ASX/AIM Announcement 3 August 2026

Filing of criminal complaint against Attorney Sarmiento

Celsius Resources Limited ("**Celsius**" or the "**Company**") (+**ASX, AIM: CLA**) advises that it has filed a criminal complaint against Attorney Julito "Sarge" Sarmiento ("Attorney Sarmiento") before the Philippine Department of Justice.

Background on Attorney Sarmiento

Attorney Sarmiento is a former Executive Chair of Celsius and has been acting as an adviser to Kiri Industries Limited ("**Kiri**"), Sodor, Inc. ("**Sodor**") and PMR Holding Corp. ("**PMR**") and their key principals in relation to Makilala Mining Company, Inc ("**MMCI**") and the MCB Copper-Gold Project.

His numerous roles, relationships and dealings with parties associated with MMCI include:

- Former Executive Chair of Celsius (he retired at the Annual General Meeting on 26 November 2025)[1];
- Representative of MHL (a wholly owned subsidiary of Celsius) on the MMCI Board (he resigned on 20 April 2026);
- Sodor's appointee on the MMCI Board (he was re-appointed on 20 April 2026);
- Chair and President Director of MMCI;
- An executive consultant to MMCI (appointed for a period of 5 years in May 2025 with a monthly fee of US$25,000);
- Founding Partner and Co-Managing Partner of Sarmiento Loriega Law ("SL Law"), noting that
  - His co-partner at SL Law, Mr Recolito "Ricky" Cantre, was a Celsius appointee on the MMCI Board (he resigned on 20 April 2026);
  - SL Law previously acted as MMCI's principal Philippine legal adviser under the direction and supervision of Attorney Sarmiento;
  - SL Law led the drafting and negotiation of the legal agreements entered into with Sodor and PMR that are now subject to arbitration;
  - SL Law led the drafting and negotiation on the MMCI Omnibus Loan and Security Agreement ("**OLSA**") with MIC, which was signed by Attorney Sarmiento on behalf of MMCI, which has been recently assigned to Kiri;
  - Kiri and companies associated with Sodor, PMR and their principals are established clients of SL Law; and

[1] See *13 October 2025 ASX/AIM Announcement – Executive Chairman to retire from the Board at 2025 AGM*.

- Following the reconstitution of the MMCI Board, three employees from SL law have been appointed to the MMCI management team. In addition, five representatives from SL Law have also been granted access to information, supervision rights and responsibilities in relation to the operation of MMCI. Celsius has concerns regarding the independence, mining experience and expertise of the individuals.

At the time of Attorney Sarmiento's retirement from the Celsius Board, there was a dispute with respect to a 3% finder's fee that SL Law had claimed in relation to the MIC OLSA. Concerns had been raised by the Celsius and MMCI Boards in relation to potential related party considerations, whether there had been adequate disclosure of the arrangement to the Celsius Board ahead of approaching MIC and whether Attorney Sarmiento engaged with MIC in his capacity as the Executive Chair of Celsius and President Director of MMCI or as the Founding partner of SL Law. Attorney Sarmiento's remuneration from Celsius and MMCI for Financial Years 2023/24 and 2024/25 was A$520,608 (US$371,193) and A$513,498 (US$366,124), respectively.[2]

Since Attorney Sarmiento was reappointed to the MMCI Board as Sodor's nominee and re-appointed as President and Chair of MMCI, a series of actions have been undertaken, which have prejudiced the Company's interests. Celsius alleges that these include:

- Breaches of MMCI's By-Laws and the Revised Corporation Code ("RCC") with respect to irregularities in the calling of an MMCI Stockholders Meeting;
- Unlawfully removing Celsius' MMCI board representation (which requires the approval of 2/3 of outstanding capital under the RCC);
- Unlawfully removing corporate records from MMCI principal office and relocating those records to the office of SL Law; and
- Unlawfully restricting Celsius' access to MMCI's corporate records.

In relation to the unlawful restriction of Celsius access to MMCI corporate records, Celsius has initiated a complaint with the Philippine Securities and Exchange Commission.

Celsius has concerns around the conduct of both Attorney Sarmiento and SL Law including with respect to potential contraventions of law, the management of conflicts (including the disputed "finder's fee" outlined above), breaches of confidentiality and fiduciary duties as well as potential violations of professional responsibility and accountability rules.

Attempts to reach a settlement

Notwithstanding the expiry of the deadline for Sodor and PMR to meet their obligations around the payment for MMCI shares and PDEP subscription, Celsius has proactively sought a potential compromise, which could support the expedited financing and development of the MCB Project.

[2] References to US$ equivalents are based on A$/US$ exchange rate of 0.713.

Following initial discussions with Attorney Sarmiento on 7 May 2026, Celsius submitted a draft non-binding Term Sheet to Sodor on 12 May 2026. This entailed reinstating the previous transaction with some additional protections for all parties.[3] Unfortunately, Sodor never responded to this proposal.

Kiri has also declined to respond to numerous requests for meetings and/or discussions.

