Tolu Minerals Limited
PNG CR Company Camp,
Baruni Road,
National Capital District,
Papua New Guinea
Company Registration No.: 1-125888

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ASX:TOK

ASX Announcement

30 January 2026

ASX Release: Tolu Minerals Limited – Quarterly Report Period Ending 31 December 2025

The Directors of Tolu Minerals Limited ("**Tolu**" or the "**Company**") are pleased to provide a market update highlighting overall progress at the Tolukuma Gold Mine ("**TGM**") and other recent advancements.

The Company continues to meet internal targets in progressing its key projects including significant infrastructure development. We encourage shareholders to read the additional projects included in the highlights, in particular the key project to enable future major mine expansion including scope for increased resource access and potentially higher future production. Historical and new exploration show very high-grade intersections at the planned 1170 decline level.

In addition, the escalation of in-house drilling and the new advancement to 8 rigs will allow further progress on the ramp up of surface and underground drilling.

Highlights

Tolu announces a **Project to enable a major future mine expansion** providing significant advancements including drilling expansion, resource upgrade and targeting 500 Tonnes per day (TPD) with production ramping up from quarter 1, 2027 initially recovering 20-25,000 oz per quarter

- **Mine defining project - Intended awarding of contract for new infrastructure including substantial Access Tunnels, Dewatering, Underground Exploration and Long term Tailings solution, Ore Haulage, Plant operations and additional personnel and vehicle access initially down to the 1170 portal.**
  - 1.4 kilometre tunnel/s (phase1) with potential of doubling in length
  - Tailings planned for underground paste backfill
  - New access to existing and future underground (UG) workings
  - Addition of UG exploration drill platforms

- Superior ventilation and safety
- Treatment plant for roadway surfacing utilising tailings
- Overall substantial power savings (no pumping, less ventilation)

- **Expansion of exploration/drilling fleet to 8 rigs by June 2026**
  - Exploration focused exclusively on near mine pre-production restart
  - Resource upgrade, growth and near mine upside
  - Accelerated drilling forecast in quarter 3, 2026
  - Substantial 13 kms of exploration roads completed in ML 104 for exploration advancement

- **Exploration Advantages from the Mine-Defining Project**

  Strategic underground access
  - Planned incline provides access along the full 2 km strike length of the Tolukuma resource
  - Access targets depths with confirmed strong gold and silver mineralisation (in southern half of current resource span)
  - Deposit remains open at depth, presenting significant exploration upside
  - Northern resource areas at incline depth remain to be drill-tested, offering high-grade discovery potential

  Underground exploration cuddies
  - Exploration cuddies developed off dewatering drives to support systematic underground drilling
  - Cuddies strategically positioned to optimally drill the Tolukuma vein array system

  Advantages of underground drilling
  - Superior drill accuracy and targeting compared with surface drilling
  - Improved geological and metallurgical confidence from drilling in competent fresh rock
  - Higher-quality geotechnical and rock mass data supporting robust resource modelling
  - Lower all-in sustaining cost per metre drilled
  - Reduced environmental footprint through minimal surface disturbance
  - Improved safety and operational control in underground conditions
  - Earlier definition of vein continuity, reducing geological and capital risk
  - Faster integration of results into mine planning and design
  - Exploration cuddies provide future development and drilling platforms, enhancing capital efficiency

- **Underground operations advancing**
  - Underground mining licence (Form 15) issued by the PNG Mineral Resources Authority
  - First development blasts fired
  - Significant increase in dewatering outflow (9 metres of vertical descent in past 30 days)
  - Critical Infrastructure (air, extractor bags, safety mesh installed and mine energised)

- Full access operations functioning and ready for UG mining
- Full UG operating fleet onsite
- Main and working drives rehabilitated and service ready

- **Processing plant**
  - Reconditioning of SAG mill, Knelson Concentrator and Acacia Reactor nearing completion
  - Elution circuit refurbishment complete
  - Leach tanks drained and serviced recovering 40 tonnes of leached carbon for processing
  - Servicing conversion circuit for gold plant in preparation of full plant restart
  - Ready to appoint preferred contractor for recommissioning / restart

- **Hydro Power Plant**
  - Term sheets being negotiated with preferred suppliers
  - Power Purchase Agreement (PPA) structure
  - Power cost benefits quantified and reviewed commercially and technically
  - PPA terms refined to protect mine economics
  - Appointment of selected Hydro contractor and commencement of construction imminent
  - Integration and synchronization plan with site diesel power generation being developed
  - Target early Q1 2027 completion and power delivery

