SUMATRA COPPER & GOLD PLC

Registered No. 5777015

**ASX Announcement: 28 April 2017**

# Mineral Resource and Ore Reserve Update
# Annual Statement for Tembang Gold-Silver Operation

## Summary Mineral Resource & Ore Reserve Statement at 31 December 2016

Sumatra Copper & Gold plc ("the Company") announces its Annual Mineral Resource and Ore Reserve Statement, completed in accordance with the guidelines of the JORC Code (2012 Edition), for its Tembang Gold-Silver Operation in southern Sumatra, Indonesia ("Tembang").

Total Measured, Indicated and Inferred Resources of **6,102,000 tonnes at 2.0 g/t Au & 24 g/t Ag for 387,000 oz Au & 4,614,000 oz Ag**

- Underground: 279,000 tonnes at 8.6 g/t Au & 54 g/t Ag for 78,000 oz Au & 485,000 oz Ag
- Open pit: 5,823,000 tonnes at 1.7 g/t Au & 22 g/t Ag for 310,000 oz Au & 4,129,000 oz Ag

Total Proved and Probable Reserves of **1,647,000 tonnes at 2.5 g/t Au & 26.9 g/t Ag for 132,000 oz Au & 1,426,000 oz Ag**

- Underground: 387,000 tonnes at 4.4 g/t Au & 29.2 g/t Ag for 55,000 oz Au & 363,000 oz Ag
- Open pit: 1,260,000 tonnes at 1.9 g/t Au & 26.2 g/t Ag for 77,000 oz Au & 1,062,000 oz Ag

## Key Assumptions and JORC 2012 Requirements

Mineral Resources are reported inclusive of Ore Reserves and include all exploration and resource definition drilling information and mining production data up to 31 December 2016. Mineral Resources have been depleted for mining to 31 December 2016. Other adjustments have been made to interpretations and modelling to reflect ongoing mining information received up to 25 March 2017, if considered material.

Gold price assumptions used to estimate Mineral Resources and Ore Reserves are:

- Mineral Resources: US$1,500/oz gold
- Ore Reserves: US$1,250/oz gold

The Mineral Resources and Ore Reserves have been classified in accordance with the guidelines set out in the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, published by the Joint Ore Reserves Committee (JORC), of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, December 2012 (the 'JORC Code' or 'JORC 2012').

The Company's full Mineral Resource and Ore Reserve statement is tabulated in Table 1 and Table 5 respectively.

Material Information for the individual deposits, including a Material Information Summary pursuant to ASX Listing Rules 5.8 and 5.9 and the Assessment and Reporting Criteria in accordance with JORC 2012 requirements, is included below and in Appendix A to this announcement.

## Mineral Resource Statement as at 31 December 2016

Cube Consulting Pty Ltd ("Cube") of Perth, Western Australia, was contracted by the Company to complete a review and update of the Mineral Resource estimates for the Belinau and Berenai gold-silver deposits, which are currently subject to underground and open-pit mining operations respectively. A site visit was undertaken by Cube's designated Competent Person (CP) between 6 and 13 December 2016. The CP was already familiar with Tembang, and other Cube CPs had previously made visits to Tembang.

**Table 1: Tembang Gold-Silver Operation – Mineral Resource Statement as at 31 December 2016**

*Cut-off grades: 2.78 g/t Au (Belinau Underground) and 0.5 g/t Au (open pits)*

| Deposit | Mineral Resource Category | Tonnes | Au (g/t) | Ag (g/t) | Au (oz) | Ag (oz) |
|---|---|---|---|---|---|---|
| Belinau Undergound | Measured | 53,000 | 9.7 | 91 | 16,000 | 155,000 |
| | Indicated | 156,000 | 8.7 | 56 | 44,000 | 282,000 |
| | Inferred | 70,000 | 7.6 | 21 | 17,000 | 48,000 |
| | Total | 279,000 | 8.6 | 54 | 78,000 | 485,000 |
| **TOTAL UNDERGROUND** | **Measured** | **53,000** | **9.7** | **91** | **16,000** | **155,000** |
| | **Indicated** | **156,000** | **8.7** | **56** | **44,000** | **282,000** |
| | **Inferred** | **70,000** | **7.6** | **21** | **17,000** | **48,000** |
| | **TOTAL** | **279,000** | **8.6** | **54** | **78,000** | **485,000** |
| Berenai Open Pit | Measured | - | - | - | - | - |
| | Indicated | 1,219,000 | 2.1 | 30 | 82,000 | 1,179,000 |
| | Inferred | 779,000 | 1.6 | 26 | 41,000 | 652,000 |
| | Total | 1,998,000 | 1.9 | 29 | 123,000 | 1,831,000 |
| Asmar Open Pit | Measured | - | - | - | - | - |
| | Indicated | 1,522,000 | 1.2 | 21 | 60,000 | 1,009,000 |
| | Inferred | 1,495,000 | 1.4 | 12 | 67,000 | 576,000 |
| | Total | 3,017,000 | 1.3 | 16 | 127,000 | 1,584,000 |
| Buluh Open Pit | Measured | 3,000 | 7.4 | 12 | 1,000 | 1,000 |
| | Indicated | 10,000 | 4.1 | 13 | 1,000 | 4,000 |
| | Inferred | 14,000 | 3.1 | 13 | 1,000 | 6,000 |
| | Total | 27,000 | 4.0 | 13 | 3,000 | 11,000 |
| Bujang Open Pit | Measured | - | - | - | - | - |
| | Indicated | 214,000 | 2.7 | 37 | 19,000 | 251,000 |
| | Inferred | 62,000 | 1.7 | 14 | 3,000 | 29,000 |
| | Total | 276,000 | 2.5 | 32 | 22,000 | 280,000 |
| Siamang Open Pit | Measured | 1,000 | 1.0 | 22 | 40 | 1,000 |
| | Indicated | 95,000 | 2.1 | 27 | 6,000 | 83,000 |
| | Inferred | 182,000 | 1.8 | 21 | 10,000 | 123,000 |
| | Total | 278,000 | 1.9 | 23 | 17,000 | 207,000 |
| Tembang-Anang | Measured | - | - | - | - | - |
| | Indicated | 170,000 | 2.5 | 29 | 14,000 | 160,000 |
| | Inferred | 55,000 | 2.1 | 30 | 4,000 | 53,000 |
| | Total | 226,000 | 2.4 | 29 | 17,000 | 214,000 |
| **TOTAL OPEN PIT** | **Measured** | **4,000** | **5.7** | **15** | **1,000** | **2,000** |
| | **Indicated** | **3,231,000** | **1.8** | **26** | **182,000** | **2,686,000** |
| | **Inferred** | **2,587,000** | **1.5** | **17** | **127,000** | **1,440,000** |
| | **TOTAL** | **5,823,000** | **1.7** | **22** | **310,000** | **4,129,000** |
| **TOTAL UNDERGROUND & OPEN PIT** | **Measured** | **57,000** | **9.4** | **85** | **17,000** | **157,000** |
| | **Indicated** | **3,387,000** | **2.1** | **27** | **226,000** | **2,969,000** |
| | **Inferred** | **2,657,000** | **1.7** | **17** | **144,000** | **1,488,000** |
| | **TOTAL** | **6,102,000** | **2.0** | **24** | **387,000** | **4,614,000** |

Notes to Table 1:

- Mineral Resources are inclusive of Ore Reserves;
- Mineral Resources reported under JORC 2012 guidelines;
- Rounding to the nearest 1,000 (tonnes, ounces), 0.1 g/t (gold grade), and 1.0 g/t (silver grade) may result in some slight apparent discrepancies in totals; and
- Where applicable, Mineral Resource estimates as at 31 December 2016 are reported after applying mining depletion to the Mineral Resource estimates reported in March 2015.
- Belinau:
    - a lower block cut-off of 2.78 gram gold*metres/tonne accumulation, which incorporates a minimum mining width of 1.2m;
    - high grade cuts of 80 g/t Au and 800 g/t Ag have been applied; and
    - a gold price of US$1,500 has been applied.
- Berenai:
    - a lower block cut-off grade of 0.5 g/t Au has been applied to the mineralisation;
    - high grade cuts of 40 g/t Au, 120 g/t Ag have been applied to all mineralisation; and
    - a gold price of US$1,500 has been applied.
- Asmar, Buluh, Bujang, Siamang, Tembang-Anang:
    - a lower block cut-off grade of 0.5 g/t Au has been applied to the mineralisation;
    - various high grade cuts were applied to each deposit; and
    - a gold price of US$1,500 has been applied.

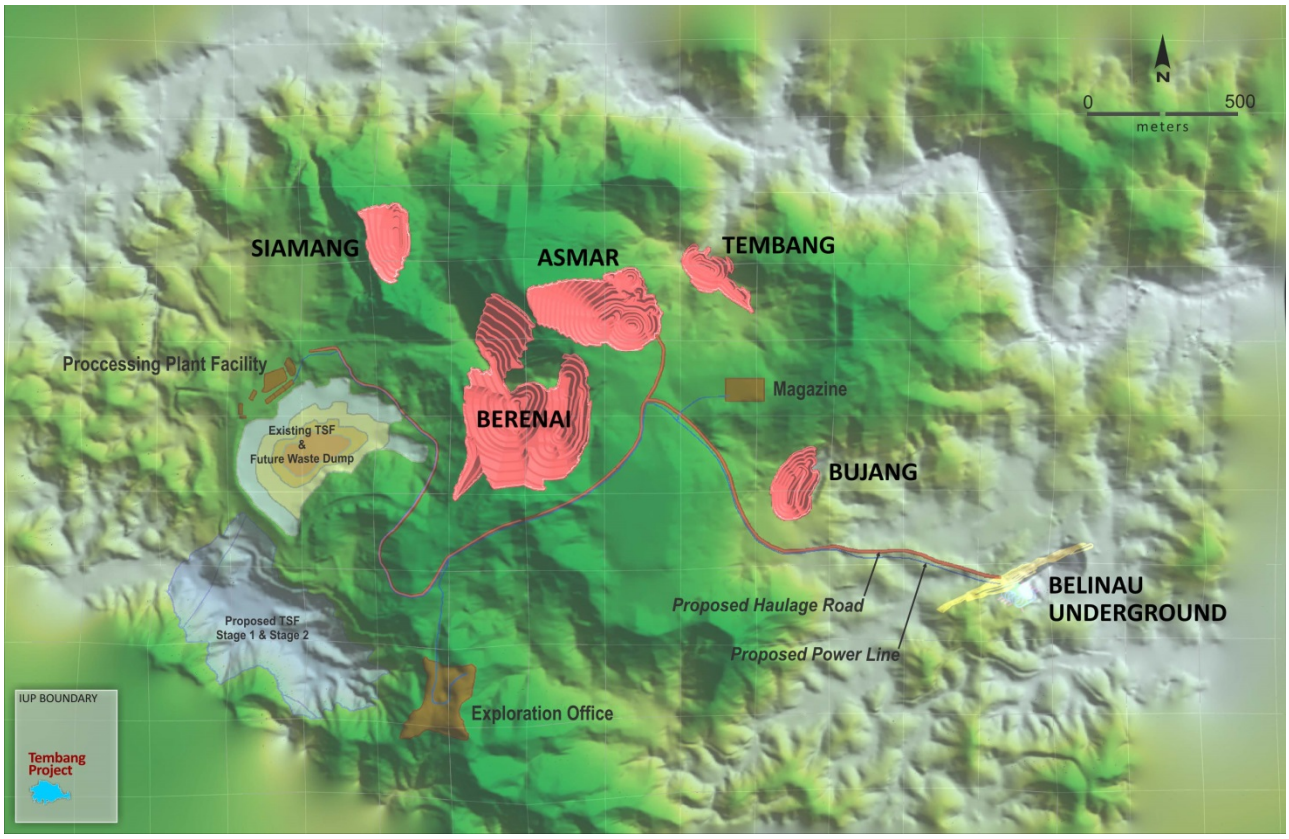


**Figure 1. Plan View of Tembang deposits**

## Mineral Resource Estimates – March 2017

The Belinau Mineral Resource is currently being exploited from underground via decline access from within the former Belinau open pit.

The Berenai Mineral Resource estimate encompasses the Berenai, Nuri and Central vein systems, within one open pit mining operation.

The Belinau and Berenai Mineral Resources have been predominantly defined by diamond drilling and lesser reverse circulation (RC) drilling, and newly acquired grade control data from more recent RC and blast hole drilling, trenching, face mapping and sampling, and bench mapping and sampling.

The previous mineralisation interpretations of the Belinau and Berenai deposits have both been reviewed and revised by Tembang mine geology personnel, under the supervision of consulting geologist, Mr Gary Powell, and Cube's CP, using the more recent data acquired during mining operations. This has had a material effect on the estimation strategy employed by Cube for both deposits.

## 1. Belinau Mineral Resource Estimate

The Measured, Indicated and Inferred Resource for the Belinau underground mine was estimated as at 31 December 2016 at 279,000 tonnes at a grade of 8.6 g/t Au and 54 g/t Ag for a total 78,000 ounces of contained gold and 485,000 ounces of contained silver.

The previous (November 2013) Mineral Resource estimate was 338,000 tonnes at a grade of 8.9 g/t Au and 72 g/t Ag for a total 97,000 ounces of contained gold and 785,000 ounces of contained silver (Table 2).

