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Asiamet Reports Initial Mineral Resource Estimate for BKZ Polymetallic Deposit

Asiamet Resources Limited ("Asiamet" or the "Company") is pleased to report a maiden Mineral Resource Estimate for the BKZ Polymetallic ("BKZ") deposit located on the Company's 100% owned KSK Contract of Work (CoW) in Kalimantan, Indonesia. The Statement of Mineral Resources (Table 1) completed by Hackman & Associates ("Hackman") is reported in accordance with the requirements of the 2012 JORC Code.

BKZ is very strategically located adjacent to existing and proposed infrastructure for the BKM copper project which is currently in the final stages of a bankable feasibility study. The high grade, shallow nature of the BKZ mineralisation coupled with the potential to share infrastructure considerably enhances the opportunity for Asiamet to develop a second, high value mine in the BK district.

The initial Mineral Resource Estimate for BKZ is subdivided into the BKZ Upper Polymetallic Zone ("BKZ-UPZ") and the BKZ Lower Copper Zone ("BKZ-LCZ").

The BKZ Upper Polymetallic Zone displays semi-massive to structurally controlled VMS-style lead, zinc, silver and gold mineralisation occurring in a high-grade domain and disseminated style mineralisation in the low-grade domain. The controls on and styles of mineralisation has resulted in significantly different tenors of grade between these domains and hence they are reported separately in the 2018 Resource Estimate. The BKZ Lower Copper Zone comprises a quartz-sulphide stockwork zone hosting chalcopyrite and bornite copper mineralisation. Table 1 below details the BKZ Mineral Resource as estimated in the 2018 Resource model.

Highlights – BKZ Mineral Resource Estimate (100% basis)

- **Upper Polymetallic Zone Inferred Mineral Resource comprises:**
  - **High Grade Domain - 750,000 tonnes at 8.0% Zinc, 3.4% Lead, 50g/t Silver and 0.35g/t Gold** containing 132Mlbs zinc, 57Mlbs lead, 1.2Moz silver and 8,400oz gold at 4% Zn cut-off grade
  - **Low Grade Domain - 590,000 tonnes at 1.6% Zinc, 0.5% Lead, 13g/t Silver and 0.15g/t Gold** containing 20 Mlbs zinc, 7Mlbs lead, 247Koz silver and 2,800oz gold at 1% Zn cut-off grade
- **Lower Copper Zone Inferred Mineral Resource comprises:**
  - **High Grade Domain - 1.1M tonnes at 1.1% Copper and 13g/t Silver** containing 26Mlbs copper and 460,000 ounces silver at a 0.5% copper cut-off grade
- **Mineralisation remains open in multiple directions at both the BKZ Upper Polymetallic Zone and the BKZ Lower Copper Zone and many targets with potential to expand the Resource base remain to be tested.**

Highlights – KSK CoW Exploration Programme

- **Exploration drilling aimed at expanding the Resource base will continue testing extensions to mineralised domains along strike and at depth**
- **Infill drilling aimed at confirming continuity and consistency of mineralisation types in order to convert part or all of BKZ Resource to Measured and Indicated Resource categories is planned**
- **Metallurgical testing programme to assess performance of BKZ Resource mineralisation to recover lead, zinc, silver, copper, gold concentrates will be undertaken. Subject to receiving positive results a Preliminary Economic Assessment ("PEA") will be initiated**
- **Further core studies and geophysical data have identified a new high-priority target area where the interpretation is that a large magnetic feature at depth may represent an untested porphyry intrusion. This area will be targeted for deep scout drilling in late 2018**
- **Identification of eight further high priority prospects in addition to BKW, BKS and BKZ-BKM Link zone targets warranting aggressive follow-up exploration. These include Baroi-FEZ, Gunung Perak, Volcano, Low Zone, Waterfall, Rinjen, Kalang and Bukit Dea. All targets display similar surface geochemical and geophysical signatures to that of the BKZ deposit**

Peter Bird, Asiamet's Chief Executive Officer commented:

"The reporting of an initial Mineral Resource estimate for the BKZ polymetallic deposit today represents another very important value adding milestone for Asiamet. The BKZ polymetallic deposit mineralisation is located close to existing roads and the proposed infrastructure for the BKM copper project. The BKZ inventory has the potential to significantly enhance the economics of any mine development in the area. Our ability to discover and delineate this high grade, near surface polymetallic deposit in such a short timeframe clearly demonstrates the largely untapped potential of both the BK district and the broader KSK CoW.

