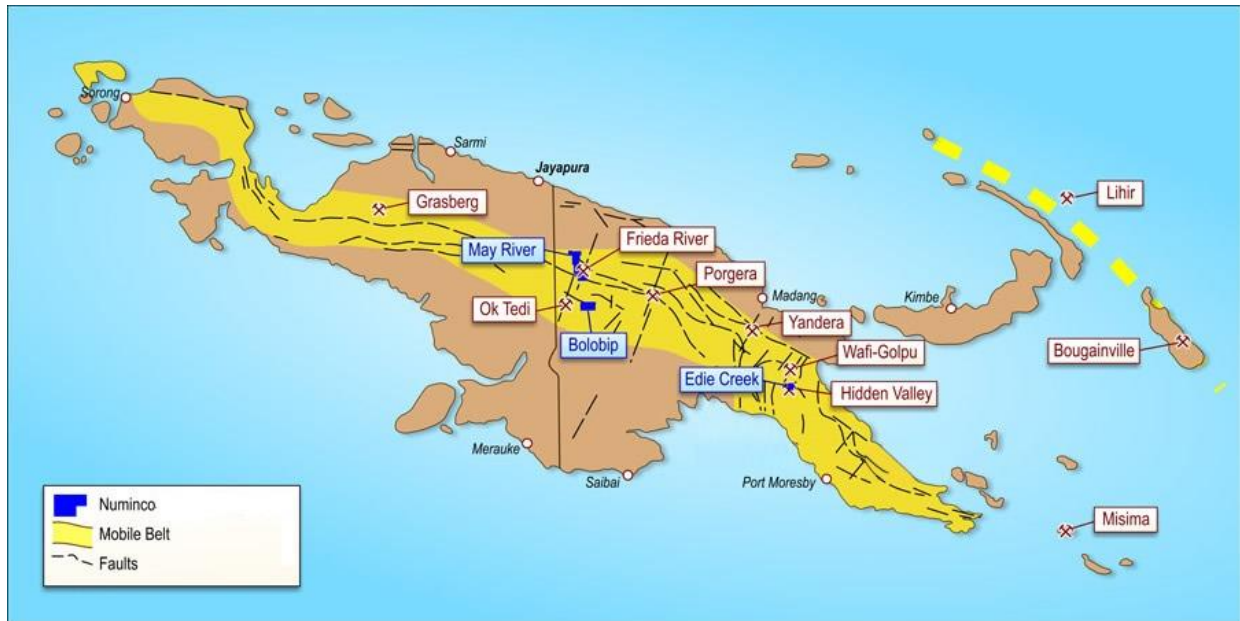




Niuminco Group Limited

JUNE 2017 QUARTERLY ACTIVITIES REPORT

Niuminco Group Limited's objective is to establish a substantial resource base in Papua New Guinea and Australia whilst developing its Edie Creek Mine into a successful and profitable mining operation.



HIGHLIGHTS

- Promising assay results received for the second hole (EDD 025) in the Enterprise / Karuka stock-work and diatreme system, including the following intersections:
 - **12.7m @ weighted average 0.5g/t Au from 10.0m to 22.7m, and**
 - **4.7m @ weighted average 5.6g/t Au from 37.7m to 42.4m,**
 - **including 3.2m @ weighted average 7.6g/t Au from 39.2m to 40.7m.**
 - **continuous mineralization over balance of hole to a maximum grade of 0.6g/t Au.**
- Continued **installation, testing and commissioning of new processing equipment** and circuit to significantly increase throughput and consistency of operations.
- Limited Edie Creek production during new plant installation works -125 wet tonnes of ore processed at an **average grade of 30.9 g/t for sales of AUD\$201,930 (PGK499,747).**
- **Prospectus lodged for IPO of Niuminco's 72.1% owned TNT Mines Ltd** which upon successful completion will **see Niuminco repaid \$963,000.**
- Agreement to **purchase remaining 17% of Edie Creek Mining Leases** on deferred settlement basis.

PAPUA NEW GUINEA PROPERTIES

Edie Creek Mine Mining and Production Update



Newly installed 5 tph ball mill and concentrator

Production for the period 1 April to 30 June, 2017 was 3853g (123.9 ounces) of gold and 4047g (130.1 ounces) of silver for total sales of AUD\$201,930 (PGK499,747).

The 2tph ball mill was removed in late March and whilst the new plant installation and testing work took place over the past three months, limited mining and processing operations continued using the amalgam barrels to process the very small tonnage, high grade material being mined.

A total of **125** wet tonnes of ore was processed at an average grade of **30.9** grams per processed tonne of ore.