**Table 2: Comparison of Belinau Mineral Resource Estimate for 2013 and 31 December 2016 (undiluted, lower cut-off of 2.78 g/t Au)**

| Mineral Resource [1] Reporting Date | Mineral Resource Category | Tonnes | Gold Grade (g/t) | Silver Grade (g/t) | Gold (contained ounces) | Silver (contained ounces) |
|---|---|---|---|---|---|---|
| November 2013 [2] | Measured | 132,000 | 9.7 | 70 | 41,000 | 298,000 |
| | Indicated | 139,000 | 9.0 | 77 | 40,000 | 346,000 |
| | Inferred | 67,000 | 7.3 | 65 | 16,000 | 141,000 |
| | Total | 338,000 | 8.9 | 72 | 97,000 | 785,000 |
| March 2017 [3, 4] (depleted to 31 Dec 2016) | Measured | 53,000 | 9.7 | 91 | 16,000 | 155,000 |
| | Indicated | 156,000 | 8.7 | 56 | 44,000 | 282,000 |
| | Inferred | 70,000 | 7.6 | 21 | 17,000 | 48,000 |
| | **Total** | **279,000** | **8.6** | **54** | **78,000** | **485,000** |

Notes to Table 2:

[1] Mineral Resources are inclusive of Ore Reserves

[2] November 2013 estimate by Mr Rob Spiers of HS&C Consultants Pty Ltd in compliance with JORC 2012

[3] depleted to 31 December 2016.

- Mineral Resource estimates have been rounded to the nearest 1,000 tonnes; 0.1 g/t gold grade & 1.0 g/t silver grade and 1,000 oz contained metal;
- Minimum mining width (1.2m) left unchanged from March 2015 estimate.

The net change in the Belinau underground Mineral Resource is a reduction of 19,500 ounces of gold and 299,700 ounces of silver after adjustment for mining depletion, primarily due to the following:

a) mining depletion of 82,500 tonnes at an average diluted mined grade of 5.1 g/t Au and 85 g/t Ag (13,500 oz gold, 224,200 oz silver) since the November 2013 resource estimate;

b) a review of diamond drill core, underground mining, geological mapping and sampling data, leading to a re-interpretation of the Belinau vein mineralisation, resulting in slightly narrower horizontal widths of the vein and a reduced tonnage, particularly in the mined areas;

c) an increase in vein grades in the central part of the deposit after taking into account face sampling in developed drives;

d) a re-interpretation of the western end of the main Belinau vein. Belinau vein changes character at the western end of the current development at level 1 to level, 6 resulting in narrow, discontinuous and lower grade mineralisation within the main structure; and

e) the addition of a proportion of internal waste inside interpreted wireframes, to reflect the discontinuous pinch and swell nature of the Belinau vein.

## 2. Berenai Mineral Resource Estimate

Since July 2015, the Berenai open pit was mined from the uppermost elevations above the water table. In December 2016, dewatering of the former open-pit encountered significant undocumented backfill below the water table and, as a consequence, inaccuracies with the as-built survey of the former open-pit shell has resulted in a net decrease in the 'in-situ' tonnes and contained metal from the previous March 2015 resource model.

Cube recently completed an updated Mineral Resource estimate in accordance with the guidelines of JORC 2012. The total Indicated and Inferred Resource for the Berenai gold deposit, at a block cut-off grade of 0.5 g/t Au, has been estimated at 2.0 million tonnes at a grade of 1.9 g/t Au and 29 g/t Ag for a total contained 123,000 ounces gold and 1.83 million ounces silver. By comparison, the March 2015 Mineral Resource estimate was 2.3 million tonnes at 2.0 g/t Au and 34 g/t Ag for total contained 148,000 oz gold and 2.48 million oz silver.

**Table 3: Comparison Summary of the total undiluted Berenai Mineral Resource estimates for 2015 and 31 December 2016**

| Mineral Resource [1] Reporting Date | Mineral Resource Category | Tonnes | Gold Grade (g/t) | Silver Grade (g/t) | Gold (contained ounces) | Silver (contained ounces) |
|---|---|---|---|---|---|---|
| March 2015 [2] | Measured | - | - | - | - | - |
| | Indicated | 1,628,000 | 2.1 | 34 | 112,000 | 1,797,000 |
| | Inferred | 669,000 | 1.7 | 32 | 36,000 | 685,000 |
| | **Total** | **2,297,000** | **2.0** | **34** | **148,000** | **2,482,000** |
| March 2017 [3] (depleted to 31 Dec 2016) | Measured | - | - | - | - | - |
| | Indicated | 1,219,000 | 2.1 | 30 | 82,000 | 1,179,000 |
| | Inferred | 779,000 | 1.6 | 26 | 41,000 | 652,000 |
| | **Total** | **1,998,000** | **1.9** | **29** | **123,000** | **1,831,000** |

Notes to Table 3:

[1] Mineral Resources are inclusive of Ore Reserves
[2] March 2015 estimate by Mr Chris Black of Cube in compliance with JORC 2012
[3] Previous Mineral Resource estimate depleted to 31 December 2016.

- Mineral Resource estimate has been rounded to the nearest 1,000 tonnes; 0.1 g/t gold grade and 1.0 g/t silver grade, and 1,000 oz contained metal

The net reduction in the total Berenai Mineral Resource is primarily due to the following adjustments:

a) depletion applied to the previously assigned 'in situ' volume containing undocumented backfill in the open-pit below the water table, amounting to 61,000 tonnes at an average grade of 2.3 g/t Au and 33 g/t Ag (4,500 oz gold and 65,800 oz silver);
b) mining depletion of approximately 150,000 tonnes at an average mined grade of 1.4 g/t Au and 25 g/t Ag (6,500 oz gold and 120,200 oz silver) since the March 2015 Mineral Resource estimate; and
c) a review of diamond drill core, recent mining, mapping and sampling data, leading to a re-interpretation and grade interpolation parameters of each of the Berenai, Central and Nuri vein mineralisation systems. The interpreted composite veins are narrower in some areas, compared to the previous interpretations, and the continuity of mineralisation is less continuous due to the anastomosing and discontinuous nature of individual veins within the composite vein outlines.

## 3. Asmar, Bujang, Buluh-Siamang and Tembang-Anang Mineral Resource Estimates

Since July 2015, the Asmar, Buluh-Siamang and Bujang open-pits have been partially mined, initially for commissioning purposes and then for ongoing run-of-mine production while the Berenai pit cut-back was in progress. Mining at Bujang was halted in November 2015, Asmar in July 2016 and Buluh-Siamang in the first week of January 2017.

The Mineral Resource estimates for these deposits were last reported in 2013 (Buluh), 2014 (Asmar, Tembang-Anang) and 2015 (Bujang, Siamang). Since mining depletion is not material at Asmar, Buluh and Bujang, the resources were not re-estimated and have only been depleted for mining.

The Mineral Resource estimate for Tembang-Anang vein remains as previously reported, since no mining activity has been carried out on this deposit.

The Mineral Resource estimate for Siamang has not been re-estimated, and remains unchanged, since mining has recently been completed and the remaining resource available for open pit extraction is limited at the current gold price.

**Table 4: Comparison Summary of the total Mineral Resource Estimates for 2015 and 31 December 2016 for Asmar, Buluh, Bujang, Siamang and Tembang-Anang**

| Mineral Resource [1] Reporting Date | Mineral Resource Category | Tonnes | Gold Grade (g/t) | Silver Grade (g/t) | Gold (contained ounces) | Silver (contained ounces) |
|---|---|---|---|---|---|---|
| **ASMAR** | | | | | | |
| March 2014 [3] | Measured | - | - | - | - | - |
| | Indicated | 1,636,000 | 1.2 | 21 | 64,000 | 1,082,000 |
| | Inferred | 1,509,000 | 1.4 | 12 | 68,000 | 577,000 |
| | Total | 3,145,000 | 1.3 | 16 | 132,000 | 1,659,000 |
| March 2017 [6] (depleted to 31 Dec 2016) | Measured | - | - | - | - | - |
| | Indicated | 1,522,000 | 1.2 | 21 | 60,000 | 1,009,000 |
| | Inferred | 1,495,000 | 1.4 | 12 | 67,000 | 576,000 |
| | Total | 3,017,000 | 1.3 | 16 | 127,000 | 1,584,000 |
| **BULUH** | | | | | | |
| November 2013 [2] | Measured | 3,000 | 7.4 | 12 | 800 | 1,000 |
| | Indicated | 14,000 | 3.9 | 13 | 1,300 | 5,000 |
| | Inferred | 14,000 | 3.1 | 13 | 1,400 | 6,000 |
| | Total | 28,000 | 3.9 | 13 | 3,500 | 12,000 |
| March 2017 [6] (depleted to 31 Dec 2016) | Measured | 3,000 | 7.4 | 12 | 800 | 1,000 |
| | Indicated | 10,000 | 4.1 | 13 | 1,300 | 4,000 |
| | Inferred | 14,000 | 3.1 | 13 | 1,400 | 6,000 |
| | Total | 27,000 | 4.0 | 13 | 3,500 | 11,000 |
| **BUJANG** | | | | | | |
| February 2015 [4] | Measured | - | - | - | - | - |
| | Indicated | 217,000 | 2.8 | 37 | 20,000 | 261,000 |
| | Inferred | 69,000 | 1.9 | 20 | 4,000 | 44,000 |
| | Total | 286,000 | 2.6 | 33 | 24,000 | 305,000 |
| March 2017 [6] (depleted to 31 Dec 2016) | Measured | - | - | - | - | - |
| | Indicated | 214,000 | 2.7 | 37 | 19,000 | 251,000 |
| | Inferred | 62,000 | 1.7 | 14 | 3,000 | 29,000 |
| | Total | 276,000 | 2.5 | 32 | 22,000 | 280,000 |

**SIAMANG**

| | | | | | | |
|---|---|---|---|---|---|---|
| March 2015 [5] | Measured | 60,000 | 2.5 | 48 | 5,000 | 94,000 |
| | Indicated | 178,000 | 2.1 | 28 | 12,000 | 160,000 |
| | Inferred | 190,000 | 1.8 | 22 | 11,000 | 134,000 |
| | Total | 428,000 | 2.0 | 28 | 28,000 | 388,000 |
| March 2017 [6] (depleted to 31 Dec 2016) | Measured | 1,000 | 1.0 | 22 | 40 | 1,000 |
| | Indicated | 95,000 | 2.1 | 27 | 6,000 | 83,000 |
| | Inferred | 182,000 | 1.8 | 21 | 10,000 | 123,000 |
| | Total | 278,000 | 1.9 | 23 | 17,000 | 207,000 |

**TEMBANG-ANANG**

| | | | | | | |
|---|---|---|---|---|---|---|
| March 2014 [3] | Measured | - | - | - | - | - |
| | Indicated | 170,000 | 2.5 | 29 | 14,000 | 160,000 |
| | Inferred | 55,000 | 2.1 | 30 | 4,000 | 53,000 |
| | Total | 226,000 | 2.4 | 29 | 17,000 | 214,000 |

Notes to Table 4:

[1] Mineral Resources are inclusive of Ore Reserves

[2] updated in November 2013 by Mr Rob Spiers of HS&C Consultants Pty Ltd in compliance with JORC 2012

[3] updated March 2014 by Mr Chris Black of Cube in compliance with JORC 2012

[4] updated February 2015 by Mr Chris Black of Cube in compliance with JORC 2012

[5] updated March 2015 by Mr Chris Black of Cube in compliance with JORC 2012

[6] previous JORC 2012 Mineral Resource estimate is depleted by mine production to 31 December 2016.

- Mineral Resource estimates have been rounded to the nearest 1,000 tonnes; 0.1 g/t gold grade and 1.0 g/t silver grade, and 1,000 oz contained metal.

The net reductions in the Asmar, Buluh, Bujang and Siamang Mineral Resources to 31 December 2016 are primarily due to mining depletion since the commencement of open pit mining operations in July 2015.

## Ore Reserve Statement as at 31 December 2016

The updated Tembang Ore Reserve encompasses the Belinau, Berenai, Asmar, Tembang-Anang, Bujang and Buluh-Siamang) deposits.

The Ore Reserve is based on the Mineral Resource estimates as at 31 December 2016 using a gold price of US$1,250 per ounce and a silver price of US$15 per ounce.

**Table 5: Tembang Gold-Silver Operation – Ore Reserve Statement as at 31 December 2016**

| Deposit | Ore Reserve Category | Tonnes (x 1,000) | Au (g/t) | Ag (g/t) | Au (oz) | Ag (oz) |
|---|---|---|---|---|---|---|
| Belinau Undergound | Proved | 33 | 6.0 | 44.7 | 6,000 | 48,000 |
| | Probable | 354 | 4.3 | 27.8 | 49,000 | 316,000 |
| | Total | 387 | 4.4 | 26.6 | 55,000 | 363,000 |
| **TOTAL UNDERGROUND** | **Proved** | **33** | **6.0** | **44.7** | **6,000** | **48,000** |
| | **Probable** | **354** | **4.3** | **27.8** | **49,000** | **316,000** |
| | **TOTAL** | **387** | **4.4** | **29.2** | **55,000** | **363,000** |
| Berenai Open Pit | Proved | | | | | |
| | Probable | 444 | 2.0 | 19.1 | 29,000 | 272,000 |
| | Total | 444 | 2.0 | 19.1 | 29,000 | 272,000 |
| Asmar Open Pit | Proved | | | | | |
| | Probable | 644 | 1.6 | 29.2 | 34,000 | 603,000 |
| | Total | 644 | 1.6 | 29.2 | 34,000 | 603,000 |
| Buluh Open Pit | Proved | | | | | |
| | Probable | 47 | 3.0 | 17.0 | 5,000 | 26,000 |
| | Total | 47 | 3.0 | 17.0 | 5,000 | 26,000 |
| Bujang Open Pit | Proved | | | | | |
| | Probable | 62 | 3.2 | 48.6 | 6,000 | 98,000 |
| | Total | 62 | 3.2 | 48.6 | 6,000 | 98,000 |
| Tembang-Anang | Proved | | | | | |
| | Probable | 63 | 1.6 | 31.1 | 3,000 | 63,000 |
| | Total | 63 | 1.6 | 31.1 | 3,000 | 63,000 |
| **TOTAL OPEN PIT** | **Proved** | | | | | |
| | **Probable** | **1,260** | **1.9** | **26.2** | **77,000** | **1,062,000** |
| | **TOTAL** | **1,260** | **1.9** | **26.2** | **77,000** | **1,062,000** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **TOTAL OPEN PIT & UNDERGROUND** | **Proved** | **33** | **6.0** | **44.7** | **6,000** | **48,000** |
| | **Probable** | **1,614** | **2.4** | **26.6** | **126,000** | **1,378,000** |
| | **TOTAL** | **1,647** | **2.5** | **26.9** | **132,000** | **1,426,000** |

The updated Tembang Ore Reserve estimate is based on the updated Mineral Resource estimates, as detailed in this announcement, with modifying factors applied. The modifying factors and associated criteria used in determining the Ore Reserve are summarised as follows and detailed in Appendix A:

- Geological models used in the estimation are summarised in Appendix A: Table 1 Report: Modelling Techniques.
- Cut-off grades were determined based on actual unit costs currently being experienced at the Tembang operations. A gold-equivalent cut-off grade taking into account silver credits was used for modelling purposes. Mineral Resources are reported to gold cut-off grades only for comparison

purposes. In determining gold-equivalent grades, the Company has used a price of US$1,250 per ounce for gold and US$15 per ounce for silver with recoveries of 90% and 75% respectively. These assumptions for gold and silver provide a silver to gold ratio of 70 to 1.

