

SIHAYO GOLD LTD

Annual General Meeting

Review of Operations

(ASX:SIH)

30 November 2016

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Competent Persons Statement

Sihayo Resource

Information that relates to Mineral Resource Estimates at the Sihayo project is based on information compiled by or under the supervision of Mr Robert Spiers, who is an independent consultant and previously Director of H&S Consultants to PT Sorikmas Mining. Mr Spiers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as an Independent Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ and an Independent Qualified Person as defined in the Canadian National Instrument 43-101 (standards of Disclosure for Mineral Projects). Mr Spiers is a Member of the Australian Institute of Geoscientists and a full time employee of H&S Consultants. Mr Spiers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. No new information or data has been included since this information was released in an announcement on 17/06/2013. The company confirms that all material assumptions and technical parameters underpinning the estimates from the previous announcement continue to apply and have not materially changed

Sambung Resource

Information that relates to Mineral Resource Estimates at the Sambung project is based on information compiled by or under the supervision of Mr Luke A Bulet, who is an independent consultant and Director of H&S Consultants to PT Sorikmas Mining. Mr Bulet has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as an Independent Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ and an Independent Qualified Person as defined in the Canadian National Instrument 43-101 (standards of Disclosure for Mineral Projects). Mr Bulet is a Member of the Australian Institute of Geoscientists and a full time employee of H&S Consultants. Mr Bulet consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. No new information or data has been included since this information was released in an announcement on 17/06/2013. The company confirms that all material assumptions and technical parameters underpinning the estimates from the previous announcement continue to apply and have not materially changed

Sihayo Reserve

Information that relates to Ore Reserves at Sihayo is based on information compiled by or under the supervision of Mr Shane McLeay, who is a Principal Mining Engineer at Entech Pty Ltd and provided to PT Sorikmas Mining. Mr McLeay has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as an Independent Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr McLeay is a Fellow of the Australasian Institute of Mining and Metallurgy and a full time employee of Entech Pty Ltd. Mr McLeay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. No new information or data has been included since this information was released in an announcement on 29/01/2014. The company confirms that all material assumptions and technical parameters underpinning the estimates from the previous announcement continue to apply and have not materially changed.

Key Milestones Achieved in 2016

- ✓ **Major Permitting largely Complete**
 - Republic of Indonesia Feasibility Study Initial Approval
 - AMDAL (Environmental Permitting) Approved
 - IPPKH (Forestry Permit) Approved
- ✓ **2014 Feasibility Update Initiated**
 - ✓ **Positive Movement on Sumatra Power Infrastructure**
 - Sarulla Power Station moving ahead
 - ✓ **Encouraging Results from Pre-Treatment of Difficult Ores**
 - Alkaline Leach
- ✓ **Exploration opportunity confirmed at Hutabargot**
 - Simon Meldrum review
 - Commencing recommendations

Corporate Overview

Capital Structure/Board

(as at 29 Nov 2016)

| | |
|-----------------------|-----------|
| Ordinary shares | 1,586M |
| Share Price | AU\$0.023 |
| Market Capitalisation | ~AU\$36M |
| Cash at hand | AU\$0.1M |

Board of Directors:

Misha Collins (Independent Chairman)
Stuart Gula (Managing Director)
Gavin Caudle (Non Executive Director)
Danny Nolan (Executive Director)

Shareholder Register

| | |
|----------------------------|-------|
| Provident Minerals Pte Ltd | 32.2% |
| HSBC Custody Nominees | 17.1% |
| PT Saratoga Investment | 11.1% |
| Asia Lion & Lion Selection | 4.8% |

Top 20 Shareholders **87.5%**

**Supportive cornerstone
investors**

We can offer – *Gold Price Leverage*

- 7TH Generation **Contract of Work**
 - 66,200 hectares
 - PT Sorikmas Mining (Aneka Tambang 25% JV Partner)
- JORC 2012 compliant **Resources**
 - 1.4MOz (16.9Mt @ 2.6g/t)
- JORC 2012 compliant **Reserves**
 - 554,000 Ounces (7.1Mt @ 2.4g/t)
 - **Project permitting** almost complete
- Outstanding **exploration upside**
 - Epithermal prospects
 - Porphyry prospects



