



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

UPDATE ON OPERATIONS

Capitalised terms in this announcement shall have the same meanings as ascribed to them in the Company's announcements released on 3 October 2022, 5 October 2022 and 18 October 2022 (the "Previous Announcements"), unless otherwise defined.

It was stated in the Previous Announcements that the processing facility at the Ballarat Gold Mine was temporarily suspended due to the accumulation of water from heavy rainfall.

The Company would like to update shareholders that, as at the date of this announcement, processing operations have resumed.

In addition, the following measures have been implemented to manage and control water storage capacity within the tailings storage facilities should there be further abnormal heavy rainfall events;

- (i) directly dewatering the tailings storage facility by an approved pumping and water treatment process;
- (ii) enhancing natural evaporation 'losses' from the tailings storage facility through a variety of methods, including the installation of additional water booster sprinklers; and
- (iii) removal of slimes to increase water holding capacity in the decant area.

Barring unforeseen circumstances, the abovementioned measures will be sufficient in ensuring that the flood storage capacity volume within the tailings storage facilities will be maintained at an acceptable level in the future.

As mentioned in the Previous Announcements, gold sales will resume along with processing operations. The Company expects to record an increase in revenue from gold sales due to higher treatment rates of stockpiled ore and the preferential treatment of the highest-grade ore. As such, although gold sales has been affected during the period of the stoppage, there will be a compensating effect over the immediate months after resumption of processing operations with higher sales being recorded.

BY ORDER OF THE BOARD

Yao Liang
Executive Director
26 October 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, W Capital Markets Pte. Ltd. (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Ms Sheila Ong, Registered Professional, W Capital Markets Pte Ltd, 65 Chulia Street, #43-01 OCBC Centre, Singapore 049513, Telephone (65) 6513 3543.