



ASX Announcement

6 October 2020

Drilling Starts at Hutabargot

Highlights:

- **Commencement of drilling at the first hole in the Hutabargot Julu exploration program**
 - **Mobilisation of the second rig drill rig to site to commence shortly**
 - **Drilling program is testing a large gold-soil anomaly for potential bulk-tonnage disseminated gold mineralisation analogous to the large Martabe gold-silver deposit located in the same mineral district**
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Sihayo Gold Limited (ASX:SIH – “Sihayo” or the “Company”) is pleased to advise of the commencement of a 5,500 m diamond drilling program at the Hutabargot Julu prospect located in the northern block of the PT Sorikmas Mining Contract of Work, North Sumatra, Indonesia.

Drilling at the first hole of the Hutabargot drilling program has commenced following the arrival of the first drill rig to site last week. Sihayo anticipates that a second drill rig will be mobilised to site in the second week of October and will inform the market accordingly. We look forward to reporting early drilling results as they become available.

Hutabargot Julu Program

An initial program of up to 5,500 m of diamond drilling in a 22-hole program has been planned on the large Hutabargot Julu epithermal gold-silver target, located approximately 6 km southeast of the proposed Sihayo Starter Project site (Figure 1). This program is scheduled for completion in the December 2020 quarter using two man-portable drilling rigs owned and operated by PT Indodrill Indonesia.

The planned drill holes are located across the northern part of a 3.5 km x 3.0 km gold-soil geochemical anomaly highlighted extensively altered and mineralised volcanic rocks that has been largely untested by drilling to date. Previous drilling done by Sihayo at Hutabargot Julu during 2010-2013 was focussed mainly on the southern edge of this anomaly (Figure 2) (See <https://www.sihayogold.com/site/investor-centre/asx-announcements> SIH:ASX announcement dated 23 September 2020).

The broad distribution of strongly anomalous gold results detected in soils from a previous survey at Hutabargot Julu suggests prospectivity disseminated gold sources in the bedrock. The aim of this initial program is to test the potential for a large gold resource similar to the Martabe gold-silver deposit, located about 80 km northwest of the Sihayo Project (Figure 3). Martabe mine is owned and operated by PT Agincourt Resources and as of December 2019 had an estimated resource base of 7.8 Moz gold and 64 Moz silver. Martabe and the Sihayo Project, which includes the Hutabargot Julu gold-silver target, all lie within the same highly prospective mineral belt of North Sumatra.

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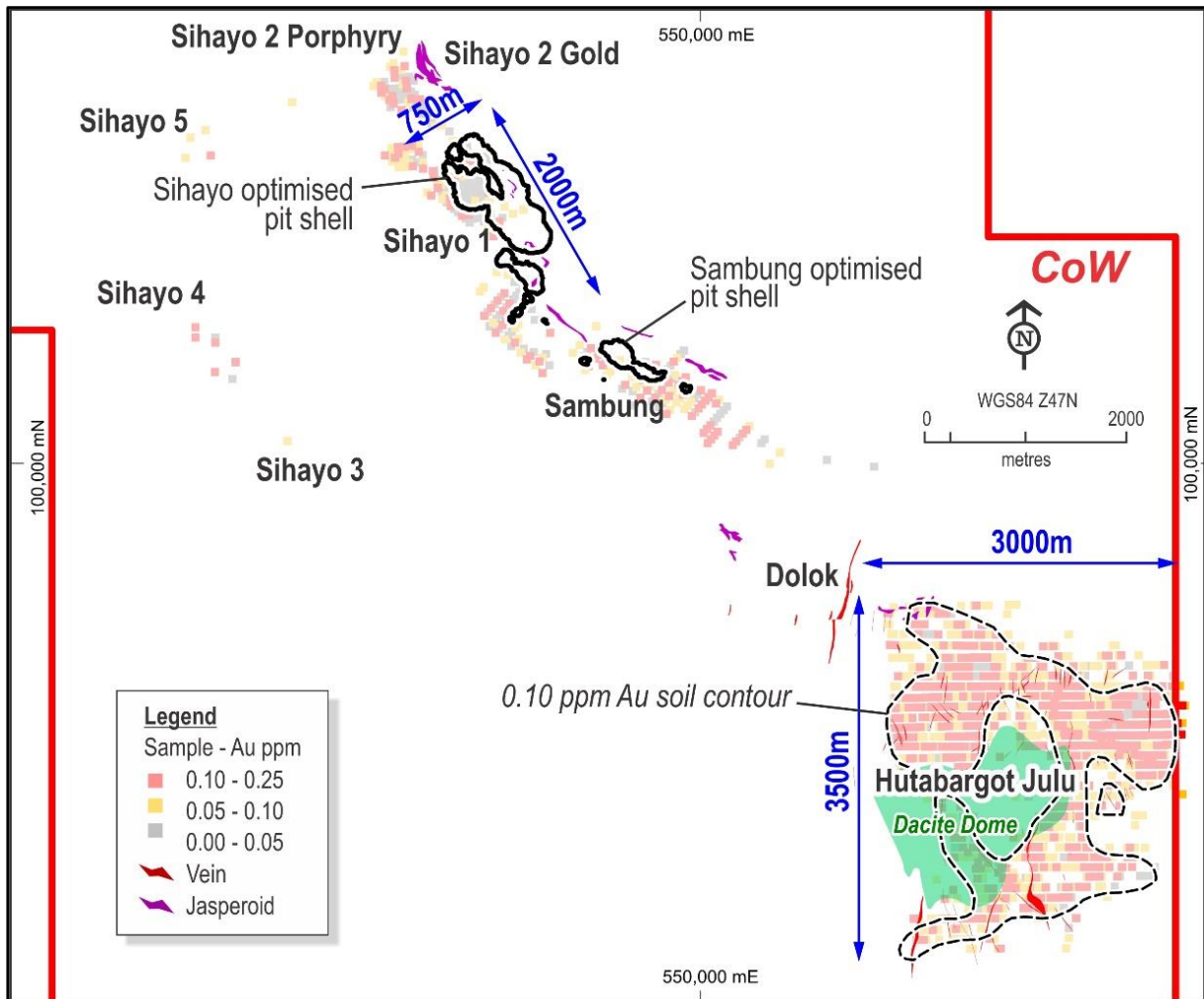