- **Assay Laboratory - Constructing a certified, full service - in house Assay facility**
  - Identified and selected critical equipment including Fire assay and Graphite Furnace AAS
  - Risk assessment and SWOT analysis completed
  - Equipment selected (Fire Assay)
  - Finalising design in readiness for construction
  - Improve assay turnaround to support grade control and reconciliation
  - Expected to be operational Q3 2026

Tolu Minerals Quarterly Report, 31 December 2025

During the quarter, the Company continued to advance the Tolukuma Gold Mine programme, with steady progress achieved across mining, processing, infrastructure and support functions. Activities during the period were directed toward executing a structured and sequenced pathway to production, with a clear emphasis on safety, operational readiness and disciplined capital deployment.

Underground operations progressed materially, supported by ongoing mine dewatering, rehabilitation and the re-establishment of critical services. Development activity recommenced during the quarter, providing an important foundation for ore access and future mining flexibility. A short-term mine plan has been completed and is guiding day-to-day execution, while work continues on pathways that enable sustained underground access and production.

Exploration activities were concentrated on near-mine and mine-driven targets that directly support mine planning and early production outcomes. Surface and underground drilling programmes were advanced in a controlled manner, with results being progressively incorporated into mine design, scheduling and resource confidence. This approach ensures exploration effort remains closely aligned with operational delivery and value creation.

At the processing plant, the focus remained on practical measures to support early gold recovery and operational readiness. Targeted refurbishment and reconditioning activities were undertaken on key components, alongside progress on a diversion circuit designed to enable gold recovery ahead of full plant restart. In parallel, tailings and power strategies continued to be developed with an emphasis on staged implementation and protection of long-term mine economics.

Looking ahead, the Company enters the next quarter with a clearly defined operational pathway, improving site readiness and a strong focus on execution. Progress across multiple workstreams reflects the sustained effort of the on-site and technical teams, who remain committed to advancing the Tolukuma mining restart in a safe, disciplined and methodical manner. Management remains focused on delivering tangible outcomes, maintaining cost control, and building momentum toward production for the benefit of shareholders.

Dr Chris Muller commented:

"During the past quarter, the Company has made steady and tangible progress across all aspects of the Tolukuma Gold Mine, with a clear focus on executing a structured and disciplined programme. The operational pathway ahead is well defined, priorities are aligned, and the team on site is fully focused on delivering a safe and reliable return to production.

The planned Mine-Defining Project, centred on the development of the new incline, represents a particularly exciting step forward for Tolukuma. The incline will unlock systematic underground access across the full strike length of the deposit at depths where strong gold and silver mineralisation is already evident, from sparse drilling. This access underpins both near-term mine planning and longer-term resource growth, enabling high-quality underground drilling, earlier definition of vein continuity, and direct integration of exploration outcomes into mine design. Importantly, the project materially de-risks future capital decisions while positioning the Company to efficiently grow resources and mine life from underground.

Underground activities continue to advance, with ongoing mine dewatering, rehabilitation and access works providing the foundation for ore development and sustained mining operations. The successful recommencement of development activity during the quarter reflects the progress made by the operations team and marks an important step forward in the restart sequence. Exploration work has been concentrated on near-mine and mine-driven targets that directly support mine planning, resource confidence and early production outcomes. Drilling results are being integrated into mine design and scheduling, ensuring exploration effort is tightly linked to operational delivery and value creation.

At the processing plant, the focus remains on practical measures that support early gold recovery and operational readiness. Targeted refurbishment activities are progressing alongside the development of a diversion circuit, while longer-term decisions relating to tailings and power infrastructure are being advanced in a staged and economically disciplined manner.

The Tolukuma team is working with purpose and momentum. Progress across mining, processing, infrastructure and support functions reflects a strong commitment to execution, safety and accountability. While challenges remain, the Company is well advanced along a clear pathway and remains firmly focused on delivering the Tolukuma restart for the benefit of all shareholders."

