

# SIHAYO GOLD LIMITED – AGM 29th November 2010



**Developing a world class mid-sized Indonesian gold company**

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## Exploration and Geological Attribution Statement

- It is advised that in accordance with the Australian Stock Exchange Limited Listing Rule 5.6, information in this presentation that relates to Exploration Results is based on information compiled by Mr Graham Petersen who is a Member of the Australasian Institute of Mining and Metallurgy.
- Mr Petersen, is the Chief Geologist of PT Sorikmas Mining, the 75% owned subsidiary of Sihayo Gold Limited. Mr. Petersen has sufficient experience which is relevant to the style of mineralisation and type of deposit which is under consideration and to the activity which Sihayo is undertaking to qualify as a “Competent Person” as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Petersen consents to the inclusion in this report of the matters based on information in the form and context in which it appears.
- All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Sihayo Gold Limited, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions.

# Company Vision and Strategy


## ■ Our Vision

- Developing a world class mid-sized Indonesian based gold company

## ■ Our Strategy

- **1 Moz JORC Resource at Sihayo Pungkut Gold Project** provides core foundation asset
- Near term value creation through completion of the **Definitive Feasibility Study (“DFS”)**, establishing **clear pathway towards production** and **expanding existing JORC resource**
- Future value creation:
  - Organic Growth
    - Continued expansion of the resource base from nearby prospects
    - Accelerated regional exploration of the Contract of Work (“COW”)
    - Discovery, acquisition and development of other gold projects in Indonesia
  - Leveraging off managements’ significant experience in discovery and development of mining projects in Indonesia
  - Leveraging off our major shareholders’ extensive knowledge of the business and operating environment within Indonesia

# 1. Corporate Details

<b>ASX Code</b>	<b>SIH</b>	<b>Board and Management</b>	
Shares on issue	600.7M	Peter R. Bilbe	Chairman
Options listed	13.3M	John Blake	Non exec Director
Options unlisted	33.8M	Gavin Caudle	Non exec Director
Cash	A\$7.0M	Misha Collins	Non exec Director
Market Capitalization (FD)	A\$142.5M	Paul Willis	Chief Executive Officer
52 week price (low/high)	A\$0.05 - \$0.235	Greg Entwistle	Chief Operating Officer
		Graham Petersen	Chief Geologist (PTSM)
<b>Major Shareholders</b>			
Summit Investments (Caudle)	16.5%		
Mr Chee Siew Yaw	13.5%		
IndoAust Mining (Willis)	9.0%		
Lion Selection & Asia Lion	3.9%		
<i>Top 20 Shareholders</i>	<i>70%</i>		

**Excellent Industry and Indonesian country experience**

# New Board and Management Team

## **Peter Bilbe – Independent Non-exec Chairman**

- 35 years corporate, operational and international mining industry experience
- Aztec Resources (MD & CEO), Non-Exec Director – Mount Gibson Iron, Independence Group NL

## **John Blake – Independent Non-exec Director**

- 35 years Indonesian, SE Asian and Australian mining industry experience
- Newcrest (Gosowong, Toguraci, Kencana), PT Agincourt Resources (Martabe)

## **Gavin Caudle – Non-exec Director**

- 20 years investment and finance industry experience across Indonesia, Australia and SE Asia
- Director of Saratoga Capital and Summit Investments Pty Ltd

## **Paul Willis – Chief Executive Officer, Executive Director**

- 20 years investment and mining industry experience across Australia, Indonesia and Hong Kong

