



**SHEN YAO HOLDINGS LIMITED**  
(Company Registration No. 202042117W)  
(Registered in Singapore)

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## **UPDATES ON THE VOLUNTARY ADMINISTRATION AND COMPLIANCE WITH THE CATALIST RULES**

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### **1. UPDATE ON THE VOLUNTARY ADMINISTRATION**

- 1.1 The board of directors (the “**Board**”) of Shen Yao Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to refer to the Company’s announcements made on 13 March 2023, 23 March 2023, 11 April 2023, 8 May 2023, 13 June 2023, 11 July 2023, 12 July 2023, 21 August 2023, 14 September 2023, 16 October 2023, 23 November 2023 and 29 November 2023 in relation to the voluntary administration of certain subsidiaries of the Group (collectively, the “**Past VA Announcements**”).

*Unless otherwise defined, all capitalised terms used in this section shall bear the same meanings ascribed to them in the Past VA Announcements.*

- 1.2 Based on the information provided by the Administrators, the Company wishes to update shareholders of the Company of the following:
- (a) Following the creditors’ meeting conducted on 28 November 2023 for Balmaine Gold Pty Ltd (“**Balmaine**”), a deed of company arrangement was entered into on 19 December 2023 between the Administrators and the deed proponent, Tomson Pte. Ltd. (“**TPL**”), which resulted in the transfer of control in Balmaine to a nominee of TPL.
  - (b) With respect to Golden Point Group Pty Ltd (“**GPG**”), sale agreements have been entered into between the Administrators and TPL for the sale of GPG’s assets (with the exception of the shares of Ironbark Mining Pty Ltd (“**Ironbark**”) held by GPG) for a total sale proceeds of A\$1.5 million.
  - (c) With respect to Ironbark, the creditors’ meeting has been adjourned for a period of up to 45 business days from 28 November 2023. As at the date of this announcement, no date for the creditors’ meeting has been determined. In the meantime, the Administrators for Ironbark have commenced a new marketing campaign to seek an expression of interest (“**EOI**”) in Ironbark’s tenements. The EOI process is underway and final offers are expected to be submitted in February 2024.

With reference to financial position of the Company, the Board is considering its options with its legal and financial advisors for all matters relating to GPG, Balmaine and Ironbark and is currently negotiating with the VA with a view to secure the best possible financial and commercial outcome for the Company. Any material development will be announced when appropriate.

2. **UPDATE ON EXTENSION OF TIME TO COMPLY WITH THE CATALIST RULES:**
- **RULE 705(1): ANNOUNCEMENT OF FULL-YEAR FINANCIAL STATEMENTS;**
  - **RULE 705(6): ANNOUNCEMENT OF THE USE OF FUNDS/CASH BY MINERAL, OIL AND GAS COMPANIES;**
  - **RULE 707(1): HOLDING OF ANNUAL GENERAL MEETING;**
  - **RULE 707(2): ISSUANCE OF ANNUAL REPORT; AND**
  - **RULE 711A: ISSUANCE OF SUSTAINABILITY REPORT**

- 2.1 The Board wishes to refer to the Company's announcements made on 18 January 2023, 6 February 2023, 17 February 2023, 29 March 2023 and 25 July 2023 in relation to the extension of time to comply with the Catalist Rules (collectively, the "**Past EOT Announcements**").

*Unless otherwise defined, all capitalised terms used in this section shall bear the same meanings ascribed to them in the Past EOT Announcements.*

- 2.2 As stated in the Company's announcement dated 25 July 2023, the SGX-ST has no objection to the Company's application for, *inter alia*, the following:

- (i) an extension of time till 30 November 2023 to announce the Use of Funds for 2QFY2023UOF, 3QFY2023UOF and 1QFY2024UOF;
- (ii) an extension of time till 30 November 2023 to release the full year results for the financial year ended 30 June 2023;
- (iii) an extension of time till 15 December 2023 to issue its FY2023 annual report;
- (iv) an extension of time till 31 December 2023 to hold its FY2023 AGM; and
- (v) an extension of time till 31 December 2023 to issue its FY2023 Sustainability Report,

(collectively, the "**Extensions of Time**").

- 2.3 The Board wishes to announce that the Company is unable to meet any of the aforementioned Extensions of Time granted by the SGX-ST.