- Conventional long hole stoping mining methodology with waste backfill has previously been applied to Belinau underground. The operation is currently changing over to modified shrinkage stoping with waste backfill. This methodology has been applied to levels below Level 6. Levels 5 and Level 6 are currently using bench cut and fill methods.
- Inferred Resources (<10%), are only utilised in the Ore Reserve estimation when those panels need to be developed in order to access higher grade Indicated Resources (which must be able to carry all costs). This mostly occurs where the bottom of stopes previously classified as indicated in the November 2013 resource now carry some inferred material.
- Underground stoping at Belinau used a 95% mining recovery factor based on the length, continuity and verticality of the ore and variable percentage dilution at zero grade based on a minimum mining width of 1.5m and a 0.2m skin dilution for vein widths greater than 1.5m.
- Conventional drill and blast, load and haul mining methodology is currently being used for the open pits.
- Mining recovery for all open pits is estimated at 95%.
- The open pit dilution envelope for Bujang, Tembang-Anang and Siamang was an additional 10% of tonnes at 0.5 Au g/t grade.
- The open pit dilution envelope for the Berenai deposit is 10% additional tonnes estimated at 0.5 g/t Au and 10g/t Ag.
- Open pit dilution at Asmar is included in the recoverable model resource estimate.
- The processing circuit is a conventional CIL plant, which is used to successfully process all open pit and underground ore feed.
- Metallurgical recoveries applied are based on historical and current recoveries in the CIL plant.
- The Project is fully permitted allowing production to continue for the life of mine.

## Mineral Resource and Ore Reserve Governance Statement

In accordance with ASX Listing Rule 5.21.5, governance of the Company's Mineral Resources and Ore Reserves development and management activities is a key responsibility of the Executive Management of the Company.

Independent geological and mine engineering consultants to the Company oversee reviews and technical evaluations of the estimates and evaluate these with reference to actual physical, cost and performance measures. The evaluation process also draws upon internal skill sets in operational and project management, ore processing and commercial/financial areas of the business.

The Chief Operating Officer (in consultation with nominated industry consultants) is responsible for monitoring the planning, prioritisation and progress of exploratory and resource definition drilling programs across the Company and the estimation and reporting of resources and reserves. These definition activities are conducted within a framework of quality assurance and quality control protocols covering aspects including drill hole siting, sample collection, sample preparation and analysis as well as sample and data security.

A four-level compliance process guides the control and assurance activities:

- Provision of internal policies, standards, procedures and guidelines;

- Mineral Resource and Ore Reserve reporting based on well-founded geological and mining assumptions and compliance with external standards such as the Australasian Joint Ore Reserves Committee (JORC) Codes;
- External review of process conformance and compliance; and
- Internal assessment of compliance and data veracity.

The Executive Management aims to promote the maximum conversion of identified mineralisation into JORC 2012 compliant Mineral Resources and Ore Reserves.

The Company reports its Mineral Resources and Ore Reserves on an annual basis, in accordance with ASX Listing Rule 5.21 and clause 14 of Appendix 5A (the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, or the "JORC Code" 2012 Edition). Mineral Resources are quoted inclusive of Ore Reserves.

Competent Persons named by the Company are members of the Australasian Institute of Mining and Metallurgy (AusIMM) and/or the Australian Institute of Geoscientists (AIG), and qualify as Competent Persons as defined in the JORC Code 2012.

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## About Sumatra Copper & Gold plc

Sumatra Copper & Gold plc (ASX: SUM) is a gold and silver producer and precious metals explorer in southern Sumatra, Indonesia. The Company's flagship asset is its Tembang gold-silver mine, currently in production. The Company also has an extensive exploration portfolio with projects ranging from brownfield, near-production opportunities to strategically located greenfield holdings.

### Directors

Steve Robinson
Non-Executive Chairman

Jocelyn Waller
Non-Executive Director

Gavin Caudle
Non-Executive Director

David Fowler
Managing Director

Adi Sjoekri
Executive Director

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Non-Executive Director

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## Competent Person Statements

### Competent Person's Statement – Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Gary Powell, who is an independent consultant of the company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Powell has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Powell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

### Competent Person's Statement – Underground Ore Reserves

The information in this report that relates the Underground Ore Reserves is based on information compiled by Mr Robert Gregory of Sumatra Copper & Gold, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Gregory has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gregory consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

### Competent Person's Statement – Open Pit Ore Reserves

The information in this report that relates the Underground Ore Reserves is based on information compiled by Mr Dallas Cox of Crystal Sun Consulting who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Cox has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cox consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

### Competent Person's Statement – Mineral Resources - Asmar, Bujang and Tembang-Anang

The information in the report to which this statement is attached that relates to the 2015 Mineral Resources estimates for Asmar, Bujang and Tembang-Anang, is based on information compiled by Mr Chris Black who is a member of the Australian Institute of Geoscientists and was then a full time employee of Cube Consulting Pty Ltd. Mr Chris Black has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian code for reporting of Exploration Results, Mineral Resource and Ore Reserves'. Mr Chris Black has previously consented to the inclusion in the report of the matter based on his information in the form and context in which it appears.

The updated Mineral Resources estimates for Asmar, and Bujang is based on the application of mining depletion to the original 2015 Mineral Resources estimates for Asmar, Bujang and Tembang-Anang, compiled by Mr Chris Black, and is based on information compiled by Mr Gary Powell, who is an independent consultant of the company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Powell has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Powell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

### Competent Person's Statement – Mineral Resources – Berenai and Belinau

The information in the report to which this statement is attached that relates to the Mineral Resources estimate for Berenai and Belinau, is based on information compiled by Mr Denny Wijayadi who is a Member of the Australian Institute of Geoscientists and a full time employee of Cube Consulting Pty Ltd. Mr Wijayadi has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being

undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian code for reporting of Exploration Results, Mineral Resource and Ore Reserves'. Mr Wijayadi consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

### Competent Person's Statement – Mineral Resources - Buluh-Siamang

The information in the report to which this statement is attached that relates to the 2015 Mineral Resources estimate for Buluh-Siamang, is based on information compiled by Mr Robert Spiers who is a member of the Australian Institute of Geoscientists and was then a full time employee of HS&C Consultants Pty Ltd. Mr Robert Spiers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian code for reporting of Exploration Results, Mineral Resource and Ore Reserves'. Mr Robert Spiers consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

The updated Mineral Resources estimates for Buluh-Siamang is based on the application of mining depletion to the original 2015 Mineral Resources estimates for Buluh-Siamang, compiled by Mr Chris Black, and is based on information compiled by Mr Gary Powell, who is an independent consultant of the company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Powell has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Powell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

# APPENDIX A

# INFORMATION MATERIAL TO UNDERSTANDING THE EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESERVES

# JORC Code, 2012 Edition

## JORC TABLE 1: THE INFORMATION IN THIS TABLE REFERS TO THE FOLLOWING PROJECTS: BERENAI AND BELINAU

### Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sampling techniques** | *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* | • Diamond (DH) core and reverse circulation (RC) chips samples are the two main sample types for Berenai.<br>• Diamond (DH) core; reverse circulation (RC) chips and Underground face channel samples are the three main sample types for Belinau. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | • Drilling is typically completed along 25m spaced, regular sections at 25-50m drill hole spacing to ensure that the deposits have representative samples collected.<br>• Underground face channel samples are taken every cut (+/- 3meters), the underground samples were taken at right angles to mineralisation (i.e. horizontal face channel samples) and the location, thickness and tenor outlined is representative of the mineralisation. |
| | *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling* | • The diamond drill core is sampled on selective, regular intervals based on observed geological parameters.<br>• RC chip samples were taken at one metre intervals across the mineralised zones. The samples were split to produce a 3kg subsample that was pulverised to produce a 30 g charge for fire assay. Historic RC sampling practices prior to DNS |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | (PT Dwinad Nusa Sejahtera) are assumed to have been collected using standard industry practice for the time.<br>• Underground face channel samples are taken every cut (+/- 3meters). The underground face channel samples are 3 – 5kg taken at right angles to mineralisation. |
| **Drilling techniques** | *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • PQ/PQ3/HQ/HQ3 sized diamond drill core is used.<br>• Standard wireline triple-tube (split sets) are used.<br>• Core is oriented wherever possible using the spear technique.<br>• Most of the holes were angled grid west on the main vein, except where steep topography did not allow this, to get close to true thickness intersections of the quartz veining.<br>• RC drilling for infill and grade control has been used in Berenai. |
| **Drill sample recovery** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | • A geotechnician is present at each drill rig on a 24hr /7 day basis.<br>• The geotechnician records recovery and RQD at the drill rig before core is moved.<br>• All core is laid out at the rig in ½ PVC pipe for inspection.<br>• The driller marks zones of core loss with wooden block.<br>• Recovered core is measured and compared to each drilling interval.<br>• RC sample recovery is recorded by weighing the complete sample recovered and comparing this to the theoretical volume from the hole multiplied by the estimated bulk density. No RC recovery data is recorded prior to DNS. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | • HQ3 triple tube (split sets) are used to maximize core recovery.<br>• Drillers are informed prior to start of hole where zones of interest are expected.<br>• Once the quartz vein lodes are intersected, drillers use short (1.5m) core runs to maximise recovery. |
| | *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • No consistent relationship between grade and core recovery and therefore no evidence that indicates a systematic sample bias.<br>• Sample recoveries on historic RC samples are unknown, however the RC drilling practices prior to DNS are assumed to have been standard industry practice for the time. |
| **Logging** | *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* | • Drill core is logged for geotechnical and structural geology, lithology, alteration, mineralization and mineralogy, presence and type of quartz veining, and presence/intensity of Fe-oxides.<br>• Structural data including veins, shears, fractures are recorded relative to the core axis.<br>• Where core has been oriented measurements are collected using a “rocket launcher" and recorded as normal strike / dip (as opposed to alpha/beta).<br>• The RC chip samples were logged descriptively and codes are used to describe lithology and alteration type / intensity, as well as various percentages of minerals. |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | • Core logging is both qualitative and quantitative.<br>• Core is logged descriptively and codes are used to describe all alteration type/ intensity, quartz type and intensity as well as various percentages of minerals.<br>• Whole drill core is photographed at the drill rig and half core is photographed again after sampling. |
| | *The total length and percentage of the relevant intersections logged.* | • All diamond drill holes are logged for geotechnical and geological information.<br>• All RC drill chips are logged to a level of detail to support appropriate mineral resource estimation. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sub-sampling techniques and sample preparation** | *If core, whether cut or sawn and whether quarter, half or all core taken.* | • Diamond drill core is sawn lengthwise into two equal parts (halves).<br>• Samples of half core are taken on approximately one metre intervals.<br>• Efforts are made to ensure core samples are greater than 0.5m and no more than 2.0m.<br>• Continuous sampling is completed through mineralized vein lodes and selective sampling is used outside of these mineralised intervals. |
| | *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | • A triple tier splitter was utilised at the RC rig to collect the 1m samples into calico bags for assay. The splitter was cleaned between each samples, whilst the cyclone was cleaned after each 6m rod change. Wet samples are dried prior to splitting to get a representative sample.<br>• Development and stope samples are taken as rock chips by face channel sampling of the mining face according to geological boundaries. |
| | *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | • Diamond core sample size is considered to be appropriate for this style of deposit.<br>• Sampling of half core is minerals industry standard practice.<br>• Sample preparation involves drying, weighing, crushing (95% <5mm) and pulverising (95% <75um) the entire sample using a LM2 pulveriser. |
| | *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | • Duplicate samples are collected and assayed.<br>• Certified reference material or "standards" are utilised. |
| | *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field* | • Duplicates of half-core samples have been taken and demonstrate variability expected in a narrow vein, high grade gold deposit.<br>• Regular and systematic insertion of blanks (1 in 20 samples) and standards (1 in 20 samples) have been carried out since the start of the drilling programs in |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *duplicate/second-half sampling.* | 2007.<br>• The current practice by SCG, for grade control underground face sample is to take a field duplicate every fifty samples. |
| | *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Samples of half diamond drill core is appropriate for the grain size of mineralization being sampled. |
| **Quality of assay data and laboratory tests** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | • Exploration drilling samples are crushed, pulverized and assayed at Intertek Testing Services laboratory http://www.intertek.com/minerals/global-services. The following elements and ITS techniques are used:<br>• Triple acid digestion (HCL/HNO3 /HCLO4).<br>• Au by 50 gram Fire Assay with lower/upper detection limits of 0.005/50 ppm Au.<br>• Ag by 30 g AAS with accurate volumetric finish with lower/upper detection limits of 5/10,000ppm Ag.<br>• Grade control and Underground Face samples are analysed on site by PT. Geoservices http://www.geoservices.co.id/mineral-analysis. Sub-sample of 30 gram pulps are analysed by Aqua Regia methods for Au and Ag. |
| | *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* | • Not Applicable |
| | *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been* | • Duplicates that have been collected and analysed recently demonstrate a level variability expected from a narrow vein, high grade precious metal deposit.<br>• Blanks have not been inserted in the sample steam.<br>• Certified Reference Material (CRM) or "standards" have been inserted into the |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *established.* | sample stream at regular interval (1/20) with results showing that Lab performance is well within industry standard.<br>• Umpire Lab analysis of duplicates of coarse rejects and pulps have been completed at SGS Indo Assay, Jakarta every six months on average with results demonstrating that the primary Lab, Intertek is within industry standards. |
| **Verification of sampling and assaying** | *The verification of significant intersections by either independent or alternative company personnel.* | • No independent sampling has been undertaken by Cube. |
| | *The use of twinned holes.* | • No specific twin holes have been drilled. Based on the close spaced drilling, the mineralisation intersections show high grade variability between the holes. |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | • Drilling data is collected on hard copies (example A3 geological log sheet) and MS Excel files (example sample consignment).<br>• Geologists manually enter drill logs, sample consignments, etc.<br>• Drilling data is stored and managed using MS Access.<br>• Database Administrator receives drilling, geological and assay data and loads directly into MS Access. |
| | *Discuss any adjustment to assay data.* | • No adjustments have been made to assay data, all assays in database are based on original assay results. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Location of data points** | *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* | • In 2007 SCG commissioned PT GeoServices to complete a topographic survey of the Tembang post-mining surface. A set of survey beacons was established tied to the Indonesian UTM national grid. From the pick-up of old drill collar markers and infrastructure a correction factor was established to adjust the existing BTM data to true UTM coordinates.<br>• All drill collars are surveyed by company surveyors using total station survey equipment and tied in to the independently verified system of triangulation benchmarks as outlined above.<br>• All drill holes were surveyed at 50m intervals downhole either with a single shot camera or as with the recent drilling using a digital orientation device. Readings indicate that deviation is minimal. |
| | *Specification of the grid system used.* | • All coordinates are quoted in UTM-UTS Zone 48 South. |
| | *Quality and adequacy of topographic control.* | • Since 2007 the definition of the surface topography has been improved with more detailed survey work. The approximate depths of the flooded pits have been established from raft borne plumb-line surveys. The topographic data used in the reported data was updated in 2014 and includes more than 125,000 individual survey points, and is kept updated during the mining process.<br>• Since backfill was encountered after dewatering Berenai pit in later part of 2016, ammendments to the 2014 surface topography have been estimated for the Berenai, Bujang and Belinau historical open-pits using projections to current pit wall slopes. |
| **Data spacing and distribution** | *Data spacing for reporting of Exploration Results.* | • Exploration data spacing is variable with collar spacing varying from 25m x 25m to 50m x 50m. Grade control data spacing is 12.5m x 5m. Underground face channel samples are taken every cut (+/- 3meters). |
| | *Whether the data spacing and distribution is* | • The data spacing and distribution is sufficient to establish the geological and grade continuity appropriate for the mineral resource estimation. Data spacing |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied* | has been taken into account when determining the mineral resource classification to be applied to the estimate. |
| | *Whether sample compositing has been applied.* | • No compositing has been applied to reporting of drilling results.<br>• Downhole composite has used for Berenai<br>• Compositing of assay data for the Belinau Mineral Resource estimation has used mineralised intercept intervals. |
| **Orientation of data in relation to geological structure** | *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | • Most of the drilling is planned and drilled normal (right) angles to the target vein lodes except in areas where natural or man-made topography can't be avoided. |
| | *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • No material sampling bias caused by drilling direction has been recognized. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sample Security** | *The measures taken to ensure sample security.* | • Drill core samples are moved by vehicle in covered core trays from the drill site to the core processing facility at Tembang Camp.<br>• Company personnel log, photograph and split the core. Half of the core is retained in the core shed as a geological reference and further test work if required.<br>• All samples for assay are bagged in numbered calico sample bags which are then sewn in to polyweave bags for transport and secured with cable wire and labelled security tags.<br>• Samples are dispatched by a regular door to door courier service from the Tembang Site straight to the ITS laboratory in Jakarta.<br>• This is considered to be a secure and reasonable procedure and no instances of tampering with samples have been observed since commencement of drilling activities in 2007. |
| **Audits or reviews** | *The results of any audits or reviews of sampling techniques and data.* | • Representatives of H&S Consultants visited the project site in 2013 to review core handling and sampling procedures and found these procedures to industry best practices.<br>• Representatives of Cube Consulting visited the project site in 2013 and December 2016 to review core handling and sampling procedures and found these procedures to be industry best practices. |

## Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | Explanation |
|---|---|
| **Mineral tenement and land tenure status** | • Sumatra's tenure is under the Indonesian national Izin Usaha Pertambangan or Mining Business License (IUP) system. The Tembang project is held by PT Dwinad Nusa Sejahtera (DNS), a 100% owned subsidiary of SCG, within IUP licence 22/KPTS/DISAMBEN/2009 that covers both the old Rawas Mine site and surrounding area covering a total of approximately 100km2.<br>• Sumatra's tenure is in "production forest" and as such requires a "borrow and use" permit from the Indonesian department of forestry. Sumatra was granted a borrow and use permit for its Dwinad IUP in April 2013 (ASX release 26/04/2013). |
| **Exploration done by other parties** | • CRA (now Rio Tinto) started exploring in the area in 1986 and negotiated a Contract of Work agreement with the government under the name of a PMA company, PT Barisan Tropical Mining (PT BTM). The Rawas deposit was outlined, and regional sampling was carried out elsewhere within the then Contract of Work (COW) boundaries. By 1991, CRA had drilled 81 diamond drill holes for 11,747 metres, and completed over 9,000 metres of trenching mainly focussed on the Berenai and associated vein systems. CRA conducted feasibility at the time and concluded that the deposit did not have the potential to meet CRA's Mineral Resource size criteria.<br>• Laverton took over the BTM CoW and entered the Feasibility Study period in 1991. A move to the Construction period was approved in November 1995. Laverton completed a further 17,148 metres of diamond drilling and 101,388 metres of RC drilling for the feasibility and construction. |
| **Geology** | • The mineralisation at Tembang is considered to be an intermediate sulphidation epithermal style.<br>• Gold-silver bearing quartz sulphide veins are hosted by mostly brittle andesitic rocks of the Miocene Hulusimpang Formation.<br>• Base metals are generally low except at depth in some of the vein systems. |
| **Drill hole information** | • This current report is not disclosing specific drilling results. All recent drill hole intersections have been separately reported.<br>• List of drill holes forming the basis of the Mineral Resource estimates is in the report Appendix 5. |

| | |
|---|---|
| **Data aggregation methods** | • Economic intercepts of gold and silver are calculated and reported using the length-weighted averages of individual samples at a nominal cut-off value of 0.5 g/t Au for Berenai Mineral Resource. This resource is intended to be mined by an open pit. |
| **Relationship between mineralisation widths and intercept lengths** | • The majority of drilling is oriented approximately orthogonal to the known orientation of mineralization. However, the intersection width is measured down the drillhole trace and may not be the true width.<br>• Drilling results are reported as intercept lengths due to the anastomosing nature of mineralized lodes.<br>• Mineral Resource model/estimation wireframes are considered to be true widths. |
| **Diagrams** | • Horizontal plan and vertical section views are included in this report where relevant. |
| **Balanced reporting** | • All mineralised intercepts used in this mineral resource estimate are presented in Appendix 5 of the report. |
| **Other substantive exploration data** | • Not applicable to this report. |
| **Further work** | • The Company is continuing to infill the resource with the intention to convert Mineral Resources to Ore Reserves in a phased manner. |