## **Greg Entwistle – Chief Operating Officer**

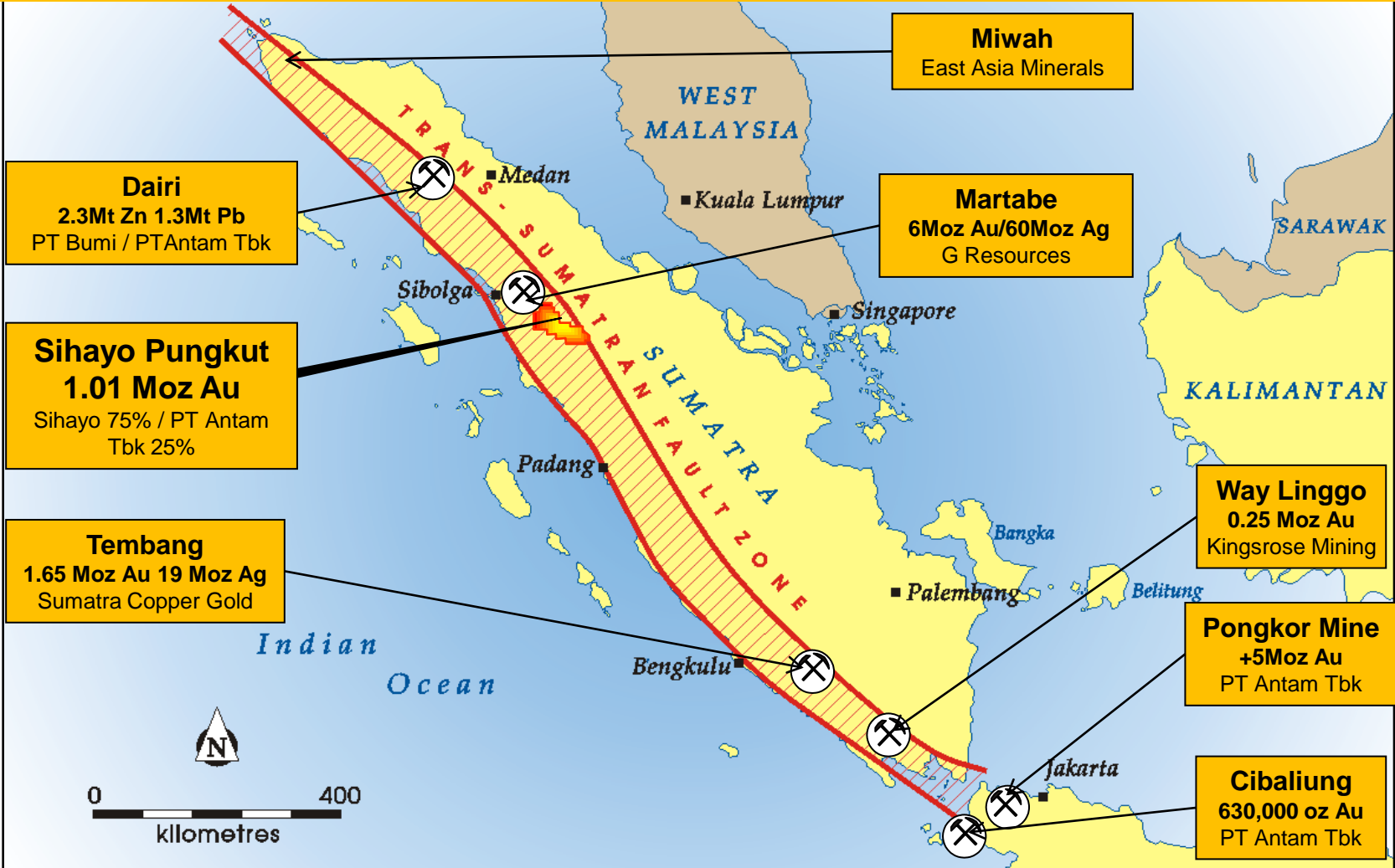
- 30 years Indonesian, SE Asian and Australian mining industry experience
- Newcrest Mining (Gosowong, Toguraci, Kencana), PT Agincourt Resources (Martabe)

## **Graham Petersen – Chief Geologist (PT Sorikmas Mining)**

- 30 years Indonesian, SE Asian and Australian mining industry experience
- Newcrest Mining (Gosowong, Toguraci, Cracow, Telfer), PT Agincourt Resources (Martabe)



