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## **Asiamet Receives Production Licence for 5.3Bib Cu, 2.1Moz Au Beutong Project**

Asiamet Resources Limited ("ARS" or the "Company") is pleased to announce that PT Emas Mineral Murni ("EMM") has been granted the key production licence, Izin Usaha Pertambangan Operasi Produksi "IUP-OP" required to advance the Beutong Copper-Gold Project ("Beutong") to the development stage. Beutong is located in Nagan Raya Regency, Aceh, Indonesia.

### **Highlights**

- A major de-risking milestone for the Beutong project securing long-term licence for +20 years
- Beutong is a large high-quality copper, gold, silver, molybdenum deposit which outcrops at surface and remains open in several directions including to depth. Current **JORC compliant Resources contain 2.4Mt (5.3Bib) copper, 2.1Moz gold and 20.6Moz silver**
- Geology indicates potential for the discovery of a deep high-grade copper-gold zone similar to that seen in some of the giant Asia-Pacific porphyry systems
- Asiamet has a 40% equity interest in the Beutong Project
- The Beutong deposit is very well located with respect to existing infrastructure i.e. adjacent to a sealed road and approximately 60km from a large power station and seaport
- The forestry status of the project area is Areal Penggunaan Lain ("APL") or "forestry other purposes" allowing drilling related development activities to commence immediately

### **The Beutong Project**

Beutong is a large porphyry copper-gold system, which comprises the Beutong East Porphyry ("BEP"), Beutong West Porphyry ("BWP") and the Beutong Skarn ("BSK") as shown in Figure 1. Beutong has current JORC compliant Resources containing 2.4Mt (5.3Bib) copper, 2.1Moz gold and 20.6Moz silver on a 100% basis and 1.0Mt (2.1Bib) copper, 0.8Moz gold and 8.2Moz silver on a 40% attributable basis (see announcement dated 26 November 2014). The surface mineralisation at BEP and BWP comprises chalcocite, covellite and digenite mineralisation with lesser chalcopyrite.

At 600m-700m depth there is a notable transition to chalcopyrite-bornite mineralisation, similar to the deeper sections of other porphyry systems in Southeast Asia such as the giant high-grade Grasberg Indonesia (Freeport-McMoRan Copper & Gold), Wafi-Golpu PNG (Newcrest Mining) and Tujah Bukit Indonesia (Merdeka Resources) porphyry deposits. At depth in the BEP, large clasts of potassic altered (biotite, potassic feldspar and magnetite) diorite porphyry with intense stockwork chalcopyrite-bornite mineralisation (Figure 2) occur within a diatreme breccia and are interpreted to have been transported



from a high-grade potassic core at depth. The BEP and BWP systems remain open in several directions and the interpreted BEP high-grade core remains untested at depth.

Better intersections from diamond core drilling undertaken at Beutong by Tigers Realm Metals between 2011-2013 include:

#### **Beutong East Porphyry**

Hole BEU0800-02	320.4m @ 1.11% Cu, 0.19g/t Au from 6.6m Depth (349.9m EOH)
Hole BEU0900-01	374.4m @ 0.89% Cu, 0.20g/t Au from 4.8m Depth (794.5m EOH)
Including	187.0m @ 1.03% Cu, 0.18g/t Au from 4.8m Depth
Hole BEU0900-01	150.5m @ 0.78% Cu, 0.17g/t Au from 558.4m Depth
Hole BEU0700-03	332.7m @ 0.73% Cu, 0.14g/t Au from 123m Depth (459.2m EOH)

#### **Beutong West Porphyry**

Hole BEU1700D-01	155m @ 0.62% Cu, 0.13g/t Au from 168m Depth (1592.3m EOH)
Hole BEU1700D-01	129m @ 0.52% Cu, 0.19g/t Au from 584m Depth

#### **Beutong Skarn**

Hole BEU0800-04	43.9m @ 1.05% Cu, 0.33g/t Au from 149.6m Depth (239.1m EOH)
Hole BC007-01	33.0m @ 2.47% Cu, 1.23g/t Au from 48.0m Depth (150.0m EOH)
Hole BC028-02	21.8m @ 0.87% Cu, 0.40g/t Au, 6.3% Zn, 1.8% Pb from 119.0m Depth (140.8m EOH)

Notes: End of Hole ("EOH")

### **Beutong IUP-OP**

Over the past two years the Company and our Indonesian partner Media Mining Resources have worked diligently with relevant Indonesian authorities to progress the IUP Exploration conversion to an IUP-OP permit, particularly with Ministry of Energy and Mineral Resources ("ESDM") in Jakarta and the local government of Nagan Raya Regency. The support for the project from the local and central government administrations and the local community provides a firm basis for the further development of Beutong.

