

Quarterly Activities Report

For the three months ended 31 March 2023

Summary

During the quarter Sihayo Gold Limited (“**Sihayo**” or “**the Company**”) focused on the continued safe exploration activities at the Sihayo-Pungkut 7th Generation Contract of Work (“CoW”) in North Sumatra, Indonesia.

Exploration activities during the quarter in the CoW north block included the continuation of drilling for high-grade jasperoid-hosted gold mineralisation located beneath the proposed pit shell for the Sihayo Starter Project, the completion of soil geochemical sampling over the Galugur-Panas epithermal gold-silver target on the eastern side of Hutabargot Julu, and in the CoW south block, the commencement of soil geochemical sampling over the Tambang Ubi gold-copper skarn target.

Drilling with two man-portable rigs continued at Sihayo. A total of 3,320 metres in 10 holes (SHDD650 – SHDD659a) was completed during the quarter. All holes intersected encouraging jasperoid mineralisation. Assay results were reported for holes SHDD646 to SHDD653 during the March 2023 quarter. Hole SHDD653 was a particular highlight, intercepting 50 m at 7.75 g/t Au. This drilling program was recently completed and work is now underway to update the Mineral Resource estimate to include the results from the drilling program.

Work continued incorporating High pH (Caustic) Leaching into the Sihayo Starter Project design. The release of updated project economics incorporating the Caustic Leaching is expected in the June Quarter.

The Company also continues to investigate underground mining opportunities at the Sihayo Starter Project. An initial conceptual mining study has now been completed showing the potential for a viable drift and fill underground mining operation to be conducted in conjunction with open pit operations. Following the completion of the current drilling program and Mineral Resource update, the Company intends to initiate a full Concept Study on the underground mining opportunity.

During the quarter ended 31 March 2023 the Company received an additional US\$1.5 million shareholder loan from its largest shareholder, Provident Minerals Pte Ltd. Funds from this shareholder loan are being used to complete the feasibility study update and Sihayo drilling program.

Sihayo’s Executive Chairman Colin Moorhead commented:

“The Company’s Caustic Leaching test work and underground drilling programs at Sihayo vindicate the Company’s strategy for increasing value at the Sihayo Starter Project, as evidenced by the outstanding drill results reported during the quarter. We look forward to reporting further drilling results as well as an updated economic assessment for the Sihayo Starter Project shortly.”

Sihayo Gold Limited

ASX code: SIH

6,102,128,090 shares
AUD 0.2 cents per share
AUD 12.2 m market cap
AUD 1.13m cash

Board of Directors

Mr Colin Moorhead
Executive Chairman

Mr Misha Collins
Non-executive Director

Mr Gavin Caudle
Non-executive Director

Mr Daryl Corp
Non-executive Director

Management

Mr Roderick Crowther
Chief Financial Officer

Ms Susan Park
Company Secretary

Registered office

Suite 1, 245 Bay Street
Brighton VIC 3186

www.sihayogold.com

Highlights

1. Exploration

a. Sihayo-1

A second stage of drilling with two rigs commenced late in the December 2022 quarter. This follows the announcement of encouraging gold assay results from the first stage of drilling conducted earlier in 2022 that tested for extensions to deeper high-grade gold-jasperoid mineralisation below the southern end of the planned Sihayo Starter Project pit. A total of ten holes (SHDD650 to SHDD659a) were drilled for 3,320 m in the March 2023 quarter (Figure 1, Table 1). Gold assay results were received for the first eight holes of the current program, and highly encouraging intercepts were reported¹ for holes SHDD646 – SHDD653 during the quarter (Table 2). The second stage of drilling is expected to be completed and assay results received for the remaining holes during the June quarter, enabling an updated Mineral Resource estimate to be completed for Sihayo.

b. Hutabargot Julu

Soil geochemical sampling was completed over the Galugur-Panas epithermal gold-silver target located about 3 km east of Sihorbo South, and part of the larger Hutabargot Julu vein field. Assay results were received during the quarter. These will be compiled and interpreted for reporting during the June quarter. The aim of this survey is to identify new targets for possible drill testing during 2023.

c. Kotanopan

Prospecting continued over the Tambang Ubi high-grade Cu-Au skarn target and nearby porphyry-related targets located in the NE corner of the CoW south block. Soil geochemical sampling is planned to be conducted over this target during the June 2023 quarter.