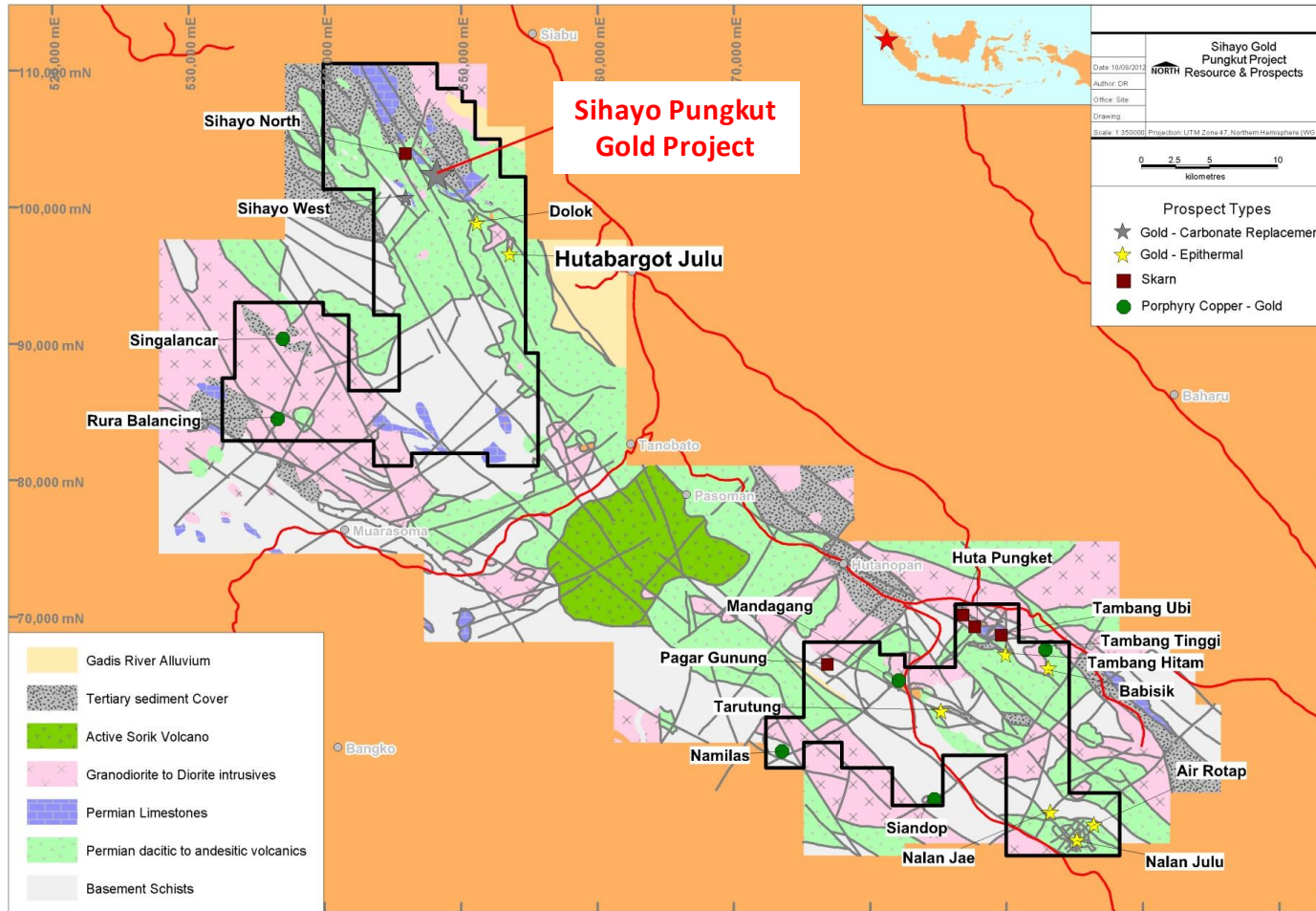
Hutabargot Prospect

*Rock chip sample - weakly banded
Colloform-Crustiform banded sheeted
Quartz veins with visible gold, assayed
at **142g/t Au***