Following the successful testing of the new 5tph ball mill and the relocated vibrating screen, installation of the ore feed storage bin, vibrating feeder, conveyor belt and ball mill feed bin has been completed, with testing and commissioning currently being conducted.

The continuing lack of mains power (now for 11 consecutive months), combined with a breakdown of the main back-up site generator in March/April (which required its diesel motor to be replaced) slowed and disrupted the installation and processing operations.

The Company's short term strategy remains focused on achieving increased,

consistent mining and processing throughput of 40 to 60 tonnes per day.

The in-line spinner concentrators are due to undergo repair and upgrading works over the coming weeks so that full and optimum operating capacity is available to coincide with the increased 5tph processing capacity of the new ball mill grinding circuit.



Newly installed mechanical ball mill feeding plant

At current gold prices and exchange rates the current operating cost break-even production level at Edie Creek is approximately 2580 grams (83 ounces) of gold per month.

The new roller crusher is the next item scheduled for installation, and following the installation and commissioning of all the new processing plant and equipment, the Company remains confident that it will achieve these significantly higher production levels.

Additionally, and subject to funding, an upgrade of the Edie Creek mining plant is planned including up to three larger, second-hand bulldozers, a 40 tonne, second-hand articulated tip-truck and at least one new excavator.

DRILLING AT EDIE CREEK

During the Quarter Niuminco Group Limited (“Niuminco” or “the Company”) received the assay results for the second hole, EDD 025, of the planned 10 hole drilling program of the potential bulk-tonnage Karuka -Enterprise stock-work and diatreme zone. The hole was finished at a depth of 126.5 metres.

The Fire Assay results for drill-hole EDD 025 have confirmed the presence of disseminated gold by showing a **weighted average grade of 0.5g/t Au from 10m to 22.7m, a weighted average 5.6g/t Au from 37.7m to 42.4m**, and continuous mineralisation to a maximum of 0.6g/t Au throughout the balance of the hole. This low order tenor, which was consistent throughout the balance of the 126.5m hole, **further confirms the concept of a large disseminated gold-bearing system.**

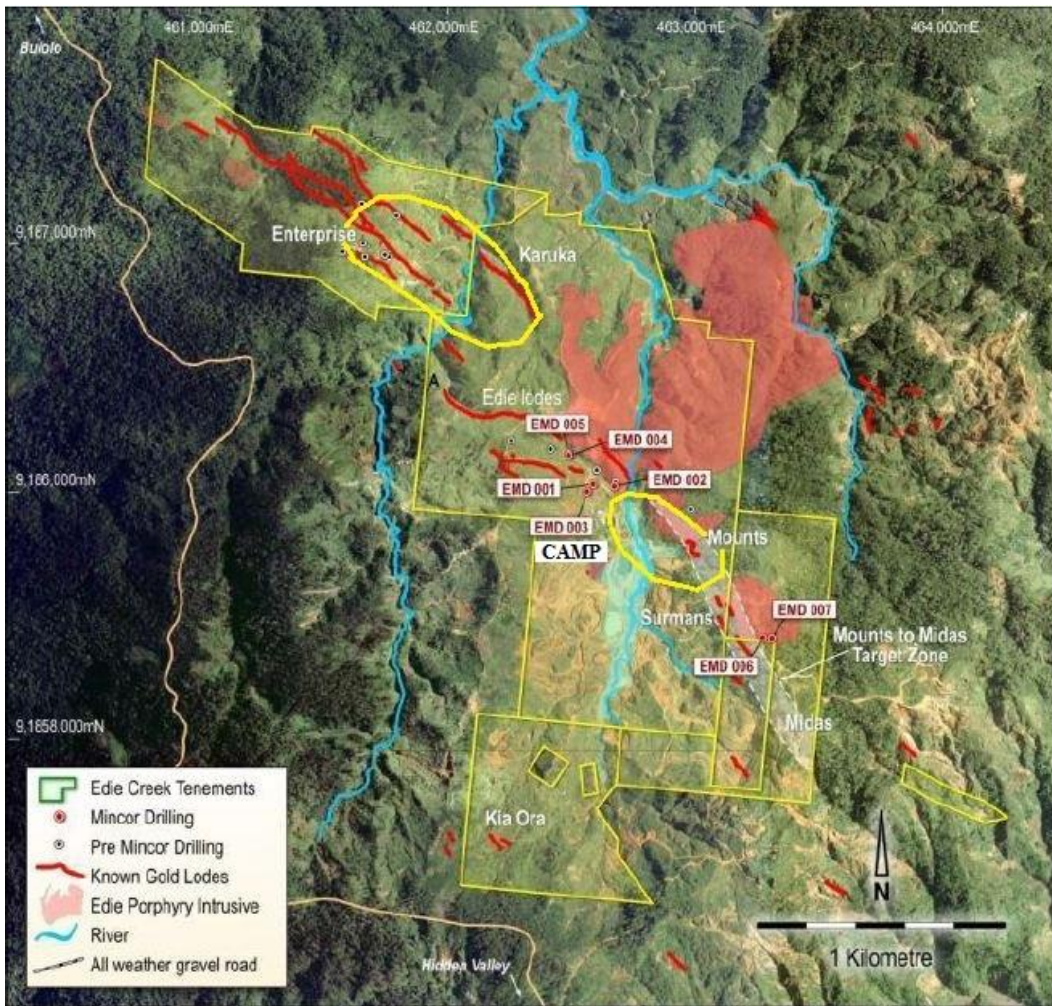
EDD 025 was collared towards the Eastern-end of the Karuka-Enterprise stock-work and diatreme zone, to the west (left) of Slate Creek between the Karuka and Enterprise flags in the figure below.