2. Sihayo Starter Project

- a. Incorporating High pH Leaching into the project design, with updated project economics for the open pit operations to be released in the June Quarter
- b. Underground drilling results to be included in an updated Mineral Resource estimate, followed by a full Concept Study on underground mining opportunities

3. Corporate

- a. During the quarter ended 31 March 2023, the Company received a further US\$1.5 million loan from its largest shareholder, Provident Minerals Pte Ltd
- b. On 28 April 2023, the Company entered into an additional US\$2.5 million loan agreement with Provident
- c. The Company continues to assess funding options

¹ Refer to ASX announcements (SIH:ASX) "Exciting Gold Intercepts from Latest Drilling Program at Sihayo" dated 9 March 2023, and "Significant Au Intercepts – 50 metres at 7.75 g/t Au at Sihayo" dated 24 March 2023.

March 2023 Quarter Overview

Friday, 28 April 2023 – The Company is pleased to report on its activities for the three months to 31 March 2023.

Health, Safety & Environment

New COVID-19 case numbers have continued to significantly decrease to very low levels in Indonesia during the quarter. There were no recorded COVID-19 cases on the project sites. Mandatory COVID-19 testing and 24-hour quarantine protocols prior to entering the project sites were therefore eased to increase work efficiencies. Mitigation procedures such as social distancing, appropriate hygiene practices, and disinfecting the field camps and site office have been maintained to minimise the risk of any recurrence or transmission of COVID-19 in the workplace.

The quarter passed with no recorded safety or environmental incidents on drill rigs or other field activities with a Total Recordable Injury Frequency Rate (TRIFR) of 0.00 for the nine months to the end of the March quarter for FY2023.

Exploration

The second stage of diamond drilling continued at **Sihayo** during the quarter. This is a follow-up program to the first stage of deep drilling reported 2022 which comprised seven holes (SHDD639 to SHDD645) for 2,216 m. These latest drilling programs are testing for continuity to, and potential open-extensions of, deeper higher-grade gold-jasperoid mineralisation identified below the southern end of the planned Sihayo-1 pit, and for potential high-grade feeder zones “linking” and located beneath the stratabound mineralised zones.

Five drill holes from the first stage returned moderate-high grade gold intercepts in significant thicknesses of jasperoid mineralisation within deeper targeted zones of the Sihayo gold resource and highlighted potential extensions to the deeper high-grade mineralisation (refer to SIH:ASX announcement titled “*High-Grade Gold Intercepts from Latest Drilling Program at Sihayo*” dated 25 October 2022).

The second stage of drilling operated with two man-portable rigs and commenced during the December 2022 quarter. A total of four holes (SHDD646 to SHDD649) was completed for 1,415 m during the December 2022 quarter, and ten holes (SHDD650a to SHDD659a) for 3,320 m was completed in the March 2023 quarter (Table 1, Figure 1). All holes intersected jasperoid mineralisation. Assay results were received and reported for holes SHDD646 to SHDD653 in the March 2023 quarter. All holes intersected encouraging jasperoid mineralisation. Gold results were received for the first eight holes (SHDD646 – SHDD653) completed during the current program. Highly encouraging intercepts were returned and reported from these holes during the quarter (Table 2) (refer to SIH:ASX announcements titled “*Exciting Gold Intercepts from Latest Drilling Program at Sihayo*” dated 9 March 2023, and “*Significant Au Intercepts – 50 metres at 7.75 g/t Au at Sihayo*” dated 24 March 2023). The second stage of drilling is expected to be completed and assay results received for the remaining holes during the June quarter.

Surface mapping and soil sampling over the Galugur-Panas epithermal vein target located on the eastern side of **Hutabargot Julu** (Figure 2) were completed during the quarter. This work is focusing on identifying potential strike-extensions and additional gold-silver vein targets located to the north of historical Dutch workings and previous drilling on the Galugur-Panas vein system. A total of 789 m in three holes was drilled by the Company in 2012. These returned a best mineralised intercept of 5.9 m at 4.12 g/t Au and 6 g/t Ag from 54.3 m down-hole depth in hole HUTDD026 that is open to the north and below the recently completed grid soil survey (refer to SIH:ASX announcement titled “*Hutabargot Julu delivers its Maiden Mineral Resource with Sihorbo South – UPDATED*” date 7 September 2022 for additional information on previous drilling; Appendix 1 JORC Code – 2012 Edition, Table 1 – Section 2 Historic Exploration Data).

