ASX Announcement

ANTILLES GOLD LIMITED

ABN: 48 008 031 034 ASX CODE: AAU

27 August 2026

BINDING MoU SIGNED TO INITIATE POSSIBLE LIFTING OF US SANCTION OF CUBAN JOINT VENTURE COMPANY

Antilles Gold Limited ("Antilles Gold" or the "Company") (ASX: AAU) is pleased to advise that on 25 August 2026 the Company signed a binding Memorandum of Understanding ("MoU") with GEM Global Yield LLC SCS ("GEM") whereby GEM is expected to become a 25% shareholder in the Company's Cayman Islands registered subsidiary, Antilles Gold Inc ("AGI"), which holds 50% of Cuban joint venture mining company, Minera La Victoria ("MLV").

GEM will assist in making representations and commitments to the U.S. Department of State ("DoS") in an endeavour to lift the sanction recently imposed by DoS on MLV, so that the suspended construction of its Nueva Sabana gold-copper mine can resume.

GEM Global Yield LLC SCS is an entity registered in Luxembourg, and 100% owned by U.S. citizens, including New York based directors (refer "About GEM" below).

Refer ASX announcements dated 10, 18, and 24 June, and 7 July 2026 for a chronology of this matter.

The primary terms of the MoU are as follows:

- **GEM will promptly approach DoS to advise the intentions of the Parties and to seek permission for GEM and the various stakeholders, including MLV, to negotiate the commercial arrangements and commitments to DoS that could result in DoS lifting the sanction, and MLV being licenced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") to transact with U.S. entities and person.**

- **GEM will commit to DoS that, subject to the completion of satisfactory due diligence and the lifting of the sanction, it will incorporate a new subsidiary in the U.S. which will subscribe for a 25% shareholding in AGI as the first step towards a minimum of 51% of AGI's shares being held by U.S. entities.**

REGISTERED OFFICE:
55 Kirkham Road
Bowral NSW 2576 Australia

PO Box 846
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T 61 2 4861 1740
E admin@antillesgold.net

- **GEM will complete its due diligence within 60 days.**

- **AGL and GEM will commit to DoS that, subject to the sanction being lifted, AGI will place sufficient of its shares to U.S. investors to achieve a minimum of 51% being held by U.S. entities, by no later than 30 June 2028.**

- **AGL and GEM recognise that by early 2028, with the Nueva Sabana mine expected to be operating profitably and the La Demajagua gold-silver-antimony mine being construction-ready after completion of its Definitive Feasibility Study ("DFS"), the AGI shares to be placed should be attractive for U.S. investors.**

- **AGI will commit to DoS that:**
  - **its Board will be reconstituted if the sanction is lifted and GEM's subsidiary becomes a minority shareholder, by the appointment of a U.S. citizen as the independent Chairperson, two U.S. citizens nominated by GEM being appointed as non-executive directors, and AGL nominating one non-executive director and one executive director, and**
  - **the surplus cash generated from the first two years of operation of the Nueva Sabana mine will be retained as equity for the La Demajagua mine rather than being distributed as dividends.**

- **AGL and GEM will commit to DoS that they will negotiate in good faith, the terms of a Shareholders Agreement within 90 days of the date of the MoU, which will be formalised concurrently with GEM's subsidiary becoming a shareholder of AGI, and will:**
  - **establish the conduct of AGI and reinforce the agreed commitments to DoS, and**
  - **recognise the intention of AGI to apply the US$18.0M of capital received from GEM's subsidiary to a short-term loan to MLV for financing the construction of the Nueva Sabana mine (US$12.0M), and to meet the cost of the Definitive Feasibility Study ("DFS") for the La Demajagua gold-silver-antimony mine (US$4.0M), with the balance (US$2.0M) available for working capital, and**
  - **confirm AGI's intention to continue its current initiative to purchase the Cuban partner's 50% shareholding in MLV, and**
  - **include a provision for the preferential sale to U.S. buyers of strategic metal in the form of antimony cathodes, that will be produced by the La Demajagua mine.**

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- **The Term of the MoU is for six months from the date of the MoU, unless extended by mutual agreement. The MoU will also terminate:**
  - **if GEM has not engaged with DoS within 15 days of the signing of the MoU, or**
  - **if GEM is not satisfied by its due diligence within 60 Days of the signing of the MoU, or**
  - **at AGL's option, if DoS does not engage positively with GEM within 60 days of the date of the MoU with respect to the prospect of lifting the sanction, or**
  - **at AGL's option, if the terms of the Shareholders Agreement have not been agreed within 90 days of the date of the MoU.**

The Chairman of Antilles Gold, Mr Brian Johnson, commented "shareholders will appreciate that though the proposed transaction with GEM would result in the Company's shareholding in AGI being reduced, it will not reduce the value of its shares in AGI because of the 33% increase in the capital which is expected to be subscribed by GEM's subsidiary.

Based on the subscription price for 25% of AGI's shares, the residual 75% held by the Company would be valued at ~A$75M

Based on the positive dealings with GEM to date, and their understanding of the commercial potential of MLV and the Cuban mining sector in general, it is anticipated that GEM's partnering with Antilles Gold in the Cuban projects would be rewarding for all stakeholders, however, it must be emphasised that there is no certainty as to the outcome of negotiations with GEM or DoS.

Shareholders will be kept informed of any developments on this matter in accordance with the Company's continuous disclosure obligations."

About GEM

Global Emerging Markets ("GEM") is a $3.4 billion, alternative investment group with offices in Paris, New York, and Nassau (Bahamas). GEM manages a diverse set of investment vehicles focused on emerging markets and has completed over 600 transactions in 75 countries. Each investment vehicle has a different degree of operational control, risk-adjusted return, and liquidity profile. The family of funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities and select venture investments. For more information: http://www.gemny.com

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This announcement has been authorised by the Board of Antilles Gold Limited.

For further information, please contact:

Brian Johnson
Chairman, Antilles Gold Limited
Tel: +61 (02) 48611740
Email: brianjohnson@antillesgold.net

Ben Jarvis
Managing Director**,** Six Degrees Investor Relations
M: +61 (0) 413 150 448
Email: ben.jarvis@sdir.com