

TAUNG GOLD | TAUNG GOLD INTERNATIONAL LIMITED  
壇金礦業有限公司\*

(Incorporated in Bermuda with limited liability)  
Stock Code: 621

# TAUNG GOLD

Interim Report  
2025

\* For identification purpose only

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Ms. Cheung Pak Sum (*Chairman*)

Mr. Phen Chun Shing Vincent

### Independent Non-Executive Directors

Mr. Li Kam Chung

Mr. Chong Man Hung Jeffrey

Mr. Tsui Pang

## AUDIT COMMITTEE

Mr. Chong Man Hung Jeffrey (*Chairman*)

Mr. Li Kam Chung

Mr. Tsui Pang

## REMUNERATION COMMITTEE

Mr. Li Kam Chung (*Chairman*)

Mr. Chong Man Hung Jeffrey

Mr. Tsui Pang

## NOMINATION COMMITTEE

Mr. Chong Man Hung Jeffrey (*Chairman*)

Mr. Li Kam Chung

Mr. Tsui Pang

Ms. Cheung Pak Sum

## TECHNICAL, SAFETY AND ENVIRONMENT COMMITTEE

Mr. Li Kam Chung (*Chairman*)

## COMPANY SECRETARY

Mr. Tung Yee Shing

## AUTHORISED REPRESENTATIVES

Mr. Tung Yee Shing

Ms. Cheung Pak Sum

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Bank of Communications Co., Ltd.

## AUDITOR

Deloitte Touche Tohmatsu

*Certified Public Accountants*

*Registered Public Interest Entity Auditor*

## LEGAL ADVISERS ON HONG KONG LAW

TC & Co., Solicitors

## LEGAL ADVISERS ON BERMUDA LAW

Appleby

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Services (Bermuda) Limited

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM10, Bermuda

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1901, 19/F, Nina Tower

8 Yeung Uk Road, Tsuen Wan

New Territories, Hong Kong

## REGISTERED OFFICE

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM10, Bermuda

## COMPANY WEBSITE

[www.taunggold.com](http://www.taunggold.com)

The board of directors (the “Board”) of Taung Gold International Limited (the “Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, referred to as the “Group”) for the six months ended 30 September 2025 together with the comparative figures for the corresponding period in 2024 as follows:

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

	Notes	Six months ended 30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Other income	4	675	1,157
Other gains and losses, net	4	4,569	354
Administrative and operating expenses		(13,193)	(10,012)
Finance costs		(29)	(30)
Share of results of associates		(12)	(8)
<b>Loss before taxation</b>		<b>(7,990)</b>	<b>(8,539)</b>
Income tax expense	5	–	–
<b>Loss for the period</b>	6	<b>(7,990)</b>	<b>(8,539)</b>
Other comprehensive income: <i>Item that may be subsequently reclassified to profit or loss:</i> Exchange differences arising on translation of foreign operations		<b>167,709</b>	176,953
<b>Total comprehensive income for the period</b>		<b>159,719</b>	168,414

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 September 2025

	Note	Six months ended 30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
<b>Loss for the period attributable to:</b>			
Owners of the Company		(7,378)	(7,400)
Non-controlling interests		(612)	(1,139)
		(7,990)	(8,539)
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		125,439	133,173
Non-controlling interests		34,280	35,241
		159,719	168,414
			(restated)
<b>Loss per share</b>	8		
Basic (HK cents)		(0.4)	(0.4)
Diluted (HK cents)		(0.4)	(0.4)



# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Note	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		1,790	1,721
Mining assets		2,718,222	2,549,008
Right-of-use assets		2,329	340
Interests in associates		1,242	1,254
Financial assets at fair value through profit or loss ("FVTPL")	10	34,280	28,667
Rental deposit		455	485
Pledged bank deposits		718	660
		<b>2,759,036</b>	2,582,135
<b>Current assets</b>			
Other receivables, prepayment and deposits		17,403	11,314
Bank balances and cash		41,986	65,853
		<b>59,389</b>	77,167
<b>Current liabilities</b>			
Lease liabilities		1,329	369
Other payables and accruals		4,313	7,591
		<b>5,642</b>	7,960
<b>Net current assets</b>		<b>53,747</b>	69,207
<b>Total assets less current liabilities</b>		<b>2,812,783</b>	2,651,342