## Section 3: Estimation and Reporting of Mineral Resources

(Criteria listed in section 1 also apply to this section)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Database integrity** | *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* | • Limited random checks of original laboratory records against the database has not identified any errors. Data has been provided by assay laboratories in digital format. Data transfer for collar locations and assays are done electronically to avoid potential for errors. |
| | *Data validation procedures used.* | • Cube completed validation checks on the database including checks for overlapping sample intervals, checks on minimum and maximum assays, depths, azimuths, dips and co-ordinates for consistency. No material errors were identified. Cube undertook site based checks of the raw assay data to verify that the grade intersections were consistent with a visual inspection of mineralisation in the core. |
| **Site visits** | *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* | • The Competent Person completed a 6 day site visit in December 2016 to review the work done and work on the mineralization models with the site geologists. The site visit review confirmed that the company's logging, sampling and data collection procedures were satisfactory. |
| | *If no site visits have been undertaken indicate why this is the case* | • Not Applicable |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Geological interpretation** | *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* | • The mineralisation at Tembang is considered to be an intermediate sulphidation epithermal style. Gold-silver bearing quartz sulphide veins are hosted by mostly brittle andesitic rocks of the Miocene Hulusimpang Formation. Base metals are generally low except at depth in some of the vein systems.<br>• The confidence in the geological interpretations at Berenai is moderate and has improved from the earlier 2014 interpretation as a result of additional grade control and infill RC drilling programs. Uncertainty lies with the complicated vein geometries associated with the anastomosing & undulating nature of the veining system.<br>• The confidence in the geological interpretations at Belinau is moderate to High and has improved from the earlier 2014 interpretation as a result of underground face sample programs. Uncertainty lies with the vein geometries associated with pinch and swell nature of the veining system. |
| | *Nature of the data used and of any assumptions made.* | • All data used for the estimate was obtained from core logging and core measurements together with secondary information obtained from trench field logging and rock chip sampling to support the near surface projections of the main mineralised zones.<br>• To avoid problems associated with grade smearing, the selection of the intercept thickness for the historic RC was guided by intercept thickness of the adjacent diamond holes in the area.<br>• A combination of geological logging to define the key geological and weathering surfaces and a nominal lower cut-off grade of 0.5g/t Au equivalent was used to define the Berenai mineralisation. A nominal lower cut-off grade of 0.5g/t Au was used for the Belinau mineralisation. |
| | *The effect, if any, of alternative interpretations on Mineral Resource estimation.* | • Alternative interpretations are possible, however the competent person does not expect that the potential alternatives will materially affect the estimated Mineral Resources for the Berenai and Belinau deposits. |
| | *The use of geology in guiding and controlling Mineral Resource estimation.* | • The vein systems at Tembang are constrained by lithologies which are conducive to the style of brittle vein formation noted in the andesitic volcanics that host the main mineralized zones.<br>• Lithological logging data of the main vein systems was used in conjunction with the cut-off |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | grades for interpreting the mineralisation domains for the Berenai and Belinau deposits. These criteria acted as a hard boundary to control the Mineral Resource estimates. |
| | *The factors affecting continuity both of grade and geology.* | • Grade continuity was highly variable as was vein thickness. The factors affecting continuity of grade and geology at Tembang is most likely associated with structural controls and local complexity, the knowledge of which is limited by the current spacing of information. For the Berenai and Belinau deposits, the establishment of continuity of mineralisation has improved using the vein lithologies in conjunction with cut-off grade, rather than just being based on grade cut-off alone. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Dimensions** | *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | **Berenai**<br>• The mineralised domains estimated for the Berenai Mineral Resource, consist of 2 sub-parallel NNW-SSE to NNE-SSW trending lodes dipping moderately to the east. These lodes have a strike length of 500m, with widths varying from 1m to 20m, averaging 5m thick. A third lode which forms a link structure between the 2 lodes trends NE-SW, has a 200m strike length with widths varying between 2m to 10m. Mineralisation extends from surface, where it was previously mined by open pit, to approximately 100-200m below surface. Several minor lodes were also interpreted on the south end of Berenai, and parallel to the main Nuri lodes.<br>**Belinau**<br>• The Belinau mineralized domains have a strike length of approximately 400m striking ENE – WSW, dipping steeply to the SE. Widths vary between 1m to 8m and extend from the surface down to 150 - 200m below the surface. |
| **Estimation and modelling techniques** | *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* | • Surpac version 6.7.3 and Isatis version 16 were used for all estimations.<br>• The estimation techniques adopted below are considered by Cube to be the appropriate methods taking into account the varying styles and nature of the mineralisation lodes that were estimated.<br><br>**Berenai**<br>• Cube selected an Ordinary Kriging (OK) methodology to estimate gold and silver grade using 1m composite data for all Berenai mineralisation domains.<br>• Top cutting was applied to the composite data prior to estimation where necessary, taking into account the influence of higher grade spatial outliers.<br>• Estimation was constrained to within the modeled mineralisation outlines. Estimates were generally based on a minimum number of composites set at 8 and maximum number of composites set at 20. A dynamic search orientation was utilised to control the estimates internally where there are orientation adjustments on high angle to the mineralisation trend. Maximum search ellipse was 75x75x25 metre. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | **Belinau**<br>• Cube selected a 2D modelling approach using Ordinary Kriging (OK) to estimate accumulation gold and silver and horizontal width, then back calculated to get gold and silver grades.<br>• Top cutting was applied to the intercept composite data prior to estimation where necessary, taking into account the influence of higher grade spatial outliers.<br>• Estimation was constrained to within the 0.5g/t Au based 3D wireframes. Estimates were based on a minimum number of composites set at 8 and maximum number of intercept composites set at 16. Maximum search ellipse was set at 100m at first pass and 200m at second pass.<br>• Grade limiting distance of 10 meters for grade accumulation above 40 gram-meters was applied within the subdomain with face sample data and 30 meters for grade accumulation above 40 gram-meters outside the subdomain with face sample data. |
| | *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* | **Berenai**<br>• Previous estimates were undertaken by Cube in 2015.<br>• The differences between the current and previous estimates is explained by the additional grade control drilling and the re-interpretation of data.<br>**Belinau**<br>• Previous estimates were undertaken by H&S in 2014.<br>• The differences between the current and previous estimates is explained by the additional drilling, underground face sample data, inclusion of RC drill data and re-interpretation.<br>• The inclusion of selective historic RC data was decided after sensitivity analysis that showed that there is no significant difference in total metal, however use of the historic RC data provided additional data to the variability of the estimation on a local scale. |
| | *The assumptions made regarding recovery of by-products.* | • No by-product recoveries were considered. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* | • No deleterious elements were estimated in the Berenai and Belinau Mineral Resource estimates. |
| | *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* | **Berenai**<br>• Block sizes for the Berenai OK estimate, Berenai and Nuri lodes utilised 12.0mN, 4.0mE and 5.0mRL sized parent blocks, sub-celling down to 3.0mN, 1.0mE and 1.25mRL. The Central lodes utilised 6.0mN, 4.0mE and 5.0mRL sized parent blocks, sub-celling down to 3.0mN, 1.0mE and 1.25mRL. The bulk of the drilling data was spaced at 25m to 50m. A dynamic search orientation was utilised to control the estimates internally where there are orientation adjustments on high angle to the mineralisation trend that represent echelon mineralization within the mineralization envelopes. The maximum search ellipse was 75x75x25 metre.<br><br>**Belinau**<br>• Block sizes for the Belinau 2D OK estimate was 5m x 5m for the subdomain where face sample data are available and 20m x 20m for the rest of the area where the drilling data was spaced at 25m to 50m. Maximum omni directional search was 100 metres. |
| | *Any assumptions behind modelling of selective mining units.* | • SMU's were not employed during the modelling of the Berenai and Belinau models as the estimation used was OK and not recoverable estimation techniques. However the capacity to mine the vein systems for Berenai was taken into account by setting a minimum mining width 2m. |
| | *Any assumptions about correlation between variables.* | • No correlation between elements was investigated by Cube, however both gold and silver are the result of the same mineralisation process and are spatially related. This aspect was not required to be used in the estimate as both elements were equally represented in the data set.<br>• Both gold and silver were estimated separately within the same mineralisation domains. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Description of how the geological interpretation was used to control the Mineral Resource estimates.* | • For the Berenai models, the geological framework was used to establish local vein geometries upon which the vein models were based within which the estimates were undertaken and constrained as hard boundaries.<br>• The broad mineralisation domain for Belinau acted as a hard boundary to control the Mineral Resource estimates. Sub-domaining utilised a soft boundary approach to control the estimate that was based on face sample data which is closer spaced as compared to the drilling data. |
| | *Discussion of basis for using or not using grade cutting or capping.* | • Cube used histograms, log-transformed probability plots and percentile analysis for each individual domain to identify population outliers. Spatial location of the outliers was taken into consideration for the application of high grade cuts. High grade cuts were applied where necessary to the composites for estimation of the Berenai and Belinau deposits. Grade limiting distance also applied to constrain the influence of the high grade data in areas of wide spaced drilling. |
| | *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | • Block model validation of the Berenai and Belinau Mineral Resource estimates was undertaken using the comparison of model data to drill hole data, utilising swath plots, grade tonnage curves and visual/graphical inspection of block grades against the drill hole data. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Moisture** | *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | • Moisture was not considered in the density assignment. |
| **Cut-off parameters** | *The basis of the adopted cut-off grade(s) or quality parameters applied.* | • Economic factors were considered by the client and supplied to Cube. Cut-off grades for reporting the Mineral Resource estimates are 0.5 g/t gold for the open pit and 2.78 g/t gold for the underground. This is in line with the previously reported Mineral Resource estimates and mineralisation domains.<br>• |
| **Mining factors or assumptions** | *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | • The previous Mineral Resource estimates for the Berenai deposits have been subjected to economic pit optimisations. The deposits have previously been mined using open pit methods (1997-2001), then restarted in July 2015 and is currently an active open mine.<br>• The main vein estimates for Berenai and Belinau do not include dilution other than the incorporation of low grade material into the interpreted domains to maintain continuity if logged vein lithology is present.<br>• The upper part of the Belinau resource has previously been mined using open pit methods, and is currently an active underground mine. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Metallurgical factors or assumptions** | *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.* | • Metallurgical factors were determined based on historical processing results from the Laverton Gold N.L. mining operation at the Tembang site and detailed metallurgical testwork undertaken for the Pre-Feasibility and Definitive Feasibility Studies of the Tembang Project. Testwork has been focused on mineralised resources contained within multiple epithermal quartz veins from within the Tembang Project (Asmar, Belinau, Berenai, Bujang, Buluh and Nuri). Testing performed includes comminution, cyanide leach, gravity and detoxification tests as well as engineering design testwork (viscosity testing and tailings design testwork). |
| **Environmental factors or assumptions** | *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early* | • No assumptions have been made regarding waste or process reside disposal. No issues are anticipated from an environmental perspective in the exploitation of the Mineral Resource. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | |
| **Bulk density** | *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* | • This aspect is dealt with in the next section of the table. |
| | *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* | • Tonnages are estimated on a dry basis.<br>• All bulk density measurements have been carried out by Intertek on a range of half drill core mostly HQ3 and PQ3. The procedure involves waxing the samples to account for any void spaces within the sample. The method is outlined below:<br>• Record the water temperature.<br>• Dry the sample for 8 hours at 105$^{o}$C.<br>• Weight a random 5 % of the samples and record weight Wd (preliminary dry weight).<br>• Dry the sample to get the constant weight and record weight the samples –Wd.<br>• Quickly dip the samples into the molten wax and remove. The aim is to lightly coat the sample in wax so it is water repellant, but not add more weight to the sample. If any part of the sample is not coated properly complete the waxing with a brush.<br>• Allow the sample and wax to dry.<br>• Weight the wax coated samples in air Wca.<br>• Place the coated sample in the basket and record the coated submerged weight Wcs. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • Leave the sample in the basket for 2 minutes. If any bubbles appear the wax coating was not sealed properly. Recoat the sample and repeat.<br>• Calculations<br>• $DBD = \frac{Wd \times Dw}{Wca(1 - Dw/Dc) - Wcs + Wd(Dw/Dc)}$<br>• Where<br>• Wd = Weight of dry core measured in air<br>• Wca = Weight of wax coated core measured in air<br>• Wcs = Weight of coated core submerged in water<br>• Dw = Density of water<br>• Dc = density of coating |
| | *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | **Berenai**<br>• The bulk density for Berenai was applied based on oxidation state. Bulk density values are based on all available data.<br>**Belinau**<br>• Due to the variable nature of the oxidation profiles and data availability over the Belinau project areas, the bulk density for Belinau was a combination of assigned values based on oxidation stage for oxide and transition. The bulk density was estimated inside the mineralized fresh zone using ID2 technique. |
| **Classification** | *The basis for the classification of the Mineral Resources into varying confidence categories.* | • The Indicated and Inferred Mineral Resources classification for the Berenai and Belinau estimates is based on the data spacing, quality of estimation, confidence in the continuity of geology and mineralisation and confidence in the estimation. |
| | *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in* | • All relevant factors have been taken into account into the classification criteria of the Berenai, and Belinau Mineral Resource estimates. These include data spacing, quality of assay data and bulk density data, confidence in the continuity of geology and mineralisation and confidence in the estimation. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *continuity of geology and metal values, quality, quantity and distribution of the data).* | |
| | *Whether the result appropriately reflects the Competent Person's view of the deposit.* | • The Berenai and Belinau Mineral Resource estimates appropriately reflect the Competent Person's view of these deposits.<br>• It should be noted that geological variations on a local scale not defined by the current drill spacing, will occur resulting from geological complexity and the likely anatomizing, pinching and swelling nature of the mineralised systems. Variations at this scale are not represented in the current Mineral Resource models. Infill drilling to a closer spacing will allow the mineralisation to be interpreted at a more local scale potentially leading to a better understanding of the continuity of higher grade zones. |
| **Audits or reviews** | *The results of any audits or reviews of Mineral Resource estimates.* | • The Mineral Resources have been estimated by Independent Consultants, Cube Consulting<br>• No independent reviews of these Mineral Resources have been completed. |
| **Discussion of relative accuracy/ confidence** | *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the Mineral Resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and* | • The relative accuracy of the Berenai and Belinau Mineral Resource estimates is reflected in the classification in accordance with the guidelines set out in the 2012 JORC code.<br>• Descriptions of drilling techniques, survey, sampling/sample preparation, analytical techniques and database management/validation provided by SCG would indicate that assay data collection, quality control and management is well within industry standards. It is Cube's assessment that on balance the database represents an accurate record of the drilling undertaken at the project. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *confidence of the estimate.* | |
| | *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* | • The Berenai and Belinau Mineral Resource estimates are considered to be global grade and tonnage estimates given the quality and density of the informing data. Infill drilling will improve confidence at a local scale. |
| | *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | • As a result of production blending from multiple sources, no accurate production records on a deposit basis are available. |

# JORC TABLE 1: THE INFORMATION IN THIS TABLE REFERS TO THE FOLLOWING PROJECTS: ASMAR, BERENAI, BULUH-SIAMANG, BUJANG & TEMBANG-ANANG

