

ETERNAL GLORY MINING BERHAD ('EGM')



ETERNAL GLORY MINING

INFORMATION MEMORANDUM

Golden
Horizons,
Eternal
Value





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INFORMATION MEMORANDUM

Eternal Glory Mining Berhad

201701029897 (1244066-X)

2RD MAY 2025

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The Directors of Eternal Glory Mining Berhad (the 'Company') Those whose names appear in this Information Memorandum accept responsibility individually and collectively for the information. To the best of knowledge and belief of the Company's Directors (who have taken all reasonable care to ensure that such is the case), the information in this Information Memorandum is true and accurate. It contains no material omission likely to make the statements in this Information Memorandum false or misleading.

This Information Memorandum contains forward-looking statements. All statements other than statements of historical facts included in this Information Memorandum, including, without limitation, those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors that may cause our actual results, performance or achievements to materially differ from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate. These forward-looking statements are applicable only as of the date of this IM. Words such as "may", "will", "would", "could", "expect", "anticipate*", "should", "intend*", "plan", "believe", "seek", "estimate", "project," and variations of such words and similar expressions are intended to identify such forward-looking statements and expectations. These statements do not guarantee future performance or the ability to identify and consummate investments and involve certain risks, uncertainties, outcomes of negotiations and due diligence, and assumptions that are difficult to predict, qualify or quantify. The Company must update or revise such forward-looking statements in this Information Memorandum. Neither the Company, the Approved Adviser, nor any other person represents or warrants that our Group's actual future results, performance, or achievements will be as disclosed in those statements.

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6. This I.M. has not been made and will not be made to ensure that the proposed issues of shares by the company comply with the laws of any jurisdiction other than Malaysia. The company shall not accept any responsibility or liability in the event that an action taken by any Recipient in any jurisdiction outside Malaysia ("Foreign Jurisdiction") is or shall become illegal, unenforceable, voidable, or void in such jurisdiction. Such Recipients shall therefore immediately consult their professional advisers in relation to the observance of the relevant legal requirements and shall be responsible for the payment of any taxes or other requisite payments as may be due in such Foreign Jurisdiction, and shall keep the company fully indemnified for the payment of such taxes or payments.

Company Information



ETERNAL GLORY MINING

Company Name

Eternal Glory Mining Berhad ('EGM')

Registration Number

201701029897 (1244066-X)

Registered Address

*Block J-7-13,
No. 2, Jalan Solaris,
Solaris Mont Kiara,
50480 Kuala Lumpur, Malaysia.*

Business Address

*Block J-7-13,
No. 2, Jalan Solaris,
Solaris Mont Kiara,
50480 Kuala Lumpur, Malaysia.*

Telephone

+603 6211 0926

Website

www.eternalglorymining.com

E-mail

inquiry@eternalglorymining.com

Principal Bank

Malayan Banking Berhad (Maybank)
*Level 1, Tower A,
No. 1, Jalan Maarof, Dataran Maybank,
59000 Kuala Lumpur, Malaysia.*

Designated Investment Account (For investors fund only)

Malayan Banking Berhad (Maybank)
*[Account Number]
[Account Number]*

Company Secretary

MFZ Management
*No. 12A, 3B, Jalan Temenggung 1/9,
Bandar Mahkota Cheras,
43200 Cheras, Selangor, Malaysia.*

Auditor

KLM Group
*100.3.041, Block J, Jaya One,
No. 72A, Jalan Prof Diraja Ungku Aziz,
46200 Petaling Jaya, Selangor, Malaysia.*

Term Sheet

Company Name	Eternal Glory Mining Berhad ('EGM')
Registration No.	201701029897 (1244066-X)
Principal Activities	Mining and quarrying activities focusing on precious minerals such as gold, iron, copper, and other precious metals
Investment Period	June 2025 - May 2026
Location	Altangadas Gold Mining Project, Taishir Soum, Gobi Altai Aimag, Mongolia

INVESTMENT OFFERS

OFFER A: PRIVATE EQUITY INVESTMENT

Fundraising Amount	RM250,000,000
Dilution	12% (Based on RM2.08 billion valuation)
Types of Shares	Ordinary Shares
Use of Proceeds	Gold Processing Plant Setup
Dividend Policy	<ul style="list-style-type: none"> No dividend distribution during initial development phase Up to 50% dividend policy to be implemented following the second year of hard rock gold extraction operations (estimated 2028 onwards)
Exit Strategies	Initial Public Offering (IPO) on Nasdaq (targeted listing submission on 2027)
Closing Date	24 months from the issuance of Information Memorandum

OFFER B: HIGH NET WORTH INDIVIDUAL INVESTMENT

Investment Instrument	Redeemable Convertible Preference Shares (RCPS)
Minimum Investment	RM250,000
Interest Rate	12% per annum, paid semi-annually
Term	3 years
Conversion Option	Option to convert to Special Purpose Vehicle (SPV) shares at a 30% discounted IPO price prior to listing upon maturity
Redemption	2 Options: 1. Redeem through conversion of PLC shares, or 2. Redeem via cash repayment at 110% of principal amount
Security	Upon commencement of hard rock gold extraction, company will provide sinking fund via gold reserves and extracted as security pledge if investors choose cash redemption. For share redemption, PLC shares serve as the exit with no further collateral required
Use of Proceeds	Gold Processing Plant Setup
Closing Date	24 months from the issuance of Information Memorandum

Glossary

This glossary provides definitions for key technical terms used throughout the Information Memorandum to assist investors in understanding the technical aspects of gold mining operations.

Alluvial Gold:

Gold particles found in the soil or sediments of rivers and streams, typically deposited by water action.

Carbon-In-Leach (CIL):

A gold extraction process that combines leaching and adsorption steps in the same tanks. Activated carbon is added directly to the leach circuit, adsorbing gold as it is dissolved.

Competent Person:

A qualified professional who prepares resource estimates according to internationally recognized standards, typically having at least five years of relevant experience.

Cyanide Leaching:

A technique for extracting gold from low-grade ore by converting the gold to a water-soluble complex using a dilute cyanide solution.

Electrowinning:

An electrochemical process used to recover metals (like gold) from solution by applying an electric current.

Grade:

The concentration of metal in ore, typically expressed as grams per tonne (g/t) for gold.

Hard Rock Mining:

Extraction of minerals from consolidated rock, typically requiring drilling and blasting.

Magnetic Survey:

A geophysical method used to detect magnetic anomalies in the Earth's magnetic field caused by magnetic minerals in rocks.

Orogenic Gold:

Gold deposits formed during mountain building processes, typically found in metamorphic rocks.

Placer Mining:

The mining of stream bed (alluvial) deposits for minerals, often using water to separate the valuable materials.

Recovery Rate:

The percentage of valuable metal extracted from ore during processing.

Resource Classification:

Categorization of mineral resources based on geological confidence (Inferred, Indicated, Measured).

Executive Summary

Unearthing Mongolia's Golden Potential

EGM Berhad stands at the forefront of an extraordinary mining opportunity, having secured exclusive rights to extract gold and other valuable minerals from one of Mongolia's most promising resource regions. Through a strategic joint venture with Realxoin Resources LLC (RR), EGM has gained 28-year access to a mineral-rich concession in the Taishir Soum area of Mongolia's Gobi Altai province.

The foundation of EGM's value proposition lies in the verified mineral resources within this concession. Independent geological assessment by Tropicorp Management Services has confirmed substantial deposits of exceptional value:



29.2 tonnes
of gold with
90%+ purity



12.837 million
tonnes of
iron ore



Additional
exploration
potential across
multiple zones

These verified resources represent a total mineral worth of approximately RM11.3 billion based on current market prices, with preliminary geological indicators suggesting the potential for expanded reserves of 70-90 tonnes of gold across the broader concession area.



Strategic Phased Development

EGM has designed a methodical approach to resource development that balances early revenue generation with long-term value creation:

Phase 1

Placer Gold Mining (2025)

- Beginning in May 2025, EGM will commence placer gold mining operations, targeting production of approximately 50kg of gold annually.
- This initial phase requires modest capital investment yet generates immediate revenue, establishing operational capabilities while funding further development.

Phase 2

Hard Rock Mining (2026 onwards)

- Following the construction of a state-of-the-art Carbon-In-Leach (CIL) processing plant, EGM will transition to hard rock mining in Q4 2026.
- This advanced facility will process 5,000 tons of ore daily, producing 5-7kg of gold daily (1.8-2.0 tonnes annually) with recovery rates exceeding 90%.

Phase 3

NASDAQ Listing Submission (2027)

- With established production and demonstrated operational success, EGM plans to pursue a NASDAQ listing submission in 2027 via an OTC-listed company
- Providing liquidity for early investors while accessing expanded capital for growth.



Compelling Investment Case

EGM's investment proposition is built on several key competitive advantages:

Verified High-Value Resources

Independently confirmed gold and iron ore reserves with exceptional purity



Strategic Partnership Structure

70:30 profit-sharing arrangement with Realxoin Resources LLC, optimizing returns while leveraging local expertise

Strong Market Fundamentals

Gold's enduring value proposition enhanced by central bank purchasing trends and inflation hedging demand



Advanced Processing Technology

Planned CIL plant delivering 20-30% cost advantages over conventional methods with superior recovery rates



Phased Development Approach

Early revenue generation minimizing capital risk while establishing operational foundation

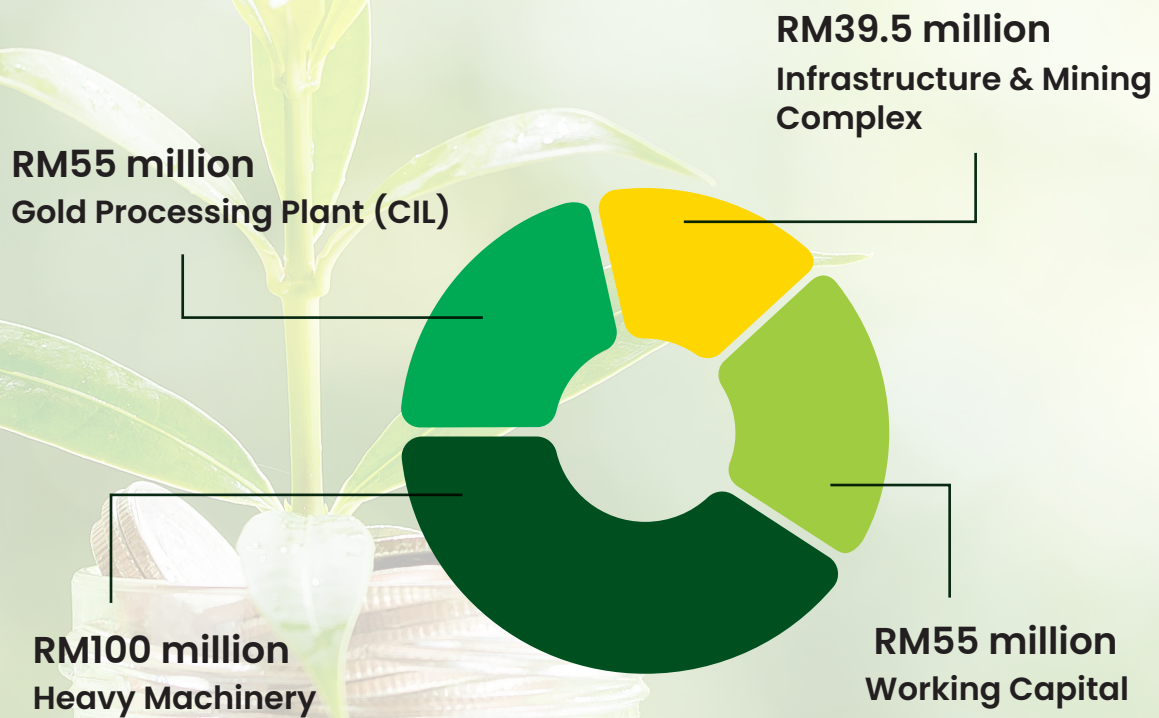
Clear Path to Liquidity

Targeted NASDAQ listing submission in 2027 providing defined exit strategy for early investors



Fundraising Objectives

EGM is raising RM250 million to fund the development of its gold mining operations, strategically allocated to:



This capital will enable EGM to execute its phased development approach, from initial placer mining through to full-scale hard rock operations utilizing advanced CIL processing technology.

