

Pani Gold Project

Major exploration campaigns undertaken by previous owners prior to unification of Pani Gold Project



1971–1993 TROPIC / BHP UTAH

- Regional exploration traced primary mineralisation at Pani
- Drilled 29 diamond drill holes ('DDH') for 4,257m across two key programs (1982 and 1990/91)
- Geological mapping, channel sampling
- Bulk sampling for metallurgical test work

PANI IUP HISTORY (excised by KUD 1994)

1996–2009

PERTIWI, AZURE, SHEEN

- Detailed mapping, trenching and drilling program
- Drilled 16 DDH (1,915m)
- Resource estimate

2011–2018

ONE ASIA

- Key forestry permit enabling drilling to re-commence in 2012
- Drilled 137 DDH for 26,017m
- Resource estimation
- Scoping study
- Dispute with KUD

2018–2020

MERDEKA / LION

- Dispute resolved with KUD
- Tenement transferred
- 17 DDH (4,544m) shows strong mineralisation in the 'link zone' connecting the two known Pani Resources, including higher grade results

PANI CoW HISTORY

1994–1999

NEWCREST

- Aeromagnetic/radiometric survey, regional stream sediment sampling and detailed follow-up work outlined 15 prospects, 6 of which were drill tested
- Drilled 15 DDH scout holes

2007–2011

AVOCET MINING

- Limited exploration

2012–2018

J RESOURCES

- Drilled 682 holes (106,260m)
- Feasibility study
- Metallurgical test work
- Resource & Reserve estimation

2020– UNITED PANI GOLD PROJECT

- Agreement to unify tenements
- Concept study for combined project highlights 7.5–15 Mtpa project
- Unification of databases and geological model

In November 2019 the Pani Joint Venture (Lion/Merdeka) entered into a conditional agreement with PT J Resources Asia Pasifik Tbk (J Resources) to combine the two adjacent gold Resources to form a single gold deposit, subject to approval from regulatory authorities and J Resources' lenders.

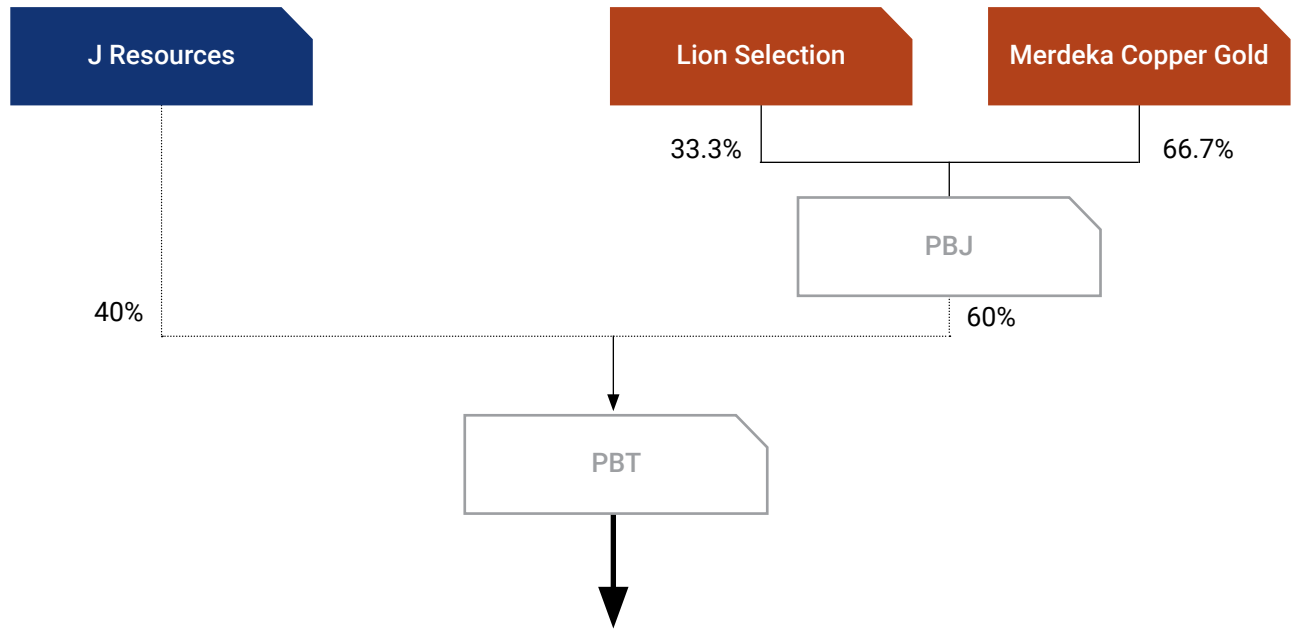
This agreement remains incomplete due to the lack of such approvals and in February 2021, the Pani Joint Venture initiated arbitration action against J Resources in relation to a claim of non-compliance of the terms of the November 2019 agreement. The Pani Joint Venture is seeking compensation in the range of US\$500M – US\$600M or specific performance to complete the transaction. The Arbitrator was appointed in mid July 2021.

Neither party has terminated the J Resources agreement and Lion remains hopeful that the parties involved can avoid a drawn-out arbitration process and close the transaction as originally intended.

Company Structure

Post-Deal Completion

Post deal completion, Lion will hold a 33% interest in joint venture with Merdeka, which in turn has a 60% interest in joint venture with J Resources over the United Pani Gold Project. Lion's look-through ownership would be 20%.



Singapore International Arbitration Centre (SIAC)

Details of arbitration are confidential but the various stages in Singapore are expected to be:

- Statement of claims, supported by materials substantiating the value of damages.
- Statement of counterclaims.
- Panel hearings.
- Formal and final hearing.
- Award.

Notes

- Refer to One Asia Resources Limited news release 3 December 2014, (https://www.oneasiareources.com/images/document/News_Release_Dec_3_2014.pdf).
- Refer to J Resources 31 December 2018 Annual Report, (<http://www.jresources.com/investors/article/final-resources-reserves-compilation-2017-to-2018>).

