

Sihayo working capital facility

Thursday, 27 February 2020: Sihayo Gold Limited (the “**Company**”) (ASX:SIH) announces that it has reached agreement with its largest shareholder, Provident Minerals Pte Ltd (“**Provident**”) for the provision of an interim working capital facility (the “**Facility**”) of US\$1,000,000. This is a clarification to the announcement dated 21 February 2020 by the inclusion of additional information.

The Facility will be used to complete advanced studies for the Sihayo Gold Project (the “**Project**”). In particular, the Project’s mineral resource estimate is being updated to incorporate all of the new data obtained through the circa 7,300m infill drilling program completed on 31 December 2019.

The key terms of the Facility are:

- commits US\$1,000,000 to the Company;
- to be utilised in tranches of US\$200,000;
- unsecured ranking pari-passu with other unsecured obligations;
- 10% per annum interest rate accruing daily and compounded monthly;
- the Company can draw on the Facility up to the sooner of 31 May 2020 or upon the Company receiving funds from a rights issue;
- the Facility is to be repaid in cash at the maturity date of 30 June 2020 or such other date as agreed by the parties in writing; and
- the Company can repay all or any part of the utilised amount before maturity without penalty.

The Company has utilised the first US\$200,000 tranche of the Facility. The balance of the Facility is expected to be drawn in full by 31 May 2020.

Mining, metallurgy and processing studies are also underway and expected to be completed in the second quarter of 2020. The Company anticipates it will seek additional equity funding once it has released the findings of the updated mineral resource and related studies.

For further information please contact:

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About Sihayo Gold Limited:

Sihayo Gold Limited (the “**Company**”) (**ASX:SIH**) owns a 75% interest in PT Sorikmas Mining (“**Sorikmas**”) (together the “**Group**”) which in turn holds the Sihayo-Pungkut 7th Generation Contract of Work (“**CoW**”). PT Aneka Tambang Tbk (“**Antam**”) is the Company’s joint venture partner in the CoW with a 25% interest.

The CoW is located in North Sumatra in the Republic of Indonesia and is approximately three and a half hours drive south from Martabe Mine. The **Sihayo Gold Project** is the most advanced project within the COW with a JORC Code (2012 Edition) Mineral Resource Estimate of 23.4 Mt at 2.11 g/t for 1.585 Moz. In the Inferred, Indicated and Measured Resources categories.

The CoW area is deemed to be highly prospective for mineralisation. In addition to the Sihayo project, there are over twenty (20) identified prospects of carbonate-hosted gold, low to intermediate - sulphidation epithermal-vein gold, gold-copper skarn, copper-gold porphyry and lead zinc skarn style mineralisation across the CoW area.