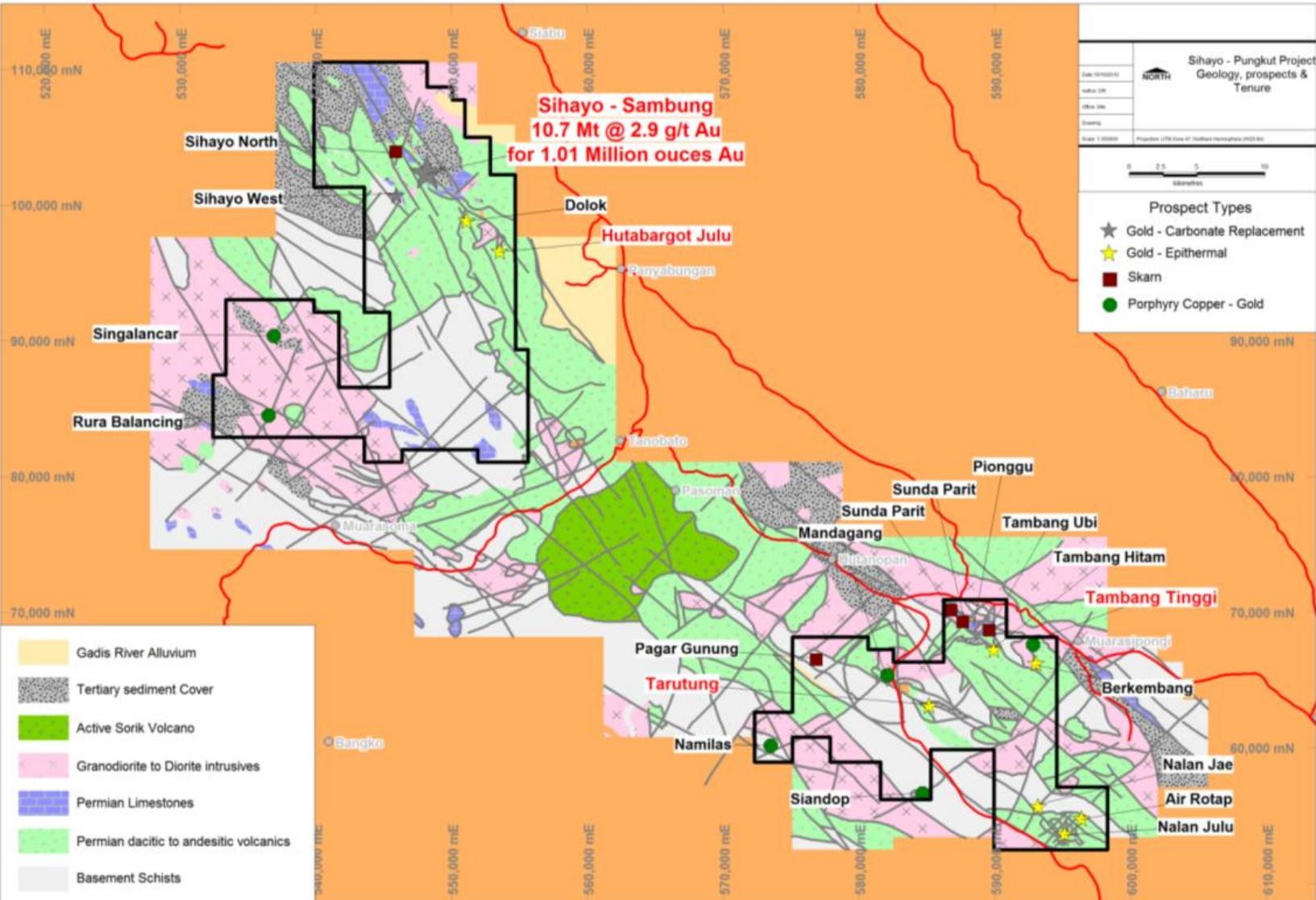
# 2. Sihayo Pungkut Project – 1 Moz Au JORC



Highly endowed mineral province (+18 Moz)

# Sihayo Pungkut Project – COW area 66,200ha

## 1 Moz Au JORC plus over 20 identified prospects



# 1 Moz Au JORC Indicated and Inferred

Report issued by Runge Limited, July 2010

<i>Resource</i>	<i>Tonnage Mt</i>	<i>Grade Au g/t</i>	<i>Contained Gold ounces</i>	<i>JORC Classification</i>	<i>Cut-off grade Au g/t</i>
SIHAYO	8.5	3.0	828.000	Indicated	1.2
SIHAYO	1.1	2.3	82.000	Inferred	1.2
	9.6	3.0	910.000	Indicated & Inferred	1.2
SAMBUNG	1.1	2.6	100.000	Inferred	1.5
Total	10.7	2.9	1.010.000	Indicated & Inferred	

Note 1: Rounding errors may occur

Note 2: SIHAYO resource JORC estimate completed by Runge Limited. Competent person, Rob Williams

Note 3: SAMBUNG resource JORC estimate completed by Mining Assets Pty Ltd. Competent person, Clay Gordon