## (previously reported on 25 March 2014)

## Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sampling techniques** | *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* | • Mineral Resource estimates being disclosed in this media release relates specifically and predominantly to samples of diamond drill core, and lesser Reverse Circulation (RC) drill samples.<br>• Diamond drilling and diamond core samples and RC samples considered to be appropriate for the style of mineal deposit under investigation. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | • Drilling is typically completed along 25m spaced, regular sections at 25-50m drill hole spacing to ensure that the deposits have represenatative samples collected |
| | *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse* | • Industry Standard Work where diamond drill drilling is carried out and core sampled on selective, regular intervals based on observed geological parameter |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | |
| **Drilling techniques** | *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • PQ/PQ3/ HQ/HQ3 sized diamond drill core is used<br>• Standard wireline triple-tube (split sets) are used.<br>• Core is oriented where ever possible using the spear technique.<br>• Most of the holes were angled grid west on the main vein, except where steep topography did not allow this, to get close to true thickness of the quartz veining. |
| **Drill sample recovery** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | • A geo-technician is present at each drill 24/7.<br>• Geotechnician records recovery and RQD at the drill befoe core is moved.<br>• All core is laid out at the rig in ½ PVC pipe for inspection.<br>• Driller marks zones of core loss with wooden block.<br>• Recovered core is measured and compared to each drilling interval. |
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | • HQ3 triple tube (split sets) are used to maximize core recovery.<br>• Drillers are informed prior to start of hole where zones of interest are expected.<br>• Once quartz vein lodes are intersected, drillers use short (1.5m) core runs. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Core recoveries for mineralized material >0.4g/t Au averages >85%<br>• It is likely that sample repesentativity is poor in rare zones with sample recoveries <50%<br>• Considering that Mineral Resource estimates are based on 100% diamond drilling and core recioveries <50% are rare it is concluded that there is no appreciable sample bias |
| **Logging** | *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* | • Drill core is logged for geotechncial and structural geology, lithology, alteration, mineralization and mineralogy, presence and type of quartz veining, and presence/intensity of Fe-oxides.<br>• Structural data including veins, shears, fractures are recorded relative to the core axis<br>• Where core has been oriented measurements are collected using a “rocket launcher" and recorded as normal strike / dip (as opposed to alpha/beta) |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | • Core logging is both qualitative and quantitative.<br>• Core is logged descriptively and codes are used to describe all alteration type/ intensity, quartz type and intensity as well as various percentages of minerals.<br>• Whole drill core is photographed at the drill rig and halfcore is photographed again after sampling. |
| | *The total length and percentage of the relevant intersections logged.* | • 100% of all drill holes are logged for geotechnical and geological infomation. |
| **Sub-sampling techniques and sample preparation** | *If core, whether cut or sawn and whether quarter, half or all core taken.* | • Diamond drill core is sawn lengthwise in two equal parts (halves)<br>• Samples of half core are taken on approximately one-meter intervals.<br>• Efforts are made to ensure samples are greater than 0.5m and no more than 2.0m<br>• Continuous sampling is completed through mineralized vein lodes and selectively outside of the these mineralised intervals |
| | *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | • N/A |
| | *For all sample types, the nature, quality* | • Diamond core sample size is considered to be appropriate for this style of deposit. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *and appropriateness of the sample preparation technique.* | • Sampling of half core is minerals industry standard practice.<br>• Sample preparation involves drying, weighing, crushing (95% <5mm), Pulverising (95%<75um) entire sample using a LM2 pulveriser |
| | *Quality control procedures adopted for all sub-sampling stages to maximise representativeness of samples.* | • measures taken to ensure sample representativity;<br>o duplicate samples collected<br>o inlcusion of certified reference material or "standards" |
| | *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* | • Duplicates of half-core samples have been taken and demonstrate variabilty expected in a narrow vein, high grade gold deposit |
| | *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Samples of half diamond drill core is appropriate for the grain size of mineralization being sampled. |
| **Quality of assay data and laboratory tests** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | • All samples are completely crushed, pulverized and assayed at Intertek Testing Services laboratory http://www.intertek.com/minerals/global-services The following elements and ITS techniques are used:<br>• Triple acid digestion (HCL/HNO3 /HCLO4).<br>• Au by 50 gram Fire Assay with lower/upper detection limits of 0.005/50 ppm Au.<br>• Ag by 30 g AAS with accurate volumetric finish with lower/upper detection limits of 5/10,000ppm Ag. |
| | *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors* | • Not Applicable |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *applied and their derivation, etc.* | |
| | *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • Duplicates have been collected and analysed recently demonstrating a level variability expected from a narrow vein, high gade precious metal deposit<br>• Blanks have not been inserted with the sample steam<br>• Certfied Reference Material (CRM) or "standards" have been inserted into the sample stream at regular inteval (1/20) with results showing that Lab performance is well within industry standard.<br>• Umpire Lab analysis of duplicates of coarse rejects and pulps have been completed at SGS Indo Assay, Jakarta every six months on average with results demonstrating that the primary Lab, Intertek has a bias within industry standards. |
| **Verification of sampling and assaying** | *The verification of significant intersections by either independent or alternative company personnel.* | • Calculations of significant intersections were previously carried out by then Competent Person Matthew Farmer, MAUSIMM, Exploration Manager and full time employee of Sumatra Copper and Gold plc.<br>• No independent verification of significant intersections have been carried out in 2016 |
| | *The use of twinned holes.* | • No specific twin holes have been drilled however based on the generally close spaced drilling good coorelation of vein lode widths and grades is observed across distances of <25m |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | • Drilling data is collected on hard copies (example A3 geological log sheet) and MS Excel files (example sample consignement).<br>• Geologsts manually enter drill logs, sample consignments, etc.<br>• Drilling data is stored and managed using MS Access.<br>• Database Administrator receives drilling, geological and assay data and loads directly into MS Access. |
| | *Discuss any adjustment to assay data.* | • No adjustments have been made to assay data, all assays in database are based on original assay results. |
| **Location of data** | *Accuracy and quality of surveys used to* | • In 2007 SCG commissioned PT GeoServices to complete a topographic survey of the Tembang post-mining surface. A set of survey beacons was established tied to the Indonesian UTM |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **points** | *locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* | national grid. From the pick-up of old drill collar markers and infrastructure a correction factor was established to adjust the existing BTM data to true UTM coordinates.<br>• All drill collars are surveyed by company surveyors using Theodolite equipment and tied in to the independently verified system of triangulation benchmarks as outlined above.<br>• All drill holes were surveyed at 50m intervals downhole either with a single shot camera or as with the recent drilling using a digital orientation device, any observed deviation is minimal. |
| | *Specification of the grid system used.* | • All coordinates are quoted in UTM-UTS Zone 48 South. |
| | *Quality and adequacy of topographic control.* | • Since 2007 the surface topography has been improved with more detailed survey work, approximate depths to the flooded pits have been established from raft borne plumb-line surveys. The topographic data used in the reported data was updated in 2014 and includes more than 125,000 individual survey points.<br>• Since backfill was encountered after dewatering Berenai pit in later part of 2016, ammendments to the 2014 surface topography have been estimated for the Berenai, Bujang and Belinau historical open-pits using projections to current pit wall slopes. |
| **Data spacing and distribution** | *Data spacing for reporting of Exploration Results.* | • Exploration data spacing is variable with collar spacing varying from 25m x 25m to 50m x 50m. Grade control data spacing is 12.5m x 5m. |
| | *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied* | • The mineralisation and geology show good continuity from hole to hole and is sufficient to support the definition of a Mineral Resource or Ore Reserve and the classifications contained in the JORC Code (2012 Edition). |
| | *Whether sample compositing has been applied.* | • No compositing has been applied to reports drilling results.<br>• Compositing of assay data for Mineral Resource estimation is typically on 1m intervals. |
| **Orientation of data in relation** | *Whether the orientation of sampling achieves unbiased sampling of possible* | • Most of the drilling is planned at normal (right) angles to target vein lodes except in areas where natural or man made topography needs to be avoided. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **to geological structure** | *structures and the extent to which this is known, considering the deposit type.* | |
| | *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • No material sampling bias casued by drilling direction has been recognized. |
| **Sample Security** | *The measures taken to ensure sample security.* | • Drill core samples are moved by vehicle in covered core trays from the drill site to the core processing facility at Tembang Camp.<br>• Company personnel log, photograph and spilt the core. Half of the core is retained in the core shed as a geological reference and for use should further tests be required.<br>• All samples for assay are bagged in numbered calico sample bags which are then sewn in to polyweave bags for transport and secured with cable wire and labelled security tags.<br>• Samples are dispatched by a regular door to door courier service from the Tembang Site straight to the ITS laboratory in Jakarta.<br>• This is considered to be a secure and reasonable procedure and no instances of tampering with samples have ben observed since commencment of drilling activities in 2007. |
| **Audits or reviews** | *The results of any audits or reviews of sampling techniques and data.* | • Both representatives of H&S Consultants and Cube Consulting visited the project site in 2013, reviewed core handling and sampling procedures and found these procedures to be on par with industry best practices.<br>• There has been no independent audits or reviews of historical sampling techniques and data during 2016. |

## Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | Explanation |
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| | |
|---|---|
| **Mineral tenement and land tenure status** | • Sumatra's tenure is under the Indonesian national Izin Usaha Pertambangan or Mining Business License (IUP) system. The Tembang project is held by PT Dwinad Nusa Sejahtera (DNS), a 100% owned subsidiary of SCG, within IUP licence 22/KPTS/DISAMBEN/2009 that covers both the old Rawas Mine site and surrounding area covering a total of approximately 100km2.<br>• Sumatra's tenure is in "production forest" and as such requires a "borrow and use" permit from the Indonesian department of forestry. Sumatra was granted a borrow and use permit for its Dwinad IUP in April 2013 (ASX release 26/04/2013). |
| **Exploration done by other parties** | • CRA (now Rio Tinto) started exploring in the area in 1986 and negotiated a Contract of Work agreement with the government under the name of a PMA company, PT Barisan Tropical Mining (PT BTM). The Rawas deposit was outlined, and regional sampling was carried out elsewhere within the then Contract of Work (COW) boundaries. By 1991, CRA had drilled 81 diamond drill holes for 11,747 metres, and completed over 9,000 metres of trenching mainly focussed on the Berenai and associated vein systems. CRA conducted feasibility at the time and concluded that the deposit did not have the potential to meet CRA's Mineral Resource size criteria.<br>• Laverton took over the BTM CoW and entered the Feasibility Study period in 1991. A move to the Construction period was approved in November 1995. Laverton completed a further 17,148 metres of diamond drilling and 101,388 metres of RC drilling for the feasibility and construction. |
| **Geology** | • The mineralisation at Tembang is considered to be an intermediate sulphidation epithermal style.<br>• Gold-silver bearing quartz sulphide veins are hosted by mostly brittle andesitic rocks of the Miocene Hulusimpang Formation.<br>• Base metals are generally low except at depth in some of the vein systems. |
| **Drill hole information** | • This current report is not disclosing specific drilling results, as all recent drill hole intersections have been separately reported over the past four (4) weeks in two (2) separate announcements dated 24 February 2014 and 4 March 2014. |
| **Data aggregation methods** | • Economic intercepts of gold and silver are calculated and reported using the length-weighted averages of individual samples at a nominal cut-off value of 0.5 g/t Au for Mineral Resources intended to be mined via open pit. |
| **Relationship between mineralisation widths and intercept lengths** | • Dilling results are are reported as intercept lengths due to the anastimosing nature of mineralized lodes.<br>• Mineral Resource model/estimation wireframes consider true widths. |
| **Diagrams** | • No diagrams are included in this report. Relelvant diagrams have already been included in recent announcements to the ASX during 2016. |
| **Balanced reporting** | • Comprehensive tabulation of all exploration intersections over 0.5 g/t Au has been reported as part of this report and previous ASX releases. |
| **Other substantive exploration** | • Not applicable to this report |

| | |
|---|---|
| **data** | |
| **Further work** | • Previous diagrams clearly show where mineralized zones are open. The Company is planning to infill and convert Mineral Resources to Ore Reserves in a phased manner. Two underground drill rigs are planned to arrive on site in Q3 2017, to convert resources to reserves and increase the resource base. |

