



ASX Announcement

30 April 2024

Proposed Takeover Offer - TAKE NO ACTION

Sihayo Gold Limited (ASX:SIH – “Sihayo” or the “Company”), has received a letter from Provident Aurum Pte. Ltd (“Provident Aurum”), a special purpose vehicle wholly owned by Provident Minerals Pte. Ltd., stating its intention to make an off-market takeover offer to acquire all the shares of Sihayo (“Proposed Offer”). The Proposed Offer is unsolicited.

The Proposed Offer is at a price of 0.225 cents cash per Sihayo share, and is subject to a number of conditions. The offer letter, a copy of which was sent by Provident Aurum to ASX for release, is **attached** to this announcement. The offer letter states that a bidder's statement will be sent to Sihayo shareholders in due course.

The non-associated Sihayo directors will consider the terms of the Proposed Offer, and the content of the bidder's statement (when received) and will advise Sihayo shareholders of their recommendation in due course.

In the meantime, Sihayo shareholders are advised to **TAKE NO ACTION** in relation to the Proposed Offer and any correspondence received in relation to it.

For further information, please contact:

Colin Moorhead

Executive Chairman

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PROVIDENT AURUM PTE. LTD.

(a company wholly owned by Provident Minerals Pte. Ltd.)

30 April, 2024

For Immediate Release

Takeover offer to be made for Sihayo Gold Limited

Provident Aurum Pte. Ltd. (**Provident Aurum**), a special purpose vehicle wholly owned by Provident Minerals Pte. Ltd. (**Provident Minerals**), is pleased to announce its intention to make an off-market takeover offer to acquire all the shares of Sihayo Gold Limited (ASX: SIH) (**Sihayo**) (the **Offer**).

Offer Background

Provident Aurum's sole shareholder, Provident Minerals has been a Sihayo Shareholder since 2013 and has been an active supporter of Sihayo, including taking up its rights in all recent equity capital raisings, providing the recent unsecured working capital loan of US\$3.9 million, and providing assistance to Sihayo in connection with Indonesian regulatory approvals.

Provident Minerals has incorporated Provident Aurum to make a takeover offer for Sihayo.

Provident Aurum currently has a voting power in Sihayo of approximately 40.41%. This represents the largest shareholding interest in Sihayo. As at the date of this announcement, Provident Aurum directly holds 3,790,875,682 fully paid ordinary shares in the capital of Sihayo (**Sihayo Shares**) (or 31.06%). Provident Aurum's voting power in Sihayo also includes interests held by two of Provident Aurum's associates: Eastern Field Developments Limited, which holds 753,899,588 Sihayo Shares (or 6.18%) and Mr. Gavin Arnold Caudle (who is also a director of Sihayo) who holds 386,561,302 Sihayo Shares (or 3.17%).

Offer Terms

Under the Offer, Sihayo shareholders will receive an attractive all-cash consideration of 0.225 cents for every Sihayo Share they own (**Offer Price**). The Offer Price is best and final and will not be increased by Provident Aurum in the absence of an alternative or competing proposal (the likelihood of which Provident Aurum considers low).

The Offer is subject to Provident Aurum obtaining a relevant interest in more than 50% of Sihayo Shares (on a fully-diluted basis) and other limited customary conditions as set out in the Schedule.

Benefits for Sihayo Shareholders

The Offer will deliver Sihayo shareholders a price which represents a compelling 91.3% premium to the 1-month volume-weighted average price (**VWAP**) of Sihayo Shares of 0.118 cents per Sihayo Share¹.

In addition, given that Sihayo Shares are thinly traded, the Offer enables shareholders to sell their entire shareholding and provides all cash certainty for all their Sihayo shares, with no transaction costs that would otherwise be payable for an on-market sale.

Commentary from Provident Aurum

Provident Aurum director Mr. Hari Gurung said:

¹ Based on ASX trading data sourced from Bloomberg. The 1-month VWAP is calculated as at close of trade on the last trading day prior to the date of this announcement.

