



2 FEBRUARY 2024

ASX ANNOUNCEMENT

Progress Update

Ten Sixty Four Limited (Subject to Deed of Company Arrangement) (“Ten Sixty Four” or the “Company”; ASX:X64) provides the following update on progress towards effectuation of the Deed of Company Arrangement (“DOCA”) dated 1 November 2023, and investigations into certain historical operational matters.

Arrangements with Subsidiaries and Receipt of Dividend

The Company has recently received a dividend of US\$1.94m from its subsidiary Mindanao Mineral Processing and Refining Corporation (“MMPRC”).

The Company has also executed standstill agreements with MMPRC and Komo Diti Traders Limited (“KDTL”) which are its two largest creditors. The standstill agreements provide that the debts due from X64 to MMPRC and KDTL will not be enforced during the standstill period. KDTL has also entered into a standstill agreement with Philsaga Mining Corporation (“PMC”), the company that operates the Co-O mine, which provides that PMC will not enforce the debt owed to it by KDTL during the standstill period.

The standstill periods under the agreements expire on 1 March 2025 (unless terminated earlier) and include the following milestones:

1. X64, MMPRC, KDTL and PMC are required to enter into a restructuring framework agreement agreeing to the in-principle terms of the restructuring of the intercompany debt obligations and certain commercial arrangements between them by 16 February 2024 for the purpose of effectuation of the DOCA.
2. Definitive transaction documents to give effect to the restructuring are to be in final agreed form between all parties by 29 February 2024.
3. Effectuation of the DOCA is to occur by 29 February 2024.

The standstill agreements may be terminated if, inter alia, any of the milestones are either not achieved or extended by agreement, or if there is a material breach by a party.

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The parties are making progress towards achieving the above milestones and have also made good progress in recent weeks towards satisfaction of certain other conditions precedent to effectuation of the DOCA.

X64 CEO Simon Theobald commented that “The execution of standstill agreements is a significant achievement as the Company moves towards effectuation of the DOCA, including allowing non-related party creditors to be paid. The proposed restructuring framework agreement is designed to reset commercial arrangements between the Company and its subsidiaries. We acknowledge the cooperation of Raul Villanueva and the leadership teams of the subsidiaries, and look forward to working with them to complete formal transaction documents.”

Extension of DOCA Sunset Date

The Company advises that the sunset date for effectuation of the DOCA has been extended to 29 February 2024 by agreement between the Deed Proponent and Deed Administrator.

Operational Audit and Restructure Clarification

We refer to announcements made by the previous Board on 7 March 2023 and 15 June 2023 in reference to a comprehensive operational audit being underway at the Co-O Gold Mine (“Co-O”) and the restructuring of the site leadership with the termination of Mr Raul Villanueva. Based on investigations undertaken, an operational audit was not substantially progressed. Further, it is not clear that the Board of X64 had the power to pass any resolutions in respect of PMC, including the removal and replacement of Mr Villanueva as PMC’s President and Director.

In the absence of any valid resolution to remove Mr Villanueva from office, X64 recognises Mr Villanueva as PMC’s President and Chief Executive Officer. Whilst we acknowledge there are proceedings currently on foot in the Philippines relating to a shareholder dispute of Philsaga Management Holdings Inc, the ultimate parent of PMC, we note that operational control of Co-O remains with Mr Villanueva.

Our investigations into the actions of the former directors and officers are continuing and we will provide further updates as appropriate.



This announcement has been authorised for release by the Deed Administrator and the Board of Ten Sixty Four Limited.

Simon Theobald
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Ten Sixty Four Limited

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