

21/04/2026

PRESS STATEMENT

UPDATES ON BOGOSO PRESTEA MINES (INVESTMENT MIRAGE, TRAFIGURA LOAN, STATUS OF MINCOM 120-DAYS NOTICE)

The Bogoso/Prestea gold mine is located in the Western Region of Ghana, which sits on the southern end of the Ashanti Greenstone Belt, a 250-kilometre geological corridor of Paleoproterozoic rock that is, by any measure, one of the world's most fertile gold-bearing structures. The Bogoso/Prestea complex has historically included both open-pit and underground operations, with underground mining at Prestea having a long-standing history spanning many decades. The underground workings are extensive, reaching depths of about 1,450 metres.

The Ashanti Greenstone Belt also hosts major gold mines such as Obuasi, Tarkwa, Wassa, and Damang. The Bogoso-Prestea Mine remains one of Ghana's most strategic gold mining assets and has historically served as a major driver of economic development within the Prestea-Huni Valley Municipality. For decades, the mine has provided employment for thousands of residents, supported local businesses, and contributed significantly to the economic stability of communities within the municipality.

THE GRANT- OF THE MINING LEASE

The minerals rights held by FGR Bogoso Prestea Limited was terminated in line with sections 68(1) and 100(2) of the Minerals and

Mining Act, 2006 (Act 703), regulation 200(1) of the Minerals and Mining (Licensing) Regulations, 2012 (LI 2176), clause 27 of the Mining Leases held by the Company as well as the advice of the Attorney General. Consequently, the Minerals Commission issued a Notice of Termination to the Company. As a result, the mineral rights were reverted to the State.

The Minerals Commission upon the directives of the then Minister of Lands and Natural Resources, Hon. Samuel Abu Jinapor, engaged prospective investors to revamp the mine. The Minerals Commission received applications from Companies based in Ghana, China, and

Turkey. These Companies are Heath Goldfields, a subsidiary of Yildirim Group of Turkey, Global Incorporate Ghana Limited from Ghana, and Zhongyang Ghana Investment Limited from China. All the investors were asked to provide a detailed project implementation plan and evidence of the financial resources available to them to revamp the mine. Overall, Heath Goldfield's redevelopment plan was considered the most comprehensive and technically sound for revamping the mine. This was promised on the fact that Heath Goldfields is majority-owned by Yilmaden, the mining division of the Yildirim Group based in Turkey. With assets totaling over US\$2 billion.

EMERGING ISSUES UPON GRANT OF THE LEASE

It is important to note that the Bogoso-Prestea Mining Lease was granted to Heath Goldfields Limited (HGL) on 13th December 2024, during a transitional period when government had explicitly directed that all transactions and agreements, including mining leases, should cease. Notwithstanding this directive, the lease was granted by Hon. Samuel Abu Jinapor at a time when HGL had failed to satisfy the key conditions outlined in the Notification of Award. These conditions included the settlement of outstanding obligations to employees, the Ghana Revenue Authority (GRA), SSNIT, GRIDCO, VRA, and local contractors (LOCOMS). Pursuant to the terms of the award, these payments were to be completed within seven (7) days from 14th November 2024, when the Notification of Award was issued.

In Heath Goldfields Limited (HGL)' "Revised Strategic Mines Development Plan," which accompanied the Company's successful bid to acquire the mining leases, Heath outlined the following implementation timeline:

- 1. Phase 1(Q1-Q3 of 2025)- Site preparation and infrastructure development***
- 2. Phase 2 (Q4 2025 - 2026)- Commencement of Mining operations***
- 3. Phase 3(Q3 2026 -Q4 2036)- Full-scale production and community development initiatives***
- 4. Phase 4 (Q1 2037 - 04 2039)- Reclamation and mine closure***

In terms of investment, HGL committed to doing the following in Chapter 15 of its Revised Strategic Mine Development Plan:

1. **Internal Financing:** Heath Goldfields has structured a **\$500 million** investment from Yilmaden Holdings spread over five years to initiate and sustain operations at Bogoso Prestea.
2. The initial phase will involve a US\$150million investment in the first 18 months, with an immediate release (Q4 2024) of US\$50 million targeting the payment of-key essentials for the restart, including employees' benefits, suppliers, maintenance works, etc., with the remaining \$100 million (from Q1 2025) spread over the remaining months, targeting key operational activities.

