

3 June 2024

TRADING OF SHARES FROM CONVERTIBLE NOTES

Antilles Gold Limited ("Antilles Gold" or the "Company") (ASX: AAU, OTCQB: ANTMF) advises that the Company proposes to pay out the balance of two \$1.0M Convertible Notes issued by the Company in March and April 2024.

As advised to the ASX on 28 May 2024, the Company's share price has been significantly impacted by aggressive selling of shares by the Noteholder. The Company believes that the sale of the majority of the shares was not in accordance with the Convertible Note Deed.

The Company's position is that the Noteholder has not complied with the terms of the Convertible Note Deed by selling shares that were issued to the Noteholder as security in the event of default by the Company.

Security Shares can only be sold by the Noteholder if the Company is in default, which has not occurred, or following agreement to substitute Security Shares already held by the Noteholder for those that would otherwise be issued after receipt of a Conversion Notice.

The Noteholder has purported to issue several Conversion Notices retrospectively in an attempt to rectify non-compliant earlier sales of Security Shares.

The Company contends that before the commencement of selling Security Shares, the Noteholder should have issued Conversion Notices and obtained the Company's agreement to the substitution of Security Shares. In that event, the Notices would have been based on conversion prices applicable before selling commenced rather than on completion of the selling, with the consequence that approximately \$102,000 would remain outstanding on the \$2,000,000 face value of the two Notes.

The Company intends to redeem the remaining money owing under the Notes and not draw down the third \$1.0M Convertible Note available to it in mid-June 2024. The Company maintains that the money owing by the Company to the Holder should be adjusted having regard to the Holder's non-compliant sales of Security Shares. The Noteholder does not presently hold any AAU shares.

Antilles Gold is also investigating as to whether it might claim damages from the Noteholder as a consequence of its conduct.

END

This announcement has been authorised by the Board of Antilles Gold Limited.
For further information, please contact:

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