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*“Despite multiple capital raisings over many years, Sihayo has still not been able to advance the Sihayo Gold Project (the **Project**) to development phase.*

Although Provident Aurum does not intend to develop the Project in the near term, if it is able to secure control of Sihayo, Provident Aurum intends to conduct a broad-based review of Sihayo’s overall business at a strategic, financial, and operational level. The review will focus on identifying opportunities for cost reduction.

In the medium term, to try to accelerate the Project’s development, Provident Aurum intends to allocate more resources to the Project. The level of activities for the Project is expected to increase considerably before the development of the Project becomes certain. This is likely to lead to significantly more capital raisings and Sihayo Shareholders would need to participate in any equity raisings to avoid being diluted.

In addition, the expenses to maintain Sihayo as a publicly listed company currently account for a material proportion of Sihayo’s total recurring expenses. In the event Provident Aurum is entitled to and proceeds with the compulsory acquisition of the outstanding Sihayo Shares or is entitled to procure the removal of Sihayo from the official list of ASX, these expenses can be avoided and scarce cash which is otherwise allocated to meet these expenses can be redeployed to the Project.”

Provident Aurum director Mr. Hari Gurung went on to comment:

“In the event the Offer is unsuccessful then Provident Aurum will undertake a review of its Sihayo investment and may explore the possibility of divesting its Sihayo Shares via a market sell-down process or other means and may withdraw its involvement in Sihayo including discontinuation of financial support.”

Next Steps and Timetable

Provident Aurum’s bidder’s statement containing further information about the Offer (including a timetable in respect of the Offer) (**Bidder’s Statement**), will be sent to Sihayo shareholders in due course in accordance with the timing requirements of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Advisors

Iffla Wade is acting as Provident Aurum’s legal adviser.

Further Information

Sihayo Shareholders are advised to read the materials relating to the Offer that will be lodged with the ASX (www.asx.com.au), and the materials that will be sent to them.

This release does not of itself constitute an offer to buy or an invitation to sell, or the solicitation of an offer to buy or invitation to sell, any of the securities of Sihayo.

Background Information on Provident Group

The Provident Group (**Provident**), which includes Provident Capital Partners and its wholly-owned subsidiary, Provident Minerals, was founded in 2004 by Mr. Winato Kartono, Mr. Hardi Wijaya Liong, and Mr. Gavin Arnold Caudle. The group is a privately held conglomerate and invests in and builds companies with a long-term outlook.

Provident has investments spanning across a variety of industries, including digital infrastructure, mining, battery materials, logistics warehouses, biofuels and e-commerce. Provident’s businesses are currently mostly concentrated in Indonesia. Since 2004, Provident has founded and built various multi-billion dollar businesses.

Further information on Provident can be found at <https://www.procap-partners.com>.

Schedule – Conditions to the Offer

The Offer is subject to fulfilment of the following conditions:

1. Minimum acceptance

At the end of the Offer Period, Provident Aurum has a relevant interest in more than 50% (by number) of the Sihayo Shares on issue at that time (on a fully diluted basis).

2. No regulatory action

At all times between the date of this announcement and the end of the Offer Period:

- (a) no interim, preliminary, or final decision, order or direction by any Regulatory Authority is made or issued, or otherwise comes into effect;
- (b) no action, proceeding, or investigation is announced, commenced, or threatened by any Regulatory Authority; and
- (c) no application is made to any Regulatory Authority (other than by Provident Aurum or any associate of Provident Aurum), specifically against, or otherwise specifically in relation to, any Sihayo Group Member, or otherwise in consequence of or in connection with the Offer:
 - (i) which is likely to or purports or threatens to restrain, prohibit, impede, or otherwise materially adversely affect:
 - 1. the making of the Offer;
 - 2. the acquisition of Sihayo Shares by Provident Aurum pursuant to the Offer, or any consequential change in the control of any Sihayo Group Member;
 - 3. the completion of any other transaction contemplated by the Bidder's Statement (including, without limitation, the full, lawful, timely and effectual implementation of the intentions to be set out in the Bidder's Statement); or
 - 4. the rights of Provident Aurum in respect of Sihayo or the Sihayo Shares; or
 - (ii) which requires the divestiture by Provident Aurum or its associates, or by any Sihayo Group Member, of any material securities, property or other interests; or the granting of any security interest or other interest in relation to any of them,

other than an application to, or a decision or order of, or action or investigation by, ASIC or the Takeovers Panel in exercise of the powers or discretions conferred by the Corporations Act.