Table 1: Stage 2 Sihayo Drilling Program – Drill hole collar details

Hole ID	mE	mN	RL	Dip/Az (°)	Depth(m)
SHDD646	548,623	102,272	1168	-64 ⁰ /225 ⁰	355.20
SHDD647	548,489	102,212	1205	-82 ⁰ /221 ⁰	458.10
SHDD648a	548,621	102,277	1168	-69 ⁰ /201 ⁰	262.30
SHDD649	548,620	102,277	1168	-85 ⁰ /200 ⁰	340.10
SHDD650a	548,486	102,213	1205	-72 ⁰ /221 ⁰	360.00
SHDD651	548,606	102,245	1177	-70 ⁰ /201 ⁰	360.00
SHDD652	548,487	102,212	1205	-62 ⁰ /221 ⁰	358.00
SHDD653	548,605	102,244	1177	-69 ⁰ /181 ⁰	369.20
SHDD654	548,486	102,209	1205	-77 ⁰ /040 ⁰	363.50
SHDD655	548,601	102,243	1177	-69 ⁰ /181 ⁰	259.90
SHDD656	548,445	102,237	1210	-67 ⁰ /221 ⁰	295.70
SHDD657	548,604	102,247	1177	-60 ⁰ /172 ⁰	287.95
SHDD658	548,445	102,236	1210	-81 ⁰ /221 ⁰	330.50
SHDD659a	548,531	102,185	1199	-77 ⁰ /222 ⁰	335.80

Notes: Collar coordinates are Total Station survey readings

Datum UTM/WGS84_z47N, grey highlight indicates assays received and reported

Table 2: Stage 2 Sihayo Drilling Program – Selected best mineralised intercepts

Reported at 0.3 g/t Au cut-off and up to 4m internal dilution

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)	Est True Width (m)
SHDD646	295.0	303.0	8.0	5.48	7.2
Including	295.0	298.0	3.0	9.03	2.7
SHDD648a	211.0	215.0	4.0	7.10	3.6
	248.0	256.0	8.0	3.41	7.2
SHDD650a	222.00	227.30	5.30	7.26	4.8
	300.00	305.00	5.00	5.93	4.5
SHDD651	249.00	281.00	32.00	4.73	28.8
Including	263.00	281.00	18.00	7.55	16.0
SHDD653	215.00	265.00	50.00	7.75	40.0
Including	228.00	250.00	22.00	13.14	17.5

 Notes: Complete intercepts are presented in ASX announcements referenced below²

² Refer to ASX announcements (SIH:ASX) "Exciting Gold Intercepts from Latest Drilling Program at Sihayo" dated 9 March 2023, and "Significant Au Intercepts – 50 metres at 7.75 g/t Au at Sihayo" dated 24 March 2023. 23.

