transfer of personal data*” in this section;
- (viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees’ application) has been accepted) that you will not rescind it because of an innocent misrepresentation;
- (ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the HDR Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed “— B. *Publication of Results*” in this section;
- (x) confirm that you are aware of the situations specified in the paragraph headed “— C. *Circumstances In Which You Will Not Be Allocated Hong Kong Offer HDRs*” in this section;
- (xi) agree that your application or HKSCC Nominees’ application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;
- (xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;
- (xiii) confirm that (a) your application or HKSCC Nominees’ application on your behalf is not financed directly or indirectly by our Company, any of our directors, chief executives, substantial HDR Holder(s) or existing shareholder(s) of our Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from our Company, any of our directors, chief executives, substantial shareholder(s) or existing shareholder(s) of our Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the HDRs registered in your name or otherwise held by you;

¹ Relevant Persons would include the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their or our Company’s respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering.

HOW TO APPLY FOR HONG KONG OFFER HDRS

- (xiv) warrant that the information you have provided is true and accurate;
- (xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer HDRs to you and that you may be prosecuted for making a false declaration;
- (xvi) agree to accept Hong Kong Offer HDRs applied for or any lesser number allocated to you under the application;
- (xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;
- (xviii)(if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **White Form eIPO** service or by any one as your agent or by any other person; and
- (xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC and the **White Form eIPO** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer HDRs through:

Platform	Date/Time
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Applying through the **White Form eIPO** service or **HKSCC EIPO** channel:

<p>Website The designated results of allocation at the “Allotment Results” page at www.iporeresults.com.hk</p> <p>(alternatively: www.eipo.com.hk/eIPOAllotment) with a “search by ID” function.</p>	<p>24 hours, from 11:00 p.m. on Thursday, 25 June 2026 to 12:00 midnight on Wednesday, 1 July 2026 (Hong Kong time)</p>
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The full list of (i) wholly or partially successful applicants using the **White Form eIPO** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer HDRs conditionally allotted to them, among other things, will be displayed on the “Allotment Results” page of the White Form eIPO service at www.iporeresults.com.hk (alternatively: www.eipo.com.hk/eIPOAllotment).

The Stock Exchange’s website at www.hkexnews.hk and our website at <https://merdekagoldresources.com> which will provide links to the above mentioned websites of the HDR Registrar.

No later than 11:00 p.m. on Thursday, 25 June 2026 (Hong Kong time).

HOW TO APPLY FOR HONG KONG OFFER HDRS

Platform	Date/Time
Telephone +852 2862 8555 — the allocation results telephone enquiry line provided by the HDR Registrar	between 9:00 a.m. and 6:00 p.m., on Friday, 26 June 2026, Monday, 29 June 2026, Tuesday, 30 June 2026 and Thursday, 2 July 2026

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Wednesday, 24 June 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Wednesday, 24 June 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer HDRs on the Stock Exchange's website at www.hkexnews.hk and our website at <https://merdekagoldresources.com> by no later than 11:00 p.m. on Thursday, 25 June 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER HDRS

You should note the following situations in which Hong Kong Offer HDRs will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the HDR Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer HDRs is void:

The allocation of Hong Kong Offer HDRs will be void if the Stock Exchange does not grant permission to list the HDRs either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed “— *A. Applications for Hong Kong Offer HDRs* — 5. *Multiple Applications Prohibited*” in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;

HOW TO APPLY FOR HONG KONG OFFER HDRS

- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted HDRs:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer HDRs, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Public Offer HDR allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted HDRs, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer HDRs will be reallocated to the International Offering. Hong Kong Offer HDRs applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer HDRs due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the HDR Registrar and HKSCC is or will be liable if Hong Kong Offer HDRs are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF HDR CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one HDR certificate for all Hong Kong Offer HDRs allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the HDR certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the HDRs. No receipt will be issued for sums paid on application.

HDR certificates will only become valid evidence of title at 8:00 a.m. on Friday, 26 June 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade HDRs prior to the receipt of HDR certificates or the HDR certificates becoming valid evidence of title do so entirely at their own risk.

The right is reserved to retain any HDR certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

HOW TO APPLY FOR HONG KONG OFFER HDRS

The following sets out the relevant procedures and time:

	White Form eIPO service	HKSCC EIPO channel
Despatch/collection of HDR certificate²		
For application of 1,000,000 Hong Kong Offer HDRs or more	<p>Collection in person at the HDR Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong</p> <p>Time: from 9:00 a.m. to 1:00 p.m. on Friday, 26 June 2026 (Hong Kong time).</p> <p>If you are an individual, you must not authorise any other person to collect for you.</p> <p>If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation stamped with your corporation's chop.</p> <p>Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the HDR Registrar.</p> <p><i>Note:</i> If you do not collect your HDR certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk</p>	<p>HDR certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account.</p> <p>No action by you is required.</p>
For application of less than 1,000,000 Hong Kong Offer HDRs	<p>Your HDR certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk</p> <p>Date: Thursday, 25 June 2026</p>	

² Except in the event of any Severe Weather Signals (as defined below) in force in Hong Kong in the morning on the business day before the Listing Date rendering it impossible for the relevant HDR certificates to be dispatched to HKSCC in a timely manner, our Company shall procure the HDR Registrar to arrange for delivery of the supporting documents and HDR certificates in accordance with the contingency arrangements as agreed between them. You may refer to “— E. Severe Weather Arrangements” in this section.

HOW TO APPLY FOR HONG KONG OFFER HDRS

	White Form eIPO service	HKSCC EIPO channel
Refund mechanism for surplus application monies paid by you		
Date	Friday, 26 June 2026	Subject to the arrangement between you and your broker or custodian
Responsible party	HDR Registrar	Your broker or custodian
Application monies paid through single bank account	White Form e-Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Tuesday, 23 June 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions,

(collectively, “**Severe Weather Signals**”),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, 23 June 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have **Severe Weather Signals** in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed “Expected Timetable” in this Prospectus, an announcement will be made and published on the Stock Exchange’s website at www.hkexnews.hk and our website at <https://merdekagoldresources.com> of the revised timetable.

If a **Severe Weather Signal** is hoisted on Thursday, 25 June 2026, the HDR Registrar will make appropriate arrangements for the delivery of the HDR certificate(s) to the CCASS Depository’s service counter so that they would be available for trading on Friday, 26 June 2026.

If a **Severe Weather Signal** is hoisted on Thursday, 25 June 2026, for application of less than 1,000,000 Hong Kong Offer HDRs, the despatch of physical HDR certificate(s) will be made by ordinary post when the post office re-opens after the **Severe Weather Signal** is lowered or cancelled (e.g. in the afternoon of Thursday, 25 June 2026 or on Friday, 26 June 2026).

If a **Severe Weather Signal** is hoisted on Friday, 26 June 2026, for application of 1,000,000 Hong Kong Offer HDRs or more, physical HDR certificate(s) will be available for collection in person at the HDR Registrar’s office after the **Severe Weather Signal** is lowered or cancelled (e.g. in the afternoon of Friday, 26 June 2026 or on Monday, 29 June 2026).

HOW TO APPLY FOR HONG KONG OFFER HDRS

Prospective investors should be aware that if they choose to receive physical HDR certificates issued in their own name, there may be a delay in receiving the HDR certificates.

F. ADMISSION OF THE HDRS INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the HDRs on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the HDRs will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the HDRs or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the HDRs to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by our Company, the HDR Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Public Offer HDRs, of the policies and practices of our Company and the HDR Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer HDRs to ensure that personal data supplied to our Company or its agents and the HDR Registrar is accurate and up-to-date when applying for Hong Kong Offer HDRs or transferring Hong Kong Offer HDRs into or out of their names or in procuring the services of the HDR Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer HDRs being rejected, or in the delay or the inability of our Company or the HDR Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer HDRs which you have successfully applied for and/or the despatch of HDR certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer HDRs inform our Company and the HDR Registrar immediately of any inaccuracies in the personal data supplied.

HOW TO APPLY FOR HONG KONG OFFER HDRS

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- (a) processing your application and refund cheque and **White Form** e-Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of Hong Kong Offer HDRs;
- (b) compliance with applicable laws and regulations in Hong Kong and elsewhere;
- (c) registering new issues or transfers into or out of the names of the holders of the HDRs including, where applicable, HKSCC Nominees;
- (d) maintaining or updating the register of members of our Company;
- (e) verifying identities of applicants for and holders of the HDRs and identifying any duplicate applications for the HDRs;
- (f) facilitating Hong Kong Offer HDRs balloting;
- (g) establishing benefit entitlements of holders of the HDRs, such as dividends, rights issues, bonus issues, etc.;
- (h) distributing communications from our Company and its subsidiaries;
- (i) compiling statistical information and profiles of the holder of the HDRs;
- (j) disclosing relevant information to facilitate claims on entitlements; and
- (k) any other incidental or associated purposes relating to the above and/or to enable our Company and the HDR Registrar to discharge their obligations to applicants and holders of the HDRs and/or regulators and/or any other purposes to which applicants and holders of the HDRs may from time to time agree.

4. Transfer of personal data

Personal data held by our Company and the HDR Registrar relating to the applicants for and holders of Hong Kong Offer HDRs will be kept confidential but our Company and the HDR Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- (a) our Company's appointed agents such as financial advisers, receiving bank and overseas principal share registrar;
- (b) HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the HDR Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer HDRs request a deposit into CCASS);
- (c) any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to our Company or the HDR Registrar in connection with their respective business operation;

HOW TO APPLY FOR HONG KONG OFFER HDRS

- (d) the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- (e) any persons or institutions with which the holders of Hong Kong Offer HDRs have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

Our Company and the HDR Registrar will keep the personal data of the applicants and holders of Hong Kong Offer HDRs for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer HDRs have the right to ascertain whether our Company or the HDR Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. Our Company and the HDR Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to our Company and the HDR Registrar, at their registered address disclosed in the section headed "Corporate information" in this Prospectus or as notified from time to time, or the HDR Registrar for the attention of the privacy compliance officer.

The following is the text of a report, prepared for inclusion in this document, received from the independent reporting accountants of the Company, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200, "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.



ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF PT MERDEKA GOLD RESOURCES Tbk, UBS SECURITIES HONG KONG LIMITED AND CITIC SECURITIES (HONG KONG) LIMITED

INTRODUCTION

We report on the historical financial information of PT Merdeka Gold Resources Tbk (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-66, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 (the "**Track Record Period**") and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-3 to I-66 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 17 June 2026 (the "**Prospectus**") in connection with the initial listing of HDRs of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

DIRECTORS' RESPONSIBILITY FOR THE HISTORICAL FINANCIAL INFORMATION

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

REPORTING ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 Accountants' Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

OPINION

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025 and of the financial performance and cash flows of the Group for each of the Track Record Period in accordance with the basis of preparation set out in note 2 to the Historical Financial Information.

REPORT ON MATTERS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**Adjustments**

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to note 13 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

BDO Limited

Certified Public Accountants

LEONG, Jonathan Russell

Practising Certificate no. P03246

Hong Kong

17 June 2026

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP**i. Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountants' report. The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**") and were audited by BDO Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in United States Dollar ("**USD**"), and all values are rounded to the nearest thousand (USD'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December		
	Notes	2023	2024	2025
		USD'000	USD'000	USD'000
REVENUE	6	1,394	1,750	132
COST OF REVENUE	9	(936)	(1,180)	(278)
GROSS PROFIT/(LOSS)		458	570	(146)
OPERATING EXPENSE				
General and administrative expenses	9	(2,170)	(1,019)	(9,486)
LOSS FROM OPERATING		(1,712)	(449)	(9,632)
Finance income		188	688	1,209
Finance expenses	7	(8,994)	(20,673)	(14,724)
Other income/(expense) – net	8	387	5,500	(2,245)
LOSS BEFORE INCOME TAX ..		(10,131)	(14,934)	(25,392)
Income tax benefit/(expense)	10a	3,294	2,234	(2,102)
LOSS FOR THE YEAR		(6,837)	(12,700)	(27,494)
OTHER COMPREHENSIVE (LOSS)/INCOME THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS:				
Exchange difference on financial statements translation		(25)	(680)	158
OTHER COMPREHENSIVE (LOSS)/INCOME THAT NOT WILL BE RECLASSIFIED TO PROFIT OR LOSS:				
Actuarial (loss)/gain	29	(8)	81	4
Related income benefit/(tax)	18	2	(22)	–
Other comprehensive (loss)/income – net		(31)	(621)	162
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(6,868)	(13,321)	(27,332)

	<i>Notes</i>	Year ended 31 December		
		2023	2024	2025
		<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
LOSS FOR THE YEAR				
ATTRIBUTABLE TO:				
Owners of the parent entity		(6,836)	(12,700)	(27,492)
Non-controlling interest		(1)	–	(2)
TOTAL		(6,837)	(12,700)	(27,494)
TOTAL COMPREHENSIVE				
LOSS FOR THE YEAR				
ATTRIBUTABLE TO:				
Owners of the parent entity		(6,867)	(13,322)	(27,330)
Non-controlling interest		(1)	–	(2)
TOTAL		(6,868)	(13,322)	(27,332)
LOSS PER SHARE				
ATTRIBUTABLE TO				
ORDINARY EQUITY				
HOLDERS OF THE PARENT				
Basic (USD)	12	(0.0005)	(0.0009)	(0.0019)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		31 December		
	Notes	2023	2024	2025
		USD'000	USD'000	USD'000
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	14	69,194	148,724	317,195
Exploration and evaluation assets . .	15	175,843	182,258	
Mining properties	16	–	82,923	305,584
Advances and prepayments –				
non-current portion	17	2,956	13,667	10,628
Goodwill	37	122	122	–
Trade and other receivables –				
non-current portion	21	55,068	19,689	36,076
Deferred tax assets	18a	4,385	8,622	7,402
Other non-current assets	19	1,399	2,271	2,522
Total non-current assets		308,967	458,276	679,407
CURRENT ASSETS				
Inventories	20	610	573	10,515
Trade and other receivables –				
current portion	21	5,128	–	428
Advances and prepayments –				
current portion	17	1,595	3,537	4,980
Cash and banks	22	12,351	67,335	45,308
Total current assets		19,684	71,445	61,231
TOTAL ASSETS		328,651	529,721	740,638
LIABILITIES				
CURRENT LIABILITIES				
Trade payables, other payable and				
accruals	24	25,586	49,289	57,248
Sale and leaseback arrangement –				
current portion	25	3,339	6,732	9,835
Lease liabilities – current portion . .	26	17	19	620
Provision for mining rehabilitation				
– current portion	27	–	–	26
Total current liabilities		28,942	56,040	67,729
Total assets less current liabilities . .		299,709	473,681	672,909

	<i>Notes</i>	31 December		
		2023	2024	2025
		<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Net current (liabilities)/assets		(9,258)	15,405	(6,498)
NON-CURRENT LIABILITIES				
Borrowings	28	133,700	177,946	260,404
Sale and leaseback arrangement – non-current portion	25	10,663	15,609	16,081
Lease liabilities – non-current portion	26	52	39	2,657
Deferred tax liabilities	18b	–	6,404	6,705
Employment benefits liability	29	98	645	1,222
Provision for mining rehabilitation – non current portion	27	–	–	4,901
Total non-current liabilities		144,513	200,643	291,970
TOTAL LIABILITIES		173,455	256,683	359,699
NET ASSETS		155,196	273,038	380,939
EQUITY				
Equity attributable to owners of the parent entity				
Share capital	30	6,996	138,115	152,891
Additional paid-in capital – net . . .	31	168,264	168,264	302,463
Treasury stock		–	–	(13,742)
Translation reserve		1,255	575	733
Employment benefits reserve		(11)	47	51
Accumulated losses		(21,307)	(34,007)	(61,499)
Total equity attributable to owners of the parent entity		155,197	272,994	380,897
Non-controlling interest		(1)	44	42
TOTAL EQUITY		155,196	273,038	380,939
TOTAL LIABILITIES AND EQUITY		328,651	529,721	740,638

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Equity attributable to parent entity							Non-controlling interest	Total equity
		Share capital	Additional paid-in capital – net	Translation Reserve	Employment Benefits Reserve	Treasury Stock	Accumulated losses	Owners of the parent entity		
Balance as of 1 January 2023	30, 31	6,996	172,532	1,280	(5)	-	(14,471)	166,332	-	166,332
Transaction with controlling entities		-	(417)	-	-	-	-	(417)	-	(417)
Adjustment in relation to restructuring of an entity under common control (note d)		-	(3,851)	-	-	-	-	(3,851)	-	(3,851)
Loss for the year		-	-	-	-	-	(6,836)	(6,836)	(1)	(6,837)
Other comprehensive loss for the year		-	-	(25)	(6)	-	-	(31)	-	(31)
Balance as of 31 December 2023	30, 31	6,996	168,264	1,255	(11)	-	(21,307)	155,197	(1)	155,196
Issuance of shares		131,119	-	-	-	-	-	131,119	-	131,119
Loss for the year		-	-	-	-	-	(12,700)	(12,700)	-	(12,700)
Other comprehensive loss for the year		-	-	(680)	58	-	-	(622)	-	(622)
Acquisition of a subsidiary		-	-	-	-	-	-	-	45	45
Balance as of 31 December 2024	30, 31	138,115	168,264	575	47	-	(34,007)	272,994	44	273,038
Treasury buyback shares		-	(127,658)	-	-	(13,742)	-	(141,400)	-	(141,400)
Share capital issuance from Initial Public Offering (note 31)		14,776	268,915	-	-	-	-	283,691	-	283,691
Share issuance cost		-	(7,058)	-	-	-	-	(7,058)	-	(7,058)
Loss for the year		-	-	-	-	-	(27,492)	(27,492)	(2)	(27,494)
Other comprehensive income for the year		-	-	158	4	-	-	162	-	162
Balance as of 31 December 2025	30, 31	152,891	302,463	733	51	(13,742)	(61,499)	380,897	42	380,939

Notes:

- (a) Translation reserve represents foreign exchange differences arising from the translation of the financial statements of the subsidiaries with functional currency other than USD.
- (b) Employment benefits reserve of the Group represents actuarial gains or losses arising from the remeasurement of defined benefit obligations under employee benefit plans.
- (c) Treasury stock represents the buyback of all shares previously held by PT Permata Alam Kapital, comprising 1,448,866,615 shares, for a consideration of USD141,400,000; although the repurchase amount was USD141,400,000, the original share value at the time PT Permata Alam Kapital entered the Company was USD125,000,000, which was subsequently adjusted to USD13,742,000 at a nominal price of Rp150 (equivalent to USD0.01) following a stock split and harmonization of share classes prior to the transaction and balance of USD127,658,000 was adjusted to additional paid-in capital.
- (d) The adjustment represents the difference between the cash consideration paid for the acquisition of shares and the net book value of MAP and MMI on the acquisition date. As this transaction involves entities under common control, the excess of the purchase price over the net book value is recognized in additional paid-in capital.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December		
	Notes	2023	2024	2025
		USD'000	USD'000	USD'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(10,131)	(14,934)	(25,392)
Adjustments for:				
Depreciation of property, plant and equipment	14	352	235	56
(Gain)/loss on foreign currency . .		(56)	(266)	1,971
Fair value change on equity interest	8	—	(4,950)	—
Excess value in acquisition of subsidiaries	8	—	(845)	—
Employee benefit expense	9	3	4	6
Impairment of goodwill	37	—	—	122
Finance income		(188)	(688)	(1,209)
Finance expense	7	8,994	20,673	14,724
Operating cash flow before working capital change		(1,026)	(771)	(9,722)
(Increase)/decrease in inventories	20	(496)	46	(8,508)
Increase in trade and other receivables	21	(6,849)	(1,096)	(18,127)
Increase in advances and prepayments	17	(1,464)	(1,942)	(1,442)
Decrease/(increase) in other non-current assets	19	5	(872)	(251)
Decrease in trade payables, other payable and accruals	24	(6,911)	(2,334)	15,279
Increase in employee benefit liabilities	29	64	262	575
Cash used in operations		(16,677)	(6,707)	(22,196)
Finance income.		188	688	1,209
Income taxes paid		—	(262)	(727)
Net cash flows used in operating activities		(16,489)	(6,281)	(21,714)
CASH FLOWS FROM INVESTING ACTIVITIES				
Addition of exploration and evaluation assets	15	(18,011)	(3,576)	(4,850)
Addition of mining properties	16	—	(3,474)	(25,590)
Acquisition of property, plant and equipment	14	(39,402)	(90,928)	(152,121)
Consideration paid for acquisition of a subsidiary.	35	—	(8,061)	—
Borrowing to a related party		(27,284)	—	—
Net cash flows used in investing activities		(84,697)	(106,039)	(182,561)

	<i>Notes</i>	Year ended 31 December		
		2023	2024	2025
		USD'000	USD'000	USD'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowing from a related party		100,200	140,656	261,250
Repayment of borrowing from a related party		–	(100,606)	(435,000)
Proceeds from issuance of shares . .		–	131,119	283,691
Share issuance cost		–	–	(7,058)
Consideration paid for treasury stock		–	–	(141,400)
Proceeds from sale and leaseback arrangement		9,541	12,989	12,174
Payment of sale and leaseback arrangement	25	(653)	(4,713)	(8,599)
Payment of interest for sale and leaseback arrangement.		(443)	(1,536)	(1,957)
Payment of principal portion lease liabilities	26	(498)	(11)	(15)
Payment of interest portion of lease liabilities		(31)	(5)	(9)
Proceeds from bank borrowing . . .		–	5,000	310,000
Payment of bank borrowing		–	–	(50,000)
Payment of borrowing cost		–	(804)	(4,823)
Payment of interest on a related party borrowing		(135)	(13,994)	(35,126)
Payment of interest on bank borrowing	7	–	(112)	(1,038)
Net cash flows from financing activities		107,981	167,983	182,090
NET INCREASE/(DECREASE) IN CASH AND BANKS		6,795	55,663	(22,185)
CASH AND BANKS AT BEGINNING OF THE YEAR . .	22	5,582	12,351	67,335
Effect of foreign exchange translation on cash and banks . .		(26)	(679)	158
CASH AND BANKS AT END OF THE YEAR	22	12,351	67,335	45,308

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

		31 December		
	Notes	2023	2024	2025
		USD'000	USD'000	USD'000
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	14	–	–	40
Other receivables	21	78,969	217,155	157,005
Investment in subsidiaries	23	224,108	209,056	249,742
Deferred tax assets	18a	745	2,299	–
Other non-current assets	19	3	3	12
Total non-current assets		303,825	428,513	406,799
CURRENT ASSETS				
Cash and banks	22	1,390	53,503	19,120
Prepayments	17	25	21	125
Total current assets		1,415	53,524	19,245
TOTAL ASSETS		305,240	482,037	426,044
LIABILITIES				
CURRENT LIABILITIES				
Trade payables, other payable and accruals	24	8,723	13,704	1,054
Lease liabilities	26	–	–	20
Total current liabilities		8,723	13,704	1,074
Total assets less current liabilities . .		296,517	468,333	424,970
Net current (liabilities)/assets		(7,308)	39,820	18,171
NON-CURRENT LIABILITIES				
Borrowings	28	133,700	177,946	–
Lease liabilities	26	–	–	23
Employment benefits liability	29	6	–	1
Total non-current liabilities		133,706	177,946	24
TOTAL LIABILITIES		142,429	191,650	1,098
NET ASSETS		162,811	290,387	424,946
EQUITY				
Equity attributable to owners of the parent entity				
Share capital	30	6,996	138,115	152,891
Additional paid-in capital – net . . .	38	168,681	168,681	302,880
Treasury stock	38	–	–	(13,742)
Employment benefits reserve.	38	1,125	1,125	1,125
Accumulated losses		(13,991)	(17,534)	(18,208)
TOTAL EQUITY		162,811	290,387	424,946
TOTAL LIABILITIES AND EQUITY		305,240	482,037	426,044

NOTES TO HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

a. Establishment and general information

PT Merdeka Gold Resources Tbk (formerly PT Pani Bersama Jaya) (the “Company”), was established in the Republic of Indonesia based on Deed of Establishment No. 87 dated 20 November 2015 made before Humberg Lie, S.H., S.E., M.Kn., Notary in North Jakarta. The Company’s Deed of Establishment was ratified by the Minister of Law (formerly Minister of Law and Human Rights of Republic of Indonesia) (“MOL”) under its Decree No. AHU-2467705.AH.01.01.TAHUN 2015 dated 20 November 2015.

The most recent amendment to the Company’s Articles of Association was based on Deed of Statement of Shareholders’ Resolutions No. 49 dated 7 October 2025, made before Jose Dima Satria, S.H., M.Kn., Notary in South Jakarta Administrative City (“Deed 49/2025”), regarding the change of issued and paid-up capital resulting from the implementation of initial public offering of shares of the Company. Such deed has been notified to the MOL based on Receipt of Notification on the Amendment of the Company’s Articles of Association No. AHU-AH.01.03-0241346 dated 7 October 2025.

In accordance with Article 3 of the Company’s Articles of Association, the scope of its activities is holding companies and other management consulting activities. Currently, the business activity carried out by the Company is as a holding company of a business group engaged in gold mining and its associated minerals, processing and other related business activities that are vertically integrated.

In the last quarter of 2025, the Group has commenced certain per-production mining activities but has not commenced commercial operations.

The Company is domiciled in Treasury Tower 67th floor, District 8 SCBD Lot 28, Jl. Jenderal Sudirman Kav. 52-53, Subregency Senayan, Regency Kebayoran Baru, South Jakarta 12190, Province of DKI Jakarta, Indonesia.

The ultimate parent entity of the Company is PT Merdeka Copper Gold Tbk (“MCG”), which is incorporated in Indonesia and list on the Indonesia Stock Exchange (“IDX”).

As of the date of this report, the statutory financial statements of the Company for the years ended 31 December 2023, 2024 and 2025 have been prepared and audited by BDO Indonesia. The Company had direct and indirect interests in its subsidiaries, the particulars of which are set out below:

Subsidiaries	Domicile	Nature of business	Effective percentage of ownership			Issued and fully paid share capital (in USD’000)		
			31 December 2023	31 December 2024	31 December 2025	31 December 2023	31 December 2024	31 December 2025
PT Gorontalo Sejahtera Mining (“GSM”) ^(a)	Indonesia	Mineral mining	99.99%	99.99%	99.99%	150,931	150,931	270,333
PT Pani Bersama Tambang (“PBT”) ^(a)	Indonesia	Manufacture of precious basic metals industry	99.99%	99.99%	99.99%	58,043	27,313	322,199
PT Merdeka Mining Indonesia (“MMI”) ^{(a)(d)}	Indonesia	Mining and other quarrying supporting activities, leasing activities for construction equipment with operators and leasing and operating leasing activities for mining and energy machinery and its equipment	99.99%	99.99%	99.99%	326	11,326	61,778
PT Mentari Alam Persada (“MAP”) ^{(a)(c)}	Indonesia	Wholesale trading on a fee or contract basis, other transportation support service activities, other business support services activities, owned or leased real estate activities, and road civil building construction	99.99%	99.99%	99.99%	14,699	19,282	21,990
PT Pani Industri Jaya (“PIJ”) ^(c)	Indonesia	Industrial Area	–	99.96%	99.96%	–	163	154
PT Puncak Emas Tani Sejahtera (“PETS”) ^{(a)(f)} through PT Puncak Emas Gorontalo and PBT	Indonesia	Ore mining	–	99.99%	99.99%	–	–	179,671

Subsidiaries	Domicile	Nature of business	Effective percentage of ownership			Issued and fully paid share capital (in USD'000)		
			31 December 2023	31 December 2024	31 December 2025	31 December 2023	31 December 2024	31 December 2025
PT Puncak Emas Gorontalo ("PEG") through PBT ^(b)	Indonesia	Holding company	99.99%	99.99%	99.99%	–	–	10,728
PT Pani Industri Nusantara ("PIN") through PETS and GSM ^(c)	Indonesia	Manufacture of nonferrous basic metals	–	–	99.99%	–	–	659

Notes:

- (a) As of the date of this report, the statutory financial statements of these companies for the years ended 31 December 2023 and 2024 have been prepared and audited by BDO Indonesia. The statutory financial statements for the year ended 31 December 2025 have also been audited and issued by BDO Indonesia.
- (b) As of the date of this report, the statutory financial statements of this company for the years ended 31 December 2023 and 2024 have been prepared and audited by BDO Indonesia. The statutory financial statements for the year ended 31 December 2025 have also been audited by BDO Indonesia but not yet issued.
- (c) The statutory financial statements for the years ended 31 December 2023, 2024 and 2025 have not been audited as the companies had total assets of less than IDR 50 billion and, pursuant to Law No. 40 of 2007 on Limited Liability Companies in Indonesia, are not required to have their financial statements audited.
- (d) Based on the Deed of Statement of Circular Resolution in Lieu of Extraordinary General Meeting of Shareholders of MMI No. 43 dated 20 September 2023, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, as approved by and notified to the MOL based on (i) MOL Decree No. AHU-0056558.AH.01.02.TAHUN 2023, and (ii) Receipt of Notification of Amendment of Articles of Association No. AHU-AH.01.03-0119645, all of them dated 20 September 2023, the shareholders of MMI consented to the increase of the authorized capital. For those purposes, MMI issued new shares totaling 990,000 shares, with a nominal value of Rp4,950,000,000 (equivalent to USD322,308). The Company subscribed for all of such new shares issued by MMI, which is sufficient to provide the Company with 99% ownership of the issued and paid-up capital of MMI. Therefore, the Company effectively controls and consolidates MMI in the Group's consolidated financial statements.

Based on the Deed of Statement of Circular Resolution in Lieu of Extraordinary General Meeting of Shareholders of MMI No. 44 dated 20 September 2023, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, as notified to and received by the MOL based on Receipt of Notification of Change of Company's Data No. AHU-AH.01.09-0165221 dated 20 September 2023, the shareholders of MMI consent to the transfer of shares owned by MCG, the former owner of MMI and ultimate parent entity of the Company totaling 9,999 shares, with a nominal value of Rp49,995,000 (equivalent to USD3,252) to the Company. Therefore the Company's shares ownership in MMI becomes 99.99% of the issued and paid-up capital of MMI.

The acquisition of MMI constituted a business combination under common control. The consolidated financial statements have been prepared whereby MMI is consolidated since the beginning of the period in which the combined entities were under common control. The fair value of the consideration paid which was settled in cash amounted to USD326,000. The total net identified net assets acquired amounted to USD438,000 with the excess of the consideration over the identifiable net assets was recognized as additional paid in capital of USD112,000.

- (e) Based on the Deed of Statement of Circular Resolution in Lieu of Extraordinary General Meeting of Shareholders of MAP No. 53 dated 18 December 2023, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, as approved by and notified to the MOL based on (i) MOL Decree No. AHU-0079049.AH.01.02.TAHUN 2023, and (ii) Receipt of Notification of Amendment of Articles of Association No. AHU-AH.01.03-0157460, all of them dated 18 December 2023 ("MAP Deed No. 53/2023"), the shareholders of MAP consented to the increase of the authorized capital. For those purposes, MAP issued new shares totaling 668,000 shares, with a nominal value of IDR167,000,000,000 (equivalent to USD10,855,000). The Company subscribed for all of such new shares issued by MAP, which is sufficient to provide the Company with 73.55% ownership of the issued and paid-up capital of MAP. Therefore, the Company effectively controls and consolidates MAP in the Group's consolidated financial statements since that date.

MAP No. 54 dated 18 December 2023, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, as notified to and received by the MOL based on Receipt of Notification of Change of Company Data No. AHU-AH.01.09-0197083 dated 18 December 2023, the shareholders of MAP consented to the transfer of shares owned by MCG, the former owner of MAP and ultimate parent entity of the Company totaling 240,199 shares, with a nominal value of Rp60,049,750,000 (equivalent to USD3,843,573) to the Company. Therefore the Company's shares ownership in MAP becomes 99.99% of the issued and paid-up capital of MAP.

The acquisition of MAP constituted a business combination under common control. The consolidated financial statements have been prepared whereby MAP is consolidated since the beginning of the period in which the combined entities were under common control. The fair value of the consideration paid which was settled in cash amounted to USD14,905,000. The total net identified net assets acquired amounted to USD14,375,000 with the excess of the consideration over the identifiable net assets was recognized as additional paid in capital of USD530,000.

(f) Under control since year 2024.

b. Company's public offering in Indonesia in September 2025

On 15 September 2025, the Company has obtained its effective statement from Financial Services Authority ("OJK") in its letter No. S-99/D.04/2025 to conduct the initial public offering ("IPO") in Indonesia for issuance of 1,618,023,300 ordinary shares at the nominal price of Rp150 equivalent to USD0.01 per share and offered to the public at the price of Rp2,880 (equivalent to USD0.18) per share. The company raised gross proceeds of approximately US\$283,691,000 (before deduction of expenses) under the Indonesian IPO. Accordingly, as of 23 September 2025, the Company's shares have been officially traded on the IDX.

2. BASIS OF PREPARATION

The Historical Financial Information has been prepared based on the accounting policies which conform with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance. The Historical Financial Information has been prepared on the historical cost convention, except as discussed in the accounting policies and the notes to the Historical Financial Information.

As at 31 December 2023 and 2025, the Group had net current liabilities of approximately USD9,258,000 and USD6,498,000. In the opinion of the directors of the Company, the Historical Financial Information has been prepared on a going concern basis because the Group will be able to meet in full its financial obligations as and when they fall due for the next twelve months from the date of this report, taking into account of the expected cash inflows from operations, utilisation of undrawn facilities currently available to the Group and the availability of internal funding resources within the Group.

3. ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective:

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Contracts Referencing Nature-dependent Electricity ¹
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ¹
IFRS 18	Presentation and Disclosure in Financial Statements ²
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures ²
IFRS 20	Regulatory Assets and Regulatory Liabilities ⁴
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2029

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application.

IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance.

So far, the Group considers that these new and amended IFRS Accounting Standards are unlikely to have a significant impact on the Group's results of operation and financial position.

4. MATERIAL ACCOUNTING POLICIES

The presentation and preparation of financial statements include the accounts of the Company and its subsidiaries mentioned in note 1(a), in which the Company maintains (directly or indirectly) equity ownership of more than 50% and is controlled by the Company.

All material intercompany transactions and account balances (including the related significant unrealised gains or losses) have been eliminated.

Subsidiaries are fully consolidated from the date of acquisitions, being the date on which the Company obtains control, and continue to be consolidated until the date such control ceases.

Losses of a non-wholly owned subsidiary are attributed to the Non-Controlling Interest ("NCI") even if that results in a deficit balance. In case of loss of control over a subsidiary, the Company:

- Derecognises the assets (including goodwill) and liabilities of the subsidiaries;
- Derecognises the carrying amount of any NCI;
- Derecognises the cumulative translation differences, recorded in equity, if any;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

NCI represent the portion of the profit or loss and net assets of the subsidiaries not attributable, directly or indirectly, to the Company, which are presented in the consolidated statement of profit or loss and other comprehensive income and under the equity section of the consolidated statement of financial position, respectively, separately from the corresponding portion attributable to the equity holders of the parent entity.

Changes in the Company ownership interest in a Subsidiary that do not result in loss of control are accounted for as equity transactions. The carrying amounts of the Company and non-controlling interest are adjusted to reflect the changes in their relative interests in the Subsidiary. Any differences between the amount by which the NCI are adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to the owners of the parent entity.

Subsidiaries

The consolidated financial statements present the results of the Group as if they formed a single entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Non-controlling interests is presented in the consolidated statements of financial position within equity, separately from the equity of the owners of the parent.

Upon the loss of control, the Group derecognise the assets and liabilities of the subsidiaries, any non-controlling interests and the other components of equity related to the subsidiaries. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiaries, then such interest is measured at fair value at the date that control is lost.

Transactions with non-controlling interests

Transactions with non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiaries.

Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealised income and expenses arising from intercompany transactions, are eliminated in preparing and presenting the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Goodwill

Goodwill represents the excess of the cost of an acquisition of subsidiaries or associated companies over the fair value at the date of acquisition of the Group's share of their identifiable net assets, including contingent liabilities, at the date of acquisition. Acquisition cost are measured as assets acquired, equity instruments issued or liabilities incurred or assumed at acquisition date, plus direct attributable cost related to the acquisition.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to profit or loss. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the profit or loss on the acquisition date.

Gain or losses on disposal of subsidiaries and associates include the carrying amount of capitalized goodwill relating to the entity sold.

Goodwill is tested for impairment annually, or more frequently if there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of Group's cash-generating-units ("CGU") expected to benefit from synergies of the business combination.

An impairment loss is recognised in the profit or loss when the carrying amount of CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of the CGU is the higher of the CGU's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rated on the basis of the carrying amount of each asset in the CGU.

Impairment loss on goodwill is non-reversible in the subsequent period.

Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In assessing control, the Group takes into consideration of potential voting rights that are currently exercisable.

The consideration transferred does not include amounts related to the settlement of preexisting relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that occur in connection with Group's business combination are expensed as incurred. Any contingent consideration is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Restructuring Transactions of Entities under Common Control

Restructuring transactions of entities under common control represent transfer of assets, liabilities, shares or other ownership instruments to reorganize entities within the Group, therefore resulting in no changes of ownership in terms of economic substance. Such transactions should not result in any gain or loss, either at the consolidated level or at the level of the individual entities within the Company and its subsidiaries.

Since restructuring transactions of entities under common control do not result in changes in economic substance of ownership in transferred assets, shares, liabilities or other ownership instruments, the transferred assets or liabilities (in legal form) should be recorded at book value in a manner similar to business combination transactions using the pooling-of-interest method.

In applying the pooling of interest method, the financial statement elements of the combining entities, for the period in which the business combination of entities under common control occurs and for the comparative presentation period, are presented as if the combination had occurred since the beginning of the period in which the combining entities were under common control.

The difference between transfer price and book value for each restructuring transaction of entities under common control is recorded in an account entitled "Additional paid-in capital".

Foreign currencies transactions and balances

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 relevant entity operates (the "functional currency"). The consolidated financial statements are presented in United States Dollars ("USD" or "US Dollars"), which is the Company's functional currency and the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as of the date of the transactions. As of the reporting date, monetary assets and liabilities denominated in foreign currency are adjusted to reflect the prevailing exchange rates at such date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Transaction with related parties

Related party represents a person or an entity who is related to the reporting entity:

- (1) A person or a close member of the person's family is related to a reporting entity if that person:
 - (a) Has control or joint control over the reporting entity;
 - (b) Has significant influence over the reporting entity; or
 - (c) Is member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (2) An entity is related to a reporting entity if any of the following conditions applies:
 - (a) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (c) Both entities are joint ventures of the same third party;
 - (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (e) The entity is a employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - (f) The entity is controlled or jointly controlled by a person identified in (1); or
 - (g) A person identified in (1)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (h) The entity, or any member of a group of which it is a part, provides key management personal services to the reporting entity or to the parent of the reporting entity.

Financial instruments

The Group classifies its financial assets and financial liabilities in the following categories:

1. Amortised cost;
2. Fair value through profit and loss ("FVTPL");
3. Fair value through other comprehensive income ("FVOCI").

The classification depends on the purpose for which the financial assets and financial liabilities are acquired and is determined at initial recognition.

1) Financial assets

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

The Group's financial assets consist of cash and banks, trade and other receivables, and other non-current assets and are measured at amortised cost.

i. Amortised cost

A financial assets is measured at amortised cost if it meets both of the following conditions:

- Financial assets is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- Contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

At initial recognition, financial assets that are classified as amortised cost are measured at fair value, plus directly attributable transaction costs. Interest income is calculated using the effective interest rate method and recognised in profit or loss.

ii. *FVTPL*

Financial assets measured at FVTPL are debt instruments which do not meet the criteria of amortised cost or FVOCI, equity investments which are held for trading or where the FVOCI election has not been applied, derivatives which are not designated as a hedging instrument. Fair value gains or losses from this financial assets are recorded in profit or loss.

iii. *FVOCI*

Financial assets measured at FVOCI are equity investments, that is not held for trading and the Group has irrevocably elected to present fair value of equity investment in other comprehensive income; debt instruments that are held to get contractual cash flows and selling the financial assets, where the assets' cash flows represent solely payment of principal and interest. Dividend from equity investments are recognised in profit or loss while the Group's right to received payment is established.

2) *Financial liabilities*

Financial liabilities are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. As at the reporting dates, the Group's has no other financial liabilities other than those classified as amortised cost. The Group's determines the classification of its financial liabilities at initial recognition.

Other financial liabilities are subsequently measured at amortised cost, using the effective interest method. Gains and losses are recognised in profit and loss when the liabilities are derecognised, and through the amortisation process.

The Group's financial liabilities consist of trade payables, other payable and accruals, sale and leaseback arrangement, lease liabilities, and borrowings.

3) *Derecognition*

A financial asset is derecognised when the rights to receive cash flows from the asset have expired.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, which is the date that the Group commits to purchase or sell the asset.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

4) *Offsetting financial instruments*

Financial assets and liabilities are set-off and the net amount is presented in the consolidated statements of financial position when, and only when, the Group has the legal right to set off the amounts and intends either to settle on a net basis or realise the asset and settle the liabilities simultaneously.

Income and expenses are presented net only when permitted by accounting standards.

5) *Impairment of financial assets*

Impairment loss provision of financial assets measured at expected credit losses model ("ECLs") and applied for financial assets which measured at amortized cost. The impairment method applied depends on whether there has been a significant increase in credit risk.

General Approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each of the reporting period, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of ECL. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the end of each of the reporting period with the risk of a default occurring on the financial instrument as of the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, that is indicative of significant increases in credit risk since initial recognition. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs;

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs;

Stage 3 — Financial assets that are credit-impaired at the end of each of the reporting period (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Simplified Approach

The Group applies the “simplified approach” to measuring ECL which uses a lifetime expected loss allowance for all trade receivables and contract assets without significant financing components. To measure the ECL, trade receivables have been grouped based on similar credit risk characteristics and the days past due. The Group establishes a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the Group and the economic environment.

Cash and banks

Cash and bank consist of cash on hand and in banks that not used as collateral and not restricted in the usage.

Trade and other receivables

Trade receivables is amount due from customers for goods sold or services performed in the ordinary course of business.

Other receivables are amounts due from third parties or related parties for transactions outside of the ordinary course of business.

If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Collectability of trade and other receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off by reducing the carrying amount directly. A provision account is used when there is objective evidence that the Group will not be able to collect all or a portion of amounts due according to the original terms of the receivables.

The amount of the impairment loss recognized in profit or loss within “others - net” for trade receivables and for other receivables. When a trade and other receivable for which an impairment provision had been recognized becomes uncollectible in a subsequent year, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against “others - net” in profit or loss.

Inventories

Inventories which consist of ore in stockpiles, goods in process, spare parts and supplies are valued at the lower of cost or net realizable value.

Cost is determined based on the weighted average method which includes mining costs, direct labor costs, other direct costs and an appropriate portion of fixed and variable overheads related to mining operations. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are valued at cost less a provision for obsolete and slow moving inventory. Cost is determined based on the weighted average method. A provision for obsolete and slow moving inventory is determined on the basis of estimated future usage or sale of individual inventory items. Supplies of maintenance materials are charged to production costs in the period in which they are used.

Investment in a joint venture

The results and assets and liabilities of a joint venture are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted there after to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Property, plant and equipments

Components of property, plant and equipments are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items.

Property, plant and equipments, other than land are recognised at cost less accumulated depreciation and accumulated impairment losses.

The depreciation of property, plant and equipments is computed using straight-line method based on the estimated useful lives of the assets, as follows:

	Year
Vehicles	4-8
Office equipment	4
Machine and equipment	4
Building	10-20

Mining infrastructure and plant in mining area are depreciated using the unit-of production method.

Heavy equipment are depreciated using hourly utilization basis over their estimated operating life.

Depreciation expenses are taken to profit or loss during the financial year in which they are incurred.

The residual value, useful life and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Gains or losses on disposal of property, plant and equipments are determined by comparing proceeds with the carrying amount and are included in profit or loss from operations.

Construction in progress

Construction in progress represents property, plant and equipments under construction which is stated at cost and is not depreciated. The accumulated costs are reclassified to the respective property, plant and equipments account and are depreciated when the construction is substantially complete and the asset is ready for its intended use.

Exploration and evaluation assets

Exploration and evaluation activity involves the search for Mineral Resources after the Group has obtained legal rights to explore in a specific area, determination of the technical feasibility and assessment of the commercial viability of an identified resource.

Exploration and evaluation activity includes among others:

- Obtaining right to explore;
- Topography, geology, geochemical and geophysical studies;
- Exploratory drilling;
- Trenching;
- Sampling;
- Technical and commercial feasibility on mining of Mineral Resources.

Exploration and evaluation expenditure related to an area of interest is written off as incurred, unless it is capitalised and carried forward, on an area of interest basis, provided one of the following conditions is met:

1. The rights of tenure of an area are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
2. Exploration activities in the area of interest have not yet reached the stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in or in relation to the area of interest are continuing.

Exploration and evaluation assets are subsequently measured using the full costing method.

Identifiable exploration and evaluation assets acquired in a business combination are recognised initially as assets at fair value on acquisition and subsequently at cost less impairment charges. Exploration and evaluation expenditure incurred subsequent to the acquisition of an exploration asset in a business combination is accounted for in accordance with the policy outlined above.

When technical and commercial feasibility of mining of Mineral Resources are demonstrable, exploration and evaluation assets are reclassified as “mining under development” at “mining properties” account.

Expenditure incurred before the entity has obtained the legal right to explore a specific area is expensed as incurred.

Exploration and evaluation assets are assessed for impairment when facts and conditions indicate that the carrying amounts exceed recoverable amounts.

Mining properties

Development expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises costs directly attributable to the construction of a mine and the related infrastructure and excludes physical assets and land rights (i.e. right to build, right to cultivate and right to use), which are recorded as property, plant and equipment.

No depreciation is recognized for “mining under development” until they are reclassified to “mining in production” as mining properties.

Mining properties are depreciated using the unit of production method based on gold reserves.

Amortisation is calculated by applying the ratio of contained gold in ore mined during the period to the total gold reserves, based on the latest reserve reports.

Identifiable mining properties acquired in a business combination are initially recognized as assets at their fair value. Development expenses incurred subsequent to the acquisition of the mining properties are accounted for in accordance with the policy outlined above.

“Mines under development” and “mines in production” are tested for impairment in accordance with the policy described in impairment of non-financial assets (excluding deferred tax assets).

Reclamation and mine closure

Group recognizes the present value of estimated costs of legal and constructive obligations required to restore the condition of mining area caused by mining operations in the period in which the obligation is incurred. The reclamation and mine closure activities include dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste site, and restoration, reclamation and revegetation of affected areas.

The obligation normally arises when the asset is installed or the ground/environment is disturbed in mining operations area. At the initial recognition of the liability, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction activities in the exploration and development mining areas.

Any reclamation and mine closure obligations that arise through the production phase are expensed as incurred. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risk specific to the liability. The periodic unwinding of the discount is recognized in the consolidated statement of comprehensive income as a finance cost.

Additional disturbances or changes in reclamation and mine closure costs are recognized as additions or changes to the corresponding assets and reclamation and mine closure liability when they occur.

Changes to estimated future costs are recognized in the consolidated statement of financial position by either increasing or decreasing the reclamation and mine closure liability and the related asset if the estimated costs of reclamation and mine closure were originally recognized as part of an asset measured. Any reduction in the reclamation and mine closure liability and deduction from the related asset may not exceed the carrying amount of that asset. If it does exceed the carrying value of the related asset, such excess is immediately recognized in the consolidated statement of profit or loss and other comprehensive income.

If the change in estimates results in an increase in the reclamation and mine closure liability and, an addition to the carrying value of the related asset, Group assesses the impairment, if there is indication of impairment of such assets.

Impairment of non-financial assets (excluding deferred tax assets)

IAS 36 prescribes the procedures to be employed by an entity to ensure that its assets are carried at no more than their recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and IAS 36 requires the entity to recognise an impairment loss. This IFRS also specifies when an entity should reverse an impairment loss and prescribes disclosures.

The adoption of IAS 36 requires the impairment test of goodwill at least once a year and more frequently when indications for impairment exist.

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets.

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In assessing fair value less costs to sell, an appropriate valuation model is used.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognised in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

Taxation

Current tax

Current income tax assets and or liabilities comprise those obligations to, or claims from Tax Authorities relating to the current or prior reporting period, that are unpaid at the consolidated statements of financial position date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year.

All changes to current tax assets or liabilities are recognised as a component of income tax expense in the consolidated statements of profit or loss and other comprehensive income.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences between the financial and the tax bases of assets and liabilities at each of the reporting date.

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

Deferred tax liabilities are recognised for all taxable temporary differences. Future tax benefits, such as the carry-forward of unused tax losses, are also recognised to the extent that realisation of such benefits is probable.

The carrying amount of deferred tax assets is reviewed at each consolidated statements of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each consolidated statements of financial position date and are recognised to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

The amount of the asset or liability is determined using tax rates that have been enacted, or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when Group has a legally enforceable right to offset current tax assets and liabilities.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less after the reporting date. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Costs incurred to obtain loan facilities are recognized as transaction costs of the borrowing to the extent that it is probable that some or all of the facility will be drawdown. In this case, the costs of obtaining the borrowing are deferred until the loan is drawn. To the extent that there is no evidence that it is probable that some or all of the facility will be drawdown, the costs of obtaining the borrowing are capitalized as a prepayment for liquidity services and amortized over the related facility period.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in profit or loss.

Borrowings are classified as current liabilities unless The Group has a right to defer the settlement of the liability for at least twelve months after the reporting date.

Employment benefits liability

The Group provides post-employment defined benefit to its employees in accordance with prevailing Labor Law.

No funding has been made to this defined benefit plan.

The actuarial valuation method used to determine the present value of the defined benefit liability, related current service cost and past service costs is the Projected Unit Credit.

Current service costs, interest costs, vested past service costs, and effect of curtailment or settlement (if any) are charged directly to consolidated statements of profit or loss.

Past service costs which are not yet vested and actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. Actuarial gains and losses and adjustments arising which are recognised in other comprehensive income will be immediately recognised in retained earnings. Actuarial gains/(losses) are not reclassified to profit or loss in subsequent periods.

Other long-term employee benefits

Other long-term employee benefits, which consist of long service rewards and long leave benefits, are recognised in the consolidated statements of financial position at the present value of the defined benefit obligation. The actuarial gains and losses and past service costs which are not yet vested and actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. Actuarial gains/(losses) are not reclassified to profit or loss in subsequent periods.

Provision, contingent liabilities and contingent asset

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in the notes to the consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits to the Company is probable.

Provisions are recognized when Group has a legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate, where appropriate, to reflect the risk specific to the liability.

The increase in the provision due to the passage of time is recognized as a finance cost, when discounting is used.

Stock issuance costs

Stock issuance costs are deducted from the additional paid-in capital portion of the related proceeds from issuance of shares and are not amortized.

Lease

At the inception of a contract, the Group assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset — this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has the substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the identified asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In certain circumstances where all the decisions about how and for what purpose the asset is used are predetermined the Group has the right to direct the use of the asset if either:
 - The Group has the right to operate the asset; and
 - The Group has designed the asset in a way that predetermined how and for what purpose it will be used.

At inception or on re-assessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Group as a lessee

At initial recognition, the Group recorded the right-of-use asset and lease liability.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset to the condition required by the terms and conditions of the lease, less any lease incentives received.

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- Penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Lease liability remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases of property, plant and equipment

The Group leases certain property, plant and equipment that is classified as lease assets under property, plant and equipment.

The amount of lease that is initially recognized as a property, plant and equipment is the lower of the fair value of the leased asset and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analyzed between capital and interest. The interest element is charged to profit or loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability.

Lease assets under property, plant and equipment are depreciated using hourly utilization basis over their estimated operating life.

Sale and leaseback transactions

Under IFRS 16 Leases, a sales and leaseback transaction is recognized as a sale if the transfer of the asset satisfies the control criteria set out under IFRS 15 Revenue from contract with customers. The seller-lessee derecognizes the underlying asset, recognizes a right-of-use (ROU) asset, and a lease liability. The ROU asset is measured at the proportion of the previous carrying amount that relates to the rights retained. If the transfer does not qualify as a sale, the transaction is accounted for as a financing arrangement.

Revenue and expense***Revenue recognition***

The Group has performed the following 5 (five) steps of assessment to recognize its revenue:

- Identify contracts with customers;
- Identify performance obligations in contract in relation to the transfer distinctive goods or services;
- Determine the consideration amount for the Group which expected to be entitled in exchange for transferring goods or services to customer;
- Allocate the transaction or consideration prices to each performance obligation on the basis of the relative selling prices from each goods or services in the contract;
- Recognize revenue when the performance obligation is satisfied either at a point in time or over time.

Expense recognition

Expenses are recognised when incurred (accrual basis).

Operating segment

An operating segment is a component of an entity:

- a. That engages in business activities from which it may earn revenues and incur expenses (including revenue and expenses related to transactions between different components within the same entity).
- b. Whose operating results are regularly reviewed by the entity's chief operating decision-maker to make decisions about resources to be allocated to the segment and to assess its performance, and
- c. For which discrete financial information is available.

The Group segments its financial reporting based on the financial information used by the chief operating decision-maker in evaluating the performance of segments and in the allocation of resources. The operating segments are determined based on the nature of the Group's integrated operating activities, rather than on individual legal entities.

Earnings per share***a. Basic earnings per share***

Basic earnings per share is computed by dividing the profit for the year attributable to owners of the parent of the Company by the weighted-average number of ordinary shares outstanding during the year.

b. Diluted earnings per share

Diluted earnings per share is computed by dividing the profit for the year attributable to owners of the Company by the weighted average number of outstanding as adjusted for the effect of all dilutive potential ordinary shares.

Treasury stock

When the Company purchases its share capital (treasury stock), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to owners of the parent entity until the shares are canceled or reissued. When the treasury stock is reissued, the consideration received, net of related attributable incremental costs, is included in the equity attributable to the owners of the parent entity.

Events after the Track Record Period

Events after the Track Record Period that provide evidence of conditions that existed at the end of the Track Record Period (adjusting events) are reflected in the consolidated financial statements. Events after the Track Record Period that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities at the end of each of the Track Record Period. Uncertainty about these estimates and assumptions could result in a material adjustment to the carrying amount of the assets or liabilities affected within the next financial year.

In the process of applying Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the Historical Financial Information:

1) Income taxes

Group has exposure to income taxes. Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognizes liabilities for expected tax issues, if any, based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact in the period in which such determination is made.

2) Useful lives of property, plant and equipment

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets.

Management estimates the useful lives of these property, plant and equipment to be between 4 to 20 years. These are common life expectancies applied in the industry. However, for heavy equipment, useful lives are estimated based on total estimated operating life (hour meter basis).

Therefore, future depreciation charges could be revised. The carrying amount of the Company's property, plant and equipments at the end of the reporting period is disclosed in note 14 to the Historical Financial Information.

3) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Tax losses in Indonesia may be carried forward for a maximum of five years.

Significant management estimate is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

4) Employment benefits

The costs, assets and liabilities of the defined benefit schemes operated by the Group are determined using methods relying on actuarial estimates and assumptions. Details of the key assumptions are set out in note 29.

The Group engages independent actuaries to provide advice on the appropriateness of these assumptions. Changes in the actuarial assumptions may have a material impact on the Group's consolidated statements of profit or loss and other comprehensive income, and the consolidated statements of financial position.

5) Provision for mining rehabilitation

The Government Regulation No. 78/2010 deals with reclamation and post-mining activities for both Mining License Permit (IUP) — Exploration, and Contract of Work and Production and the Ministerial Decree of ESDM No. 26/2018 deals with reclamation and post-mining activities in the mineral and coal mining business.

Restoration, rehabilitation and environmental expenditure to be incurred related to the remediation of disturbed areas during the production phase are charged to cost of sales when the obligation arising from the disturbance occurs as extraction progress.

The reclamation of disturbed areas and decommissioning of mining assets and other long lived assets will be undertaken during several years in the future and precise requirements are constantly changing to satisfy political, environmental, safety and public expectations. As such, the timing and amounts of future cash flows required to settle the obligation at each of the statement of financial position dates are subject to significant uncertainty. Changes in the expected future costs could have an impact on the Company's financial statements.

6) Ore reserves

Proven and probable reserves are estimates of the amount of ore that can be economically and legally exploited from the Group's mining properties ("Ore Reserves"). The Group determines and reports its Ore Reserves under the principles incorporated in the Code for Reporting of Mineral Resources and Ore Reserves (the "JORC Code") of the Australasian JORC.

In order to estimate Ore Reserves, assumptions are required about a range of geological, technical and economic factors, including production quantities, production techniques, strip ratio, production costs, transportation costs, demand and prices of gold and exchange rates. Estimating the quantity and/or gold content of Ore Reserves requires the size, shape and depth of orebodies to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgements to interpret the data.

Because the economic assumptions used to estimate Ore Reserves change from period to period and because additional geological data is generated during the course of operations, estimates of Ore Reserves may change from period to period. Changes in the reported Ore Reserves may affect the Group's financial results and financial position in a number of ways, including the following:

- a. Assets carrying values may be affected due to changes in the estimated future cash flows.
- b. Depreciation, depletion and amortisation charged to profit or loss may change where such charges are determined on the units-of-production basis, or where the useful economic lives of assets change.
- c. Decommissioning, site restoration and environmental provisions may change where changes in estimated Ore Reserves affect expectations about the timing or cost of these activities.
- d. The carrying value of deferred tax assets/liabilities may change due to changes in estimates of the likely recovery of the tax benefits.

6. REVENUE AND SEGMENT INFORMATION

Segment Information

Based on the financial information reviewed by the chief operating decision maker in evaluating the Group's performance and in allocating resources, management has determined that the Group operates in a single operating segment. Although the Group's operations include mining support services, mining, and processing activities, these are integrated and managed as one inseparable unit.

Revenue

The Group operates in a single geographical area, Indonesia. During the years ended 31 December 2023, 2024 and 2025, the Group's revenue was generated entirely from mining equipment rental services to customers in Indonesia, and 100% of the Group's non-current assets are located in Indonesia.

Revenue from services is recognized overtime based on actual heavy equipment operating hours provided to customer during the reporting period. Revenue from services is generally billed on a hourly basis. Customers are granted credit terms 30 days from the invoice date pursuant to the respective contractual arrangements.

The Group has applied the practical expedient under IFRS 15 whereby information relating to the transaction price allocated to the remaining performance obligations is not disclosed for contracts in which the Group has the right to invoice customers in an amount that corresponds directly with the value of the Group's performance completed to date.

Going forward, the Group expects a significant portion of its revenue to be derived from the sale of gold products.

An analysis of revenue is as follows:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Mining equipment rental	1,394	1,750	132

Detail of revenue transactions to major customers which greater than 10% of revenue is as follows:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Customer A	—	—	132
Customer B	—*	1,750	—
Customer C	1,359	—	—
	<u>1,359</u>	<u>1,750</u>	<u>132</u>

* less than 10% of the revenue.

7. FINANCE EXPENSES

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Interest on related party borrowings (note 32)	8,520	18,791	22,618
Interest on bank borrowings	—	112	1,040
Interest on sale and leaseback arrangement (note 25) . .	443	1,536	1,957
Interest on lease liabilities (note 26)	31	5	9
Amortized borrowing cost	—	229	1,031
Accretion expense of mine closure provision (note 27) .	—	—	514
	<u>8,994</u>	<u>20,673</u>	<u>27,169</u>
Less: Interest capitalized	—	—	(12,445)
	<u>8,994</u>	<u>20,673</u>	<u>14,724</u>

8. OTHER EXPENSE/(INCOME) — NET

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
(Gain)/loss on foreign currency – net	(56)	(266)	1,971
Fair value changes on equity interest (note 35)	—	(4,950)	—
Excess value in acquisition of a subsidiary (note 35)	—	(845)	—
Other (income)/expenses – net	(331)	561	274
	<u>(387)</u>	<u>(5,500)</u>	<u>2,245</u>

9. LOSS BEFORE INCOME TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Operating and production cost:			
Depreciation of property, plant and equipment (<i>note 14</i>)	336	206	27
Repair and maintenance and other expenses	600	974	251
Total cost of Revenue	936	1,180	278
Depreciation of property, plant and equipment (<i>note 14</i>)	16	29	29
Professional fee and community development program (<i>note a</i>)	1,525	656	8,586
Salaries and allowances	406	119	245
Auditor's remuneration			
– Assurance	30	19	58
– Non-assurance	–	2	–
Employee benefit expense (<i>note 29</i>)	3	4	6
Pension and other social insurance	33	14	37
Others	157	176	525
Total general and administrative expenses	2,170	1,019	9,486
Total	3,106	2,199	9,764

- a. Professional fees include management consulting fees paid to MCG, while community development program mainly represent a commitment by the Group to implement social responsibility programs to support social and economic development in mining areas.

10. INCOME TAX EXPENSE**a. Income tax (benefit)/expense**

Income tax is calculated based on tax rates prevailing under the Indonesian tax laws and regulations. For the Group, except GSM, in accordance with Article 17 paragraph (1) letter b of Law No. 7 of 2021 concerning the Harmonization of Tax Regulations, the applicable Corporate Income Tax rate is 22%.

Based on Agreement Letter with Government of the Republic of Indonesia (Government) No. B-188/Pres/7/1994 regarding Agreement for 5 (five) Contract of Works in order of Penanaman Modal Asing ("PMA") in the General Mining sector as last amended based on the Work Contract Amendment dated 23 December 2015, GSM is obliged to pay income tax by 35%.

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Current income tax	212	1,558	581
Under provision in prior years	2	–	–
Deferred tax (<i>note 18</i>)	(3,508)	(3,792)	1,521
	(3,294)	(2,234)	2,102

The taxation for the Track Record Period can be reconciled to the loss before income tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Loss before income tax	(10,131)	(14,934)	(25,392)
Income tax at prevailing rates	(2,229)	(3,565)	(6,310)
Income tax effects of:			
Non-deductible expenses	1,266	3,116	5,368
Non-taxable income	(43)	(162)	(277)
Recognition of previously unrecognised deferred tax assets	(2,288)	(1,734)	–
Tax loss not recognised	–	111	3,321
Income tax (benefit)/expense	(3,294)	(2,234)	2,102

b. Tax status

On June 2025, the Company received Overpaid Tax Assessment Letter for Corporate Income Tax for year 2022 and 2023 of USD27,000 and USD591,000, respectively.

As of the completion date of these consolidated financial statements, the Company is in the process of Tax Audit on Corporate Income Tax for the 2024 fiscal year.

c. Tax administration

The taxation laws in Indonesia require that each company in the Group calculate, pay and report the income tax on individual basis under self-assessment principle. Under the prevailing obligations, the Directorate General of Taxation may issue underpayment tax assessment (that is normally done through tax audit process) within five years of the time the tax becomes due, which may be extended to ten years in cases involving tax fraud or tax crimes.

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

a. Directors' and chief executive's emoluments

Directors' and chief executive's remuneration for the Track Record Period are as follows:

For the year ended 31 December 2023

	Fee	Salaries and Benefits	Retirement Benefits Contributions	Total
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Board of Commissioners and Directors				
President Commissioner				
– Albert Saputro (<i>note i</i>)	–	–	–	–
Commissioner				
– Januarius Felix Lumban Gaol (<i>note ii</i>)	–	–	–	–
President Director				
– Syamsul Bahri Ilyas (<i>note iii</i>) . . .	–	65	4	69
Director				
– Cahyono Seto (<i>note vi</i>)	–	–	–	–
– David Thomas Fowler (<i>note iv</i>) . .	–	–	–	–
– Boyke Poerbaya Abidin (<i>note v</i>) .	–	92	5	97
	<u>–</u>	<u>157</u>	<u>9</u>	<u>166</u>

For the year ended 31 December 2024

	Fee	Salaries and Benefits	Retirement Benefits Contributions	Total
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Board of Commissioners and Directors				
President Commissioner				
– Albert Saputro (<i>note i</i>)	–	–	–	–
Commissioner				
– Januarius Felix Lumban Gaol (<i>note ii</i>)	–	–	–	–
President Director				
– Syamsul Bahri Ilyas (<i>note iii</i>) . . .	–	63	3	66
Director				
– Cahyono Seto (<i>note vi</i>)	–	–	–	–
– David Thomas Fowler (<i>note iv</i>) . .	–	–	–	–
– Boyke Poerbaya Abidin (<i>note v</i>) .	–	89	5	94
	<u>–</u>	<u>152</u>	<u>8</u>	<u>160</u>

For the year ended 31 December 2025

	Fee	Salaries and Benefits	Retirement Benefits Contributions	Total
	USD'000	USD'000	USD'000	USD'000
Board of Commissioners and Directors				
President Commissioner				
– Santoso Kartono (<i>note vii</i>)	–	–	–	–
– Hardi Wijaya Liong (<i>note viii</i>)	–	–	–	–
– Albert Saputro (<i>note i</i>)	–	–	–	–
Independent Commissioner				
– Heri Sunaryadi (<i>note ix</i>)	–	28	–	28
Commissioner				
– Januarius Felix Lumban Gaol (<i>note ii</i>)	–	–	–	–
President Director				
– Boyke Poerbaya Abidin (<i>note x</i>)	–	87	5	92
– Syamsul Bahri Ilyas (<i>note iii</i>)	–	33	2	35
Director				
– Albert Saputro (<i>note i</i>)	–	–	–	–
– David Thomas Fowler (<i>note iv</i>)	–	–	–	–
– Adi Adriansyah Sjoekri (<i>note xi</i>)	–	–	–	–
– Cahyono Seto (<i>note vi</i>)	–	–	–	–
– Boyke Poerbaya Abidin (<i>note v</i>)	–	–	–	–
	–	148	7	155

Note i: Albert Saputro was appointed as president commissioner on 28 April 2023 and his tenure concluded on 12 June 2025 and he was appointed as a director on 12 June 2025.

Note ii: Januarius Felix Lumban Gaol was appointed as commissioner on 2 November 2018 and his tenure concluded on 12 June 2025.

Note iii: Syamsul Bahri Ilyas was appointed as president director on 20 November 2015 and his tenure concluded on 12 June 2025.

Note iv: David Thomas Fowler was appointed as director on 2 November 2018.

Note v: Boyke Poerbaya Abidin was appointed as director on 1 July 2020 and his tenure concluded on 12 June 2025.

Note vi: Cahyono Seto was appointed as director on 5 December 2016 and his tenure concluded on 12 June 2025.

Note vii: Santoso Kartono was appointed as president commissioner on 10 December 2025.

Note viii: Hardi Wijaya Liong was appointed as president commissioner on 12 June 2025 and dismissed on 10 December 2025.

Note ix: Heri Sunaryadi was appointed as independent commissioner on 12 June 2025.

Note x: Boyke Poerbaya Abidin was appointed as president director on 12 June 2025.

Note xi: Adi Adriansyah Sjoekri was appointed as director on 12 June 2025.

Several directors and chief executives were also the employees of MCG and PT Bumi Sukseindo (“BSI”) and their remuneration were paid and borne by these entities and there is no reasonable basis to allocate the emoluments relating to services provided to the Group during the Track Record Period.

No emoluments were paid by the Group to any directors and chief executives as an inducement to join or upon joining the Group or as compensation for loss or termination of their office during the Track Record Period.

There were no arrangements under which a director or a chief executive waived or agreed to waive any emolument during the Track Record Period.

b. The highest paid individuals

During the years ended 31 December 2023, 2024 and 2025, the five individuals with the highest emoluments in the Group include 2, 2 and 1 directors of the Company, details of whose remunerations are set out in note 11(a) above.

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Salaries, allowance and benefit	317	366	392
Performance related bonuses	10	35	36
Pension scheme contributions	18	18	21
	<u>345</u>	<u>419</u>	<u>449</u>

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands of the Company for the years ended 31 December 2023, 2024, and 2025 are as follows:

	Year ended 31 December		
	2023	2024	2025
Nil to USD128,000	3	3	4
	<u>3</u>	<u>3</u>	<u>4</u>

12. LOSS PER SHARE

Data used in determining loss per share are presented below:

	Year ended 31 December		
	2023	2024	2025
Loss for the year			
Loss for the year attributable to the owners – of the parent entity (USD'000)	(6,836)	(12,700)	(27,492)
	<u>(6,836)</u>	<u>(12,700)</u>	<u>(27,492)</u>
Number of shares			
Weighted average number of ordinary shares excluding treasury shares from buyback shares for the purposes of calculating basic loss per share ('000)	13,040,320	13,447,821	14,314,811
	<u>13,040,320</u>	<u>13,447,821</u>	<u>14,314,811</u>

- (a) Based on Deed of Statement of Shareholders' Resolution on Amendment to the Articles of Association No. 58 dated 10 July 2025, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in the Administrative City of South Jakarta, which has obtained approval and/or acknowledgment from the MOL, the Company changed the classification of its shares into a single class of ordinary shares and amended the par value of its shares to Rp150 per share (equivalent to USD0.01). In connection with these changes each shareholder of each class of share (company class A, B and C shares) was given 130,165 ordinary shares for each share held, and the number of issued and fully paid shares increased to 14,562,209,375 shares.

In accordance with IAS 33 Earnings per Share, changes in the number of ordinary shares resulting from a stock split are applied retrospectively in the calculation of earnings per share. Accordingly, the basic earnings per share for all periods presented have been adjusted as if the stock split had occurred at the beginning of the earliest period presented.

- (b) No diluted loss per share during the Track Record Period were presented as there were no potential ordinary shares in issue for the periods.

13. DIVIDEND

No dividends were declared or distributed by the Company in the Track Record Period.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Direct acquisition								Right-of-use			Total
	Land	Building	Office Equipment	Machinery and Equipment	Plant	Vehicles	Heavy Equipment	Mining Infrastructure	CIP	Heavy Equipment	Building	
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
Cost												
At 1 January, 2023	51	30	208	70	–	237	–	–	20,276	–	–	20,872
Additions	–	–	–	–	–	–	15,749	–	33,964	–	102	49,815
At 31 December, 2023 . . .	51	30	208	70	–	237	15,749	–	54,240	–	102	70,687
Additions	–	–	–	–	–	–	16,189	–	62,348	–	–	78,537
Reclassification	–	3,984	–	–	–	–	–	–	(3,984)	–	–	–
Acquisition of subsidiary (note 35)	–	–	31	34	–	–	–	–	4,450	–	–	4,515
At 31 December, 2024 . . .	51	4,014	239	104	–	237	31,938	–	117,054	–	102	153,739
Additions	–	–	–	–	–	–	11,976	–	163,157	3,403	53	178,589
Disposal	–	(30)	(146)	(34)	–	–	–	–	–	–	(102)	(312)
Reclassification	–	15,906	–	–	32,015	–	–	76,865	(124,786)	–	–	–
At 31 December, 2025 . . .	51	19,890	93	70	32,015	237	43,914	76,865	155,425	3,403	53	332,016
Accumulated depreciation												
At 1 January, 2023	–	(30)	(204)	(70)	–	(237)	–	–	–	–	–	(541)
Provided for the year . . .	–	–	(2)	–	–	–	(934)	–	–	–	(16)	(952)
At 31 December, 2023 . . .	–	(30)	(206)	(70)	–	(237)	(934)	–	–	–	(16)	(1,493)
Provided for the year . . .	–	(996)	(12)	(15)	–	–	(2,471)	–	–	–	(28)	(3,522)
At 31 December, 2024 . . .	–	(1,026)	(218)	(85)	–	(237)	(3,405)	–	–	–	(44)	(5,015)
Provided for the year . . .	–	(2,511)	(21)	(19)	(23)	–	(6,806)	(667)	–	–	(27)	(10,074)
Disposal	–	30	146	34	–	–	–	–	–	–	58	268
Reclassification	–	–	–	–	–	–	–	–	–	–	–	–
At 31 December, 2025 . . .	–	(3,507)	(93)	(70)	(23)	(237)	(10,211)	(667)	–	–	(13)	(14,821)
Carrying amounts												
At 31 December 2023 . . .	51	–	2	–	–	–	14,815	–	54,240	–	86	69,194
At 31 December 2024 . . .	51	2,988	21	19	–	–	28,533	–	117,054	–	58	148,724
At 31 December 2025 . . .	51	16,383	–	–	31,992	–	33,703	76,198	155,425	3,403	40	317,195

The depreciation expenses for the years ended have been allocated as at 31 December 2023, 2024 and 2025 as follow:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Charged/capitalized to:			
Exploration and evaluation assets	600	3,287	5,912
Ore inventories	–	–	630
Mining properties	–	–	3,476
Cost of revenue	336	206	27
General and administrative expense	16	29	29
Total	952	3,522	10,074

The Company

	Right-of-use Building
	<i>USD'000</i>
Cost	
At 1 January 2025	–
Additions	53
At 31 December 2025.	53
Accumulated depreciation	
At 1 January 2025	–
Charge for the year.	(13)
At 31 December 2025.	(13)
Carrying amounts	
At 31 December 2025.	40

Construction in progress

Construction in progress represents property, plant and equipment that are still under construction or installation and have not yet reached the condition necessary for them to be capable of operating. The Group is under construction of a heap-leach processing facility and other construction projects during the Track Record Period. As at 31 December 2025, the Group's construction in progress mainly comprised the heap leach and processing plant, as well as infrastructure, building and other equipment for its mining operations. Details of the major construction projects are set out below:

– ***Heap leach and processing plant***

As at 31 December 2025, the heap leach and processing plant was approximately 93.6% complete, with accumulated cost of approximately USD138,833,000. The project is expected to be completed by 2026.

– ***Infrastructure, building and other equipment***

As at 31 December 2025, the infrastructure, building and equipment were at various stage of completion, range from approximately 1% to 99%, with accumulated cost of approximately USD16,592,000. The project is expected to be completed by 2026.

The Group has no obstacles in the continuation of construction in progress completion.

Right-of-Use Assets

For the years ended 31 December 2023, 2024 and 2025, the Group leases building for its operations. Lease contracts are entered into for fixed term of two to four years.

Property, Plant and Equipment

For the years ended 31 December 2023, 2024 and 2025, the Group entered into several sale and leaseback arrangements in respect of heavy equipments of USD15,749,000, USD16,189,000 and USD11,976,000, respectively, further details of which are set out in note 25. The heavy equipment acquired included excavators, trucks, lighting plant, telehandler and dozers, all of which will be used in the Group's mining operations.

As of 31 December 2023, 2024 and 2025, the Group's property, plant and equipment were insured against all risks of damage, with total coverage of approximately USD17,430,000, USD318,253,000 and USD318,769,000. The Group's management believes that the property, plant and equipment were adequately insured.

Management has reviewed the estimated economic life, depreciation methods and residual values at the end of each of the Track Record Period and has opinion that there was no change from the previous year.

The Group is a mining company and up to 31 December 2025, it was in the pre-production stage. Although the Group was loss-making throughout the Track Record Period, the Directors consider such losses are common for pre-production mining companies.

Notwithstanding the above, the Directors have made assessments as to whether there were any impairment indicators relating to the Group's non-financial assets such as property, plant and equipment, right-of-use assets, exploration and evaluation assets and mining properties at the level which independent cash inflows are generated throughout the Track Record Period. These assessments were based on the findings and conclusions reached in various internal and external mining reports prepared by competent persons throughout the Track Record Period, including the CPR prepared by the competent person. In performing the assessments, the Directors considered that the Group's mining licences remained valid and that there were no significant adverse changes in the legal, regulatory or operating environment throughout the Track Record Period. The Group also continued to progress its mine development activities and related capital expenditure substantially in accordance with its development plan. The Directors further considered the conclusions of the competent person's assessments, which indicated that the relevant mining projects were economically viable based on the latest life-of-mine plans and financial projections. In addition, prevailing gold prices remained favourable and generally increased throughout the Track Record Period. Based on these assessments and reports, the Directors are of the view that no impairment indicators existed and that the recoverable amount of the relevant assets exceeded their carrying amount.

15. EXPLORATION AND EVALUATION ASSETS

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Cost			
At 1 January	154,403	175,843	182,258
Addition	21,440	6,415	8,218
Reclassification	—	—	(190,476)
At 31 December	175,843	182,258	—

The Group's exploration and evaluation assets represent cost incurred to acquire exploration license and expenditures incurred during topographical and geological surveys, exploratory drilling, sampling and trenching and construction and other costs incurred for commercial and technical feasibility studies in that area. During the year ended 31 December 2025, exploration and evaluation assets amounting to USD190,476,000 was reclassified to mining properties when the project reached its technical and commercial feasibility for development.

During the years ended 31 December 2023, 2024 and 2025, the Group capitalised depreciation of property, plant and equipment to exploration and evaluation assets amounting to USD600,000, USD3,287,000 and USD5,912,000, respectively.

16. MINING PROPERTIES

	Mining under Development	Mining in Production	Total
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Costs			
At 1 January, 2024	–	–	–
Acquisition of a subsidiary (<i>note 35</i>)	79,000	–	79,000
Addition	3,923	–	3,923
At 31 December, 2024	82,923	–	82,923
Reclassification from exploration and evaluation assets	190,476	–	190,476
Reclassification from mining under development	(82,923)	82,923	–
Addition	6,141	26,849	32,990
At 31 December, 2025	196,617	109,772	306,389
Accumulated amortisation			
At 1 January, 2024	–	–	–
Charge for the year	–	–	–
At 31 December, 2024	–	–	–
Charge for the year	–	(805)	(805)
At 31 December, 2025	–	(805)	(805)
Carrying Amounts			
At 31 December 2024	–	82,923	82,923
At 31 December 2025	196,617	108,967	305,584

Mining under development represents mining properties for which mining operations have not yet commenced. Mining in production represents mining properties where mining operations have started and the operations have entered the production phase.

During the year ended 31 December 2025, exploration and evaluation assets amounting to USD190,476,000 has been reclassified from exploration and evaluation assets when the project reach its commercial and technical feasibility of development.

For the year ended 31 December 2025, the Group capitalised depreciation of property, plant and equipment to mining properties amounting to USD3,476,000.

17. ADVANCES AND PREPAYMENTS

The Group

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Advances for property, plant, and equipment purchase (<i>note a</i>)	2,956	13,667	10,628
Advances for operational purchase (<i>note b</i>)	843	2,996	3,824
Prepayments	752	541	1,156
Total	4,551	17,204	15,608
Less: Non-current portion	(2,956)	(13,667)	(10,628)
Current portion	1,595	3,537	4,980

- a. Advance for purchase of property, plant and equipment mainly relate to advances paid by PBT to domestic and overseas suppliers for acquisition of property, plant and equipment used in the Group's heap leach and processing operations.
- b. Advance for operational purchase represents payments made to supplier for purchase of inventory and consumables which are expected to be realised within three months.

The Company

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Advances for operational purchase	1	–	73
Prepayments	24	21	52
	25	21	125

18. DEFERRED TAXATION

The movements in deferred tax assets and liabilities during the Track Record Period are as follows:

a. Deferred tax assets

The Group

	Employment Benefits Liability	Sale and Leaseback Arrangement	Depreciation of PPE	Fiscal Losses	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
At 1 January, 2023	12	–	–	863	875
Credited/(charged) to consolidated statement of profit or loss (<i>note 10</i>) . .	7	(125)	207	3,419	3,508
Other comprehensive income	2	–	–	–	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December, 2023	21	(125)	207	4,282	4,385
Credited/(charged) to consolidated statement of profit or loss (<i>note 10</i>) . .	73	125	(201)	4,140	4,137
Other comprehensive income	(21)	–	–	–	(21)
Acquisition of subsidiary (<i>note 35</i>)	79	–	(14)	56	121
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December, 2024	152	–	(8)	8,478	8,622
Credited/(charged) to consolidated statement of profit or loss (<i>note 10</i>) . .	130	–	9	(1,359)	(1,220)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December, 2025	<u>282</u>	<u>–</u>	<u>1</u>	<u>7,119</u>	<u>7,402</u>

The Company

	Employment Benefits Liability	Fiscal Losses	Total
	USD'000	USD'000	USD'000
At 1 January, 2023	3	–	3
Credited/(charged) to profit or loss	(1)	743	742
	<u> </u>	<u> </u>	<u> </u>
At 31 December, 2023	2	743	745
Credited/(charged) to profit or loss	(2)	1,556	1,554
	<u> </u>	<u> </u>	<u> </u>
At 31 December, 2024	–	2,299	2,299
Credited/(charged) to profit or loss	–	(2,299)	(2,299)
	<u> </u>	<u> </u>	<u> </u>
At 31 December, 2025	<u>–</u>	<u>–</u>	<u>–</u>

b. Deferred tax liabilities*The Group*

	Employment Benefits Liability	Mining Properties	Sale and Leaseback Arrangement	Depreciation of PPE	Fiscal Losses	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 1 January, 2024	–	–	–	–	–	–
Credited/(charged) to consolidated statement of profit or loss (note 10)	10	–	(1,144)	737	52	(345)
Other comprehensive income	(1)	–	–	–	–	(1)
Acquisition of a subsidiary (note 35)	–	(6,058)	–	–	–	(6,058)
At 31 December, 2024	9	(6,058)	(1,144)	737	52	(6,404)
Credited/(charged) to consolidated statement of profit or loss (note 10)	12	46	(1,727)	1,420	(52)	(301)
At 31 December, 2025	21	(6,012)	(2,871)	2,157	–	(6,705)

19. OTHER NON-CURRENT ASSETS*The Group*

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Restricted time deposit	1,396	1,396	1,670
Security deposit	3	875	852
	1,399	2,271	2,522

For the years ended 31 December 2023, 2024 and 2025, restricted time deposit consists of collateral in relation to bank guarantee issuance for the Group's reclamation and post-mine guarantee (note 27) amounting to USD1,396,000, USD1,396,000 and USD1,670,000 and security deposits to supplier amounting to USD3,000, USD875,000 and USD852,000.

Average interest rate during the Track Record Period is around 0.15% - 5.00%.

The Company

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Security deposit	3	3	12

20. INVENTORIES

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Ore in stockpiles	–	–	4,633
Goods in process	–	–	968
Spare parts and supplies	610	573	4,914
	610	573	10,515

Ore in stockpiles and goods in process represent gold and silver inventories arising from the Group's mining and processing activities. These balances comprise accumulated mining and processing costs, including direct production costs and attributable overheads, incurred to bring the inventories to their current condition.

As of 31 December 2025, these inventories have not yet reached the final stage of production, and accordingly, the related costs have not been recognised as cost of revenue. The Group is expected to commence gold sales in 2026 and the ore stockpiles and goods in process are expected to be included in cost of revenue within the next twelve month.

21. TRADE AND OTHER RECEIVABLES

The Group

	Notes	31 December		
		2023	2024	2025
		USD'000	USD'000	USD'000
Trade receivables (<i>note a</i>)				
– Related parties	32	430	–	9
Other receivables – current portion				
Amounts due from related parties	32	–	–	89
Claims for tax refund		–	–	330
Loan to a third party (<i>note b</i>)		4,698	–	–
Sub-total		5,128	–	428
Other receivables – non-current portion				
Loan to a related party (<i>note c</i>)	32	45,482	–	–
Prepaid taxes (<i>note d</i>)		9,586	19,689	36,076
Sub-total		55,068	19,689	36,076
Total		60,196	19,689	36,504

Notes:

- (a) An aging analysis of trade receivables at the end of each Track Record Period based on invoice dates were as follows:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
1 – 30 days	430	–	9

No ECL allowance was recognised as the trade receivables due from related parties were immaterial. The trade receivables from related parties are unsecured and interest free.

- (b) Loan to a third party as of 31 December 2023 represent loan agreement between the Group and KUD Dharma Tani (“KUD”) related to mining services activities in tenement areas held under PETS have been fully repaid on 27 June 2024 as explained in note 35.

The credit risk of the loan to a third party has not increased significantly since initial recognition. Taking into account the counterparty's historical repayment record, the low risk of default and the absence of past-due amounts; the expected credit loss is considered insignificant. Accordingly, no ECL allowance has been recognised.

- (c) On 29 February 2016, PEG, PETS and KUD (the “Parties”) entered into the Agreement and Acknowledgement of Loan which has been amended several times, most recently based on the Second Amendment on the Agreement and Acknowledgement of Loan dated 20 July 2023, whereby PEG will provide the loan gradually for PETS’s operational activities.

The Group effectively controlled and consolidated PETS since June 2024 (note 35).

Repayment of all outstanding amount will be made no later than three years since PETS commences its commercial operations or other maturity date approved by all Parties. The interest rate of this loan lastly changed to become 3-month Term Secured Overnight Financing Rate (“SOFR”) plus certain margin per annum, for the interest period after 30 June 2023. The interest under this loan will be payable at one year after PETS commenced its commercial operations.

The credit risk of the loan to a related party has not increased significantly since initial recognition. Taking into account the counterparty’s historical repayment record, the low risk of default and the absence of past-due amounts; the expected credit loss is considered insignificant. Accordingly, no ECL allowance has been recognised.

On August 2024, PETS has fully repaid all the outstanding principal of this facility.

- (d) Prepaid taxes consist of Value Added Tax (VAT), prepaid tax article 23, and prepaid tax article 28a, which will be credited, offset, or refunded in accordance with prevailing tax regulations.

The Company

	31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Other receivables – non-current portion			
Loan to subsidiaries (note a)	78,293	216,481	156,321
Prepaid taxes (note b)	676	674	684
	<u>78,969</u>	<u>217,155</u>	<u>157,005</u>

Notes:

- a. During the Track Record Period, the Company entered into a number of loan agreements with its subsidiaries. The loans carry interest at a rate equal to three-month Term SOFR plus 6.26% per annum, or three-month Term LIBOR plus 6.26% per annum.
- b. Prepaid taxes consist of Value Added Tax (VAT), prepaid tax article 23, and prepaid tax article 28a, which will be credited, offset, or refunded in accordance with prevailing tax regulations.

22. CASH AND BANKS

The Group

	31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Cash on hand	262	5	7
Cash in banks	12,089	67,330	45,301
	<u>12,351</u>	<u>67,335</u>	<u>45,308</u>

The carrying amounts of cash and cash equivalents are denominated in the following currencies:

	31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
United States Dollar	2,517	62,875	39,507
Indonesian Rupiah	9,754	4,338	5,661
Australian Dollar	80	122	140
	<u>12,351</u>	<u>67,335</u>	<u>45,308</u>

The carrying amount of the Group's cash and bank approximate to its fair value as at 31 December 2023, 2024 and 2025. Cash at bank earns interest at floating rates based on daily bank deposit rates. The average interest rate of cash and banks for the years ended 31 December 2023, 2024 and 2025 is 0.15% – 6.10%, 0.10% – 6.50% and 0.10% – 5.00%, respectively.

The Company

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Cash in banks	1,390	53,503	19,120

The carrying amounts of cash and cash equivalents are denominated in the following currencies:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
United States Dollar	851	53,192	17,703
Indonesian Rupiah	519	273	1,376
Australian Dollar	20	38	41
	1,390	53,503	19,120

The carrying amount of the Company's cash and bank approximate to its fair value as at 31 December 2023, 2024 and 2025. Cash at bank earns interest at floating rates based on daily bank deposit rates. The average interest rate of cash and banks for the years ended 31 December 2023, 2024 and 2025 is 1.25% – 6.10%, 0.35% – 4.00% and 0.15% – 5.00%, respectively.

23. INVESTMENT IN SUBSIDIARIES

The Company

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Investment costs	224,108	209,056	249,742
Less: provision for impairment	—	—	—
	224,108	209,056	249,742

Particulars of the subsidiaries during the Track Record Period are as set out in Note 1(a).

24. TRADE PAYABLES, OTHER PAYABLE AND ACCRUALS

The Group

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Trade payable			
– Third parties	142	1,747	860
– Related parties (note 32)	–	–	489
Sub-total	142	1,747	1,349
Payable for purchases of property, plant and equipment and mining properties			
– Third parties	14,053	14,848	13,657
– Related parties (note 32).	1,842	4,219	12,738
Operation and construction accrual	324	13,407	25,108
Borrowings interest			
– Third parties	–	–	1,325
– Related parties (note 32)	8,639	13,430	–
Tax payables	321	892	1,404
Employee allowances	250	724	1,617
Consultant services accrual	15	22	50
Sub-total	25,444	47,542	55,899
Total	25,586	49,289	57,248

Aging analysis of trade payables at the end of each of the Track Record Period based on invoice dates were as follows:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
1 – 30 days	43	530	383
31 – 60 days	99	1,217	477
61 – 90 days	–	–	–
More than 90 days ^(a)	–	–	489
	142	1,747	1,349

^(a) Aging more than 90 days mostly represent payables from related parties that will be repaid gradually.

The Company

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Trade payable			
– Third parties	4	6	29
Operation and construction accrual	12	8	496
Borrowing interest	8,639	13,430	–
Tax payables	–	250	480
Employee allowances	68	10	49
	8,723	13,704	1,054

25. SALE AND LEASEBACK ARRANGEMENT

(a) Amount due under sales and leaseback arrangement

The movement and amount due under sale and leaseback arrangement are as follows:

	<i>USD'000</i>
At 1 January 2023	–
New arrangement	14,655
Interest accrued during the year	443
Repayment	<u>(1,096)</u>
31 December 2023	14,002
New arrangement	13,052
Interest accrued during the year	1,536
Repayment	<u>(6,249)</u>
31 December 2024	22,341
New arrangement	12,174
Interest accrued during the year	1,957
Repayment	<u>(10,556)</u>
31 December 2025	<u>25,916</u>

	31 December		
	2023	2024	2025
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Analysed into:			
Current portion	3,339	6,732	9,835
Non-current portion	<u>10,663</u>	<u>15,609</u>	<u>16,081</u>

For the years ended 31 December 2023, 2024 and 2025, the Group entered into sales and leaseback arrangements in respect of certain heavy equipment in the amounts of USD15,749,000, USD16,189,000 and USD11,976,000 respectively. All of the sales and leaseback arrangements give the Group the right to purchase the asset at a predetermined price at the end of the arrangement.

(b) The maturity analysis of the amount due under sale and leaseback arrangement are as follows:

	31 December		
	2023	2024	2025
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Within one year	3,339	6,732	9,835
More than one year, but not exceeding two years	4,317	8,044	9,773
More than two years, but not exceeding five years	<u>6,346</u>	<u>7,565</u>	<u>6,308</u>
Total	<u>14,002</u>	<u>22,341</u>	<u>25,916</u>

As of 31 December 2023, 2024 and 2025, the average rate of interest on sales and leaseback arrangements for the years ended 31 December 2023, 2024 and 2025 are 8.6% per annum, 7.21% – 8.83% per annum and 6.75% – 7.52% per annum, respectively.

26. LEASE LIABILITIES

The Group

(a) Lease liabilities

The carrying amounts of lease liabilities and the movements are as follows:

	Heavy Equipment USD'000	Building USD'000	Total USD'000
At 1 January 2023	–	–	–
Additions	465	102	567
Accretion of interest recognised during the year	30	1	31
Lease payments	(495)	(34)	(529)
31 December 2023	–	69	69
Additions	–	–	–
Accretion of interest recognised during the year	–	5	5
Lease payments	–	(16)	(16)
31 December 2024	–	58	58
Additions	3,234	58	3,292
Disposal	–	(58)	(58)
Accretion of interest recognised during the year	–	9	9
Lease payments	–	(24)	(24)
31 December 2025	3,234	43	3,277
	2023	2024	2025
	USD'000	USD'000	USD'000
Analysed into:			
Current portion	17	19	620
Non-current portion	52	39	2,657

(b) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Interest on lease liabilities	31	5	9
Depreciation charge of right-of-use assets (note 14)	16	28	27

The maturity analysis of lease liabilities is disclosed in note 33 to the Historical Financial Information.

For the years ended 31 December 2023, 2024 and 2025, the incremental borrowing rate of 10.05%, 7.84% and 9.82% are used for lease agreements that doesn't have implicit interest rate.

The Company**(a) Lease liabilities**

	Building
	<i>USD'000</i>
At 1 January 2025	–
Additions	58
Accretion of interest recognised during the year	9
Lease payments	(24)
	<hr/>
31 December 2025	43
	<hr/>
Analysed into:	
Current portion	20
Non-current portion	23
	<hr/> <hr/>

(b) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended 31 December 2025
	<i>USD'000</i>
Interest on lease liabilities	9
Depreciation charge of right-of-use assets	13
Analysed into:	
	31 December 2025
	<hr/>
	<i>USD'000</i>
Lease liabilities payable:	
Within one year	20
More than one year, but not exceeding two years	23
	<hr/>
Total	43
	<hr/> <hr/>

For the year ended 31 December 2025, the incremental borrowing rate of 9.82% are used for lease agreements that doesn't have implicit interest rate.

27. PROVISION FOR MINING REHABILITATION

The provision for mining rehabilitation consists of reclamation provision and mine closure provision. Movement in the reclamation and mine closure reserve as follows:

	31 December 2025
	<i>USD'000</i>
At 1 January	–
Addition	4,413
Accretion of expense recognised during the year (<i>note 7</i>)	514
At 31 December	4,927
Analysis into:	
Current portion	26
Non-current portion	4,901

On 20 December 2010, the Government of Indonesia released an implementing regulation for Law No. 4 of 2009 regarding Mineral and Coal Mining as amended by Law No. 3 of 2020 and Law No. 11 of 2020, i.e Government Regulation No. 78 of 2010 regarding Reclamation and Post-Mining that deals with reclamations and post-mining activities for both IUP-Exploration and IUP-OP holders.

An IUP-Exploration holder, among other requirements, must include a reclamation plan in its exploration work plan and budget and provide a reclamation guarantee in the form of a time deposit placed at a state-owned bank.

An IUP-OP holder, among other requirements, must (1) prepare a five-year reclamation plan; (2) prepare a post-mining plan; (3) provide a reclamation guarantee which may be in the form of a joint account or time deposit placed at a state-owned bank, a bank guarantee, or an accounting provision; and (4) provide a post-mine guarantee in the form of a time deposit at a state-owned bank.

The requirement to provide reclamation and post-mine guarantees does not release the IUP holder from the requirement to perform reclamation and post-mine activities.

On 7 May 2018, the Ministry of Energy and Mineral Resources released the Minister's Decree No. 1827K/30/MEM/2018 on the Guidance for the Implementation of Good Mining Technic Methods which further regulates the reclamation plan, consideration of future value from the post-mining costs and accounting reserve determination.

The Group's mine reclamation and closure plan was approved in 2025 by the Indonesian Government. Accordingly, the recognition of the related provision commenced in 2025.

For the years ended 31 December 2023, 2024 and 2025, GSM and PETS have placed bank guarantees and deposit in relation to the reclamation and post-mine activities amounting to USD1,396,000, USD1,396,000 and USD1,670,000 (*note 19*).

28. BORROWINGS**The Group**

	<i>Note</i>	31 December 2023			31 December 2024			31 December 2025		
		Effective interest rate	Maturity	Balance	Effective interest rate	Maturity	Balance	Effective interest rate	Maturity	Balance
				<i>USD'000</i>			<i>USD'000</i>			<i>USD'000</i>
Non-current										
Bank borrowings	(3)	–	–	–	–	–	–	SOFR + 3.00% for Offshore, SOFR + 3.20% for Onshore	2030	260,404
– secured										
Interest-bearing borrowings from a related party	(1) (2)	– SOFR + 5.76%	– 2027	– 133,700	SOFR + 3% SOFR + 5.76%	2026 2027	4,196 173,750	–	–	–
Total				133,700			177,946			260,404

At the end of each of the Track Record Period, the borrowings are scheduled to repay as follows:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Bank borrowings repayable:			
On demand or within one year	–	–	–
More than one year, but not exceeding two years	–	4,196	–
More than two years, but not exceeding five years	–	–	260,404
	–	4,196	260,404
Other borrowings repayable:			
On demand or within one year	–	–	–
More than one year, but not exceeding two years	–	–	–
More than two years, but not exceeding five years	133,700	173,750	–
	133,700	177,946	260,404

Analysed as:

	Notes	31 December		
		2023	2024	2025
		USD'000	USD'000	USD'000
Secured syndicated loan	(3)	–	–	260,404
	(1)	–	4,196	–
Unsecured loans payable to MCG	(2)	133,700	173,750	–
		133,700	177,946	260,404

Notes:

- (1) On 13 September 2024, the Company entered into a Syndicated Revolving Credit Facility, with a facility limit of USD50,000,000. The Final Maturity Date of this Facility Agreement is 13 March 2026. This facility bear interest at a compounded cumulative reference rate based on the SOFR plus a 3% margin per annum, with an interest period of one month, three months, or any other period as agreed between the borrower, the facility agent, and all lenders. This financing facility is secured by pledges over MCG's shares in the Company and GSM, pledges over Company's shares in GSM, PBT, and PETS, pledges over shares owned by PEG and PBT in PETS, as well as pledges over the bank accounts of the Company, GSM and PETS.

The outstanding principal of this facility as of 31 December 2023, 2024 and 2025 amounting to nil, USD4,196,000, and nil, respectively.

The security granted under this facility was released on 14 July 2025, and the facility was terminated on 15 July 2025.

- (2) On 8 April 2022, 8 April 2022, 20 December 2023, and 1 December 2025 the Company and MCG entered into Loan Agreement, with a facility limit of USD25,000,000, USD260,000,000, USD175,000,000 and USD50,000,000, respectively. The USD25,000,000 facility is repayable on 8 April 2027, and bearing interest at a rate of 3-month LIBOR plus 5.50% margin per annum, as subsequently amended on 30 June 2023 to 3-month Term SOFR plus a 5.76% margin per annum. The USD260,000,000 facility is repayable on 8 April 2027, and bearing interest at a rate of 3-month LIBOR plus 5.50% margin per annum, as subsequently amended on 30 June 2023 to 3-month Term SOFR plus a 5.76% margin per annum.

The USD175,000,000 facility is repayable on 20 December 2028 (or such later date as may be agreed by MCG and the Company) and the USD50,000,000 facility is repayable on 31 December 2026 (or any other date as agreed in writing by the Company and MCG). Both facilities bear interest at a rate of 3-month Term SOFR plus a 5.67% margin per annum.

In 2025, the Company made an early repayment of its outstanding loan to MCG in accordance with the terms of the loan agreement.

The outstanding principal of this facility as of 31 December 2023, 2024 and 2025 amounting to USD133,700,000, USD173,750,000, and nil, respectively.

- (3) On 4 December 2025, PBT, GSM, and PETS entered into a Syndicated Revolving Credit Facility, with a facility limit of USD350,000,000. The Final Maturity Date of this Facility Agreement is 5 December 2030. This facility bear interest at a compounded cumulative reference rate based on the SOFR plus a 3.00% - 3.20% margin per annum, with an interest period of one month, three months, or any other period as agreed between the borrowers, the facility agent, and all lenders. This financing facility is secured by pledges over Company's shares in PBT, GSM and PETS, pledges over shares owned by PBT in PETS, as well as pledges over the bank accounts of PBT, GSM and PETS.

The outstanding principle of this facility as of 31 December 2023, 2024 and 2025 amounting to nil, nil, and USD265,000,000, respectively.

The Company

	Note	31 December 2023			31 December 2024			31 December 2025		
		Effective interest rate	Maturity	Balance	Effective interest rate	Maturity	Balance	Effective interest rate	Maturity	Balance
				USD'000			USD'000			USD'000
Non-current										
Bank borrowing										
– secured	(1)	–	–	–	SOFR+ 3%	2026	4,196	–	–	–
Interest-bearing borrowing from a related party	(2)	SOFR+5.76%	2027	133,700	SOFR+5.76%	2027	173,750	–	–	–
Total				133,700			177,946			–

At the end of the reporting period, the borrowings are scheduled to repay as follows:

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Bank borrowings repayable:			
On demand or within one year	–	–	–
More than one year, but not exceeding two years	–	4,196	–
	–	4,196	–
Other borrowings repayable:			
On demand or within one year	–	–	–
More than one year, but not exceeding two years	–	–	–
More than two years, but not exceeding five years	133,700	173,750	–
	133,700	177,946	–

29. EMPLOYMENT BENEFITS LIABILITY

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Post-employment benefit plan	98	645	1,222

The Group

The Group provides post-employment benefit plan for the employees in Indonesia as required under Indonesian Labor Law. In addition, the Group also provides certain other long-term employee benefits comprising long service awards and long service leave awards.

These plans exposes the Group to the following actuarial risks:

Interest rate risk	A decrease in the bond interest rate will increase the present value of the defined benefit obligation.
Longevity risk	The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the present value of the defined benefit obligation.
Salary risk	The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The employee benefit liabilities and employee benefit expenses are based on the calculations made by KKA Riana & Rekan, independent actuaries for 31 December 2023, 2024 and 2025 respectively, carried at USD98,000, USD645,000, USD1,222,000 and USD65,000, USD267,000 and USD520,000, respectively.

(a) Actuarial assumptions

The principal actuarial assumptions used in determination of employee benefits are as follows:

	31 December		
	2023	2024	2025
Discount rate:	6.50%-6.75%	7.25%	6.25%
Salary increment:	7.50%	6.00%	6.00%
Mortality rate:	100% TMI4	100% TMI4	100% TMI4
Disability rate:	5% TMI4	5% TMI4	5% TMI4
Normal retirement age:	56	56	56

(b) Sensitivity analysis

The impact to the value of the defined benefit obligation of a reasonably possible change to one actuarial assumption, holding all other assumption constant, is presented in the table below:

	Reasonably possible change	31 December 2023	
		Defined benefit obligation	
		Increase in assumptions	Decrease in assumptions
		USD'000	USD'000
Discount rate	1%	(88)	102
Salary increment	1%	103	(88)
	Reasonably possible change	31 December 2024	
		Defined benefit obligation	
		Increase in assumptions	Decrease in assumptions
		USD'000	USD'000
Discount rate	1%	(390)	454
Salary increment	1%	440	(404)
	Reasonably possible change	31 December 2025	
		Defined benefit obligation	
		Increase in assumptions	Decrease in assumptions
		USD'000	USD'000
Discount rate	1%	(1,132)	1,313
Salary increment	1%	1,318	(1,126)

(c) *Reconciliation of defined benefit obligation and fair value of scheme*

	Net defined scheme liability		
	2023	2024	2025
	USD'000	USD'000	USD'000
At 1 January	24	98	645
Service cost – current	60	206	505
Service cost – past	4	(26)	10
Mutation	–	71	–
Interest cost	1	29	52
Effects of movements in exchange rates	–	(13)	(47)
Included in profit or loss	65	267	520
Loss/(gain) from change in financial assumption and adjustments	8	(81)	(4)
Included in other comprehensive income	8	(81)	(4)
Acquisition of a subsidiary (<i>note 35</i>)	–	361	–
Mutation	–	–	95
Benefits paid	–	–	(34)
Other movements	1	361	61
At 31 December	98	645	1,222
Charged/capitalized to:			
Property, plant and equipment	–	84	144
Exploration and evaluation assets	62	83	–
Mining properties	–	96	370
General and administrative expense	3	4	6
	65	267	520

The Company

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Post-employment Benefit plan	6	–	1

Reconciliation of defined benefit obligation and fair value of scheme

	Net defined scheme liability		
	2023	2024	2025
	USD'000	USD'000	USD'000
At 1 January	3	6	–
Service cost – current	3	–	1
Service cost – past	–	(6)	–
Mutation	–	–	–
Interest cost	–	–	–
Included in profit or loss	6	–	1
(Gain)/Loss from change in financial assumption and adjustments	–	–	–
Included in other comprehensive income	–	–	–
Effects of movements in exchange rates	–	–	–
Mutation	–	–	–
Benefits paid	–	–	–
Other movements	–	–	–
At 31 December	6	–	1

30. SHARE CAPITAL

Issued and fully paid:	Number of shares	Amount
		USD'000
At 1 January 2023 and 31 December 2023		
Series A	100,183	6,996
Issue of new shares ^(a) :		
Series B	561	6,119
Series C	11,131	125,000
At 31 December 2024	111,875	138,115
Share split ^(b)	14,562,097,500	–
Issue of new shares in connection with the IPO ^(c)	1,618,023,300	14,776
At 31 December 2025	16,180,232,675	152,891

^(a) On 25 September 2024, the Company increased authorized capital to USD197,000 consisting of 738,944 shares with each nominal value of USD65 for series A, and USD10,907 for series B and USD11,229 for series C, and to increase the Company's issued and paid-up capital to USD143,056,000 consisting of 111,875 shares. Other than the nominal value attributable to each class of shares, the principal distinguishing features among the Series A, Series B and Series C shares were the voting rights, dividend rights, redemption features and preferential rights in respect of dividends, liquidation and/or share buybacks.

Series A shares were non-redeemable ordinary shares carrying voting and dividend rights and no preferential rights. Series B shares were non-redeemable ordinary shares carrying dividend rights but no voting rights, and similarly carried no preferential rights. Series C shares were redeemable ordinary shares carrying voting rights and preferential rights in respect of dividends, liquidation and/or share buybacks.

Any decision to redeem the Series C shares rests solely upon the approval of the General Meeting of Shareholders of the Company, which remains within the Company's control, subject to compliance with the applicable laws and regulations.

In addition, the redemption feature does not provide for any margin, interest, premium, guaranteed return, or other preferential economic benefit, and any redemption amount would be limited solely to the nominal or subscription value of the relevant Series C shares. The Company's Articles of Association do not prescribe any fixed redemption period or mandatory redemption date.

- (b) Based on Deed of Statement of Shareholders' Resolution on Amendment to the Articles of Association No.58 dated 10 July 2025, drawn up before Jose Dima Satria, S.H., M.Kn., Notary in the Administrative City of South Jakarta, which has obtained approval and/or acknowledgment from the MOL, the Company changed the classification of its shares into a single class of ordinary shares and amended the par value of its shares to Rp150 per share (equivalent to USD0.01). In connection with these changes each shareholder of each class of share (comprising A, B and C shares) were given certain number of ordinary shares in exchange for each shares held and the number of issued and fully paid shares increased to 14,562,209,375 shares.
- (c) On 23 September 2025, the Company issued new shares in connection with the IPO in Indonesia with the number of new shares issued by 1,618,023,300 shares with offering price Rp2.880 (equivalent to USD0.18) per share.

31. ADDITIONAL PAID-IN CAPITAL - NET

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Additional paid-in capital from IPO	—	—	268,915
Shares premium	168,681	168,681	168,681
Restructuring of an entity under common control . . .	(417)	(417)	(417)
Share issuance costs	—	—	(7,058)
Treasury stock	—	—	(127,658)
	<u>168,264</u>	<u>168,264</u>	<u>302,463</u>

On 10 July 2025, the Company has undertaken a number of material corporate actions, including:

1. The reclassification of the Company's shares into a single class of common shares;
2. The change of the nominal value of the Company's shares to Rp150 (equivalent to USD0.01) per share; and
3. The buyback for 1,448,866,615 shares with a total value of USD141,400,000, so that these shares are now the Company's treasury stock.

32. RELATED PARTY TRANSACTIONS

- (a) In conducting its business, the Group's entered into certain business and financial transactions with its related parties.

Name of related parties	Relationship
1. PETS	Joint venture/subsidiary after 27 June 2024
2. MCG	Shareholder of the Company
3. PT Merdeka Mining Servis ("MMS")	Fellow subsidiary
4. PT Merdeka Teknik Servis ("MTS")	Fellow subsidiary
5. PT Merdeka Indonesia Mandiri ("MIM")	Fellow subsidiary
6. BSI	Fellow subsidiary
7. Key management personnel	Board of Commissioners and Directors

- (b) In addition to the transactions detailed elsewhere in the Historical Financial Information, the Group had the following transactions with related parties during the Track Record Period:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Mining equipment rental from related parties			
MMS	–	–	132
PETS	35	1,750	–
BSI	1,359	–	–
	<u>1,394</u>	<u>1,750</u>	<u>132</u>
Design engineering and mining construction service to a related party			
MMS	10,185	6,763	17,715
	<u>10,185</u>	<u>6,763</u>	<u>17,715</u>
Service provision which includes sustainability and environment, technical services, asset management, geoscience, tailing and/or other consulting to a related party			
MTS	–	–	270
	<u>–</u>	<u>–</u>	<u>270</u>
Management consulting services to a related party			
MCG	1,783	3,661	6,445
	<u>1,783</u>	<u>3,661</u>	<u>6,445</u>
Office lease to a related party			
MIM	61	6	60
	<u>61</u>	<u>6</u>	<u>60</u>
Interest expense on interest-bearing borrowing to a related party			
MCG	8,520	18,791	22,618
	<u>8,520</u>	<u>18,791</u>	<u>22,618</u>

- (c) Borrowing to/from related parties

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Borrowing to Non-trade in Nature			
PETS	45,482	–	–
	<u>45,482</u>	<u>–</u>	<u>–</u>
Borrowing from Non-trade in Nature			
MCG	133,700	173,750	–
	<u>133,700</u>	<u>173,750</u>	<u>–</u>

(d) Outstanding balances with related parties

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
<u>Trade and other receivable</u>			
Trade in Nature			
MMS	—	—	9
BSI	392	—	—
PETS	38	—	—
	430	—	9
<u>Non-trade in Nature</u>			
MMS	—	—	43
MCG	—	—	25
BSI	—	—	21
	—	—	89
	430	—	98
<u>Trade payables, other payable and accruals</u>			
Trade in Nature			
MCG	—	—	489
<u>Non-trade in Nature</u>			
MCG	8,729	16,109	3,167
MMS	1,752	1,540	8,997
MTS	—	—	574
	10,481	17,649	12,738
	10,481	17,649	13,227

(e) Lease liabilities

	31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Lease liabilities			
MIM	69	58	43

Year ended 31 December 2023

Category of leased assets		Rental Payments	Interest expenses of lease liabilities	Increase in right-of-use assets
		USD'000	USD'000	USD'000
MIM	Office buildings	34	1	102

Year ended 31 December 2024

Category of leased assets		Rental Payments	Interest expenses of lease liabilities	Increase in right-of-use assets
		USD'000	USD'000	USD'000
MIM	Office buildings	16	5	—

Year ended 31 December 2025

Category of leased assets		Rental Payments	Interest expenses of lease liabilities	Increase in right-of-use assets
		USD'000	USD'000	USD'000
MIM	Office buildings	24	9	53

(f) Remuneration of key management personnel of the Group:

	Year ended 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Salaries and allowances (Note i)	166	160	155

- i. The Company provides remuneration of short-term employee benefits in the form of salaries and allowances for the operational duties of the Board of Commissioners and Board of Directors. There is no compensation in the form of employment benefits, other long-term benefits and termination benefits for the year ended 31 December 2023, 2024 and 2025.

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group is exposed to various risks in relation to financial instruments in its daily operations, mainly credit risk, liquidity risk and market risk (including interest rate risk and exchange rate risk). The Group's major financial instruments include cash and bank, trade and other receivables, other non-current assets, trade payables, other payables and accruals, borrowings and lease liabilities. Interest to manage this risk has significantly increased by considering the changes and volatility in financial market both in Indonesia and international. Risks in connection with such financial instruments, and the risk management strategies adopted by the Group to mitigate such risks are summarised as follows.

a. Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to cash and bank, trade and other receivables and other non-current assets.

Since counterparties of cash and bank balances are banks with good reputation and high credit ratings, credit risk arising from these financial instruments is insignificant.

The Group's other financial assets comprise trade and other receivables, as well as other non-current assets. The credit risk associated with amounts due from related parties within trade receivables is considered immaterial, given the positive repayment history. Restricted time deposits included in other non-current assets are placed with reputable banks with high credit ratings, credit risk arising from these financial instruments is insignificant.

For other receivables and security deposit in non-current assets, the credit risk arises from potential defaults by counterparties, with the maximum exposure being equal to the carrying amounts of these financial instruments. The Group continue to minimize the credit risk by monitoring on an ongoing basis with the objective that the Group's exposure to expect credit loss is not significant.

Group is confident in its ability to control and sustain minimal exposure of credit risk. The maximum credit risk exposure as at 31 December 2023, 2024 and 2025 is USD64,360,000, USD69,606,000 and USD48,258,000.

The Group applies the simplified approach in measuring ECL allowance for trade receivables, which uses a lifetime ECL allowance. As the balances due from related parties are immaterial, no ECL allowance has been recognised.