In terms of expenditure so far, Heath Goldfields has expended \$12.8 million (Ex Employee Salaries and Provident Funds) and \$2.7 million on legacy Suppliers debt and \$8.2 million in Preparatory works and infrastructure rehabilitation. A total of \$23.7million

CONTRACTUAL BREACHES

On May 16, 2025, the Minerals Commission's Regional Office submitted a report regarding the operations of the Bogoso/Prestea mines under the control of HGL. The report evaluated various aspects of the mines, including the processing plant, the tailings storage facility (TSF), the process water treatment plant, and the open pits. The Tailings Storage Facility was found in a dilapidated condition with no engineering contractors on site, the Process Water Treatment Plant was non-operational and no visible activities of mining was seen at the mine notwithstanding HGL's Q1 2025 obligations under its Development Plan. At the Central Shaft, a compliance test for the winders remains undone for over 2 years, and this was a major safety concern. A rope test-had not been done for the winder ropes from the period, instead of the 6-month frequency. The 24L through to 20L was flooded, and the water level was about 10ft above 20L as at the time of the visit. Illegal mining was observed at 6L, 8L,9L, 12L and 17L, respectively. It was observed that employees of Ankobra Community Mining have been engaging in illegal mining activity in the Central Shaft. This report highlighted the fact that the mines are not operational. Under section 1.18 of the HGL's Revised Strategic Mine Development Plan, Phase 1, which covers Site Mobilisation and Infrastructure Development (Q1-Q3 of 2025), the HGL committed to using this phase to:

- refurbishing the oxides and sulfides Carbon-in-Leach (CIL) plant,
 - procurement and installation of a new gyratory crusher,
- the expansion and maintenance of the tailing's storage facility.

- pumping and dewatering of underground water aquifers to maintain optimal operational levels.

Commitments in the revised plan including Payment of Employee Entitlement, Payment of Legacy Debt, Plant and Underground Rehabilitation and Procurement of Capital Infrastructure tied to Q4 2024 and Q3 2025 where all not executed. On 24th June 2025, the Chief Inspector of Mines issued a formal Stop Work Notice pursuant to regulation 22 of the Minerals and Mining (Health, Safety and Technical) Regulations, 2012 (L.I 2128). HGL was granted 45 days to remedy all breaches but same was not done.

On 23rd June 2025, the Minerals Commission issued Heath Goldfields with a 120-day notice to remedy breaches of its mining lease. This action was taken in compliance with the requirements of **Section 68** of the Minerals and Mining Act, 2006 (Act703) "**Suspension and Cancellation of Mineral Rights**"

STATUS OF THE REMEDIAL ACTION BY HGL

We wish to provide an account of the current status of the issues raised by the Minerals Commission, particularly in relation to the remedial actions required by Heath Goldfields within the stipulated notice period. It is noteworthy that the Bogoso-Prestea mining leases were authorized on 13 December 2024; accordingly, stewardship and responsibility for the mine commenced from that date.

- **Assessment of Financial Capacity and Alleged Partnership with Yilmaden Holding**

The basis upon which the Bogoso-Prestea Mining Leases were assigned to Heath Goldfields appears not to have produced any material outcome. Since the assignment of the leases, there is no publicly available evidence of such investment and an established business relationship between Heath Goldfields and Yilmaden Holding. Consequently, the purported structured funding of US\$500 million from Yilmaden Holding has not been demonstrated.

Furthermore, observable developments since the lease assignment raise concerns regarding the availability of the proposed initial investment of US\$150 million within the first eighteen (18) months, which was reportedly intended to settle employee entitlements, creditor obligations, and undertake essential maintenance works. Based on the commitments that were expected to be implemented within this period but remain outstanding, there are reasonable grounds to believe that the HGL lacks the financial capacity to manage the asset.