Financial Projections

Based on verified reserves and conservative market assumptions, EGM projects compelling financial returns:

Initial placer mining revenue:

While operational analysis suggests potential of RM15-20 million annually (2025-2026), our financial projections conservatively forecast **RM8.30 million for 2025** to maintain prudent estimates

Hard rock mining revenue:

Initial ramp-up of **RM170.86 million (2026)**, scaling to **RM940.33 million (2027)**, **RM1,356.76 million (2028)**, and **RM1,490.35 million (2029)**

Projected direct operating profit:

Initial losses in 2025-2026, followed by profits of **RM104.82 million (2027)**, **RM169.34 million (2028)**, and **RM182.86 million (2029)**

Cumulative projected profit over initial 5-year period:

RM419.83 million

This executive summary outlines the extraordinary opportunity presented by EGM's gold mining venture in Mongolia. The following sections provide deeper insights into the gold market, Mongolia's mining landscape, EGM's operational approach, and the technical and financial dimensions of this compelling investment opportunity.

Letter from the Co-Founder & CEO

Dear Prospective Investor,

Golden Horizons, Eternal Value

In the vast, mineral-rich landscapes of Western Mongolia lies an extraordinary opportunity. One that combines geological fortune, strategic positioning, and the timeless value of gold. It is with great pleasure that I introduce you to EGM Berhad, a company positioned at the convergence of these powerful forces.

Vision Meets Reality

Our journey began with a vision: to develop a world-class gold mining operation that creates exceptional value while adhering to the highest standards of responsibility and sustainability. Today, that vision is becoming reality through our exclusive mining rights in the northern foothills of the Khan Taishir Mountains in Mongolia's Gobi Altai province.



Reserves That Command Attention

The numbers speak volumes. Independent geological assessments have verified 29.2 tonnes of gold reserves and 12.8 million tonnes of iron ore – with indications suggesting the actual gold reserves may be two to three times larger. Yet numbers alone don't tell our full story.

Innovation in Development

What truly sets EGM apart is our strategic approach to development. Rather than following the conventional path of high initial capital expenditure before seeing returns, we've structured a phased approach that generates revenue within months while systematically scaling toward full production capacity. Beginning May 2025, our placer gold operations will start producing approximately 50kg of gold annually, providing immediate cash flow while we construct our state-of-the-art Carbon-In-Leach processing plant for hard rock mining.

Local Partnership, Global Expertise

Our partnership with Realxoin Resources gives us a critical advantage in navigating Mongolia's regulatory landscape, while our experienced management team brings together expertise in mining operations, financial management, and capital markets. This combination of local knowledge and global experience positions us ideally to maximize the value of our mineral assets.

Perfect Timing in Gold's Resurgence

The timing of this opportunity is particularly compelling. Gold continues to assert its value as both a safe-haven asset and strategic reserve, with prices reaching historic highs and central banks increasing their holdings. Mongolia, meanwhile, has emerged as a mining-friendly jurisdiction with stable regulatory frameworks and rich, underdeveloped resources.

Responsibility at Our Core

At EGM, we recognize that long-term success depends on more than just extracting resources. Our commitment to environmental stewardship, community development, and transparent governance forms the foundation of everything we do. We're implementing advanced technologies to minimize our environmental footprint, engaging closely with local communities to create shared value, and maintaining the highest standards of corporate governance.

A Clear Path to Returns

Our roadmap is clear: generate early revenue through placer mining, construct our processing plant for full-scale production, and ultimately provide liquidity to our investors through a NASDAQ listing submission targeted for 2027. This structured approach balances near-term results with long-term value creation.

Golden Horizons, Eternal Value

This phrase encapsulates our philosophy perfectly. At EGM, we look beyond the immediate horizon to create lasting, eternal value. We are not merely extracting gold; we are building a legacy of sustainable wealth creation that benefits all stakeholders. Our approach combines the excitement of frontier resource development with the stability of enduring asset value, guided by a long-term vision that transcends short-term thinking.

Join Our Golden Journey

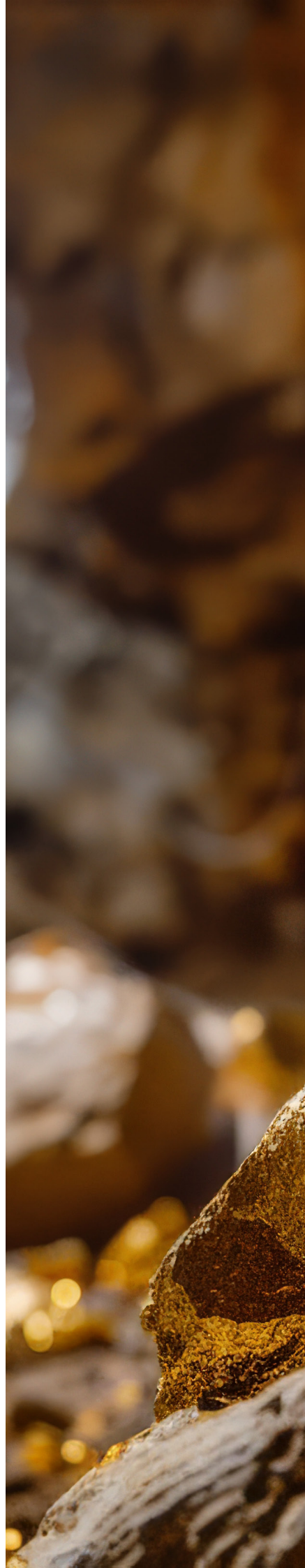
In joining EGM as an investor, you're not simply gaining exposure to gold – you're partnering with a company designed from the ground up to transform Mongolia's golden potential into tangible returns. We invite you to be part of this journey as we unearth truly exceptional opportunities and deliver on our promise of Golden Horizons, Eternal Value.

Sincerely,



Calvin Mark Chin

Co-Founder and Chief Executive Officer (CEO)
Eternal Glory Mining Berhad





ETERNAL GLORY MINING

Commodity Overview

Gold: Humanity's Enduring Store Of Value

Gold (Au), atomic number 79, stands as one of humanity's most treasured elements. This noble metal's unique combination of physical and chemical properties - including exceptional malleability, conductivity, resistance to corrosion, and distinctive yellow luster - has secured its position as the premier store of value across civilizations and millennia.

Physical and Chemical Properties

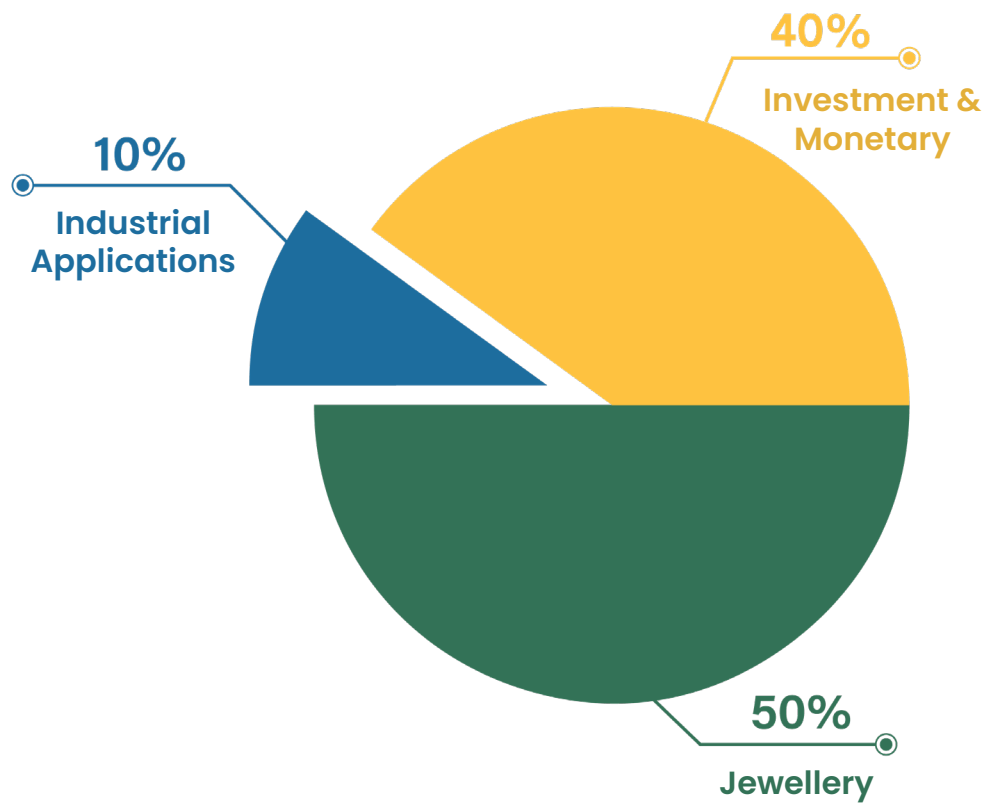
Gold possesses exceptional physical characteristics that contribute to its enduring value:

- Density: 19.3 g/cm³, making it one of the densest naturally occurring elements
- Melting point: 1,064°C (1,947°F)
- Exceptional malleability: one ounce can be beaten into a sheet covering 300 square feet
- Excellent electrical conductivity
- Unparalleled resistance to corrosion and oxidation
- Distinctive yellow colour and metallic lustre





Applications



Investment and Monetary Use (40% of demand)

Gold's role as a financial asset and store of value remains paramount. Central banks worldwide maintain gold reserves as a hedge against currency fluctuations and economic uncertainty. Investment vehicles include physical bullion, ETFs, futures contracts, and mining equities, with demand particularly strong during periods of economic uncertainty.



Jewellery (50% of demand)

The largest demand segment globally, with particular strength in China, India, and the Middle East. Gold's aesthetic appeal, cultural significance, and value retention make it the preferred metal for ceremonial and significant jewellery pieces across cultures.



Industrial Applications (10% of demand)

The largest demand segment globally, with particular strength in China, India, and the Middle East. Gold's aesthetic appeal, cultural significance, and value retention make it the preferred metal for ceremonial and significant jewellery pieces across cultures.