For the loan to a third party and a related party, the Group applies general approach which uses the 12-month ECL model. The credit risk of the loan has not increased significantly since initial recognition. Taking into account the counterparty's repayment history and as the balance is not past due, the risk of default is considered low. Accordingly, the expected credit loss is considered insignificant and no ECL allowance has been recognised.

b. Liquidity risk

Liquidity risk is the risk that Group will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group monitor their liquidity needs by closely monitoring debt servicing payment schedule for financial liabilities, particularly the related party borrowings and their cash outflows due to day-to-day operations. Management also continuously assesses conditions in the financial markets for opportunities to obtain optimal funding sources.

The maturity profile of the Group's financial liabilities as at the end of each of the Track Record Period is as follows:

	As at 31 December 2023				
	Carrying amount	Within 1 year	1 to 2 years	2 to 5 year	Contractual cash flows
	USD'000	USD'000	USD'000	USD'000	USD'000
Trade payables, other payable and accruals	25,586	25,586	–	–	25,586
Borrowings	133,700	8,639	–	133,700	142,339
Sale and leaseback arrangement.	14,002	4,423	4,342	7,735	16,500
Lease liabilities	69	23	22	42	87
	173,357	38,671	4,364	141,477	184,512

As at 31 December 2024

	Carrying amount	Within 1 year	1 to 2 years	2 to 5 year	Contractual cash flows
	USD'000	USD'000	USD'000	USD'000	USD'000
Trade payables, other payable and accruals	49,289	49,289	–	–	49,289
Borrowings	177,946	13,430	–	178,750	192,180
Sale and leaseback arrangement.	22,341	8,295	8,025	9,048	25,368
Lease liabilities	58	22	23	19	64
	<u>249,634</u>	<u>71,036</u>	<u>8,048</u>	<u>187,817</u>	<u>266,901</u>

As at 31 December 2025

	Carrying amount	Within 1 year	1 to 2 years	2 to 5 year	Contractual cash flows
	USD'000	USD'000	USD'000	USD'000	USD'000
Trade payables, other payable and accruals	57,248	57,248	–	–	57,248
Borrowings	260,404	1,325	–	265,000	266,325
Sale and leaseback arrangement.	25,916	11,435	10,414	6,715	28,564
Lease liabilities	3,277	919	919	1,841	3,679
	<u>346,845</u>	<u>70,927</u>	<u>11,333</u>	<u>273,556</u>	<u>355,816</u>

c. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates.

The Group has transactional exchange rate risk exposures mainly arising from purchases by subsidiaries in currencies other than their functional currencies. The Group has subsidiaries using USD and Rp as their functional currencies. These subsidiaries have transactions in currencies other than their functional currencies. The Group manages its foreign exchange exposure and, where necessary, mitigates the risk through appropriate hedging strategies in line with market conditions.

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies' exchange rate against US Dollar with all other variables held constant, to the loss before tax for the year ended. Five percent (5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management assessment of a reasonably possible change in foreign exchange rates.

	Increase/ (decrease) in exchange rate	Increase/ (decrease) in loss before tax
		USD'000
2023		
If USD weakens against Indonesian Rupiah	5%	(1,465)
If USD strengthens against Indonesian Rupiah	(5%)	1,465
If USD weakens against Australian Dollar	5%	2
If USD strengthens against Australian Dollar	(5%)	(2)
2024		
If USD weakens against Indonesian Rupiah	5%	(2,447)
If USD strengthens against Indonesian Rupiah	(5%)	2,447
If USD weakens against Australian Dollar	5%	4
If USD strengthens against Australian Dollar	(5%)	(4)
2025		
If USD weakens against Indonesian Rupiah	5%	(3,102)
If USD strengthens against Indonesian Rupiah	(5%)	3,102
If USD weakens against Australian Dollar	5%	5
If USD strengthens against Australian Dollar	(5%)	(5)

The impact of the above change in exchange rate of US Dollar to other currencies is mainly the result of change in the value of foreign currencies denominated monetary assets and liabilities.

d. Interest rate risk

The Group's interest rate risk mostly arises from borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk.

The Group's policy is to manage its cash flows interest rate risk by refinancing borrowings at a lower interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Group's loss after tax (through the impact on floating rate borrowings).

	<u>Increase/ (decrease) in basis points</u>	<u>Increase/ (decrease) in loss before tax</u> <i>USD'000</i>
2023		
United States dollar	10/(10)	101/(101)
2024		
United States dollar	10/(10)	156/(156)
2025		
United States dollar	10/(10)	254/(254)

e. Fair value estimation of financial instrument

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- (b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Specific valuation techniques used to value financial instrument include:

- (a) The use of quoted market prices or dealer quotes for similar instrument, and
- (b) Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instrument.

The following table sets forth the carrying values and estimated fair values of the Group's financial instruments:

	31 December 2023		31 December 2024		31 December 2025	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Financial assets						
Cash and banks . . .	12,351	12,351	67,335	67,335	45,308	45,308
Trade and other receivables	50,610	50,610	—	—	428	428
Other non-current assets	1,399	1,399	2,271	2,271	2,522	2,522
	<u>64,360</u>	<u>64,360</u>	<u>69,606</u>	<u>69,606</u>	<u>48,258</u>	<u>48,258</u>
Financial liabilities						
Trade payables, other payable and accruals	25,586	25,586	49,289	49,289	57,248	57,248
Borrowings	133,700	133,700	177,946	177,946	260,404	260,404
Sale and leaseback arrangement	14,002	14,002	22,341	22,341	25,916	25,916
Lease liabilities	69	69	58	58	3,277	3,277
	<u>173,357</u>	<u>173,357</u>	<u>249,634</u>	<u>249,634</u>	<u>346,845</u>	<u>346,845</u>

Management has assessed the fair values of cash and banks, trade and other receivables, other non-current assets, trade payables, other payable and accruals, borrowings, sale and leaseback arrangement and lease liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments and the floating interest rates on the liabilities.

The fair values of sale and leaseback arrangement and lease liabilities were determined by discounting the expected future cash flows using market rates of return currently available for other financial instruments with similar terms, credit risk and remaining maturities, incremental borrowing rate. The Group's own non-performance risk for short-term and long-term borrowings was assessed to be insignificant.

34. FINANCIAL INSTRUMENTS BY CATEGORY

The categories of financial instruments as at the end of each of the Track Record Period are as follows:

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Financial assets at amortised cost			
Cash and banks	12,351	67,335	45,308
Trade and other receivables	50,610	—	428
Other non-current assets	1,399	2,271	2,522
	<u>64,360</u>	<u>69,606</u>	<u>48,258</u>
Financial liabilities at amortised cost			
Trade payables, other payable and accruals	25,586	49,289	57,248
Borrowings	133,700	177,946	260,404
Sale and leaseback arrangement	14,002	22,341	25,916
Lease liabilities	69	58	3,277
	<u>173,357</u>	<u>249,634</u>	<u>346,845</u>

35. ACQUISITION OF SUBSIDIARIES

PETS

Based on the Deed of Statement of Circular Resolution in lieu of General Meeting of Shareholders of PETS No. 71 dated 27 June 2024, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, as notified to the MOL based on Receipt of Notification of Changes in Company Data No. AHU-AH.01.09-0219162 dated 27 June 2024, the shareholders of PETS approved the sale and transfer of shares owned by KUD totaling 255 shares, with a nominal value of Rp255,000,000 (equivalent to USD15,603) to PEG and the Company. Therefore, the shares ownership of (i) PEG in PETS becomes 99.8%; and (ii) the Company in PETS becomes 0.2%, of the issued and paid-up capital in PETS.

The Group effectively controls and consolidated PETS in the Group consolidated financial statements since that date. PEG recognized a gain of USD4,950,000 on the remeasurement of its 49% initial interest in PETS at fair value and an excess value in acquisition of subsidiary of USD845,000, which was recognized and presented under "Other income – net" in the consolidated statement of profit or loss and other comprehensive income. The excess value in acquisition of subsidiary arose as the fair value of the identifiable net assets acquired exceeded the consideration transferred.

The Group engaged KJPP Iskandar dan Rekan as an independent valuer to provide assessment and measurement calculations of net assets for a business combination transaction.

Details of assets and liabilities acquired by PEG from the acquisition of PETS on the acquisition date are as follows:

	27 June 2024
	<i>USD'000</i>
Fair value of consideration paid	
Cash	10,551

The fair value of identifiable assets and liabilities of PETS as at the date of acquisition are as follows:

	Fair Value recognize on acquisition
	<i>USD'000</i>
Cash and banks	2,490
Advances and prepayments- current portion	104
Inventories	9
Prepaid taxes	3,775
Advances and prepayments – non-current portion	54
Right-of-use-assets	73,920
Property, plant and equipment	4,515
Mining properties	79,000
Deferred tax asset	121
Trade payables	(2,564)
Accrued expenses	(2,382)
Taxes payable	(7)
Lease liabilities – current portion	(246)
Lease liabilities – non-current portion	(78,182)
Borrowing from related party	(57,797)
Employment benefits liability	(361)
Deferred tax liabilities	(6,058)
Total identifiable net assets	16,391
Purchase consideration transferred:	
Cash paid	(10,551)
Fair value changes on equity interest (<i>note 8</i>)	(4,950)
Non-controlling interests	(45)
Excess value in acquisition of subsidiary (<i>note 8</i>)	845

As of 31 December 2024 and 2025, PETS has not yet commenced commercial operations and therefore has not contributed any revenue or profit to the Group.

36. INVESTMENT IN JOINT VENTURES

31 December
2023

USD'000

Carry amounts	—
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The Group has a 49% interest in joint venture, PETS, a separate structured vehicle incorporated and operating in Indonesia. The primary activity of PETS is the ore mining.

Based on Deed of Establishment No. 45 dated 10 February 2014 of made before Humberg Lie, S.H., S.E., M.Kn, Notary in North Jakarta, PEG and KUD Dharma Tani (“KUD”), a third party, established a joint venture entity, PETS, with authorised capital amounting to Rp2,000,000,000 (equivalent to USD163,894) consisting of 2,000 shares with nominal value of Rp1,000,000 (equivalent to USD82) per share. Total issued and paid-up capital of PETS amounts to Rp500,000,000 (equivalent to USD40,631) consisting of 500 shares. The establishment of PETS has been ratified by MOL based on its Decree No. AHU-10.01534.PENDIRIAN-PT.2014 dated 11 February 2014.

Based on management’s assessment in accordance with IFRS 11 Joint Arrangements, PETS is classified as a joint venture. PETS is structured through a separate legal entity, and the shareholders have joint control over its relevant activities, with decisions requiring unanimous consent. The shareholders’ rights relate to the net assets of PETS, and PETS is therefore accounted for using the equity method in accordance with IAS 28.

From 2023 to June 2024, PETS had still not commenced commercial operations and incurred losses during that period. Prior to 1 January 2023, the Group’s share of loss of PETS exceeded its interest (investment) and accordingly its carrying value was nil in the Group’s book. As a result, the Group did not recognise any share of loss during the period.

On 27 June 2024, shares totalling 255, which owned by KUD, with a nominal value of Rp255,000,000 (equivalent to USD15,603) was sold and transferred to PEG and the Company. After the transfer of ownership, PETS becomes a subsidiary of the Company and the shares ownership of (i) PEG in PETS become 99.8% and (ii) the Company in PETS becomes 0.2%. For details of acquisition of PETS, please refer to note 35 to the Historical Financial Information.

The following summary of the financial information of the Group's joint venture:

	2023
	<i>USD'000</i>
As at 31 December	
Current assets	
Cash and cash equivalents	651
Current assets	125
Total current assets	776
Non-current assets	123,614
Current liabilities	10,255
Non-current liabilities	116,688
Net assets	2,553
Reconciliation to carrying amounts:	
Opening net assets 1 January	(531)
Loss for the period	(2,019)
Other comprehensive income	(3)
Closing net assets	(2,553)
Group's share in %	49.00%
Group's share in US\$'000	—
Carrying amount	—
General and administrative expenses	(79)
Finance income	12
Interest on finance lease	(2,017)
Other income – net	49
Loss before income tax	(2,035)
Income tax benefit	16
Loss for the year	(2,019)
Other comprehensive income	(3)
Total comprehensive income	(2,022)

37. GOODWILL

	31 December 2023	31 December 2024	31 December 2025
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Beginning balance	122	122	122
Impairment losses	—	—	(122)
Total	122	122	—

Goodwill of US\$122,000 arose in 2017 when PBT acquired 100% equity interest in PEG. At the date of acquisition, PEG had net liabilities and the difference between the cash consideration and its net liabilities was recognized as goodwill. At the time it was acquired PEG did not have significant standalone operations and primarily functioned as a holding company without any mining licenses or any other significant intangible assets. The Group had the intention of acquiring further businesses and/ or injecting future operations into PEG going forward. However, after the Company was listed on the IDX as set out in note 1b in September 2025, the directors have reevaluated the need and purpose of PEG and determined there were no foreseeable future plans to utilize this subsidiary. The directors accordingly considered the goodwill to be fully impaired.

38. EQUITY OF THE COMPANY

	Share capital	Additional paid-in capital – net	Employment Benefits Reserve	Treasury Stock	Accumulated Losses	Total Equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance as of 1 January 2023	6,996	168,681	1,125	–	(11,365)	165,437
Loss for the year	–	–	–	–	(2,626)	(2,626)
Balance as of 31 December 2023	6,996	168,681	1,125	–	(13,991)	162,811
Issuance of shares	131,119	–	–	–	–	131,119
Loss for the year	–	–	–	–	(3,543)	(3,543)
Balance as of 31 December 2024	138,115	168,681	1,125	–	(17,534)	290,387
Additional paid-in capital	–	(127,658)	–	(13,742)	–	(141,400)
Share capital issuance from Initial Public Offering	14,776	268,915	–	–	–	283,691
Share issuance cost	–	(7,058)	–	–	–	(7,058)
Loss for the year	–	–	–	–	(674)	(674)
Balance as of 31 December 2025	152,891	302,880	1,125	(13,742)	(18,208)	424,946

39. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the Track Record Period, the Group had non-cash additions to exploration and evaluation assets of USD600,000, USD3,287,000 and USD5,912,000, respectively.

During the Track Record Period, the Group had non-cash additions to mining properties of nil, nil and USD3,476,000, respectively.

During the Track Record Period, the Group had non-cash additions to mining properties in respective of provision of mining rehabilitation, nil, nil and USD4,413,000, respectively.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank borrowings and other borrowings	Sale and leaseback arrangement	Lease liabilities	Total
	USD'000	USD'000	USD'000	USD'000
As at 1 January 2023	33,500	–	–	33,500
Changes from financing cash flows	100,200	8,445	(529)	108,116
New lease	–	–	567	567
Interest expense	–	443	31	474
Others	–	5,114	–	5,114
As at 31 December 2023	133,700	14,002	69	147,771

	Interest-bearing bank borrowings and other borrowings	Sale and leaseback arrangement	Lease liabilities	Total
	USD'000	USD'000	USD'000	USD'000
As at 1 January 2024	133,700	14,002	69	147,771
Changes from financing cash flows	44,246	6,740	(16)	50,970
New lease	–	–	–	–
Interest expense	–	1,536	5	1,541
Others	–	63	–	63
As at 31 December 2024	177,946	22,341	58	200,345

	Interest-bearing bank borrowings and other borrowings	Sale and leaseback arrangement	Lease liabilities	Total
	USD'000	USD'000	USD'000	USD'000
As at 1 January 2025	177,946	22,341	58	200,345
Changes from financing cash flows	81,427	1,618	(24)	83,021
New lease	–	–	3,234	3,234
Interest expense	–	1,957	9	1,966
Borrowing cost	1,031	–	–	1,031
As at 31 December 2025	260,404	25,916	3,277	289,597

40. CAPITAL MANAGEMENT

The Group's objective when managing capital is to ensure that the Group maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Group regularly reviews and manages its capital structure to optimize the use of the Group's resources, takes into consideration the future capital requirements of the Group and projected strategic investment opportunities.

The Group has entered into the credit facility agreement with banks and a related party and details of which are described in note 28 of this Historical Financial Information.

41. EVENTS AFTER THE TRACK RECORD PERIOD

- a. On 10 December 2025, the Extraordinary General Meeting of Shareholders of the Company approved a reduction in issued and fully paid-up capital by withdrawing the shares buyback of the Company amounting to 1,448,866,615 shares or approximately 8.955% of the Company's total issued and fully paid-up capital. This decision was stated in the Deed of Statement of Resolution of the Meeting on Amendments to the Company's Articles of Association No. 23 dated 8 January 2026, made before Notary Jose Dima Satria, S.H., M.Kn., in the Administrative City of South Jakarta, and has obtained approval by the MOL under Decree No. AHU-0008542.AH.01.02.TAHUN 2026 dated 11 February 2026, which was received by the Company on 13 February 2026. Thus, the Company's issued and fully paid-up capital decreased from 16,180,232,675 shares to 14,731,366,060 shares. On 23 February 2026, the Indonesia Stock Exchange announced the capital reduction, which took effect on 24 February 2026.
- b. On 21 January 2026, GSM and PBT have made principal withdrawals under the Syndication Revolving Credit Facility in the amount of USD15,000,000 and USD25,000,000, respectively.
- c. On 11 March 2026, GSM and PETS have made principal withdrawals under the Syndicated Revolving Credit Facility in the amount of USD12,000,000 and USD13,000,000, respectively.
- d. On 10 April 2026, the Company has entered into a Facility Agreement for a Single Currency Revolving Credit Facility with a principal amount of US\$150,000,000 with (i) Kasikornbank Public Company Limited, PT Bank Central Asia Tbk, PT Bank CIMB Niaga Tbk, PT Bank Danamon Indonesia Tbk, PT Bank Maspion Indonesia Tbk as mandated lead arrangers, (ii) financial institutions listed in the facility agreement as original lenders, and (iii) PT Bank Central Asia Tbk as agent of the financing parties (other than itself) ("**US\$150,000,000 Syndicated Revolving Credit Facility**"). The maturity date of this US\$150,000,000 Syndicated Revolving Credit Facility Agreement is 10 April 2027, subject to the extension option. As of the issuance date of these financial statements, the Company has fully drawn principal in the amount of US\$150,000,000 under this facility.
- e. On 22 April 2026, the Company held its annual general meeting of shareholders ("**AGMS 22 April 2026**"), which approved, among others as follows:
 1. The Company's Annual Report for the financial year ended 31 December 2025.
 2. The appropriation of no statutory reserve and the non-distribution of dividends for the financial year ended 31 December 2025, considering that the Company still had a deficit retained earnings balance.
 3. Amendments to the Company's Articles of Association, including amendments to several provisions of the Articles of Association and the restatement of all provisions of the Company's Articles of Association.
- f. On 22 May 2026, PBT partially repaid the principal loan under the USD350,000,000 Syndicated Revolving Credit Facility in the amount of USD80,000,000.

42. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of its subsidiaries in respect of any period subsequent to 31 December 2025.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited is set forth here to illustrate the effect of the Global Offering on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 as if the Global Offering had taken place on 31 December 2025.

This unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 or at any future dates following the Global Offering. It is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 as set out in the Accountants' Report on historical financial information of the Group, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025	Estimated listing expenses	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 per share	
	<i>USD'000</i> <i>(Note 1)</i>	<i>USD'000</i> <i>(Note 2)</i>	<i>USD'000</i>	<i>USD</i> <i>(Note 3)</i>	<i>HK\$</i> <i>(Notes 3 & 5)</i>
Based on the Offer Price of HK\$26.60 per HDR	75,313	5,371	69,942	0.005	0.037

Notes:

- The audited consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 is extracted from the Accountants' Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to owners of the Company as of 31 December 2025 of approximately USD380,897,000 after deducting the Group's mining properties attributable to owners of the Company of approximately USD305,584,000 as of 31 December 2025.
- Based on the maximum Offer Price of HK\$26.60 per HDR and assuming the over-allotment option is not exercised, the estimated listing expenses in connection with the Global Offering are expected to be approximately USD14,862,000 of which approximately USD9,491,000 are attributable to the sale of HDRs and will be borne by the Selling Shareholders.

The Company expects to incur listing expenses in an aggregate amount of approximately USD5,371,000, which have not been reflected in consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025. These listing expenses mainly include professional fees to the legal advisors, Reporting Accountants, Competent Person and printing costs etc.
- The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 14,731,366,060 shares (representing 16,180,232,675 shares in issue, excluding 1,448,866,615 treasury shares as at 31 December 2025) were in issue, assuming that the Global Offering had been completed on December 31 2025. It does not take into account any share which may be issued or repurchased by the Company.

4. Subsequent to 31 December 2025, the Company completed the cancellation of 1,448,866,615 treasury shares. Following such cancellation, the Company's issued and fully paid-up capital decreased from 16,180,232,675 shares to 14,731,366,060 shares. The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per share remains unchanged, being 14,731,366,060 shares in issue immediately following the completion of the treasury shares cancellation.
5. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share, the amounts stated in United States Dollar ("USD") are converted into Hong Kong dollars at a rate of USD1.00 to HK\$7.84. No representation is made that USD has been or may be converted to Hong Kong dollars, or vice versa, at that rate.
6. No adjustment has been made to reflect any trading result or other transaction of the Group entered into subsequent to 31 December 2025.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this document received from the independent reporting accountants of the Company, BDO Limited, Certified Public Accountants, Hong Kong.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the directors of PT Merdeka Gold Resources Tbk**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of PT Merdeka Gold Resources Tbk (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of consolidated net tangible assets of the Group as at 31 December 2025 and related notes as set out on pages II-1 to II-2 of Appendix II of the Company’s prospectus dated 17 June 2026 in connection with the proposed global offering of HDRs of the Company (the “**Proposed Global Offering**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on II-1 to II-2 of Appendix II of the prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Proposed Global Offering on the Group’s consolidated financial position as at 31 December 2025 as if the Proposed Global Offering had taken place at 31 December 2025. As part of this process, information about the Group’s consolidated financial position has been extracted by the Directors from the Group’s financial information for the year ended 31 December 2025, on which an accountants’ report set out in Appendix I of the prospectus has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Global Offering at 31 December 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants’ judgment, having regard to the reporting accountants’ understanding of the nature of the entity, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

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

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

BDO Limited
Certified Public Accountants
Hong Kong

17 June 2026



PANI GOLD MINE

COMPETENT PERSON'S REPORT

For

PT MERDEKA GOLD RESOURCES TBK

Job No. 66122M
Doc No. J1651
Date: March 2026
Prepared by: J. Tachie-Menson, C. Farrington, I.
Ludjio, T. Jolly, D. Lucas, P. Gribbin

PT Mining One Indonesia
Gedung Cibis Nine, Lantai 11 Suite 28
Jl. Simatupang No. 2, Kel. Cilandak
Timur, Kec. Pasar Minggu
Jakarta Selatan 12560
Indonesia

DISCLAIMER

PT Mining One Indonesia ("Mining One") has prepared this document exclusively for PT Merdeka Gold Resources Tbk ("MGR"), the client. This report has been prepared for inclusion in the prospectus for the proposed listing of MGR on the Hong Kong Stock Exchange ("HKEX"). It is provided pursuant to a Consultancy Agreement between Mining One and MGR, under which Mining One undertook to perform a specific and limited scope of work.

Any use of this document, or reliance upon it, by any third party is entirely at the risk of such third parties. Under no circumstances shall Mining One accept any liability, whether direct, indirect, or consequential, arising from commercial decisions or actions taken by third parties based on this report.

This report must be read in its entirety. The overview is not a substitute for the full report. Any subsequent report must be read in conjunction with this report. This report supersedes all previous draft or interim reports, whether written or presented orally, prior to the date of this report.

The opinions expressed in this document are based on information available to Mining One at the time of preparation. Mining One has exercised due care in reviewing information supplied by others for use in this project. While Mining One has compared key supplied data with expected values, the accuracy of the results and conclusions is wholly dependent on the accuracy and completeness of the supplied data. Mining One does not accept responsibility for any errors or omissions in the supplied information, except to the extent Mining One was specifically engaged to verify such data.

This report does not constitute, and should not be construed as, investment, legal, accounting, or other professional advice. It is not intended to be relied upon by investors or potential investors in making investment decisions.

Certain statements in this report may constitute forward-looking information, including estimates of Mineral Resources and Ore Reserves. Such statements are subject to risks, uncertainties, and assumptions beyond the control of Mining One. Actual results may differ materially. Mining One disclaims any obligation to update forward-looking statements except as required under applicable law.

This report, in its entirety, remains the property of Mining One until all contractual obligations (including, but not limited to, payment) have been fully satisfied by MGR.

This report has been prepared in both English and Chinese versions. In the event of any discrepancy or difference in interpretation between the two versions, the English version shall prevail.

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APPENDICES AS ATTACHMENTS

Note: Appendices have been provided as separate documents to the main body of this report:

“APPENDIX 02A – HKEX Mapping Document”

“APPENDIX 02B – HKEX Chapter 2.6 Mapping”

“APPENDIX 06A – JORC Table 1”

TABLE OF DEFINITIONS

Acronym	Definition
\$	US dollars in real value unless stated otherwise
°C	Degrees Celcius
ABA	Acid Base Accounting
ADR	Adsorption, Desorption and Recovery
AEP	Annual Exceedance Probability
Ag	Silver
AMDAL	Analisis Mengenai Dampak Lingkungan (Environmental Impact Statement)
ANCOLD	Australian National Commission on Large Dams
ASX	Australian Stock Exchange
Au	Gold
AusIMM	Australasian Institute of Mining and Metallurgy
B.Sc	Bachelor of Science
BLEG	Bulk Leach Extractable Gold
BRT	Bottle Roll Test
BX	Brecia
Ca	Calcium
Capex	Capital Expenditure/Expense(s)
C _G	General and administration costs
Ch	Chlorite
CIC	Carbon in Column
CIL	Carbon in Leach
CIT	Corporate Income Tax
CITES	Convention on International Trade in Endangered Species
cm	centimetre
COG	Cut-off Grade
COS	Coarse Ore Stockpile
CoW	Contract of Work

Acronym	Definition
CP	Competent Person
C _P	Processing operating cost
CPR	Competent Persons Report
C _R	Refining Costs
CRM	Certified Reference Material
CRU	CRU Consulting
CSR	Corporate Social Responsibility
CSS	Closed Side Setting
Cy	Clay
DAC	Design Acceptance Criteria
DCF	Discounted Cash Flow
DD	Diamond Drilling or Due Diligence
D _F	Dilution Factor
DTM	Digital Terrain Model
Effective date of CPR	31 December 2025
EGL	Effective Grinding Length
EHS	Environment, Health and Safety
EOH	End of Hole
ESDM	Ministry of Energy and Mineral Resources
ESIA	Environmental and Social Impact Assessment
EW	Electrowinning
Fe	Iron
FES	Field Estimate Strength
FOB	Free On Board
FoS	Factor of Safety
Fr	Fresh
FS	Feasibility Study
FS 2024	March 2024 Pani Feasibility Study Report

Acronym	Definition
FTF	Filtered Tailings Facility
g	grams
G&A	General and Administrative
GHG	Greenhouse Gas
GISTM	Global Industry Standard on Tailings Management
GMA	Geology Matrix Analysis
GoIFS	Government of Indonesia Feasibility Study
GRG	Gravity Recoverable Gold
GRM	Ground Risk Management
GSI	Geological Strength Index
GSM	PT Gorontalo Sejahtera Mining - exploration company used at Pani
Gunung Pani	Mount Pani
HKEX	Hong Kong Stock Exchange.
HL	Heap Leach
HLF	Heap Leach Facility
HMA	Global Reference Mineral Price
Hons	Honors
hr	Hour/hours
IBRT	Intermittent Bottle Roll Test
ICOLD	International Commission on Large Dams
ICR	Intensive Cyanidation Reactor
IDX	Indonesian Stock Exchange
IFC	International Finance Corporation
ILS	In Situ Leaching
IPPKH	Persetujuan Penggunaan Kawasan Hutan – Approval of Forest Areas Utilisation.
IRR	Internal Rate of Return
IUCN	International Union for Conservation of Nature

Acronym	Definition
IUI	Industrial business licence – issued in Indonesia
IUP Operasi Produksi	Mining Production Permit
IUP Pengolahan Pemurnian	Processing and Refining Special Permit
JORC Code	Australasian Joint Ore Committee – Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition
JRN	PT J Resources Nusantara
KKPR	Kesesuaian Kegiatan Pemanfaatan Ruang – Spatial Plan Conformity Permit
KLHK	Ministry of Environment and Forestry
KP	Kuasa Pertambangan
K _T	Conversion factor for troy ounces to grams
KTT	Kepla Teknik Tambang – legislatively appointed responsible person mining
KUD	KUD Dharma Tani – Traditional Miners
LiDAR	Light Detection and Ranging
LoM	Life of Mine
LpT	Lapilli Tuff
LUC	Localised Uniform Conditioning
M1	Mining One Pty Ltd
m	Metre
MAusIMM	Member of the Australasian Institute of Mining and Metallurgy
MBA	Masters of Business Administration
MCP	Mine Closure Plans
MEMR	Ministry of Energy and Mineral Resources
MGR	PT Merdeka Gold Resources Tbk
Mining One	PT Mining One Indonesia
MMI	PT Merdeka Mining Indonesia
MoE	Minister of Environment
MoEF	Ministry of Environment and Forestry

Acronym	Definition
Moz	Million ounces
MRE	Mineral Resource Estimate
MROR	Mineral Resource and Ore Reserve
MSc	Masters degree in Science
Mt	Million tonne
MW	Megawatt
NAF	Non Acid Forming
NAG	Net Acid Generating
NAPP	Net Acid Producing Potential
NNS	Newcrest Nusa Sulawesi
Nominal	Nominal value is unadjusted money values
NPV	Net Present Value
OEM	Original Equipment Manufacturer
OH&S	Occupational health and safety
OK	Ordinary Kriging
OMC	Orway Mineral Consultants (WA) Pty Ltd
Opex	Operating Expenditure/Expense(s)
OPP	Ore Preparation Plant
OR	Ore Reserves
ORE	Ore Reserves Estimate
OREAS	Ore Research and Exploration Pty Ltd
Ox	Oxide
oz	Troy Ounce
PAF	Potential Acid Forming
Pani	Pani Gold Mine
Paramount	Paramount Ventures and Finance Inc
PBT	PT Pani Bersama Tambang
pct	percent

Acronym	Definition
PDAM	Perusahaan Daerah Air Minum - State Owned Drink Water Company
PERTEK	Persetujuan Teknis - Technical Approval Permit
Pertiwi	PT Pertiwi Nusa Mega
PETI	Artisanal illegal mining
PETS	PT Puncak Emas Tani Sejahtera - company undertaking exploration and mining related activities
PIN	PT Pani Industri Nusantara
PFS	Pre Feasibility Study
P _G	Price of Gold in US \$/oz
PGA	Peak Ground Acceleration
PKKPR	Persetujuan/Konfirmasi Kesesuaian Kegiatan Pemanfaatan Ruang – Spatial Plan Conformity
PLN	PT Perusahaan Listrik Negara – a company
PLS	Heap Leaching
PLS	Pregnant Leach Solution
PPKH	Persetujuan Penggunaan Kawasan Hutan – Approval of Forest Areas Utilisation
PPKH	Forestry Permit
ppm	Parts per million
PRD	Pani Rhyodacite
PRDB	Pani Flow-banded Rhyodacite
PSM	Geotechnical and Engineering services Company
PT	Limited Liability Company
PU	Pekerjaan Umum - Ministry of Public Work
PVC	Pani Volcanic Complex
PVo	Pani Volcanic
QAQC	Quality Assurance and Quality Control
QKNA	Quantitative Kriging Neighbourhood Analysis
RDTR	National or regional Spatial Plan

Acronym	Definition
Real	Real value has time value of money adjustments on cost estimates
RL	Reduce Level
ROM	Run of Mine
R _p	Overall plant processing recovery for gold
RPD	Relative percent difference
RPEEE	Reasonable Prospects for Eventual Economic Extraction
RPEQ	Registered Professional Engineer of Queensland
RQD	Rock Quality Designation
R _T	Total applicable royalty payments in percentage
RTRW	National or regional Spatial Plan
S	Sulphur
SABC	Sag Mill, ball mill pebble crushing
SD	Standard Deviation
Si	Silica
SMDD	Standard Maximum Dry Density
SME	Subject Matter Experts
SMU	Selective Mining Units
SOPs	Standard Operating Procedures
Stock Exchange	Hong Kong Stock Exchange
t	Tonne(s)
t ore	Tonne(s) of ore
TDS	Total Dissolved Solids
Tr	Transition
TSF	Tailings Storage Facility
UC	Uniform Conditioning
UK	United Kingdom
USD	United States Dollar(s)

Acronym	Definition
VALMIN	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 edition
VAT	Value Add Tax
VWP	Vibrating Wire Piezometer
WSP	An Engineering Company, formerly Golder

EXECUTIVE SUMMARY

Introduction

PT Mining One Indonesia (“Mining One”) was commissioned by PT Merdeka Gold Resources Tbk (“MGR”) to prepare an independent technical assessment of the Pani Gold Project. PT Mining One Indonesia is a wholly owned subsidiary of Mining One Pty Ltd (“M1”), an international mining consultancy with over 25 years of experience and headquarters in Melbourne, Australia.

The Project is located at Mount Pani in Gorontalo Province on Sulawesi Island, Indonesia. MGR through its subsidiaries, is responsible for the development of the project, encompassing open pit mining operations, Heap Leach and Carbon-in-Leach (“CIL”) processing facilities, and supporting infrastructure.

This assessment is intended for inclusion in a Competent Person's Report (“CPR” or “the Report”) suitable for a prospectus supporting the proposed listing of PT Merdeka Gold Resources Tbk. on the Main Board of the Stock Exchange of Hong Kong Ltd. (“the Stock Exchange”), a wholly owned subsidiary of Hong Kong Exchanges and Clearing Ltd. (“HKEX”). The Mineral Resources and Ore Reserves Estimate presented in this report has been prepared in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), as well as the Listing Rules of the Stock Exchange, including Chapter 18 requirements and other relevant regulations. The effective date of this Competent Persons Report is 31 December 2025.

It should be noted that the Report does not provide an opinion on the value of the minerals or other assets involved.

Summary of Principal Objectives

The principal objective of this Report is to provide MGR, potential equity investors, future shareholders, and regulators with an independent, professional, and technically robust assessment of the Pani Gold Project for inclusion in a prospectus supporting the company's proposed listing on the Hong Kong Stock Exchange. The Report presents an impartial evaluation of the project's geology and exploration, Mineral Resources and Ore Reserves, mining methodologies, processing and metallurgical technologies, environmental and social aspects, as well as the associated risks, opportunities, and technical considerations, based on all available technical data as of the Effective Date. Its purpose is to deliver a transparent and unbiased appraisal of the project's technical merits and uncertainties to inform investment and regulatory decisions.

Outline of Work Programme

The work program for this project consisted of:

- Review of dataset and Mineral Resource models provided by MGR, and preparation of the Mineral Resources and Ore Reserves (“**MROR**”) data verification plan conducted during the site inspection.
- A site visit by Mineral Resource Competent Person between 6 and 8 January 2026 to the Project, including the locations of exploration and production boreholes, drill cores, open pit operations, etc.
- Review of all available documents supporting the development of the Pani Mining Project, including operating licences and permits, geology reports and environmental impact assessment (“EIA”) reports, mineral processing technology and mining methodologies, capital expenditures (“Capex”) and operating expenses (“Opex”), etc.
- Discussion with MGR's management and technical personnel who conducted the exploration program, prepared the previous Feasibility Study and follow up studies, construction, and mine operation at the Project.
- Preparation of a draft version of Competent Person Report in accordance with the JORC Code guidelines and the requirements of the Chapter 18 on the Stock Exchange and other regulations of the HKEX, where the declaration date of Mineral Resources and Ore Reserves is 31 December 2025.

- Submission of the draft to MGR and related third parties for comments and finalisation of the draft Report based on the feedback.
- Completion of an updated report on Mineral Resources and Ore Reserves as of 31 December 2025, incorporating a review of Mineral Resource Estimate prepared by MGR, refinement of the Life of Mine Schedule, evaluation of all relevant modifying factors, and interrogation of the Project's financial model.

Operational License and Mine Permit

The Pani Gold Project is supported by a comprehensive set of mining licenses and operational permits provided by MGR and reviewed by Mining One. While Mining One has not conducted independent legal or regulatory due diligence, it has relied on information supplied by the client and is not aware of any issues that would prevent the issuance or continuation of permits or impede mining and processing operations.

The project's core mining concessions include:

- PT Gorontalo Sejahtera Mining ("GSM") Contract of Work ("COW"), valid until 1 December 2049.
- PT Puncak Emas Tani Sejahtera ("PETS") Mining Production Permit (known as "IUP Operasi Produksi"), valid until 23 November 2032.
- PT Pani Bersama Tambang ("PBT") Processing and Refining Special Permit (known as IUP Pengolahan Pemurnian) – this permit has later been converted into Industrial Business License ("IUI") on 8 October 2021, and valid until 14 March 2035.

Together, these licenses provide the legal foundation for resource extraction and processing activities within Pani Gold Project. PT Pani Industri Nusantara ("PIN") was established in mid-2025 for the purposes of operating the CIL and IUI application is ongoing.

In addition to mining licenses, the project has secured several critical operational permits, including the Environmental Impact Assessment ("AMDAL"), forest utilisation approval ("PPKH"), spatial plan conformity ("KKPR"), and filtered press tailings technical approvals ("PERTEK").

History

The Gunung Pani gold prospect has been known for over a century, first attracting Dutch interests in the early 1900s due to active local alluvial mining. Although early underground mining attempts were short-lived, they marked the beginning of exploration in the area.

Modern exploration resumed in the late 1960s with reconnaissance work by Newmont Limited, followed by systematic regional programs in the 1970s and 1980s led by Tropic Endeavor, Kennecott, and Utah International. These campaigns confirmed gold mineralisation and demonstrated strong metallurgical recoveries, though none advanced to sustained development. Subsequent exploration by PT Aneka Tambang, BHP-Utah Pacific, and later local cooperatives and joint ventures through the 1980s and 1990s added further drilling and sampling, progressively building geological knowledge of the deposit.

From the late 1990s onward, exploration intensified under various partnerships, including Paramount Ventures, Azure Resources, and One Asia Resources, which collectively drilled thousands of metres and expanded geological understanding.

More recently, PT Merdeka Copper Gold Tbk and PT J Resources Nusantara have undertaken extensive modern drilling campaigns, completed hundreds of holes and generated large datasets that underpin current resource evaluations.

Collectively, these efforts, including over 230,000m of diamond drilling through more than 1,370 holes, reflect over a century of intermittent exploration and mining activity, culminating in robust modern datasets that now support the Pani Gold Project's resource base and development potential.

A Definitive Feasibility Study (“FS 2024”) was completed in 2024, confirming an open-pit mining operation with ore processed through both CIL and Heap Leach methods. The study paved the way for project construction, with ongoing enhancements continuing to optimise outcomes. The Heap Leach operation will initially be operated at 8 Mtpa throughput (2026) with production ramping up to 10 Mtpa in 2028. The CIL plant is scheduled to be commissioned in 2028 with a planned throughput of 10 Mtpa. The throughput will then ramp up to its nameplate capacity of 12 Mtpa in 2029. Mining started in Q4, 2025.

The first shipment of doré of 44.04 kg occurred at the end of February 2026 when this report was being prepared.

Sample Preparation, Quality Assurance and Quality Control (“QAQC”) Programs

Sample preparation for the Pani project follows industry-standard procedures, with half-core samples crushed, sub-sampled and pulverised before being sent to accredited laboratories. Since 2021, assays have been conducted by PT Geoservices Jakarta, with earlier work handled by Intertek and SGS. In 2022, MGR resampled all historical PETS data to ensure consistency and only validated are used in the current Mineral Resource.

QAQC Programs comprise the following:

- Duplicates - Coarse duplicates and pulp duplicates are used for checking the sample homogeneity corresponding to the sample preparation process. The coarse duplicates were taken from the Boyd crusher rotating sample divider of 2 mm grind size with a rate of 1 in 20 samples starting in 2021. RSC notes that there is no statistically significant bias. Duplicate sampling (coarse and pulp) has generally confirmed good sample homogeneity and assay precision for gold, particularly during the MGR period (post-2020), though performance declined in 2024 indicating potential laboratory preparation issues. Silver duplicates showed lower reliability overall due to low grades and detection limits, with ongoing quality control measures recommended to maintain data integrity.
- CRMs - Certified reference materials (“CRMs”) were inserted at frequencies ranging from 1 in 9 (conducted by One Asia Resources) to 1 in 20 (conducted by GSM-JR and MGR), with campaigns relying on OREAS commercial CRMs and matrix-matched CRMs from Pani ore. While some historical and early matrix-matched CRMs showed marginal or non-acceptable performance due to laboratory calibration issues, overall results are within acceptable range. Immaterial biases for silver were identified at low grades. Current programs apply Z-score monitoring to ensure reliable performance, supporting confidence in estimation.
- Blanks - Blank samples were inserted at a frequency of 1 in 40 or less, with coarse blank material sourced from a local quarry consistently used except during 2020–2021 when CRM blanks (Oreas 22F, n=595) were applied. Historical data (<2020, n=2,209) comprised a total of 20 outliers, while MGR’s 2022–2024 program (n=1,944) recorded only two suspected contamination/swapped samples in 2023 and 2024.
- Umpire Checks - Historical external laboratory checks (SGS vs. Geoservices, 2012–2013) showed a -9% bias but had no impact on resource estimation as PETS data was resampled. MGR has recently prepared further samples for external umpire checks, though these had not yet been dispatched at the time of reporting.

Mineral Resources Competent Person, Alex Lukomskyj, conducted a site visit to Pani from 5 to 8 January 2026, including technical discussions in Jakarta and inspections of drilling, sampling and pit operations. The visit confirmed JORC Code standards were met with no material issues. Key checks conducted during the visit including the verification of drill cores, confirmation of CRMs and blanks used, and visual inspection of prospective geological contacts against the 3D model.

Mineral Resources Estimate

The Pani mineralised domains demonstrate sufficient grade, continuity and drill density to support classification as Measured, Indicated and Inferred Mineral Resources under the JORC Code 2012. The Mineral Resource estimate is based on bulk extraction using open-pit mining methods, with gold recovery through gravity, CIL and heap leach circuits.

A Reasonable Prospect for Eventual Economic Extraction (“RPEEE”) was defined using a pit shell constrained at a gold price of US\$2,300/oz. The estimate combines resources from both the GSM Contract of Work and the PETS IUP, depleted to 31 December 2025 with a cut-off grade of 0.2 g/t Au. Reported resources include Measured, Indicated and Inferred categories, along with 0.9 Mt of surveyed Measured surface stockpiles, providing a robust basis for ongoing project evaluation.

Table 0-1 summarises the Mineral Resources Estimate for the Project as of 31 December 2025.

Table 0-1 Pani Gold Project Mineral Resources Estimate as of 31 December 25

MRE	Classification	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Au (Moz)	Ag (Moz)
Dec-25	Measured	7.7	0.87	1.66	0.2	0.4
	Indicated	235.6	0.77	0.73	5.9	5.6
	Inferred	48.2	0.59	0.37	0.9	0.6
	Total	291.5	0.75	0.71	7.0	6.6

Notes:

- Block model: Dec-25 MRE (bm_pan24b_eng_meas.dm)
- Topography/depletion surface: update_basemap_topo_all_baganite_260101_void2_DTMTR.dm

Exploration Potential

Near-mine and exploration upside potential exists to the northeast and south of the Pani open pit. The ‘dome’ geological model provides a prospective volume to drill test to its limits, particularly given prospective structural features have previously been mapped at these extents. The Kolokoa and Lone Pine prospects south and north of Pani, respectively, provide prospective exploration upside targets.

Mining Assessment

Pani will be developed as a large, single open pit operation using conventional truck-and-excavator mining methods. Ore and waste will be mined from one pit and processed through the Heap Leach (“HL”) and Carbon-in-Leach (“CIL”) plants in accordance with the staged development strategy. The HL operation has commenced and targets near-surface oxide mineralisation, while the CIL plant will commence in 2028, operating concurrently with the HL until depletion of the HL zone.

Pit optimisation was undertaken using Lerchs–Grossmann analysis to define the economic pit shell, followed by mine designs addressing the mining practicality and geotechnical design criteria. The current Ore Reserve estimate is based on staged designs comprising three pushbacks for the HL zone and five pushbacks for the CIL zone, with the ultimate pit designs are illustrated in Figure 0-1. Overall slope angles range from 35° to 40° in accordance with defined geotechnical domains. While additional geotechnical data may refine final wall configurations, any impact on the economic assessment is expected to be immaterial.

Mining will commence at approximately 785 mRL and extend to a final pit floor of 305 mRL, representing a depth of approximately 480 m. The production fleet will primarily comprise 200 t excavators matched with 100 t haul trucks, with peak requirements of six excavators and 42 trucks. Benches will be drilled and blasted at 15 m and mined in 7.5 m flitches using double benching. Although the mountainous terrain presents logistical challenges, particularly for waste and ore stockpiling, these are considered manageable with appropriate infrastructure and operational controls.

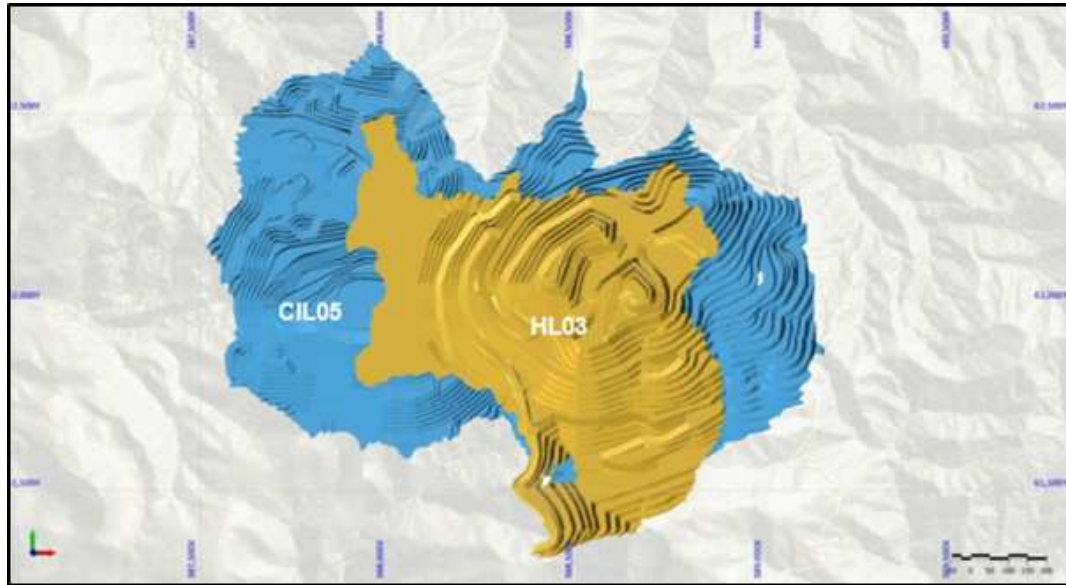


Figure 0-1 Overview of Pani Pit Design showing HL and CIL Zones

A mining schedule was prepared with the topographical surface dated 31 December 2025 being used to deplete the model and serve as the start date of the schedule. The schedule is defined by HL and CIL zones (Figure 0-2) with the following key observations:

- HL will operate over the first 7 years from 2026 through to 2032.
- CIL will commence in 2028 through to end of mine in 2040.
- A total of 203 Mt of ore at an average grade of 0.79 g/t Au to be mined.
- The life of mine is 15 years.

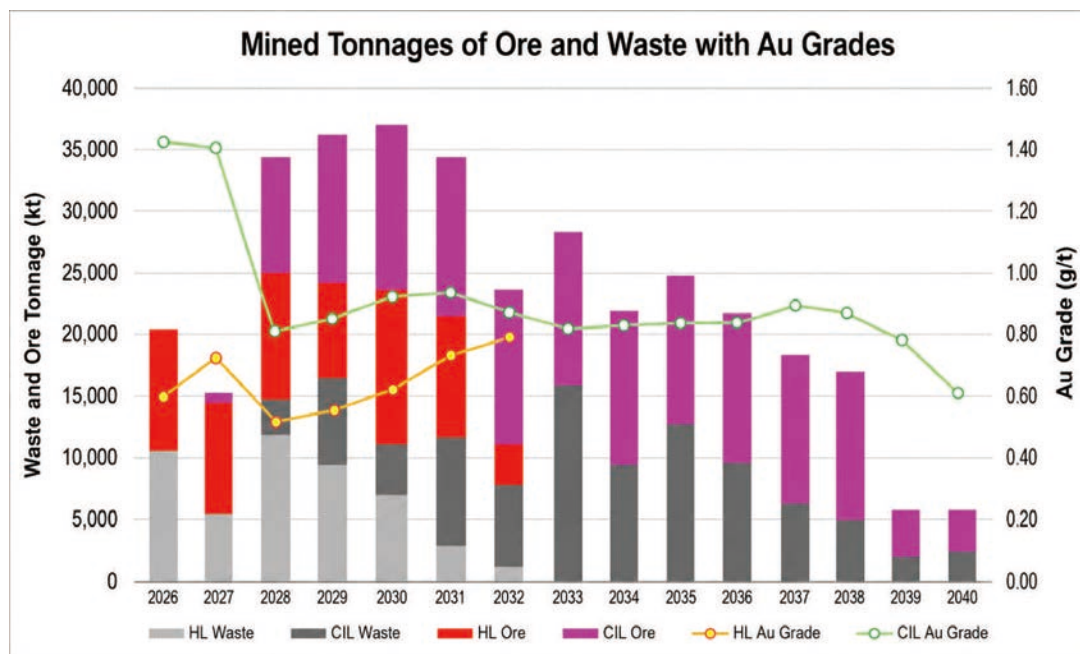


Figure 0-2 Annual Mining Production Schedule

Ore Reserves

Mining One has conducted a review of the relevant technical studies and operational data to verify that, at the time of reporting, the mineable part of the Mineral Resource forms the basis of a technically and economically viable project, after taking account of material Modifying Factors. Only open pit operations are considered for the reporting of Ore Reserves Estimate presented in this Report.

As of the effective date of 31 December 2025, the Ore Reserves for Pani Gold Mine open pit consists of 203.1 Mt of ore at an average gold grade of 0.79 g/t for 5.2 Moz of contained gold and an average silver grade of 0.84 g/t for 5.5 Moz of contained silver. Table 0-2 provides the estimates of Ore Reserves for Pani Gold Mine.

Table 0-2 Ore Reserves Statement for Pani Gold Mine as of 31 December 2025

	Proved Reserves		Probable Reserves		Total Reserves		
	Tonnes (Mt)	Au Grade (g/t)	Tonnes (Mt)	Au Grade (g/t)	Tonnes (Mt)	Au Grade (g/t)	Contained Au (Moz)
Gold Ore Reserves							
Stockpiles	0.9	0.50	–	–	0.9	0.50	0.0
Heap Leach (HL) . .	3.9	0.84	58.1	0.62	62.1	0.64	1.3
Carbon-in-Leach (CIL)	2.9	1.07	137.2	0.86	140.1	0.86	3.9
Total Gold Ore Reserves	7.7	0.89	195.4	0.79	203.1	0.79	5.2
	Proved Reserves		Probable Reserves		Total Reserves		
	Tonnes (Mt)	Ag Grade (g/t)	Tonnes (Mt)	Ag Grade (g/t)	Tonnes (Mt)	Ag Grade (g/t)	Contained Ag (Moz)
Silver Ore Reserves							
Stockpiles	0.9	3.86	–	–	0.9	3.86	0.1
Heap Leach (HL) . .	3.9	1.58	58.1	0.90	62.1	0.94	1.9
Carbon-in-Leach (CIL)	2.9	1.03	137.2	0.77	140.1	0.77	3.5
Total Silver Ore Reserves	7.7	1.64	195.4	0.81	203.1	0.84	5.5

Notes:

1. Cut-off grades for Ore Reserves estimation are calculated assuming a long-term average gold price of US\$2,300/oz.
2. Rounding may result in apparent summation differences between tonnes, grade and contained metal.
3. Estimates of metal contained in the Ore Reserve do not include allowances for processing losses.
4. The effective date of the Ore Reserve estimate is 31 December 2025.
5. The Ore Reserves are defined at the point where the ore is delivered to the processing plant.
6. The Ore Reserves reported above are included in the Mineral Resources and are not in addition to the Mineral Resources.

Processing & Metallurgy

The Pani Gold Project will be developed in two stages, commencing with a Heap Leach (“HL”) operation and followed by a 12 Mtpa Carbon-in-Leach (“CIL”) plant from 2028. Both operations are planned to operate concurrently for several years.

The March 2024 Feasibility Study (“FS 2024”) defined a 7 Mtpa HL operation, which has since been expanded to 8 Mtpa in Year 1 and ramped up to 10 Mtpa by Year 3. The design and

engineering for the Heap Leach Processing Plant in the FS 2024 was developed by NewPro Consulting (Consultant). The upgrade and ramp up plan to 10 Mtpa was developed by MGR. The HL flowsheet comprises a three-stage crushing and screening Ore Preparation Plant producing 100% passing 19 mm material, stacking on a 63 Mt three-cell Heap Leach Facility, cyanide irrigation over a 50 day primary and 90 day secondary leach cycle, and gold recovery in a conventional Adsorption, Desorption and Recovery (“ADR”) plant (carbon-in-column adsorption, pressure elution, electrowinning and smelting to doré). Irrigation has commenced in January 2026, with stacking planned to increase from 8 Mtpa to 10 Mtpa by 2028 and continue until mid-2032.

The CIL plant, originally envisaged as a staged expansion, will now be constructed at 12 Mtpa from commencement in 2028 and is scheduled to process approximately 137.4 Mt to 2040. The process flowsheet comprises primary crushing, two-stage grinding with pebble crushing, gravity recovery and intensive cyanidation, pre-leach thickening, Leaching and CIL adsorption, split AARL elution, electrowinning and smelting to produce doré. Tailings will be thickened and discharged to TSF Hulawa and partially filtered for dry stacking at the Filtered Tailings Facility, with planned storage of 89 Mt and 54 Mt respectively.

Heap leach metallurgical studies for the deposit cover three areas, Pani West, Pani East (PETS) and Baganite, with four test programs completed between 2012 and 2018 assessing both Heap Leach and CIL flowsheets. Results generally demonstrated good to excellent heap leach amenability, although one program produced inconsistent results that required further review. Multiple test programs, including those undertaken for the FS 2024, demonstrated generally good to excellent heap leach and CIL performance, providing confidence in the selected development strategy.

Environmental, Social, and Government (“ESG”) Assessment

Environmental and social baseline studies and impact assessments have been completed to support development of the Pani Gold Project in accordance with Indonesian regulatory requirements and international good practice. The Project design incorporates staged HL and CIL development while managing environmental and social risks to acceptable levels.

Further updates and approvals are required to align with the revised project scope, including amendments to the AMDAL, extensions to the PPKH forestry permit, dam safety approval for the TSF, and technical approvals (“PERTEK”) for wastewater discharge and air emissions.

Additional studies to strengthen the ESG framework include geochemical characterisation, development of an Environmental and Social Management System, Biodiversity Action Plan, Stakeholder Engagement Plan, and assessments relating to land access and cultural heritage.

No ESG-related risks are identified as High and Medium risks according to assessment conducted in accordance with Guidance Note 7 from the HKEX.

Capital Expenditures

The capital expenditure (“CAPEX”) estimate for the Pani Gold Project has been developed in line with industry best practices and the requirements of a Competent Person's Report, ensuring transparency and technical rigor. The methodology to estimate CAPEX combines detailed bottom-up estimation for major cost items with benchmarking and scaling for ancillary facilities, supported by vendor quotations, tender processes, and regional cost indices. A 10% contingency has been applied to mitigate risks associated with inflation, market volatility, and early-stage project uncertainties, ensuring the estimates remain conservative yet realistic.

The CAPEX framework encompasses direct costs for mining, heap leach facilities, CIL plant construction, and site infrastructure, alongside indirect costs such as owner's expenses, project management, and EPCM services. Sustaining capital has been projected at 1–2% annually to support ongoing operations, equipment replacement, and compliance requirements.

The total capital expenditures over the life of mine (“LoM”) in real term is summarised in Table 0-3.

Table 0-3 Undiscounted Life of Mine Capital Cost Estimates Summary

Capital Item	Cost Estimate (USD Millions)
Direct Cost	
Mining	50
Heap Leach	197
CIL	734
Site Infrastructure	240
Indirect Cost	
Owners Costs	196
General & Indirects	139
Escalation and Contingency	119
Sustaining Capital	274
TOTAL CAPITAL COSTS	1,948

Operating Expenditures

The operating cost (“OPEX”) estimate for the Pani Gold Project has been developed to forecast annual expenditures over the life of mine, providing a critical input to financial modelling, feasibility analysis, and Ore Reserve reporting. Mining One prepared the mining-related cost estimates, covering drilling, blasting, loading, hauling, and ancillary services, while MGR provided inputs for processing, tailings, and general and administrative overheads. Mining One conducted a technical review of these components to ensure that assumptions, methodologies, and detail levels are consistent with the requirements of the JORC Code.

The activity-based estimate is structured into five principal categories with clearly defined boundaries: mining (up to the primary crusher feed), heap leach processing, CIL processing, tailings management, and general and administrative overheads.

The total operating expenditures over the LoM in real term is summarised in Table 0-4.

Table 0-4 Undiscounted Life of Mine Operating Cost Estimates and Unit Rates Summary

Activity-Based Costs	LoM Opex (USD M)
Mining	1,028
Heap Leach Processing	381
CIL Processing	1,279
Tailings	184
Site G&A	638
Total Operating Costs	3,509

Economic Analysis

An economic assessment was prepared for the Pani Project and demonstrated a strong cost position. This assessment was compliant with industry reporting standards and JORC Code. All economic values are expressed in real terms and in United States Dollars (“USD” or “\$”), with an exchange rate of IDR16,580/USD based on Merdeka’s assumption for 2026 life of mine plan which derived as the average Bank Indonesia (“BI”) middle rate for the 6 months covering July 2025 to December 2025.

Key inputs for the economic assessment include:

- Revenues are derived from gold and silver sales with the forecasted prices prepared by CRU Consultant (refer to Table 0-5).
- Royalties are calculated based on the Government Regulation, PP No. 19 of 2025.
- Capital and operating inputs have been updated from the FS 2024 prepared for the Pani Project.

- Discount rates between 5% and 10% at 1% increment were tested to determine the NPV under varying cost of capital scenarios.

Key economic outputs are summarised in Table 0-6.

Table 0-5 Gold and Silver Price Forecast (Real Price, 2026 Basis)

	2026	2027	2028	2029	2030 to end of mine life
Gold Price	4,900	5,550	5,830	5,500	5,150
Silver Price	83	76	70	74	71

Source: Gold IPO Industry Consultant, CRU Consultant, February 2026

Table 0-6 Key Economic Outputs

Key Financial Parameters	Unit	Value
Unit AISC (Including Royalties)	US\$/oz	1,632
Unit AISC (Excluding Royalties)	US\$/oz	794
NPV @ 5%	\$ million	7,991
NPV @ 6%	\$ million	7,530
NPV @ 7%	\$ million	7,106
NPV @ 8%	\$ million	6,715
NPV @ 9%	\$ million	6,353
NPV @ 10%	\$ million	6,018
Max Negative Cumulative Cash Flow	\$ million	-329
Payback from First Production	year	1.3
IRR	%	287%

**Note: NPV and IRR are calculated to 1 January 2026. Costs incurred prior to this date are treated as sunk and excluded from the financial analysis for the reporting of Ore Reserve estimate*

A sensitivity analysis was conducted to evaluate the impact of changes in key technical and economic parameters inputs. A sensitivity range of + 30%, relative to the base case assumptions was adopted. In all instances the project remained economically positive with the following key observations:

- The economic position of the project is most sensitive to changes in Gold Price.
- Capital expenditure (Capex) and Operating expenditure (Opex) changes had the smallest impact on project value.
- The gold price outlook upon which the sensitivity was based is considered to be a robust price point according to the latest market commentary.

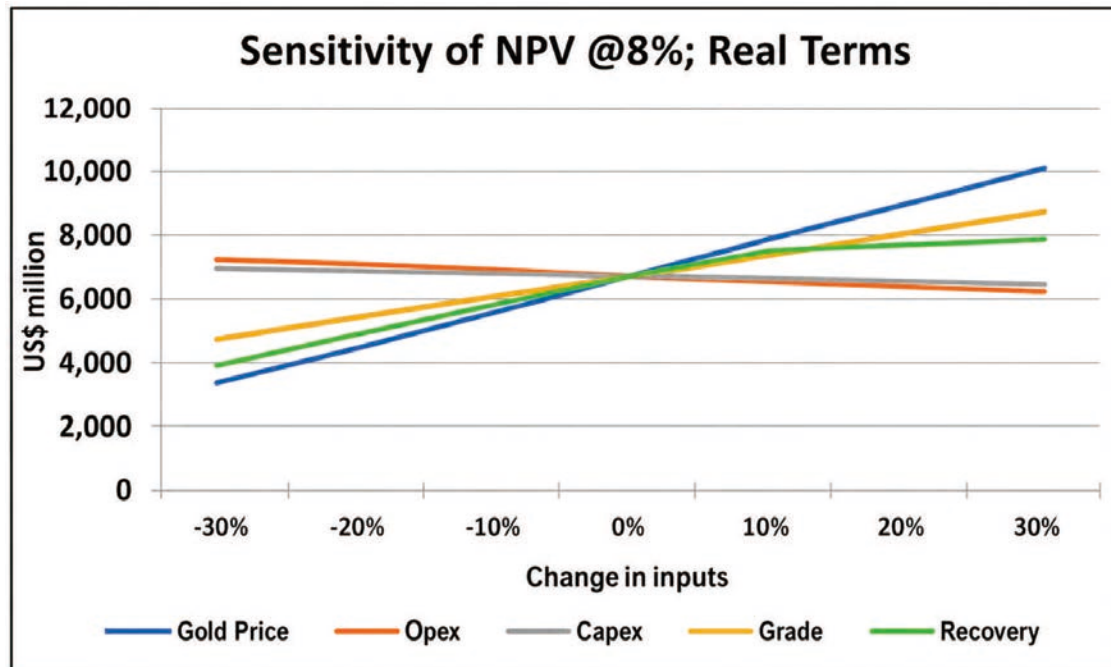


Figure 0-3 Pani Economic Sensitivities

Risk Assessment

Mining One considered various technical aspects which may affect the future cash flow of the Project. The Risk Assessment has been done in accordance with Guidance Note 7 from the HKEX. The medium risk category identified during the preparation of this report is presented in Table 0-7. No risks fall in High-Risk category.

Table 0-7 Identified Medium Risks

HAZARD/ISSUE	CONSEQUENCE	LIKELIHOOD	RISK RATING
Failure of the heap leach stack	MODERATE	POSSIBLE	MEDIUM
Tailings Filtration and Filtered Tailings Facility underperform	MODERATE	POSSIBLE	MEDIUM
Actual tailings dry density realised below target	MODERATE	POSSIBLE	MEDIUM
Underestimation of costs or cost inflation	MINOR	LIKELY	MEDIUM
Seismic/Earthquake activity .	MODERATE	POSSIBLE	MEDIUM

Conclusion

A number of recommendations have been made based on observations by the Subject Matter Experts ("SME") involved in the preparation of the Competent Persons Report. Although there are few risks identified, the conclusion drawn by the team is that the Pani Gold Project presents as a robust operation with strong economic estimates to support this position. The Project is utilising conventional methods which are well proven and robust.

1 INTRODUCTION AND SCOPE OF REPORT

The Pani Gold Project (“Pani” or “the Project”) is situated at Mount Pani in Gorontalo Province on Sulawesi Island, Indonesia. It is being developed as one of the largest primary gold mines in both Indonesia and the wider Asia-Pacific region. Gold occurrences in the area have been documented since the nineteenth century, reflecting a long history of exploration and mining activity that underpins the current development.

The Project is held through three subsidiaries of PT Merdeka Gold Resources Tbk (“MGR”):

- PT Gorontalo Sejahtera Mining (GSM): holder of the Contract of Work (CoW).
- PT Puncak Emas Tani Sejahtera (PETS): holder of the Mining Production Permit (“IUP Operasi Produksi”).
- PT Pani Bersama Tambang (PBT): holder of the Processing and Refining Permit (“IUP Pengolahan Pemurnian”), subsequently converted into an Industrial Business License (“IUI”).

PT Pani Industri Nusantara (“PIN”) was established in mid-2025 for the purposes of operating the CIL and IUI application is ongoing. Collectively, these entities comprise the Pani Gold Project.

MGR, through its subsidiaries, is responsible for the development of the project, encompassing open pit mining operations, processing facilities, and supporting infrastructure. The project is being developed as a large-scale open-pit operation in phases. The initial stage will utilise heap leach processing, with a planned throughput capacity of approximately 8 million tonnes of ore in 2026 and then increasing to 10 million tonnes per year in 2028. The operation of the CIL facility, commencing with a capacity of 10 million tonnes per year in 2028, will ramp up to a nameplate capacity of 12 million tonnes per year by 2029.

Mining commenced in October 2025. At the end of February 2026, when this report was being prepared, MGR had completed its first shipment of 44.04 kg of doré for refining at the refining facility of PT Aneka Tambang Tbk. (IDX: ANTM).

PT Mining One Indonesia (“Mining One”) was commissioned by MGR to prepare an independent technical assessment of the Pani Gold Project. PT Mining One Indonesia is a wholly owned subsidiary of Mining One Pty Ltd (“M1”), an international mining consultancy with over 25 years of experience and headquarters in Melbourne, Australia.

This assessment is intended for inclusion in a Competent Person's Report (“CPR” or “the Report”) suitable for a prospectus supporting the proposed listing of PT Merdeka Gold Resources Tbk. on the Main Board of the Stock Exchange of Hong Kong Ltd. (“the Stock Exchange”), a wholly owned subsidiary of Hong Kong Exchanges and Clearing Ltd. (“HKEX”). The Mineral Resources and Ore Reserves Estimate presented in this report has been prepared in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“JORC Code”), as well as the Listing Rules of the Stock Exchange, including Chapter 18 requirements and other relevant regulations.

It should be noted that the Report does not provide an opinion on the value of the minerals or other assets involved. All project values are presented in real (discounted) terms unless stated otherwise.

2 PROGRAM OBJECTIVES AND WORK PROGRAM

2.1 Purpose of the Report

The purpose of this Competent Person's Report ("CPR") is to provide an independent, professional, and technically robust assessment of the Pani Gold Project asset of MGR for inclusion in a prospectus to be lodged in support of the company's proposed listing on the HKEX. Mining One has prepared this Report to present an impartial evaluation of the risks, opportunities, and technical considerations associated with the reviewed project. The Report is intended to inform investors and regulators by providing a transparent and unbiased appraisal of the project's technical merits and associated uncertainties. Compliance mapping with the HKEX can be found in APPENDIX 02A and APPENDIX 02B.

2.2 Reporting Standard

This Report has been prepared in accordance with the requirements of the 2012 edition of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets ("VALMIN"). Mining One considers this document to be a Technical Assessment Report under VALMIN. VALMIN incorporates the JORC Code, which governs the classification and reporting of Mineral Resources and Ore Reserves ("MROR") and is binding upon all members of the Australasian Institute of Mining and Metallurgy ("AusIMM").

This Report is not a Valuation Report and does not provide an opinion on the monetary value of the mineral assets. While Mining One has reviewed aspects such as commodity pricing, socio-political context, and environmental considerations, no valuation of the assets or tenements is expressed herein. MROR referenced in this Report are reported in accordance with JORC Code.

2.3 Limitations Statement

Mining One is not professionally qualified to opine upon or confirm the MGR's legal ownership of its underlying tenements, nor to verify the absence of unresolved legal matters relating to tenure transfers, royalties, or associated fees. Mining One has therefore assumed that no legal impediments exist regarding the tenements under review and that MGR holds the legal rights as purported. Responsibility for verifying tenure and ownership lies with legal due diligence conducted by appropriately qualified entities independent of Mining One.

2.4 Effective Date

The effective date for this CPR is deemed to be 31 December 2025 ("Effective Date"). The Mineral Resource and Ore Reserve statement presented herein are reported as of 31 December 2025 and represent the status of the project as reviewed and accepted by Mining One's Competent Person.

2.5 Work Program

Mining One's work program has comprised a comprehensive technical review of available geological, mining, metallurgical, environmental, and socio-economic data. This included assessment of exploration results, resource estimation methodologies, mine planning, metallurgical test work, infrastructure requirements, and environmental and social impact considerations. The program was designed to identify material risks and opportunities, evaluate compliance with international reporting standards, and provide a basis for informed decision-making by stakeholders.

2.6 Mining One Experience

Mining One brings extensive experience in technical due diligence, resource and reserve estimation, mine design, and project evaluation across a wide range of commodities and jurisdictions. The firm has a proven track record in preparing Competent Person's Reports for stock exchange listings and is recognized for its technical rigor, independence, and adherence to international reporting standards.

Some recent examples of Mining One related experiences is summarised in Table 2-1.

Table 2-1 Mining One Recent Related Experience Examples

Company	Mining One Involvement	Year
Sunrise Energy Metals (ASX: SRL)	Syerston Project Mineral Resources and Ore Reserves Estimate	2025
Evolution Mining (ASX: EVN)	Cowal Gold Ore Reserves Estimate	2025
Wiluna Mining Corporation (ASX: WMC)	Wiluna Mineral Resources Estimate	2025
Terramin Australia Ltd (ASX: TZN)	Independent Technical Evaluation (ITE) Report for a Project in Algeria	2025
Larvotto Resources (ASX: LRV)	Independent Technical Evaluation (ITE) for Hillgrove Project	2025
Iltani Resources (ASX: ILT)	Orient East Mineral Resources Estimate	2025
PT Merdeka Copper Gold Tbk. (IDX: MDKA)	Pani Gold Project Ore Reserves Estimate	2025
PT Indika Energy Tbk (IDX: INDY)	Salu Bulu & Awak Mas Ore Reserve Estimate Update	2025
MMG (HKEX: 1208)	Kinsevere Ore Reserves Estimate	2025

2.7 Project Team

This Competent Persons' Report has been prepared by the following Mining One professional with the key personnel with their positions and roles are summarised in Table 2-2.

Table 2-2 Mining One Key Personnel List

Name	Position	Roles
Ievan Ludjio	Director/Principal Mining Engineer	Competent Person for Ore Reserves Estimate
Alex Lukomskyj	Principal Resource Geologist	Competent Person for Mineral Resource Estimate
Joseph Tachie-Menson	Principal Mining Engineer	Mining, Ore Reserves, and Project Financial Review
Cameron Farrington	Principal Mining Engineer	Project Financial Review, Overall Report Internal Peer Review
Trent Jolly	Principal Process Engineer	Metallurgical, Processing, and Tailings Review
David Lucas	Principal Geotechnical Engineer	Geotechnical Review
Peter Gribbin	Principal Hydrogeologist	Hydrology, Hydrogeology, ESG Review

The summary of key personnel experience and expertise is as follows:

- Ievan Ludjio, B.Eng Mining, FAusIMM CP (Mining), RPEQ — Director and Principal Mining Engineer.** Ievan is a Mining Engineer with over 25 years of experience in the mining industry. He has held diverse technical roles in short, medium, and long-term mine planning as well as production engineering, and has contributed to projects across multiple study phases from concept through feasibility to implementation. His expertise spans a wide range of commodities including coal, gold, silver, copper, nickel, bauxite, iron ore, tin, limestone, phosphate, and rare earths in various international jurisdictions. Ievan is a Chartered Professional (Mining), Fellow of AusIMM (FAusIMM), Registered Professional Engineer of Queensland (RPEQ), recognised Competent Person

Indonesia for KCMI Ore Reserve Reporting for gold, base metals, tin, and coal, and Competent Person for Ore Reserve reporting under Indonesia National Standard (SNI 4726:2019).

- **Alex Lukomskyj, B.Sc. (Hons.) Geology, MAusIMM — Principal Resource Geologist.** With more than 15 years of experience in mining and exploration, Alex is a JORC Code Competent Person and NI 43-101 Qualified Person in reporting Mineral Resources on international stock exchanges. Alex is highly skilled in Datamine, Snowden Supervisor and Leapfrog, having produced both linear and non-linear resource estimates for mining studies and technical due diligence worldwide. His consulting work has covered underground and open pit projects across a variety of commodities, with particular expertise in precious and base metals. Prior to consultancy, Alex worked with multinational producers and explorers in key mining regions including the West Australian Goldfields, Mount Isa Inlier, Lachlan Fold Belt and Arizona Laramide Arc.
- **Joseph Tachie Menzon, B.Sc Mining Engineering, MAusIMM CP (Mining) — Principal Mining Engineer.** Joseph has 23 years of technical and operational experience in multinational organisations. His career encompasses equipment operation, fleet management, mine planning, supervision, contract administration, and mine management, alongside expertise in financial modelling, enterprise optimisation, explosives management, asset management, and tailings storage facility oversight. Joseph has contributed to numerous feasibility studies, served as the Competent Person for several Ore Reserves Statement, and is proficient in a wide range of mining software including Minemax, Surpac, Talpac, XPac, Whittle, Vulcan, Alastri, and others. He is a Chartered Professional of AusIMM, holds the New South Wales (NSW) Quarry Manager's Certificate of Competency, and is currently pursuing an MBA at the Melbourne School of Business.
- **Cameron Farrington, MBA (Finance), B.Eng Mining, MAusIMM CP (Mining) — Principal Mining Engineer.** Cameron has nearly 30 years of experience in technical and operational leadership across the global mining industry. He has worked extensively across commodities such as iron ore, copper, gold, diamonds, and coal, developing a strong understanding of value drivers unique to each. His career spans site-based engineering through to senior leadership roles, including his legislatively appointed position as Site Senior Executive in coal. Cameron's operational expertise is reinforced by his tenure as Fleet Performance Superintendent, where he managed large-scale fleets of haul trucks and dig units, applying this knowledge to deliver numerous fleet optimisation studies from concept to execution.
- **David Lucas, B.Sc (Hons) Geophysics, MSc (Engineering Geology), MAusIMM CP (Geotechnical), RPEQ — Senior Principal Geotechnical Engineer.** David has over 35 years of experience in mining and civil geotechnical engineering, including nearly 30 years in mining across Australia and South-East Asia. He specialises in slope stability for open-cut mining, with extensive experience in rock and soil slopes, overburden dumps, and stockpiles across hard rock mines, coal mines, and quarries. With a strong geological foundation, David integrates geological understanding into geotechnical solutions. His career includes 12 years in site-based operational roles and two decades of consulting, covering feasibility studies, mine closure, risk-based stability assessments, and stakeholder engagement. He is a Chartered Professional of AusIMM and a Registered Professional Engineer in Queensland and Victoria.
- **Trent Jolly, B.Eng (Hons) B.Com, DipML (Chinese) — Principal Process Engineer.** With over 15 years of experience in project delivery, process optimisation, and operational improvement, Trent has worked in both site-based and consulting roles, focusing on efficiency and optimisation of processing plants. Trent's expertise spans gold and base metals mineral processing and hydrometallurgy, with involvement in studies from scoping through feasibility, as well as commissioning and optimisation of site projects. He has a strong interest in data analytics to drive process improvements and has recently developed expertise in technical due diligence and valuations for large-scale international mining acquisitions.

- ***Peter Gribbin, DUC (Hydrogeology), MSc (Soil Mechanics), DIC (Civil Engineering), B.Sc (Hons) Geology — Principal Hydrogeologist.*** Peter has over 35 years of experience across mining, civil engineering, geotechnics, and hydrogeology. As a Chartered Professional Geologist, Peter has worked extensively in Africa, Asia, Australasia, and the UK, applying integrated geoscience solutions to mining, infrastructure, tunnelling, land development, and water resource projects. His career includes significant periods in mining and environmental regulation, followed by 15 years of consultancy supporting mining and major infrastructure projects. He is particularly experienced in technical due diligence for acquisitions, ASX listings, and the application of mining standards codes for new operations.

2.8 Warranties

MGR has warranted to Mining One that full disclosure has been made of all material information relevant to the project and that, to the best of its knowledge and belief, such information is complete, accurate, and true. Mining One has no reason to doubt the validity of these warranties.

2.9 Indemnities

In accordance with VALMIN, MGR has provided Mining One with an indemnity under which Mining One is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- Which results from Mining Ones' reliance on information provided by MGR or to MGR not providing material information; or
- Which relates to any consequential extension workload through queries, questions or public hearings arising from this Report.

2.10 Compliance Statement

The information in this Report relating to MROR is based on work compiled by Mr. Ievan Ludjio, FAusIMM, CP (Mining) and Mr. Alex Lukomskyj, MAusIMM, both full-time employees of Mining One. Mr. Ludjio is the principal Competent Person, responsible for the overall Report and for the Ore Reserve estimates, while Mr. Lukomskyj is the Competent Person for the Mineral Resource estimates.

This CPR has been prepared in accordance with the Listing Rules of the HKEX. Both Competent Persons have sufficient relevant experience with the style of mineralisation, deposit type, and technical activities under consideration to qualify under the JORC Code. They consent to the inclusion of their work in the Report in the form and context in which it appears.

Peer review and quality control were conducted by Cameron Farrington and Joseph Tachie-Menson, both are Mining One's Principal Mining Engineer.

2.11 Independence Statement

Neither Mining One nor any of the authors of this Report have any material present or contingent interest in the outcome of this assessment, nor any pecuniary or other interest that could reasonably be regarded as compromising independence. Mining One's professional fees for this assignment are based on standard daily rates plus reimbursement of incidental expenses and are not contingent upon the outcome of the Report.

Mining One has been involving with the project since the commencement of Definitive Feasibility of the Project in 2023.

2.12 Consent

Mining One consents to this Report being included in full in the PT Merdeka Gold Resources Tbk. prospectus, in the form and context in which the technical assessment is provided, and not for any other purpose. Mining One provides this consent on the basis that the technical assessments expressed in the Executive Summary and in the individual sections of this Report are considered with, and not independently of, the information set out in the complete Report and the Cover Letter.

2.13 Forward Looking Statement

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Mining One undertakes no obligation to update these statements if circumstances, estimates or opinions should change and shall be indemnified for any claims or liabilities arising from reliance on the information contained within.

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice. The reader is cautioned not to place undue reliance on forward-looking statements.

3 OPERATING LICENCES AND PERMITS

The information presented in this chapter regarding operating licenses and permits has been provided by MGR. Mining One has undertaken a review of this information; however, no detailed legal or regulatory due diligence has been conducted. Mining One has relied solely on the information supplied by MGR and has not independently verified the status of the licenses or permits. Based on the information available, Mining One is not aware of any issues that would prevent the issuance or continuation of the permits, nor any matters that would impede the commencement or continuation of mining and processing operations.

3.1 Mining Licences

The Mineral Resources and Ore Reserves Estimate reported in this statement comprises the following concessions:

- PT Gorontalo Sejahtera Mining (“GSM”) Contract of Work;
- PT Puncak Emas Tani Sejahtera (“PETS”) Mining Production Permit (known as IUP Operasi Produksi);
- PT Pani Bersama Tambang (“PBT”) Processing and Refining Special Permit (known as IUP Pengolahan Pemurnian) – this permit has later been converted into Industrial Business License (“IUI”) on 8 October 2021; and
- PT Pani Industri Nusantara (“PIN”) was established in mid-2025 for the purposes of operating the CIL. The application for certain construction and operation permitting is ongoing when this report is being prepared.

The details of Pani Gold Project Mining Licenses are summarised in Table 3-1, accompanied with the license’s boundary illustrated in Figure 3-1.

Table 3-1 Pani Gold Project Mining Licenses Summary

	<u>PT Puncak Emas Tani Sejahtera (PETS)</u>	<u>PT Gorontalo Sejahtera Mining (GSM)</u>	<u>PT Pani Bersama Tambang (PBT)</u>
Approval Issuer	Decree of the Head of Investment Department of ESDM and the Transmigration Province of Gorontalo	Decree of the Minister of Energy and Mineral Resources	Decree of the Head of Investment Department of ESDM and the Transmigration Province of Gorontalo
Approval No. .	30/DPM-ESDM-TRANS/PER-IUP-OP/IV/2020	457.K/30/DJB/2017	10/DPMESDM-TRANS/IUP-OP-OLAH/III/2019
Approval Date	20 April 2020	13 December 2017	14 March 2019
Expiry Date . .	23 November 2032	1 December 2049	14 March 2035
Status	IUP Operation Production (IUP OP)	Contract of Work (CoW) Amendment	IUP Processing Refinery, converted into Industrial Business License (IUI) on 8 October 2021.
Area (Ha) . . .	100	14,570	720.71

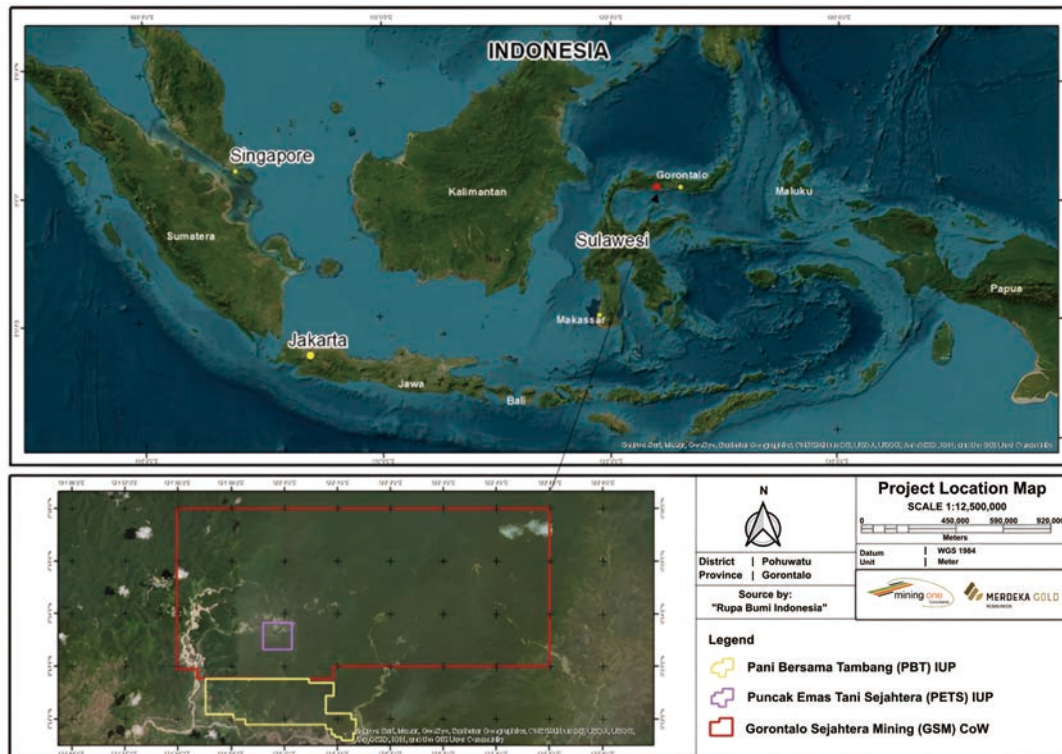


Figure 3-1 Pani Gold Project Mining Licenses

3.2 Other Operational Permits

Other related main operational permits are advised as follows:

- Environmental Impact Statement (AMDAL)** — known as *Analisa Mengenai Dampak Lingkungan* (AMDAL), it is a mandatory, comprehensive, and legally binding environmental impact assessment used to evaluate, mitigate, and manage the significant impacts of mining projects (exploration, operation, post-mining) on the environment and surrounding communities. It acts as a necessary prerequisite for obtaining environmental approval and mining business licenses (IUP). The details of the permit secured for the project are discussed in Section 13.4.1.
- Government of Indonesia Feasibility Study** — The other mandatory approval required is the Government of Indonesia Feasibility Study (GoIFS) issued by the Directorate General of Mines and Energy, Ministry of Energy and Natural of Resources and Energy (ESDM). This submission focuses on technical aspects and the projects economics and is considered interdependent with the AMDAL.

- c. **Approval of Forest Areas Utilisation** — known as *Persetujuan Penggunaan Kawasan Hutan* (“PPKH”) or formerly IPPKH, is a legal permit issued by the Ministry of Environment and Forestry (“KLHK”) allowing mining operations to occur within state-designated forest zones. The details of the permit secured for the project are discussed in Section 13.4.3.
- d. **The Spatial Plan Conformity Permit (KKPR)** — known as *Kesesuaian Kegiatan Pemanfaatan Ruang* (“KKPR”), formerly *Izin Lokasi*, is a mandatory approval in Indonesia ensuring that mining activities align with the national or regional Spatial Plan (RTRW/RDTR). It verifies that the proposed mining area is suitable for land use, acting as a prerequisite for business licenses and environmental approvals to ensure sustainable and compliant operations. The details of the permit secured for the project are discussed in Section 13.4.4.
- e. **Tailings Dam Facility Permit** — The jurisdiction of the assessment/approval of the construction and operation of dam for Tailing Storage Facilities is in the Ministry of Public Work (*Pekerjaan Umum* “PU”). The details of the permit secured for the project are discussed in Section 13.4.5.
- f. **Technical Approval (PERTEK)** — In Indonesia’s mining sector, the Technical Approval Permit (*Persetujuan Teknis*/PERTEK) serves as a critical, mandatory authorization verifying that a company’s operational plans comply with safety, engineering, and environmental standards. It is essential for obtaining Mining Business Licenses (IUP), specifically for approving detailed mine plans, processing facilities, and environmental management before operations commence. This is further discussed in 13.4.6.
- g. **5-Year Reclamation Plan and Mine Closure Plan** — The plan is an approved document for IUP/IUPK holders to restore post-mining land, ensuring environmental stability, ecological rehabilitation, and proper waste management. These plans, regulated under Law No. 3/2020, prevent environmental damage, facilitate land reclamation, and must include a guarantee fund, with failure resulting in up to 5 years of imprisonment and significant fines.

Mining One also have been advised that other Legislative and Regulatory Requirements such as permits for explosive, port, use of water, electrical, and fuel storage are already in place.

4 REGIONAL DESCRIPTION

4.1 Location and Accessibility

The Pani Gold Project is situated at Mount Pani (Gunung Pani) in the Pohuwato Regency of Gorontalo Province, located on the northern arm of Sulawesi Island, Indonesia (Figure 4-1). The project area lies approximately 15 km inland from the coastal town of Marisa, which functions as the administrative and logistical centre for the region. The site is positioned within rugged tropical terrain characterised by steep hillsides and dense rainforest, with elevations ranging from approximately 450 m to 780 m above sea level.

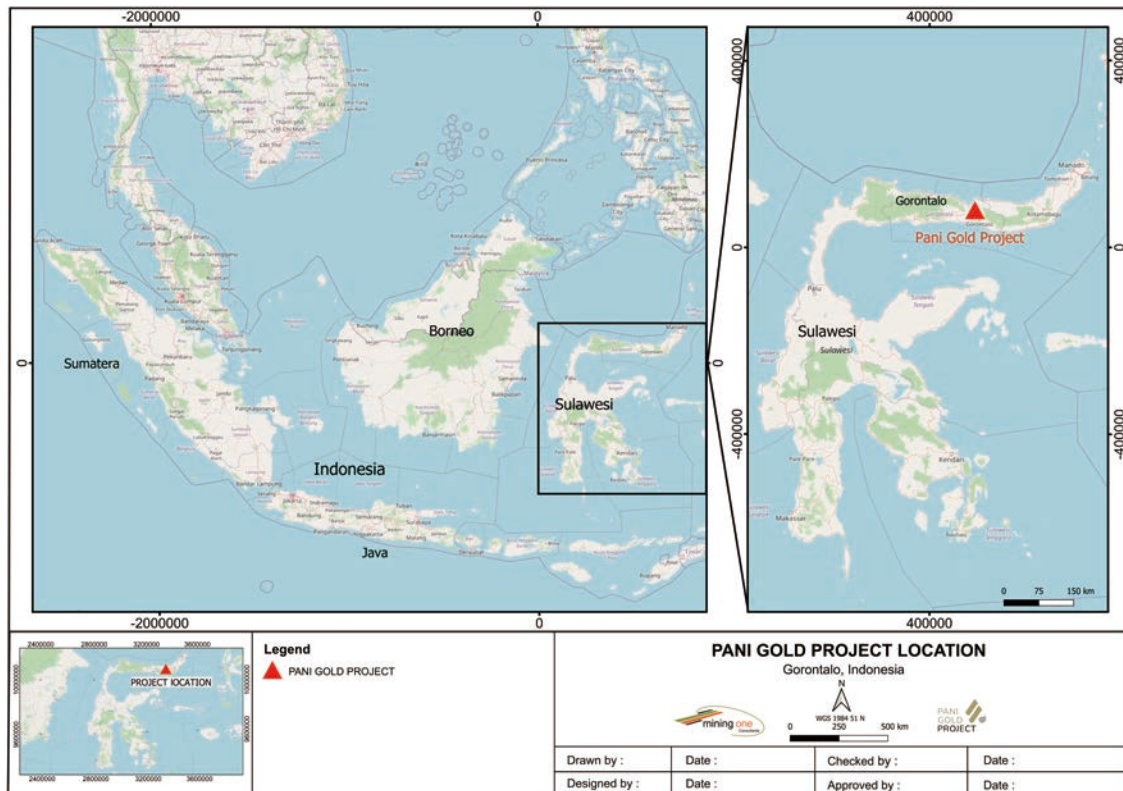


Figure 4-1 Pani Gold Project Location Map

Access to the project is via Gorontalo City, the provincial capital, which is serviced by a commercial airport with regular connections to major Indonesian hubs. From Gorontalo, the project is reached via the Trans-Sulawesi Highway and a network of provincial sealed roads. These routes provide reliable access for both light and heavy vehicles; however, several sections remain unsealed and may require upgrading or seasonal maintenance to support construction and mining traffic.

Marine access is available through the Marisa – Bumbulan coastal port facilities, which offer potential support for the delivery of bulk materials, equipment, and fuel. Overall, access to the Pani Gold Project is considered robust, with seasonal rainfall representing the primary factor influencing logistics planning and road conditions.

4.2 Climate

The Mount Pani region experiences a tropical equatorial climate characterised by consistently high temperatures, elevated humidity, and pronounced seasonal rainfall. Climatic conditions are influenced by regional monsoonal systems and the project's proximity to the Gulf of Tomini.

Rainfall is the dominant climatic factor, with a distinct wet season occurring from October to March, associated with the northwest monsoon. During this period, the majority of annual precipitation occurs, and total annual rainfall typically exceeds 2,000 mm. Intense, short-duration storm events are common and can result in rapid surface runoff, localised flooding, and temporary access constraints.

The drier season extends from April to September, although intermittent convective rainfall may still occur. This period generally provides more favourable conditions for field activities.

Daily temperatures remain relatively stable throughout the year, ranging from approximately 23°C to 32°C at lower elevations, with slightly cooler conditions at higher altitudes. Relative humidity commonly exceeds 75%, particularly during the wet season and overnight periods.

Prevailing winds are typically light to moderate and vary seasonally in response to monsoonal circulation patterns. Severe cyclonic activity is uncommon in northern Sulawesi; however, heavy rainfall associated with monsoonal systems remains a key climatic consideration for project planning.

4.3 Local Resources

Sulawesi's economy is supported primarily by agriculture, fisheries, and mining, with forestry playing a diminishing role. Agriculture and fisheries remain the dominant sources of employment across rural areas, while mining, particularly nickel and gold, represents a major contributor to national investment, export revenue, and infrastructure development.

Within Gorontalo Province, mining activity is limited but expanding. The region has a history of mineral exploration, particularly for gold, although no large-scale mining operations have yet been established.

Local communities surrounding the Pani area provide access to a semi-skilled and unskilled workforce suitable for construction, earthworks, and general operational support. Labour availability is generally favourable, with competitive wage rates relative to major Indonesian mining regions. Skilled technical labour, including engineering, geology, mechanical, and electrical trades, is less abundant locally but readily sourced from established mining centres elsewhere in Indonesia. The country maintains a well-developed mining and industrial workforce, and mobilisation of experienced personnel to Gorontalo Province is considered feasible.

Growth in Indonesia's mining sector has been accompanied by expansion of vocational institutions and regional universities, supporting the development of mining-related professional skills. As such, the region is well positioned to contribute to the workforce requirements of the Pani Gold Project.

Local contractors and service providers are available to support early works, while large-scale infrastructure development may require specialist national or international contractors, consistent with industry practice. With recent growth in the Indonesia mining sector, it is evident that undertaking construction and operations support at Pani is unlikely to be a constraint.

Heavy mining equipment, specialised plant, and high-voltage electrical components are expected to be imported through major Indonesian ports and transported to site by road, requiring appropriate logistics planning to account for road conditions and seasonal weather.

Early engagement with local communities and structured employment and procurement strategies will be important to maximise local participation, manage expectations, and support workforce stability during construction and operations. The region has prior exposure to mineral exploration and small-scale mining, and community awareness of mining activities is generally well developed.

The project will be predominantly supplied by road transport. Despite seasonal challenges, existing infrastructure is considered adequate to support operations. Fuel will represent one of the largest consumables and will require regular deliveries to maintain on-site inventory; no significant impediments to fuel supply have been identified.

The local power grid has been assessed as capable of supporting the initial phases of the project. A power supply agreement with the state-owned utility PT Perusahaan Listrik Negara (PLN) has been executed, and a 150 kV transmission line connecting the project to the regional grid was energised in October 2025, ensuring reliable power availability for early project development.

4.4 Physiography

The Pani Gold Project is located within the northern arm of Sulawesi Island, an area characterised by complex volcanic and tectonic landforms associated with an active convergent plate boundary. The physiography is dominated by rugged, dissected uplands with steep relief and deeply incised drainage systems.

The project area comprises a series of steep ridges, narrow crests, and irregular hill slopes forming part of a broader volcanic highland system. Elevations range from approximately 450 m to 780 m above sea level, with local relief commonly exceeding 200 – 300m. Slopes are frequently steep, often exceeding gradients of 25 – 35°, particularly along ridge flanks and valley walls.

Topography is strongly influenced by volcanic construction and subsequent erosional processes, resulting in uneven terrain with sharp ridgelines, spur-and-gully development, and limited flat ground. Drainage is predominantly dendritic to sub-dendritic, with numerous short, high-gradient streams flowing toward the lowlands and ultimately into the Gulf of Tomini. These channels are typically narrow, deeply incised, and highly responsive to intense rainfall events, contributing to rapid runoff and elevated erosion potential.

Soils are generally residual, highly weathered, and derived from volcanic materials. They are typically clay-rich and lateritic in places, with reduced strength and increased plasticity when saturated. Colluvial deposits are common on mid- to lower slopes, while limited alluvial sediments occur within narrow valley floors.

Vegetation cover consists predominantly of dense tropical rainforest, which provides partial slope stabilisation but obscures many surface geomorphological features.

5 GEOLOGICAL SETTING AND MINERALISATION

5.1 Regional Geology

Pani is located in the central section of the north arm of Sulawesi, Indonesia (Figure 5-1). Gorontalo is a historically well-known gold and base metal district and one of several metallogenic belts in Indonesia. Extraction of precious metals began during Dutch colonisation in the late 19th century. The sub-districts of Paleleh and Tilamuta are some of the historical prospects along the northern coast of the Celebes region and were part of The Netherland's 'Oost-Indie' colony.

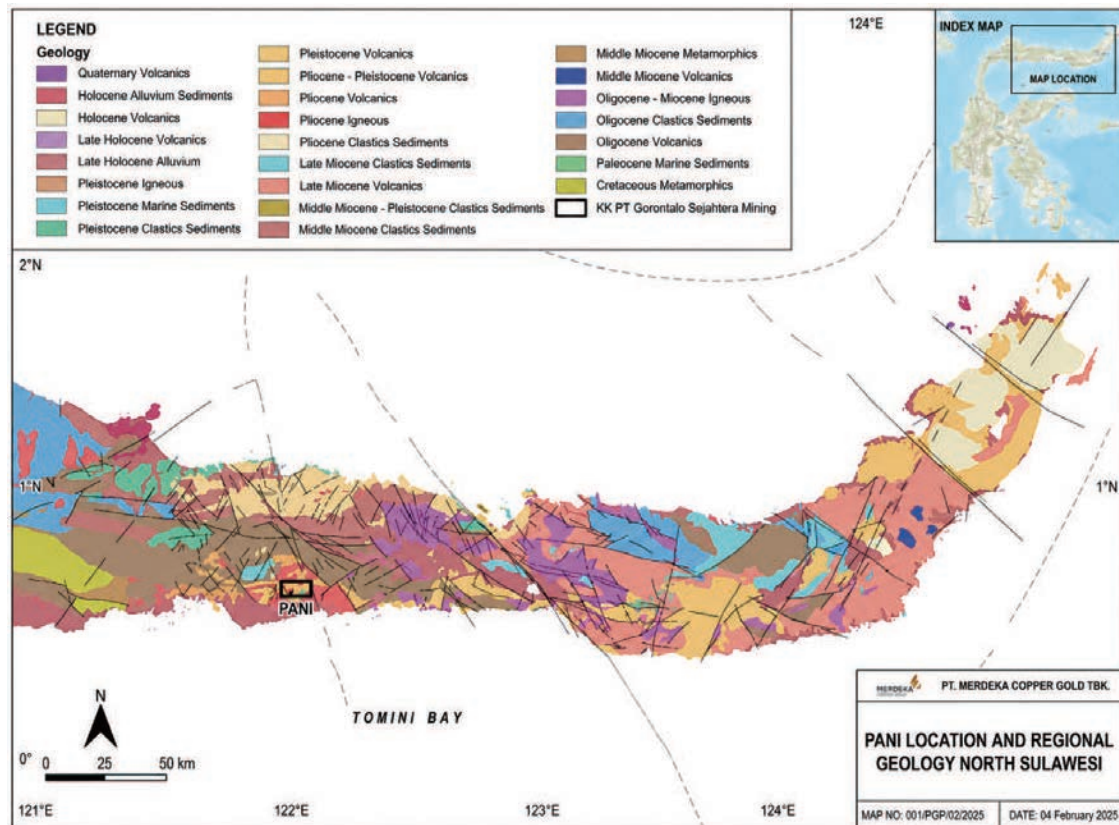


Figure 5-1 Pani Regional Tectonic Setting

Pani is located within the Tertiary magmatic arc of North Sulawesi and surrounded by three active tectonic plates. The relative movement of these plates creates complex deformation zones at the regional level. Mio-Pliocene Intrusions and Plio-Pleistocene volcanics are the main rock units that underlie Pani. The WNW-ESE trending lithology contacts are parallel with the Gorontalo pull-apart structure.

5.2 Property Geology

The general stratigraphy of the Pani district is divided into three distinct sub-domains: (1) the Miocene intrusive basement, (2) overlain by Pliocene intrusive rocks (3) and the adjoining volcanic rocks of the Pani Volcanic Complex (PVC). The basement rocks, comprising granodiorite, diorite, quartz diorite and andesite, are absent in areas such as Ilota, Baganite and Pani Ridge. A conceptual geological model and stratigraphic column for Pani is shown in Figure 5-2 and Figure 5-3 respectively.

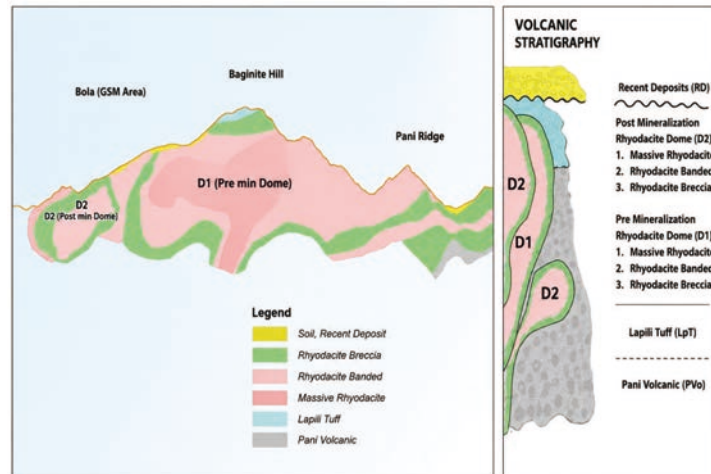


Figure 5-2 Conceptual Model of Iloa – Baganite - Pani Ridge

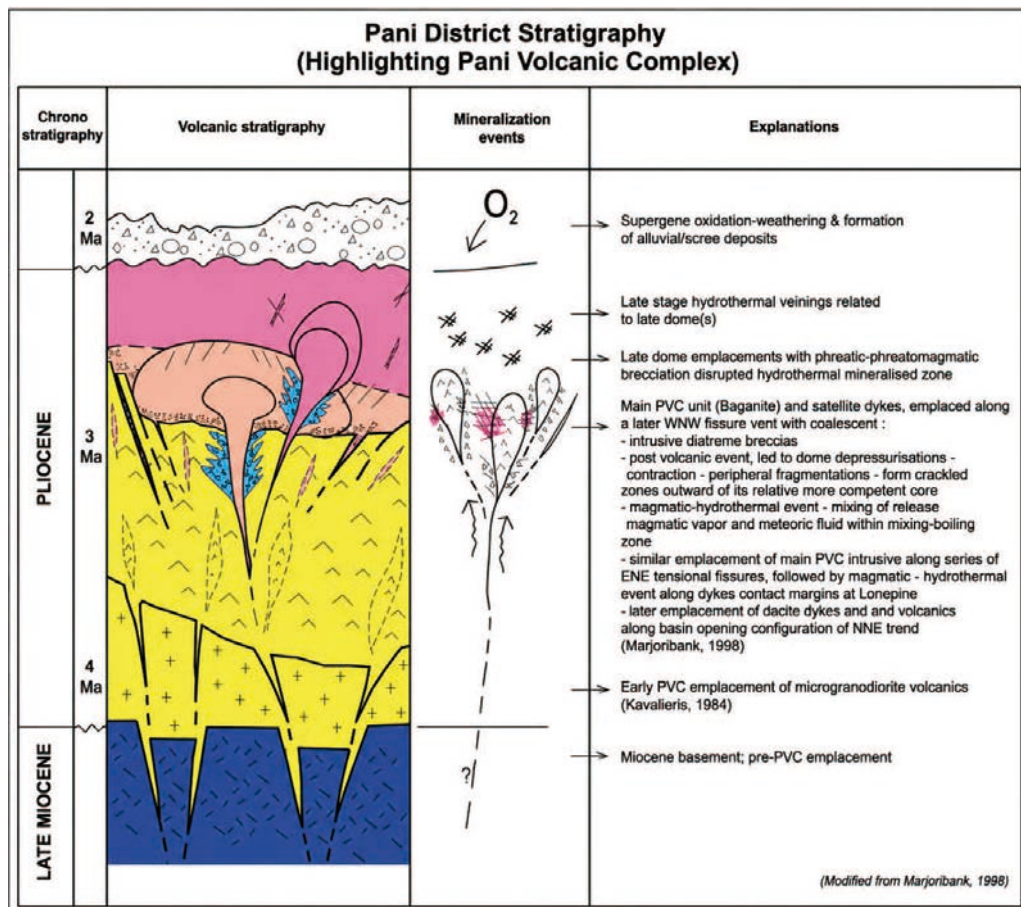


Figure 5-3 Pani District Stratigraphy

5.3 Mineralised Zones

The geology of the Pani gold deposit is complex. Gold mineralisation is hosted within the Baganite volcanic dome complex which comprises massive and flow-banded rhyodacitic lithologies and associated rhyodacitic breccias. Gold mineralisation appears to be controlled by a combination of lithology, alteration and structure. In terms of structural controls, gold mineralisation is hosted within extensional fractures and

occurs mostly as free gold. Gold and silver mineralisation at Pani is associated with open space oxide-sulphide fracture fillings stockwork, veins and narrow mosaic hydrothermal breccia within the dominantly silica altered host rock. Mineralisation appears to be controlled by pre-existing fractures and faults. These zones have dominant orientations of ENE-WSW and NNE-SSW. The structures are moderate to steeply and dipping to the west. A conceptual image of Pani alteration and mineralisation is shown in Figure 5-4.

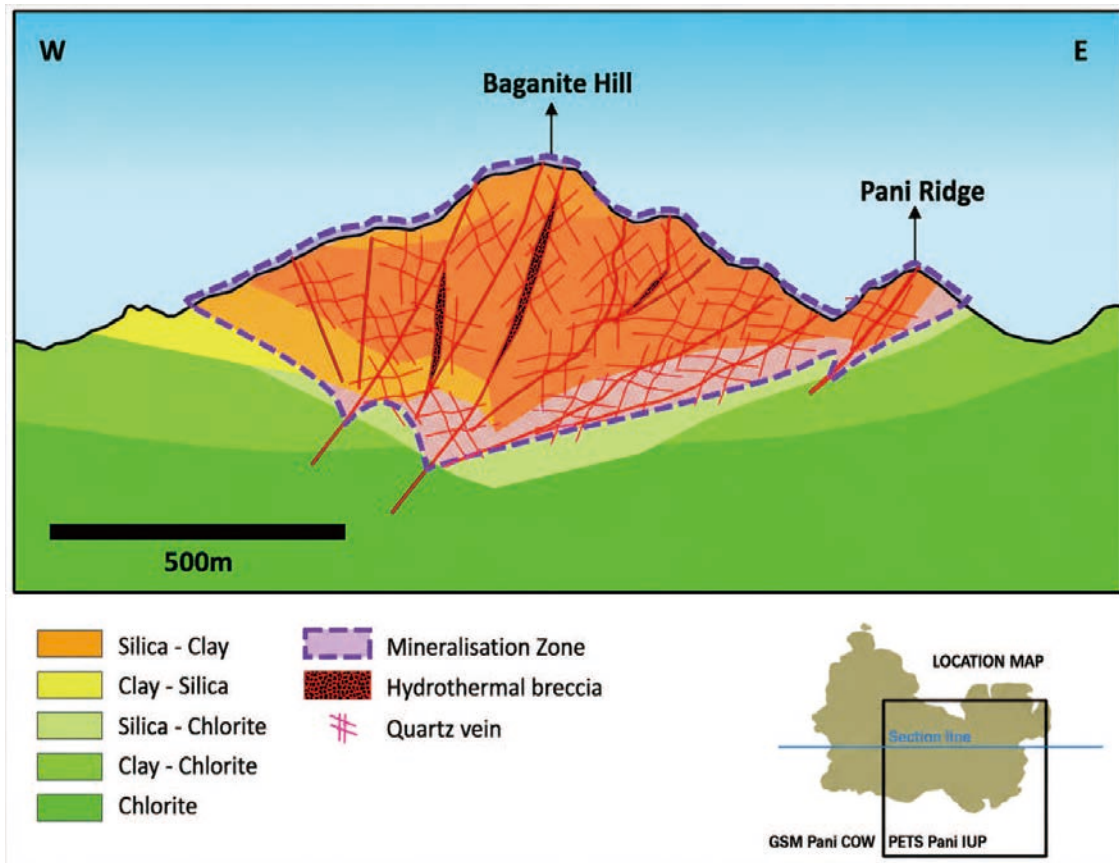


Figure 5-4 Pani Conceptual Section of Geology and Mineralisation

The majority of sulphides are hosted within a large number of millimetre-wide fractures, confined thickness quartz veinlets, subordinate quartz veins and narrow mosaic hydrothermal breccias. Pyrite is the dominant sulphide mineral (< 1% by mass) ± galena ± sphalerite hosted as micro inclusions. Low to moderate grade (0.2 - 1.0g/t Au) zones generally exist as broad, continuous zones of mineralisation. Higher grade mineralisation (> 1g/t Au) exhibits a more variable grade distribution with increased continuity.

5.4 Deposit Types

Pani is classed as a low-sulphidation epithermal gold deposit type with mineralisation associated with open space oxide-sulphide fracture fillings, stockwork veins and narrow mosaic hydrothermal breccias within dominantly silica altered host rock. There are four dominant types of alteration zones commonly associated with low-sulphidation deposits: silica-smectite (SI-CY), silica-chlorite (SI-CH), clay-silica (CY-SI) and clay-chlorite (CY-CH). The silica-clay alteration zone is associated with the main mineralisation. A simplified conceptual model of Pani's alteration is shown in Figure 5-5.

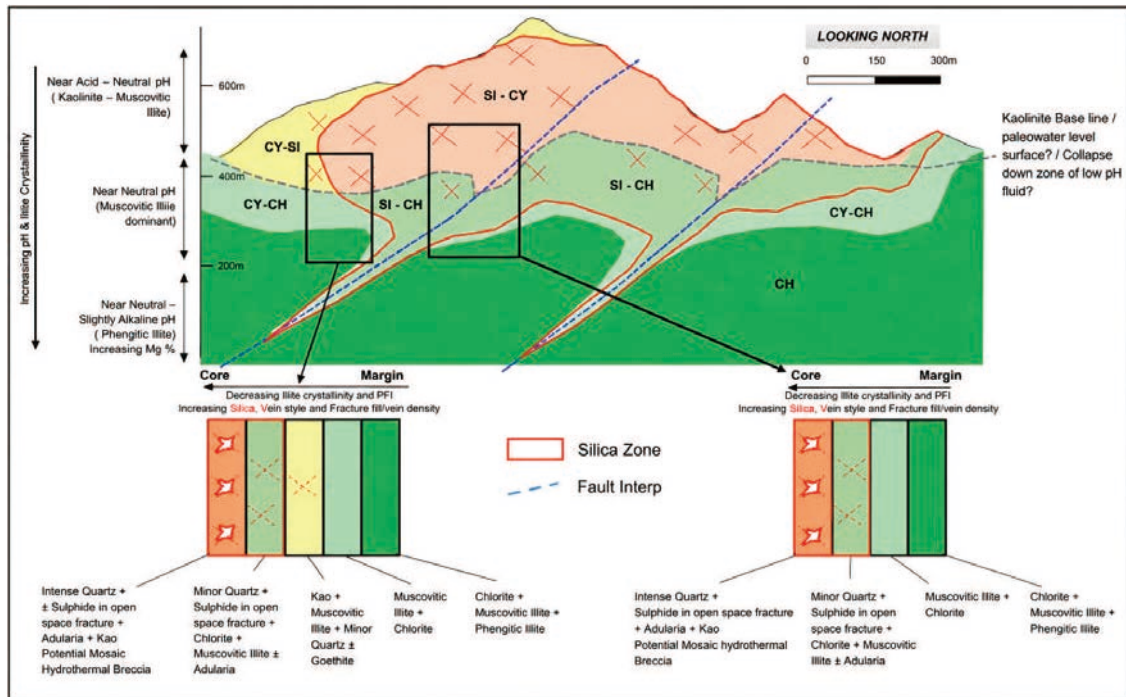


Figure 5-5 Simplified Pani Alteration Model

The alteration at Pani formed under low-temperature conditions, consistent with the low-sulphidation deposit type. This is characterised by large quantities of white mica-illite across all alteration zones, predominantly as illite and illite-smectite. Alteration in low-sulphidation deposits form from near-neutral pH thermal waters with decreasing temperatures at shallower depths and further from fluid flow paths. Primary mineralisation is linked to muscovite composition above the oxide transition zone. At deeper levels, below the oxidation zone, phengite becomes dominant and mineralisation decreases. These changes in white mica composition and crystallinity correspond to low angle dipping structures that define the main mineralisation trend at Pani.

6 EXPLORATION

6.1 Exploration History

The exploration history of the Pani Project is outlined in Table 6-1 accompanied by drill collar distribution illustrated in Figure 6-1. A resource infill drilling program was completed in 2024.