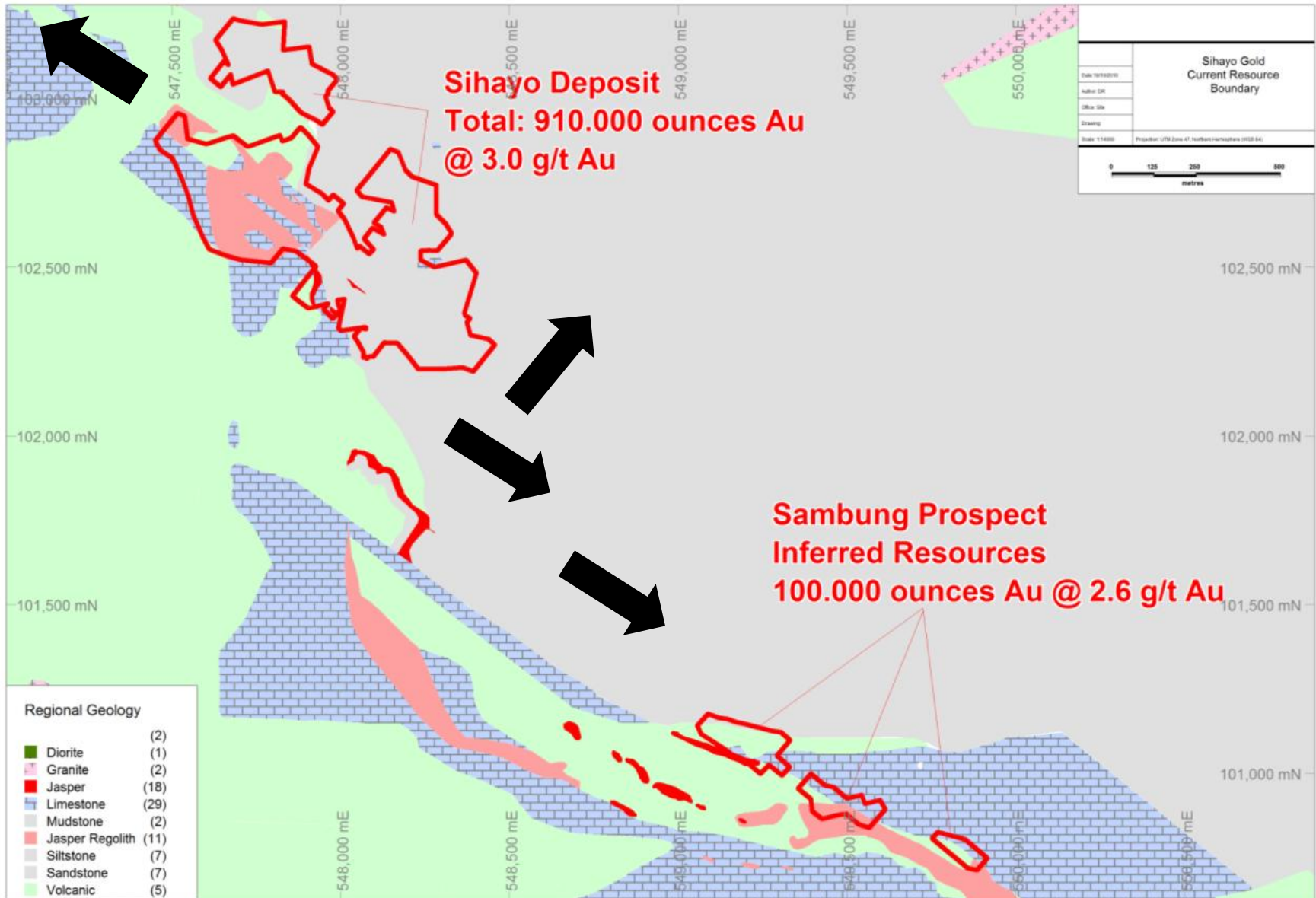
## Expected JORC updates Dec 2010 and March 2011