BKZ remains open in multiple directions and all geological indicators suggest the BKM-BKZ corridor and multiple surrounding targets will continue to deliver further substantial growth in the Company's mineral inventory over the coming months and years. We are truly excited by this opportunity and look forward to reporting on further progress as our exploration effort continues to unlock value at both the KSK and Beutong projects where we especially look forward to results of recent deep drilling at the latter."

Mineral Resource Estimate

The BKZ Upper Polymetallic Zone Mineral Resource is contained within a near-surface, shallow-dipping, strongly mineralised system that extends over an area of 350m (N-S) and 150m (E-W) and remains open in multiple directions. This zone is defined by a continuous high grade domain and peripheral low grade domain. Mineralisation in the high grade domain is characterised by semi-massive to massive replacement style sphalerite-galena with locally very high grades reporting up to 30.7% zinc, 17.7% lead and 158g/t silver over 1-metre sample intervals. Mineralisation within the low grade domain is characterised by disseminated replacement style sphalerite-galena typically with sample grades ranging between 0.3% to 4.0% zinc, <1.0% lead and <50g/t silver.

Mineralisation in the BKZ Lower Copper Zone (Cu-Ag) comprises stockwork quartz-sulphide and sulphide (pyrite-chalcopyrite-bornite) veins with assay results reporting up to 12% copper and 20g/t Silver over 1-metre sample intervals.

The April 2018 Mineral Resource Estimate for the BKZ Polymetallic deposit is presented in Table 1 below and a copy of the "BKZ Polymetallic Project Resource Estimate Technical Statement" which presents an

overview of the Resource data quality, analyses and estimation process is appended. Details of the Resource data quality and analyses and the estimation process are tabulated in a JORC (2012) table 1 report which will be available on the Asiamet Resources Limited website on Wednesday 16 May 2018 (www.asiametresources.com).

Table 1: BKZ Mineral Resource Estimate, April 2018 (100% basis)

BKZ Polymetallic Deposit Inferred Resource Estimate *(JORC Code, 2012)*

Upper Polymetallic Zone. High Grade Zinc, Lead, Silver and Gold Domain. Inferred Resources (JORC 2012) *

Reporting Cut (Zn%)	Tonnes (kt)	Grade				Contained Metal			
		Zn (%)	Pb (%)	Ag (ppm)	Au (ppm)	Zn (kt)	Pb (kt)	Ag (koz)	Au (koz)
4.0	750	8.0	3.4	50	0.35	60	26	1206	8.4

Upper Polymetallic Zone. Low Grade Zinc, Lead, Silver and Gold Domain. Inferred Resources (JORC 2012) **

Reporting Cut (Zn%)	Tonnes (kt)	Grade				Contained Metal			
		Zn (%)	Pb (%)	Ag (ppm)	Au (ppm)	Zn (kt)	Pb (kt)	Ag (koz)	Au (koz)
1.0	590	1.6	0.5	13	0.15	9	3	247	2.8

Lower Copper Zone. Copper and Silver Mineralisation. Inferred Resources (JORC 2012)

Reporting Cut (Cu%)	Tonnes (kt)	Grade		Contained Metal	
		Cu (%)	Ag (ppm)	Cu (kt)	Ag (koz)
0.5	1100	1.1	13	12	460

** Lowest estimated Zn grade in the high grade zinc domain is 4.1%Zn*

*** Highest estimated Zn grade in the low grade zinc domain is 4.2%Zn*

Notes: Lower Zn and Cu grade reporting cuts approximate the mineralised domains extents. Mineral Resources for the BKZ Polymetallic Project have been estimated and reported under the guidelines detailed in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). In the opinion of Duncan Hackman, the block model, resource estimate and resource classification reported herein are a reasonable representation of the Mineral Resources found in the defined area of the BKZ Polymetallic Project. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Ore Reserve. Computational discrepancies in the table and the body of the Release are the result of rounding.

Methodology

The April 2018 BKZ Polymetallic Resource Estimate is based on the KSK geological and analytical database as at 22 April 2018 and the 2018 geological, structural and mineralisation interpretations by Stephen Hughes

who is a full-time employee of PT Kalimantan Surya Kencana. The data analyses, triangulation domaining, block modelling, grade interpolation and classification was undertaken by Duncan Hackman of Hackman and Associates Pty. Ltd.