Located in Sumatra, Indonesia

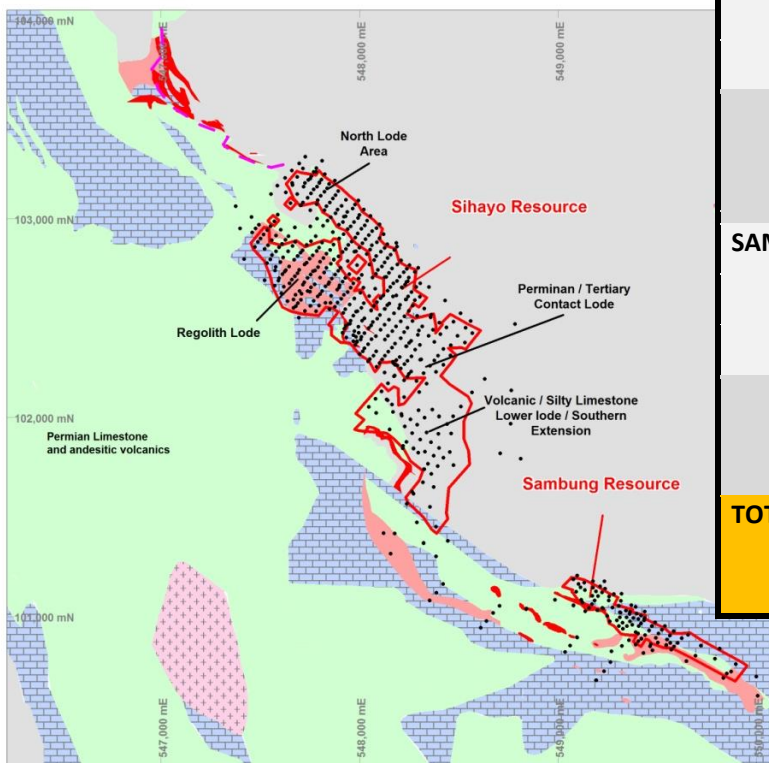


7th Generation Contract of Work



JORC Mineral Resource Estimate – June 2013

Sihayo-Sambung Resources Location Plan

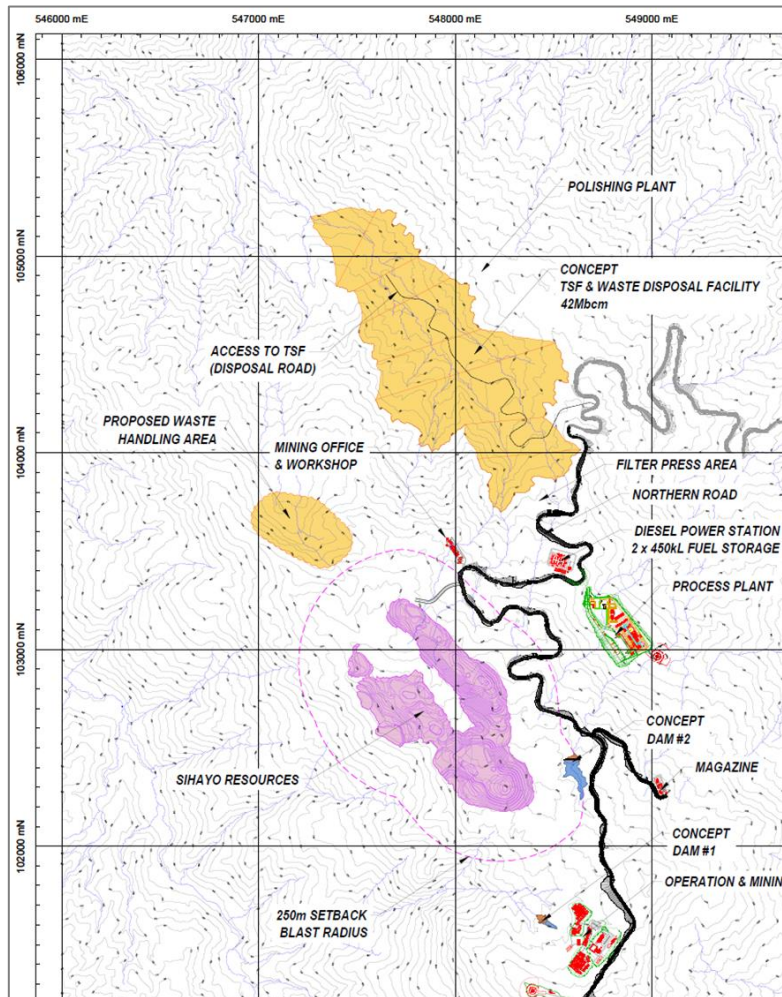


| Resource | Tonnage (Mt) | Grade Au (g/t) | Contained Gold ounces | JORC Classification | Au Cut-off grade (g/t) |
|--------------|--------------|----------------|-----------------------|--|------------------------|
| SIHAYO | 2.4 | 2.8 | 218,000 | Measured | 1.2 |
| | 9.2 | 2.5 | 747,000 | Indicated | 1.2 |
| | 3.7 | 3.0 | 357,000 | Inferred | 1.2 |
| | 15.3 | 2.7 | 1,322,000 | Measured & Indicated & Inferred | 1.2 |
| SAMBUNG | 0.5 | 2.1 | 32,000 | Measured | 1.2 |
| | 1.0 | 2.0 | 65,000 | Indicated | 1.2 |
| | 0.1 | 2.0 | 6,000 | Inferred | 1.2 |
| | 1.6 | 2.0 | 102,000 | Measured & Indicated & Inferred | 1.2 |
| TOTAL | 16.9 | 2.6 | 1,424,000 | Measured & Indicated & Inferred | 1.2 |

*Above figures may not sum due to rounding.
Significant figures do not imply an added level of precision.*

No new information or data has been included since this information was released in an announcement on 17/06/2013. The company confirms that all material assumptions and technical parameters underpinning the estimates from the previous announcement continue to apply and have not materially changed.

JORC Mining Reserve – January 2014



| Ore Reserve | Tonnage (Mt) | Grade Au (g/t) | Contained Gold ounces | Reserve Category |
|--------------|--------------|----------------|-----------------------|------------------------------|
| SIHAYO | 2.43 | 2.4 | 190,000 | Proved |
| | 4.71 | 2.4 | 363,000 | Probable |
| TOTAL | 7.14 | 2.4 | 554,000 | Proved & Probable |

Calculations have been rounded to the nearest 1,000t, 0.1 g/t grade and 1,000oz metal

No new information or data has been included since this information was released in an announcement on 29/01/2014. The company confirms that all material assumptions and technical parameters underpinning the estimates from the previous announcement continue to apply and have not materially changed.