**Total metres Sihayo-Sambung resource: 45,882m**



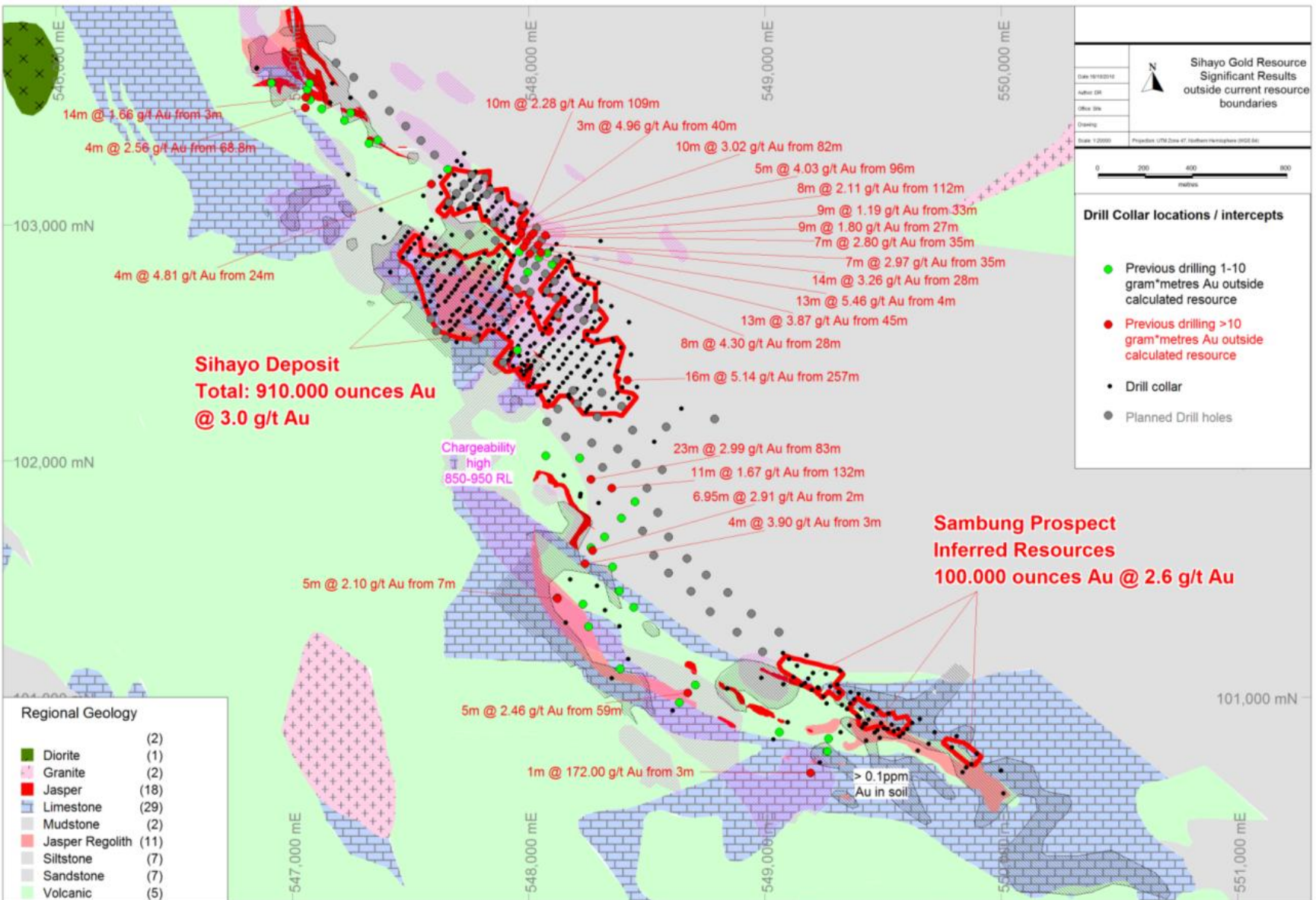
# 1 Moz Au JORC Indicated and Inferred

Main Sihayo deposit: 910koz @ 3.0 g/t Au



# 1 Moz Au JORC Indicated and Inferred

## Significant gold results outside resource boundary



# **Sihayo Pungkut Project:** Conceptual economics and mine plan **Scoping Study (SRK)** Dec 2008















## **Sihayo and Sambung Resources**

- Cash Cost base of US\$440 per oz
- CAPEX approx US\$75m
- 10 year Mine life with annual through put of 1 Mtpa @ 2.4 g/t Au
- Two open cut pits with low stripping ratio (3.8 to 1)
- Simple CIP/CIL metallurgy with estimated recoveries of 80%
- Estimated production of 60-70,000 oz per annum
- **Technically and economically viable at US\$800/oz**
- **DFS scheduled completion Dec 2010**

# Sihayo Pungkut Project

## Definitive Feasibility Study sets timeline

*Aim to deliver DFS outcomes by end 2010*

Project Time Line	Dec Q 2010	March Q 2011	June Q 2011	March Q 2012	June Q 2012
Definitive Feasibility Study					
Indonesian Enviro & Social Studies					
Govt Indonesia Feasibility Study					
Indonesian Forestry Permits					
Project Financing Debt & Equity					
Construction Starts					
Commissioning Starts					

