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ASX Announcement

4th March 2020 **ASX Code: COY**

Simuku Project Copper-Gold Inferred Mineral Resource Increases by 90% to 374Mt

Highlights

- **The Simuku Project, on the island of New Britain in Papua New Guinea, is host to a large porphyry copper-molybdenum-gold deposit. Coppermoly has recently updated the Mineral Resource to take into account the results of additional drilling**

- **The Mineral Resource on the Simuku Project has been re-estimated and has increased by 90% to 373.6Mt @ 0.31% Cu, 58.5g/t Mo and 0.05g/t Au, at a 0.2% Cu cut-off, classified as Inferred in accordance with the 2012 JORC Code & Guidelines**

- **The Simuku Copper-Molybdenum-Gold Inferred Mineral Resource is open to the north, both along strike and down plunge, indicating that potential exists to further increase the Mineral Resource**

- **Interpretation of Induced Polarisation (IP) data has identified several chargeability anomalies, associated with known sulphide occurrences, in close proximity to the Simuku Mineral Resource, which require field verification and geochemical sampling to determine if drill testing is warranted**

- **Several new porphyry copper target zones have been identified from the correlation of IP, geochemical and geological data, suggesting the Simuku Project could host multiple porphyry copper intrusive bodies**

Coppermoly Limited (**"Coppermoly" or "the Company"**) is pleased to announce the results of an update of the copper-molybdenum-gold Mineral Resource on the Simuku Project on the island of New Britain, Papua New Guinea. The Company has updated the 2009 Mineral Resource[1], taking into consideration deeper drilling completed between 2009 and 2012 and recent advances in the Company's geological understanding of the Simuku Project. The Simuku copper-molybdenum-gold Mineral Resource has been updated as 373.6Mt @ 0.31% Cu, 58.5g/t Mo and 0.05g/t Au, at a 0.2% Cu cut-off, and has been classified as Inferred in accordance with the 2012 JORC Code & Guidelines

[1]See Coppermoly ASX Announcement 1 May 2009. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement, except as included in this announcement, and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Coppermoly's Managing Director Dr. Wanfu Huang commented that achieving a 90% increase to the Simuku porphyry copper-molybdenum-gold Mineral Resource was an excellent result which clearly demonstrates the overall significant potential of the project.

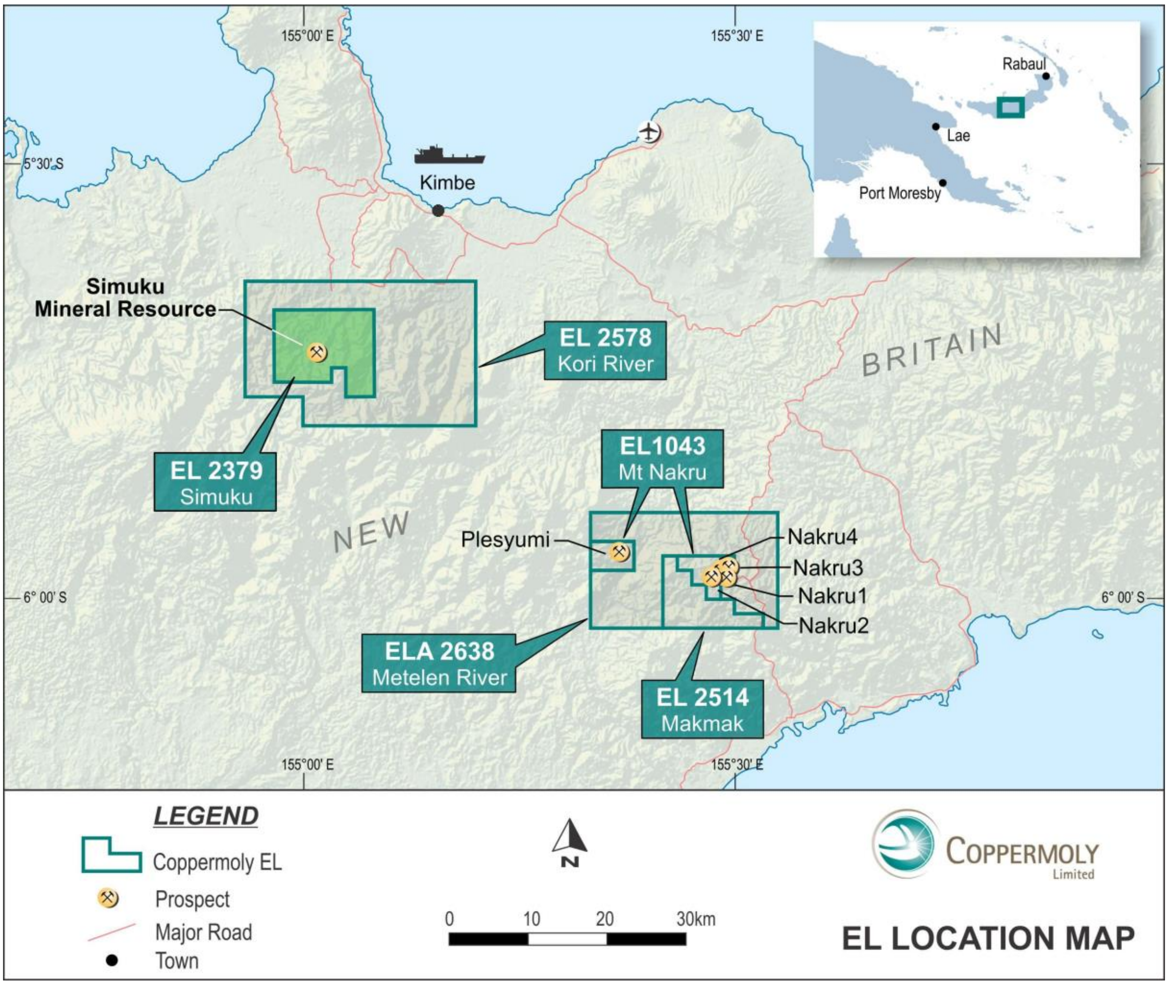
"We have undertaken a thorough re-evaluation of the Simuku project, incorporated the results of some deeper drilling underneath the previous Mineral Resource[2] and we have been able to increase the Inferred Mineral Resource from 200Mt to 374Mt, so this is an excellent result."

"Through the process of updating the Mineral Resource we have correlated our geological, geophysical and geochemical data sets and from this process identified a number of other porphyry copper-molybdenum-gold targets, which suggest that the current Simuku deposit could be one of a cluster of porphyry copper-molybdenum-gold systems on the overall Simuku project" he said.

Simuku Project

The Simuku Project comprises Exploration Licence 2379 on the island of New Britain in Papua New Guinea (Figure 1). Mineralisation at Simuku is copper-molybdenum-gold porphyry style associated with the Simuku-Kulu Intrusive Complex, which is Upper Oligocene in age.

Figure 1 – Location of the Simuku Project



[2]See Coppermoly ASX Announcement 1 May 2009. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that other than the information included included in this announcement, all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Simuku-Kulu Intrusive complex comprises:

- Diorite Unit
- Feldspar Porphyry
- Quartz Feldspar Porphyry
- late Rhyolite-dacite dykes

The copper-molybdenum-gold mineralisation is pre-dominantly hosted within the feldspar porphyry and to a lesser extent in the andesitic volcanics, diorite and volcaniclastics. The Simuku porphyry copper-molybdenum-gold deposit is discontinuous over a large area of approximately 4.5 x 2.2 km. The deposit has a very distinct elongate pattern to the mineralisation with an envelope of copper around a molybdenum core exhibiting phyllic alteration (Figure 2).

The content of chalcopyrite (copper sulphide) is quite variable throughout the deposit, whereas pyrite associated with alteration, is ubiquitous across the deposit varying from weak to fine disseminations (<0.5% vol), fracture in-fill, replacements and veins. The copper mineralisation is assumed to have been emplaced post formation of all the geological units and infiltrated along the faults and fractures.

A representative cross section through the Simuku porphyry copper-molybdenum-gold deposit is given in Figure 3.

Three and potentially four porphyry copper-molybdenum-gold prospects, spaced along a 3 to 4 km, north to northeast trending zone, have been recognised on the Simuku Project.

Between 1981 and 2006, 20 drill holes were completed on the Simuku project by various mineral exploration companies. In 2008, 15 diamond drill holes were drilled in the northern end of the Simuku deposit by Coppermoly for a total of 4,194m. Between 2010 and 2012, under a joint venture agreement with Coppermoly, Barrick drilled 9 deeper holes to a maximum depth of ~1,000m to test the depth extent of the Simuku porphyry copper-molybdenum-gold deposit and to determine if the copper grade increased with depth. Deeper copper mineralisation was intersected, however the grade remained relatively consistent with the copper mineralisation at shallower levels.

The broader regional geology is that the island of New Britain is underlain by Lower Tertiary basement rocks consisting of island arc volcanics, volcanoclastic rocks and coeval intrusive rocks. Three major units are recognised comprising the Upper Eocene Baining Volcanics, the Upper Oligocene Merai Volcanics and Upper Oligocene Kapuluk Volcanics including the Simuku-Kulu Intrusive Complex host to the copper-molybdenum-gold mineralisation at the Simuku Project.

The Baining Volcanics are submarine volcanic rocks comprising basaltic to andesitic lavas, volcanoclastic lavas and breccias. The Merai Volcanics, found in east New Britain, are considered equivalent to the Kapuluk Volcanics in central and western New Britain and comprise tuffs, basic to intermediate lavas and coeval hypabyssal rocks and volcanic breccias.