The conversion of EMM's IUP Exploration license to an IUP-OP license is a major step in advancing the Beutong project. It provides for an initial 20 years of licence tenure which may be extended twice, each for a period of 10 years, totalling 40 years.

Asiamet has a 40% equity interest in the Beutong Project and can increase its interest to 80% based on various payments and milestones. A consideration to the value of A\$2,875,000 will be due within 90 days of the grant of the production IUP to increase its interest to 60%. Completion of a Feasibility Study and a further payment of A\$1,500,000 are the final conditions to increase its equity interest to 80%.

As part of the IUP-OP grant EMM is committed to meeting in-country processing requirements and will pursue opportunities for copper metal production via heap-leach, SX-EW while simultaneously commencing discussions with several companies that have pledged to build local smelters to process copper concentrate.

A drill rig will soon be mobilised to advance development of the project. Several drill holes have been designed to provide critical information on the structure and distribution of high-grade near-surface mineralisation, test the strike and depth potential of the Beutong system, and fulfil our commitments in respect of the IUP-OP permit including:

- Carrying out feasibility-level metallurgical test-work focused on determining the leachability of the secondary copper sulphide minerals (chalcocite, covellite, and digenite) that dominate the upper 600m of the Beutong porphyry system;



- Determine the leachability of the chalcocite and oxide copper minerals (malachite, azurite and brochantite) that occur in the upper 80 meters of the Beutong Skarn;
- Using metallurgical test-work results, evaluate the potential for a large scale SX-EW mining operation at Beutong, to produce Grade A Copper cathode;
- Obtain additional geotechnical data within the proposed open pit at Beutong East porphyry, as defined in the Indonesian Feasibility Study.

### **KSK Contract of Work (“CoW”) Update**

As previously advised (ARS NR Aug 21, 2015) KSK signed a non-binding Memorandum of Understanding (“MOU”) with the Government of the Republic of Indonesia (“GOI”) and was continuing discussions with the GOI regarding amendments to some of the KSK CoW terms in order to achieve closer alignment with the current Mining Law No. 4/2009. These discussions with the GOI have been ongoing but, somewhat fragmented, over the past two years while the GOI has dealt with other higher priority issues. However, finalising the potential amendments outlined in the MOU are an important part of securing the platform upon which the Company can progress project financing for the potential development of the BKM copper project now in the later stages of a Bankable Feasibility Study. Asiamet is currently working with the GOI to finalise the terms of the amendments to the KSK CoW to provide the certainty required to enable project financing and project development to commence in 2018. The potential amendments outlined in the MOU cover six key area’s (refer ARS NR Aug 21, 2015) and are aligned to Asiamet’s long-term strategy of partnering with reputable Indonesian investors to develop its projects and support the GOI’s endeavours to build its economy.

### **Peter Bird, Asiamet’s Chief Executive Officer commented:**

“Asiamet is extremely pleased to report receipt of the IUP-OP for its large Beutong copper-gold project. This is a major milestone for the Company which secures long-term licence tenure for Beutong and enables detailed evaluation and development of its second large copper-gold project to progress at a time when the copper market is forecast to move into deficit, copper prices are rising and new projects especially those of considerable scale are in short supply globally. The diligence and hard work of our local team, and especially our partner and the various Indonesian government departments, officials and stakeholders is greatly appreciated.

“The Beutong deposit outcrops at surface and remains open in multiple directions including to depth where the geology indicates potential for the discovery of a deep high-grade copper-gold zone similar to that seen in some of the giant Asia-Pacific porphyry systems. Beutong is favourably located from a transport and logistics and general infrastructure perspective. These factors have the potential to impact development economics favourably. As development activities incorporating evaluation drilling, metallurgy and geotechnical activities are ramped up at Beutong. Asiamet looks forward to progressively reporting results in parallel with ongoing Feasibility Study work at the BKM copper project and further exploration at the BKZ polymetallic project. Very strong news flow can be anticipated as we advance into 2018 as we continue to explore and develop our portfolio of high-quality copper, gold and polymetallic projects together with our Indonesian partners and stakeholders.

“We are also pleased that negotiations aimed at finalising amendments to the KSK CoW and providing the certainty required for proceeding the BKM copper project to the project financing and development phase in 2018 are nearing completion.”

### **Qualified Person**



Data disclosed in this press release have been reviewed and verified by ARS's qualified person, Stephen Hughes, P. Geo, Vice President Exploration of the Company and a Qualified Person within the meaning of NI 43-101 and for the purposes of the AIM Rules.