## Section 3: Estimation and Reporting of Mineral Resources

(Criteria listed in section 1 also apply to this section)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Database integrity** | *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* | • A selection of the database (~10%) was compared back to original laboratory records to assess for transcription error and data entry accuracy. |
| | *Data validation procedures used.* | • Cube completed validation checks on the database including checks for overlapping sample intervals, checks on minimum and maximum assays, depths, azimuths, dips and co-ordinates for consistency. No material errors were identified. Cube undertook site based checks of the raw assay data to verify grade intersections were consistent with a visual inspection of mineralisation in the core. |
| **Site visits** | *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* | • A site visit has been made to Tembang by Cube Consulting in September 2013. The site visit reviewed and was satisfied with the company's logging, sampling and data collection procedures. |
| | *If no site visits have been undertaken indicate why this is the case* | • N/A |
| **Geological interpretation** | *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* | • The mineralisation at Tembang is considered to be an intermediate sulphidation epithermal style. Gold-silver bearing quartz sulphide veins are hosted by mostly brittle andesitic rocks of the Miocene Hulusimpang Formation. Base metals are generally low except at depth in some of the vein systems.<br>• The confidence in the geological interpretations at Tembang is moderate and has improved from |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | the earlier 2011 interpretation as a result of additional diamond core drilling programs & removal of smeared historical RC data. Uncertainty lies with the complicated vein geometries associated with the anastomosing & undulating nature of the veining system. |
| | *Nature of the data used and of any assumptions made.* | • All data used was obtained from core logging and core measurements together with secondary information obtained from trench field logging and rock chip sampling to support the near surface projections of the main mineralised zones.<br>• A combination of geological logging to define the key geological and weathering surfaces and a nominal lower cut-off grade of 0.2g/t Au for the Asmar broad mineralised domain & 0.5g/t Au was used to define the Tembang-Anang, Berenai and Bujang domains. |
| | *The effect, if any, of alternative interpretations on Mineral Resource estimation.* | • Alternative interpretations are possible and likely however the competent persons do not expect that these potential alternatives will materially affect the estimated Mineral Resources for the Tembang-Anang, Berenai and Bujang deposits.<br>• The broad interpretation at Asmar was an attempt to encompass the complete mineralised distribution and produce a model that reduces the risk of conditional bias that could be introduced where the constraining interpretation and data selection is based on a significantly higher grade than the natural geological grade cut-off. Cube believes that alternative interpretations such as deterministic wire-framing for Asmar would be problematic with the current data spacing. |
| | *The use of geology in guiding and controlling Mineral Resource estimation.* | • The vein systems at Tembang are constrained by lithologies which are conducive to the style of brittle vein formation noted over the main mineralized zones being predominantly Andesitic volcanics.<br>• Lithological logging data of the main vein systems was used in conjunction with the cut-off grades for interpreting the mineralised domains for the Tembang-Anang, Berenai and Bujang deposits. These criteria acted as a hard boundary to control the Mineral Resource estimates.<br>• The broad mineralised domain at Asmar acted as a hard boundary to control the Mineral Resource estimates. Sub-domaining utilised a soft boundary to control the estimates internally where there are orientation adjustments to the mineralisation trend, which were based upon the mapped main veining trends. |
| | *The factors affecting continuity both of grade and geology.* | • Grade continuity was both highly variable as was vein thickness. The factors affecting continuity both of grade and geology at Tembang is most likely to be associated with structural controls and local complexity, the knowledge of which is limited with the current spacing of information. For the Tembang-Anang, Berenai and Bujang deposits, the continuity of mineralisation improved using the vein lithologies in conjunction with cut-off grade, rather than just a grade based cut-off alone. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • The broad approach to the Asmar mineralisation modelling is an attempt to model an unbiased interpretation, where the vein lithologies were a complex combination of main vein and stockwork style veining. |
| **Dimensions** | *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | **Tembang-Anang**<br><br>The Tembang-Anang mineralised domains have a strike length of approximately 200m (Tembang striking NW-SE, dipping steeply to the SW & Anang striking NE-SW, dipping steeply to the SE). The SW limit of the Anang domain terminates at a junction with the Tembang domain. Widths vary between 1 to 8m for Tembang and 1 to 2.5m for Anang. Both deposits extend from the surface to 100-120m below the surface.<br><br>**Bujang**<br><br>• The Bujang mineralised domain has a strike length of approximately 180m orientated NNE-SSW, dipping steep to moderately to the west. Widths vary from 1 to 7m in thickness. mineralisation extends from the surface to 140m below the surface.<br><br>**Asmar**<br><br>• The Asmar Mineral Resource area has a strike length varying from 300 metres to 400 metres (parallel to main vein NE-SW trend). With widths varying from 100-400m. Individual quartz veins vary in thickness from centimetre scale in the stockwork veins to 2m for the main veins. Mineralisation extends from surface to approximately 100-170 metres below surface.<br><br>**Buluh - Siamang**<br>• Vein continuities were noted to be highly variable in length over Buluh with interpreted continuities as short as 25m to as long 180m. Vein continuities over the Belinau project area on the main vein is strong with continuity demonstrated in drilling (given the current interpretation) of up to and in excess of +300m. Over Buluh the greatest interpreted true width of ~8m was observed where-as over Belinau the greatest interpreted true width obtained was 7.4m. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Estimation and modelling techniques** | *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* | • Surpac version 6.3 and Isatis version 14 were used for all estimations.<br>• The estimation techniques adopted below are considered by Cube to be the appropriate methods taking into account the varying styles and nature of the mineralisation lodes that were estimated.<br><br>**<u>Tembang-Anang & Bujang</u>**<br><br>• Cube selected Ordinary Kriging (OK) to estimate gold and silver grade from 1m composite data into the mineralisation domains.<br>• Top cutting was applied to the data prior to estimation where necessary, taking into account the influence of higher grade spatial outliers.<br>• Estimation was constrained to within the modeled mineralisation outlines. Estimates were generally based on minimum number of composites set at 2 and maximum number of composite set at 12.The majority of block estimates utilised the full 12 composites. Average domain search orientations were utilised to control the estimates in line with the mineralisation trends. Minor variations in orientation were utilised for the Tembang & Bujang domains. Maximum search ellipse was 60x60x12 metres for Tembang-Anang and 80x80x20m for Bujang.<br><br>**<u>Asmar</u>**<br><br>• Cube selected the Multiple Indicator Kriging (MIK) methodology at Asmar to estimate gold and silver grade from 2m composite data into the main mineralisation domains. A change of support correction was applied to produce a recoverable Mineral Resource estimate at the SMU scale (6.25mE x 6.25mN x 3mRL). This change of support correction was ultimately expressed as a single grade in a Selective Mining Unit (SMU) scale model utilising Local Indicator Kriging (LIK) post processing methodology.<br>• No top cutting was applied for the Asmar MIK/LIK Mineral Resource estimate. The influence of higher grade spatial outliers was moderated by the careful selection of the grade bins and the upper tail above the top grade bin for both Au & Ag, was modelled using a hyperbolic exponential function.<br>• An Ordinary Kriging (OK) estimate at Asmar was also made for the shallow oxide domain utilising top cut data for both Au & Ag. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • Estimation at Asmar was constrained to within the modelled mineralisation outlines. Estimates were generally based on minimum number of composites set at 6 and maximum number of composite set at 30. Maximum search ellipse was 50x50x15 metres.<br><br>**<u>Buluh - Siamang</u>**<br>• Due to the low CV (<=2) observed to exist in the coded datasets for Belinau and Buluh, H&SC considered ordinary kriging to be an appropriate approach to modelling the existing interpreted vein systems.<br>• Data was composited in both cases to 1m composites and both project areas were assessed for the necessity for top cutting of extreme grades. No top cut was applied to Belinau due to the observed support to the high end members in the statistical population by way of probability plots. Top cuts were applied in the Buluh project area one Au sample was cut, BTD-067 from 39.7 to 40.2m at 370g/t Au was replaced with 59.9g/t Au. For silver 2 samples were cut, RDD13252 49.5 to 50.5m at 1190g/t Ag was cut to 680g/t Ag and RDD13252 48.5 to 49.5m at 2350g/t Ag was cut to 680g/t Ag.<br>• Data was coded for modeling in Micromine and exported to GS3 (proprietary H&SC software for modeling) for modelling.<br>• Search criteria for Buluh were in-line with vein geometry at 50mx50mx5 and rotations were aligned with vein orientations for each area with an expansion factor of 1 and data criteria and octants of 12x4x32. Blocks were 2.5x10x5 for x,y and z respectively. For Belinau a search of 57.5x47.5x10 for x,y and z respectively was used with an expansion factor of 1 and data and octants of 12x4x32. Blocks for Belinau were 6.25x2.5x6.25 for x,y and z respectively and rotations were applied in-line with vein geometry. |
| | *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* | • Previous estimates were undertaken in house by SCG in 2011 for the Berenai, Tembang-Anang and Bujang deposits. Differences between these previous estimates are explainable by the additional drilling, removal of potentially smeared RC drill data and re-interpretation.<br>• This Asmar Mineral Resource estimate is an update from the Cube estimate in 2013. Differences between this previous estimate is explainable by the additional drilling and re-interpretation of data.<br>• Previous mining data is not available in a format to adequately check against these current 2014 estimates.<br>• Ordinary Kriging (OK) estimates for Asmar and Berenai were made to check the MIK/LIK and IK estimates using moderately cut data. The resultant mean grade differences were comparable |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | between the estimates. |
| | *The assumptions made regarding recovery of by-products.* | • No by-product recoveries were considered. |
| | *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* | • No deleterious elements were estimated in the Asmar, Berenai, Tembang-Anang and Bujang Mineral Resource estimates. |
| | *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* | **Tembang-Anang**<br>• Block sizes for the Tembang-Anang OK estimate utilised 12.5mN, 12.5mE and 3m RL sized parent blocks, sub-celling down to 3.125mN, 3.125mE and 1.5m RL The bulk of the drilling data was spaced 25 to 50m. Maximum search ellipse was 60x60x12 metres.<br>**Bujang**<br>• Block sizes for the Berenai IK and Bujang OK estimate utilised 25mN, 6.25mE and 3m RL sized parent blocks, sub-celling down to 3.125mN, 3.125mE and 1.5m RL. The bulk of the drilling data was spaced 25 to 50m. Maximum search ellipse was 110x110x30 metres for Berenai and 80x80x20m for Bujang.<br>**Asmar**<br>• Panel block sizes for the Asmar MIK estimate utilised 25mN, 25mE and 6m RL sized blocks. The bulk of the drilling data was spaced 25 to 50m. Maximum search ellipse was 50x50x15 metres<br>**Buluh - Siamang**<br>• The block model size for Belinau is 6.25x2.5x6.25 for x, y and z respectively, rotated to be aligned consistent with vein geometry. For Buluh block sizes employed were 2.5x10x5 for x, y and z respectively rotated to be aligned consistent with vein geometry. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • Search criteria for Buluh were in-line with vein geometry at 50mx50mx5 and rotations were aligned with vein orientations for each area with an expansion factor of 1 and data criteria and octants of 12x4x32. Blocks were 2.5x10x5 for x, y and z respectively. For Belinau a search of 57.5x47.5x10 for x, y and z respectively was used with an expansion factor of 1 and data and octants of 12 minimum data, 4 minimum octants and32 maximum data. Blocks for Belinau were 6.25x2.5x6.25 for x, y and z respectively and rotations were applied in-line with vein geometry. |
| | *Any assumptions behind modelling of selective mining units.* | • SMU's were not employed during the modelling of the Berenai, Tembang-Anang & Bujang models as they were ordinary kriged and not recoverable. The capacity to mine the vein systems was however taken into account in the form of minimum mining widths generally not less than 2m.<br>• The final Asmar LIK block size was 6.25mN, 6.25mE and 3m RL, based upon a likely SMU size similar to what was utilised in the historical Asmar pit. |
| | *Any assumptions about correlation between variables.* | • No correlation between elements was investigated by Cube, however both gold and silver are the result of the same mineralisation process and are spatially related. This aspect was not required to be used in the estimate as both elements were equally represented in the data set.<br>• Both gold and silver were estimated separately within the same mineralisation domains. |
| | *Description of how the geological interpretation was used to control the Mineral Resource estimates.* | • For the Berenai, Tembang-Anang and Bujang models, the geological framework was used to establish local vein geometries upon which the vein models were based within which the estimates were undertaken and constrained as hard boundaries.<br>• The broad mineralised domain for Asmar acted as a hard boundary to control the Mineral Resource estimates. Sub-domaining utilised a soft boundary approach to control the estimates internally where there are orientation adjustments to the mineralisation trend. |
| | *Discussion of basis for using or not using grade cutting or capping.* | • Cube used histograms, log-transformed probability plots and percentile analysis for each individual domain to identify population outliers. Spatial location of the outliers was taken into consideration for the application of high grade cuts. High grade cuts were applied where necessary to the composites for estimation of the Berenai, Tembang-Anang & Bujang deposits.<br>• No top cutting was applied for the Asmar MIK/LIK estimate. The influence of higher grade spatial outliers was moderated by the careful selection of the grade bins and the upper tail above the top grade bin for both Au & Ag, was modeled using a hyperbolic exponential function. Top cuts were applied to the Ordinary Kriging (OK) Asmar estimate to control the effect of spatial outliers, by examining their spatial positional and statistical influence. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | • Block model validation of the Asmar, Berenai, Tembang-Anang, and Bujang Mineral Resource Estimates were undertaken using the comparison of model data to drill hole data, utilising swath plots, tonnage grade curves and visual/graphical inspection of block grades against the drill hole data.<br>• Validation of the MIK & IK estimates for Asmar & Berenai respectively also employed check OK estimates for comparison.<br>• The models for Buluh and Belinau were exported to Micromine for validation on section and plan and by analysis of swaths plots against the informing data. The resource classification for each area was reviewed on section and in plan and by local kriging neighbourhood analysis to assess numbers and proximity of informing data. |
| **Moisture** | *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | • Moisture was not considered in the density assignment. |
| **Cut-off parameters** | *The basis of the adopted cut-off grade(s) or quality parameters applied.* | • Economic factors and consideration were undertaken and supplied to Cube by the client. Cut-off grades for reporting the Mineral Resource estimates above 0.5 g/t gold were used in line with the previously reported Mineral Resource estimates and the mineralisation domain interpretation cut-off criteria.<br>• A nominal lower cut-off grade of 0.2g/t Au, was used to define the Asmar mineralisation domain in an attempt to encompass the complete mineralised distribution and produce a model that reduces the risk of conditional bias that could be introduced where the constraining interpretation and data selection is based on a significantly higher grade than the natural geological grade cut-off. As the gold and silver estimate is a recoverable Mineral Resource, reporting above different cut-offs can be made for gold and silver.<br>• Economic factors and consideration were undertaken and supplied to HS&C by the client. H&SC supplied the Mineral Resource Estimates at a range of cut-off grades from 1g/t Au to 2.78g/t Au for Belinau and at 0.5g/t Au for Buluh. |
| **Mining factors or assumptions** | *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable,* | • The previous Mineral Resource estimates for the Asmar, Berenai, Tembang-Anang, and Bujang deposits have all been subjected to economically favourable pit optimisations. These deposits except for Tembang-Anang have been previously mined using open pit methods, consequently open |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | pit mining is assumed.<br>• The main vein estimates for Berenai, Tembang-Anang, and Bujang, do not contain dilution other than the incorporation of low grade material into the interpreted domains to maintain continuity if the logged vein lithology is present.<br>• The Asmar gold and silver Mineral Resource estimate is a recoverable Mineral Resource, whereby dilution is incorporated into the model.<br>• The client informed H&SC that the minimum mining unit dimensions would be assumed to be 1x2x2.5 for x,y and z respectively. As such H&SC defined the minimum mineralized solid width of 1m in-line with the clients recommendations. In addition H&SC include dilution to the model in the ways of circumstances where there was a break in continuity and no grade present but had the presence of quartz logged, no external / internal dilution skins or intervals were applied to the model by H&SC other than the aforementioned.<br>• Optimisation studies had at the time of this tabling not been completed, as such H&SC are not aware of the ultimate economic depth potential for mining of the existing resource. The Mineral Resource Estimates may in the future be required to be limited by the potential to mine the resource at depth for Buluh (by open cut) and to a lesser extent Belinau as Belinau is planned to be mined underground. |
| **Metallurgical factors or assumptions** | *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.* | • Metallurgical factors were determined based on historical processing results from the Laverton Gold N.L. mining operation at the Tembang site and detailed metallurgical testwork undertaken for the Pre-Feasibility and Definitive Feasibility Studies of the Tembang Project. Testwork has been focused on mineralised resources contained within multiple epithermal quartz veins from within the Tembang Project (Asmar, Belinau, Berenai, Bujang, Buluh and Nuri). Testing performed includes comminution, cyanide leach, gravity and detoxification tests as well as engineering design testwork (viscosity testing and tailings design testwork). |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Environmental factors or assumptions** | *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | • No assumptions have been made regarding waste or process reside disposal. No issues are anticipated from an environmental perspective in the exploitation of the Mineral Resource. |
| **Bulk density** | *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* | • This aspect is dealt with in the next section of the table. |
| | *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs,* | • Tonnages are estimated on a dry basis.<br>• All bulk density measurements have been carried out by Intertek and have done on a range of half drill core mostly HQ3 and PQ3. The procedure involves waxing the samples to account for any void spaces within the sample. The method is outlined below: |