Volcanism ceased during the Early Miocene during which the Yalam Limestone was accumulated during a period of regional subsidence and overlies the sequences hosting the porphyry copper-molybdenum-gold mineralisation at the Simuku Project. Renewed volcanism during the Pliocene deposited the Kapiura Volcanics.

Figure 2 – Geology of the Simuku Mineral Resource

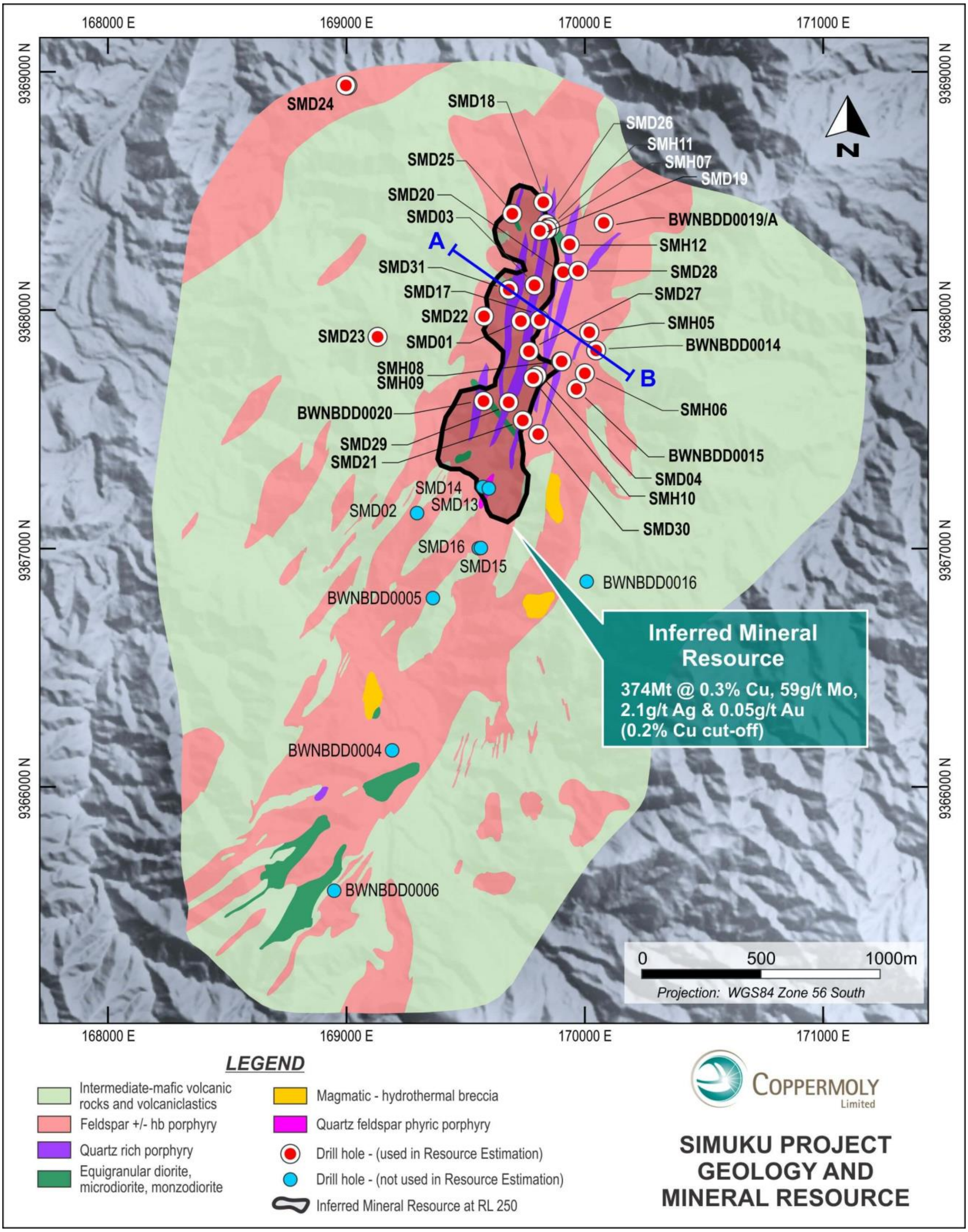
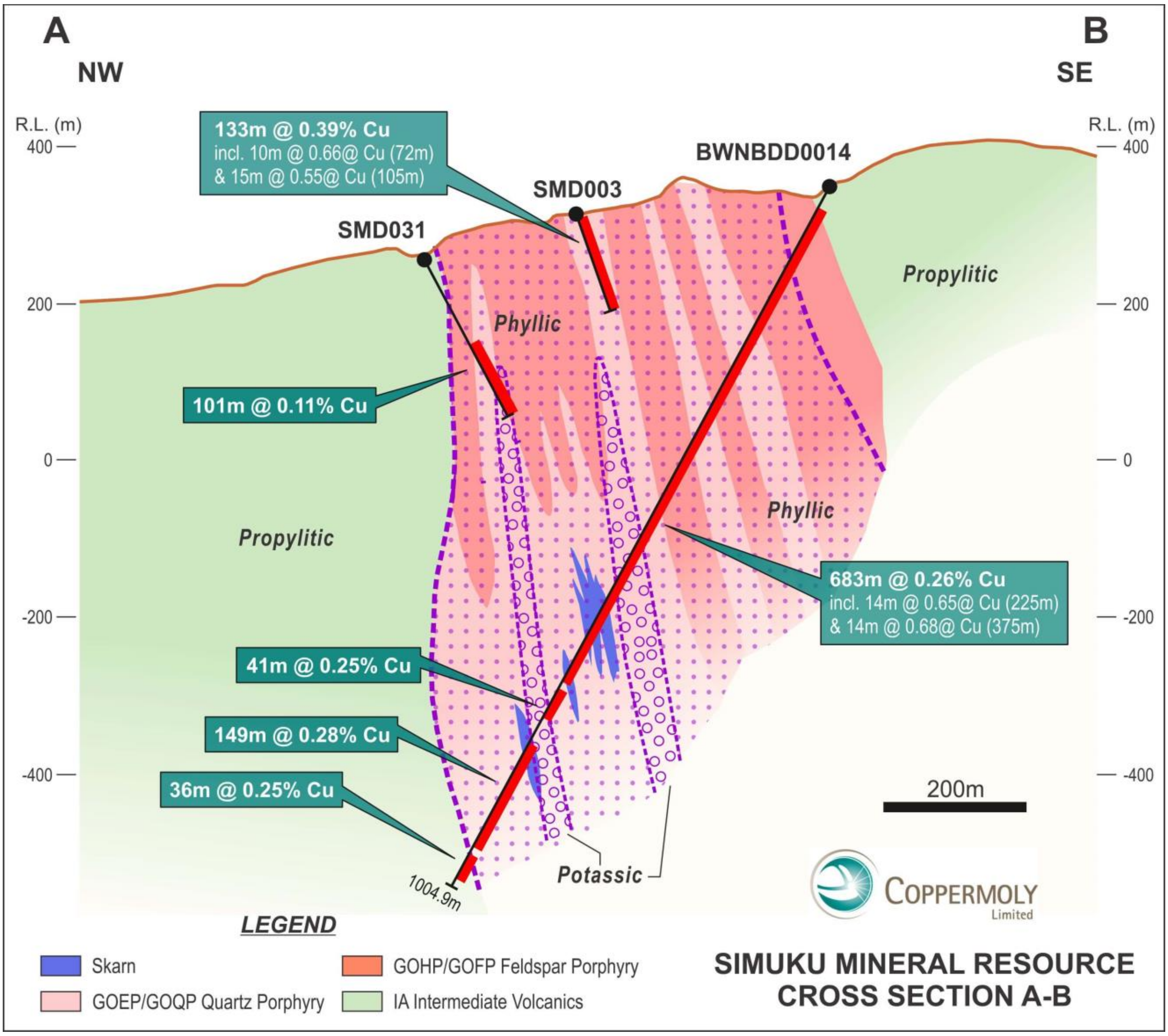


Figure 3 – Simuku Mineral Resource Representative Cross Section



Simuku Project Mineral Resource Estimation

H&S Consultants ("H&SC") were contracted by Coppermoly to complete an updated Mineral Resource estimate for the Simuku porphyry copper-molybdenum-gold deposit. The resource estimate incorporated all the available drill hole data compiled by Coppermoly including deeper drill holes completed on the projects by then joint venture partner Barrick in 2010 and 2012.

Coppermoly supplied the drill hole database to H&SC, for the Simuku deposit as an Access database, which H&SC accepted in good faith as an accurate, reliable and a complete representation of the available data. Data included geological logging with oxidation observations, core recoveries for most of the drill holes and drill hole assay data. No rock density data was available, and no 3-dimensional geological domains or surfaces were supplied by Coppermoly to H&SC.

H&SC performed limited validation of the data supplied by Coppermoly, however they did not detect any obvious problems likely to significantly impact the Mineral Resource estimates. H&SC determined that the drill hole database for Simuku is satisfactory for resource estimation purposes.

A total of 40 drill holes were used to estimate the Simuku Mineral Resource. The details of the drill holes are given in Table 1. Of the 40 drill holes used in the Mineral Resource estimation, 37 were diamond drill holes and 3 were reverse circulation ("RC") drill holes. The diamond drill holes were standard tube HQ (63.5mm internal diameter), with some minor intervals of PQ (85mm internal diameter) at the top of the holes.