Electronics

Corrosion-resistant connectors and components



Medical

Dental applications and advanced treatments



Aerospace

Reliable connectors in critical systems



Chemical Catalysts

Reliable connectors in critical systems



Gold Mining & Processing

Gold Extraction

The extraction of gold from the earth follows two primary approaches namely placer mining or hard rock mining, depending on the nature of the deposit.



Placer Mining

Placer deposits form when gold erodes from its original source and is transported by water, eventually settling in stream beds, riverbanks, or alluvial plains. This gold is typically found in nugget form or as small particles mixed with sand and gravel.

Extraction Process:

- ① **Prospecting:** Identifying potential gold-bearing alluvial deposits
- ② **Overburden Removal:** Clearing away topsoil and non-gold-bearing material
- ③ **Extraction:** Using washplants, sluice boxes, and concentration equipment
- ④ **Recovery:** Separating gold from other materials through gravity separation
- ⑤ **Refining:** Processing recovered gold to increase purity

Placer mining offers several advantages, including lower capital requirements, simpler technology, and immediate revenue generation. This makes it an ideal initial phase for mining operations while developing infrastructure for more intensive extraction methods.

Hard Rock Mining

Hard rock (lode) deposits contain gold embedded within solid rock formations, typically in veins or as microscopic particles dispersed throughout the rock matrix.

Extraction Process:

- ① **Exploration:** Identifying gold-bearing rock formations through drilling and sampling
- ② **Mine Development:** Creating access through shafts, tunnels, or open pits
- ③ **Extraction:** Drilling, blasting, and removing ore-bearing rock
- ④ **Crushing and Grinding:** Reducing rock to fine particles
- ⑤ **Concentration:** Separating gold-bearing material from waste rock
- ⑥ **Processing:** Extracting gold from concentrated ore

Hard rock mining typically requires greater capital investment but can access substantially larger gold reserves than placer operations.



Gold Processing Technologies

Once gold-bearing material is extracted, several technologies can recover the precious metal:

Carbon-In-Leach (CIL) Processing

The gold industry standard for efficient extraction from hard rock ore:

- ❶ **Crushing and Grinding:** Ore is reduced to fine particles (typically <150 microns)
- ❷ **Leaching:** Gold is dissolved using a dilute cyanide solution
- ❸ **Adsorption:** Dissolved gold attaches to activated carbon particles
- ❹ **Desorption:** Gold is stripped from carbon using high-temperature caustic solution
- ❺ **Electrowinning:** Gold is recovered from solution through electroplating
- ❻ **Smelting:** Recovered materials are melted and cast into doré bars
- ❼ **Refining:** Final processing to achieve 99.9%+ purity

The CIL process offers several critical advantages:

- Recovery rates up to 95% (versus 60-80% for conventional methods)
- 20-30% cost reduction compared to traditional processing
- Ability to process varying ore grades efficiently
- Reduced environmental footprint through closed-loop systems





Alternative Processing Methods

While cyanide leaching dominates commercial gold recovery, several alternative technologies exist:

- Gravity concentration (for coarser gold particles)
- Flotation (concentrating gold-bearing sulfides)
- Mercury amalgamation (being phased out due to environmental concerns)
- Bioleaching (using bacteria to extract gold)
- Thiosulfate and halide leaching (emerging non-cyanide alternatives)

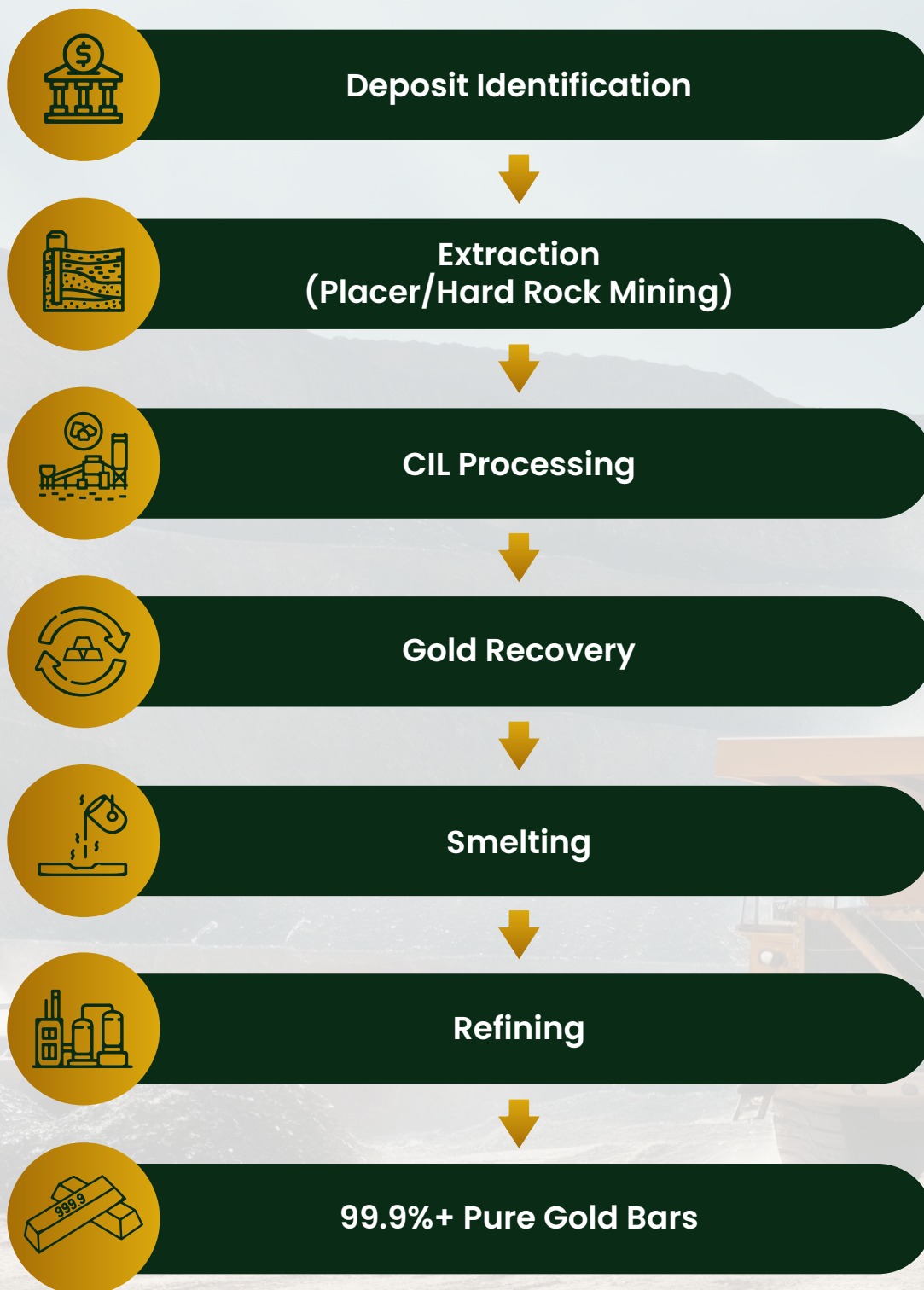
Gold Refining

Gold from mining operations typically contains various impurities, necessitating refining to achieve market-standard purity (99.9%+). Refining processes include:

- **Miller process:** Chlorine gas is passed through molten gold to remove base metals
- **Wohlwill process:** Electrolytic refining achieving up to 99.999% purity
- **Aqua regia process:** Dissolution in acid mixture followed by selective precipitation



Flowchart (Summary): Gold Extraction And Processing



Gold's unique combination of physical properties, monetary significance, and industrial utility ensures its continued importance in the global economy.

EGM's strategic approach to gold extraction in Mongolia – beginning with placer mining before transitioning to CIL processing – leverages the most efficient technologies to maximize resource value while maintaining environmental responsibility.

Country & Industry Overview

Mining in Mongolia

Mongolia stands as one of the world's last great mining frontiers, with mineral resources estimated at US\$1-3 trillion. This vast, landlocked nation spanning 1.56 million square kilometers between Russia and China harbors extraordinary deposits of coal, copper, gold, uranium, rare earths, and other valuable minerals that have barely been tapped by modern mining methods.

Geological Wealth

Mongolia's geological formation has created exceptional mineral concentrations across several regions:

- The **South Gobi** region hosts world-class copper and gold deposits
- The **North and Central** regions contain significant coal, fluorite, and molybdenum resources
- The **Eastern** regions feature extensive oil and uranium deposits
- The **Western** regions, including Gobi Altai, hold substantial gold, silver, and iron ore deposits

The country's mineral sector accounts for approximately 25% of GDP, 80% of exports, and 30% of government revenue, making it the cornerstone of Mongolia's economy.

Gold Mining in Mongolia

Gold holds particular significance in Mongolia's mining landscape, with annual production reaching approximately 21 tonnes in 2023. The country's gold deposits are distinguished by their exceptional purity, typically reaching 99.9% - matching the highest global standards and requiring minimal refining.

Mongolian gold mining includes both placer operations (historically dominant) and increasingly sophisticated hard rock mining. The industry has seen significant modernization in recent years, with operations like Boroo Gold Mine demonstrating the potential for world-class production using advanced technologies.



Regulatory Framework

The Minerals Law of Mongolia

Mining activities in Mongolia are primarily governed by the Minerals Law of 2006 (amended 2014), which establishes a clear legal framework for exploration and extraction:

- **Mineral Ownership:** All minerals are owned by the state, with rights granted through licenses
- **License Types:** Exploration licenses (3-9 years) and mining licenses (up to 30 years, renewable)
- **Approval Process:** Mining licenses require evidence of economically viable deposits and environmental impact assessment
- **Local Participation:** Various provisions encourage Mongolian participation in mining ventures

Important to EGM's operations, the Mongolian government acts as the primary purchaser of gold extracted within the country. The Bank of Mongolia maintains a standing commitment to purchase gold at international market prices, eliminating market risk for producers.

Recent Developments

Following a period of regulatory uncertainty in the 2010s, Mongolia has stabilized its mining policies and signalled its commitment to attracting foreign investment:

- Reopening of exploration licensing in 2024 after a multi-year hiatus
- Streamlined permitting for projects with established resources
- Enhanced stability guarantees for major investments
- Favourable tax treatment for mining operations that process minerals domestically

The current regulatory environment represents a balanced approach that protects national interests while providing attractive conditions for international mining companies.

Investment Climate

Foreign Investment Framework

Mongolia's 2013 Investment Law establishes equal treatment for foreign and domestic investors, offering several advantages:

- Tax stabilization certificates (up to 27 years) providing fiscal certainty
- Repatriation guarantees for profits and capital
- Protection against nationalization
- Streamlined registration procedures

Foreign direct investment in Mongolia's mining sector has fluctuated, reaching \$4.5 billion in 2011 before declining amid regulatory changes. Recent years have seen a resurgence, with \$1.2 billion invested in 2023 as confidence in the regulatory framework improves.





Strategic Location

Mongolia's position between Russia and China creates significant strategic advantages:

- Direct access to China, the world's largest consumer of gold, copper, coal, and iron
- Established rail and road infrastructure connecting to Chinese markets
- Alternative northern routes to Russia and European markets
- Emerging "Third Neighbor" policies encouraging diverse international partnerships

This geographic positioning gives Mongolian mining operations inherent logistical advantages compared to more remote resource regions.