Edie Creek oblique Google Earth view showing location of infrastructure, vein systems and main targets.

Hole EDD 025 had the following parameters:

HOLE	E	N	RL (m)	AZ AMG	DIP	END DEPTH (m)
EDD 025	462,040	9,186,940	2050	220	60	126.5



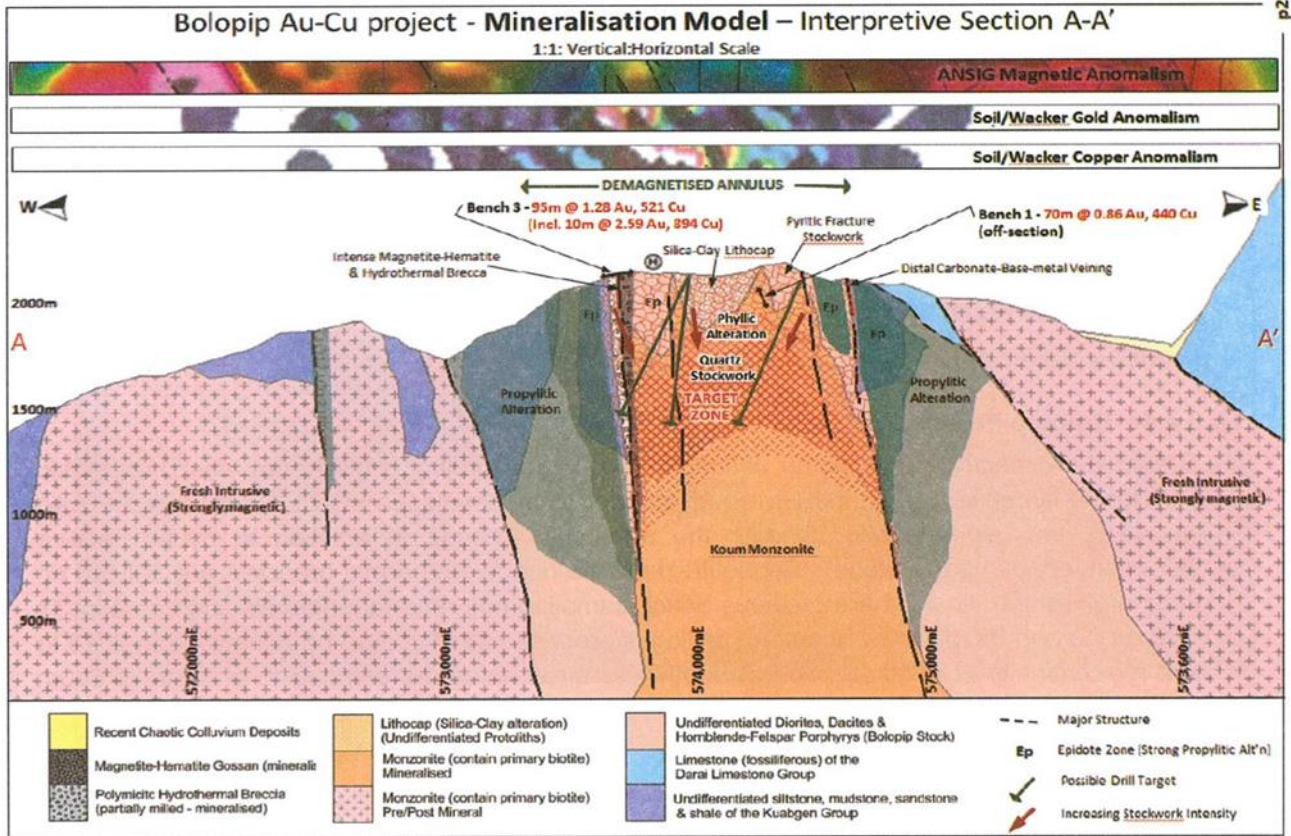
Google earth image showing leases boundaries, main targets & potential stockwork zones.