Figure 1: Hutabargot Julu – Extensive Gold-Soil Anomaly within the Sihayo Gold Belt

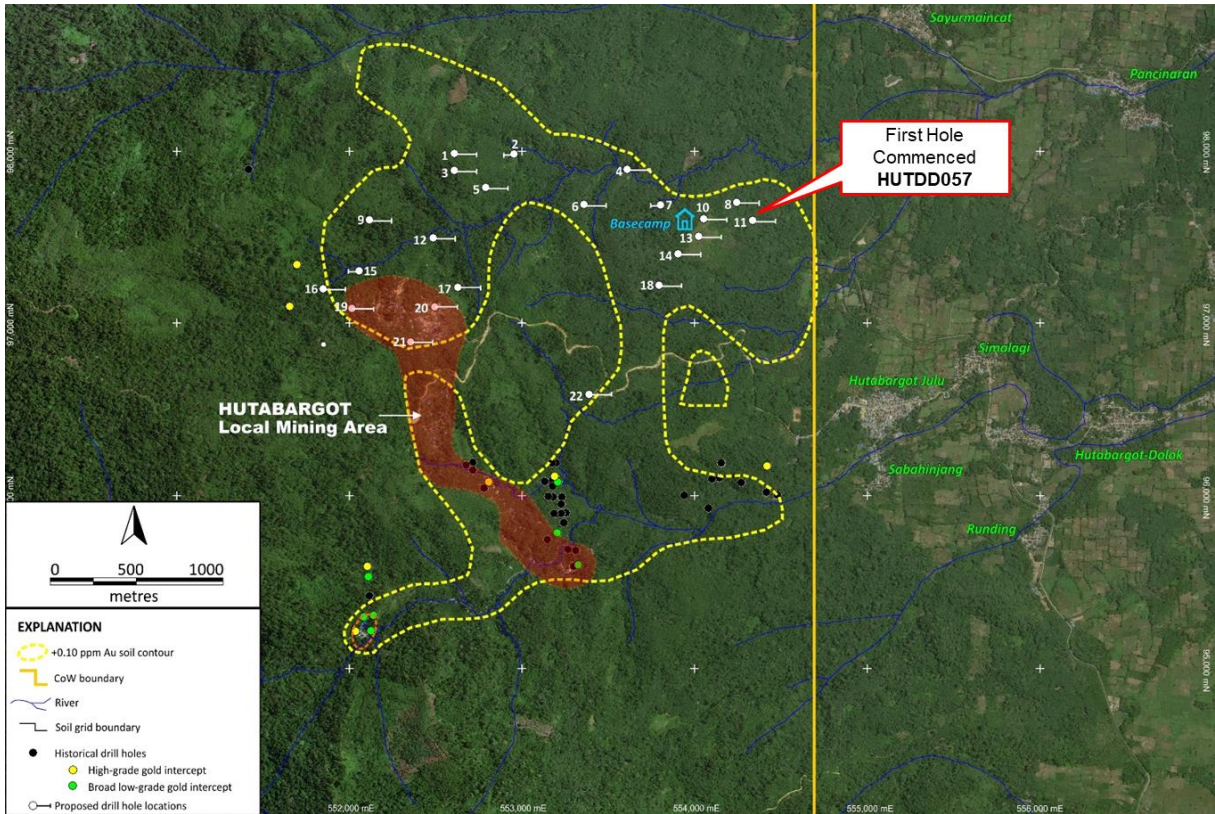


Figure 2: Hutabargot Julu – Planned Drill Hole Locations (white hole traces 1-22)

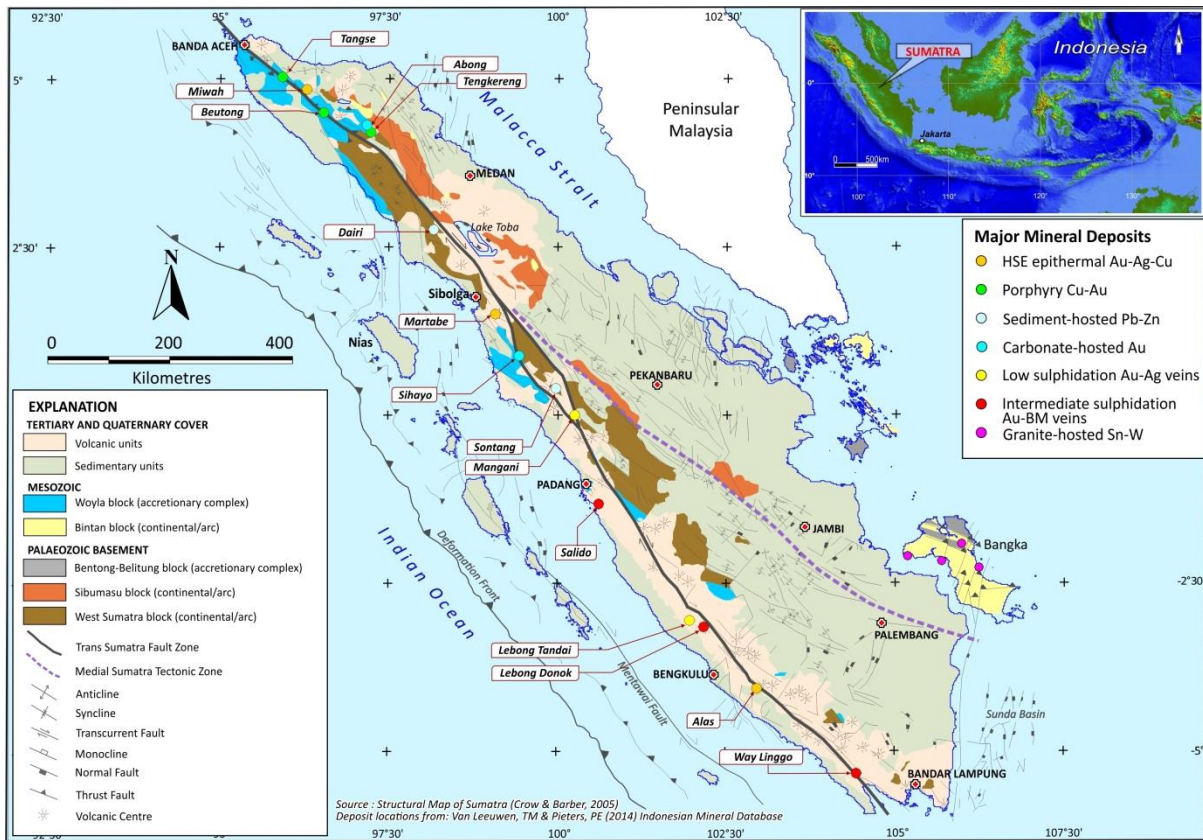


Figure 3: Simplified tectonic map of Sumatra showing locations of Sihayo and Martabe gold deposits



Figure 4: Tor Sigompul Camp Construction over-looking the Panyabungan Graben



Figure 5: Hutabargot Julu – Drill pad preparations & altered volcanic bedrock in drill sumps



Figure 6: Hutabargot Julu – Daily drilling safety meeting before start of drilling



Figure 7: Hutabargot Julu – Setting of the drill rig on HUTDD057



Figure 7: Hutabargot Julu – Spudding of the first drill hole HUTDD057