Reference: Success Stories

Several successful mining operations demonstrate Mongolia's potential:



Boroo Gold Mine

Located 110km north of Ulaanbaatar, Boroo produced over 1.8 million ounces of gold between 2004 and 2017, demonstrating the viability of modern gold mining in Mongolia. The operation utilized heap leach and CIL processing technologies, achieving strong recovery rates and environmental compliance.



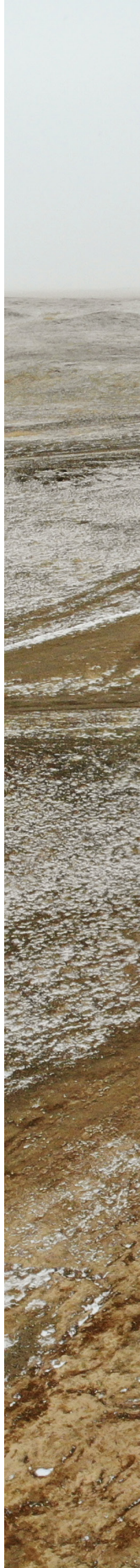
Oyu Tolgoi Copper-Gold Mine

While primarily a copper producer, Oyu Tolgoi also recovers significant gold as a by-product. This world-class operation demonstrates the scale possible in Mongolian mining, with production expected to reach 500,000 ounces of gold annually at full capacity.



Khan Altai Gold Project

Located approximately 40km southeast of EGM's concession, Khan Altai has developed into a viable gold mine with reported resources of 41.58 tonnes. This nearby operation provides valuable operational benchmarking for EGM's development plans.






Mongolia's combination of exceptional mineral wealth, improving regulatory framework, strategic location, and demonstrated operational success creates a compelling environment for mining investment. EGM's operations in the Gobi Altai region are positioned to benefit from these favorable conditions while contributing to the country's continued mining development.

Mining Site Overview

Altangadas Gold Mining Project

The cornerstone of EGM's operations is the Altangadas gold mining project, a mineral-rich concession located in the Taishir Soum (sub-province) of Mongolia's Gobi Altai Aimag (province). This strategically positioned mining tenement offers exceptional resource potential combined with favorable operating conditions.

Location and Accessibility



Regional Access:
The town of Gobi Altai is merely half an hour's drive from the mining area

National Connectivity:
Approximately 1,000km from Ulaanbaatar, Mongolia's capital

Air Transportation:
Small paved runway airport located 2km west of Gobi Altai with weekly flights to Ulaanbaatar

Infrastructure:
Ready supply of electricity, water, lodging, medical facilities, and manpower

Terrain:
Undulating to mountainous landscape with elevations ranging from 1,860m to 2,090m

Environmental Conditions

The project site experiences typical western Mongolian climate conditions that influence operational planning:

Temperature Range	Summer temperatures in July reaching 40°C; winter temperatures between -19°C to -27°C
Operating Season	May to September optimal for extraction activities
Precipitation	Limited rainfall, primarily during summer months
Water Resources	Sufficient for mining operations with appropriate management
Topography	Variable terrain requiring tailored extraction approaches across the concession

Concession Details

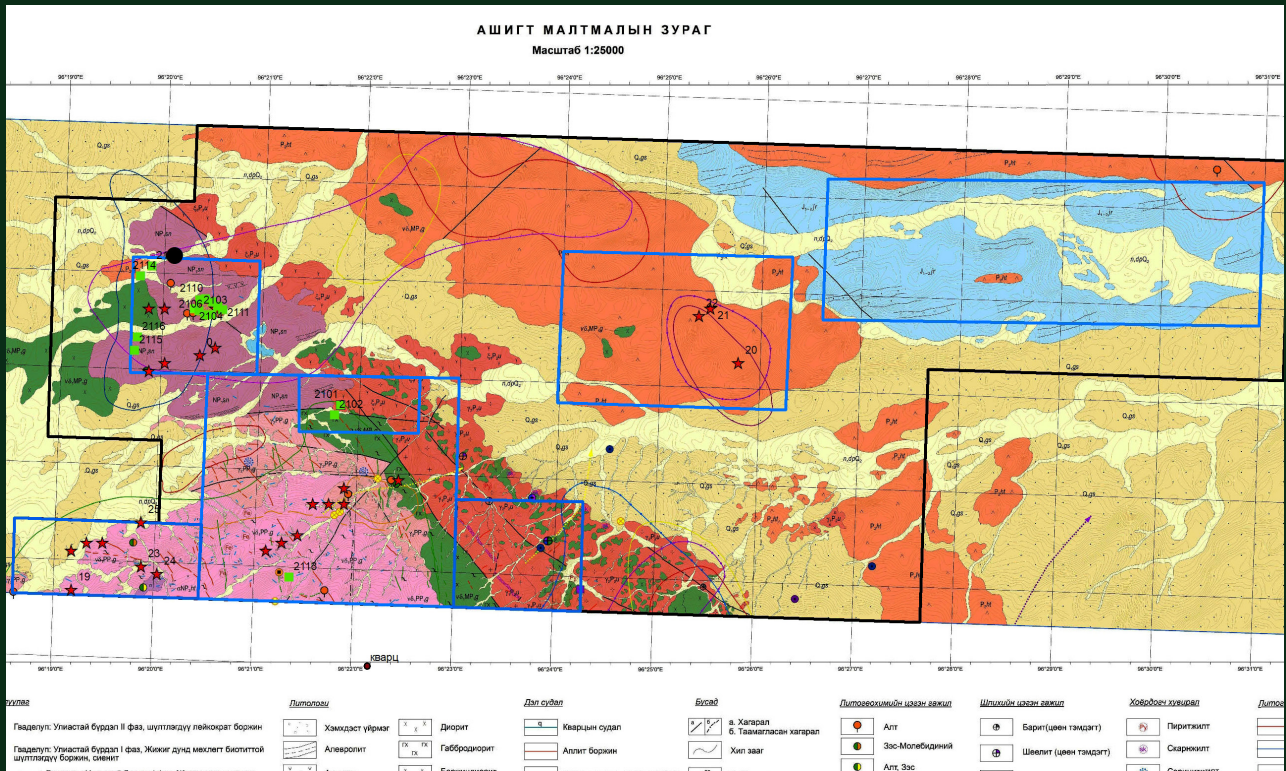
The mining rights for the Altangadas project are secured through a comprehensive licensing and partnership structure:

License Number	MV-022094
License Holder	Realxoin Resources LLC (RR)
License Term	30 years (2022-2052)
Concession Area	7,799.79 hectares (approximately 19,300 acres)
Joint Venture	EGM has secured exclusive rights for 28 years (2024-2052) through a power of attorney and joint venture agreement signed on September 15, 2024
Profit-Sharing	70% to EGM, 30% to RR



Geological Assessment

The Altangadas project is located within a highly prospective gold-mineralized environment created by favourable geological settings. A comprehensive Competent Person Report prepared by TropiCorp Management Services (February 2023) has verified the concession's mineral potential.



Exploration Activities

Extensive exploration work has been conducted across the concession, including:

- Geological mapping of the entire concession area
- Rock-chip sampling from multiple target zones
- Diamond drilling of priority targets
- Laboratory analyses of samples
- 157 pitting holes over the placer gold target
- Bulk sampling recovering approximately 1kg of gold from 2,500m³ of ground
- Magnetic and pole-dipole electrical surveys (conducted in late 2022)



Identified Mineral Targets

Four main targets have been identified within the concession:

Greisen Target:

Granite-related mineralization with gold potential

Placer Gold Target:

Alluvial gold deposits suitable for near-term production

Orogenic Gold Target:

Primary gold deposits in hard rock formations

Coal Target:

Additional resource potential for future consideration

To date, exploration has focused primarily on the Greisen and Placer Gold targets, with additional drilling planned for the Orogenic Gold target.

Magnetic Survey Findings

The 2022 geophysical survey identified three significant magnetic anomalies that correlate with high chargeability and low resistivity anomalies from the electrical survey. These anomalies are interpreted to be created by underlying hematite/magnetite and other base-metal sulfides, indicating substantial iron ore deposits and potential gold mineralization.



Resource Estimation

Based on exploration activities and geological modelling, the Competent Person has verified substantial mineral resources within the concession:

Verified Gold Resources

29.2 tonnes

Value per tonne:
US\$55 million
(RM236 million)

Total Worth:
RM6.89 billion

**Anticipated Direct
Operating Profit:**
RM2.07 billion

Verified Iron Ore Resources

12,837,000 tonnes

Value per tonne:
US\$80 (RM344)

Total Worth:
RM4.45 billion

**Anticipated Direct
Operating Profit:**
RM883 million

Combined Resource Value

RM11.31 billion

**Anticipated Direct
Operating Profit:**
RM2.95 billion

Note on Gold Pricing: It's important to highlight that gold prices have appreciated significantly since the original Competent Person Report was completed in 2023. The mineral valuation in this report utilizes a conservative gold price that is approximately 40% lower than current market prices. This conservative approach provides substantial potential upside to the project economics presented herein.



Strong Resource Expansion Potential

Geological indicators and preliminary findings from ongoing exploration suggest the potential for significantly larger gold reserves across the concession area. Current estimates indicate potential expanded reserves of 70-90 tonnes of gold, which would substantially increase the project's value and operational lifespan.

The Competent Person has concluded that the "Altangadas project constitutes an excellent prospect and has potential for developing into a viable mine." The combination of verified high-value resources, favorable location, existing infrastructure, and expansion potential creates a compelling foundation for EGM's mining operations.



Company Overview

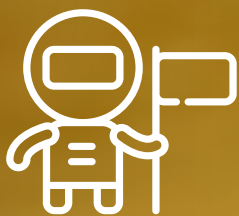
Corporate Vision

Eternal Glory Mining (EGM) Berhad ('EGM') was established as a forward-thinking mining company dedicated to the responsible development of mineral resources. The company focuses primarily on gold and iron ore extraction, with a commitment to sustainability, innovation, and value creation for all stakeholders.



Vision

To be a globally recognized leader in sustainable gold mining, creating exceptional value through innovation and responsible resource development.



Mission

To extract and process high-quality gold resources using cutting-edge technologies and sustainable practices that benefit our investors, communities, and the environment.