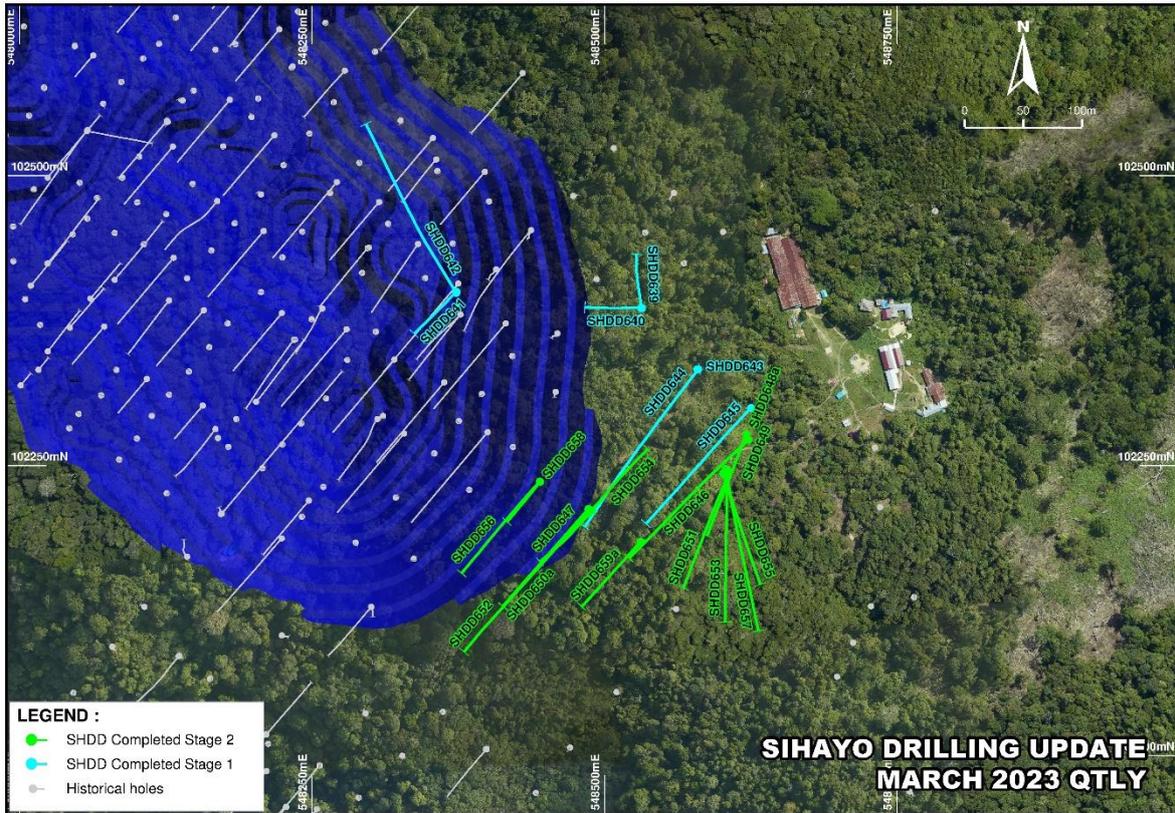


Figure 1: Stage 2 Sihayo Drilling Program – Drill Hole Locations

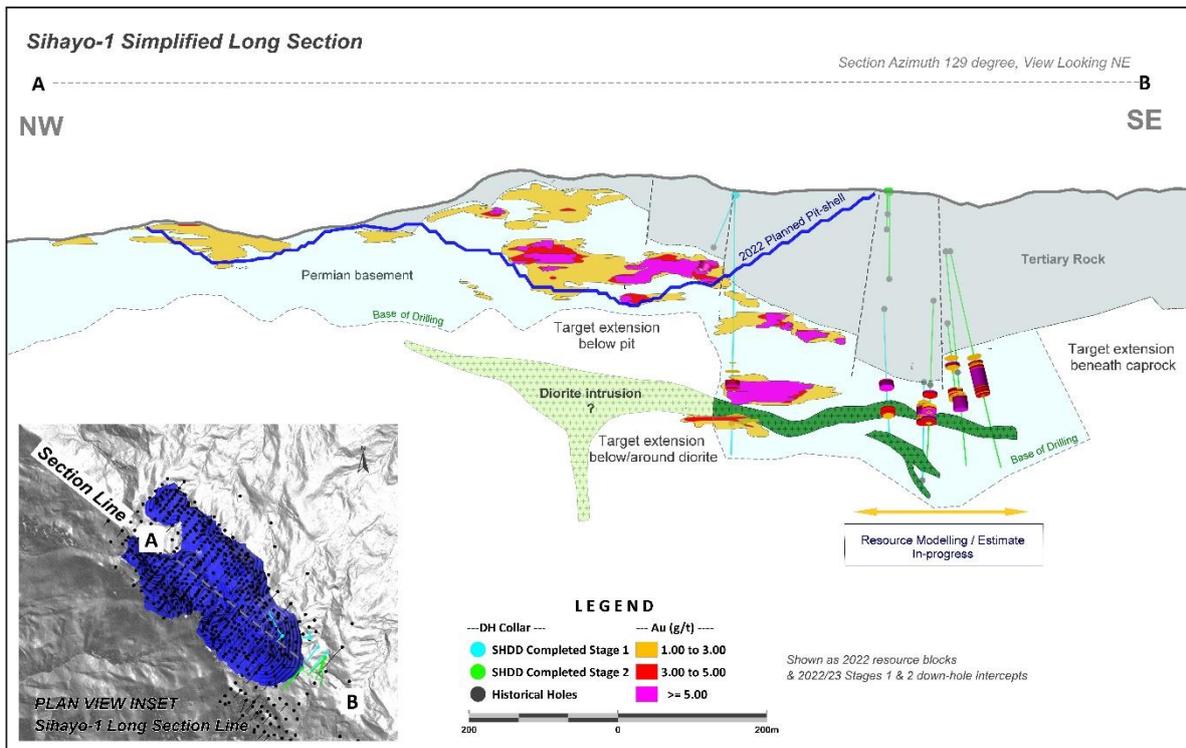


Figure 2: Schematic long section of Sihayo underground geology and Stage 1 & 2 drill hole traces