- **Status of Pumping and Dewatering Operations at the Prestea Underground Mine**

According to the Strategic Mine Development Plan submitted to the Commission, Heath Goldfields was expected to procure and install a US\$2,000,000 pumping system for the pumping and dewatering of underground water aquifers to maintain optimal operational levels between Q1 2024 and Q3 2025. For more than a year now, this pump has not been procured and installed.

On 20th August 2025, in a letter addressed to the current minister of Lands and Natural Resources, Emmanuel Armah Kofi Buah by the Chief Inspector of Mines, Richard Kofi Adjei, titled "*Unsafe Working Conditions Underground- Heath Goldfields Limited(HGL)*", the former Chief Inspector of Mines made the following concluding observations:

- *From 30 Level to sublevels above 18 level are flooded with water and the level of water being pumped onto surface is not improving. If the mine is not careful, it will take years for the water to drop to 30 Level.*
- *Hence, the mine cannot even use 120-Days window to pump out water below 18 level down to the shaft bottom and the breach will take years to remedy in terms of water management.*

He continued to say that even accumulation of stagnant water is prohibited underground in accordance with Regulation 17(a) of the Minerals and Mining (Health, Safety and Technical) Regulations 2012, LI 2182. We hereby restate unequivocally to the Hon. Minister, that the technical advice of the former Chief Inspector of Mines remains consistent with the current reality. More than five (5) months after the expiration of the 120-day notice period, the water level at the Prestea Underground Mine remains at approximately 30 feet below 20 level.

- **Status of Maintenance and Expansion of Tailings Storage Facility (TSF)**

With respect to the expansion and maintenance of the Tailings Storage Facility (TSF), Heath Goldfields does not have freeboard for continuous deposition of tailings material. For more than a year, construction works at Cell 2 and Cell 2A (Embankments 11, 12, 15, 6, and 7) have remained incomplete due to resource constraints faced by the contractors, ENAS and Rockfield.

- **Status of Procurement and Installation of a new Gyratory Crusher**

As part of Infrastructure Development, the 120-day notice further highlighted Heath Goldfields commitment to procure and install a new crushing plant for production efficiency between Q1 2024 and Q3 2025. It is important to note that, for more than a year now, this crushing plant has not been installed. How can a Processing Plant run without a crusher?? What is currently being used is a mobile crushing plant which does not provide the same production efficiency like a primary crusher.

- **Status of Maintenance and Operation of the Process Water Treatment Plant (PWTP)**

It is worthy of note that the Process Water Treatment Plant (PWTP) has remained non-operational since December 2023, raising concerns regarding water management within the operation. The apparent lack of financial capacity has delayed and adversely impacted the project timelines. Heath Goldfields was expected to pay a mobilization fee of US\$500,000 between Q4 2024 and Q1 2025 to enable Veolia to commence maintenance and operation of the treatment plant. However, the mobilization payment was not made within the stipulated period, and an outstanding debt of approximately US\$1,300,000 remains unpaid. It is only recently after the expiration of the 120-Day notice period that Miwatek has been engaged to commence works on the Plant.

- **Status of Refurbishing the Oxide Carbon-in-Leach (CIL) Plant**

Some minor maintenance, sandblasting and painting works have been undertaken on the Oxide Plant and other ancillaries to mark time. However, critical plant infrastructure and equipment have not been installed as promised in HGL revised Strategic Mine Development Plan. This includes a Jaw crusher and secondary crusher, critical process pumps, CIL gearboxes, Kiln spares, a 48-inch new Knelson concentrator for the gravity plant, gold room electrowinning rectifiers, payment to Samsung for cyanide supplies, electrowinning cells, as well as SAG and Ball mill liners and associated spares. The estimated value of these outstanding procurements is approximately US\$8,800,000. These procurements and installations were scheduled to occur between Q4 2024 and Q3 2025. To date, these equipment's has neither been delivered to site nor installed within the stated period.