Table 6-1 Pani Project Work History 1970-2024 for the combined GSM CoW and PETS IUP

Activities	1970	1971-1980	1981	1982	1983-1987	1988	1989	1990	1991-1993	1994	1995	1996	1997-2009	2010	2011-2024
Reconnaissance															
Mapping/Sampling															
Diamond Drilling															

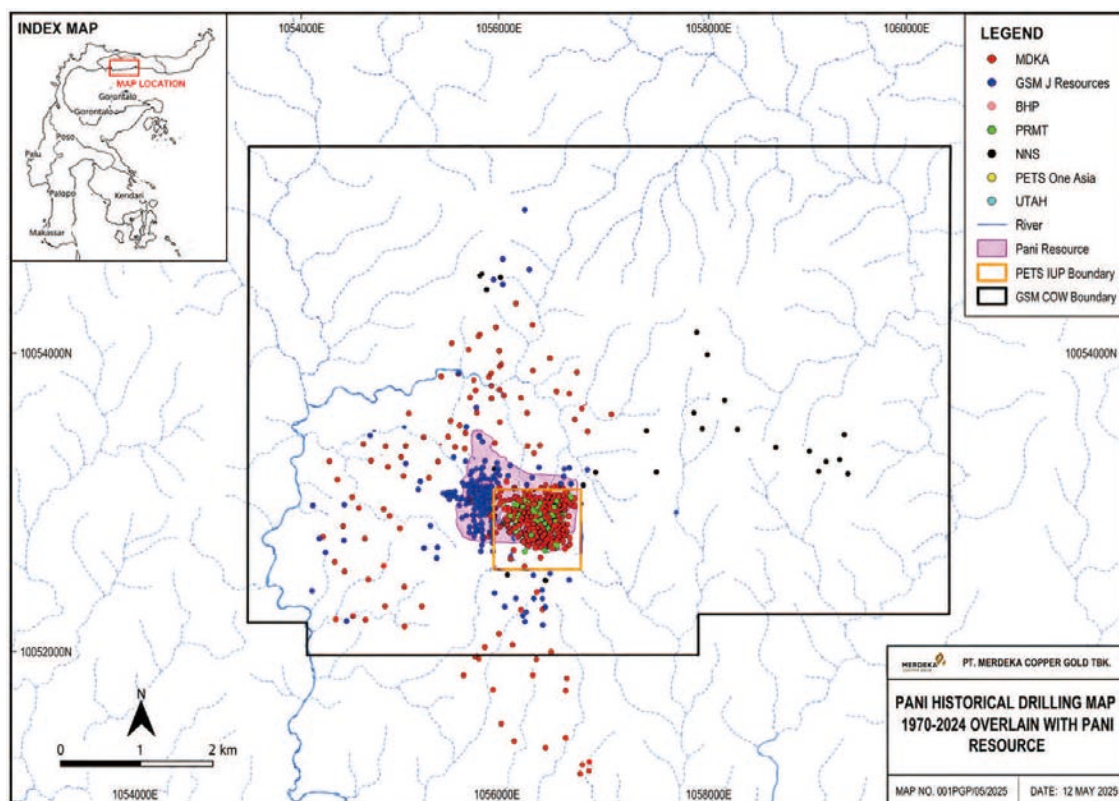


Figure 6-1 Pani Drilling Campaigns 1970 – 2024

Refer to Table 7-2 to Table 7-4 for a summary of exploration work completed to date including number of drillholes, their type, metres drilled and metres sampled.

The Gunung Pani gold prospect was first identified at the turn of the 20th century, when Dutch interests were drawn to the area by active local alluvial mining. Early Dutch underground mining attempts were undertaken on two occasions. However, neither effort achieved sustained success. The workings remained as the only evidence of early exploration until modern companies revisited the area decades later.

Modern exploration began between 1967 and 1969, when Newmont Limited conducted reconnaissance work that included sampling of the historic Dutch adits. Assay results ranged from 1.24 to 13.4 g/t Au, but Newmont Limited elected not to advance the project further.

Systematic regional exploration commenced in 1970 under a 12,000 km² government concession held by PT Tropic Endeavor Indonesia. This work delineated a northeast-trending corridor of anomalous gold mineralisation centred on Gunung Pani.

In 1973, Kennecott Exploration (Australia) Ltd. entered a joint venture with Tropic Endeavor and undertook more detailed geological mapping, channel sampling of the Dutch workings, and surface sampling. Bulk samples were collected for metallurgical testing, which demonstrated gold recoveries of up to 98% using direct cyanidation with low reagent consumption. Kennecott withdrew from the project in 1976.

Utah International subsequently entered into an agreement with Tropic Endeavor in 1980 and resumed exploration in 1981. Geological mapping and re-sampling of trenches and adits confirmed earlier results. In 1982, seven vertical HQ diamond drill holes (GPD-1 to GPD-7) totalling 1,739.4m were completed, accompanied by additional bulk sampling from surface exposures and three new adits totalling 219.7m. Tropic Endeavor relinquished the property in 1986.

Following relinquishment, PT Aneka Tambang acquired the area under Kuasa Pertambangan (KP) 318. In 1987, BHP–Utah Pacific secured an 80% interest and assumed management of the project. A second drilling campaign was completed between 1990 and 1991, comprising 22 inclined holes (GPD-8 to GPD-28 and GPD-28E) for 2,817.5 m, all located along Pani Ridge. Extensive 1 m channel sampling of 2.8 km step trenches and 1 km road cuts was also undertaken. Although drilling returned encouraging results, no updated resource estimate was produced. BHP–Utah Pacific withdrew from the joint venture in 1993.

In 1994, the Indonesian government granted a 100-ha block centred on Gunung Pani to the local cooperative KUD “Dharma Tani Marisa” under KP DU 360. Small-scale miners subsequently operated within the block using simple sluicing and amalgamation techniques. In 1996, KUD entered a Technical Cooperation Agreement with PT Pertiwi Nusa Mega (Pertiwi), which later formed a joint venture with Paramount Ventures and Finance Inc. (Paramount). Paramount completed detailed mapping, trenching, and 16 diamond drill holes totalling 1,915 m before the joint venture was mutually terminated on 18 May 1998. Azure Resources Corp. later signed a Memorandum of Understanding (MoU) with Pertiwi in 1999 to acquire a majority interest (90%) in the Pani Joint Venture.

Additional modern exploration was undertaken by One Asia Resources (One Asia), which secured an option over the Pani property in 2009 and drilled 137 holes totalling 26,017.70m. PT Merdeka Copper Gold Tbk later acquired the PETS IUP in December 2017 and completed 484 drill holes for 86,598.95 m.

Parallel to these developments, Newcrest Nusa Sulawesi (NNS) obtained rights to the broader Pani project area (excluding the KUD block) in 1994 and drilled 28 scout diamond holes totalling 4,711.85 m. PT J Resources Nusantara (JRN) acquired GSM from Avocet in 2011 and undertook extensive drilling, completing 684 holes for 106,660.70m. PT Merdeka Copper Gold Tbk acquired GSM in December 2021. In Q4 2025, exploration activities resumed at the Kolokoa Prospect, south of the Pani Mining Area. Two diamond drilling rigs completed 12 holes for a total of 2,199.5 metres, identifying new mineralisation zones. Diamond drilling remains ongoing during this reporting period, including detailed geological mapping and channel sampling.

Collectively, more than a century of intermittent exploration and mining activity has progressively advanced the geological understanding of the Pani Gold Project, culminating in the extensive modern drilling datasets that underpin current interpretations and resource evaluations.

6.2 Trenching and Tunnelling Exploration

6.2.1 Trenching

Refer to section 6.1 for historical trenching completed at the Pani project.

6.2.2 Underground Channelling

Refer to section 6.1 for historical underground channelling completed at the Pani project.

6.3 Exploration Drilling

Historical exploration drilling at the Pani project is detailed in section 6.1. Pani exploration drilling was designed, captured and stored in the survey system as presented in Table 6-2.

Table 6-2 Pani Survey System

Survey Factor	Pani Survey System
Reference co-ordinate system	SRGI2013
ESPG Geodetic Parameter Dataset	9481
Spheroid	WGS84
Projection	UTM
Zone	51 NORTH
Geoid model	EGM96
Units	METRIC

The base topography file used for exploration drill design and planning was derived from a LiDAR survey undertaken by PT Surtech Indonesia in December 2022. Tiled products derived from this survey included 1 m contours and a digital terrain model (DTM) of ± 0.1 m vertical accuracy and horizontal accuracy ± 0.15 m.

In 2024, a topography survey update was conducted by Pani's survey team using a Sokkia Total Station, with an accuracy of ± 2 mm. The combination between LiDAR and updated surface survey was used as the final topography in the mineral resource estimate declared in Q2 2024. An updated topography survey was completed on 31 December 2025 and used to deplete the estimate as a basis for end of year resource and reserves reporting.

The collar locations were measured by a company surveyor. Since 2022, the collar coordinates are surveyed using the Total Station Sokkia iM-50 Series Reflector with precision level ± 2 mm. On previous drilling campaigns the survey program was conducted using Total Station Sokkia equipment with a precision of ± 10 mm. The coordinate system used is datum WGS 1984, UTM Zone 51 Northern Hemisphere.

Collars survey data is considered acceptable for an estimation of Mineral Resources presented in this report.

Downhole surveys have been taken routinely throughout the projects history with surveys conducted on nominal 25 m intervals downhole and at end of hole. There is no downhole information for tools used in historic drilling by BHP, NNS and Paramount. A total of 35 historical drill holes for a total of 5,639 m is not included in the estimation. The downhole survey tools used by both previous companies PT One Asia (PETS licence) and PT J Resources (GSM licence) are Gen4 Proshot.

MGR downhole surveys for the drilling program in 2022 used a Reflex EZ Trac by IMDEX, switching to a Champ Magshot on 31 January 2024 All downhole surveys are recorded at 25 m from the start of the hole, then 50 m, then every 50 m as well as at end of hole.

The calibrations of all down hole tools were reviewed weekly by confirming the dip and azimuth of three fixed non-magnetic tubes. Any tools that are out of calibration are returned to the vendor and replaced with standby units on site.

The drilling conducted over the Pani Project area consisted of triple tube diamond drilling (DD) ranging in core sizes from PQ3, HQ3 to NQ3. Drill hole spacing at surface ranges from 40 m to 20 m in more densely drilled areas. The drill hole location and inclination vary depending upon ground conditions, topography, drilling platforms and the geometry of the mineralised trends.

All drill holes were geologically logged, including the lithology, alteration, oxidation and mineralisation from surface to end of hole (EOH) using a standardised legend and template. Observations have been validated by on-site supervisors, stored core inspections, internal studies and various reviews by epithermal experts.

Geotechnical logging has been undertaken at each drill site since 2011. The essential data captured is block-to-block recoveries, RQD, breaks, hardness, and weathering. Structure information also been logged with help from IQ logger tools to obtain alpha, beta and strike/dip measurements. Since 2022, hardness measurements have been measured using Equotip tools, at 10 cm intervals, which are averaged and reported at 1 m intervals. Equotip results are a ratio of rebound impact velocity known as Leeb hardness.

6.4 Sampling, Sample Preparation and Analysis

6.4.1 Drill Core Samples

Half-core sampling was undertaken in accordance with industry best-practice standard operating procedures. Sample intervals of approximately 2m, adjusted where necessary, were determined by the logging geologist based on observed geological characteristics, ensuring that each interval accurately reflected changes in lithology, mineralisation, or structural features.

6.4.2 Underground Channel Samples

Not applicable – no underground channel samples have been captured by MGR.

6.4.3 Bulk Density Samples

Throughout the project's history, bulk density measurements were taken routinely using the water immersion method. The methodology involved selecting intervals with sample lengths typically 0.1 m. Samples were dried at 65°C for two hours, and the density was calculated by dividing the weight of the sample in air by the weight of the sample in water. The following was captured per sample interval:

- Hole ID, Depth From (m), Depth To (m), Interval (typically = 0.1m)
- Wt_Air (weight of unwaxed core in air)
- Wt_Waxed_Air (weight of waxed core in air)
- Wt_Waxed_Water (weight of waxed core in water)
- Density calculation

Historically, the samples were coated in wax or cling wrap, and the current methodology uses clear plastic films.

6.4.4 Sampling and Sample Preparation

Sample preparation is carried out at the independent on-site Intertek laboratory preparation facility and includes the following steps:

- The entire half-core sample is crushed to 6 mm using a Terminator jaw crusher.
- The 6 mm material is further crushed to 2 mm using a Smart Boyd crusher.
- A 1.5 kg sub-sample is collected from the Boyd-crushed material using a rotating sample divider (RSD).
- The 1.5 kg sub-sample is pulverised to 75 µm using Lab technics LM2 pulverisers.
- Prior to 2021, 200 g of pulverised material was sent to Intertek Jakarta for analysis. Since 2021, the protocol has been updated, and 250 g of the pulp is now sent to Geoservices Jakarta for analysis as more material is required for additional geochemical analyses.

The historical sampling and sample preparation followed industry-standard methods, except for the PETS historical samples. In 2022, MGR conducted a resampling program for all PETS historical samples, totalling 26,017.70m from 137 drill holes.

All data used in this estimation are using the validated historical samples, resampled results or are routine samples. No adjustments or calibrations were made to any of the data used in the MRE.

Since 2022, all samples have been assayed by PT Geoservices at their Jakarta laboratory. Prior to this, samples were assayed by Intertek and SGS. All samples are being assayed using Fire Assay 50 grams for Au and GAI01 with 4 Acid Digest for a 36-element suite. Since 2023, MGR added GAA02A analyses for Ag. The elements of interest include:

- Au ppm – Assayed using 50g for fire assay with lower detection limit 0.005ppm
- Ag ppm – Assayed by GAI01 with 4-acid digest, lower detection limit of 0.5ppm, If the results are below the detection limit, further analysis will be conducted using the GAA02A method, which has a lower detection limit of 0.1ppm
- As ppm – Assayed by GAI01 with 4-acid digest, lower detection limit of 2ppm
- S pct – Assayed by GAI01 with 4-acid digest, lower detection limit of 0.01%
- Ca pct – Assayed by GAI01 with 4-acid digest, lower detection limit of 0.01%
- Fe pct – Assayed by GAI01 with 4-acid digest, lower detection limit of 0.01%

6.5 Quality Assurance and Quality Control (QAQC) Programs

QAQC procedures included standards, blanks, duplicates, and check laboratories. Out of range results were communicated to PT Geoservices for further action or explanation before assay batches were loaded to the database. QAQC statistics, as summarised in Table 6-3, were compiled by the QAQC Team. The CP has reviewed QAQC results and has found no material issues.

Table 6-3 Sample Analyses Statistics

Sample Type	Number Samples Assessed	
	Au	Ag
Drill half core	170,602	102,448
Coarse Blanks	4,748	2,885
Pulp Blank	595	585
Standards	8,571	6,879
Pulp Duplicates	8,592	3,902
Coarse Duplicates	3,107	2,567

Intertek (ITS) on-site preparation facility reports included sieve test results to prove 95% passing 2mm at the crushing stage and 95% passing -75 µm (-200 #) at the pulverisation stage. The current reporting frequency is 1 in 20. As expected, a data review did not reveal any material issues. All 2017 - 2022 sieve test results were at or above 95%. Figure 6-2 and Figure 6-3 highlight the sieve test passing on 2 different sizes (2 mm and 75 µm) being above 95% consistently through the exploration programs.

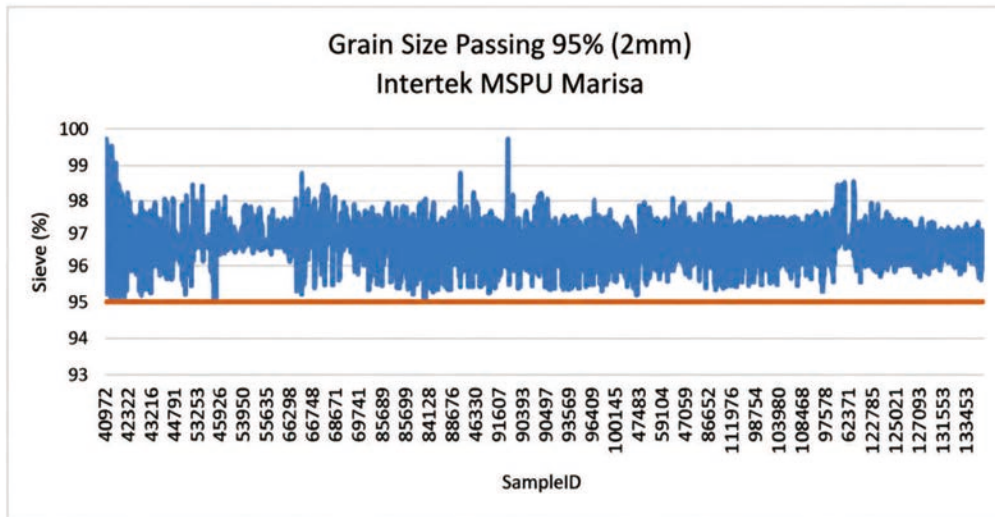


Figure 6-2 Sieving Test - 2mm

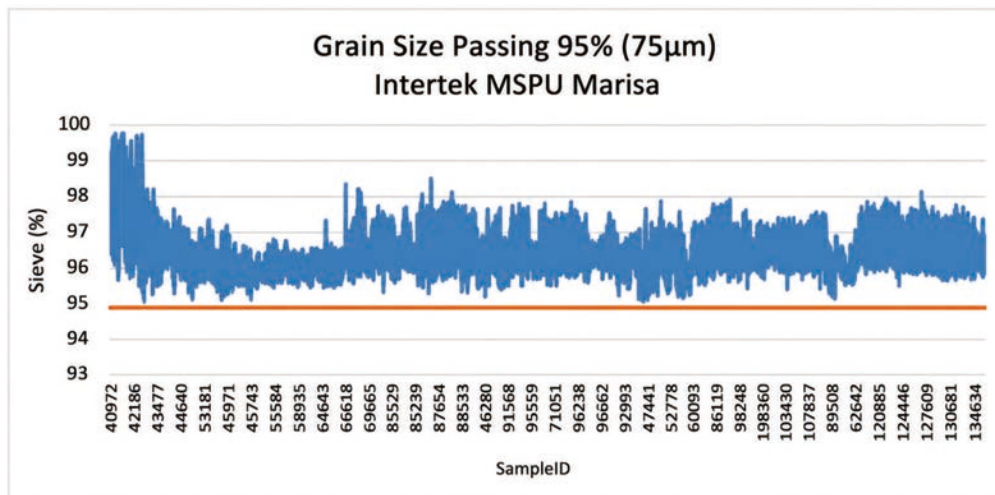


Figure 6-3 Sieving Test – 75µm

6.5.1 Duplicates

Coarse duplicates and pulp duplicates are used for checking the sample homogeneity corresponding to the sample preparation process. The coarse duplicates were taken from the Boyd crusher rotating sample divider of 2 mm grind size with a rate of 1 in 20 samples starting in 2021. RSC notes that there is no statistically significant bias.

Coarse duplicates for gold demonstrated consistently good performance from 2021 to 2023, with over 80% of the data population showing an RPD (relative pair difference) below 20% across all grade ranges. However, in 2024, CDUP performance declined, with all grade ranges falling below the 80% threshold. Despite the RPD formula's sensitivity to the low-grade range, the high-grade range (> 0.3 ppm in Pani Ridge and > 0.5 ppm in Baganite) still achieved 60% of the data population below 20% RPD, suggesting a potential issue in the laboratory sample preparation stage. The investigation has been conducted with some recommendations: regular checks and inspections of the sample preparation laboratory, as well as the implementation of a scoring/fingerprint system.

Due to the low silver content in Pani and the high detection limit for silver in the analytical methods, coarse duplicate performance for silver falls below expectations. The duplicate performance tables are summarised in Table 6-4 and Table 6-5.

Table 6-4 Coarse Duplicate Performance for Gold

Year	2021	2022	2023	2024
Laboratory	Intertek	Geoservices	Geoservices	Geoservices
	Statistic			
No. Pairs	137	922	1,664	384
No. Below Det. Limit samples	6	16	46	17
	RPD			
% Assays within 5% . . .	32%	44%	31%	21%
% Assays within 10% . .	50%	73%	61%	38%
% Assays within 15% . .	65%	88%	81%	48%
% Assays within 20% . .	72%	93%	87%	58%
Average RPD%	16%	9%	12%	23%
CV	0.18	0.12	0.14	0.22

Table 6-5 Coarse Duplicate Performance for Silver

Year	2021	2022	2023	2024
Laboratory	Intertek	Geoservices	Geoservices	Geoservices
	Statistic			
No. Pairs	61	811	1,354	341
No. Below Det. Limit samples	82	127	356	60
	RPD			
% Assays within 5% . . .	39%	43%	52%	43%
% Assays within 10% . .	52%	49%	56%	48%
% Assays within 15% . .	62%	55%	61%	53%
% Assays within 20% . .	82%	62%	67%	56%
Average RPD%	11%	20%	18%	25%
CV	0.12	0.22	0.22	0.28

For each sample batch submitted, the laboratory was required to generate a pulp duplicate at a nominal frequency of 1 in 20 primary samples. These duplicates were incorporated into the assay workflow to support ongoing quality control evaluation. Within the validated database, pulp duplicates are identified using the designation “SS” (second split).

Review of the duplicate assay dataset indicates that analytical performance for gold differs between the pre-MGR period (prior to 2020) and the MGR period. RSC observed that duplicate precision for gold in the pre-MGR dataset is comparatively poorer, whereas data generated during the MGR period demonstrates improved reliability. Precision assessments are based on Relative Percent Difference (RPD) metrics. The underlying cause of the reduced precision in the historical (pre-2020) gold dataset remains undetermined.

In contrast, silver duplicate results exhibited lower reliability overall. This reduced precision is attributed primarily to grade-related effects, particularly the increased analytical variability associated with low-grade silver concentrations.

The details of the pulp duplicates for gold and silver are summarised in Table 6-6 and Table 6-7.

Table 6-6 Pulp Duplicate Performance for Gold

Year	Historical (Pre- 2020)		2020 - 2021	2022	2023	2024
Laboratory	Intertek	SGS	Intertek Statistic	Geoservices	Geoservices	Geoservices
No. Pairs	2,146	2,331	713	1,188	1,975	239
No. Below Det. Limit samples	98	290	13	50	116	13
			RPD			
% Assays within 5% . . .	19%	36%	22%	50%	41%	48%
% Assays within 10% . .	31%	53%	40%	78%	74%	80%
% Assays within 15% . .	42%	67%	52%	91%	90%	95%
% Assays within 20% . .	52%	76%	61%	95%	95%	99%
Average RPD%	27%	15%	21%	7%	8%	6%
CV	0.27	0.16	0.21	0.08	0.07	0.06

Table 6-7 Pulp Duplicate Performance for Silver

Year	Historical (Pre-2020)		2020 - 2021	2022	2023	2024
Laboratory	Intertek	SGS	Intertek Statistic	Geoservices	Geoservices	Geoservices
No. Pairs	853	n/a	311	970	1,570	198
No. Below Det. Limit samples	641	n/a	160	267	520	54
			RPD			
% Assays within 5% . . .	47%	n/a	48%	41%	51%	42%
% Assays within 10% . .	52%	n/a	66%	48%	57%	48%
% Assays within 15% . .	59%	n/a	78%	53%	63%	50%
% Assays within 20% . .	69%	n/a	91%	58%	68%	54%
Average RPD%	16%	n/a	8%	23%	18%	25%
CV	20%	n/a	9%	25%	22%	27%

6.5.2 Certified Reference Material - CRMs

A standard was inserted in the sample run at a frequency of 1 in 20 during GSM-JR and MGR period while One Asia used a frequency of 1 in 9. Resource development drilling campaigns predominantly relied upon certified reference material (CRM) prepared by Ore Research & Exploration Pty Ltd (Australia) (OREAS) (<https://www.oreas.com>). Historical drilling programs used commercially available CRMs while current drilling uses commercial CRM and Pani ore sourced from coarse reject drill samples for matrix matched CRMs.

OREAS nominated a tight 95% tolerance range while MGR nominated a conventional ± 2 standard deviation (SD) range. All CRM results from the resampling program have replaced the historical PETS CRM analysis.

MGR applied a Z-Score formula, as advised by RSC Mining and Mineral Exploration (Consultants), since early 2024 to describe good and bad CRM performance. The Z-score is a statistical measure that describes a data point's relationship to the mean of a group of data points. It is expressed in terms of standard deviations from the mean. If a Z-score is 0, it indicates that the data point's score is identical to the mean score. A Z-score can also be positive or negative, indicating whether the data point is above or below the mean and by how many standard deviations. The formula of the Z-score is:

$$Z \text{ Score} = \frac{(X - \mu)}{\sigma}$$

Where:

- X is the value of the data point.

- μ is the mean of the data set.
- is the standard deviation of the data set.

Table 6-8 RSC's CRM Performance Z-Score Parameter

Absolute Average Z-Score	Performance
≤ 0.2	Excellent
$> 0.2 - 0.4$	Good
$> 0.4 - 0.8$	Acceptable
$> 0.8 - 1.2$	Marginal
> 1.2	Not Acceptable

For historic gold CRMs, several samples show the results were less reliable in the low-grade range. The bulk of the apparent Au drift is deemed immaterial as they occur below 0.3ppm and appear to be due to inhomogeneity in the CRM rather than a laboratory error.

The performance of the historical CRMs is as follows:

- Oreas 18C (n=247, outliers=39) showing marginal performance during GSM_JR in both laboratories SGS and Intertek Jakarta with average bias -4.90% with actual mean of 3.35ppm Au and certified value of 3.52ppm Au. A high bias was observed during March - April 2012 period.
- Oreas 250 (n=610, outliers=60) showing marginal performance during GSM_JR in both laboratories SGS and Intertek Jakarta with average bias 5.52% with actual mean of 0.33ppm Au and certified value of 0.31ppm Au. A high bias was observed during 2017 - 2018 period.
- Oreas 252 (n=48, outliers=3) showing marginal performance during GSM_JR in Intertek laboratory with 2.49% bias with actual mean of 0.69ppm Au and certified value of 0.69ppm Au. A high bias was observed during 2016 - 2017 period.
- Oreas 61F (n=7, outliers=2) showing marginal performance during GSM_JR in Intertek laboratory with 2.17% bias with actual mean of 4.70ppm Au and certified value of 4.60ppm Au. A high bias was observed during 2018 period

MGR drilling and assay programs utilised two types of CRMs for gold – commercial Oreas and matrix matched versions. Marginal and non-acceptable performance occurred for matrix matched CRMs at Intertek during the initial period the matrix match was used (Figure 6-4). This was because of the poor laboratory calibration when the sample preparation lab was set up. The situation improved once the laboratory was running in a steady state. The details of marginal and non-acceptable CRMs are:

- PANI-1 (n=14, outliers=13) showing non-acceptable performance with 47.69% bias with actual mean of 0.32 ppm Au and certified value is 0.22 ppm Au
- PANI-2 (n=22, outliers=21) showing non-acceptable performance with 29.51% bias with actual mean of 0.27 ppm Au and certified value is 0.21 ppm Au
- PANI-3 (n=33, outliers=1) showing marginal performance with -3.79% bias with actual mean of 0.48 ppm Au and certified value is 0.50 ppm Au.
- PANI-4 (n=16, outliers=2) showing marginal performance with 3.63% bias with actual mean of 0.49 ppm Au and certified value is 0.47 ppm Au
- PANI-6 (n=8, outliers=1) showing marginal performance with 5.55% bias with actual mean of 0.99 ppm Au and certified value is 0.94 ppm Au

The list of gold CRMs samples used in the estimation are outlined in Table 6-9.

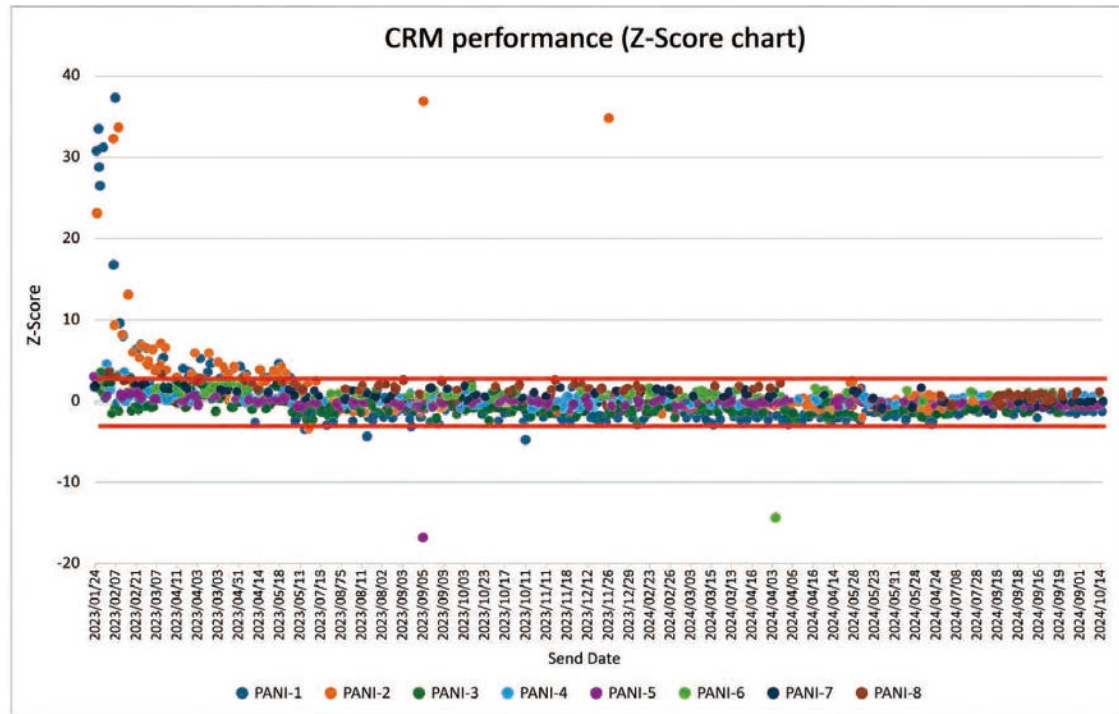


Figure 6-4 The Matrix Matched Performance (Z-Score)

Table 6-9 Gold CRM Performance

Lab	Standard ID	CRM (Au ppm)			Laboratory (Au ppm)				Bias	Performance
		Mean	+2SD	-2SD	Total Assay	Actual Mean	Outside 2SD	Outside 5SD		
SGS	G398-2	0.5	0.58	0.42	104	0.49	1	–	-1.94%	Good
	G999-4	3.02	3.36	2.68	49	2.95	–	1	-2.22%	Excellent
	OREAS 15H	1.02	1.07	0.97	541	1	4	6	-2.08%	Acceptable
	OREAS 18C	3.52	3.74	3.3	29	3.4	2	1	-3.27%	Marginal
	OREAS 200	0.34	0.37	0.32	1	0.32	–	–	-6.02%	NA
	OREAS 209	1.58	1.66	1.49	500	1.56	1'-	4	-0.80%	Excellent
	OREAS 210	5.49	5.79	5.18	1	5.21	–	–	-5.03%	NA
	OREAS 250	0.31	0.33	0.28	594	0.33	55	15	7.34%	Marginal
	OREAS 252	0.67	0.72	0.63	593	0.69	15	8	1.61%	Excellent
	OREAS 61E	4.43	4.73	4.12	315	4.45	3	1	0.45%	Excellent
	OREAS 61F	4.6	4.87	4.34	73	4.55	3	–	-1.11%	Acceptable
	OREAS 62PB	11.33	11.5	11.16	98	11.32	12	3	-0.08%	Excellent
Imtertek	G398-2	0.5	0.58	0.42	24	0.51	–	–	1.40%	Excellent
	OREAS 15G	0.53	0.57	0.48	636	0.59	61	27	12.71%	Acceptable
	OREAS 15H	1.02	1.07	0.97	224	1.01	48	25	-0.50%	Acceptable
	OREAS 15PB	1.06	1.12	1	285	1.08	4'-	13	2.14%	Excellent
	OREAS 18C	3.52	3.74	3.3	218	3.29	37	13	-6.52%	Marginal
	OREAS 209	1.58	1.66	1.49	37	1.56	2	–	-1.24%	Good
	OREAS 250	0.31	0.33	0.28	16	0.32	5	–	3.70%	Marginal
	OREAS 252	0.67	0.72	0.63	48	0.69	3	–	2.49%	Marginal
	OREAS 61E	4.43	4.73	4.12	22	4.47	–	–	0.92%	Good
	OREAS 61F	4.6	4.87	4.34	7	4.7	2	–	2.17%	Marginal
	OREAS 601B	0.77	0.82	0.73	77	0.78	1	–	0.24%	Excellent
	OREAS 602B	2.29	2.48	2.1	103	2.31	–	–	0.85%	Good
	OREAS 603B	5.21	5.62	4.79	71	5.28	–	–	1.39%	Good
	OREAS 601B	0.77	0.82	0.73	130	0.78	–	–	0.86%	Acceptable
GEO_SRV	OREAS 602B	2.29	2.48	2.1	86	2.3	–	–	0.53%	Excellent
	OREAS 230	0.34	0.36	0.31	233	0.34	1	–	0.55%	Excellent
	OREAS 231	0.54	0.57	0.51	164	0.54	2	–	-0.05%	Excellent

Lab	Standard ID	CRM (Au ppm)			Laboratory (Au ppm)				Bias	Performance
		Mean	+2SD	-2SD	Total Assay	Actual Mean	Outside 2SD	Outside 5SD		
	OREAS 233	1.05	1.11	1	226	1.05	3	1	-0.70%	Excellent
	OREAS 236	1.85	1.97	1.73	123	1.85	1	1	0.02%	Excellent
	OREAS 240	5.51	5.79	5.23	48	5.54	–	–	0.47%	Good
	OREAS 242	8.67	9.1	8.24	39	8.58	1	1	-1.05%	Excellent
	PANI-1	0.22	0.23	0.21	14	0.32	13	12	47.69%	Not Acceptable
	PANI-2	0.21	0.23	0.2	22	0.27	21	13	29.51%	Not Acceptable
	PANI-3	0.5	0.53	0.47	19	0.5	5	–	1.22%	Good
	PANI-4	0.47	0.5	0.44	16	0.49	2	–	3.63%	Marginal
	PANI-5	0.98	1.04	0.92	12	1.01	2	–	2.78%	Acceptable
	PANI-6	0.94	1	0.87	8	0.99	1	–	5.66%	Marginal
	PANI-7	2.7	2.88	2.52	8	2.88	4	–	6.62%	Marginal
	PANI-8	2.59	2.79	2.39	6	2.88	6	–	11.33%	Not Acceptable
	OREAS 230	0.34	0.36	0.31	186	0.34	2	2	1.42%	Good
	OREAS 231	0.54	0.57	0.51	222	0.54	1	1	0.05%	Excellent
	OREAS 233	1.05	1.11	1	185	1.05	2	1	-0.66%	Excellent
	OREAS 236	1.85	1.97	1.73	152	1.85	1	–	-0.09%	Excellent
	OREAS 240	5.51	5.79	5.23	43	5.52	–	–	0.10%	Excellent
	OREAS 242	8.67	9.1	8.24	25	8.7	–	–	0.34%	Excellent
	PANI-1	0.22	0.23	0.21	202	0.21	91	2	-2.61%	Acceptable
	PANI-2	0.21	0.23	0.2	187	0.21	31	4	1.31%	Excellent
	PANI-3	0.5	0.53	0.47	128	0.48	1'-	–	-3.23%	Acceptable
	PANI-4	0.47	0.5	0.44	108	0.48	–	–	0.27%	Excellent
	PANI-5	0.98	1.04	0.92	89	0.97	1	1	-0.95%	Excellent
	PANI-6	0.94	1	0.87	70	0.97	3	1	3.68%	Acceptable
	PANI-7	2.7	2.88	2.52	69	2.79	3	–	3.47%	Acceptable
	PANI-8	2.59	2.79	2.39	44	2.77	14	–	6.99%	Not Acceptable
	OREAS 230	0.34	0.36	0.31	4	0.34	–	–	-0.10%	Excellent
	OREAS 231	0.54	0.57	0.51	19	0.54	–	–	-0.54%	Good
	OREAS 233	1.05	1.11	1	23	1.05	–	–	-0.41%	Excellent
	OREAS 236	1.85	1.97	1.73	30	1.85	–	–	0.00%	Excellent
	OREAS 242	8.67	9.1	8.24	14	8.73	–	–	0.66%	Good
	PANI-1	0.22	0.23	0.21	67	0.21	7	–	-3.97%	Acceptable
	PANI-2	0.21	0.23	0.2	65	0.21	–	–	-0.74%	Excellent
	PANI-3	0.5	0.53	0.47	33	0.48	1	–	-3.79%	Marginal
	PANI-4	0.47	0.5	0.44	34	0.48	–	–	0.51%	Excellent
	PANI-5	0.98	1.04	0.92	37	0.96	–	–	-1.48%	Good
	PANI-6	0.94	1	0.87	17	0.96	–	–	2.65%	Acceptable
	PANI-7	2.7	2.88	2.52	25	2.68	–	–	-0.87%	Excellent
	PANI-8	2.59	2.79	2.39	34	2.64	–	–	1.91%	Good

For silver, there are no historical CRMs recorded. In current drilling programs Pani uses two different analytical methods for silver in the Geoservices laboratory, regular 4-Acid ICP (GAI01) and low level/grade (GAA02A). The results of those methods were less reliable. This is attributed to the low silver grade CRM utilised in the Pani Project, which may lead to a potential risk of inhomogeneity in the CRM. A low silver grade CRM was required, as it aligns with the global silver grade of the resource and is considered fit for purpose. The relatively higher biases observed in the low grade silver CRMs are being continually monitored by MGR. These biases are interpreted to be associated with the low grade levels and inherent material inhomogeneity near the analytical detection limit. In contrast, high grade silver CRMs demonstrate good analytical performance. The Competent Person does not consider this to be a material issue, particularly given that the vast majority of the contained resource metal value is attributed to gold.

The list of silver CRMs used in the estimation are summarised in Table 6-10.

Table 6-10 Silver CRM Performance

Lab	Type of Standard	CRM (Ag ppm)			Laboratory (Ag ppm)				Bias	Performance
		Mean	+2SD	-2SD	Total Assay	Actual Mean	Outside 2SD	Outside 5SD		
SGS	OREAS 209	0.3	0.3	0.2	102	0.6	102	102	122.65%	Not Acceptable
	OREAS 250	0.3	0.3	0.2	128	0.5	128	128	110.29%	Not Acceptable
	OREAS 252	0.2	0.2	0.1	10	0.5	10	10	170.27%	Not Acceptable
	OREAS 61E	5.3	6.1	4.4	51	5.1	3	3	-2.95%	Good
	OREAS 62PB	21.5	22.5	20.5	3	19	3	0	-11.63%	Not Acceptable
Intertek	OREAS 601B	50.1	53.6	46.6	87	50.1	1	0	0.02%	Excellent
	OREAS 602B	119.3	127	111.6	116	119.7	—	0	0.33%	Excellent
	OREAS 603B	300.8	321.1	280.5	82	300.9	—	0	0.04%	Excellent
	OREAS 601B	50.1	53.6	46.6	130	50	—	0	-0.17%	Excellent
	OREAS 602B	119.3	127	111.6	86	119.7	—	0	0.33%	Excellent
GEO_SRV	OREAS 230	0.1	0.2	0.1	230	0.1	20	20	-9.63%	Not Acceptable
	OREAS 231	0.2	0.2	0.1	164	0.2	17	12	9.38%	Marginal
	OREAS 233	0.3	0.3	0.3	219	0.3	22	22	4.44%	Acceptable
	OREAS 236	0.5	0.6	0.4	118	0.5	9	2	1.21%	Excellent
	OREAS 240	1.4	1.5	1.2	45	1.2	4	3	-7.53%	Acceptable
	OREAS 242	2.1	2.3	1.8	39	1.9	4	3	-6.42%	Acceptable
	PANI-1	2	2.1	1.9	14	1.8	8	1	-8.37%	Not Acceptable
	PANI-2	1.9	2	1.8	23	1.5	14	8	-20.82%	Marginal
	PANI-3	2.4	2.5	2.3	19	2.2	13	4	-10.31%	Not Acceptable
	PANI-4	2.3	2.4	2.2	16	2	8	6	-14.77%	Marginal
	PANI-5	3.4	3.6	3.2	12	2.7	7	4	-19.63%	Not Acceptable
	PANI-6	3.3	3.5	3.1	8	2.7	4	3	-18.58%	Not Acceptable
	PANI-7	6.8	7.1	6.5	8	4.6	4	4	-32.79%	Not Acceptable
	PANI-8	6.6	6.9	6.2	6	6.5	0	0	-1.17%	Good
	OREAS 230	0.1	0.2	0.1	232	0.4	232	232	186.34%	Not Acceptable
	OREAS 231	0.2	0.2	0.1	165	0.4	165	32	99.11%	Not Acceptable
	OREAS 233	0.3	0.3	0.3	223	0.4	223	62	37.54%	Not Acceptable
	OREAS 236	0.5	0.6	0.4	122	0.5	84	10	6.21%	Not Acceptable
	OREAS 240	1.4	1.5	1.2	47	1.3	3	3	-2.17%	Excellent
	OREAS 242	2.1	2.3	1.8	39	2.1	5	1	2.79%	Acceptable
GEO_SRV	PANI-1	2	2.1	1.9	14	1.9	8	2	-3.68%	Marginal
	PANI-2	1.9	2	1.8	23	1.9	8	3	0.70%	Acceptable
	PANI-3	2.4	2.5	2.3	19	2.4	10	3	-1.10%	Marginal
	PANI-4	2.3	2.4	2.2	16	2.3	3	0	0.11%	Excellent
	PANI-5	3.4	3.6	3.2	12	3	9	5	-10.26%	Not Acceptable
	PANI-6	3.3	3.5	3.1	8	3.2	3	1	-1.76%	Marginal
	PANI-7	6.8	7.1	6.5	8	6.7	2	0	-1.59%	Acceptable
	PANI-8	6.6	6.9	6.2	6	6.7	1	0	2.39%	Acceptable
	OREAS 230	0.1	0.2	0.1	187	0.1	16	16	-17.37%	Not Acceptable
	OREAS 231	0.2	0.2	0.1	222	0.2	20	9	10.19%	Marginal
	OREAS 233	0.3	0.3	0.3	186	0.3	10	10	1.36%	Acceptable
	OREAS 236	0.5	0.6	0.4	151	0.5	1	1	2.23%	Good
	OREAS 240	1.4	1.5	1.2	43	1.3	2	0	-5.12%	Marginal
	OREAS 242	2.1	2.3	1.8	25	2	6	0	-4.68%	Marginal
	PANI-1	2	2.1	1.9	204	1.8	170	11	-10.20%	Not Acceptable
	PANI-2	1.9	2	1.8	186	1.8	163	15	-8.74%	Not Acceptable
	PANI-3	2.4	2.5	2.3	128	2.2	93	39	-8.63%	Not Acceptable
	PANI-4	2.3	2.4	2.2	109	2.2	41	16	-6.07%	Not Acceptable
	PANI-5	3.4	3.6	3.2	89	3.1	80	11	-8.82%	Not Acceptable
	PANI-6	3.3	3.5	3.1	71	3.1	37	1	-6.58%	Not Acceptable
	PANI-7	6.8	7.1	6.5	68	6.5	29	4	-4.55%	Marginal
	PANI-8	6.6	6.9	6.2	44	6.2	16	4	-5.83%	Acceptable
GEO_SRV	OREAS 230	0.1	0.2	0.1	187	0.3	187	187	103.84%	Not Acceptable
	OREAS 231	0.2	0.2	0.1	222	0.3	222	5	47.73%	Not Acceptable
	OREAS 233	0.3	0.3	0.3	186	0.3	186	9	-9.48%	Not Acceptable
	OREAS 236	0.5	0.6	0.4	151	0.4	106	3	-23.95%	Not Acceptable
	OREAS 240	1.4	1.5	1.2	43	1.4	2	2	1.42%	Excellent

Lab	Type of Standard	CRM (Ag ppm)			Laboratory (Ag ppm)				Bias	Performance
		Mean	+2SD	-2SD	Total Assay	Actual Mean	Outside 2SD	Outside 5SD		
	OREAS 242	2.1	2.3	1.8	25	2.1	0	0	-0.22%	Excellent
	PANI-1	2	2.1	1.9	204	1.9	77	7	-4.50%	Marginal
	PANI-2	1.9	2	1.8	186	1.9	71	5	-2.59%	Marginal
	PANI-3	2.4	2.5	2.3	128	2.3	41	15	-4.36%	Not Acceptable
	PANI-4	2.3	2.4	2.2	109	2.3	19	5	-1.31%	Acceptable
	PANI-5	3.4	3.6	3.2	89	3.2	59	0	-4.63%	Not Acceptable
	PANI-6	3.3	3.5	3.1	71	3.2	12	1	-2.66%	Marginal
	PANI-7	6.8	7.1	6.5	68	6.6	23	0	-2.38%	Acceptable
	PANI-8	6.6	6.9	6.2	45	6.4	11	1	-2.73%	Excellent
	OREAS 230	0.1	0.2	0.1	4	0.1	1	1	-31.37%	Not Acceptable
	OREAS 231	0.2	0.2	0.1	19	0.2	1	1	15.97%	Marginal
	OREAS 233	0.3	0.3	0.3	23	0.3	1	1	0.26%	Acceptable
	OREAS 236	0.5	0.6	0.4	30	0.5	1	0	3.19%	Good
	OREAS 242	2.1	2.3	1.8	14	2	2	0	-4.32%	Acceptable
	PANI-1	2	2.1	1.9	67	1.8	59	2	-9.77%	Not Acceptable
	PANI-2	1.9	2	1.8	65	1.8	60	3	-7.85%	Not Acceptable
	PANI-3	2.4	2.5	2.3	33	2.2	22	6	-7.70%	Not Acceptable
	PANI-4	2.3	2.4	2.2	34	2.2	7	1	-5.14%	Not Acceptable
	PANI-5	3.4	3.6	3.2	37	3.1	36	2	-9.64%	Not Acceptable
	PANI-6	3.3	3.5	3.1	17	3	13	0	-7.72%	Not Acceptable
	PANI-7	6.8	7.1	6.5	24	6.4	14	0	-5.16%	Not Acceptable
	PANI-8	6.6	6.9	6.2	34	6.4	4	0	-2.44%	Acceptable
	OREAS 230	0.1	0.2	0.1	4	0.3	4	4	96.08%	Not Acceptable
	OREAS 231	0.2	0.2	0.1	19	0.3	19	0	41.24%	Not Acceptable
	OREAS 233	0.3	0.3	0.3	23	0.3	23	0	-15.23%	Not Acceptable
	OREAS 236	0.5	0.6	0.4	30	0.3	22	0	-31.33%	Not Acceptable
	OREAS 242	2.1	2.3	1.8	14	2.1	1	0	0.88%	Excellent
	PANI-1	2	2.1	1.9	67	1.9	22	0	-4.42%	Marginal
	PANI-2	1.9	2	1.8	65	1.9	18	0	-1.95%	Acceptable
	PANI-3	2.4	2.5	2.3	33	2.3	5	0	-2.53%	Marginal
	PANI-4	2.3	2.4	2.2	34	2.3	3	0	-0.81%	Good
	PANI-5	3.4	3.6	3.2	37	3.2	25	1	-5.01%	Not Acceptable
	PANI-6	3.3	3.5	3.1	17	3.2	2	0	-3.40%	Not Acceptable
	PANI-7	6.8	7.1	6.5	24	6.6	3	0	-2.88%	Acceptable
	PANI-8	6.6	6.9	6.2	34	6.5	2	0	-0.24%	Excellent

It is the view of the CP that the CRM performance means analytical results are appropriate for use in the estimation process.

6.5.3 Blanks

A blank sample was inserted in the sample run at a frequency of 1 in 40 or less. The coarse blank material is always use in Pani project except 2020 – 2021 period, is used CRM blank (n=595). The source material was supplied from a local quarry around Pani. During 2020 – 2021 (One Asia) Oreas 22F was used as a blank CRM.

During the historical period <2020 (n=2,209, outliers=20), there were 20 outliers identified. During MGR drilling program in 2022 – 2024 (n = 1,944), as presented in Table 6-11, there was one outlier observed in both 2023 and 2024. These are suspected to be contamination or swapped (sample ID 123873 and 135538) where the assay result returned 0.02 ppm Au and 1.50 ppm Au respectively. The detailed information is presented in Table 6-11 and Figure 6-5.

Table 6-11 Gold Blank Sample Performance

Year	Historical (Pre-2020)	2020 - 2021	2022	2023	2024
Laboratory	Intertek	SGS Statistic	Intertek	Geoservices	Geoservices
n_sample	760	1,449	595	530	1,098
Outlier (3DL)	9	11	–	–	1

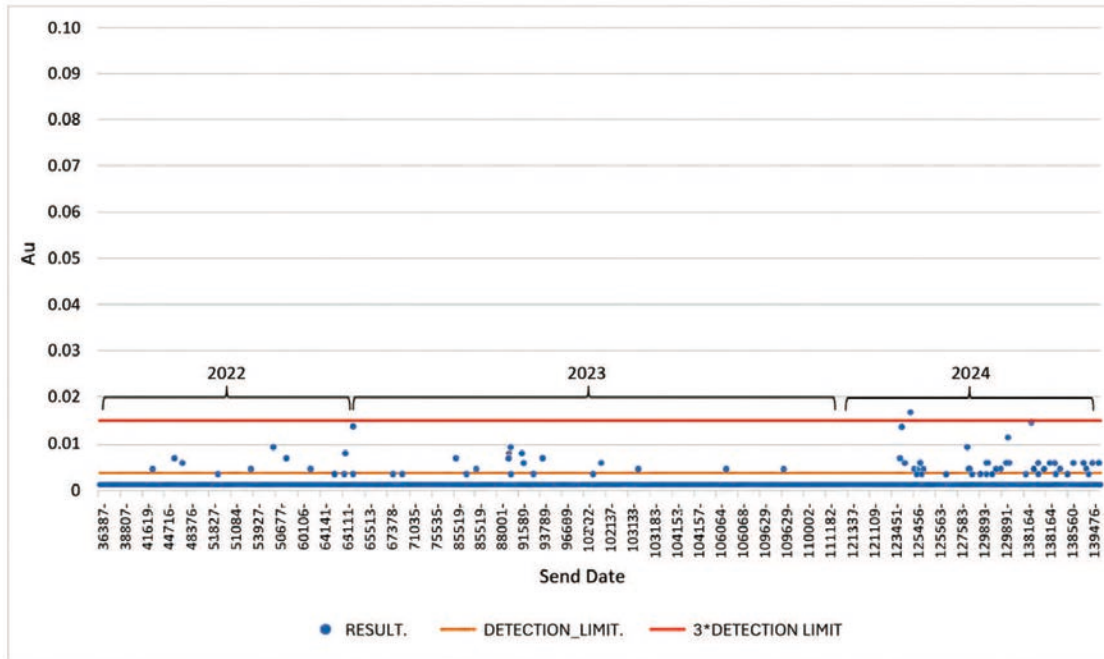


Figure 6-5 Gold Blank Performance Chart

6.5.4 Umpire Check

When testing samples from PETS in 2012 to 2013, Geoservices was selected as a secondary laboratory for external umpire laboratory checks while SGS was the main laboratory. The average bias from the check was a –9% difference between SGS and Geoservices. The historical external laboratory check results however do not have an impact on the resource estimation, since all the PETS historical data has been resampled, and the resampled results have been used in the estimation process.

Recently, MGR has selected further samples for an external laboratory umpire check. At the time of reporting the samples have been prepared but they have not been sent to the umpire laboratory when this report was prepared.

6.6 Mining One Data Verification

From 6 to 8 January 2026 the CP for Mineral Resources, Alex Lukomskyj, completed a site visit to Pani. The visit comprised an inspection of the core logging, sampling and storage facilities, the active open pit production areas including blast hole drilling and sampling, inspection of near-mine and regional outcrop that had been geologically mapped, active diamond drilling of the Kolokoa and Lone Pine prospects south and north of Pani, respectively, in addition to technical discussions with the site geology team. The CP also completed technical discussions with the MGR geology team in the Jakarta corporate office on 5 January 2026.

A JORC Code standard of work was observed during the visit and no material issues were found. Key site visit checks included:

- Visual inspection of several infill and expansion drill hole cores, and cross checking against geological logs and assay data (Figure 6-6)
- Sighting and confirming the types of CRMs and blank material stored at the core logging facility
- Geological contacts and boundaries were inspected within the Pani pit and at surrounding look out locations and verified against the 3D model
- A high level of organisation and housekeeping was observed at all sites inspected by the CP



Figure 6-6 Core Inspection by Competent Person during Pani Site Visit

Database validation was undertaken by the MGR Resource and Pani Geology Team. The Competent Person has checked and accepted the database as suitable for use in this MRE after thorough review of the data room provided by MGR. Key data room checks included:

- Confirmation of site visit observations being in agreement with database and 3D model files
- Spot check of several original assay files to the de-surveyed drilling database
- Visual and statistical checks of the domain models and resource estimate (refer to Section 7 for further detail)

7 MINERAL RESOURCE ESTIMATES

7.1 Introduction

The Mineral Resource Statement presented herein represents the Mineral Resource prepared for Pani in accordance with the JORC Code 2012. The effective date of the Mineral Resource Statement is 31 December 2025.

The subsequent sections describe the Mineral Resource data inputs, estimation methodologies and results. In the opinion of Mining One, the Mineral Resource reported herein is a reasonable representation of the global gold and silver Mineral Resource at Pani given the current level of sampling and geological understanding.

7.2 Resource Estimation Procedures

The mineral resource estimation procedures were carried out through four different software packages as per the following steps:

- Micromine version 2016, generate the geological domain.
- Leapfrog version 2023.2, run the implicit resource domain by geology matrix analysis
- Datamine Studio RM 2.1.125.0, generate the final explicit resource domain, grade interpolation/estimation
- Snowden Supervisor V9.0, Exploratory data analysis on resource domain

7.3 Resource Database

Drilling, survey, logging, sampling, assay and QAQC records are filed at Pani site (hardcopy and/or softcopy files). Validated data has been loaded into a relational database (SQL server). The Pani database is managed by dedicated specialist geologists. Retained half core, sample coarse reject and assay pulps are stored securely at site.

The total drillhole database within Pani Gold Project ("PT PETS and PT GSM") licences are presented in Table 7-2.

Pani MRE drill database statistics are presented in Table 7-3 and Table 7-4.

Core recoveries for diamond drilling are excellent with a weighted average core recovery of > 98% (Table 7-4).

The drilling database cut-off date is the 8th of August 2024. The validated data set is from drill holes completed, surveyed and assayed to the EOH.

The 2022 DTM received from Surtech was accepted as a true surface (refer to section 6.3). There were some adjustments to the DTM, based upon Pani ground surveying, to account for subsequent ground disturbance i.e. infrastructure areas, access roads and drill pads. As noted in section 6.3, an updated topographic survey was completed in 2024 that formed the basis for the Q2 2024 mineral resource estimate, which subsequently underwent revised depletion after another topography survey completed on 31 December 2025 which was used for the Mineral Resource declared in this report.

Pani Gold Mineral Resource Estimates previously released to the public are presented in Table 7-1 for completeness.

Table 7-1 Previously Published Pani Gold Mineral Resource Estimates

Year(s) Reported	Company	Measured Resources			Indicated Resources			Inferred Resources			Total Resources			Standard	Cutoff	RPEEE
		Mt	Au (g/t)	Ag (g/t)	Mt	Au (g/t)	Ag (g/t)	Mt	Au (g/t)	Ag (g/t)	Mt	Au (g/t)	Ag (g/t)			
2004 . . .	GSM				9.9	1.45	0.61	1.38	1.52	0.36	11.2	1.46	0.58	NI-43-101F	0.50	Not Applied
2014 . . .	PETS	10.8	1.13		62.4	0.81		16.20	0.67		89.4	0.82		JORC	0.20	Not Applied
2018 . . .	GSM	15.5	1.03	0.98	41.3	0.98	0.86	15.91	0.93	0.69	72.7	0.98	0.85	JORC	0.40	Applied \$1800
2019 . . .	PETS				38.6	0.66		49.65	0.70		88.3	0.68		NON-JORC	0.20	Not Applied
2022 . . .	MGR				177.7	0.79	0.00	85.92	0.58	0.00	263.6	0.75	0.00	JORC/KCMI	0.20	Applied \$2150
Mar-23 . .	MGR				217.5	0.79	1.04	58.30	0.58	0.61	275.8	0.75	0.95	JORC/KCMI	0.20	Applied \$2150
Jun-23 . .	MGR				229.0	0.74	0.81	52.27	0.54	0.37	281.3	0.70	0.73	JORC/KCMI	0.20	Applied \$2150
Dec-23 . .	MGR				253.7	0.74	0.81	49.45	0.54	0.38	303.1	0.70	0.74	JORC/KCMI	0.20	Applied \$2150
Mar-24 . .	MGR				253.2	0.74	0.76	52.19	0.55	0.35	305.4	0.71	0.69	JORC/KCMI	0.20	Applied \$2300
Aug-24 . .	MGR				244.2	0.78	0.77	48.22	0.59	0.37	292.4	0.75	0.70	JORC/KCMI	0.20	Applied \$2300
Sep-25 . .	MGR	7.6	0.92	1.51	236.6	0.77	0.74	48.20	0.59	0.37	292.4	0.75	0.70	JORC/KCMI	0.20	Applied \$2300

Table 7-2 Pani Gold Drillhole Summary from 1982 to 2024

Company	Year Drilled		Prospect	Rig Type	No of Holes	Total Metres
	Start	Finish				
BHP	1990	1990	Pani Prospect	DD	22	2,826
GSM	2011	2024	Northeast Pani	DD	33	4,780
			Pani Prospect	DD	760	130,319
			Southwest Pani	DD	68	9,060
			Outside_Pani	DD	1	220
NNS	1998	1999	Northeast Pani	DD	7	1,259
			Pani Prospect	DD	6	1,073
			Southwest Pani	DD	3	737
			Outside_Pani	DD	12	1,642
PETS	2012	2024	Pani Prospect	DD	841	128,535
PRMT	1997	1997	Pani Prospect	DD	16	1,915
UTAH	1982	1982	Pani Prospect	DD	7	1,739
Total Outside Pani				DD	13	1,862
Total Inside Pani				DD	1,763	282,244
Grand Total				DD	1,776	284,106

Table 7-3 Pani Gold MRE Drillhole Summary (Valid for Estimation only)

Company	Year Drilled		Prospect	Rig Type	No. of Holes	Total Metres
	Start	Finish				
GSM	2011	2024	Pani Prospect	DD	748	128,625
PETS	2012	2024	Pani Prospect	DD	803	123,466
Total				DD	1,551	252,091

Table 7-4 Sampled Core Statistics Pani Gold for MRE Q2 2024

Size	Diameter (mm)	Sample Core (m)	Proportion (%)	Recovery (%)
PQ	85	83,730.75	33.2%	98.61
HQ	63.5	158,648.00	62.9%	98.31
NQ	47.6	9,329.60	3.7%	98.49
No core size data		383.05	0.2%	
Total		252,091.40	100.0%	98.42

Notes: Recovery = weighted average core recovery

7.4 Solid Body Modelling

Pani gold primary resource estimation domains were based on correlation between geology, vein/fracture numbers, structures and gold grades and designed utilising Geology Matrix Analysis (GMA). Domains were also optimised by adding indicator grade shells to separate ore and waste (background) (refer to Table 7-5, Table 7-6 and Figure 7-1). Secondary domains ("Ore blocks") are based on interpreted faults which divide the mineralisation into 3 different areas, as shown in Figure 7-2.

Silver estimation domains were constructed by a combination of geology, grade population, and ore block domains. The estimation of other minor elements such as sulphur, calcium and iron was only applied to ore block domains.

Table 7-5 Pani Gold Resource Domains Criteria

Period	Q2 2024		
Element	Au - Gold		
Category	High Grade/High vein and fracture density	Low Grade/Low vein and fracture density	Mineralised Waste
Domain Code	5000	3000	1000
GMA Lithology	Porphyritic rhyodacite, banded porphyritic rhyodacite, rhyodacite breccia, lapili tuff and scree.		Pani volcanics
(Geology Matrix Analysis)	Alteration	Clay Chlorite, Clay Silica, Silica Chlorite and Silica Clay	Chlorite
	Breccia Texture	Crackle breccia, crackle to mosaic and mosaic	No Texture
	Veins and/or Fracture Grade based log probs (g/t)	>5 >= 0.50	no Veins <0.10
	Composite	Economic composite COG 0.50	No
Indicator Iso-grade Iso-shells	0.50 g/t Au on 50% probability based on 2 m, 4 m and 6 m downhole composites	Economic composite COG 0.10 0.10g/t Au on 50% probability based on 2 m, 4 m and 6 m composites	no Indicator
Structural Models	Applied as parameter to push the interpretation along structural planes		not applied
Distance Function	Volume > 20 m distance from drill holes		not applied
Sub Domain Ore Block	Ore block 1,2,3		
Remarks	High grade based on vein density and grades	Low grade based on vein density and grades	Mineralised waste

Table 7-6 Pani Minor Elements (Ag, S, Ca and Fe) Domain Criteria

Period		Q2 2024		
Element		Ag – Silver		S, Ca, and Fe
Category		High Grades	Low Grade	Indo/Background not applied
Domain Code		750	730	1,000
GMA (Geology Matrix Analysis)	Lithology	Porphyritic rhyodacite and banded porphyritic rhyodacite	Rhyodacite breccia, lapilli tuff and scree	Pani volcanics
	Alteration	Silica Chlorite, Silica Clay		Clay – chlorite and Clay Silica
	Breccia Texture	All Breccia	All Breccia	No Texture
	Veins	Not Vein related	Not Vein related	Not Vein related
	Grade based log probs (g/t)	>=0.6	0.6 > Ag >=0.2	<0.2
	Composite	No	No	No
Indicator Isograde Isoshells		no Indicator		
Structural Models		not applied		
Distance Function		not applied		
Sub Domain Ore Block		Ore block 1,2,3		Ore block 1,2,3
Remarks		High grade silver	Low grade silver	Background – use gold mineralised waste Minors Block 1 Minors Block 2 Minors Block 3

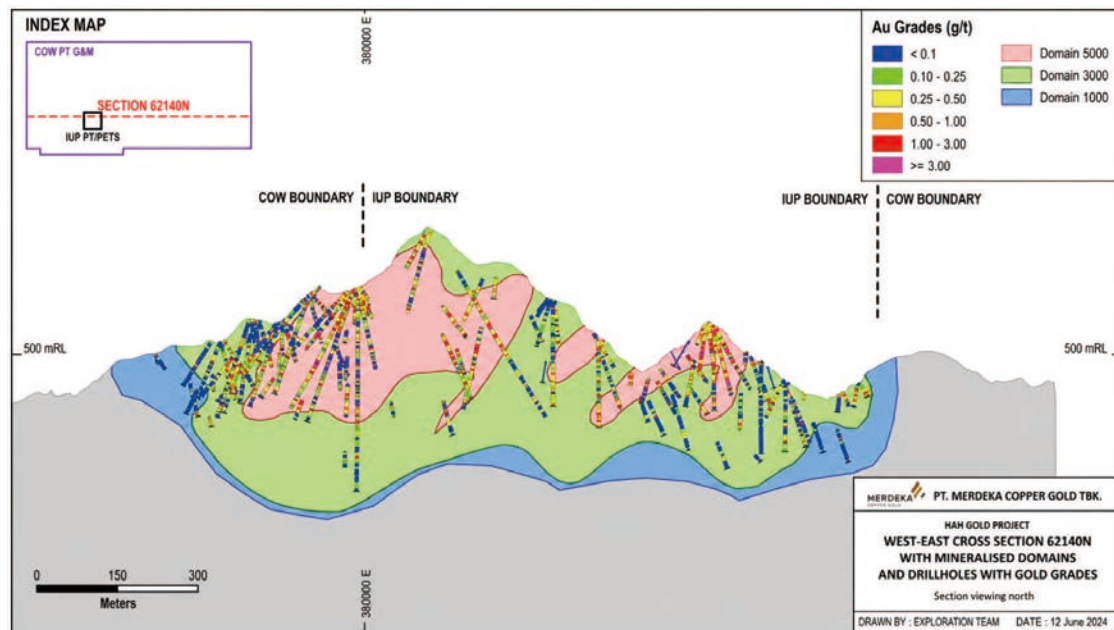


Figure 7-1 Pani Primary Resource Domains at section 62140m N

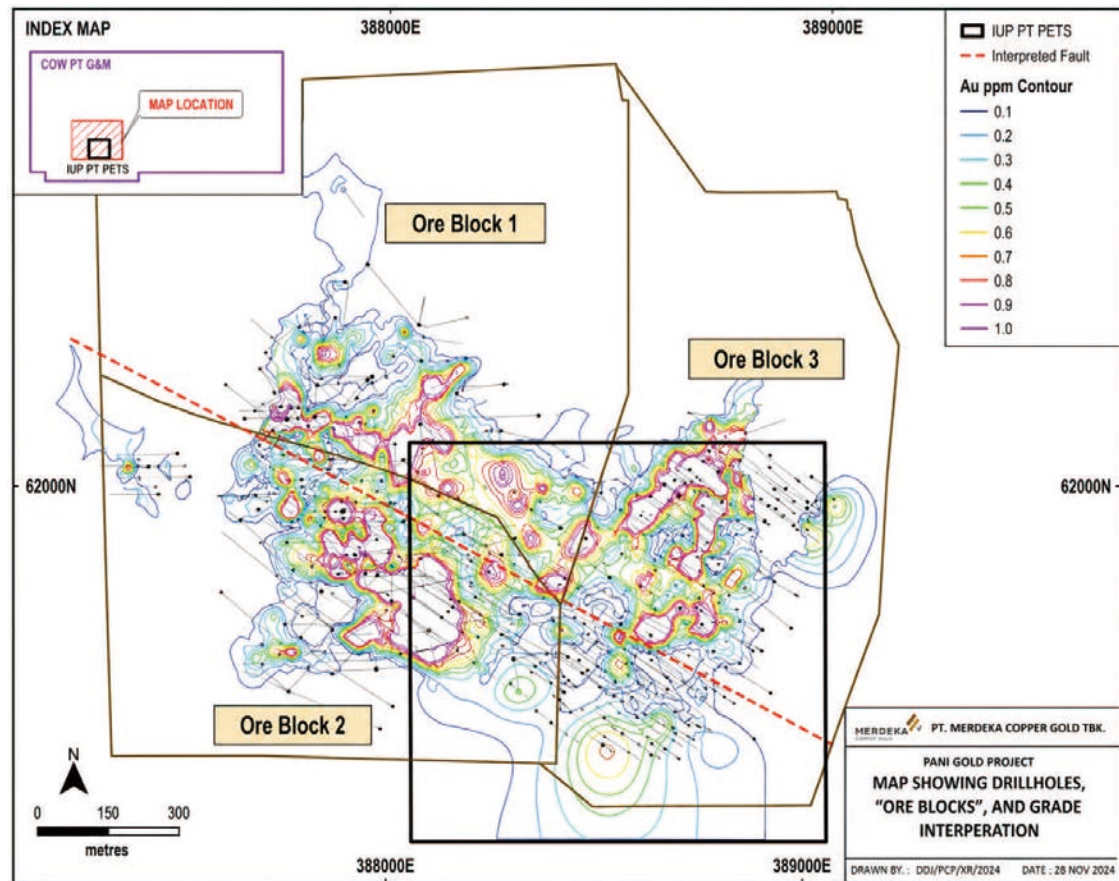


Figure 7-2 Pani Ore Block Domains

The lithology, alteration and oxidation models were created by Eddy Da Costa, Fajar Ismail and Samuel Parulian, as part of geological modelling by the Pani site team. The resource domains and sub-domains were constructed by the MGR Resource Geology Team. David Clarke and Arief Bastian internally peer reviewed the work. The Competent Person for Mineral Resources externally reviewed the models and work completed.

All wireframes were cut by the topographic surface prior to reporting. Wireframe extents were generally limited by the drill spacing distance. Table 7-7 to Table 7-11 present the wireframes and coding used to define the base block model.

Table 7-7 Oxidation Types

Oxidation	Oxidation Domain Code	Wireframe	Description
Oxide	10	oxide_1	Oxide
Transition	20	trans_2	Transition
Fresh	30	fresh_3	Fresh

Table 7-8 Rock Types

Lithology	Lithology Domain Code	Wireframe	Description
bx	201	pani_bx_201_dtm (pt)(tr).dm	Magmatic breccia within the rhyodacite
lpt	220	pani_lpt_220_dtm (pt)(tr).dm	Lapilli tuff
prd	230	pani_prd_230_dtm (pt)(tr).dm	Massive porphyritic rhyodacite
prdb	240	pani_prdb_240_dtm (pt)(tr).dm	Flow-banded rhyodacite
pvol	250	pani_pvol_250_dtm (pt)(tr).dm	Pani Volcanic Complex
rd	260	pani_rd_260_dtm (pt)(tr).dm	Scree, post mineralisation product

Table 7-9 Alteration Types

Alteration	Alteration Domain Code	Wireframe	Description
Unaltered	300	pani_ua_300_dtm (pt)(tr).dm	Surface weathering (UA)
Clay Chlorite	310	pani_cych_310_dtm (pt)(tr).dm	Clay +/- Chlorite rich alteration
Clay Silica	320	pani_cysi_320_dtm (pt)(tr).dm	Clay +/- Silica rich alteration
Silica Chlorite . . .	330	pani_sich_330_dtm (pt)(tr).dm	Silica +/- Chlorite rich alteration
Silica Clay	340	pani_sicy_340_dtm (pt)(tr).dm	Clay +/- Clay rich alteration

Table 7-10 Alteration Metallurgy Types

Alteration	Alteration Domain Code	Wireframe	Description
ch	410	Pani_ch_410_dtm (pt)(tr).dm	Chlorite
ch-si-cy	415	Pani_chsicy_415_dtm (pt)(tr).dm	chlorite ± silica ± clay
cy-si-ch	420	Pani_cysich_420_dtm (pt)(tr).dm	clay ± silica ± chlorite
si-cy	430	Pani_sicy_430_dtm (pt)(tr).dm	silica clay
si.	440	Pani_si_440_dtm (pt)(tr).dm	silica

Table 7-11 Ore Blocks

Ore Block	Ore Block Code	Wireframe	Description
Oreblock 1	1	obl1f6(pt)(tr).dm	GSM North – Ore Block 1
Oreblock 2	2	obl2f6(pt)(tr).dm	GSM South – Ore Block 2
Oreblock 3	3	obl3f6(pt)(tr).dm	PETS – Ore Block 3
Oreblock 4	4	obl4f6(pt)(tr).dm	PETS – Ore Block 3

A total of thirteen gold resource mineralisation wireframes and twelve silver mineralisation domains were created from primary domain and subdomains, to constrain the grade interpolation (Table 7-12 and Table 7-13). Sectional interpretations were completed every 10 m on East West sections. Resource estimation domains were made to encapsulate +0.1 g/t Au and +0.5 g/t Au material within known structural trends focusing on the distribution of vein/stockworks. All wireframe points were snapped to drillhole intervals.

The estimation of other minor elements such as sulphur, calcium and iron was only applied to ore block domains. The estimation of density and hardness (Equotip) used alteration domains.

Table 7-12 Pani Gold Estimation Domains

Primary Domain	Ore Block Domain	Domain Code	Wireframe	Description
1000	1	1100	pani_1000_ac pani_1000_intac obl1f6	Mineralised Waste GSM North
	2	1200	pani_1000_ac pani_1000_intac obl2f6	Mineralised Waste GSM South
	3	1300	pani_1000_ac pani_1000_intac obl3f6 obl4f6	Mineralised Waste PETS
3000	1	3100	pani_3000_ac pani_3000_intac obl1f6	Low Density Veins GSM North
	2	3200	pani_3000_ac pani_3000_intac obl2f6	Low Density Veins GSM South
	3	3300	pani_3000_ac pani_3000_intac obl3f6 obl4f6	Low Density Veins PETS
5002	1	5102	pani_5000_bc obl1f6	High Density Veins GSM North
5001	2	5201	pani_5000_ac obl2f6	High Density Veins GSM South 1
5002	2	5202	pani_5000_bc obl2f6	High Density Veins GSM South 2
5002	3	5302	pani_5000_bc obl3f6 obl4f6	High Density Veins PETS 1
5003	3	5303	pani_5000_cc obl3f6 obl4f6	High Density Veins PETS 2
5004	3	5304	pani_5000_dc obl3f6 obl4f6	High Density Veins PETS 3
5005	3	5305	pani_5000_ec obl3f6 obl4f6	High Density Veins PETS 3

Table 7-13 Pani Silver Estimation Domains

Primary Domain	Ore Block Domain	Domain Code	Wireframe	Description
731	1	7131	pani_731tr obl1f6	low grade 1 silver GSM 1
	2	7231	pani_731tr obl2f6	low grade 1 silver GSM 2
	2	7331	pani_731tr obl3f6 obl4f6	low grade 1 silver PETS
732	1	7132	pani_732tr obl1f6	low grade 2 silver GSM 1
733	3	7333	pani_733tr obl3f6 obl4f6	low grade 3 silver PETS
751	1	7151	pani_751tr obl1f6	High grade 1 silver GSM 1
	2	7251	pani_751tr obl2f6	High grade 1 silver GSM 2
752	3	7352	pani_752tr obl3f6 obl4f6	High grade 2 silver PETS
753	3	7353	pani_753tr obl3f6 obl4f6	High grade 3 silver PETS
1000	1	1100	pani_1000_ac pani_1000_intac obl1f6	Mineralised Waste GSM North
	2	1200	pani_1000_ac pani_1000_intac obl2f6	Mineralised Waste GSM South
	3	1300	pani_1000_ac pani_1000_intac obl3f6 obl4f6	Mineralised Waste PETS

7.5 Bulk Density

Refer to section 6.4.3 for background on bulk density measurement capture.

The resultant densities were imported into the geological database. The dataset consists of 28,617 bulk density measurements, and values with lengths < 0.09 m or > 0.25 m was set to null and not used in the MRE. Erroneous values (i.e. < 0.5 g/cm³) were set to null.

7.6 Compositing

The drill samples used for the MRE were collected over the following intervals:

- One metre interval ~38% of the total dataset
- Two metres intervals ~34%
- Between one and two metres intervals ~25%

Intervals less than a metre account for less than 2% and intervals greater than two metres account for less than 3%. Based on the nature of mineralisation and the anticipated scale of future mining, a composite length of two metres was selected.

Composite statistics for all elements in each estimation domain are presented in Table 7-14. Although sulphur, calcium and iron are not of economic importance, their results are disclosed for completeness as they were estimated into the resource model.

Table 7-14 Raw 2m Composited Statistics

Raw Statistics 2 m Composites							
Variable	Domain	Number of Comps.	Min.	Max.	Mean	Std. Dev.	CV
Au (g/t) . .	1000_1	4,790	0.00	7.90	0.09	0.26	2.98
	1000_2	4,516	0.00	7.64	0.09	0.27	2.92
	1000_3	5,617	0.00	62.00	0.09	0.88	9.60
	3000_1	15,995	0.00	273.92	0.32	2.38	7.36
	3000_2	24,120	0.00	155.01	0.35	1.48	4.19
	3000_3	24,628	0.00	216.47	0.31	1.64	5.35
	5001_2	172	0.07	9.98	0.86	0.95	1.10
	5002_1	12,693	0.00	178.32	1.02	2.89	2.85
	5002_2	15,723	0.00	105.72	1.04	2.39	2.30
	5002_3	2,331	0.01	52.47	0.80	1.70	2.12
	5003_3	5,778	0.00	144.25	1.15	3.07	2.67
	5004_3	63	0.05	25.22	1.90	4.18	2.20
	5005_3	223	0.01	15.68	0.78	1.24	1.59
	1000_1	13,830	0.05	85.24	0.42	1.98	2.71
	1000_2	16,437	0.05	41.06	0.38	0.72	2.80
Ag (g/t) . .	1000_3	34,406	0.05	100.00	0.30	1.28	4.12
	731_1	4,788	0.05	86.98	0.77	2.09	2.71
	731_2	7,015	0.05	100.00	0.96	2.70	2.80
	731_3	525	0.05	31.60	0.54	2.21	4.12
	732_1	1,120	0.05	100.00	2.15	6.37	2.96
	733_3	2,363	0.05	257.00	1.40	8.44	6.03
	751_1	453	0.12	100.00	3.12	8.98	2.87
	751_2	7,276	0.05	140.85	3.50	6.32	1.81
	752_3	228	0.10	100.00	5.23	14.42	2.76
	753_3	338	0.10	100.00	6.96	15.50	2.23
S (pct) . . .	1	13,355	0.00	1.31	0.06	0.11	1.71
	2	22,734	0.00	1.19	0.10	0.12	1.29
	3	38,938	0.00	3.44	0.09	0.16	1.83
Ca (pct) . .	1	15,232	0.01	3.06	0.18	0.29	1.65
	2	24,691	0.01	7.38	0.18	0.30	1.63
	3	38,928	0.01	7.50	0.27	0.45	1.65
Fe (pct) . .	1	16,670	0.01	8.63	1.23	0.23	0.19
	2	26,105	0.01	8.15	1.21	0.21	0.17
	3	38,929	0.35	8.92	1.09	0.30	0.27

7.7 Evaluation of Outliers

Identification of grade capping thresholds for the composite data was completed following a review of histograms, log-probability plots, mean variance plots and cumulative metal plots, with all individual domains and variables assessed.

In addition to the application of top cuts, distance restrictions were employed during estimation for selected domains. The purpose was to limit the spatial influence of local high-grade assays to avoid excessive extrapolation of high grades and keep good stationarity within each domain. Selection of the distance restriction threshold values considered the log-probability plots, grade histograms and spatial review.

All grade capping restrictions are presented in Table 7-15 with distance capping presented in Table 7-16.

Table 7-15 Raw Grade Capping Statistics by Element and Domain (Au, Ag, Cu)

Variable	Domain	Capping Statistics		Capped Value	Capped Mean	Capped CV
		Raw Mean	Raw CV			
Au (g/t)	1000_1	0.09	2.98	25	0.08	2.03
	1000_2	0.09	2.92	9	0.09	2.56
	1000_3	0.09	9.60	15	0.08	2.48
	3000_1	0.32	7.36	10	0.30	2.43
	3000_2	0.35	4.19	9	0.34	2.32
	3000_3	0.31	5.35	11	0.29	2.16
	5001_2	0.86	1.10	1	0.82	0.83
	5002_1	1.02	2.85	16	0.98	1.85
	5002_2	1.04	2.30	12	1.03	1.96
	5002_3	0.80	2.12	14	0.76	1.37
	5003_3	1.15	2.67	16	1.08	1.53
	5004_3	1.90	2.20	1	1.75	1.98
	5005_3	0.78	1.59	1	0.73	1.07
	1000_1	0.42	2.71	25	0.39	3.01
Ag (g/t)	1000_2	0.38	2.80	16	0.38	1.68
	1000_3	0.30	4.12	18	0.29	2.13
	731_1	0.77	2.71	15	0.73	1.63
	731_2	0.96	2.80	15	0.89	1.42
	731_3	0.54	4.12	—	0.54	4.12
	732_1	2.15	2.96	20	1.78	1.72
	733_3	1.40	6.03	35	1.08	3.22
	751_1	3.12	2.87	35	2.60	1.72
	751_2	3.50	1.81	45	3.37	1.43
	752_3	5.23	2.76	20	3.29	1.40
	753_3	6.96	2.23	25	4.69	1.43
	1	0.06	1.71	49	0.06	1.66
	2	0.10	1.29	2	0.10	1.28
	3	0.09	1.83	2	0.09	1.81
Ca (pct)	1	0.18	1.65	1	0.18	1.65
	2	0.18	1.63	11	0.18	1.60
	3	0.27	1.65	3	0.27	1.64
Fe (pct)	1	1.23	0.19	7	1.23	0.17
	2	1.21	0.17	4	1.20	0.17
	3	1.09	0.27	29	1.09	0.26

Table 7-16 Distance Capping on All Assay Elements

Element	Domain	Capping Grade	Distance (m)	Dist Capping (Grade)
Au (g/t)	1000_1	1.5	20	1
	1000_2	2.6	40	1.2
	1000_3	2	40	1.2
	3000_1	16	20	5.5
	3000_2	18	20	8
	3000_3	12	20	5
	5001_2	4	20	1.5
	5002_1	27	20	18
	5002_2	35	20	10
	5002_3	8	20	3.5
	5003_3	17	20	7
	5004_3	16	20	3.5
	5005_3	5	20	—
	1000_1	25	20	12
	1000_2	16	20	8
Ag (g/t)	1000_3	18	20	10
	731_1	15	20	6.5
	731_2	15	20	0
	731_3	9999	20	2
	732_1	20	20	7
	733_3	35	20	12
	751_1	35	20	10
	751_2	45	20	22
	752_3	20	20	9
	753_3	25	20	14
S (pct)	1	0.7	20	0.2
	2	0.8	20	0.5
	3	1	20	0.5
Ca (pct)	1	2.15	20	0.4
	2	2.3	20	0.6
	3	3.2	20	0.7
Fe (pct)	1	3.5	Nil	Nil
	2	4	Nil	Nil
	3	3.5	Nil	Nil

7.8 Block Model and Grade Estimation

The assessment of the spatial continuity of the estimation domains was conducted using Supervisor and Datamine software. All estimation domains displayed a skewed distribution and normal scores transformations were used to obtain interpretable experimental variograms. Exploratory data analysis (EDA) was performed on all estimation domains and variographic analysis was conducted for estimation domains with a significant number of samples.

Experimental variograms were generated using diamond drill hole information and several estimations domains were assigned the variogram parameters of the larger domains based on the domain orientation and distribution.

The Au directional variograms were initially modelled using the composites from domains 3000 and 5000 series within each ore block domain. Gaussian anamorphosis for each domain and ore block combination was used to back-transform the Gaussian modelled variograms into the naïve space and these variograms were used for the estimation and Uniform Conditioning process. In the variographic analysis, the principal plane for GSM South and PETS inclined moderately towards the northwest, while GSM North dipped moderately towards the southwest.

The remaining elements such as silver, sulphur, calcium, iron, density and equotip are modelled in omni directional variograms on normal scores and back – transformed into the naïve space. The back transformed variogram was then used for the estimation.

Quantitative Kriging Neighbourhood Analysis (QKNA) was performed to optimise the orientation and dimensions of the three-dimensional volume used to select the samples, as well as the actual optimal number of samples to be utilised in the estimation process. The suitability of the search neighbourhoods (estimation parameter) was determined by reviewing output statistics defined during the kriging process, being:

- The estimation bias: the slope of regression between the estimated and true grades of the panels.
- The estimation precision: the correlation coefficient of the regression between the estimated and true grades of the panels.
- The kriging weights: focusing on the percentage of positive weights to ensure a large number of negative weights are not used in the estimation process.

At Pani, a close range between the minimum and the maximum samples scenario was selected in the estimation process. This is expected to decrease the “smoothing” effect on estimated blocks and to exclude samples located further away. To keep the nature of variogram sample selections in the estimation processes, no additional parameters were used (quadrant and max sample per drill hole). A smaller number of samples within the first search pass were selected to ensure a more localised estimate and to align with geological observations.

Pani gold mineralisation is the result of stockwork/veins in volcanic host rock which has continuous mineralisation from the feeder structure into the host rock. To honour the geological mineralisation observations, the MRE for gold (Au) used semi soft boundaries in the estimation process, as opposed to hard boundaries. A distance of 6 m was selected as a base towards and outwards from the high-grade domains. The 6m towards high grade domains allowed more higher-grade samples within the lower grade domain estimates, and the distance outwards allowed more lower grade samples within the high-grade domain estimates. The 6 m distance was selected from the inflection point on the variance lag trend on soft boundary estimation, both towards and outwards from the high-grade domain (Figure 7-3).

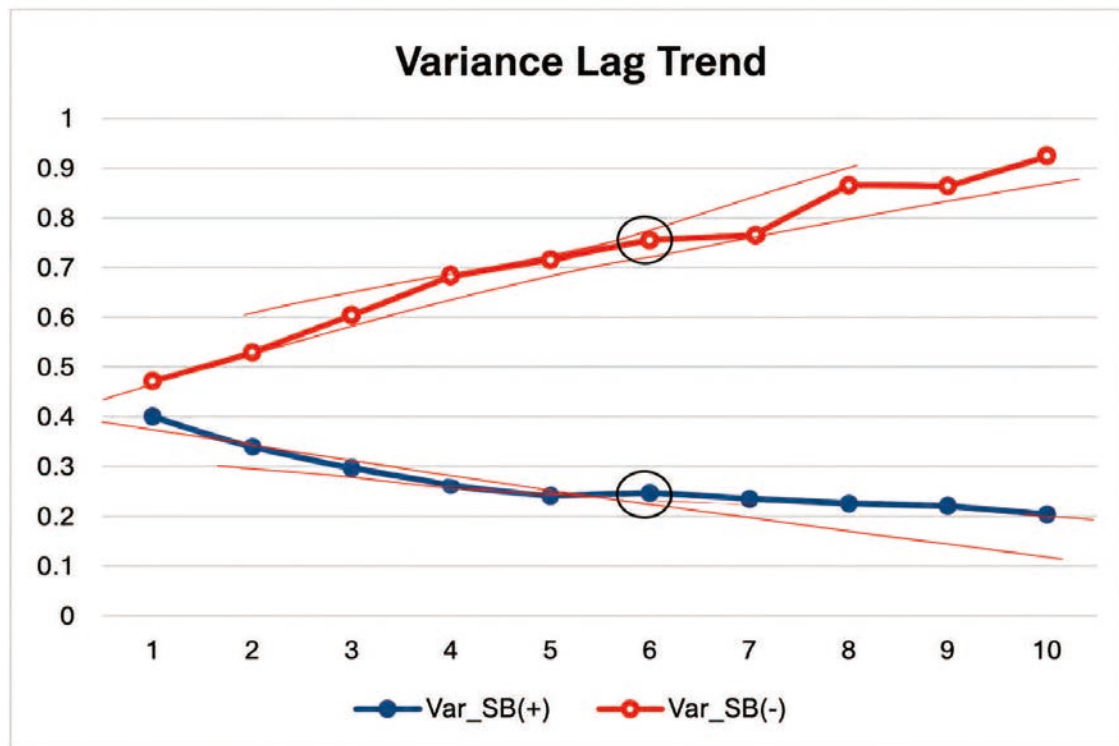


Figure 7-3 Variance Lag Trend Towards (red) and Outwards (blue) from High Grade Domains

Silver estimates use soft boundaries across ore blocks and hard boundaries between high to low grade domains. Calcium, iron and sulphur have soft boundaries between ore blocks, whilst equotip and density have soft boundaries between alteration.

The estimation domains for gold, silver and the minor elements were interpolated using Ordinary Kriging into 20 mX x 20 mY x 5 mZ and 40 mX x 40 mY x 10 mZ panels. Estimation on panel sizes of 20 mX x 20 mY x 5 mZ was followed by a Localised Uniform Conditioning (LUC) based on 5 mX x 5 mY x 2.5 mZ Selective Mining Units (SMU) for Au. The estimation was conducted within Datamine software. Detail on assay elements, cell size, estimation methodology and localisation domains are shown in Table 7-17.

Table 7-17 Summary of Cell Size, Estimation Method on Panel and Localisation by Domain

Assay Elements	Estimation methods	Panel Block model Ordinary Kriging	Localisation to SMU Blocks	Panel Domains	Localisation Domains
Au (gold)	Ordinary Kriging + LUC	40 x 40 x 10; 20 x 20 x 5	5x5x2.5	1000, 3000, 5000 with all subdomains	3000 and 5000
Ag (silver)	Ordinary Kriging	40 x 40 x 10; 20 x 20 x 5	–	731, 732, 733, 751, 752, 753 with all subdomains	–
Ca, Fe, S (Calcium, Iron and Sulphur)	Ordinary Kriging	40 x 40 x 10; 20 x 20 x 5	–	Ore block 1, 2, 3	–
Density and Equotip. . .	Ordinary Kriging	40 x 40 x 10; 20 x 20 x 5	–	Alteration domains, 300, 310, 320, 330, 340	–

The selection of the panel block model extents and origin was based on the extents of drilling and limits of mineralised domain interpretations. The selection of parent blocks and sub-celling was based on various criteria including the drill density, the orientation of the mineralisation, the overall drill coverage and the likely scale of mining operations. Figure 7-4 displays the boundary extents for the panel blocks.

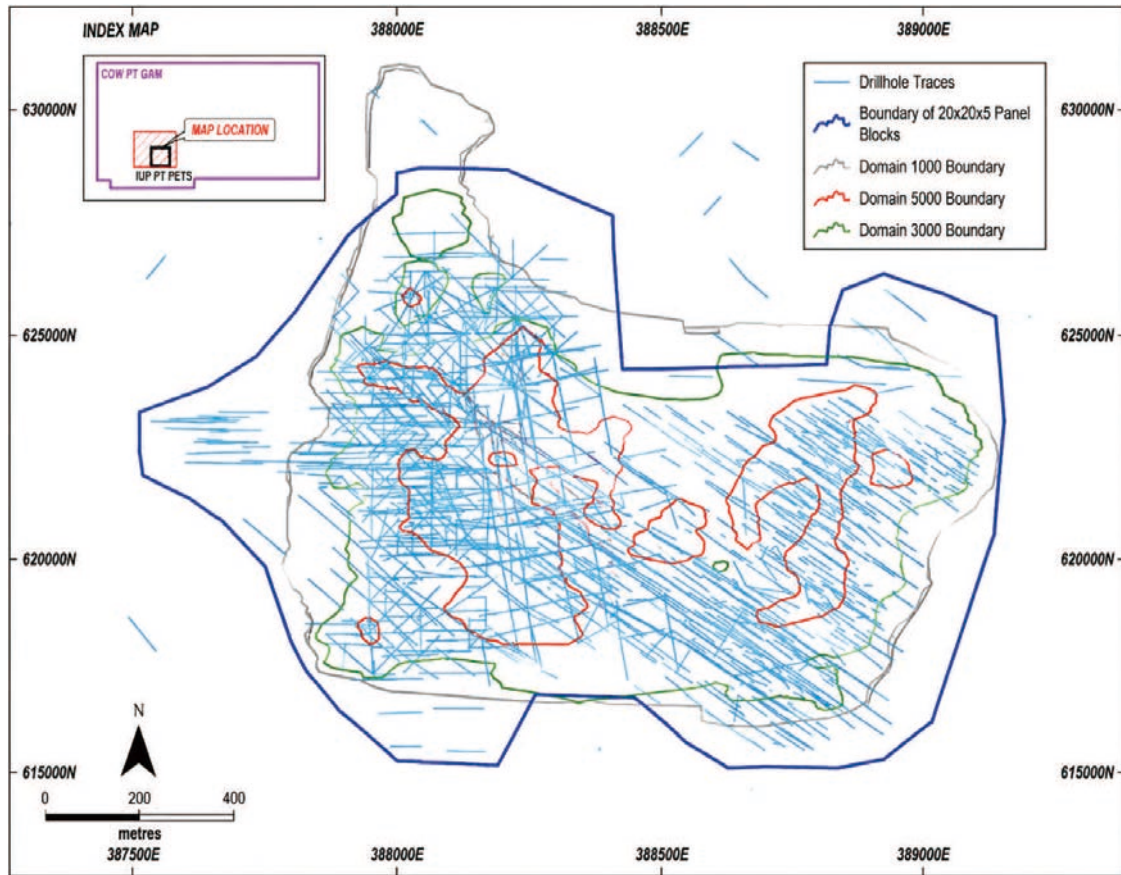


Figure 7-4 The Drillhole Distribution (Blue Line is 20 x 20 x 5 Panel Blocks Boundary)

The block model origin is based on the lower southwestern corner of the model. The model prototype parameters are outlined in Table 7-18.

Table 7-18 Block Model Prototype Definition

	<u>Easting (m)</u>	<u>Northing (m)</u>	<u>RL (m)</u>
Minimum Coordinate	387,000	61,400	-100
Maximum Coordinate	389,400	63,400	800
User Block Size	40 or 20	40 or 20	10 or 5
Sub-Block Size	5	5	2.5

The block model was constructed with a panel size of 40 m x 40 m x 30 m to reduce the overall size of the model. The panel sizes used in the estimate are outlined above.

The following table shows the key attributes stored within the block model (Table 7-19).

Table 7-19 Block Model Attributes

Block Model Fields			
Field Description	Field Name	Type/Unit	Values/Meaning
FIELD NAMES			
Au Estimation Domains	IJK	Numeric	Datamine block number
	DOM	Numeric	0 – Area outside of estimation domains (not estimated)
			1000 – Mineralised Waste Domain ($\geq 0.1\text{g/t}$)
			3000 – Mineralised Domain (≥ 1 veins, $\geq 0.1\text{g/t}$)
			5001 – Higher Grade Mineralised Domain (≥ 5 veins, breccia's, $\geq 0.5\text{g/t}$)
			5002 – Higher Grade Mineralised Domain (≥ 5 veins, breccia's, $\geq 0.5\text{g/t}$)
			5003 – Higher Grade Mineralised Domain (≥ 5 veins, breccia's, $\geq 0.5\text{g/t}$)
			5004 – Higher Grade Mineralised Domain (≥ 5 veins, breccia's, $\geq 0.5\text{g/t}$)
			5005 – Higher Grade Mineralised Domain (≥ 5 veins, breccia's, $\geq 0.5\text{g/t}$)
			LUC Au g/t grade – for optimisation
Au grade	LUC_AU	Numeric	
Topography	TOPO	Numeric	0 – Air, 1 – In situ
Oxidation state	OX	Numeric	Oxidation state
			10 – Oxide
			20 – Transitional
			30 – Fresh
Alteration Type	ALT	Numeric	Geological Alteration
			300 – Unaltered
			310 – Clay Chlorite
			320 – Clay Silica
			330 – Silica Chlorite
			340 – Silica Clay
Lithology Type	LITH	Numeric	Lithology
			201 – pani_bx_201
			220 – pani_lpt_220
			230 – pani_prd_230
			240 – pani_prdb_240
			250 – pani_pvol_250
			260 – pani_rd_260
Ag grade	AG_OK	Numeric	Omni directional OK Ag
S grade	S_OK	Numeric	Omni directional OK S
Ca Grade	CA_OK	Numeric	Omni directional OK Ca
Fe Grade	FE_OK	Numeric	Omni directional OK Fe
Alteration Met Type . .	ALT_MET	Numeric	Alteration Met
			410 – Chlorite
			415 – Chlorite ($\pm\text{Si} \pm\text{Cy}$)
			420 – Clay ($\pm\text{Si} \pm\text{Ch}$)
			430 – Silica Clay
			440 – Silica
	XC	Numeric	Cell centroid
	YC	Numeric	Cell centroid
	ZC	Numeric	Cell centroid
	XMORIG	Numeric	Origin
	YMORIG	Numeric	Origin

Block Model Fields			
Field Description	Field Name	Type/Unit	Values/Meaning
	ZMORIG	Numeric	Origin
	XINC	Numeric	Cell size
	YINC	Numeric	Cell size
	ZINC	Numeric	Cell size
	NX	Numeric	Number of Cells
	NY	Numeric	Number of Cells
	NZ	Numeric	Number of Cells
Structural Blocks	OBL	Numeric	Structural ore blocks based on regional scale structures 1 – GMS North 2 – GMS South 3 – PETS
Ag Estimation Domains	DOM_AG	Numeric	0 – Area outside of estimation domains (not estimated) 1000 – Mineralised Waste Domain (volume defined by Au Domains) 731 – Mineralised Domain 732 – Mineralised Domain 733 – Mineralised Domain 751 – Higher Grade Mineralised domain 752 – Higher Grade Mineralised domain 753 – Higher Grade Mineralised domain
Bulk Density	SG_OK	Numeric	Omni directional OK BD
Equotip	EQ_OK	Numeric	Omni directional OK Equotip
Classification	RESCAT	Numeric	Resource Classification, 1 – Measured, 2 – Indicated, 3 – Inferred and 4 – Unclassified

REGULARISED BLOCK MODEL FIELD NAMES

N/A

Density statistical characteristics were reviewed based on the interpreted alteration, oxidation and Au domains. Analysis of the log-probability plots indicate that Au estimation domains and the oxidation domains were not relevant for bulk density. Log-probability plots of bulk density within the alteration were reviewed, as shown in Figure 7-5, and formed the bases of the bulk density estimation domains.

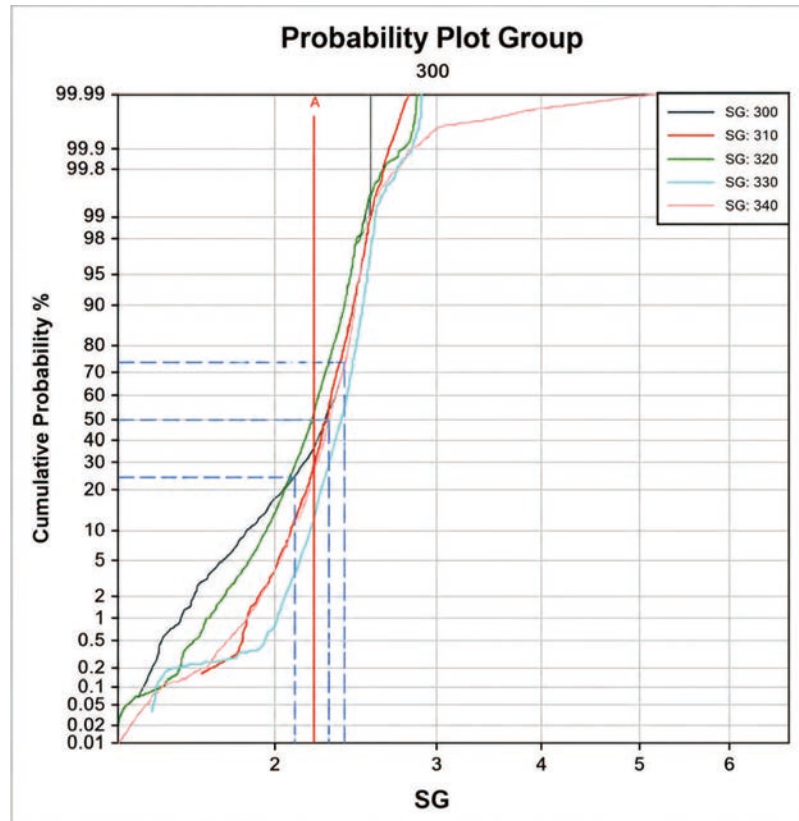


Figure 7-5 Log Probability Plot of Alteration vs Density

An omni directional variogram was used to estimate the bulk density through Ordinary Kriging. The un-estimated block was then assigned with the median value (values shown in Table 7-20).

Table 7-20 Bulk Density Domains

Alteration Domain	Density Assignment
300	2.21
310	2.29
320	2.19
330	2.33
340	2.29

Equotip estimation is used to support the analysis of the hardness model. The equotip values correspond to alteration type, and as mentioned in Table 7-21 the intervals with more silica content have higher equotip values. As a result, the alteration type model was treated as equotip estimation domains, with the following details:

- Alteration type related with silica have higher equotip value (above 680).
- Alteration type related with clay - silica have lower equotip value (below 680).

Table 7-21 Raw Equotip Value Compared with the Alteration Model

Alteration Type	Code	Count	Mean	Standard deviation	Minimum	Maximum
Surface Weathering (UA) . .	300	186	661	183	242	891
Clay \pm Chlorite (CyCh) . . .	310	59	648	139	347	869
Clay \pm Silica (CySi)	320	6,093	612	168	220	922
Silica \pm Chlorite (SiCh) . . .	330	4,157	689	110	267	904
Silica \pm Clay (SiCy)	340	41,075	707	138	215	934

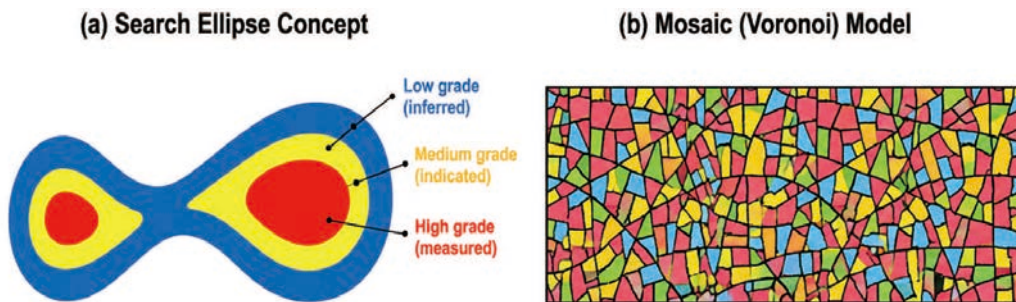
The alteration domains were modelled using a combination of explicit and implicit methods. Alteration strings were drawn section by section in Micromine and then assembled into a 3D model using Leapfrog Geo 2023.2.1. The alteration domain wireframes were flagged in the parent block model with codes explained in Table 7-22.

Table 7-22 Alteration Coding and Descriptions

Alteration	File name	Domain Code
Surface Weathering (UA)	pani_ua_300	300
Clay \pm Chlorite (CyCh)	pani_chcy_310	310
Clay \pm Silica (CySi)	pani_cysi_320	320
Silica \pm Chlorite (SiCh)	pani_chsi_330	330
Silica \pm Clay (SiCy)	pani_sicy_340	340

The recoverable resource estimate was implemented using localised uniform conditioning (LUC). The localisation component of the LUC calculates a grade for each SMU within the panel whilst honouring the panel uniform conditioning (UC) defined grade tonnage curve (Abzalov, 2006). The LUC estimate is likely to be a better representation of the achievable selectivity (grade-tonnage curve) during mining than the panel estimate.

LUC methodology is most applicable where the grade distribution is diffusive. A system is considered to be diffusive if medium-grade material is located between lower-grade and higher-grade material. A mosaic system is the opposite of a diffusive system, with examples shown in Figure 7-6.

**Figure 7-6 Example of (a) Diffusive Mineralised System and (b) Mosaic Mineralised System**

Diffusivity or grade architecture can be tested by plotting the ratio of the cross-variogram over the simple variogram of different thresholds (usually the 10th percentiles). When the ratio is constant, this means the threshold “i” is not spatially correlated with the threshold “i+1”, and the grade architecture conforms more to the mosaic model. If this ratio shows some structured variograms, the grade architecture is considered to conform more to a diffusive model.

Diffusivity tests were performed in Isatis software for each domain. The results show that mineralisation conforms to the diffusive mineralisation model. The implementation of UC and LUC estimation methods was therefore deemed appropriate (refer to Figure 7-7).

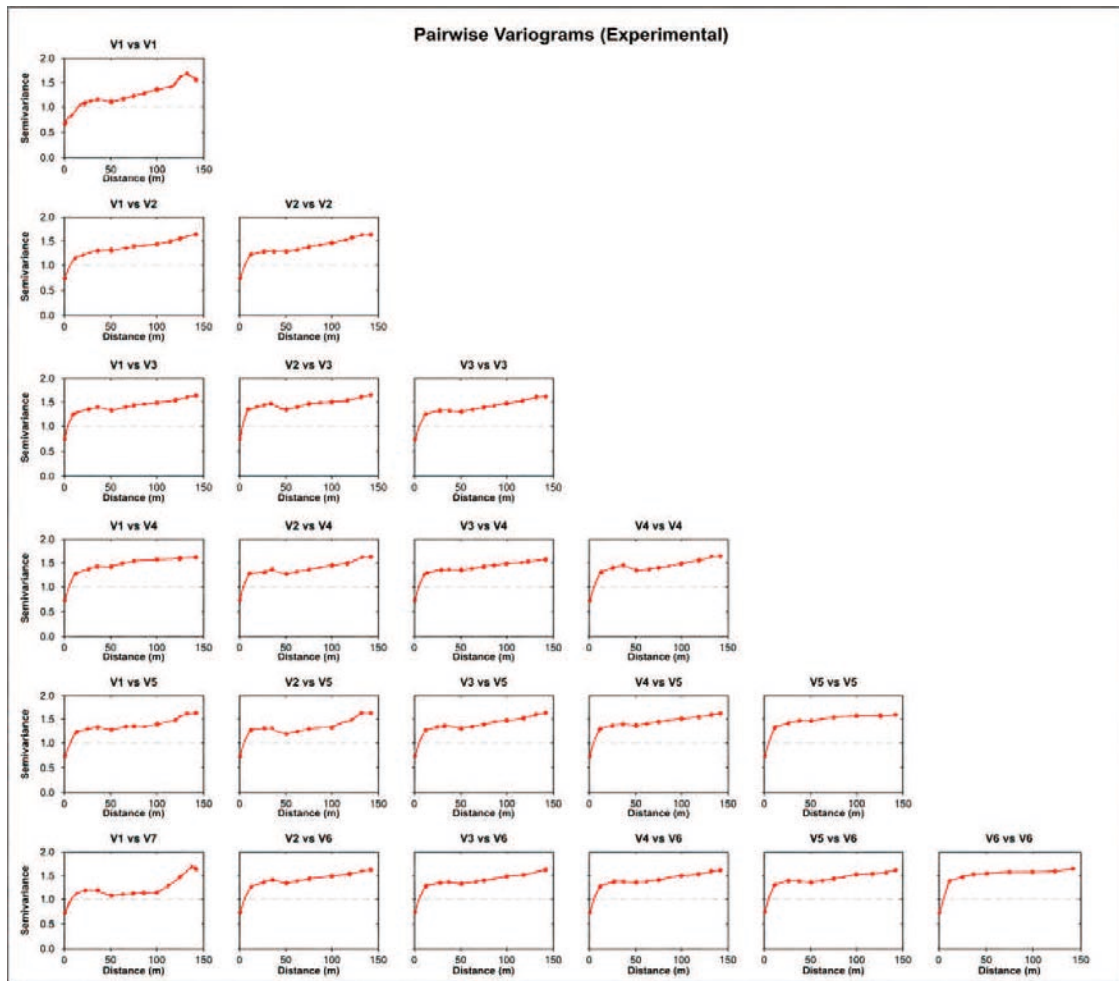


Figure 7-7 Cross-Variograms Ratio over the Simple Variograms for Domain 5002_1

7.9 Model Validation

Comparison of the panel estimate block grades against the average capped composites, average declustered (40 m x 40 m x 20 m), moving window average capped composites and average kriging samples were completed for all domains. To retain the impact of grade extrapolation of the composite samples versus blocks comparisons, additional restrictions were placed on the analysis using sample distance to blocks. Range average sample distance from blocks started at less than 10 m, followed by 25 m and beyond 25 m were categorised and statistically reported. The statistical results for the high-grade Au domains are presented in Table 7-23 to Table 7-29.

Table 7-23 Composites Versus Blocks Au ppm Estimation Domain 5001_2 (5201)

DOMAIN	CATEGORY	COUNT	MIN	MAX	MEAN	RD B/S	RD B/S DECLSW	RD B/S DECLK	RD B/S MWA
5201	Sample	172	0.07	4.00	0.82	-	-	-	-
	Declustered Sample	172	0.07	4.00	0.93	12%	-	-	-
	Declustered Sample Kriging Mean	1,654	0.02	4.00	0.66	-19%	-	-	-
	Moving Window Average	1,222	0.10	1.34	0.70	-15%	-	-	-
	Panel Kriging Mean	673	0.09	1.57	0.68	-18%	-27%	-2%	-4%
	Informed Blocks < 10 m	624	0.09	1.25	0.66	-20%	-29%	-1%	-7%
	Less Informed Blocks + 10 - 25m	1,638	0.15	1.57	0.69	-17%	-26%	-3%	-2%
	Less Informed Blocks + 25m	12	0.18	0.37	0.20	-75%	-78%	-69%	-71%

Table 7-24 Composites Versus Blocks Au ppm Estimation Domain 5002_1 (5102)

DOMAIN	CATEGORY	COUNT	MIN	MAX	MEAN	RD B/S	RD B/S DECLSW	RD B/S DECLK	RD B/S MWA
5102	Sample	12,788	0.00	27.00	0.98	-	-	-	-
	Declustered Sample	12,788	0.00	27.00	0.95	-3%	-	-	-
	Declustered Sample Kriging Mean	16,7754	0.00	27.00	0.82	-16%	-	-	-
	Moving Window Average	11,3359	0.01	6.80	0.86	-12%	-	-	-
	Panel Kriging Mean	60,895	0.01	7.42	0.83	-15%	-12%	1%	3%
	Informed Blocks < 10 m	53,577	0.01	5.30	0.88	-10%	-7%	7%	3%
	Less Informed Blocks + 10 - 25m	18,9205	0.01	7.42	0.88	-9%	-7%	8%	3%
	Less Informed Blocks + 25m	72,996	0.06	6.24	0.75	-23%	-21%	-9%	-12%

Table 7-25 Composites Versus Blocks Au ppm Estimation Domain 5002_2 (5202)

Domain	Category	Count	Min	Max	Mean	RD B/S (%)	RD B/S Declsw	RD B/S DeclK	RD B/S MWA
5202	Sample	15,741	0.00	35.00	1.03	-	-	-	-
	Declustered Sample	15,741	0.00	35.00	1.03	1%	-	-	-
	Declustered Sample Kriging Mean	27,5862	0.00	35.00	0.95	6%	-	-	-
	Moving Window Average	197,206	0.03	8.43	1.01	1%	-	-	-
	Panel Kriging Mean	104,134	0.03	8.82	0.98	4%	-5%	2%	3%
	Informed Blocks < 10 m	49,231	0.03	7.33	0.99	-3%	-4%	3%	2%
	Less Informed Blocks + 10 - 25m	32,7519	0.03	8.82	1.02	1%	-1%	6%	1%
	Less Informed Blocks + 25m	106,738	0.08	3.72	0.99	4%	-4%	2%	3%

Table 7-26 Composites Versus Blocks Au ppm Estimation Domain 5002_3 (5302)

DOMAIN	CATEGORY	COUNT	MIN	MAX	MEAN	RD B/S	RD B/S DECLSW	RD B/S DECLK	RD B/S MWA
5302	Sample	2,440	0.01	8.00	0.76	-	-	-	-
	Declustered Sample	2,440	0.01	8.00	0.76	1%	-	-	-
	Declustered Sample Kriging Mean	37,210	0.00	8.00	0.71	-6%	-	-	-
	Moving Window Average	26,723	0.05	3.29	0.73	-3%	-	-	-
	Panel Kriging Mean	14,228	0.05	3.25	0.68	-10%	-11%	-4%	-7%
	Informed Blocks < 10 m	11,287	0.10	2.78	0.70	-7%	-8%	-1%	-4%
	Less Informed Blocks + 10 - 25m	48,046	0.05	3.25	0.74	-3%	-4%	-4%	-1%
	Less Informed Blocks + 25m	13,719	0.05	2.41	0.68	-10%	-11%	-4%	-6%

Table 7-27 Composites Versus Blocks Au ppm Estimation Domain 5003_3 (5303)

Domain	Category	Count	Min	Max	Mean	RD B/S (%)	RD B/S Declsw (%)	RD B/S DeclK (%)	RD B/S MWA (%)
5303	Sample	5,826	0.00	17.00	1.08	-	-	-	-
	Declustered Sample	5,826	0.00	17.00	1.05	-3%	-	-	-
	Declustered Sample Kriging Mean	54,548	0.00	17.00	0.88	-18%	-	-	-
	Moving Window Average	53,063	0.02	6.07	0.95	-12%	-	-	-
	Panel Kriging Mean	29,693	0.02	7.05	0.91	-16%	-14%	-3%	-5%
	Informed Blocks < 10 m	32,935	0.02	6.19	1.07	-1%	2%	21%	13%
	Less Informed Blocks + 10 - 25m	74,951	0.02	7.05	0.83	-14%	-12%	5%	3%
	Less Informed Blocks + 25m	10,724	0.06	3.39	0.74	-31%	-29%	-16%	-22%

Table 7-28 Composites Versus Blocks Au ppm Estimation Domain 5004_3 (5304)

Domain	Category	Count	Min	Max	Mean	RD B/S (%)	RD B/S Declsw (%)	RD B/S DeclK (%)	RD B/S MWA (%)
5304	Sample	63	0.05	16.00	1.75	-	-	-	-
	Declustered Sample	63	0.05	16.00	1.49	15%	-	-	-
	Declustered Sample Kriging Mean	4,505	0.01	16.00	0.88	-18%	-	-	-
	Moving Window Average	1,951	0.14	4.89	1.14	-12%	-	-	-
	Panel Kriging Mean	1,156	0.15	5.36	1.07	-16%	28%	13%	6%
	Informed Blocks < 10 m	-	-	-	-	no blocks with less than 10m average distance			
	Less Informed Blocks + 10 - 25m	2,104	0.15	5.36	1.33	24%	10%	41%	17%
	Less Informed Blocks + 25m	1,135	0.16	1.58	0.68	-61%	55%	-29%	41%

Table 7-29 Composites Versus Blocks Au ppm Estimation Domain 5005_3 (5305)

Domain	Category	Count	Min	Max	Mean	RD B/S	RD B/S Declsw	RD B/S DeclK	RD B/S MWA
5305	Sample	227	0.01	5.00	0.73	-	-	-	-
	Declustered Sample	227	0.01	5.00	0.71	-3%	-	-	-
	Declustered Sample Kriging Mean	3,200	0.00	5.00	0.61	-17%	-	-	-
	Moving Window Average	2,344	0.03	1.52	0.62	-16%	-	-	-
	Panel Kriging Mean	1,384	0.02	1.48	0.57	-23%	-20%	-7%	8%
	Informed Blocks < 10 m	872	0.02	1.48	0.59	-20%	-17%	-4%	5%
	Less Informed Blocks + 10 - 25m	3,359	0.04	1.30	0.60	-18%	-15%	-1%	3%
	Less Informed Blocks + 25m	125	0.30	0.94	0.54	-27%	-25%	-12%	-13%

Note: Declsw = declustered window (40m x 40m x 20m), DeclK = declustered kriging (variogram), RD = Relative difference, MWA = moving window average based on panel estimate

Semi soft boundaries were applied to the estimation process and produced estimated blocks using more samples on average when compared with the original domains, as seen in Figure 7-8. The 3000 domains have higher estimated block averages than the sample domain, and the 5000 domains have lower estimated block averages than the samples within the domain. This discrepancy was due to the mean not accounting for lower grade samples outside the domain as a result of the impact of semi soft boundaries.