| Criteria | JORC Code explanation | Commentary |
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| | *porosity, etc), moisture and differences between rock and alteration zones within the deposit.* | • Record the water temperature.<br>• Dry the sample for 8 hours at 105°C.<br>• Weight a random 5 % of the samples and record weight Wp (preliminary dry weight).<br>• Dry the sample to get the constant weight and record weight the samples –Wd.<br>• Quickly dip the samples into the molten wax and remove. The aim is to lightly coat the sample in wax so it is water tight, but not add more wax to the sample necessary. If any part of the sample is not coated properly complete the waxing with a brush.<br>• Allow the sample and wax to dry.<br>• Weight the wax coated samples in air Wca.<br>• Place the coated sample in the basket and record the coated submerged weight Wcs.<br>• Leave the sample in the basket for 2 minutes. If any bubbles appear the wax coating was not sealed properly. Recoat the sample and repeat.<br>• Calculations<br>• $DBD = \frac{Wd \quad X \ Dw}{Wca\ (1 - Dw/Dc) - Wcs + Wd\ (Dw/Dc)}$<br>• Where<br>• Wd = Weight of dry core measured in air<br>• Wca = Weight of wax coated core measured in air<br>• Wcs = Weight of coated core submerged in water<br>• Dw = Density of water<br>• Dc = density of coating |
| | *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | • Due to the variable nature of the oxidation profiles over the Belinau and Buluh project areas, density was modelled as an attribute of the model such that each block was assigned an estimates density value.<br>• Asmar Only: Bulk density values for each lithology type at Asmar were assigned into the block model estimate, based upon statistical analysis of measured Bulk Density values. Assigned values were reasonable for this style of mineralisation and oxidation state.<br>• There may be some risk that the bulk density data available for Asmar represents slightly higher values than reality, particularly for the oxide and transition zones and regions of high core |
| **Classification** | *The basis for the classification of the Mineral Resources into varying* | • The Indicated and Inferred Mineral Resources classification for the Asmar, Berenai, Tembang-Anang, and Bujang estimates is based on the data spacing, quality of assay data and bulk density |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *confidence categories.* | data, confidence in the continuity of geology and mineralisation and confidence in the estimation. |
| | *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* | • All relevant factors have been taken into account into the classification criteria of the Asmar, Berenai, Tembang-Anang, and Bujang Mineral Resource estimates. These include data spacing, quality of assay data and bulk density data, confidence in the continuity of geology and mineralisation and confidence in the estimation. |
| | *Whether the result appropriately reflects the Competent Person's view of the deposit.* | • The Asmar, Tembang-Anang, and Bujang Mineral Resource estimates appropriately reflect the Competent Person's view of these deposits.<br>• It should be noted that geological variations on a local scale not defined by the current drill spacing, will occur resulting from geological complexity and the likely anatomising nature of the mineralised systems. Variations at this scale are not represented in the current Mineral Resource models. Infill drilling to a closer spacing will allow the mineralisation to be interpreted at a more local scale potentially leading to a better understanding of the continuity of higher grade zones. |
| **Audits or reviews** | *The results of any audits or reviews of Mineral Resource estimates.* | • The Mineral Resources have been estimated by Independent Consultants, Cube Consulting<br>• No independent reviews of these Mineral Resources have been completed. |
| **Discussion of relative accuracy/ confidence** | *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the Mineral Resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that* | • The relative accuracy of the Asmar, Tembang-Anang, and Bujang Mineral Resource estimates is reflected in the classification in accordance with the guidelines set out in the 2012 JORC code.<br>• Descriptions of drilling techniques, survey, sampling/sample preparation, analytical techniques and database management/validation provided by SCG would indicate that assay data collection, quality control and management is well within industry standards. It is Cube's assessment that on balance the database represents an accurate record of the drilling undertaken at the project.<br>• The Buluh Mineral Resource Estimate was presented by H&SC at a range of confidence categories, Measured, Indicated and Inferred which H&SC believe reflects the quality of the input data, and associated checks put in place to assess the quality control and quality assurances of that data |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *could affect the relative accuracy and confidence of the estimate.* | |
| | *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* | • The Tembang-Anang, and Bujang Mineral Resource estimates are considered to be global grade and tonnage estimates given the quality and density of the informing data. Infill drilling will improve confidence at a local scale.<br>• Although the Asmar Mineral Resource estimate is a recoverable estimation (ultimately by local indicator kriging), it is based on relatively moderate to wide spaced data estimated into panel sized blocks, and is therefore of moderate confidence at the local scale, and should still be regarded as a global estimate. The "localisation" is merely a post processing process on panel sized blocks to show a likely grade tonnage profile at the nominated SMU size.<br>• Buluh-Siamang estimates are considered to be adequate global grade and tonnage estimates given the quality and density of the informing data with the prevision and understanding that the interpreted mineralization model could be one of a number of solutions to the vein orientations which as yet is to be definitively proven by infill drilling over sections of the project areas. |
| | *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | • No accurate production records were kept on a deposit basis by the previous miners so there are no records against which to compare against. |

# JORC TABLE 1: THE INFORMATION IN THIS TABLE REFERS TO THE FOLLOWING PROJECTS: BELINAU, ASMAR, BERENAI, BULUH-SIAMANG, BUJANG & TEMBANG-ANANG

## Section 4: Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section)

| Criteria | JORC Code explanation |
|---|---|
| **Mineral Resource estimate for conversion to Ore Reserves** | • The Ore Reserve estimates for Buluh-Siamang, Bujang, Asmar and Tembang Anang are based on the Mineral Resource estimates carried out by Cube Consulting from November 2013 to March 2015.<br>• The Ore Reserve estimates for Belinau and Berenai are based on the Mineral Resource estimates completed by Cube Consulting in March 2017.<br>• The Mineral Resources are reported inclusive of Ore Reserves. |
| **Site Visits** | • Numerous site visits have been conducted by each of the Competent Persons during 2016.<br>• The Competent Person is satisfied that the descriptions of the infrastructure and locality provided by Sumatra Copper & Gold along with the recently amended 3D topography is sufficient information to carry out the mine design and classify the Ore Reserves. |
| **Study Status** | • The Competent Person is satisfied that the current operating strategy, metallurgical recoveries, geotechnical parameters and costings are applicable to the Ore Reserve estimation. |
| **Cut-Off Parameters** | Cut-off grades were determined based current costings being experienced by the Tembang mining and processing operations. A gold equivalent cut-off grade taking into account silver credits was used. In determining the gold equivalent, the company has used a price of US$1,250 per ounce for gold and US$15 per ounce for silver with recoveries of 90% and 75% respectively. These assumptions for gold and silver provide a silver to gold ratio of 70 to 1. |
| **Mining factors or assumptions** | • **Open Pits**<br>• Ore Reserves have been calculated by generating detailed designed pits for each proposed open pits based on Lerchs-Grossman optimisation pit shells. Berenai open pit was redesigned by Dallas Cox in 2017. All other pits were designed by Entech in 2015. Mining dilution has been applied to all material within the proposed open pits. Mining recovery factors have also been applied post geological interrogation to generate the final diluted and recovered Ore Reserve.<br>• All mining methods are in line with the parameters set out in the Feasibility Study and current operating practices. Waste and |

ore mining will be achieved through the use of 80t excavators, 40t articulated trucks, top-hammer drills and mobile explosive mixing units, along with ancillary equipment such as bulldozers, graders and water trucks.

- The surface mining method is a generic mechanised drill, blast, load and haul system that has been successfully implemented at the operation and is widely used across South-East Asia.
- Geotechnical parameters have been based on DFS standard reports prepared by external consultants. Grade control drilling has been allowed for in the costing.
- Mining recovery of 95% has been applied to the open pit material.
- A mining dilution factor of 10% at 0.5 Au g/t and 10 Ag g/t has been applied to the open pit material except at Asmar where dilution has been taken into account in the resource model estimate.
- This ore dilution is applied to allow for any additional waste being mined during ore extraction from over digging and over break.
- Minimum working area width for the open pits is 20m.
- All Inferred Mineral Resources included in the Ore Reserve solids have had all grade stripped and are hence assumed to be waste.
- Infrastructure required for the surface mining method has been accounted for in the detailed costing and does not impact the economic viability of the Reserve pits.
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- **Belinau Underground**
- Ore Reserves have been calculated by generating detailed mining shapes for all development and stoping blocks. Dilution has been included in the shapes and mining recovery factors and skin dilutions have been applied mathematically after evaluation. These factors have been estimated based on similar narrow-vein shrink stoping operations.
- The mining method is a shrink stoping method with loose waste backfilling. Cemented rock fill pillars are placed to provide sill pillars underneath stoping panels to allow later sill pillar extraction. The mining method has been chosen based on successfully implemented methods at orebodies in the Asia Pacific region with similar characteristics and has been selected for good expected dilution results, excellent mining recovery due to selective hand help mining, ease of implementation, scheduling flexibility and cost-effectiveness.
- Stope sizes have been created to suit the Mineral Resource based on a minimum mining width of 1.5 m and a maximum level interval of 35 m. Ground support for both stoping and development has been designed and costed based on specialist geotechnical advice. Development ground support has been designed as conventional jumbo-installed rock bolts and mesh with cable bolts in intersections. Minor ground support is expected to be required for stoping as required.
- Mining dilution has been applied in the design phase by including 100 mm of waste material on the hangingwall and footwall contacts of the stope. Where orebody width was less than 1.5m, extra planned dilution has been included in the design to ensure the minimum mining width was adhered to. The dilution assumption is considered to be adequate given the relatively small stope void height of 2 m (the distance maintained during the breakage cycle in the stope) During the cleaning cycle, all

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| | additional dilution (if any) will be above the broken ore and will be left in the stope.<br>• Since the resource shape is generally close to vertical and reasonably continuous, and the majority of stope material will be extracted using conventional methods from hanging wall drives and drawpoints, rather than remote loading techniques, a mining recovery of 95% has been applied to all stopes.<br>• Pillar extraction has mining recoveries of between 60% to 80% for the Sill pillars that have cemented fill above. The crown pillars and other pillars that have no cemented fill above have mining recovery of 50%. The 2m Rib Pillars between adjacent stopes will not be recovered.<br>• No special major infrastructure outside of that normally required for a conventional mechanized underground operation will be required. Infrastructure for the mining method has been accounted for in the costing and does not affect the economic viability of the underground mine. |
| **Metallurgical factors or assumptions** | • Ore is processed using the on-site carbon-in-leach plant. This process is proven and commonly used for similar deposits globally and is being successfully used at the Tembang operations.<br>• Metallurgical recovery factor estimates have been determined based on comminution and leach testing on composite drillhole samples. Current metallurgical recoveries are in-line with previous independent testwork carried out by Orway Minerals Consultants to DFS standard and the estimates are as follows:<br>**Belinau**<br>• Gold 92.5%, silver 80%<br>**Asmar**<br>• Gold 86.3%, silver 83.3%<br>**Tembang Anang**<br>Gold 85.5%, silver 80%<br>**Berenai**<br>• Gold 90%, silver 80%<br>**Siamang**<br>• Gold 93.5%, silver 81%<br>**Bujang**<br>• Gold 91.1%, silver 80.9%<br>• The testwork indicates there are no material metallurgical recovery differences between different weathering profiles.<br>• No deleterious elements are known or expected to be contained in the Tembang orebodies.<br>• The Belinau, Asmar, Berenai, Tembang-Anang, Buluh-Siamang and Bujang orebodies have been, and are still successfully processed using the CIL processing plant. |

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| **Environmental** | • To the best of the Competent Person's knowledge the Tembang operation either has or is in the process of getting all required environmental permits including for waste dumps and tailings disposal. The Competent Person is unaware of any reason why such permits will not be granted.<br>• Waste rock characterisation has been carried out by independent experts and detailed management plans for long-term storage of material with potential for environmental impact have been generated.<br>• Waste generated by mining of the Berenai pit will be placed on a waste rock dump located on top of the existing tailings storage facility, which is no longer used.<br>• Waste generated by mining of the Asmar and Tembang Anang pits will be placed on a waste rock dump located on top of the existing Asmar waste dump.<br>• Waste generated by mining of the Bujang pit will be placed on the existing waste rock dump located on top of the existing Bujang waste dump.<br>• Waste generated by mining of the Siamang pit will be placed in the sterile area in the northern zone of the Berenai pit.<br>• All waste generated by the underground operations is planned to be used as backfill in the stopes. |
| **Infrastructure** | • The CIL processing plant has been in operation since 2015.<br>• Power generation is supplied by diesel fueled genset system.<br>• Water is currently sourced from standing bodies of fresh water located within the tenements.<br>• The accommodation camp supplies accommodation and messing facilities for employees and contractors.<br>• The operation enjoys good transportation links and site access via major highways.<br>• There is a deep pool of local and skilled national labour available<br>• All further infrastructure required for the processing and mining of the Ore Reserve will be constructed on as required basis, and has been costed to DFS standard. |
| **Costs** | • Capital costs are based on supplier and contractor quotes through the current operation or an allocation of operating costs in accordance with physical units of production.<br>• Operating costs used in the generation of the Ore Reserve have been based on actual costs, current prices for consumables, actual contract rates for mining catering and electricity generation and current labour costs.<br>• Commodity prices have been assumed based on market consensus prices.<br>• Exchange rates assumed are consistent with current rates.<br>• A revenue-based Indonesian government royalty of 3.75% for gold and 3.25% for silver has been applied in the financial model. |
| **Revenue factors** | • Assumptions for commodity prices have been provided by Sumatra Copper & Gold (US$1,250/oz for gold and US$20/oz for silver) and the Competent Person considers these to be realistic and conservative. |

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| | • An exchange rate of AU$1:US$1 and US$1: IDR13,000 has been sourced from Sumatra Copper & Gold's financial modelling data. |
| **Market assessment** | • Revenue is generated by sale of refined granules to international to international buyers at spot prices.<br>• The Competent Person is satisfied that, based on detailed cost modelling, the Tembang operation has a reasonable profitability buffer against negative product price movements based on the commodity prices used. |
| **Economic** | • A discount rate of 8% was supplied by SCG and used to determine the NPV of the study on which the Reserve Estimate is based. The discount rate is similar to those used in other gold projects in the region. The NPV of the project based on the updated DFS cost model is significantly positive using this discount rate.<br>• No inflation has been built into the cost model due to the relatively short 4 year timeframe of the plan.<br>• Sensitivity analysis indicates that the major profitability driver for the operation is gold price. The project is expected to be cashflow positive in Q2 2017. |
| **Social** | • To the best of the Competent Persons knowledge all agreements are in place and are current with all key stakeholders. |
| **Other** | • To the best of the Competent Person's knowledge, SCG are currently compliant with all legal and regulatory requirements at Tembang, and there is no reason to assume any further required government permits, licenses or statutory approvals will not be granted. |
| **Classification** | • The Ore Reserve has been broken into Proven and Probable categories.<br>• Only Measured material has been converted to a Proven Ore Reserve.<br>• Indicated material has been converted to a Probable Ore Reserve.<br>• The Competent Person believes the classification of the Mineral Resource and hence the conversion to Ore Reserve is appropriate. |
| **Audits and reviews** | • The Ore Reserve has been peer reviewed internally and is considered to be in line with current industry standards.<br>• The cost model on which the costing is based uses current mining and operating costs at the Tembang Project. |
| **Discussion of relative accuracy/confidence** | • The design, schedule and financial model on which the Ore Reserve is based has been completed to a DFS standard, with a correspondingly high level of confidence.<br>• All modifying factors have been applied to designed mining shapes on a global scale as current local data reflects the global assumptions. |