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

As at 30 September 2025

	Note	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
<b>Non-current liabilities</b>			
Lease liabilities		1,040	–
Provision for rehabilitation costs		11,105	10,423
		<b>12,145</b>	10,423
<b>Net assets</b>		<b>2,800,638</b>	2,640,919
<b>Capital and reserves</b>			
Share capital	9	181,515	181,515
Reserves		2,061,138	1,935,699
<b>Equity attributable to owners of the Company</b>		<b>2,242,653</b>	2,117,214
Non-controlling interests		557,985	523,705
<b>Total equity</b>		<b>2,800,638</b>	2,640,919

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Other reserves HK\$'000	Contributed surplus HK\$'000	Foreign currency translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
At 1 April 2025 (audited)	181,515	5,307,443	(829)	(74,746)	147,828	(1,538,224)	(1,905,773)	2,117,214	523,705	2,640,919
Loss for the period	-	-	-	-	-	-	(7,378)	(7,378)	(612)	(7,990)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	132,817	-	132,817	34,892	167,709
Total comprehensive income for the period	-	-	-	-	-	132,817	(7,378)	125,439	34,280	159,719
At 30 September 2025 (unaudited)	181,515	5,307,443	(829)	(74,746)	147,828	(1,405,407)	(1,913,151)	2,242,653	557,985	2,800,638

	Attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Other reserves HK\$'000	Contributed surplus HK\$'000	Foreign currency translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
At 1 April 2024 (audited)	181,515	5,307,443	(829)	(74,746)	147,828	(1,549,958)	(1,883,541)	2,127,712	523,292	2,651,004
Loss for the period	-	-	-	-	-	-	(7,400)	(7,400)	(1,139)	(8,539)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	140,573	-	140,573	36,380	176,953
Total comprehensive income for the period	-	-	-	-	-	140,573	(7,400)	133,173	35,241	168,414
At 30 September 2024 (unaudited)	181,515	5,307,443	(829)	(74,746)	147,828	(1,409,385)	(1,890,941)	2,260,885	558,533	2,819,418

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Net cash used in operating activities	(20,347)	(21,485)
Net cash used in investing activities	(2,904)	(2,528)
Net cash used in financing activities	(690)	(732)
Net decrease in cash and cash equivalents	(23,941)	(24,745)
Cash and cash equivalents at beginning of the period	65,853	108,868
Effect of foreign exchange rate changes	74	56
Cash and cash equivalents at end of the period, represented by bank balances and cash	41,986	84,179



# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

## 1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements has been prepared in accordance with the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as the applicable disclosures requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The accounting policies and methods of computation used in the preparation of unaudited condensed consolidated financial statements for six months ended 30 September 2025 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2025.

## 2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided.

The Group's operating and reportable segments under HKFRS 8 are as follows:

- (a) Gold exploration and development in Republic of South Africa ("South Africa"); and
- (b) Trading of minerals.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

The following is an analysis of the Group's revenue and results by operating and reportable segment:

### For the six months ended 30 September 2025

	Gold exploration and development in South Africa HK\$'000 (unaudited)	Trading of minerals HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
<b>Segment revenue</b>			
Revenue	–	–	–
<b>Segment results</b>	<b>(1,606)</b>	<b>–</b>	<b>(1,606)</b>
Unallocated other income			116
Unallocated corporate expenses			(6,459)
Finance costs			(29)
Share of result of associates			(12)
Loss before tax			(7,990)

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 3. SEGMENT INFORMATION *(Continued)*

For the six months ended 30 September 2024

	Gold exploration and development in South Africa HK\$'000 (unaudited)	Trading of minerals HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
<b>Segment revenue</b>			
Revenue	–	–	–
<b>Segment results</b>	(4,068)	–	(4,068)
Unallocated other income			1,008
Unallocated corporate expenses			(5,441)
Finance costs			(30)
Share of result of associates			(8)
<b>Loss before tax</b>			(8,539)

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 4. OTHER INCOME, OTHER GAINS AND LOSS

	Six months ended 30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Rental income	78	136
Interest income on rental deposit	8	8
Interest income on bank deposits	589	1,013
Other income – total	675	1,157
Foreign exchange gain, net	964	354
Fair value gain on financial assets at FVTPL	3,605	–
Other gains and losses, net – total	4,569	354

## 5. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group does not have assessable profits arising in Hong Kong for both periods.