The estimate is underpinned by data from 42 diamond drill holes (4,287m) containing 2,472 logged and assayed sample intervals (predominantly 1m). Sample data was composited to two metre intervals and flagged by the domains defined in the geological and mineralisation interpretations. Single and double passes of Inverse Distance Squared interpolation runs were employed to estimate Cu, Zn, Pb, Ag and Au grades within domains into a sub-blocked model (parent block size of 25mE x 25mN x 10mRL). High grade restrictions were applied. Tonnage factors were applied to blocks by a regression formula between dry bulk density and the total estimated Fe+Zn+Pb+Cu grade. The Resource estimate has been classified based on data density, data quality, confidence in the geological interpretation and confidence in the robustness of grade interpolation.

Refer "BKZ Polymetallic Project Resource Estimate Technical Statement" for a comprehensive summary of the Mineral Resource estimation methodology (appended).

KSK CoW Exploration Programme

Exploration drilling aimed at expanding the Resource base will continue testing the extensions to mineralised domains along strike and at depth. Infill drilling will also be required to confirm continuity and consistency of mineralisation types in order to facilitate the conversion of part or all of the BKZ Resource to the Measured and Indicated Resource categories (JORC 2012). A metallurgical testing programme will be undertaken to assess the performance of both the BKZ-UPZ and BKZ-LCZ mineralisation using conventional flotation processes to recover lead, zinc, silver, copper and gold into concentrates and subject to receiving positive results a PEA will be initiated.

Recent mapping immediately south of the BKZ area along the interpreted Beruang Thrust Fault has identified a new high priority target area close to where the 3D magnetic geophysical inversion model highlights a large magnetic feature at depth. The discovery of strong magnetite alteration in core from holes drilled into the BKZ-LCZ deposit support the interpretation that the magnetic feature may represent an untested porphyry intrusion. A 3D inversion of induced polarisation geophysical data for the northern BKM area also shows a large chargeability feature at depth, coincident with the magnetic feature. This area will be targeted for deep scout drilling in 2018.

A detailed review of the 2013 gravity geophysical and surface geochemical data for the KSK CoW has further strengthened the Company's view of the potential for the discovery of additional copper and polymetallic deposits. Additional to the high priority BKW, BKS and the BKZ-BKM Link zone targets, eight other high priority prospects warranting aggressive follow-up exploration include Baroi-FEZ, Gunung Perak, Volcano, Low Zone, Waterfall, Rinjen, Kalang and Bukit Dea (Figure 2). All twelve targets display similar surface geochemical and geophysical signatures to that of the BKZ deposit, namely a coincident gravity high with strongly anomalous copper-zinc-lead in soils and in streams draining these prospect areas.

The Company plans to systematically follow-up exploration of these priority targets as permits are received.

Qualified Person

Data disclosed in this press release have been reviewed and verified by Asiamet's qualified person, Stephen Hughes, P. Geo, Vice President Exploration of the Company and a Competent Person within the meaning of JORC and for the purposes of the AIM Rules for Companies.

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Stephen Hughes BSc (Hons). Mr Hughes is registered

with the Association of Professional Geoscientists of Nova Scotia and with the Australian Institute of Geoscientists. Mr Hughes has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). Mr Hughes consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this statement referring to Mineral Resources is based on information compiled by Duncan Hackman B.App.Sc., MSc. of Hackman & Associates, a Competent Person who is a Member of the Australian Institute of Geoscientists. Duncan Hackman is an independent resource consultant and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Duncan Hackman consents to the inclusion in the statement of the matters based on his information in the form and context in which it appears.

ON BEHALF OF THE BOARD OF DIRECTORS
Peter Bird, Deputy Chairman and CEO

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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").