**Timing of Indonesian permits is key schedule variable**

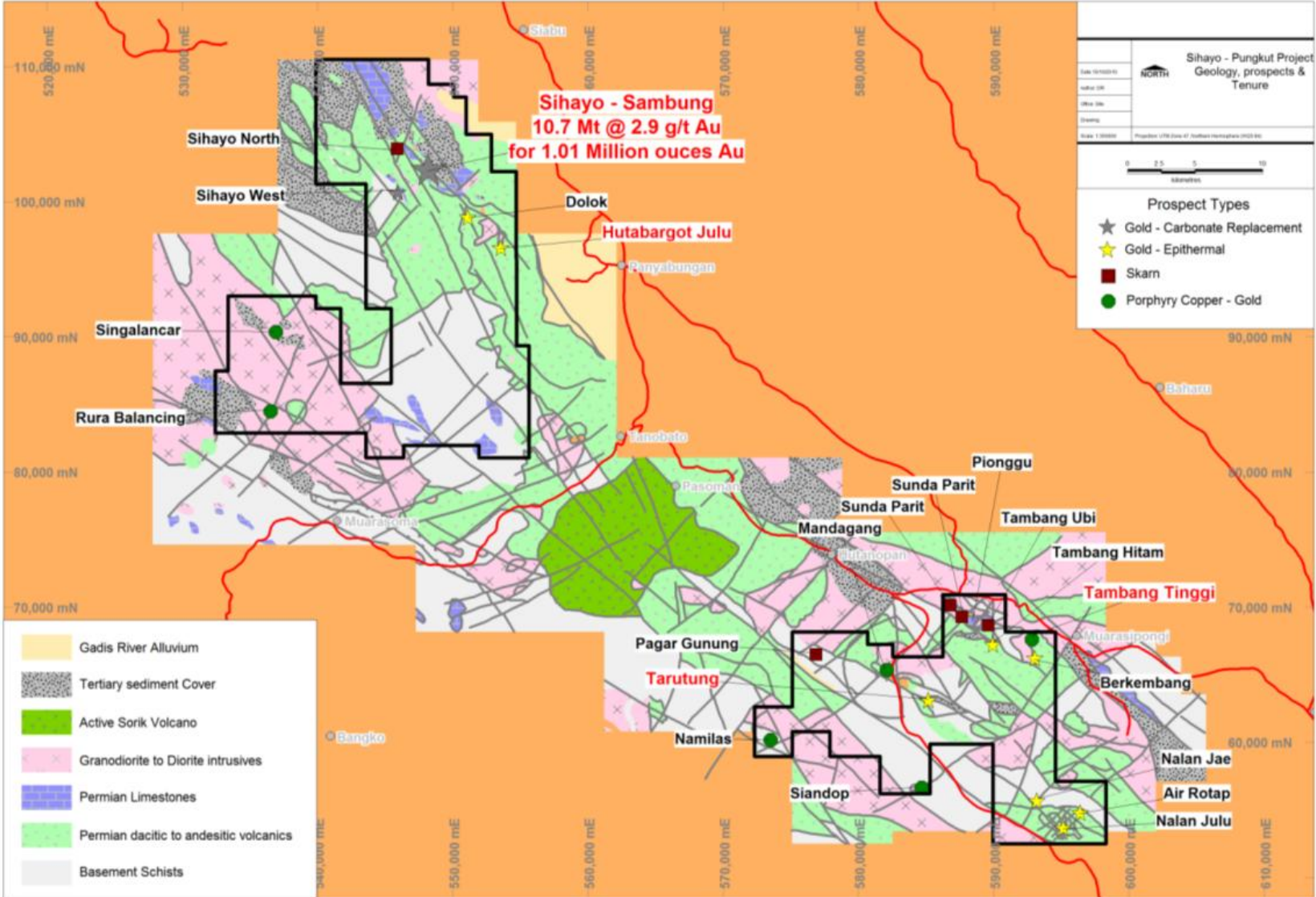
# 3. Exploration potential across COW

**Over 20 identified prospects have the potential to host substantial mineralisation**

- **Target mineralisation types include:**
  - **Carbonate replacement “Jasper” gold** - similar to Sihayo JORC resource
  - **Epithermal vein gold** - recommended for potential high grades, stand alone potential or complimentary ore feed
  - **Porphyry copper / gold** - potential for massive stand alone operations
  - **Skarn copper / gold** - have exhibited high grades over large intervals and close to existing infrastructure
  - **Other base metals** – lead, zinc, copper, silver prospect discovered in 1980’s



# Exploration potential across COW



# Selected historic exploration results

Prospect	Prospect Type	Sample Type	Sample Result
Hutabargot Julu	Low sulphidation epithermal quartz veins	Drilling	5m @ 37.7 g/t Au, 198 g/t Ag
Tambang Tinggi Area – multiple targets, epithermal, skarn and porphyry Cu Au	High level porphyry Au with quartz veining	Drilling	112.6 m @ 1.52 g/t Au from surface, including 25m @ 4.58 g/t Au from 31m
	Low sulphidation epithermal quartz veins	Trenching Drilling	18m @ 7.45 g/t Au 1m @ 10.1 g/t
	Skarn Au – Cu	Production Drilling	102kt @ 6.2 g/t Au, 2.8 g/t Ag and 0.24% Cu 4m @ 3.42 g/t Au
Tarutung	Bonanza grade epithermal vein mineralisation	Trenching Quartz vein float , outcrop	5m @ 57.7 g/t Au, 312 g/t Ag up to 167 g/t Au, 384 g/t Ag, up to 452 g/t Au, 2,460 g/t Ag
Mandagang	Porphyry Cu – Au - Mo	Trenching	Maxima 0.9 g/t Au, 0.08% Cu, 500ppm Mo
Namilas	Porphyry Cu – Au - Mo	Trenching	Maxima 0.3 g/t Au, 0.16% Cu, 223ppm Mo
Pagar Gunong	Cu – Pb – Zn - Ag	Non JORC	0.8mt @ 0.45% Cu, 1.2% Pb, 4.6% Zn, 68 g/t Ag