'Sihayo life of mine' (LOM) Feasibility (2014)

- **428K Oz recovered gold production** from proposed open pit mining¹
- 7.8Mt ore mined at 2.4g/t average grade
- Strip Ratio of 3.4 : 1 (Waste : Ore)
- **Processing rate of 750ktpa** at an average recovery of 71%
- Delivers approximately **43K Oz/yr over 10 year LOM**
- **Average Site Cash Operating Costs US\$775/oz**²
- **Construction Capital Estimate US\$58.7M** equates to US\$137/oz recovered³
- **US\$57.5M LOM NPV8** estimate (Pre Tax & including Royalty)⁴
- **Excludes potential gold production** from adjacent Sambung Resource and further opportunities from Sihayo

1. Includes 35K Oz from Inferred ore

2. LOM Average Site Cash Operating Costs excludes US\$27.9m to be spent over LOM for tailings storage facility construction & assumes 100% diesel fuel power supply

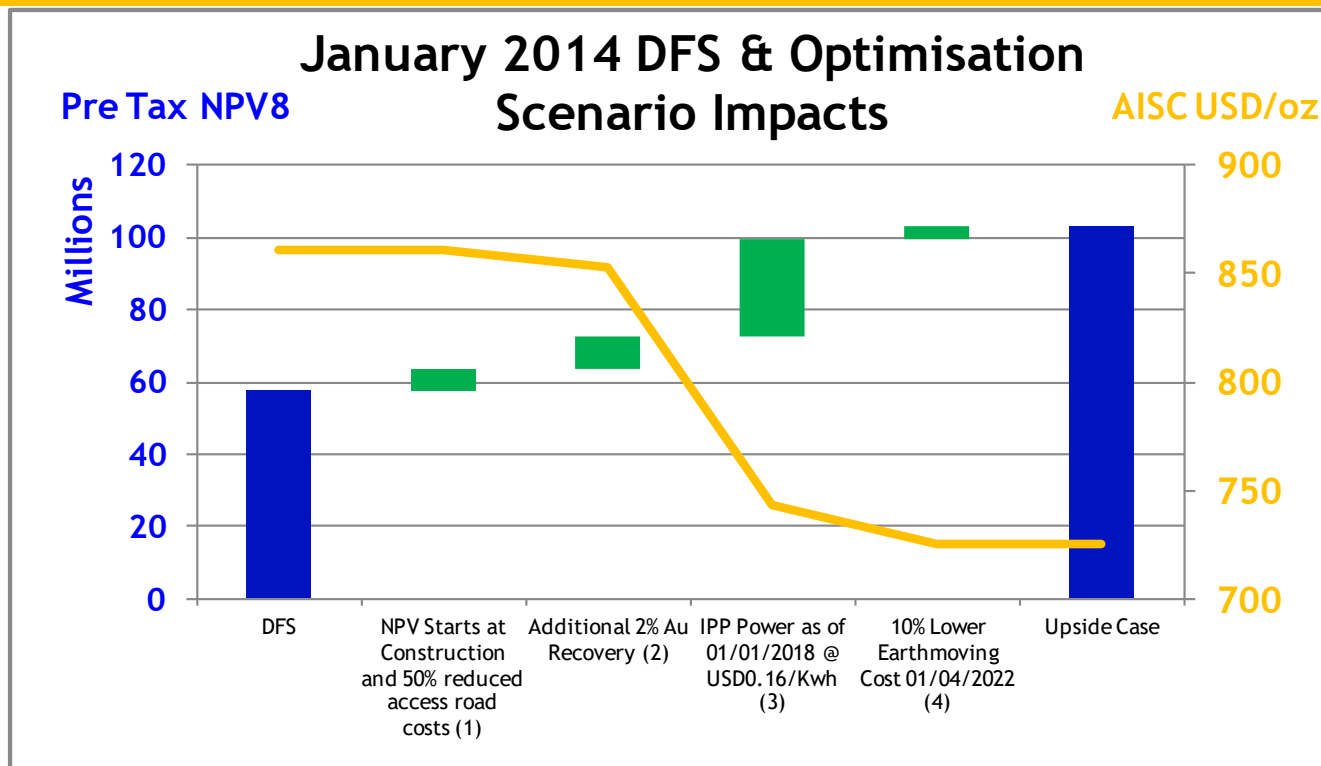
3. Excludes Contingency and assumes diesel power generation

4. Assumes gold price of US\$1,400/oz

Major Permitting and Approvals in Hand

- ✓ **Extension to Contract of Work (CoW) “Feasibility Study Period”**
 - agreed due to protracted AMDAL approval.
 - Discussions ongoing regarding renegotiation of CoW terms.
- ✓ **Initial Government approval received for project** (announced 24/09/2014)
- ✓ **AMDAL and Environmental Permitting completed** (announced 01/12/2015)
- ✓ **Forestry Borrow & Use Permit (IPPKH) completed** (announced 30/09/2015)
- ✓ **Ongoing Approvals commenced**
 - Construction Permit
 - Other minor permits to be completed

2014 Feasibility Study Optimisation



Optimisation Scenarios demonstrate project sensitivity only and results have not been confirmed to DFS standard

1. *Assumes initial access roadwork and associated land compensation/acquisition performed prior to project construction (~USD5M). (~USD4M remains for additional roadwork and upgrades)*
2. *Improved geological modelling and further review on Sydney Metcomps indicates a potential opportunity based on Au / As / % Recovery relationship*
3. *USD0.16/Kwhr assumes a commercial IPP arrangement. We expect that USD0.11/Kwhr under a PLN arrangement yet to be confirmed (Total Project Power Requirement is 36-40Kwhr/t)*
4. *Lower earthmoving costs are expected due to improved trafficability/productivity as pit moves out of oxide material.*

AISC = All in Sustaining Cash Cost

2014 Feasibility Study Update Initiated

- **Appointed Study Manager**
- **Establishing Governance protocols**
- **Key Aspects**
 - Geology – Geo Metallurgy Review
 - Potential Processing based on Metallurgical Improvements
 - Potential power supply alternatives for the project.
 - Further optimisation of construction and mine planning, schedules and associated costs.