Table 1 - Drilling Details for the Simuku Area

Company	Drill Type	No Holes	Metres	Year
Esso	Diamond	4	625	1983
New Guinea Gold (NGG)	Diamond	5	617	1996 -1997
NGG	Diamond	2	170.9	2002
COY/NGG	Diamond	17	4364.9	2006 -2008
Barrick	Diamond	9	4,937	2010-2012
	Sub-total	**37**	**10,723**	
NGG	Reverse Circulation	3	241	1996 -1997
	Total	**40**	**10,964**	

Documentation of the sample processing and analytical procedures used for the earlier drilling phases is limited. The Barrick sampling processing is described below, and it is understood that the early drilling phases had similar procedures. The Barrick procedure involved the drill samples being transported to the Sumuku camp site where the drill holes were geologically and geotechnically logged and photographed. Samples of the diamond drill core were collected by sawing predominantly 2m lengths and some 1m lengths of the HQ drill core in half using a diamond-impregnated circular saw blade. For the earlier 3 RC drill holes, 1m intervals of RC drill chips were split with a riffle splitter (1:3) and then combined using the riffle splitter to create 2m composite samples.

All the diamond and RC drill hole samples were crushed, pulverised and split prior to assaying at the Intertek Laboratories in Lae and Jakarta. Samples are dried to 106^{o}C and crushed to 2-3 mm. RC drill samples greater than 2kg were rifle split down to 1.5kg and pulverised to 75 microns. Intertek analysed for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. Base metal analysis used a 4-acid digest with ICP-OES finish. Analyses returning above detection limit results were re-digested and re-analysed by ICP-OES. Molybdenum samples greater than 100ppm were check assayed using X-Ray diffraction.

No field duplicates or second-half sampling of core has not occurred during any of the drilling programmes completed at Simuku, so an assessment of sample representivity could not be undertaken.

Sample sizes are considered appropriate to the grain size and style of material being sampled as the copper mineralisation is generally distributed fairly homogeneously throughout the core at the scale of sampling.

Drill hole section spacing is nominally 100-200m, increasing to 400m in the southern half of the Simuku Mineral Resource area. Drill hole spacing along each section is irregular due to topography but is generally similar to the section line spacing. The Mineral Resource was classified using the estimation search pass category, subject to assessment of other impacting factors such as drill hole spacing, variography, core handling and sampling procedures, QA/QC outcomes, density measurements and the geological model. The Competent Person has deemed that 200m hole spacing is appropriate for assessment of the geological and grade continuity for this type of deposit (porphyry copper) and classification of the Mineral Resource as Inferred, in accordance with the 2012 JORC Code & Guidelines.

The Simuku Mineral Resource was estimated using H&SC's in-house GS3M modelling software with the data loaded into a Surpac block model for model validation and resource reporting. 5,210 two metre downhole composites of the assay data were used in the Resource Model; the composite data was unconstrained. The composite data was rotated to a local grid for convenience with some data visually trimmed to remove small amounts of peripheral barren material. No top cutting was applied; the coefficients of variation (1.1 for Cu and 1.3 for Au), for the relevant composite datasets, suggest that the data is not sufficiently skewed to warrant top cutting. The composite data showed reasonable correlation between gold and copper assay values. No assumptions were made regarding gold recovery.

Domaining was used for variography with Domain 1 (north of 52415mN – local grid) containing most of the drilling data, however the resource modelling was unconstrained with no hard boundaries except for topography. Geostatistics on the composite data were performed for copper, gold and molybdenum. Variography was poor to modest, mainly due to the relatively wide spaced drill holes, topography and the nature of the mineralisation.

The Ordinary Kriging method was used for the grade interpolation with the maximum extrapolation from nearest drill hole being 200m. The search ellipse was orientated to follow a nominal N-S local grid strike and the vertical dipping nature of the porphyry intrusive. A 3-pass search strategy was used with expanding search radii and reducing number of minimum data. The search parameters for Pass 1 were 50m by 100m by 100m (X, Y & Z), with a 100% expansion for Passes 2 & 3 and a 10^{o} anti-clockwise search rotation about the Z axis. The parent block size was 25m (east) by 25m (north) by 15m (elevation) with no sub-blocking.

Model validation consisted of visual comparison of block grades and composite values, which indicated a reasonable match. Comparison of summary statistics for block grades and composite values indicated the composite mean is greater than the block grade mean for both copper and gold. No deleterious elements or acid mine drainage issues were factored into the Mineral Resource estimation.

The cut-off grade was set as 0.2% copper with no account for gold. The cut-off grade at which the Mineral Resource is quoted reflects the geometry of the deposit and the intended bulk-mining approach. The same or similar copper cut-off grades have been used for other porphyry deposits in Papua New Guinea.

It is anticipated that mining of the Simuku Mineral Resource would be by open pit, bulk tonnage methods, as is commonly used to mine porphyry coper deposits in Papua New Guinea. No metallurgical test work has been completed on the Simuku copper-molybdenum-gold mineralisation, hence no modifying factors according for metallurgical issues were used in the Simuku Mineral Resource estimation. There has been no density data measured for the Simuku deposit. However, an average dry density value of 2.57t/m^3 was assigned for all oxidised and fresh rock types based upon the Competent Person experience and literature research.

Simuku Mineral Resource Statement

Coppermoly informed the Competent Person that the Simuku deposit, if mined, will likely be mined in a bulk mining, open pit scenario and the Mineral Resource was classified according to this assumption. Table 2 shows the pass number conversion to resource category. As a result, the Mineral Resource was classified as Inferred in accordance with the 2012 JORC Code & Guidelines.

Table 2 - Resource Classification

Pass No	Resource Category
1	Inferred
2	Inferred
3	Inferred

Table 3 and Figure 4 details the Simuku Mineral Resource, which has been reported at a 0.2% copper cut off above a local grid northing of 52145mN. The cut off grade is consistent with similar bulk mining porphyry copper projects located in PNG.

Table 3 - Simuku Mineral Resource Statement

Category	Mt	Cu %	Au g/t	Ag ppm	Mo ppm	Cut-Off
Inferred	373.6	0.31	0.05	2.1	59	0.2% Cu

Figure 4 - Grade-Tonnage Curves for Domain 1

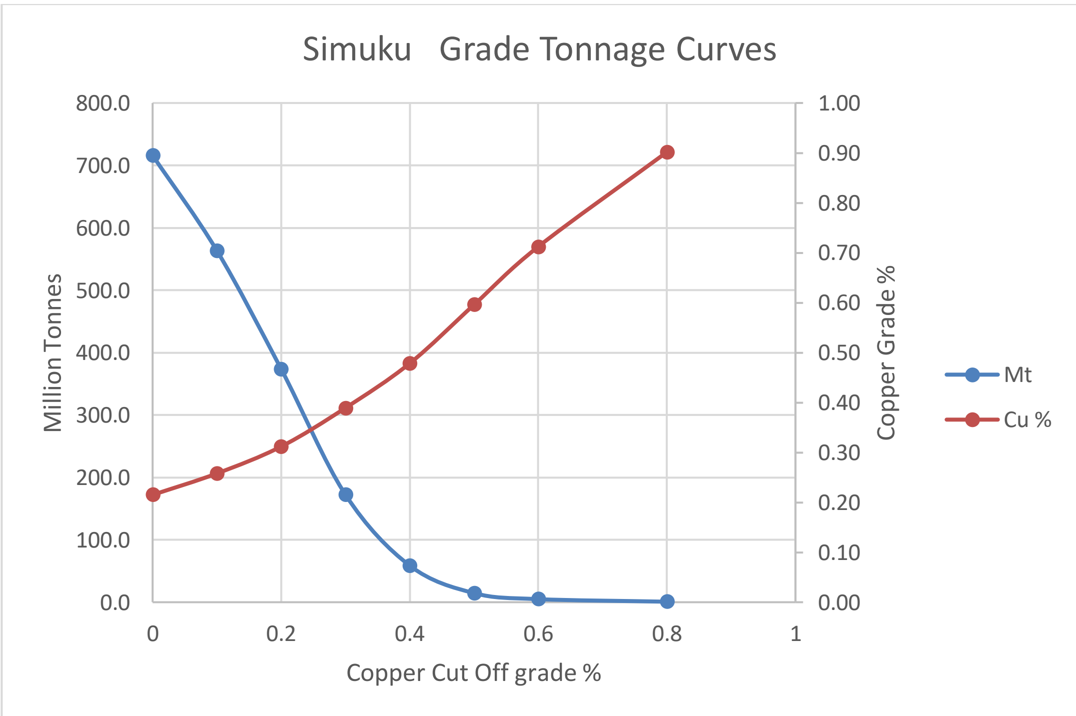
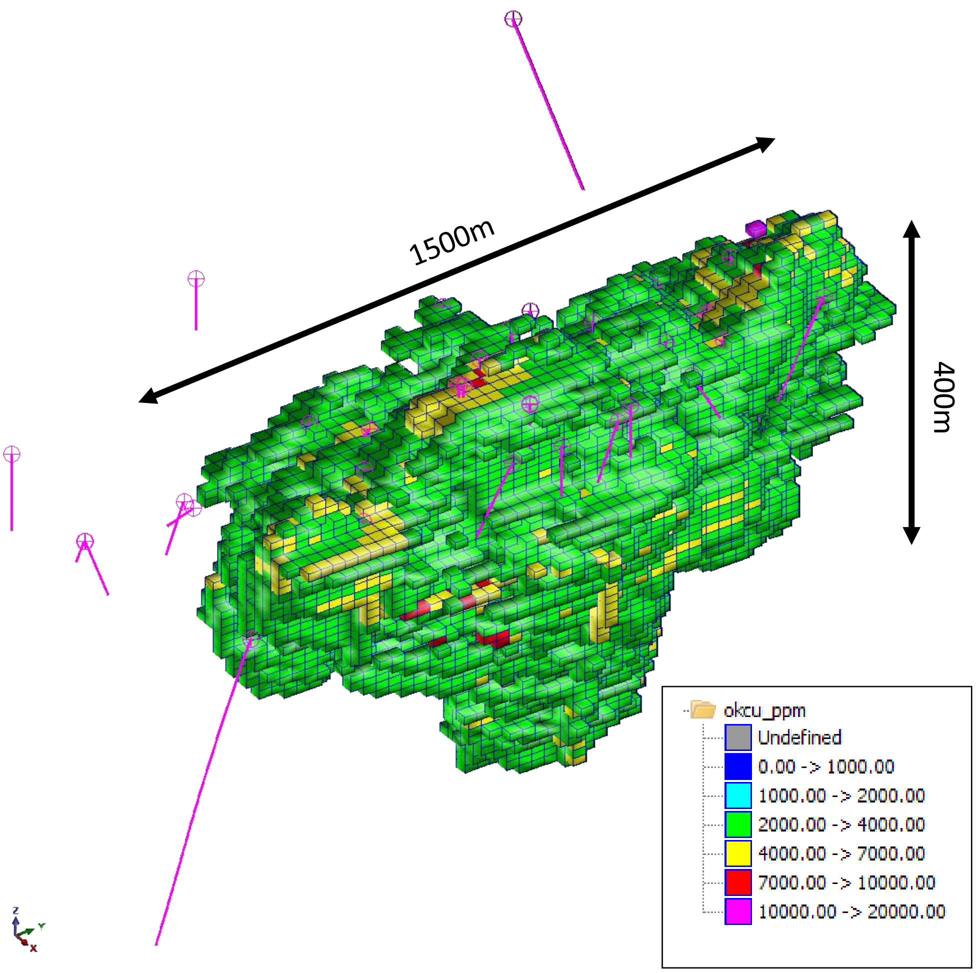