This program will be recommenced following completion of the initial Bolobip and May River drilling programs.

BOLOBIP AND MAY RIVER EXPLORATION LICENCES

During the Quarter the Mineral Resources Authority approved "Variations to the Exploration Programs" for each of the May River and Bolobip exploration licences (EL 1441 and EL 1438) which significantly reduced the amount of exploration work to be completed, and therefore expenses to be incurred, in the current term. These variation proposals were submitted in February this year.

Planning for the upcoming exploration programs continued for both the highly prospective May River and Bolobip exploration licences (EL1441 and EL1438 respectively). This included finalizing quotes for camp repair works and transportation of the drilling rig and equipment, and the purchase of drilling and ancillary equipment.



Planned Bolobip drill holes

The Company expects to mobilize a drill rig to Bolobip and geologists to May River in the immediate future.

CORPORATE AND TNT MINES LIMITED

The Board and Management continued to advance all the Group's Papua New Guinea projects and finalized the foreshadowed TNT Mines Ltd corporate transaction.



Successful installation of ball mill by the Edie Creek team

After signing a Mandate Letter with Patersons Securities Limited in April for an Initial Public Offering of 27,500,000 shares at \$0.20 and an ASX Listing of the Group's 72.1% owned TNT Mines Ltd (the "Offer"), a Prospectus for the Offer was lodged with the ASIC and the ASX on 29 June, 2017.

Niuminco shareholders have been given the opportunity to participate in the offer on a pro-rata priority basis, and upon the successful completion of the Offer Niuminco Group Limited will be repaid approximately \$960,000 as well as retain a 1.3% shareholding in TNT Mines Ltd.

The Offer, unless extended, is scheduled to close on 18 August, 2017.

On 30 June, 2017 Niuminco Group Limited and two of its subsidiary companies entered into an agreement with Mincor Resources NL to acquire the ordinary shares of its PNG subsidiary, Mincor PNG Ltd which owns 17% of the Edie Creek mining leases, thereby giving Niuminco 100% ownership of these assets on completion of the transaction. The completion is due to take place on 4 August, 2017.

In PNG management continues to focus on increasing the quantity of ore mined and processed at Edie Creek, as well as rapidly advancing the highly prospective Bolobip and May River projects.



Mark Ohlsson
Company Secretary
31 July, 2017

The information in this report that relates to exploration results is based on Information reviewed by John Nethery (BSc Dip Ed.) who is a Fellow of the Australasian Institute of Mining and Metallurgy (Chartered Professional) and a Fellow of the Australian Institute of Geoscientists. Mr Nethery has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

SCHEDULE OF TENEMENTS

Permit Type	Permit Number	Location	Held Via	Beneficial %	Agreement Type
NIUMINCO GROUP LIMITED – PAPUA NEW GUINEA ASSETS					
Exploration licence	EL 1438	Bolobip	Niuminco (ND) Limited	100	
Exploration licence	EL 2363	Hotmin	Niuminco (ND) Limited	100	
Exploration licence	EL 2365	Ama	Niuminco (ND) Limited	100	
Exploration licence	EL 2364	Wameimin	Niuminco (ND) Limited	100	
Exploration licence	EL 1441	May River	Niuminco (ND) Limited	100	
Mining lease	ML 144	Edie Creek	Niuminco Edie Creek Limited	83	Joint venture
Mining lease	ML 380	Edie Creek	Niuminco Edie Creek Limited	83	Joint venture
Mining lease	ML 384-392	Edie Creek	Niuminco Edie Creek Limited	83	Joint venture
Mining lease	ML 402-410	Edie Creek	Niuminco Edie Creek Limited	83	Joint venture
Mining lease	ML 444-446	Edie Creek	Niuminco Edie Creek Limited	83	Joint venture
Mining lease	ML 462	Edie Creek	Niuminco Edie Creek Limited	83	Joint venture
TNT MINES LIMITED – TASMANIAN ASSETS*					
Exploration licence	EL27/2004	Aberfoyle Storeys Creek Royal George	TNT Mines Limited	100	
Retention licence	RL2/2009	Great Pyramid	TNT Mines Limited	100	

* Niuminco Group Limited has a 72.1% interest in TNT Mines Limited.