#### **ON BEHALF OF THE BOARD OF DIRECTORS**

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**-Ends-**

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*This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.*



This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 ("MAR").

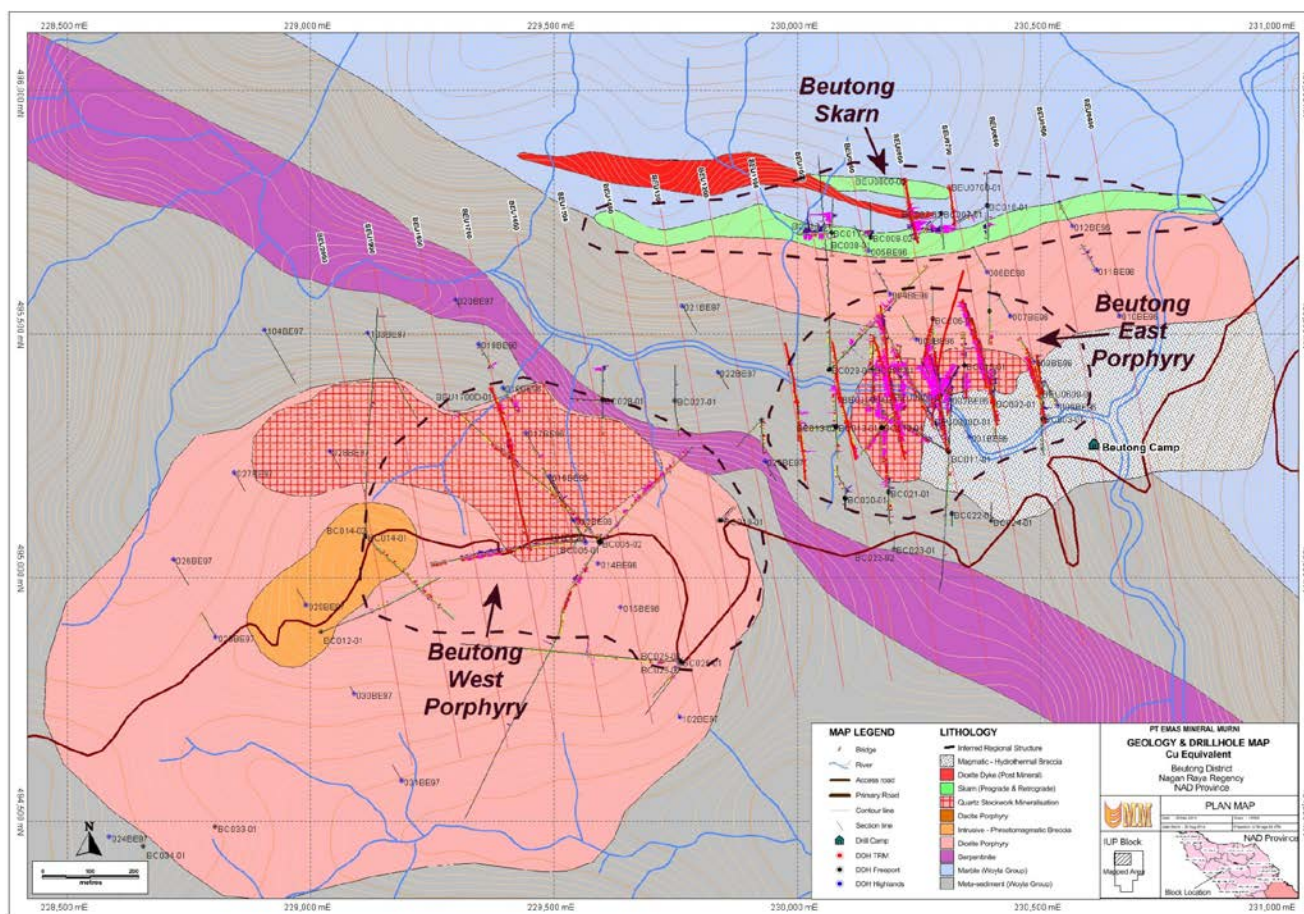


Figure 1: Location map showing the Beutong East Porphyry, Beutong West Porphyry and the Beutong Skarn.