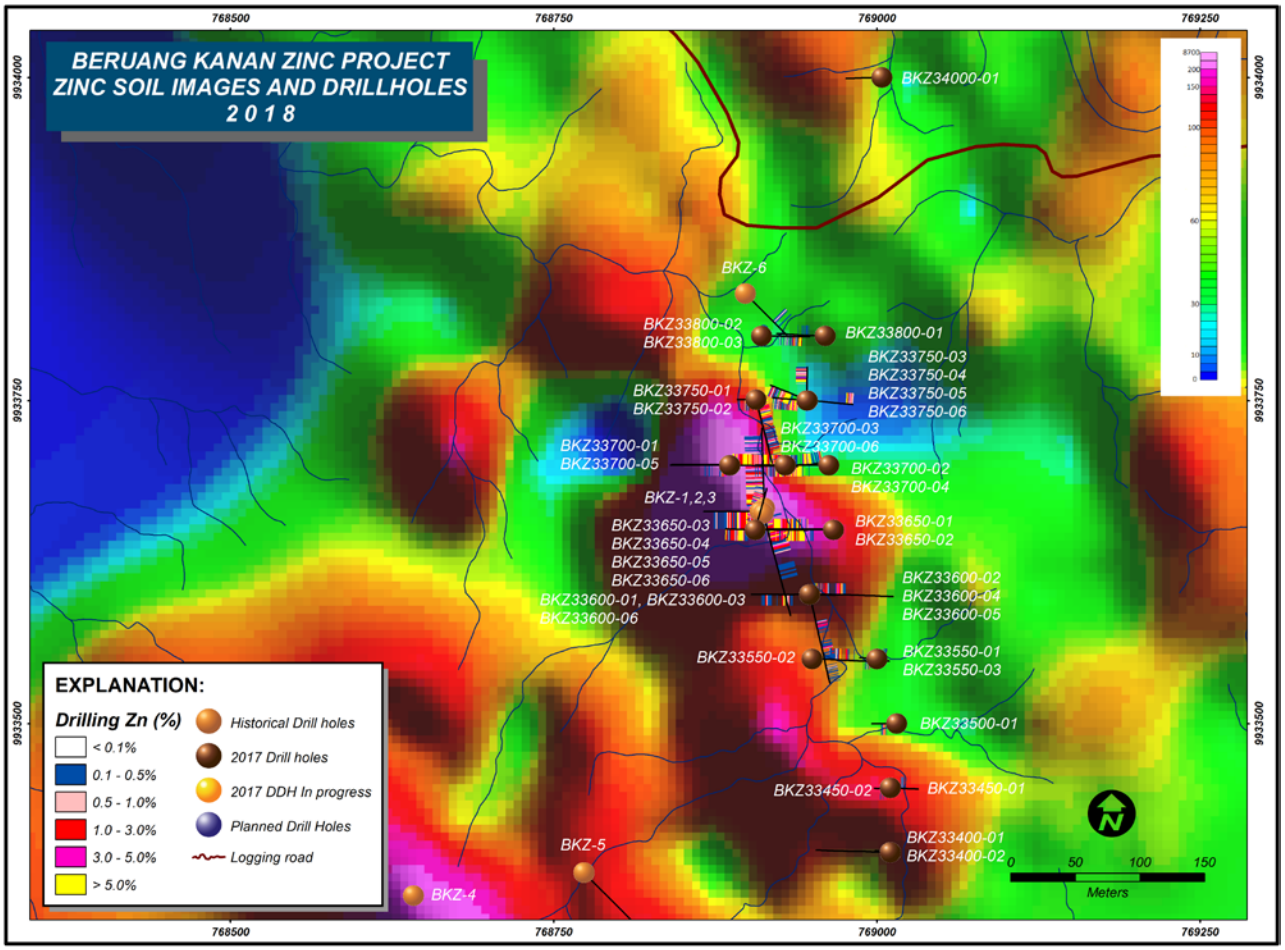

Figure 1: Location map showing strong Zinc in soil geochemistry over the BKZ prospect and Zinc drill intersections to date.

