

**SOUTHERN ALLIANCE MINING LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201931423D)

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**NOVATION OF RIGHTS AND OBLIGATIONS UNDER THE NON-BINDING MEMORANDUM OF UNDERSTANDING OF THE PROPOSED ACQUISITION OF 40% SHARES IN MCRE RESOURCES SDN BHD FROM ARAS KUASA SDN. BHD. TO EACH OF DATO SRI' PEK KOK SAM, DATO' TEH TECK TEE AND DATO' LEE TEK MOOK**

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## **1. INTRODUCTION**

The Board of Directors (the "**Board**") of Southern Alliance Mining Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the announcements dated 17 April 2023 and 2 October 2023 (the "**Previous Announcements**") in relation to the entry into, and amendment of, a non-binding memorandum of understanding in respect of the Proposed MCRE Acquisition (the "**MCRE MOU**") and a non-binding memorandum of understanding in respect of the Proposed Paramount Acquisition (the "**Paramount MOU**").

*Unless otherwise defined, all capitalised terms and references used herein shall bear the meanings ascribed to them in the Previous Announcements.*

## **2. BACKGROUND**

On 23 February 2024, Aras Kuasa Sdn. Bhd. ("**AKSB**"), one of the MCRE Vendors, had transferred its entire shareholding in MCRE (the "**Relevant Proportion**") equally to each of Dato' Sri Pek Kok Sam, Dato' Teh Teck Tee and Dato' Lee Tek Mook (collectively, the "**Transferees**"), who are the shareholders of AKSB (the "**Transfer**").

## **3. DEED OF NOVATION AND AMENDMENT FOR THE MCRE MOU**

Following the Transfer, the Company wishes to update its shareholders that the Company has on 20 March 2024 entered into a deed with parties under the MCRE MOU ("**Deed of Novation and Amendment**") pursuant to which the rights and obligations of AKSB under the MCRE MOU has been novated and transferred in the Relevant Proportion to each of the Transferees.

Following the Transfer, as at the date of this announcement, Dato' Sri Pek Kok Sam, Dato' Teh Teck Tee and Dato' Lee Tek Mook will directly hold 17.333%, 17.333% and 11.334% of the total shares in the capital of the MCRE ("**MCRE Shares**") respectively. The MCRE Sale Shares, representing 40.0% of MCRE Shares, will comprise the acquisition of each of the 17.333% MCRE Shares held by Dato' Sri Pek Kok Sam and Dato' Teh Teck Tee, and 5.334% MCRE Shares held by Dato' Lee Tek Mook (being the "**MCRE Vendors**" post Transfer). As such, the shareholding structure post-acquisition of the 40% MCRE Shares by the Company will remain unchanged. All other terms of the MCRE MOU, and all terms of the Paramount MOU, remain unchanged.

The Company and the other parties to the MCRE MOU and the Paramount MOU remain engaged in discussions in relation to, *inter alia*, the Proposed Acquisitions, with a view to enter into the Definitive Agreements.

#### 4. FURTHER ANNOUNCEMENTS

The Company is currently the process of conducting due diligence on each of MCRE and Paramount (including legal due diligence) and preparing the independent qualified person's report and valuation report in respect of the assets of MCRE and Paramount.

The Company will make further announcements, in compliance with the requirements of the Catalist Rules of the SGX-ST, as and when there are material developments in respect of the matters set out herein.

#### 5. CAUTIONARY STATEMENT

Shareholders should note that the Proposed Acquisitions remain subject to, amongst others, the negotiation and execution of the Definitive Agreements. **There is no certainty or assurance that the Definitive Agreements will be entered into, that the conditions precedent for the Proposed Transactions can be fulfilled, that the terms and conditions of the Proposed Transactions will not differ from those set out in the MCRE MOU and the Paramount MOU, or that the Proposed Transactions will be undertaken at all.** Shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the shares and securities of the Company. Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares or securities of the Company.

#### By Order of the Board

Dato' Sri Pek Kok Sam  
Managing Director

21 March 2024

*This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

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