2014 Feasibility Study Update - Recovery

- Whole of ore pre-treatment opportunities expected to improve metallurgical recovery.

| Test Description | % Au Extraction | | |
|---|-----------------|--------|----------|
| | Comp 6 | Comp 7 | Comp 11 |
| Conventional Cyanide Leach | 58.3 | 42.3 | 70.8 |
| Cyanide Leach with Carbon in Pulp | 62.8 | 47.9 | 70.6 |
| Kerosine Treatment followed by Intensive Leach | 61.1 | 49.1 | Not done |
| Hydrochloric Acid Leach followed by Cyanide Leach with Carbon | 62.8 | 54.0 | 68.3 |
| Nitric Acid Leach followed by Cyanide Leach with Carbon | 92.8 | 90.9 | 92.5 |
| Caustic Soda (alkaline) Leach followed by Cyanide Leach with Carbon | 82.0 | 78.7 | 83.1 |

| Test Description | % Change in Gold Ozs Recovered vs Baseline | | |
|---|--|--------|---------|
| | Comp 6 | Comp 7 | Comp 11 |
| Cyanide Leach with Carbon in Pulp | 8 | 13 | 0 |
| Kerosine Treatment followed by Intensive Leach | 5 | 16 | N/A |
| Hydrochloric Acid Leach followed by Cyanide Leach with Carbon | 6 | 23 | -4 |
| Nitric Acid Leach followed by Cyanide Leach with Carbon | 57 | 110 | 31 |
| Caustic Soda (alkaline) Leach followed by Cyanide Leach with Carbon | 39 | 81 | 17 |

2014 Feasibility Update - Sarulla Power Station

First 110 MW unit of Sarulla geothermal project reaching completion



Drilling rig at Sarulla project, Indonesia (source: Sarulla Operations)



Alexander Richter
6 Oct 2016

Construction of the first 110 MW unit of the Sarulla geothermal power plant is reaching completion with an expected start of operation before the year end.

Reported from Indonesia, PT Pertamina Geothermal Energy (PGE) expects the first 110 MW unit of the Sarulla geothermal power plant in Silangkitang, North Tapanuli (Taput) to start operation before the end of the year.

Corporate Secretary of PT PGE Tafif Azimudin revealed that "In early September 2016 physical construction of geothermal power plants Silangkitang Unit 1 1 × 110 MW (SIL) has reached more than 95%. This is a remarkable achievement," said Tafif.

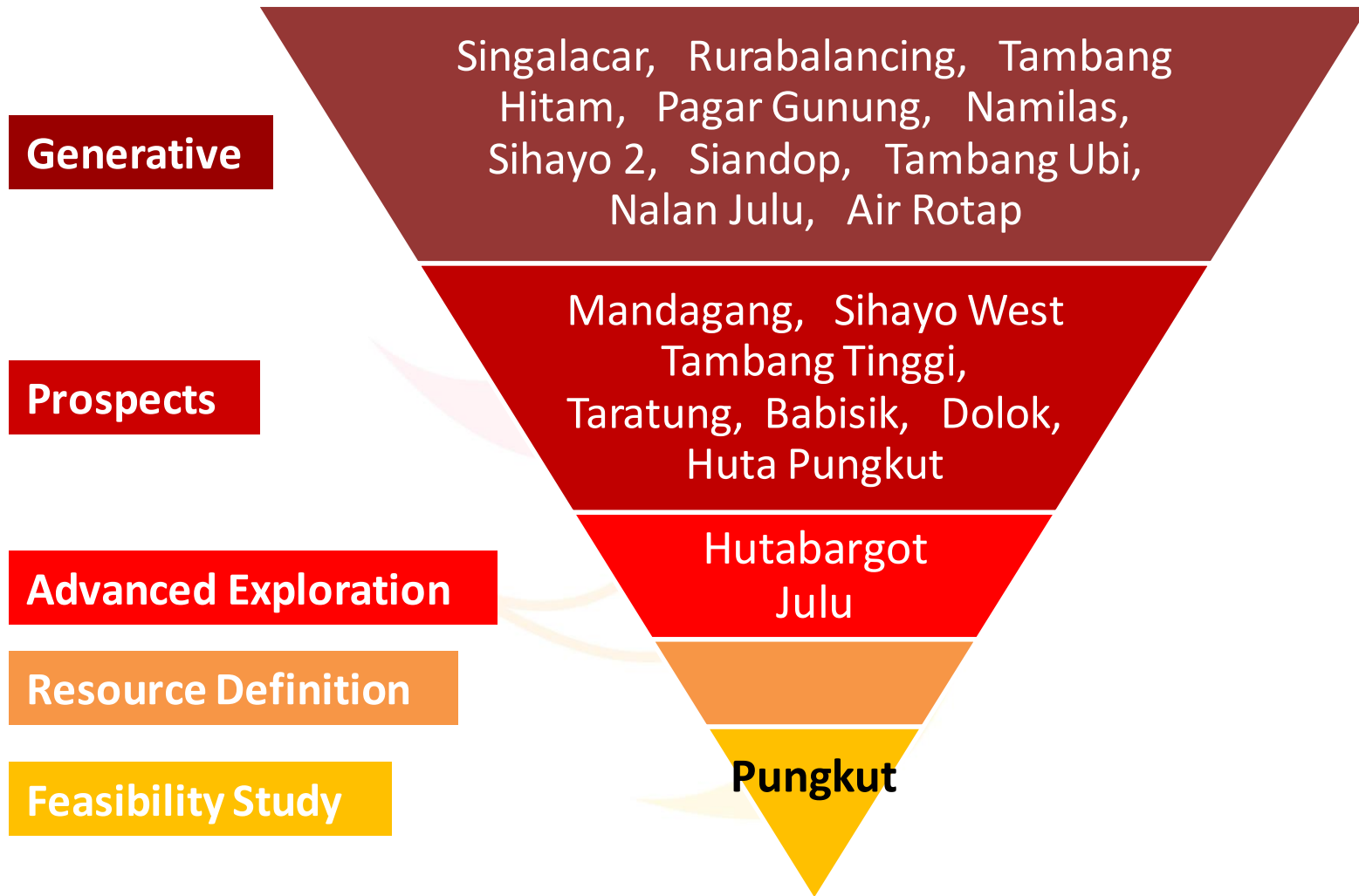
It is planned to expand the plant with additional 2 units to reach a total installed capacity of 330 MW when finalized.