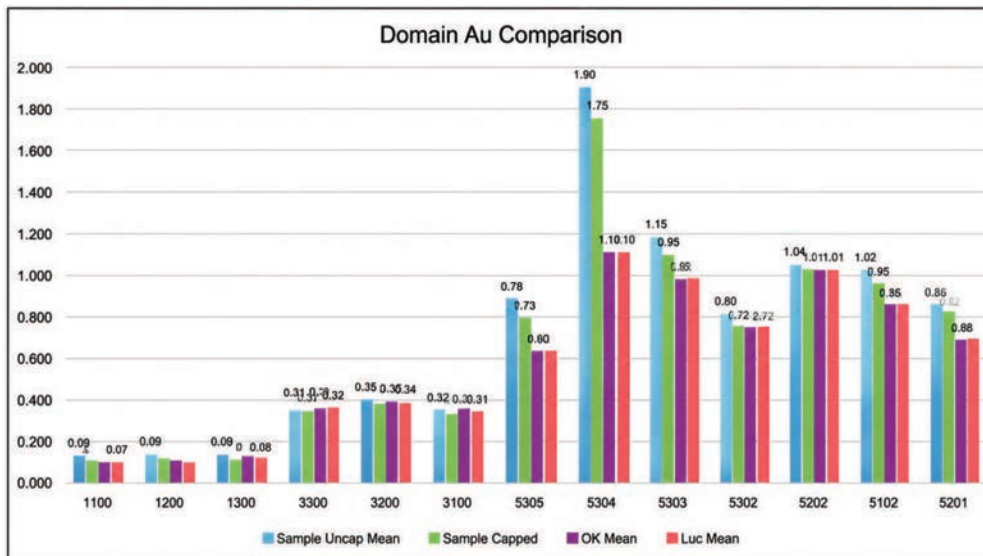


Figure 7-8 Domain Comparison Sample vs Estimation

Representative sectional views (Figure 7-9 and Figure 7-10) demonstrate the visual validation process and typical relationships between composite drill hole grades versus block grades. The representative sections are overlaid with the lidar topography and model blocks cut to the RPEEE \$2,300/oz gold shell.

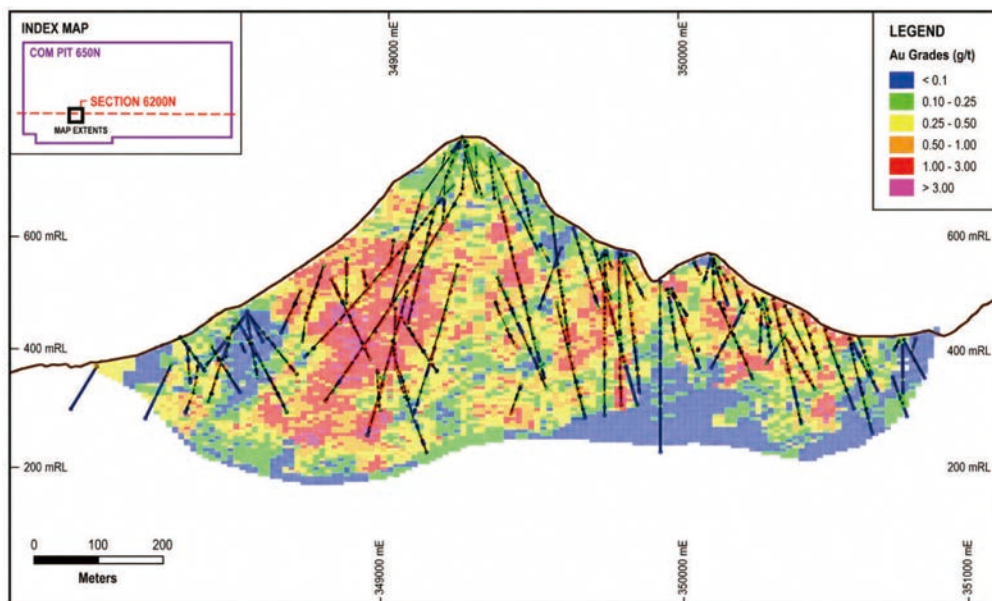


Figure 7-9 Representative East-West Section 62000N

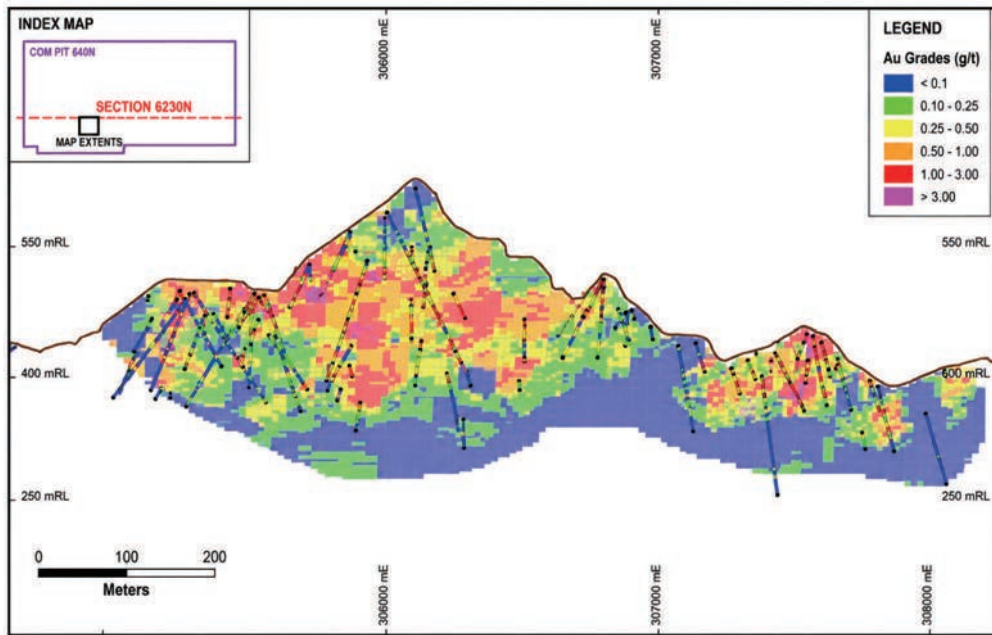


Figure 7-10 Representative East-West Section 62300N

Statistical comparison along easting, northing and elevation are reported through swath plots and tables. Comparison between estimated blocks, informed blocks, composite assays and declustered samples are shown as plots in Figure 7-11 and Figure 7-12, and blocks versus composite statistics in Table 7-30 and Table 7-31.

The graphs in Figure 7-11 and Figure 7-12 explain, in general, the fluctuation of the block grades follows the trend of the average composite and declustered samples. The block grade trends indicate the smoothing effect on the estimation process is not dominant. Table 7-30 and Table 7-31 also show the block estimates have lower grade compared with the composite samples, which is due mostly to the semi soft boundary effects.

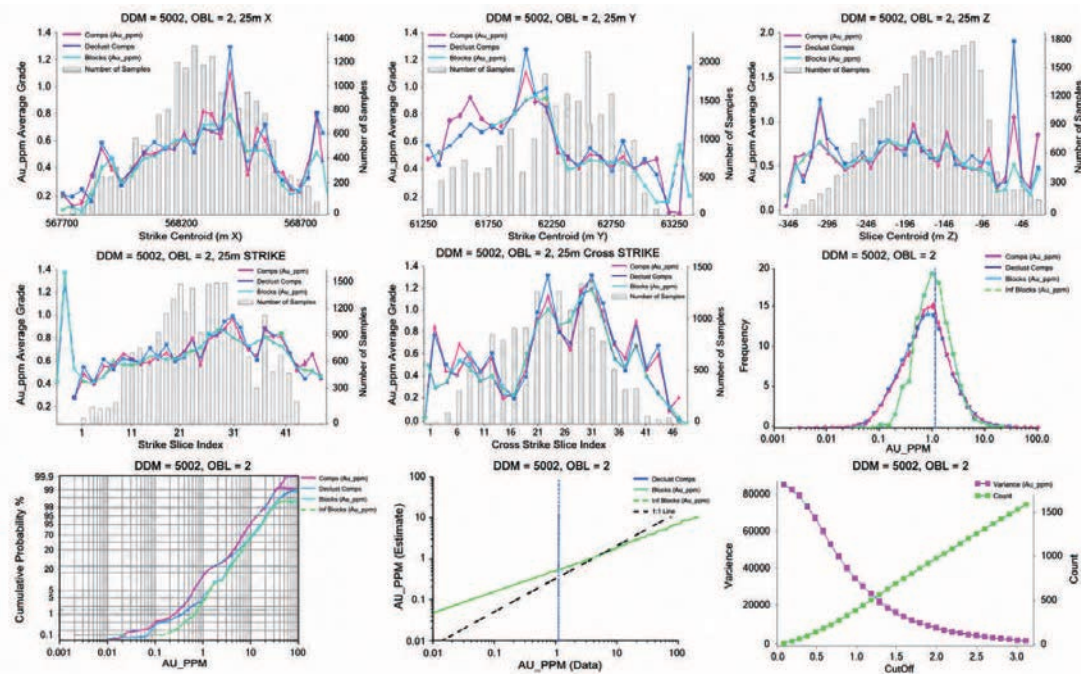


Figure 7-11 Swath Plot for Comps (pink), Declust Comps (blue) vs Blocks (cyan), Informed Blocks (green) for Gold - Domain 5002_2 (5202)

Table 7-30 Composites Versus Blocks LUC Estimate Au ppm Domain 5002_2 (5202)

Statistic	2m comps	Decl Sample	LUC AU	LUC vs Sample (%)	Luc_Au vs Decl Sample (%)	LUC Informed	LUC Informed vs Sample (%)	Luc_Au Informed vs Decl Sample (%)
Points	15723	15723	487420	3000	3000	472886	2908	2908
Mean	1.04	1.03	1.01	-2.94	-1.60	1.01	-2.67	-1.32
Std Dev	2.39	2.15	0.92	-61.70	-57.44	0.92	-61.46	-57.18
Variance	5.72	4.63	0.84	-85.33	-81.89	0.85	-85.15	-81.66
CV	2.30	2.10	0.91	-60.54	-56.75	0.91	-60.41	-56.60
Skewness	16.01	15.20	3.25	-79.68	-78.59	3.25	-79.68	-78.59
Kurtosis	444.76	419.24	18.79	-95.78	-95.52	18.75	-95.79	-95.53
Log Mean	-0.64	-0.62	-0.29	-55.52	-53.50	-0.29	-55.66	-53.65
Log Variance	1.26	1.22	0.59	-52.85	-51.41	0.60	-52.53	-51.09
Geom. Mean	0.52	0.54	0.75	43.03	39.09	0.75	43.15	39.21
Log-Est. Mean	0.98	0.99	1.01	2.61	1.65	1.01	2.90	1.94
Maximum	105.72	105.72	17.30	-83.64	-83.64	17.30	-83.64	-83.64
75%	1.07	1.08	1.25	16.70	15.53	1.25	16.72	15.55
50%	0.54	0.57	0.75	39.19	32.15	0.75	39.39	32.34
25%	0.25	0.26	0.46	83.47	75.04	0.46	83.08	74.66
Minimum	0	0	0.02	776.09	776.09	0.02	776.09	776.09

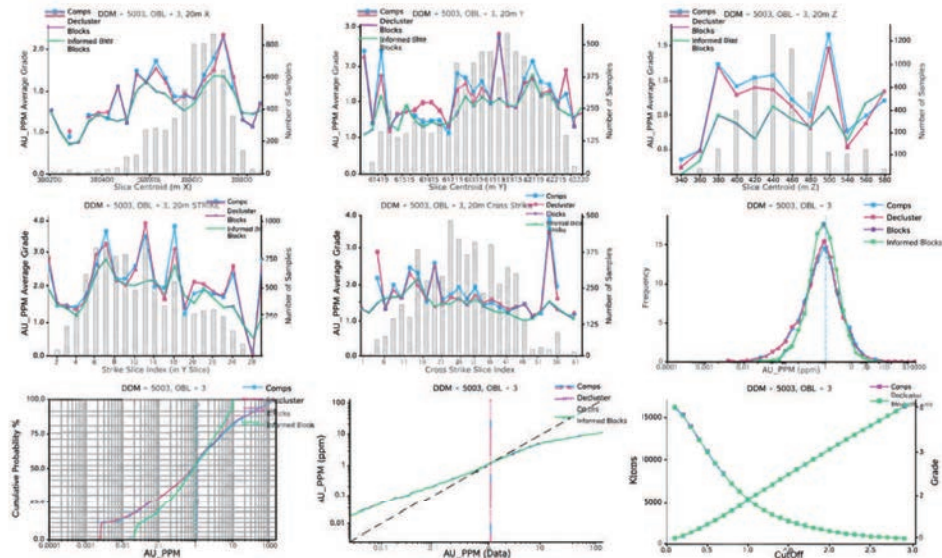


Figure 7-12 Swath Plot for Comps (pink), Declust Comps (blue) vs Blocks (cyan), informed Blocks (green) for Gold - Domain 5003_3 (5303)

Table 7-31 Composites Versus Blocks LUC Estimate Au ppm Domain 5003_3 (5303)

Statistic	2m comps	Decl Sample	LUC AU	LUC vs Sample (%)	Luc_Au vs Decl Sample (%)	LUC Informed	LUC Informed vs Sample (%)	Luc_Au Informed vs Decl Sample (%)
Points	5,778	5,778	118,622	1,953	1,953	117,866	1,940	1,940
Mean	1.15	1.09	0.95	-17	-12.82	0.96	-16.84	-12.66
Std Dev	3.07	2.99	0.89	-71.17	-70.38	0.89	-71.12	-70.33
Variance	9.44	8.94	0.78	-91.69	-91.23	0.79	-91.66	-91.20
CV	2.67	2.73	0.93	-65.27	-66.03	0.93	-65.27	-66.03
Skewness	25.10	27.65	2.85	-88.64	-89.69	2.85	-88.66	-89.70
Kurtosis	958.83	1,112	12.97	-98.65	-98.83	12.93	-98.65	-98.84
Log Mean	-0.57	-0.60	-0.38	-33	-35.48	-0.38	-33.27	-35.74
Log Variance	1.49	1.45	0.72	-51.69	-50.63	0.72	-51.61	-50.55
Geom. Mean	0.56	0.55	0.68	20.86	23.56	0.68	21.05	23.75
Log-Est. Mean	1.18	1.14	0.97	-17.68	-14.48	0.98	-17.50	-14.30
Maximum	144.25	144.25	11.79	-91.83	-91.83	11.79	-91.83	-91.83
75%	1.19	1.14	1.16	-1.98	1.77	1.17	-1.63	2.14
50%	0.62	0.62	0.70	11.46	11.26	0.70	11.90	11.70
25%	0.29	0.29	0.39	35.79	36.73	0.39	35.95	36.90
Minimum	0	0	0.02	620.20	620.20	0.02	620.20	620.20

7.10 Mineral Resource Classification

The Pani mineralised domains are of sufficient grade, geological continuity and drill density to support the classification criteria of Measured, Indicated and Inferred Mineral Resources as defined in the JORC. The resource classifications applied were determined using a range of criteria when determining the appropriate classification. These included:

- Geological, grade and volume continuity
- Drill data density, spacing and quality
- Estimation methodology
- Kriging quality (i.e., slope of regression, local estimation bias)
- Reliability of supplied depletion and topography surfaces

As with any non-rigidly defined classification there will always be some blocks within categories that depart from the defined criteria. It is the Competent Person's view that the outcome must reflect a practical combination of both geological knowledge and estimation quality parameters that may be more numerical in nature. This approach to classification aims to avoid creating a complex numerically based 'mosaic' or 'spotted dog' distribution of classified blocks.

JORC Code require that all reports of Mineral Resources have a RPEEE, as defined in clause 19, quoted as follows:

"The term "reasonable prospects for eventual economic extraction" implies a judgement (albeit preliminary) by the CPI in respect of the technical and economic factors likely to influence the prospect of economic extraction, including the approximate mining parameters. In other words, a Mineral Resource is not an inventory of all mineralisation drilled or sampled, regardless of cut-off grade, likely mining dimensions, location or continuity. It is a realistic inventory of mineralisation, which, under assumed and justifiable technical and economic conditions, might, in whole or in part, become economically extractable."

The Mineral Resource estimate assumes bulk extraction using open pit mining methods and recovery for gold by a gravity and a carbon in leach (CIL) circuit and a heap leach circuit.

The Mineral Resource estimate is reported based on open pit methods with assumed internal selectivity based on the selective mining unit (SMU). The 40 mE × 40 mN × 10 mRL and 20 mE × 20 mN × 5 mRL parent block size are an appropriate cell size for the panel estimate and the 5 mE × 5 mN × 2.5 mRL is an appropriate SMU.

Ongoing technical studies at Pani have established preliminary mining, metallurgical and other economic factors for an open pit mine, with recovery via a combination of gravity, heap leach and CIL extraction. Initial studies have established the potential "cut-off" grade for heap leach operations of approximately 0.25 g/t Au.

An RPEEE code (RPEEE24b = 1) was defined for all blocks above the constraining pit optimisation shell. The RPEEE AU pit shell was generated using the following parameters:

- US \$2,300/oz Au
- Cut-off grade of 0.2 g/t
- Slope angles of 40°
- Measured, Indicated and Inferred were used in the pit optimisation

Grade extrapolation was restricted by the mineralisation wireframes. Mineralised geological domains have been interpreted from geological logging, interpreted lithology and logged number of veins and fractures. The mineralised domains are based on logged veining, indicator iso-shells studies and geological matrix analysis.

The continuity and volume of the mineralised domains have been established by drilling to a confidence level where the grade and quantity can be reasonably assumed.

In general, the interpreted mineralised volumes have not been extrapolated more than the average drill hole spacing down dip or along strike, which adequately constrains the mineralised volume to the expected limit of the assumed geological and grade continuity.

The drill hole spacing ranges from 150 m x 150 m in poorly informed areas, to approximately 20 m x 20 m within the more densely drilled zones of the GSM and eastern PETS area. Infill drilling between the GSM and the PETS area provides enough information to allow confident interpretation of the geological framework and a reasonable assessment of the mineralisation continuity on both sides of the mountain.

The sampling, assay and QAQC procedures have been verified internally by MGR and externally by Mining One, and are considered by the Competent Person to be sufficient to form the basis of a Mineral Resource suitable for classification in accordance with JORC Code.

The drilling database represents an appropriate record of the drilling and sampling undertaken at the project. In general, drilling, surveying, sampling, analytical methods and controls are considered appropriate for the style of mineralisation under consideration.

QAQC analysis, independent data verification and verification drilling has demonstrated the MGR and historical drilling data is of a precision level suitable for use in mineral resource estimation.

It is reasonable to expect that further resource definition drilling within the Inferred areas could result in significant material departures (both positive and negative) from the current mineral resource estimate. This is reflected in the classification of the Mineral Resource.

The 3D modelling methods and the associated search and interpolation parameters used in the Ordinary Kriging (OK) and the LUC methodologies are considered appropriate for the estimation of the Mineral Resource at this stage of the project. Appropriate risk adjustments in the form of high-grade assay caps have been applied to limit the influence of statistical outliers and rigorous model validation has been undertaken. Potential overestimated grade on the edge of the high-grade domain boundaries have been reduced by applying semi soft boundary methods, resulting in a gradational grade extrapolation between domains.

Resource classifications were assigned to the estimate for all volumes which passed the RPEEE criteria discussed previously. These classifications took into consideration the following factors:

- Resource drilling – the confidence in the interpretation boundaries and related mineralisation volumes related to the number, spacing and orientation of the available drilling
- Continuity modelling – the spatial continuity of the respective domains based on variogram analysis
- Estimation quality – the assessment of key estimation kriging statistics
- Validation results – the consideration of how well the underlying domain data is reflected in the estimated blocks as assessed by global statistics and local trend plots

The resource classification was completed by assessing each of the estimation domains independently against the drill data defining them. A series of polygons were developed on 20m spaced east-west sections for the assignment of the applicable resource classification. In general, the classification criteria applied can be summarised as follows:

- The Measured Mineral Resource is defined by a nominal drill spacing of $< 20 \text{ mN} \times 20 \text{ mE}$, supported by a kriging slope of regression > 0.7 for gold, is constrained within the \$2,300/oz Au economic pit shell and within the mineralised estimation domains (3000 and 5000)
- The Indicated Mineral Resource has a nominal drill spacing of $< 40 \text{ mN} \times 40 \text{ mE}$, a kriging slope of regression of the estimated gold grade of > 0.45 , above the constraining economic pit shell at \$2,300/oz Au and within the mineralised estimation domains (3000 and 5000)
- The Inferred Mineral Resource is material within the mineralised estimation domains, above the constraining economic pit shell at US\$2,300/oz Au and with adequate drill hole spacing to support geological and grade continuity (i.e. $< 100 \text{ mN} \times 100 \text{ mE}$)

The classification for silver was assumed to be the same as the gold due to the limited materiality of the element.

Surface stockpiles were classified as Measured. This was supported by grade control drilling, volume surveys and cross checks against reconciliation data.

This general classification approach was adjusted to ensure consistent zones of equivalent confidence resources were generated. The Measured, Indicated, and Inferred Mineral Resource classification appropriately reflects the view of the Competent Person for the resource. Refer to Figure 7-13 for Pani Gold Project resource classification map.

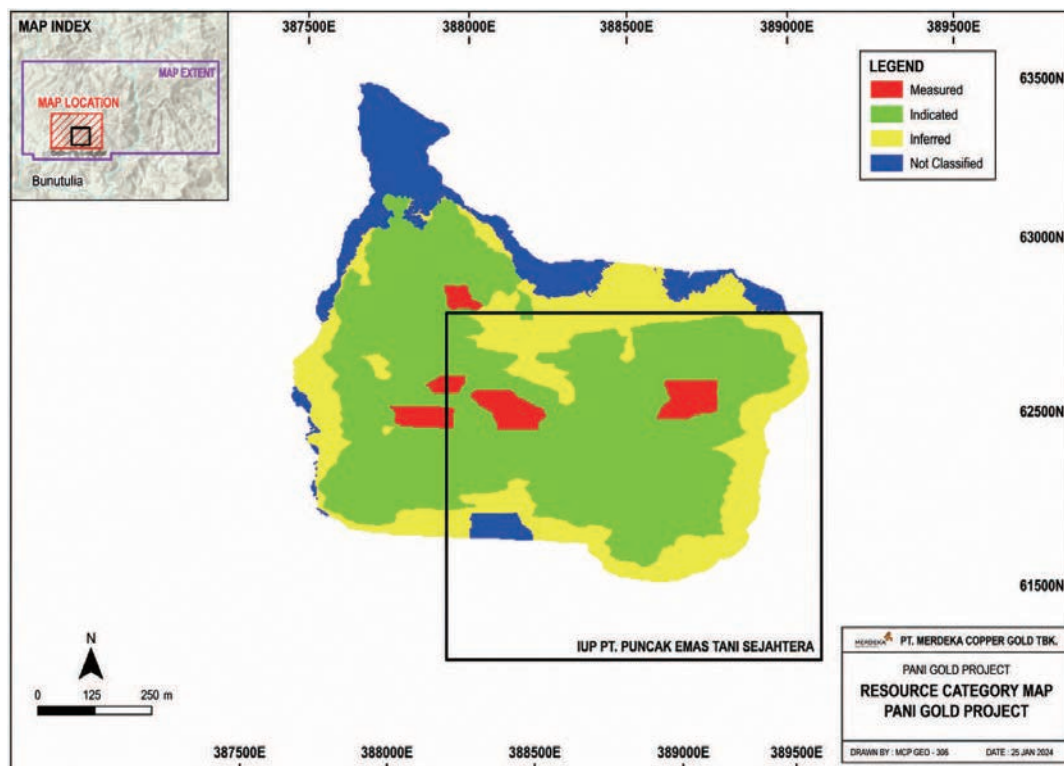


Figure 7-13 Pani Resource Classification Map

7.11 Mineral Resource Statement

The Pani Mineral Resource estimate combines the mineral resources contained in both the GSM CoW and the PETS IUP. The block model was depleted as of 31 December 2025 (Dec-25 MRE) with a cut-off grade of 0.2 g/t Au and above a December 2024 RPEEE shell at a gold price of \$2,300/oz. Resources are reported as Measured, Indicated and Inferred and include 0.9 Mt of surveyed surface stockpiles (Table 7-32). Comparison with the previous MRE at Pani Gold Mine (Sep-25) is also presented.

Table 7-32 Comparison of Current to Previous Pani MREs (>0.2 g/t Au cut-off above RPEEE \$2,300/oz gold)

MRE	Classification	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Au (Moz)	Ag (Moz)
Dec-25	Measured	7.7	0.87	1.66	0.2	0.4
	Indicated	235.6	0.77	0.73	5.9	5.6
	Inferred	48.2	0.59	0.37	0.9	0.6
	Total	291.5	0.75	0.71	7.0	6.6
Sep-25	Measured	7.6	0.92	1.51	0.2	0.4
	Indicated	236.6	0.77	0.74	5.9	5.6
	Inferred	48.2	0.59	0.37	0.9	0.6
	Total	292.4	0.75	0.70	7.01	6.6
Difference	Global	-0.9	0	0.01	-0.01	0
Relative Difference . . .	Global	0%	0%	1%	0%	0%

Notes:

- Both MREs are flagged by the August 2024 RPEEE
- Block model Dec-25 MRE: bm_pan24b_eng_meas.dm
- Database cut-off date: 8 August 2024
- Topography/depletion surface Dec-25 MRE: update_basemap_topo_all_baganite_260101_void2_DTMTR.dm
- Reported within a US\$2,300/oz Au pit shell (rpee_for_24bTR.dm). The pit shell was generated using a gold recovery of 93%, an average mining cost of US\$1.95/t, a processing cost of US\$18.25/t and an overall pit slope angle of 40 degrees, gold royalty 10%
- Dec-25 MRE includes 0.9mt @ 0.50g/t Au and 3.86g/t Ag of Measured surface stockpiles surveyed as of 31 December 2025. Grades based on grade control data acquired during mining.
- Mineral Resources are not Mineral Reserves and may not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues
- Figures may not add up due to rounding

Comparison of the Dec-25 to Sep-25 MREs at a ≥ 0.2 g/t Au threshold and above the RPEEE shell defined at the time for each MRE resulted in a 0.01 Moz global gold ounce decrease due to depletion during that period. Both the Dec-25 and Sep-25 MRE are based on the block model used for the Q2 2024 MRE (bm_pan24b).

The major update for the Sep-25 MRE was a relatively small volume of Indicated upgraded to Measured (refer to Table 7-1) that was isolated to densely drilled areas (< 20 m x 20 m spacing) exhibiting good estimate performance (slope of regression > 0.7). This update took place after internal review of the MRE and incorporation of recommendations from Mining One after a previous external review of the Q2 2024 MRE.

The only changes from the Sep-25 to Dec-25 MRE were a revised topography/depletion surface and addition of surveyed surface stockpiles to 31 December 2025. The amount of depletion exceeded stockpile balances, resulting in the relative differences noted in Table 7-1.

7.12 Grade Sensitivity Analysis

The global resource model quantities at Pani are shown in Table 7-33 to demonstrate grade sensitivity based on the reporting cut-off grade. The resource quantities are presented to show the change in tonnage and grade based upon cut-off grade and exclude surveyed surface stockpiles.

Table 7-33 Pani Global Resource Model Quantities

<u>Cut-off (Au g/t)</u>	<u>Tonnes (Mt)</u>	<u>Au (g/t)</u>	<u>Ag (g/t)</u>	<u>Au (Moz)</u>	<u>Ag (Moz)</u>
0.0	444	0.52	0.60	7.5	8.6
0.2	291	0.75	0.69	7.0	6.4
0.4	188	0.99	0.75	6.0	4.5
0.6	125	1.25	0.81	5.0	3.3
0.8	85	1.50	0.88	4.1	2.4
1.0	59	1.77	0.95	3.4	1.8
1.2	43	2.03	1.02	2.8	1.4
1.4	31	2.29	1.08	2.3	1.1
1.6	24	2.55	1.15	1.9	0.9
1.8	18	2.79	1.22	1.7	0.7
2.0	15	3.04	1.29	1.4	0.6

Notes:

- Block model: Dec-25 MRE (bm_pan24b_eng_meas.dm)
- Topography/depletion surface: update_basemap_topo_all_baganite_260101_void2_DTMTR.dm

A grade tonnage curve of the resource quantities for gold is illustrated in Figure 7-14.

The reader is cautioned that the resource quantities presented in Table 7-33 and Figure 7-14 are not to be misconstrued with a Mineral Resource Statement. The resource quantities are only presented to show the sensitivity of the block model estimate in relation to various cut-off grades.

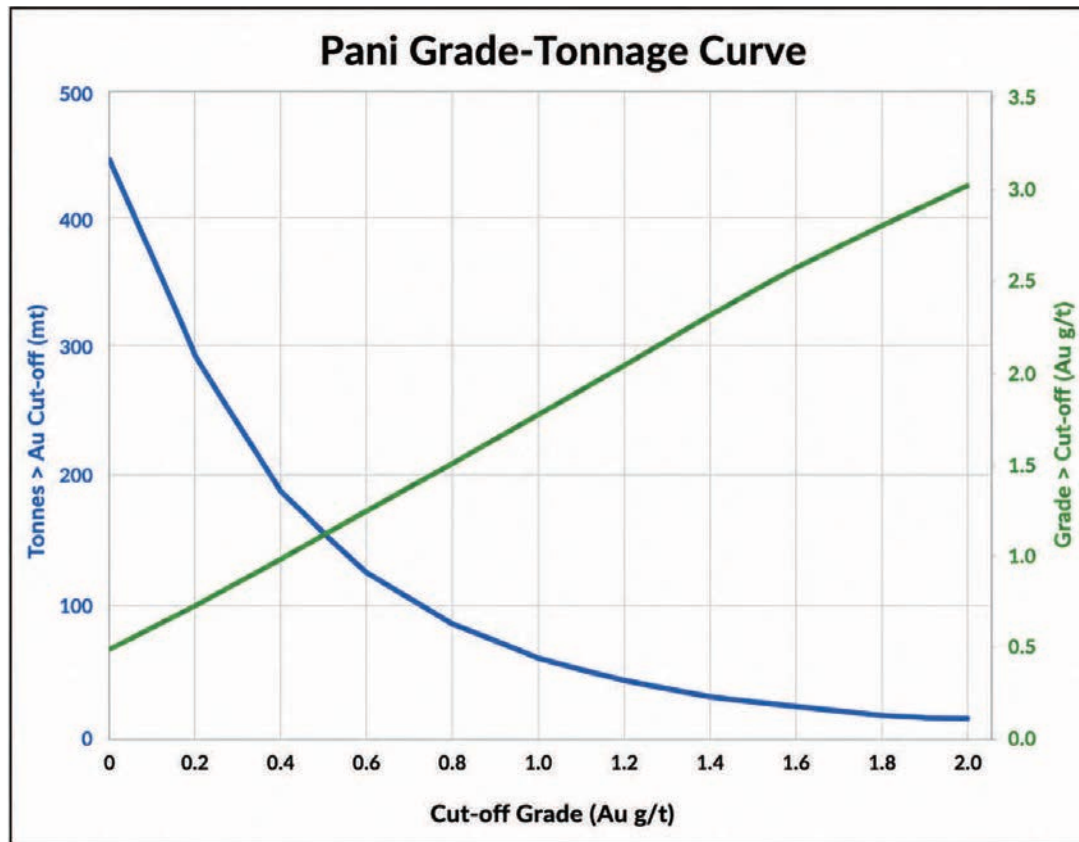


Figure 7-14 Pani Gold Grade-Tonnage Curve

7.13 Exploration Potential and Recommendations

Based on the site visit and review of the resource estimate and associated data, recommendations on exploration potential are as follows:

Continued exploration work at the two prospects and broad prospective area at Pani:

- Kolokoa Prospect: Active diamond drilling was observed during the site visit at the Kolokoa prospect south of Pani. Continuing with step-out drilling in this area is recommended, as testing for continuity of mineralisation may confirm the presence of a single larger-scale epithermal system.
- Lone Pine Prospect: A separate mineralised system known as Lone Pine has been interpreted to the north of Pani, and was observed from the mine lookout during the site visit. Mining One agree that Merdeka's future plans for geological mapping and a scout drill program are appropriate methods to test mineralisation extents.
- Dome Perimeter (extension of the proposed open pit): Near-mine and exploration upside potential exists to the northeast and south of the planned Pani open pit. The geological model provides a prospective volume to drill test to its limits, particularly given prospective structural features have previously been mapped at these extents. Investigation into the source of epithermal mineralisation is ongoing, with deeper drilling under the current mineralisation recommended to test for feeder structures and a possible porphyry source to mineralisation. This area is prospective as Pani mineralisation is open at depth and additional drilling at depth may reveal additional resources.

Continued structural data collection:

- Pani is structurally complex and data capture from drill core and mapping continues to be taken to a high standard, with 3D models being guided by this data. Newly exposed pit walls should be mapped and additional structural data captured and appended to the existing database for ongoing modelling.

8 ORE RESERVE ESTIMATION

8.1 Ore Reserve Estimation Overview

The estimation of Ore Reserves for Pani has been completed by Mining One in accordance with the standards and guidelines as set out in JORC Code.

The JORC Code defines an “Ore Reserve” as:

“the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.”

The conversion from Mineral Resources to Ore Reserves is guided by the Code's terminologies which are described in Figure 8-1.

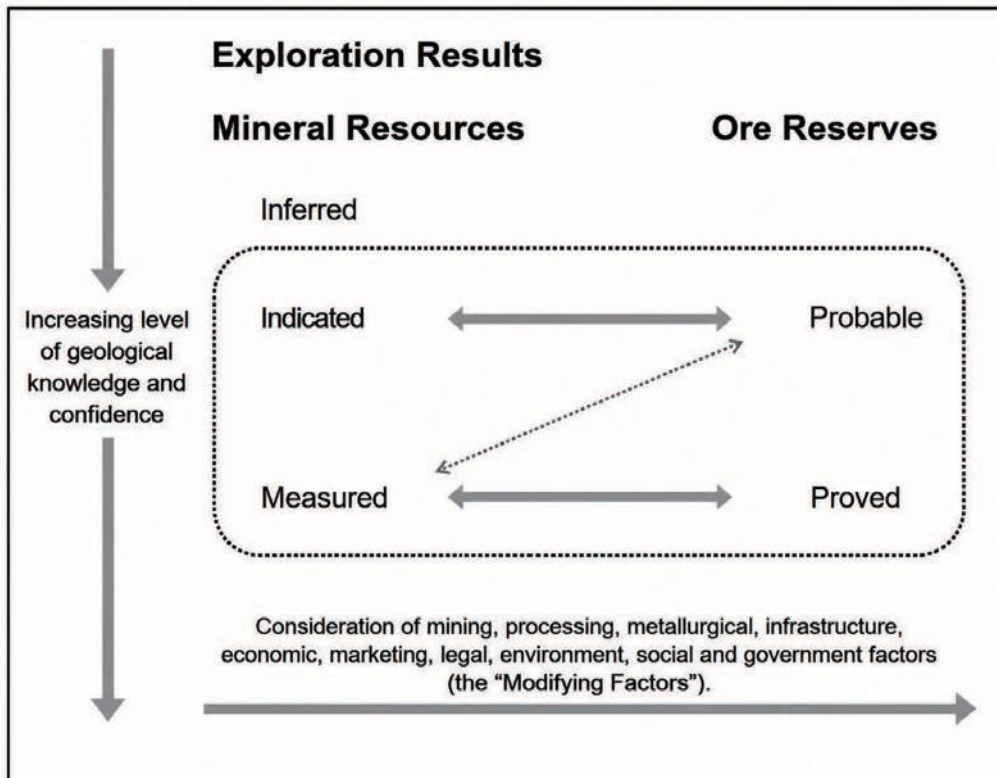


Figure 8-1 General Relationship between Mineral Resources and Ore Reserves

The Ore Reserve Estimates are based on technical studies conducted at pre-feasibility study (PFS) level or higher as is required by the JORC Code. Operational data gathered since operations begun at Pani have also been incorporated.

8.2 Technical Studies

Mining One has conducted a review of the relevant technical studies and operational data to verify that, at the time of reporting, the mineable part of the Mineral Resource forms the basis of a technically and economically viable project, after taking account of material Modifying Factors.

The key technical study reviewed is the 'Feasibility Study Report Pani Gold Project Update 14 March 2024', referred to as "FS 2024".

FS 2024 is the latest published feasibility study and follows a previous study completed in 2022. Additional studies have been conducted since FS 2024 was completed for the purposes of refining FS 2024 and unlocking the full potential of Pani. These additional studies underpin the increase in Ore Reserves from FS 2024 Ore Reserves estimates to current estimates. Keys amongst these supportive studies are:

- Pani Tailing Storage Facility (TSF) Hulawa Prefeasibility Design Summary; and
- Filtered Tailings Facility (FTF) Design PFS.

In addition to reviewing relevant technical and supportive studies, Mining One has assessed the Modifying Factors adopted in FS 2024 and/or their modifications as used in subsequent reports to be acceptable for the reporting of Ore Reserves. Additionally, Mining One has generated its own independent life of mine schedule to validate Pani's internally generated mine schedule. The Ore Reserves Estimates and the mine schedule reported in this document are based on Mining One's independently generated life of mine schedule for Pani.

Only open pit operations are considered for the reporting of Ore Reserves Estimate presented in this Report.

8.3 Cut-off Grade

Gold constitutes the primary Mineral Resource of Pani and serves as the main saleable product. Silver is considered a by-product and its sale in the form of silver in doré contributes approximately 1% of the total net revenue for Pani Gold Mine. Due to its relatively low contribution to net revenue, silver revenue is not considered in the estimation of cut-off grade. Gold grade is used in classifying material into "ore" or "waste".

Although the JORC Code allows for marginally economic material to be included in Ore Reserves, Pani adopts the use of break-even cut-off grade (COG) in estimating Ore Reserves. Cut-off grades have been estimated for different material weathering (oxide, transition, fresh and tuff) depending on material location within the pit (Pani or Baganite area) and processing path — HL or CIL.

Input parameters used in estimating COGs have been updated since FS 2024. Table 8-1 provides updated input parameters and values used in determining COG, calculated using the formula:

$$COG = \left\{ \frac{C_P + C_G}{\left[\frac{P_g \times (1 - R_T) - C_R}{K_T} \right] \times R_P} \right\} / (1 - D_F)$$

where:

C_P : Processing operating cost

C_G : General and administration costs

P_G : Price of Gold in US \$/oz

K_T : Conversion factor for troy ounces to grams

R_T : Total applicable royalty payments in percentage

C_R : Refining Costs

R_P : Overall plant processing recovery for gold

D_F : Dilution Factor

Table 8-1 Estimated Cut-off Grades for Process Path, Material Location and Weathering

Parameter	Unit	CIL	Heap Leach						
		All Areas	All Areas	Baganite			Pani		
		Ox, Tr, Fr	Tuff	Ox	Tr	Fr	Ox	Tr	Fr
C_P	\$/t.ore	11.59	5.04	5.04	5.04	5.04	5.04	5.04	5.04
C_G	\$/t.ore	1.91	3.77	3.77	3.77	3.77	3.77	3.77	3.77
P_G	\$/oz	2,300	2,300.00	2,300	2,300	2,300	2,300	2,300	2,300
K_T		31.1035	31.1035	31.1035	31.1035	31.1035	31.1035	31.1035	31.1035
R_T	%	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
C_R	\$/oz	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52
R_P	%	92.56	75.00	70.00	62.00	36.00	86.90	85.00	50.00
D_F	%	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
COG – Calculated .	g/t	0.24	0.19	0.20	0.23	0.40	0.16	0.17	0.29
COG – Preferred . .	g/t	0.24	0.20	0.20	0.23	0.40	0.20	0.20	0.29

Notes:

1. All dollar amounts are in US\$.
2. A minimum cut-off grade of 0.20 g/t is preferred to align with the minimum cut-off used for reporting Mineral Resources.

Depending on material weathering and location within the pit COG ranges between 0.20 g/t and 0.40 g/t if material is processed through the HL plant. Irrespective of material weathering, COG of 0.24 g/t is estimated when material is processed through the CIL plant.

The use of 0.20 g/t presents an opportunity for growth of Mineral Resources and Ore Reserves as the calculated cut-off for some domains is lower than 0.20 g/t.

The application of grade cut-over strategies to classify ore into discrete high-grade and low-grade bins is operationally constrained by the topographical limitations of the Pani deposit. The terrain restricts the establishment of dedicated stockpile areas, thereby limiting the feasibility of selective high-grading practices. Consequently, Life-of-Mine (LOM) schedule developed by Mining One adopts a conservative approach by excluding cut-over implementation for preferential high-grade plant feed. This conservative stance ensures operational simplicity while maintaining consistent throughput. However, the absence of cut-over utilisation presents a future opportunity. As additional real estate becomes available in future phases of development, the creation of segregated stockpiles could enable strategic blending and prioritisation of higher-grade ore to optimise plant feed and possibly enhance overall project economics.

8.4 Modifying Factors

‘Modifying Factors’ are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. The key factors include mining losses and dilution, open pit optimisation and design, processing and metallurgical factors.

8.4.1 Mining Dilution and Ore Loss

Mining dilution and ore losses have been introduced by regularising the Mineral Resource block model of a 5 mX x 5 mY x 2.5 mZ block size dimension to a 10 mX X 10 mY X 7.5 mZ for mine engineering and Ore Reserves purposes. This regularisation process is to standardise model block sizes based on mining techniques and size of proposed mining equipment. Block height of 7.5 m corresponds to blast bench height, while 10 m x 10 m sizes fit the proposed mining fleet. This step incorporates ore dilution and ore loss into the block model:

- Dilution occurs when a sub-block with a grade below ore cut-off grade is averaged into the regularised block with an average grade that is above the ore cut-off grade.
- Ore loss occurs when sub-blocks that meet the ore cut-off grade are combined with other blocks that results in the regularised block grade being below the ore-cut-off grade.

The grade tonnage curve between MR block model and regularised block model was compared to show the change in grade and tonnes of material at different cut-off grade due to the regularisation process. Figure 8-2 shows the grade tonnage curves for Indicated resources only.

The ore dilution and mining recovery were back calculated by comparing the tonnes and gold grade in the regularised model to the tonnes and gold grade in Mineral Resource Model. From the chart, at cut-off grades of 0.20-0.40 g/t Au, the ore dilution is estimated to be 2 to 3% with no losses. These dilution and mining recovery estimate are typical of operations with massive orebody intended to be bulk-mined to take advantage of economies of scale associated with high-volume-low-strip ratio operation such as Pani.

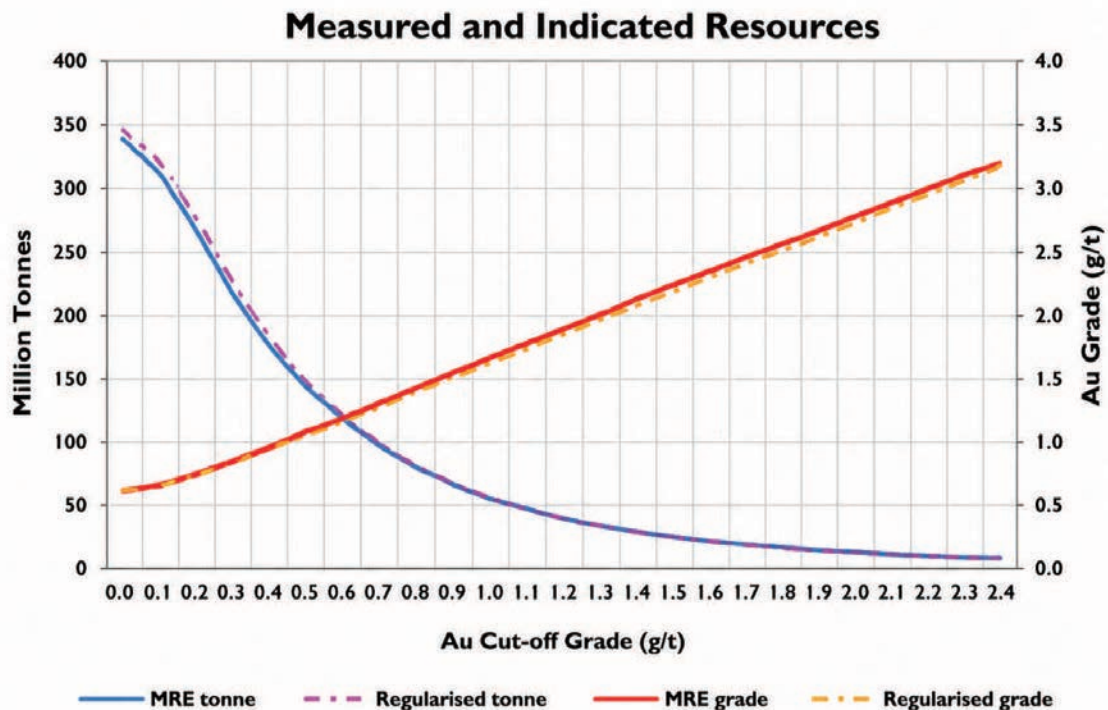


Figure 8-2 Grade Tonnage Comparison – Measured and Indicated Resources

In relation to dilution and ore losses, Mining One has reviewed the performance of the Reserves Block Model. Although the performance results are over the short period of operating, from October to December 2025, the results show that the derived mining dilution and ore losses are likely conservative. The actual performance of the Reserves model is provided in Table 8-2. For additional reference, a grade control model is also used as a comparison. In this context, a grade control block model is a short-term, high-resolution geological and grade model (only at localised area) used to support daily and weekly mine production decisions. The model is typically developed to more accurately define ore and waste boundaries ahead of mining.

Table 8-2 Block Model vs. Production Physicals Reconciliation, October - December 2025

Mining Physical	Ore Reserve (OR) Model	Grade Control (GC) Model	Actual	GC Model vs. OR Model	Mine Production vs. OR Model	Mine Production vs. GC Model
Tonnes (t)	751,265	898,662	881,513	120%	117%	98%
Au Grade (g/t) . . .	0.47	0.48	0.48	102%	101%	100%
Contained Gold (Oz)	11,426	13,874	13,557	121%	119%	98%

8.4.2 Open Pit Optimisation

The optimal open pit shell is generated by considering revenue from only Measured and Indicated Resources to identify as required by the JORC Code.

Open pit optimisation incorporates geotechnical overall slope angles, gold price, royalties, processing plant recovery, mining, processing, general and administrative costs and refinery charges.

The pit optimisation work is further detailed in Section 9.5.1.

8.4.3 Open Pit Design

Open pit designs have been developed considering pushback sequence generated during open pit optimisation, safe operating requirements of equipment including minimum mining width, haul road design parameters and geotechnical slope design parameters inclusive of berm width, batter face angle and bench height.

Processing and metallurgical factors are discussed in detail later in Section 10 of this report.

8.5 Ore Reserve Statement

In accordance with guidelines specified in the JORC Code, Mining One has estimated the Ore Reserves for Pani Gold Mine. The Ore Reserves estimates are based on Mining One's review of technical studies conducted for the Project and operational records, which together are considered to be at the level of at least Pre-Feasibility Study. The Ore Reserves estimates are reported as ore delivered to the processing plant(s) and form the economically mineable part of the Measured and Indicated Mineral Resources within the designed open pits. The Measured and Indicated Resources have been classified as Proved and Probable Ore Reserves respectively. The Ore Reserves, reported as of 31 December 2025, are for Pani Gold Mine which is the only mine the Company operates.

As of the effective date of 31 December 2025, the Ore Reserves for Pani Gold Mine open pit consists of 203.1 Mt of ore at an average gold grade of 0.79 g/t for 5.2 Moz of contained gold and an average silver grade of 0.84 g/t for 5.5 Moz of contained silver.

Table 8-3 provides the estimates of Ore Reserves for Pani Gold Mine.

Mining One notes that there is opportunity for the Ore Reserves to significantly grow in the future as the current estimates are limited by available capacity for which technical studies at PFS level has been conducted for the purposes of storing tailings generated by the operations. Mining One acknowledges that further technical studies to store tailings, when completed to PFS level, will result in increase in estimates of Ore Reserves.

Table 8-3 Ore Reserves Statement for Pani Gold Mine as of 31 December 2025

	Proved Reserves		Probable Reserves		Total Reserves		
	Tonnes (Mt)	Au Grade (g/t)	Tonnes (Mt)	Au Grade (g/t)	Tonnes (Mt)	Au Grade (g/t)	Contained Au (Moz)
Gold Ore Reserves							
Stockpiles	0.9	0.50	–	–	0.9	0.50	0.0
Heap Leach (HL)	3.9	0.84	58.1	0.62	62.1	0.64	1.3
Carbon-in-Leach (CIL) . . .	2.9	1.07	137.2	0.86	140.1	0.86	3.9
Total Gold Ore Reserves . . .	7.7	0.89	195.4	0.79	203.1	0.79	5.2

	Proved Reserves		Probable Reserves		Total Reserves		
	Tonnes (Mt)	Ag Grade (g/t)	Tonnes (Mt)	Ag Grade (g/t)	Tonnes (Mt)	Ag Grade (g/t)	Contained Ag (Moz)
Silver Ore Reserves							
Stockpiles	0.9	3.86	–	–	0.9	3.86	0.1
Heap Leach (HL)	3.9	1.58	58.1	0.90	62.1	0.94	1.9
Carbon-in-Leach (CIL) . . .	2.9	1.03	137.2	0.77	140.1	0.77	3.5
Total Silver Ore Reserves . . .	7.7	1.64	195.4	0.81	203.1	0.84	5.5

Notes:

- Ore Reserves are calculated assuming a long-term average gold price of US\$2,300/oz.
- Rounding may result in apparent summation differences between tonnes, grade and contained metal.
- Estimates of metal contained in the Ore Reserve do not include allowances for processing losses.
- The effective date of the Ore Reserve estimate is 31 December 2025.
- The Ore Reserves are defined at the point where the ore is delivered to the processing plant.
- The Ore Reserves reported above are included in the Mineral Resources and are not in addition to the Mineral Resources.

8.6 Comparison with Previous Ore Reserve Statement (9 September 2025)

For comparison, the previous Ore Reserves Estimate (“ORE”), as at 9 September 2025, is presented in Table 8-4. The comparison indicates that the Ore Reserve tonnes have increased by 260% with contained gold and silver increasing by 270% and 190% respectively. The increase in Ore Reserves is attributable to the following factors:

- Increase in gold price assumption used in estimating cut-off grade from \$1,650/oz in September 2025 ORE to \$2,300/oz in December 2025 ORE. This results in lower economic cut-off grades and a corresponding increase in economically mineable material.
- Increase in capacity of the HL facility. The September 2025 ORE was limited by a heap leach pad capacity of 51.5 Mt. Subsequent studies, completed to at least a PFS level, have demonstrated that heap leach capacity can be expanded to 63 Mt.
- Increase in capacity to store tailings produced from CIL operations. The 9 September 2025 ORE was limited by TSF capacity of 26.0 Mt. Subsequent studies, completed to at least a PFS level, have demonstrated that the TSF capacity can be increased to 89 Mt. In addition, the inclusion of a Filtered Tailings Facility (FTF) with a capacity of 54 Mt results in a total tailings capacity of approximately 143 Mt.

Table 8-4 Previous Ore Reserves Statement for Pani Gold Mine as of 9 September 2025

	Proved Reserves		Probable Reserves		Total Reserves		
	Tonnes (Mt)	Au Grade (g/t)	Tonnes (Mt)	Au Grade (g/t)	Tonnes (Mt)	Au Grade (g/t)	Contained Au (Moz)
Gold Ore Reserves							
Stockpiles	–	–	–	–	–	–	–
Heap Leach (HL)	3.9	0.88	47.7	0.65	51.5	0.66	1.1
Carbon-in-Leach (CIL) . . .	1.4	1.06	24.6	1.00	26.0	1.00	0.8
Total Gold Ore Reserves . . .	5.3	0.93	72.2	0.77	77.5	0.78	1.9
ORE 31 Dec 2025 vs. ORE 9 Sept 2025	145%	96%	271%	103%	262%	101%	274%
	Proved Reserves		Probable Reserves		Total Reserves		
	Tonnes (Mt)	Ag Grade (g/t)	Tonnes (Mt)	Ag Grade (g/t)	Tonnes (Mt)	Ag Grade (g/t)	Contained Ag (Moz)
Silver Ore Reserves							
Stockpiles	–	–	–	–	–	–	–
Heap Leach (HL)	3.9	1.98	47.7	0.95	51.5	1.02	1.7
Carbon-in-Leach (CIL) . . .	1.4	1.13	24.6	1.41	26.0	1.40	1.2
Total Silver Ore Reserves . . .	5.3	1.75	72.2	1.10	77.5	1.15	2.9
ORE 31 Dec 2025 vs. ORE 9 Sept 2025	145%	94%	271%	74%	262%	73%	190%

9 MINING ASSESSMENT

9.1 Mine Operating Status

Mining of alluvial gold deposits was recorded during the Dutch era in the early 20th century. The Dutch attempted dredging the river downstream from the Pani deposit. The Dutch also excavated two (2) exploratory adits above creek level into the lower parts of Pani Ridge. Artisanal hard-rock and alluvial mining continues throughout the greater Pani region.

Under the current ownership, conventional open pit mining operations at Pani Gold Mine commenced in October 2025. The mine is currently at the initial stages of ramping up production.

The actual 2025 production is summarised in Table 9-1.

Table 9-1 Monthly Mine Production Performance for Pani

Mining Physicals	Unit	Actual Performance			Total
		October 2025	November 2025	December 2025	
Ore Mined	t	172,987	228,389	480,137	881,513
Au Grade	g/t	0.33	0.53	0.51	0.48
Ag Grade	g/t	2.65	3.64	4.71	4.03
Au Metal	oz	1,822	3,888	7,848	13,557
Ag Metal	oz	14,740	26,691	72,675	114,107
Waste Mined	t	167,413	29,387	59,073	255,874
Total Material Mined .	t	340,401	257,776	539,210	1,137,387
Strip Ratio	t/t	0.97	0.13	0.12	0.29

Based on public information disclosed in the '*Q4 Exploration Report*' published on 12 January 2026, the exploration program during Q4 2025 was primarily directed toward advancing gold resource development at the Pani Gold Mine. Key highlights of the program are as follows:

- Total estimated exploration expenditure for the quarter was IDR17.69 billion (approximately US\$1.06 million).
- Activities undertaken were as follows:
 - o Surface drilling, geological mapping, and surface sampling
 - o Hardness mapping and modelling using point load tests
 - o Alteration and mineralisation analysis utilizing XRF, ASD, LIBS, and ICP methods
 - o Updates to survey topography and refinement of the geological model
- Target areas were selected based on regional geological considerations and historical exploration data, highlighting mineralisation potential both within and beyond the existing pit limits.
- Two Diamond Drill rigs completed 12 drill holes, totalling 2,199.5 metres, at the Kolokoa prospect.

9.2 Surface Water Hydrology

9.2.1 Surface Water System

The Project area covers part of the Upper Taluduyunu River basin, the river flowing from the north joining the Botudulanga River downstream in the south. The Upper Taluduyunu River catchment area is around 62.35 km² with a gradient of 0.54 m/m. The gaining river flow is supplemented by tributaries some of which have seasonal flow only. River flow in the upstream section was recorded 4.8 m³/s in the wet season and 1.2 m³/s in the dry season. Within the downstream section flow was recorded at 8.7 m³/s and 2.5 m³/s, respectively (LAPI ITB 2018). Puulo Creek is the main creek discharging to the river (0.2 m³/s upstream and 0.5 m³/s downstream).

Drainage from the upland area around Pani Hill is generally radial with incised creek valleys removing rainfall runoff rapidly. As the mine pits occupy the top of this hilly area there are no major external inflows draining into the pit area as the surrounding creeks are direct runoff away from the pit perimeter.

9.2.2 Surface Water Quality

Surface water quality assessed from sampling shows conformance with appropriate quality standards, PP 82/2001, except for Zn and Fe. Zn concentrations are consistently in the range 0.07-0.12 mg/L, indicative of reaction with river sediment or mineralised rock, and high Fe concentration are caused by oxidation of iron-rich minerals. In the upstream part of the catchment, illegal mining activity is responsible for high turbidity and associated elevated Fe.

9.2.3 Rainfall

Rainfall analysis of data from the Baganite weather station (Pani Hill) and satellite rainfall data shows the average annual rainfall is approximately 1,814 mm/year with monthly rainfall ranging between 72 and 200 mm/month. Dry season rainfall between August and October ranges between 85 to 111 mm/month. The estimated average annual evaporation is 1,489 mm/year, with monthly values ranging between 102 to 137 mm/month.

Design rainfall intensity has been determined from analysis of the long-term rainfall data with intensities of 204 mm/day for a 10-year ARI and 267 mm/day for a 50-year ARI.

9.2.4 Surface Water Management

The final pit outline is divided into 6 excavated and one unexcavated catchment for the purpose of drainage design. Surface water entering the pit, together with direct rainfall and groundwater seepage and inflow, requires removal to maintain the safety and progress of mining work (Figure 9-1).

Components of the surface water management system are as follows:

- Cut-off drain: Collects and directs surface water away from the mining area.
- Grading: Creates controlled slopes to guide water runoff to designated drainage features.
- Bund walls: creates a boundary structure to redirect runoff towards a designated outlet.
- Contact drain: Collects groundwater or surface water to nearest sump pit.
- Sump: Constructed at the lowest elevation of the pit to gather water entering the pit or operational areas for pumping to the nearest collection/sediment pond.
- Collection/Sediment Pond: Retains and treats water runoff or pumped from sump for removing sediments and pollutants.

- Control Point: Monitors water flow and quality to meet the required standard regulation.

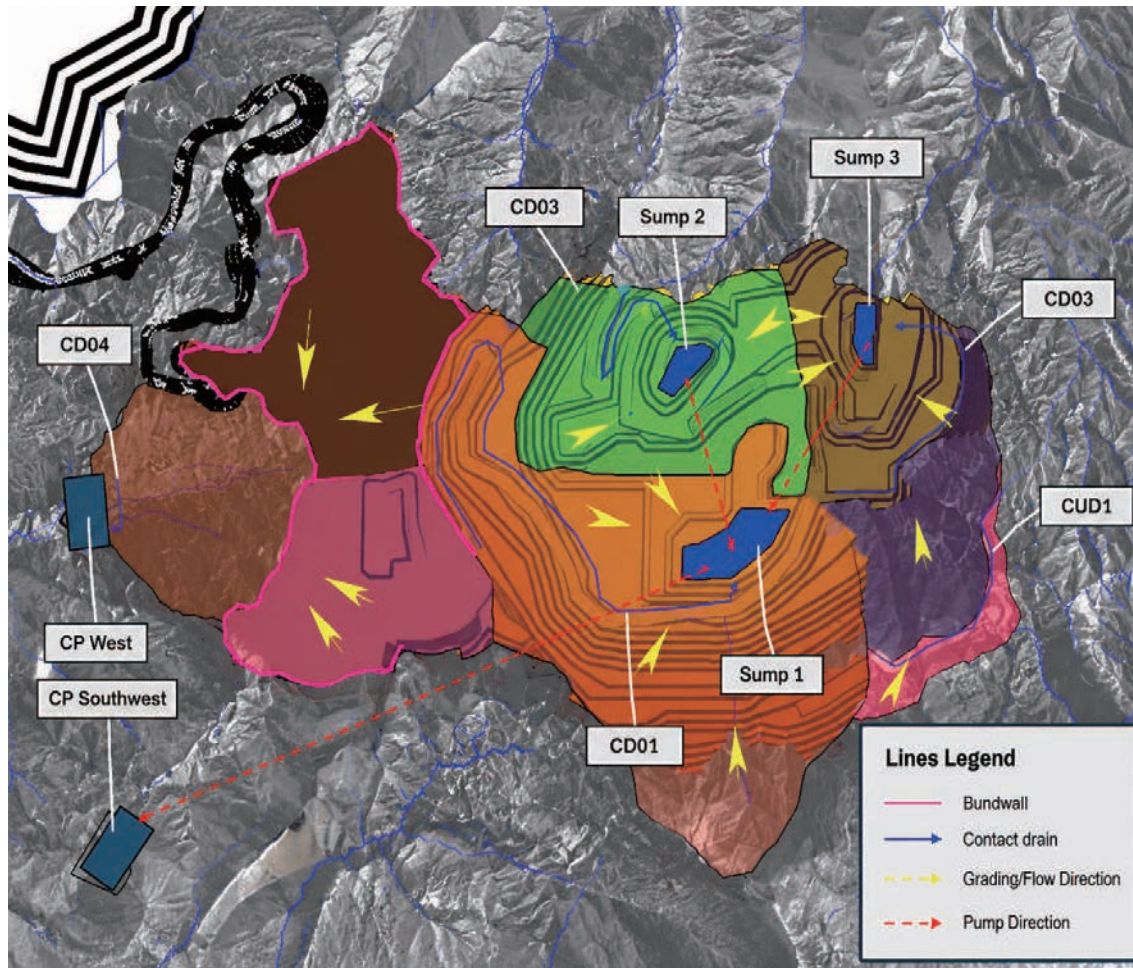


Figure 9-1 Outline Pit Water Management (WSP 2023)

9.2.5 Water Balance Assessment

The water balance simulates the components of the water management system and their performance in response to hydrological events. This is driven by dynamic or stochastic variables such as precipitation and evaporation, and considers the uncertainty of processes, parameters, and events. The water balance model incorporates the operational performance and management requirements of the system which may be defined by rules, regulations, and required operating conditions and constraints.

The GoldSim model approach assess the water management design and strategy by evaluating the storage levels of collection ponds, sumps, and the impact from climatic variability as these relate to the pit development stages and the changing demand for storage and pump requirements (Figure 9-2). The model is applied to determine sump overflow probability, average drying time during high rainfall events, proposed pump sizes and discharge volumes from the collection pond.

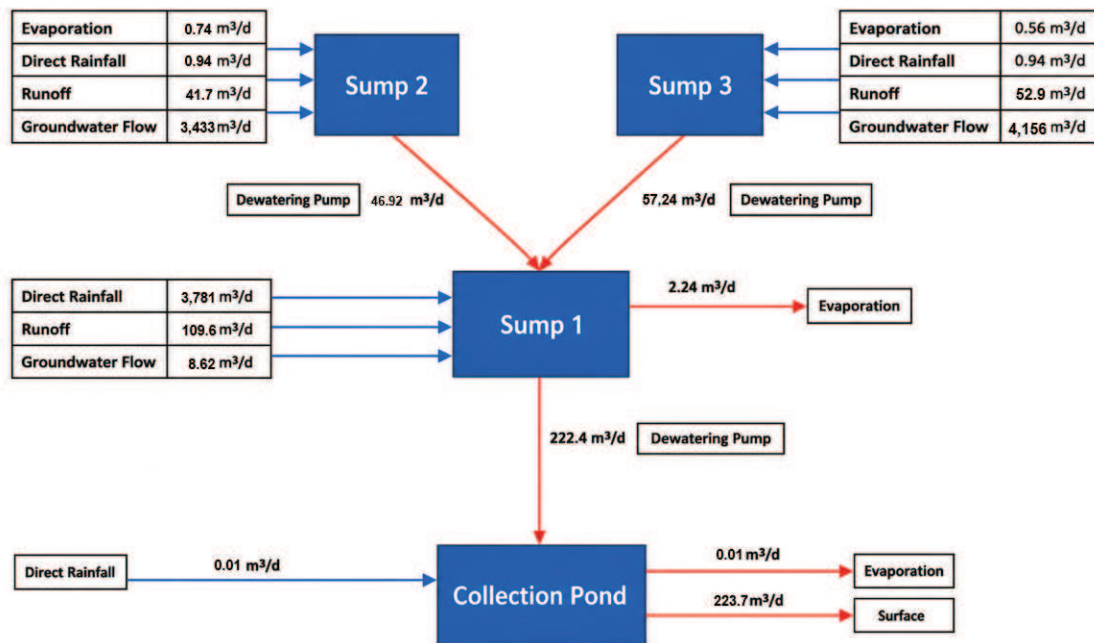


Figure 9-2 Water Balance Flow Diagram (WSP 2023)

The capability of the dewatering pump required to dry out the pit within 3 days is around 223 m³/day. The probability of overflow is less than 1% throughout the year. Two sediment ponds are therefore proposed to control discharge and sediment in the water to be pumped from the PETS pit.

9.3 Hydrogeology

9.3.1 Cumulative Studies

Pre-Feasibility Study, completed by PSM in 2013, included field work and numerical modelling. Recent studies aimed at characterisation and conceptualisation of the project groundwater system commenced with preliminary numerical groundwater modelling by LAPI-ITB in 2017 for the project water management study, and the comprehensive Lorax Hydrogeology Assessment in 2018 which contributed to the development of the Conceptual Study Combined Report (DRA December 2022). This was preceded by a gap analysis for geotechnical and hydrology completed by Golder a year earlier and additional contributory studies to the Conceptual Study including those by LAPI-ITB (June 2022). WSP Golder completed preliminary numerical groundwater modelling in 2023 and 2024 contributing to the development of the FS report with significant and definitive numerical studies completed in December 2025 as pit shells were developed and field data acquired. The progression from the development of the conceptual model, through early numerical studies, culminating in definitive model updates between 2017 and the present, alongside the acquisition of field test data, has led to a good understanding of the groundwater system that will influence the mining operation and, conversely, be impacted by this. These studies are also necessary to satisfy the regulatory and legislative requirements such as GoIFS and AMDAL.

9.3.2 Overview

Aquifers in the Pani area can be divided into porous media and fractured media. The porous media aquifer consisting of alluvial deposits that form an unconfined aquifer system contained within the Taluduyunu and Botudulanga River alluvium. The dominant aquifer system outside of the river valleys is a fractured media system present as semi-confined to confined aquifers consisting of fractured rhyodacite and breccia lithology. Permeability depends on the fracture intensity and degree of alteration. Hydraulic connectivity occurs between porous media aquifers and fractured aquifers; however, less permeable tertiary volcanic deposits may separate the two hydrogeological systems. Massive rhyodacite and granodiorite intrusives and unfractured sedimentary rocks are considered non-aquifers (aquifuge) over the basement zone of the study area hydrogeological system.

The Lorax drilling program (2018) investigated the groundwater table conditions at six locations (GWM-01 to GWM-06), concluding:

- Depth of groundwater table generally ranges from +0.58 to -24 mbgl.
- Groundwater levels within the upland recharge area are deeper than the lowland discharge area and the groundwater level become shallower with decreasing elevation.
- The groundwater table in the fractured area is deeper resulting from higher permeability within the fractured aquifer suggesting a recharge mechanism to the deeper groundwater system.
- The shallow aquifer system in the Project area is dominantly an unconfined aquifer, as indicated by the shallow groundwater table, high permeability and high storativity.
- Slight flowing artesian groundwater conditions were noted in one location, GWM-04. This condition occurred in a limited area near the Taluduyunu River, in the southwestern part of the Project area. This is probably due to the presence of fractures which allow the flow of groundwater upward to the surface.

9.3.3 Groundwater Conceptualisation

The conceptual model was developed from the geological, alteration and oxidation models influencing groundwater occurrence and movement. Increased permeability is associated with the degree of weathering, alteration and the parent rock type. Deeper, largely unaltered zones transitioning to fresh rock exhibit lower permeability.

9.3.4 Hydraulic Parameters

Geotechnical and hydrogeological investigations between 2023 and 2025 included hydraulic testing with 179 single and double packer tests completed in boreholes across the mine area. Lugeon test results were compared with rock mass discontinuity conditions to represent the influence of fracturing:

- High hydraulic conductivity ranging between 2×10^{-5} and 1×10^{-6} m/s is associated with completely weathered units.
- Moderate hydraulic conductivity units range from 2×10^{-5} to 4×10^{-7} m/s.
- Low hydraulic conductivity values represent tight and very tight rock mass conditions ranging between 2×10^{-7} and 2×10^{-8} m/s.

9.3.5 Numerical Modelling

The previous numerical model developed by WSP in 2022 and 2023 was used to define the updated 2025 modelling. The model is bounded by hydraulic features, with the Taluduyunu River to the west, Batudulanga River to the south, and dominant streams at the northern and western sides of project area. The model boundaries encompass the watershed around the Pani pit area and the adjacent catchments that could be influenced by future mining operations. Boundary conditions (BC) in the model were set accordingly:

- Hydraulic head BC with maximum flow constraints (Dirichlet BC) applied along the rivers and streams. This BC sets the hydraulic head equivalent to the topographic surface elevation. Flow is constrained within the model when the water level is below the topographic elevation, and discharge occurs exclusively from the groundwater system to the stream.
- Inflow recharge rates between 145 and 210 mm/year were assigned to the uppermost layer across the entire model domain area.
- No-flow BC applied at the bottom and lateral boundaries of the model domain to represent impermeable basement conditions.

9.3.6 Operational Dewatering Requirement

Dewatering is achieved by installing pumps and drains to collect, intercept and drain seepage and inflows as well as any surface water runoff and direct precipitation within in the pit:

- Sumps and pumps in the pit floors, from where water is pumped out of the pit. Where pit walls are stable and seepage can drain freely, groundwater entering the pit can be directed by drains to pit sumps.
- Targeted dewatering bores to reduce groundwater levels within the pit floor and outside the pit walls. Targeting productive geological structures (faults and joints) or rock types with enhanced permeability, may be effective in depressurising overlying strata and intercepting groundwater flow before it enters the pit.
- Horizontal drain holes installed into the pit walls to remove groundwater away from the pit walls to improve pit wall stability. Depressurisation of the pit walls improves pit wall stability and enhances factors of safety. Inclined drain holes can be individual holes or arrays (fans) of holes drilled from single locations. The effectiveness in depressurising the rock mass is monitored by VWP's.

Additional water input to the pits can be expected from direct precipitation and runoff from the pit perimeter (Section 9.2.4).

9.3.7 Hydrogeochemistry

Groundwater quality data from 27 borehole and spring samples compiled from previous studies indicates the general hydrogeochemistry of the project area can be summarised as follows:

- Total Dissolved Solids (TDS) ranged from 90 to 1,450 mg/L TDS results were below 1000 mg/L except one, GMW02.
- pH ranged from 6.02 to 9.55 pH units, with GMW02 again being the high-end outlier outside the pH 6 to 8 range.
- Dissolved metals concentrations occasionally exceeded the applied threshold criteria for Cu, Pb, Zn, F, and Mn.
- TDS ranged from 28 to 68 mg/L and pH from 5.34 to 6 in spring samples.

9.4 Geotechnical Conditions

9.4.1 Geological and Structural Setting

The geological setting of the project is described in detail in Section 5.1, and provides the framework for the geotechnical conditions at Pani.

The Pani project area is located within a caldera interpreted to be approximately 25 km in diameter that comprises the Plio-Pleistocene age rhyodacitic flow dome complexes and pyroclastics of the PVC. These are intruded by dykes and volcanic diatremes of Mio-Pliocene age. Underlying basement sequences are Miocene age oceanic basalts, granodiorites and mafic igneous rocks.

The PVC lithologies are the predominant rock type within the deposit area, primarily rhyodacite and rhyodacitic breccia, with associated tuffs and volcanics. Recently deposited detrital soils (residual weathered, colluvial and alluvial soils) form a cover unit. Weathering of the primary lithologies has been characterised into Oxide and Transitional domains in geotechnical studies.

The project area is located in the Tertiary magmatic arc of North Sulawesi and is surrounded by three active tectonic plates, resulting in a geologically and structurally complex setting. The relative movement of these plates has resulted in a complex regional deformation zone that comprises rotating microplates or crustal blocks, resulting in intricate plate interactions. The boundaries between these microplates include collisional interactions, subduction zones, rift systems, and slipping transform faults.

As a result of the complex and active tectonic setting, the site is highly seismically active with a peak ground acceleration (PGA) of 0.3 to 0.6 g corresponding to a 10% probability of exceedance in 50 years (475-year return period).

Locally, major structures include northwest trending strike-slip faults, north-northeast to northeast trending normal and strike-slip faults, west to northwest trending normal faults, and parallel trending shear zones (Figure 9-1).

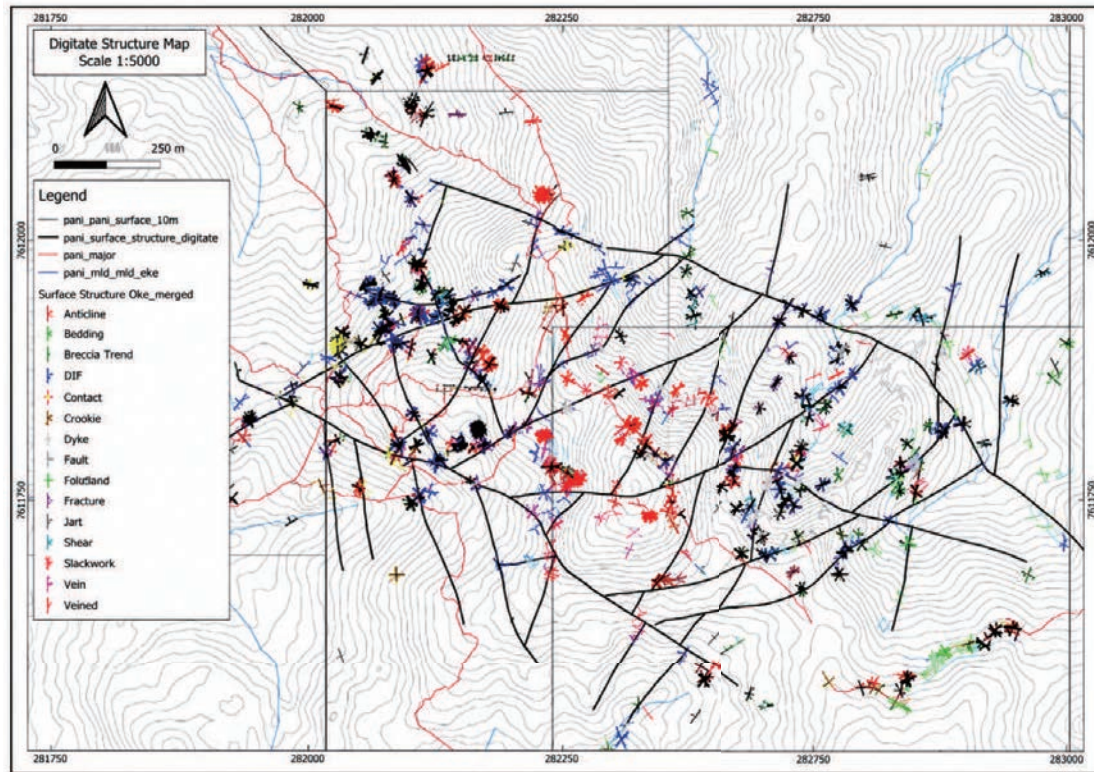


Figure 9-3 Major Faults in the Pani Deposit Region (MCU, 2023)

Two primary faults trending northwest to southeast bound the deposit to the south and north. These are consistent with regional large strike-slip faults in North Sulawesi. Within this fault corridor are north-northeast and northeast trending faults that cut across all lithologies, and west to northwest trending normal faults that are near-vertical and of less horizontal extent.

9.4.2 Pit Stability Controls and Recommendations

Pit slope stability at Pani will be heavily influenced by geological structures, particularly in the planned southeast, south and southwest walls where structure orientations are potentially unfavourable. These slopes are also expected to have relatively high groundwater levels. The planned north wall has the deepest oxidation and groundwater level, and geological structures are more favourable.

Geotechnical investigations used both kinematic and rock mass stability analysis methods to assess sliding on geological structures and through rock mass. The investigations have indicated that slope stability is expected to be sensitive to groundwater levels. Targeted depressurisation has been recommended using horizontal drain holes, pit sumps and/or vertical dewatering wells to achieve the required groundwater levels.

Recent studies note some data limitations in the south, west and north walls of the planned GSM pit area, including limited characterisation of lithological boundaries and major geological structures. Further geotechnical drilling and laboratory testing was recommended. Additionally, further work was recommended to assess geotechnical risk of historical landslides in both the GSM and PETS pit areas.

Slope design recommendations have been determined from kinematic and rock mass stability analysis methods to achieve adequate design acceptance criteria (DAC) for assumed depressurised conditions, and with additional controls in the south and southeast sectors to manage risk due to unfavourable structure orientations. Two alternative options were recommended: (a) geotechnical berms 20m wide every 60m of vertical height, or (b) road access ramps to reduce overall angle.

Slope design recommendations for FS 2024 for PETS pit area are summarised in Table 9-1. Later studies have been completed for the GSM pit area and to address findings from updated information including:

- Large-scale structures in the southwest, south and southeast sectors, resulting in recommended alternative slope configurations such as geotechnical berms every 60m of vertical height, or road access ramps to reduce overall angle.
- Requirement for alternative slope design configurations in the oxide materials.

Recommendations arising from the recent studies will be incorporated into the next Ore Reserve Reporting cycle, rather than the current estimate, as these recommendations were issued concurrently with the preparation of this report.

Table 9-2 FS 2024 Slope Design Recommendations

Rock Mass Unit	Sector	Bench Height (m)	Batter Face Angle (°)	Berm Width (m)	Calculated Inter-Ramp Angle (°)
Colluvium	All	15	65	14.5	35
Rhyodacite/Breccia . .	North	15	70	8	48
	Northwest	15	70	7.5	49
	East	15	65	7.5	46
	South	15	70	7.5	49
	West	15	70	7.5	49

9.4.3 Geotechnical Considerations for Mine Closure

The geotechnical and hydrogeological studies do not include consideration of water level recovery, pit lake formation, or long-term mine void stability.

9.4.4 Waste Rock Facility Investigations and Stability Assessment

The proposed Waste Dump 1 will be constructed as a valley fill in a heavily vegetated creek valley that slopes down toward the northwest. Waste materials are present in part of the valley from earlier mining activity and comprise sand and gravels.

Detailed hydrogeology and foundation investigation have been completed.

Stability analysis was conducted using 2D limit equilibrium methods, including seismicity assessment, probability of failure analysis, and taking into consideration all plausible failure mechanisms involving the dump material and foundation. The assessment included characterisation of the waste rock material as a coarse granular fill originating from rock with some fines. It was assumed that the waste dump construction will adopt good earthwork practices, including removal of unsuitable materials in the waste dump foundation before waste rock placement, construction of a toe buttress, bottom-up construction with no end tipping, and compaction of waste material at every 0.5 m of layer thickness.

Recommendations for construction include geotechnical inspection of waste rock facility footprint after soil removal; compaction quality control during construction; assessment of risks and waste dump integrity due to voids left by historical mining; and ongoing stability monitoring.

Mining One considers that the waste rock facility geotechnical investigations are comprehensive and include a high standard of geotechnical characterisation, risk identification, and stability analysis. No material concerns are noted.

9.5 Mine Design and Planning

9.5.1 Open Pit Optimisation

Block Model

A regularised version of the Mineral Resource model used in estimating Mineral Resources has been used during pit optimisation to define the optimum pit shell. The Mineral Resource model with panel block sizes of 20 mX x 20 mY x 5 mZ and SMU block size of 5 mX x 5 mY x 2.5 mZ was reblocked to 10 mX x 10 mY x 7.5 mZ. Key parameters of the regularised block model are provided in Table 9-2.

Table 9-3 Resource Block Model Parameters for Pani Gold Mine

BLOCK MODEL PROTOTYPE			
Co-Ordinate	X	Y	Z
Origin (Min. Extent; m)	387,000	60,600	-100
Maximum Extent (m)	389,400	63,400	900
Range (m)	2,400	2,800	1,000
SMU Block Size (m)	10	10	7.5
No. of Parent Blocks	120	140	200

Open Pit Optimisation Methodology and Input Parameters

Open Pit Optimisation employed the use of Whittle software with the Lerchs-Grossman algorithm. A two-step process has been followed to define optimum pit shells to operate the PETS IUP area of the Mineral Resource as a heap leach operation and the GSM IUP area of the Mineral Resource as CIL operation. This strategy was taken to align with governmental approvals and requirements in the near term. The two-step process follows:

- Optimisation constrained within the PETS IUP to define a pit shell with ore quantities sufficient to fill the capacity of designed heap leach pads.
- Optimisation of the remaining Mineral Resource to define Ore Reserves for processing through CIL process plant.

Figure 9-6 shows the boundary limits of the PETS and GSM IUPs and also shows the blocks constrained within the PETS IUP during pit optimisation.

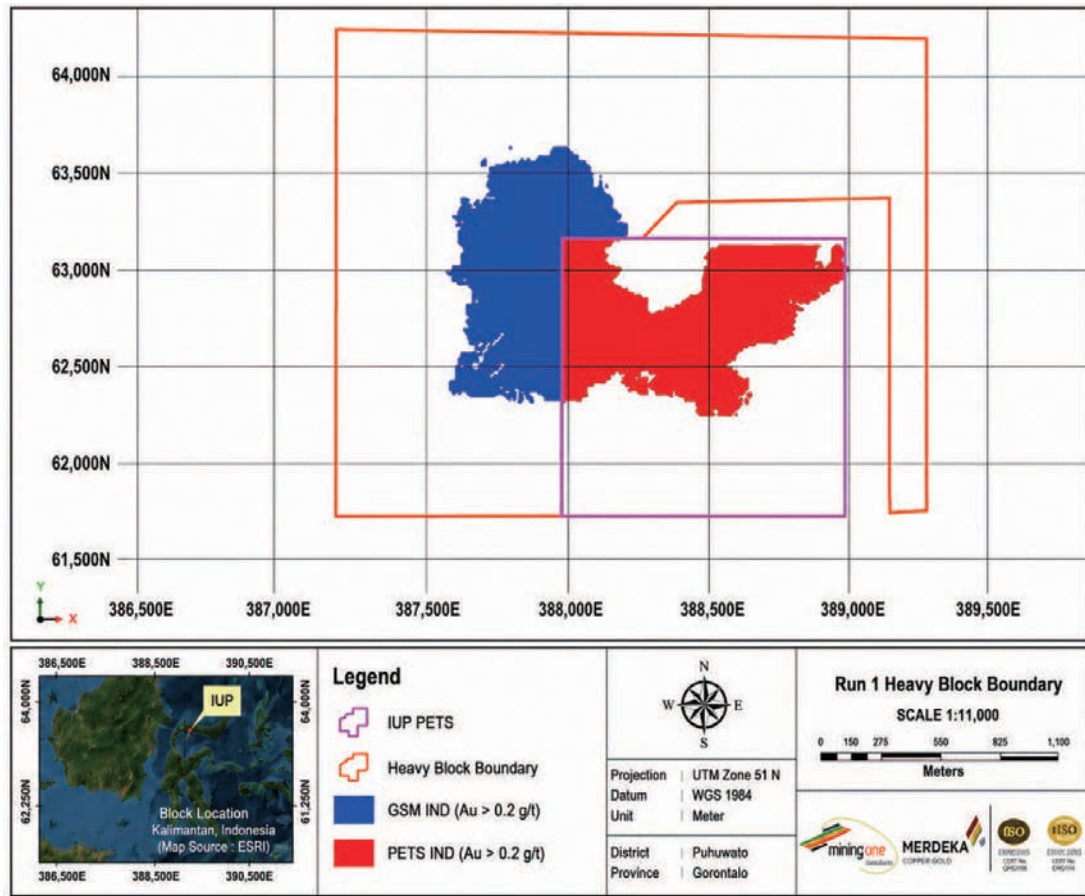


Figure 9-4 Boundary Limits of PETS and GSM IUPs

There are two ore processing methods for the Pani Gold Project: a mill with Gravity/Carbon-In-Leach (CIL) for gold recovery and Heap Leaching.

For Heap Leaching, the zone is further split into two different areas — Pani Ridge Heap Leach Zone and Baganite Heap Leach Zone. Test work to date shows Pani Ridge ore leaches much better than Baganite ore due to lower silica content. Hence, Pani Ridge ore has higher heap leach processing recovery than Baganite ore. A computer aided design (CAD) solid, '*sol_define_pets_for_heapleach_recovery.dxf*', defines the Pani Ridge heap Leach Zone and is illustrated as follows:

- Grey : Waste blocks
- Blue : Mineralised blocks (Au > 0.01 g/t) outside PETS IUP, designated potentially for CIL process.
- Green : Mineralised blocks (Au > 0.01 g/t) within PETS IUP and Baganite Heap Leach Zone.
- Red : Mineralised Blocks (Au > 0.01 g/t) within PETS IUP, Pani Ridge Heap Leach Zone
- Brown : Solid for Heap Leach Ore Blocks ('*sol_define_pets_for_heapleach_recovery.dxf*')

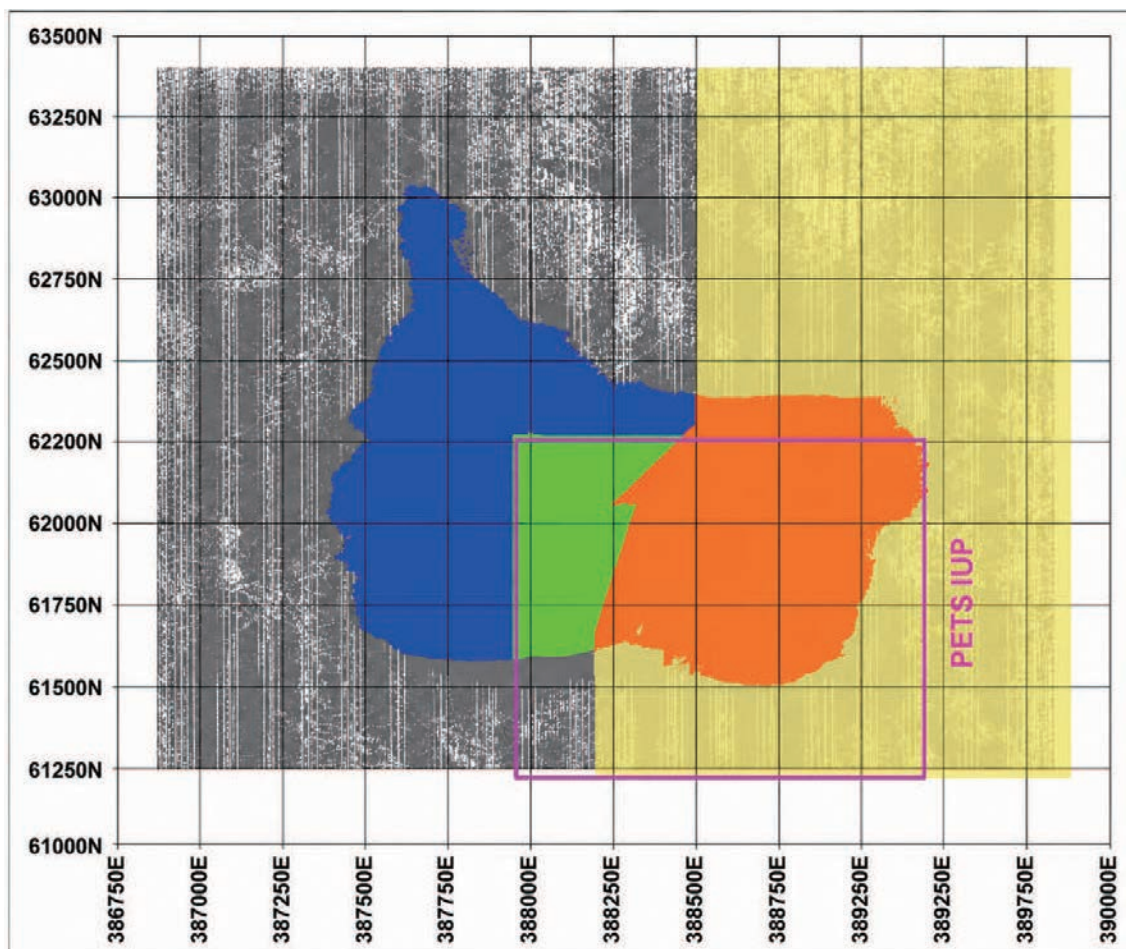


Figure 9-5 Processing Zones for Mine Planning Purpose

Heap Leach processing recovery for the Baganite and Pani Ridge zones are provided in Table 9-3.

Table 9-4 Heap Leach Processing Recovery

Zone/Oxidation Type	Unit	Gold	Silver
Pani Ridge Zone			
Oxide	%	86.9	42.0
Trans	%	85.0	43.0
Fresh	%	50.0	42.0
Lapilli Tuff	%	75.0	26.0
Baganite Zone			
Oxide	%	70.0	49.0
Trans	%	62.0	50.0
Fresh	%	36.0	52.0
Lapilli Tuff	%	75.0	26.0

CIL recovery is independent of location and is estimated by a function which is grade dependent. The function has been developed based on analysis of test work results. Mining One has validated the function to be reasonable in estimating processing recoveries for the CIL process plant.

Table 9-4 provides the optimisation input parameters and is to be read in conjunction with notes included to the table.

Table 9-5 Open Pit Optimisation Parameters for Pani Gold Mine

Item	Unit	Value
HL Optimisation		
<i>Mining</i>		
Mining Cost	\$/t.mined	3.24
Incremental Ore Cost	\$/t.ore	0.42
Mining Dilution	%	3
Mining Recovery	%	100
Overall Slope Angle	degrees	Geotech Zones
<i>Processing</i>		
Processing Cost	\$/t.ore	5.04
Processing Recovery Au	%	Refer Table 9-3
Processing Recovery Ag	%	0
<i>General and Administration</i>		
G&A Costs	\$/t.ore	3.77
<i>Revenue</i>		
Gold Price	\$/oz	2,300
Silver Price	\$/oz	0
Royalty	%	12
Selling Cost	\$/oz	2.52
CIL Optimisation		
<i>Mining</i>		
Mining Cost	\$/t.mined	2.92
Incremental Ore Cost	\$/t.ore	0.21
Mining Dilution	%	3
Mining Recovery	%	100
Overall Slope Angle	degrees	Geotech Zones
<i>Processing</i>		
Processing Cost	\$/t.ore	11.59
Processing Recovery Au	%	92.7
Processing Recovery Ag	%	0
<i>General and Administration</i>		
G&A Costs	\$/t.ore	1.91
<i>Revenue</i>		
Gold Price	\$/oz	2,300
Silver Price	\$/oz	0
Royalty	%	12
Selling Cost	\$/oz	2.52

Notes:

- All currency dollars are USD.
- Revenue from Silver was excluded in the optimisation.
- Mining costs are calculated for each block depending on drill and blast requirements and block elevation in the pit. Values provided in table are average mining costs for selected pit shells.
- Higher mining costs for HL optimisation reflect the use of smaller mining fleet to navigate the steep terrain associated with mining the HL pit. Mining costs for CIL optimisation reflect intended use of bigger mining fleet to mine the CIL portion of the deposit.
- Incremental ore costs include grade control, rehandling and incremental haulage of ore. These are calculated into processing cost adjustment factors. Values provided in table are average.
- Overall Slope Angles are dependent on geotechnical slope zones.
- HL processing recovery is dependent on material type and location in the pit whereas CIL recovery is dependent on grade.

Optimisation Results

Optimisation was carried out with only Measured and Indicated resources reporting to the revenue stream. A series of nested pit shells representing revenue factor (RF) pit shells were generated in the initial optimisation run to select HL ultimate pit shell. Pit shell with RF 0.38 was determined as the ultimate shell with sufficient ore to fill the capacity of the HL pads. The results of this optimisation run are summarised in Figure 9-8 and Table 9-5 with the RF=0.38 shell highlighted.

The optimisation run to define the ultimate pit shell for CIL operations required the depletion of the model using selected HL optimisation pit shell prior to the optimisation run. The results of the CIL optimisation run are summarised in Figure 9-9 and Table 9-6 with the selected pit shell, RF=0.7 highlighted.

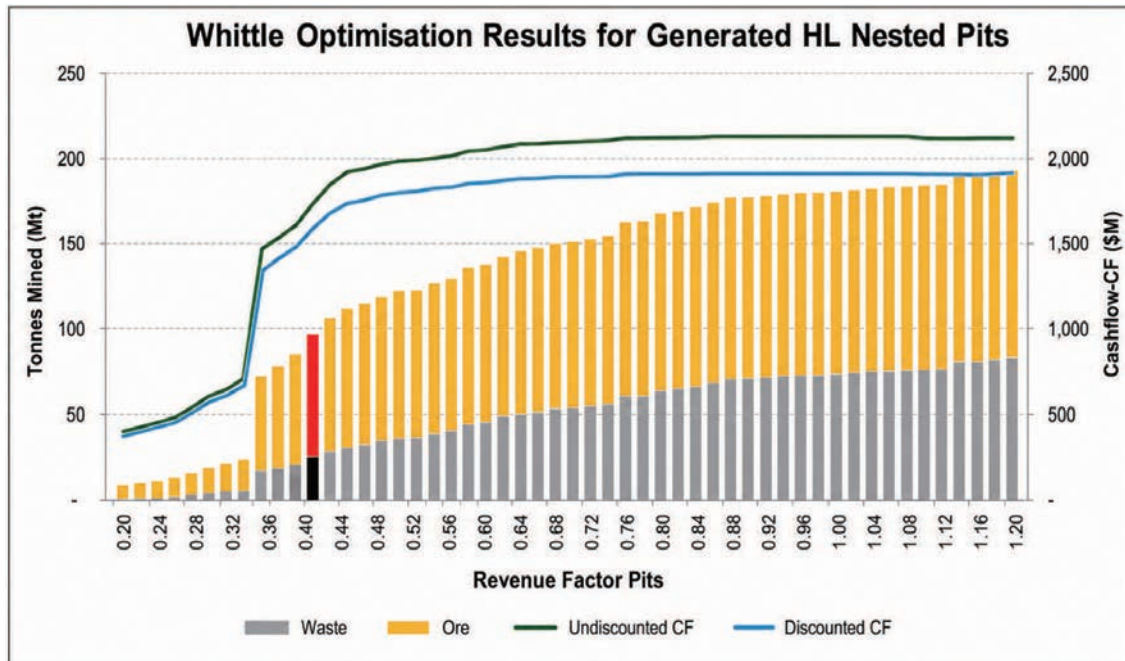


Figure 9-6 Pit by Pit Graph for HL Optimisation Constrained to PETS IUP

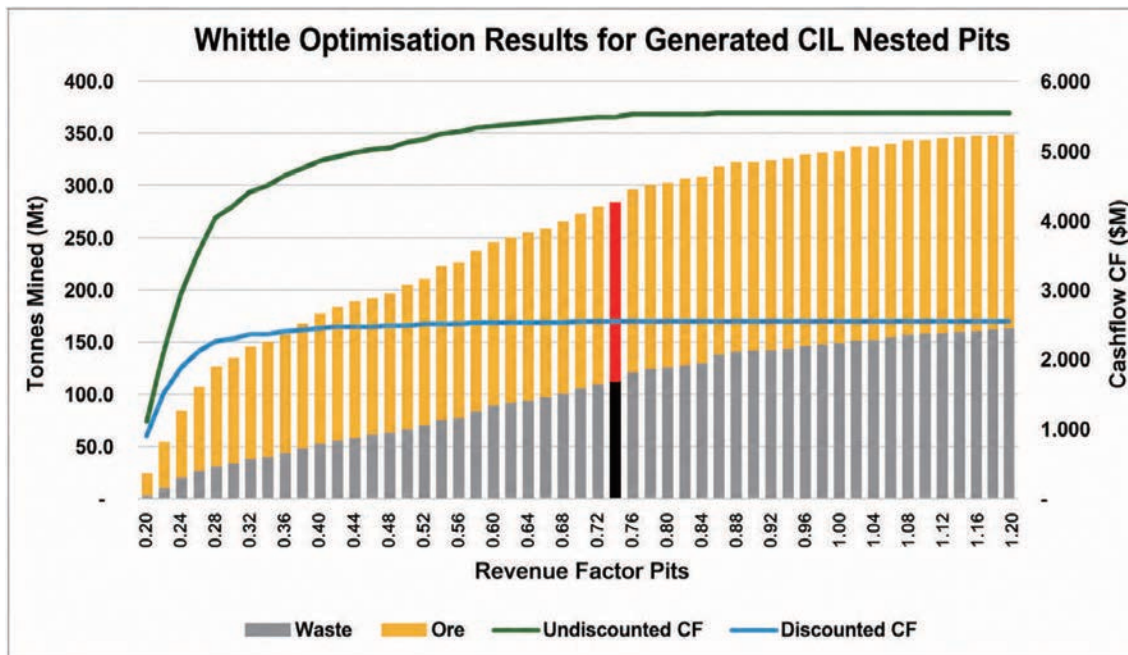


Figure 9-7 Pit by Pit Graph for Unconstrained CIL Optimisation

Table 9-6 Whittle Pit Optimisation Results for HL Pit within PETS IUP

Pit Shell	Revenue Factor	Cashflow			Tonnes Material			Grade Au Grade	Au Metal	
		Undiscounted CF	Discounted CF		Total	Waste	Ore		Input	Output
		Best Case	Best Case	Worst Case	Best Case	Best Case	Best Case			
		US\$M	US\$M	US\$M	kt	kt	kt	g/t	koz	koz
1	0.20	409	405	405	10	2	8	1.11	294	255
2	0.22	437	431	431	11	2	9	1.09	316	274
3	0.24	461	455	455	12	2	10	1.07	336	291
4	0.26	531	522	522	15	3	12	1.03	400	340
5	0.28	605	593	593	19	4	15	0.98	463	393
6	0.30	644	630	630	21	5	16	0.96	498	423
7	0.32	702	684	684	24	5	19	0.92	558	469
8	0.34	1,458	1,352	1,352	73	17	55	0.76	1,355	1,079
9	0.36	1,527	1,410	1,410	78	19	59	0.76	1,425	1,135
10	0.38	1,615	1,481	1,481	84	21	64	0.74	1,514	1,211
11	0.40	1,744	1,586	1,586	97	26	71	0.73	1,657	1,328
12	0.42	1,849	1,680	1,678	106	29	78	0.71	1,774	1,425
13	0.44	1,904	1,729	1,725	112	31	81	0.70	1,838	1,478
14	0.46	1,924	1,746	1,742	115	32	83	0.70	1,864	1,498
15	0.48	1,958	1,775	1,770	120	35	85	0.70	1,906	1,533
16	0.50	1,974	1,790	1,784	122	36	86	0.69	1,928	1,551
17	0.52	1,978	1,793	1,787	123	36	87	0.69	1,934	1,555
18	0.54	1,997	1,809	1,802	127	38	88	0.69	1,962	1,578
19	0.56	2,004	1,815	1,807	128	39	89	0.69	1,974	1,587
20	0.58	2,033	1,840	1,830	136	44	91	0.69	2,018	1,624
21	0.60	2,041	1,846	1,836	138	45	92	0.69	2,033	1,635
22	0.62	2,055	1,859	1,847	142	48	94	0.68	2,050	1,657
23	0.64	2,067	1,868	1,856	146	50	96	0.68	2,088	1,676
24	0.66	2,070	1,871	1,858	147	51	96	0.68	2,094	1,681
25	0.68	2,081	1,879	1,865	150	53	98	0.68	2,124	1,699
26	0.70	2,083	1,881	1,867	151	53	98	0.68	2,131	1,703
27	0.72	2,085	1,883	1,868	152	53	98	0.68	2,138	1,708
28	0.74	2,088	1,885	1,870	153	54	99	0.68	2,147	1,713
29	0.76	2,102	1,896	1,878	162	60	102	0.67	2,187	1,746
30	0.78	2,102	1,896	1,878	162	61	102	0.67	2,190	1,749
31	0.80	2,106	1,898	1,879	167	64	103	0.67	2,210	1,763
32	0.82	2,108	1,900	1,880	168	65	104	0.67	2,221	1,769
33	0.84	2,109	1,901	1,881	170	66	104	0.67	2,233	1,776
34	0.86	2,111	1,902	1,882	173	68	105	0.67	2,244	1,784
35	0.88	2,112	1,903	1,882	176	71	105	0.67	2,260	1,792
36	0.90	2,112	1,903	1,882	177	71	106	0.67	2,265	1,794
37	0.92	2,112	1,903	1,882	178	72	106	0.67	2,268	1,796
38	0.94	2,112	1,903	1,881	179	72	106	0.67	2,274	1,800
39	0.96	2,112	1,903	1,881	179	73	106	0.67	2,275	1,800
40	0.98	2,112	1,902	1,881	179	73	106	0.67	2,279	1,802
41	1.00	2,112	1,902	1,880	180	73	107	0.67	2,281	1,804
42	1.02	2,111	1,901	1,879	181	74	107	0.67	2,285	1,806
43	1.04	2,111	1,901	1,879	182	75	107	0.67	2,287	1,808
44	1.06	2,111	1,901	1,878	182	75	107	0.67	2,289	1,809
45	1.08	2,110	1,901	1,878	182	75	107	0.67	2,290	1,810
46	1.10	2,110	1,900	1,878	183	76	107	0.66	2,294	1,812
47	1.12	2,110	1,900	1,877	183	76	107	0.66	2,295	1,812
48	1.14	2,105	1,896	1,872	189	80	108	0.66	2,314	1,824
49	1.16	2,104	1,895	1,871	189	81	109	0.66	2,316	1,825
50	1.18	2,103	1,893	1,870	191	82	109	0.66	2,323	1,828
51	1.20	2,102	1,893	1,869	191	83	109	0.66	2,324	1,829

Table 9-7 Whittle Pit Optimisation Results for CIL

Pit Shell	Revenue Factor	Cashflow			Tonnes Material			Grade Au Grade	Au Metal	
		Undiscounted Cf	Discounted CF		Total	Waste	Ore		Input	Output
		Best Case	Best Case	Worst Case	Best Case	Best Case	Best Case		koz	koz
		US\$M	US\$M	US\$M	kt	kt	kt	g/t		
1	0.20	1,108	904	904	24.6	3.5	21.1	1.06	783	725
2	0.22	2,119	1,512	1,454	55.5	10.8	44.8	0.95	1,538	1,426
3	0.24	2,933	1,889	1,751	85.0	19.9	65.1	0.92	2,163	2,005
4	0.26	3,537	2,109	1,917	108.8	27.0	81.8	0.89	2,638	2,446
5	0.28	4,030	2,258	2,030	127.8	31.3	96.5	0.87	3,036	2,814
6	0.30	4,193	2,302	2,060	136.0	34.3	101.7	0.86	3,172	2,940
7	0.32	4,397	2,352	2,091	146.6	37.9	108.7	0.85	3,347	3,103
8	0.34	4,484	2,372	2,101	151.7	39.8	111.9	0.84	3,425	3,175
9	0.36	4,624	2,403	2,118	160.7	43.8	116.8	0.84	3,551	3,292
10	0.38	4,733	2,426	2,124	169.8	48.8	121.1	0.83	3,654	3,387
11	0.40	4,834	2,446	2,134	179.4	54.1	125.3	0.82	3,753	3,479
12	0.42	4,909	2,460	2,137	185.8	57.0	128.8	0.81	3,829	3,550
13	0.44	4,960	2,469	2,140	190.7	59.4	131.3	0.80	3,882	3,599
14	0.46	4,996	2,475	2,141	194.6	61.3	133.3	0.80	3,922	3,636
15	0.48	5,022	2,479	2,141	197.4	62.6	134.8	0.79	3,951	3,663
16	0.50	5,097	2,492	2,146	206.5	67.1	139.3	0.78	4,040	3,745
17	0.52	5,139	2,498	2,142	212.4	70.4	142.0	0.78	4,092	3,793
18	0.54	5,228	2,512	2,140	225.0	77.0	148.0	0.77	4,205	3,898
19	0.56	5,248	2,514	2,138	228.0	78.3	149.7	0.76	4,233	3,924
20	0.58	5,303	2,522	2,138	239.3	85.7	153.5	0.76	4,310	3,995
21	0.60	5,342	2,527	2,137	247.8	91.0	156.7	0.75	4,366	4,048
22	0.62	5,362	2,530	2,134	252.0	93.5	158.5	0.74	4,397	4,076
23	0.64	5,379	2,532	2,133	255.6	95.4	160.2	0.74	4,424	4,101
24	0.66	5,394	2,534	2,131	259.3	97.5	161.8	0.74	4,451	4,126
25	0.68	5,416	2,536	2,126	266.4	102.3	164.1	0.73	4,491	4,163
26	0.70	5,437	2,539	2,122	273.5	106.9	166.6	0.73	4,533	4,202
27	0.72	5,456	2,541	2,118	280.6	111.5	169.1	0.72	4,574	4,240
28	0.74	5,464	2,542	2,117	283.5	113.3	170.3	0.72	4,592	4,257
29	0.76	5,490	2,544	2,099	296.5	122.7	173.8	0.70	4,656	4,316
30	0.78	5,497	2,545	2,096	301.4	126.2	175.2	0.70	4,678	4,336
31	0.80	5,500	2,545	2,095	303.1	127.3	175.9	0.70	4,686	4,344
32	0.82	5,504	2,546	2,094	306.5	129.8	176.8	0.70	4,701	4,358
33	0.84	5,507	2,546	2,093	307.8	130.5	177.4	0.70	4,709	4,365
34	0.86	5,515	2,547	2,082	318.6	139.0	179.7	0.69	4,749	4,403
35	0.88	5,518	2,547	2,080	322.9	142.0	180.9	0.69	4,768	4,420
36	0.90	5,518	2,547	2,080	323.7	142.4	181.2	0.69	4,771	4,423
37	0.92	5,519	2,547	2,079	325.3	143.7	181.6	0.69	4,777	4,428
38	0.94	5,519	2,547	2,078	326.6	144.7	181.9	0.69	4,781	4,432
39	0.96	5,519	2,547	2,076	330.2	147.5	182.7	0.69	4,793	4,443
40	0.98	5,519	2,547	2,075	331.8	148.8	183.0	0.69	4,798	4,448
41	1.00	5,519	2,547	2,075	333.4	150.0	183.4	0.69	4,803	4,452
42	1.02	5,518	2,547	2,072	336.4	152.6	183.8	0.69	4,811	4,459
43	1.04	5,518	2,547	2,071	337.2	153.2	184.0	0.69	4,813	4,462
44	1.06	5,516	2,547	2,070	340.3	155.8	184.6	0.68	4,822	4,470
45	1.08	5,515	2,547	2,067	343.4	158.3	185.1	0.68	4,829	4,477
46	1.10	5,514	2,547	2,067	344.3	159.0	185.3	0.68	4,832	4,479
47	1.12	5,513	2,547	2,066	345.0	159.6	185.4	0.68	4,834	4,481
48	1.14	5,512	2,546	2,065	346.9	161.2	185.8	0.68	4,839	4,486
49	1.16	5,511	2,546	2,065	347.3	161.4	185.9	0.68	4,840	4,487
50	1.18	5,510	2,546	2,065	348.3	162.2	186.1	0.68	4,843	4,489
51	1.20	5,509	2,546	2,063	349.3	163.0	186.2	0.68	4,845	4,491

The selection of the RF = 0.70 pit shell as the ultimate pit shell for the Pani Gold Mine was to align ultimate pit shell selection with previous optimisation run conducted at US\$1,650/oz. This alignment was done as a temporal measure pending completion of additional works such as technical studies to increase tailings storage capacity to unlock the full potential of Pani Gold Mine. Consequently, Mining One opines that if Technical Studies are completed, the ultimate pit shell could be a shell with RF greater than 0.70.

9.5.2 Mine Design

Detailed open pit mine design has been carried out guided by pit shells generated from the previous pit optimisation conducted at a gold price of \$1,650/oz. The staged designs that have been used in estimating Ore Reserves were an update to earlier designs completed during FS 2024. The designs comprise three (3) main push backs for the HL (PETS) portion of the deposit and five (5) pushbacks for the CIL (GSM) portion of the deposit.

Pits have been designed to conform to geotechnical design criteria which define various berm-batter configurations for identified geotechnical zone areas. The recommended slope profiles for the zone areas are provided in Table 9-7 and relate to the Geotechnical zones shown in Figure 9-10.

Table 9-8 Recommended Slope Angle and Configurations

Design Sector	Pit Wall Dip Direction (°)	Overall Slope Angle (°)	Inter Ramp Angle (°)	Minimum Berm Width (m)	Bench Angle (°)	Bench Height (m)
Northeast	188	40	45	7.5	65	15
Northwest	117	35	45	7.5	65	15
Southwest	60	35	45	7.5	65	15
South*	360	40	45	7.5	65	15
Southeast	326	40	45	7.5	65	15
East	278	40	45	7.5	65	15

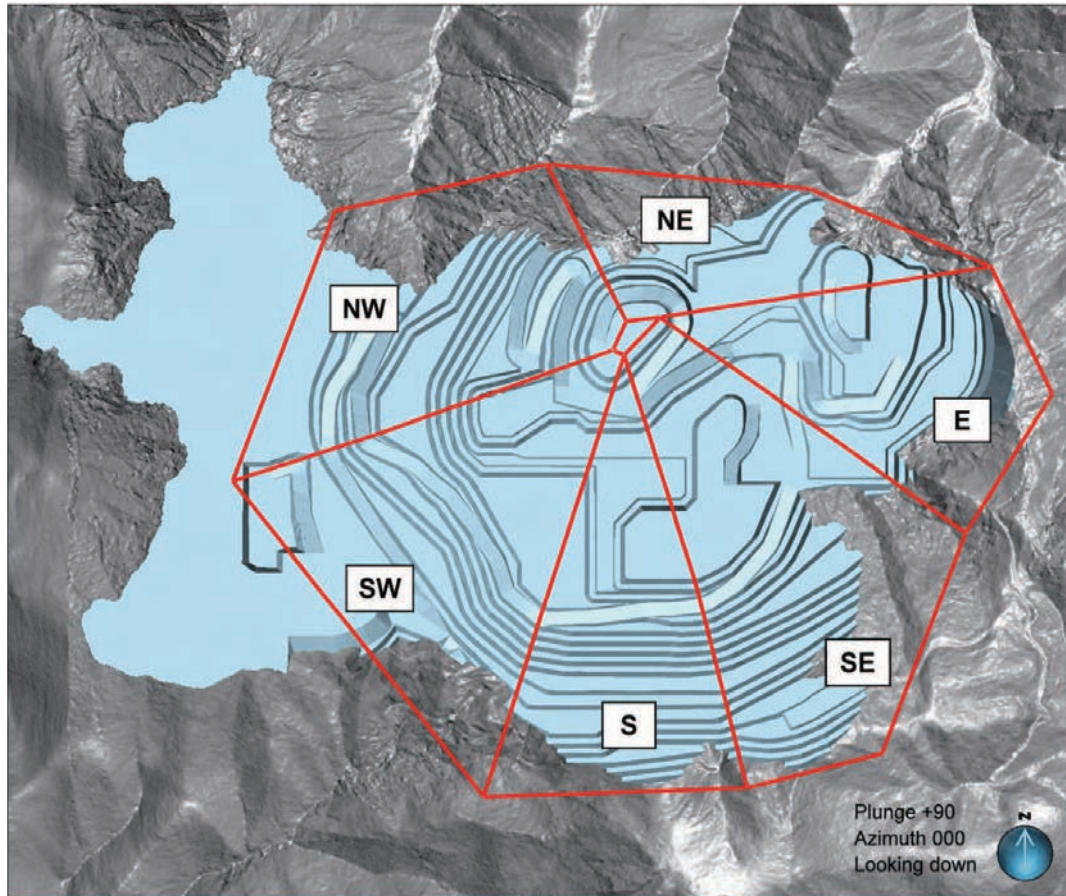


Figure 9-8 Geotechnical Zones

The open pit designs incorporate access ramps designed to meet specifications required of the regulation *Minister of Energy and Mineral Resources Decree, No. 1827 K 30 MEM 2018*. The regulation rules that:

- The minimum width of dual lane road shall be 3.5 times truck operating width.
- The minimum width of single lane road shall be 2.0 times truck operating width.
- Safety berms with minimum height of 75% truck tyre diameter should be established along the road.