Balmaine, whose principal assets are the Ballarat gold mine and several other tenements in the vicinity of the Ballarat gold mine, is the only active operating subsidiary of the Group. The Group has no other major business activities, except for those conducted under Balmaine. Balmaine has been placed under voluntary administration since 9 March 2023. Accordingly, Balmaine is under the control of the Administrator and the Company has no control over the operations and financial affairs of Balmaine and thus faces difficulties in complying with the financial reporting requirements under the Catalist Rules. As disclosed in section 1 above, the Company is in discussion with its legal and financial advisors and reviewing options for the Ballarat gold mine. Given the uncertainties of the discussions and the final outcome for the business of Balmaine, the Company is unable to meet any of the aforementioned Extensions of Time granted by the SGX-ST and the Company is unable to provide an indicative timeline to apply for further extension of time to comply with the relevant Catalist Rules. The Company will make immediate announcement(s) as and when there are material developments to the above matters and will consult the Sponsor and the SGX-ST immediately with regards to an application for a further extension of time to comply with the financial reporting requirements under the Catalist Rules once the Company is able to provide a clear timeline.

### 3. UPDATE ON COMPLIANCE WITH THE CATALIST RULES IN RELATION TO THE COMPOSITION OF THE BOARD

- 3.1 The Board wishes to announce that the Company is currently not in compliance with Rule 406(3)(c) of the Catalist Rules, which requires the listed issuer's board to have at least two non-executive directors who are independent and free of any material business or financial connection with the listed issuer, and independent directors to comprise at least one-third of the listed issuer's board.
- 3.2 On 22 September 2023, the Company announced the re-designation of Mr Pang Kee Chai, Jeffrey ("**Mr Pang**") from Non-Executive Independent Director to the Executive Director and Group Chief Executive Officer of the Company with effect from 5 October 2023. Pursuant to Rule 406(3)(c) of the Catalist Rules, the Company should endeavour to fill the vacancy following the re-designation of Mr Pang within two months, but in any case not later than three months (i.e. by 5 January 2024 ("**Deadline**")).
- 3.3 As at the date of this announcement, the Board currently comprises four Directors, two of whom are Executive Directors and two are Non-Executive Non-Independent Directors. Accordingly, the Company is not in compliance with Rule 406(3)(c) of the Catalist Rules as the vacancy of a Non-Executive Independent Director following the re-designation of Mr Pang was not filled by the Company by the Deadline.
- 3.4 The Company is also currently not in compliance with the following provisions of the Code of Corporate Governance 2018 ("**CG Code**") with respect to the composition of the Board and the Board committees:
- (a) Provision 2.2 of the CG Code, whereby Independent Directors are to make up the majority of the Board where the Chairman is not independent;
  - (b) Provision 2.3 of the CG Code, whereby Non-Executive Directors are to make up the majority of the Board;
  - (c) Provision 3.3 of the CG Code, whereby the Board has a Lead Independent Director to provide leadership in situations where the Chairman of the Board is conflicted, and especially when the Chairman of the Board is not independent; and
  - (d) Provision 4.2, Provision 6.2 and Provision 10.2 of the CG Code, whereby each of the Nominating Committee, the Remuneration Committee and the Audit Committee is to comprise at least three Directors.
- 3.5 Following the resignation of Mr Pek Choon Lee ("**Mr Pek**") as a Non-Executive Independent Director of the Company with effect from 30 November 2023, (i) Mr Pek ceased to be the Chairman of the Audit Committee, Nominating Committee, Remuneration Committee and Shen Yao Performance Award Committee of the Company; and (ii) the Company should endeavour to fill the vacancy within two months, but in any case not later than three months (i.e. by the end of February 2024), pursuant to Rule 406(3)(c) of the Catalist Rules and in compliance with Rule 704(7) of the Catalist Rules and Section 201B of the Companies Act 1967 of Singapore, whereby the Audit Committee is to make up of a minimum number of three members.
- 3.6 In view of the uncertainties faced by the Company in its business as stated under section 2 above and that the shares of the Company remain suspended from trading, the Company has been facing difficulties in its search for independent directors to comply with Rule 406(3)(c) and Rule 704(7) of the Catalist Rules and Section 201B of

the Companies Act 1967 of Singapore as well as to meet the relevant provisions of the CG Code.

- 3.7 The Company is currently focused on resolving the uncertainties in its business and to apply to the SGX-ST for resumption of trading of its shares. Notwithstanding, the Company will continue with its efforts to search and appoint new independent directors, to be compliant with all the relevant rules and regulations.

#### 4. FURTHER ANNOUNCEMENTS

The Company will make further announcements as and when there are material developments relating to any of the abovementioned matters in compliance with the Catalist Rules.

#### BY ORDER OF THE BOARD

Pang Kee Chai, Jeffrey  
Executive Director and Group Chief Executive Officer  
25 January 2024

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the 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 contact person for the Sponsor is Mr Alex Tan, Chief Executive Officer, ZICO Capital Pte. Ltd., 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*