Core Values



Sustainability

- Dedicated to responsible mining practices that prioritize environmental protection
- Commitment to progressive rehabilitation of mined areas
- Efficient use of resources and minimization of waste
- Long-term perspective on resource development



Integrity

- Operating with the highest level of honesty and transparency
- Ethical business practices across all operations
- Clear and accurate reporting to stakeholders
- Compliance with all applicable regulations and industry standards



Excellence

- Pursuit of operational excellence in all activities
- Continuous improvement in processes and technologies
- Rigorous quality standards in resource extraction and processing
- Development of world-class mining capabilities



Innovation

- Embracing cutting-edge technologies to enhance efficiency and safety
- Development of innovative approaches to resource extraction
- Continuous exploration of new processing methodologies
- Application of digital technologies to optimize operations



Community Focus

- Commitment to creating shared value with local communities
- Support for local employment and skills development
- Investment in community infrastructure and services
- Respect for local cultures and traditions



Safety

- Prioritization of worker safety above all other considerations
- Implementation of rigorous safety protocols and training
- Regular safety audits and continuous improvement
- Culture of safety awareness throughout all operations

Corporate Structure



EGM operates through a carefully designed corporate structure that optimizes operational efficiency and regulatory compliance:

Eternal Glory Mining (EGM) Berhad

Extensive exploration work has been conducted across the concession, including:

- An investment holding company overseeing fundraising and financing for mining operations.
- Officially established as a private limited company for our mining business on 15 September 2024, and converted into a public limited company (Berhad) on 10 April 2025.
- Responsible for managing investor relations and capital allocation.
- Led by a Malaysian management team with extensive experience in the mining industry

Eternal Glory Mining (EGM) Mongolia LLC

- **Wholly-owned** subsidiary of EGM Berhad
- Serves as the lead contractor for gold mining activities
- Oversees day-to-day mining operations
- Manages relationships with contractors and local authorities
- Ensures compliance with Mongolian regulations

For consistency and simplicity, the company name 'EGM' will be used throughout this Information Memorandum.

Disclaimer: In accordance with the Securities Commission's requirements for Information Memorandums, we would typically be required to provide audited financial information for the last two financial years (or since incorporation if less than two years), including management discussion and analysis. However, as Eternal Glory Mining Berhad is a newly formed Unlisted Public Company (converted on 10 April 2025), audited financial statements are not yet available. The company will prepare its first set of audited financial statements following the completion of its initial financial period.

Joint Venture Relationship

The foundation of EGM's operations is its strategic partnership with Realxoin Resources LLC (RR), formalized through a joint venture agreement signed on September 15, 2024. This partnership provides EGM with exclusive mining rights while leveraging RR's local expertise and regulatory relationships. The joint venture operates under a clear division of responsibilities:

Realxoin Resources LLC (RR)

- Holds Mining License No: MV-022094 granted by Mongolian authorities (valid 2022-2052)
- Conducts exploration and resource verification
- Manages relationships with Mongolian regulatory bodies
- Planning ASX listing in 2025 to fund continued exploration
- Receives 30% of profits from mining operations

EGM Berhad

- Exclusive rights to mine and extract minerals for 28 years (2024-2052)
- Responsible for all mining operations and processing
- Provides capital investment for extraction and processing
- Develops operational infrastructure and systems
- Receives 70% of profits from mining operations

This complementary relationship combines RR's local expertise and geological knowledge with EGM's operational capabilities and capital resources.

Leadership

EGM's board of directors brings together exceptional expertise across mining operations, finance, corporate governance, and business development. This balanced combination of skills provides the foundation for successful execution of the company's strategic plan.



Calvin Mark Chin Director & Chief Executive Officer

Calvin leads EGM with extensive experience in finance, corporate management, and mining operations. His leadership combines strategic vision with rigorous financial discipline.

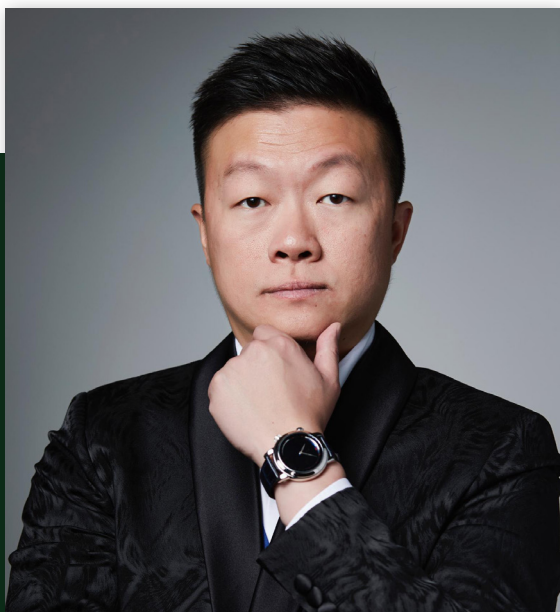
Professional Experience

- Chief Executive Officer of a marine sand mining company in Malaysia since 2015
- 15+ years leadership experience in corporate finance and management
- Finance Director for Southeast Asia region at a US-based multinational corporation in latex product manufacturing
- 5 years at Ernst & Young, developing expertise in financial analysis, audit processes, and corporate governance
- Currently serves as Independent Director and Chairman of the Audit Committee for a Malaysian manufacturing company listed on Nasdaq

Education & Qualifications

- Association of Certified Chartered Accountants (ACCA) UK
- Tunku Abdul Rahman College (TARC)
- Specialized expertise in business restructuring, crowdfunding, and IPO initiatives

Calvin's mining industry knowledge combined with his public company and financial expertise uniquely positions him to lead EGM through its growth phases and toward NASDAQ listing.



Dato' Robin Yeong

Director

Dato' Robin brings entrepreneurial vision and business development expertise to EGM's board. His track record of identifying emerging opportunities and building successful ventures adds valuable strategic perspective.

Professional Experience

- Founder of Eternal Group with diverse business interests
- Pioneer in finance technology and trustee/fiduciary services
- Established innovative approaches in gold mining and premium jadeite business
- Set new benchmarks for efficiency and transparency in resource sectors
- Successfully identified and developed untapped market opportunities

Business Achievements

- Modernized gold mining operations through technological innovation
- Built trusted relationships with global investors and industry players
- Prioritized sustainability and international standards across ventures
- Transformed Malaysia's social and lifestyle scene through F&B innovations
- Created resilient businesses spanning traditional and emerging markets

Dato' Robin's entrepreneurial mindset and talent for identifying emerging opportunities provide EGM with valuable strategic guidance and business development capabilities.



Michael Tan Kar Choon

Director

Michael contributes deep natural resources expertise to EGM, with particular focus on resource extraction and operational management.

Professional Experience

- Over 10 years experience in natural resources sector
- 5+ years specialized in sand industry
- Current focus on silica and resource development
- Extensive knowledge of operational best practices
- Strong understanding of regulatory frameworks across resource sectors

Industry Expertise

- Timber, silica, and sand resource development
- Resource management and operational optimization
- Industry regulatory compliance and best practices
- Business growth strategies in resource sectors
- Market development for extracted resources

Michael's practical understanding of resource extraction operations provides EGM with valuable insights directly applicable to its mining activities.

Ownership Structure

The ownership structure of EGM reflects its strategic focus and alignment of interests:

Shareholder	Stake in EGM	Director Status
Yeong Chi Keong	25.5%	Yes
Chin Guan EE	16.5%	No
Chin Chee Keat	9%	Yes
Tan Kar Choon	5%	Yes
Piong Choong Fah	44%	No

Growth

EGM has developed a comprehensive development strategy that balances immediate revenue generation with long-term value creation. This methodical approach encompasses operational development, technological implementation, and corporate evolution over a clearly defined timeline.



Immediate Plans (2025)

Immediate Plans (2025)

EGM's initial focus is on establishing placer gold mining operations to generate early revenue while developing the foundation for larger-scale activities:

Placer Gold Mining Implementation	Operational Foundation Development
<p>Timeline: Commencing May 2025</p> <p>Focus: Surface alluvial gold extraction</p> <p>Production Target: 50kg gold per annum</p> <p>Technology: Advanced washing and concentration equipment</p> <p>Capital Requirements: Modest investment for equipment and operational setup</p> <p>Revenue Projection: Approximately RM18 million annually (at 90% purity)</p> <p>Operational Period: May-September seasonal operations</p>	<ul style="list-style-type: none">• Recruitment and training of core operational team• Establishment of contractor selection and management systems• Development of operational SOPs and quality control processes• Implementation of environmental monitoring and management systems• Setup of gold recovery and security protocols

Expert Engagement

EGM will engage specialized mining consultants to provide technical expertise and operational guidance:

- Multiple consultants will be selected through competitive bidding
- Performance-based contracts will establish clear deliverables
- Regular assessment will identify highest-performing partners
- Knowledge transfer provisions will build internal capabilities

The immediate phase focuses on establishing operational capabilities, generating early revenue, and creating the foundation for expansion while minimizing initial capital risk.





Medium-Term Plans (2026-2027)

Scaling Production

The medium-term strategy centers on the construction and commissioning of the Carbon-In-Leach (CIL) processing plant to enable full-scale hard rock mining operations:

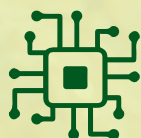
Processing Plant Construction (2026)



Investment:
RM55 million
for CIL plant



Capacity:
5,000 tons of ore
processing daily



Technology Components:

- Crushing machines
- Ball mill machine
- Leaching tank
- Separation carbon and gold solution system
- Electrowinning system
- Smelting equipment

Infrastructure Development



Investment:
RM39.5 million



Components:

- Administrative office building and executive accommodation
- Warehouse and workshop facilities
- Meeting hall and cafeteria
- Ger (Mongolian tent) accommodations (100 units)
- Power grid and electric system
- Fencing and security systems

Heavy Machinery Acquisition



Investment:
RM100 million



Equipment:

- Mining haul trucks (30 units x 60 ton)
- Excavators (16 units x 3m³)
- Bulldozers (10 units x 4.5m³)
- Forklifts (10 units x 3 ton)
- Conveyor belt system (4km)
- Diesel tank station

Hard Rock Mining Operations (Q4 2026 onwards)

Production Target:

Scaling from 5kg daily (2026) to 10kg daily (2029)

Revenue Potential:

RM170.86 million (2026, partial year), scaling to RM940.33 million (2027), RM1,356.76 million (2028), and RM1,490.35 million (2029)

Processing Technology:

CIL with recovery rates exceeding 90%

Operational Focus:

Optimizing recovery rates and processing efficiency

Resource Utilization

Initial focus on highest-grade verified gold zones

Gold remains the primary focus throughout this phase

Operational Optimization

- Implementation of efficiency-enhancing technologies
- Development of internal technical capabilities
- Refinement of contractor management systems
- Optimization of resource extraction sequencing
- Enhancement of environmental management practices

This medium-term phase transforms EGM from an initial-stage placer operation to a sophisticated hard rock mining company with advanced processing capabilities and substantial production volumes.



Long-Term Plans (2027-2029)

Corporate Evolution and Expansion

The long-term strategy focuses on corporate development, resource expansion, and maximizing shareholder value:

NASDAQ Listing Submission (2027)



Structure:

Direct uplisting from OTC to NASDAQ. Eternal Glory Mining Holding Inc is the suggested name of the SPV, which has yet to be formed at the date of this report. Management has targeted the date for forming this SPV in the 3rd quarter of 2025. After successful NASDAQ listing, the Special Purpose Vehicle will fully own Eternal Glory Mining Berhad, which in turn will fully own Eternal Glory Mining Mongolia LLC.