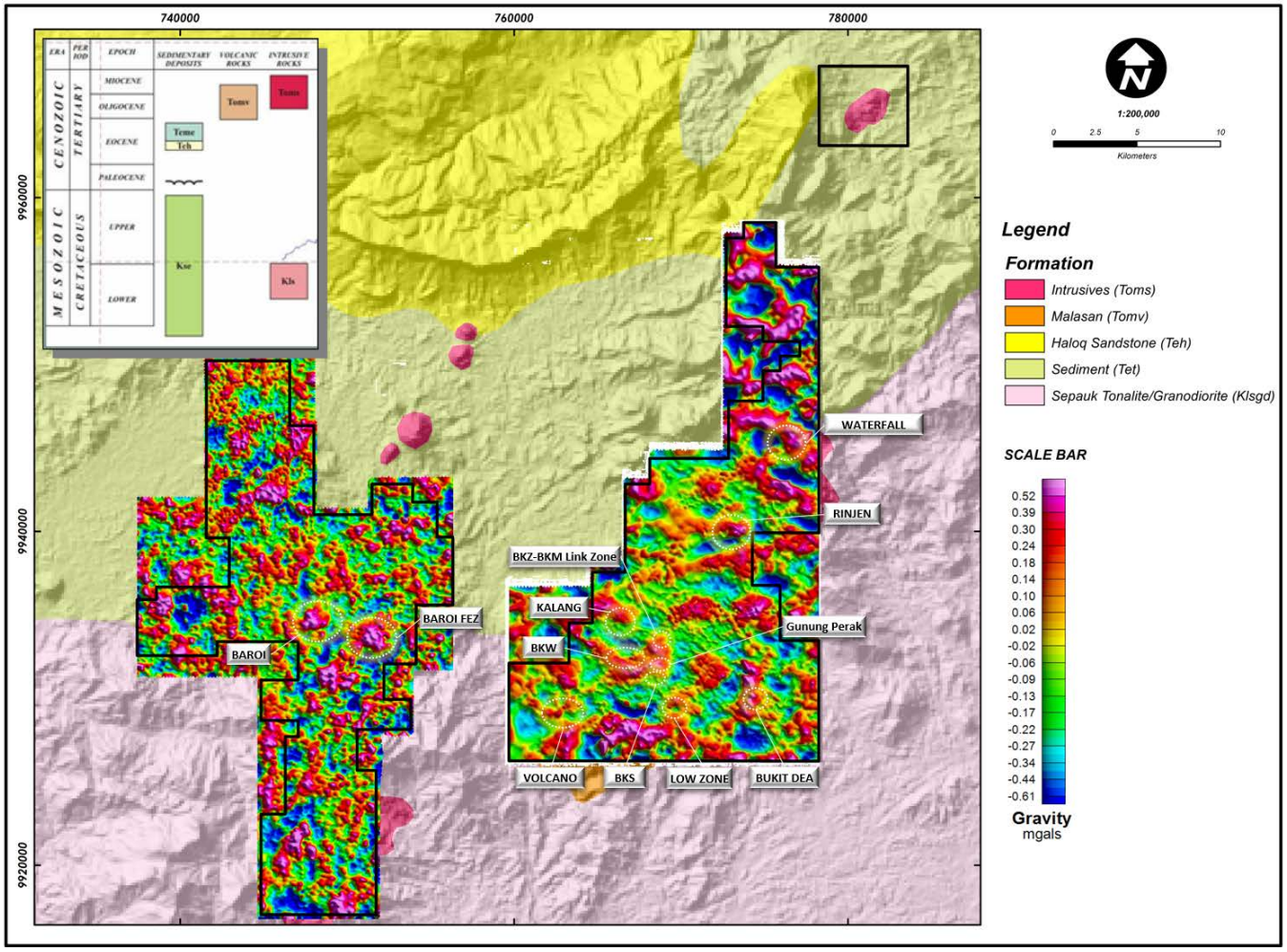

Figure 2: Location map showing twelve prospects with coincident Gravity and Zinc-Copper geochemical anomalies within the KSK CoW.

Appendix 1

BKZ POLYMETALLIC PROJECT RESOURCE ESTIMATE TECHNICAL STATEMENT

Introduction:

This technical statement summarises the activities, data observations and results of work undertaken by Hackman & Associates Pty Ltd ("H&A") in generating the BKZ Polymetallic 2018 Block Model and Resource Estimate. The BKZ Polymetallic Project is a base and precious metals Mineral Resource located 180 kilometres north of Palangkaraya, the capital city of Central Kalimantan. The BKZ Polymetallic mineralisation ("BKZ") is located within a 6th generation Contract of Work ("KSK CoW") held by PT Kalimantan Surya Kencana ("KSK"), which through various intermediary companies, is a 100% owned subsidiary company of Asiamet Resources Limited ("ARS").

Figure 1: *Location map – KSK Contract of Work containing the BKZ Polymetallic Mineralisation.*

The 2018 BKZ Polymetallic Resource Estimate is based on the KSK geological and analytical database as at 22 April 2018 and the 2018 geological, structural and mineralisation interpretations by Stephen Hughes who is a full-time employee of KSK. The data analyses, triangulation domaining, block modelling, grade interpolation and classification was undertaken by Duncan Hackman of H&A.

