



## **QUARTERLY REPORT**

### **3 months ending 30 September 2018**

#### **REVIEW OF OPERATIONS**

##### **1. Corporate**

The Company finished the quarter with AUD 462,000 cash. As of 30 October the company also has USD 585,000 of undrawn credit facilities with major shareholders.

##### **2. Sihayo Gold Project**

The Sihayo Gold Project is located within a Generation VII Contract of Work (CoW) located in Northern Sumatra Indonesia. The Company holds an interest in the Project through 100% ownership of Aberfoyle Pungkut Investments Pte Ltd (API). The CoW is held by PT Sorikmas Mining (Sorikmas) which is operated under a Joint Venture arrangement between API (75%) and PT Aneka Tambang Tbk (25%) (ANTAM).

Since the release of the revised Feasibility study on 23 August the Company has continued to explore options for financing the project. To date the results of this work is very preliminary.

In the meantime, work is being carried out examining in greater detail additional optimisations to the project, mainly around decoupling the mine plan from the tailings dam construction requirements.

As previously announced, changes to the feasibility will require addendums to both the previous Government of Indonesia Feasibility Study and AMDAL (environmental permit) approvals. Work is underway to prepare these addendums as well as preliminary work in the Contract of Work location to re-engage with the community and to socialise the project.

Preliminary work is also being undertaken to define preparatory work that can be done to fast track the construction of the project when permitting is received and financing is in place. This work includes planning of road and bridge upgrades

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outside of the area of the Contract of Work which does not require licencing or permitting to be undertaken.

The focus for the December quarter will be twofold.

Firstly to maximise the marketing of the project to potential equity and debt providers. The company will rely on non – executive directors with fund raising expertise for the bulk of this work.

Secondly the company will be pushing to complete the revised AMDAL and Government of Indonesia Feasibility Study to keep the Contract of Work in good standing. This work will be the responsibility of the management of the Company's local subsidiary, PT Sorikmas Mining.

All other activities will be minimised to preserve cash.

## **SIHAYO GOLD LIMITED**

**Tim Adams**  
**Interim CEO**  
31 October 2018

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Sihayo Gold Limited

### ABN

77 009 241 374

### Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(150)	(150)
(b) development	-	-
(c) production	-	-
(d) staff costs	(309)	(309)
(e) administration and corporate costs	(107)	(107)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(566)</b>	<b>(566)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	921	921
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>921</b>	<b>921</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	116	116
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(566)	(566)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	921	921
4.5	Effect of movement in exchange rates on cash held	(9)	(9)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>462</b>	<b>462</b>

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	436	90
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (term deposit)	26	26
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>462</b>	<b>116</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	106
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	1,435	921
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The financing facilities available to the Company is from Provident Minerals Pte Ltd with interest rate of 10% per annum and classified as unsecured loan.

On 3 October 2018 (after quarter end), the Company has entered a loan agreement with PT Saratoga Investama Sedaya Tbk. The loan facility of US\$326,000 with interest rate of 10% per annum. This loan also classified as unsecured loan.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	450
9.2 Development	-
9.3 Production	-
9.4 Staff costs	150
9.5 Administration and corporate costs	20
9.6 Other (provide details if material)	
<b>9.7 Total estimated cash outflows</b>	<b>620</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



A handwritten signature in black ink, appearing to read 'D. Nolan', is written over a horizontal dotted line.

Sign here:  
(Director/Company secretary)

Date: 31 October 2018

Print name: Daniel Nolan

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.