In addition, 1 m wide drain along the road was accounted when determining the ramp width.

The ultimate pushback for the HL pit (HL03) is designed to reach a bottom elevation of 405.5 mRL with mining beginning from an elevation of approximately 785 mRL. The ultimate pushback for the CIL Pit (CIL05) which encompasses HL03 is designed to reach a final destination of 305 mRL. CIL05 spans approximately 1.6 km on its major axis and 1.2 km on its minor axis. The two ultimate pushbacks are shown in Figure 9-11.

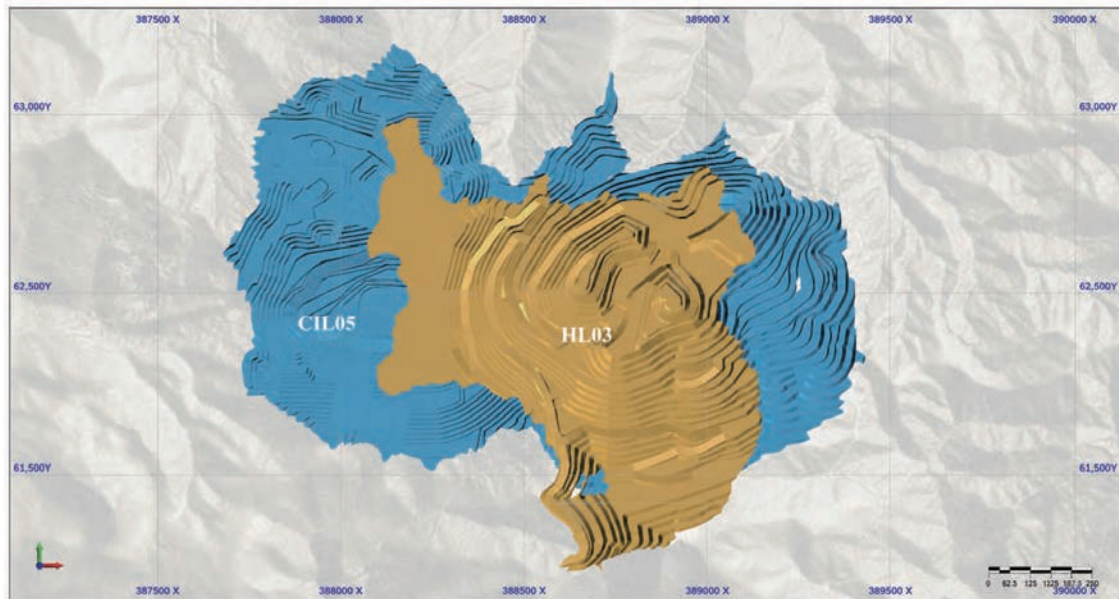


Figure 9-9 Plan View of Ultimate HL and CIL Pit Designs

9.5.3 Mining Methods

Conventional open pit mining at Pani employs the use of excavators and trucks to mine 7.5 m flitches to form 15 m permanent benches as mining progresses downwards. Standard mining practices including drilling, blasting, loading, hauling will be carried out to extract ore for treatment at the processing plants.

Drilling will be carried out using Epiroc's SmartROC T45 which is versatile for managing drilling activities on tough terrains such as Pani's. Drill hole diameters Ø of 115 to 127 mm are planned with average burden and spacing of 4.2 and 5.0 m respectively for production shots. Pre-split shots will be fired only in competent primary formation.

A mix of ANFO (ammonium nitrate and fuel oil) and Emulsion explosives will be used with Emulsion expected to be the predominant form of bulk explosives starting from the second half (H2) of 2026 calendar year. A contract is in place for explosives loading and shot firing.

In order to navigate the steep terrains at Pani, mining is being carried out with articulated Volvo A60H and Bell B50E and B45E trucks. The use of these trucks limits the class of excavators that can be used on site until such time when the steep terrains have been mined out and larger fleet can be commissioned on site. Consequently, 90 to 150 t class of excavators including CAT 390, EX1200 and a CAT 6015 are currently in use with plans to substitute these with Komatsu PC2000 Excavators later during 2026 calendar year when the bigger Komatsu HD785-7 trucks are installed and become the primary mining fleet.

9.5.4 Mining Equipment

A list of mine equipment required to achieve the life of mine plan over the next ten (10) years are provided in Table 9-8. The list for 2026 reflects equipment currently installed and those to be acquired in the course of the year.

Table 9-9 Mine Equipment Summary

	Manufacturer	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Loading Units												
Excavator	CAT6015B	2	1	—	—	—	—	—	—	—	—	—
Excavator	Cat395	1	—	—	—	—	—	—	—	—	—	—
Excavator	Cat330G	2	1	2	2	2	1	1	1	1	1	1
Excavator	Cat320GX	1	0	1	1	1	1	1	1	1	1	1
Excavator	EX1200-7BH	1	—	—	—	—	—	—	—	—	—	—
Excavator	ZX470LC-5G	1	1	1	1	1	1	1	1	1	1	1
Excavator	PC 2000	2	2	6	6	6	5	4	5	4	4	4
Hauling Units												
Truck	B50E	10	5	7	4	3	1	4	—	—	—	—
Truck	B45E	8	5	5	4	2	5	1	—	—	—	—
Truck	A60H	18	—	—	—	—	—	—	—	—	—	—
Truck	HD 785	14	18	42	42	42	34	25	30	25	23	17
Ancillary Units												
Front-End-Loader . . .	Cat 988	1	2	3	3	3	3	3	2	2	2	2
Dozer	Cat D9	1	1	2	2	2	2	2	1	1	1	1
Dozer	Cat D8	5	2	4	4	4	3	2	4	3	3	3
Dozer	Cat D6	1	1	1	1	1	1	1	1	1	1	1
Water Truck	A40G WT	2	2	3	3	3	3	3	2	2	2	2
Grader	CAT14	2	2	3	3	3	3	3	2	2	2	2
Drill	SmartROC T45	6	4	8	9	9	8	7	8	6	6	7
MMU	MMU	1	1	1	1	1	1	1	1	1	1	1
Mobile Rockbreaker .	V2500	1	1	1	1	1	1	1	1	1	1	1
Roller	CS79B	1	0	1	1	1	1	1	1	1	1	1
Mining Services												
Tyre Handler	MT-X1840	1	1	1	1	1	1	1	1	1	1	1
Fuel/Service Truck . .	FM 280 JD	2	2	3	3	3	2	2	2	2	2	2
Crane	SRC900C (90T Crane)	1	1	1	1	1	1	1	1	1	1	1
Skid Steer Loader . . .	Cat249D	1	1	1	1	1	1	1	1	1	1	1
Lighting Plant	ALLLIGHT	8	6	8	8	8	7	7	7	7	7	7
Standpipe & pump . .	HL150	1	1	1	1	1	1	1	1	1	1	1
Welder	600 AMP Miller	1	1	1	1	1	1	1	1	1	1	1
Light Vehicles	Mitsubishi Triton	8	8	13	13	13	13	13	9	9	9	9
	DC GLS, 4x4											

9.6 Mine Production Plan

Mining One has prepared an independent Life of Mine (“LoM”) production schedule for the Pani Gold Mine using the current staged designs. The LoM schedule was prepared using Alastri Tactical Scheduler which provides tools and options to aid generation of pragmatic LoM schedules. Various functions within the software enhances accurate estimation of equipment required to achieve the LoM schedules generated.

The LoM schedule has been developed to prioritise ore from the HL pit to be sent to the HL processing plant and ore from CIL pit to be sent to the CIL plant. However, the schedule was set up to recognise the higher profitability of sending some ore types in the HL pit to the CIL plant and vice versa. Consequently, the set priorities are not always obeyed for the purposes of achieving higher economics of the project.

Due to limited real estate to stockpile ore into various bins on the mine, the schedule does not segregate ore into high, medium or lower grades. The only distinction between ore stockpiles set up within the schedule are HL ore stockpiles and CIL ore stockpiles. There is therefore the opportunity improve the economics of the mine by high-grading ore feed to plants if in the future, the mine is able to create more real estate to segregate ore into high-grade and low-grade stockpiles and to prioritise high-grade feed to plants.

The production schedule has been generated on a monthly basis for years 2026 to 2028, on quarterly basis for years 2029 and on yearly basis 2030 and onwards and incorporates the following:

- Mining sequence utilises all the three (3) staged designs of the HL pit (HL01 to HL03) and all the five (5) of the CIL pit (CIL01 to CIL05).
- Topographical surface as of 31 December 2025 has been used to deplete the Mineral Resource and serves as the starting surface for the schedule.
- Only Measured and Indicated Mineral Resources above cut-off grades for the different material types are considered as Ore. Measured and Indicated Resources above marginal cut-off grades report as “marginal ore” and these are not included in the Ore Reserves although are qualified to be included under the JORC Code.
- Inferred and unclassified blocks above cut-off grades and all material below cut-off are considered as waste and do not get treated through any of the plants in the LoM plan. Waste tonnages include mineralised waste.
- Mining production levels and plant throughputs incorporate ramp ups to achieve target production levels. Target production levels are guided by equipment and plant capacities as determined by OEMs in the case of mining equipment and Technical and/or supportive Studies in the case of plant throughputs.
- Mining production levels are guided by production levels required to achieve ore tonnages and/or grade feed to plants over the life of mine. The vertical advance rate of mining each of the pushbacks has been assessed to be pragmatic and achievable.
- To achieve target feed ore tonnages to the individual plants, the schedule allows material to be diverted from the HL pits to the CIL plant and vice-versa though this is seldomly done. Material diversion is typical in the first year, when material that makes more profits by being processed through the plant (CIL material) is diverted to the HL plant. This is done to achieve ore feed targets, bring profits forward to improve economics of the mine and reduce overall project cash drawdown.

Summary results of the mining physicals of the LoM scheduling are presented in Figure 9-12 and Table 9-9. A total of 202 Mt of ore at an average gold grade of 0.79 will be mined from both the HL and CIL pits at an overall strip ratio of 0.70. Mining for CIL processing commences at the end of 2027 for the purposes of stockpiling material ahead of processing in 2028 when the CIL plant will be commissioned. HL mining will end in 2032. The Life of Mine is until 2040, a total of 15 years.

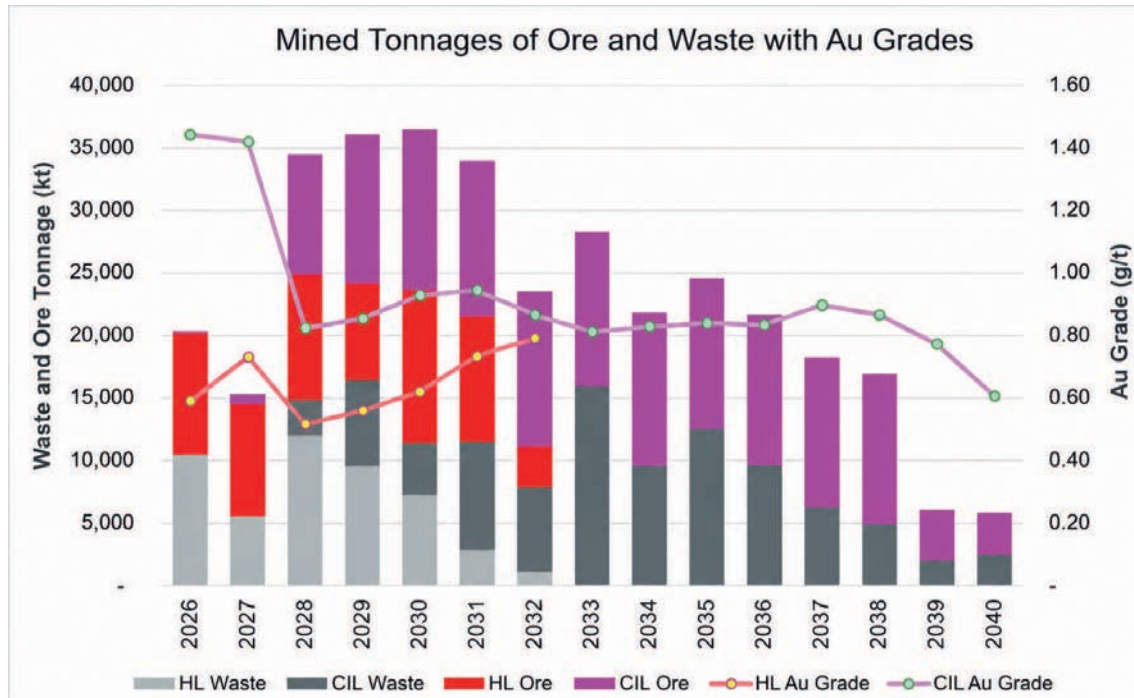


Figure 9-10 Annual Mining Production Schedule for Pani

The processing physicals of the mine schedule are presented in Figure 9-12, Figure 9-13 and also in Table 9-10. Ore feed to plants will peak at 10 Mtpa and 12 Mtpa for the HL and CIL plants respectively with feed to the HL plant ending in 2032 when the HL pads are fully stacked with ore. A total of 62.9 Mt and 137.4 Mt of ore will be treated through the HL and CIL plants respectively over the LoM with feed coming from the pits and existing stockpiles as of 31 December 2025. Gold production will peak at approximately 550 koz in 2031 when grade to the HL plant, HL recovery and grade to the CIL plant are at their maximums.

The LoM schedule is constrained by tailings storage capacity. Tailings deposition tonnages to the two tailings storage facilities are provided in Table 9-10. The capacity of TSF Hulawa is exhausted when approximately 86 Mt of dry tailings are deposited on the facility. The current LoM plan is expected to grow when Technical Studies to expand the capacity of tailings storage at Pani are completed to a minimum of PFS level.

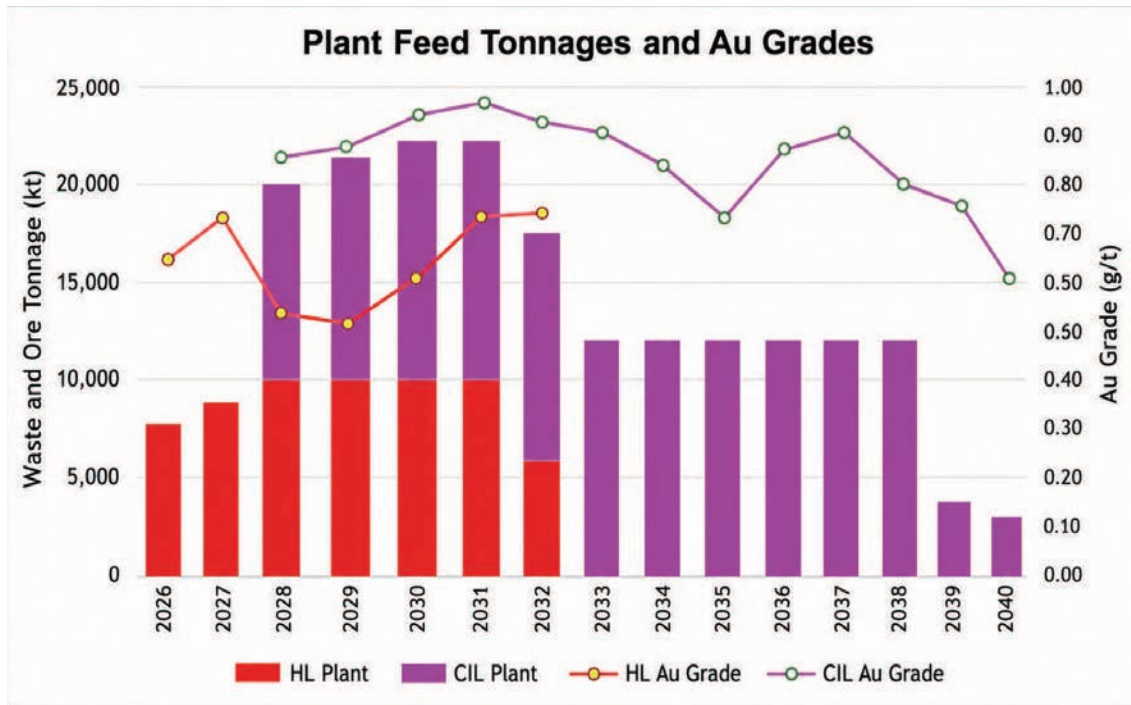


Figure 9-11 Annual Processing Feed Schedule for Pani

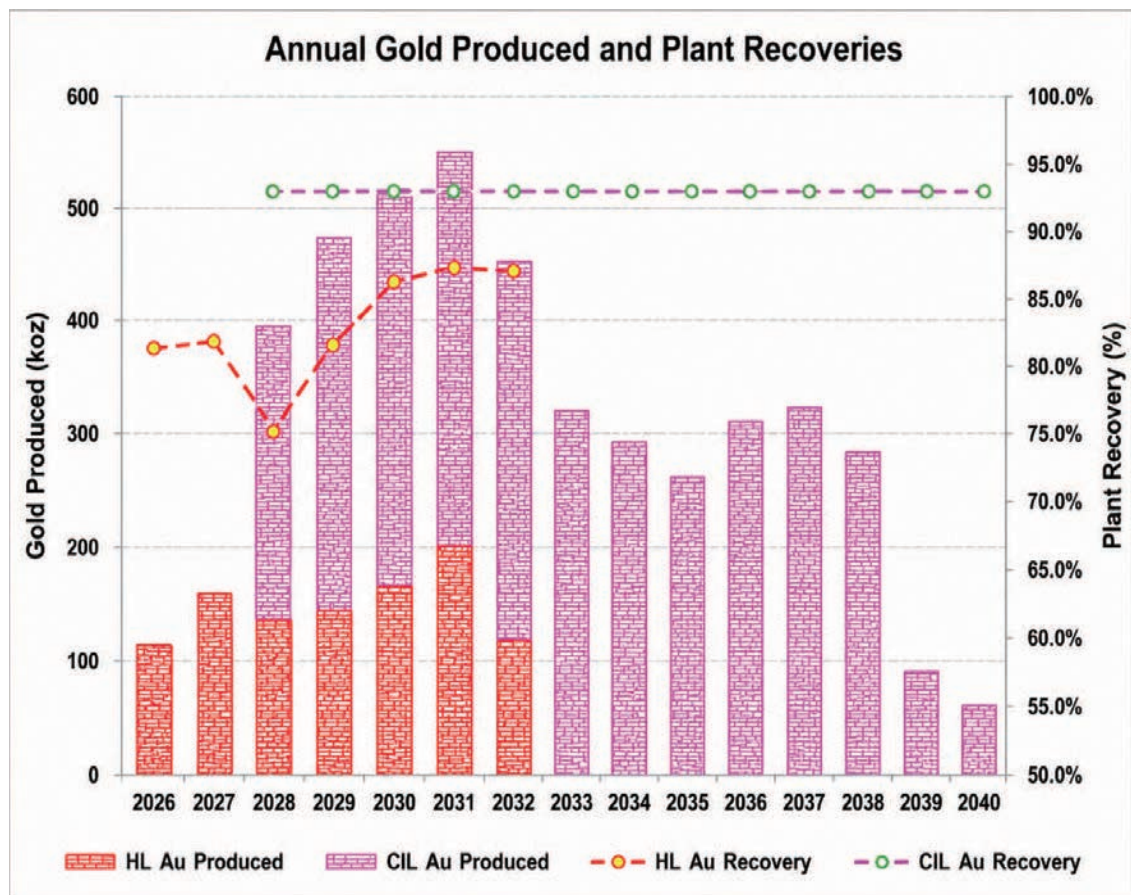


Figure 9-12 Annual Gold Produced with Plant Recoveries

Table 9-10 Annual Mine Production Schedule for Pani

Item	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Mining Physical																	
HL Pit																	
Ore Tonnes	kt	62,053	9,769	9,000	9,988	7,831	12,185	10,008	3,272	-	-	-	-	-	-	-	-
Ore Au Grade	g/t	0.64	0.59	0.73	0.52	0.56	0.63	0.73	0.79	-	-	-	-	-	-	-	-
Ore Ag Grade	g/t	0.94	2.18	1.68	1.17	0.38	0.27	0.26	0.49	-	-	-	-	-	-	-	-
Contained Au	koz	1,270	185	212	167	141	245	236	84	-	-	-	-	-	-	-	-
Contained Ag	koz	1,881	684	485	376	96	105	83	52	-	-	-	-	-	-	-	-
Marginal Ore Tonnes	kt	187	3	49	56	7	39	12	20	-	-	-	-	-	-	-	-
Marginal Ore Au Grade	g/t	0.22	0.21	0.22	0.22	0.22	0.22	0.22	0.22	-	-	-	-	-	-	-	-
Marginal Ore Ag Grade	g/t	0.94	0.28	1.61	1.12	0.70	0.46	0.20	0.35	-	-	-	-	-	-	-	-
Marginal Ore Contained Au	koz	1	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-
Marginal Ore Contained Ag	koz	6	0	3	2	0	1	0	0	-	-	-	-	-	-	-	-
Waste Tonnes	kt	48,621	10,521	5,525	11,845	9,559	7,216	2,823	1,132	-	-	-	-	-	-	-	-
Total Material Tonnes	kt	110,861	20,293	14,573	21,889	17,398	19,440	12,843	4,424	-	-	-	-	-	-	-	-
Total Material Volume	kBCM	48,894	9,366	6,542	9,788	7,891	8,710	5,644	1,953	-	-	-	-	-	-	-	-
Strip Ratio (Marginal as Waste)	t/t	0.79	1.08	0.62	1.19	1.22	0.60	0.28	0.35	-	-	-	-	-	-	-	-
CIL Pit																	
Ore Tonnes	kt	140,131	133	757	9,710	11,814	12,858	12,358	12,454	12,316	12,238	12,001	12,034	12,001	12,001	3,995	3,461
Ore Au Grade	g/t	0.86	1.44	1.42	0.83	0.85	0.93	0.95	0.87	0.81	0.83	0.84	0.84	0.90	0.87	0.77	0.61
Ore Ag Grade	g/t	0.77	2.71	3.51	1.55	1.37	0.83	0.81	0.72	0.64	0.52	0.50	0.48	0.63	0.53	0.44	0.37
Contained Au	koz	3,876	6	35	258	325	385	377	347	322	325	324	324	347	335	99	68
Contained Ag	koz	3,472	12	85	485	521	342	321	288	252	203	233	186	244	203	57	41
Marginal Ore Tonnes	kt	8,954	-	-	540	645	609	716	653	843	864	955	1,119	796	666	222	327
Marginal Ore Au Grade	g/t	0.22	-	-	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22
Marginal Ore Ag Grade	g/t	0.54	-	-	0.95	0.94	0.76	0.67	0.55	0.51	0.37	0.49	0.43	0.35	0.43	0.27	0.34
Marginal Ore Contained Au	koz	63	-	-	4	5	4	5	5	6	6	7	8	6	5	2	2
Marginal Ore Contained Ag	koz	156	-	-	16	19	15	15	11	14	10	15	15	9	9	2	4
Waste Tonnes	kt	84,333	-	-	2,454	6,221	3,627	8,032	6,067	15,174	8,753	11,654	8,555	5,505	4,288	1,890	2,113
Total Material Tonnes	kt	233,417	133	757	12,704	18,681	17,093	21,106	19,174	28,333	21,854	24,610	21,708	18,301	16,955	6,107	5,901
Total Material Volume	kBCM	102,577	59	328	5,463	8,184	7,502	9,337	8,514	12,635	9,627	10,862	9,513	7,938	7,410	2,662	2,544
Strip Ratio (Marginal as Waste)	t/t	0.67	-	-	0.31	0.58	0.33	0.71	0.54	1	0.79	1.05	0.80	0.52	0.41	0.53	0.71
Total Pani Pits																	
Ore Tonnes	kt	202,183	9,903	9,757	19,697	19,646	25,042	22,366	15,726	12,316	12,238	12,001	12,034	12,001	12,001	3,995	3,461
Ore Au Grade	g/t	0.79	0.60	0.79	0.67	0.74	0.78	0.85	0.85	0.81	0.83	0.84	0.84	0.90	0.87	0.77	0.61
Ore Ag Grade	g/t	0.82	2.18	1.82	1.36	0.98	0.55	0.56	0.67	0.64	0.52	0.60	0.48	0.63	0.53	0.44	0.37
Contained Au	koz	5,146	192	247	424	465	630	613	431	322	325	324	324	347	335	99	68
Contained Ag	koz	5,353	695	570	861	617	447	404	339	252	203	233	186	244	203	57	41
Marginal Ore Tonnes	kt	9,141	3	49	596	652	648	728	673	843	864	955	1,119	796	666	222	327
Marginal Ore Au Grade	g/t	0.22	0.21	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22
Marginal Ore Ag Grade	g/t	0.55	0.28	1.61	0.97	0.94	0.74	0.66	0.54	0.51	0.37	0.49	0.43	0.35	0.43	0.27	0.34
Marginal Ore Contained Au	koz	65	0	0	4	5	5	5	5	6	6	7	8	6	5	2	2
Marginal Ore Contained Ag	koz	162	0	3	19	20	16	16	12	14	10	15	15	9	9	2	4
Waste Tonnes	kt	132,954	10,521	5,525	14,300	15,781	10,843	10,855	7,199	15,174	8,753	11,654	8,555	5,505	4,288	1,890	2,113
Total Material Tonnes	kt	344,278	20,426	15,330	34,594	36,079	36,533	33,949	23,598	28,333	21,854	24,610	21,708	18,301	16,955	6,107	5,901
Total Material Volume	kBCM	152,471	9,425	6,870	15,251	16,075	16,212	14,981	10,468	12,635	9,627	10,862	9,513	7,938	7,410	2,662	2,544
Strip Ratio (Marginal as Waste)	t/t	0.70	1.06	0.57	0.76	0.84	0.46	0.52	0.50	1	0.79	1.05	0.80	0.52	0.41	0.53	0.71

Table 9-11 Annual Plant Processing Schedule for Pani Gold Mine

Item	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Processing Physicals																	
HL Plant																	
Ore Tonnes	kt	62,890	8,001	9,000	9,988	10,008	10,008	10,008	10,008	5,877	-	-	-	-	-	-	-
Ore Au Grade	g/t	0.64	0.64	0.73	0.53	0.51	0.60	0.74	0.75	0.75	-	-	-	-	-	-	-
Ore Ag Grade	g/t	0.98	2.37	1.61	1.41	0.86	0.28	0.26	0.39	0.39	-	-	-	-	-	-	-
Gold (Au)																	
Feed (Contained) Au	koz	1,284	165	212	170	165	194	237	141	-	-	-	-	-	-	-	-
Plant Recovery Au	%	82.1%	66.3%	75.6%	82.0%	88.7%	85.9%	85.9%	91.6%	-	-	-	-	-	-	-	-
Recoverable Au	koz	1,055	110	160	139	146	166	204	129	-	-	-	-	-	-	-	-
Produced Au	koz	1,044	108	159	138	145	165	202	128	-	-	-	-	-	-	-	-
Silver (Ag)																	
Contained Ag	koz	1,986	610	467	452	213	89	83	73	-	-	-	-	-	-	-	-
Plant Recovery Ag	%	30.4%	24.1%	32.5%	32.0%	32.1%	31.3%	31.3%	52.4%	-	-	-	-	-	-	-	-
Recoverable Ag	koz	603	147	152	145	68	28	26	38	-	-	-	-	-	-	-	-
Produced Ag	koz	597	145	150	143	68	27	26	38	-	-	-	-	-	-	-	-
CIL Plant																	
Ore Tonnes	kt	137,400	-	-	9,866	12,001	12,001	12,001	12,034	12,001	12,001	12,001	12,034	12,001	12,001	3,995	3,461
Ore Au Grade	g/t	0.86	-	-	0.89	0.83	0.95	0.96	0.88	0.83	0.84	0.84	0.84	0.90	0.87	0.77	0.61
Ore Ag Grade	g/t	0.77	-	-	1.76	1.32	0.83	0.82	0.72	0.65	0.52	0.60	0.48	0.63	0.53	0.44	0.37
Gold (Au)																	
Feed (Contained) Au	koz	3,820	-	-	263	322	367	371	340	318	322	324	324	347	335	99	68
Plant Recovery Au	%	92.7%	-	-	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%	92.7%
Recoverable Au	koz	3,541	-	-	262	298	340	344	315	295	299	301	300	322	311	92	63
Produced Au	koz	3,541	-	-	262	298	340	344	315	295	299	301	300	322	311	92	63
Silver (Ag)																	
Contained Ag	koz	3,397	-	-	559	509	320	315	280	250	201	233	186	244	203	57	41
Plant Recovery Ag	%	70.0%	-	-	70.1%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%
Recoverable Ag	koz	2,378	-	-	392	357	224	221	196	175	141	163	130	171	142	40	29
Produced Ag	koz	2,378	-	-	392	357	224	221	196	175	141	163	130	171	142	40	29
Tailings Deposition Schedule																	
TSF Hualwa (TSF01)	kt	87,944	-	-	7,866	8,001	8,001	8,001	8,034	8,001	8,001	8,001	8,034	8,001	8,001	-	-
FTF Dry Stack	kt	49,455	-	-	2,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	3,995	3,461

10 PROCESSING AND METALLURGICAL ASSESSMENT

10.1 Overview

The Pani Gold Project will be developed in two stages, an initial HL operation followed by a CIL operation in 2028, to balance development timing and capital requirements. The Heap Leach plant will treat lower-grade near-surface ore, while the CIL plant will treat higher grade material. The two plants will operate concurrently for a few years.

A Feasibility Study was completed and reported in March 2024 (FS 2024). Design and engineering activities have continued since then to progress the project to execution.

The Heap Leach operation was designed in the FS 2024 for an annual throughput of 7 Mtpa, but the plan has since been increased to start at 8Mtpa and ramp up to 10 Mtpa by the third year of operation. A total of 62.9 Mt is planned to be stacked until mid-2032, which includes 0.9 Mt of stockpiled material.

The CIL operation was designed in the FS 2024 with an initial throughput of 7.5 Mtpa in 2029 that would be expanded and ramped up to 12 Mtpa in 2032. The current plan as of January 2026 is to construct and operate the expanded plant of 12 Mtpa from the outset commencing in 2028 which has reduced the ramp up time by 3 years to 2029. The updated plan is targeted for finalisation in Q1 2026. A total of 137.5 Mt is planned to be processed until 2040, with potential for extension if there are further increases in Ore Reserves in the future.

10.2 Metallurgical Testwork — Heap Leach

The metallurgical history and reporting for the deposit is divided into three parts; Pani West, Pani East (also referred to as PETS) and Baganite.

Metallurgical testwork was conducted in four programs between 2012 to 2018 and considered both Heap Leach and CIL flowsheets. Two of the earlier programs were initiated by One Asia and the 2018 program was initiated by MGR on four composite samples of drill core. Testing indicated good to excellent amenability to heap leaching in three of the programs, while the fourth program was somewhat inconsistent with the previous results and required further investigation.

A heap leach testwork program for the FS 2024 was designed and managed by Kappes, Cassiday & Associates (“KCA”) Australia. KCA are reputed experts in heap leach testwork and design. The testwork commenced in 2023 and was conducted at PT Geoservices laboratory facilities in Jakarta. The program included samples of Baganite zone, which had not previously been tested.

10.2.1 Sample Origin

The drilling program for the FS 2024 testwork was designed by consulting geologist, Julian Bartlett, with samples selected to ensure geometallurgical representativity. The drilling included four and five new drillholes at Baganite and nine new drillholes at PETS. Cross-section views of the selected samples are presented in Figure 10-1 and Figure 10-2.

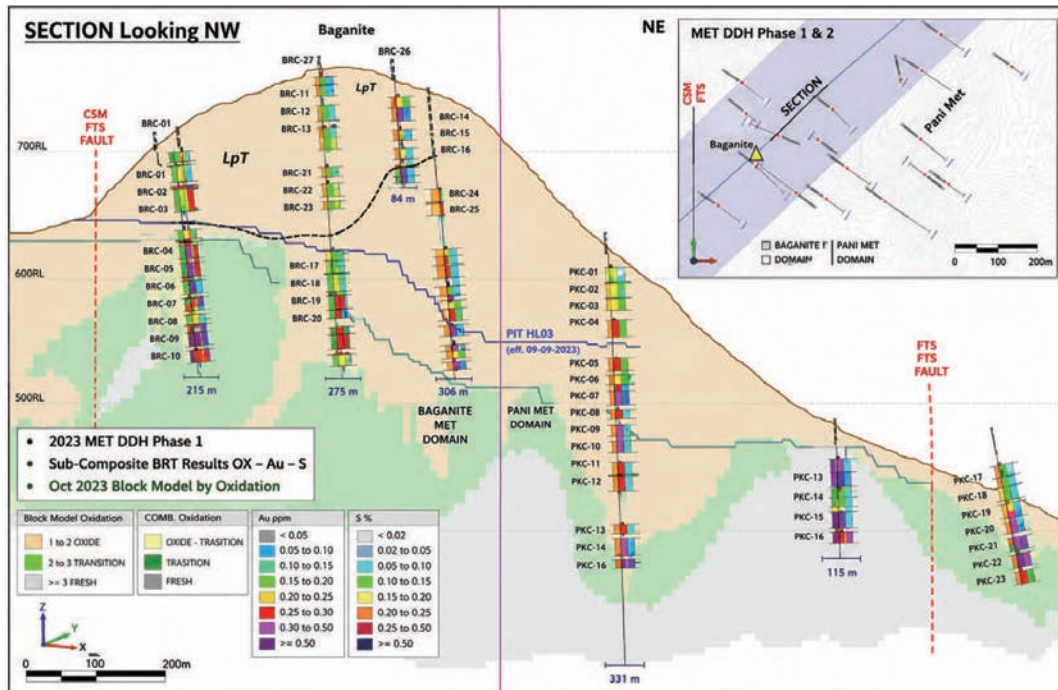


Figure 10-1 Heap Leach Testwork Sample Selection Cross-section 1

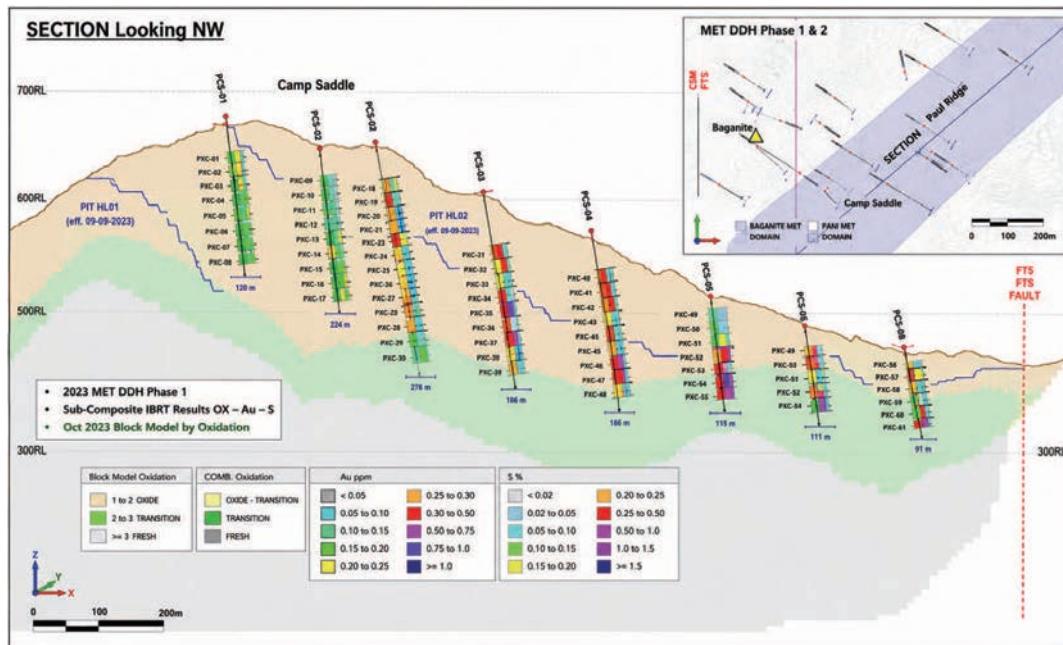


Figure 10-2 Heap Leach Testwork Sample Selection Cross-section 2

10.2.2 Leaching and Column Leach Testwork

At the time that the FS 2024 was reported in February 2024, some 57 column leach tests had been completed on various composites samples at topsizes ranging from 2 to 75 mm. An additional eight columns were under leach or in the process of being loaded while another 14 columns were planned to complete the test grid. In addition, data from 31 Intermittent Bottle Roll Tests (IBRT) and 37 Bottle Roll Tests (BRT) on composite samples were available to review from previous and available FS testwork results. A further 30 IBRTs and 15 BRTs were also planned.

Although some of the tests were still in progress, based on the results available in February 2024, KCA recommended expected extractions by ore type for the FS report. KCA incorporated the results from the column leach tests (8 and 16 mm), recovery-by-size fraction data and the multiple test P_{80} approaches and scaled them to the selected crush size of P_{100} 19 mm.

Once the additional data was available in May 2024, KCA reviewed and updated the projected extractions incorporating both recovery-by-size fraction data and the multiple test P_{80} approaches. The expected extractions are presented in Table 10-1, which were reported in the Ore Reserves statement as at 31 December 2024 (reported in March 2025). The extractions for the PETS ore are higher than the Baganite ore due to the lower silica content.

Table 10-1 Heap Leach Recovery Assumptions from the 2025 Ore Reserves

Ore Type	Unit	Gold	Silver
PETS Oxide & Ox/Tr	%	86.9	42
PETS Transition	%	85.0	43
PETS Fresh	%	50.0	42
Baganite Oxide & Ox/Tr	%	70.0	49
Baganite Transition	%	62.0	50
Baganite Fresh	%	36.0	52
Baganite Lapilli Tuff	%	75.0	26

The field leach curves for Baganite and PETS are presented in Figure 10-3 and Figure 10-4.

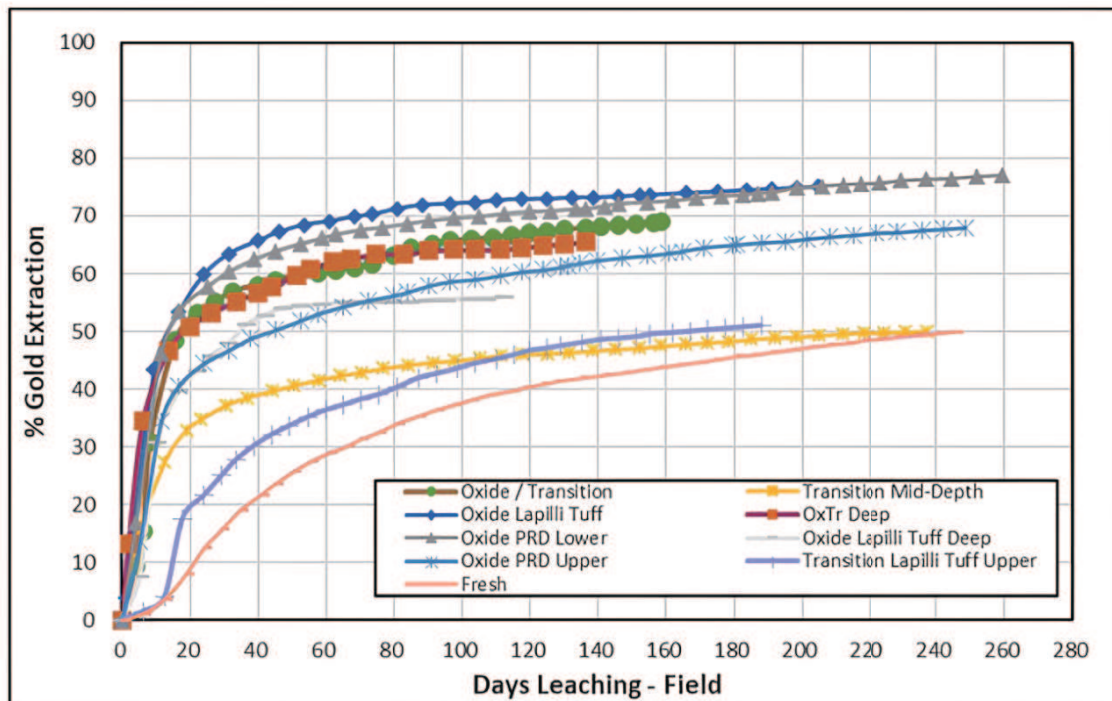


Figure 10-3 Projected Field Leach Curves for Baganite from Updated Results in May 2024

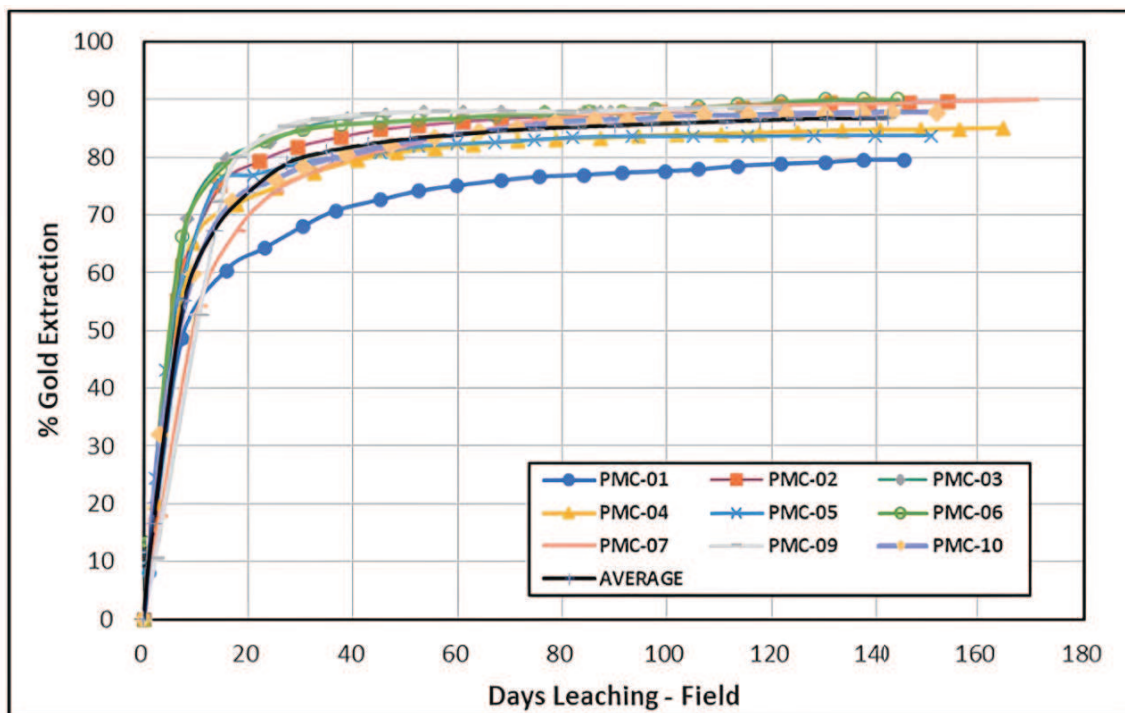


Figure 10-4 Projected Field Leach Curves for PETS from Updated Results in May 2024

10.3 Metallurgical Testwork — Carbon in Leach

The testwork program for the FS 2024 was conducted at Geoservices from mid-2022 to 2023 on samples of PETS and Baganite ores. Testwork on Pani West ores was previously conducted at Geoservices between 2012 to 2018 and at the then Owner's laboratory, J Resources.

10.3.1 Sample Origin

Sample selection for the FS 2024 testwork program was selected by MGR's Mineral Resource Group and Cube Consulting. Samples of PETS ore were selected from 20 drillholes and Baganite ores selected from 8 drillholes. The drillhole intervals were listed in an appendix in the FS 2024 report, but no cross-section included.

Intervals were selected and composited into four PETS composites and five Baganite composites for comminution and leaching testwork.

10.3.2 Head Assay

Various head assays were taken throughout the program, with gold assays ranging from 0.3 to 4.0 g/t Au, although most were around 0.73 to 0.93 g/t Au. Base metal elements are low. Typical assays are illustrated in the nine composites prepared for the Gravity Recoverable Gold (GRG) tests as presented in Table 10-2. Variations between duplicate assays on 50 g fire assay lots were noted, which is typical when significant amounts of coarse gold are present. The variation between duplicate fire assays and the calculated head grades from feed sizing, GRG and Bulk Leach Extractable Gold (BLEG) tests are presented in Table 10-3.

Table 10-2 Multi-Element Analysis for Gravity Recoverable Gold Samples

Element	Unit	PETS 1	PETS 2	PETS 3	PETS 4	BAG 1	BAG 2	BAG 3	BAG 4	BAG 5
Au	ppm	0.75	0.97	1.03	0.54	0.94	2.29	0.90	3.04	0.90
Ag	ppm	1.2	<0.5	1.1	<0.5	3.2	1.1	6.2	2.7	1.1
As	ppm	26	21	31	13	20	32	31	28	33
Cu	ppm	10	7	14	7	12	12	12	262	16
Pb	%	49	53	64	57	62	64	60	62	63
Zn	%	127	209	268	308	54	47	51	74	54
Fe	%	0.74	0.98	0.84	0.77	1.32	1.28	1.36	1.49	1.39
Si	%	34.8	33.5	34.9	34.1	32.4	33.5	32.3	35	34.4
Al	%	7	7.3	7.1	7.3	7.2	6.8	6.9	7	7.2
Ca	%	0.1	0.7	0.1	0.2	0.1	0.1	0.1	0.4	0.1
K	%	4.1	3.5	4.7	3.5	5.4	4.8	5.1	4.5	5.3
Na	%	2	1.8	1.5	1.5	1.4	2.1	1.8	2.3	2.1

Table 10-3 Gold Assays on a Variety of Tests on the GRG Samples

	PETS 1	PETS 2	PETS 3	PETS 4	BAG 1	BAG 2	BAG 3	BAG 4	BAG 5
Fire Assay	0.77	0.94	1.18	0.56	0.94	2.29	0.90	3.04	0.86
Feed Sizing	0.73	0.78	0.98	0.50	0.89	1.66	0.79	2.33	0.81
BLEG Test	0.77	0.94	1.18	0.56	1.04	1.67	0.91	2.30	0.81
GRG Test	0.55	0.69	1.19	0.45	0.93	1.71	0.84	2.42	0.81
Average	0.81	0.84	1.13	0.52	0.95	1.83	0.86	2.52	0.82

10.3.3 Size by Size Analysis

As part of the GRG determination, size by size assay for gold was conducted on the feed samples. The results showed an accumulation of gold in the -150/+38 µm size fractions, which indicates the presence of liberated gold within these size fractions. +106 µm is considered to be coarse gold. The distribution also showed a low proportion (<15%) of ultrafine gold -20 µm. The size and gold distribution for PETS 1 and PETS 2 are presented in Figure 10-5 as an example.

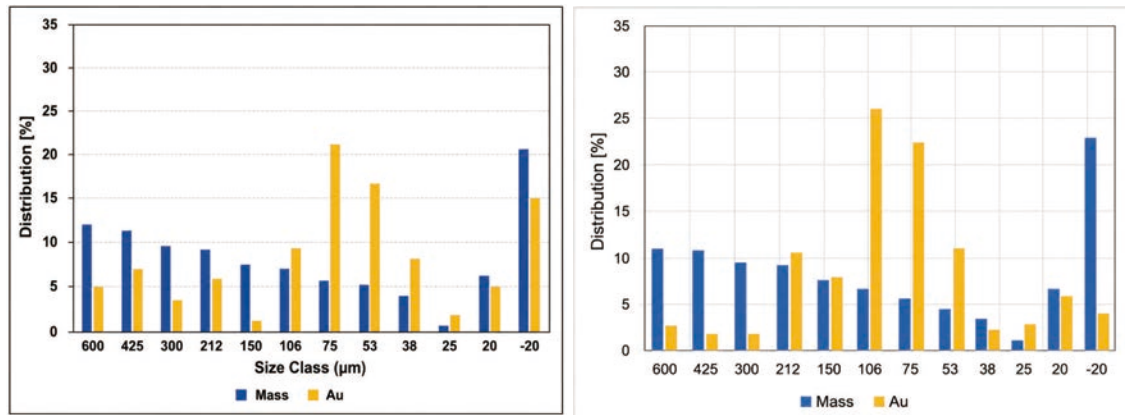


Figure 10-5 Size and Gold Distribution of PETS 1 and PETS 2 Samples

10.3.4 Mineralogical Analysis

Mineralisation at Pani is interpreted as low sulphidation epithermal style based on the presence of adularia (feldspar), dominant silicic-illite-smectite alteration, pyrite (FeS_2) as the dominant sulphide, low total sulphide content ($<0.2\%$), low base metal content, and low silver to gold ratio ($<10\%$). Gold mineralisation is predominately found in quartz veinlets, vein stockwork and breccias. Gold mineralisation occurs as electrum within the oxidised zone on fracture surfaces and post-mineralisation fault breccias (supergene) and within quartz veinlets associated with silica and sulphide content (hypogene). The gold mineralisation occurs with minor pyrite \pm galena (PbS) \pm sphalerite (ZnS).

10.3.5 Comminution

Comminution testwork was conducted on a total of 75 samples between 2015 and 2022; 50 samples from Pani West, 12 samples from PETS and 13 samples from Baganite. Of the 50 samples from Pani West, ten were tested using the SMC test procedures. The testwork data was collated by Orway Mineral Consultants (WA) Pty Ltd (OMC) and used to undertake comminution circuit modelling for the FS.

Each sample was logged for lithology and alteration. The main alteration types are Chlorite Silica, Clay Silica, Silica Clay and Silica, which based on the mining schedule at the time represented 36.5, 15.3, 35.4 and 12.8 respectively of LOM tonnes. The results are summarised in Table 10-4.

Table 10-4 Comminution Testwork Summary

			Axb	DWi	BBWi	BRWi	SG	Ai
			–	kWh/m^3	kWh/t	kWh/t	–	g
Chlorite Silica	Oxide	Count	1	1	1	1	1	1
		Value	63.0	3.8	15.6	10.7	2.4	0.069
	Transition	Count	2	2	5	–	2	5
		Average	41.7	5.9	17.2	–	2.48	0.316
	Fresh	Count	1	1	1	1	1	1
		Value	57.6	4.3	16.3	10.2	2.45	0.102
	Oxide	Count	2	2	4	2	2	4
		Average	134.1	1.9	12.7	8.4	2.50	0.143
Clay Silica . .	Transition	Count	3	3	3	3	3	3
		Average	108.7	2.3	13.4	9.0	2.45	0.213
	Fresh	Count	–	–	–	–	–	–
		Value	87.4-138	1.8-2.8	12.5-14.4	8.2-9.5	2.42-2.51	0.06-0.43

			Axb	DWi	BBWi	BRWi	SG	Ai
			–	<i>kWh/m³</i>	<i>kWh/t</i>	<i>kWh/t</i>	–	<i>g</i>
Silica Clay	Oxide	Count	3	3	15	–	3	15
		Average	120.4	2.6	13.2	–	2.44	0.123
		Range	66.4-164	1.9-3.7	12.3-14.9	–	2.42-2.47	0.04-0.20
	Transition	Count	8	8	9	3	8	9
		Average	41.9	6.2	16.5	14.3	2.44	0.123
		Range	30.5-65.2	3.7-8.2	14.0-18.9	13.2-15.6	2.38-2.54	0.15-0.67
	Fresh	Count	–	–	–	–	–	–
		Count	7	7	29	4	7	29
		Average	52.8	5.1	15.3	11.7	2.45	0.216
	Transition	Range	35.1-88.2	2.8-6.9	12.9-17.5	9.4-14.0	2.42-2.50	0.04-0.37
		Count	5	5	5	3	5	5
		Average	34.5	7.2	17.8	14.2	2.48	0.508
Silica	Oxide	Range	31.1-38.3	6.4-8.0	16.5-18.7	12.9-15.7	2.43-2.52	0.36-0.63
		Count	3	3	3	3	3	3
		Average	49.4	5.4	16.8	13.1	2.46	0.135
	Fresh	Range	32.8-58.6	4.2-7.6	14.9-19.5	11.6-15.0	2.44-2.49	0.13-0.14
		Count	–	–	–	–	–	–
		Average	–	–	–	–	–	–

Based on the testwork results, OMC developed design ore characteristics for comminution modelling by alteration type as summarised in Table 10-5. With the exception of the Clay Silica alteration type which is less competent, the other three alteration types classify as hard with low Axb values and Bond Ball Mill Work Index of approximately 18 kWh/t. It was noted that there is variability in specific energy requirements across the considered alteration types, with Silica and Silica Clay Transitional in particular requiring much more energy. Careful feed blending will be required to manage this production risk to throughput.

Table 10-5 Ore Design Criteria by Alteration Type

	CWi	Axb	BBWi	BRWi	SG	Ai
	<i>kWh/t</i>	–	<i>kWh/t</i>	<i>kWh/t</i>	–	<i>g</i>
Chlorite Silica . . .	19.6	41.4	17.8	10.6	2.45	0.250
Clay Silica	7.8	94.7	13.4	9.4	2.47	0.173
Silica Clay	23.4	35.0	18.6	15.1	2.46	0.232
Silica	25.2	32.8	18.0	15.5	2.46	0.249
	Calculation	Calculation	p85	Calculation	Average	Average

10.3.6 GRG and Leaching

For the 2022 GRG testwork on PETS and Baganite, Gekko were engaged to advise and supervise the three-stage GRG and gravity tail leach testwork. The results are summarised in Table 10-6. The results were compared with the results from the 2018 testwork on Pani West samples as summarised in Table 10-7. All tests showed a high proportion of gravity recoverable gold. The tests on the PETS and Baganite samples reported a higher proportion of gravity recoverable gold, although this may be due to a difference in test technique or due to the different mineralogy. Overall gold recovery was consistently high in excess of 95%.

Table 10-6 Summary of GRG and Gravity Tail Leach Results for PETS and Baganite

	PETS 1	PETS 2	PETS 3	PETS 4	BAG 1	BAG 2	BAG 3	BAG 4	BAG 5
Head g/t	0.68	0.80	1.12	0.50	0.95	1.83	0.86	2.52	0.82
GRG Rec	83.8	93.8	86.6	82.0	83.4	83.5	70.2	86.7	74.3
GRG+CIL Rec	98.5	97.5	99.1	98.0	99.1	98.8	98.7	98.7	97.3

Table 10-7 Summary of GRG and Gravity Tail Leach Results for Pani West Samples

	IN1	IN2	IN3	IN4	IN5	SI1	SI2	SI3	SI4	SI5	P1	P2	P3	P4
Head g/t	0.92	1.02	1.96	0.96	1.23	1.45	1.64	0.57	0.60	1.15	0.72	0.74	1.21	1.43
GRG Rec	56	56	72	72	63	64	72	69	65	66	68	85	70	74
GRG+CIL Rec	93	92	95	94	97	96	96	96	96	96	94	97	94	97

Whole of ore cyanide leach tests were also conducted on 20 samples from PETS and 13 samples from Baganite. The recoveries from the PETS tests were consistent over alteration and oxidation state averaging 94.4%. The recoveries from the Baganite tests were more variable with three of the Silica Clay Oxide samples reporting recoveries between 76 to 81%, while the balance of the samples averaged 94.2%, similar to PETS recovery performance.

Based on the testwork results, Graham Brock from Leo Consulting developed recovery assumptions that were reported in the Ore Reserves statement as of 31 December 2024 reported in March 2025. The expected residue grade is reported as a function of feed gold grade as below.

Combined gravity and CIL:

$$\text{Residue Au Grade} = 0.0084 * (\text{Feed Au Grade}) + 0.0066$$

CIL-only:

$$\text{Residue Au Grade} = 0.0645 * (\text{Feed Au Grade}) - 0.0016$$

These equations provide the information presented in Table 10-8.

Table 10-8 CIL Gold Recovery Modelling Summary

Head Grade	GRG + CIL		CIL Only		Recovery Estimate	
	Residue Grade g/t Au	Recovery %	Residue Grade g/t Au	Recovery %	Average of GRG and CIL	Less 3% Recovery
0.30	0.009	97.0	0.018	94.1	95.6	92.6
0.50	0.011	97.8	0.031	93.9	95.9	92.9
0.75	0.013	98.3	0.047	93.8	96.1	93.1
1.00	0.015	98.5	0.063	93.7	96.1	93.1
1.25	0.017	98.6	0.079	93.7	96.2	93.2

The recovery results for silver were more variable than the gold results, ranging from 40% to high 90%. The average was 74%. Allowing for solution and other losses through the plant, silver recovery is estimated to be 70%.

10.3.7 Detox Testwork

All leach residue slurries were treated with Sodium Metabisulphite to oxidise the cyanide and precipitate any soluble metals. All tests were successful in removed Weak Acid Dissociable cyanide to below 1.0 ppm and mostly to below detection limit. Base metals were also generally around detection limit.

10.3.8 Confirmatory Testwork 2025/2026

An additional set of metallurgical confirmatory testwork commenced in Q4 2025, based upon the early mining years, to reconfirm design parameters ahead of the detailed engineering phase. The program is expected to be completed in Q1 2026.

10.4 Process Plant — Heap Leach

The Heap Leach operation was designed in the FS 2024 for an annual throughput of 7 Mtpa, but the plan has since been increased to initial throughput of 8 Mtpa and ramp up to 10 Mtpa by the third year of operation. Heap Leach pad irrigation commenced on 27 January 2026, with first gold production planned for Q1 2026. The planned stacked tonnes in 2026 are 8 Mt, with incremental upgrades planned to ramp up to 9 Mt in 2027 and 10 Mt in 2028. Stacking is planned to continue until mid-2032.

The design and engineering for the Heap Leach Processing Plant in the FS 2024 was developed by NewPro Consultant. The upgrade and ramp up to 10 Mtpa was developed by MGR.

10.4.1 Overview

The Heap Leach Plant consists of the Ore Preparation Plant (OPP), HL Pad and ponds, Adsorption, Desorption and Recovery (ADR) circuit, and associated infrastructure. The final product is gold doré. Annual feed grades are forecast to be between 0.52-0.74 g/t Au averaging 0.63 g/t Au, and 0.26-2.20 g/t Ag averaging 0.98 g/t Ag. Annual production is forecast to be between 111-203 koz averaging 149 koz for gold, and 26-173 koz averaging 95 koz for silver. Total production is forecast to be approximately 1,035 koz gold and 594 koz silver.

The location of the HL Pad, OPP and ADR is shown in Figure 10-6.

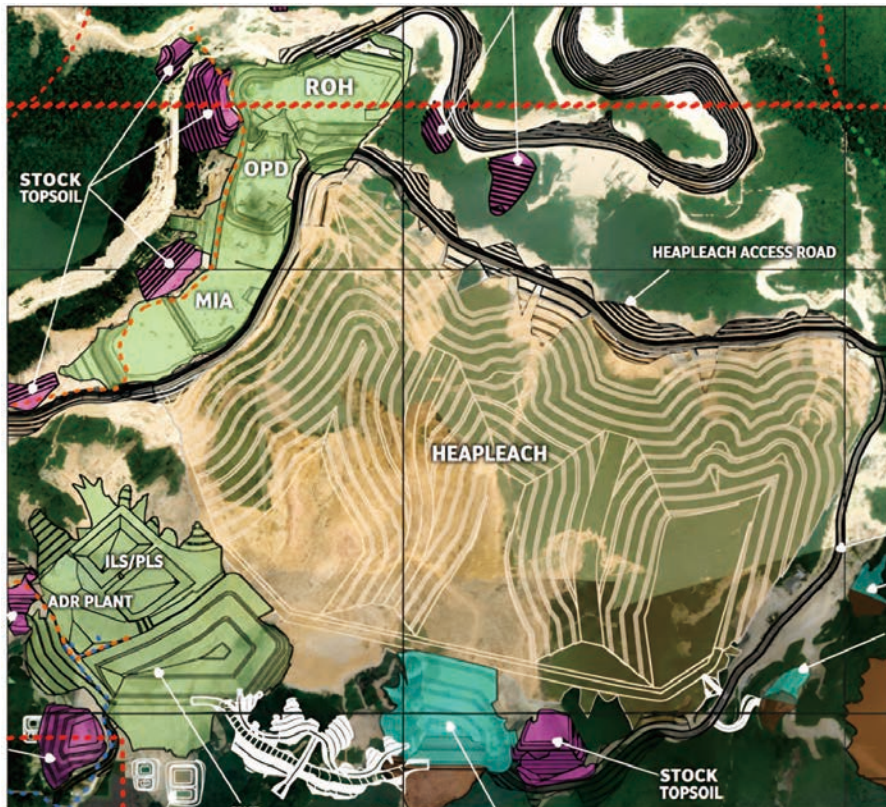


Figure 10-6 Heap Leach Facility and Plant Locations

The Heap Leach Plant process flowsheet is presented in Figure 10-7.

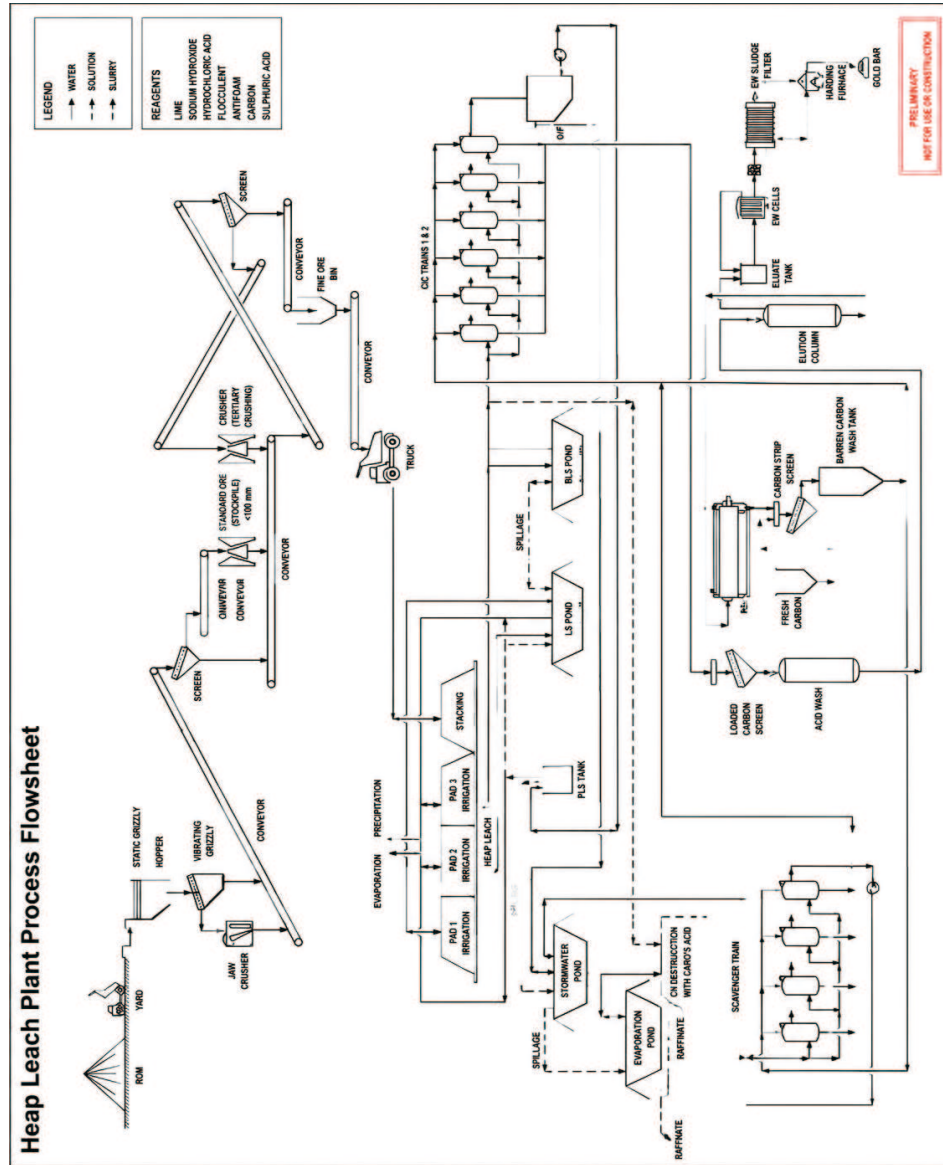


Figure 10-7 Heap Leach Plant Process Schematic

10.4.3 Process Facilities and Equipment

Ore Preparation Plant (OPP)

The OPP consists of three-stages of crushing and two-stages of screening to reduce the ore to 100% passing 19 mm. Primary crushing is a Metso C160 jaw crusher, secondary crushing is a Metso HP900 cone crusher, and tertiary crushing is two Metso HP900 cone crushers. Ore is loaded into the ROM (Run of Mine) Bin, which is screened by the static grizzly and reclaimed by the vibrating grizzly feeder and apron feeder to the Primary Crusher. The Closed Side Setting (CSS) of the Primary Crusher is 160 mm. The discharge from the primary crusher is conveyed to the double-deck Primary Screen. The Primary Screen operates in closed circuit with the Secondary Crusher (CSS 45 mm), two Tertiary Crushers (CSS 20 mm) and Secondary Screen to size the crushed material to 100% passing 19 mm. Lime is added to the crushed product ahead of storage in the Fine Ore Bin (FOB). The FOB has live volume of 2,500 t, equivalent to approximately two hours of storage. Crushed ore is loaded into haul trucks from the FOB and transported to the Heap Leach Pad.

The OPP was designed in the FS 2024 with a utilisation of 75% and a design throughput of 1,200 tph, although the target throughput was lower at 1,065 tph which equates to 7 Mtpa annually.

The ramp up in throughput to 8 Mtpa is planned to be achieved with the existing circuit operating at the design throughput of 1,200 tph and 75% utilisation. The ramp up to 9 Mtpa and 10 Mtpa in 2027 and 2028 is planned to be achieved by a mobile crushing circuit to supplement the OPP. The mobile crushing circuit will provide additional throughput of 300 tph and consist of one Sandvik UJ310 jaw crusher and one Sandvik UH312 cone crusher.

Heap Leach Pads

Crushed ore from the OPP is hauled by haul trucks and stacked on the Heap Leach Facility. The HLF is discussed in more detail in Section 10.6. The HLF consists of three cells, and is designed for a total ore storage of approximately 63 Mt. Ore will be stacked in 10 m high nominal lifts to an elevation of RL 235 m, equivalent to a maximum height of approximately 122 m.

A dilute cyanide solution is pumped and applied to the surface of the heap to leach the gold into solution. The surface will be ripped and scarified to maintain permeability for the solution to penetrate the heap. Solution will be applied at a nominal irrigation rate of 10 L/h/m² using an irrigation system consisting of wobbler-type sprinklers.

The heap leach circuit operates three ponds in the irrigation process to store and circulate the leach solution:

- Barren Leach Solution (BLS) Tank, volume 600 m³
- Intermediate Leach Solution (ILS) Pond, volume 80,000 m³
- Pregnant Leach Solution (PLS) Pond, volume 80,000 m³

The heaps are divided into primary, secondary and inactive heaps. The primary heap will be irrigated for 50 days and the secondary heap for 90 days, for a total irrigation time of 140 days. BLS will be pumped to the secondary heap for irrigation, which will percolate the heap and drain to the ILS Pond. ILS, which is now partially enriched, will be pumped to the primary heap to percolate and drain to the PLS Pond. ILS may also be recycled to the secondary heap to achieve the target irrigation rate of 10 L/h/m². A series of outlet pipes and diversion boxes will be used to divert the solution to either the ILS or PLS Pond depending on which stage of leaching. PLS will be pumped to the ADR Plant.

The ramp up in throughput from 8 to 10 Mtpa is planned to be achieved by upgrading the pumping capacity of the BLS and ILS Pumps to sustain the same irrigation rate for the higher stacking rate, as well as upgrade the PLS Pumps to increase the PLS flowrate to 1,200 m³/h.

Adsorption, Desorption and Recovery (ADR)

The ADR Plant consists of adsorption in two trains of Carbon in Column (CIC), desorption in an acid wash and elution columns, and gold recovery through electrowinning (EW) and smelting.

In the adsorption circuit, the PLS from the PLS Pond is pumped through one of two parallel CIC trains of six pressure column carousel packs. The PLS flows through the series of adsorption columns in either train, with each column containing 6t of activated carbon to adsorb the gold in solution. Feed to the system can be directed to either of the six columns, with subsequent flow to the successive column. When the carbon in the lead column becomes loaded, the column is taken offline and feed flow is directed to the next column in line. Once the carbon is fully loaded with gold, it is removed from the vessel and hydraulically transferred to the elution process. The design flowrate of PLS through the CIC trains in the FS was 1,000 m³/h (500 m³/h each train) although the nominal flowrate was lower at approximately 800 m³/h. Barren solution from the last column is pumped to the BLS Tank.

In the desorption circuit, the loaded carbon is transferred to the acid wash column and washed with 3% hydrochloric acid solution, before being transferred to the elution column to strip the loaded gold off the activated carbon. The elution column is a six-tonne pressure Zadra circuit that has been sized to allow for six elutions cycles per week. The eluate from the elution column is transferred to the electrowinning circuit. After elution, the barren carbon is reactivated in a diesel-fired rotary kiln before being returned to the CIC circuits.

In the recovery circuit, the eluate from the elution column is electrowon in one of three electrowinning cells operating in parallel. The gold in solution plates onto the cathode as gold sludge as a batch process. The cathodes are periodically removed from the EW cells and the gold sludge washed from the cathodes. The gold sludge is dried in a calcine oven before being smelted in a furnace and poured as gold doré.

Excess water from the heap leach circuit that needs to be bled off from the system will undergo detoxification before discharge to the environment. A series of four scavenger columns will be used to ensure gold retention, a Caro's acid (H₂SO₅) generator will reduce the cyanide concentration to below 0.5 ppm levels, and a clarifier will remove any solids and itinerant cations before the water is released to the environment and then pumped through a lime pH adjustment process before discharge into the Environmental Control Dam (ECD) and reserved for process make up water or directly discharged to the environment.

The ramp up in throughput from 8 to 10 Mtpa is planned to be achieved by increasing carbon loadings on the carbon, an increase in stripping frequency from 6 per week to 9 per week and additional electrowinning capacity. The upgrades will support the increased gold load while maintaining current recovery efficiency and cathode quality.

10.5 Process Plant — Carbon in Leach

The CIL operation was designed in the FS with an initial throughput of 7.5 Mtpa that would be expanded to 12 Mtpa a few years later. The current plan as of January 2026 is to construct and operate the expanded plant of 12 Mtpa from the outset commencing in 2028. The updated plan is targeted for finalisation in Q1 2026. A total of 137 Mt is planned to be processed until 2040.

The design and engineering for the CIL Plant in the FS 2024 was developed by Lycopodium Brisbane.

10.5.1 Overview

The CIL Plant is a conventional gravity-CIL circuit. The final product is gold doré. Annual feed grades are forecast to be between 0.60-0.95 g/t Au averaging 0.86 g/t Au, and 0.37-1.72 g/t Ag averaging 0.75 g/t Ag. With the exception of the last two years when milled tonnes are lower, annual production is forecast to be between 0.26 and 0.34 Moz averaging 0.31 Moz for gold, and 0.13-0.35 Moz averaging 0.21 Moz for silver. Total production is forecast to be approximately 3.5 Moz gold and 2.3 Moz silver.

The location of the CIL Plant is to the west of the Open Pit as shown in Figure 10-8.



Figure 10-8 CIL Plant Location

10.5.2 Process Flowsheet

The CIL Plant flowsheet consists of primary crushing, two-stage grinding with pebble crushing, gravity concentration and intensive cyanidation reactor, pre-leach thickening, Leaching and CIL adsorption, split AARL elution, gold recovery, cyanide detoxification, and tailings discharge. Approximately 8 Mtpa of tailings will be thickened and discharged to TSF Hulawa and approximately 4 Mtpa will be filtered and stacked at the FTF.

The process flowsheet is presented in Figure 10-9. The tailings filter and FTF are not shown.

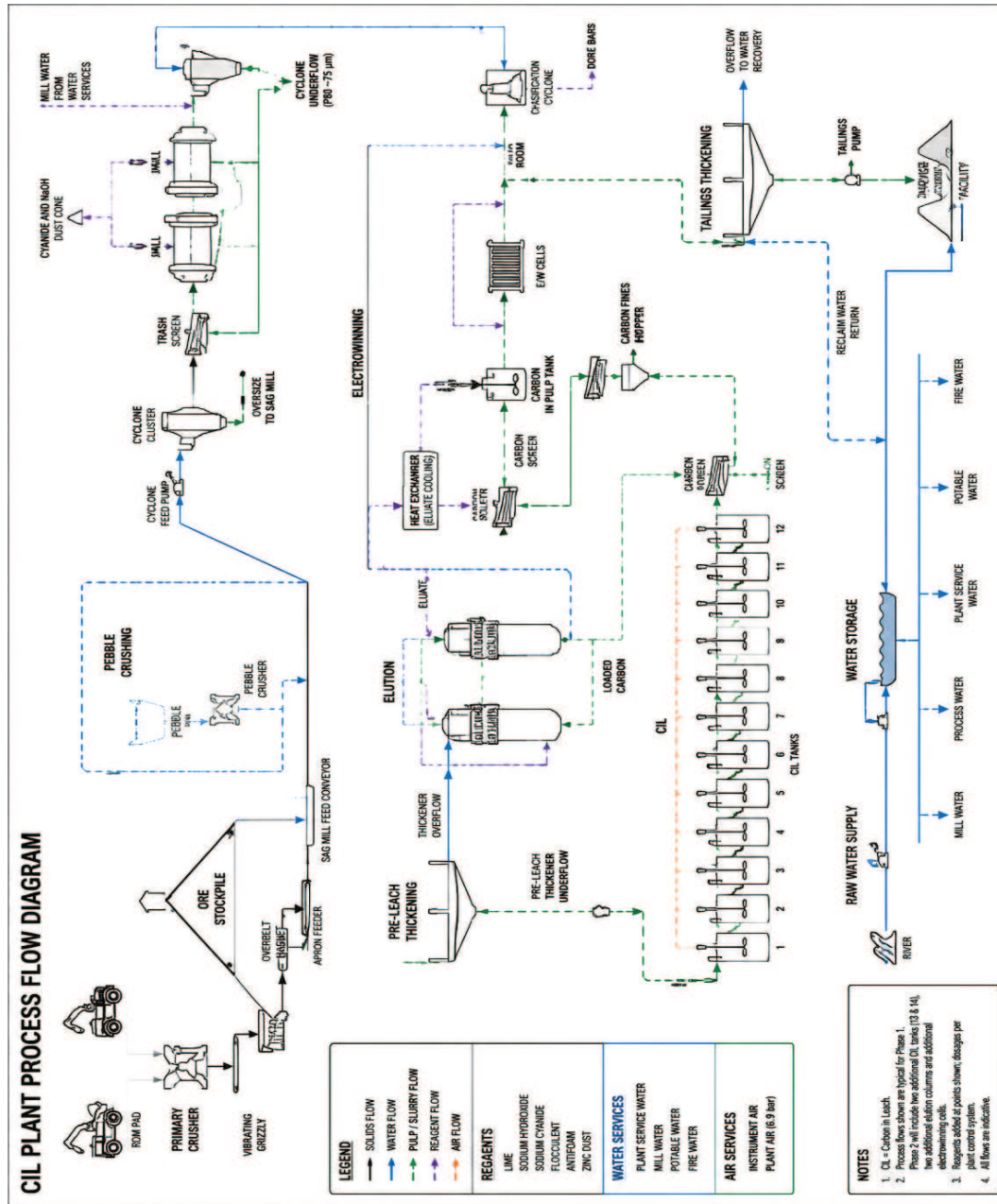


Figure 10-9 CIL Plant Process Flow Diagram

10.5.3 Process Facilities and Equipment

The process equipment consists of:

- Primary gyratory crusher with rope conveyor to the Crushed Ore Stockpile.
- Two-stage grinding circuit with pebble crushing, with a SABC circuit configuration (SAG mill, ball mill, pebble crushing).
- Gravity concentration and intensive cyanidation circuit.
- Pre-leach thickener.
- Leach/CIL circuit.
- Split AARL (Anglo-American Research Laboratories) elution circuit.
- Carbon reactivation kilns.
- Cyanide detoxification circuit using the Inco SO₂/air process.
- Tailings thickening and disposal to TSF Hulawa for approximately 8 Mtpa and filtering and stacking at FTF for approximately 4 Mtpa.

Crushing Circuit

The primary crusher is a Metso MKIII 54-75 gyratory crusher. Ore will be tipped into the crusher dump pocket and crushed to 100% passing 250 mm. The utilisation of the crushing circuit is 70%, equivalent to 6,132 operating hours per year. At 12 Mtpa, the throughput is 1,957 dry t/hr.

Crushed ore will be conveyed by rope conveyor to the Coarse Ore Stockpile (COS). At 12 Mtpa, the COS has live capacity of 12 hr, equivalent to 18,000 dry tonnes. Ore will be reclaimed from the COS by three variable speed apron feeders onto the SAG (Semi-Autogenous Grinding) mill feed conveyor.

Grinding and Classification Circuit

The grinding circuit is a SABC. The SAG mill is an NCP 16 MW (2x 8 MW) mill with diameter of 10.97 m and Effective Grinding Length of 6.35 m. The SAG mill discharge will be screened by the single-deck Pebble Discharge Screen, with the oversize conveyed to the pebble crushing circuit and the screen undersize to the Mill Discharge Hopper. The pebble crushing circuit will feature two 0.45 MW Metso HP6 cone crushers; one will operate continuously and the second may operate or be on standby as required. The Mill Discharge Hopper will pump to the hydrocyclone cluster operating in closed circuit with the two ball mills. The ball mills are NCP 8 MW mills with diameter of 6.5 m and Effective Grinding Length (EGL) of 11.25 m. The cyclone underflow will be split between the two ball mills, and the overflow directed to the trash screens before the pre-leach thickener. The cyclone overflow grind size is 80% passing 150 µm.

Gravity Circuit

The gravity circuit consists of two Knelson KC-QS70 gravity concentrators operating as duty/duty. From the Mill Discharge Hopper, dedicated gravity circuit feed pumps (operating as duty/standby) direct slurry to the gravity circuit feed distributor for splitting to two vibrating screens ahead of the gravity concentrators. The gravity concentrators are a batch process with cycle time of approximately 40 min. At the end of each cycle, gravity concentrate is flushed and flows to the gravity concentrate storage cone. The gravity concentrate from the storage cone is transferred to the Consep CS8000 Intensive Cyanidation Reactor (ICR) for a batch intensive cyanidation process. The ICR is designed to treat one batch per day. The pregnant solution from the ICR is pumped to the ICR Pregnant Solution Tank for recovery by electrowinning. The nominal recovery from the gravity circuit is approximately 50% for gold and 25% for silver.

Pre-Leach Thickening

The undersize from the cyclone overflow trash screens flows to the Metso 40 m diameter high-rate thickener to increase the density to target 50% solids ahead of the CIL circuit.

Leach/CIL Circuit

The Leach/CIL circuit consists of four mechanically-agitated leach tanks and six mechanically-agitated CIL tanks. Each tank is 5,400 m³. Cyanide will primarily be added to the four leach tanks to leach the gold into solution. Lime is added as a pH modifier, and air is added to each of the tanks for aeration and oxygen addition. Activated carbon will be added to the six CIL tank to adsorb the leached gold. The activated carbon will be advanced by carbon transfer pumps counter-current to the slurry flow. Loaded carbon from the first CIL tank will be pumped to the Loaded Carbon Recovery Screen ahead of the acid wash column. Slurry discharging from the last CIL tank will flow by gravity to the Carbon Safety Screen ahead of cyanide detoxification. The total residence time of the leach/CIL circuit is 24 hr.

Acid Wash, Elution, Electrowinning and Goldroom

The stripping circuit will be a split AARL automated circuit with separate acid wash and elution columns. The stripping circuit will be sized for a 22 t batch of carbon. The oversize from the Loaded Carbon Recovery Screen will flow by gravity to the acid wash column for washing in 3% hydrochloric acid, before being transferred to the elution column to strip the loaded gold off the activated carbon. The elution schedule will be ten strips per week.

The eluate from the elution column is electrowon in one of two electrowinning cells operating in parallel, each containing 33 cathodes. There is also a separate electrowinning cell for the ICR pregnant solution, containing 22 cathodes. The gold in solution plates onto the cathode as gold sludge. The cathodes are periodically removed from the EW cells and the gold sludge washed from the cathodes. The gold sludge is dried in a kiln before being smelted in a furnace and poured as gold doré.

Carbon Reactivation

After elution, the barren carbon will be pumped from the elution column to one of two diesel-fired horizontal rotary kilns, to remove volatile organic foulants from the carbon surface and thereby restore carbon activity. The reactivated carbon will be returned to the last CIL tank.

Cyanide Detoxification

Slurry tailings from the last CIL tank will flow by gravity to the cyanide detoxification circuit where cyanide detoxification will be achieved using the SO₂ and air process. In the SO₂ and air process, Sodium Metabisulphite, air and copper sulphate (catalyst) will be added to oxidise the residual free and WAD cyanide to cyanate. The cyanide detoxification circuit will consist of two trains of two mechanically-agitated tanks (four in total). The volume of each tank will be 1,300 m³. The residence time in the circuit is 90 minutes. The design WAD cyanide concentration in the reactor discharge is 10 ppm, below the maximum WAD cyanide concentration of 50 ppm at the TSF.

Tailings Thickening, Filtration and Disposal

Slurry from the cyanide detoxification circuit will be pumped to the 48 m diameter Tailings Thickener to increase the density to 65% solids. Approximately 8 Mtpa of the tailings will be pumped and discharged to the TSF and approximately 4 Mtpa will be pumped to the Filter Plant for filtration and stacking on the FTF. The TSF and FTF are discussed further in Section 10.7. Decant return water from the TSF will be pumped and returned to the CIL Plant.

The Filter Plant is located to the west of the CIL Plant and north of the FTF. The Filter Plant will include three Metso Larox FFP 3512 horizontal pressure filters, operating two duty and one standby. The Filter Plant is designed for 4 Mtpa.

Reagents

The main reagents used within the CIL Plant will include hydrated lime for pH control, sodium cyanide for gold dissolution and desorption, sodium hydroxide for carbon acid washing neutralisation and desorption/electrowinning, hydrochloric acid for loaded carbon acid washing, SMBS and copper sulphate for cyanide detoxification, flocculant for thickening, and fluxes for smelting. Reagents will be delivered to site in bulk bags and bulk containers.

Services

Water services for the CIL Plant include raw water, fire water, process water, gland water, filtered water and potable water. Air services for the CIL Plant include high pressure air by two compressors and low-pressure air by eight low pressure air blowers (six duty and two standby).

10.6 Heap Leach Facility

The design for the HLF has been developed by WSP.

The HLF is located to the south of the Open Pit and will comprise three cells, designed for a total ore storage capacity of approximately 63 Mt (equivalent to 38.6 Mm³). Ore will be stacked in 10 m high nominal lifts to an elevation of RL 235 m, equivalent to a maximum height of approximately 122 m.

Based on the Pani ore characteristics, the crushed ore has a low percentage of fine particles and high hydraulic conductivity. Based on the planned HLF cyanide solution irrigation rate of 10 L/h/m², the crushed ore within the HLF is not expected to remain fully saturated. As a result, liquefaction is not likely to occur.

For the Basis of Design, the recommended target Factor of Safety (FoS) under static conditions varies from 1.3 to 1.5. When the material is coarse and has a high hydraulic conductivity, such that it does not become saturated when fluid seeps through, it is not expected to be susceptible to liquefaction or flow failure for which a target FoS of 1.3 is considered acceptable.

The static stability analysis conducted by WSP for the Prefeasibility Design Report set the target FoS as 1.5 where possible and tried to limit the sections where a FoS of only 1.3 was achieved. There were some sections in Cell 1 where the achieved FoS was higher than 1.3, which it is still deemed acceptable to have some sections around the facility with slightly lower FoS, as long as the seismic induced strains are less than 1%. As the ore material is coarse and highly permeable, it may not be susceptible to liquefaction or flow failure that would produce large deformations in the HLF, provided that fines content in the crushed ore is limited and pore water pressures within the heap are monitored through the operation to verify the unsaturated conditions of the material.

The stability analyses were done for stacked ore capacity of 64 Mt, however, some of the stability analyses showed Factor of Safety (FoS) below the target 1.5 but still above 1.3 under static conditions. A second configuration of stacked ore was assessed, which showed FoS >1.5 in all sections analysed. This configuration had a reduced storage capacity of 54 Mt however. There could be potential to improve stability and increase the storage capacity through further modelling, optimisation and stability analyses under static and seismic loading. The Ore Reserves for the FS used this second configuration and were estimated to be 51.5 Mt as a result.

The HLF design has an overall footprint of approximately 135 ha. The facility is constructed on the natural topography within three main valleys. The HLP is subdivided into three cells, namely Cell 1, Cell 2 and Cell 3, which will be staged constructed to reduce capital costs. A general arrangement of the proposed HLF is shown in Figure 10-10.

The HLF, ponds and dams will be lined. The HLF will consist of a compacted clay layer (0.3 m) and a geomembrane (2 mm double textured LLDPE). The PLS/ILS pond and dams will consist of a clay liner (0.3 m), geomembrane (2 m smooth HDPE), geonet, and geomembrane (2 mm mono-textured HPDE).

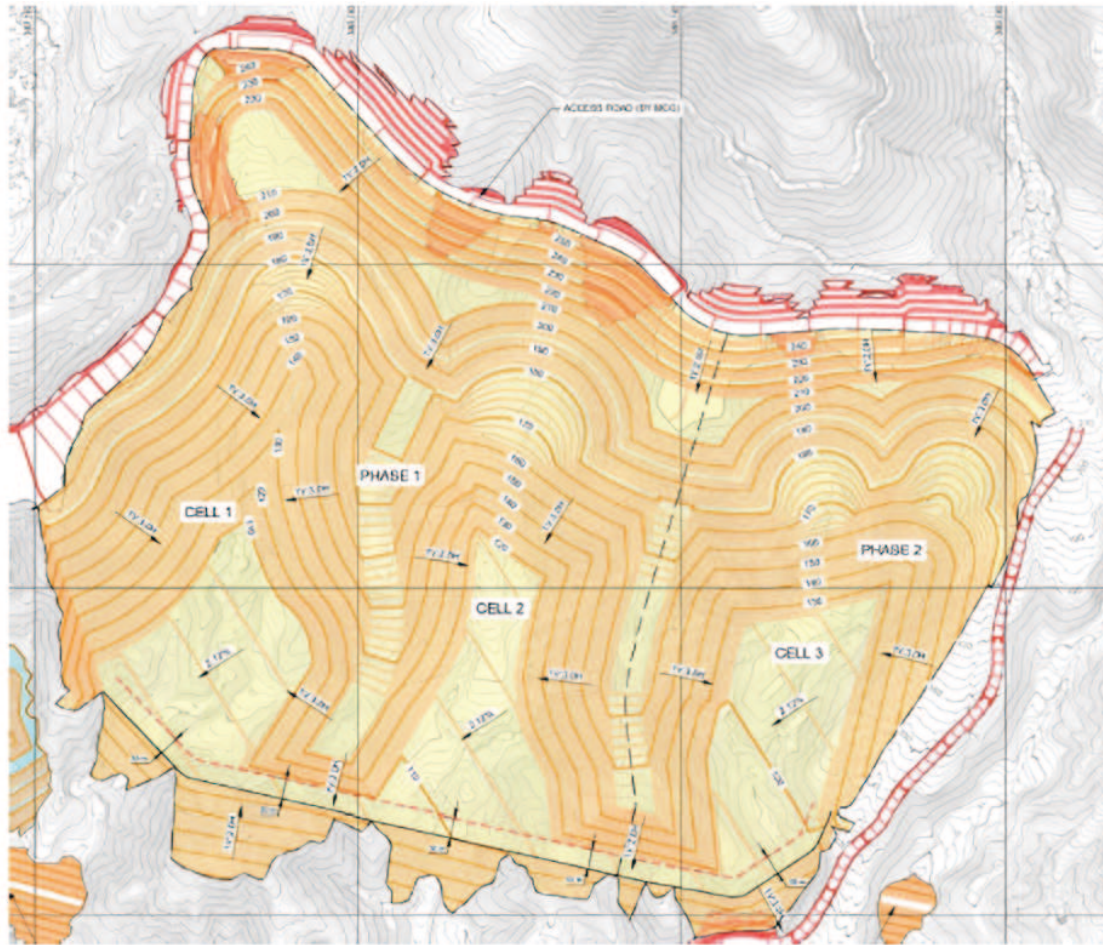


Figure 10-10 Heap Leach Facility Proposed Construction Stages

10.7 Tailings Storage

The plan for storing tailings from the CIL Plant will be in split between TSF Hulawa and the FTF. The planned tonnage split is presented in Table 10-9. A total of 88.1 Mt will be stored in TSF Hulawa and a total of 49.5 Mt will be stacked on the FTF.

Table 10-9 Tailings Planned Tonnes for TSF Hulawa and the Filtered Tailings Facility

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
TSF . . Mt	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	–	–
FTF . . Mt	2.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5

10.7.1 TSF Hulawa

TSF Hulawa, originally referred to as TSF1, has been designed to store up to 88 Mt of tailings. The design was undertaken by WSP Australia Pty Ltd and its Indonesian affiliate PT GESI. The design has been updated since the 2024 FS.

TSF Hulawa is designed as a cross-valley embankment, constructed in three downstream stages to a crest elevation of RL 356 m, which corresponds to a maximum height of 194 m above the existing valley floor at the downstream toe. The maximum beach elevation is 348.8 m based on freeboard assessment. The overall footprint area of the TSF is approximately 136 ha.

TSF Hulawa is located to the north of the Open Pit as shown in Figure 10-11.

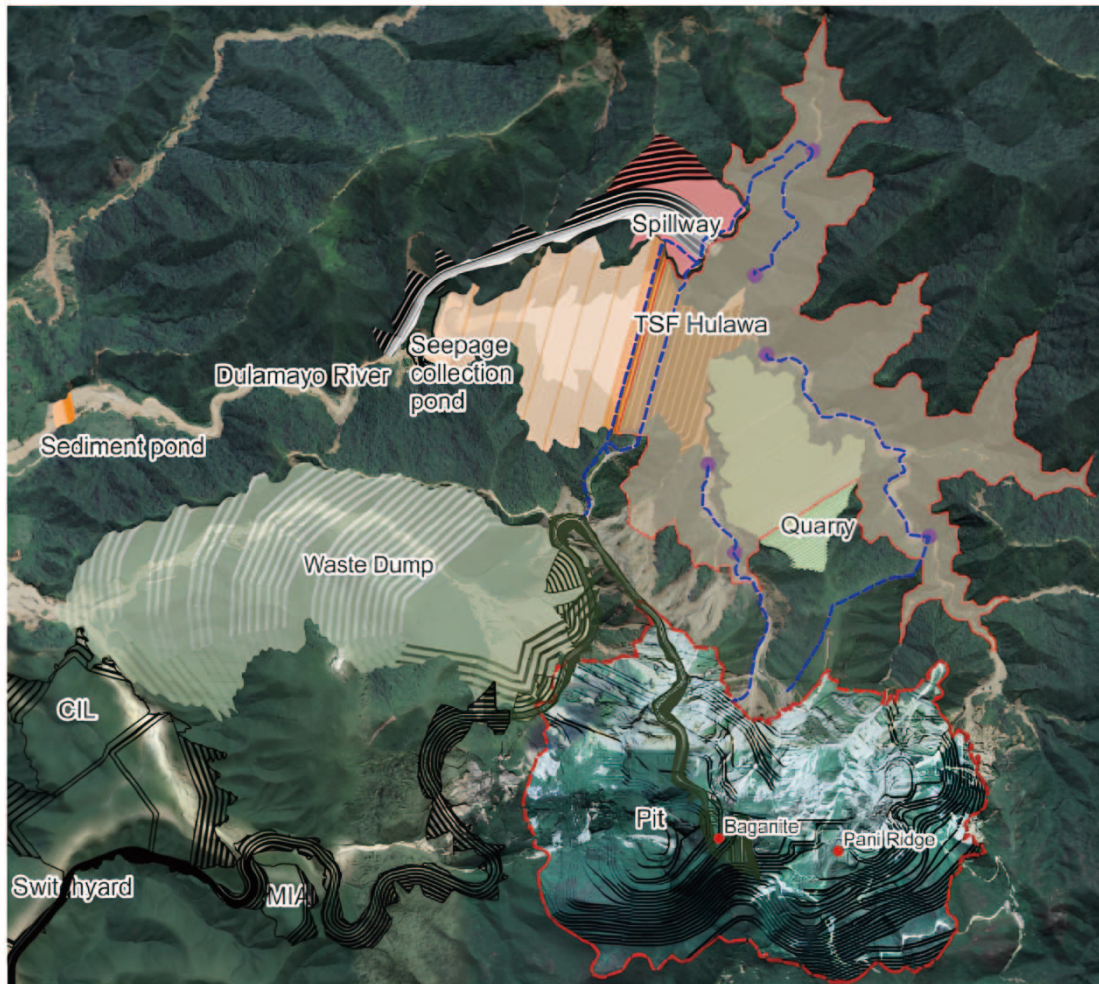


Figure 10-11 TSF Hulawa Design Arrangement

The embankment will be constructed as a zoned earth and rockfill structure using locally sourced clay, quarry rock, and non-acid forming mine waste. The facility will also include a geomembrane lines, seepage collection system, basal drains and diversion channels to management stormwater and seepage. A spillway at RL 353 m will provide emergency flood capacity and act as a permanent river diversion following closure. Sufficient freeboard allowance has been provided to contain both a 1:10,000 Annual Exceedance Probability (AEP) 72-hour storm and a Probable Maximum Flood.

Laboratory testing was conducted on tailings samples by WSP Perth in 2023, which showed a range of dry densities between the inferred initial settled dry density of 1.22 t/m³ and anticipated consolidated dry density at the deepest part of the tailings deposit of 1.62 t/m³. The consolidated dry density may reach 1.5 t/m³ after cessation of tailings deposition or if supernatant pond water management and tailored tailings deposition strategies are put in place during operation to maximise tailings consolidation.

The volume of tailings stored to crest RL 356 m (maximum beach elevation of RL 348.8 m) is 59.2 Mm³. For an achieved dry density of 1.5 t/m³, the tailings storage capacity would be 88.8 Mt. Based on the current mine plan, 88.1 Mt are planned to be stored.

The facility has been designed aligned with Indonesian regulatory requirements as well as industry standards and guidelines including Global Industry Standard on Tailings Management (GISTM, 2020), International Commission on Large Dams (ICOLD) and Australian National Commission on Large Dams (ANCOLD, 2012 & 2019). The TSF consequence category of 'Extreme' has been adopted for the TSF using the criteria given by GISTM and ANCOLD guidelines due to downstream population, environmental sensitivity and potential business risks in the event of failure.

Geotechnical stability analyses for the crest elevation of RL 356 demonstrated Factors of Safety of 2.29 under static conditions and 1.86 under post-seismic conditions, which exceed industry guideline design requirements of 1.5 and 1.1 respectively.

10.7.2 Filtered Tailings Facility

The FTF has been designed to store approximately 54 Mt of filtered tailings, with annual stacking planned at 4 Mtpa. Based on the current mine plan, 49.5 Mt are planned to be stacked. The design was undertaken by WSP Australia Pty Ltd and its Indonesian affiliate, PT GESI.

The FTF is located to the south of the Filter Plant as shown in Figure 10-12 and will be constructed in two cells. Cell 1 is designed for a capacity of 11.4 Mm³ and a height of 140 m, and Cell 2 designed for a capacity of 24.5 Mm³ and a height of 190 m. The two cells will be developed and raised concurrently with development separated in four stages. Typical section drawings for the two cells are shown in Figure 10-13 and Figure 10-14.

Tailings will be placed in thin layers or approximately 0.5 m, dried to optimum moisture, and compacted to 95% Standard Maximum Dry Density (SMDD). Haulage and spreading will be managed by the mining fleet, with surfaces graded at 1% to ensure effective drainage. The cells will have a composite liner system comprising compacted clay and double underdrainage layers.

The FTF has been designed aligned with Indonesian regulatory requirements as well as industry standards and guidelines including GISTM (2020) and ANCOLD (2012 & 2019). The consequence category of 'Very High' and 'High B' respectively has been adopted for the FTF due to downstream population, environmental sensitivity and potential business risks in the event of failure.

Geotechnical analyses demonstrated Factors of Safety of 1.6 under steady-state conditions and approximately 1.2 under post-seismic conditions, which exceed industry guideline design requirements of 1.5 and 1.1 respectively.



Figure 10-12 Filtered Tailings Facility Location

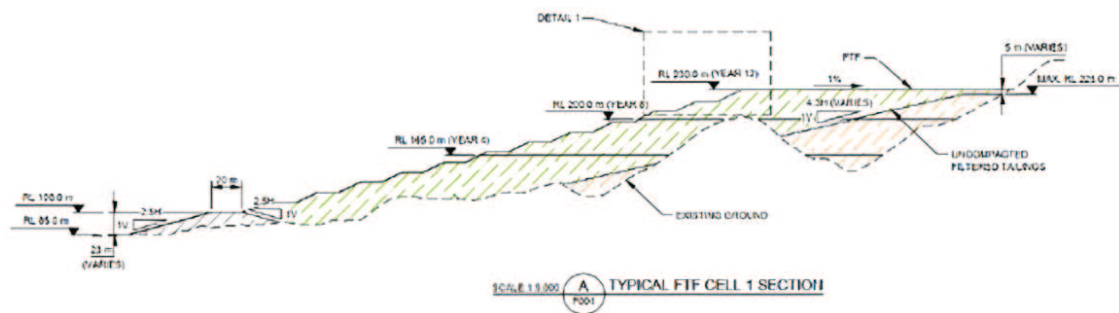


Figure 10-13 Filtered Tailings Facility Cell 1 Typical Section



Various instrumentation will be installed in the TSF embankment and surroundings with the objective of monitoring different aspects at the TSF such as phreatic surface, displacements and water quality.

Small water collection dams are proposed for construction in the upstream tributaries of the Dulamayo River with the captured upper catchment flows transferred by pipeline to the downstream river system to contribute to dependable flow.

The storm water storage capacity of the facility at the design height of 302 mRL is 4.8 Mm³ at a maximum depth of 7.5 m. The TSF emergency spillway is estimated to cover a catchment area of 6.2 km², with a probable maximum inflow of around 386 m³/s.

Seepage analysis was completed as part of the TSF conceptual design to estimate the location of the phreatic surface during the development of TSF and to provide an estimate of seepage fluxes from the TSF into the foundation (Figure 10-15).

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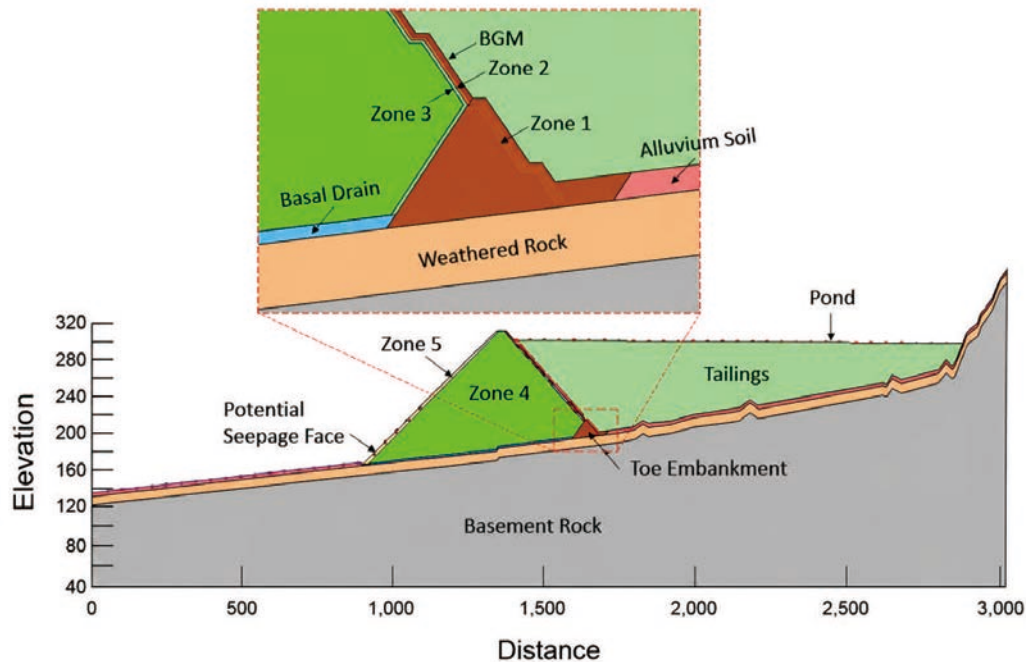


Figure 10-15 TSF Seepage Model Geometry and Layering

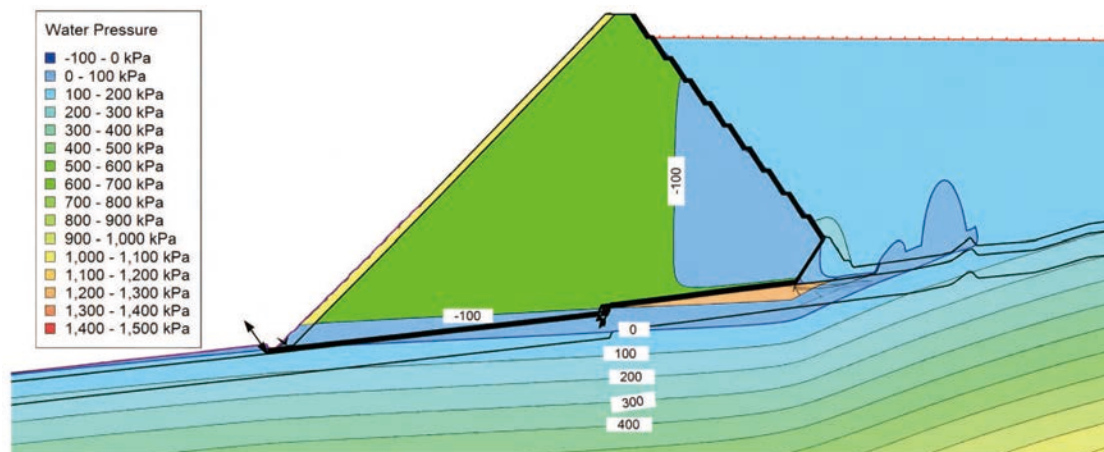


Figure 10-16 TSF Seepage Modelled Pore Pressures

The maximum operating pond level defines the design embankment crest elevation upon which the design extreme storm and contingency freeboard is superimposed. The supernatant pond must be kept away from the upstream face of the embankment to maximise the drying beach area. A maximum pond volume equivalent to the minimum practicable pond depth (taken as 0.5 m) plus an allowance for excess wet season storage is used to determine the pond elevation prior to superposition of the design extreme rainfall event. The rainfall depth has been obtained from the rainfall analysis (Section 9.2.4). The runoff volume resulting from the rainfall event was estimated assuming no infiltration in the natural catchment or within the exposed tailings beach. The available freeboard levels determined for all operating heights exceed the ANCOLD requirements by over 40%.

11 WORKFORCE ASSESSMENT

The workforce assessment was prepared to evaluate the people skills and organisational capacity required to deliver a safe and functional mining operation. The workforce and the skills required to operate a mining operation are wide and varied, so too are the competencies in the correct roles that need to be deployed at the appropriate stages of the development, operations and closure.

The workforce assessment has also been informed by MGR's history in the industry which demonstrates that the business has clear capability in the delivery operating mines. At its core, workforce assessment answers three simple questions:

- Have there been adequate personnel deployed to undertake the work.
- Is the range of skills or departments adequate.
- Is the timing appropriate to meet the needs of the project.

The Pani project consists of three fundamental phases of development including construction, heap leach phase and then the CIL phase. The operation is dynamic and the workforce will change according to the needs of the business, this section provides an overview of the workforce nominated for the project and is informed by the various schedule inputs.

The organisational design is arranged around core function teams overseen by a site management team who co-ordinate operations to achieve the common goal of maximising revenue while delivering a compliant and safe operation. The organisation structure at Pani is aligned with many operations operating in Indonesia in that there is a site leadership team that includes support services for the operation and then core contract groups undertaking the key elements of the project. The framework adopted at Pani is a typical variation of organisational structures adopted at other mines throughout the industry, Figure 11-1, fundamentally the org structure includes:

- Site Management: General manager of the project, the legislative appointed responsible person for the mine including Kepala Teknik Tambang (KTT).
- Functional Areas: Includes the functional manager and includes the Commercial department including finance, Environment, Corporate Social Responsibility (CSR) and Compliance, External Affairs, Health and Safety, Human Resources
- Operations: Mining Contractors, Heap Leach and CIL

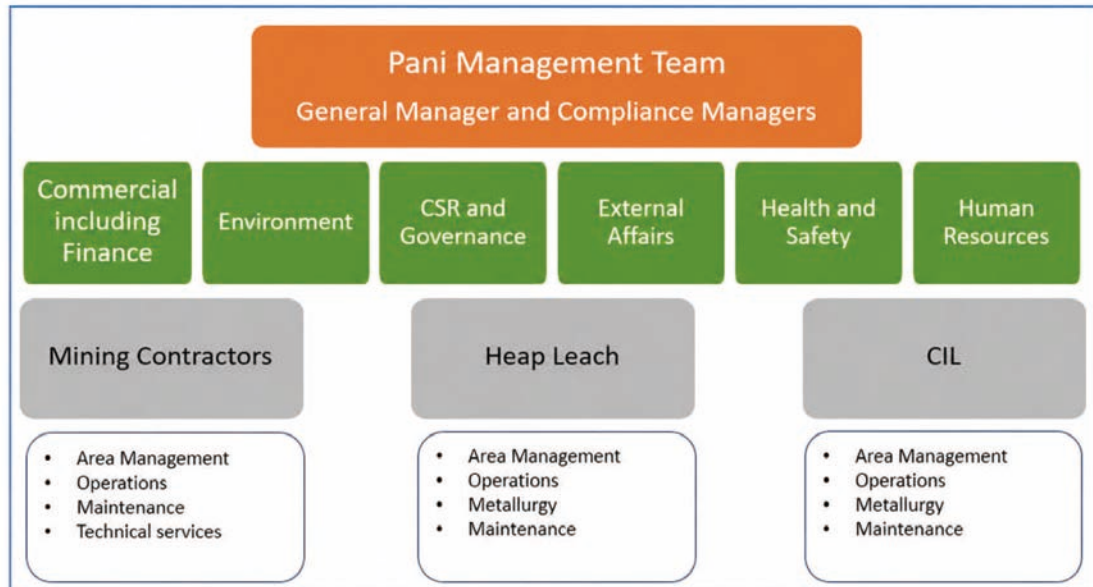


Figure 11-1 Pani Organisational Framework

The workforce at Pani will change as the project evolves through the different phases of project execution, commissioning and operations. This is further complicated by the Heap Leach phase and then the CIL. At the time of preparing this report (February 2026) the headcount at Pani was 1,381 personnel employed by the mine:

- 458 Direct employees (employed directly by PETS, GSM, PBT, and MGR)
 - o 14 — Managers
 - o 43 — Assistant Managers
 - o 158 — Supervisors
 - o 204 — Officers
 - o 39 — Non-Staff
- 923 Labour Supply.

11.1 Workforce Numbers

The Mining Contract and many of the construction personnel are excluded from this data as the service agreements are inclusive of labour:

- The Mining Contract provides a machine rate inclusive of the operator, therefore the contract numbers at site will increase and decrease as the production schedule requires. A recent services agreement with PT Merdeka Mining Indonesia is currently in place with a termination date of the 29th of December 2026 (2-year term).
- The construction of the Heap Leach facility, the CIL facility and tailings storage facilities include an all-in price with personnel included in the price estimations.

The Pani Workforce estimates for the life of the project are illustrated in Figure 11-2, there are three clear stages during the project life, the first two years the Heap Leach pad and plant will be running will require an estimated 750 employees. During the concurrent operation of the Heap Leach and CIL operations an estimated 1016 employees will be required. In 2033 when the Heap Leach is decommissioned the workforce drops to 545 employees for the remainder of the project life.

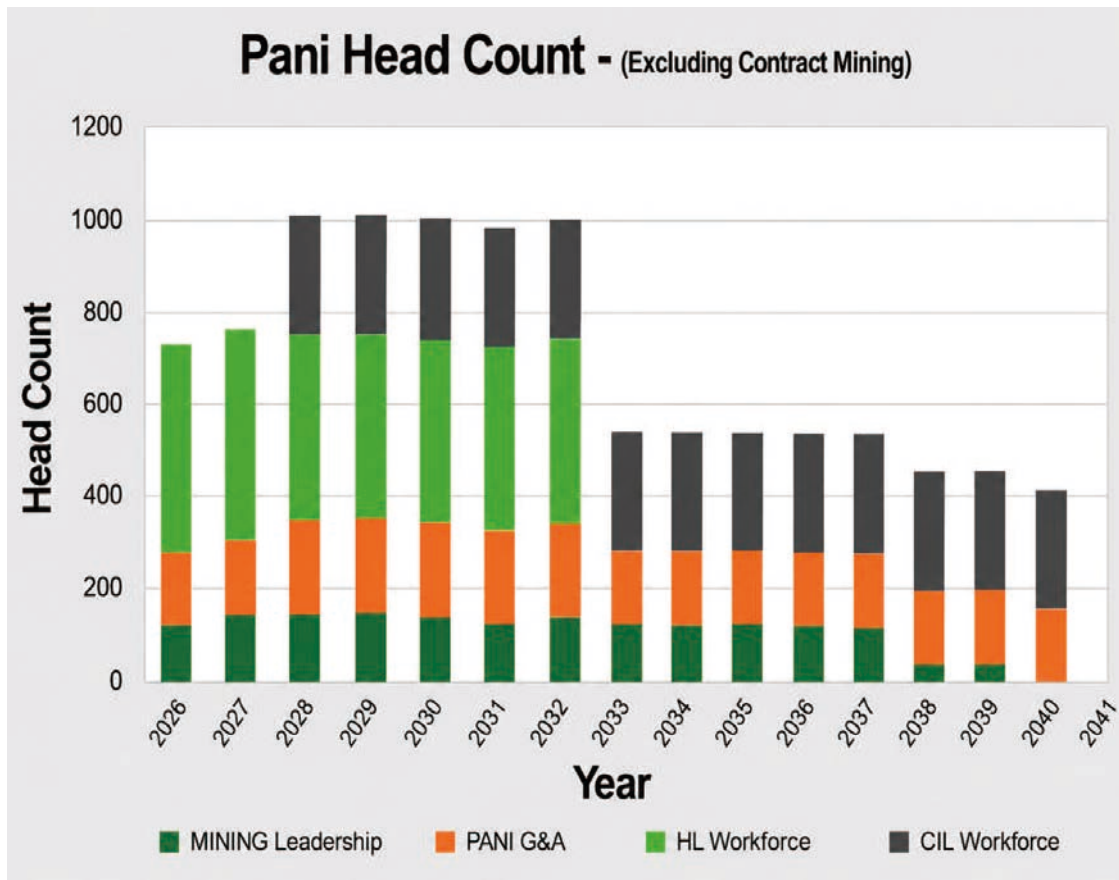


Figure 11-2 Life of Mine Head Count

11.2 Departments and hierarchy

The organisational structure of the Project allocates authority based on a hierarchy of positions and is designed to ensure that the business is adequately managed across all facets of the operation to ensure the business continues to perform efficiently and aligns with budget expectations. The Project will be led by an Executive General manager and two KTT who are appointed as responsible people for the safe operation of a mine under Indonesian mining law. The elements of the organisational structure include:

- **General Management** — Responsible person with overall responsibility for the operations of the project and is responsible for strategic planning, financial management and team leadership to ensure organisational success.
- **KTT** — Responsible that the project maintains compliance with mining laws with a centralised focus around delivery safety while ensure production objectives are delivered.
- **Commercial** — This role is primarily responsible for the business elements of the project and includes financial oversight, contract co-ordination, accounts, financial reporting and procurement.
- **Civil and Construction** — To provide oversight on all non-mining related civil earthworks and construction and maintenance of infrastructure.
- **Processing Construction** — Oversight of the design and construction of the Heap Leach facilities, CIL facilities and tailings storage facility.
- **External Affairs** — Managing the relationship between the mine and external stakeholders and generally covers the relationship with, Government, Community, and Media.