Corporate income tax in South African is calculated at 27% on the estimated assessable profits for the period. No provision for South African income tax was made as these subsidiaries had no assessable profits for both periods.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 6. LOSS FOR THE PERIOD

	Six months ended 30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Loss for the period has been arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	61	62
Depreciation of right-of-use assets	672	679
Staff costs (including directors' emoluments)		
Salaries and other benefits	5,958	5,474
Contributions to retirement benefits scheme	85	79
Less: Amounts capitalised in mining assets	(1,971)	(1,813)
	4,072	3,740

## 7. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).



# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 8. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company for the six months ended 30 September 2025 together with the comparative figures for 2024 are as follows:

	Six months ended 30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
<b>Loss</b>		
Loss for the purpose of basic loss per share	(7,378)	(7,400)

	Six months ended 30 September 2025 '000	2024 '000 (restated)
<b>Number of Shares</b>		
Weighted average number of ordinary shares for the purposes of basic loss per share	1,803,506	1,803,506

In the previous years, Taung Gold (Pty) Limited ("TGL"), a partially owned subsidiary of the Company, granted loans to certain of its non-controlling shareholders which were secured by the pledge of 116,410,427 shares (11,641,043 shares after share consolidation) of the Company. The Group took possession of the pledged shares when there was no settlement on the due date after serving the demand notice. The foreclosed shares are included as equity and treated as the Company's treasury shares.

The weighted average number of ordinary shares for the six months ended 30 September 2025 and 2024 has been adjusted to account for the effect of share consolidation of the Company (as detailed in Note 9 below) which became effective on 8 August 2025.

No diluted loss per share has been presented as there are no potential ordinary shares in issue during both periods.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 9. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Ordinary shares of HK\$0.01 each (before share consolidation) and HK\$0.10 each (after share consolidation)		
Authorised:		
At 1 April 2025 (audited)	30,000,000,000	300,000
Share consolidation (Note)	(27,000,000,000)	–
At 30 September 2025 (unaudited)	3,000,000,000	300,000
Issued and fully paid:		
At 1 April 2025 (audited)	18,151,471,981	181,515
Share consolidation (Note)	(16,336,324,783)	–
At 30 September 2025 (unaudited)	1,815,147,198	181,515

All shares ranked *pari passu* in all respects with other shares in issue.

Note: On 11 July 2025, the board of the Company proposed to implement the share consolidation on the basis that every ten (10) issued and unissued existing shares with par value of HK\$0.01 each be consolidated into one (1) consolidated share with par value of HK\$0.10 each. Pursuant to an ordinary resolution passed on 6 August 2025, the share consolidation was approved by the shareholders of the Company and has become effective on 8 August 2025. Immediately after the share consolidation, the total number of issued share capital of the Company was adjusted from 18,151,471,981 to 1,815,147,198.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 10. FINANCIAL INSTRUMENTS

### Fair value measurements of financial instruments

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

*Valuation technique and inputs*

	Fair value As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000	Fair value hierarchy	Valuation technique(s) and key input(s)
Loans to Sephaku Gold Holdings (Proprietary) Limited ("SepGold") and Taung Gold EPP RF (Pty) Limited ("TG EPP")	34,280	28,667	Level 3	Discounted cash flows based on the estimated future cash flows of the Evander Project and the Jeanette Project in South Africa and the timing of amounts that are expected to be received from SepGold and TG EPP for loans repayment, discounted at a rate of 23.43% (March 2025: 23.56%).

There were no transfer between Level 1 or 2 during the period.

### Sensitivity analysis

A delay in the timing of amounts expected to be received from SepGold and TG EPP for loan repayments, of which based on the estimated future cash flows of the Evander Project and the Jeanette Project in South Africa, would result in a decrease in the fair value measurement of the loans to SepGold and TG EPP, and vice versa. A delay of repayment of all the outstanding amounts by 3 years holding all other variables constant would decrease the total carrying amounts of the loans to SepGold and TG EPP as at 30 September 2025 by HK\$13,167,000 (March 2025: HK\$13,616,000).