- **Status of Sulphide Plant Development and Life of Mine (LOM)**

In October 2024, Heath Goldfields Limited informed the Minerals Commission, through its Revised Strategic Mine Development Plan, of its commitment to procure and construct a 200-

tonne-per-hour Sulphide Processing Plant to treat the extensive refractory ore deposits at the Bogoso-Prestea Mine. The construction of this Sulphide Plant was indicated to be contingent upon the availability of approximately US\$350 million in financing from Yilmaden Holding. However, available information indicates that Yilmaden Holding has no commercial relationship with Heath Goldfields, raising serious concerns regarding the viability of the proposed financing arrangement.

The extended Life of Mine (LOM) of the Bogoso-Prestea Mine is largely dependent on the successful development and commissioning of a Sulphide Processing Plant to process the refractory ore resources. The development of such infrastructure requires substantial capital investment and long-term financial commitment. It cannot realistically be achieved through a "mine-and-operate" or self-financing model, where operations are sustained largely from proceeds generated from ongoing mining activities.

- **Status of Payment of Employees Entitlement**

Heath Goldfields was required to pay all entitlement (Accrued Salaries, End of Contract Benefit, Provident Fund, leave balances owed to employees within Seven (7) days after completing negotiation with the unions within Seven (7) from 14 November 2024 when the Notification of award was given. Heath Goldfields Limited (LTD) completed payment of portion of the employee entitlement in December (Q4 2025) a year after the Notification of Award. Even though this was a precondition for the approval of the leases, the Bogoso Prestea mining leases were authorized when these payments had not been made. This earlier sign raised a red light on the financial capacity of the operator. As of today, SSNIT, Tier 2, and Severance of about \$4,900,000 remain unpaid.

CURRENT STATUS OF TERMINATION OF THE LEASE BY THE MINISTER

The Minerals Commission, as part of its routine regulatory oversight, is currently conducting a comprehensive technical assessment of the mine, designed to determine if the actions being taken by Heath Goldfields meet the legal and operational requirements stipulated in the Notice to Remedy Breaches and the terms of its mining leases. We are confident that the Minister will duly direct the for the termination of the lease since it is overwhelmingly clear that HGL is not financially sound to handle the operations of the mine. This is against the backdrop that Future Global Resources, had its leases revoked following its inability to meet statutory payments and settle obligations to creditors. These liabilities were subsequently inherited, with the State placing responsibility for the new operator negotiating within seven

(7) days and commencing payment within seven (7) days after the negotiation from 14 November 2024. It is important to note that none of these payments were made prior to the authorization of the leases and continues to be outstanding. Hon. Minister, we submit these findings to you, and we respectfully ask if the above as stated meets your reasonable satisfaction under **section 68 (2) of the Minerals and Mining Act (703)** to allow Heath Goldfields continuous occupancy of the Bogoso-Prestea mining leases. The people of Prestea are yearning for a capable and well-resourced investor to take over the operations of the mine. We respectfully appeal to you to hear our concerns and take the necessary action to unlock the full potential of the Bogoso-Prestea mining asset for the benefit of the community and the nation as a whole.

EXTENSIVE COLLATERALIZATION OF NATIONAL ASSET (\$65 MILLION TRAFIGURA FINANCING)

The basis for the call for the termination of the leases granted to HGL is premised on the failure of HGL to obtain Parliamentary ratification of its mining leases as required by **Article 268(1) of the 1992 Constitution and Section 5(4) of the Minerals and Mining Act, 2006 (Act 703)** and the creation of a charge or encumbrance over the mining leases without the prior written approval of the Minister, contrary to Section 14(1) of the Act. Heath Goldfields Limited has secured a Prepayment debt financing from Trafigua. \$65 Million Prepayment Agreement for 700,000 ounces of Gold and has created an unauthorized charge over mine assets and the mining leases.