- **Human Resources** — This function will be responsible for providing the framework under which employees are managed and includes; Recruitment and hiring, compensation, benefits, training and development, employee relations and compliance.
- **Project Control** — The core function of project control is to ensure projects are delivered in line with project schedules and within budget.
- **Project Execution** — Oversight of the delivery of project plans including timely delivery of project works. This includes co-ordination of contractors and consultants in line with the overarching project schedule.
- **Technical Services** — Many departments at the site will have technical services specific for the functional area and will include skills such as: Mining Engineering, geology, hydrology, Maintenance planning, mechanical engineering,

11.3 Working Schedules — Timing of Workforce

Pani will be committed with complying with all workplace regulations and will reinforce the regulations with their own policy and procedures to ensure the workplace is a safe place to work. This includes ensuring all employees work an acceptable roster.

Contractors shall be responsible for employing their own workers and establishing rosters and working conditions that align with the relevant government regulations and guidelines. Contractors shall where practical, employ from the local area.

Pani will implement working schedules based on position, point of hire, and work location and is outlined in Table 11-1.

Table 11-1 Proposed Rosters for Pani

<u>Level</u>	<u>Fly In/Out – Camp</u>	<u>Non Fly Camp</u>
AREA 1 – District of Pohuwato including Subdistrict Buntulia, Dengilo, Randangan, Marisa, Duhiadaa, Paguat Patilanggio and Mananggu.		
Senior Officer	6 weeks on/2 weeks off	5 days on; 2 days off
Officer		
Non-Staff		
AREA 2 – The remaining districts at Gorontalo Province, AREA 3 – All provinces inside of Sulawesi island. AREA 4 – All other provinces		
Senior Officer	6 weeks on/2 weeks off	6 weeks on/2 weeks off
Officer		
Non-Staff		

This complies with:

- Minister Decree of Manpower and Transmigration of Republic Indonesia (PERMEN 15 Year 2005) Regarding Working Time and Rest Time for General Mining Sector in Certain Operation Area.
- Government Regulation (PP No.35 Year 2021) Regarding Employment Agreement for a Specified Period of Time, Outsourcing, Working Time and Rest Time, and Termination of Employment.
- Labour Law No. 13 Year 2003

11.4 Assessment of Workforce

Workforce assessment must be aligned with the technical design and operating philosophy of the mine. Over-staffing can inflate operating costs and dilute accountability but also plays a part of a corporate citizen to ensure employment of local communities and personnel. An onboarding process has been developed for Pani to ensure consistency in the selection process. This onboarding process includes:

- Undertake job interview/assessment
 - o Skills appropriate for the task or supporting work history.
 - o Proximity to the mine site.
- Pre-Employment Assessment.

Many of the operations personnel will require on the job training and this will be provided by Pani to meet the needs of the business however there are a range of skills and qualifications that require formal education including Engineering, Surveying, Law, Commerce, Environment, Health and Safety. These specialised skills will be sourced from within Indonesia to meet the needs of the Pani project but more importantly it should be noted that many Indonesian universities are recognising the importance of mining within the region and have developed courses to prepare personnel for the mining industry.

12 PROJECT INFRASTRUCTURE

12.1 Project Infrastructure Overview

The Pani Gold project will require a significant investment in infrastructure to ensure the project succeeds. This includes the upgrading of existing infrastructure as well as the development of new infrastructure. Infrastructure planning has been undertaken with consideration to existing regional infrastructure, local environmental impacts and constraints and the phased nature of the project development.

Existing regional infrastructure provides a foundation for project implementation, including grid power supply, public road access, port facilities, accommodation and regional services. However, additional project-specific infrastructure will be required to support construction, commissioning, and operational phases of the project.

Key infrastructure element for the Pani Project include, but are not limited to, power supply and distribution systems, site access roads, water supply and management infrastructure, processing infrastructure including the tailings storage facility, mining infrastructure, office blocks, workshops and amenities, accommodation and other supporting infrastructure.

As of January 2026, power supply, site access roads, mine infrastructure area (MIA), office blocks, accommodation, port facilities, bulk fuel storage and explosive magazine have been constructed to support the Heap Leach facility which is now in operation. Expansion of camp facilities is also underway and planned to be completed by early Q3 2026 in readiness for the CIL process plant construction. In addition to the CIL Plant complex, 150KV electrical switchyard expansion and additional non-processing infrastructures will be constructed to support mining & processing operation.

12.2 Power Supply

Power supply for the site is supplied from the local grid, which is owned and operated by the State-owned electrical utility company, PLN. A 13 km 150 kV overhead power transmission line connects the 150 kV Marisa substation to the site 150 kV switchyard. The site switchyard is to the south of the planned CIL Plant area. PLN own and operate the 150 kV infrastructure within the site switchyard to limit the possibility of impacting the operability and availability of the local transmission network. The 150 kVA grid power was energised on 1 October 2025.

The site switchyard includes 150/20 kV step-down transformers to reduce the supply voltage to 20 kV for transmission around site. For the heap leach operation, a single 30 MVA transformer covers the power requirements for the Heap Leach operation (10.3 MW). For the CIL operation, two 60 MVA transformers will be installed in duty/standby configuration. The site's peak requirement will be 63 MW when both the Heap Leach (10.3 MW) and CIL (52.7 MW) operations are running at maximum capacity.

A 20 kV main switch room is installed adjacent to the switchyard for onward reticulation of power to the site infrastructure.

12.3 Water Supply

Raw water supply for site is sourced from the Botudulanga river as well as rainwater collected in a series of dams for operational needs. The site is located in an area of high rainfall as discussed in Section 4.2 above. A river intake on the Botudulanga river is located to the south of the main gate which can extract a portion of water as required.

Excess water from the Heap Leach circuit due to rainfall will be bled off from the system and undergo detoxification before discharge to the environment as discussed in Section 10.4.3 above.

Raw water supply for the CIL Plant will be sourced from the river intake on the Botudulanga river, as well as the circulation of decant water from the tailing dam TSF01 and will be pumped to raw water tanks inside the CIL Plant complex. Fresh water from the tank will be reticulated throughout the plant via dedicated raw water pumps to the predominant user points. Water will be recycled and re-used within the CIL Plant as process water from the thickeners and tailings filters as well as the use of decant water from the tailing dam TSF01.

Two packaged water treatment plants, one at each location, provide the clean water requirements for the Pioneer Camp accommodation village and ADR Plant for the Heap Leach operation. The water treatment plants consist of a sand filter for water softening and UV light system for water sterilisation. Treated water pumps deliver water to all safety showers, the elution circuit, gland water for the slurry pumps, the changing/washing facilities, toilets and kitchen.

Two wastewater treatment plants, one at the Pioneer Camp accommodation village and one at the ADR Plant, treat the grey and black water. The wastewater treatment plants are standard domestic wastewater treatment systems, which are common to many mine sites in Indonesia. The plants have a combined treatment capacity for 3,000 people. For the other areas with less occupation, for example security office, satellite office, septic tanks are used.

Water supply for the Pioneer Camp accommodation facility is supplied from *Perusahaan Daerah Air Minum* (PDAM), a state-owned potable water supply utility company.

12.4 External and Internal Transportations

Transportation to the Pani Gold site makes use of public roads and the bespoke access road. The 8.9 km paved access road to site connects site with the city of Marisa, which was constructed in 2023 to support the Heap Leach operation. Access roads around site are being constructed to support the operation as it expands. The mining haul road to allow safe access for the mining operation between the Open Pit, waste areas and Heap Leach facility has been constructed, with additional roads being constructed in readiness for the CIL process plant construction expected to be completed by early Q3 2026.

12.5 Office and Living Facilities

The largest accommodation facility onsite is the Pioneer Camp, which is located north of the front gate, and adjacent to the Taluduyunu River. It occupies an area of 1.6 ha and can accommodate 1,038 people in containerised units. The complex also includes an administration building, warehouse, clinic, mosque, sports hall, laundry and mess facilities. Expansion of the accommodation facility is underway as of January 2026, and is expected to be completed by early Q3 2026, in readiness for CIL process plant construction contractor mobilisation from late Q3 2026. Permanent Camp facilities near the entrance to the Bypass Road are now being constructed with the intention of using them as future accommodation for personnel of the Pani mining & processing operation, with the 1st target occupation scheduled for Q4, 2026. This will leave the Pioneer Camp area for use by construction contractor personnel.

In addition to the office in the accommodation area, an office facility will be constructed to the west of the planned area for Filtered Tailings Facility Cell 1 to support the CIL mining and processing operation.

The site is fenced to clearly delineate the mine area to deter access by unauthorised personnel. A security office, complete with personnel gate and a double boom gate for vehicles is located at the entrance of the mine site.

13 ENVIRONMENTAL STUDIES, PERMITTING, SOCIAL, AND OCCUPATIONAL HEALTH AND SAFETY

13.1 Permits Overview

Relevant Indonesian environmental and social regulations and legislations relevant to the Project include:

- Spatial Planning Act, No. 26/2007, amend by Government Regulation in Lieu of Law No. 2 of 2022 set in Law No. 6 of 2023. References the arrangement and management of spatial plans in Indonesia.
- Environmental Protection and Management Act, No. 32/2009, amend by Government Regulation in Lieu of Law No. 2 of 2022 set in Law No. 6 of 2023. Requires that the AMDAL assesses significant impacts on the environment of a planned activity, to be used as a prerequisite for making decisions to conduct business and/or activity and contained in a Business License.
- Local Government Act, No. 23/2014, amended through No. 2/2015, No. 9/2015 and amend by Government Regulation in Lieu of Law No. 2 of 2022 set in Law No. 6 of 2023. Local governments authority in terms of efficient use of natural resources and conservation efforts.
- Forestry Act, No. 41/1999, amended through No. 19/2004, and amend by Government Regulation in Lieu of Law No. 2 of 2022 set in Law No. 6 of 2023. Provision of approval to conduct business and/or activities in the forest area. This was recently amended by Law No. 2/2025.
- Mineral and Coal Mining Act, No. 4/2009, amended through No. 3/2020 and amend by Government Regulation in Lieu of Law No. 2 of 2022 set in Law No. 6 of 2023. Provision of the Mining Business License (IUP). This was recently amended by Law No.2 /2025 on The Fourth Amendment to Law No. 4/2009 concerning Mineral and Coal Mining.
- Water Resources Act, No. 17/2019, amend by Government Regulation in Lieu of Law No. 2 of 2022 set in Law No. 6 of 2023. Approval for the use of Water Resources for business activities. This was partially revoked by Law No. 32 of 2024: Revokes Article 33 and Article 69 letter (c).
- Waste Management Act, No. 18/2008. This was partially revoked by Law No., 32/2024 and Article 69 Letter ©.
- Natural Resources and Ecosystem Act, No.5/1990. This was amended by Law No. 32 of 2024.

The overview of main Mining Operating Licenses and Permits is discussed in Section 3.

13.2 Environmental, Social, and Occupational Health and Safety Review Objective

Environmental and social baseline data were collected between 2016 and 2022 as a series of technical studies were completed providing an ongoing assessment of key environmental and social components. This baseline information formed the basis for the environmental and social impact assessment for the Project and related management plans. These studies encompass the relevant elements of the Project.

13.3 Environmental and Social Review Process, Scope and Standards

The process for the verification of the environmental compliance and conformance for the Project comprised a review and inspection of the Project's environmental management performance against:

- GoI national and Regency environmental regulatory requirements; and

- Equator Principles (World Bank/International Finance Corporation (IFC) environmental and social standards and guidelines) and internationally recognised environmental management practice.

13.4 Status of Environmental Approvals and Permits

13.4.1 Environmental Impact Assessment (AMDAL)

a. GSM:

- GSM received its initial Environmental Impact Assessment (AMDAL) approval through the Gorontalo Governor's Letter No. 305/22/VII/2016 dated 15 July 2016.
- GSM subsequently obtained an amendment to its Environmental Approval pursuant to the Decree of the Minister of Environment and Forestry No. 1528 of 2024. This decree amended the earlier Ministerial Decree No. 146 of 2024 concerning the Environmental Feasibility of the Development Plan for Gold and Associated Mineral (DMP) Mining Activities. The amendment was issued on 16 October 2024. GSM later received a second amendment to its Environmental Approval pursuant to the Decree of the Minister of Environment/Head of the Environmental Control Agency No. 2950 of 2025. This decree further amended the Ministerial Decree No. 146 of 2024 regarding the Environmental Feasibility of the Development Plan for Gold and Associated Minerals (DMP) Mining Activities. The second amendment was issued on 24 November 2025.

b. PETS:

- PT Puncak Emas Tani Sejahtera (PETS) received its initial AMDAL approval through the Pohuwato Regency Environmental Office under Approval No. 800/DLH-PHWT/SKKL/01/XI/2018 dated 19 November 2018, along with Environmental Permit No. 205/07/IL/DPM/XI/2018.
- An amendment to the AMDAL was prepared in 2022 and subsequently approved by the Ministry of Environment and Forestry (MoEF) through Decree No. SK.1208/MENLHK/SETJEN/PLA.4/12/2022 dated 2 December 2022. This approval was later amended on 9 May 2025 by MoEF Decree No. 797/2025.

c. PBT:

- PT Puncak Emas Buana Tani (PBT) obtained the initial Environmental Approval was granted on 31 January 2019 through the Decree of the Head of the Investment, Energy and Mineral Resources, and Transmigration Office of Gorontalo Province No. 02/DPMESDM-TRANS/IL/I/2019.
- An amendment to the Environmental Approval was issued on 8 January 2025 for an addendum to the processing and refining activities, based on the Decree of the Head of the Investment and One-Stop Integrated Service Office of Gorontalo Province No. 01/DPMPTSP/SKKL/I/2025.
- A further amendment was approved on 15 December 2025 through the Decree of the Head of the Investment and One-Stop Integrated Service Office of Gorontalo Province No. 500.16.7.2/DPMPTSP/SKKL/13/XII/2025. This amendment accommodates the Heap Leach Operation (10 MTPA) and the expansion of operational activities over approximately 720.71 hectares, including approval of the updated ANDAL and RKL-RPL documents.

13.4.2 Government of Indonesia Feasibility Study (GoIFS)

GSM has the technical and economic feasibility approval for the Pani Gold Mine for a production rate of 3.75 Mtpa through the letter from Ministry of Energy and Mineral Resources of the Republic of Indonesia No. B-401/MB.04/DBM.PE/2023, dated 24 February 2023. The final approval through the letter from Ministry of Energy and Mineral Resources of the Republic of Indonesia No. B-821/MB.04/DJB.M/2024 dated 30 April 2024. PETS obtained the approval of the complete FS document for the Project based on the Approval Letter No. 540/DPMESDMTRANS/2037/VI/2018 (dated 8 June 2018), issued by the Investment Service of Energy and Mineral Resources and Transmigration of Gorontalo Province. A revision approval of GoIFS to address the mining production rate to 7.22 Mtpa has been obtained through the letter from Ministry of Energy and Mineral Resources of the Republic of Indonesia No. T-1335/MB.04/DJB.M/2025 dated August 2025. Following the transitional provisions under Government Regulation No. 96 of 2021 concerning the IUP-OP Specifically for Processing and/or Refining (IUP OP Khusus Pengolahan dan Pemurnian), PBT is required to convert its IUP-OP Specifically for Processing and/or Refining into an Industrial Business License (Izin Usaha Industri) which is under the authority of the Ministry of Industry ("MoI"). The related MoI regulation does not mandate the Company to obtain a GoIFS approval.

13.4.3 Forestry Permit (PPKH)

All activities of the project (including construction, operation and production) and advanced exploration have the following valid permit status for activities in the forest area:

a. GSM:

- PPKH Approval:
 - o KEPMEN LHK No. 1011/2024: Merger of PT GSM Forest Area to 1,788.63 Ha and extension of forest usage until 1 December 2049.
- Determination of Work Area — Forest Area Utilisation Approval (PAK IPPKH):
 - o PAK IPPKH OP (1st Stage): SK. 4119/MENLHK-PKTL/REN/PLA.0/6/2018, dated 22 June 2018.
 - o PAK IPPKH OP (2nd Stage): SK. 743/MENLHK-PKTL/REN/PLA.0/2/2021, dated 19 February 2021.
 - o PAK IPPKH OP (merged & replace the PAK 1st & 2nd stage): SK. 10830/2025, dated on 12 November 2025.
- Watershed Rehabilitation:
 - o Location Determination (1,100 Ha): SK. 6855/MENLHK-PDASHL/KTA/DAS.1/12/ 2017, dated 20 December 2017. 500 Ha of this watershed rehabilitation area has been handed over to the Government through the Minutes of Handover No. 082/GSM-JKT/XI/2022 dated 30 November 2022; and Minutes of Handover No. BA.45/PDASRH/KTA/DAS.1/11/2022 dated 30 November 2022.
 - o Location Determination (850 Ha): SK. 2303/MENLHK-PDASRH/KTA/DAS.1/3/ 2023, issued on 3 March 2023.

b. PETS:

- PPKH Approval:
 - o 93.90 Ha: SK. 310/MENLHK/SETJEN/PLA.0/4/2019, valid 29 April 2019-3 September 2028.
- Determination of Work Area — Forest Area Utilisation Approval (PAK IPPKH):
- PAK IPPKH OP: SK. 8753/MENLHK-PKTL/REN/PLA.0/10/2019, obtained 11 October 2019. Watershed Rehabilitation
 - o Location Determination (104 Ha): SK. 5256/MENLHK-PDASHL/KTA/DAS.1/5/2019, obtained 31 May 2019. The rehabilitation has been completed and handed over to the Government through the Minutes of Handover No. 91/PETS/XI/2024 dated 20 November 2024; and Minutes of Handover No. BA.27/PDASRH/KTA /DAS.6.1/B/11/2024 dated 20 November 2024.

c. PBT:

- PPKH Approval:
 - o 289,08 Ha, No. SK. 188/MENLHK/SETJEN/PLA.0/3/2022 dated 4 March 2022 which is revoked and replaced by SK No. 831/2024 dated 10 July 2024 (514,33 Ha, the validity period is follow the IUP OPK expiry) Determination of Work Area — Forest Area Utilisation Approval (PAK IPPKH):
- Determination of Work Area — Forest Area Utilisation Approval (PAK IPPKH):
 - o PAK IPPKH OP: SK. 8753/MENLHK-PKTL/REN/PLA.0/10/2019, issued 11 October 2019.
- Watershed Rehabilitation:
 - o Location Determination (104 Ha): SK. 5256/MENLHK-PDASHL/KTA/DAS.1/5/2019, dated 31 May 2019.
 - o Location Determination (360 Ha): SK. 13455/MENLHK-PDASRH/KTA/DAS.1/12/2023, dated 27 December 2023.
 - o Location Determination (285 Ha): SK. 11880/2025, dated 24 December 2025.

13.4.4 Spatial Plan Conformity (PKKPR)

In accordance with the requirements of Government Regulation No. 21/2021, business activities must conform with the spatial plan requiring a PKKPR/KKPR (*Persetujuan/Konfirmasi Kesesuaian Kegiatan Pemanfaatan Ruang*) for onshore land area. The Company confirms that the Approval of Spatial Utilization Activities (*Persetujuan Kesesuaian Kegiatan Pemanfaatan Ruang/PKKPR*) applies exclusively to land classified as Non-Forest Areas (*Areal Penggunaan Lain/APL*) and does not apply to any forestry areas (*kawasan hutan*). Any utilization of forestry areas is subject to separate forestry permits such as the Forest Area Borrow-to-Use Permit (*Izin Pinjam Pakai Kawasan Hutan/IPPKH*) or the Approval for the Use of Forest Areas (*Persetujuan Penggunaan Kawasan Hutan/PPKH*) in accordance with applicable laws and regulations. Accordingly, PPKH/IPPKH should be referred to as the applicable spatial conformity approval for activities conducted within forestry areas.

- GSM holds the PKKPR for the CoW area No. 02112210217504008 from the Ministry of Agrarian and Spatial Plan/Head of National Land Agency, Ministry of Investment/Head of Investment Coordinating Board, dated 2 November 2022.
- PETS holds the PKKPR for the IUP area No. 07032210217504001 from the Ministry of Agrarian and Spatial Plan/Head of National Land Agency, Ministry of Investment/Head of Investment Coordinating Board, dated 3 February 2022.
- PBT holds the PKKPR for the IUP area No. 14092110217504001 from Pohuwato Regent Head of Investment and one-stop integrated services, dated 14 September 2021.

13.4.5 Tailings Dam Facility Permit

The placement of wet tailings in the conventional tailing dams requires approval from MEMR and the Ministry of Environment and Forestry (MoEF). An AMDAL that includes tailings dam design, risk assessment, and monitoring plans is required for the permit applications. As further note, tailings dams are treated as water infrastructure under dam safety regulations, requiring periodic inspections and compliance with seismic and hydrological standards. Mining One has been advised by MGR that the process to get the permit is ongoing with expectation the permit for TSF Hulawa is to be granted in early Q2, 2026.

The FTF to place dry stacked tailings is considered a waste disposal method under ESDM regulations and hazardous and toxic materials under KLKH. Companies must demonstrate that filtered tailings meet stability and environmental criteria. Mining One has been advised that MGR has secured the permit for the use of FTF for the Project, namely PERTEK No. S.407/PSLB3/PLB3/PLB.3/7/2023 as discussed in Section 13.4.6.

13.4.6 Technical Approval (PERTEK)

The submission of AMDAL for the Project should be accompanied with the operation's relevant technical approvals which consist of approvals covering the wastewater compliance standard, the emission compliance standard, hazardous waste management, and traffic impact assessment (Andalalin). The Company confirms that currently the Technical Approval (Persetujuan Teknis/PERTEK) has been duly obtained for GSM and PBT, as set out below:

- Wastewater Discharge to the River. GSM hold the PERTEK for wastewater discharge to the surface water from CIL operation through the letter from Directorate General of Environmental Pollution and Degradation Control of MoEF, No. S.535/PPKL/PKL/PKL.4/7/2023, dated 21 July 2023. PBT hold the PERTEK for wastewater discharge to the surface water from domestic activity and ADR plant operation through the letter from Head of Environmental and Forestry Office No. 660/DLHK.P3K/398/XII/2024 dated 19 December 2024
- Tailings Disposal PERTEK. The PERTEK for hazardous waste management will be the mandatory administrative requirements for AMDAL submission for the Project. PERTEK No. S.407/PSLB3/PLB3/PLB.3/7/2023, issued on 10 July 2023 by KLKH grant a permit for GSM to store Hazardous and Toxic Tailings, in this context Dry Stacked Tailings.
- Air Emission Release. Directorate of Air Pollution Control of MoEF was provided in a letter No. S.417/PPU/PSPU/PKL.3/9/2022) dated 27 September 2022, stating that GSM is not required to have technical approval for emission release for the CIL operation. regarding heapleach processing and ADR plant air emission, PBT has obtained the approval through the letter from Head of Environmental and Forestry Office No. 660/DLHK.P3K/393/XII/2024 dated 18 December 2024.
- Traffic Impact Assessment. PGP is required to conduct a traffic impact assessment (Andalalin). The authority of Andalalin approval will depend on the type of road that will be utilised by PGP.

- Hazardous Waste Management. The Company has to fulfil the Technical Details (Rincian Teknis) of a hazardous waste storage facility (TPS LB3) and include this document as part of the Environmental Approval for the Project.

13.4.7 Other Legislative and Regulatory Requirements

GoI regulations apply to many aspects of the project which are supported by guidelines and standards. These are addressed as relevant to the environmental and social aspects covered in the sections below (Sections 13.6 and 13.7).

13.5 Environmental and Social Impact Assessment

An Environmental and Social Impact Assessment (ESIA) is a process facilitating a systematic approach to predicting and characterising the environmental and social impacts likely to arise from the development of a specific project. The ESIA process is part of a continuous development of environmental and social management that continues throughout the mine life including exploration, construction, operation and closure. The ESIA process rates and ranks the impacts environmental and social impacts identified that may have bearing on the execution of the Project forming a basis for prioritisation and a method of assessing the effectiveness of proposed mitigation measures:

- Document the biophysical and socio-economic baseline conditions of the study area relative to project activities.
- Assist the Project engineering team by providing informed input from an environmental and social perspective into the Project design and development.
- Assess the environmental and social impacts that could result from the Project, including local and regional scale impacts as well as cumulative impacts.
- Identify environmental and social mitigation measures to prevent or minimise negative impacts (or to enhance positive impacts).
- Develop environmental and social management plans and associated monitoring plans for the proposed Project, based on these mitigation measures.

The assessment of impacts was based on the results of field studies, desktop analysis, modelling, professional expertise, and judgement. The significance of an impact is defined as a combination of the consequence of the impact occurring and the probability that the impact will occur. A confidence rating is applied to the significance of the impact dependent on how well the cause-effect relationship is understood.

Probability (chance) of the impact occurring		Consequence rating		Confidence	
Improbable <30%	Not significant	0 to 2	High – well understood		
Possible 30%-60%	Very low	3 to 4	Medium		
Probable 60%-80%	Low	5 to 6	Low – poorly understood		
Definite >80%	Medium	7 to 8			
	High	9			

Probability of Occurrence	Consequence Score				
	0 to 2	3 to 4	5 to 6	7 to 8	9
Improbable . . .	Negligible/Insignificant	Negligible/Insignificant	Low	Moderate	Major
Possible	Negligible/Insignificant	Negligible/Insignificant	Low	Moderate	Major
Probable	Negligible/Insignificant	Low	Moderate	Major	Major
Definite	Negligible/Insignificant	Low	Moderate	Major	Major

The significance of an impact is assessed without consideration of mitigation. Where mitigation options are available, the process is repeated following consideration of possible mitigation options with the resultant significance defined as the residual effect. Mitigation options that produce a more favourable residual effect will then be described in relevant environmental and socio-economic management plans for the Project.

Table 13-1 lists the impacts identified which are addressed in the relevant sections below.

Table 13-1 Potential Environmental and Social Impacts

Impact		Source of Impact
Environmental Component	Sub Category	
Pre-Construction Stage		
Community Perception	Negative community perception	Land acquisition
Community Unrest	Occurrence of community unrest	Overall pre-construction activities
Community Conflict	Occurrence of conflict potential	Pre-construction activities
Construction Stage		
Surface Water	Decrease of surface water quality	Discharge of domestic wastewater
Surface Water	Decrease of surface water quality	Land clearing, preparation and development of infrastructure
Ambient Air	Decrease of ambient air quality	Dust emissions from earthworks activities and vehicle movements on unpaved surfaces
Ambient Air	Deterioration of ambient air quality	Construction vehicle and equipment emissions
Noise Level	Increase in noise levels	Construction of the mine infrastructure
Biodiversity (Flora and Fauna)	Fragmentation and loss of vegetation	Clearing to accommodate construction
Biodiversity (Flora and Fauna)	Loss and degradation of wildlife habitat	Clearing to accommodate construction
Biodiversity (Flora and Fauna)	Increase of injury and mortality of wildlife	Land clearing and materials movement
Visual Amenity.	Visual impact as derivative impact of changes of land use and light exposure	Land clearing
Landscape and Soil	Landscape/land use change	Changing landscape from forest and former PETI area to become land infrastructure facilities
Landscape and Soil	Changes of soil quality	Potential contamination from hydrocarbons and chemical spill, and increase erosion rate
Employment Opportunity . . .	Increase of employment opportunity	Overall construction activities
Business Opportunities	Increase of business opportunities	Overall construction activities
Community Income	Increase of community income	Overall construction activities
Prostitution	Increasing prostitution	Overall construction activities
Community perception	Negative community perception	Overall construction activities
Community unrest	Community unrest	Overall construction activities
Community Health and Safety	Impact in community health and safety during construction stage	Overall construction activities
Community Conflict	Occurrence of conflict	Recruitment and employment of construction employee
Operation Stage		
Surface Water	Decrease of surface water quality	Project (Mining and Processing)
Surface Water	Decrease of surface water quality	Operation of basecamp
Surface Water	Decrease of surface water quantity	Extraction for project water supply
Surface Water	Disturbance to aquatic biota	Discharge water to environment

Impact		
Environmental Component	Sub Category	Source of Impact
Groundwater	Changes in groundwater flow	Mine operation (dewatering and accumulation of mine materials)
Groundwater	Contaminants transfer to community water resources	Mine operation and rainwater infiltration within waste dump, TSF and heap leach facility into groundwater system may allow contaminants transfer
Air Quality	Deterioration of ambient air quality	Dust emissions from mining and activities at TSF
Air Quality	Deterioration of ambient air quality	Vehicle, equipment, and processing plant emissions
Noise Level	Increase in noise levels	Mining and processing activities
Biodiversity	Decrease plant productivity	Dust fall upon vegetation
Biodiversity	Increase injury and mortality of wildlife	Vehicular traffic
Visual impact	Disturbance of visual impact	Operation of surface infrastructure facilities
Landscape and Soil	Change of soil quality	Potential contamination of hydrocarbon and chemical spill, increase erosion rate
Stability and Vibration	Landslide	Overall mining activities
Stability and Vibration	Vibration	Blasting activities
Employment Opportunity . . .	Increase of employment opportunity	Project's operation activities
Business Opportunities	Increase of business opportunities	Project's operation activities
Community Income	Increase of community income	Project's operation activities
Prostitution	Increase of prostitution	Project's operation (migrant workers and availability of disposable cash)
Community perception	Negative perception	Project's operation activities
Community Unrest	Community unrest	Project's operation activities
Community Health and Safety	Impact in community health and safety	Project's operation activities
Community conflict	Conflict occurrence	Recruitment and employment of operation workforce
Post-Operation		
Employment Opportunity . . .	Decrease of employment opportunity	Project's post-operation activities
Business Opportunities	Decrease of business opportunities	Project's post-operation activities
Community Income	Decrease of community income	Project's post-operation activities
Community Perception	Occurrence of negative perception	Project's post-operation activities
Community Unrest	Potential community unrest	Project's post-operation activities

13.6 Environmental and Social Management

High-level environmental and social management plans have been developed to support the permitting and approvals process and guide the relevant studies required within these. Further detailed management plans will be developed prior to construction and operational stages of the project based on these additional assessments and stakeholder consultations.

13.6.1 Environmental Management Plan

The purpose of the Environmental Management Plan is to ensure the Company meets its environmental obligations through effective program design and execution using robust scientific processes and impact assessments.

Elements of the environmental management plans include:

- Mine Water Management Plan.

- Air Quality Management Plan.
- Noise Management Plan.
- Biodiversity Management Plan.
- Waste Management Plan.

13.6.2 Mine Water Management Plan

This Project Water Management Plan applies to discharges and ambient surface water quality in streams and rivers influenced by the Project, both for project mine discharge and treated domestic wastewater discharge. Applicable national standards and international guidelines are applied that include:

- GoI Regulation (PP) No. 22/2021. Ambient Water Quality Standards.
- MoEF Regulation No. 202/2014 Discharge Standards for Copper and Gold Mines.
- MoEF Decree No 68/2016. Domestic wastewater standards. This was recently replaced by the Regulation of the Minister of Environment/Environmental Control Agency No. 11 of 2025 Concerning Wastewater Quality Standards and Wastewater Treatment Technology Standards for Domestic Wastewater.
- IFC EHS Guidelines for Mining. Mining Effluent Guidelines.
- IFC EHS Guidelines. General EHS Guidelines Treated Sanitary Sewage Discharge Guidelines.

The main objectives of the Water Management Plan are to:

- Manage 'contact water' that could potentially be affected by mining materials, heap leach facilities, waste dumps, and TSF in accordance with industry best management practices.
- Minimise alteration to the pre-development drainage network, and manage the volume of contact water, where possible.
- Minimise contact water infiltration to the groundwater system.
- Ensure that the quality of contact water discharged from the mine complies with applicable Indonesian regulatory and International Finance Corporation (IFC) requirements.
- Reduce the water inventory at the site through collection and off-site drainage of non-mine contact water.
- Reduce the consumptive use of freshwater by reusing mine contact water from surface and groundwater mine dewatering to avoid additional water taken from natural waterbodies, and reducing effluent treatment and discharge requirements.
- Maintain the physical integrity and stability of slopes and watercourses downstream of the mine site.
- Minimise any potential impacts to surface water in the receiving environment and comply with Indonesian ambient water quality standards.
- Provide an effective adaptive monitoring program to manage mine water quantity and quality and maintain compliance with regulatory requirements according to the Project approvals process.

13.6.3 Air Quality Management Plan

The Air Quality Management Plan addresses management of air quality from an environmental and social (affected communities) perspective. The objectives of this plan are to minimise fugitive dust generated by the project activities and the emission of greenhouse gas (GHG) from both point sources (e.g. chimney) and non-point sources (e.g. vehicles). Occupational health and safety (OH&S) issues related to the workforce are not included and are addressed in a separate OH&S plan (Section 13.20). Relevant national standards and international guidelines for the Air Quality Management Plan are as follows:

- GoI Regulation (PP) No.22/2021 Appendix VII. Execution of environmental protection and management (ambient air quality standard).
- MoEF Regulation No.4/2014. Emission standards for stationary sources for mining activities.
- IFC general EHS guidelines. Ambient air quality guidelines; small combustion facilities emissions

13.6.4 Noise Management Plan

The Noise Management Plan addresses management of noise from an environmental and social (affected communities) perspective. The objectives of Plan are to provide management measures to reduce noise levels to ensure minimal impacts to local communities and fauna during all stages. Noise is generally used to describe sound that a listener finds disturbing, annoying, offensive, and in the extreme, can be physically painful. Relevant national regulations and international guidelines are as follows:

- MoEF Decree No.48 of 1996. National ambient noise standards.
- IFC general EHS guidelines. Noise level guidelines.

13.6.5 Biodiversity Management Plan

The purpose of the Biodiversity Management Plan is to implement a comprehensive biodiversity management strategy aimed at reducing potential negative impacts on the terrestrial flora and fauna and aquatic biota from mining operations. The main objectives of the Biodiversity Management Plan are to operate the Project in a manner that protects environmental values of terrestrial and aquatic biological resources, minimise any significant impact on any species, and restore any effects on biological diversity caused by the Project. Mitigation programs will be established to address impacts to biodiversity. Threatened, vulnerable and protected species are present within the project area as identified in the respective baseline studies (13.7.14 and 13.7.15). The applicable national standards and international guidelines are as follows:

- MoEF No.P.20/2018 as amended by No.P.106/2018. Types of protected plants and animals.
- International Union for Conservation of Nature (IUCN) Red List of Threatened Species. Global list of threatened species.
- The Convention on International Trade in Endangered Species (CITES). Species trade restriction (trade in wild animals and plants between countries).
- IFC performance standard 6. Biodiversity conservation and sustainable management of living natural resources.

13.6.6 Waste Management Plan

The Waste Management Plan presents the commitment to managing hazardous waste and non-hazardous waste streams resulting from the Project activities in accordance with applicable regulations and provides the strategy for waste minimisation. The Plan provides all personnel with the information necessary to manage waste streams generated following the Company's environmental policies regarding hazardous and non-hazardous wastes. Limited quantities of hazardous waste are expected to be generated over the life of the mine.

Specific objectives of the plan include:

- Ensuring sustained compliance with national regulations and international standards. Minimising waste generation and disposal to landfill.
- Maximising waste reuse, recovery and recycling through identification and implementation of appropriate disposal routes.
- Outlining actions and measures required for effective waste management.
- Creating an environment where site personnel and contractors are involved and encouraged to adopt correct waste management practices through education and other programs.

13.6.6.1 Hazardous Waste

Hazardous waste that will be generated by the Project include used oil, used fuel, used filter, used grease, used hose, used battery, used chemical container, used solid and liquid chemicals, electronic waste, residue from processing plant, assay laboratory, used rags, contaminated goods, and medical waste.

Indonesian regulations applicable to hazardous waste management constitute laws and the related regulations are stipulated at the national level, and IFC General EHS Guidelines for hazardous waste. The principal law which references statutory requirements for management of hazardous waste is GoI Act No. 32/2009 regarding Environmental Protection and Management. A comprehensive description of regulatory requirements for the management of hazardous waste is provided in GoI Regulation No.22/2021 and MoEF Regulation No.6/2021.

13.6.6.2 Non-Hazardous Waste

Regulations applicable to non-hazardous waste management constitute laws stipulated at national level and are consistent with IFC standards. These include:

- Presidential Regulation No. 97 Year 2017. Policy and national strategy for management of domestic waste.
- Minister of Public Works Regulation No.03/PRT/M 2013. Implementation of waste infrastructure and facilities for handling domestic waste.
- Government Regulation No. 81 2012. Description of the management procedures for domestic waste.
- MoEF No.13 2012. Guidance on the implementation of reduce, reuse, and recycle (3Rs) procedures.
- Minister of Home Affairs No.33 2010. Description of the principles for waste management.
- Law No. 18 2008. Waste management guidance.
- IFC Performance standard. General EHS Guidelines Environmental Waste Management.

Non-hazardous wastes categories are classified as organic, recyclable, reusable, and residual. Landfill will be the main option for non-hazardous waste disposal, which will be managed properly through waste segregation. Waste segregation will be conducted according to the Ministry of Public Works regulation No.03/PRT/M/2013-Appendix II.

13.6.7 Social Management Plan

The Social Management Plan puts measures in place for the avoidance, mitigation and management of the potential adverse social risks and impacts associated with Project activities. The Plan demonstrates the achievement of compliance with national regulation and international standards, minimisation of social impact to the surrounding communities, and outlines actions and measures required for effective community management. This describes:

- The mitigation, management, and monitoring measures developed within this ESIA and the AMDAL are implemented through a single reference point.
- The organisational and reporting structure to put in place, supplemented by training and hiring process to implement the plan.
- The management and mitigation measures to be implemented during the construction and operation stages, assigning responsibilities for their implementation and monitoring.
- The framework through which the detailed management plans can be implemented.
- The monitoring and review process for implementation of the management and mitigation measures and opportunities for continual improvement.

The Social Management Plan applies to Project Affected People (PAP) within two sub-groups:

- Directly Project Affected People (DPAP), being those belonging to economically and/or physically displaced households.
- Indirectly Project Affected People (IPAP), being all inhabitants of the villages not defined as DPAPs.

Priority as potential beneficiaries will be given to those people within households identified as vulnerable including, poor (below the official poverty threshold), single parent, those outside official work age (18 to 55); those who are differently abled, and others related to land acquisition and economic displacement impacts.

The ESIA (Section 13.5) identifies and rates the significance of various social impacts described in Sections 13.8 to 13.16. This process identifies several management, mitigation and monitoring measures integrated into detailed management plans.

13.7 Environmental Aspects

13.7.1 Climate

Available meteorological information consists of local and regional data. The local meteorological data is obtained from the rain gauge which is located at the Project site. The regional meteorological data is provided from the Climatology Agencies at Djalaluddin Gorontalo and Bone Bolango. Based on the climate classification by Schmidt and Fergusson (1951), the study area can be grouped into Type C climate, which is 'slightly wet' with a Q value of 0.41.

13.7.1.1 Rainfall

The rainfall pattern in the study area is equatorial (Type C, Schmidt and Fergusson (1951)), characterised by bimodal rainfall occurring as two peaks during the equinox. The dry season in the study area occurs from July to October, while the rest of the year is considered the rainy season. The available local rainfall record from the site covers the period between 2016 and 2023, with the average monthly rainfall being 225 mm ranging from zero in September 2019 to 519 mm in March 2023. Comparison with the continuous regional weather station data suggests the site receives higher average and peak rainfall.

13.7.1.2 Temperature, Humidity, Wind

Temperature data from the regional weather stations ranges from 31.5°C to 33.5°C maximum, and minimum temperatures from 22.6°C to 24°C. Relative humidity recorded is around 81.26% ranging from 75% in September to 84% in January. The wind direction in the Project area is predominantly from the north.

13.7.2 Landscape

The Project area landscape is typical of coastal volcanic areas in Indonesia ranging in altitude 47 to 788 meters above sea level (mASL). The site topography can be divided into the northern hilly terrain at Pani mountain ranging between 250 to 788 mASL with steep slopes varying between 20 to 90° resulting in steep to very steep terrain. Most of the future mine site lies within this area characterised by very steep rugged terrain. In the south part of the Project area, streams and rivers mostly drain in a southerly direction to the Taluduyunu River catchment, altitude varies between 47 to 250 mASL and slopes vary between 12° to 25°.

13.7.3 Soils

Soils within the Pani area are derived from geological units of the late Pleistocene Pani Volcano Rock Formation (Tppv), comprised of dacite, riodacite, andesite, tuff, agglomerate, and breccia volcano, and Bumbulan Formation (Tpb) consisting of granodiorite, granite, diorite, and quartz monzonite. The dominant soil parent material includes andesite and basalt, which are classified as alkaline parent materials, contrasting rocks such as dacite, riodacite, granodiorite, and granite with acid chemically characteristics. Soil distribution is divided into two categories; residual soils consist of weathered materials and transported soils carried and deposited elsewhere.

13.7.4 River Hydrology and Surface Water Resources

The Project area is situated in between the Taluduyunu and Botudulanga sub-catchments. The morphology of the Project site is characterised by hilly terrain to flatland area incised by small creeks draining generally in southerly and westerly directions into the Botudulanga River and Taluduyunu River. The upper part of the Taluduyunu River flows from north to south. The lower part of the Taluduyunu River is joined by the Botudulanga River, which flows from east to west. Several creeks on the Project site represent these sub-catchments, including Dulamayo River, Pomatoa Creek, Kolokoa Creek, Poladingo Creek, Puulo Creek, Paseda Creek, Ilota Kiri Creek, and Ilota Kanan Creek. The Taluduyunu and Botudulanga rivers join at the southwest of the site, then the Taluduyunu River continues to flow southwards and ultimately discharges to the sea at Marisa.

13.7.5 Groundwater Resource Potential

The Project area is situated in a poor regional aquifer system of fissured and porous nature. The Presidential Law of Indonesia No. 26 of 2011 applies to the Determination of Groundwater Basins that may have a water resource potential for the benefit of the community and environment. The Project area and its surroundings have not been determined to be in an existing groundwater basin. The Marisa and Soginti groundwater basins to the south of the Project are utilised as water sources by local people.

Baseline hydrogeological studies have been completed by Lorax in 2016, 2019 and 2022 and Supra in 2022 as well as the Pani Internal Environmental Monitoring completed in 2019 and 2022.

13.7.6 River Sediment Quality

River sediment quality assessments were conducted over similar periods and locations as the Lorax and Supra water quality surveys.

13.7.7 Groundwater Quality

Groundwater quality sampling has been completed on several occasions (BPPT 2013, Lorax 2017 and 2022 and Supra 2022) within the Project area for springs, monitoring wells, and community wells. In-situ measurements and laboratory analyses were conducted to gain representative water quality data as required by Minister of Health Regulation No. 2/2023 concerning Environmental Health. Limited sampling at three locations in 2013 indicated the water quality met all the standards set in the regulation. Later programs in 2017 and 2022 showed pH varied between slightly acidic to alkaline conditions ranging from pH 5.81 to 9.55 with three isolated locations having levels outside of the standard range (pH 6.5 to 8.5), at 9.55, 6.18 and 5.81, respectively. This is considered indicative of a naturally mineralised volcanic groundwater system resulting from localised mineralisation and may not be consistent with the overall geochemistry of the bedrock.

13.7.8 Spring Water Quality

The pH of spring water samples varied between neutral to slightly acid conditions (5.7 to 7.85). Measurements at locations with pH outside the standard range of pH 6.5-8.5 are considered indicative of a naturally mineralised volcanic groundwater system.

13.7.9 Surface Water Quality

Surface water monitoring has been conducted to determine water quality conditions in the Project and surrounding areas during both wet and dry seasons. Lorax completed a dry season survey in August 2016 and wet season surveys in December 2016, February 2019 and May 2022. Supra also conducted water quality sampling in 2022 for the Water Quality Baseline Study 2022 Report.

Surface water quality data were compared to the Government of Indonesia standard, within Regulation No. 22/2021, Appendix VI for Class II, regarding water quality management and contamination control for recreational activities, infrastructure, freshwater fish cultivation, cattle breeding, agricultural irrigation, and other uses.

13.7.10 Formation Geochemistry and Acid Generating Capacity

A total of 110 samples were collected for the geochemical assessment, including three metallurgical testing residues (pilot tailing) and 107 drill core samples (95 waste samples and 12 ore samples, cut off 0.2 g/t Au). All samples underwent acid-base accounting (ABA) and net acid generation (NAG) testworks. The ABA testwork includes paste pH, acid neutralisation capacity (ANC), total sulphur (ST), chromium-reducible sulphur (SCR), and total carbon (TC). A subset of sample was also tested for solid phase metal concentration and short-term metal leaching/water extract test to provide a preliminary indication of the leaching potential for the various environmental classes of mine rock.

The analysis of NAPP value versus NAG pH of the samples shows all oxidised samples have low potential to generate acidity and are categorised as NAF (except for one sample as 'uncertain'), and of the 43 collected transition and unoxidised samples, 9 samples are categorised as PAF, 8 of which having low potential.

13.7.11 Tailings Characterisation

A single pilot tailing sample of solid and liquid fractions underwent a tailings characterisation assessment and toxicological characteristic testworks (Lorax, 2022). The NAPP value for the tailings sample was -3.80 kg H₂SO₄ /t, indicating that the sample is non-acid forming (NAF). To increase the confidence in Acid Base Accounting (ABA) characteristics for the sample, the NAG pH value is used in association with the NAPP to classify the acid generating potential of the sample. From the test, the NAG pH was 5.03 and it confirmed that the sample was NAF.

13.7.12 Land Designation and Use

The Spatial Plan for the Pahuwato District for the period 2012 to 2032, consists of protected areas and cultivation areas. The protected areas consist of protection forest areas, locally protected areas, nature reserves, nature preservation, cultural heritage, areas prone to natural disasters, and geological protected areas. The cultivation area consists of areas of production forests, community forests, agricultural use areas, fishing, mining, industrial activities, tourism, residential use, and other designations. The land designation within the Project area is for limited production forest, for settlement/residential areas, and areas for agricultural use. These areas are already covered by borrow-to-use approvals (Section 13.4.3). Areas within the Project are also allocated for other purposes or non-forest area (10.85 ha).

GoI has introduced a policy to suspend new licenses being issued for activities in selected primary forest and peat areas. No areas within the Project currently fall under this 'suspension' category.

13.7.13 Mine Closure and Reclamation

Mine Closure Plans (MCP) have been completed by GSM and PETS for their respective operations and submitted to MEMR in early 2025. The two documents are referred to as Laporan Rencana Pasca Tambang (Post-Mining Plan Reports). Once approved by the MEMR, the companies must provide cash deposits as a Closure Guarantee Bond to cover the costs of the mine closure program. The cash guarantees will be reimbursed to the companies as they demonstrate completion of the closure works and achievement of closure success criteria, described in the MCP. The MCP is required to be updated to accommodate any changes to the Project's FS.

A conceptual mine closure plan was developed for the project within the FS which have been developed to provide respective MCPs according to MEMR requirements (Section 13.18).

Following the amendment of FS, and to be consistent with the 5-year reclamation plan process, GSM and PETS will compile and submit amendments to their mine closure plan documents to the MEMR. Once completed and approved, GSM and PETS will also adjust the value of the closure guarantee based on revised closure costs as detailed in the updated plans.

13.7.14 Terrestrial Ecology

Baseline terrestrial flora and fauna surveys were conducted in 2016, 2019, and 2022 by Lorax, while the surveys in 2018 and 2022 were conducted by PGP for AMDAL studies and for the RKL-RPL implementation.

13.7.14.1 AMDAL and RKL-RPL Implementation Plan

Flora and fauna observations were conducted in 2018 in two different areas, north and south of the Project area. The northern site of Project areas covered four observation locations, while the southern site of Project areas covered 12 observation locations.

13.7.14.2 Impacts to Terrestrial Biodiversity (Flora and Fauna)

According to the ESIA (Section 13.4), the potential impacts on biodiversity associated with the construction and operation stages of the Project. Direct and indirect impacts are assessed in terms of the nature of the impact, the existing and planned mitigation measures, the potential significance of the impact to biodiversity, including priority ecosystem services, and the magnitude of the residual impact and significance after mitigation measures have been implemented.

13.7.15 Aquatic Ecology

Baseline data on aquatic ecology at the Project area obtained from monitoring campaigns conducted by Lorax in 2016, 2019, and 2022 at four locations. Types of aquatic biota assessed are plankton, benthic algae, macrobenthos and nekton (fish and crustacea). The surveys conclude that aquatic ecology is stable at most locations with minor signs of stress at a couple only.

13.7.15.1 Impacts on Aquatic Biota

According to the ESIA (Section 13.4), the potential impacts aquatic biota are generated from the discharge both domestic and mine wastewater to Taluduyunu River. The potential release of substances associated with wastewater discharge such as suspended solids and metals could affect aquatic ecosystems in Taluduyunu River.

13.7.16 Air Quality and Noise

Ambient air quality and noise monitoring has been conducted since 2015 to date within the Project area and surrounding settlements. The first survey was conducted in 2015 for 2016 AMDAL study by PGP at 6 locations and continued in 2019 and 2022 for the RKL-RPL implementation. Lorax conducted an air quality and noise baseline survey in February 2019 and March 2022 at four locations, respectively.

The ambient air quality and noise monitoring data are assessed by comparing with national and international standards. These standards include the GoI Regulation No. 22 of 2021 regarding Execution of Environmental Protection and Management (Appendix VII on Ambient Air Quality Standard), Minister of Environment (MoE) Decree No. 48 of 1996 concerning noise level standard, as well as IFC's Environment, Health, and Safety (EHS) General Guidelines Table 1.1.1. on WHO Ambient Air Quality Guidelines and Table 1.7.1 on Noise Level Guidelines.

13.7.16.1 Impacts on Ambient Air Quality

According to the ESIA (Section 13.4), the potential impacts on air quality include airborne emissions and pollution generated during each stage of the mine cycle associated with drilling, blasting, hauling, collecting, and transporting mine material.

During the mining cycle, the ore extraction, generation of solid waste and ore processing, generate air pollution which has cumulative environmental and public health impacts. The mine waste spoils dumped over the ground contain small size particles that are easily dispersible by the wind.

13.7.16.2 Impacts on Ambient Noise Levels

According to the ESIA (Section 13.5), the potential impacts on noise level include blasting, crushing, conveyors, and processing plants. Noise pollution is one of the major impacts of mining activities. Blasting operations affect their surroundings in the form of ground vibration, air blast, and fumes.

13.8 Social Aspects

13.8.1 Administrative Setting

The Project is situated in Gorontalo Province covering an area of 11,260 km² and consisting of five regencies (Boalemo, Gorontalo, Pohuwato, Bone Bolango, and North Gorontalo Regency) and one city administration, (Gorontalo City). Pohuwato is the largest regency with an area of 4,244.31 km² is divided into 13 sub-districts, 105 villages, and 386 hamlets. The Project is situated in the Buntulia Sub-district on the eastern side of Pohuwato Regency, approximately 160 km west of Gorontalo City.

13.8.2 Demographics

The population of Pohuwato Regency is 147,689, 75,146 male and 72,543 female. On average, the population growth rate as of 2020 to 2021 for Pohuwato Regency is 1.15. In 2021, the population of Buntulia Sub-district was 12,362, approximately 8% of Pohuwato Regency's population and a population density of 32 pers/km².

There are seven villages in Buntulia Sub-district Buntulia Utara, Taluduyunu, Hulawa, Bantulia Tengah, Karya Indah, Sipatana, and Taluduyunu Utara. The male:female ratio in the Buntulia Sub-district is varied, which is male-dominated in certain areas and female-dominated in other areas. 95% of the population identify as Muslime with the remainder made up of Christian, Hindu, and Buddhist.

13.8.3 Socio-economics

A socio-economics baseline study conducted by MakkiMakki in June 2022 (Baseline Study on Socio-Economic Impact of Gold Mining Operation in Pohuwato, Gorontalo) identified that the majority of people in Buntulia Sub-district rely on mining to support the economy. The economic growth of Pohuwato Regency in 2021 was 2.2%, with unemployment decreasing from 3.1 % in 2020 to 2.45 % in 2021.

Much of the community chose artisanal illegal mining (PETI) as their livelihood even though they understand the risks of mining activities and the negative impacts of their activities. Income from mining activities is more lucrative compared to other activities such as agricultural sector. The agricultural sector in Buntulia Sub-district is extensive, however, the subsistence nature of the sector is not optimised to encourage the economic growth of the community.

13.8.4 Employment, Income and Business Opportunity

The Project will generate employment opportunities during the construction stage consisting of casual positions in a variety of unskilled, semi-skilled and skilled jobs. Peak labour needs during the construction stage are approximately 1,600 construction employees. The skilled workforce will comprise of a range of experts, engineers and inspectors who are drawn locally, nationally and in some cases internationally. The support workforce of unskilled workers will be drawn largely from the local workforce within the Pohuwato District. A quota of 20% of unskilled labour from the local workforce has been set, as committed to in the AMDAL and RKL-RPL approvals, provided individual applicants meet the required qualifications. The quota will be distributed across villages and sub-districts and is a means of ensuring that positive benefits associated with the Project are fairly dispersed.

As the employee requirement changes from the construction stage to operation stage the Project will generate employment opportunities within skilled and semi-skilled positions. The peak labour needs during the operation stage are estimated 3,288. The skilled workforce will comprise of a range of experts, engineers and inspectors who are drawn locally, nationally, and in some cases internationally. The priority for utilisation of local workforce will still be from the Pohuwato Regency According to socio-economic information for the local community, the Human Development Index (HDI)'s in Pohuwato Regency is 65.80 meaning there is sufficient attention to implement human development (Section 13.8.2).

The positive impacts of employment opportunity will be supported by coordinating with the local government agencies related to workforce recruitment and by providing skills and training to facilitate engagement of the local community working at the Project.

13.8.5 Community Perception

The community within the Project area is predominately engaged in land-based livelihoods consisting of PETI and agriculture activities, as landowners, sharecroppers, or daily workers. The predominance of the unskilled sector across the local population means that households impacted through the physical displacement process may generally be sensitive to such impacts and have lower capacity to absorb and respond to these impacts than otherwise may be the case in more diverse and affluent societies. At this stage of this study no detailed socio-economic survey has been conducted to identify particularly vulnerable households, define household level livelihood approaches, and accurately determine appropriate entitlements.

Physical displacement of people within the Popaya and Butato Hamlets of Hulawa Village is required during the land acquisition for the mine construction. No detailed information exists regarding the total area needs to be acquired, the number of parcels, households impacted and ownership of the land. Economic displacement refers to the area where PETI is conducted scattered throughout the PGP area. PGP endeavours to acquire land based on voluntary transactions prior applying the requirements of IFC PS5.

13.8.6 Community Unrest and Conflict

The potential for community unrest is regarded because of negative community perception of the Project activities during all stages. According to the ESIA (Section 13.5), the potential impacts on community unrest are definite.

13.8.7 Community Engagement

A Community Engagement Management Plan will be developed to focus on the consultation and participation of affected communities, grievance mechanisms and reporting to the affected communities. The objectives of the community participation are to provide opportunity for people to be affected to get clear, accurate and comprehensive information about the proposed project and its anticipated environmental impacts.

13.8.8 Community Employment and Income

The Community Employment and Income Management Plan describes how the Company/PGP will manage recruitment, employment, and income opportunities, with a focus related to local communities. The domination of land-based livelihoods (PETI), and general low education levels, access to project employment opportunities should give priority of unskilled jobs in the first place and secondly to other people in the surrounding communities during construction and operation stages.

13.8.9 Community Economic Management

The Community Economic Management Plan developed will benefit the local community from switching their current livelihood (e.g. farmers, PETI, and sharecroppers) to entrepreneur-based livelihood such as providing services (e.g. groceries, restaurants, salon, workshop, services, etc.). For example, those who receive compensation due to land acquisition will invest their compensation fund in a productive sector.

13.8.10 Community Education

The Community Education Management Plan will be required to align with the Project's operations commencement to meet the need for sufficient skilled and unskilled labour. Despite the priority of employing local villagers as the mines begin to develop, the education and health conditions of the people of Hulawa village will be a critical factor in providing the best labour for the mines. There is currently no social-economic profile of the villagers of Hulawa and it can be assumed there will be reliance on outside labour. Specific programmes for Educational Scholarship and Vocational Education and Training are required to ensure the Plan is implemented.

13.8.11 Community Health

The general health condition of local community around the Project area is determined according to secondary data from the Central Bureau of Statistics for Pohuwato Regency and Gorontalo Province. The most common disease in Pohuwato Regency was the common cold, with the number of cases ranging between 7,000 to 10,000 per year for the period 2017 to 2019. Other disease rates for Gorontalo Province in 2020 include TB (90% treatment rate), AIDS (49 cases), Leprosy (10/100,000 population), Malaria (1/100,000 population), and Dengue Fever (40/100,000 population).

According to the ESIA (Section 13.5), the potential impacts on community health are possible related to increased noise and dust emissions from construction and mining activities, including development of facilities and mobilisation of equipment and materials using public roads. There may be increased risk of communicable diseases from migrant workers (including STDs) and potential pandemics such as Covid-19, and improper domestic waste disposal and wastewater handling.

Health facilities in Pohuwato Regency are limited to one hospital located in Marisa Sub-district and two polyclinics. There are 16 public health centres, 27 subsidiary public health centres (Puskesmas Pembantu) which are spread over the regency, one medical clinic, 134 integrated health posts, and nine pharmacies. There is no maternity (mother and children) hospital in Pohuwato Regency. Within Buntulia Sub-district, there are one apothecary and two public health centres with no inpatient facilities.

The highest number of medical/health personnel in Pohuwato Regency are nurses and midwives (329 and 237 in 2022, respectively), while the lowest number of health personnel are dentists and medical laboratory technicians. Medical personnel across all disciplines have increased significantly over the period from 2017 to 2022 with a doubling of the number of doctors and dentists apparent.

13.8.12 Prostitution

The construction and operation of the Project is estimated to require a large workforce which will encourage migrating workers to move to the area. The migration of people will not only consist of the workforce but also people who are seeking employment in other business sectors which includes potential sex workers from other regions and provinces.

13.8.13 Community Health Management

The objective of the Community Health Management Plan is to avoid or limit the impacts on community health during all stages of the project. This is achieved through implementing targeted prevention programs to reduce impacts along with the implementation of an effective monitoring and evaluation program.

13.9 Other Aspects

13.9.1 Visual Amenity Impact

According to the ESIA (Section 13.5), potential impacts on visual amenity are expected during all stages of the project. The degrees of various impacts on visual amenity are variable (insignificant, minor, moderate and/or major) based on pre-mitigation conditions including project activities and involvement of community in the project activity. The significance rating will also consider the effectiveness of planned mitigation and management measures to be implemented.

13.9.2 Landscape and Soils

According to the ESIA (Section 13.5), potential impacts on landscapes are expected during all stages of the project.

13.9.3 Impacts to Stability and Vibration

13.9.3.1 Landslide due to Mining Activities

The landform within the Project area will be progressively developed through removal of overburden and waste rock, excavation of the mine pit, mine road construction, construction of the waste dump, heap leach, TSF, and other major infrastructure which could potentially cause landslides. Geotechnical studies carried out between 2012 and 2023 included the drilling, logging and testing of boreholes and test pits in various parts of the mine area. Additional boreholes are currently in progress to provide a more detailed geotechnical investigation. The material strength properties are based on engineering judgment, previous project experience, and confirmation through laboratory and in situ testing. The design approach applied to slopes is carried out by using FK (Safety Factor) as an indicator of slope stability and the analysis of the landslide probability considers the variations in the input parameters that produce a certain FK value. The slope stability analysis used refers to Ministry of Energy and Mineral Resources Decree No. 1827K/30/MEM/2018.

13.9.3.2 Vibration due to Blasting Activities

Blasting is required break hard rock that cannot be readily excavated or is considered uneconomical to excavate by free digging and ripping. It is estimated that 90% of the material in the GSM pit area and all material in PETS will require blasting. A safe distance when blasting is maintained in accordance with the provisions of the Minister of Energy and Mineral Resources Decree No. 1827 K/30/MEM/2018 (Guidelines for the Implementation of Good Mining Practices), namely 300 m distance for mining fleet and facilities and 500 m for humans from the outer limit of blasting area. Ground vibration can cause objects in nearby residences to rattle, however, structural damage is unlikely to occur due to distance and safe blasting design. Bench blasting and controlled blasting geometry is calculated to achieve a state where the energy produced is controlled.

13.9.4 Traffic Management

The Traffic Management Plan aims to address the impact of traffic on the community and differentiates between the construction and operation stages of the project.

13.9.5 Infrastructure Development Management Plan

The Infrastructure Development Management Plan will be based on consideration of the local socio-economic baseline condition and project needs to support local authorities in maintenance and improvement of local public infrastructure and services where good infrastructure provides mutual benefits both to the Project and local communities. This includes local road quality and access to the site, road safety, and solid waste management. The Plan will be implemented through a number of specific programs.

13.10 Mine Closure

Compilation of a Mine Closure Plan is required prior to start of construction activities as specified in the following regulations:

- GoI Regulation No. 78 2010. Reclamation and Post-Mine.
- MEMR Regulation No. 26 2018. Implementation of Good Mining Principles and Supervision of Minerals and Coal Mining.
- MEMR Decree No. 1827 K/30/MEM/2018 Appendix VI. Guidance Implementation of Reclamation, Post Mining and Post Operation in the Mineral and Coal.

The mandatory mine closure plan provides detailed technical assessments for facilities decommissioning and mine closure, post-mine environmental and social programs, including final reclamation and decommissioning of the mine site together with stipulation of closure success criteria. Physical removal of the infrastructure, topsoil spreading, and final revegetation will make up most of the closure activities. Water impacts from the discharge of the mine area are predicted to be controlled by surface runoff from rainfall with negligible impact when it discharges to the surrounding environment. Mine closure includes decommissioning, removal of infrastructure and equipment, and reclamation, with the use of native plant species to restore biodiversity as closely as possible to the pre-mining condition. A monitoring program is then developed to demonstrate success criteria have been met.

A Conceptual Mine Closure Plan was developed for the FS covering both GSM and PETS operations based on the mine plan. This assumes mining and ore processing will last for around 16 years (2025 to 2040), with seven years (2025 to 2031) of mining of the PETS pit area, 16 years (2025 to 2040) mining at the GSM pit area with CIL processing, and 10 years (2025 to 2035) for the heap leach processing at the PBT area. Mine closure activities will start immediately after CIL processing ceases. The objective of the mine closure plan is to guarantee a safe and environmentally sustainable post-mine site and a legacy of better and long-lasting socio-economic conditions in the affected communities.

Both the GSM and PETS post-mining work program includes reclamation of the mining areas, processing facilities, supporting facilities, and maintenance and monitoring. The post-mining plan document is a company commitment based on Decree of the Minister of Energy and Mineral Resources No. 1827K/30/MEM/2018. Mine Closure Plans (MCP) have been completed by GSM and PETS for their respective operations and submitted to MEMR in early 2025. Following approval of the respective Post-Mining Plan Reports, the companies must provide cash deposits as a Closure Guarantee Bond to cover the costs of the mine closure program. The cash guarantees will be reimbursed to the companies as they demonstrate completion of the closure works and achievement of closure success criteria, described in the MCP. The MCP is required to be updated to accommodate any changes to the Project's FS.

Following the amendment of FS, and to be consistent with the 5-year reclamation plan process, GSM and PETS will compile and submit amendments to their mine closure plan documents to the MEMR. Once completed and approved, GSM and PETS will also adjust the value of the closure guarantee based on revised closure costs mentioned in the updated plans.

The specific objectives of the mine closure plan are:

- To protect public and employee health, safety, and welfare.
- To mitigate negative impacts on the environment and affected communities.
- To enhance positive impacts on the affected communities.
- To return the land to be compatible with its previous use (limited production forest), as practicable.

- To provide a mine closure plan that is appropriate for the environmental and social setting, nature and scale of the Project.
- To provide a technical basis on which the costs of mine closure can be estimated.

13.10.1 Site Reclamation

Site reclamation discussed in this section includes final grading and shaping of surfaces to be reclaimed, application of topsoil, revegetation, and establishment of water management structures around reclaimed areas. Site reclamation will need to satisfy both the requirements by MEMR, and MoEF for forest areas covered by the PPKH which need to be returned to the Government. These activities include:

- Ongoing reclamation process as areas become available.
- Removing and stockpiling of topsoil for subsequent reclamation of disturbed areas.
- Minimising any long-term visual impact by creating landforms that are compatible with the surrounding environment.
- Ensuring that reshaped land is formed to be geotechnically stable, adequately drained to minimise erosion and thereby suitable for the desired long-term land use.
- Revegetation prioritising native plant species that will control erosion, provide vegetative diversity and contribute to a stable environment compatible with the existing ecosystem.
- Preventing the introduction of noxious weeds and invasive species.
- Monitoring and maintenance of rehabilitated areas until they establish a self-sustaining condition or have achieved the closure success criteria.

The total disturbed area at closure is approximately 728 ha with the pit area 129 ha remaining as a void or pit lake and not be reclaimed, leaving a total land area to be reclaimed of 599 ha.

The development of the reclamation plan for heap leach areas would adhere to comparable guidelines similar to other land disturbance reclamation plans. Appropriate capping and surface runoff management would be implemented to ensure surface water and groundwater integrity. Specific cover designs will be applied on these areas to ensure minimum leaching and reduce leakage potential after closure. A drainage layer will be established on the heap leach areas followed by low permeable layer and then topsoil layer on top for plants growth medium.

Reclamation activities at the TSF will be selected depending on the characteristics of the pond, and on-site conditions of the supporting structures. TSF embankments will be constructed to remain geotechnically stable and rehabilitated including recontouring where necessary and practical, covered with topsoil and revegetated. The water management plan will ensure there will be no TSF overflow or seepage impacting the environment.

13.10.2 Topsoil Management

To achieve successful mine rehabilitation, a topsoil management plan is prepared to describe how topsoil will be recovered and conserved for rehabilitation use in a form that is as similar to its pre-mining condition as possible. A protocol for topsoil handling will be developed as an SOP for topsoil management.

13.10.3 Infrastructure Decommissioning

Mine and processing infrastructure is decommissioned and removed with the main infrastructure and equipment being dismantled and removed. Where materials and equipment have a value these may be sold, reused or donated, and where not, disposed of appropriately on or off site. The general approach to decommissioning and removal of facilities, infrastructure, equipment and hazardous materials and chemicals.

13.10.4 Post-Mine Plan and Cost

A comprehensive post-mine social community program will be detailed in the mine closure plan which will be extensions of some of the social management programs implemented during the operations period, as well as closure-specific social management programs. These include programs related to health, education, infrastructure, cultural heritage, vocational training, and economic development.

The cost of mine closure activities focuses on post-mining work costs, including dismantling mining facilities and reclamation of former mined land. The calculated costs are those applicable in 2025 and will be calculated based on future cost reference (future value) in 2033, with an escalation rate based on the Bank Indonesia government bond interest rate of 5.75%.

- **GSM** — The revised cost estimate made up of direct costs of US\$2,985,000 and indirect costs of US\$408,965 totals US\$3,394,000. The future value is US\$9,284,800 equivalent to around US\$26,050/ha.
- **PETS** — The costs assume that there are no costs for reclamation of former mining facilities as these will be built and provided by PT GSM at the PT GSM Mining Permit (IUP) site. The revised cost estimate made up of direct costs of US\$396,160 and indirect costs of US\$54,270 totals \$450,430. The future values is US\$705,000 equivalent to around US\$15,000/ha.
- **PBT** — PBT holds an Industrial Business License which does not require the submission of Reclamation Plans or Post-Mining for industrial sites to the Ministry of Industry. A separate closure plan will be prepared for PBT facilities at a later date.

The conceptual mine closure costs reported in the Pani report were reviewed by the SME. On the basis that benchmark operations, SME have predicted higher closure costs, examples of some of the missing elements of closure that have not been included are:

- Engineering controls required to manage any pit lake overtopping and spillway discharges.
- Geotechnical controls required to ensure pit wall stability both internal and external to the final pit walls.
- Environmental controls and water treatment costs required to ensure any discharges meet appropriate standards.
- Monitoring and analytical provision to demonstrate compliance with regulatory requirements.
- Geotechnical and hydrogeological investigations to support numerical modelling for recovery of groundwater levels/pore pressures.
- Hydrochemical modelling for pit lake chemistry and water treatment requirement.

This list is non-exhaustive and subsequently there are significant costs that can be incurred during the closure of a mine. For the purpose of a CP report a closure allocation of \$50M has been included to ensure an adequate allocation is included in the financial analysis. This is high level and not a robust estimate, but it is in line with benchmark estimates assessed by SME.

13.11 Gap Analysis, Required Studies and Approvals

Additional environmental and social surveys and assessments were identified as information gaps during the FS some of which are required as mandatory for the operational permitting and approval of the project.

13.11.1 Regulatory Approvals

Section 13.4 details the regulatory approvals required. The following updates and additional documents are required to support the finalisation of main regulatory approvals:

- AMDAL. The AMDAL Addendum for Heap Leach Operation 8 MTPA is currently being prepared by GSM and is targeted for approval in Q3 2026.
- IUP and CoW. Once the heap leach facility is developed and operated, PBT will submit the application to the Ministry of Industry by the end of 2025 to obtain the IUI Industrial Business Permit for the operation.
- PPKH Forestry Permit. An extension of PPKH is required to include the proposed surface infrastructure areas within the PBT area not already covered in the approved PPKH. One of the requirements of a PPKH is the obligation to rehabilitate a forest area.
- TSF Dam safety permit. Technical design and specification of the tailings dam and associated facilities is required to obtain technical recommendation from the Dam Safety Committee (DSC) of the MPWH. A technical approval (PERTEK) for hazardous waste disposal activities is required from MoEF prior to the AMDAL Addendum submission for the Project.
- Wastewater discharge to the river. PBT will prepare the application of PERTEK for wastewater discharge from heap leach and adsorption, desorption and recovery (ADR) plant operation prior to the AMDAL Addendum submission for the Project.
- Air Emission Release. PBT will prepare the PERTEK application for air emission release for heap leach processing and ADR plant prior to the AMDAL Addendum submission for the Project.

Additional technical approvals (PERTEK) are required for other parts of the project as detailed in Section 13.4.6.

13.11.2 Environmental and Social Studies

The environmental and social studies required to develop the ESG framework for the project, meet regulatory approvals and contribute to the development of the relevant management plans include:

- Geochemical characterisation of waste rock and tailings.
- Environmental and Social Management System (ESMS).
- Biodiversity Action Plan (BAP).
- Stakeholder Engagement Plan (SEP).
- Land acquisition, relocation and resettlement.
- Cultural Heritage.

The cost of completing the additional studies is estimated at US\$290,000.

13.12 Occupational Health and Safety

Occupational Health and Safety (OH&S) forms part of the Health Safety and Environmental Management System (HSEMS) requirements for MCG for the overall systematic management of health, safety and environmental performance. This provides the following outcomes:

- Providing a safe and healthy workplace.
- Preventing work related injuries and ill health.
- Proactively monitoring and improving HSE performance.
- Eliminating hazards and minimise HSE risks (including system deficiencies).
- Taking advantage of HSE opportunities and address management system non-conformities associated with its activities.
- Fulfilling HSE legal and other requirements.
- Integrate other aspects of health, safety and environment including worker wellness and wellbeing.
- Enhancement of environmental performance.
- Fulfilment of compliance obligations.
- Achievement of environmental objectives.
- Achievement of Health & Safety objectives

OH&S is covered in Section 4 of the FS and consists of the MCG corporate Health and Safety Policy together with Hazard Identification and Risk Assessment. This is supported by seven appendices containing safety standards applying to all MCG operations for the following matters:

- 001 Traffic Management Standard
- 002 Tyre Standard
- 003 Work At Height
- 004 Lifting Standard
- 005 Isolation Standard
- 006 HSE Management System Manual
- 007 Confined Space

13.12.1 OH&S Policy

The Project OH&S Policy is signed by the President Director and CEO. Each of Medeka's subsidiary operations adopts these policies without changes and is signed by a Director of the subsidiary company, the KTT of PGP. The OH&S policy shall be:

- Displayed in prominent locations in the workplace.
- Communicated during visitor inductions and general site inductions.
- Made available as an electronic or hardcopy document to relevant interested parties.
- Reviewed every year as a minimum.

Identification of the source of the hazard or occurrence that can harm people, cause damage to the environment, or impact the community negatively includes:

- Source of hazard — people, machines and equipment, materials, methods, or environment.
- Type of hazard — unsafe action or unsafe condition.

13.12.2 Hazard Identification and Risk Assessment

Risk management is an interactive process to identify, evaluate, and resolve workplace hazards by eliminating or reducing the risk to the lowest level that acceptable and applicable. It encourages management to actively eliminate the risk of loss, make the risk management as a source of competitive advantage and company performance advantage. It also encourages all personnel in the company to act carefully in dealing with the risks, building the skill to communicate the understanding of risk and the importance of risk management. Hazard identification and risk management includes:

- Risk communication and consultation.
- Determination of risk context.
- Hazard identification and risk assessment.
- Risk control.
- Monitoring and review.

Communication and consultation are completed by internal and external parties at each step of risk management. The application of the Risk Rating provides a mechanism assess the priority of hazards to determine the appropriate controls and develop the necessary documentation.

13.12.3 Specific OH&S Matters

Where OH&S matters relate directly to the Project activities these are addressed in the Environmental Aspects sections above. For example, fugitive dust generated by the project activities and the emission of greenhouse gas (Section 13.6.3) are identified as specific issues that require the management of any resulting OH&S issues related to workforce and community health. Relevant management plans will be developed to ensure the risks associated with activities are adequately reduced or mitigated.

13.13 Evaluation of Environmental and Social Risks

The Environmental and Social Impact Assessment (ESIA) completed for the Project (Section 13.5) provides a structured process involving a systematic approach to predicting and characterising the environmental and social impacts likely to arise from the development and operation of the Project. The ESIA process rates and ranks the impacts environmental and social impacts identified that may have bearing on the execution of the Project forming a basis for prioritisation and a method of assessing the effectiveness of proposed mitigation measures. The impacts identified, their significance and mitigation are addressed in the relevant sections above.

With the exception of matters relating to land acquisition (Section 13.21.1), post-operational employment and business opportunities (Section 13.21.2), and community health (Section 13.21.3), none of the environmental and social aspects assessed as have an impact significance higher than moderate. In all cases, the application of suitable mitigation measures reduces the significance to low or insignificant.

The environmental and social aspects that have been assessed as having moderate impact significance are covered in the referenced sections and include the following:

- Surface water resources. Impacts on Surface Water Quantity
- Surface Water Quality. Effects of illegal mining activities
- Terrestrial Ecology. Impacts to Terrestrial Biodiversity (Flora and Fauna) (Section 13.7.14.2).
- Air Quality. Impacts on Ambient Air Quality (Section 13.7.16.1)
- Impacts of Cessation of Operations (Section 13.10).
 - o Loss of employment opportunity.
 - o Loss of business opportunity.
- Community Perception (Section 13.10).
 - o Land acquisition and economic displacement.
 - o Influx of migrant workers.
 - o Mobilisation of equipment and materials.
 - o Noise, dust and disturbance from construction works.
- Community Unrest and Conflict (Section 13.11).
 - o Recruitment and employment of employees.
 - o Increased traffic and construction works.
 - o Safety, subsidence, failure, land and water pollution, increased noise level and air pollution, and tailings.
- Community Health (Section 13.16).
 - o Community safety related to mobilisation and demobilisation of equipment and materials using public roads.
 - o Increasing prostitution.
- Visual Amenity Impact (Section 13.17.1).
- Landscape and Soils (Section 13.17.2).
 - o Change of land use.
 - o Soil quality changes due to disruption of soil structure, potential contamination from hydrocarbons and chemical spills, and increased erosion rate.

The ESIA recognises that positive impacts result from the project activities. Environmental and social impacts that are considered positive include the following:

- Employment, Income and Business Opportunity (Section 13.9).
 - o Increase in employment opportunities.
 - o Increase in business opportunities.

13.13.1 Environmental and Social Risks Related to Land Acquisition and Mine Activities

Major impacts on social risks relate to land acquisition centred around the removal of PETI activities and the displacement of households. These matters are relevant to community perception of the project and the potential for community unrest and conflict and are covered in detail in Sections 13.10 and 13.11. These include:

- Negative community perception and community unrest due to the land acquisition activities.
 - o Physical displacement of people within the Popaya and Butato Hamlets.
 - o Economic displacement within the area where PETI is conducted.
- Project construction activities.
- Concern for mining safety such as subsidence slope failure, potential for land and water pollution, disturbance by increase of noise level and potential air pollution, and concern over tailings.
- Mobilisation of equipment and materials.
- Influx of migrant workers.

In all cases, the application of suitable mitigation measures reduces the significance to moderate.

13.13.2 Post-operational Employment and Business Opportunities

Major impacts on social risks relate to post-operational employment and business opportunities. These include:

- Employment, Income and Business Opportunity (Section 13.9).
 - o Decrease in employment opportunities.
 - o Decrease in business opportunities.

In all cases, the application of suitable mitigation measures reduces the significance to moderate.

13.13.3 Impact on Community Health and Safety

Major impacts on social risks relate to community health and safety result from increasing prostitution due to increased numbers of migrant workers (Section 13.16.4). The application of suitable mitigation measures reduces the significance to moderate.

13.14 Environmental Compliance Obligations and Liabilities

In line with regulatory requirements, the following environmental compliance obligations are typically applicable and must be met:

- Forest Resource Provision (PSDH – *Provisi Sumber Daya Hutan*)
- Reforestation Fund (DR – *Dana Reboisasi*)
- Annual Forest Area Utilization Fee (PNBP – *Penggunaan Kawasan Hutan*)
- Reclamation Guarantee
- Mine Closure Guarantee
- Permitting Fees (including AMDAL/SKKL, Pertek, and SLO)

The MGR Compliance team has confirmed that MGR has no environmental liabilities associated with non-compliance or environmental damage, and Mining One has no knowledge of any such liabilities.

14 CAPITAL EXPENDITURE AND OPERATING EXPENSES

All costs presented in this chapter are in real value.

14.1 Capital Expenditures

14.1.1 Summary

The estimation of capital expenditures ("CAPEX") for the Pani Gold Project has been undertaken in accordance with industry-standard methodologies and consistent with the requirements of a Competent Person's Report. The objective of this estimation is to provide a transparent, reasonable, and technically justified assessment of the costs required to bring the project into production, thereby supporting its inclusion in the prospectus for MGR's IPO on the Hong Kong Stock Exchange.

The methodology employed combines bottom-up estimation for major cost items (where detailed engineering data and quotations are available) with benchmarking and scaling techniques for ancillary facilities and infrastructure. Contingency factors have been applied to account for uncertainties inherent in early-stage project development, ensuring that the estimates remain conservative yet realistic.

This capital expenditure estimate represents a critical component of the Competent Person's Report, ensuring that stakeholders, regulators, and potential investors are provided with a clear and defensible basis for evaluating the economic potential of the Pani Gold Project.

Most of CAPEX are estimated by internal MGR based derived from ongoing tender processes and others from previous studies. They are derived through a structured process that integrates engineering design, vendor quotations, benchmark data from comparable gold projects, and cost indices relevant to Indonesia and the broader Asia-Pacific region.

CAPEX estimates are divided into:

- Direct Costs — The costs represent the physical and operational components required to establish the project. These include:
 - o Mining: Expenditures for mine development, pre-stripping, equipment procurement, haul roads, and pit preparation.
 - o Heap Leach: Construction of heap leach pads, solution ponds, and associated processing facilities.
 - o CIL: Establishment of the CIL plant, including milling, leaching, adsorption, and recovery circuits.
 - o Site Infrastructure: Development of power supply, water management systems, tailings storage facilities, access roads, accommodation, and ancillary site facilities.
 - o Other: Miscellaneous direct costs not captured in the above categories, including environmental compliance measures and permitting-related infrastructure.

- Indirect Costs — The costs capture the supporting expenditures required to manage and deliver the project:
 - o Owners Costs: Costs incurred by MGR as the project owner, including project management, corporate support, permitting, and financing arrangements.
 - o General & Indirects: Engineering, procurement, construction management (EPCM), insurances, temporary facilities, and other indirect project delivery costs.
- Escalation and Contingency — An allowance has been included to account for potential cost escalation due to inflation, market volatility, and unforeseen circumstances. Contingency factors are applied to mitigate risks associated with uncertainties in design, procurement, and construction. A 10% contingency has been incorporated into the CAPEX estimates.
- Sustaining Capital — This has been estimated to cover ongoing expenditures required to maintain operations throughout the mine life. This includes equipment replacement, infrastructure upgrades, and compliance-related investments. The sustaining CAPEX has been assumed at 1% to 2% per year of CAPEX spent.

The capital cost estimate for the project has been developed to a AACE class 3 estimate with a +15% to -5% accuracy and is summarised in Table 14-1.

Table 14-1 Capital Costs Summary

Direct Cost	
Mining	46
Heap Leach	78
CIL	734
Site Infrastructure	184
Mine Closure	50
Indirect Cost	
Owners Costs	150
General & Indirects	116
Escalation and Contingency	106
Sustaining Capital	274
Total Capital	1,738

14.2 Operating Expenses

14.2.1 Summary

The objective of the operating cost estimate is to develop a forecast of the annual operating expenditures associated with the Pani Gold Project over the life of mine. This estimate provides a critical input to financial modelling and economic evaluation, serving as a reference framework for project feasibility and Ore Reserve reporting.

Mining One has prepared the cost estimates related to mining activities, including drilling, blasting, loading, hauling, and ancillary mine services. The remaining cost components, encompassing processing, tailings, and general and administrative (G&A) overheads, were provided by MGR. Mining One has undertaken a technical review of these inputs to assess the appropriateness of the assumptions, the consistency of the methodologies applied, and the adequacy of the level of detail to ensure compliance with the requirements of the JORC Code (2012) for the reporting of Ore Reserves.

The activity-based operating cost estimate has been structured into five principal categories, with defined battery limits to ensure clarity of scope:

- **Mining** — Includes all mining-related activities from initial land clearing and topsoil stripping through drilling, blasting, loading, hauling, and ore delivery up to the primary crusher feed point. Costs beyond the crusher feed (i.e., within the processing plant) are excluded.
- **Heap Leach Processing** — Covers all costs associated with ore processing via heap leach, commencing at the crusher discharge and extending through agglomeration, stacking, leaching, solution handling, and recovery circuits.
- **CIL Processing** — Encompasses all costs related to ore treatment through the carbon-in-leach (CIL) facilities, beginning at the crusher discharge and including milling, leaching, adsorption, elution, electrowinning, and gold recovery.
- **Tailings** — Includes all costs associated with the handling, storage, and management of tailings generated from CIL processing, covering both wet tailings deposition and dry stacking operations.
- **General and Administrative (G&A)**: Represents site overheads not captured within the above activity-based categories, including administration, camp services, security, and other general site support functions.

The summary of operating expenses over the mine life and Unit Cost per saleable gold ounce are presented in Table 14-2.

Table 14-2 Undiscounted Operating Expenses Summary

Activity-Based Costs	LoM Opex (USD M)
Mining	1,028
Heap Leach Processing	381
CIL Processing	1,279
Tailings	184
Site G&A	638
Total Operating Costs	3,509

The cash operating costs in different categories for the first four years are provided in Table 14-3.

Table 14-3 : The Cash Operating Costs from 2026 to 2029 of the Project (US\$ in millions)

Cost Item	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	Total
Workforce employment	19.0	19.8	26.5	26.5	26.5	26.5	26.0	17.9	17.5	17.6	17.5	17.5	17.4	15.7	15.7	307.7
Consumables	33.1	31.2	96.4	104.9	104.9	103.8	88.2	72.1	69.1	70.3	69.4	68.3	67.3	22.5	20.0	1,021.5
Fuel, electricity, water and other services	74.1	60.3	139.4	143.7	141.0	137.3	118.2	101.5	92.3	91.2	84.9	80.3	76.8	39.0	37.5	1,417.4
On and off-site administration	13.6	19.6	41.1	42.3	44.9	48.4	40.3	26.8	27.3	27.4	27.5	29.4	28.5	11.4	9.1	437.6
Environmental protection and monitoring	1.2	1.2	9.8	16.5	16.5	16.5	16.5	16.2	16.2	16.2	16.3	16.2	16.2	14.6	12.8	203.2
Transportation of workforce	2.7	2.7	3.3	3.3	3.3	3.3	3.3	1.8	1.8	1.8	1.8	1.8	1.7	1.6	1.6	35.6
Non-income taxes, royalties, and other governmental charges	85.2	140.9	372.9	388.9	414.6	447.8	363.7	242.4	245.4	247.0	246.3	264.2	255.0	75.3	51.5	3,841.1
Contingency allowances	4.7	4.5	7.1	7.2	7.7	7.3	6.1	6.0	5.6	5.7	5.6	5.4	5.3	3.9	3.8	85.9
Total Cash Operating Costs	233.6	280.0	696.3	733.3	759.4	790.8	662.4	484.8	475.3	477.2	469.3	483.1	468.3	184.1	152.0	7,350.0

14.2.2 Mining Costs

All mining-related activities, from land clearing and topsoil stripping through drilling, blasting, loading, hauling, and ore delivery to the primary crusher feed point, are classified as mining costs. To estimate these costs, Mining One developed a Microsoft Excel-based model informed by the technical assessment presented in this report, particularly the mine plan and mining parameters outlined in Section 9.6.

Mining operations are assumed to rely on equipment rented from PT Merdeka Mining Indonesia ("MMI"), a subsidiary of PT Merdeka Gold Resources, under both wet and dry hire arrangements. Supporting equipment such as cranes and personnel carriers are provided on a wet hire basis, while core production equipment, including excavators, dump trucks, graders, and dozers, is supplied under dry hire. MGR is responsible for fuel supply, supervision, ore grade control, site management, and technical services.

Blasting activities are contracted to PT Orica Mining Services, which provides bulk explosives, accessories, and down-the-hole blasting services.

Operating costs are categorized into fixed and variable components, further broken down by activity: drilling, blasting, loading, hauling, auxiliary services, labour, and grade control. Estimates are derived from first-principal calculations, incorporating inputs from current contracts, supplier quotations, original equipment manufacturers (OEM), benchmarking against comparable operations, data from MGR's other mining projects, and Mining One's internal database.

All mining-related activities from initial land clearing and topsoil stripping through drilling, blasting, loading, hauling, and ore delivery up to the primary crusher feed point are estimated as mining costs.

Table 14-4 Undiscounted Life of Mine Mining Operating Expenses Summary

Mining Opex Component	Unit Rate	LoM Cost <i>(US\$ Million)</i>
Fixed		
Mining Fixed Costs	\$1.00 million/year	16.0
Drill and Blast Fixed Costs	\$2.01 million/year	30.1
Variable		
Drill Costs	\$0.19/t mined	66.6
Blast Costs	\$0.45/t mined	154.0
Load Costs	\$0.40/t mined	137.2
Haul Costs	\$1.11/t mined	380.7
Auxiliary	\$0.49/t mined	168.0
Labours	\$0.13/t mined	44.4
Grade Control Cost	\$0.09/t mined	30.8
Total Cost		1,027.8

14.2.3 Heap Leach Operating Costs

The operating cost estimates for heap leach operations are primarily derived from the Feasibility Study completed in FS 2024, prepared by NewPro, a consultant engaged by MGR to conduct the heap leach study. The engineering design undertaken provides sufficient detail to support an operational expenditure estimate with an accuracy range of +15%/-5%. These estimates have subsequently been updated to reflect supplier quotations and tender outcomes, as well as adjustments for increased production throughput. The original design throughput of 7 Mtpa has been scaled to 10 Mtpa, as presented in this report.

The operating costs for heap leach operations cover the following:

- A processing plant capable of reducing the ore to the desired size by means of crushing, screening and bulk material handling.
- A heap leach pad with stacking equipment, irrigation and collection systems.
- An ADR plant for gold recovery.

The process plant operating costs are broken down into several major components as follows:

- Labour — Labour rates are benchmarked against comparable projects in Indonesia, including other MGR operations, with workforce planning based on industry-standard productivity levels and a two-shift system of 12-hour shifts per day.
- Electrical power — The costs are calculated from installed capacities listed in the Mechanical Equipment List, applying usage factors according to equipment type and load profiles, multiplied by annual operating hours. A tariff of \$0.07 per kWh has been applied.
- Reagents and consumables — They are estimated based on metallurgical testwork or, where unavailable, inferred from ore mineralogy. Liner consumption is determined from abrasion and work index data, supported by engineering experience, while diesel usage is based on vendor specifications for diesel-fired equipment. Consumables such as lubricants are treated as fixed lump-sum costs. Cost inputs are derived from budgetary quotations, a fuel price of \$0.87/L, and historical data from comparable projects.
- Laboratory — The costs are estimated by modelling annual assay requirements, with unit costs benchmarked against typical values from other MGR operations.
- Maintenance materials are treated as fixed costs, reflecting dependency on operating hours rather than throughput. These costs are factored from capital expenditure allocations, with higher wear allowances applied to equipment such as crushers compared to ancillary services.
- Mobile equipment costs are based on wet hire rates, which include fuel, maintenance, insurance, and operators, sourced from quotations provided by local contractors. The required fleet, comprising excavators, dozers, graders, and other equipment, has been defined in line with operational needs for heap leach stacking. MGR has adopted a rental strategy for mobile equipment to minimise upfront capital expenditure.

The operating costs estimate for heap leach operations are summarised in Table 14-4.

Table 14-5 Undiscounted Life of Mine Heap Leach Operating Expenses Summary

HL Cost Item	Unit Rate	LoM Cost (\$ Million)
Fixed*		
Labour	\$7.42 M/year	49.7
Electrical Power	\$2.24 M/year	15.1
Reagents & Plant	\$0.94 M/year	6.4
Laboratory	\$0.09 M/year	0.6
Maintenance	\$4.49 M/year	30.1
Mobile Equipment	\$11.18 M/year	74.9
Power (Camp, Water Intake, and other infrastructures)	\$0.50 M/year	4.6
General	\$1.50 M/year	10.5
Variable		
Electrical Power	\$0.12/t leached	7.6
Reagents & Plant	\$2.88/t leached	181.4
Total Cost		380.8

* The unit rates are for nameplate operations

14.2.4 CIL Operating Costs

The cost estimates reflect the throughput of 12 Mtpa including the addition of a filter press for dry-stacked tailings (not included in FS 2024) as well as recent supplier quotations and tender outcomes, ensuring alignment with current market conditions.

CIL operating cost estimate is composed of the following elements:

- Labour (Processing & Maintenance) — Labour rates are benchmarked against actual costs at other MGR operations, adjusted for regional minimum wages. The labour roster and manpower requirements are based on five days on, three days off rotation for shift personnel and 12 hr per shift.
- Consumables — Consumption requirements are based on metallurgical testwork, reagent addition rates, and industry benchmarks. Costs are derived from recent supplier quotations.
 - o Wear liners (mills & crushers): Vendor data plus estimated freight to site.
 - o Grinding media: Testwork-based consumption, modelled by alteration type and oxidation state.
 - o Grinding wear liners (SAG & ball mills): Testwork-based consumption, modelled for Phase 1 and Phase 2 ore blends.
 - o Lime & cyanide: Consumption rates determined from testwork on Baganite samples.
 - o Other reagents: Based on MGR-supplied testwork and Lycopodium's project database.
 - o Fuel: Diesel cost assumption of US\$0.87/L.
 - o Power: Derived from mechanical equipment list, adjusted for load factor and utilisation. Unit cost: US\$0.070/kWh (grid supply). Rope conveyor generates power during continuous operation; this credit is incorporated into the estimate.
- Maintenance Materials — The costs are factored from the equipment supply capital cost. Allowances for maintenance of plant mobile equipment, and general maintenance have been made.

The operating costs estimate for CIL operations are summarised in Table 14-5.

Table 14-6 Undiscounted Life of Mine CIL Processing Operating Expenses Summary

CIL Cost Item	Unit Rate	LoM Cost <i>(\$ Million)</i>
Fixed:		
Labour	\$4.45 M/year	57.9
Power (excl. Crushing and Grinding)	\$5.86 M/year	76.2
Power (Camp, Water Intake, and other infrastructure)	\$1.11 M/year	12.0
Maintenance Materials	\$6.59 M/year	85.7
Laboratory	\$0.55 M/year	7.2
Variable:		
Operating Consumables	\$5.22/t milled	717.8
Power (excl. Crushing and Grinding)	\$0.44/t milled	60.1
Power (Crushing and Grinding)	\$1.76/t milled	241.4
Maintenance Materials	\$0.14/t milled	19.2
Laboratory	\$0.01/t milled	1.2
Total Cost		1,278.6

14.2.5 Tailings Operating Costs

Tailings processing for the Pani Project is classified into two categories: Wet Tailings and Filtered Tailings Facility (dry-stacked tailings). The associated costs for both tailings management methods are based on estimates prepared by MGR whereby technical inputs and validation of these cost estimates were provided by WSP-Golder, which assisted in the engineering and cost determination aspects of the tailings facilities.

The operating costs estimate for the operations of tailings facilities are summarised in Table 14-6.

Table 14-7 Undiscounted Life of Mine Tailing Facilities Operating Expenses Summary

	Unit Rate	LoM Cost <i>(\$ Million)</i>
Dry Stack	\$3.36/t tails	166.2
Wet Tailings	\$0.20/t tails	17.6
Total Cost		183.8

14.2.6 Site General and Administration Operating Costs

The Site G&A costs encompass a range of essential support functions required to sustain operations. These costs are estimated based on a combination of existing running expenses, supplier quotations, benchmarking against other MGR operations, compliance with government regulations (e.g., Land and Building Taxes), and internal budget allocations.

The key components include:

- FIFO Expenses, covers estimated travel costs for site-based employees, including airfares and transit accommodations.
- Meal & Camp Services, includes meals, accommodations, and the maintenance of site facilities for site-based employees. These services are assumed to be provided by MGR's contractors.

- Business Development, encompasses corporate expenses related to oversight, project sustainability initiatives, and the engagement of business consultants.
- Commercial, responsible for all commercial activities at the operational site. Scope includes supporting supply chain operations (scheduling and shipping goods), rental or purchase of light vehicles, payment of land and building taxes, and computing software requirements. This includes Finance & Accounting Operations, tax reporting in compliance with Indonesian regulations.
- Environment, oversees the implementation of environmental sustainability measures in line with applicable government regulations.
- Training & Development, focuses on enhancing employee competencies through identifying training needs, designing programs, executing training sessions, and evaluating their effectiveness in improving performance and organizational outcomes.
- External Affairs, covers expenses for community development initiatives and maintaining relationships with government institutions at both central and local levels. Cost assumptions are based on internal MCG data and operational experience at other sites. External Affairs also implements programs to engage and support local communities surrounding the operational site.
- Health & Safety, includes costs associated with implementing and monitoring health and safety practices to ensure safe operational activities on-site.
- Human Resources & General Affairs, responsible for managing and sustaining site-based human resources, including employee compensation, training, and workforce development. General Affairs also oversees office administration, supplies, and logistics to support daily operations.
- Management, covers corporate expenses for management teams not directly involved in site operations.

The Site G&A over the life of mine are summarised in Table 14-7.

Table 14-8 Undiscounted Life of Site G&A Expenses Summary

Site G&A Cost Item	LoM Cost <i>(\$ Million)</i>
FIFO Expenses	7.5
Meal & Camp Services	28.1
Commercial	418.2
Environment	19.4
Training & Development	21.7
External Affairs	60.4
Health & Safety	53.9
Human Resources & General Affairs	15.5
Management	13.2
Total Cost	637.9

15 ECONOMIC ANALYSIS

15.1 Metal Price

Gold prices have demonstrated a sustained upward trajectory over the past five years (Figure 15-1). At the end of 2019, gold price is closed at approximately US \$1,393/oz, reflecting a moderate recovery from levels observed in the mid-2010s. In 2020, amid global economic disruption from the COVID-19 pandemic and extensive monetary stimulus, prices rose sharply, averaging near US \$1,800/oz.

By 2024, gold continued its appreciation, closing the financial year (June 2025) at around US \$2,400/oz, supported by persistent inflationary pressures and heightened geopolitical uncertainty that reinforced safe-haven demand. This upward momentum extended through the end of calendar year 2025, with prices exceeding US \$5,000/oz for first time. At the time of preparing this report, the spot gold price is approximately US \$4,800/oz.



Figure 15-1 10-year Gold Price History

Analysts maintain a broadly optimistic view of gold's trajectory. Record highs in late 2025 and early 2026 were supported by intensified global uncertainty, strong investor flows into gold-backed exchange-traded funds and continued central bank accumulation of reserves. Medium-term forecasts vary, with some scenarios projecting potential corrections toward US \$4,000/oz. However, major institutions such as Goldman Sachs and J.P. Morgan anticipate end-June 2026 prices in the range of US\$5,200-US\$5,400/oz.

Longer-term projections remain bullish. Several forecasts consistently point to gold reaching US \$7,000/oz by 2030. The *In Gold We Trust* report (2023) by Ronald-Peter Stoefaerle and Mark Valek highlights structural changes in fiscal and monetary policy as key drivers of this trend, noting that persistent inflation and elevated central bank demand are expected to underpin the next phase of the gold bull market.

Although short-term volatility is expected, the gold price assumptions applied in the financial modelling of the Pani asset are regarded as robust, reflecting prevailing market conditions and consensus long-term outlooks. For the purpose of defining economic cut-off grades for the Project, a conservative price of US \$2,300/oz has been adopted, substantially below the current spot level of approximately US \$5,000/oz. This approach mitigates risk by ensuring project viability under lower price scenarios and provides a prudent basis for Ore Reserve estimation, avoiding the potential overstatement of Ore Reserves and mine life that could result from reliance on elevated spot prices.

15.2 Sales Contracts

In early March 2026, PT PETS (MGR's subsidiary) has signed a Gold Sales & Purchase Agreement (GSPA) with PT Antam Tbk, a state-owned enterprise and one of the leading Indonesian mining companies with a LBMA-accredited refinery. This agreement is valid for two years.

15.3 Tax and Royalties Obligations

There are several government related tax and royalty obligations of the business. This section of the report provides oversight of how tax and royalty regimes have been applied to the economic model for mining.

15.3.1 Company Tax

Company tax in Indonesia for a gold mine is based on the standard corporate income tax (CIT) framework. Gold mining companies operating in Indonesia are subject to corporate income tax at a rate of 22 percent. This 22% is applied to net taxable profits after allowable deductions, including operating costs, depreciation, and approved capital allowances.

GSM operates under a Contract of Work (CoW) regime rather than an Izin Usaha Pertambangan (IUP) licence. As such, the fiscal terms applicable to the Project are governed by the specific provisions of the CoW, which stipulate a corporate income tax rate of 35%. This rate differs from the prevailing corporate tax rates applicable to IUP holders under current Indonesian mining legislation. The economic evaluation presented in this report reflects the 35% corporate income tax rate in accordance with the CoW framework, together with other fiscal obligations defined under the contract, thereby ensuring consistency with the Project's legally binding fiscal regime.

For simplicity in the financial analysis, a split between different tax regimes for PETS and GSM is calculated using the pro-rate mining production in each particular year.

In addition to CIT, mining companies are liable for mineral royalties calculated on gross revenue.

15.3.2 Value Added Tax

Mining companies are also subject to value-added-tax (VAT), known as *Pajak Penghasilan Negara* or PPN on goods and services at the prevailing rate of 11.0%. These VAT's are not itemised in the financial model but are incorporated in working capital estimations for VAT in and VAT out movement, since VAT is refundable (refer to Section 15.4.3).

15.3.3 Royalties

In 2025, Indonesia revised its royalty framework for gold and silver, directly affecting royalty payments for the Pani project. Government Regulation, PP No. 19 of 2025, introduced higher royalty rates and linked them to global Reference Mineral Price (HMA) levels. Under the previous regime (PP No. 26/2022), gold royalties ranged from 3.75% to 10.00%. The new regulation (PP No. 19/2025) increased this range to approximately 7% to 16%, depending on prevailing defined HMA. As a result, the assumptions used in the FS 2024 were impacted, requiring updates to the financials presented in this CP report.

For silver, the adjustment was simpler. The previous flat royalty of 3.25% was increased to 5.0%.

Table 15-1 Indonesian Gold Royalties pre and post Changes to Regulation PP No. 19/2025

HMA Gold Price (USD/oz)	Old Royalty Regime (PP No. 26/2022)	New Royalty Regime (PP No. 19/2025)
≤ \$1,300	3.75%	
> \$1,300 ≤ \$1,400	4.00%	
> \$1,400 ≤ \$1,500	4.25%	
> \$1,500 ≤ \$1,600	4.50%	7.0%
> \$1,600 ≤ \$1,700	4.75%	
> \$1,700 ≤ \$1,800	5.00%	
≥ \$1,800 < \$1,900	6.00%	10.0%
> \$1,900 ≤ \$2,000	8.00%	
≥ \$2,000 < \$2,200		11.0%
≥ \$2,200 < \$2,500		12.0%
≥ \$2,500 < \$2,700	10.00%	14.0%
≥ \$2,700 < \$3,000		15.0%
≥ \$3,000		16.0%

15.4 Technical and Economic Analysis

15.4.1 Economic Analysis Overview

Financial analysis has been undertaken to evaluate the economic viability of the Pani Project and provide an assessment of the project potential returns. This analysis is required to demonstrate the robustness of the project under defined assumptions, to support investment decisions, and to ensure compliance with industry reporting standards, e.g. JORC Code.

It should be emphasised that the economic analysis presented in this section is based on the results of the technical review provided in the previous sections together with key assumptions. The economic analysis is provided to support Ore Reserve estimations as required by JORC Code.

The financial evaluation model was prepared internally by MGR and subsequently subjected to an independent review by Mining One. This review focused on the reasonableness and completeness of the underlying assumptions. While conducted at a high level, the review is considered sufficient to support the findings and conclusions presented in this technical report.

15.4.2 Principal Assumptions

The key inputs applied in the project economic analysis are outlined below:

- The economic evaluation presented in this report is expressed in real terms.
- All costs, revenues, and key parameter outputs are reported in USD, with an assumed exchange rate of IDR 16,580/USD. The assumed exchange rate is based on the six-month average middle rate published by Bank Indonesia (BI). The 2026 Budget exchange rate reflects the average for the period July 2025 to December 2025, being the applicable cut-off period adopted in preparation of the budget, which then adopted for the Financial Analysis prepared for this Report.
- Revenues are derived from gold and silver sales with the assumed prices are as follows:
 - o 2026: \$4,900/oz for Au and \$83.00/oz for Ag
 - o 2027: \$5,550/oz for Au and \$76.00/oz for Ag
 - o 2028: \$5,830/oz for Au and \$70.00/oz for Ag
 - o 2029: \$5,500/oz for Au and \$74.00/oz for Ag
 - o 2030 until the rest of mine life: \$5,150/oz for Au and \$71.00/oz for Ag

Sensitivity analysis has been performed against both higher and lower price scenarios.

The assumed gold and silver prices used in this analysis are based on the forecast prepared by CRU Consulting (“CRU”) in the report ‘*Gold IPO Industry Consultant, Prepared for PT Merdeka Copper Gold Tbk*’, issued in February 2026. CRU is a leading consultancy with recognized expertise in forecasting commodity prices, including gold and silver, supported by its in-depth analysis of global supply and demand trends. Mining One has relied on CRU’s forecast for the purposes of project financial analysis, acknowledging that CRU possesses greater expertise in commodity price forecasting than Mining One.

- Gold payable price is based on metal payability of 99.5% and gold revenue is net of realisation costs of 2.52 \$/oz.
- Silver payable price is based on metal payability of 98.4% and silver revenue is net of realisation costs of 2.52 \$/oz.
- CAPEX is based on feasibility study estimates and subsequent updates as the project has advanced. Costs include mine development, processing facilities, and supporting infrastructure, as discussed in Section 14.1.
- OPEX, detailed in Section 14.2, is estimated from comprehensive cost modelling covering mining, processing, and general & administrative activities.
- Mining and processing physicals are derived from the life-of-mine schedule, as presented in Section 9.6.
- Royalties and taxes are applied in accordance with prevailing Indonesian regulations, as discussed in Section 15.3.
- After-tax Net Present Value (NPV) has been calculated at discount rates between 5% and 10% in real term basis at 1% increment to reflect varying cost of capital scenarios.

15.4.3 Working Capital

A simplified working capital structure was incorporated into the financial model to capture the movement in accounts payable and its impact on annual cash flows. The working capital was modelled based on the following assumptions:

- The First Initial Fill Items includes reagents and spare parts required for Heap Leach operations in 2026, and for CIL operations in 2027 and 2028.
- VAT at 11%, in line with regulation of PMK 131/2024, is applied when capital expenditures are committed. VAT refunds are scheduled 18 months after the VAT is incurred.
- A 60-day payment term was assumed during the ramp-up phase in 2026 for the account payable terms. From 2027 onwards, under steady-state operations, settlement is assumed at 30 days.
- Consistent with existing contractual arrangements, accounts receivable is assumed to be zero days. Under the contract, payments become due and must be settled in full by the buyer on the first business day following complete receipt of payment documentation.

15.4.4 Summary of the Cash flow Projection

For the economic analysis of the Project, the financial model was developed using discounted cash flow (DCF) techniques to calculate NPV and Internal Rate of Return (IRR). Cash flows were projected over the life of mine, incorporating revenues, operating costs, capital costs, royalties, and taxes.

The results indicate that the economic viability of the project is strong with an NPV ranging from \$6,018 million to \$7,991 million for discount rates between 5% and 10% respectively with a healthy IRR of 287%.

The key financial outcomes is summarised in Table 15-2, accompanied with the year to year details in Table 15-3, Table 15-4, and Table 15-5.

Table 15-2 Key Financial Outcomes

Key Financial Parameters	Unit	Value
Unit AISC (Including Royalties)	US\$/oz	1,632
– over LOM		
Unit AISC (Excluding Royalties)	US\$/oz	794
– over LOM		
NPV @ 5%	\$ million	7,991
NPV @ 6%	\$ million	7,530
NPV @ 7%	\$ million	7,106
NPV @ 8%	\$ million	6,715
NPV @ 9%	\$ million	6,353
NPV @ 10%	\$ million	6,018
Max Negative Cumulative Cash Flow . .	\$ million	-329
Payback from First Production	year	1.3
IRR	%	287%

Note: NPV and IRR are calculated to 1 January 2026. Costs incurred prior to this date are treated as sunk and excluded from the financial analysis for the reporting of Ore Reserve estimate.

