



13 FEBRUARY 2025

ASX ANNOUNCEMENT

Market Update

The Board of Directors of Ten Sixty Four Limited (“**Ten Sixty Four**” or the “**Company**”; ASX:**X64**) is pleased to provide the following update to shareholders.

Exit from External Administration

As announced to ASX earlier today, the Company has exited external administration following effectuation of the Deed of Company Arrangement dated 1 November 2023 and full control of the Company has passed to the Directors of the Company.

The Board of Directors of the Company (**Board**) consists of:

- Debra Anne Bakker – Non-Executive Chairperson
- William John Decooman – Non-Executive Director
- Jonathan Shellabear – Non-Executive Director

The Company’s executive leadership team consists of:

- Simon Theobald – Chief Executive Officer
- James Llorca – General Manager, Geology and Resources
- Nicola Gill – Chief Financial Officer
- Karl Schlobohm – Company Secretary

Go-forward Strategy

Co-O Project

The Company holds a 40% indirect equity interest in the Philippine entities that operate the Co-O Mine and/or are undertaking related exploration projects, via its direct shareholding in Philsaga Management and Holdings Inc (**PMHI**), with Philippine national Mr Raul Villanueva holding (either directly or indirectly) the majority interest of 60% in PMHI. PMHI holds 100% of the issued and outstanding capital stock of Philsaga Development Corporation (**PDC**), which holds 100% of the issued and outstanding capital stock of Philsaga Mining Corporation Inc (**PMC**), the operator of the Co-O Mine.

The Company holds a direct 80% interest (and an 8% indirect equity interest) in the Co-O Mill through its shareholding in Mindanao Mineral Processing and Refining Corporation (**MMPRC**), with PMC holding the other 20% direct interest in MMPRC.

Pursuant to the Tolling Agreement, MMPRC has an exclusive right to process the entirety of the ore extracted from the Co-O Mine at the Co-O Mill. As such, the Co-O Project is considered to be reliant on the Company's subsidiary MMPRC.

The Co-O Project commenced production of its gold and silver ore at the upgraded Co-O Mill in December 2013. The Company, along with its associates in the Philippines, intends to continue to operate and produce gold from the Co-O Mine through the Co-O Mill. The intent is to replace mined ounces through the conversion of Indicated Mineral Resources to Probable Ore Reserves, primarily through continued underground development at the Co-O Mine. The Company expects to be able to maintain a mine life of four to five years based on Ore Reserves. The Co-O Project team is also conducting near mine exploration to assess the possibilities of further expanding production and mine life.

The Co-O Project team regularly undertakes regional exploration of other projects with the intention of establishing a pipeline of sufficient mineral resources to maintain and increase gold production volumes in the longer term. The existing Co-O Mill has a capacity of 900,000 tonnes per annum and as such production may be increased with additional exploration success in the region.

By virtue of the legal arrangements negotiated between the Company and PMC, the Company's financial future is now underpinned by the following:

- a confirmed loan repayment schedule which is expected to see US\$140M cash being paid by PMC to MMPRC, an 80% held subsidiary of the Company;
- tolling fees which provide for the ongoing profitability of the Co-O Mill; and
- security of a long-term land lease over the area of the Co-O Mill providing security of access.

Drummond Basin Project

In addition to the Company's interest in the Co-O Project, the Company holds a 100% interest in the Drummond Basin Project, which consists of an extensive gold exploration portfolio prospective for large, intrusion-related gold systems.

Three large-scale projects have already been identified in the region as priority scout drilling areas, namely:

- **Mt Wilkin:** a 5.5km² alteration footprint with a 950m x 650m gold in soil anomaly;
- **Monteagle:** a regional structural boundary along 18km of strike where previous rock chip samples have yielded high grades. A previous diamond drill hole also intersected a large breccia pipe with significant hydrothermal veining; and
- **Nivram:** a 2km long gold in soil anomaly identified within a 15 km-wide eroded caldera that is targeting a low-sulphidation, epithermal deposit.

The Company expects to resume exploration activities in the Drummond Basin during the March 2025 quarter. Initially soil sampling and extension geological mapping is planned followed by a drilling program of identified priority exploration targets.

Implications of Philippines Dispute

As previously announced, there are a number of proceedings currently underway in the Philippines involving Mr Joseph Mahusay (the challenger/claimant), Mr Villanueva (shareholder and President of PMHI), and the PMHI subsidiaries over, amongst other things, the ownership of the 60% interest in PMHI not held by the Company (**Dispute**).

The Company is not a party to the Dispute and the Board considers that the Dispute does not impact the Company's 40% indirect interest in the Co-O Mine or its 80% direct interest in the Co-O Mill, nor the current operations at the Co-O Project.

Notwithstanding the Board's views regarding the implications of the Dispute, given the Company's interest in PMHI, the legal environment affecting PMHI's ownership and operations have relevance to the Company and, consequently, to its investors. Based on facts currently known to the Board, and independent advice, the Dispute does not materially affect the Co-O Project as:

- the Company recognises Mr Villanueva as the appropriate controlling shareholder and President of PMHI;
- there are no disputes or other issues regarding the Company's right to operate the Co-O Mill;
- a Philippine trial court granted Mr Villanueva's application for a Writ of Preliminary Prohibitory Injunction, preventing Mr Mahusay (and others) from representing themselves as directors and officers of PMHI, exercising the functions and duties of PMHI as its directors and officers and other representational matters; and
- the operations at the Co-O Mine are continuing and have been ongoing since the commencement of the Dispute under the Presidency of Mr Villanueva.

Reinstatement to Official ASX Quotation

As disclosed to ASX on 10 February 2025, the Company is actively engaging with ASX regarding the reinstatement of trading in its securities. Whilst the Board and Management are optimistic about achieving reinstatement, this process will involve satisfying ASX of its business objectives and financial condition for the purposes of Listing Rules 12.1 and 12.2 and, if ASX resolves to permit the Company's reinstatement, meeting certain conditions that may be imposed by ASX. The Company's Board and management team remains fully committed to fulfilling these requirements.

The Company will continue to provide updates as matters progress.

This announcement has been authorised for release by the Board of Ten Sixty Four Limited.

Simon Theobald
Chief Executive Officer
Ten Sixty Four Limited

For further information:

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