Preparatory Steps:

- Engagement of specialist advisors for listing preparation
- Financial statement alignment with US GAAP/IFRS requirements
- Corporate governance enhancement to meet NASDAQ standards
- Pre-IPO investor roadshows and marketing

Strategic Benefits:

- Enhanced access to global capital markets
- Funding for expanded operations and exploration
- Liquidity for early investors
- Elevated corporate profile and analyst coverage

Resource Expansion (2027-2028)

- Systematic exploration of additional identified gold zones
- Resource definition drilling to expand verified reserves
- Application of advanced exploration technologies
- Upgrading resource classifications from inferred to measured and indicated
- Focus on maintaining gold as primary business driver



Diversified Resource Development (2028-2029)

- Strategic extraction of iron ore reserves as complementary operation
- Continued prioritization of gold as primary focus
- Evaluation of other mineral opportunities within concession
- Assessment of vertical integration opportunities
- Exploration of regional expansion possibilities

Technological Advancement

- Implementation of automation technologies where appropriate
- Digital transformation of operational monitoring and management
- Exploration of emerging gold processing methodologies
- Enhancement of environmental management systems
- Development of industry-leading operating practices

The long-term phase positions EGM as an established gold producer with global market access, expanded resources, and diversified operations while maintaining focus on its core gold business.

Operational Scaling Strategy

EGM's approach to operational scaling leverages Mongolia's competitive contractor landscape while building internal capabilities:

Contractor Engagement Model

The company will implement a sophisticated contractor management system that optimizes performance while maintaining flexibility:

Competitive Selection Process

- Structured RFP process for all major contracts
- Transparent evaluation criteria focusing on capability, experience, and value
- Performance benchmarking against industry standards
- Regular review and rebidding to maintain competitive tension

Performance Management Framework

- Clear KPIs established for all contractors
- Regular performance reviews (monthly operations, quarterly comprehensive)
- Incentive structures rewarding efficiency and safety
- Capability to replace underperforming contractors

Knowledge Transfer Requirements

- Contractual obligations for skills transfer to local workforce
- Joint training programs building local capabilities
- Documentation of processes and methodologies
- Mentoring relationships between contractor experts and EGM personnel

This contractor model provides operational excellence while building internal capabilities and maintaining cost efficiency.

Internal Capability Development

While leveraging external expertise, EGM will systematically develop critical internal capabilities:

Core Competency Focus Areas

- Geological assessment and resource planning
- Processing technology optimization
- Environmental management and compliance
- Security and risk management
- Quality control and assurance

Phased Internalization Approach

Initial phase:
Contractor-executed,
EGM-supervised operations

Mid-term:
Key technical positions
brought in-house

Long-term:
Core operations managed
internally with specialized
contracting

Management Development Pipeline

- Identification of high-potential local talent
- Structured development programs
- Cross-training across operational areas
- Mentoring from industry veterans
- International exposure to leading practices

This balanced approach ensures operational excellence from day one while gradually building the internal capabilities necessary for long-term sustainable operations.

Operational Scaling Strategy

This comprehensive development plan provides a clear roadmap for EGM's evolution from initial operations through to becoming a significant player in the global gold mining industry, with gold remaining the primary focus throughout all phases of growth.

**2022
–
2024**

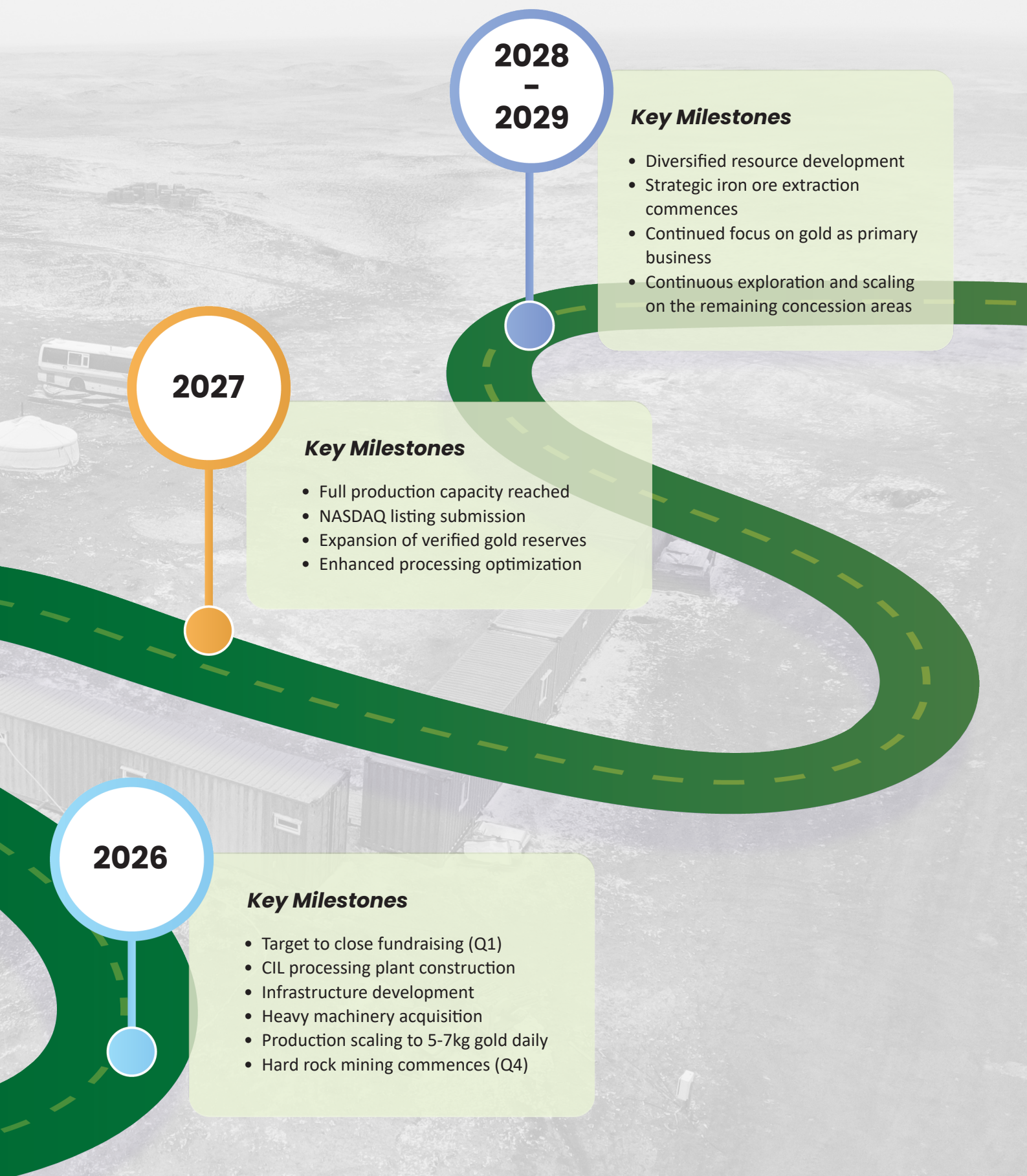
Key Milestones

- Mining license granted to RR (2022)
- Competent Person Report completed (Feb 2023)
- Joint venture agreement signed (Sept 2024)

2025

Key Milestones

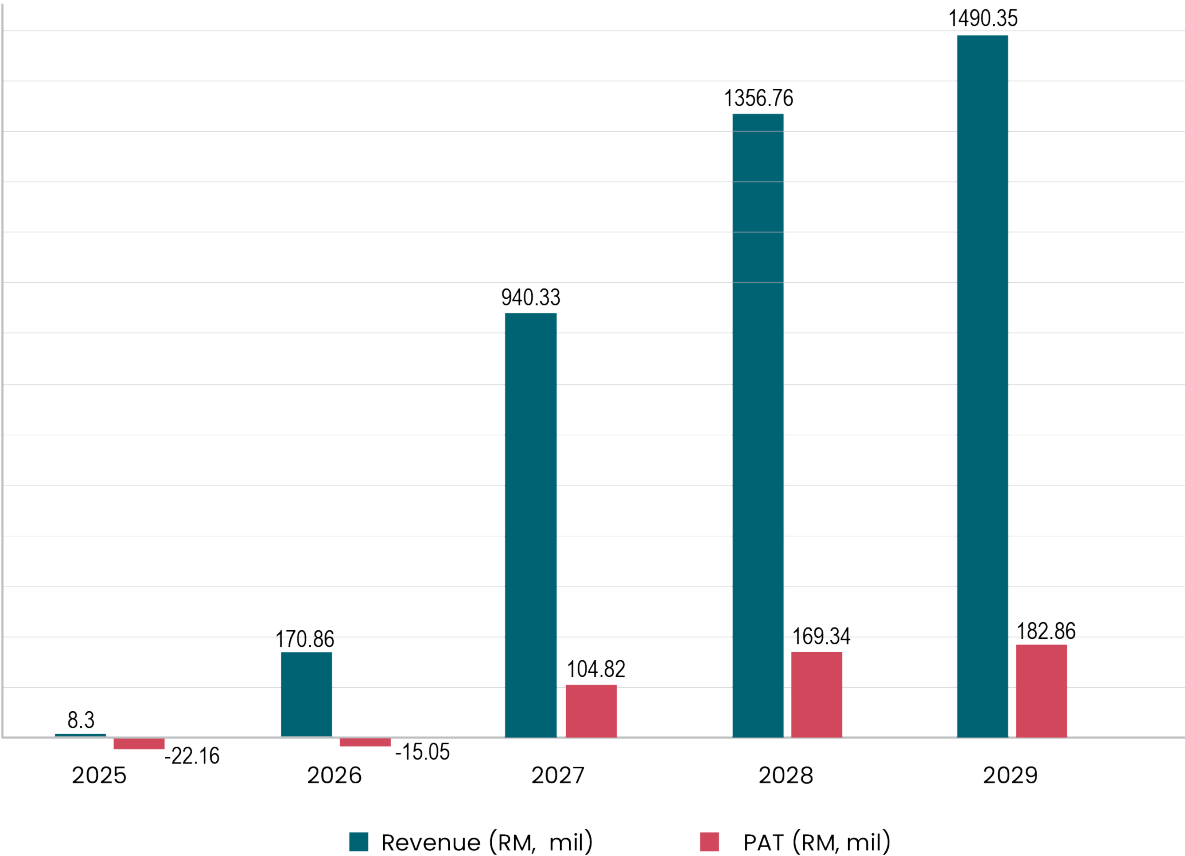
- Initiate fundraising (Q2)
- Competency Report update with increased gold reserve value (April)
- Contractor selection and operational setup
- Placer gold mining commences (May)
- Initial 50kg annual placer gold mining



Financial Projections

Income Projection

Forecasting RM1.49 bil revenue and RM182.86 mil PAT in 2029, with a net margin of 12.3%



Financial Metric	2025	2026	2027	2028	2029
Gold Production (kg)	22.88	482.88	2,507.5	3,430.0	3,650.0
Revenue (RM millions)	8.30	170.86	940.33	1,356.76	1,490.35
Gross Profit (RM millions)	6.99	51.24	248.36	361.26	392.55
Operating Profit (RM millions)	(22.16)	(15.05)	104.82	169.34	182.86
Net Profit (RM millions)	(22.16)	(15.05)	104.82	169.34	182.86
Net Margin (%)	N/A	N/A	11.1%	12.5%	12.3%

**These financial projections have been independently prepared by KLM Management Services based on verified mineral resources, operational plans, and conservative market assumptions. 2026 figures reflect combined placer operations and partial-year hard rock operations following Q4 plant commissioning.*

Projection Basis

These financial projections have been independently prepared by KL Management Services (KLM), a respected financial advisory firm, based on verified mineral resources, operational plans, and conservative market assumptions. This third-party projection and validation add credibility and objectivity to our financial outlook.