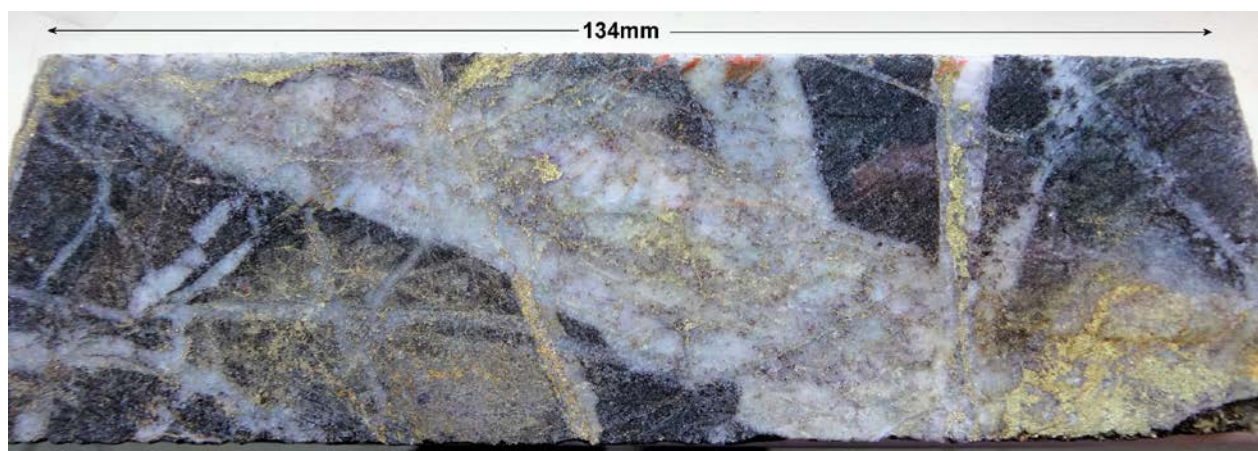


Figure 2: Sample showing strong chalcopyrite-bornite mineralisation contained in breccia clast from deeper parts of BEP. BEU0900-01 (696.5m Depth) three meter interval that contains this clast assayed 0.96% Cu and 0.25g/t Au.



**Figure 3: Drill core from Beutong East Porphyry showing strong stockwork with secondary sulphide mineralisation. Drill hole BEU0800-02, interval 41.2 – 45.6m (4.4m interval) assayed 2.0% Cu and 0.19g/t Au**



**Figure 4: Drill core from Beutong Skarn showing strong copper oxide mineralisation (malachite, Azurite). Drill hole BC007-01, interval 69 – 75m (6.0m interval) assayed 3.84% Cu, 1.58g/t Au and 0.87% Zn**



**Figure 5: Drill core from Beutong's BC28 Zone, showing a Garnet skarn with high grade polymetallic mineralisation. Drill hole BC028-02, interval 125 – 130.5m (5.5m interval) assayed 1.7% Cu, 0.37g/t Au, 10.9% Zn and 3.32% Pb**



## Glossary of Technical Terms

"anomaly or anomalous"	something in mineral exploration that geologists interpret as deviating from what is standard, normal, or expected.
"assay"	The laboratory test conducted to determine the proportion of a mineral within a rock or other material. For copper, usually reported as percentage which is equivalent to percentage of the mineral (i.e. copper) per tonne of rock.
"azimuth"	the "compass direction" refers to a geographic bearing or azimuth as measured by a magnetic compass, in true or magnetic north.
"bornite"	Bornite, also known as peacock ore, is a copper sulphide mineral with the formula $Cu_5FeS_4$ .
"breccia"	Breccia is a rock classification, comprises millimetre to metre-scale rock fragments cemented together in a matrix, there are many sub-classifications of breccias.
"chalcocite"	Chalcocite is a copper sulphide mineral with the formula $Cu_2S$ , and is an important copper ore mineral. It is opaque and dark-gray to black with a metallic luster.
"chalcopyrite"	Chalcopyrite is a copper sulphide mineral with formula $CuFeS_2$ . It has a brassy to golden yellow colour.
"channel sample"	Samples collected across a mineralised rock exposure. The channel is typically orientated such that samples are collected perpendicular to the mineralised structure, if possible.
"chargeability"	Chargeability is a physical property related to conductivity. Chargeability is used to characterise the formation and strength of the induced polarisation within a rock, under the influence of an electric field, suggesting sulphide mineralisation at depth.
"CIM"	The reporting standard adopted for the reporting of the Mineral Resources is that defined by the terms and definitions given in the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral resources and Mineral Reserves (December 2005) as required by NI 43-101. The CIM Code is an internationally recognised reporting code as defined by the Combined Reserves International Reporting Standards Committee.
"covellite"	Covellite is a copper sulphide mineral with the formula $CuS$ . This indigo blue mineral is ubiquitous in some copper ores.
"diamond drilling"	A drilling method in which penetration is achieved through abrasive cutting by rotation of a diamond encrusted drill bit. This drilling method enables collection of tubes of intact rock (core) and when successful gives the best possible quality samples for description,