Figure 5 illustrates the copper block grade distribution for the Simuku Mineral Resource as an oblique 3-D view.

Figure 5 - Copper Block Grade Distribution for the Simuku Mineral Resource



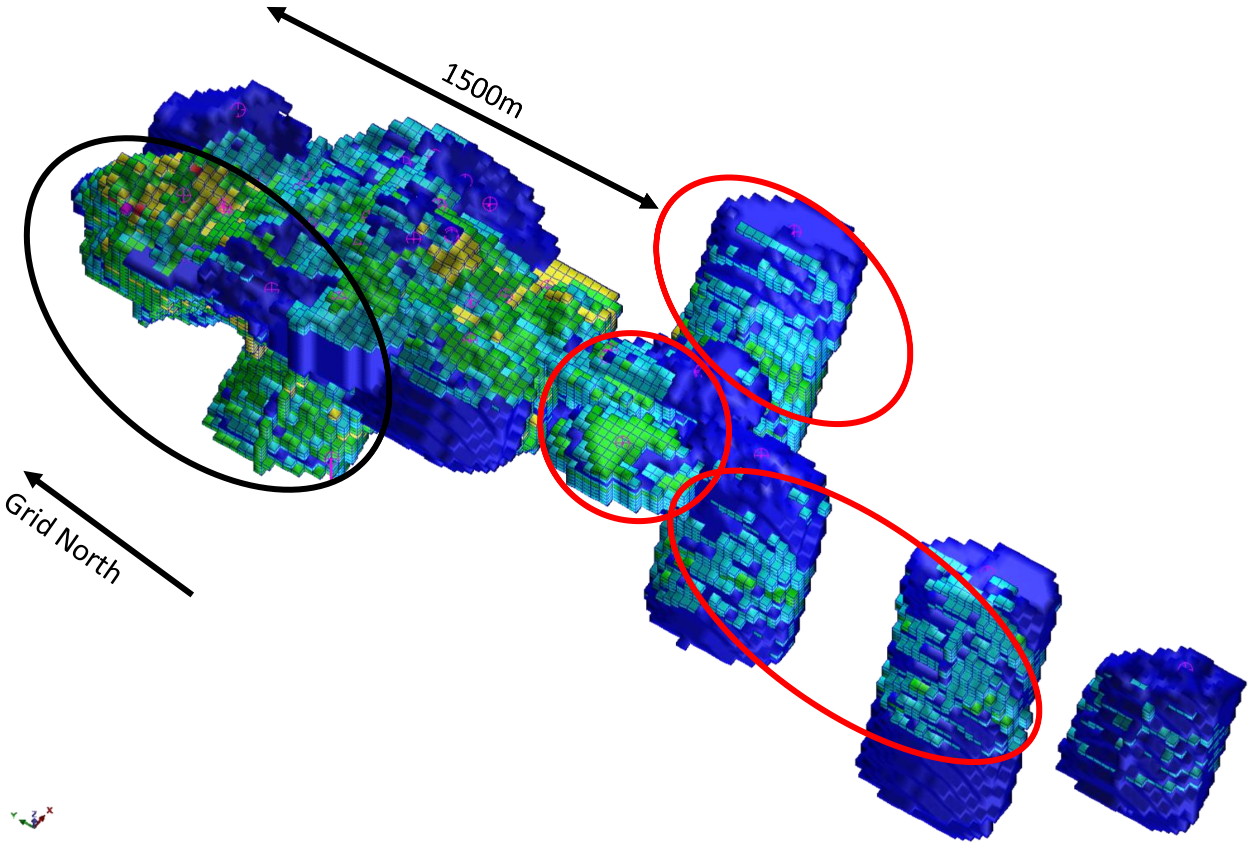
Exploration Potential

The Simuku Mineral Resource is open at its northern extremity, both along strike and down plunge to the north (black ellipse on Figure 6). Other areas of potential to expand the Mineral Resource may exist around the individual drill holes, south of the Domain 1 boundary, which contain low grade copper mineralisation but, in an area, where the drill holes are very widely spaced (red ellipses on Figure 6).

Coppermoly's exploration strategy is to investigate areas adjacent to the Simuku Mineral Resource for similar styles of mineralisation in order to expand the overall Mineral Resource. Recent geophysical studies completed by the Company have outlined target areas in close proximity to the Simuku Mineral Resource for follow up exploration.

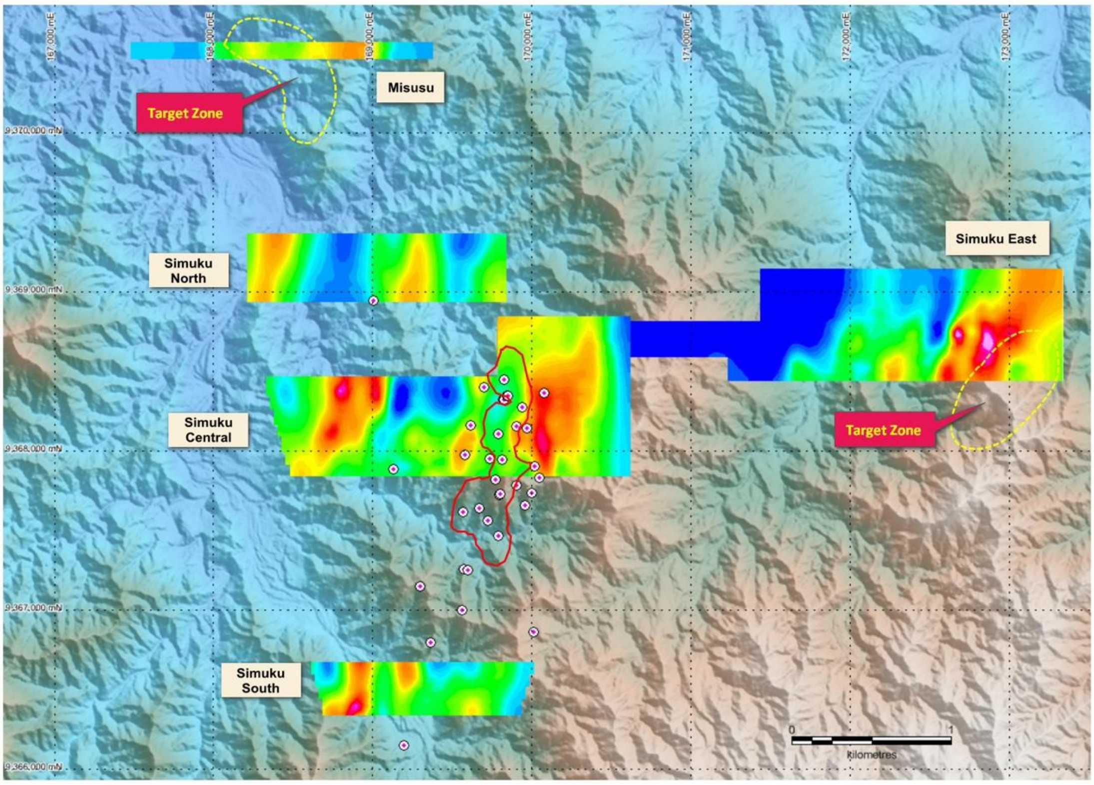
Modelling of IP survey data revealed multiple anomalous chargeability and conductivity responses which correlate strongly with known sulphide occurrences (Figure 7). Follow up work may involve confirming and extending the historical surface geological mapping and geochemistry, especially on structural features, in order to delineate the most prospective drill sites.

Figure 6 - Simuku Mineral Resource Expansion Potential



(oblique view down to local grid north east)

Figure 7 – Target Zones Adjacent to the Simuku Mineral Resource



(Colour image is chargeable zones from the IP data over a background of the Lidar elevation model. Solid red line is the outline of the Simuku Mineral Resource at a 0.2% Cu cut-off)

This announcement was authorised by the Managing Director of Coppermoly Limited, Dr Wanfu Huang.