# Selected historic exploration results

Prospect	Prospect Type	Sample Type	Sample Result
Dolok	Jasperoid style, epithermal vein	Trenching	3m @ 1.77 g/t Au
Sihayo 4	Jasperoid style mineralisation	Outcrop and float	Maxima 16.5 g/t Au
Sihayo 5	Epithermal veins and highly altered and silicified rocks	Outcrop and float	Maxima 35.8 g/t Au, 25 g/t Ag
Air Rotap	Epithermal vein potential	Float	634 g/t Au, 2653 g/t Ag
Nalanjulu	Epithermal vein potential	Float	29.6 g/t Au, 369 g/t Ag
Singalancar	Porphyry style potential	Rock chip	5.12 g/t Au, 319 g/t Ag, 13.7% Zn, 0.62% Cu
Rura Balancing	Porphyry style potential	Outcrop / stream float	Max 0.57% Cu, 2,280 ppm Mo and 0.19 ppm Au



# Tambang Tinggi Area

Multiple prospects within 2.8km x 1.6km area



# Tambang Tinggi Area

## Porphyry Au - Cu and Epithermal Au targets

### Priority 1 targets

- Near surface Au deposits
  - Tambang Tinggi – high level porphyry Au
  - Tambang Bawah – structurally hosted epithermal Au
  - Tambang Ailul – untested high level porphyry Au
  - Tambang Kuyuroyu – low sulphidation epithermal Au

### Priority 2 targets

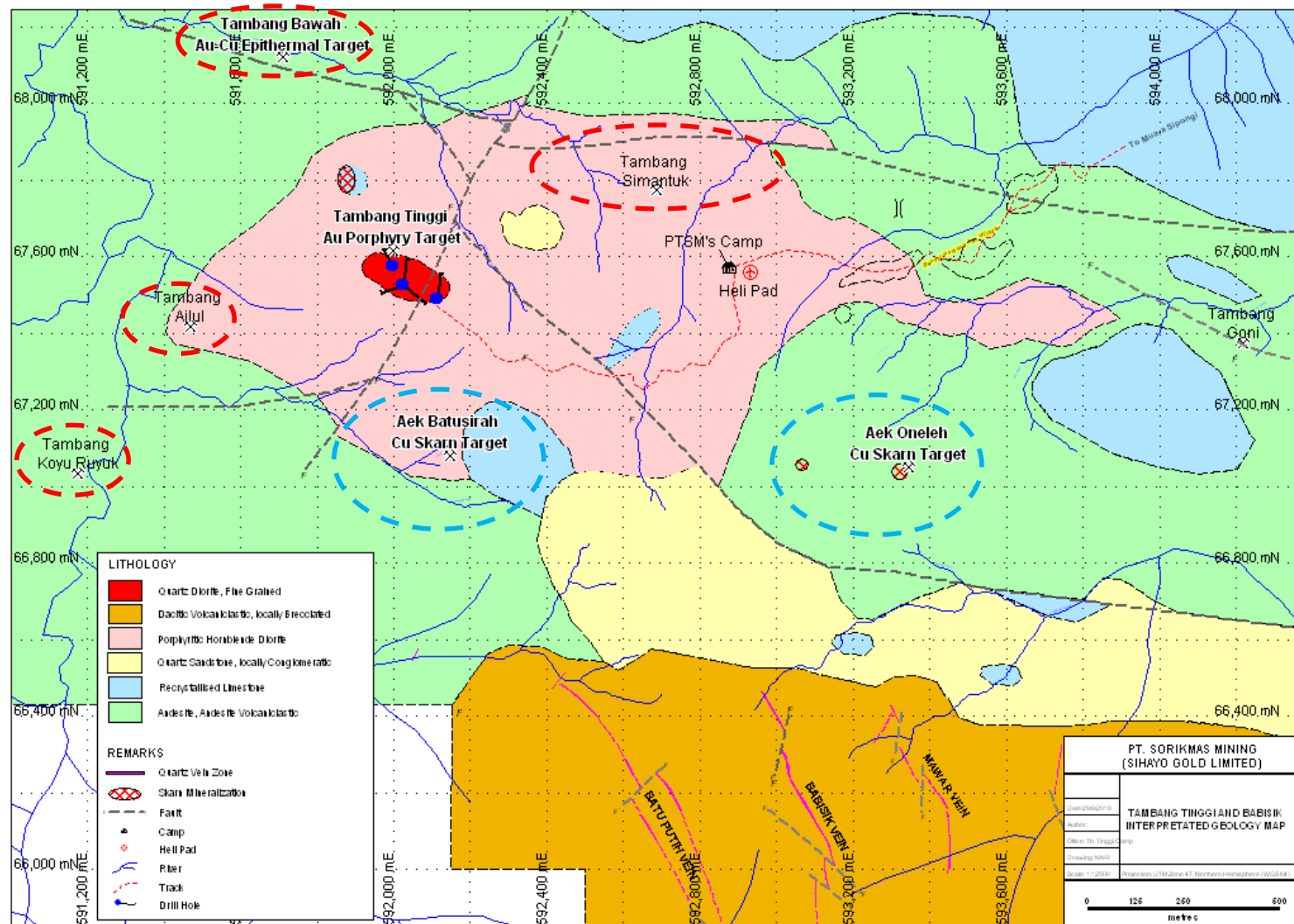
- Deep porphyry Au-Cu deposits
  - Tambang Tinggi
  - Tambang Semantuk