An increase in the discount rate used in isolation would result in a decrease in the fair value measurement of the loans to SepGold and TG EPP, and vice versa. A 30% increase in the discount rate holding all other variables constant would decrease the total carrying amounts of the loans to SepGold and TG EPP as at 30 September 2025 by HK\$15,485,000 (March 2025: HK\$12,048,000).

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 September 2025

## 10. FINANCIAL INSTRUMENTS *(Continued)*

### Fair value measurements of financial instruments *(Continued)*

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(Continued)***

*Reconciliation of Level 3 financial assets*

	<b>As at 30 September 2025 HK\$'000</b>	As at 31 March 2025 HK\$'000
At the beginning of the period/year	<b>28,667</b>	29,853
Fair value change recognised in profit or loss	<b>3,605</b>	(1,378)
Exchange adjustments	<b>2,008</b>	192
At the end of the period/year	<b>34,280</b>	28,667

### **Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost approximate their fair values.

The fair values of financial assets and financial liabilities recorded at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

# MANAGEMENT DISCUSSION AND ANALYSIS

## RESULTS

The Group is principally engaged in investment holding, trading of minerals and exploration, development and mining of gold and associated minerals in South Africa.

During the period ended 30 September 2025, the Group recorded a loss attributable to owners of the Company of approximately HK\$7,378,000 or basic loss of HK0.4 cents per share, compared with a loss attributable to owners of the Company for the period ended 30 September 2024 of approximately HK\$7,400,000 or restated basic loss of HK0.4 cents per share.

## INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2025, the Group had no outstanding bank borrowings (31 March 2025: Nil) and no banking facilities (31 March 2025: Nil).

The Group's gearing ratio as at 30 September 2025 was zero (31 March 2025: zero), calculated based on the Group's total zero borrowings (31 March 2025: zero) over the Group's total assets of approximately HK\$2,818,425,000 (31 March 2025: HK\$2,659,302,000).

As at 30 September 2025, the balance of cash and cash equivalents of the Group was approximately HK\$41,986,000 (31 March 2025: HK\$65,853,000) and was mainly denominated in Hong Kong Dollars ("HK\$"), United States Dollars ("US\$") and South African Rand ("ZAR"). The Group continues to adopt a policy of dealing principally with clients with whom the Group has enjoyed a long working relationship so as to minimize risks in its business.

On 11 July 2025, the Board proposed to implement the share consolidation on the basis that every ten (10) issued and unissued existing shares with par value of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share with par value of HK\$0.10 each ("Share Consolidation"). The Share Consolidation was approved by the shareholders at the special general meeting of the Company held on 6 August 2025 and the same became effective on 8 August 2025.

Following the Share Consolidation, the authorised share capital of the Company is HK\$300,000,000 divided into 3,000,000,000 shares of the Company with par value of HK\$0.10 each. As at 30 September 2025, 1,815,147,198 shares of the Company have been issued. The board lot size has also been changed from 10,000 shares to 5,000 shares of the Company upon the Share Consolidation becoming effective on 8 August 2025.



# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## LIQUIDITY AND FINANCIAL RESOURCES *(Continued)*

For details of the Share Consolidation, please refer to the announcements of the Company dated 11 July 2025, 14 July 2025 and 6 August 2025, and the circular of the Company dated 21 July 2025.

## FOREIGN EXCHANGE EXPOSURE

During the period ended 30 September 2025, the Group operated mainly in South Africa, and the majority of the Group's transactions and balances were denominated in HK\$, US\$ and ZAR. However, as the directors consider that the present currency risk is not significant, the Group does not have a policy of hedging foreign currency.

Nevertheless, the Company's management monitors foreign exchange exposure and will consider hedging foreign currency exposure should this be deemed prudent.

