



FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)
(Incorporated in the Republic of Singapore)

RESPONSE TO QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RELATION TO THE APPOINTMENT OF THE EXECUTIVE DIRECTOR AS ANNOUNCED ON 31 JULY 2023

Unless otherwise defined, all capitalised terms used in the Company's responses shall have the meanings ascribed to them in the Company's announcement dated 31 July 2023 (the "Announcement").

1. INTRODUCTION

The Board of Directors (the "**Board**") of Fortress Minerals Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce its response to the query raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in relation to the Company's Announcement on the appointment of Mr Edmund Chee Ji Kang ("**Mr Edmund Chee**") as Executive Director.

2. QUERY FROM SGX-ST

We noted that the Company is principally in the business of exploration, mining, production and sale of iron ore. Mr Edmund Chee has no prior experience as director of a listed company.

It was disclosed that Mr Chee only has 2 years of prior working experience as follows:

- IT Specialist cum PA to CEO, Fortress Shared Services Sdn. Bhd. (December 2022 - Present)
- Bachelor of Science in Computer Science Teaching Assistant of Royal Holloway University of London (September 2021 - July 2022)

Please elaborate on the Nominating Committee's and Sponsor's assessment on Mr Edmund Chee's suitability to be appointed as Executive Director of the Company, including the factors considered.

Company's response:

The Nominating Committee ("**NC**") has conducted an assessment on Mr Edmund Chee's skills, potential and strategic advantages to the Company. As mentioned in the Company's Announcement, his selection aligns with the Company's succession plan and aims to enhance the Board's diversity in terms of age, skill sets and digital knowledge.

The factors considered in the assessment of Mr Edmund Chee's appointment are further elaborated below.

(i) Diversity and inclusivity

Appointing a young and dedicated individual is expected to enhance diversity and inclusivity within the Company's leadership. Different perspectives and backgrounds can foster a more inclusive decision-making process, leading to better outcomes and a stronger corporate culture.

(ii) Succession planning

Mr Edmund Chee's tenure with the organisation has been marked by his relentless pursuit of excellence. Guided by the Chief Executive Officer ("CEO"), Dato' Sri Ivan Chee and Chief Operating Officer ("COO"), Mr Ng Mun Fey, he has actively immersed himself in our mining operations, gaining valuable insights in a short period. The Company is of the view that the Company's experienced leaders will provide the necessary guidance and mentorship to Mr Edmund Chee and he is expected to contribute fresh perspectives to the Group.

(iii) Digital transformation

Leveraging his understanding of our mining operations and information technology ("IT") expertise, he envisions driving efficiency and security enhancements across our operations. His unique perspective led to the integration of cutting-edge IT solutions, including the potential Internet of Things ("IoT") implementation at the Group's mining sites, which is expected to elevate our performance and safety standards and anticipating future automation solutions. He is also currently exploring implementing Enterprise Resource Planning ("ERP") for comprehensive data analysis to tackle data challenges as part of the Group's plan to centralise management.

(iv) Enhanced management discussions

As IT Specialist cum PA to the CEO, Mr Edmund Chee demonstrated technical expertise and problem-solving capabilities, resolving IT related difficulties and driving notable improvements in our operations by facilitating communication and coordination between departments within the Group, ensuring the information flows smoothly and collaboration is fostered. He effectively resolved internet connectivity issues with Microwave internet technology at mining sites, enhancing communication efficiency. His initiatives, such as resolving issues on server improvements at the Company's headquarters had elevated the Company's operational performance. These issues can be resolved within the stipulated time as he keeps the timeline on track, engages with different stakeholders to organise the information which in turn enabled the CEO to focus on critical management discussions and strategic decision making.

(v) Risk management and data protection

In an increasingly data dependent and digital environment, cybersecurity becomes a critical concern. His strategic initiatives, including Microsoft 365 and Active Directory, underscore our commitment to safeguarding the Company against cyber threats and boosting productivity. Additionally, his expertise extends to the successful implementation of the Global Positioning System (“GPS”) software, enhancing logistics operators' safety monitoring and performance monitoring at the Group’s mine sites.

While Mr Edmund Chee's appointment corresponds with our succession planning for the CEO, it is essential to recognise that he possesses the requisite skills, accomplishments and the potential to contribute significantly to our organisation. His extensive knowledge of technology and abilities make him a valuable addition to the team.

We assure our shareholders and the public that with the support of our experienced Board and executives, his transition as Executive Director will be seamless, leveraging his expertise for the Group's benefit. In addition, the CEO and COO will structure a training programme tailored for him to further equip him with the right skillsets to ensure an effective succession planning. The CEO and COO will as a start, enrol him in courses relating to business administration and mining operations. These courses will provide him with in-depth knowledge of the industry, broader understanding of organisational management, strategic planning and leadership principles.

Based on the factors above, his appointment underscores our dedication to advancing the Group in the exploration, mining, production, and sale of iron ore and future ventures. He will play a pivotal role in our digital transformation, enhancing efficiency and championing sustainability.

Sponsor’s assessment

In assessing Mr Edmund Chee’s suitability to be appointed as an Executive Director of the Company, the Sponsor had amongst others, taken into consideration the NC’s assessment as disclosed in the announcement dated 31 July 2023 and as further elaborated above.

In addition, the Sponsor had conducted its own background checks, obtained the supporting documents and declarations as set out in Appendix 7F of the Catalist Rules and conducted an interview with Mr Edmund Chee as part of its evaluation of Mr Edmund Chee’s suitability. Pursuant thereto, the Sponsor had considered, *inter alia*, the following:

- (i) The Sponsor’s independent background checks, disclosures and declarations regarding Mr Edmund Chee’s qualifications, skill sets and experience, as well as his involvement with the Company;
- (ii) Mr Edmund Chee’s overall familiarity with the Group’s business and his ability to leverage his expertise in IT in improving the operations of the Group;

- (iii) Mr Edmund Chee's appointment as Executive Director is part of the Company's succession plan and he will be directly mentored by the Chief Executive Officer and Chief Operating Officer of the Company;
- (iv) Mr Edmund Chee's appointment is aimed at enhancing the diversity of the Board in terms of age, skill sets and digital knowledge; and
- (v) Mr Edmund Chee will, amongst others, attend the relevant training courses conducted by the Singapore Institute of Directors to further familiarise himself with the roles and responsibilities as Director of a public listed company in Singapore. Mr Edmund Chee has committed to attend such training courses as soon as possible as well as other relevant courses to further equip himself with the additional knowledge and skills to be an effective member of the Board.

In view of the above, the Sponsor did not note anything adverse which would affect Mr Edmund Chee's suitability to be appointed as an Executive Director of the Company.

**BY ORDER OF THE BOARD OF
FORTRESS MINERALS LIMITED**

Dato' Sri Ivan Chee Yew Fei
Chief Executive Officer
04 August 2023

*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 (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

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