

7 March 2024

Dear Fellow Shareholder,

It has now been more than four months since the unsolicited, conditional, off-market takeover offer made by Zhaojin Capital (Hong Kong) Limited (**Zhaojin**) for Tietto Minerals Limited (**Tietto** or the **Company**) was announced (the **Unsolicited Offer**). On Thursday, 29 February 2024, Zhaojin extended the Unsolicited Offer until 7.00 pm (Sydney time) on Friday, 5 April 2024. This is the fourth time that Zhaojin has extended the Unsolicited Offer since it opened, and it continues to remain highly conditional, including remaining subject to Chinese and Côte d'Ivoire regulatory approvals.

As you will recall, Tietto's directors unanimously recommended you **REJECT** the Unsolicited Offer, noting their view that, amongst other things, the Unsolicited Offer was opportunistically timed prior to the Tietto share price reflecting the improved monthly performance of Tietto's flagship Abujar Gold Mine (**Abujar**) in Côte d'Ivoire.

Since the announcement of the Unsolicited Offer, Tietto has continued to enhance its operational and financial performance, with highlights including:

- **Improved gold production:** Gold production continued increased quarter on quarter output through 2023, with Abujar achieving successive months of more than 13,000 oz of monthly gold production in December 2023 and January 2024;
- **Stronger gold price:** Since announcement of the Unsolicited Offer, the gold price is up 5% to more than US\$2,100/oz, materially higher than the gold prices assumed in the Independent Expert Report, which indicated a valuation range for Tietto of A\$0.793 to A\$0.927 per share (37% to 60% higher than Zhaojin's offer price of A\$0.58 per share);
- **Mining rates outpacing milling rates:** Monthly mining rates are now consistently outpacing milling rates (monthly mining rates increased to 508,000 tonnes of ore in December 2023), allowing Tietto to stockpile lower grade ore. As at the date of this letter, the Company now has approximately eight weeks of mill feed in stockpiles, which is likely to grow over the coming months and provide significant flexibility and risk buffer ahead of the next wet season;
- **Mining fleet expanded:** The mining fleet has been expanded with three additional excavators and other mobile mining equipment being mobilised to site in November 2023;
- **Costs controlled and within guidance:** AISC for H2 2023 was US\$1,311/oz, in line with previously issued cost guidance;

- **Improved cash generation:** Tietto held cash, bullion and VAT receivables (unaudited) of A\$82.8M at 31 December 2023, an 84% increase from A\$45M as at 30 September 2023 and a 42.8% increase from the A\$58M used in the Independent Experts report as at 31 October 2023; and
- **Productivity improvements:** Ongoing productivity improvements through the increased availability and optimisation of blasting and ore fragmentation to ensure correct particle sizing.

Since the Unsolicited Offer opened, Zhaojin does not appear to have received any acceptances into its Unsolicited Offer.

Further, despite the Unsolicited Offer now being open for four months, it remains subject to Chinese and Côte d'Ivoire regulatory approvals. In its bidder's statement despatched to Tietto shareholders on 13 November 2023, Zhaojin noted it believed it was "well placed to obtain all required Chinese regulatory approvals". However, Tietto notes Zhaojin has not provided any further communication as to whether the regulatory approvals are likely to be obtained.

Tietto's directors remain excited about the Company's future as management continues to steer the Company's operations toward full production, which is expected in H1 2024. In addition, Tietto has identified multiple organic growth opportunities. These include:

- Exploration opportunities in the companies large and highly prospective land package (exploration permits covering 1,114km<sup>2</sup>);
- Potential to grow Abujar's mine life beyond its current nine years through the conversion of its 3.83Moz of Resources into Reserves<sup>1</sup>; and,
- Exploration projects in Liberia and Côte d'Ivoire, with initial exploration results from these projects expected in Q1 2024.

On behalf of my fellow Directors, we appreciate your ongoing support and we look forward to reporting March Quarter production and cash generation to Shareholders next month.

Yours faithfully,

Francis Harper  
Chairman  
Tietto Minerals Limited

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<sup>1</sup> The Company confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate announced 19 April 2023 continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.