JORC Code, 2012 Edition – Table 1 report to accompany ASX release July 2017.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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 (eg 'reverse 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 (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sampling reported for Edie Creek is for ½ PQ, HQ or NQ diameter diamond drill core. Holes were generally steeply dipping (>60°) Hole azimuths were generally planned to perpendicularly intercept, or intersect at a high angle, any known or inferred veins, mineralized zones or structural trends. Sampling was done on sawn half core. Consistency of sampling method was maintained by reference to a written protocol. Sampling method is considered appropriate for vein style epithermal gold mineralisation.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). 	<ul style="list-style-type: none"> All holes drilled by Niuminco are triple tube diamond core. Holes were drilled using HQ size core. The core was un-oriented.

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Recoveries recorded on a drill run and sample length basis. • There were some zones of poor recovery in near surface leached and oxidized zones and in intensely altered shear zones. • Overall recovery is acceptable but needs improvement. Most holes average 85% recovery. Recovery in the fresh mineralized zones averages 65%, recovery in oxidised mineralisation is 55%. • Could be grade loss with low recovery in fine gold in wad.
<i>Logging</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All holes were geologically and geotechnically logged to a detail and standard appropriate for mineral resource estimation. • The logs are qualitative/semi-quantitative and record lithology, alteration, mineralogy, mineralization, weathering, strength, fracture numbers and their orientations and other relevant features of the core. • All core recovered is logged
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Samples are taken by cutting the core in half using a diamond saw. • No non-core samples were taken. • Samples were taken based on geological observations of changes in mineral intensity or type. • Sampling protocol is documented with a flow sheet. • Half core samples bagged and dispatched to Intertek Lae/Townsville for crushing, grinding and assay. • All sampling methods and sample sizes are deemed to be appropriate and are similar to sampling protocols used on epithermal gold deposits.
<i>Quality of assay data and</i>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF</i> 	<ul style="list-style-type: none"> • All drill core samples were assayed using a 50g fire assay for Au, Screen Fire Assay of suspected coarse grained gold sections and ICP method for Ag and other elements. • The gold is determined by fire assay by using lead

Criteria	JORC Code explanation	Commentary
<i>laboratory tests</i>	<p><i>instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<p>collection technique with a 50 gram sample charge weight.</p> <ul style="list-style-type: none"> • Assaying carried out by Intertek Lae/Townsville, an accredited lab. • QAQC program involved standards submitted to the laboratory. No lab check carried out to date as the program has only recently started. Outcomes indicate acceptable precision and no obvious bias.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Significant intersections have been verified by the Competent Person and the Edie Creek mine geologists • There were no twinned holes. • Niuminco has a series of written protocols relating to sampling, logging, data entry, data checking and data storage • There have been no adjustments to the assay data.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drillhole collars were located by theodolite survey. Drill collar elevations were also calculated from the theodolite survey conducted by Niuminco over the Edie Creek Mining Leases area. • Expected accuracy is +/-0.1 m for northing and easting and +/-0.1 m for elevation coordinates • WGS84, zone 56S for local GPS work. •
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • This is the first hole of a proposed 10 hole program on the Enterprise – Karuka stockwork zone. • Drilling in this report is of a scout nature and did not follow regular spacing or azimuth. • Downhole sampling is dependent upon intensity of mineralisation. • Compositing has not been applied.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Drilling orientation is believed appropriate with no bias. Where some control to mineralisation distribution is suggested, the drill hole is oriented to perpendicular to the controlling feature. • Where multiple structures of unequal proportions or grade are identified, the drillhole is oriented perpendicular to the higher grade structure • Where multiple structures of equal proportions or grade

Criteria	JORC Code explanation	Commentary
		are identified, the drillhole is oriented to bisect each structure at the highest possible angle.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody is managed by Niuminco. Samples are collected and stored on site by Niuminco personnel. Half core samples are shipped directly to Intertek Lae by mine courier. Tracking sheets track the progress of sample batches.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have been carried out at this stage.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The results reported relate to exploration carried out within Mining Lease Number 462. This is one of the contiguous Mining Leases held by Niuminco collectively known as the Edie Creek Leases. They are ML, 144, 380, 384 - 392, 402 - 410, 444 - 446 & 462. The Leases are issued under the Authority of the PNG Mining Act (1992). Niuminco holds an 83% interest in the ML's. Mincor holds 17%. A royalty on production of Kina10/oz up to 20,000oz and Kina5/oz is payable to Barrick. (2.5 Kina are approximately equal to 1\$Aus). The tenements are in good standing and no known impediments exist.