## REVIEW OF BUSINESS OPERATIONS

During the period under review, the Group did not carry out any field exploration activities and its attention was focused on the following areas:

- Searching the TGL databases for shallow gold deposits in Southern Africa that may be worth investigation;
- Hosting several visits by potential investors (including Contractor A and B, as referenced on page 25 of this report), which included site visits and delivering project presentations;
- Implementing initiatives under the Company's second Social & Labour Plan to support poverty alleviation in the communities surrounding the Jeanette Project. These initiatives included the provision of infrastructure for rainwater harvesting, the expansion of the livestock programme and the provision of equipment to emerging entrepreneurs. The Company previously obtained approval for this second five-year Social and Labour Plan for the Jeanette Project as part of its mining right commitments;
- Preparing for engagement with the regulatory authorities to seek an extension to the construction commencement date of the Jeanette Project;

# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## REVIEW OF BUSINESS OPERATIONS *(Continued)*

- Preparing a promotional video highlighting the achievements of the Company's Social & Labour Plan at Jeanette Project. This video was presented on 25 June 2025 at a Social and Labour Plan conference attended by senior regulators, sustainable development experts, heads of mining companies, the mining industry body and other stakeholders. One of the TGL's Co-Chief Executive Officers also delivered a presentation at the conference;
- Preparing an updated promotional video highlighting the successes of the Company's Social & Labour Plan at Jeanette Project to be used as part of the Company's application to the regulatory authorities to seek an extension for the construction commencement date;
- Participating in a four-day strategy review workshop with the local municipality under which the Jeanette Project falls, to improve cooperation between mining companies and the municipality on local economic development projects;
- Initiating financing arrangement with a potential financier in Beijing during November 2025; and
- Identifying and evaluating of near-term gold producing assets for potential acquisition opportunities.

As at 30 September 2025, the Company had not conducted any mining or production activities.

### **The Jeanette Project**

The Jeanette Project is located in the northern region of the Free State goldfield close to the towns of Allanridge, Kutlwanong and Nyakallong, within the southwest limb of the Witwatersrand Basin in the Free State Province of South Africa. Taung Gold Free State (Pty) Limited ("TGFS"), a wholly-owned subsidiary of TGL, is the registered holder of the mining right over the Jeanette Project. The Mining Right No. 33/2017 for the Jeanette Project was registered in the name of TGFS on 6 December 2017. During the period under review, ZAR4.29 million was spent on the Jeanette Project.

The Company previously entered into a Service Contract with MCC International Incorporation Limited ("MCCI"), a subsidiary of Metallurgical Corporation of China Ltd ("MCC") under which MCCI was appointed to undertake the a Feasibility Study ("FS") for the Jeanette Project. The FS was duly completed with an effective date of 23 July 2019.

The FS concluded that the Jeanette Project should be executed in a phased approach.

# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## REVIEW OF BUSINESS OPERATIONS *(Continued)*

### The Jeanette Project *(Continued)*

Subsequently Minxcon (Pty) Ltd ("Minxcon") has updated the mining approach and plan, and the cost data for the Jeanette Project. Highlights of the updated data are as follows:

Gold Recovered over Life of Project	6.4 Moz
Initial Construction Capital Cost Estimate	US\$806 million
Total Capital Cost over Life of Project	US\$1,252 million
Life of Mine	22 years
Cash Operating Costs	US\$546/oz
All in Sustaining Costs ("AISC")	US\$591/oz
All in Costs ("AIC")	US\$806/oz

Note: Financial calculation using long-term gold price of US\$1,900/oz and/or an exchange rate of US\$1.00 = ZAR18.80.

The Minxcon study also indicated that the two phase approach proposed by MCCI would not enable the project to enter into economic production. The optimization study further indicated that Phase 1 would yield only marginal returns and would be insufficient to fund Phase 2. The Minxcon study revealed that the most profitable approach would be to commission both shafts at the project as soon as possible by developing two raise bore holes, one at each shaft to cater for ventilation. The shafts would then be brought into production separately and joined underground further into the project schedule.

The above would generate the required tons in a relatively short time to reduce the payback period and generate very attractive profit margins once steady state production has been achieved. No changes to the underground mine design were deemed necessary.