The 2018 BKZ Resource Estimate is the maiden Resource estimate for the BKZ Project and estimates the mineralisation within both the Upper Polymetallic Zone and the Lower Copper Zone which define the deposit. The estimate incorporates information and data from 6 scout diamond holes drilled in 1999 and 36 diamond holes drilled to delineate the extent of the mineralisation in 2017-18.

The 2018 resource model covers 350m of the N-S strike extent of the mineralisation at BKZ and up to 150m of width and depth extent of the semi-massive sulphide and sulphidic silicified volcanic hosted mineralisation. Mineralisation is open to the north, south and east and outcrops to the west. The potential depth repetition of mineralisation is untested.

The model is underpinned by data from 42 diamond drill holes (4,287m) containing 2,472 logged and assayed, mainly 1m intervals. Sample data was composited to two metre intervals and flagged by the domains defined in the geological and mineralisation interpretations. Single and double passes of Inverse Distance Squared interpolation runs were employed to estimate Cu, Zn, Pb, Ag and Au grades within domains into a sub-blocked model (parent block size of 25mE x 25mN x 10mRL). High grade restrictions were applied. Tonnage factors were applied to blocks by a regression formula between dry bulk density and the total estimated Fe+Zn+Pb+Cu grade. Mineralisation was assessed with respect to having reasonable prospects for economic extraction and the resource estimate reporting cuts are supported by this evaluation. The resource estimate has been classified based on data density, data quality, confidence in the geological interpretation and confidence in the robustness of grade interpolation.

Results:

The resource is reported between 768850mE and 769050mE, 9933450mN and 9933850mN and above 130mRL (150m vertical extent). Table 1 details the BKZ Mineral Resource as estimated in the April 2018 Resource model.

Table 1: BKZ Polymetallic Mineral Resource, April 2018

BKZ Polymetallic Deposit Inferred Resource Estimate *(JORC Code, 2012)*

Upper Polymetallic Zone. High Grade Zinc, Lead, Silver and Gold Domain. Inferred Resources (JORC 2012) *

Reporting Cut (Zn%)	Tonnes (kt)	Grade				Contained Metal			
		Zn (%)	Pb (%)	Ag (ppm)	Au (ppm)	Zn (kt)	Pb (kt)	Ag (koz)	Au (koz)
4.0	750	8.0	3.4	50	0.35	60	26	1206	8.4

Upper Polymetallic Zone. Low Grade Zinc, Lead, Silver and Gold Domain. Inferred Resources (JORC 2012) **

Reporting Cut (Zn%)	Tonnes (kt)	Grade				Contained Metal			
		Zn (%)	Pb (%)	Ag (ppm)	Au (ppm)	Zn (kt)	Pb (kt)	Ag (koz)	Au (koz)
1.0	590	1.6	0.5	13	0.15	9	3	247	2.8

Lower Copper Zone. Copper and Silver Mineralisation. Inferred Resources (JORC 2012)

Reporting Cut (Cu%)	Tonnes (kt)	Grade		Contained Metal	
		Cu (%)	Ag (ppm)	Cu (kt)	Ag (koz)
0.5	1100	1.1	13	12	460

** Lowest estimated Zn grade in the high grade zinc domain is 4.1%Zn*

*** Highest estimated Zn grade in the low grade zinc domain is 4.2%Zn*

Notes: Lower Zn and Cu grade reporting cuts approximate the mineralised domains extents. Mineral Resources for the BKZ Polymetallic Project have been estimated and reported under the guidelines detailed in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). In the opinion of Duncan Hackman, the block model, resource estimate and resource classification reported herein are a reasonable representation of the mineral resources found in the defined area of the BKZ Polymetallic Project. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Ore Reserve. Computational discrepancies in the table and the body of the Release are the result of rounding.

Contributing Experts:

Expert Person / Company	Area of Expertise and Contribution of Expert
Duncan Hackman *B.App.Sc., MSc, MAIG.* Hackman & Associates Pty. Ltd.	*Exploration and Resource Geology – 32yrs experience*. Data validation, quality analysis and evaluation, resource domaining, block modelling, grade interpolation, resource classification.
Stephen Hughes *BSc. (Hons). AIG. APGNS.* PT Kalimantan Surya Kencana	*Exploration and Resource Geology – 23yrs experience.* Data validation and quality assurance, geological and mineralisation interpretation.

Compliance with the JORC code assessment criteria and Competent Persons Consent:

This Mineral Resource statement has been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition).