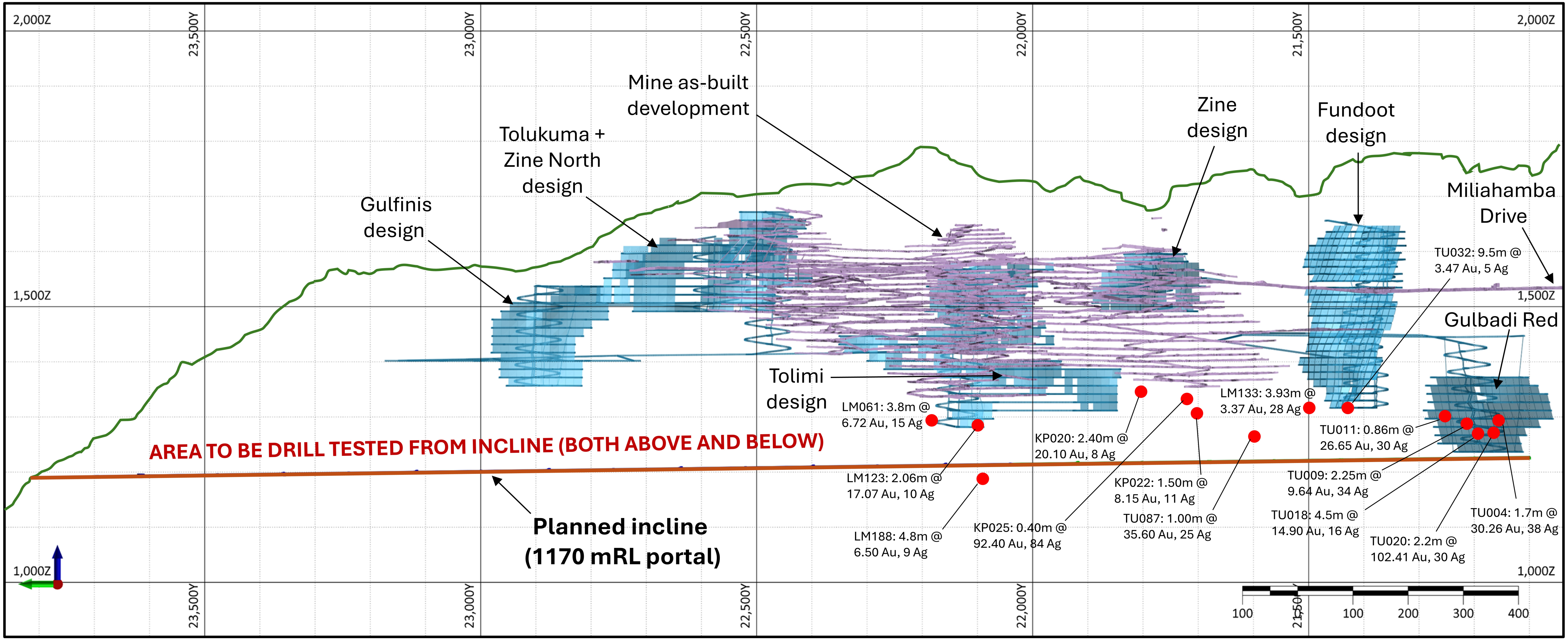

Figure 1. Tolukuma long-section. Location of as-built underground infrastructure, existing stope designs and significant drill intercepts in the deeper zone proximal to the planned incline, collared at 1170 mRL. The northern half of the deposit at this elevation remains largely untested by drilling and represents a key exploration opportunity associated with the incline development. Note that Au and Ag values depicted are in grams per tonne.

Corporate Overview

The company's current capital structure is as follows:

Security	Number
Shares - quoted	258,111,530
Shares – in escrow until 4 June 2026	1,000,000
Fully paid ordinary shares - total	**259,111,530**
Unquoted options exercisable at $0.80 per option expiring 24 June 2026	4,101,056
Performance rights	11,490,000

References to previous ASX releases

The exploration results for the Company were reported in compliance the 2012 Edition of the JORC Australasian Code for Reporting of exploration results, mineral resources and ore reserves in market releases dated as follows:

29 October 2025	Mt Penck Regional Targets
10 November 2025	Change of Managing Director and CEO
8 December 2025	Tolukuma Operations and Development Update
10 December 2025	Presentation at the PNG Mining & investment Conference

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred to above and further confirms that all material assumptions underpinning the exploration results continue to apply and have not materially changed.

Listing Rule Disclosures

The Company provides the following information pursuant to ASX Listing Rule requirements:

ASX Listing Rule 5.3.1

Exploration and evaluation expenditure during the quarter was $8,382,000 (including the building of the roadway).

ASX Listing Rule 5.3.2

There were no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.3

The following table sets out the tenement information held at 30 January 2026.