- While our operational analysis indicates potential placer mining revenue of RM15-20 million annually (2025-2026), KLM has applied a highly conservative approach, forecasting only RM8.30 million for 2025 to ensure projections remain prudent.
- Gold production begins with placer mining in 2025 (22.88kg)
- Hard rock mining commences in Q4 2026, starting at 5kg daily
- Production scales to 7.5kg daily in April 2027
- Production reaches full capacity of 10kg daily in April 2028
- Gold price begins at USD 86,790/kg in 2025, increasing 3% annually
- Exchange rates fluctuate between RM4.30-4.40 per USD across the projection period

Projection Basis

- Initial investment period (2025-2026) shows expected losses as operations establish
- Strong profitability emerges in 2027 as hard rock mining reaches scale
- Consistent profit growth from 2027-2029 as production efficiency improves
- Cumulative retained earnings reach RM419.83 million by end of 2029
- Positive cash position of RM227.71 million projected by end of 2029

Cash Flow Projection

Cash Flow Components (Figures in RM millions)	2025	2026	2027	2028	2029
Profit/(Loss) Before Tax	(22.16)	(15.05)	104.82	169.34	182.86
Adjustments					
Depreciation	0.92	3.46	5.11	6.25	8.51
Interest Expenses	4.76	26.10	27.50	28.25	30.75
Operating Profit/(Loss) Before Working Capital Changes	(16.48)	14.51	137.44	203.84	222.13
Changes in Inventories	-	(88.35)	(48.15)	(55.32)	(5.75)
Net Cash (Used In)/ From Operating Activities	(16.48)	(73.83)	(89.29)	148.53	216.37
Investing Activities					
Acquisition of Property, Plant & Equipment	(80.00)	(30.00)	(50.00)	(30.00)	(80.00)
Net Cash Used In Investing Activities	(80.00)	(30.00)	(50.00)	(30.00)	(80.00)
Financing Activities					
Proceeds from Issuance of Share Capital	1.20	-	-	-	-
Proceeds from Equity Investment	150.00	100.00	-	-	-
Interest Expenses	(4.76)	(26.10)	(27.50)	(28.25)	(30.75)
Net Cash From/ (Used In) Financing Activities	146.44	73.90	27.50	(28.25)	(30.75)
Net Increase/ (Decrease) in Cash and Cash Equivalents	49.96	(29.93)	(11.79)	90.28	105.62
Cash and Cash Equivalents at Beginning of Year	-	49.96	20.02	31.81	122.09
Cash and Cash Equivalents at End of Year	49.96	20.02	31.81	122.09	227.71

Initial Investment Phase (2025-2026)

During the first two years, EGM will experience negative operating cash flows as the company establishes mining operations and constructs essential infrastructure:

- **2025:** The company will invest RM80 million in property, plant, and equipment while securing RM151.2 million through financing activities (share capital and interest scheme proceeds)
- **2026:** An additional RM30 million will be invested in capital expenditure, with inventory buildup requiring RM88.35 million as the company prepares for hard rock mining operations
- **Financing Strategy:** The negative operating cash flows during this period will be supported by the RM250 million fundraising through equity investment

Growth Phase (2027-2029)

From 2027 onwards, EGM's cash flow profile transforms dramatically as production scales up:

- **Operating Cash Flow:** Strong positive operating cash flows begin in 2027 (RM89.29 million), growing to RM216.37 million by 2029, demonstrating the project's inherent profitability once at scale
- **Continued Investment:** The company maintains disciplined capital expenditure to support growth, with RM50 million in 2027, RM30 million in 2028, and RM80 million in 2029
- **Self-Funding Operations:** By 2027, operations become fully self-funding, with no additional external financing required
- **Cash Reserves:** Cash and cash equivalents grow significantly from RM31.81 million in 2027 to RM227.71 million by 2029, providing substantial financial flexibility

Key Financial Indicators

From 2027 onwards, EGM's cash flow profile transforms dramatically as production scales up:

- **Cash Flow Breakeven:** The project achieves positive operating cash flow in 2027, approximately 18 months after commencing hard rock mining operations
- **Cash Flow Yield:** By 2029, annual operating cash flow represents an 86.5% yield on the initial RM250 million investment
- **Cumulative Cash Generation:** Over the five-year period, the project generates RM363.88 million in cumulative positive cash flow
- **Liquidity Profile:** The growing cash reserves from 2027 onwards position EGM to pursue additional growth opportunities, weather potential market volatility, and prepare for dividend distributions in future years

This strong cash flow profile underscores the compelling economics of EGM's gold mining operations and provides investors with confidence in the company's financial sustainability and growth potential.





ESG Commitment

Responsible Mining For Sustainable Growth

EGM recognizes that long-term business success requires a holistic approach to sustainability and social responsibility. Our Environmental, Social, and Governance (ESG) framework aligns our growth strategy with positive environmental and social impacts while maintaining robust governance standards

Through this ESG commitment, EGM aims to create sustainable value for investors while making positive contributions to environmental protection and community development. We believe responsible business practices strengthen our competitive position and enhance long-term returns for all stakeholders.



Environmental Stewardship

EGM is committed to responsible environmental management across all phases of mining operations:

Land Management and Rehabilitation

- Sequential mining approach minimizing disturbed areas
- Progressive rehabilitation concurrent with mining activities
- Native species revegetation of completed mining areas
- Topsoil preservation for rehabilitation effectiveness
- Post-mining land use planning in consultation with local authorities

Water Conservation and Management

- Closed-loop water systems maximizing recycling and reuse
- Advanced water treatment to meet or exceed regulatory standards
- Regular monitoring of surface and groundwater quality
- Stormwater management system preventing erosion and sedimentation
- Minimized freshwater consumption through efficiency measures



Waste Management

- Comprehensive waste management hierarchy prioritizing reduction and reuse
- Proper containment and monitoring of processing residuals
- Recycling programs for operational waste streams
- Responsible disposal through approved facilities
- Regular waste audits and improvement initiatives

Energy Efficiency and Emissions

- Energy-efficient equipment selection and optimization
- Exploration of renewable energy integration opportunities
- Regular energy audits identifying reduction opportunities
- Emissions monitoring and mitigation strategies
- Carbon footprint assessment and management planning

Processing Technology

- Modern CIL plant with environmental protection systems
- Cyanide management following International Cyanide Management Code principles
- Chemical handling protocols exceeding regulatory requirements
- Ongoing exploration of process improvements reducing environmental impact
- Regular technology assessments identifying enhancement opportunities



Social Responsibility

EGM recognizes the importance of creating shared value with local communities and stakeholders:

Local Employment and Training

- Prioritization of local hiring where skills are available
- Comprehensive training programs developing local capabilities
- Career development pathways for Mongolian employees
- Knowledge transfer from international experts to local workforce
- Educational partnerships with local institutions

Community Investment

- Structured community development programs
- Infrastructure improvements benefiting local populations
- Support for educational and healthcare initiatives
- Cultural heritage preservation and promotion
- Regular stakeholder engagement to identify priority needs

Health and Safety

- Zero-harm target across all operations
- Comprehensive safety management system
- Regular training and emergency response preparation
- Health monitoring and wellness programs
- Contractor safety requirements and monitoring

Cultural Respect

- Recognition and respect for local traditions and practices
- Protection of cultural heritage sites
- Engagement with community leaders and elders
- Celebration of cultural events and observances
- Integration of cultural awareness in operational planning

Stakeholder Engagement

- Regular and transparent communication with all stakeholders
- Formal grievance mechanism for addressing concerns
- Participatory approaches to development planning
- Impact assessment including social dimensions
- Regular reporting on community initiatives and outcomes



Governance Excellence

EGM is committed to operating with the highest standards of integrity and accountability:

Corporate Governance

- Transparent board structure with clear responsibilities
- Comprehensive code of conduct for all employees and contractors
- Conflict of interest policies and management
- Regular review of governance effectiveness
- Compliance with applicable laws and regulations

Anti-Corruption Measures

- Zero-tolerance policy for corruption and bribery
- Due diligence procedures for contractors and partners
- Whistleblower protection and reporting mechanisms
- Regular training on ethical business practices
- Transparent procurement and contracting processes

Transparency and Disclosure

- Regular reporting on ESG performance metrics
- Independent verification of key performance areas
- Open communication with regulatory authorities
- Stakeholder access to relevant information
- Participation in industry transparency initiatives

Risk Management

- Comprehensive risk assessment and management framework
- Regular review and updating of risk register
- Integration of ESG factors in risk evaluation
- Crisis management and emergency response planning
- Business continuity frameworks protecting stakeholders

Supply Chain Responsibility

- Supplier code of conduct with ESG requirements
- Due diligence procedures for supplier selection
- Regular auditing of key suppliers
- Capacity building for local suppliers
- Preference for suppliers demonstrating ESG commitment

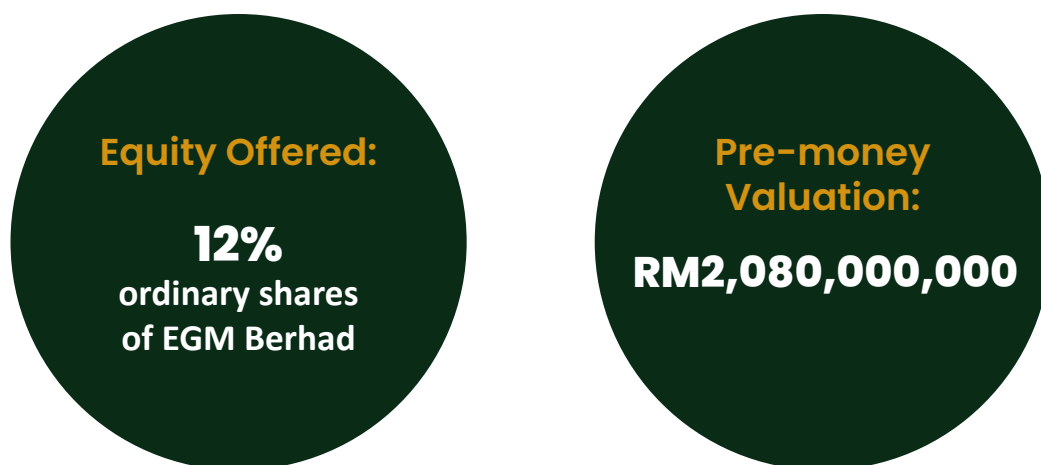
Fundraising & Offer

Investment Opportunity

EGM Berhad is raising RM250,000,000 to fund the development of its gold mining operations in Mongolia. This strategic investment will enable the company to implement its phased approach to resource extraction, from initial placer mining through to full-scale hard rock operations utilizing advanced CIL processing technology.



Investment Structure



- Based on an independent analysis conducted by KL Management Services, this valuation employs a modified combination approach incorporating both Income Approach methodology and reserves estimation.
- The Income Approach component, which discounts projected future cash flows at Mongolia's prevailing bank lending rate of 17%, yields a present value of RM209.28 million for the initial five-year projection period.
- The substantial portion of EGM's value derives from its verified remaining gold reserves, estimated at 19,152.50 kg at the end of 2029. These reserves, valued at RM8.00 billion (based on projected gold prices), have been conservatively risk-adjusted by applying a 77% discount factor that accounts for economic, political, and environmental risks specific to Mongolia.
- This prudent approach results in a risk-adjusted reserve value of RM1.87 billion, which together with the operational cash flow valuation, establishes EGM's total indicative value of RM2.08 billion.