3. No prescribed occurrences

Between the date of this announcement and end of the Offer Period, none of the following (being the occurrences listed in section 652C of the Corporations Act) happen:

- (a) Sihayo converts all or any of its shares into a larger or smaller number of shares;
- (b) a Sihayo Group Member resolves to reduce its share capital in any way;
- (c) a Sihayo Group Member:
 - (i) enters into a buy-back agreement; or
 - (ii) resolves to approve the terms of a buy-back agreement under subsection 257C(1) or 257D(1) of the Corporations Act;

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- (d) a Sihayo Group Member issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (e) a Sihayo Group Member issues, or agrees to issue, convertible notes;
- (f) a Sihayo Group Member disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) a Sihayo Group Member grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- (h) a Sihayo Group Member resolves to be wound up;
- (i) a liquidator or provisional liquidator of a Sihayo Group Member is appointed;
- (j) a court makes an order for the winding up of a Sihayo Group Member;
- (k) an administrator of a Sihayo Group Member is appointed under section 436A, 436B, or 436C of the Corporations Act;
- (l) a Sihayo Group Member executes a deed of company arrangement;
- (m) a restructuring practitioner for a Sihayo Group Member, is appointed under section 453B of the Corporations Act;
- (n) a Sihayo Group Member makes a restructuring plan under Division 3 of Part 5.3B of the Corporations Act; or
- (o) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of a Sihayo Group Member.

4. No other material occurrences

Between the date of this announcement and the end of the Offer Period, none of the following occurs or is publicly announced by Sihayo (whether to the ASX or otherwise), or otherwise becomes known to Provident Aurum, except (in relation to all paragraphs of this Condition 4 other than paragraph (f)) to the extent fairly disclosed by Sihayo in an announcement made by Sihayo to the ASX before the date of this announcement:

- (a) **(other securities issues)** a Sihayo Group Member grants or issues any securities, derivatives, or other rights (including Sihayo Options) convertible into or that may result in the issue of Sihayo Shares, or any other incentives which are convertible into or may result in the issue of Sihayo Shares, or alters its capital structure or the Rights attaching to any of the Sihayo Shares (other than pursuant to the issue of Sihayo Shares that come to be in the bid class between the Register Date and the end of the Offer Period in accordance with the terms of, or otherwise in connection with, Sihayo Options that are on issue as at the Register Date);
- (b) **(acceleration of rights to benefits, and termination benefits)** in relation to any director of any Sihayo Group Member, or any officer or employee of a Sihayo Group Member whose total annual remuneration package (including maximum incentive entitlements) is A\$100,000 or more on a pre-tax basis (**Senior Sihayo Person**), a Sihayo Group Member pays a termination payment (including, but not limited to, a 'golden parachute') to a Senior Sihayo Person other than in accordance with that Senior Sihayo Person's employment contract or terms of appointment, or in accordance with a Sihayo Group policy in force, on the day immediately before the date of this announcement;
- (c) **(bonuses, retention payments and other incentives)** a Sihayo Group Member:
 - (i) pays any bonus or other incentive payment or retention payment (including any retention bonus) (whether or not the payment of which is subject to the satisfaction of performance or other conditions) to any Senior Sihayo Person (other than such a payment that the Sihayo Group Member determined or agreed to pay before the date of this announcement); or