### IP survey in progress



# Tambang Tinggi Area

## Porphyry Au - Cu and Epithermal Au targets



# Hutabargot Julu Prospect

## Low Sulphidation Epithermal Au targets

### Historical drilling results

- Bonanza grade result: **5m @ 35.7 g/t Au and 198 g/t Ag from 47m**
  - 6m @ 2.07 g/t Au from 16m
  - 6m @ 2.66 g/t Au from 48m
  - 5m @ 2.12 g/t Au from 23m
  - 2m @ 3.68 g/t Au from 18m

### Proposed new work program

- Geological mapping of the 8 identified veins
- Soil grid sampling and rock sampling
- IP survey

### New drilling program in Q2 2011

# Tarutung Prospect

## Bonanza grade epithermal vein mineralisation

### Historical sample results

- Bonanza grade trenching result: **5m @ 57.7 g/t Au, 312 g/t Ag**
  - Quartz vein float and outcrop assayed up to 167 g/t Au and 384 g/t Ag
  - Vuggy silica float assayed up to 452 g/t Au and 2,460 g/t Ag
  - 1.2km long, NNW trending clay-pyrite alteration zone

### Proposed new work program

- Geological mapping and sampling
- IP survey

### Drilling program target Q2 2011

# 4. Value comparisons

## Indonesian based assets, COW tenure

		<b>G-Resources (1051 HK)</b>	<b>Sihayo Gold (SIH AU)</b>	<b>Archipelago (AR LN)</b>	<b>Kingsrose (KRM AU)</b>
Market Capitalisation	USD m	900	142	320	255
JORC Resource	Moz Au eq	7.0	1.0	1.7	0.23
Cut Off Grade	g/t	0.5	1.2	1.0	2.5
JORC Resource Grade	g/t Au eq	1.6	2.9	3.9	10.6
Estimate Capital Cost	USD m	380	75	130	30
Annual Production	Au eq oz	240,000	70,000	160,000	45,000
Cash Costs Production	USD / oz	285	440	360	170
Estimate Mine Life	Years	8+	10	8	4
Forecast Production	Year	2011	2012	2011	2010
Contract of Work	Generation	6 <sup>th</sup>	7 <sup>th</sup>	6 <sup>th</sup>	4 <sup>th</sup>
Project Ownership		95%	75%	85%	85%

# Value comparisons

## West African based assets

		<b>Ampella (AMX AU)</b>	<b>Sihayo Gold (SIH AU)</b>	<b>Adamus (ADU AU)</b>	<b>Gryphon (GRY AU)</b>
Market Capitalisation	AUD m	500	142	291	457
JORC Resource	Moz Au	1.2	1.0	2.1	1.5
Measured & Indicated	Moz Au	0.0	0.83	1.7	0.0
Cut Off Grade	g/t	1.0	1.2	0.8	1.0
JORC Resource Grade	g/t Au	2.0	2.9	1.8	2.2
Estimate Capital Cost	USD m	na	75	100	na
Annual Production	Au oz	na	70,000	100,000	na
Cash Costs Production	USD / oz	na	440	490	na
Estimate Mine Life	Years	na	10	10	na
Forecast Production	Year	na	2012	2011	na
Project Ownership	%	100	75	90	100



# 5. Conclusion

- **Strong Board and Management**
- **1 Moz JORC Indicated & Inferred**
- **Identified mineralisation adjacent to resource**
- **DFS completion by end of 2010**
- **COW provides strongest legal basis to develop the Sihayo Pungkut project and continue exploration**
- **Significantly undervalued versus peers**



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