"Sarulla Operations Ltd (SOL) will build and operate three units of geothermal power plant (3x110MW) which will be entirely channeled to PT PLN (Persero)," he said.

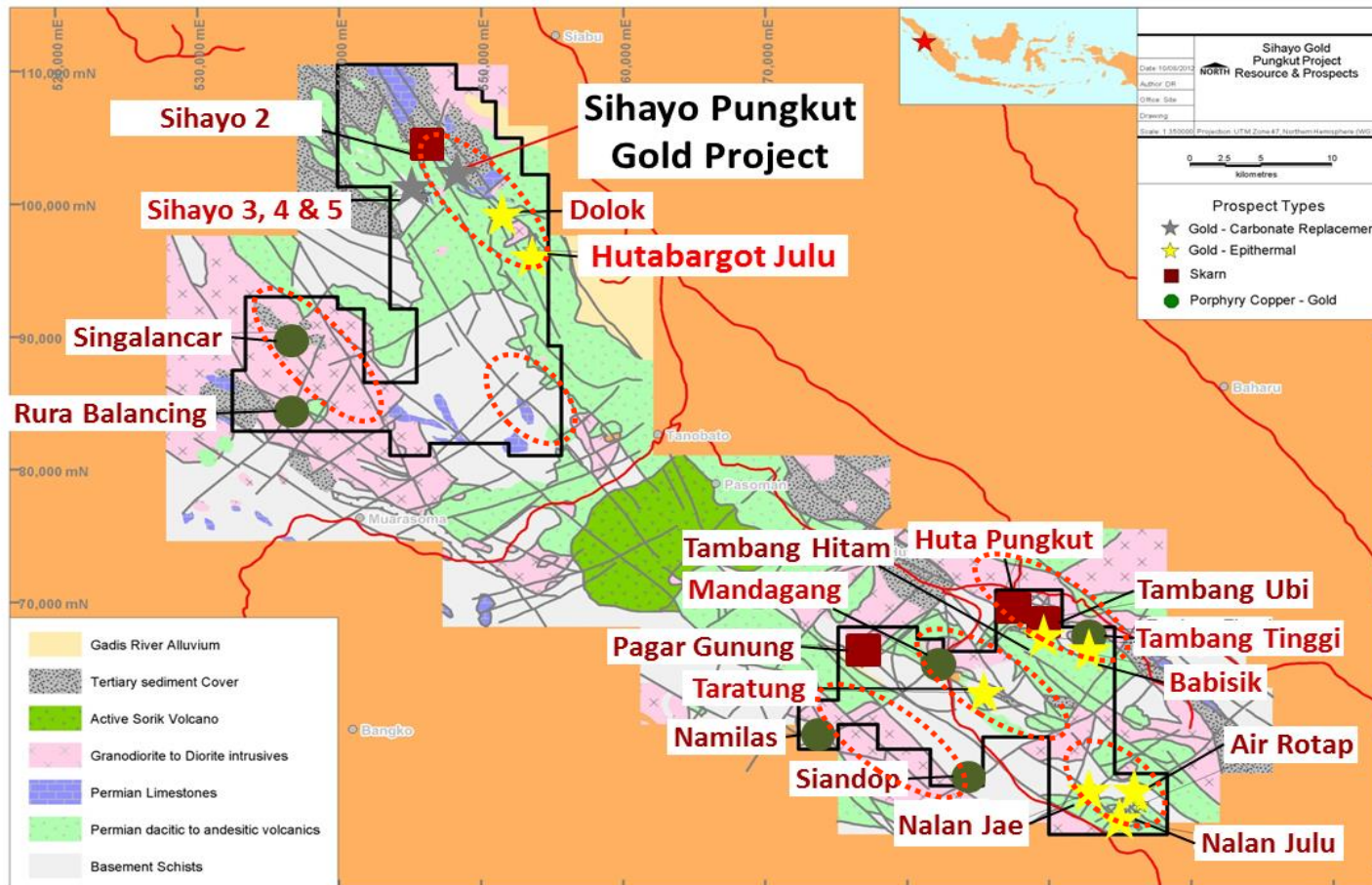
The plant will provide much needed power to the grid in North Sumatra.