- (ii) increases the salary, remuneration or other compensation of a Senior Sihayo Person (other than as expressly provided for in the Senior Sihayo Person's employment contract or terms of appointment before the date of this announcement);
- (d) **(material acquisitions)** a Sihayo Group Member:
 - (i) acquires an interest in an incorporated or unincorporated joint venture, partnership or other form of business, or a security or other interest in another entity;
 - (ii) causes an entity to become a Subsidiary of Sihayo; or
 - (iii) acquires any assets (or interests therein) for an amount, or in respect of which its book value is, in aggregate, greater than A\$5,000,000;
- (e) **(material disposals)** a Sihayo Group Member:
 - (i) disposes of an interest in an incorporated or unincorporated joint venture, partnership or other form of business, or a security or other interest in another entity;
 - (ii) causes an entity to cease to be a Subsidiary of Sihayo; or
 - (iii) disposes of any assets (or interests therein) for an amount, or in respect of which its book value is, in aggregate, greater than A\$5,000,000;
- (f) **(commitments and settlements)** the Sihayo Group:
 - (i) incurs a liability for Unbudgeted Opex where the amount of that liability when added to the liability for any other Unbudgeted Opex incurred in that calendar quarter exceeds A\$2,500,000; or
 - (ii) incurs a liability for Unbudgeted Capex where the amount of that liability when added to the liability for any other Unbudgeted Capex incurred in that calendar quarter exceeds A\$750,000;
- (g) **(Material Contracts)** enters into, terminates or amends in a material manner any Material Contract;
- (h) **(settlement of disputes; waivers)** the Sihayo Group discharges, settles, satisfies, compromises, waives or releases any legal proceedings, claim, investigation, arbitration or other like proceeding where the amount claimed by or against the Sihayo Group (collectively) exceeds A\$5,000,000;
- (i) **(Financial Indebtedness)** the Sihayo Group incurs any Financial Indebtedness:
 - (i) other than in the ordinary course of business; or
 - (ii) following which the aggregate Financial Indebtedness of the Sihayo Group is at least A\$5,000,000 above its level as at the date of this announcement;
- (j) **(distributions)** Sihayo announces, makes, declares, pays or determines to pay any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie);
- (k) **(related party transactions)** a Sihayo Group Member enters into or amends any agreement, arrangement or commitment with a related party (as that term is defined in section 228 of the Corporations Act);
- (l) **(constitutions)** any of Sihayo and its non-wholly-owned subsidiaries adopts a new constitution or modifies or repeals its constitution or a provision of it, or passes any resolution to do so;
- (m) **(insolvency etc)** an analogous or equivalent event to any listed in paragraphs 3(h) to (o) of this Schedule occurs in any jurisdiction; or
- (n) **(agreements about the foregoing)** a Sihayo Group Member enters into any agreement, arrangement or commitment, or offers to do so, where the agreement, arrangement or commitment, if implemented, will result in any event described in this Condition 4 occurring (including if occurring after, or partly after, the end of the Offer Period).

5. No Material Adverse Change

No Material Adverse Change occurs between the date of this announcement and the end of the Offer Period.

6. Third party consents

Between the date of this announcement and the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any Material Contract (**Relevant Action**), which is likely to or purports or threatens to result in:

- (a) the termination of a Material Contract;
- (b) the variation or acceleration of any material obligation of a Sihayo Group Member under a Material Contract;
- (c) the variation or delay in any material right of a Sihayo Group Member under a Material Contract; or
- (d) the divestiture by Provident Aurum or its associates, or by any Sihayo Group Member, of any material securities, property or other interests, or the granting of any security interest or other interest in relation to any of them,

as a result of:

- (e) the making of the Offer;
- (f) the acquisition of Sihayo Shares by Provident Aurum pursuant to the Offer, or any consequential change in the control of any Sihayo Group Member; or
- (g) the completion of any other transaction contemplated by the Bidder's Statement including, without limitation, the full, lawful, timely and effectual implementation of the intentions to be set out in the Bidder's Statement,

other than a right in respect of which a written, enforceable, irrevocable, and unconditional waiver is obtained and announced by Sihayo to the ASX within five Business Days after the Relevant Action (or if earlier, by the day that is seven Business Days before the end of the Offer Period).