Expenditure on the Jeanette Project for the period ended 30 September 2025 was as follows:

	ZAR million
Consultants & service providers	1.00
Staffing	2.80
Overheads	0.49
Total	4.29

# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## REVIEW OF BUSINESS OPERATIONS *(Continued)*

### The Evander Project

The Evander Project is located in the Evander Goldfield on the northeastern limb of the Witwatersrand Basin and is close to the town of Secunda in the Mpumalanga Province of South Africa. Taung Gold Secunda (Pty) Limited ("TGS"), a wholly-owned subsidiary of TGL, is the registered holder of the mining right in terms of the Mineral and Petroleum Resources Development Act of the Evander Project. The Mining Right No. 107/2010 was registered in the name of TGS in November 2013 and permits the mining of gold and associated minerals in the Six Shaft and Twistdraai area. During the period under review, ZAR2.68 million was spent on the Evander Project.

On 16 May 2016, the Company declared a maiden Mineral Reserve (Probable Reserve) of 4.29 million ounces of gold from the Kimberley Reef horizon of the Evander Project, based on 19.64 million tons of ore at an average head grade of 6.80g/t.

On 12 September 2016, the Company announced the completion of the Bankable Feasibility Study ("BFS") for the Evander Project.

Subsequently, Minxcon has updated the cost data for the Evander Project. The update covered capital costs and the Bill of Quantities (BoQ). No changes to the vertical access nor to the mine design were proposed by Minxcon. Highlights of the updated data are as follows:

Gold Recovered over Life of Project	4.1 Moz
Initial Construction Capital Cost Estimate	US\$891 million
Total Capital Cost over Life of Project	US\$1,126 million
Life of Mine	20 years
Cash Operating Costs	US\$723/oz
AISC	US\$774/oz
AIC	US\$1,010/oz

Note: Financial calculation using long-term gold price of US\$1,900/oz and/or an exchange rate of US\$1.00 = ZAR18.80.

# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## REVIEW OF BUSINESS OPERATIONS *(Continued)*

### The Evander Project *(Continued)*

Expenditure on the Evander Project for the period ended 30 September 2025 was as follows:

	ZAR million
Consultants & service providers	0.80
Staffing	1.73
Overheads	0.15
Total	2.68

## FUTURE PLANS FOR THE JEANETTE PROJECT AND THE EVANDER PROJECT

### The Jeanette Project

On 30 December 2019, the Group entered into the Engineering, Procurement and Construction Contract ("EPC Contract") with MCC for the execution and construction phase of the Jeanette Project. The primary objective of the EPC Contract is to facilitate the commencement of the development of the Jeanette mine. EPC Contracts are project finance documents to establish a contractual framework between the project owner and contractor whereby the design and construction risk is shared by the contractor. It therefore regulates the basis on which MCC undertook to deploy the necessary resources to support the development of the mine. The scope of the EPC Contract includes final engineering design, procurement, manufacturing and construction of the mine and infrastructure.

In addition, MCC undertook to assist the Company in securing equity and debt financing for the Jeanette Project at TGFS level from independent third parties, including but not limited to strategic investors in the mining sector and Chinese banks.

The management of the Company has focused on liaison with potential investors for the Company's mining projects. During late September 2024, the management had meetings with a number of potential investors, including certain PRC state-owned enterprises, to explore and discuss the investment in the mining assets of the Group. The Company has signed non-disclosure agreements with several of these potential investors in preparation for review of project information by the investors.



# MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

## FUTURE PLANS FOR THE JEANETTE PROJECT AND THE EVANDER PROJECT

(Continued)

### The Evander Project

#### Contract for the Construction of the Evander Project

In 2019, the Company and MCCI agreed to defer further commitment of time and resources to the Evander Project, pending the FS results of the Jeanette Project. On 30 August 2019, the FS results of the Jeanette Project were released indicating a lower capital cost and shorter lead-time to production compared to the Evander Project.

As a result, the Company prioritized advancing the EPC Contract for the Jeanette Project. The estimated time frame to complete the remaining work for the Evander contract is approximately 12 to 18 months from the date of a decision to continue. The Company will update shareholders on any material development in due course.