Table 15-3 Pani Gold Project Key Economic Outputs — Mining Physicals

Item	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Mining Physicals																	
HL Pit																	
Ore Tonnes	kt	62,053	9,769	9,000	9,988	7,831	12,185	10,008	3,272	-	-	-	-	-	-	-	-
Gold Grade	g/t	0.64	0.59	0.73	0.52	0.56	0.63	0.73	0.79	-	-	-	-	-	-	-	-
Silver Grade	g/t	0.94	2.18	1.68	1.17	0.38	0.27	0.26	0.49	-	-	-	-	-	-	-	-
Contained Gold	koz	1,270	185	212	167	141	245	236	84	-	-	-	-	-	-	-	-
Contained Silver	koz	1,881	684	485	376	96	105	83	52	-	-	-	-	-	-	-	-
Waste Tonnes	kt	48,808	10,523	5,573	11,902	9,567	7,256	2,835	1,152	-	-	-	-	-	-	-	-
Total Material Tonnes	kt	110,861	20,293	14,573	21,889	17,398	19,440	12,843	4,424	-	-	-	-	-	-	-	-
CIL Pit																	
Ore Tonnes	kt	140,131	133	757	9,710	11,814	12,858	12,358	12,454	12,316	12,238	12,001	12,034	12,001	12,001	3,995	3,461
Gold Grade	g/t	0.86	1.44	1.42	0.83	0.85	0.93	0.95	0.87	0.81	0.83	0.84	0.84	0.90	0.87	0.77	0.61
Silver Grade	g/t	0.77	2.71	3.51	1.55	1.37	0.83	0.81	0.72	0.64	0.52	0.60	0.48	0.63	0.53	0.44	0.37
Contained Gold	koz	3,876	6	35	258	325	385	377	347	322	325	324	324	347	335	99	68
Contained Silver	koz	3,472	12	85	485	521	342	321	288	252	203	233	186	244	203	57	41
Waste Tonnes	kt	93,287	-	-	2,995	6,866	4,235	8,748	6,720	16,017	9,616	12,609	9,674	6,300	4,954	2,112	2,440
Total Material Tonnes	kt	233,417	133	757	12,704	18,681	17,093	21,106	19,174	28,333	21,854	24,610	21,708	18,301	16,955	6,107	5,901
Total and Averages																	
Ore Tonnes	kt	202,183	9,903	9,757	19,697	19,646	25,042	22,366	15,726	12,316	12,238	12,001	12,034	12,001	12,001	3,995	3,461
Gold Grade	g/t	0.79	0.60	0.79	0.67	0.74	0.78	0.85	0.85	0.81	0.83	0.84	0.84	0.90	0.87	0.77	0.61
Silver Grade	g/t	0.82	2.18	1.82	1.36	0.98	0.55	0.56	0.67	0.64	0.52	0.60	0.48	0.63	0.53	0.44	0.37
Contained Gold	koz	5,146	192	247	424	465	630	613	431	322	325	324	324	347	335	99	68
Contained Silver	koz	5,353	695	570	861	617	447	404	339	252	203	233	186	244	203	57	41
Waste Tonnes	kt	142,095	10,523	5,573	14,896	16,433	11,491	11,583	7,872	16,017	9,616	12,609	9,674	6,300	4,954	2,112	2,440
Total Material Tonnes	kt	344,278	20,426	15,330	34,594	36,079	36,533	33,949	23,598	28,333	21,854	24,610	21,708	18,301	16,955	6,107	5,901

Table 15-4 Pani Gold Project Key Economic Outputs — Processing Physicals

Processing Physicals	Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
HL Plant																	
Ore Tonnes	kt	62,890	8,001	9,000	9,988	10,008	10,008	10,008	5,877	12,001	12,001	12,001	12,034	12,001	12,001	3,995	3,461
Gold Grade	g/t	0.64	0.64	0.73	0.53	0.51	0.60	0.74	0.75	—	—	—	—	—	—	—	—
Silver Grade	g/t	0.98	2.37	1.61	1.41	0.66	0.28	0.26	0.39	—	—	—	—	—	—	—	—
Contained Gold	koz	1,284	165	212	170	165	194	237	141	—	—	—	—	—	—	—	—
Contained Silver	koz	1,986	610	467	452	213	89	83	73	—	—	—	—	—	—	—	—
Recoverable Gold	koz	1,055	110	160	139	146	166	204	129	—	—	—	—	—	—	—	—
Recoverable Silver	koz	603	147	152	145	68	28	26	38	—	—	—	—	—	—	—	—
CIL Plant																	
Ore Tonnes	kt	137,400	—	—	9,866	12,001	12,001	12,001	12,034	12,001	12,001	12,001	12,034	12,001	12,001	3,995	3,461
Gold Grade	g/t	0.86	—	—	0.89	0.83	0.95	0.96	0.88	0.83	0.84	0.84	0.84	0.90	0.87	0.77	0.61
Silver Grade	g/t	0.77	—	—	1.76	1.32	0.83	0.82	0.72	0.65	0.52	0.60	0.48	0.63	0.53	0.44	0.37
Contained Gold	koz	3,820	—	—	283	322	367	371	340	318	322	324	324	347	335	99	68
Contained Silver	koz	3,397	—	—	559	509	320	315	280	250	201	233	186	244	203	57	41
Recoverable Gold	koz	3,541	—	—	262	298	340	344	315	295	299	301	300	322	311	92	63
Recoverable Silver	koz	2,378	—	—	392	357	224	221	196	175	141	163	130	171	142	40	29
Total and Averages																	
Ore Tonnes	kt	200,290	8,001	9,000	19,854	22,009	22,009	22,009	17,911	12,001	12,001	12,001	12,034	12,001	12,001	3,995	3,461
Gold Grade	g/t	0.79	0.64	0.73	0.71	0.69	0.79	0.86	0.83	0.83	0.84	0.84	0.84	0.90	0.87	0.77	0.61
Silver Grade	g/t	0.84	2.37	1.61	1.58	1.02	0.58	0.56	0.61	0.65	0.52	0.60	0.48	0.63	0.53	0.44	0.37
Contained Gold	koz	5,104	165	212	453	486	561	608	481	318	322	324	324	347	335	99	68
Contained Silver	koz	5,383	610	467	1,011	722	409	398	353	250	201	233	186	244	203	57	41
Recoverable Gold	koz	4,595	110	160	401	444	507	548	444	295	299	301	300	322	311	92	63
Recoverable Silver	koz	2,982	147	152	536	425	252	247	234	175	141	163	130	171	142	40	29
Gold produced	koz	4,585	108	159	400	443	505	545	443	295	299	301	300	322	311	92	63
Silver produced	koz	2,976	145	150	535	424	252	246	234	175	141	163	130	171	142	40	29

Table 15-5 Pani Gold Project Key Economic Outputs — Detailed Cash Flow Projection

Detailed Cash Flow Analysis		Unit	LOM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Metal Price Assumptions																		
Gold Price	US\$/oz	5,251	4,900	5,550	5,830	5,500	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150
Gold Payable Price	US\$/oz	5,222	4,876	5,522	5,801	5,473	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124	5,124
Silver Price	US\$/oz	72	83	76	70	74	71	71	71	71	71	71	71	71	71	71	71	71
Silver Payable Price	US\$/oz	68	82	75	69	73	70	70	70	70	70	70	70	70	70	70	70	70
Revenue																		
Gold Revenue	US\$M	23,943.1	528.6	877.0	2,319.5	2,421.4	2,585.9	2,793.9	2,793.9	2,268.3	1,511.6	1,531.0	1,540.0	1,536.8	1,647.6	1,590.9	469.6	321.0
Silver Revenue	US\$M	203.6	11.5	10.9	35.5	29.8	16.9	16.6	16.6	15.7	11.8	9.5	11.0	8.8	11.5	9.6	2.7	1.9
Total Revenue	US\$M	24,146.7	540.1	887.9	2,355.0	2,451.2	2,602.8	2,810.5	2,810.5	2,284.1	1,523.4	1,540.5	1,551.0	1,545.5	1,659.1	1,600.5	472.2	322.9
Royalties																		
Gold royalty	US\$M	3,830.9	84.57	140.33	371.12	387.43	413.74	447.02	447.02	362.93	241.85	244.97	246.41	245.88	263.61	254.55	75.13	51.36
Silver royalty	US\$M	10.2	0.58	0.54	1.77	1.49	0.85	0.83	0.83	0.79	0.59	0.47	0.55	0.44	0.57	0.48	0.13	0.10
Total royalty	US\$M	3,841.1	85.15	140.87	372.89	388.92	414.58	447.85	447.85	363.72	242.44	245.44	246.95	246.32	264.19	255.03	75.27	51.46
Operating Costs (Opex)																		
Opex for Mining	US\$M	1,027.8	74.6	53.8	108.6	105.3	103.3	103.3	98.0	73.9	78.1	65.2	65.3	57.8	52.0	47.3	22.3	22.2
Opex for Processing HL	US\$M	380.8	47.8	53.4	58.4	58.4	58.4	58.4	58.4	45.9	—	—	—	—	—	—	—	—
Opex for Processing CIL	US\$M	1,278.6	—	—	92.7	108.9	108.9	108.9	108.9	109.3	109.4	109.4	109.4	109.6	109.4	109.4	48.8	44.8
Opex for Tailings	US\$M	183.8	—	—	—	8.3	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	13.4	11.6
Opex for G&A	US\$M	637.9	26.0	32.0	55.4	56.7	59.2	62.7	62.7	54.6	39.8	40.3	40.5	40.5	42.4	41.5	24.3	22.0
Total Operating Costs	US\$M	3,508.9	148.5	139.2	323.4	344.3	344.8	343.0	343.0	298.7	242.4	229.9	230.2	223.0	218.9	213.3	108.8	100.6
Earnings before Depreciation/Amortisation	US\$M	16,796.7	306.5	607.8	1,658.7	1,718.0	1,843.4	2,019.6	2,019.6	1,621.7	1,038.5	1,065.2	1,073.8	1,076.2	1,176.0	1,132.2	288.1	170.9
Depreciation and Amortization (D/A)	US\$M	1,948.3	53.8	106.2	169.2	162.9	159.3	160.9	160.9	146.3	103.8	93.3	84.1	78.6	71.2	64.8	59.2	434.8
Taxable Income	US\$M	14,848.4	252.7	501.7	1,489.5	1,555.1	1,684.1	1,858.7	1,858.7	1,475.4	934.8	972.0	989.8	997.7	1,104.8	1,067.3	228.9	263.8
Income tax rate	%	22%	22%	22%	25%	26%	26%	26%	26%	30%	27%	29%	28%	28%	26%	28%	29%	25%
Income tax payable	US\$M	4,061.0	55.6	111.2	369.2	410.6	442.0	480.9	480.9	446.1	253.4	283.8	277.3	276.6	290.1	298.3	66.0	—
Net Operating Profit after Tax ("NOPAT")	US\$M	10,787.4	197.1	390.4	1,120.3	1,144.5	1,242.1	1,377.8	1,377.8	1,029.3	681.4	688.1	712.4	721.1	814.7	769.0	162.9	263.8
NOPAT after adding back D/A	US\$M	12,735.7	250.9	496.6	1,289.4	1,307.4	1,401.4	1,538.8	1,538.8	1,175.6	785.2	781.4	796.5	799.6	886.0	833.9	222.1	170.9
Working Capital	US\$M	9.1	24.3	85.8	17.1	22.5	3.9	0.6	0.6	0.1	6.1	8.5	0.7	0.4	0.1	1.5	3.1	23.0
Residual Value	US\$M	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital Expenditure	US\$M	1,738.2	299.2	725.2	164.0	76.3	67.0	64.8	64.8	112.6	19.6	19.6	19.6	40.1	20.0	20.0	53.0	37.0
(a) Sunk Capital	US\$M	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Expansion Capital	US\$M	1,414.6	296.0	721.7	144.0	55.5	45.5	42.6	42.6	89.4	—	—	—	20.1	—	—	—	—
(c) Sustaining Capital	US\$M	273.6	3.2	3.5	20.0	20.8	21.5	22.2	22.2	23.2	19.6	19.6	19.6	20.0	20.0	20.0	20.0	20.0
(d) Mine Closure	US\$M	50.0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash flow	US\$M	10,997.4	-25.1	-304.2	1,108.3	1,253.6	1,338.3	1,474.6	1,474.6	1,063.2	771.6	770.3	777.5	759.2	865.8	815.3	172.1	156.9
Accumulated cash flow	US\$M	10,997.4	-25.1	-329.4	779.0	2,032.6	3,370.8	4,845.5	4,845.5	5,908.6	6,680.3	7,450.5	8,228.1	8,987.2	9,853.0	10,668.3	10,840.5	10,997.4
Unit AISC (including Royalties)	US\$/oz	1,632	2,080	1,719	1,704	1,639	1,516	1,463	1,463	1,515	1,672	1,627	1,618	1,604	1,531	1,544	2,560	2,988
Unit AISC (Excluding Royalties)	US\$/oz	794	1,295	832	772	760	695	642	642	694	850	805	797	783	710	723	1,739	2,167

15.4.5 Sensitivity Analysis

A sensitivity analysis was conducted to evaluate the impact of key technical and economic parameters on the financial performance of the Pani Project. The objective of this analysis is to assess the robustness of project economics under varying assumptions and to identify the parameters that exert the greatest influence on NPV and IRR. The parameters tested include gold price, CAPEX, OPEX, head grade, plant throughput, and metallurgical recovery.

Each parameter was varied within a reasonable range, at + 30%, relative to the base case assumptions used in the Financial Assessment:

- Gold price scenarios were selected to reflect both conservative long-term planning assumptions and current market conditions.
- CAPEX and OPEX were adjusted to account for potential cost escalation or efficiency gains.
- Grade, throughput, and recovery were varied to reflect operational uncertainties and potential improvements in mine and plant performance.

The resulting changes in NPV were calculated to quantify the sensitivity of project economics to each parameter, as presented in Figure 15-2.

Sensitivity of NPV @ 8%; Real Terms

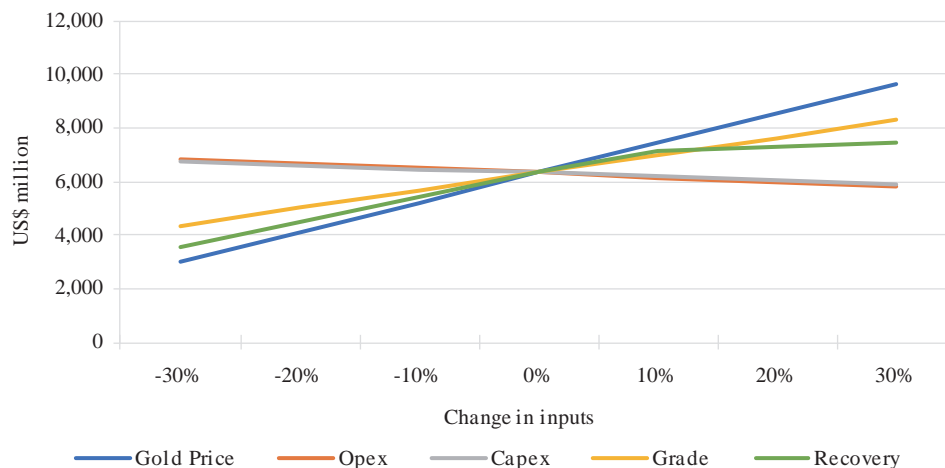


Figure 15-2 NPV Sensitivity

The sensitivity analysis demonstrates that gold price, grade, and recovery are the most influential parameters affecting project economics. OPEX also has a material impact, while CAPEX and throughput exert relatively lower influence. These findings emphasize the importance of conservative gold price assumptions, rigorous grade control, and continuous improvement in metallurgical performance.

Overall, the Pani Project exhibits robust economics across a range of scenarios. While short-term volatility in gold price and operating costs may affect returns, the project remains resilient under conservative assumptions. The sensitivity analysis confirms that the adopted base case assumptions provide a prudent foundation for financial modelling, while also highlighting the potential upside under favourable market and operational conditions.

16 RISK ASSESSMENT

16.1 Overview

As with many new mining projects the development of the Pani Gold Project involves a range of technical, operational, environmental, social and commercial risks that have the potential to impact the project. The risks are varied and can range from simple production impacts, cost impacts or technical impacts to the project. Throughout the duration of the project studies a risk assessment was maintained and continually updated to reflect the risks associated with the commencement of operations these risks identify potential road bumps for the project lifecycle, from construction and commissioning through to steady-state operations.

A risk assessment was conducted during the 2024 Feasibility Study. This risk assessment has been reviewed and updated for inclusion in this competent persons' report using qualitative and semi-qualitative methodology, consistent with industry-standard risk management frameworks. Risks are ranked based on their assessed likelihood and consequence.

The Risk Assessment has been done in accordance with Guidance Note 7 from the Hong Kong Stock exchange which has been summarised and provided diagrammatically below. The adopted risk ranking matrix specific to investment is provided in Table 16-2.

Table 16-1 CPR Risk Matrix

		Likelihood of Risk (within 7 years)		
		UNLIKELY	POSSIBLE	LIKELY
Consequence of Risk . . .	MINOR	LOW	LOW	MEDIUM
	MODERATE	LOW	MEDIUM	HIGH
	MAJOR	MEDIUM	HIGH	HIGH

MINOR RISK — the factor, if uncorrected, will have little or no effect (<10%) on project cash flow performance.

MODERATE RISK — the factor, if uncorrected, could have a significant effect (10% to 20%) on the project cash flow and performance unless mitigated by some corrective action.

MAJOR RISK — the factor poses and immediate danger of a failure, which if uncorrected, will have a material effect (>20%) on the project cash flow and performance and could potentially lead to project failure.

16.2 Risk Assessment Results

An overview of the risks is outlined in Table 16-2.

Table 16-2 Project Risk Assessment Overview

HAZARD/ISSUE	CONSEQUENCE	LIKELIHOOD	RISK RATING
Geology and Resource Estimation			
Underestimation of deleterious materials . .	MODERATE	UNLIKELY	LOW
Historical drill holes misinform interpretation	MINOR	POSSIBLE	LOW
Mining and Ore Reserves			
Poor production against plan	MINOR	POSSIBLE	LOW
Lack of rock material to build TSF	MODERATE	UNLIKELY	LOW
Insufficient area for waste dump	MODERATE	UNLIKELY	LOW
Supply Disruption or unavailability of Mining Equipment	MINOR	UNLIKELY	LOW

HAZARD/ISSUE	CONSEQUENCE	LIKELIHOOD	RISK RATING
Geotechnical and Hydrogeology			
Failure of the heap leach stack	MODERATE	POSSIBLE	MEDIUM
Multi-bench wall failure of pit wall	MODERATE	UNLIKELY	LOW
Land slide due to seismic/hydro factors close site access	MINOR	POSSIBLE	LOW
Stability of Exploration sites	MINOR	POSSIBLE	LOW
Water for Mining and Mineral Processing Plant	MODERATE	UNLIKELY	LOW
Sedimentation runoff	MINOR	POSSIBLE	LOW
Processing and Metallurgy			
Tailings Filtration and Filtered Tailings Facility underperform	MODERATE	POSSIBLE	MEDIUM
Actual tailings dry density realised below target	MODERATE	POSSIBLE	MEDIUM
Availability of Construction Clay for TSF	MINOR	UNLIKELY	LOW
Crushing and Comminution production impacts	MINOR	POSSIBLE	LOW
Lack of ore feed	MINOR	UNLIKELY	LOW
Tailing management cost and budget	MINOR	POSSIBLE	LOW
Delays in AMDAL approval for TSF	MODERATE	UNLIKELY	LOW
Insufficient Tailing Storage for LOM	MODERATE	UNLIKELY	LOW
Heap Leach Gold recovery underperform	MINOR	POSSIBLE	LOW
Surface and Groundwater Contamination	MINOR	POSSIBLE	LOW
Environmental and Social Risks			
Hazard material handling	MINOR	POSSIBLE	LOW
Disruptions with Pani village resettlement	MINOR	POSSIBLE	LOW
Impact on Biodiversity	MINOR	POSSIBLE	LOW
Climate Change	MINOR	POSSIBLE	LOW
Closure Costs exceeds estimate	MINOR	POSSIBLE	LOW
Scope of Closure increases	MINOR	POSSIBLE	LOW
Negative community perception impacts business	MINOR	POSSIBLE	LOW
Disruptions to power supply	MINOR	POSSIBLE	LOW
Road incidents due to increase traffic	MINOR	POSSIBLE	LOW
Health impacts on community	MINOR	POSSIBLE	LOW
Financial			
Underestimation of costs or cost inflation	MINOR	LIKELY	MEDIUM
Securing of CAPEX	MODERATE	UNLIKELY	LOW
Legal			
Licensing dispute	MODERATE	UNLIKELY	LOW
Land acquisition is disrupted due to external factors	MODERATE	UNLIKELY	LOW
Future permitting for construction and mining is not granted due to external factors	MODERATE	UNLIKELY	LOW
Fail to meet regulatory consent conditions.	MODERATE	UNLIKELY	LOW
Gold theft – illegal mining	MINOR	POSSIBLE	LOW
Anti mining protests by NGO	MINOR	POSSIBLE	LOW
Relocation of artisanal miners creates conflict	MINOR	POSSIBLE	LOW
Impact of mercury in ecosystem from illegal mining.	MINOR	POSSIBLE	LOW
Cyanide contamination from site operations	MINOR	UNLIKELY	LOW
Management			
Seismic/Earthquake activity	MODERATE	POSSIBLE	MEDIUM
Fire damage	MODERATE	UNLIKELY	LOW
Disputes over profit sharing	MINOR	UNLIKELY	LOW
Uncontrolled access to mining lease by third parties	MINOR	POSSIBLE	LOW
Shortfall in Emergency Response Team capabilities	MINOR	UNLIKELY	LOW
Fit for Work (Fatigue)	MINOR	POSSIBLE	LOW
Conflict between workers	MINOR	POSSIBLE	LOW
Harm to people during construction	MINOR	POSSIBLE	LOW
Illegal miners intrude the active Pit	MINOR	POSSIBLE	LOW

17 CONCLUSIONS AND RECOMMENDATIONS

The following conclusions and recommendations have been made based on the observations made by the respective subject matter experts who provide this information to support the already comprehensive study and execution program that has been undertaken at the Pani Project. Overall, the project is considered robust.

17.1 Resource Estimation

The Competent Person for Mineral Resources Estimate completed a due diligence review of the August 2024 MRE during mid-2025, with several recommendations put forward including the addition of Measured material where the estimate performance was particularly robust and drilling density was high. This was the key change between the original Q2 2024 MRE released in August 2024 and the September 2025 MRE (refer to Table 7-1). A further revision was made to the September 25 MRE in terms of depletion as of 31 December 2025, resulting in the Dec-25 MRE which this report is based on.

A review was carried out to validate that the classification of materials was supported by model performance and data density.

The latest topography file used to deplete the MRE as of 31 December 2025 was independently applied to the resource model to verify depletion quantities. The topography surface yielded consistent depleted tonnage and grade quantities as reported by MGR and noted in this report.

The Mineral Resource Statement presented in this report represents the Mineral Resource prepared for Pani in accordance with the JORC Code 2012. In the opinion of Mining One, the Mineral Resource reported herein is a reasonable representation of the global gold and silver Mineral Resource at Pani Gold Project given the current level of sampling and geological understanding.

Given the high density of data at Pani, the Competent Person suggests comparing an ordinary kriged estimate into parent cells at the SMU scale rather than using localised uniform conditioning. This may yield similarly robust results, while significantly simplify the estimation process and decreasing processing time. Mining One have been informed that the MGR geology team are in agreement and are actively investigating these proposed adjustments for future resource updates.

17.2 Mining and Ore Reserves

Open pit mining activities commenced at Pani Gold mine in the last quarter of 2025. During this period, the operation has demonstrated capacity to operate more efficiently than predicted in the Feasibility Study. The mine has reviewed its strategy to deploy larger fleet for HL mining which is an improvement to considerations in the Feasibility Study.

The competent person has reviewed the methodology adopted in obtaining optimal open pit to guide mine design, the Modifying Factors applicable to the Mineral Resources, the input assumptions for developing and the practicality of mining to mine designs and has assessed these to be suitable for the purposes of estimating Ore Reserves. Additionally, the competent person has generated its own independent LoM plan schedule based on Measured and Indicated Mineral Resources to estimate Ore Reserves.

As of the effective date of 31 December 2025, the Ore Reserves for Pani Gold Mine open pit consists of 203.1 Mt of ore at an average gold grade of 0.79 g/t for 5.2 Moz of contained gold and an average silver grade of 0.84 g/t for 5.5 Moz of contained silver. The Ore Reserve can support a mine life of approximately 15 years.

The competent person notes that the Ore Reserve estimate is constrained or limited by total available capacity for storing tailings for which Technical Studies have been completed to at least a PFS level. There is opportunity to increase the Ore Reserve estimate when additional studies for storing tailings are completed to at least, a PFS level.

17.3 Processing and Metallurgy

The Pani Gold Project will be developed in two stages, an initial Heap Leach operation followed by a Carbon-in-Leach operation in 2028. The Heap Leach facility has been constructed and irrigation commenced on 27 January 2026, with first gold production planned for Q1 2026. The Heap Leach facility will ramp up from 8 to 10 Mtpa by 2028. A total of 62.9 Mt is planned to be stacked until mid-2032. The CIL Plant is planned to be constructed in 2026-2027 with first gold planned for 2028. The CIL Plant is designed to treat up to 12 Mtpa and a total of 140 Mt is planned to be processed until 2040.

The Heap Leach and CIL process flowsheets are conventional processes that are widely used in the industry. Testwork to support the process plant engineering and designs have been conducted to a good standard by reputed engineering companies. Further testwork including variability testing is recommended in the future to check geometallurgical variability and confirm comminution and recovery performance.

To achieve and maximise the tailings stored in TSF Hulawa, it is recommended to implement supernatant pond water management and tailings deposition strategies during operation to maximise tailings consolidation so that the target dry density is achieved. At an assumed dry density of 1.5 t/m³, the TSF can store 88.1 Mt of tailings.

17.4 Environmental and Social

The Environmental and Social Impact Assessment (ESIA) (Section 13.5) identifies and characterises the environmental and social impacts likely to arise from the development and operation of the Project and rates the significance of each impact. Mitigation measures are identified to reduce the significance of the impacts which in most cases reduces those identified as moderate to low, and those identified as major to moderate. It is recommended that the studies, strategies and management plans identified to mitigate the significance of impacts are completed in advance of mine construction and operations. These include:

- Infrastructure Development Management Plan.
- Traffic Management Plan.
- CSR program.
- Community Health Management Plan.
- Land acquisition and economic displacement strategies.
- Dust and emissions control planning.
- Noise Management Plan.
- Education Scholarship and Vocational Education and Training Programs.

17.5 Mine Economy

Pani Gold mine is entering the early production phases, with the CIL project under development. Development of the project will require significant capital investment to unlock its potential. Ignoring sunk capital investments to date, discounted cash flow (DCF) analysis suggests strongly positive IRR and NPV at discount rate of 8-10% with payback period of less than 2 years.

17.6 Risk

A previous high-level risk assessment was prepared during the FS 2024 and was considered to have been completed to a high standard, during the CPR review in early 2026 it was noted that the original risk assessment had not been updated since the FS 2024. The risks were subsequently updated by the Subject Matter Experts to inform the CPR report.

It is recommended that the Pani project revisit the FS 2024 and CPR risk assessments and update the project risk assessment and undertake, as a minimum, annual reviews of this risk assessment.

18 CLOSURE

This report, Competent Person's Report of the Pani Gold Project in Sulawesi Island, Indonesia, was prepared by:

Alex Lukomskyj, B.Sc. (Hons.) Geology, MAusIMM
Principal Resource Geologist of PT Mining One Indonesia

Ievan Ludjio, B.Eng Mining, FAusIMM CP (Mining), RPEQ
Director/Principal Mining Engineer of PT Mining One Indonesia

and reviewed by

Joseph Tachie-Menson, B.Sc Mining Engineering, MAusIMM CP (Mining)
Principal Mining Engineer of PT Mining One Indonesia

Cameron Farrington, MBA (Finance), B.Eng Mining, MAusIMM CP (Mining)
Principal Mining Engineer of PT Mining One Indonesia

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4	I. Ludjio	Director	20-Mar

APPENDIX 2A
Compliance with HKEX
Chapter 18 Mapping

HKEX Chapter 18 Elements		Report Section Reference
18.01	DEFINITIONS AND INTERPRETATIONS	
	CONDITIONS FOR LISTING OF NEW APPLICANT MINERAL COMPANIES	
18.02	In addition to satisfying the requirements of Chapter 8, a Mineral Company which has applied for listing must also satisfy the requirements of this Chapter	
18.03	A Mineral Company must:—	
	1) establish that it has the right to participate actively in the exploration for and/or extraction of Natural Resources, either:—	3.1
	a) through control over a majority (by value) of the assets in which it has invested together with adequate rights over the exploration for and/or extraction of Natural Resources; or	
	<i>Note: 'control over a majority' means an interest greater than 50%</i>	
	b) through adequate rights (arising under arrangements acceptable to the Exchange), which give it sufficient influence in decisions over the exploration for and/or extraction of the Natural Resources;	
	2) establish that it has at least a portfolio of:—	7.11
	a) Indicated Resources; or	
	b) Contingent Resources, identifiable under a Reporting Standard and substantiated in a Competent Person's Report. This portfolio must be meaningful and of sufficient substance to justify a listing;	
	3) if it has commenced production, provide an estimate of cash operating costs including the costs associated with:—	14.2
	a) workforce employment;	
	b) consumables;	
	c) fuel, electricity, water and other services;	
	d) on and off-site administration;	
	e) environmental protection and monitoring;	
	f) transportation of workforce;	
	g) product marketing and transport;	
	h) non-income taxes, royalties and other governmental charges; and	
	i) contingency allowances;	
	<i>Note: A Mineral Company must:</i>	
	• set out the components of cash operating costs separately by category;	
	• explain the reason for any departure from the list of items to be included under cash operating costs; and	
	• discuss any material cost items that should be highlighted to investors.	
	4) demonstrate to the Exchange's satisfaction that it has available working capital for 125% of the group's present requirements, that is for at least the next 12 months, which must include: —	15.4
	a) general, administrative and operating costs;	
	b) property holding costs; and	
	c) the cost of any proposed exploration and/or development; and	
	<i>Note: Capital expenditures do not need to be included in working capital requirements. Where they are financed out of borrowings, relevant interest and loan repayments must be included.</i>	
	5) ensure that its working capital statement in the listing document under Listing Rule 8.21A states it has sufficient available working capital for 125% of the group's present requirements, that is for at least 12 months from the date of its listing document.	
18.04	If a Mineral Company is unable to satisfy either the profit test in rule 8.05(1), the market capitalisation/revenue/cash flow test in rule 8.05(2), or the market capitalisation/revenue test in rule 8.05(3), it may still apply to be listed if it can establish to the Exchange's satisfaction that its directors and senior managers, taken together, have sufficient experience relevant to the exploration and/or extraction activity that the Mineral Company is pursuing. Individuals relied on must have a minimum of five years relevant industry experience. Details of the relevant experience must be disclosed in the listing document of the new applicant.	Not Applicable
	<i>Note: A Mineral Company relying on this rule must demonstrate that its primary activity is the exploration for and/or extraction of Natural Resources.</i>	
	CONTENTS OF LISTING DOCUMENTS FOR NEW APPLICANTS	
18.05	In addition to the information set out in Appendix D1A, a Mineral Company must include in its listing document:—	
	1) a Competent Person's Report;	Whole Report 2.4
	2) a statement that no material changes have occurred since the effective date of the Competent Person's Report. Where there are material changes, these must be prominently disclosed;	

HKEX Chapter 18 Elements	Report Section Reference	
3) the nature and extent of its prospecting, exploration, exploitation, land use and mining rights and a description of the properties to which those rights attach, including the duration and other principal terms and conditions of the concessions and any necessary licences and consents. Details of material rights to be obtained must also be disclosed;	3	
1) a statement of any legal claims or proceedings that may have an influence on its rights to explore or mine;	Not Applicable	
2) disclosure of specific risks and general risks. Companies should have regard to Guidance Note 7 on suggested risk analysis; and	16	
3) if relevant and material to the Mineral Company's business operations, information on the following:—	16	
a) project risks arising from environmental, social, and health and safety issues;	13.4	
b) any non-governmental organisation impact on sustainability of mineral and/or exploration projects;		
c) compliance with host country laws, regulations and permits, and payments made to host country governments in respect of tax, royalties and other significant payments on a country by country basis;		
d) sufficient funding plans for remediation, rehabilitation and, closure and removal of facilities in a sustainable manner;		
e) environmental liabilities of its projects or properties;		
f) its historical experience of dealing with host country laws and practices, including management of differences between national and local practice;		
g) its historical experience of dealing with concerns of local governments and communities on the sites of its mines, exploration properties, and relevant management arrangements; and		
h) any claims that may exist over the land on which exploration or mining activity is being carried out, including any ancestral or native claims.		
Additional disclosure requirements that apply to certain new applicant Mineral Companies		
18.06 If a Mineral Company has begun production, it must disclose an estimate of the operating cash cost per appropriate unit for the minerals and/or Petroleum produced.	Not Applicable	
18.07 If a Mineral Company has not yet begun production, it must disclose its plans to proceed to production with indicative dates and costs. These plans must be supported by at least a Scoping Study, substantiated by the opinion of a Competent Person. If exploration rights or rights to extract Resources and/or Reserves have not yet been obtained, relevant risks to obtaining these rights must be prominently disclosed.	8 & 9.6	
18.08 If a Mineral Company is involved in the exploration for or extraction of Resources, it must prominently disclose to investors that its Resources may not ultimately be extracted at a profit.	Not Applicable	
RELEVANT NOTIFIABLE TRANSACTIONS INVOLVING THE ACQUISITION OR DISPOSAL OF MINERAL OR PETROLEUM ASSETS		
18.09 A Mineral Company proposing to acquire or dispose of assets which are solely or mainly Mineral or Petroleum Assets as part of a Relevant Notifiable Transaction must:—	Not Applicable	
1) comply with Chapter 14 and Chapter 14A, if relevant;	Not Applicable	
2) produce a Competent Person's Report, which must form part of the relevant circular, on the Resources and/or Reserves being acquired or disposed of as part of the Relevant Notifiable Transaction;		
<i>Note: The Exchange may dispense with the requirement for a Competent Person's Report on disposals where shareholders have sufficient information on the assets being disposed of.</i>		
3) in the case of a major (or above) acquisition, produce a Valuation Report, which must form part of the relevant circular, on the Mineral or Petroleum Assets being acquired as part of the Relevant Notifiable Transaction; and		
4) comply with the requirements of rules 18.05(2) to 18.05(6) in respect of the assets being acquired.		
<i>Note: Material liabilities that remain with the issuer on a disposal must also be discussed.</i>		
Requirements that apply to listed issuers		
18.10 A listed issuer proposing to acquire assets which are solely or mainly Mineral or Petroleum Assets as part of a Relevant Notifiable Transaction must comply with rule 18.09.	Not Applicable	
18.11 On completion of a Relevant Notifiable Transaction involving the acquisition of Mineral or Petroleum Assets, unless the Exchange decides otherwise, a listed issuer will be treated as a Mineral Company	Not Applicable	
Requirements that apply to Mineral Companies and listed issuers		
18.12 The Exchange may dispense with the requirement to produce a new Competent Person's Report or a Valuation Report under rules 18.05(1), 18.09(2) or 18.09(3), if the issuer has available a previously published Competent Person's Report or Valuation Report (or equivalent) which complies with rules 18.18 to 18.34 (where applicable), provided the report is no more than six months old. The issuer must provide this document and a no material change statement in the listing document or circular for the Relevant Notifiable Transaction.	Not Applicable	

HKEX Chapter 18 Elements	Report Section Reference
18.13 An issuer must obtain the prior written consent of a Competent Person(s) or Competent Evaluator for their material to be included in the form and context in which it appears in a listing document or circular for the Relevant Notifiable Transaction, whether or not such person or firm is retained by the listing applicant or the issuer.	Not Applicable
CONTINUING OBLIGATIONS	
Disclosure in reports	
18.14 A Mineral Company must include in its interim (half-yearly) and annual reports details of its exploration, development and mining production activities and a summary of expenditure incurred on these activities during the period under review. If there has been no exploration, development or production activity, that fact must be stated.	Not Applicable
Publication of Resources and Reserves	
18.15 A listed issuer that publicly discloses details of Resources and/or Reserves must give an update of those Resources and/or Reserves once a year in its annual report, in accordance with the reporting standard under which they were previously disclosed or a Reporting Standard.	Not Applicable
18.16 A Mineral Company must include an update of its Resources and/or Reserves in its annual report in accordance with the Reporting Standard under which they were previously disclosed.	Not Applicable
18.17 Annual updates of Resources and/or Reserves must comply with rule 18.18.	Not Applicable
<i>Note: Annual updates are not required to be supported by a Competent Person's Report and may take the form of a no material change statement.</i>	
STATEMENTS ON RESOURCES AND/OR RESERVES	
Presentation of data	
18.18 Any data presented on Resources and/or Reserves by a Mineral Company in a listing document, Competent Person's Report, Valuation Report or annual report, must be presented in tables in a manner readily understandable to a non-technical person. All assumptions must be clearly disclosed and statements should include an estimate of volume, tonnage and grades.	7 & 8
Basis of evidence	
18.19 All statements referring to Resources and/or Reserves:— 1) in any new applicant listing document or circular relating to a Relevant Notifiable Transaction, must be substantiated in a Competent Person's Report which must form part of the document; and 2) in all other cases, must at least be substantiated by the issuer's internal experts.	Whole Report Not Applicable
Petroleum Competent Persons' Reports	
18.20 A Competent Person's Report for Mineral Companies involved in the exploration for and/or extraction of Petroleum Resources and Reserves must include the information set out in Appendix D3.	Not Applicable
Competent Person	
18.21 A Competent Person must:— 1) have a minimum of five years experience relevant to the style of mineralization and type of deposit under consideration or to the type of Petroleum exploration, reserve estimate (as appropriate), and to the activity which the Mineral Company is undertaking; 2) be professionally qualified, and be a member in good standing of a relevant Recognised Professional Organisation, in a jurisdiction where, in the Exchange's opinion, the statutory securities regulator has satisfactory arrangements (either by way of the IOSCO Multilateral MOU or other bi-lateral agreement acceptable to the Exchange) with the Commission for mutual assistance and exchange of information for enforcing and securing compliance with the laws and regulations of that jurisdiction and Hong Kong; and 3) take overall responsibility for the Competent Person's Report.	2.7 2.7 18
18.22 A Competent Person must be independent of the issuer, its directors, senior management and advisers. Specifically the Competent Person retained must:— 1) have no economic or beneficial interest (present or contingent) in any of the assets being reported on; 2) not be remunerated with a fee dependent on the findings of the Competent Person's Report; 3) in the case of an individual, not be an officer, employee or proposed officer of the issuer or any group, holding or associated company of the issuer; and 4) in the case of a firm, not be a group, holding or associated company of the issuer. Any of the firm's partners or officers must not be officers or proposed officers of any group, holding or associated company of the issuer.	2.11
Additional requirements of Competent Evaluators	
18.23 In addition to the requirements set out in rules 18.21(2) and 18.22, a Competent Evaluator must: 1) have at least ten years relevant and recent general mining or Petroleum experience (as appropriate); 2) have at least five years relevant and recent experience in the assessment and/or valuation of Mineral or Petroleum Assets or securities (as appropriate); and 3) hold all necessary licences.	Not Applicable

HKEX Chapter 18 Elements	Report Section Reference
<p><i>Note: A Competent Person's Report or Valuation Report may be performed by the same Competent Person provided he or she is also a Competent Evaluator.</i></p>	
<p>Scope of Competent Persons' Reports and Valuation Reports</p> <p>18.24 A Competent Person's Report or Valuation Report must comply with a Reporting Standard as modified by this Chapter, and must: —</p> <ol style="list-style-type: none"> 1) be addressed to the Mineral Company or listed issuer; 2) have an effective date (being the date when the contents of the Competent Person's Report or Valuation Report are valid) less than six months before the date of publishing the listing document or circular relating to a Relevant Notifiable Transaction required under the Listing Rules; and 3) set out what Reporting Standard has been used in preparing the Competent Person's Report or Valuation Report, and explain any departure from the relevant Reporting Standard. 	<p>2.2</p> <p>2.1</p> <p>2.4</p> <p>2.2</p>
<p>Disclaimers and Indemnities</p> <p>18.25 A Competent Person's Report or Valuation Report may contain disclaimers of sections or topics outside their scope of expertise in which the Competent Person or Competent Evaluator relied upon other experts' opinions, but must not contain any disclaimers of the report in its entirety.</p>	2.3
<p>18.26 The Competent Person or Competent Evaluator must prominently disclose in the Competent Person's Report or Valuation Report the nature and details of all indemnities provided by the issuer. Indemnities for reliance placed on information provided by issuers and third party experts (for information outside the Competent Person's or Competent Evaluator's expertise) are generally acceptable. Indemnities for fraud and gross negligence are generally unacceptable.</p>	2.9
<p>Obligations of sponsor</p> <p>18.27 Any sponsor appointed to or by a new applicant Mineral Company under Chapter 3A must ensure that any Competent Person or Competent Evaluator meets the requirements of this Chapter.</p>	Not Applicable
REPORTING STANDARD	
<p>Mineral reporting standard</p> <p>18.28 In addition to satisfying the requirements of Chapter 13 (as modified by this Chapter), a Mineral Company exploring for and/or extracting mineral Resources and Reserves must also satisfy rules 18.29 and 18.30.</p>	Noted
<p>18.29 A Mineral Company must disclose information on mineral Resources, Reserves and/or exploration results either:—</p> <ol style="list-style-type: none"> 1) under: <ol style="list-style-type: none"> a) the JORC Code; b) NI 43-101; or c) the SAMREC Code, as modified by this Chapter; or 2) under other codes acceptable to the Exchange as communicated to the market from time to time, provided the Exchange is satisfied that they give a comparable standard of disclosure and sufficient assessment of the underlying assets. 	<p>2.2</p> <p>Not Applicable</p>
<p><i>Note: The Exchange may allow presentation of Reserves under other reporting standards provided reconciliation to a Reporting Standard is provided. A Reporting Standard applied to specific assets must be used consistently.</i></p>	
<p>18.30 A Mineral Company must ensure that:—</p> <ol style="list-style-type: none"> 1) any estimates of mineral Reserves disclosed are supported, at a minimum, by a Pre-feasibility Study; 2) estimates of mineral Reserves and mineral Resources are disclosed separately; 3) Indicated Resources and Measured Resources are only included in economic analyses if the basis on which they are considered to be economically extractable is explained and they are appropriately discounted for the probabilities of their conversion to mineral Reserves. All assumptions must be clearly disclosed. Valuations for Inferred Resources are not permitted; 4) for commodity prices used in Pre-feasibility Studies, Feasibility Studies and valuations of Indicated Resources, Measured Resources and Reserves:— <ol style="list-style-type: none"> a) the methods to determine those commodity prices, all material assumptions and the basis on which those prices represent reasonable views of future prices are explained clearly; and b) if a contract for future prices of mineral Reserves exists, the contract price is used; and 5) for forecast valuations of Reserves and profit forecasts, sensitivity analyses to higher and lower prices are supplied. All assumptions must be clearly disclosed. 	<p>9 - 16</p> <p>7.11; 8.5 8</p> <p>15.4.2</p> <p>15.4.5</p>
<p>Petroleum reporting standard</p> <p>18.31 In addition to satisfying the requirements of Chapter 13 (as modified by this Chapter), a Mineral Company exploring for and/or extracting Petroleum Resources and Reserves must also satisfy rules 18.32 and 18.33.</p>	Not Applicable Not Applicable
<p>18.32 A Mineral Company must disclose information on Petroleum Resources and Reserves either:—</p> <ol style="list-style-type: none"> 1) under PRMS as modified by this Chapter; or 	Not Applicable

HKEX Chapter 18 Elements	Report Section Reference
<p>2) under other codes acceptable to the Exchange if it is satisfied that they give a comparable standard of disclosure and sufficient assessment of the underlying assets. <i>Note: A Reporting Standard applied to specific assets must be used consistently.</i></p> <p>18.33 A Mineral Company must ensure that:—</p> <p>1) where estimates of Reserves are disclosed, the method and reason for choice of estimation are disclosed (i.e. deterministic or probabilistic methods, as defined in PRMS). Where the probabilistic method is used, the underlying confidence levels applied must be stated;</p> <p>2) if the NPVs attributable to Proved Reserves and Proved plus Probable Reserves are disclosed, they are presented on a post-tax basis at varying discount rates (including a reflection of the weighted average cost of capital or minimum acceptable rate of return that applies to the entity at the time of evaluation) or a fixed discount rate of 10%;</p> <p>3) Proved Reserves and Proved plus Probable Reserves are analysed separately and principal assumptions (including prices, costs, exchange rates and effective date) and the basis of the methodology are clearly stated;</p> <p>4) if the NPVs attributable to Reserves are disclosed, they are presented using a forecast price as a base case or using a constant price as a base case. The bases for the forecast case must be disclosed. The constant price is defined as the unweighted arithmetic average of the closing price on the first day of each month within the 12 months before the end of the reporting period, unless prices are defined by contractual arrangements. The basis on which the forecast price is considered reasonable must be disclosed and Mineral Companies must comply with rule 18.30(5)</p> <p><i>Note: In the forecast case under PRMS, the economic evaluation underlying the investment decision is based on the entity's reasonable forecast of future conditions, including costs and prices, which will exist during the life of the project.</i></p> <p>5) if estimated volumes of Contingent Resources or Prospective Resources are disclosed, relevant risk factors are clearly stated;</p> <p><i>Note: Under PRMS, wherever the volume of a Contingent Resource is stated, risk is expressed as the chance that the accumulation will be commercially developed and graduate to the reserves class. Wherever the volume of a Prospective Resource is stated, risk is expressed as the chance that a potential accumulation will result in a significant discovery of Petroleum.</i></p> <p>5) economic values are not attached to Possible Reserves, Contingent Resources or Prospective Resources; and</p> <p>6) where an estimate of future net revenue is disclosed, whether calculated without discount or using a discount rate, it is prominently disclosed that the estimated values disclosed do not represent fair market value.</p> <p>Mineral or Petroleum Asset Valuation Reports</p>	<p>8; 9</p> <p>15.4</p> <p>9</p> <p>15.1 -15.4</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p>
<p>18.34 A Mineral Company must ensure that:—</p> <p>i) A Mineral Company must ensure that:—</p> <p>ii) the Competent Evaluator states clearly the basis of valuation, relevant assumptions and the reason why a particular method of valuation is considered most appropriate, having regard to the nature of the valuation and the development status of the Mineral or Petroleum Asset;</p> <p>iii) if more than one valuation method is used and different valuations result, the Competent Evaluator comments on how the valuations compare and on the reason for selecting the value adopted; and</p> <p>iv) in preparing any valuation a Competent Evaluator meets the requirements set out in rule 18.23.</p>	<p>Not Applicable</p>

APPENDIX 02B

Guide for New Listing Applicants (Nov 2023)

Mapping of Chapter 2.6, 4 – Competent Persons' Report

Guide for New Listings Applicants – Competent Persons' Report		Report Section Reference
i).	The cut-off grade (which should be an industry standard commonly used), minimum mining width, economic parameters (e.g. waste to ore ratio, stope productivity), specific gravity derivation, prevailing commodity price assumptions;	8.3, 9.1, 9.5, 15.4
ii).	If the Competent Person has a different view on certain assumptions (e.g. processing recovery rate) made by the applicant, both views should be disclosed in the listing document, with differences highlighted and underlying reasons for the different views, and the impact on the applicant if the more conservative view is adopted;	Not Applicable
iii).	Detailed analysis for harmful elements identified at mines (e.g. mercury or arsenic at lead and zinc mines) to give a better picture of whether there are material concentrations of these elements within particular lodes, and the impact on the saleability of the minerals;	10
iv).	Clear and meaningful drawings and diagrams, shown to scale, of the location of the applicant's principal Mineral or Petroleum Assets;	4.1
v).	The procedures, amount of testing, assessment and time required to ascertain the amount of Reserves, and the existing Reserves of the mine over its entire mine life, expected average Resource and Reserve grades of ore that can be extracted in future years (preferably covering the whole economic life of the mine), depletion charges and hedging activities;	8, 9
vi).	Whether the historical or expected improved recovery rate is used for estimating the net present value ("NPV"), and the basis on which the discount rates are considered appropriate;	15.4
vii).	If the Competent Person did not conduct a site visit, the applicant should disclose in the "Business" section of the listing document the basis on which the Reserves/Resources, cost forecasts and other data relating to the mines/oilfields as disclosed in the CPR are arrived at, how the lack of a site visit would affect the reliability of the information, and an appropriate risk factor 3; and	Not Applicable
viii).	All material risks mentioned in the CPR should be disclosed in the "Risk Factors" section of the listing document.	16

APPENDIX 06A

2012 JORC – Pani Mineral Resource and Ore Reserve

Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> 	<p>A total of 1,776 valid drillholes extracted from database, and total of 1,551 diamond drill holes for 252,091m and 159,775 assays records from various drilling campaigns were used in the Pani Mineral Resource Estimate (MRE). The more recent historical drilling is reported within either PT. Puncak Emas Tani Sejahtera (PETS) or Gorontalo Sejahtera Mining (GSM) tenements.</p> <p>The historical drilling conducted by Utah International (7 holes), BHP - Utah JV (22 holes), Newcrest Nusa Sulawesi (28 holes) and KUD (Dharma Tani Marisa) - Paramount Joint Venture (JV; 16 holes) have been excluded from the MRE because these holes do not intersect any mineralisation or they did not pass internal validation checks.</p> <p><u>Historical PETS before 2019</u></p> <p><u>Channel Sampling</u></p> <p>Historical channel sampling of surface exposures was conducted together with geological mapping programs throughout the history of the project, and consisted of:</p> <ul style="list-style-type: none"> Collection of 2,514 channel samples. Samples were collected from 10cm wide by 10cm deep channels at 1m or 2m length depending upon the lithology. The sampled material was mixed, coned and quartered, with samples consisting of two-quarter samples from opposite sides of the cone. Channel samples did not form part of the dataset on which the current MRE is based. <p><u>Diamond Drilling</u></p> <p>Diamond drilling on a nominal 50m by 50m grid was used to obtain sub-surface samples. Infill drilling of the 50m x 50m pattern with offset centres has resulted in a 35m x 35m coverage in the more densely drilled regions. Drilling within the PETS area consisted of:</p> <ul style="list-style-type: none"> 137 drill holes (HQ) for 26,017.5m and sampled on 1m intervals guided by the lithology, alteration, oxidation and structural logging. Samples were cut in half along the core axis and the right-hand side sampled. <p>The 137 drill holes were resampled in 2022 to improve the sampling and assaying methodologies. At the time of the MRE, 100% of the Au assays from the 2022 resampling program were received and 50% of the multielement data was received.</p>

Criteria	JORC Code Explanation	Commentary
		<p><u>Historical GSM before 2019</u></p> <p>A total of 668 diamond holes for 104,842.50m were used in the MRE from the GSM project area drilled by J Resources since 2011. The diamond drill hole spacing ranged from 25m by 25m to 15m by 25m in the more densely drilled areas. Sampling included:</p> <ul style="list-style-type: none"> • Core sampling on intervals averaging 1m guided by lithology, alteration, oxidation and structural logging. • The core was cut along orientation lines and one side of the core was consistently sampled. • The core sizes ranged from PQ, HQ to NQ. • No adjustments or calibrations were made to any assay data used in reporting. <p><u>GSM and PETS under Merdeka after 2019</u></p> <p>The reported samples were obtained through diamond drilling methods collected from campaigns completed since December 2019 until August 2024. The sampling includes:</p> <ul style="list-style-type: none"> • Total of 781 diamond drill holes for 126,611m. • Core was sampled on 2 m intervals and was drilled using PQ3 and HQ3 core sizes. • The core was sampled as half-core cut parallel to the orientation line, and the right-hand side of the core was consistently sampled. • No adjustments or calibrations were made to any assay data used in reporting
	<ul style="list-style-type: none"> • <i>Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> • The historical drilling (HQ) was conducted using triple-tube diamond core drilling to improve core quality. • The diamond drill core was sawn in half with one side of the core being consistently sampled. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> • The historical drilling was conducted using triple-tube diamond core drilling to improve core quality. The larger core size (PQ) was drilled to improve the core quality near the surface. • The diamond drill core was sawn in half with a consistent side of the core being routinely sampled. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> • PQ core was drilled from the collar to a nominal depth to improve the quality of the core and provide enough samples for metallurgical test work. • The diamond drill core was sawn in half with the right-hand side downhole being routinely sampled.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 metre samples from which 3 kilograms was pulverised to produce a 30 grams charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<p><u>Historical PETS before 2019</u></p> <p>The diamond drill core was sampled on approximately 1m intervals guided by geological logging. The sample preparation and assaying were conducted at PT SGS Indo Assay Laboratories, Manado. The sample preparation involved:</p> <ul style="list-style-type: none"> Crushing the half core (~3kg) to 75% - 25mm. Riffle splitting and crushing 1kg to 75% passing at 2mm. Pulverising of the 1kg to 85% - 75µm. A 200g sample split was taken and the pulp residue was stored. <p>Samples were assayed for:</p> <ul style="list-style-type: none"> Au: 50g fire assay. Multielement: 3 or 4 acid digest with ICP OES finish. No adjustments or calibrations were made to any assay data used in reporting. <p>The 137 drill holes from the PETS IUP were resampled in 2022 to ensure sample preparation and assaying were representative of the mineralisation. At the time of the MRE, 50% of the PETS multielement assays were based on the 2022 resampling program and all the 50g FA results were received for Au.</p> <p><u>Historical GSM before 2019</u></p> <p>Core sample intervals average 1m in the mineralised zones and the sample length was guided by lithology, alteration, oxidation and structural logging. The unmineralised intervals were sampled at 2m. Sample preparation was conducted at Intertek Manado Sample preparation facility or by SGS managed site preparation facility (post 2016). The Intertek Manado sample preparation procedure has not been confirmed. The SGS preparation included:</p> <ul style="list-style-type: none"> Half core samples (3 to 7kg) were weighed and dried at 105°C for 8 hours. The dried sample was crushed using a jaw crusher followed by a Boyd / Roller crusher to 90% passing at 3mm. A nominal 1kg was split and pulverised using an LM2® pulveriser to 90% passing at -75µm. A 250g sample split (pulp) was sent to the laboratory for analysis and the pulp residue was stored. <p>Samples were assayed for:</p> <ul style="list-style-type: none"> Au: 50g fire assay. Multielement: XRF, 2 or 3 acid digest with ICP OES finish. No adjustments or calibrations were made to any assay data used in reporting. No multielement data was used to estimate the economically significant variables (i.e. Au).

Criteria	JORC Code Explanation	Commentary
		<p><u>GSM and PETS under Merdeka after 2019</u></p> <p>The core was sampled at 2m intervals. The samples were prepared by PT Intertek at either their Manado or Marisa preparation laboratories or at the BSI sample preparation facility at Tujuh Bukit (PDH131 to PDH147). The sample preparation included:</p> <ul style="list-style-type: none"> Core samples were weighed, dried at 105°C for 12 to 24 hours and weighed. Pre-crushed to 6mm using Terminator Jaw crusher and then crushed to 2mm at a 95% passing using a Boyd Crusher with a rotary splitter. A 1.5kg split of the crushed material was pulverised to P95% at 75µm size. A barren wash is pre-crushed, crushed and pulverised after each sample. A representative 250g split of pulverised material is transported directly from the preparation facilities to Geoservices Jakarta for analysis. Short Wave InfraRed (SWIR) data is collected using a TerraSpec device on some of the core and assay pulps. The TerraSpec is calibrated before each session. No SWIR data is used in the estimation of the economic variables. Handheld XRF measurements on pressed pellet pulps commenced on the 30th of September 2022. A total of 11,318 samples were measured using an XRF X-550 on selected samples from representative sections. The XRF was calibrated every day before measurements. LIBS measurements on pressed pellet samples started on the 21st of September 2022. A total of 8,595 samples were measured as at 05/12/2023 using a LIBS Z-300 on selected samples from representative sections. The LIBS was calibrated every day before measurements.
Drilling Techniques	<ul style="list-style-type: none"> <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> A total of 137 diamond drill holes for 26,017.5m of drilling is being reported currently. Drilling is based primarily on HQ3 size. Historical reports indicated the drilling was conducted using triple tube diamond drilling methods. Drillhole depth varied from 57.8m to 410.8m. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> A total of 668 diamond drill holes totalling 104,842.50m were used in the MRE. The core sizes ranged from PQ, HQ and NQ using triple tube drilling methods. Core was oriented wherever possible using Orishot/Proshot and marked at the drill site to provide a consistent orientation. Drillhole depth varied from 14.75m to 415m.

Criteria	JORC Code Explanation	Commentary
Drill Sample Recovery		<p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> A total of 781 diamond drill holes for 126,611m was used in the estimate and the drilling was based on triple tube PQ3 and HQ3 size. Where possible, all core was orientated every run using a Suntech orientation tool. Downhole surveys were conducted with a REFLEX EZ TRAC every 25m to 50m downhole. The calibration of all downhole tools was reviewed and calibrated bi-weekly. Downhole survey tools were supplied by IMDEX.
	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Core recovery and drill metreage was recorded at the drill site before the core was transported to the core shed. The recovery was equivalent to the length of the core recovered and storage as a percentage of the drill run. No grade was assigned to intervals of core loss and core loss was treated as a null value. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Core recoveries were monitored, recorded and stored within the sampling database. The core recovery was monitored at the rig by a geotechnician. The recovery was measured in the core tube by the driller and a marker was inserted into the core tray to mark any core loss. All core was laid out at the rig in ½ PVC pipe for inspection. Depths were measured and checked against marked depths on the core blocks. Sample recovery was stored in the RQD logging table. No grade was assigned to intervals of core loss and core loss was treated as a null value. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Measurements of core loss and recovery were made at the drill rig by geotechnical logging technicians and stored in a Geobank Database. Core was marked up relative to core blocks, making allowance for any sections of lost core. All core loss was clearly identified in the core trays by inserting a length of yellow plastic matching the area of core loss and marked as “core loss”. No grade was assigned to intervals of core loss and core loss was treated as a null value.
	<ul style="list-style-type: none"> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Historical drilling was conducted using triple tube diamond drilling methods to maximise sample recovery. Geotechnicians at the drill sites would instruct drill teams to reduce sample lengths if the measured core loss was deemed a concern. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Historical drilling was conducted using triple tube diamond drilling methods to maximise sample recovery.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Core recovery is maximised by using triple drilling methods, drilling PQ core from the collar location and reducing the drill runs to 1.5m. Core recovery is recorded for every run with an average recovery used for the intervals. <p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Overall recoveries were greater than ~95% and it was assumed no bias was expected to be associated with core loss. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> The average recovery for the project area was greater than ~97% and it is assumed no bias was expected to be associated with core loss. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> The average recovery for the project area was greater than ~98%. No specific study had been conducted to determine if there was a relationship between core loss and grade. A scatter plot analysis suggested there is no observable trend. Globally, the core recoveries were generally high and it was assumed core loss was not material.
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> The drill core had been geologically and geotechnically logged to support the MRE and mining studies. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Standard operating procedures using J Resources logging codes were used for the logging of diamond core samples. All diamond core holes had been geologically logged for lithology, oxidation type, alteration type, density of veins and fractures, mineral type, mineral occurrence and intensity. Geotechnical data comprising core size, core recovery, Rock Quality Designation (RQD), core orientation and number of fractures were routinely recorded. The geological logging is suitable for MRE, mining and metallurgical studies.

Criteria	JORC Code Explanation	Commentary
		<p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> All drill core is geologically, geotechnically and structurally logged. Logging fields include (but are not limited to) lithology, alteration, mineralisation, structure, RQD and defect angles. Standard nomenclature is used for logging and codes or abbreviations are input directly into computerised logging sheets. A rock board has been established at the core processing facility to promote consistent and correct logging. The company uses Geobank Mobile by Micromine as the front-end data entry platform to the SQL backend. Starting in December 2022, Equotip readings were collected at 10cm intervals which were averaged and reported at 1m intervals. Logging is of a suitable standard to allow for MRE, mining and metallurgical studies.
	<ul style="list-style-type: none"> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Lithology and alteration logging is qualitative in nature. Quartz veins, fracture intensity, oxidation and percentage sulphides logging are quantitative in nature. The orientation of fabrics and structural features have been recorded and are quantitative. All core is photographed. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> The majority of geological and geotechnical logging is qualitative except for measured fields for structure, RQD and fracture frequency. All core was photographed. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> The majority of geological and geotechnical logging is qualitative in nature except for measured fields for structure (and), RQD and fracture frequency which is quantitative. All core is photographed.
	<ul style="list-style-type: none"> <i>The total length and percentage of the relevant intersections logged.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> All drill core has been geologically logged. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> All drill core has been geologically logged. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> All drill core has been geologically logged. Logging is of a suitable standard to allow for detailed geological and resource modelling.

Criteria	JORC Code Explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> The diamond drill core (HQ diameter) is halved using a core saw. Duplicate samples were taken, approximately 1 in 30 samples. In this case, the core was cut into three pieces to allow duplicate sampling and the retention of archival material. The portion retained was small, so the primary sample and the duplicate were close to half core. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Standard operating procedures were used for diamond core sub-sampling. Mineralised zones were sampled to 1m and unmineralised zones were sampled to 2m. The actual length honours lithological, alteration and mineralisation boundaries. Core was cut along the orientation line and half core samples were submitted for analysis unless a field duplicate was required, in which case quarter-core samples were submitted. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Core was longitudinally cut with a saw and half core samples were collected at two (2) intervals. When facing downhole, the right hand side of the core was routinely sampled under geological supervision. N/A <p><u>Historical PETS before 2019</u></p> <p>The sample preparation and assaying were conducted at PT SGS Indo Assay Laboratories. The sample preparation involved:</p> <ul style="list-style-type: none"> Crushing the half core (~3kg) to 75% - 25mm Riffle splitting and crushing 1 kg to 75% passing at 2mm. Pulverising of the 1kg to 85% - 75 µm. A 200g sample split is taken, and the pulp residue is stored. <p>The 137 drill holes were resampled in 2022 to evaluate the sampling preparation and assaying methodologies. Refer to PETS & GSM 2022 section for further details. At the time of the MRE all of the PETS assays were based on the 2022 resampling program.</p>

Criteria	JORC Code Explanation	Commentary
		<p><u>Historical GSM before 2019</u></p> <p>Sample preparation was conducted at Intertek Manado Sample preparation facility or by SGS managed site preparation facility (post 2016). The Intertek Manado sample preparation procedure had not been confirmed and it was assumed to meet industry standards. The SGS preparation included:</p> <ul style="list-style-type: none"> • Half core samples (3 - 7 kg) weighed and dried at 105°C for 8 hours. • The dried sample was crushed using a jaw crusher followed by a Boyd / Roller crusher to 90% passing at 3mm. • A nominal 1kg was split was pulverised using an LM2® pulveriser to 90% passing at -75µm. • A 250g sample split (pulp) is sent to the laboratory for analysis and the pulp residue is stored. <p>The preparation of the samples was deemed appropriate for MRE and economic evaluation of the project.</p> <p><u>GSM and PETS under Merdeka after 2019</u></p> <p>The samples were prepared by PT Intertek at either their Manado or Marisa preparation laboratories. The sample preparation included:</p> <ul style="list-style-type: none"> • Core samples are weighed, dried at 105°C for 12 to 24 hours and weighed. • Pre-crushed to 6mm using Terminator Jaw crusher and then crushed to 2mm at a 95% passing using a Boyd Crusher with a rotary splitter. • A 1.5kg split of the crushed material is pulverised to P95% at 75µm size. • A barren washed is pre-crushed, crushed and pulverised after each sample. • A representative 250g sub-sample of pulverised material was transported directly from the preparation facilities to Geoservices Jakarta for analysis.
	<ul style="list-style-type: none"> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.</i> 	<p><u>Historical PETS before 2019</u></p> <p>The QAQC procedures implemented included:</p> <ul style="list-style-type: none"> • Inserting certified reference materials (CRM) at a rate ranging from 2% to 4%. • Field or core duplicates were performed at a rate of approximately 2%. • Insertion of blank material occurred at a rate ranging from 1% to 2%. • Pulp duplicates were submitted to a secondary laboratory for analysis at a rate of approximately 2.5%. • Historical documentation indicated size analysis was conducted at a rate of 5% for the primary crushing and pulverising stages, however no results were documented.

Criteria	JORC Code Explanation	Commentary
		<p><u>Historical GSM before 2019</u></p> <p>The QAQC procedures implemented included CRM, blanks and duplicates:</p> <ul style="list-style-type: none"> • CRM's were inserted at a rate of 5%. • Blanks were inserted at a rate of 2.5%. • Duplicate checks of the pulverised material (5%) and coarse residue (2.5%) were submitted to a second or umpire laboratory. • Quarter core duplicates were conducted at a rate of 2.5%. • The grind size analysis of the pulverised material was conducted at a rate of 5%. <p><u>GSM and PETS under Merdeka after 2019</u></p> <p>QAQC protocols included the insertion of CRM (commercial and matrix-matched), duplicates and blanks. Matrix matched CRM's were created by OREAS and were used since November 2022.</p> <p>The samples were submitted to the laboratory for analysis in batches of 45 samples containing:</p> <ul style="list-style-type: none"> • 2 x CRM or an insertion rate of 5% • 2 x coarse (2mm) duplicates or an insertion rate of 5% • 1 x coarse blank or an insertion rate of 2.5% • External checks and blind resubmissions of pulp duplicates to an umpire laboratory were conducted at a rate of 5%. <p>Analysis of QAQC results suggested sample assays were with acceptable tolerances.</p>
	<ul style="list-style-type: none"> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> • Field or core duplicates at a rate of approximately 2%. • Pulp duplicates were submitted to a secondary laboratory for analysis at a rate of approximately 2.5%. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> • Duplicate sampling and assaying was conducted at a rate of 5% for pulverised material and 2.5% for coarse (2mm) duplicates. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> • Duplicate sampling and assaying was conducted at a rate of 5% using coarse (2mm) duplicates. • Duplicate pulverised material was inserted at rate of 5% and submitted to a secondary / umpire laboratory.
	<ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>Disseminated gold mineralisation ranged from very fine to coarse grain size. Sample size (1m to 2m half core) and partial sample preparation protocols were considered appropriate for this style of mineralisation.</p>

Criteria	JORC Code Explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> 	<p><u>Historical PETS before 2019</u></p> <p>Au analysis carried out by PT SGS Indo Assay Laboratories:</p> <ul style="list-style-type: none"> Au by 50g fire assay with AAS finish. Ag, Cu, Pb, Zn, As, S by 4 acid digests with ICP-OES finish; selected intervals. S by combustion furnace; selected intervals. <p>Quality control procedures included the use of standards, blanks and duplicates as well as the use of an external umpire laboratory.</p> <p>The drill holes from the PETS IUP were resampled in 2022 to ensure that the sample preparation and assaying were appropriate for the style of mineralisation. At the time of the MRE the PETS assays were based on the 2022 resampling program.</p> <p><u>Historical GSM before 2019</u></p> <p>Au analysis carried out by PT Intertek and PT SGS Indo Assay Laboratories.</p> <ul style="list-style-type: none"> Au by 50g fire assay with AAS finish. Ag, Cu, Pb, Zn, As, S by 4 acid digest with ICP-OES finish; selected intervals. S by combustion furnace; selected intervals. <p>Quality control procedures included the use of standards, blanks and duplicates as well as the use of an external umpire laboratory.</p> <p><u>GSM and PETS under Merdeka after 2019</u></p> <p>The preparation and assay laboratories are internationally certified (ISO 17025) laboratories and hold an Indonesian Accreditation Certificate (KAN).</p> <p>The methodology employed for the main elements of interest are summarised below.</p> <ul style="list-style-type: none"> Gold was analysed by 50g fire assay with determination by AAS. Silver, post 20th of March 2023, is determined using two-acid digestion (not aqua regia) followed by an AAS finish to lower the lower detection limit to 0.1g/t. A multielement suite was analysed using four-acid digestion with an ICP-OES finish. All work had been completed at Geoservices Jakarta. The bulk nature of the sample size (2m) and partial preparation procedures (total crush to P95 -2mm, 1.5kg split pulverised to P95 - 75µm size) was considered appropriate for this style of mineralisation. Four acid total dissolution was used for assaying.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Nil <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Spectral tools were used historically and these results were not used in the current MRE process. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> SWIR data was collected on some of the core and assay pulps. The TerraSpec device was routinely calibrated before starting to analyse the samples. Handheld XRF measurements on press pulp pellets commenced on the 30th of September 2022. A total of 11,318 samples were measured as of the 24 August 2024 using a XRF X-550 on selected samples from representative sections. The XRF was calibrated every day before measurements. LIBS measurements on press pulp pellet samples were started on the 21st of September 2022. Total of 8,595 samples were measured as of the 24 August 2024 using a LIBS Z-300 on selected samples from representative sections. The LIBS was calibrated every day before measurements. These tools were not used in the current MRE process.
	<ul style="list-style-type: none"> Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Quality control procedures included the use of standards, blanks and duplicates as well as the use of an external umpire laboratory. The QAQC indicated these were inserted at a rate of 5%. QAQC analyses indicated the assay results to be within acceptable tolerances and this is reflected in the classification of the resource. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> QAQC protocols included the insertion of CRMs at a rate of 5%, blanks were inserted at a rate of 2.5%, duplicate checks of the pulverised material (5%) and coarse residue (2.5%) were submitted to a second or umpire laboratory. Quarter core duplicates were conducted at a rate of 2.5% and grind size analysis of the pulverised material was conducted at a rate of 5%. QAQC analyses indicate the assay results to be within acceptable tolerances and this is reflected in the classification of the resource.

Criteria	JORC Code Explanation	Commentary
		<p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> QAQC protocols included the insertion of OREAS (2019 - current) and OREAS Mine Match (November 2022) standards, duplicates and blanks. Samples were submitted to the laboratory for analysis in batches of 45 samples comprising: 40 x 2m composite core samples, 2 x standards (6%), 2 x coarse duplicates (6%), and 1 x coarse blank (3%). Analyses of laboratory replicate assays and duplicate assays showed a high degree of correlation. QAQC analyses indicated the assay results to be within acceptable tolerances and this was reflected in the classification of the resource. The relatively lower reliability of silver CRM results is attributed to the low-grade CRM utilised in the Pani Project, which may lead to a potential risk of inhomogeneity in the CRM. A low silver grade CRM was required, as it aligns with the global silver grade of the resource and is considered fit for purpose. These biases are interpreted to be associated with the low grade levels and inherent material inhomogeneity near the analytical detection limit. In contrast, high grade silver CRMs demonstrate good analytical performance. The Competent Person does not consider this to be a material issue, particularly given that the vast majority of the contained resource metal value is attributed to gold.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<p>Significant intersections had been verified by senior Merdeka personnel and a selection verified by the Competent Person for Mineral Resources during the site visit.</p> <p>A campaign of twin holes had been carried out in 2013 in the PETS area for metallurgical sampling (leaching tests). These holes were not used for the estimate.</p> <p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Primary data was collected using a set of standard Excel templates on laptop computers. The information was sent to Jakarta Office, collated, compiled and stored in the central workstation and company server. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> The data entry of primary data had been checked and loaded into a sampling spreadsheet. Expedio Pty Ltd independently audited the data management and database practices. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Primary assay data was received from the laboratory in soft-copy digital format and hard-copy final certificates. Digital data was stored on a secure SQL server on-site with a backup copy off-site. Hard-copy certificates were stored in the Jakarta office and scanned hard copy certificates stored on a server. There were no adjustment to assay data used in the estimate.
	<ul style="list-style-type: none"> <i>Discuss any adjustment to assay data.</i> 	

Criteria	JORC Code Explanation	Commentary
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> Hole collar locations were surveyed by P.T. Global Survey of Indonesia using Total Station (Sokkia) with expected accuracy of $\pm 10\text{mm}$. Downhole surveys were regularly conducted at 25m, 75m and 125m depths and continued at 50m intervals for deeper holes with a Gen4 Proshot (Boart Longyear). <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Site preparation was undertaken if required and location and azimuth re-planned and/or re-surveyed. The planned dip was set using clinometers. When the drill rig was in position, the location and azimuth were rechecked using a GPS and/or Total Station before the commencement of drilling. At the completion of the holes, the collars were surveyed using a Total Station instrument and entered into the drill database. It was assumed the expected accuracy was $\pm 10\text{mm}$. Downhole surveys were regularly conducted using Reflex EX-Shot or a Gen4 Proshot Hire Kit. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Drill hole collars were surveyed using a Total Station (IM101 from SOKKIA) and the expected accuracy was $\pm 2\text{ mm}$. Downhole surveys were conducted with a REFLEX EZ TRAC every 25m to 50m downhole. The downhole survey tool was calibrated bi-weekly. At the end of the drilling program in 2024, the downhole survey was captured using a Champ Magshot. All initial downhole surveys were recorded at 25m with every subsequent survey at 50m intervals.
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> The Grid System used was WGS84 UTM 51 North. The topographic surface is surveyed by LIDAR and supplemented by Total Station and DGPS surveys. The LIDAR survey was completed in December 2022, and the expected vertical accuracy is $\pm 0.1\text{ m}$, and the expected horizontal accuracy is $\pm 0.15\text{ m}$. An updated topography survey was conducted at the end of August 2024 and most recently on 31 December 2025, the latter of which was used for Mineral Resource reporting.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> The PETS area is drilled to approximately 80m x 80m and approximately 35m x 35m centre within the more densely drilled area. Drillhole location and inclination varied depending on topographical features and ground conditions, however generally dipped 60 degrees towards the southeast.

Criteria	JORC Code Explanation	Commentary
		<p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> The diamond drilling drill hole spacing ranged from 25m by 25m to 15m by 25m in the more densely drilled areas. Drillhole location and inclination varied depending on topographical features and ground conditions. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> The drill hole spacing ranged from 150m x 150m to approximately 20m x 20m within the more densely drilled areas of the GSM IUP. The PETS IUP was drilled to approximately 80m x 80m to 40m x 40m in the densely drilled areas. Drillhole location and inclination varied depending on topographical features and ground conditions. Multiple drill holes were drilled from a single drill pad resulting in surface "fan" drilling.
	<ul style="list-style-type: none"> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> The drill hole spacing within most of the mineralised area was appropriate to define the geological and grade continuity of the mineralised system. The resource classification considers the different degrees of geological and grade continuity. The reported exploration results have been composited (i.e. length weighted composites) with no grade capping applied. Drill holes have been composited (i.e. length weighted) to 2m for the Mineral Resource estimate.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> The drill holes were oriented perpendicular to the orientation of the mineralised trend. Structural logging based on oriented core indicates that the mineralisation controls are largely perpendicular to drill directions. Variographic analysis confirms the principal directions of the mineralisation is perpendicular to the drilling orientation. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Drill spacing is largely dependent on land status and accessible sites. Drill spacing varies from 20m to 30m on east-west sections that are nominally spaced at 25m apart. Due to the steep topography, several holes have been drilled from a single pad. These holes are drilled at various orientations to achieve the desired drill spacing at the target depth. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Sampled drill holes were designed in 3D to intersect mineralisation at a range of orientations to assess and accommodate the potential orientation of mineralisation and structures while maintaining appropriate spacing between holes. The orientation of samples relative to structural controls is not considered to introduce a sampling bias.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> The orientation of sampling is appropriate and achieves unbiased sampling of the possible structures identified. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> The orientation of sampling is appropriate and achieves unbiased sampling of the possible structures identified. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> No bias based on hole orientation is known to exist.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> The chain of custody was managed by One Asia. Samples are stored on-site and delivered by One Asia personnel to the assay laboratory. Whilst in storage, they are kept in a locked core house. <p><u>Historical GSM before 2019</u></p> <p>The measures taken to ensure security for samples used for analysis and QAQC include the following:</p> <ul style="list-style-type: none"> Chain of Custody was documented (historic Table 1) by J Resources and both SGS and Intertek (ITS) laboratories reported on delivery and receipt of sampled material. All samples are transported in plastic wrapping and nailed-shut boxes. The samples remain in the custody of JRN to Gorontalo airport and are then airfreighted to the laboratory. Upon receipt of samples, SGS and ITS confirm each batch of samples has arrived, with its tamper-proof seal intact at the allocated sample preparation facility. Any damage to or loss of samples within each batch (e.g., total loss, spillage or obvious contamination) is reported. A list of the effect sample and nature of the problems was supplied to J Resources. As a further check, samples are weighed before dispatch and again on receipt at the laboratory with the weights compared to ensure sample integrity. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> All core samples are bagged separately into calico bags and dispatched to the off-site sample preparation facilities operated by Intertek in the nearest town. Sample transport from site to the preparation facilities is carried out using land transport (dedicated box truck), which is sealed at site using commercial seals provided by Intertek. Sample receipt at preparation facilities is completed by Intertek staff. The Marisa and Manado ITS sample preparation facilities are located in dedicated compounds with 24 hour security guards. After sample preparation, 250g sub-samples are securely packed and couriered via air freight to Geoservices Jakarta for analysis. A total of 88,734.45 metres of core samples was burnt due to fire accident. The detailed list is presented in the subsequent appendix.

Criteria	JORC Code Explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p><u>Historical PETS before 2019</u></p> <ul style="list-style-type: none"> A review of the sampling techniques and data was carried out by SRK Consulting as part of the resource estimate conducted in 2014. The database was considered to be of sufficient quality to carry out resource estimation. <p><u>Historical GSM before 2019</u></p> <ul style="list-style-type: none"> Cube Consulting reviewed the standard operating procedures for diamond core sampling and discussions with the site Geologists confirmed that these were understood and being followed. An audit of the entire J Resources drill hole database conducted by Expedio in January 2018 found no material issues affecting resource estimation. <p><u>GSM and PETS under Merdeka after 2019</u></p> <ul style="list-style-type: none"> Dr François-Bongarçon (Agoratek International) is engaged in conducting regular reviews and audits of sampling, QAQC, site and external laboratories, as well as training and improvement initiatives. He reviewed the sampling protocol for Pani samples in June 2022. RSC conducted a review of the December 2022 and March 2023 MRE processes. No critical issue was identified. All conclusions and recommendations were reviewed and are implemented or being implemented if deemed material. Mining One Consultants conducted a review of the March 2023 MRE process. No moderate and high risk was identified. Mining One Consultants completed a site visit in January 2026 and review of the 31 December 2025 MRE, datasets and associated processes. No material issues or risks were identified.

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> In 1994, the Government of Indonesia issued a Kuasa Pertambangan ("KP") mining licence, covering an area of one square kilometre (100 hectares), to a local cooperative KUD Dharma Tani Marisa ("KUD"). The KP licence was reissued as an IUP operation and production license (316/13/XI/TAHUN2009) in November 2009, under the 2009 Mining Law. The licence of KUD Dharma Tani was transferred to PT. Puncak Emas Tani Sejahtera (PETS) based on Gorontalo Governor Decree no 351/17/IX/2015 and 30/DPM-ESDM-Trans/Per-IUP-OP/IV/2020. The PETS IUP operation and production is valid to 23rd November 2032 and extendable for another 10 years. Merdeka acquired majority control of PETS in December 2017. PT Gorontalo Sejahtera Mining (PT GSM) holds the Contract of Work executed on 20 July 1994. The Contract of Work has been adjusted based on the Decree of the Minister of Energy and Mineral Resources No. 457.K/30/DJB/2017 dated 13 December 2017 regarding the Adjustment of the Contract of Work Activity Stage to Become the Production Operation Activity Stage. The Contract of Work operation and production is valid until 1st December 2049. The CoW covered an area of 14,570 hectares across three blocks, with Pani Block covering 7,385.71 hectares.
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<p>Early work by the Dutch in the 19th century at Pani included the driving of short adits under the NNE trending Pani Ridge. PT Tropic Endeavour undertook systematic reconnaissance stream sediment geochemistry, follow up soil and rock sampling and regional geological mapping in the early 1970's, outlining three high-grade zones at Pani Ridge. Utah International (who acquired Tropic Endeavour's assets and was in turn purchased by BHP) undertook further sampling and mapping in 1981-1982. BHP drilled 7 holes during this time. Four holes were drilled on Pani Ridge and 3 more on G. Baganite-Nanasi Ridge.</p> <p>BHP returned in 1984 drove other three adits in an effort to overcome the grade discrepancies and dug a series of costeans parallel to the NE trending mineralised fractures at Pani Ridge. Adits obtained higher grades than adjacent drill holes but still the deposit was considered to be uneconomic and subsequently closed down again. They returned in 1987, carried out channel sampling, step trenches across the ridge and concluded a NNE strike of mineralisation from the geochemical results rather than geological observations. Extensive systematic surface campaigns were carried out as well within a 3 km radius of Pani Ridge. That campaign included ridge and spur soil auger lines, outcrop and float sampling for Au, Ag and Sb determinations and trenching across ridge tops. In 1990, BHP began to drill 22 diamond holes, all but one oriented in an effort to traverse the assumed NNE strike mineralisation but again failed to clearly determine the mineralisation.</p> <p>In 1993 or 1994 a local cooperative, KUD Dharma Tani, acquired a small scale mining permit of 1 square kilometre over Pani Ridge and Gunung Baganite. The KUD optioned its rights to PT Pertiwi in 1996, who then optioned the project to Paramount Ventures, which drilled 29 holes in the area to confirm the BHP results and at the same time expand potential resources to include Gunung Baganite and Masina.</p>

Criteria	JORC Code Explanation	Commentary
		<p>In August 2009, One Asia acquired an option over the Pani property from PT Prima Mineralindo Nusantara. One Asia drilled a total of 137 drill holes for 26,017.5 m.</p> <p>PT Merdeka acquired the PETS IUP in 2018 and has drilled a total of 100 holes for 31,390.15 m.</p> <p>Newcrest was granted a 5th generation Contract of Work (CoW) through its subsidiary PT. Newcrest Nusa Sulawesi (NNS) in 1994 over the Pani project area but excluding the KUD block. NNS flew Heli-borne magnetic-radiometric as well as completing regional stream sediment, pan concentrate, BLEG, ridge-spur soil; rock outcrop and float surveys. Prospects were delineated through 28 diamond scout holes drilled at Kolokoa, Lone Pine, Masina, Wadi, Tembaga South, Tembaga Central, Totimbuwale South, Jahiya Besar, Iloa, Nanasi Ridge and Langge. The total drilling was 4,437.5m. Newcrest dropped the project to focus on Halmahera around the time of the Asian financial crisis.</p> <p>In 2002, Havilah Pty. Ltd and Arafura Rejeki Alam acquired the whole interests of PT. NNS and renamed the property to PT. Gorontalo Sejahtera Mining (PT. GSM). After mandatory relinquishment, PT. GSM CoW retained four (4) separated blocks: Pani and Totopo in Gorontalo Province; Bulagidun partly in Central Sulawesi and Bolangitang block in North Sulawesi. No activities were recorded to 2005.</p> <p>Avocet Mining Plc acquired PT GSM in 2007. Work was only done in the Totopo Block which was then relinquished in 2010, whilst Pani had no recorded work other than field visits.</p> <p>PT. J Resources Nusantara (JRN) acquired PT GSM from Avocet in 2011 and drilled a total of 684 holes for 106,660.7 m.</p> <p>Merdeka acquired ownership of PT GSM in December 2021.</p>
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Low sulphidation epithermal gold deposit Middle to Late Cenozoic magmatic arc Gold mineralisation is associated with open space oxide-sulphide fracture fillings, stockwork veins, and narrow mosaic hydrothermal breccia within dominantly silica altered host rock.
Drill hole Information	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> 	<ul style="list-style-type: none"> Not applicable. Exploration results are not being reported as the report relates to Mineral Resources and Reserves.
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> 	<ul style="list-style-type: none"> Not applicable. Exploration results are not being reported as the report relates to Mineral Resources and Reserves.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> Holes reported are drilled at various angles to assess and accommodate mineralised geometry. Some holes are drilled sub parallel to the long axis of mineralisation.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Refer to the main sections of the report and appendices.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable. Exploration results are not being reported as the report relates to Mineral Resources and Reserves.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; and potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> All historical drill intercepts if shown have been reported by Merdeka Copper Gold.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Other recommendations are: <ul style="list-style-type: none"> Field mapping to map regional structures and mineralisation. Trenching whenever possible to increase the understanding of the mineralisation. Geological mapping of new road cuts. Drill testing the geological 'dome' extents and peripheral satellite deposits.

Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i> <i>Data validation procedures used.</i> 	<ul style="list-style-type: none"> Core logging is completed at the site core yard using project-specific logging codes directly into a Toughbook. Data is then transferred to the server and loaded directly into the site database. Assay results are currently received from the laboratory in digital format. Once data is finalised it is transferred to a Geobank database. Geological databases are managed by a dedicated geological database team in the Mineral Resource Group based in the Jakarta head office, who conduct regular reviews, spot checks and training with site database personnel. Data checking including the current and historic data. An Access database with all relevant data was extracted from the Company SQL Geobank database on the 8th of August 2024. Separate Datamine files, for collars, downhole surveys, assays, alteration, density, lithology, oxidation and veining were exported from the Access database and combined in Datamine to make a single drill hole file. The data was imported into Datamine and underwent various validation checks including: <ul style="list-style-type: none"> Checking for duplicate drill hole names and duplicate coordinates in the collar table. Checking drill hole names are consistent. Checking for missing drill holes in the collar, survey, assay, and other tables based on drill hole names. Checking for survey inconsistencies, including dips and azimuths <0°, dips >90°, azimuths >360° and negative depth values. Checking for inconsistencies in the “From” and “To” fields of the assay and all other tables. The inconsistency checks included identifying negative values, overlapping intervals, duplicate intervals, gaps and intervals where the “From” value is greater than “To” value. Ranking of historical and current assay method were checked carefully. Elevation of each collar was also validated. Deviations from Lidar topography were accepted up to 10m due to the irregular and steep topography. Additional checks were conducted by the companies Database manager which included: <ul style="list-style-type: none"> All of the J Resource assay information was re-imported into the database. Assays used for the estimation were re-checked specifically. Random manual checks were performed after data import. All data was clean and able to be imported and de-surveyed in Datamine software. Visual validation by section for obvious trace errors.

Criteria	JORC Code Explanation	Commentary
Site Visits	<ul style="list-style-type: none"> <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> <i>If no site visits have been undertaken indicate why this is the case.</i> 	<p>The Competent Person completed a site visit in January 2026. During the site visit, the following was completed:</p> <ul style="list-style-type: none"> Inspection of diamond core drilling, logging, sampling and associated assay data. Inspection of surface activity including active open pit production areas, blast hole drilling and sampling and diamond drilling. Inspection of core yard facilities. Numerous discussions were held with geologists to understand the geology of the deposit and drilling/sampling processes. The core shed was clean and well-organised, and related procedures were being followed. Data collection systems were found to be consistent with industry good practice. Furthermore, geological controls to the mineralisation were sufficiently understood to enable a Mineral Resource to be reported in accordance with the JORC Code.
Geological interpretation	<ul style="list-style-type: none"> <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i> <i>Nature of the data used and of any assumptions made.</i> <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i> <i>The use of geology in guiding and controlling Mineral Resource estimation.</i> 	<ul style="list-style-type: none"> A Geological Matrix Analysis (GMA) has confirmed previously reported observations that mineralisation is a low sulphidation epithermal mineralisation. Gold Mineralisation is associated with quartz \pm pyrite \pm goethite veins, silica alteration and goethite alteration and the tenor of the gold mineralisation increases as the silica alteration and frequency of veining or veinlets increase. In addition, indicator iso grade shells models were generated at different cut-off grades to create more homogeneous domains than in the June estimate. Silver domains were separated from gold domains. Silver mineralisation has no correlation, uncovered to date, with any geological parameters. It is assumed that silver deposited at lower temperature than gold in the periphery of the gold mineralisation. No material assumptions have been made which may materially affect the MRE reported herein. Alternative interpretations are not likely to materially impact the global MRE. The current drilling programs are confirming the boundary location within acceptable tolerance based on the classification of the MRE. The geometry and understanding of the mineralisation will increase as the spatial drill hole density increases. <p>The final estimation domains were based on a Geological Matrix Analysis (GMA) conducted in 2020, 2022, 2023 and updated in August 2024 (using data extracted on 24/08/2024).</p>

Criteria	JORC Code Explanation	Commentary
		<p>Mineralisation is associated with quartz \pm pyrite veins, silica alteration and goethite alteration, and the tenor of the gold mineralisation increases as the silica alteration and frequency of veining or veinlets increases. The selection criteria for the estimation domains are outlined below:</p> <ul style="list-style-type: none"> Mineralised Waste Domain (1000): Internal mineralised waste domain delineating zones of <0.1g/t Au and no veining. Mineralised Domain (3000): ≥ 1 logged vein per metre or a gold threshold of $\geq 0.1\text{g/t}$ based on economic compositing routine and inside 0.1g/t iso-grade shells. Higher-Grade Mineralised Domain (5000): ≥ 5 logged veins per metre or a gold threshold at $\geq 0.5\text{g/t}$ based on economic compositing routine, and also based on occurrences of crackle – mosaic hydrothermal breccias and inside 0.5g/t iso-grade shells <p>The domains illustrate the strong correlation between the spatial density of quartz veining and the gold grade.</p> <p>In addition of the GMA, the model of interpreted structures planes and 0.5ppm au indicator was also used to improve the mineralisation shapes and increase the stationarity inside the domain.</p> <p>The selection criteria for silver domains are:</p> <ul style="list-style-type: none"> Low grade silver $\geq 0.6\text{g/t}$ High grade silver $\geq 2.0\text{g/t}$ <p>The estimation domains were interpreted initially in Leapfrog and then on 20 m and 10 m spaced east-west sections in Datamine. The mineralised waste encompasses the low grade, which in turn encompasses the higher-grade domain.</p> <p>To ensure Exploratory Data Analysis (EDA) and variographic analysis are appropriate, Pani was separated into four “sub-domains” or regions. The current estimates The sub-domains are:</p> <ul style="list-style-type: none"> GSM Northern ($\sim >62,150$ mN and $< 388,250$ mE) GSM Southern ($\sim <62,150$ mN and $< 388,250$ mE) PETS area ($\sim >388,250$ mE)
	<ul style="list-style-type: none"> <i>The factors affecting continuity both of grade and geology.</i> 	<ul style="list-style-type: none"> The gold mineralisation is associated with the intrusive rhyodacite dome and infill drilling may result in changes to the mineralisation domains. The degree of post mineralisation structural influence may change as the drill hole spacing decreases. The principal plane defined in the Au variographic analysis for PETS dipped moderately towards the Northwest with plunge to the Northeast. GSM South dipped moderately towards Northwest and plunge moderately to Northeast. In contrast GSM North, dipped to Southwest with plunge goes to Southeast. Silver was estimated inside domains by applying omni directional variography. At this stage, the factors controlling gold grade continuity are not well understood. There is a clear association of mineralisation with vein stockwork, but the stockwork geometry and orientations require further analysis.

Criteria	JORC Code Explanation	Commentary
Dimensions	<ul style="list-style-type: none"> <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i> 	<ul style="list-style-type: none"> The mineralisation at Pani sits between the surface and approximately 500m below the surface. It is roughly circular in plan with a diameter of approximately 1,000m and is contained within an intrusive rhyodacite dome complex ('Baganite Dome').
Estimation and modelling technique	<ul style="list-style-type: none"> <i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i> 	<ul style="list-style-type: none"> The MRE includes Aug/t, Agg/t, Bulk Density, S%, Fe%, Ca%. S% and equotip. S%, Fe%, Ca% and Equotip are not reported but were estimated to validate the location of the oxidation boundaries. Drill hole data was selected within mineralised domains and composited to 2m downhole intervals in Datamine software. The composited data was imported into Supervisor software for statistical and geostatistical analysis. The analysis showed for Au, Ag, S, Ca, Fe, and bulk density, different planes of maximum continuity throughout the Pani mineralised system and the domains were sub-domained into the GSM northern (~>62,150 mN and < 388,250 mE), GSM southern (~<62,150 mN and < 388,250 mE), and PETS (~>388,250 mE) Hard boundaries were used for the mineralised waste domains (1000) for Au and mineralisation domain for Ag (1000, 731 to 733 and 751 to 753). Semi soft domain for gold is applied on primary domain 3000 and 5001 to 5005, combined with soft boundary within the subdomains. S%, Ca% and Fe% are estimated using soft boundary along ore block. Density and Equotip are estimated using soft boundary through alteration domains. To ensure the Au grade continuity was honoured, the variograms principal plane of maximum continuity for each sub-domain was defined by combining the primary estimation domains (i.e. 1000, 3000, 5001 to 5005). Variography was performed on data transformed to normal scores, and the variogram models were back-transformed to original units. The Gaussian anamorphosis used for the normal scores transform was subsequently used for the discrete Gaussian change of support model required for Uniform Conditioning. The variogram models had an interpreted nugget effect ranging from 8 % to 46 %, and the direction of maximum continuity ranged from 200 m to 250 m. Omni directional gaussian variograms were modelled for Ag, S, Ca, Fe, bulk density and equotip. The modelled variograms were back transformed into the original units for estimation. The Ag variograms were modelled with interpreted nuggets ranging from 6% to 29%, and range varying from 90 to 325m. The panel estimates used capping and 'distance limited capping' techniques, where uncapped or higher capped composites are used for a very local estimate, and distance threshold capping is used beyond this local distance (i.e. 20 m). The thresholds were based on inflections and discontinuities in the histograms, log-probability plots, and metal quantities above thresholds. Refer to the relevant section below.

Criteria	JORC Code Explanation	Commentary
		<ul style="list-style-type: none"> Kriging neighbourhood analysis was conducted to optimise the search neighbourhoods. The first pass search neighbourhood used a minimum of 6 to 16 and a maximum of 16 to 20 (2 m composite) samples per panel estimate. The second pass sample number were change into 6 to 14 and the search neighbourhood increased twice. The third pass both sample number reduced, into 2 to 22 and search neighbourhood increase three times. The search ellipse radius was based on the variogram ranges and were orientated to the principal direction defined during the variographic analysis. The block size was limited to half the drill hole spacing or 40m (X) × 40 m (Y) × 10 m (Z) and 20 m (X) × 20 m (Y) × 5 m (Z) within the well-drilled GSM area. A sub-blocking dimension of 5 m (X) × 5 m (Y) × 2.5 m (Z) was used to honour the interpreted volume for both the waste and mineralised parent block dimensions. Ordinary kriging was used to estimate the various panel size for all estimation domains (1000, 3000, 5001 to 5005, 731 to 733 and 751 to 753). Localised Uniform Conditioning (LUC) was implemented for the mineralised domains (3000 and 5001 to 5005) for Au to predict the grade tonnage at mining-related supports. The UC process applies a change of support correction (discrete Gaussian model) based on the composite sample distribution and variogram model, conditioned to the Panel grade estimate, to predict the likely grade tonnage distribution at the SMU selectivity (5 m (X) × 5 m (Y) × 2.5 m (Z)). UC was performed with 30 polynomial, and it is applied on the back transform variogram in supervisor and transformation in datamine. UC was performed within the mineralised domains (3000 and 5001 to 5005) for Au. The localisation step (LUC) was run for these domains and the resulting SMU was exported to Datamine. Wireframing was completed using Leapfrog and Datamine RM Studio software 2.1.1.125, while estimation was completed in Datamine Studio RM Advanced Estimation. Variography and data analysis was completed using Supervisor 9.0. The estimates have been validated by comparing composite data with block model grades for all domains statistically and using swath plots. The visual comparison was also undertaken onscreen by comparing block grades and composites. The estimate validated well, given the geological and grade continuity.
	<ul style="list-style-type: none"> <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i> 	<ul style="list-style-type: none"> Comparison of the Au MRE with an internal estimate conducted in March 2024 at ≥0.2, ≥0.3, ≥0.4, ≥0.5 and ≥0.6 gram per tonne thresholds shows similar results with differences in both tonnes and grades less or equal to -1% and 3%, respectively. The difference has been attributed to the additional drilling (176 holes), and changes on software, capping, variogram, and contact scenario used in estimation. There is no mining production to date to make a comparison.
	<ul style="list-style-type: none"> <i>The assumptions made regarding recovery of by-products.</i> 	<ul style="list-style-type: none"> No assumptions have been made regarding the recovery of by-products.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i> 	<ul style="list-style-type: none"> Total sulphur (S), calcium (Ca), and iron (Fe) were estimated using Ordinary Kriging, and the estimation panel size depended on the available information. The estimate was performed within the sub-domains defined for the Au estimate. Variograms and search neighbourhood were omni-directional. No deleterious elements have been identified at Pani to date and have therefore not been estimated in the resource, however this should be continuously monitored as production progresses.
	<ul style="list-style-type: none"> <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i> 	<ul style="list-style-type: none"> Quantitative kriging neighbourhood analysis was performed to optimise the block dimensions. The block size was limited to half the drill hole spacing or 40 m (X) × 40 m (Y) × 10 m (Z) and 20 m (X) × 20 m (Y) × 5 m (Z) within the well-drilled GSM and PETS area. A sub-blocking dimension of 5 m (X) × 5 m (Y) × 2.5 m (Z) was used to honour the interpreted volume for both the waste and mineralised parent block dimensions.
	<ul style="list-style-type: none"> <i>Any assumptions behind modelling of selective mining units.</i> 	<ul style="list-style-type: none"> The selective mining units used in the LUC estimate was 5 m (X) × 5 m (Y) × 2.5 m (Z) and was used in order to allow for reblocking as required at 5m, 7.5 m or 10 m size. A SMU size optimisation study is planned for 2025.
	<ul style="list-style-type: none"> <i>Any assumptions about correlation between variables.</i> 	<ul style="list-style-type: none"> All variables are treated in the univariate sense for estimation.
	<ul style="list-style-type: none"> <i>Description of how the geological interpretation was used to control the resource estimates.</i> 	<ul style="list-style-type: none"> The construction of the domains was based on geological and grade relationships, as outlined previously in this table. The block model is assigned unique domain codes corresponding to the mineralisation wireframes. Domains were estimated using composite with a corresponding domain code (1000, 3000, 5001, 5002, 5003, 5004, 5005, 700, 731,731,733, 751,752,753). Domain boundaries were treated as hard boundaries and boundaries between sub-domain were treated as soft boundaries for domain 1000 at gold and all domain for silver. Domain boundaries were treated as semi soft boundaries and boundaries between sub-domain were treated as soft boundaries for domain 3000 and 5001 to 5005 at gold.
	<ul style="list-style-type: none"> <i>Discussion of basis for using or not using grade cutting or capping.</i> 	<ul style="list-style-type: none"> The panel estimates used capping and 'distance limited capping' techniques, where uncapped or higher capped composites are used for a very local estimate, and distance capping is used beyond this local distance (i.e. 20 m). These thresholds were based on inflections and discontinuities in the histograms, log-probability plots, and metal quantities above thresholds. The capping thresholds for Au ranged from 2 g/t to 35 g/t globally and the distance capping ranged from 1.2 to 18 g/t. For Ag the global caps ranged from 15 g/t to 45 g/t, and the distance capping ranged from 2 g/t to 22 g/t. In some domains no capping was deemed necessary. For S, the global caps ranged from 0.7% to 1.0 % and the distance capping ranged from 0.2% to 0.5%. For Ca, the global caps ranged from 2.15% to 3.2%, and the distance capping ranged from 0.4% to 0.7%. For Fe, the global capping value used for all four subdomains was 3.5% to 4% and there is no distance capping applied.

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i> 	<p>The process of validation includes standard model validation using visual and numerical methods:</p> <ul style="list-style-type: none"> Statistically comparing the estimated block grades against the average capped composites, average capped declustered (40 m x 40 m x 20 m) and moving window average capped composites were completed for all domains. To exclude the impact of grade extrapolation, additional restrictions were placed on the analysis whereby only those blocks with a composite within were reported. This analysis was further expanded to include blocks directly informed by samples within, plus a one-block buffer. Swath plots of the estimated block grades and composite mean grades are generated by eastings, northings and elevations and reviewed to ensure acceptable correlation, The block model estimates are checked visually against the input composite/drill hole data. Given the drill hole spacing and the estimation domains spatial characteristics, stationarity and domain construction, the panel estimates were deemed acceptable.
Moisture	<ul style="list-style-type: none"> <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i> 	<ul style="list-style-type: none"> Tonnages are estimated on a dry basis.
Cut-off parameters	<ul style="list-style-type: none"> <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i> 	<ul style="list-style-type: none"> The Mineral Resource is reported above an Au cut-off grade of 0.20 grams per tonne and above a RPEEE shell at US\$2,300. The current studies suggest a cut-off grade of heap leach processing are: 0.20 g/t Au – 0.25 g/t Au for oxide, 0.21 g/t Au – 0.28 g/t Au for transition and 0.35 g/t Au - 0.49 g/t Au for fresh oxidation domain. For the CIL processing route has a cut-off grade of 0.40 g/t Au for all domains.
Mining factors or assumptions	<ul style="list-style-type: none"> <i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i> 	<ul style="list-style-type: none"> The Pani Gold Project is assumed to be mineable using open pit methods. For the proposed surface operations, the geometry, grade, indicative geotechnical properties, and size of the resource suggest an amenability to open pit mining method based on the defined SMU with no internal selectivity.

Criteria	JORC Code Explanation	Commentary
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i> 	<ul style="list-style-type: none"> Initial studies have shown that the Pani ore can be processed through a conventional crush/grind/CIL and Heap leach circuit at site to produce a gold doré.
Environmental factors or assumptions	<ul style="list-style-type: none"> <i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i> 	<ul style="list-style-type: none"> It is assumed that there will be no significant environmental impediments to further developing the project.
Bulk density	<ul style="list-style-type: none"> <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i> <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.</i> <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials</i> 	<ul style="list-style-type: none"> Bulk density determinations were routinely collected every 10 m down hole and based on a sample length of 0.1 m. The bulk density measurements are considered representative of the in-situ bulk density and are evenly distributed throughout the mineralised domains. Bulk density determinations were routinely collected from diamond core at selected intervals throughout the entire drill hole, with sample lengths typically 0.1 metres. Measurements were calculated using the water immersion or Archimedes method. Samples were first dried and the density was calculated by measuring the weight in air, the weight in water and then calculated by the weight in air divided by the weight in water. Density was estimated using Ordinary Kriging (OK) with a three-pass omni-directional search strategy. Density domains were based on alteration domains. Extreme density values were capped and panels that were not estimated due to being too distant from sufficient bulk density data to meet minimum estimation criteria, were assigned the median density for the corresponding domain. A global capping value of 3 was applied to the silica clay alteration domains.

Criteria	JORC Code Explanation	Commentary
Classification	<ul style="list-style-type: none"> <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i> 	<p>The Mineral Resource has been classified following due consideration of all criteria contained in Section 1, Section 2 and Section 3 of JORC 2012 Table 1.</p> <p>The classification of the Mineral Resource considered the quantity and quality of the composites, the quality and quantity of density data, drill hole spacing, and the quality of the block grade estimates. The following approach was adopted when classifying the Mineral Resources:</p> <ul style="list-style-type: none"> The drill hole spacing within each domain was separately reviewed. The block model was coloured by slope of regression ('SOR') for Au, which was considered to give the clearest and most constrained information on the quality of the estimate. The sample spacing was then compared to the SOR for Au. SOR values of >0.45 generally correlated with areas drilled out on a 40 m x 40 m pattern or denser. Strings were digitised around areas with a 40 m x 40 m drill hole spacing and a SOR > 0.45 <p>Strings were digitised to define the classified volumes based on:</p> <ul style="list-style-type: none"> Measured Mineral Resource: A nominal drill spacing of 20 m N x 20 m E, supported by a kriging slope of regression >0.7 for gold, and is constrained within the US\$2,300 economic pit shell and the mineralised estimation domains. Indicated Mineral Resource: A nominal drill spacing of 40 mN x 40 mE, a kriging slope of regression of >0.5, above the constraining economic pit shell at US\$2,300/oz Au and within the mineralised estimation domains (3000 and 5000). Inferred Mineral Resource: Material within the mineralised estimation domains, above the constraining economic pit shell at US\$2,300/oz Au and regionals with adequate drill hole spacing. <p>Surface stockpiles as of 31 December 2025 were classified as Measured based on:</p> <ul style="list-style-type: none"> Grades informed by grade control data during mining activities Tonnages using surveyed volumes Data internally cross checked to reconciliation results <ul style="list-style-type: none"> <i>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i> <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> <ul style="list-style-type: none"> All available data was assessed and the Competent Person's relative confidence in the data was used to assist in the classification of the Mineral Resource. The current classification assignment appropriately reflects the Competent Person's view of the deposit.

Criteria	JORC Code Explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of Mineral Resource estimates.</i> 	<ul style="list-style-type: none"> Previous MREs (Q2 2023 and Q4 2023) have been audited by independent third parties (RSC Mining and Mineral Exploration, Mining One Consultants). The Q2 2024 and 31 December 2025 MREs have been subjected to Merdeka's internal peer review processes and were reviewed by Mining One Consultants.
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i> <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> 	<ul style="list-style-type: none"> The Mineral Resource accuracy is communicated through the classification assigned to this Mineral Resource. The MRE has been classified in accordance with the JORC Code (2012 Edition). The Mineral Resource statement relates to a global tonnage and grade estimate. Grade estimates have been made for each block in the block model.

Section 4: Estimation and Reporting of Ore Reserves

Criteria	JORC Code Explanation	Comments
Mineral Resource Estimate for Conversion to Ore Reserves	<ul style="list-style-type: none"> <i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i> <i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i> 	<p>The Mineral Resource estimate has been prepared by Mr Alex Lukomskyj of Mining One Consultants. The Mineral Resource was reported as of 31 December 2025.</p> <p>The Mineral Resources are reported inclusive of the Ore Reserves.</p>
Site Visits	<ul style="list-style-type: none"> <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> <i>If no site visits have been undertaken indicate why this is the case.</i> 	<p>Ievan Ludjio, the Competent Person for Ore Reserves Estimate, FAusiMM CP (Mining), visited Pani project areas on in 2023 and 2024. During the visit, Mr Ludjio inspected the locations of the proposed open pits, waste dump, infrastructure area, and tailing dam locations. The visit also consisted of discussions with relevant people associated with Ore Reserves modifying factors including but not limited to exploration program, geology, grade control, permitting status, mine planning, metallurgy, tailings and waste storage, environmental and social disciplines. The outcomes from the visits have confirmed a common understanding of assumptions, calculation of the cut-off grades and the development of the Life-of-Mine plan.</p>
Study Status	<ul style="list-style-type: none"> <i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i> <i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i> 	<p>Pani Gold Project lies within two mining tenements, PT Puncak Emas Tani Sejahtera (PETS) IUP and PT Gorontalo Sejahtera Mining (GSM) Contract of Work. Mining operation commenced in October 2025.</p> <p>Various studies have been conducted for individual concession by PT Merdeka Gold Resources, and previous owners. The subsequent Ore Reserves Estimate was reported independent to each other.</p> <p>The parameters underpinning this estimate were developed with contributions from MGR personnel and external technical consultants engaged directly by the Company.</p> <p>Feasibility Study completed in 2024 is used as a main basis of this Ore Reserves Estimate with some updated information including but not limited to additional resource drill data, metallurgical recoveries, construction schedule, exchange rates, mining operating costs, etc.</p> <p>The Ore Reserves has been estimated by PT Mining One Indonesia after reviewing relevant Technical Studies and generating a life of mine schedule guided by inputs taken from documents reviewed.</p> <p>The project financial evaluation has been prepared by PT Mining One in collaboration with PT Merdeka Gold Resources Tbk.</p>
FS Grade Cut-off Parameters	<ul style="list-style-type: none"> <i>The basis of the cut-off grade(s) or quality parameters applied</i> 	<p>Different gold cut-off grades have been applied to address the different ore recovery by oxidation and mining areas. The differences in ore processing costs and processing recoveries drive the cut-off grades for the project.</p> <p>No allowance has been made for silver credits in calculating the cut-off grade.</p> <p>Estimated heap leach gold and silver processing recoveries vary by oxidation type and the metallurgical zones where Baganite materials have a recovery that is less than Pani Ridge materials. This results in different cut-off grades to define ore.</p>

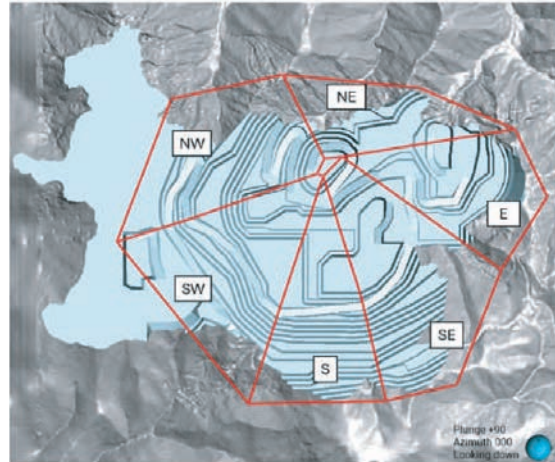
Criteria	JORC Code Explanation	Comments																												
		<p>The CIL estimated gold and silver processing recovery is applied to the mining area outside of Heap Leach pit.</p> <table><thead><tr><th rowspan="3">Oxidation Type</th><th>Cut-off Grade</th><th>Summary</th><th rowspan="3">CIL</th></tr><tr><th>Heap Leach</th><th>Heap Leach</th></tr><tr><th>Baganite Area</th><th>Pani Ridge Area</th></tr><tr><th></th><th>(g/t Au)</th><th>(g/t Au)</th><th>(g/t Au)</th></tr></thead><tbody><tr><td>Oxide</td><td>0.20</td><td>0.20</td><td>0.24</td></tr><tr><td>Transition. . . .</td><td>0.23</td><td>0.20</td><td></td></tr><tr><td>Fresh</td><td>0.40</td><td>0.29</td><td></td></tr><tr><td>Lapilli Tuff . . .</td><td>0.20</td><td></td><td></td></tr></tbody></table> <p>No Inferred Mineral Resources material has been included in pit optimisation and/or Ore Reserves reporting. It is regarded as waste in this study. In practice it will be drilled out and added to the Measured and Indicated Resources and the schedule as soon as expedient.</p> <p>For the cost assumptions please see the “Costs” section.</p> <p>For the price assumptions please see the “Revenue factors” section.</p>	Oxidation Type	Cut-off Grade	Summary	CIL	Heap Leach	Heap Leach	Baganite Area	Pani Ridge Area		(g/t Au)	(g/t Au)	(g/t Au)	Oxide	0.20	0.20	0.24	Transition. . . .	0.23	0.20		Fresh	0.40	0.29		Lapilli Tuff . . .	0.20		
Oxidation Type	Cut-off Grade	Summary		CIL																										
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Fresh	0.40	0.29																												
Lapilli Tuff . . .	0.20																													
Mining Factors or Assumptions	<ul style="list-style-type: none"><i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i><i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i><i>The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.</i><i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i><i>The mining dilution factors used.</i><i>The mining recovery factors used.</i><i>Any minimum mining widths used.</i><i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i><i>The infrastructure requirements of the selected mining methods.</i>	<p>Due to the shallow nature of deposit, only surface mining was considered.</p> <p>The method for Ore Reserves estimation included: pit optimisation, pit designs, strategic and tactical life of mine schedule, capital and operating cost estimation, and finally, economic evaluation (prepared by MGR). Other non-mining modifying factors including processing, environmental, social, and legal aspects were provided by MGR and other consultants engaged by MGR.</p> <p>The study assumed the operation would be conducted as owner mining employing conventional excavator – truck combination. Heap leach stacked method (HL), and Carbon-In-Leach (CIL) will be used to process the ore from the mine to produce gold and silver. Most ore mined from the pit will be fed to plant directly, but relatively small ROM stockpiles near the HL and CIL ore crushers are used to decouple crushing from ore mining. All costs associated with this have been allowed for.</p> <p><i>Note:</i> Not all Measured and Indicated Mineral Resources above economic cut-off grade within the design are converted to Ore Reserves due to constraint in TSF capacity that is at pre-feasibility or better test work levels. Additional testing and design work is underway to increase capacity.</p> <p>Dilution Modelling</p> <p>The regularisation process in block model increases dilution by combining the small blocks in the resource model to larger blocks used in the mine planning model. This process produces a tonnes weighted average grade that reduces the granularity of the results, i.e. dilution happens due to block model edge zones with zero or low grade being merged into blocks above the cut-off grade. Subsequently, the averaged metal grade is considered as a diluted grade. When the diluted grade drops below economic cut-off grade, the block is categorised as waste and ore losses occur. Due to this regularisation process, no further ore losses and mining dilution applied in pit optimisation and the subsequent mine planning.</p>																												

Criteria	JORC Code Explanation	Comments
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Pit Slopes

The updated geotechnical recommendation is to have either an access ramp, or a 20m geotechnical / safety berms along the south and southeast slopes. The ramp option is preferred because this can be used for geotechnical monitoring and installation of instrumentation as well as to contain possible failure material. It is recommended to mine the near surface bench at 50 ° to accommodate potentially weaker unconsolidated near surface material.

Geotechnical Zone



Design Sector	Recommended Slope Angle and Configurations					
	Pit Wall dip direction	Overall Slope Angle	Inter Ramp Angle	Minimum Berm Width	Bench Angle	Bench Height
	o	o	o	m	o	m
Northeast . .	188	40	45	7.5	65	15
Northwest . .	117	35	45	7.5	65	15
Southwest . .	60	35	45	7.5	65	15
South* . . .	360	40	45	7.5	65	15
Southeast . .	326	40	45	7.5	65	15
East	278	40	45	7.5	65	15

* 20m wide geotechnical/safety berms, or an access ramp, recommended

Lay the upper 15m high bench to 50 ° for all design sectors.

Source: Geotechnical, Hydrogeological, and Hydrological Study for Pani Gold Project (PETS Pit) for GoIFS, Doc. No. PS132997-012-R- Rev1, WSP - Golder (PT Geotechnical & Environmental Services Indonesia), 20 Aug 2024.

Pit Optimisation

The pit optimisations were undertaken using 3DS Dassault's Whittle™ Optimisation software using the regularised block model of 10 m(N) x 10 m(E) x 7.5 m(Z).

The pit optimisation was undertaken to define the economic pit shell to supply ore for Heap Leach with targeted total ore equivalent to Heap Leach pad capacity (referred as HL Pit). The pit optimisation for the CIL was undertaken with the depletion of ore within the Heap Leach Ultimate Pit design.

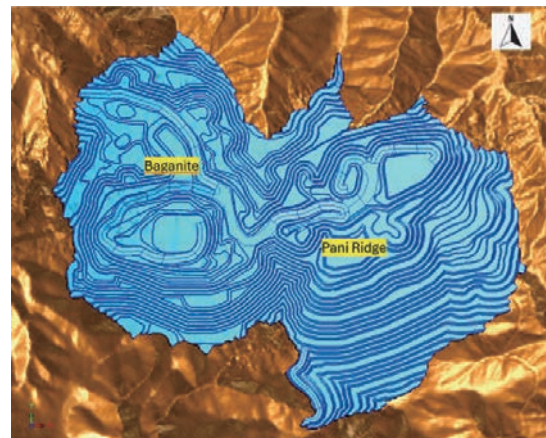
The Silver (Ag) recovery has not been included as the mining optimisation input factor.