For further information please contact:

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<u>Competent Persons Statement</u>

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Peter Victor Crowhurst, who is a Member and Registered Professional Geologist with the Australian Institute of Geoscientists (Member# 5269). Dr Crowhurst has sufficient experience which is relevant to the style of mineralisation under consideration and to the activities undertaken 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'. Dr Crowhurst is the full time Exploration Manager at Coppermoly and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to Mineral Resources for the Simuku Porphyry Copper Deposit is based on information compiled by Mr Simon Tear, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Tear is a Director of H&SC Consultants Pty Ltd and 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tear consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Drill Hole Data Used in Simuku Mineral Resource Estimation

Simuku Project - Locations of Drill Holes Used to Estimate Simuku Mineral Resource (2020)

Hole ID	Prospect	Hole Type	Hole Depth (m)	Tenement	North (m)	East (m)	Elevation (m)	Projection	Hole Dip (Degrees)	Hole Azimuth (Magnetic North)	Company
BWNBDD0014	SIMUKU	DD	1004.9	EL1077	9367670	169940	368.35	AGD66_56	-60	310	BARRICK
BWNBDD0015	SIMUKU	DD	686.4	EL1077	9367500	169848	338.079	AGD66_56	-60	295	BARRICK
BWNBDD0019	SIMUKU	DD	107.3	EL1077	9368203	169969	358.814	AGD66_56	-61.3	300.2	BARRICK
BWNBDD0019A	SIMUKU	DD	314.9	EL1077	9368203	169969	358.814	AGD66_56	-62.7	299.8	BARRICK
BWNBDD0020	SIMUKU	DD	288	EL1077	9367459	169456	289.872	AGD66_56	-61	298	BARRICK
SMD01	SIMUKU	DD	174.5	EL1077	9367792.659	169624.8291	373.764	AGD66_56	-70	115	COPPERMOLY
SMD03	SIMUKU	DD	150.2	EL1077	9367944.999	169681.9978	329.346	AGD66_56	-70	115	COPPERMOLY
SMD04	SIMUKU	DD	150	EL1077	9367564.025	169687.8853	397.791	AGD66_56	-90	0	COPPERMOLY
SMD17	SIMUKU	DD	177.3	EL1077	9367788.904	169702.6	388.882	AGD66_56	-90	0	COPPERMOLY
SMD18	SIMUKU	DD	300	EL1077	9368287.173	169713.345	299.279	AGD66_56	-60	30	COPPERMOLY
SMD19	SIMUKU	DD	346.1	EL1077	9368166.427	169711.478	234.954	AGD66_56	-60	37	COPPERMOLY
SMD20	SIMUKU	DD	375.9	EL1077	9367996.761	169796.24	307.531	AGD66_56	-90	0	COPPERMOLY
SMD21	SIMUKU	DD	365	EL1077	9367402.198	169612.468	287.37	AGD66_56	-60	287	COPPERMOLY
SMD22	SIMUKU	DD	261.4	EL1077	9367814.438	169467.948	346.045	AGD66_56	-90	0	COPPERMOLY
SMD23	SIMUKU	DD	100.5	EL1077	9367728.002	169021.998	278.073	AGD66_56	-90	0	COPPERMOLY
SMD24	SIMUKU	DD	307.4	EL1077	9368784.173	168892.161	211.474	AGD66_56	-50	107	COPPERMOLY
SMD25	SIMUKU	DD	300	EL1077	9368242	169587	216.348	AGD66_56	-60	37	COPPERMOLY
SMD26	SIMUKU	DD	321	EL1077	9368165.199	169713.014	235.252	AGD66_56	-60	210	COPPERMOLY
SMD27	SIMUKU	DD	325.8	EL1077	9367658.896	169659.91	394.179	AGD66_56	-75	107	COPPERMOLY
SMD28	SIMUKU	DD	97.3	EL1077	9367985.658	169857.042	270.771	AGD66_56	-60	52	COPPERMOLY
SMD29	SIMUKU	DD	348.2	EL1077	9367483.472	169562.434	308.196	AGD66_56	-60	280	COPPERMOLY
SMD30	SIMUKU	DD	348.2	EL1077	9367307.041	169681.686	259.089	AGD66_56	-60	287	COPPERMOLY
SMD31	SIMUKU	DD	225.2	EL1077	9368002.421	169508.608	258.41	AGD66_56	-60	100	COPPERMOLY
SMH05	SIMUKU	DD	100	EL1077	9367745.469	169909.7983	351.668	AGD66_56	-90	0	COPPERMOLY
SMH06	SIMUKU	DD	100	EL1077	9367576.483	169892.2346	350.875	AGD66_56	-90	0	COPPERMOLY
SMH07	SIMUKU	DD	63	EL1077	9368184.821	169736.1072	244.73	AGD66_56	-55	126	COPPERMOLY
SMH08	SIMUKU	RC	66	EL1077	9367623.713	169791.2556	372.341	AGD66_56	-90	0	COPPERMOLY
SMH09	SIMUKU	RC	93	EL1077	9367622.713	169792.2534	371.59	AGD66_56	-90	0	COPPERMOLY
SMH10	SIMUKU	RC	82	EL1077	9367569.075	169694.668	398.362	AGD66_56	-90	0	COPPERMOLY
SMH11	SIMUKU	DD	77	EL1077	9368188.83	169741.434	248.92	AGD66_56	-90	0	COPPERMOLY
SMH12	SIMUKU	DD	276.6	EL1077	9368113.425	169827.488	265.07	AGD66_56	-75	316	COPPERMOLY

Selected Down Hole drill Intercepts for Simuku at a nominal 0.2% Cu Cut Off

Hole	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (ppm)	Mo (ppm)
BWNBDD0004	171	178	7	0.3	0.05	3.9	156
BWNBDD0005	354	404	50	0.25	0.03	2	23
BWNBDD0014	202	703	501	0.3	0.04	2.6	66
BWNBDD0014	817	993.1	176.1	0.27	0.05	2.6	102
BWNBDD0015	163	180	17	0.34	0.05	2.4	64
BWNBDD0015	231	337	106	0.35	0.02	3	42
BWNBDD0015	394	408	14	0.31	0.02	2.2	147
BWNBDD0015	451	498	47	0.32	0.01	2.6	234
BWNBDD0016	286	312	26	0.26	0.02	2.5	30
BWNBDD0016	409	485	76	0.35	0.03	3.5	111
BWNBDD0020	11	91	80	0.24	0.05	2	56
SMD01	135.2	173.7	38.5	0.28	0.07	1.1	34
SMD02	10.85	27	16.15	0.29	0.02	0.7	91
SMD02	66.3	83.85	17.55	0.26	0.02	0.6	63
SMD03	17.15	150.2	133.05	0.39	0.06	3.4	23
SMD04	27.6	134.7	107.1	0.4	0.03	1.1	21
SMD13	18	35	17	0.29	0.02	3.4	222
SMD13	65	70.8	5.8	0.25	0.02	2.4	298
SMD14	23	59	36	0.34	0.02	2.5	199
SMD14	77	85	8	0.31	0.01	2.7	202
SMD17	7	175	168	0.25	0.05	1.9	24
SMD18	2	109	107	0.47	0.07	2	94
SMD18	152	238	86	0.31	0.05	1.8	39
SMD19	8	209	201	0.48	0.06	2.3	75
SMD19	264	288	24	0.41	0.06	2.3	28
SMD20	8	18	10	0.25	0.05	2.3	27
SMD20	68	375.9	307.9	0.28	0.04	2.4	50
SMD21	1.5	34	32.5	0.48	0.12	3.3	29
SMD21	73	362.8	289.8	0.28	0.06	1.8	48
SMD22	5	18	13	0.45	0.08	2.6	63
SMD24	76	104	28	0.31	0.06	1.8	53
SMD25	39	300	261	0.27	0.04	2.1	51
SMD26	0	320	320	0.44	0.06	2.6	66
SMD27	24	325.8	301.8	0.37	0.06	1.5	37
SMD29	27	275	248	0.38	0.08	2.5	63
SMD30	12	176	164	0.35	0.06	2.1	86
SMD31	124	225.2	101.2	0.44	0.06	2.5	81
SMH07	1	61	60	0.48	0.12	2	65
SMH08	0	66	66	0.23	0.12	1.2	16
SMH09	0	93	93	0.23	0.11	1	17
SMH10	26	82	56	0.56	0.1	2	32
SMH11	0	77	77	0.49	0.11	2.1	86
SMH12	3	276.6	273.6	0.33	0.06	0.25	44

APPENDIX 2

JORC Table 1

JORC Code, 2012 Edition – Table 1 Simuku Deposit

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 (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.*	• Predominantly diamond drilling HQ Core • Holes generally drilled steep to moderately angled to the WNW plus some orientations. • Consistency of sampling method maintained. • Drill core was sampled on site • All drill samples were dispatched for assay to a recognised independent laboratory. • Diamond core drilling was used to obtain nominal 1 m (Barrick drill holes) or a combination of 1 and 2 m (Coppermoly drill holes) samples of half core, with sample intervals adjusted to geological contacts where necessary. • RC samples were split with a cone splitter over 2m intervals. • Sampling technique is considered appropriate for deposit type • There is a variable amount of detail on core handling and sampling procedures for the different drilling campaigns.
Drilling techniques	• *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).*	• Diamond drilling mainly HQ core size totalling ○ Phase 1 Esso 1983 4 diamond drill holes (DD) for 625m ○ Phase 2 New Guinea Gold (NGG) 1996 to 1997 5 DD (617m & 3 RC 241m ○ Phase 3 NGG 2002 2DD for 170.9m ○ Phase 4 Coppermoly (COY)/NGG 2006 to 2008 17 DD for 4,364.9m ○ Phase 5 Barrick 2010 to 2012 9 DD for 4,937m ○ Drilling technique is considered most appropriate for deposit type