	sampling and analysis of an ore body or mineralised structure.
"dip"	A line directed down the steepest axis of a planar structure including a planar ore body or zone of mineralisation. The dip has a measurable direction and inclination from horizontal.
"g/t"	grams per tonne; equivalent to parts per million ('ppm').
"galena"	Galena is the natural mineral form of lead (II) sulphide, with formula PbS. It is the most important ore of lead and an important source of silver. It has a silver colour.
"grab sample"	are samples of rock material collected from a small area, often just a few pieces or even a single piece of rock "grabbed" from a face, dump or outcrop or roughly 2-5kg. These are common types of rock samples collected when conducting mineral exploration. The sample usually consists of material that is taken to be representative of a specific type of rock or mineralisation.
"grade"	The proportion of a mineral within a rock or other material. For copper mineralisation this is usually reported as % of copper per tonne of rock (g/t).
"hypogene"	Hypogene ore processes occur deep below the earth's surface, and form deposits of primary minerals, such as chalcopyrite and bornite.
"Indicated Resource"	An "Indicated Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.
"Induced Polarisation Geophysics"	Induced polarisation (IP) is a geophysical survey used to identify the electrical chargeability of subsurface materials, such as sulphides. The survey involves an electric current that is transmitted into the subsurface through two electrodes, and voltage is monitored through two other electrodes.
"Inferred Resource"	An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
"Intercept"	Refers to a sample or sequence of samples taken across the entire width or an ore body or mineralised zone. The



	intercept is described by the entire thickness and the average grade of mineralisation.
"lbs"	Pounds (measure of weight)
"massive"	In a geological sense, refers to a zone of mineralisation that is dominated by sulphide minerals. The sulphide-mineral-rich material can occur in centimetre-scale, meter-scale or in tens of meters wide veins, lenses or sheet-like bodies containing sphalerite, galena, and / or chalcopyrite etc.
"Measured Resource"	A "Measured Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.
"Mineral Resource"	A "Mineral Resource" is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilised organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.
"Mineralisation"	In geology, mineralisation is the deposition of economically important metals (copper, gold, lead, zinc etc) that in some cases can be in sufficient quantity to form mineral ore bodies.
"mlbs"	Million pounds (measure of weight)
"open pit mining"	A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining).
"outcrop"	A section of a rock formation or mineral vein that appears at the surface of the earth. Geologists take direct observations and samples from outcrops, used in geologic analysis and creating geologic maps. In situ (in place) measurements are critical for proper analysis of the geology and mineralisation of the area under investigation.
"polymetallic"	Three or more metals that may occur in magmatic, volcanogenic, or hydrothermal environments; common base and precious metals include copper, lead, zinc, silver and gold.



"polymict"	A geology term, often applied to breccias or conglomerates, which identifies the composition as consisting of fragments of several different rock types.
"Preliminary Economic Assessment"	NI 43-101 defines a PEA as "a study, other than a pre-feasibility study or feasibility study, which includes an economic analysis of the potential viability of mineral resources".
"sediments"	Sedimentary rocks formed by the accumulation of sediments. There are three types, Clastic, Chemical and Organic sedimentary rocks.
"sequential assays"	Sequential copper analysis is a technique to semi-quantitatively define the zonations associated with some copper deposits. The method is based on the partial dissolution behaviour displayed by the prevalent copper minerals to solutions containing sulphuric acid and sodium cyanide. Results from sequential analyses can theoretically determine the amounts of leachable oxide minerals, leachable secondary sulphide minerals, and primary copper minerals, respectively.
"sphalerite"	Sphalerite is a zinc sulphide in crystalline form but almost always contains variable iron, with formula (Zn,Fe)S. It can have a yellowish to honey brown or black colour.
"supergene"	Supergene ore processes occur near surface, and form deposits of secondary minerals, such as malachite, azurite, chalcocite, covellite, digenite, etc.
"surface rock chip samples"	Rock chip samples approximately 2kg in size that are typically collected from surface outcrops exposed along rivers and mountain ridgelines.
"veins"	A vein is a sheet-like or anastomosing fracture that has been infilled with mineral ore (chalcopyrite, covellite etc) or mineral gangue (quartz, calcite etc) material, within a rock. Veins form when minerals carried by an aqueous solution within the rock mass are deposited through precipitation and infill or coat the fracture faces.
"volcanics"	Volcanic rock such as andesite or basalt that is formed from magma erupted from a volcano, or hot clastic material that erupts from a volcano and is deposited as volcaniclastic or pyroclastics.