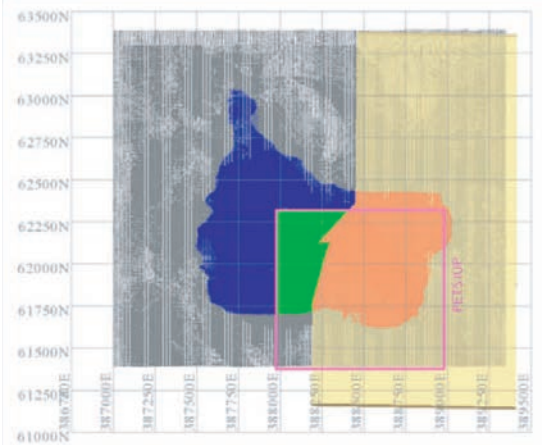
Criteria	JORC Code Explanation	Comments
		<p>Pit Designs</p> <p>Final pit designs incorporating further practical mining considerations, such as minimum mining width, in-pit ramp network, and geotechnical design criteria were carried out using the selected shells from pit optimisation.</p> <p>The subsequent pit cutbacks were designed to address the life of mine mining sequence.</p> <p>The ramp design criteria for HL Pit were designed to accommodate standard running operation for an Articulated Dump Truck and minimizing the Haul Road construction volume. The HL Pit Haul Road designed for a 60t size road specification (e.g. Volvo A60H or equivalent) with 20m wide road (truck running width 14m) with the road gradient a maximum of 10% for ultimate pits. Pioneer roads to begin mining can be as steep as 25 percent.</p> <p>The CIL Pit haul road designed with 30m wide road (running width is 23m) and 10% gradient to accommodate a larger Rigid Dump Truck 100t size for the Pit (e.g. Cat 777 or equivalent). The pre-strip of CIL pit will utilise the 60t Articulated Dump Truck.</p> <p>Surpac Open Pit module was used to generate all pit designs.</p>

Ultimate HL Pit Design – HL03 Ultimate Enlarged



Ultimate CIL Pit Design – CIL 05 Ultimate*



Criteria	JORC Code Explanation	Comments
		<p>Mine Scheduling</p> <p>The Strategic Mine Schedule is initially developed to determine the mine sequence and the nominated total material moved per each period to optimise project return. The strategic mine schedule is further detailed in Tactical Mine Schedule utilising Alastri™ software. The software comprises Haul Infinity module where the truck haulage is simulated to estimate the truck productivity and fuel burn.</p> <p>Heap Leach operations were commissioned in the last quarter of 2026 with irrigation commencing in January 2026. The HL OPP is located south of the pit, within PBT IUP area. Mainly Oxide and Transition ores ore will be hauled and stacked to Heap Leach Pad.</p> <p>The CIL ore processing is scheduled to commence in 2028 with nameplate production of 12 Mtpa.</p> <p><i>Colluvium</i> material is scheduled to be treated through the CIL and <i>Mineralized Waste</i> will be dumped as waste material.</p> <p>The heap leach stacked method (HL) operations and Cyanide-in-Leach (CIL) is proposed for the project.</p> <p>Heap Leach Operation</p> <p>Two zones of HL recovery have been determined for ore blocks in the pit depending on location - Pani Ridge Heap Leach Zone and Baganite Heap Leach Zone. The test work to date showed Pani Ridge ore leaches much better than Baganite ore due to lower silica content. Hence, Pani Ridge ore has higher processing recovery than Baganite ore.</p> <p>A solid, 'sol_define_pets_for_heapleach_recovery.dxf', was provided to Mining One to identify Pani Ridge heap Leach Zone.</p> <p>Processing Zones for Mine Planning Purpose</p>  <p>Grey: Waste blocks</p> <p>Blue: Mineralised blocks (Au > 0.01 g/t) outside PETS IUP, designated potentially for CIL process.</p> <p>Green: Mineralised blocks (Au > 0.01 g/t) within PETS IUP and Baganite Heap Leach Zone.</p> <p>Red: Mineralised Blocks (Au > 0.01 g/t) within PETS IUP, Pani Ridge Heap Leach Zone</p> <p>Brown: Solid for Heap Leach Ore Blocks ('sol_define_pets_for_heapleach_recovery.dxf')</p>
Metallurgical Factors or Assumptions	<ul style="list-style-type: none"> • <i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i> • <i>Whether the metallurgical process is well-tested technology or novel in nature.</i> • <i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i> • <i>Any assumptions or allowances made for deleterious elements.</i> • <i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i> • <i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i> 	

Criteria	JORC Code Explanation	Comments																																												
		<p>NewPro has designed the heap leach process plant. The plant comprises a three-stage crushing circuit producing a 19 mm (100% passing 19 mm) which has lime added as a neutralising binder and stacked on heaps using truck dumping and spreading. Gold is recovered from solution using a pressure carbon in column system, elution and electrowinning before smelting into doré bars.</p> <p>Randall Pyper of Kappes Cassiday and Associates prepared the processing recovery estimation for the Project Heap Leach operations that used in this Ore Reserves Estimate, as described in the Leach Performance section of the feasibility study Metallurgical Basis of Design section. Heap Leach processing recovery, split into two different zones (Baganite and Pani Ridge), are:</p> <table><tr><th colspan="4">Heap Leach Processing Recovery*</th></tr><tr><th>Zone/ Oxidation Type</th><th>Unit</th><th>Gold</th><th>Silver</th></tr><tr><td colspan="4">Pani Ridge Zone</td></tr><tr><td>Oxide</td><td>%</td><td>86.9</td><td>42.0</td></tr><tr><td>Trans</td><td>%</td><td>85.0</td><td>43.0</td></tr><tr><td>Fresh</td><td>%</td><td>50.0</td><td>42.0</td></tr><tr><td colspan="4">Baganite Zone</td></tr><tr><td>Oxide</td><td>%</td><td>70.0</td><td>49.0</td></tr><tr><td>Trans</td><td>%</td><td>62.0</td><td>50.0</td></tr><tr><td>Fresh</td><td>%</td><td>36.0</td><td>52.0</td></tr><tr><td>Lapilli Tuff</td><td>%</td><td>75.0</td><td>26.0</td></tr></table>	Heap Leach Processing Recovery*				Zone/ Oxidation Type	Unit	Gold	Silver	Pani Ridge Zone				Oxide	%	86.9	42.0	Trans	%	85.0	43.0	Fresh	%	50.0	42.0	Baganite Zone				Oxide	%	70.0	49.0	Trans	%	62.0	50.0	Fresh	%	36.0	52.0	Lapilli Tuff	%	75.0	26.0
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Lapilli Tuff	%	75.0	26.0																																											

**Source: Heap Leach Performance section of the feasibility study Metallurgical Basis of Design section with additional Metallurgical Test in May 2024*

CIL Operation

Graham Brock from the Leo Consulting prepared the Processing recovery estimation for the Carbon-in-leach (CIL) project. Combining Gravity and CIL metallurgical test recovery results from Baganite and PETS zones give an equation as per following:

$$\text{Residue Grade} = 0.0084 (\text{head grade}) + 0.0066$$

Using CIL results only without gravity gold recovery the combined data set gives the following equation.

$$\text{Residue Grade} = 0.0645 (\text{head grade}) - 0.0016$$

These equations provide the following information


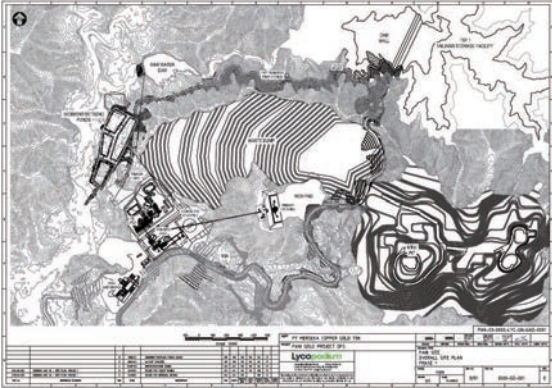
Head Grade	GRG + CIL		CIL Only		Recovery Estimate	
	Residue Grade	Recovery	Residue Grade	Recovery	Average of GRG and CIL	Less 3% Recovery
	g/t Au	%	g/t Au	%		
0.30 . . .	0.009	97.0	0.018	94.1	95.6	92.6
0.50 . . .	0.011	97.8	0.031	93.9	95.9	92.9
0.75 . . .	0.013	98.3	0.047	93.8	96.1	93.1
1.00 . . .	0.015	98.5	0.063	93.7	96.1	93.1
1.25 . . .	0.017	98.6	0.079	93.7	96.2	93.2

Further metallurgical test indicates that the recovery above 1.25 g/t Au should be capped at 92.7%.

Silver recovery is variable compared to the gold recovery. Using similar data to the estimation of gold recovery, the average silver recovery showed an averaged value of 74%. Allowing for operational matters, a silver recovery of 70% is recommended.

Criteria	JORC Code Explanation	Comments
Environmental	<p>• <i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i></p>	<p>The Mine Planning used the Heap Leach processing recovery estimation provided by MGR before the final processing recovery from Randall has been released for the mine scheduling purposes. The difference between the estimation and final processing recovery has been identified, analysed and found to make no material difference.</p> <p>The current environmental permits include:</p> <p>GSM CoW:</p> <p>Environmental Permit (IL) (305/22/VII/2016), obtained on 15 July 2016</p> <p>GSM Addendum AMDAL – No. 146 year 2024 – obtained on 5 February 2024</p> <p>Reclamation Plan Approval (RR) T-No. 383/MB.07/DJB.T/2025 dated 3 March 2025 with a validity period from 2024 to 2028. (931/37.06/DJB/2019) valid from 8 May 2019 until 8 May 2023 (the renewal is in process)</p> <p>Forestry Borrow and Use Permit (IPPKH) including:</p> <p>IPPKH for Operation Production for 999,90 Ha (1st stage) (SK. 63/1/IPPKH/PMDN/2017) valid from 3 Jul 2017 until 15 Aug 2024</p> <p>Working Area Permit (Penetapan Area Kerja / PAK IPPKH OP 1st stage) (SK. 4119/MENLHK-PKTL/REN/PLA.0/6/2018), obtained on 22 June 2018</p> <p>Determination of Watershed Rehabilitation Location (1100 Ha) (6855/Menlhk-PDASHL/KTA/DAS.1/12/2017), obtained on 20 December 2017</p> <p>IPPKH Expansion for Operation Production for 787.67 Ha (2nd stage) (SK. 302/Menlhk/Setjen/PLA.0/4/2019) valid from 24 Apr 2019 until 1 Dec 2049</p> <p>Working Area Permit (Penetapan Area Kerja / PAK IPPKH OP 2nd stage) (SK. 743/MENLHK-PKTL/REN/PLA.0/2/2021), obtained on 19 February 2021</p> <p>Determination of Watershed Rehabilitation Location (850 Ha) (2303/Menlhk- PDASRH/KTA/DAS.1/3/2023), obtained on 3 March 2023</p> <p>Extension and Merger of IPPKH for Gold Production Operation Activities and Supporting Facilities in the name of GSM to an area of 1,788.63 Ha.</p> <p>Working Area Permit (Penetapan Area Kerja / PAK PKKH OP 1.788,63 Ha) (SK. 10830/2025), obtained on 12 November 2025.</p> <p>PETS IUP:</p> <p>Reclamation Plan Approval (RR) (050/DPMESDM-TRANS/229/VII/2018) from 25 July 2018 -until 9 July 2023 (renewal process underway)</p> <p>Forestry Borrow and Use Permit (IPPKH) including:</p> <p>Approval of Use of Forest Areas for Production operation of PT PETS (93,90 Ha) (310/MENLHK/SETJEN/PLA.0/4/2019) valid from 29 April 2019 until 3 September 2028</p>

Criteria	JORC Code Explanation	Comments
		<p>Working Area Permit (Penetapan Area Kerja / PAK IPKKH OP) (SK. 8753/MENLHK-PKTL/REN/PLA.0/10/2019), obtained on 11 Oct 2019</p> <p>Determination of Watershed Rehabilitation Location (104 Ha) (5256/Menlhk- PDASHL/KTA/DAS.1/5/2019), obtained on 31 May 2019</p> <p>Determination of Environmental Feasibility of ANDAL (SKKL) (SK.39/SET.KPA/SK/IX/2018), obtained on 13 September 2018</p> <p>Environmental Permit (205/07/IL/DPM/XI/2018), obtained on 23 November 2018</p> <p>Environmental Permit (1st Addendum) (SK.1208/Menlhk/Setjen/Pla.4/12/2022), obtained on 02 December 2022</p> <p>Environmental Permit (2nd Addendum) (SK.797/2025), obtained on 9 May 2025</p> <p>Permit for Surface Water Utilisation of PT PETS (1382/KPTS/M/2022), obtained on 22 October 2022</p>
Infrastructure	<ul style="list-style-type: none"> <i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i> 	<p>Power Supply</p> <p>The Pani gold mine is less than 15 km from PLN's (the Indonesian national power supplier) 150KV main substation. In the North Sulawesi and Gorontalo regions, PLN has an electricity surplus of 200 MW, which is more than sufficient for the electricity needs of the Pani gold mine of 63 MW during maximum production capacity when the heap leach operation (10.3 MW) and CIL operation (52.7 MW) are running in parallel.</p> <p>A Memorandum of Understanding (MoU) was signed between Merdeka and PLN on August 8th, 2022, for the supply of 30MVA of electrical power for the heap leach operation and followed up with the signing of the Electricity Sale and Purchase Agreement on 24 August 2023. An amendment to the agreement will be made in the future to increase power requirements when the CIL plant comes online.</p> <p>PLN has started, in late Q4 2023, with the permitting, design, and construction of a 13 km 150KV Transmission Line consisting of 38 Towers. The target is to energize this 150 KV line in late Q3 2025.</p> <p>Fuel Supply</p> <p>Vendors shall establish a bio-diesel bulk fuel storage facility of 1,000 kL capacity, dispensing fuel to all operational vehicles and satellite fuel storage facilities at the processing plants and within the mining pit development.</p> <p>Port Infrastructure</p> <p>Pani Gold Mine operation will utilize the existing Bumbulan port (owned and operated by the local government), located 13 km from the Pani site. Bumbulan port is a conventional cargo port with a draft depth of 6 - 7 m, with long side dock facilities of around 120 m with a width of 7 m. Loading and unloading activities at Bumbulan are usually commodity goods with vessels under GT1000.</p> <p>An LCT landing facility is currently being constructed at Bumbulan area. The facility is a combined design between jetty deck on pile and causeway with a depth of -3.5 m</p>

Criteria	JORC Code Explanation	Comments
		<p>LWS. The ship that is planned to dock is a 1200 DWT LCT type ship. The LCT landing facility will significantly reduce the logistic transport duration and cost for delivering the construction & mining heavy equipments, the crushers, processing plant components, and the electrical transformers.</p> <p>Heap Leach Infrastructure Area</p>  <p>CIL Infrastructure Area</p> 
Costs	<ul style="list-style-type: none"> • <i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i> • <i>The methodology used to estimate operating costs.</i> • <i>Allowances made for the content of deleterious elements.</i> • <i>The source of exchange rates used in the study.</i> • <i>Derivation of transportation charges.</i> • <i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i> • <i>The allowances made for royalties payable, both Government and private.</i> 	<p>All costs were estimated in USD with an exchange rate of IDR 16,580/USD. The assumption is based on the average for the period July 2025 to December 2025, being the applicable cut-off period adopted in preparation of this report.</p> <p>A cash flow model was produced based on the mining and processing activities. Mining One work in collaboration with MGR to prepare the inputs for cash flow models with the inputs are derived from the combination of FS 2024, recent quotes / contract tenders, and benchmarking with other operations.</p> <p>The Ore Reserves estimation has been based on the abovementioned costs.</p>

Criteria	JORC Code Explanation	Comments
Revenue Factors	<ul style="list-style-type: none"> <i>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</i> <i>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products</i> 	<p>The pit optimisation was iterated for the gold price of \$2,300/oz. Silver, although modelled in the resource model, was assumed not realise any revenue in generating the optimal open pit.</p> <p>A 16% gold royalty, as per government regulation PP No. 19/2025, is included in the Ore Reserve estimate.</p> <p>For the economic analysis, the assumed gold and silver prices used are based on the forecast prepared by CRU Consulting in the report 'Gold IPO Industry Consultant, Prepared for PT Merdeka Copper Gold Tbk', issued in February 2026.</p> <p>Gold payable price is based on metal payability of 99.5% and gold revenue is net of realisation costs of 2.52 \$/oz.</p> <p>Silver payable price is based on metal payability of 98.4% and silver revenue is net of realisation costs of 2.52 \$/oz.</p>
Market Assessment	<ul style="list-style-type: none"> <i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. • A customer and competitor analysis along with the identification of likely market windows for the product. • Price and volume forecasts and the basis for these forecasts. • For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i> 	<p>The market assessment was conducted by CRU Consulting and reported in 'Gold IPO Industry Consultant, Prepared for PT Merdeka Copper Gold Tbk', issued in February 2026.</p>
Economic	<ul style="list-style-type: none"> <i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i> <i>NPV ranges and sensitivity to variations in the significant assumptions and inputs</i> 	<p>All costs used in the generation of the Ore Reserves have been derived from first principles, supplier quotes, experiences from other MDKA mine sites, and industry benchmarks.</p> <p>The Ore Reserves financial model demonstrates the mine has a positive NPV.</p>
Social	<ul style="list-style-type: none"> <i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i> 	<p>Statutory requirements for the Project are based on current Indonesian environmental and social laws, regulations, and international standards and guidelines.</p> <p>Extensive environmental and social baseline studies have been conducted at the Project site between 2016 and 2022. These studies have documented the seasonal variability in key environmental components as well as provided an understanding of the social setting for the Project. This baseline information formed the basis for the environmental and social impact assessment for the Project and related management plans.</p> <p>The environmental and social components of the Pani Gold Project DFS are aligned with International Finance Corporation (IFC) guidelines for good international industry practice (GIIP). In managing environmental and social issues associated with the project, MGR is committed to complying with the applicable environmental and social standards and guidelines established by the World Bank Group (WBG) and the IFC as they relate to the Equator Principles (2020).</p>

Criteria	JORC Code Explanation	Comments
Other	<ul style="list-style-type: none"> <i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i> <ul style="list-style-type: none"> <i>Any identified material naturally occurring risks.</i> <i>The status of material legal agreements and marketing arrangements.</i> <i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent</i> 	<p>The Ore Reserves are estimated based on the operations within PETS IUP and GSM COW.</p> <p>The nominated waste dump, Waste Dump 1, to place all waste from HL and CIL pits are located at GSM COW. The Mineralized waste material will be placed in the Waste Dump 2.</p> <p>Mine Industrial Area is proposed to be located at PBT IUP.</p> <p>Heap Leach Infrastructure is proposed to be located at PBT IUP.</p>
Classification	<ul style="list-style-type: none"> <i>The basis for the classification of the Ore Reserves into varying confidence categories.</i> <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> <i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i> 	<p>The Ore Reserves classification is based on the 2012 JORC Code. The basis for the classification was the Mineral Resources classification and the economic cut-off grades.</p> <p>All Measured and Indicated Resources above the nominated economic cut-off grades within the ultimate pit design were reported as Proven and Probable Ore Reserves respectively.</p> <p>The Ore Reserves do not include any Inferred Mineral Resources.</p> <p>The Competent Person believes the Ore Reserves declared are an accurate representation for the Pani Gold Project.</p>
Audits or Reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of Ore Reserve estimates</i> 	<p>This Ore Reserves Statement has been prepared by Mr. Ievan Ludjio of PT Mining One Indonesia, Competent Person, in consultation with the technical team of MGR.</p> <p>Internal peer review has been conducted as part of PT Mining One Indonesia's company policy.</p> <p>No external audits have been completed for this Ore Reserve estimate.</p>

Criteria	JORC Code Explanation	Comments
Discussion of Relative Accuracy/Confidence	<ul style="list-style-type: none"> • <i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i> • <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> • <i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i> • <i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> 	<p>The study is conducted at Feasibility Study with the exceptions as follows:</p> <ul style="list-style-type: none"> • Heap Leach Infrastructure and Heap Leach Pad Geotechnical Study is at PFS level • Pit Geotechnical Study is at PFS level • Studies on Tailings storage facility (TSF) and filtered tailings facility (FTF) are at a PFS level.

<p style="text-align: center;">APPENDIX IV SUMMARY OF THE CONSTITUTION OF THE COMPANY, CORE SHAREHOLDER PROTECTION STANDARDS AND THE INDONESIAN COMPANIES LAW</p>

GENERAL PROVISIONS

The Articles of Association of our Company serve as our principal governance document and are legally binding on our Company itself, its shareholders, members of the Board of Directors (“**BOD**”) and Board of Commissioners (“**BOC**”). In accordance with Indonesian Companies Law, the Articles of Association regulate the Company’s organizational structure, decision-making procedures, and internal conduct. They establish the rights and obligations of each member of the BOD, BOC and shareholders, and provide the legal basis for corporate actions, including shareholder meetings, director appointments, and changes in capital. As such, any action taken by our Company or its BOD, BOC and shareholders must be consistent with the provisions of our Company’s Articles of Association, and any breach may give rise to legal consequences under the Indonesian Companies Law. As the main purpose of this summary is to provide an overview of the Articles of Association, it may not necessarily contain all information that is important for prospective investors.

OBJECTIVES AND PURPOSE OF THE COMPANY

The purpose and objective of our Company is to engage in holding company activities and management consulting activities.

To achieve the above objectives and purposes, our Company may carry out the following main business activities:

- (i) Holding company activities, including ownership and/or control of its subsidiaries; and
- (ii) Other management consulting activities, where the main activities (as relevant) are to provide advice, guidance and operational assistance on business and other organizational and management issues, such as strategic and organizational planning, financial decisions, marketing objectives and policies, planning, human resource practices and policies, scheduling and production control.

To achieve the objectives and purposes and to support the main business activities of our Company as described above, our Company may carry out the following supporting business activities:

- (i) Services provided as advisors and negotiators in designing company mergers and acquisitions;
- (ii) Providing services including advisory assistance, guidance and operational assistance for business and other organizational and management issues, such as strategic and organizational planning; financial decisions; marketing objectives and policies; human resource planning, practices and policies; production scheduling and control planning, including advisory assistance, guidance and operational assistance for various management functions, management consulting on agronomy and agricultural economics in the field of agriculture and similar fields, the design of accounting methods and procedures, cost accounting programs, budget monitoring procedures, advice and assistance for businesses and community services in planning, organizing, efficiency and supervision, management information and others. This includes infrastructure investment study services.

CAPITAL AND SHARES

Our current authorised capital is IDR3,000,875,976,000.00 which is divided into 20,005,839,840 shares with nominal value IDR150 per share. Our issued and paid-up capital are 14,731,366,060 shares with nominal value IDR2,209,704,909,000.00.

We only recognise one individual or one legal entity as the owner of a single share. If, for any reason, a share becomes jointly owned by several persons, they must appoint in writing one of them or another individual as their joint proxy. Only the appointed proxy shall be entitled to exercise the legal rights attached to the share. Until this requirement is fulfilled, the joint owners are not entitled to vote at the general meeting of shareholders, and dividend payments on the share will be suspended.

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Each shareholder is required to comply with our Articles, all resolutions lawfully adopted at the general meeting of shareholders, and applicable laws and regulations. As our shares are listed on the Indonesia Stock Exchange (“**IDX**”), the rules of the IDX shall apply.

CHANGE OF CAPITAL STRUCTURE

Our Company may change its capital structure as long as it complies with the following provisions:

- Shares that are still in reserve will be issued according to the Company’s capital needs, at the time and in the manner, price and conditions determined by the BOD based on the approval of the general meeting of shareholders (“**GMS**”) and compliance with applicable capital market regulations. The BOD is authorized to implement such issuance and to determine the timing, manner, price, and other terms and conditions thereof within the limits approved by the **GMS**, with due regard to the provisions contained in the articles of association, the Indonesian Companies Law, regulations and laws applicable in the capital market sector, including regulations governing capital increases without pre-emptive rights and regulations of the “**IDX**” where the Company’s shares are listed.
- Each additional issued share in reserve must be fully paid up. Payment for shares in forms other than cash, whether tangible or intangible assets, must comply with the following provisions: (i) the asset to be used as capital contribution must be disclosed to the public concurrently with the announcement of the **GMS** regarding such contribution; (ii) the asset used as capital contribution must be appraised by an appraiser registered with the Financial Services Authority (*Otoritas Jasa Keuangan* or “**OJK**”) and be supported by an independent fairness opinion in connection with such non-cash capital contribution, and must not be pledged in any way; (iii) approval must be obtained from the **GMS** with the applicable quorum, as relevant; (iv) if the asset used as capital contribution is in the form of the Company’s shares listed on the **IDX**, its price must be determined based on fair market value; and (v) if the contribution originates from retained earnings, share premium, the Company’s net profit, and/or other equity components, such retained earnings, share premium, net profit, and/or other equity components must be included in the latest annual financial statements audited by an accountant registered with **OJK** with an unqualified opinion or an equivalent result.
- An increase in authorized capital that results in issued and paid-up capital being less than 25% (twenty-five percent) of the authorized capital may be carried out provided that: (i) approval has been obtained from the **GMS** to increase the authorized capital; (ii) approval has been obtained from the Indonesian minister in charge of governmental affairs in the legal sector; (iii) the increase in issued and paid-up capital so that it becomes at least 25% (twenty-five percent) of the authorized capital must be carried out within a maximum period of six months after obtaining approval from the Indonesian Minister as referred to in item (ii); (iv) if the increase in paid-up capital as referred to in item (iii) is not fulfilled, then the Company must amend its Articles of Association so that the paid-up capital becomes at least 25% (twenty-five percent) of the authorized capital, within two months after the period in item (iii) is not fulfilled, and the Company is obliged to obtain approval from the Indonesian Minister in charge of governmental affairs in the legal sector for the reduction of the authorized capital; and (v) the **GMS** approval as referred to in item (i) also includes approval to amend the Articles of Association as referred to in item (iv).

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- The increase in paid-up capital becomes effective upon the occurrence of the payment, and the shares issued shall have the same rights as other shares of the same classification issued by the Company, without the prejudice to the Company's obligation to submit notification to the Indonesian minister in charge of governmental affairs in the legal sector.

TRANSFER OF SHARES

In the event of a change in ownership of a share, the original owner registered in the Shareholders Register shall continue to be deemed a shareholder until the new shareholder has been recorded in the Company's Shareholders Register, without prejudice to the approvals required from the relevant authorities and applicable laws and regulations, as well as the rules of the IDX where the Company's shares are listed.

Any transfer of rights over shares must be evidenced by documents signed by or on behalf of the party transferring the rights and by or on behalf of the party receiving the transfer of rights over the shares concerned. The share transfer documents must comply with the regulations in the capital market sector applicable in Indonesia, where the Company's shares are listed, without prejudice to the provisions of applicable laws and regulations. Further, the form and procedure for transferring rights over shares traded on the capital market must comply with the laws and regulations in the Indonesian capital market sector.

The BOD may refuse to register the transfer of rights over shares in the Company's Shareholders Register if the procedures required under the Company's Articles of Association and/or applicable laws and regulations are not fulfilled, or if any condition or approval required to be given to the Company by the competent authority or other party is not met. If the BOD refuses to record the transfer of rights over shares, within 30 (thirty) days from the date the registration request is received by the Company's BOD, the BOD must send a notice of refusal to the party intending to transfer its rights. With respect to the Company's shares listed on the stock exchange in Indonesia, any refusal to record the transfer of rights over shares must comply with the laws and regulations in the capital market sector and the rules of the IDX where the Company's shares are listed.

GENERAL MEETING OF SHAREHOLDERS

GMS is the highest governing organ of a company. Accordingly, the GMS exercises certain powers and authorities that are not vested in the Board of Directors or the Board of Commissioners. Through the GMS, shareholders participate in the decision-making process of the company by exercising their voting rights on matters that affect the company.

Annual GMS ("AGMS")

The AGMS is a meeting of shareholders held annually and must be convened within a maximum period of six months after the end of the financial year or within another time limit under certain conditions as stipulated by the OJK.

During the AGMS, the following matters must be presented to and/or approved by the shareholders at the meeting:

- (i) the annual report reviewed by the BOC and the ratification of the financial statements;
- (ii) the report on supervisory duties by the BOC;
- (iii) the determination of profit allocation, if the Company has positive retained earnings balance;
- (iv) (taking effect upon or prior to the Listing) the appointment, removal, and determination of the remuneration of a registered public accountant; and
- (v) resolutions on other GMS agenda items duly submitted in accordance with the provisions of the Articles of Association.

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Extraordinary GMS (“EGMS”)

An EGMS may be convened at any time as needed to discuss and decide on meeting agenda items, except for those agenda items intended for the AGMS, while observing applicable laws and regulations as well as the Articles of Association.

Notice and Invitation of GMS

Prior to issuing a notice and invitation of GMS to the Company’s shareholders, the Company must first submit a notification of the GMS agenda to OJK no later than 5 (five) business days, excluding the date of the announcement, prior to the GMS announcement date. The meeting agenda must be disclosed clearly and in detail. In the event of any changes to the agenda, the Company is required to submit such changes to the OJK no later than the date of the GMS invitation.

The BOD must announce the GMS to the Company’s shareholders no later than 14 (fourteen) days, excluding the date of the announcement and the date of invitation of GMS, prior to the GMS invitation date. Subsequently, the Company must send out an invitation for the GMS no later than 21 (twenty-one) days before date of the GMS, excluding the date of invitation and the date of the GMS.

Quorum of GMS

In convening a GMS, the Company must ensure that the required quorum is met for the GMS to be validly held and for its resolutions to be adopted. Under the Company’s Articles of Association, such quorums in general are as follows:

First GMS		Second GMS		Third GMS	
Attendance	Approval of Resolutions	Attendance	Approval of Resolutions	Attendance	Approval of Resolutions
More than 1/2 of the total number of shares with valid voting rights present or represented	More than 1/2 of the voting rights present	Minimum of 1/3 of the total number of shares with valid voting rights present or represented	More than 1/2 of the voting rights present	Determined by OJK upon the Company’s request	Determined by OJK upon the Company’s request

The above quorum and approval thresholds will also apply to corporate actions that require GMS approval, including actions that may result in share dilution, such as rights issue. For share dilution due to private placements, the applicable quorum and threshold shall be that of an Independent GMS, as elaborated below.

Furthermore, the Company’s Articles of Association set out the attendance quorum and voting quorum for GMS attended by the Company’s independent shareholders (also known as “Independent GMS”), as follows:

First Independent GMS		Second Independent GMS		Third Independent GMS	
Attendance	Approval of Resolutions	Attendance	Approval of Resolutions	Attendance	Approval of Resolutions
More than 1/2 of the total number of shares with valid voting rights held by independent shareholders	More than 1/2 of the total number of shares with valid voting rights owned by independent shareholders	More than 1/2 of the total number of shares with valid voting rights held by independent shareholders	More than 1/2 of the total number of shares with valid voting rights owned by independent shareholders in attendance	Determined by OJK upon the company’s request	More than 50% of the total number of shares owned by independent shareholders in attendance

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In addition, the Articles of Association also specifically regulates the attendance quorum and voting quorum of the GMS for an agenda item relating to (i) the transfer of Company assets amounting to more than 50% (fifty percent) of the Company's net assets, whether in 1 (one) transaction or several transactions that are related to one another or not and/or (ii) the encumbrance of Company assets as security for indebtedness amounting to more than 50% (fifty percent) of the Company's net assets, whether in 1 (one) transaction or several transactions that are related to one another or not, shall be as follows:

First GMS		Second GMS		Third GMS	
Attendance	Approval of Resolutions	Attendance	Approval of Resolutions	Attendance	Approval of Resolutions
At least $\frac{3}{4}$ of the total shares with valid voting rights present or represented at the GMS	More than $\frac{3}{4}$ of the total shares with valid voting rights present	At least $\frac{2}{3}$ of the total shares with valid voting rights present or represented at the GMS	More than $\frac{3}{4}$ of the total shares with valid voting rights present	Determined by OJK upon the company's request	Determined by OJK upon the company's request

Moreover, the Articles of Association also specifically regulates the attendance quorum and voting quorum of the GMS for an agenda item relating to any amendment to the Articles of Association shall be resolved as follows:

First GMS		Second GMS		Third GMS	
Attendance	Approval of Resolutions	Attendance	Approval of Resolutions	Attendance	Approval of Resolutions
At least $\frac{2}{3}$ of the total shares with valid voting rights present or represented at the GMS	More than $\frac{2}{3}$ of the total shares with valid voting rights present	At least $\frac{3}{5}$ of the total shares with valid voting rights present or represented at the GMS	More than $\frac{1}{2}$ of the total number of shares with valid voting rights present	Determined by OJK upon the company's request	Determined by OJK upon the company's request

The above quorum and approval thresholds shall also apply to any amendments to the Articles of Association, resulting in an increase in the Company's capital.

Appointment of Proxy

Shareholders may grant authority to another party, by way of a power of attorney, to attend and/or vote at the GMS in accordance with the provisions of the applicable laws and regulations. Members of the Board of Directors, members of the Board of Commissioners, and employees of the Company may act as proxies at the GMS, except in the case of granting electronic powers of attorney. However, any votes they cast as proxies at the GMS shall not be counted in the voting process. In the event that the principal attends the GMS in person, the authority of the proxy to vote on behalf of the principal shall be deemed revoked.

An electronic proxy holder must have legal capacity, must not be a member of the Board of Directors, a member of the Board of Commissioners, or an employee of the Company, and must be registered in the electronic GMS system or in a system provided by the Company, if the Company uses such system.

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Convening of GMS

A GMS is generally convened by the BOD. As a starting point, the BOD is the primary organ responsible for organizing and calling both annual and EGMS in accordance with the applicable laws and the Company's Articles of Association. A GMS may be convened upon the request of: (i) one or more shareholders jointly representing at least $\frac{1}{10}$ (one-tenth) or equivalent to 10% (ten percent) of the total shares with voting rights, unless the Articles of Association stipulate a smaller amount; or (ii) the BOC. The request to hold a GMS must be submitted to the BOD by registered mail accompanied by the reasons and must not conflict with applicable laws and regulations as well as the Company's Articles of Association. The registered mail submitted by the shareholders must be copied to the BOC.

One or more shareholders jointly representing $\frac{1}{20}$ (one-twentieth) or equivalent to 5% (five percent) of the total shares with voting rights issued by the Company may propose GMS agenda items in writing to the GMS organizer no later than seven days before the GMS invitation is issued.

The Company must provide the GMS agenda materials to shareholders, which can be accessed and downloaded through the Company's website and/or e-GMS platform from the date of the GMS invitation until the date of the GMS, unless an earlier date is stipulated under applicable laws and regulations.

The BOC also has the authority to step in to convene a GMS, but only in specific circumstances as prescribed by Indonesian Companies Law and OJK Regulation 15/2020.

In particular, such circumstances are:

- (i) if the BOC have validly requested the BOD to convene a GMS and the BOD fails to act on such request within the prescribed timeframe, as required under applicable laws or the articles of association.
- (ii) if shareholders who meet the applicable shareholding threshold have validly requested the BOD to convene a GMS and the BOD fails to act on such request within the prescribed timeframe, the shareholders may submit a request to convene the GMS to the BOC, pursuant to which the BOC may convene a GMS on such request within the prescribed timeframe.
- (iii) where all members of the BOD are suspended, are dismissed, have resigned, or are otherwise unable to perform their duties, the BOC may temporarily assume the management of the company and, in that capacity, convene a GMS as necessary, subject to compliance with the procedural requirements set out in OJK Regulation No. 15/2020.

VARIATION OF RIGHTS

Dividend Rights, including Time Limits on Dividend Rights

The Company must deliver dividends, bonus shares, or other rights related to share ownership to the Indonesian Central Securities Depository for shares in Collective Custody at the Indonesian Central Securities Depository, which will then forward the dividends, bonus shares, or other rights to the Custodian Bank and Securities Company for the benefit of each account holder at the respective Custodian Bank and Securities Company.

The Company must deliver dividends, bonus shares, or other rights related to share ownership to the Custodian Bank for shares in Collective Custody at the Custodian Bank that form part of the mutual fund portfolio in the form of a collective investment contract and are not included in Collective Custody at the Indonesian Central Securities Depository.

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The deadline for determining the Securities Account holders entitled to receive dividends, bonus shares, or other rights related to share ownership in Collective Custody shall be set by the GMS, provided that the Custodian Bank and Securities Company must submit a list of Securities Account holders along with the number of Company shares owned by each account holder to the Indonesian Central Securities Depository no later than the date used as the basis for determining shareholders entitled to receive dividends, bonus shares, or other rights, which shall then be submitted to the Company no later than one business day after such date.

The Company may distribute interim dividends before the end of the Company's fiscal year in accordance with applicable laws and regulations. However, in the event that at the end of the relevant financial year, the Company incurs a loss, the shareholders who have received such interim dividends shall be required to return the dividends to the Company pursuant to Indonesian laws.

Profits distributed as dividends that are not claimed within five years after being made available for payment shall be transferred to a special reserve fund designated for that purpose. Dividends in this special reserve fund may be claimed by the entitled shareholders before the five-year period expires by presenting proof of entitlement to the dividend acceptable to the Company's BOD. Dividends not claimed after a period of ten years shall become the property of the Company.

Voting Rights

If there are fractional nominal shares, the holders of such fractional shares shall not be granted individual voting rights, unless the holders of fractional shares, either individually or jointly with other holders of fractional shares of the same share classification, hold a nominal value equal to one full share of that classification. These holders of fractional shares must appoint one among them or another person as their joint proxy, and the appointed or authorized person shall be entitled to exercise the rights granted by law over such shares.

Shareholders with voting rights who attend the GMS but do not cast a vote (abstain) shall be deemed to have cast the same vote as the majority of shareholders who voted.

Rights to the Distribution of Remaining Assets in the Event of Liquidation

If the Company is dissolved, including dissolution based on a resolution of the GMS or a court decision, liquidation must be carried out by a liquidator or curator. The liquidator must comply with applicable legal requirements. The remaining liquidation proceeds must be distributed to the shareholders, each receiving a portion in proportion to the fully paid nominal value of the shares they hold.

Pre-emptive Rights

The Company may increase its issued and paid-up capital through a rights issue by offering Pre-emptive Rights to all shareholders of the Company. Pre-emptive Rights may be transferred and traded. Payment for shares in forms other than cash in connection with the Company's capital increase through the granting of Pre-emptive Rights must comply with the requirements stipulated in the subsection above (titled "**Change of Capital Structure**"). Furthermore, share issuances without pre-emptive rights (on a non-pro-rata basis) are subject to approval from the independent shareholders of the Company (i.e. could not be controlled by the Company's controlling shareholder) and is subject to a maximum of 10% increase from the issued and paid-up capital (unless the Company is under financial distress), hence being more restrictive.

BOARD OF DIRECTORS

In principle, the BoD is the company organ that bears full responsibility for the day-to-day management of the Company, acting in the best interests of the Company and in accordance with its purposes and objectives. Based on OJK Regulation No. 33/2014, the Company shall be managed and led by a BOD consisting of two or more members. If more than one member of the BOD is appointed, one of them may be designated as President Director. Members of the BOD are appointed by the GMS, each for a term commencing from their appointment

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until the closing of the third annual GMS thereafter, without prejudice to the right of the GMS to dismiss them at any time. Upon the expiration of their term, such members may be reappointed by the GMS.

The BOD shall have the right to represent the Company inside and outside the courts in all matters and circumstances, bind the Company to other parties and other parties to the Company, and perform all acts, whether related to management or ownership, subject to the following limitations: (i) borrowing or lending money on behalf of the Company (excluding withdrawals of Company funds from banks) in amounts exceeding the value determined by the BOC; and (ii) establishing a new business or participating in another company (initial participation), whether domestically or abroad, must first obtain written approval from the BOC.

Two members of the BOD acting jointly shall have the right and authority to act for and on behalf of the BOD and represent the Company.

The division of duties and authorities among members of the BOD shall be determined by the GMS. If the GMS does not determine such division, it shall be set out pursuant to a resolution of the BOD.

Without prejudice to the responsibilities of the BOD, the BOD may grant written power of attorney to one or more attorneys-in-fact to, for and on our behalf, carry out certain legal actions as specified in the relevant power of attorney.

If a member of the BOD has a conflict of interest with the Company, the Company shall be represented by another member of the BOD. If all members of the BOD have a conflict of interest with the Company, then in such case the Company shall be represented by the BOC or another party appointed by the GMS who does not have a conflict of interest with the Company, without prejudice to the provisions in the Company's Articles of Association.

The term of office of a member of the BOD ends if (i) the term of office expires and is not reappointed; (ii) resigns in accordance with the provisions of this Article of Association; (iii) passes away; (iv) is dismissed based on a resolution of the GMS; (v) is declared bankrupt or placed under guardianship by a court decision; and (vi) no longer meets the requirements under applicable laws and regulations. In the event, that a member of the BOD resigns, the Company is required to convene a GMS to approve such resignation within 90 days since the resignation letter is received.

The BOD is authorised to represent the Company in and outside the court, to bind the Company with third parties, and to carry out all actions relating to the management and ownership of the Company. However, any borrowing or lending of funds on behalf of the Company (excluding withdrawals of bank deposits) exceeding the limit determined by the BOC, as well as the establishment of new businesses or first-time participation in other companies, whether domestically or overseas, shall require prior written approval from the Board of Commissioners.

In addition, any transfer, release of rights, or encumbrance of assets exceeding 50% of the Company's total net assets in one fiscal year, whether conducted in one or more related or unrelated transactions, must be approved by the GMS.

The determination of the scope and allocation of duties and authorities of each Director, as well as the amount and form of remuneration to which they are entitled, falls within the exclusive authority of the GMS. The GMS may delegate its authority to determine the amount of remuneration payable to the BOD to the BOC. The GMS may also delegate its authority to determine the division of duties and responsibilities among the Directors to the BOD. The Indonesian Companies Law and/or the company's articles of association may also require the BOD to obtain prior approval from the GMS or the BOC before carrying out certain activities.

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BOARD OF COMMISSIONERS

The BOC shall consist of at least two or more members (one of whom may be appointed as President Commissioner), including Independent Commissioners, with the number adjusted to comply with the requirements under applicable capital market laws and regulations. Members of the BOC are appointed by the GMS for a term commencing from their appointment until the closing of the third annual GMS thereafter, without prejudice to the right of the GMS to dismiss them at any time. Upon the expiration of their term, such members may be reappointed by the GMS.

The BOC supervises management policies, the general course of management, both concerning the Company and its business, provides advice to the BOD, and performs other duties as stipulated in the Company's Articles of Association. The BOC shall, with good faith and full responsibility, perform its duty in the interest of the company in line with the Company's purpose and objectives. The BOC must also ensure that the Company performs its social responsibilities and considers the interests of the various stakeholders in the Company. The BOC must also monitor the effectiveness of good corporate governance practices. During the Company's business days and hours, the BOC shall have the right to enter the Company's buildings, premises, or other places used or controlled by the Company and shall have the right to inspect all books, letters, and other evidence, inventory, examine and verify the cash position, and other matters, as well as the right to be informed of all actions taken by the BOD. In carrying out its duties, the BOC shall have the right to obtain explanations from the BOD or any member of the BOD regarding all matters required by the BOC. A member of the BOC appointed by the BOC may preside over the GMS.

The term of office of a member of the BOC ends if (i) the term of office expires and is not reappointed; (ii) resigns in accordance with the provisions of this Article of Association; (iii) passes away; (iv) is dismissed based on a resolution of the GMS; (v) is declared bankrupt or placed under guardianship by a court decision; and (vi) no longer meets the requirements under applicable laws and regulations.

In general, the BOC acts on a collective and collegial basis and functions as a single corporate organ, rather than through individual commissioners. Accordingly, individual members of the BOC do not, in their personal capacity, represent or bind the BOC, unless such authority has been expressly delegated pursuant to a resolution of the BOC or as provided under the Company's Articles of Association.

The BOC is also authorised, in accordance with applicable laws and regulations, to temporarily suspend a member of the BoD, with the reasons for such suspension notified in writing to the relevant BOD member. In connection with any temporary suspension, the BOC is required to convene a GMS to decide whether to revoke or affirm the suspension. Such GMS must be held no later than 90 days from the date of the temporary suspension.

If the GMS is not convened within the prescribed period, the temporary suspension shall lapse by operation of law. At the relevant GMS, the temporarily suspended member of the BOD is afforded the opportunity to present a defence.

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CORE SHAREHOLDER PROTECTION STANDARDS

Rule 8.14A of the Listing Rules requires that a listed issuer's memorandum and articles of association (or equivalent document) shall (i) conform with the relevant parts of Appendix A1 to the Listing Rules and the related guidance materials in Chapter 2.1 of the Guide for New Listing Applicants, and (ii) on the whole, not be inconsistent with the Listing Rules and the laws of the place where the listed issuer is incorporated or otherwise established.

Rule 19C.02A(b) provides that the Stock Exchange reserves the right, in its absolute discretion, to refuse a listing of securities of an overseas issuer if in its opinion that, among other things, the overseas issuer's primary listing is or is to be on an exchange that cannot provide the shareholder protection standards that are at least equivalent to those provided in Hong Kong.

The Company is incorporated in Indonesia and is primarily listed on the IDX, therefore the Company is subject to, among other things, the Indonesian Companies Law and the regulations from the OJK. Set out below is a discussion on the core shareholder protection standards offered under the Company's Articles and the Indonesian laws and regulations (the "**Domestic Standards**"), which includes any proposed measures to address any differences between the Domestic Standards and Listing Rules (the "**Proposed Measures**") that we consider material to our Shareholders and potential investors and as required under Appendix A1 to the Listing Rules.

Under Indonesian laws and the Articles, there is a quorum requirement on each and every resolution under the GMS and in the event that the required attendance quorum is not met with for a resolution, there is a relevant "fall-back" mechanisms where the resolutions/GMS may be reconvened for up to two times with an adjusted attendance quorum and/or approval threshold (the "**Fall-back Mechanism**"). For the avoidance of doubt, the Fall-back Mechanism would only apply in circumstances that the attendance quorum is not met and would not apply if the voting approval threshold was not met, i.e. if the attendance quorum was met but the resolution did not receive enough votes for approval, the Fall-back Mechanism would not be applicable.

Set out below is an illustration on the Fall-back Mechanism for items requiring ordinary resolutions under the Articles (the "**Ordinary Resolution Item(s)**"). The Fall-back Mechanism is two-fold (i.e. there could be a maximum of three GMS to determine a resolution) and the OJK, being the primary regulator of listed issuers in Indonesia, would have the ultimate authority to consider and determine the attendance quorum and the approval threshold in case the attendance quorum is not satisfied at both the first and second GMS.

Initial Requirement ("First GMS")		1st Fallback ("Second GMS")		2nd Fallback ("Third GMS")	
Attendance Quorum	Approval threshold	Attendance Quorum	Approval threshold	Attendance Quorum	Approval threshold
more than 1/2 of total shares with valid voting rights present or represented	more than 1/2 of the voting rights present	at least 1/3 of the total shares with valid voting rights present or represented	more than 1/2 of the voting rights present	determined by the OJK upon the Company's request	determined by the OJK upon the Company's request

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Therefore, in the event that the second GMS was unable to reach the necessary attendance quorum, the Company must consider whether to continue pursuing such resolutions/agenda items, and if so, it will have to submit an application to the OJK under Article 21 of OJK Regulation No. 15 of 2020 concerning Planning and Conduct of the General Meeting of Shareholders of a Public Company (“**OJK Regulation No. 15/2020**”) to determine the attendance quorum and approval threshold requirement for the Third GMS. Such application should contain (i) the attendance quorum requirements for the GMS as stipulated in the Articles; (ii) the list of attendance of shareholders in the First GMS and Second GMS; (iii) the total shareholders entitled to attend the First GMS and Second GMS; (iv) efforts that have been undertaken by the Company to fulfil the attendance quorum requirement for the Second GMS; and (v) any proposed attendance quorum for the Third GMS and the justification for such proposed attendance quorum. Once such application is made to the OJK, the attendance quorum and approval thresholds for the Third GMS will be determined by the OJK, which aims to balance the need to ensure the smooth operation of such Indonesian public companies, and the interests of the investors. For the avoidance of doubt, none of the resolutions previously proposed by the Company required a Second GMS nor a Third GMS since it became a public company in Indonesia.

There is no cooling-off period between a GMS that voted negatively on a particular agenda item and a new GMS is held to approve the same agenda, except with respect to the following agenda:

- (1) material transactions subject to GMS approval;
- (2) change of business activities;
- (3) affiliated party transactions subject to approval from independent shareholders;
- (4) conflict of interest transactions; and
- (5) change of status from public company to non-public company.

If any of the agenda as mentioned in number (1) to (5) above fails to obtain approval from shareholders pursuant to the applicable approval threshold, a cooling-off period of 12 months applies, calculated from the date on which the relevant GMS fails to obtain such approval.

In addition, the OJK Regulation No. 45 of 2024 on the Development and Strengthening of Issuers and Public Companies requires controlling shareholders (as defined in Indonesian Laws and regulations) to assume certain responsibilities to (i) ensure that the issuer shall timely convene the AGMS; (ii) attend any GMS as convened by the issuer (“**GMS Attendance Responsibility**”); (iii) safeguard the continuity of the issuer’s business; and (iv) participate in the resolutions relating to the appointment of the members of the BOD and BOC. Failure to comply with such requirement constitutes a breach on the controlling shareholder’s part and could result in enforcement actions and sanctions, including a formal warning letter and a monetary fine.

Therefore, an Indonesian public company’s controlling shareholder is responsible for its attendance at each and every GMS, whether it be an AGMS or an EGMS. The obligation of the controlling shareholder to ensure that the public company convenes a GMS applies specifically to the annual GMS, as the annual GMS is a mandatory meeting that must be held annually.

By contrast, EGMS are convened only for particular circumstances of the public company and are not certain to be held on an annual basis. Accordingly, this provision does not impose an obligation on the controlling shareholder to ensure the convening of an EGMS but rather focuses on its responsibility to attend when such meetings are held.

Given MCG held approximately 63.33% of our total issued and paid-up share capital as at the Latest Practicable Date and is our controlling shareholder under the Indonesian laws, its attendance is required for all GMS convened by the Company under the GMS Attendance Responsibility. Therefore, the Fall-back Mechanism would unlikely be triggered so long as

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MCG attends all GMS of the Company, unless the MCG is not permitted to vote or is required to either abstain or vote against in a resolution under Indonesian laws or the Listing Rules, or that the attendance threshold of a GMS is higher than MCG's holding in our total issued and paid-up share capital.

Notwithstanding its GMS Attendance Responsibility under the Indonesian laws, the Company and MCG propose to undertake to the Stock Exchange that, upon the Listing, for so long as the HDRs of the Company remain listed on the Stock Exchange (the "**Quorum Undertakings**"):

- a) MCG shall remain the majority shareholder of the Company (i.e. holding more than 50% of the Company's voting interests and any pledges made by MCG shall not affect its voting rights in such shares, subject to the prevailing Indonesian laws and regulations);
- b) comply with the GMS Attendance Responsibility by attending all GMS of the Company (subject to any resolutions that only Independent Shareholders (as defined under Indonesian laws) could attend); and
- c) in the event that, for any reason, the attendance quorum of the Second GMS was not met, the Company will request for a determination from the OJK on the attendance quorum and the approval threshold for resolution to proceed to the third GMS.

Appointment and Removal of Directors

Paragraph 4(2) of Appendix A1 to the Listing Rules requires that any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the first annual general meeting of the issuer after his appointment and shall then be eligible for re-election.

Paragraph 4(3) of Appendix A1 to the Listing Rules further requires that where not otherwise provided by law, the members in general meeting shall have the power by ordinary resolution to remove any director (including a managing or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his term of office.

Pursuant to Article 17(2) and 20(3) of the Articles (as amended), members of our Board of Directors and Board of Commissioners shall be appointed by the General Meeting of Shareholders, each for a term commencing from their appointment until the closing of the third subsequent annual GMS, without prejudice to the right of the GMS to dismiss them at any time as an Ordinary Resolution Item.

We believe that the Domestic Standards, taken together with the Quorum Undertakings, comply with the shareholder protection standards under Paragraphs 4(2) and 4(3) of Appendix A1 to the Listing Rules.

Annual general meetings

Paragraph 14(1) of Appendix A1 to the Listing Rules requires that an issuer must hold a general meeting for each financial year as its annual general meeting. Generally, an issuer must hold its annual general meeting within six months after the end of its financial year.

Article 11(3) of our Articles, together with Article 78(2) of Indonesian Companies Law as well as Articles 2(2) and 2(3) of OJK Regulation No. 15/2020, stipulate that an annual general meeting of shareholders must be held no later than 6 (six) months after the end of the financial year, or within any other time limit under certain conditions as stipulated by the OJK. Such provisions provide that the OJK will have the statutory power, in certain circumstances, to grant an extension for Indonesian public companies to convene annual GMS beyond the required six-month period after the end of the financial year. According to our Indonesian legal adviser, such statutory power would only be exercised in extraordinary circumstances and would not be exercised on individual listed issuers, and historically has only been exercised due to the COVID-19 epidemic.

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We believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 14(1) of Appendix A1 to the Listing Rules.

Notice of general meetings

Paragraph 14(2) of Appendix A1 to the Listing Rules requires that an issuer must give its members reasonable written notice of its general meetings. “Reasonable written notice” normally means at least 21 days for an annual general meeting and at least 14 days for other general meetings. This is unless it can be demonstrated that reasonable written notice can be given in less time.

Article 17(1) of OJK Regulation No. 15/2020 stipulates that an Indonesian public company must publish the GMS invitation on its website and the website of IDX and KSEI no later than 21 clear days before the GMS date, stating, among other things, the date of the GMS and its venue, the GMS agenda, an explanation on each of the items to be transacted in the GMS, the entitlement of the shareholders who can attend the GMS and information and instructions for shareholders to grant proxy through electronic GMS. The Company is of the view that such GMS invitation would serve the same purposes and is equivalent to “written notice” under paragraph 14(2) of Appendix A1 of the Listing Rules.

We believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 14(2) of Appendix A1 to the Listing Rules.

Right to speak and vote at the general meeting

Paragraph 14(3) requires that members must have the right to (1) speak at a general meeting; and (2) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Article 13(9) of our Articles (as amended) allows that during the GMS, our shareholders have the right to speak, express opinions and/or ask questions at the GMS and vote on each agenda of the GMS in accordance with the prevailing laws and regulations, including the requirements and regulations of the capital market authorities that the Company is subject to.

We believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 14(3) of Appendix A1 to the Listing Rules.

Restriction on shareholder voting

Paragraph 14(4) of Appendix A1 to the Listing Rules requires that where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

The relevant requirement under the Hong Kong Listing Rules requiring shareholders to abstain to vote lies in Rule 2.15 of the Listing Rules which requires that any shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the general meeting.

Pursuant to Indonesian laws, certain resolutions may only be attended and approved by “Independent Shareholders” (the “**Independent Shareholders Approval Matters**”), including but not limited to, (i) conflict of interest transactions; (ii) certain affiliated party transactions which also constitutes a material transaction requiring prior approval from shareholders; (iii) affiliated party transaction or material transaction which may potentially affect the continuation or going concern of the company; (iv) non-pre-emptive capital increase; (v) affiliated party transaction which, based on OJK’s assessment on a case-by-case basis, is considered to require independent shareholder approval; (vi) voluntary go private/delisting by a public company; and (vii) the liability of controller of a public company for losses suffered by the public company. For more details on the Independent Shareholders Approval Matters, please see “— Independent Shareholders Approval Matters” in this Appendix.

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In Independent Shareholders Approval Matters, any shareholder that does not fall within the criteria of independent shareholder cannot be counted in the attendance quorum and vote in the Independent Shareholders Approval Matters, and under OJK Regulation 42/2020, an “independent shareholder” means a shareholder that: (a) does not have any personal economic interest in relation to a specific transaction; and (b) is not a Director, a Commissioner, a principal shareholder (being, generally, a party that owns, directly or indirectly, at least 20% of the voting rights of all shares with voting rights issued by a public company), a controller or any of their affiliates.

The scope of the “Independent Shareholders” and the restrictions thereof may not fully overlap with the requirements under the Listing Rules, which require (a) shareholders with material interest to abstain from voting; and (b) controlling shareholder, director and chief executive of the company to abstain from voting in favor of certain matters in a general meeting. Particularly, shareholders with material interests that are not purely economic interests, or in matters other than the Independent Shareholders Approval Matters, may be permitted to vote in Indonesian companies. With respect to the procedures for handling any shareholder who shall not vote in certain resolutions, the OJK regulation requires Indonesian public companies to provide declaration forms to be signed by independent shareholders prior to convening the GMS, if there were resolutions that only “Independent Shareholders” can attend and vote, which shall include declaration that (i) the person concerned is truly an independent shareholder, and (ii) in the event that the declaration is proven to be incorrect in the future, the person concerned may be subject to sanctions in accordance with the provisions of laws and regulations.

Therefore, while the Independent Shareholders Approval Matters cover an extensive array of matters to enhance protection of the interest of the minority shareholders, the Domestic Standards did not specify the procedures to disregard any improper votes made by shareholder in contravention of such requirement or restriction. Therefore, the Company undertakes to implement the following measures so long as the HDRs of the Company remain listed on the Hong Kong Stock Exchange:

- (a) the Company shall expressly remind the shareholders in the GMS Invitation that pursuant to the Listing Rules, any shareholder with a material interest in the transaction is required to abstain from voting;
- (b) during the GMS, the chairman of GMS prior to each voting session shall expressly remind that any shareholder with a material interest in the transaction is required to abstain from voting pursuant to the Listing Rules;
- (c) the compliance adviser and the legal adviser shall be appointed by the Company to review the votes counted by the local share registrar and to confirm with the Company that they are not aware of any such votes of shareholders that would otherwise be required to abstain for having material interest in the transaction or arrangement; and
- (d) if it was discovered by the Company or other professional parties before or during the GMS that any shareholder is not an independent shareholder or had falsely declared his or her independence or otherwise voted when he/she should not have been counted in the attendance quorum or voted pursuant to the Listing Rules, the votes shall be disregarded and not counted for the relevant agenda items at the GMS.

Based on the above, the Company submits that the proposed measures to address the shortfalls from the core shareholders protection standards are legal, valid and enforceable and, with the implementation of such measures, the shortfalls will not affect the Company's compliance with the Core Shareholder Protection Standards or other Listing Rules.

Right to convene an extraordinary general meeting

Paragraph 14(5) of Appendix A1 to the Listing Rules requires that members holding a minority stake in the total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer.

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Article 11(8) of our Articles and the Indonesian laws require that a GMS may be convened upon the request of: one or more shareholders jointly representing at least 1/10 (one-tenth) or 10% of the total shares with voting rights; or the Board of Commissioners.

We believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 14(5) of Appendix A1 to the Listing Rules.

Use of Technology

Paragraphs 14(6) of Appendix A1 to the Listing Rules requires that an issuer must ensure that its constitutional documents enable the holding of general meetings which members can attend virtually with the use of technology; and where members can cast votes by electronic means.

Article 11(12) of our Articles and the OJK Regulation No. 16 of 2020 on Electronic Conduct of the General Meeting of Shareholders of a Public Company enables the Company to conduct the GMS electronically by using an e-GMS platform provided by an e-GMS service provider (in Indonesia) or a system provided by the Company that is in compliance with the applicable laws, regulations, and capital market rules.

We believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 14(6) of Appendix A1 to the Listing Rules.

Variation of Rights

Paragraph 15 of Appendix A1 to the Listing Rules requires that a super-majority vote of the issuer's members of the class to which the rights are attached shall be required to approve a change to those rights. A "super-majority vote" means at least three-fourths of the voting rights of the members holding shares in that class present and voting in person or by proxy at a separate general meeting of members of the class where the quorum for such meeting shall be holders of at least one third of the issued shares of the class. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved.

Article 45 of OJK Regulation No. 15/2020 requires that if an Indonesian public company has more than one class of shares, a GMS for an agenda relating to amendments to share rights may only be attended by shareholders of the affected share class, subject to the following conditions: (i) the GMS may be convened if at least 3/4 of the total shares of the affected share class are present or represented, unless the articles of association of such public company require a higher quorum; and (ii) such resolutions should be approved by more than 3/4 of the voting shares present at the GMS, unless the articles of association of such public company require a higher approval threshold.

As confirmed by the Company's Indonesian legal adviser, the aforementioned requirements would only apply if an Indonesian public company had two class of shares, which is not the case of the Company's current circumstances. As the Company intends to only maintain one class of shares, it undertakes to the Stock Exchange that for so long as the HDRs of the Company remain listed on the Stock Exchange, it will maintain only one single class of shares and therefore the aforementioned requirements will not be triggered for the Company.

Based on the above, the Company submits that the proposed measures to address the shortfalls from the core shareholders protection standards are legal, valid and enforceable and, with the implementation of such measures, the shortfalls will not affect the Company's compliance with the Core Shareholder Protection Standards or other Listing Rules.

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Amendment of Constitutional Documents

Paragraph 16 of Appendix A1 to the Listing Rules requires that a super-majority vote of the issuer's members in a general meeting shall be required to approve changes to an issuer's constitutional documents, however framed. A "super-majority vote" means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved.

Set out below is an illustration on our Articles' provision (as amended and in effect upon or prior to the Listing) on the attendance quorum and the approval thresholds regarding resolutions on the amendment of our constitutional documents, taking into the Fall-back Mechanism.

	Initial Requirement (First GMS)		1st Fallback (Second GMS)		2nd Fallback (Third GMS)	
	Attendance Quorum	Approval threshold	Attendance Quorum	Approval threshold	Attendance Quorum	Approval threshold
Changes to constitutional documents	at least 2/3 of total shares with valid voting rights present or represented at the GMS	more than 2/3 of total shares with valid voting rights present	at least 3/5 of total shares with valid voting rights present or represented at the GMS	more than 1/2 of the voting rights present	determined by the OJK upon the Company's request	determined by the OJK upon the Company's request

Notwithstanding "super-majority vote" under the Hong Kong Listing Rules generally means at least three-fourths of the total voting rights of shareholders, the Company is of the view that while the approval threshold falls short of the general threshold of three-fourths under the core standard, it would fall within the exemption under Note 1 to such standard, as: (i) the current proposed level of a 2/3 voting threshold is consistent with the standards under Indonesian laws on items that are considered to be more "material" and require the approval of the Minister of Law; (ii) while the approval threshold falls short of the expected threshold of three-fourths under the core standard, there are additional safeguards under Indonesian laws, including (a) a number of amendments that are considered material in Indonesian laws, including the reduction of capital and the change of business activities of the Company, would require the Minister of Law's prior approval in addition to obtaining the shareholders' approval, and (b) on top of the approval threshold, the Indonesian laws also impose an attendance quorum requirement that requires the attendance of at least 2/3 of the total shares with valid voting rights to be present or represented. Such additional attendance quorum is more stringent than the requirements in Hong Kong, which imposes no specific quorum requirement and the attendance quorum applicable. Furthermore, certain resolutions considered as more important under the Indonesian laws would require an additional approval from the Minister of Law, other than receiving the shareholders' approval. According to the Article 21 of Indonesian Companies Law, amendments to the Articles of Association that require approval from the Minister of Law are amendment concerning:

- the name of the Company and/or the domicile of the Company;
- the purposes, objectives, and business activities of the Company;
- the duration of the Company's establishment;
- the amount of authorized capital;
- the reduction of issued and paid up capital; and/or
- the change of the Company's status from a private company to a public company or vice versa.

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Based on the above, we believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 16 of Appendix A1 to the Listing Rules.

Appointment, Removal and Remuneration of Auditors

Paragraph 17 of Appendix A1 to the Listing Rules requires that the appointment, removal and remuneration of auditors must be approved by a majority of the issuer's members or other body that is independent of the board of directors.

Pursuant to the Article 11(4) of our Articles, the appointment, removal and determination of the remuneration of a registered Public Accountant shall be voted in an annual GMS of the Company.

Based on the above, we believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 17 of Appendix A1 to the Listing Rules.

Proxies and Corporate Representatives

Paragraph 18 of Appendix A1 to the Listing Rules requires that every member shall be entitled to appoint a proxy who needs not necessarily be a member of the issuer and that every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer.

Article 14(1) of the our Articles provides that our Shareholders may grant a power of attorney to another party by means of a proxy letter to attend and/or vote at the GMS in accordance with the provisions of applicable laws and regulations. Article 24 (4) of OJK Regulation No. 14/2025 provides that shareholders or proxies of shareholders of an Indonesian public shareholders may attend either physically or electronically through the e-GMS system. In addition, according to Article 30(3) OJK Regulation No. 15/2020, the proxy holder must be legally competent, and not be a Director, Commissioner, or an employee of the Indonesian public company.

Therefore, the pursuant to the Articles and above OJK regulations, every shareholder shall be entitled to appoint a proxy to attend and vote at any GMS and there are no regulatory provisions under the applicable Indonesian laws and regulations and the Articles which may restrict a duly authorized representative to represent a corporate shareholder in a GMS. There are also no restrictions that restrict a corporation to execute a form of proxy under the hand of a duly authorized officer. However, under the Indonesian laws, the proxy holder must not be a Director, Commissioner, or an employee of the Indonesian public company, which constitute an additional requirement in addition to the thresholds in the core standard.

As confirmed by the Company's Indonesian legal adviser, the Company is of the view that the rationale to require any power of attorney must be given to a person who is (a) legally competent (i.e. a person who has reached the age of 21 years old or married, and is not subject to any legal incapacity such as guardianship or curatorship), and (b) not a director, commissioner or employee of the Company is to enhance and ensure the independence of the proxy. In particular, any proxy provided to such insiders of the Company may be restricted to attend and vote in the GMS for certain resolutions, including the Independent Shareholders Approval Matters and may therefore not be able to cast the vote on behalf of the shareholders. Therefore, while the scope of power of attorney that could be given under the Indonesian laws differ from the core standard, such restriction is in place to protect the interest of the Company's shareholders as a whole and is more stringent than the core standard.

Based on the above, we believe that the Domestic Standards comply with the shareholder protection standard under Paragraph 18 of Appendix A1 to the Listing Rules.

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HKSCC's Right to Appoint Proxies or Corporate Representatives

Paragraph 19 of Appendix A1 to the Listing Rules requires that HKSCC must be entitled to appoint proxies or corporate representatives to attend the issuer's general meetings and creditors meetings and those proxies or corporate representatives must enjoy rights equivalent to the rights of other shareholders, including the right to speak and vote. Where the laws of an overseas jurisdiction prohibit HKSCC from appointing proxies/ corporate representatives enjoying the rights described by this paragraph, the issuer must make the necessary arrangements with HKSCC to ensure that Hong Kong investors holding shares through HKSCC enjoy the rights to vote, attend (personally or by proxy) and speak at general meetings.

Pursuant to the Article 14(1) of the our Articles and Article 23 of OJK Regulation No. 15/2020, Shareholders may grant a power of attorney to another party by means of a proxy letter to attend and/or vote at the GMS in accordance with the provisions of applicable laws and regulations. Therefore, all of our Shareholder shall be entitled to appoint a proxy to attend and vote at any GMS. As stipulated in the section headed "Listing, Terms of Depositary Receipts and the Deposit Agreement, Registration, Dealings and Settlement" in this prospectus, HDR Holders, including HKSCC, are not Shareholders. Indonesian law governs the rights of Shareholders. Because the Depositary or its nominee will be the holder of record for the Shares represented by all outstanding HDSs, Shareholder rights, including the right to appoint a proxy to attend and vote at our GMS, rest with such holder of record. HDR Holders, including HKSCC, only have the contractual rights set forth on their behalf under the Deposit Agreement and must rely on the Depositary to exercise on the rights attaching to the Shares on their behalf.

The HDR provides that (1) as to voting, the Depositary will pass information from the Company on resolutions and voting procedures through to the HDR holders, who will be entitled to appoint the Depositary as proxy and instruct the Depositary as to the exercise of voting rights pertaining to the shares represented by the HDRs and the Depositary will, in turn, vote or cause to be voted such shares according to the instructions and (2) as to attendance at the GMS, to the extent permitted by the Company and applicable laws, HDR holders may attend the GMS as observers, but may not vote in person at such meeting.

Alternatively, if HDR holders wish to attend the GMS to vote and/or to appoint proxies as shareholder(s), they could surrender their HDRs for cancellation in exchange for the underlying shares subject to the applicable Indonesian laws.

While HKSCC would therefore not have the right to appoint proxies or corporate representatives to exercise the rights of a shareholder, such difference shall not be considered material as to shareholder protection given (a) the ability of a HDR holder to give instructions to the Depositary (through HDR Registrar) to participate in GMS and to vote on his or her behalf; and (b) the ability of a HDR holder to convert HDRs to shares and hold them as a shareholder to directly exercise the right as a shareholder, subject to the applicable Indonesian laws.

Based on the above, the Company submits that the proposed measures to address the shortfalls from the core shareholders protection standards are legal, valid and enforceable and, with the implementation of such measures, the shortfalls will not affect the Company's compliance with the Core Shareholder Protection Standards or other Listing Rules.

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Inspection of Branch Register

Paragraph 20 of Appendix 3 to the Listing Rules requires that the branch register of members in Hong Kong shall be open for inspection by members but the issuer may be permitted to close the register on terms equivalent to section 632 of the Companies Ordinance.

Section 631 of the Companies Ordinance applies to the register of members of a company instead of the HDR register. Hence, since the Listing only involves the issuance of HDRs in Hong Kong, the requirement under section 631 of the Companies Ordinance shall not be applicable. Rule 19B.13 of the Hong Kong Listing Rules also provides that an issuer is not required to keep a register in Hong Kong of holders of the shares represented by depositary receipts. Under applicable law and regulations in Indonesia, there is no prohibition for the HDR register to be kept in Hong Kong and open for inspection by the HDR holders.

Pursuant to, among other things, the Deposit Agreement, the Company's HDR register will be kept with the HDR Registrar in Hong Kong during the period where the HDRs of the Company remain listed on the Hong Kong Stock Exchange. Under applicable laws and regulations in Indonesia, there is no prohibition for the HDR register to be kept in Hong Kong and open for inspection by the HDR holders.

Based on the above, the Company submits that the proposed measures to address the shortfalls from the core shareholders protection standards are legal, valid and enforceable and, with the implementation of such measures, the shortfalls will not affect the Company's compliance with the Core Shareholder Protection Standards or other Listing Rules.

Voluntary Winding Up

Paragraph 21 of Appendix 3 to the Listing Rules requires that a super-majority vote of the issuer's members in a general meeting shall be required to approve a voluntary winding up of an issuer. A "super-majority vote" means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved.

Article 16 (1) and Article 13 (3) of our Articles and Article 43 of OJK Regulation No. 15/2020 provides that the quorum for attendance and approval regarding voluntary winding-up shall be as follows:

	Initial Requirement ("First GMS")		1st Fallback ("Second GMS")		2nd Fallback ("Third GMS")	
	Attendance Quorum	Approval threshold	Attendance Quorum	Approval threshold	Attendance Quorum	Approval threshold
Voluntary winding-up . . .	at least 3/4 of total shares with valid voting rights present or represented at the GMS	more than 3/4 of total shares with valid voting rights present	at least 2/3 of total shares with valid voting rights present or represented at the GMS	more than 3/4 of total shares with valid voting rights present	determined by the OJK upon the Company's request	determined by the OJK upon the Company's request

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As the domestic standards provide that any resolutions regarding voluntary winding-up of the Company require a quorum requirement of shareholders representing at least 3/4 of the total issued shares, and approval threshold of more than 3/4 of the shares present at the GMS in terms of the First GMS, and a quorum requirement of shareholders representing at least 2/3 of the total issued shares, and approval threshold of more than 3/4 of the shares present at the GMS in terms of the Second GMS, such provision enhances the protection of the interest of the all shareholders as a whole by requiring a high attendance quorum and a high threshold to pass such resolutions. Given MCG's attendance as required under the GMS Attendance Responsibility and the Quorum Undertakings, the likelihood of progressing to the Third AMS and requiring the OJK's determination on such meeting's attendance quorum and approval threshold is very low.

Based on the above, we believe that the proposed measures to address the shortfalls from the core shareholders protection standards are legal, valid and enforceable and, with the implementation of such measures, the shortfalls will not affect the Company's compliance with the shareholder protection standard under Paragraph 21 of Appendix A1 to the Listing Rules.

SUMMARY OF INDONESIAN COMPANIES LAW

1. Introduction

In general, an Indonesian limited liability company (*perseroan terbatas* or “**company**”) is primarily governed by Indonesian Companies Law, together with its implementing regulations, the Indonesian Civil Code for general principles and sectoral regulations (including capital markets and investment regulations). Set out below is a summary of certain provisions of Indonesian Companies Law. This does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of corporate law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

2. Incorporation

A company is established by at least two founding shareholders pursuant to a notarial deed of establishment in Indonesian language, which must be approved by the Minister of Law. A company obtains its legal entity status upon the issuance of such approval. A company must have at least a Board of Directors and a Board of Commissioners.

3. Share Capital

Indonesian law recognizes authorized capital, issued capital, and paid-up capital. A company issues shares to evidence ownership and shares may be classified (for example, with or without voting rights or with special rights) if so provided in the articles of association and permitted by law. Shares must be fully paid upon issuance. At least twenty-five percent (25%) of the company's issued and subscribed shares must be fully paid up in accordance with statutory requirements, and payment must be completed upon issuance (i.e. prior to the Minister of Law receipt of notification to the changes of the articles of association is received). A shareholder is entitled to the rights and benefits attached to the shares upon such shareholder is recorded in the shareholders' register maintained by the company or, in the case of a public company, the share registrar.

4. Dividends and Distributions

Dividends may be declared out of the company's net profits following the allocation of statutory reserves and subject to approval by the GMS. Interim dividends may be distributed by resolution of the Board of Directors with approval of the Board of Commissioners, provided that such distribution does not cause the company's net assets to fall below the paid-up capital plus statutory reserves and subject to subsequent ratification at the next GMS.

In the event that at the end of the relevant financial year, the Company incurs a loss, the shareholders who have received such interim dividends shall be required to return the dividends to the Company.

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5. Shareholders' Suits

Indonesian Companies Law recognizes that shareholders are entitled to seek judicial protection where corporate actions cause unfair prejudice. A shareholder may file a claim against the company if the shareholder suffers loss as a result of acts of the GMS, the Board of Directors, or the Board of Commissioners that are considered unfair and without reasonable justification. Such claim must be submitted to the district court whose jurisdiction covers the company's registered domicile, ensuring that disputes are resolved before the court competent over the company's seat of management.

6. Protection of Minorities

Minority shareholder protections include rights to: receive notice and attend the GMS; request the company to purchase their shares in specific circumstances prescribed by law; challenge certain corporate actions that are unlawful or prejudicial; and demand information to the extent provided in the articles of association and law. Certain quorum and voting requirements are designed to protect minority interests in fundamental transactions. In the context of public companies, additional protection is provided through the requirement that specific transactions or corporate actions be approved by independent shareholders, ensuring that decisions with potential conflicts of interest cannot be determined solely by controlling shareholders.

7. Disposal of Assets

There are no general statutory prohibitions on a company disposing of assets in the ordinary course of business. However, Indonesian Companies Law and, where applicable, capital market regulations prescribe approval thresholds for material transactions, conflicts of interest transactions, and affiliated transactions. Directors must discharge their fiduciary duties and act in good faith, with due care, for a proper purpose, and in the interests of the company when approving assets disposals.

8. Accounting and Auditing Requirements

Companies must maintain proper accounting records that present fairly their financial position and results of operations. Financial statements should be prepared in accordance with Indonesian Financial Accounting Standards. Public companies and certain regulated entities are subject to mandatory annual audits by public accountants and periodic reporting to regulators.

9. Register of Shareholders

A company must maintain a shareholders' register recording ownership and changes thereof. For public companies, shares are typically scripless and administered through the central securities depository and share registrar. The shareholders' register is not generally a matter of public record, although certain ownership disclosures are mandated for public companies.

10. Shareholders' Meeting and Voting Procedure

Indonesian Companies Law requires certain corporate actions to be approved by shareholders through a GMS, which must be convened and conducted in accordance with statutory requirements on notice, quorum, agenda disclosure, and voting.

For private companies, shareholders' resolutions are generally passed based on the quorum and voting thresholds prescribed under the Indonesian Companies Law and the company's articles of association. Votes are typically counted on a one-share-one-vote basis, unless otherwise provided in the articles of association. The chairman of the meeting is responsible for ensuring that votes are properly cast, counted, and recorded, and the resolutions adopted at the meeting must be documented in minutes, which in certain cases are required to be notarized and reported to the relevant authorities.

<p style="text-align: center;">APPENDIX IV SUMMARY OF THE CONSTITUTION OF THE COMPANY, CORE SHAREHOLDER PROTECTION STANDARDS AND THE INDONESIAN COMPANIES LAW</p>

Public companies are subject to additional procedural and disclosure requirements under capital market regulations. Shareholders' meetings of public companies must comply with prescribed rules on meeting announcements, attendance lists, quorum, and voting procedures, including mechanisms for electronic participation and voting where applicable. Votes are counted and recorded in detail, including votes in favor, against, and abstentions, and the results must be disclosed to the public and reported to the capital market authority. Certain resolutions may also require the involvement of independent shareholders or separate voting thresholds, depending on the nature of the corporate action.

In both private and public companies, shareholders who attend and vote at the meeting are recorded in the attendance register, and voting results form an integral part of the official minutes of the meeting. These records constitute formal evidence of shareholder approval and may be relied upon for regulatory filings, implementation of corporate actions, and the exercise or enforcement of shareholders' rights.

Under Indonesian Companies Law, quorum and approval thresholds of the GMS varies. In general, a GMS may proceed if shareholders holding more than $\frac{1}{2}$ (one-half) of all voting shares are present or represented, with resolutions passed by a simple majority unless the law or the articles require more. For certain matters (i.e. amendments to the articles and major reorganizations), the meeting generally requires the presence of at least $\frac{2}{3}$ (two-thirds) of all voting shares and approval by at least $\frac{2}{3}$ (two-thirds) of votes cast. For corporate actions such as mergers, consolidations, acquisitions, spin-offs, petitions for bankruptcy, extension of the company's term, and dissolution, the law sets a higher bar of at least $\frac{3}{4}$ (three-quarters) of all voting shares must be present or represented, and resolutions pass with at least three-quarters of the votes cast. The Indonesian Companies Law permits companies to adopt stricter thresholds in their articles of association.

11. Independent Shareholders Approval Matter

Certain corporate resolutions may only be attended and approved by independent shareholders. An independent shareholder is a shareholder who has no personal economic interest in relation to a specific transaction and who is not a member of the BOD, not a member of the BOC, not a principal shareholder, and not a controller, and who is also not an affiliate of a member of the BOD, a member of the BOC, a principal shareholder, or a controller.

Pursuant to Indonesian laws, certain resolutions may only be attended and approved by "Independent Shareholders", including:

- (a) conflict of interest transaction, being a transaction where there is a difference between the economic interest of the public company and the personal economic interest of members of the BoD or BoC, the principal shareholder, or the controller that may cause potential loss to the public company;
- (b) affiliated party transaction which also constitutes a material transaction requiring prior approval from shareholders (e.g., exceeding the applicable 50% materiality threshold);
- (c) affiliated party transaction or material transaction which may potentially affect the continuation or going concern of the Company;
- (d) non-pre-emptive capital increase;
- (e) affiliated party transaction which, based on OJK's assessment on a case-by-case basis, is considered to require independent shareholder approval;
- (f) voluntary go private/delisting by a public company; and
- (g) the liability of controller of a public company for losses suffered by the public company.

<p style="text-align: center;">APPENDIX IV SUMMARY OF THE CONSTITUTION OF THE COMPANY, CORE SHAREHOLDER PROTECTION STANDARDS AND THE INDONESIAN COMPANIES LAW</p>

Any shareholder who does not meet the criteria of an Independent Shareholder may not be counted toward the attendance quorum nor exercise voting rights in respect of such matters. Pursuant to OJK Regulation No. 42 of 2020, an Independent Shareholder is a shareholder who has no personal economic interest in the relevant transaction and is not a member of the Board of Directors or Board of Commissioners, a principal shareholder, a controller, or any of their respective affiliates.

12. Points in the Articles of Association Requiring Approval of the Minister of Law

Under the Indonesian Companies Law, amendments to a company's articles of association are subject to the approval of the Minister of Law if they relate to any of the following matters:

- (i) the company's name and/or registered office (domicile);
- (ii) the company's purposes, objectives, and business activities;
- (iii) the duration of the company's establishment;
- (iv) the amount of the company's authorized capital;
- (v) any reduction of the issued and paid-up capital; and
- (vi) any change in the company's status from a private company to a public company, or vice versa.

Amendments to the articles of association that do not fall within the categories above are not subject to ministerial approval and are effective upon notification to, and receipt by, the Minister of Law.

13. Additional Corporate Organs for Public Company

Under Indonesian capital markets regulations, in addition to the GMS, the BOD, and the BOC, a public company is required to establish several supporting committees and functions to ensure proper governance and regulatory compliance.

A public company is required to have a corporate secretarial function which is directly responsible to the BOD. Such function may be conducted by (i) a person or (ii) a work unit (lead by a person in charge). The Corporate Secretary is appointed and dismissed based on the decision of the BOD. The appointment and dismissal must be reported to OJK. The function of a corporate secretary may also be performed by one of the directors of the public company, or an official of the public company designated to carry out such function. A person holding a corporate secretary position is restricted from concurrently holding position(s) in other issuers or public companies. Generally, the Corporate Secretary acts as a liaison or contact person between the public company with government authorities (including the OJK), shareholders and other stakeholders. The corporate secretary must have access to material information relating to the public company and must be familiar with all statutory regulations relating to capital markets, particularly on disclosure matters.

<p style="text-align: center;">APPENDIX IV SUMMARY OF THE CONSTITUTION OF THE COMPANY, CORE SHAREHOLDER PROTECTION STANDARDS AND THE INDONESIAN COMPANIES LAW</p>

A public company must have an Internal Audit Unit consisting of at least one internal auditor and led by a Head of Internal Audit Unit. In the event that there is only one internal auditor, he/she will be appointed as chief of Internal Audit Unit. The number of internal auditor members is determined based on the complexity of the company's business activities. A chief of Internal Audit Unit is appointed and dismissed by the BOD upon prior approval from the BOC. Any appointment and dismissal of Internal Audit Unit member must be immediately reported to OJK. The chief of Internal Audit Unit will be responsible to the President Director of public company.

A public company is required to have the function of nomination and remuneration that can be performed by the BOC or a separate Nomination and Remuneration Committee formed by the BOC. The Nomination and Remuneration Committee consisting of at least three members, with an independent commissioner acting as the chair of the committee, while the other members may be from: (i) the BOC members; (ii) outside parties of the relevant public company; or (iii) the managerial position under the BOD in charge of human resources. Members of the Nomination and Remuneration Committee are appointed and dismissed by the BOC's decision. In addition, the BOD members cannot be appointed as the Nomination and Remuneration Committee members.

The Audit Committee is a committee formed by the BOC to assist the BOC in carrying out the BOC's duties and functions. The Audit Committee must comprise at least three members, one of whom must be an independent commissioner of the public company who will serve as the chairman of the Audit Committee. The other members must also be independent individuals, at least one of whom must be an expert in the field of accounting and/or finance. The appointment and dismissal of the Audit Committee must be (i) reported to the OJK at the latest two business days after such event takes place; and (ii) made available on the website of the relevant public company. The term of office of the Audit Committee shall not exceed the term of office of the BoC as stipulated under the articles of association of the public company, and its members can only be re-appointed for one period.

14. Subsidiary Owning Shares in Other Entities

As a general principle, a company may hold shares in another company subject to cross-ownership restrictions and sectoral rules. In the context of public companies, regulations restrict certain cross-shareholding and require compliance with disclosure, affiliated transaction, and conflict-of-interest provisions. Directors of any subsidiary considering an acquisition of shares in its parent must observe fiduciary duties and applicable restrictions.

15. Mergers and Consolidations

Indonesian law permits mergers and consolidations pursuant to statutory procedures, including: directors' proposals, disclosure to employees and creditors, creditor objection periods, shareholder approvals meeting prescribed quorum and voting thresholds, and filings with authorities. The surviving or resulting company assumes assets and liabilities by operation of law. Public companies are subject to additional capital market requirements, including disclosure and, where applicable, independent party opinions.

<p style="text-align: center;">APPENDIX IV SUMMARY OF THE CONSTITUTION OF THE COMPANY, CORE SHAREHOLDER PROTECTION STANDARDS AND THE INDONESIAN COMPANIES LAW</p>

Corporate reconstructions such as spin-offs, changes in status, or reorganization may be undertaken subject to procedures similar to those for mergers and consolidations, including corporate approvals, creditor notifications, and regulatory filings. Court involvement is not generally required for corporate reconstructions unless mandated by specific statutes (for example, in insolvency or suspension-of-payment proceedings).

16. Acquisitions

Under OJK Regulation No. 9/POJK.04/2018 on the Acquisition of Public Company (“**OJK Regulation No. 9/2018**”), a controller is defined as a party who, directly or indirectly, owns more than 50% of the shares of a public company or has the ability to control the management or policy of a public company. Transfer of more than 50% of the issued shares of a public company or the acquisition of direct or indirect control of the management of a public company will be deemed to be an acquisition of a public company and trigger a mandatory tender offer by the new controlling shareholder.

In the context of acquisitions, Indonesian law does not recognise compulsory acquisition mechanisms. Accordingly, where a new controlling shareholder seeks to acquire the remaining shares of a public company, it must do so through the mandatory tender offer to all remaining shareholders. A mandatory tender offer is not required to be made in respect of (i) shares owned by shareholders who are acting in conjunction with the new controlling shareholders, (ii) shares owned by other parties who have received an offer on the same terms and conditions as the new controlling shareholder, (iii) shares owned by other parties who are conducting a tender offer at the same time on the same company's shares, (iv) shares owned by the majority shareholders, and (v) shares owned by the other controlling shareholders in the public company.

If the mandatory tender offer results in the new controlling shareholder holding more than 80% of the total paid-up capital in the public company, the new controlling shareholder must transfer or refloat a certain amount of the shares to the public so that at least 20% of the total paid-up shares in the public company is owned by the public and spread among at least 300 parties within two years after the completion of the mandatory tender offer. If the acquisition results in the new controlling shareholder obtaining more than 80% of the total paid-up capital in the public company, the new controlling shareholder will have to transfer the shares to the public equal to the percentage of shares obtained in the mandatory tender offer, at a minimum, within two years after the completion of the mandatory tender offer.

17. Voluntary Delisting and Go-Private

A public company may conduct a voluntary delisting if (i) the public company's shares have been listed on IDX for at least five years; (ii) has fulfilled all its obligations to the IDX as regulated by IDX rules; and (iii) has paid the delisting fee, which is five times the last annual listing fee.

In addition, if a public company intends to change its status to a private company, it must (i) obtain approval from independent shareholders in a GMS; (ii) reduce the number of shareholders to become less than 50 parties (through buyback or voluntary tender offer); and (iii) announce the disclosure of information to the public and submit them to OJK and submit an application for the effective registration statement revocation.

The GMS convened to approve the delisting and the change of status to a private company (i.e. go-private) must be attended and approved by more than 50% of the total shares held by independent shareholders with valid voting rights. If attendance quorum for the first GMS is not met, a second GMS may be convened with the same attendance threshold, with resolutions approved by more than 50% of the shares held by independent shareholders attending the meeting. If the quorum remains unmet, a third GMS may be held, with the attendance quorum determined by the OJK (upon application from the Company), while the approval threshold continues to require more than 50% of the shares held by independent shareholders attending the meeting.

As voluntary delisting and go-private requires the approval of an Independent GMS, the controlling shareholder of a public company is therefore not in a position to unilaterally determine or compel the company to undertake such action.

<p style="text-align: center;">APPENDIX IV SUMMARY OF THE CONSTITUTION OF THE COMPANY, CORE SHAREHOLDER PROTECTION STANDARDS AND THE INDONESIAN COMPANIES LAW</p>

18. Restructuring

Companies facing financial distress may seek restructuring through consensual workouts, suspension-of-debt payment proceedings (penundaan kewajiban pembayaran utang), or bankruptcy proceedings under the Bankruptcy Law, as well as out-of-court mechanisms with creditors and stakeholders. Commencement of court-supervised processes triggers statutory stays and procedural safeguards as provided by law.

19. Liquidation

A company may be liquidated by shareholder resolution or by court order in cases specified by law. Upon liquidation, a liquidator is appointed to collect and recording assets, settle creditors' claims according to statutory priorities, distribute any remaining assets to shareholders in accordance with their rights, and conduct required notifications and filings, culminating in deregistration upon completion.

20. Stamp Duty on Transfers

Indonesia imposes stamp duty on certain documents and instruments as prescribed by statute. The applicability and amount depend on the nature of the document and the prevailing stamp duty regime. Share transfers may attract administrative fees or taxes depending on the form of transfer and whether the company is public or private, securities market transfers are generally effected through the depository and brokerage system.

21. Exchange Control

Foreign exchange activities in Indonesia generally operate under a free foreign exchange regime pursuant to Law No. 24 of 1999 on Foreign Exchange Flow and Exchange Rate System, although Bank Indonesia retains authority to introduce prudential and macro stability measures, including restrictions on offshore Rupiah transactions and documentation requirements for certain foreign currency purchases. Indonesian currency regulations require the use of Rupiah for most onshore cash and non cash transactions, subject to limited exemptions, and impose prohibitions on dual pricing. Compliance with underlying transaction requirements, reporting rules, and Bank Indonesia's supervisory measures is mandatory, and violations may result in administrative or criminal sanctions depending on the nature of the breach.

22. General

Assegaf Hamzah & Partners, the Company's legal adviser on the laws of the Republic of Indonesia, have sent to the Company a letter of advice summarising certain aspects of the Indonesian Companies Law. This letter is available for inspection as referred to in the paragraph headed "Documents Delivered to the Registrar of Companies in Hong Kong and Documents on Display — 2. Documents on Display" in Appendix VI to this prospectus. Any person wishing to have a detailed summary of the Indonesian Companies Law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR COMPANY**1. Incorporation of Our Company**

Our Company was incorporated under the laws of the Republic of Indonesia as a limited liability company on 20 November 2015 under the name “PT Pani Bersama Jaya.” The Company was renamed “PT Merdeka Gold Resources Tbk” on 12 June 2025 pursuant to Deed No. 64/2025. The Company is domiciled in South Jakarta, Indonesia, with its registered office at Treasury Tower Lantai 67, District 8, SCBD Lot 28, Jl. Jend. Sudirman No. 52-53, Jakarta 12190, Indonesia. Our Company is a public limited liability company (Perseroan Terbatas Terbuka or “Tbk”) and is subject to the relevant laws of Indonesia, including Law No. 40 of 2007 on Limited Liability Companies (as amended) and Law No. 8 of 1995 on Capital Markets (as amended). A summary of our Articles of Association as amended and effective at or before Listing is set out in Appendix IV.

Our Company is engaged in the mining sector, with a focus on gold resources. The Company’s primary asset is the Pani Gold Mine located in Gunung Pani, Desa Hulawa, Kabupaten Pohuwato, Provinsi Gorontalo, Sulawesi, Indonesia. The mine contains Mineral Resources of 7.0 million ounces of gold, including Ore Reserves of 5.2 million ounces of gold, positioning it as one of Indonesia’s largest primary gold mines. Access to the mine is via a three-hour drive from Gorontalo Airport or the nearby Bumbulan Port, 12 km away, supporting logistics and personnel mobilization.

Our registered place of business in Hong Kong is at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. We were registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 6 March 2026 with the Registrar of Companies in Hong Kong. Ms. Sau Mei Ng has been appointed as the authorized representative of our Company for the acceptance of service of process in Hong Kong. The address for service of process is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

2. Changes in the Share Capital of Our Company and Subsidiary

Upon incorporation on 20 November 2015, our Company had an authorized share capital of 10,000 shares with a nominal value of Rp1,000,000 per share (total nominal value Rp10,000,000,000). The issued and fully paid-up capital was 2,500 shares (total nominal value Rp2,500,000,000), held as follows: PT Pani Bersama Emas (2,499 shares, 99.96%) and Januarius Felix Lumban Gaol (1 share, 0.04%).

The following sets out the changes in our Company’s issued share capital within the two years immediately preceding the date of this prospectus:

- (a) On 25 September 2024, pursuant to Deed No. 84/2024, the Company’s authorized capital was increased to Rp 3,000,871,057,046.23, and the share capital was classified into Series A, Series B, and Series C shares.
- (b) In preparation for the global offering in IDX, the Company undertook the following capital restructuring steps in 2025: (i) Unification of Share Classes: Pursuant to Deed No. 64/2025, the Series A, Series B, and Series C shares were converted into a single class of ordinary shares with equal rights. (ii) Stock Split: Pursuant to Deed No. 58/2025, the nominal value of the Company’s shares was changed from Rp 19,524,750 per share to Rp 150 per share. (iii) Share Buyback: Pursuant to Deed No. 62/2025, the shareholders approved the buyback of all shares owned by PT Permata Alam Kapital (1,448,866,615 shares post-split). These shares are currently held as treasury shares.

- (c) On 12 June 2025, the shareholders ratified the capital contributions made by the founding shareholders pursuant to Deed No. 64/2025, confirming that all issued shares were fully paid up based on the MGR Group's consolidated financial statements for the year ended 31 December 2024, audited by KAP Tanubrata Sutanto Fahmi Bambang & Partners (member firm of BDO International) with Independent Auditor's Report No. 00172/2.1068/AU.1/05/0119-8/1/III/2025 dated 26 March 2025.
- (d) On 12 June 2025, the Company changed its name from PT Pani Bersama Jaya to PT Merdeka Gold Resources Tbk pursuant to Deed No. 64/2025, as approved by the Minister of Law and Human Rights of the Republic of Indonesia under Decree No. AHU-0038611.AH.01.02.TAHUN 2025 dated 13 June 2025, and registered under No. AHU-0130816.AH.01.11.TAHUN 2025 dated 13 June 2025.

3. Changes in the Share Capital of Our Subsidiaries

The following sets out significant changes in the share capital or equity structure of our subsidiaries during the two years immediately preceding the date of this prospectus:

- PT Puncak Emas Tani Sejahtera: The Company, via PT Puncak Emas Gorontalo, completed the acquisition of PT Puncak Emas Tani Sejahtera on 27 June 2024, becoming the holder of 99.99% effective ownership.
- PT Pani Industri Jaya: The Company established PT Pani Industri Jaya on 15 August 2024, a subsidiary with 99.96% effective ownership.
- PT Mentari Alam Persada: The Company subscribed shares in the reorganization of PT Mentari Alam Persada, completed on 18 December 2024, resulting in the Company holding an effective ownership of 99.99%.
- PT Pani Industri Nusantara: The Company, via PETS and PT Gorontalo Sejahtera Mining ("GSM"), established PT Pani Industri Nusantara ("PIN") on 24 January 2025, a subsidiary with 99.99% effective ownership.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by our Company or its subsidiary within the two years preceding the date of this prospectus and are or may be material:

- (a) the Hong Kong Underwriting Agreement;
- (b) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Ping An of China Asset Management (Hong Kong) Company Limited ("Ping An AM") (being the investment manager of Ping An Life Insurance Company of China, Ltd. (中國平安人壽保險股份有限公司) ("Ping An Life Insurance")), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited, CLSA Limited and Morgan Stanley Asia Limited, pursuant to which, Ping An AM (for and on behalf of Ping An Life Insurance) has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$30,000,000;
- (c) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Wanguo Gold Group Limited ("Wanguo"), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, Wanguo has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$20,000,000;

- (d) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Glencore International AG (“**Glencore AG**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited, CLSA Limited and China International Capital Corporation Hong Kong Securities Limited, pursuant to which, Glencore AG has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$20,000,000;
- (e) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Mercuria Holdings (Singapore) Pte. Ltd. (“**Mercuria**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited, CLSA Limited and China International Capital Corporation Hong Kong Securities Limited, pursuant to which, Mercuria has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$20,000,000;
- (f) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Trafigura Pte. Ltd., UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited, CLSA Limited and China International Capital Corporation Hong Kong Securities Limited, pursuant to which, Trafigura Pte. Ltd. has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$20,000,000;
- (g) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Intera Mining Investment Limited (“**Intera Mining**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, Intera Mining has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$10,000,000;
- (h) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), GF Fund Management Co., Ltd. (“**GF Fund Management**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, GF Fund Management has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$8,000,000;
- (i) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), GF International Investment Management Limited (“**GF Fund HK**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, GF Fund HK has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$2,000,000;
- (j) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), CNGR Hong Kong Material Science & Technology Co., Limited, UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited, CLSA Limited and Morgan Stanley Asia Limited, pursuant to which, CNGR Hong Kong Material Science & Technology Co., Limited has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$7,000,000;
- (k) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders),

Eurus Holdings SPC (acting for and on behalf of OAAM Diversified Opportunities III S.P.) (“**Orix**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, Orix has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$5,000,000;

- (l) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Wind Sabre Fund SPC (acting on behalf and for the account of Wind Sabre Opportunities Fund SP) (“**WSOF**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, WSOF has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$5,000,000; and
- (m) the cornerstone investment agreement dated June 15, 2026 entered into between our Company (for itself and on behalf of Selling Shareholders), Dymon Asia Multi-Strategy Investment Master Fund (“**DAMSIMF**”), UBS Securities Hong Kong Limited, UBS AG Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, pursuant to which, DAMSIMF has agreed to purchase the number of Offer HDRs at the final Offer Price in the amount of HK dollars equivalent to US\$5,000,000.

2. Intellectual Property Rights of the Group

As of the Latest Practicable Date, save as disclosed in the section headed “Business — Intellectual Property” in this prospectus, we have not owned and used any material intellectual property in the form of trademark, copyright, patent, industrial design, geographical indications, plant variety, layout design of integrated circuits and trade secrets in Indonesia.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS, COMMISSIONERS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

Interests of our Directors and Commissioners in our Shares,

Based on information available to the Company, the interests of our Directors and Commissioners in our Shares as at 31 May 2026 is as follows:

Name of Director/ Commissioner	Nature of interest	Number of Shares	Approximate percentage of shareholding interests (%)
Mr. Santoso Kartono ⁽¹⁾	Beneficial interest	185,041,495	1.256%
Mr. Winato Kartono	Beneficial interest	548,772,817	3.725%
Nicholas John Green	Beneficial interest	300,000	0.002%
Xinyu Wang	Beneficial interest	1,470,300	0.01%

Notes:

- (1) Mr. Winato Kartono and Mr. Santoso Kartono are Commissioners of our Company. Mr. Santoso Kartono is the brother of Mr. Winato Kartono.

2. Directors and Commissioners’ Offering Letters

The Company has entered into offering letters with the Directors and Commissioners on 25 February 2026 for their proposed appointment. Pursuant to our Articles of Association, the term of service of the Directors and Commissioners shall be three years. The principal provisions of the offering letters are that (a) they agree to be nominated for appointment as Directors and Commissioners of the Company, subject to shareholders’ approval at a general meeting of shareholders, and (b) the offering letters do not constitute definitive appointments and the proposed appointments will only become effective upon approval by the general meeting of shareholders and completion of all applicable corporate procedures.

None of our Directors and Commissioners has entered, or has proposed to enter, a service contract in the capacity of directors or commissioners with any member of the Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

3. Directors and Commissioners' Remuneration

The aggregate remuneration (including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind and discretionary bonuses) paid to our Directors and Commissioners for each of the three years in the period ended 31 December 2025 were approximately US\$166,068, US\$159,581 and US\$154,420 respectively. The Company has not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers and directors.

Save as disclosed in the section headed "Directors, Senior Management and Commissioners — Compensation Of The Board Of Directors And The Board Of Commissioners" and the above, no other amounts have been paid or are payable by us to our Directors and Commissioners for each of the three years in the period ended 31 December 2025.

Our Independent Commissioners are appointed for a term of three years. The Company intends to pay a Commissioner's fee of ranging from US\$90,000 to US\$165,000 gross per annum to each of the Independent Commissioners, depending on their respective roles, including participation in the Company's committees. Save for the Commissioner's fees, none of our Independent Commissioners is expected to receive any other remuneration for holding his or her office as an Independent Commissioner.

Under the arrangements currently in force as of the date of this prospectus, the aggregate amount of remuneration payable by our Group to our Directors and Commissioners for the year ending 31 December 2026 will be approximately US\$155,000. There was no arrangement under which a Director or Commissioner has waived or agreed to waive any emoluments for each of the three financial years immediately preceding the issue of this prospectus.

4. Directors and Commissioners' Competing Interests

Save as disclosed in the sections headed "Directors, Senior Management and Commissioners" and "Relationship with our Controlling Shareholders", none of our Directors and Commissioners are interested in any business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the business of the Group.

5. Personal guarantees

The Directors and Commissioners have not provided personal guarantees in favor of lenders in connection with banking facilities granted to us.

6. Agency fees or commissions received

Save in connection with the Underwriting Agreements, none of our Directors and Commissioners, nor any of the parties listed in the paragraph headed "D. Other Information — 5. Qualification of Experts" in this Appendix had received any commissions, discounts, agency fees, brokerages or other special terms in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiary within the two years preceding the date of this prospectus.

7. Related party transactions

During the two years preceding the date of this prospectus, we have engaged in the material related party transaction as described in the Accountant's Report and the Unaudited Pro Forma Financial Information set out in Appendix I and Appendix II to this prospectus.

8. Disclaimers

Save as disclosed in this prospectus:

- (a) none of the Directors and Commissioners nor any of the persons listed in the paragraph headed “D. Other Information — 5. Qualification of Experts” below is interested in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this prospectus, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (b) none of the Directors and Commissioners nor any of the persons listed in “— D. Other Information — 5. Qualification of Experts” below is materially interested in any contract or arrangement with the Group subsisting at the date of this prospectus which is unusual in its nature or conditions or which is significant in relation to the business of the Group as a whole; and
- (c) save in connection with Underwriting Agreements, none of our Directors and Commissioners nor any of the persons listed in “— D. Other Information — 5. Qualification of Experts” below (i) is interested legally or beneficially in any of our Shares or any share in any of our subsidiary; or (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

D. OTHER INFORMATION**1. Estate duty**

Our Directors and Commissioners have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiary.

2. Litigation

During the Track Record Period and up to the Latest Practicable Date, save as disclosed in “Business — Legal Proceedings and Compliance”, no member of the Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to our Directors and Commissioners to be pending or threatened by or against the Group, that would have a material adverse effect on its business, financial condition or results of operations.

3. Joint Sponsors

The Joint Sponsors have made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, the HDRs in issue and to be issued as mentioned in this Prospectus (including any HDRs which may be issued pursuant to the exercise of the Over-allotment Option).

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Hong Kong Listing Rules. The Joint Sponsors will receive an aggregate fee of US\$800,000 for acting as the sponsor for the Listing.

4. No Material Adverse Change

Our Directors and Commissioners confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since 31 December 2025 (being the date to which the latest audited consolidated financial statements of the Group were prepared).

5. Qualification of Experts

The following are the qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given opinions or advice which are contained in this prospectus:

Name	Qualification
UBS Securities Hong Kong Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities under the SFO
CITIC Securities (Hong Kong) Limited	A licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
BDO Limited	Certified Public Accountants under Professional Accountants Ordinance (Cap. 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong)
Assegaf Hamzah & Partners	Legal adviser to the Company as to Indonesian laws
PT Mining One Indonesia	Competent person (with the meaning of Chapter 18 of the Hong Kong Listing Rules)
CRU International Limited	Industry Consultant

6. Consents of Experts

Each of the experts as referred to in the paragraph headed “— 5. Qualifications of Experts” in this Appendix has given and has not withdrawn their consent to the issue of this prospectus with the inclusion of their reports and/or letters and/or legal opinions (as the case may be) and references to their names included in the form and context in which they are respectively included.

As at the Latest Practicable Date, none of the experts named above has any shareholding interests in our Company or any of our subsidiary or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiary.

7. Promoters

Our Company has no promoter for the purpose of the Hong Kong Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

8. Preliminary Expenses

The Company did not incur any material preliminary expenses.

9. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

10. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong).

11. Particulars of the Selling Shareholders and the Over-allotment Option Grantors

The following the Selling Shareholders and the Over-allotment Option Grantors have agreed to sell a portion of their shares in the Global Offering (via the issuance of HDRs). The particulars of the Selling Shareholders and the Over-allotment Option Grantors are set out below:

Name:	PT Nusantara Indah Cemerlang
Registered Office:	Gedung Ranuza, Jl. Timor No 10, Gondangdia, Menteng, Indonesia 10350
Description:	PT Nusantara Indah Cemerlang is a limited liability company incorporated in the Republic of Indonesia and an investment holding company, which is 99% beneficially owned by Mr. Lewi Sasmita Kosasih
Number of Sale Shares:	352,337,000 (representing 35,233,700 Sale HDRs)
Name:	Continuum SPC (acting on behalf of and for the account of Infinity Fund SP)
Registered Office:	Campbells Corporate Services Limited, Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands
Description:	Continuum SPC (acting on behalf of and for the account of Infinity Fund SP) is an exempted limited segregated portfolio company registered in the Cayman Islands. Its general partner/investment manager is Gallium Investment Pte. Ltd. which is incorporated in Singapore and beneficially owned by Mr. Cheng Keok Wee as to 70%, Mr. Tan Xuan Ri Leon as to 20% and Ms. Ong Mei Suet, Michele as to 10%. In the fund, none of each of the limited partners hold a stake greater than 10%
Number of Sale Shares:	210,490,000 (representing 21,049,000 Sale HDRs)
Maximum number of Shares to be sold pursuant to the exercise of the Over-allotment Option:	28,082,000 (representing 2,808,200 Sale HDRs)

Name:	PT Nugraha Eka Kencana
Registered Office:	Menara Karya Building 15th Floor, Jl.H.R Rasuna Said Blok X-5, Kav. 1-2, Kel. Kuningan Timur, Kec. Setiabudi, South Jakarta, DKI Jakarta – 12950
Description:	PT Nugraha Eka Kencana is a limited liability company incorporated in the Republic of Indonesia and an investment holding company, which is beneficially owned by Mr. Edwin Soeryadjaya as to 51.7%.
Number of Sale Shares:	46,586,000 (representing 4,658,600 Sale HDRs)
Maximum number of Shares to be sold pursuant to the exercise of the Over-allotment Option:	20,002,000 (representing 2,000,200 Sale HDRs)
Name:	PT Bintang Delapan Harmoni
Registered Office:	Rukan Grand Puri Niaga Jl. Puri Kencana Blok K6 No. 3E Kel. Kembangan Selatan, Kec. Kembangan, West Jakarta, DKI Jakarta – 11610
Description:	PT Bintang Delapan Harmoni is a limited liability company incorporated in the Republic of Indonesia and an investment holding company, which is beneficially owned by Mr. Halim Mina as to 40%, Mr. Mikhael SE as to 30%, and Ms. Aprillia Astena and Mr. Boby Tejakusuma as to 15% each.
Number of Sale Shares:	52,775,000 (representing 5,277,500 Sale HDRs)
Name:	Mr. Edi Permadi
Correspondence Address:	Jl Cucak Rawa no. 18B, RT004/RW003, Kelurahan Bukit Duri, Kecamatan Tebet, Jakarta Selatan, Indonesia
Description:	An individual investor familiar with the gold mining sector
Number of Sale Shares:	41,307,000 (representing 4,130,700 Sale HDRs)
Name:	GEM Hong Kong International Co., Limited
Registered Office:	Unit 2, LG 1, Mirror Tower, 61 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong
Description:	GEM Hong Kong International Co., Limited is a private company incorporated under the laws of Hong Kong and an investment holding company, which is wholly-owned by GEM Co., Ltd., a listed company.

Number of Sale Shares:	40,829,000 (representing 4,082,900 Sale HDRs)
Name:	PT Deze Trading Indonesia
Registered Office:	IMIP Building, Jl. Batu Mulia 8, Kel. Meruya Utara, Kec. Kembangan, West Jakarta, DKI Jakarta – 11620
Description:	PT Deze Trading Indonesia is a limited liability company incorporated in the Republic of Indonesia and an investment holding company, which is beneficially wholly owned by Mr. Ding Liguu.
Number of Sale Shares:	37,489,000 (representing 3,748,900 Sale HDRs)
Name:	Mr. Alexander Ramlie
Correspondence Address:	Jalan Widya Chandra 13, No 6, Jakarta 12190, Indonesia
Description:	An individual investor familiar with the gold mining sector
Number of Sale Shares:	35,376,000 (representing 3,537,600 Sale HDRs)
Name:	PT Unitras Kapital Indonesia
Registered Office:	Menara Karya Building 17th Floor, Jl.H.R Rasuna Said Blok X-5, Kav. 1-2, Kel. Kuningan Timur, Kec. Setiabudi, South Jakarta, DKI Jakarta – 12950
Description:	PT Unitras Kapital Indonesia is a limited liability company incorporated in the Republic of Indonesia and an investment holding company, which is beneficially owned by Mr. Edwin Soeryadjaya as to 50%.
Number of Sale Shares:	23,468,000 (representing 2,346,800 Sale HDRs)
Maximum number of Shares to be sold pursuant to the exercise of the Over-allotment Option:	10,075,000 (representing 1,007,500 Sale HDRs)
Name:	Sherman Mineral Trading Co., Limited
Registered Office:	Unit 1002, 10/F., Perfect Commercial Building, 20 Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong
Description:	Sherman Mineral Trading Co., Limited is a limited company incorporated under the laws of Hong Kong and an investment holding company, which is beneficially wholly-owned by Mr. Hsieh Wei-Tong.
Number of Sale Shares:	23,311,000 (representing 2,331,100 Sale HDRs)

Name:	Mr. Winato Kartono
Correspondence Address:	Pacific Century Place, Level 19, Sudirman Central Business District Lot 10, Jl. Jendral Sudirman Kav 52-53, Jakarta, 12190
Description:	A commissioner of the Company, Mr. Winato Kartono is an individual investor familiar with the gold mining sector
Number of Sale Shares:	N/A
Maximum number of Shares to be sold pursuant to the exercise of the Over-allotment Option:	76,343,000 (representing 7,634,300 Sale HDRs)
Name:	Mr. Hardi Wijaya Liong
Correspondence Address:	Pacific Century Place, Level 19, Sudirman Central Business District Lot 10, Jl. Jendral Sudirman Kav 52-53, Jakarta, 12190
Description:	An individual investor familiar with the gold mining sector, who was previously a commissioner of the Company between 13 June 2025 and 10 December 2025.
Number of Sale Shares:	32,718,000 (representing 3,271,800 Sale HDRs)

12. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
- (i) neither we nor our subsidiary has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of our Company or our subsidiary is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no commissions, discounts, brokerage or other special terms have been granted in connection with the issue or sale of any shares or loan capital of any member of the Group;
 - (iv) no commission has been paid or payable (except commission to sub-underwriters) to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of our Company or our subsidiary;
 - (v) no founder, management or deferred shares of our Company or our subsidiary have been issued or agreed to be issued; and
 - (vi) there is no arrangement under which future dividends are waived or agreed to be waived.

- (b) Save as disclosed in this prospectus, none of the persons named in the paragraph headed “— D. Other Information — 6. Consent of Experts” in this Appendix is interested beneficially or otherwise in any shares of any member of the Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of the Group;
- (c) Our Directors and Commissioners confirm that:
 - (i) there has not been any interruption in the business of our Company which may have or have had a material adverse effect on the financial position of our Company in the 12 months immediately preceding the date of this prospectus; and
 - (ii) our Company has no outstanding convertible debt securities or debentures.
- (d) The English version of this prospectus shall prevail over the Chinese version.

1. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

- (a) a copy of each of the material contracts referred to in the section headed “Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts” in Appendix V to this prospectus;
- (b) the written consents referred to in the section headed “Statutory and General Information — D. Other Information — 6. Consents of Experts” in Appendix V to this prospectus; and
- (c) the statement of particulars of the Selling Shareholders and the Over-allotment Option Grantors.

2. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of our Company at <https://merdekagoldresources.com> for a period up to and including the date which is 14 days from the date of this prospectus:

- (a) the Articles of Association;
- (b) the Accountants’ Report for the years ended 31 December 2023, 2024 and 2025 prepared by BDO Limited, the text of which is set out in Appendix I to this prospectus;
- (c) the audited consolidated financial statements of our Group for the years ended 31 December 2023, 2024 and 2025;
- (d) the report on the unaudited pro forma financial information of our Group prepared by BDO Limited, the text of which is set out in Appendix II to this prospectus;
- (e) the letter of advice prepared by Assegaf Hamzah & Partners, our Indonesian legal adviser, summarizing the constitution of our Company and certain aspects of the Indonesian Companies Law referred to in Appendix IV to this prospectus;
- (f) the Indonesia legal opinions issued by Assegaf Hamzah & Partners, our Indonesian legal adviser, in respect of certain general corporate matters of our Group in Indonesia;
- (g) the competent person’s report issued by PT Mining One Indonesia, the text of which is set out in Appendix III to this prospectus;
- (h) the industry report issued by CRU International Limited, our industry consultant;
- (i) the material contracts referred to in the section headed “Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts” in Appendix V to this prospectus;
- (j) the written consents referred to in the section headed “Statutory and General Information — D. Other Information — 6. Consents of Experts” in Appendix V to this prospectus;
- (k) the Indonesian Companies Law; and
- (l) the statement of particulars of the Selling Shareholders and the Over-allotment Option Grantors.

PT MERDEKA GOLD RESOURCES Tbk

Treasury Tower, 67th Floor
District 8 SCBD Lot. 28
Jalan Jenderal Sudirman Kav. 52-53
South Jakarta 12190
Indonesia

T. +62 21 3952 5585
F. +62 21 3952 5588

<https://merdekagoldresources.com>