Criteria	JORC Code explanation	Commentary
		• Diamond core drilling, standard tube HQ (63.5mm diameter), with some PQ diameter at top of holes. • Barrick holes were orientated. • Reverse Circulation Drilling used a 4.25 inch face sampling hammer
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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 recovery was determined by direct measurement of the length of recovered core within each core run. • Core recovery for diamond core averaged greater than 90% within mineralised zones. • No data exists for RC recovery, although it has been reported as having been collected • The relationship between recovery and grade was assessed by plotting recovery against the grade of samples collected. No relationship exists between core recovery and grade of copper or gold.
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core and RC chips were geologically logged, with details of lithology, alteration, weathering and mineralisation recorded in a manner considered by the Competent Person to be adequate for the purposes of Mineral Resource Estimation. • Barrick also relogged older holes into a common format • Geotechnical logging is restricted to RQD measurements on recovered core. • Core logging was both qualitative and quantitative. • Core from all of the COY and Barrick drill holes were photographed wet and dry prior to cutting. There are no photos for drilling prior to 2008.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• Drilling samples were transported to camp site, logged & photographed • Sub-samples from diamond core were collected by sawing 1m or 2m (dominant) of HQ core in half using a diamond-impregnated circular saw blade. • 1m RC samples were split with a riffle splitter (1:3) and then

Criteria	JORC Code explanation	Commentary
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	combined using the riffle splitter to create 2m composite samples. • All samples were sent to the Intertek laboratory in Lae, PNG for crushing, pulverised and splitting into smaller fractions to be sent for assay. • Samples are dried to 106°C and crushed to 2-3 mm. Samples greater than 2kg are rifle split down to 1.5kg and pulverised to 75 microns. • The final 300g sized pulp samples were then sent to Intertek laboratories in Jakarta, Indonesia for geochemical analysis. Intertek analyse for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. • Sample preparation procedures were not observed by the Competent Person and could not be verified. There is some uncertainty that the same sampling practice was maintained throughout all drilling campaigns. • No field duplicates/second-half sampling of core has occurred during any drilling programme so an assessment of sample representivity cannot be undertaken. • Sample sizes are considered appropriate to the grain size and style of material being sampled: copper mineralisation is generally distributed fairly homogeneously throughout the core at the scale of sampling. • Sampling procedures were in line with industry standards of the day (as documented in historic reports); • All sampling methods are deemed appropriate for the style of mineralisation being assessed
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.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times,*	• Barrick Analytical Process: ○ Base metal analysis used a 4-acid digest with ICP-OES finish. Analyses returning above detection limit results were re-digested and re-analysed by ICP-OES. Gold analysis used a 50g charge for Fire Assay with AAS finish. Both techniques are considered to provide total assays for metal content.

Criteria	JORC Code explanation	Commentary
	calibrations factors applied and their derivation, etc. • *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.*	○ Standards and blanks for copper and gold, were sourced reputable Australian suppliers and were inserted into sample batches by onsite geologists ○ Acceptable levels of accuracy have been established by the analysis of standards, and no contamination was detected by analysis of blanks. ○ Precision levels have not been assessed. ○ Intertek Laboratories maintain a rigorous Quality Management System. • Pre-Barrick Analytical Process: ○ Elements were assayed with ICPAES Finish. Copper values greater than 1000ppm are re-assayed using a multi acid digest (hydrochloric, nitric, perchloric and hydrofluoric acid) to leach out the copper with an ICP finish. ○ Analysis for gold used a 50g Fire Assay with Atomic Absorption Spectroscopy finish. ○ Molybdenum samples greater than 100ppm were check assayed using X-Ray diffraction. Intertek laboratories have an ISO 17025 accreditation. ○ No QAQC data for Phases 1 to 3 work. Reports state that QAQC outcomes were “satisfactory” • Esso PNG samples were analysed by Pilbara Laboratories (Niugini) Pty Ltd with AF and AAS. Samples collected from 2006 by NGG/Kanon, Coppermoly and Barrick were crushed, pulverised and split prior to assaying at Intertek Laboratories in Lae and Jakarta • Analytical methods are deemed appropriate.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data*	• Significant intersections have not been validated by independent personnel. • Primary sampling data is recorded on paper log sheets and transferred to a spreadsheet and then to a central relational database

Criteria	JORC Code explanation	Commentary
	verification, data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	(MS Access). Assay results are obtained electronically from the assay laboratory, uploaded to the database and matched with the appropriate sample intervals using a database query. • No adjustments have been made to any assay data. • No twinned holes
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill collar locations were surveyed using hand-held GPS with a horizontal accuracy of ±3m and a vertical accuracy ±9-12m. • Exploration uses coordinates in Australian Geodetic Datum 1966 (AGS66), zone 56. • Topographic control is very good and is provided by a LiDAR survey. Drill collar elevations have been corrected from their GPS coordinates to match the LiDAR surveyed surface. Elevation error ranged +/-25m with an overall average difference of 0.5m. • Downhole surveys for the Barrick drilling were taken using a single shot Eastman camera every 30m • Earlier drilling both diamond and RC has no recorded downhole surveys • Location methods used to determine accuracy of drill hole collars is considered appropriate
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill hole section spacing is nominally 100/200m increasing to 400m in the southern half of the area. • On section spacing is irregular due to topography but is generally similar to the section line spacing. • 200m spacing is appropriate for assessment of geological and grade continuity for this type of deposit. • Drilling depth is generally to 400m below surface • No sample compositing.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the*	• Moderate to steep dip drilling to WSW at right angles to mineralisation

Criteria	JORC Code explanation	Commentary
geological structure	*orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill hole angle relative to mineralisation has been a compromise to accommodate the vertical nature and strike dimensions of a wide intrusive body • Drilling orientations are appropriate with no bias.
Sample security	• *The measures taken to ensure sample security.*	• Samples were placed in numbered calico bags and loaded into wooden crates for shipment to the assay laboratory in Lae. • Prior to shipment all samples were stored in the Company's secure exploration base in Kimbe, West New Britain Province
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been completed.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• The tenements lie approximately 23km southwest of the town of Kimbe which is the capital of West New Britain Province., PNG; • Exploration licence, EL2379, was granted by the Independent State of Papua New Guinea on September 2015 for a 2 year period. It was the amalgamation of 2 historical tenements. Renewal applications have been submitted for a further 2 year period at each anniversary. • The tenement covers 122.72 km2 (36 sub-blocks) and is held by Copper Quest (PNG) Ltd which is a wholly owned subsidiary of Coppermoly Limited. • Barrick still have a 28% interest in the licence. • The tenement lies within an area owned by traditional landowners