Definitions

1. In this Schedule:

ASIC means the Australian Securities and Investments Commission.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Perth, Australia.

Financial Indebtedness means any debt or other monetary liability (whether actual or contingent) in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any:

- (a) bill, bond, debenture, note, or similar instrument;
- (b) acceptance, endorsement, or discounting arrangement;
- (c) guarantee;
- (d) finance or capital lease;
- (e) agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or service; or
- (f) obligation to deliver goods or provide services paid for in advance by any financier.

Material Adverse Change means any event, change, condition, matter, or thing occurring or information being disclosed or announced by any Sihayo Group Member, or becoming known to Provident Aurum, concerning any such event, change, condition, matter, or thing (each a **Specified Event**) which, whether individually or when aggregated with all Specified Events, has had or would be reasonably likely to result in the diminution in the value (whether now or in the future) of the consolidated net assets of the Sihayo Group, by at least A\$5,000,000 against what it would reasonably have been expected to have been but for such Specified Event, but does not include the effect of:

- (a) a Specified Event relating to changes in business conditions affecting all or substantially all of the industry in which the Sihayo Group operates; or
- (b) a Specified Event that was fairly disclosed by Sihayo to the ASX before the date of this announcement.

Material Contract means

- (a) any financing agreement to which any Sihayo Group Member is a party;
- (b) any joint venture agreement to which any Sihayo Group Member is a party;
- (c) any shareholders' or cooperation agreement relating to shares or other interests in, or the operation of, a subsidiary of Sihayo;
- (d) joint venture agreement between Sihayo Group Member and PT Aneka Tambang Tbk; and
- (e) any other agreement, contract, or other arrangement, commitment, or instrument to which any Sihayo Group Member is a party or bound by, or to which any of the assets of any Sihayo Group Member is subject, and which:
 - (i) imposes obligations or liabilities on any party of at least A\$2,500,000 per annum or A\$208,333 per month;
 - (ii) delivers a contribution to the consolidated earnings or losses after tax of the Sihayo Group as a whole of at least A\$200,000 in any financial year of Sihayo;
 - (iii) is otherwise of material importance to PT Sorikmas or the Sihayo Group's interest in it; or
 - (iv) is otherwise of material importance to the Sihayo Group as a whole.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with the offer terms to be contained in the Bidder's Statement.

Register Date means the date to be set by Provident Aurum under section 633(2) of the Corporations Act.

Regulatory Authority means a government or governmental, semi-governmental, statutory, administrative, fiscal, or judicial body, department, commission, authority, tribunal, agency, or entity, and any self-regulatory organization discharging substantially public or regulatory functions, whether foreign, federal, state, territorial, or local and for these purposes includes ASIC, ASX, and any other securities exchange.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from Sihayo Shares directly or indirectly after the date of this announcement, including, without limitation, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options, or other securities, declared, paid or made by Sihayo or any of its subsidiaries.

Sihayo Group means Sihayo and each of its subsidiaries.

Sihayo Group Member means a member of the Sihayo Group.

Sihayo Options means options over unissued Sihayo Shares.

Unbudgeted Capex means capital expenditure which is not provided for in any budget approved by the board of directors of Sihayo at the date of this announcement.

Unbudgeted Opex means operating expenditure which is not provided for in any budget approved by the board of directors of Sihayo at the date of this announcement, other than expenditure incurred in good faith by Sihayo in connection with the Offer and any proposals received by Sihayo in competition with the Offer.

2. Capitalised terms appearing in this Schedule, if not otherwise defined in this announcement, have the meaning given to them by section 9 of the Corporations Act.

The full terms and conditions of the Offer (including supporting provisions relating to the conditions) will be set out in the Bidder's Statement.