Anti Dummy Law cases against Celsius directors

As previously disclosed, ahead of the expiry of agreements with Sodor and PMR to collectively invest US$43 million in MMCI and PDEP by 18 February 2026, a range of alternate transaction structures and potential replacements for Sodor were considered.

One of the candidates that was initially considered as a replacement for Sodor was Socialej Inc. ("Socialej"), a Philippine incorporated entity, in which former Celsius Non-Executive Director, Ms Attilenore "Nene" Manero (a Philippine national) held an 85% equity interest and Celsius' Director, Mr Peter Hume held a 15% interest.[4]

The board of directors of both Celsius and Socialej declined to progress a potential transaction due to governance and related party concerns.

Notwithstanding these decisions, and without any approval or authority from either entity, Mr Neil Grimes issued Sodor on 16 February 2026 with a notice of relinquishment that included directing Sodor to transfer its shares in MMCI to Socialej.[5]

Mr Neil Grimes' executive consulting agreement was terminated by the Board on 3 May 2026[6] with immediate effect and he agreed to tender his resignation as a Director of Celsius on 11 May 2026[7].

Whilst the Celsius Board never approved the use of Socialej and that Neil Grimes acted without the authority of the Celsius Board, representatives claiming to have authority from Sodor lodged criminal complaints around a potential violation of the Philippine Anti-Dummy Law by Directors of Celsius as at the time of submitting the Notice of Relinquishment (being the 16 February 2026).

The allegations reference a breach of Section 2-A of the Anti-Dummy Law, which relates to contraventions of a requirement under either the Philippine Constitution or Philippine laws for 60% ownership by Philippine nationals and entities. This law extends to aiding, assisting or abetting in the "*planning, consummation or perpetration" of a breach*.

Celsius Directors strongly refute the allegations and have either submitted, or are in the process of submitting counter affidavits.

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[3] For further details see *25 May 2026 ASX/AIM Announcement – Corporate Update*.

[4] These interests were disclosed to the Celsius Board.

[5] The Celsius Board approved the issuance of a notice of relinquishment, but not the transfer of shares to Socialej.

[6] See *4 May 2026 ASX/AIM Announcement – Update on alternative conflict process*.

[7] See *11 May 2026 ASX/AIM Announcement – Resignation of Non-Executive Director*.

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Anti Dummy Law case against Attorney Sarmiento

Celsius has separately commenced criminal proceedings against Attorney Sarmiento via the lodgement of a complaint-affidavit with the Philippines Department of Justice, which alleges a contravention under Section 2-A of the Anti-Dummy Law.

The alleged contravention relates to an email sent by Attorney Sarmiento (in his capacity of as Founding Partner and Co-Managing Partner of SL Law) to Mr Manish Kiri, the Chairman and Managing Director of Kiri, his colleague Mr Hemil Kiri, and also to Ms Carisa Sari, a Sodor-nominated member of MMCI's Board of Directors. Mr Suresh Gondalia, Kiri's Company Secretary, also appeared in the email exchanges. In the context of SL Law providing Kiri with advice on the establishment of Philippine subsidiaries, Attorney Sarmiento communicated the following:

"As I explained in our update meeting yesterday, Carabao Corporation as the holding company, will in turn be creating special project vehicles (SPVs), as and when, you enter and make actual investments in any industry, such as, but not limited to,

1. mining (i..e, Carabao Mining Corporation);

2. Waste technology (i..e, Carabao Waste Technology Corporation);

3. Agriculture (i.e., Carabao Agri-Business Corporation); and

4. Renewable Energy (Carabao Energy Corporation).

*And so on and so forth. <u>If the SPV is required to be a Filipino company with 60% Filipino and 40% foreign, then the SPV will be structured in such a manner that the **60% will be held by trusted Filipinos (e.g., our SL Law Partners)** who will need to sign Deeds of Trust and undated Deeds of Assignment **to ensure you retain full control of the SPV**</u>, while the 40% will be held by your holding company, Carabao Corporation."*

Celsius contends that this is a clear and deliberate attempt to breach the provisions of Section 2-A of the Anti-Dummy Law. It also raises important questions around the bona fides of both SL Law and Kiri in relation to ongoing arbitration with respect to the ownership of MMCI and the recent issuance by a wholly owned subsidiary of Kiri of a Notice of Event of Default, Notice of Commencement of Foreclosure Proceedings and Notice of Disposition under the OLSA with MMCI.[8]

Celsius intentions with respect to the MCB Project

Celsius is aware that certain parties within the Philippines have been spreading misinformation around its intentions with respect to the MCB Project.

Accordingly, Celsius wishes to confirm the following:

1. It remains focused on progressing the financing and development of the MCB Project;
2. In the interests of expediting the development of the MCB Project, it would welcome direct discussions with Kiri, Sodor and PMR;

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[8] See *20 July 2026 ASX/AIM Announcement – MMCI OLSA update*

3. The only parties that are authorised to communicate on behalf of Celsius are its Chair, Managing Director or other Directors; and

4. Individual Celsius shareholders are entitled to express their views and opinions; however, they have no authority to express views on behalf of the Company.

This announcement has been authorised by the Board of Directors of Celsius Resources Limited.

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