This valuation framework balances the near-term financial performance with the long-term resource

- potential, providing investors with a conservative yet compelling investment proposition.

Dividend Policy

Following the successful establishment of hard rock mining operations, the Board intends to review and implement a up to 50% dividend policy beginning after the second year of hard rock gold extraction, allowing for initial reinvestment while ensuring shareholders begin to receive direct returns as operations stabilize.

Use of Proceeds

The funds raised will be strategically allocated to essential infrastructure, equipment, and working capital required for efficient gold extraction and processing:

22%

RM55,000,000

Gold Processing Plant (CIL)

- Crushing machines
- Ball mill machine
- Leaching tank
- Separation carbon and gold solution system
- Electrowinning system
- Smelting equipment

16%

RM39,500,000

Infrastructure & Mining Complex

- Administrative offices and accommodation (RM30M)
- Ger accommodation units (RM1.5M)
- Power grid and electric system (RM5M)
- Fencing and security infrastructure (RM3M)

40%

RM100,000,000

Heavy Machinery

- Crushing machines
- Ball mill machine
- Leaching tank
- Separation carbon and gold solution system
- Electrowinning system
- Smelting equipment

22%

RM55,500,000

Working Capital

- Initial operating expenses
- Contingency reserves
- Regulatory compliance costs
- Contractor mobilization
- Inventory buildup

This allocation ensures comprehensive funding for all critical aspects of the mining operation, from extraction through processing, while maintaining appropriate working capital reserves for operational stability.

Opportunity for Investors

EGM Berhad presents an exceptional opportunity to participate in the development of significant gold and iron ore resources in Mongolia's resource-rich Gobi Altai region.

- With independently verified reserves, a strategic phased development approach, and a clear path to value creation, EGM offers compelling investment potential:
- The company's exclusive 28-year mining rights, favourable 70:30 profit-sharing arrangement, and experienced management team create a strong foundation for successful execution
- The planned state-of-the-art CIL processing facility will enable efficient extraction of the verified 29.2 tonnes of gold reserves, with production commencing as early as May 2025 through initial placer mining operations.
- EGM's comprehensive risk management framework, commitment to environmental and social responsibility, and strategic approach to contractor management further enhance the attractiveness of this investment opportunity
- The targeted NASDAQ listing submission in 2027 provides a clear exit pathway for early investors, with projected returns of 8-12x initial investment.

We invite qualified investors to join EGM on this journey to unlock Mongolia's golden potential and create exceptional value for all stakeholders.

Risk Mitigation

EGM has developed a sophisticated risk management framework to identify, assess, and mitigate potential risks across all aspects of its operations. This proactive approach strengthens the company's resilience while protecting investor interests.



Operational Risks

Weather and Seasonal Challenges

Mongolia's continental climate creates challenging operating conditions, with extreme temperatures ranging from -40°C in winter to 40°C in summer. The harsh winter conditions effectively limit mining operations to approximately six months annually (May-September).

Mitigation Strategies

- Comprehensive weather monitoring and forecasting systems enabling adaptive scheduling
- Operational planning focused on maximizing productivity during optimal weather windows
- Infrastructure and equipment specified for extreme temperature variations
- Maintenance and planning activities scheduled during off-season periods
- Stockpiling strategies to maintain processing continuity during non-mining months
- Seasonal workforce planning with core team maintained year-round

Equipment and Infrastructure Reliability

The remote location of mining operations could lead to extended downtime in the event of equipment failures or infrastructure issues, potentially impacting production targets.

Mitigation Strategies

- Redundancy in critical equipment and systems
- Comprehensive spare parts inventory maintained on-site
- Regular preventive maintenance programs following manufacturer specifications
- Multiple contractor relationships ensuring backup service options
- On-site technical training for operational personnel
- Remote diagnostics capabilities for specialized equipment
- Insurance coverage for business interruption scenarios

Contractor Performance

Reliance on third-party contractors for mining operations could introduce quality, timeline, or cost management challenges if not properly structured and monitored.

Mitigation Strategies

- Competitive contractor selection process with rigorous qualification requirements
- Multiple contractors engaged across different operational areas
- Performance-based contracts with clear KPIs and accountability measures
- Regular performance reviews with documented improvement requirements
- Ability to replace underperforming contractors with minimal operational disruption
- Knowledge transfer requirements building internal capabilities over time

EGM's approach to contractor management leverages Mongolia's competitive mining services landscape while maintaining operational control through comprehensive oversight systems. By engaging multiple contractors in parallel operations, the company creates performance comparison opportunities while reducing dependency on any single service provider.

Resource Estimation Accuracy

Actual mineral content and extraction economics may differ from resource estimates, potentially affecting production outputs and financial returns.

Mitigation Strategies

- Conservative resource estimation methodologies
- Independent verification through Competent Person Report
- Phased development approach allowing validation before major capital deployment
- Regular grade control sampling during operations
- Ongoing exploration expanding resource confidence
- Financial projections based on conservative recovery assumptions

The Competent Person Report by Tropicorp Management Services provides independent verification of the resource estimates, applying industry-standard methodologies and classification systems. EGM's phased approach further mitigates this risk by generating operational data to refine resource models before major capital deployment.



Financial Risks

Capital Expenditure Management

Development costs could exceed budgeted amounts due to equipment price fluctuations, implementation challenges, or scope expansions.

Mitigation Strategies

- Detailed engineering and cost estimation prior to major expenditures
- Fixed-price contracts for major equipment and construction
- Phased development approach allowing sequential investment
- Contingency allocations within capital budgets (typically 15%)
- Regular variance analysis and corrective action planning
- Stage-gate approval process for capital deployment

Operating Cost Control

Rising input costs or operational inefficiencies could impact profit margins and financial projections.

Mitigation Strategies

- Detailed activity-based costing system with variance tracking
- Regular benchmarking against industry cost metrics
- Strategic inventory management minimizing price volatility impacts
- Multiple supplier relationships maintaining competitive pricing
- Efficiency improvement programs with measurable targets
- Energy management systems controlling major cost components

Gold Price Volatility

Fluctuations in gold prices could affect revenue projections and investment returns if prices decline significantly from current levels.

Mitigation Strategies

- Conservative gold price assumptions in financial projections (US\$1,950/oz versus current US\$2,100+/oz)
- Focus on maintaining low-cost producer status (bottom quartile of global cost curve)
- Potential for selective hedging during favourable price periods
- Fixed-price contracts for major inputs where advantageous
- Operational flexibility to adjust production in response to market conditions

Currency and Exchange Rate Fluctuations

Exchange rate movements between MNT (Mongolian Tugrik), USD, and MYR could create financial reporting volatility and impact realized returns.

Mitigation Strategies

- Natural hedging through USD-denominated gold sales
- Matching of currency for revenues and major expenditures where possible
- Regular monitoring of exchange rate trends
- Limited use of forward contracts for major payments
- Maintaining operating reserves in appropriate currencies



Market and Strategic Risks

Gold Market Access

Changes in gold buying patterns or export restrictions could potentially impact the company's ability to monetize production.

Mitigation Strategies

- Primary relationship with Bank of Mongolia as guaranteed purchaser
- Mongolia's supportive regulatory framework for gold producers
- Gold's inherent liquidity as a globally traded commodity
- Development of multiple marketing channels over time
- Compliance with all relevant standards ensuring product acceptance

Competitive Landscape

Increased competition for Mongolian mining resources or global gold production could impact market position or offtake arrangements.

Mitigation Strategies

- Secured long-term mining rights (through 2052) protecting resource access
- Focus on operational efficiency and cost leadership
- Emphasis on quality and reliability in customer relationships
- Strategic partnerships strengthening market position
- Continuous improvement maintaining competitive advantage

NASDAQ Listing Execution

Challenges in executing the planned NASDAQ listing could delay this exit pathway or affect valuation outcomes.

Mitigation Strategies

- Early engagement of experienced advisors for listing preparation
- Development of robust financial reporting meeting US standards
- Corporate governance enhancements anticipating public company requirements
- Alternative exit strategies identified as contingency options
- Operational focus ensuring strong fundamentals regardless of listing timing



Regulatory and Compliance Risks

Mining Regulatory Environment

Changes in Mongolian mining regulations, taxation, or export requirements could impact operational parameters or economics.

Mitigation Strategies

- Partnership with Realxoin Resources providing local regulatory expertise
- Long-term mining license already secured through 2052
- Commitment to exceeding regulatory compliance requirements
- Active monitoring of proposed regulatory developments
- Participation in industry associations addressing sectoral concerns
- Maintenance of positive relationships with regulatory authorities

Environmental Compliance

Evolving environmental standards or compliance challenges could impact operations or create additional costs.

Mitigation Strategies

- Environmental management system exceeding current requirements
- Regular independent environmental auditing and reporting
- Adoption of international best practices beyond local requirements
- Continuous monitoring program identifying issues early
- Proactive engagement with environmental authorities
- Investment in environmentally efficient technologies

Health and Safety Management

Mining operations inherently involve safety risks that must be carefully managed to protect workers and avoid operational disruptions.

Mitigation Strategies

- Comprehensive safety management system with clear responsibilities
- Regular training and certification for all operational personnel
- Contractor safety requirements and performance monitoring
- Emergency response protocols and regular drills
- Incentive systems rewarding safety performance
- Regular safety audits and continuous improvement processes



Geopolitical and Country Risks

Political Stability

Changes in Mongolia's political environment could potentially impact foreign investment conditions or regulatory stability.

Mitigation Strategies

- Mongolia's established democratic system with peaceful transitions
- Country's economic dependence on mining investment
- Strategic importance of gold production to national economy
- Structured joint venture with local partner providing political insights
- Monitoring of political developments with contingency planning

Regional Security

Mongolia's location between Russia and China creates potential exposure to regional geopolitical dynamics.

Mitigation Strategies

- Mongolia's longstanding "Third Neighbor" policy maintaining balanced relations
- Country's neutral stance in regional conflicts
- Project location in western Mongolia minimizing border proximity issues
- Security protocols for personnel and assets
- Business continuity planning for potential disruptions

Insurance Protection

EGM maintains a comprehensive insurance program addressing key operational and business risks:

Property and Asset Coverage

- All-risk property insurance for fixed assets and equipment
- Business interruption coverage for operational disruptions
- Transit insurance for equipment and materials transportation
- Electronic equipment and machinery breakdown coverage

Liability Protection

- General liability insurance
- Environmental liability coverage
- Directors and Officers (D&O) liability
- Professional indemnity for technical services

Personnel Protection

- Workers' compensation and employer's liability
- Group personal accident coverage
- Emergency medical evacuation services
- Travel insurance for management and technical staff

This layered insurance approach provides financial protection against major risk events while complementing operational risk mitigation strategies.

Through this comprehensive risk management framework, EGM demonstrates its commitment to responsible business practices and protection of investor interests while pursuing the significant opportunities presented by its Mongolian gold mining operations.