#### Latest discussions with MCC

The Group had continued discussions with MCC in relation to the development and financing arrangements for both the Jeanette and Evander Projects. According to the latest discussion, MCC has commenced and is currently refining the mining plan and financing arrangements for the both projects based on the updated cost data prepared by Minxcon. In this regard, the Group and MCC is currently advancing the mining projects in line with the estimated timetable below:

#### Jeanette Project

Stage	Description	Target timetable
Financing stage	Identifying, negotiating, and finalising financing arrangements with financiers	3rd quarter 2025 – 2nd quarter 2026
Construction stage	Construction of the mine and associated infrastructure	3rd quarter 2026 – by the end of 2028
Production stage	Mining operation, extraction, and processing of gold ore	2029–2050

As disclosed in the 2025 Annual Report, the estimated timetable for the financing stage, construction stage and production stage of the Jeanette Project has been postponed by one year as additional time is required to finalise the mining plans and financing arrangements, including the Basic Design and the lump sum contract amount. Since the resumption of trading in the Company's shares in November 2024, the Company has continued the discussion with MCC on the development of the Jeanette Project, in particular to revisit its execution framework. The focus of such discussion was on refining the mining plan and financing arrangements. Although MCC agreed to the mining plan proposed by Minxcon, a consensus on the financing arrangement has not yet been reached as at the date of this report.

# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## FUTURE PLANS FOR THE JEANETTE PROJECT AND THE EVANDER PROJECT

*(Continued)*

### Latest discussions with MCC *(Continued)*

#### Jeanette Project *(Continued)*

As the Basic Design entails considerable upfront commitment of time and financial resources, the Company considers it prudent not to proceed substantively to this stage without a firm and secured financing plan in place. Accordingly, the timetable for advancing the mining projects with MCC has been postponed by one year to allow additional time for discussion and negotiation.

Upon finalization of the lump sum contract amount, the lump sum offer supplementary agreement, the EPC Contract will be subject to the shareholders' approval. Shareholders are referred to the announcements dated 20 May 2020, 30 April 2021, 23 December 2021, 22 December 2022 and 29 December 2023 and 30 December 2024 respectively in this regard. The Company will keep shareholders informed of any material development in due course.

#### Evander Project

Stage	Description	Target timetable
Research stage	Research on mining plans including dewatering operation	3rd quarter 2025 – 4th quarter 2026
Financing stage	Identifying, negotiating, and finalising financing arrangements with financiers	2027
Construction stage	Construction of the mine and associated infrastructure and dewatering operation	2028–2033
Production stage	Mining operation, extraction, and processing of gold ore	2033–2049

FUTURE PLANS FOR THE JEANETTE PROJECT AND THE EVANDER PROJECT

(Continued)

Parallel discussions with other contractors

While the Company is actively engaged in discussions with MCC to finalise a mutually agreeable financing arrangement, it is also exploring broader strategic options. In parallel, the Company has been in close discussions with other state-owned contractors from the PRC regarding the development of both the Jeanette and Evander Projects. A summary of the progress of these discussions is set out below:

Contractor A

Contractor A is a state-owned construction enterprise. In January 2025, the Company provided Contractor A with technical data related to the projects to facilitate preliminary technical assessment. Legal due diligence was subsequently conducted and Contractor A informed the Company that internal in-principle approval had been granted for the Jeanette and Evander Projects, subject to the successful completion of on-site due diligence in South Africa. The site visit has been completed.

Contractor B

Contractor B is a state-owned engineering enterprise. Contractor B conducted its evaluation of the Jeanette and Evander Projects in March 2025. Subsequently, it carried out on-site due diligence on the projects in South Africa in July 2025 and planned a further on-site visit in November 2025. Based on the discussions with Contractor A and Contractor B, the Company has initiated and is actively preparing the following estimated milestones in relation to the Jeanette Project:

September 2025	<ul style="list-style-type: none"><li>• Completion of due diligence or site visit and receipt of satisfactory findings</li></ul>
October 2025 – January 2026	<ul style="list-style-type: none"><li>• Drafting and negotiation of EPC or EPCF Contract</li><li>• Exploring equity and/or debt financing arrangements at the Company level</li></ul>
January – March 2026	<ul style="list-style-type: none"><li>• Negotiation and procurement of equipment financing or leasing arrangements with relevant suppliers in South Africa and the PRC</li></ul>
April – June 2026	<ul style="list-style-type: none"><li>• Commencement of processes for importing technical and project management personnel into South Africa, such as applying for work permits and visas for foreign personnel in compliance with local labour and immigration regulations</li></ul>

# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## FUTURE PLANS FOR THE JEANETTE PROJECT AND THE EVANDER PROJECT

*(Continued)*

### Parallel discussions with other contractors *(Continued)*

#### Contractor B *(Continued)*

These steps are designed to align with the updated target of the Jeanette Project's construction commencement in the 3rd quarter of 2026. The Company is committed to closely coordinating all stakeholders throughout the above phases to ensure timely and efficient implementation of each milestone.

## EMPLOYEE AND REMUNERATION POLICY

As at 30 September 2025, the total number of employees, excluding workers under exclusive sub-contracting arrangement, of the Group was 23 (31 March 2025: 23). The Group's remuneration policy is primarily based on their performance, working experience and the prevailing market conditions. Employee benefits include mandatory provident fund (pension) and share option scheme, etc.

## SHARE OPTION SCHEME

A resolution was passed at a special general meeting of the Company held on 28 August 2020 to approve and adopt a share option scheme (the "2020 Share Option Scheme"). No share options has been granted or exercised under 2020 Share Option Scheme as at 30 September 2025. The principal terms of the 2020 Share Option Scheme were summarized and set out in the 2025 annual report of the Company. During the period under review, immediately upon the Share Consolidation becoming effective from 8 August 2025, the scheme mandate limit of the 2020 Share Option Scheme has been adjusted from 1,815,147,198 to 181,514,719 shares.

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 30 September 2025, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code").



# MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 September 2025, the following shareholders had, or were deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

### (a) Long positions in shares and underlying shares of the Company

Name of shareholders	Number of shares held (Note 1)	Underlying shares of equity derivatives	Total interest (Note 1)	Percentage of issued shares as at 30 September 2025
Goldborn Holdings Limited	200,136,208	–	200,136,208	11.03%
Mandra Materials Limited (Note 2)	117,743,472	–	117,743,472	6.49%
Mandra Esop Limited (Note 2)	1,623,837	–	1,623,837	0.09%
Woo Foong Hong Limited (Note 2)	27,653,073	–	27,653,073	1.52%

Notes:

1. The Share Consolidation became effective on 8 August 2025. The number of issued shares held by each of the respective shareholders was adjusted pursuant to the Share Consolidation upon the effective date.
2. Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited are 50% owned by Mr. Zhang Songyi. Hence, Mr. Zhang Songyi is deemed to be interested in the shares held by Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited for the purpose of SFO.

### (b) Short positions in shares and underlying shares of the Company

There were no short positions in the shares and underlying shares of the Company and its associated corporations, which were recorded in the register as required to be kept under Section 336 of Part XV of the SFO.

Save as disclosed herein, as at 30 September 2025, no person, other than the directors and chief executives of the Company, whose interests are set out in the section "Directors' and Chief Executives' interests in securities" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.



# MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

## CORPORATE GOVERNANCE CODE

In the opinion of the directors, the Company had complied with the code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Listing Rules during the six months ended 30 September 2025.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors' securities transactions. The Company has made specific enquiries of all the directors and all the directors confirmed that they have complied with the required standards set out in the Model Code for the six months ended 30 September 2025.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Written Guidelines") for securities transactions by the relevant employees, including the directors, who are likely to possess inside information of the Company.

No incidents of non-compliance of the Written Guidelines by the relevant employees were noted by the Company.

## AUDIT COMMITTEE

The audit committee, which comprises three independent non-executive directors of the Company, has discussed with the management of the Company on the accounting principles and practices adopted by the Group, internal controls, risk management and financial reporting matters. The audit committee has also reviewed and discussed with the management of the Company the unaudited consolidated financial statements for the six months ended 30 September 2025.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of shares or other listed securities of the Company or by any of its subsidiaries during the reporting period.

By Order of the Board  
**Taung Gold International Limited**  
**Cheung Pak Sum**  
*Chairman and Executive Director*

Hong Kong, 27 November 2025