The Company continued with surface prospecting and sampling on the Tambang Ubi gold-copper skarn target during the quarter (Figure 3). Assay results from samples taken from recently active artisanal mining stockpiles will be reported in the June quarter.

The Company has commenced grid-based soil geochemical sampling on non-forestry freehold land owned by local landowners in the eastern half of Tambang Ubi prospect. This first stage of sampling comprises 250-300 samples and is estimated to take 4-6 weeks to complete.

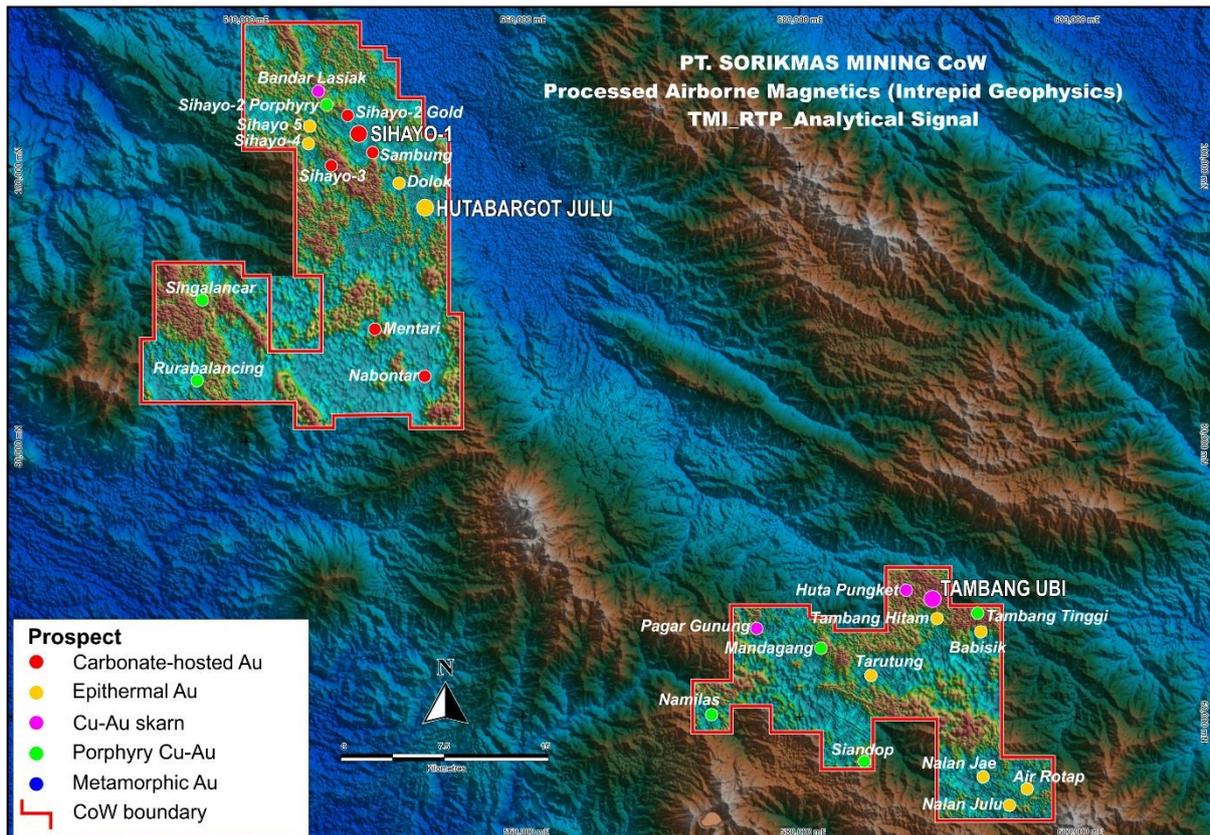


Figure 3: PT Sorikmas Mining CoW showing major prospects including Tambang Ubi

Sihayo Starter Project

High pH Leaching Update

Following completion of the metallurgical test work program in CY2022, the Company has commenced an update to the feasibility assessment of the Sihayo Starter project incorporating a High pH Leaching phase into the project design. An updated metallurgical recovery function has been developed, indicating life-of-mine metallurgical recoveries of 80 – 85%, which is a significant increase from the 71% adopted in the 2022 Feasibility Study Update (“2022 FSU”).