Source: www.thinkgeoenergy.com

Exploration Upside – Project Generation

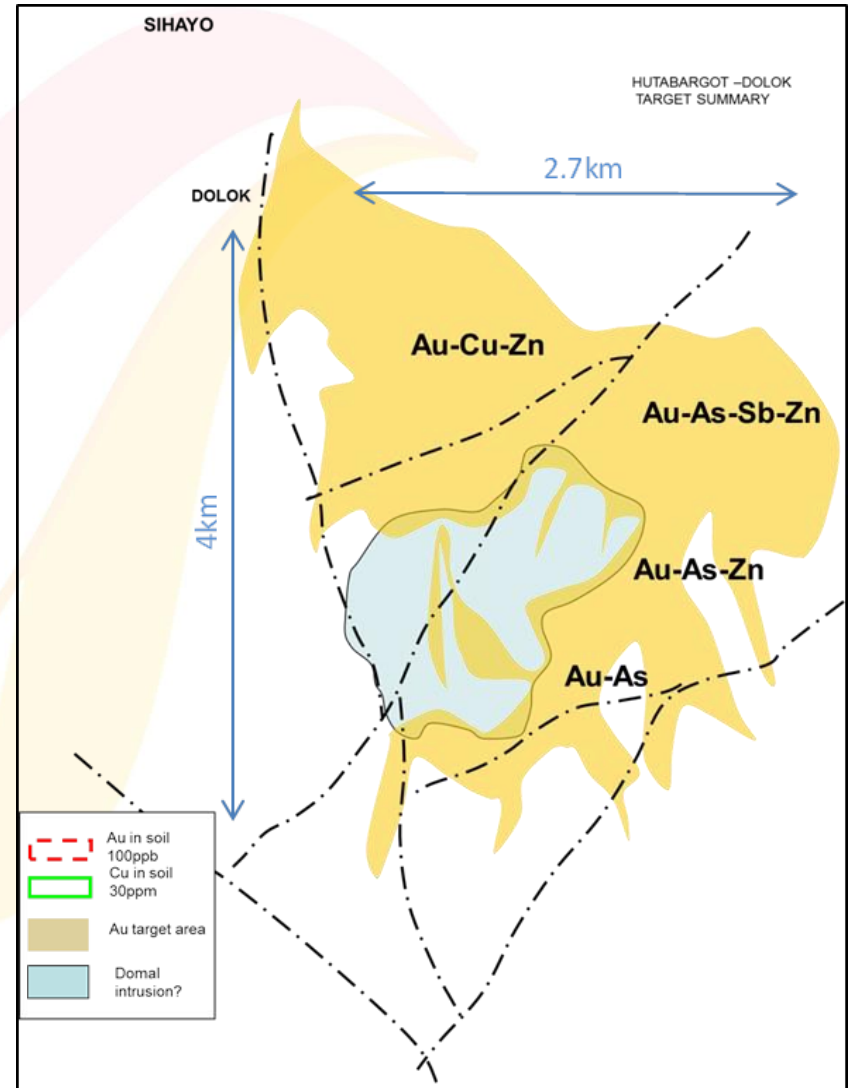


Exploration Targets – Location Plan



Hutabargot Target Area – Meldrum (2016)

**“It is not difficult to envisage a
+1MOz gold system at
Hutabargot...”
Meldrum 2016**



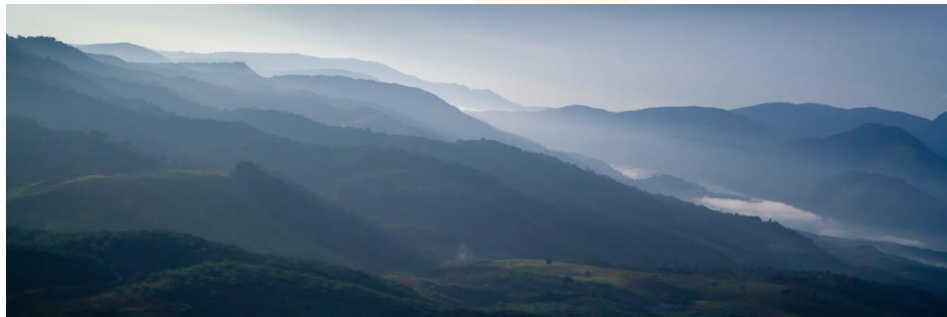
Conclusion – *A gold price upside opportunity*

Sihayo offers our investors ‘gold price leverage’

- JORC 2012 Resource - 1.4MOz (16.9Mt @ 2.6g/t)
- JORC 2012 Reserve - 554,000 Ounces (7.1Mt @ 2.4g/t)
- Outstanding Exploration Upside

Current Focus

- Update 2014 Feasibility Study
- Minimal ‘Cash burn’ & ongoing support from Major Shareholders
- Close out final Pungkut Permitting and Approval



Additional Slides

Sihayo/Sorikmas CSR Strategy

Strategic Focus 80%

Concentration of 80% of CSR budget and staff time on projects that support the CSR vision and intended legacy.