License Number	Type of License	Tolu Ownership	Sub-blocks	Area * (km^2)	Grant Date	Expiry Date
ML104 Tolukuma	Mining Lease	100%	N/A	7.71	01-Sep-21	28-Aug-32
EL2531 Frontier	Exploration License	100%	29.73	101.38	25-Feb-19	24-Feb-25#
EL2385 Udava River	Exploration License	100%	58	197.78	26-May-16	25-May24#
EL2535 Avole	Exploration License	100%	8	27.28	26-Jan-22	25-Jan24#
EL2536 Fane	Exploration License	100%	30	102.30	26-Jan-22	25-Jan-24#
EL2538 Woitape	Exploration License	100%	14	47.74	26-Jan22	25-Jan24#
EL2539 Belavista	Exploration License	100%	29	98.89	26-Jan22	25-Jan-24#
EL2723 Etasi	Exploration License	100%	54	183.30	08-Nov22	07-Nov-24#
EL2662 Mt. Penck	Exploration License	100%	30	102.60	26-Oct-21	25-Oct-25#
EL2780 Ipi River	Exploration License	100%	116	395.56	03-Dec-24	02-Dec-26
ELA2859 Mt. Tafa	EL Application	100%	27	92.07	Pending	N/A
ELA2862 Mt. Tafa W	EL Application	100%	29	98.46	Pending	N/A
ELA2860 Karau	EL Application	100%	20	67.91	Pending	N/A
ELA2866 Namo	EL Application	100%	59	201.80	Pending	N/A
ELA2890 Mt. Kebea	EL Application	100%	67	228.47	Pending	N/A
ELA2938 Oro	EL Application	100%	80	272.80	Pending	N/A
Total			650.73	2,218.99		

*1 sub-block approximately 3.41 sq.km # Pending MRA Renewal for a further two-year term

Notes: The PNG Mining Act-1992 stipulates that Exploration Licenses (ELs) are granted for a renewable 2-year term (subject to satisfying work and expenditure commitments) and the PNG Government maintains the right to purchase up to 30% project equity at "Sunk Cost" if/when a Mining Lease (ML) is granted.

EL2531, EL2385, EL2535, EL2536, EL2538, EL2539, EL2723 and EL2662 are currently subject to an extension renewal process. The tenements remain in force until determinations of renewal are made by the Mining Advisory Council. ELA2890 and ELA2938 are in process for Warden's Hearing.

The Warden Hearings for EL2531, ELA2859, ELA2860, ELA2862 and ELA2866 were completed between 21-22 and 28 July 2025 respectively.

ASX Listing Rule 5.3.5

A total of $198,000 was paid to related parties during the quarter comprising the Executive Directors' salary and non-executive director fees.

This announcement has been authorised for release by the Directors of the Company. For additional information please visit our website at www.toluminerals.com

Website

www.toluminerals.com

Board

Chairman: John Anderson

Managing Director & CEO: Dr Chris Muller

Executive Director: Howard Lole

Non-Executive Director: Larry Andagali

Senior Management

Chief Financial Officer: Craig Dawson

Contacts:

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Managing Director & CEO	Strategic Corporate Advisor
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Competent Person Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by or compiled under the supervision of Peter Swiridiuk - Member of the Aust. Inst. of Geoscientists. Peter Swiridiuk is a Technical Consultant and member of the Tolu Minerals Ltd. Advisory Board. Peter Swiridiuk has sufficient experience which is relevant to the type of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Resources. Peter Swiridiuk consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Additionally, Mr Swiridiuk confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Tolu Minerals Limited	
ABN	**Quarter ended ("current quarter")**
35 657 300 359	31 December 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(1,665)	(4,992)
	(e) administration and corporate costs	(1,544)	(5,054)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	63	220
1.5	Interest and other costs of finance paid	(24)	(61)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(3,170)**	**(9,887)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(4,188)	(5,107)
	(d) exploration & evaluation	(8,382)	(33,121)
	(e) investments	(25)	(31)
	(f) other non-current assets	-	(64)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(12,595)**	**(38,323)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	60.515	87,765
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3,532)	(4,899)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other Repayment of principle on lease liabilities	(44)	(205)
3.10	**Net cash from / (used in) financing activities**	**56,939**	**82,661**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**	41,174	34,451
4.1	Cash and cash equivalents at beginning of period	10,018	16,738
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,170)	(9,887)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12,595)	(38,323)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	56,939	82,661

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	5	8
4.6	**Cash and cash equivalents at end of period**	**51,197**	**51,197**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	51,197	10,018
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**51,197**	**10,018**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	198
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,170)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(8,382)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(11,552)
8.4	Cash and cash equivalents at quarter end (item 4.6)	51,197
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	51,197
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	4.43

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026...

Authorised by: .... By the Board...
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.