The Company is now finalising an updated economic assessment of the Project, which will incorporate the updated metallurgical recovery function, mining and processing schedules and updated capital and operating cost estimates. Results from the updated economic assessment will be released shortly.

Underground Mining Opportunities

The Company is currently assessing the potential for an independent underground mining operation at the Sihayo Starter Project. This may either be a concurrent addition to the planned open pit

operation, or a standalone mine should that be demonstrated as more economically and technically viable. The latest results from the current drilling program continue to validate the Company's exploration model for the deposit and enhance the prospects of developing an underground mining operation at the Project.

Following completion of the current drilling program, the Company intends to update its Mineral Resource estimate for the Sihayo Starter Project and complete a Concept Study on the underground mining opportunity.

Corporate and Finance

Financing

As at 31 March 2023, Sihayo had approximately \$1,127,000 cash on hand, including \$390,000 held in security deposits. On 21 October 2022 the Company secured a US\$1.5 million loan from its largest shareholder, Provident Minerals Pte Ltd. This was followed by an additional US\$1.5 million loan secured from Provident Minerals Pte Ltd on 21 February 2023. The shareholder loans have been used to complete the updated economic assessment and underground drilling programs for the Sihayo Starter Project.

Following the end of the quarter, as announced on 28 April 2023, the Company entered into a further loan agreement with Provident Minerals Pte Ltd for US\$2.5 million. These funds are to be used for required permitting payments, including the Reclamation Guarantee for the Sihayo Starter Project ("JAMREK"), and general working capital. The Company continues to assess options for further short-term as well as long-term financing.

Tenement Listing

Project	Tenement	Approval Date	Expiry Date	Area	Equity
<u>PT Sorikmas Mining, Indonesia</u>					
Pungkut	96PK0042	31/05/96	2049	66,200 ha	75
<u>Oropa Indian Resources, India</u>					
Block D-7		22/01/00	N/A	4,600km ²	9 ³
<u>Sihayo Gold Limited, Australia</u>					
Mt Keith	M53/490	11/06/04	10/06/25	589 ha	0 ⁴
	M53/491	11/06/04	10/06/25	620 ha	0 ⁴
<u>Excelsior Resources Limited, Australia</u>					
Mulgabbie	M28/364	25/03/09	24/03/30	54.6 ha	02 ⁴

³ Sihayo has an option to increase to 18%

⁴ Sihayo entitled to a 2% net smelter royalty

Related Party Disclosures

Sihayo also discloses the following payments to related parties during the quarter ended 31 March 2023.

Description	Fees paid
Payment of fees and consulting fees to Directors	100,699
Payment of office rent and executive assistant services to Colin Moorhead & Associates Pty Ltd (an entity associated with Chairman, C. Moorhead)	8,578
Total	109,277

This ASX announcement has been approved by the Board of Sihayo Gold Limited.

For further information, please contact:

Colin Moorhead

Executive Chairman

E: colin.moorhead@sihayogold.com

Roderick Crowther

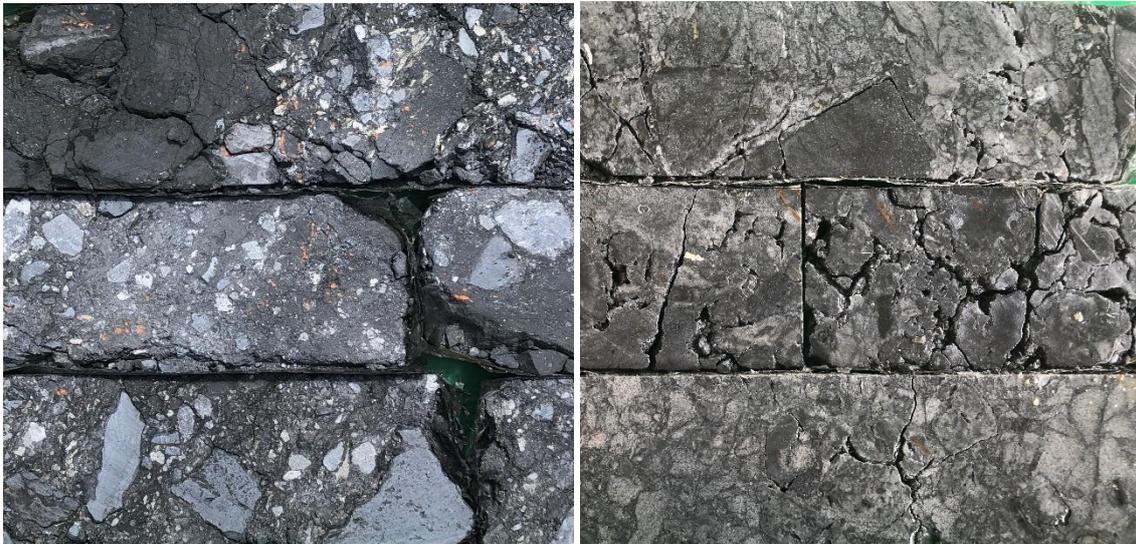
Chief Financial Officer

E: roderick.crowther@sihayogold.com

Sihayo Camp – Drilling – Core Shed Activities



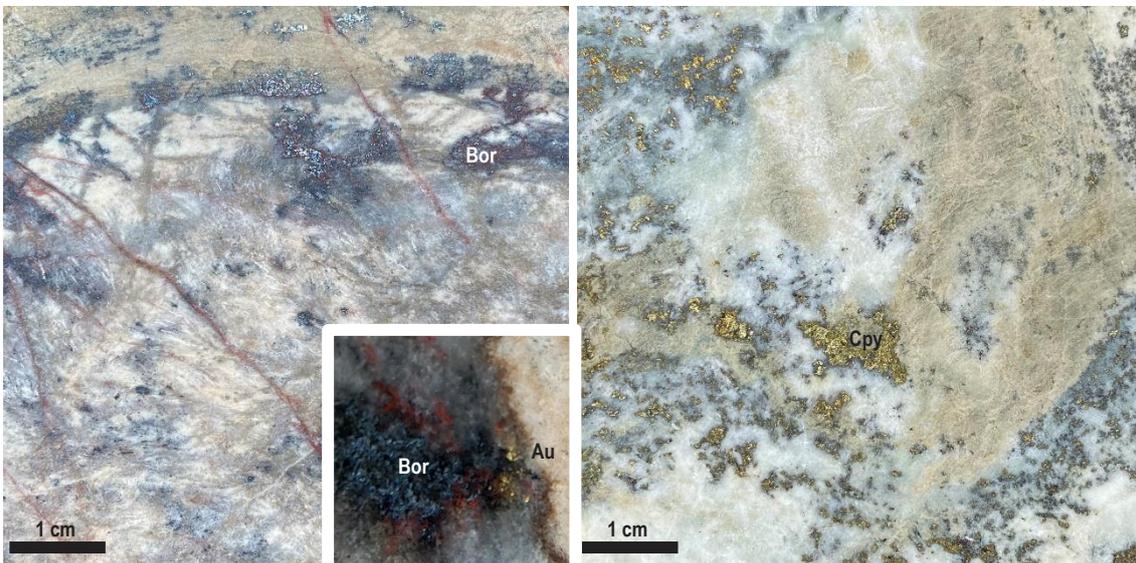
Sihayo – Examples of mineralised jasperoid breccia



SHDD651: 272.0 – 277.0m
Mineralised cave-fill breccia containing jasperoid clasts and fluidised residual clay-sulphide matrix with clots of orpiment
Assay Range: 5.69 – 7.68 ppm Au

SHDD653: 244.0 – 249.0m
Mineralised cave-fill breccia completely replaced by sulphidic jasperoid (replacement silicification)
Assay Range: 10.9 – 15.9 ppm Au

Tambang Ubi – Examples of gold-copper skarn samples



Note: Bor – bornite, Cpy – chalcopyrite, Au – free gold