Sustainable Livelihoods

Agriculture & Husbandry
Small Business
Mine Supply Chain
Resettlement & Illegal Mining

Internal & External Capacity Building

Workforce Development
Community Organizations
Local/Regional Govt. Capacity

Community HSE

Occupational HSE | Family H&S
Public Health (malaria, HIV/AIDS, etc.)
Social/Environmental

External Stakeholder Engagement

Contractor Management

Management & Personal Leadership

Bedrock Company Values

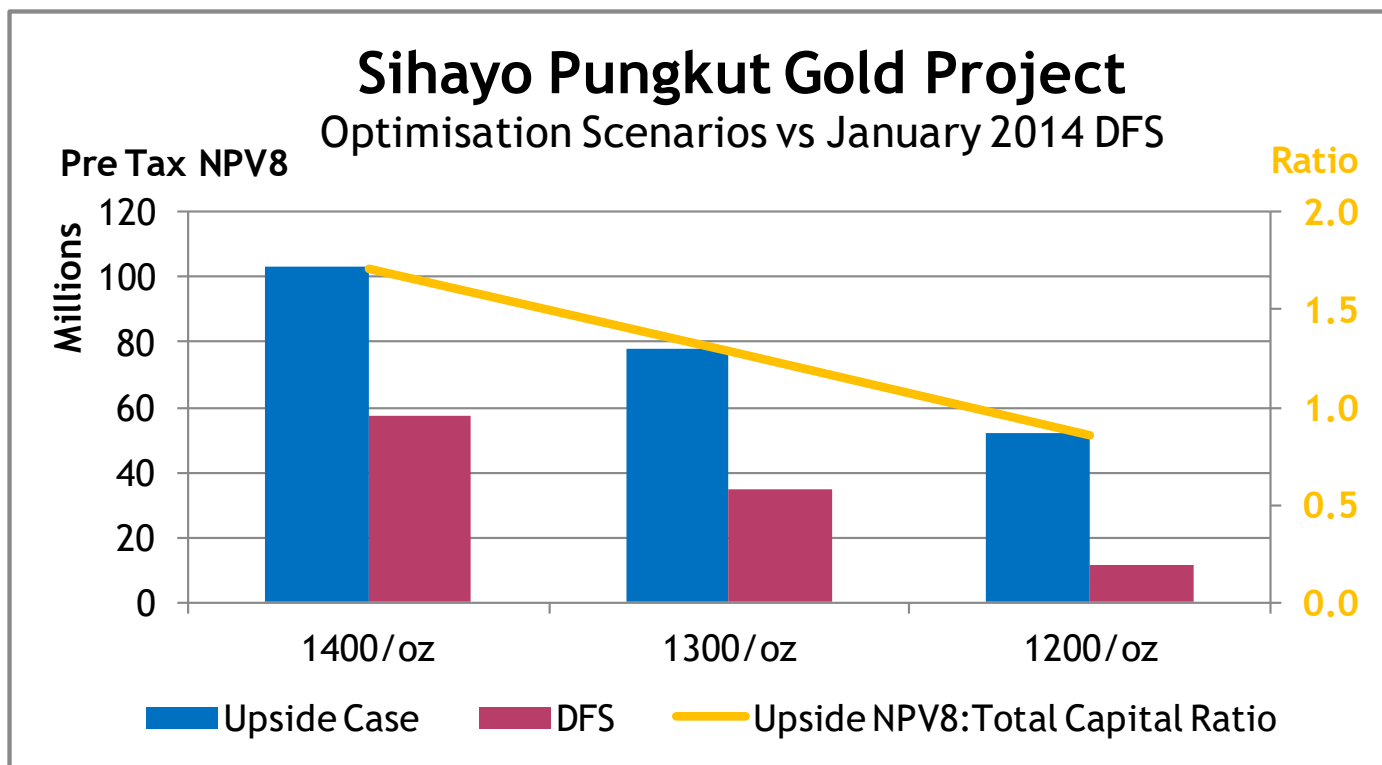
Sihayo/Sorikmas CSR Vision

Building a successful Indonesian gold company -
providing real benefits to all stakeholders

Opportunistic Response 20%

Reservation of 20% of CSR budget and staff time for projects that respond to political realities, significant unanticipated risks, and/or unique opportunities for contribution to community development

Ongoing Project Optimisation Scenarios



Optimisation Scenarios demonstrate project sensitivity only and results have not been confirmed to DFS standard.

Upside Scenario NPV8 assumes;

- *Capital cost reduction for access road and land compensation completed prior to Construction (~USD5M)*
- *2% recovery improvement adjustment*
- *Power Supply cost reduced to USD0.16/Kwhr assuming Independent Power Provider (IPP) in place from 01/01/2018 (Total Project Power Requirement is 36-40Kwhr/t)*
- *10% lower mining costs from 01/04/2022 due to improved productivity in transitional and fresh material*