Under the terms of the agreement signed on April 2, 2026, Heath Goldfields has granted a first-ranking fixed and floating charge over virtually all its assets. This includes:

- Bank Accounts and Revenues: All monies standing to the credit of company accounts.
- Infrastructure and Equipment: All mining properties, plants, and machinery at Bogoso-Prestea.
- Mining Leases: A first priority assignment of the mining leases themselves.
 - ***Bypass of Sovereign Regulatory Gatekeeping***

The agreement is structured in a manner that creates an immediate "Effective Date" for all assets including the mining leases, which are supposedly contingent on a future "Consent Date" from the Minister. However, the agreement creates a material risk to the State through the following provisions:

• **Enforcement Without Judicial Process: Clause 13.2** allows Trafigura to enforce its rights and seize assets without prior judicial or arbitral process. This means a foreign lender could potentially take control of the mine's operational plant and equipment before the State has formally approved the encumbrance of the land itself.

- ***Risk of Shifting from Private Equity to Mortgage***

This shift from traditional private equity funding to a high-risk mortgage structure over a sovereign mineral right is deeply concerning. The agreement allows for the appointment of a Receiver with broad powers to take possession, operate, and even dispose of the charged assets. Such a structure exposes the host communities and the State to the risk of losing operational control and the economic benefits derived from these gold resources.

The Trafigura financing of \$65m debenture to HGL as security over the mining leases only becomes effective upon obtaining the Minister’s “no objection” and subsequent registration with the Minerals Commission. This places the State in a critical gatekeeping position, as granting such consent would formally enable the encumbrance of a sovereign mineral right in favor of a private offshore lender. We trust the Minister to do the needful!

We have cited the draft report of the Prof. Kumah led committee where Heath Goldfields presented a Phase 1 Investment financing plan (\$205 Million) as shown below. This is different from the \$500 million available from Yilmaden Holding on which basis the Bogoso-Prestea mining leases were awarded to them.

Source	Amount
Shareholder loan	\$30 million
Trafigura financing	\$65 million
ECOWAS Bank for Investment & Development	\$100 million
First Atlantic Bank	\$5 million
Guaranty Trust Bank	\$6 million

As of November 2025, the only financing that had been disbursed was \$30M shareholder loan agreement from Eureka Capital Ltd. Subsequently, there is no record of any disbursement from the entities above. In terms of expenditure so far, the report indicated that Heath Goldfields has expended \$12.8 million (Ex- Employee Salaries and Provident Funds) and \$2.7 million on legacy Suppliers debt and \$8.2 million in Preparatory works and infrastructure rehabilitation. A total of \$23.7 million.

CONCLUSION

The evidence presented unequivocally demonstrates that Heath Goldfields Limited (HGL) lacks the technical competence, financial capacity, and good faith required to manage the Bogoso/Prestea Mines. Despite receiving the mining lease on 13th December 2024 on the strength of ambitious commitments—including a US\$500 million investment from Yilmaden Holdings, timely payment of employee entitlements and legacy debts, rapid infrastructure rehabilitation, and phased operational restart—HGL has consistently failed to deliver.

More than sixteen months later, the underground mine remains flooded, and critical equipment such as the gyratory crusher has not been installed. Promised payments to employees, SSNIT, GRA, and local contractors remain largely outstanding, while illegal mining thrives in abandoned sections. Most alarmingly, HGL has encumbered the State's mineral rights with a \$65 million Trafigura prepayment facility, creating unauthorised charges over national assets without parliamentary ratification or prior ministerial consent, in clear violation of the Constitution and the Minerals and Mining Act. This pattern of breach, misrepresentation, and reckless collateralization mirrors the failures that led to the termination of the previous operator. For the sake of Prestea-Huni Valley communities, national revenue, and the integrity of Ghana's mining sector, we respectfully urge the Honourable Minister to exercise his powers under Section 68 of Act 703 to terminate HGL's mining leases without further delay and initiate a transparent process for a genuinely capable investor. The people of Prestea deserve no less. Ghana's gold resources must serve Ghana first.