Criteria	JORC Code explanation	Commentary
		whom support the project through the government regulated warden hearing process. • The area is relatively remote with poor land access
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The project area has a long history of intermittent exploration since the discovery of mineralization in the 1960's. • Companies that have previously held the ground or been involved in joint ventures include; CRA, BHP-Utah, Nord Resources, Esso, City Resources, Placer, Cyprus-Amax, Macmin, Coppermoly and New Guinea Gold Ltd. • Multiple drilling campaigns have been completed within the tenement • A variety of surface geochemistry techniques and ground/airborne geophysical surveys; surface mapping; geological studies • Previous exploration has been completed to industry standard at the time
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Copper-Molybdenum Porphyry style. • Volcanic arc, calc-alkaline intrusives and volcanics. • Quartz-feldspar (dacitic) porphyry is the main host of mineralization with chalcopyrite the primary sulphide with minor molybdenite and pyrite • Overlain by a variable thickness supergene zone with more common oxides and also including secondary chalcocite.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr>
<td>Drill hole Information</td>
<td>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ hole length.
• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td>
<td><u>Simuku Project - Locations of Drill Holes Used to Estiamte Simuku Mineral Resource (2020)</u>
<table>
<tr><th>Hole ID</th><th>Prospect</th><th>Hole Type</th><th>Hole Depth (m)</th><th>Tenement</th><th>North (m)</th><th>East (m)</th><th>Elevation (m)</th><th>Projection</th><th>Hole Dip (Degrees)</th><th>Hole Azimuth (Magnetic North)</th><th>Company</th></tr>
<tr><td>BWNBDD0014</td><td>SIMUKU</td><td>DD</td><td>1004.9</td><td>EL1077</td><td>9367670</td><td>169940</td><td>368.35</td><td>AGD66_56</td><td>-60</td><td>310</td><td>BARRICK</td></tr>
<tr><td>BWNBDD0015</td><td>SIMUKU</td><td>DD</td><td>686.4</td><td>EL1077</td><td>9367500</td><td>169848</td><td>338.079</td><td>AGD66_56</td><td>-60</td><td>295</td><td>BARRICK</td></tr>
<tr><td>BWNBDD0019</td><td>SIMUKU</td><td>DD</td><td>107.3</td><td>EL1077</td><td>9368203</td><td>169969</td><td>358.814</td><td>AGD66_56</td><td>-61.3</td><td>300.2</td><td>BARRICK</td></tr>
<tr><td>BWNBDD0019A</td><td>SIMUKU</td><td>DD</td><td>314.9</td><td>EL1077</td><td>9368203</td><td>169969</td><td>358.814</td><td>AGD66_56</td><td>-62.7</td><td>299.8</td><td>BARRICK</td></tr>
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<tr><td>SMD01</td><td>SIMUKU</td><td>DD</td><td>174.5</td><td>EL1077</td><td>9367792.659</td><td>169624.8291</td><td>373.764</td><td>AGD66_56</td><td>-70</td><td>115</td><td>COPPERMOLY</td></tr>
<tr><td>SMD03</td><td>SIMUKU</td><td>DD</td><td>150.2</td><td>EL1077</td><td>9367944.999</td><td>169681.9978</td><td>329.346</td><td>AGD66_56</td><td>-70</td><td>115</td><td>COPPERMOLY</td></tr>
<tr><td>SMD04</td><td>SIMUKU</td><td>DD</td><td>150</td><td>EL1077</td><td>9367564.025</td><td>169687.8853</td><td>397.791</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
<tr><td>SMD17</td><td>SIMUKU</td><td>DD</td><td>177.3</td><td>EL1077</td><td>9367788.904</td><td>169702.6</td><td>388.882</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
<tr><td>SMD18</td><td>SIMUKU</td><td>DD</td><td>300</td><td>EL1077</td><td>9368287.173</td><td>169713.345</td><td>299.279</td><td>AGD66_56</td><td>-60</td><td>30</td><td>COPPERMOLY</td></tr>
<tr><td>SMD19</td><td>SIMUKU</td><td>DD</td><td>346.1</td><td>EL1077</td><td>9368166.427</td><td>169711.478</td><td>234.954</td><td>AGD66_56</td><td>-60</td><td>37</td><td>COPPERMOLY</td></tr>
<tr><td>SMD20</td><td>SIMUKU</td><td>DD</td><td>375.9</td><td>EL1077</td><td>9367996.761</td><td>169796.24</td><td>307.531</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
<tr><td>SMD21</td><td>SIMUKU</td><td>DD</td><td>365</td><td>EL1077</td><td>9367402.198</td><td>169612.468</td><td>287.37</td><td>AGD66_56</td><td>-60</td><td>287</td><td>COPPERMOLY</td></tr>
<tr><td>SMD22</td><td>SIMUKU</td><td>DD</td><td>261.4</td><td>EL1077</td><td>9367814.438</td><td>169467.948</td><td>346.045</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
<tr><td>SMD23</td><td>SIMUKU</td><td>DD</td><td>100.5</td><td>EL1077</td><td>9367728.002</td><td>169021.998</td><td>278.073</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
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<tr><td>SMD25</td><td>SIMUKU</td><td>DD</td><td>300</td><td>EL1077</td><td>9368242</td><td>169587</td><td>216.348</td><td>AGD66_56</td><td>-60</td><td>37</td><td>COPPERMOLY</td></tr>
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<tr><td>SMD28</td><td>SIMUKU</td><td>DD</td><td>97.3</td><td>EL1077</td><td>9367985.658</td><td>169857.042</td><td>270.771</td><td>AGD66_56</td><td>-60</td><td>52</td><td>COPPERMOLY</td></tr>
<tr><td>SMD29</td><td>SIMUKU</td><td>DD</td><td>348.2</td><td>EL1077</td><td>9367483.472</td><td>169562.434</td><td>308.196</td><td>AGD66_56</td><td>-60</td><td>280</td><td>COPPERMOLY</td></tr>
<tr><td>SMD30</td><td>SIMUKU</td><td>DD</td><td>348.2</td><td>EL1077</td><td>9367307.041</td><td>169681.686</td><td>259.089</td><td>AGD66_56</td><td>-60</td><td>287</td><td>COPPERMOLY</td></tr>
<tr><td>SMD31</td><td>SIMUKU</td><td>DD</td><td>225.2</td><td>EL1077</td><td>9368002.421</td><td>169508.608</td><td>258.41</td><td>AGD66_56</td><td>-60</td><td>100</td><td>COPPERMOLY</td></tr>
<tr><td>SMH05</td><td>SIMUKU</td><td>DD</td><td>100</td><td>EL1077</td><td>9367745.469</td><td>169909.7983</td><td>351.668</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
<tr><td>SMH06</td><td>SIMUKU</td><td>DD</td><td>100</td><td>EL1077</td><td>9367576.483</td><td>169892.2346</td><td>350.875</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
<tr><td>SMH07</td><td>SIMUKU</td><td>DD</td><td>63</td><td>EL1077</td><td>9368184.821</td><td>169736.1072</td><td>244.73</td><td>AGD66_56</td><td>-55</td><td>126</td><td>COPPERMOLY</td></tr>
<tr><td>SMH08</td><td>SIMUKU</td><td>RC</td><td>66</td><td>EL1077</td><td>9367623.713</td><td>169791.2556</td><td>372.341</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
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<tr><td>SMH10</td><td>SIMUKU</td><td>RC</td><td>82</td><td>EL1077</td><td>9367569.075</td><td>169694.668</td><td>398.362</td><td>AGD66_56</td><td>-90</td><td>0</td><td>COPPERMOLY</td></tr>
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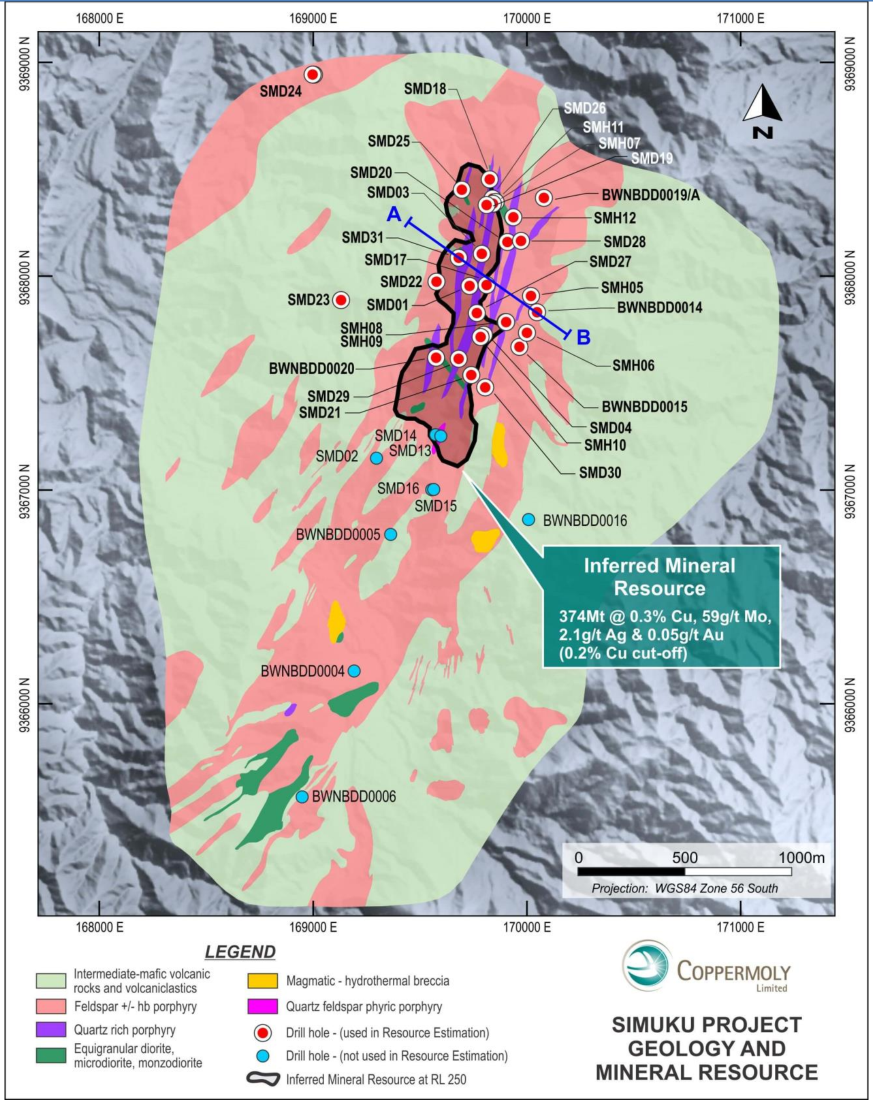
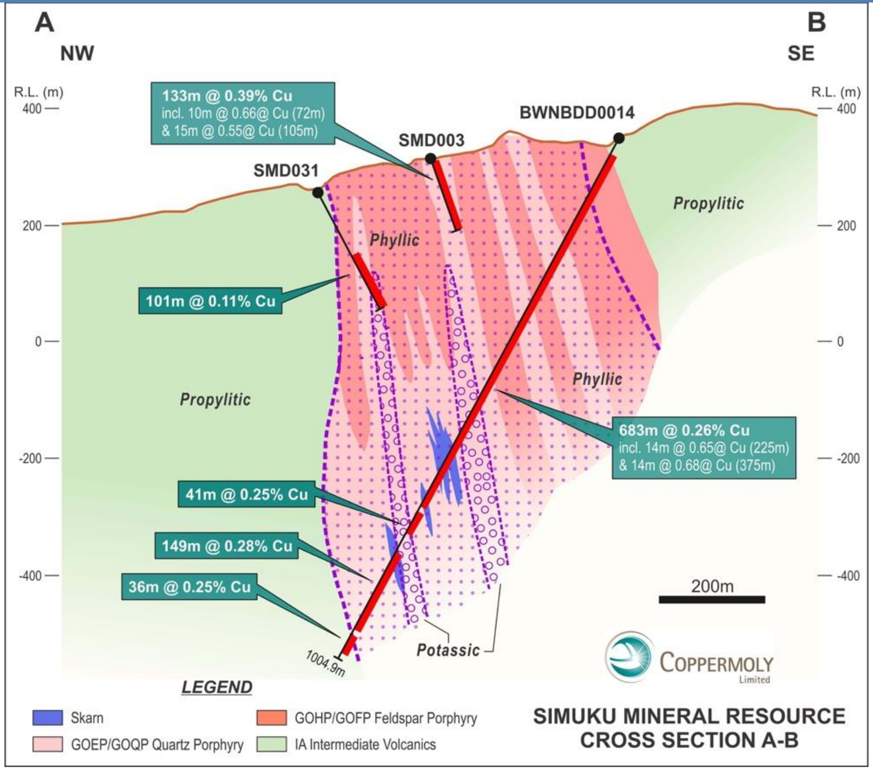
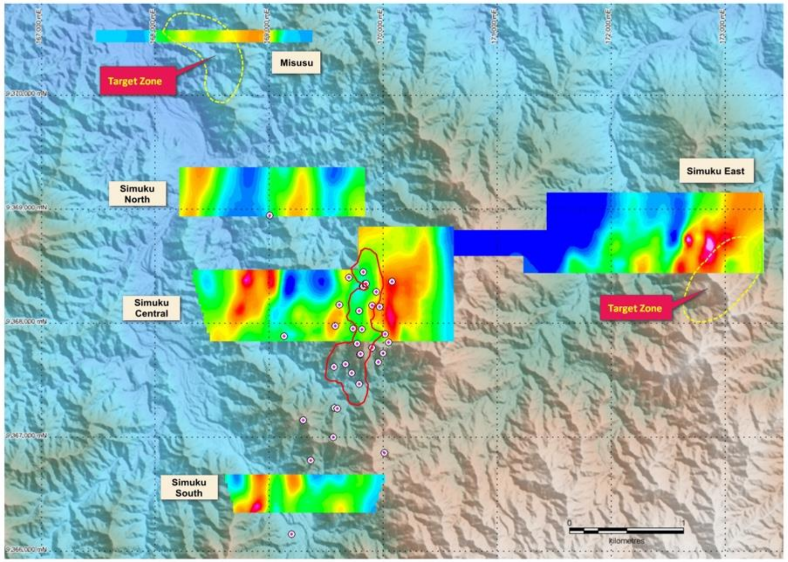
<tr><td>SMH12</td><td>SIMUKU</td><td>DD</td><td>276.6</td><td>EL1077</td><td>9368113.425</td><td>169827.488</td><td>265.07</td><td>AGD66_56</td><td>-75</td><td>316</td><td>COPPERMOLY</td></tr>
</table></td>
</tr>
<tr>
<td>Data aggregation methods</td>
<td>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.
• Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
• The assumptions used for any reporting of metal equivalent values should be clearly stated.</td>
<td>• A selection of downhole drill intercepts have been included relevant to the proposed bulk mining method. The cut off was a nominal 0.2% copper (no gold or molybdenum impacts included) for broad zones of mineralisation; some low grade and waste zones were included. The average grade was calculated using length weighting and no top cut was applied.
• Any higher-grade zones were generally very limited within the broad interval and as such would have no significant bias on the average grade.
• Metal equivalents are not reported.</td>
</tr>
<tr>
<td>Relationship between mineralisation</td>
<td>• These relationships are particularly important in the reporting of Exploration Results.
• If the geometry of the mineralisation with respect to the drill hole</td>
<td>• The relationship between the drill holes angles and the mineralisation is not definitively known.</td>
</tr>
</table>

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	*angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Drill hole intersections given are down hole lengths and the true intersections widths are not known.

Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	

Criteria	JORC Code explanation	Commentary
		

Criteria	JORC Code explanation	Commentary
		
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All drill hole data used to compile the Mineral Resource is given in Appendix 1
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• COY has recently completed twenty-one (21) line kilometres of combined 2D Dipole-Dipole (DP-DP) and Pole-Dipole Induced Polarisation (PDP-IP) survey over high ranked VTEM anomalies. • Quality control was checked by an Independent Geophysics Consultant and data was modelled in 2D and 3D using Geosoft software
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• COY's exploration strategy is to investigate peripheral areas to the Simuku deposit for a similar style of mineralisation in order to expand the overall resource at Simuku. • Follow up work involves confirming and extending the historical surface geological mapping and geochemistry, especially on structural features to further delineate the most productive drill sites.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, 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.* • *Data validation procedures used.*	• Data collated by Coppermoly Ltd • Data supplied as an Access database with indexed fields. • Additional error checking using the Surpac database audit option. • Manual checking of logging codes for consistency. • Manual checking of assay grades for plausibility. • Data converted to a local orthogonal N-S grid
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Peter Crowhurst, Exploration Manager for Coppermoly in numerous site visits has reviewed all drill core and RC chips, and all geological mapping and interpretation. • A site visit to the area was completed by Simon Tear in 2014. This comprised a review of drill core for the project. He has also completed a due diligence exercise for the project for another client
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Simple porphyry copper model exposed at surface with an elongate strike in the NNE –SSW direction • No hard boundaries designed • No supergene blanket zone is interpreted to exist • An oxidation surface was designed based on the geological logging of the drill holes
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.*	• 1500m by 400m to an average depth of 400m with a maximum depth of 600m. One hole extended mineralisation to the 540mRL • Outcropping at surface with a range of elevation from 430 to 250mRL • Mineralisation is relatively uniform; typical for the type of deposit.
Estimation and	• *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*	• GS3M modelling software; Surpac block model; Orthogonal model based on a local grid designed by H&SC • 5,210 2m downhole composites used. Data visually trimmed to remove small amount of peripheral barren material

Criteria	JORC Code explanation	Commentary
modelling techniques	*method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• No top cutting applied; the coefficients of variation for the relevant composite datasets suggest that the data is not sufficiently skewed to warrant top cutting. (coefficients of variation of 1.1 and 1.3 for Cu & Au respectively) • Reasonable correlation between gold and copper; • No assumption on gold recovery • Domaining was used for variography with Domain 1 (north of 52415mN) containing much more drilling data, however modelling was unconstrained • Geostatistics on composite data were performed for copper, gold, silver and molybdenum. • Variography was poor to modest mainly due to a lack of drilling and the nature of the mineralisation. • Ordinary Kriging estimation method used • Maximum extrapolation from nearest drill hole is 200m • The search ellipse was orientated to follow a nominal strike and vertical nature of the porphyry intrusive. A 3-pass search strategy was used with expanding search radii and reducing number of minimum data. • Search parameters for Pass 1 were 50m by 100m by 100m (X, Y & Z) with a 100% expansion for Passes 2 & 3; a 10^{o} search rotation about the Z axis. • Minimum data 12 with 4 octants (Passes 1 & 2) decreasing to 6 data with 2 octants (Pass 3). • Parent block size 25m (east) by 25m (north) by 15m (elevation) with no sub-blocking • Model validation has consisted of visual comparison of block grades and composite values and indicated a reasonable match. Comparison of summary statistics for block grades and composite values has indicated the composite mean is greater than the block grade mean for both copper and gold • No deleterious elements or acid mine drainage factored in • No published historic resource estimate

Criteria	JORC Code explanation	Commentary
		• Drill hole spacing along strike is 100/200m and nominally 100m on section.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry weight basis. • Moisture not determined.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• 0.2% copper with no account for gold grades • Block centroid below topographic surface • Above a local grid northing of 52415mN • No segregation for different oxidation levels • Same or similar copper cut off grades have been used for other porphyry deposits in PNG • Fixed bulk density of 2.57t/m^3 • The cut-off grade at which the resource is quoted reflects the intended bulk-mining approach.
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.*	• H&SC has been advised by COY that its intention is for an open pit mining scenario. Minimum mining dimensions is the parent block size of 25x25x15m. • Any internal dilution has been factored in with the modelling and as such is appropriate to the block size.
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.*	• Mineralisation is similar to the Yandera Cu-Mo porphyry deposit in the Highlands of PNG which has had substantial test work completed • No assumptions have been made for Simuku but application of the Yandera assumptions would be reasonable

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 studies have been completed by COY • The area lies within steep terrain with restricted watercourses • The area is covered with dense vegetation typical of that part of PNG • No assumptions have been made for Simuku but application of other porphyry-type assumptions would be reasonable
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.* • *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.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• No density data supplied • Average dry density value based on H&SC's experience and a literature search; a value of 2.57t/m^3 was used for all oxidised & fresh rock types
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. 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).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources have been classified on the estimation search pass category subject to assessment of other impacting factors such as drill hole spacing (variography), core handling and sampling procedures, QAQC outcomes, density measurements, geological model. • The classification appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• None known to H&SC

Criteria	JORC Code explanation	Commentary
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 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 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.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The geological nature of the deposit, composite/block grade comparison and the low coefficients of variation lend themselves to a moderate level of confidence in the resource estimates. • The lateral margins to the deposit are geologically undefined, more detailed drilling may cause either an increase or decrease in the resource estimate. Modelling of the unconstrained composite data does seem to have limited any smearing of grade beyond a reasonable geological limit • The impact of oxidation is unknown on the likely metallurgical recovery of copper and gold. Some metallurgical test work may resolve this issue. • There may be some small-scale clustering of grade or localised domains of different grade that is not detectable on the current 100/200m spaced drilling. This is thought unlikely in a copper porphyry situation. • The possibility of thick unconsolidated overburden is considered unlikely as the deposit generally lies on the crest of a hill away from any valley floor. • The resource estimates are considered to be accurate globally, but there is some uncertainty in the local estimates due to the current drill hole spacing and a lack of geological definition. • No mining of the deposit has taken place, so no production data is available for comparison.