Duncan Hackman of Hackman & Associates (H&A) is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition). Neither Duncan Hackman nor H&A have any material present or contingent interest in the outcomes of the BKZ Polymetallic Project Resource Estimate or the Public Release Statement, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence. H&A's fee for completing this Resource Estimate and authoring this Technical Resource Statement is based on its normal professional daily rates plus reimbursement of incidental expenses. The payment of the professional fee is not contingent upon the outcome of the estimate or wording of the statement.

Duncan Hackman has reviewed the Asiamet Resources Limited Statement dated 16th May 2018 titled "Asiamet Reports Initial Mineral Resource Estimate for BKZ Polymetallic Deposit" and consents for the inclusion in the Asiamet Resources Limited Public Release Statement of the matters based on his information and for Asiamet Resources Limited or their agents to use this statement in the form and context in which it appears.

The opinions and recommendations provided by Duncan Hackman are in response to requests by Asiamet Resources Limited and based on data and information provided by Asiamet Resources Limited or their agents. Duncan Hackman and H&A therefore accept no liability for commercial decisions or actions resulting from any opinions or recommendations offered within.

Duncan Hackman
B.App.Sc., MSc, MAIG
Consulting Geologist
Hackman & Associates Pty. Ltd.

Key points relating to the BKZ Polymetallic 2018 Resource Estimate:

1. BKZ mineralisation is centred on 768950E, 9933700N (UTM, Zone 49S). The mineralisation has been delineated over a strike length of 350m (towards 000^{O}), across a width of 150m and to a depth of 150m below surface. Mineralisation is open to the north, south and east. There is limited potential to extend Resources to the west as mineralisation outcrops. The potential for depth repetition of mineralisation is not yet tested.
2. The BKZ Polymetallic 2018 Resource Estimate encompasses the two mineralised bodies within the BKZ Project Area, the Upper Polymetallic Mineralised Zone (Zn, Pb, Ag and Au) and the Lower Copper Mineralised Zone (Cu and Ag). Mineralisation in the Upper Polymetallic Zone is semi-massive in nature and hosted by andesitic volcanics (interpreted as being associated with low angle thrusts similar to those at the Beruang Kanan Main deposit (BKM) located 800m to the south of BKZ). Replacement and fracture fill chalcopyrite and bornite mineralisation in the Lower Copper Zone is hosted in pyritic and silicified volcanics.
3. The deposit is delineated by 42 diamond core (4,287m) drill holes, drilled on nominal 50m sections. Angled holes are drilled between -55 and -70 degrees and 11 are drilled towards 270^{O} grid, 11 holes towards 090^{O}, 3 holes are drilled towards 000^{O} and 3 drilled towards 180^{O}. A further 14 holes are drilled vertically. One pair of twin holes in the Lower Copper Zone supports mineralisation continuity over short ranges as do two crossed-hole pairs in the Upper Polymetallic Zone.
4. Sampling of mineralisation is at a nominal 1m length. Gold and multi-element assays from 2,472 half-HQ3 diamond core samples populate the BKZ Database. Length core recovery through mineralisation is good (>90% in all domains) however degradation of core is significant where selective recovery/loss is suspected through the scrubbing and washing away of material during the drilling process. 25% of samples in the high grade zinc domain, 31% in the low grade zinc domain and 14% in the Lower Copper Mineralisation domain are affected however it is not yet determinable if this selectivity has introduced a bias into the assay dataset as relative biases differ between high and low recovery samples for each element in each of the three mineralised domains. The observed relative biases diminish confidence in sample representivity and assay reliability and future drilling must focus on improving core recovery to improve reliability and Resource classification. An appropriate sample preparation and analytical quality control programme confirms that the assay values are of acceptable quality to underpin Inferred Resources at BKZ (JORC Code, 2012 Edition). Further investigations and inter-lab check assays are required before resources at BKZ can be considered for Indicated and Measured Resources classification.
5. High grade mineralised domains were modelled at ≥4% combined Zn+Pb cutoff and ≥0.2% Cu cutoff (established from data analysis studies) and directed by the geological and structural interpretation. An outer ≥1% Zn+Pb domain was generated to estimate peripheral disseminated mineralisation. Geological and mineralisation continuity is largely inferred from the broad drill spacing. Infill drilling will result in upgrading the Resource to Indicated and Measured classification categories (data quality and reliability dependent).
6. Cu, Zn, Pb, Ag and Au grades were estimated by inverse distance squared (ID2) interpolation methods. Interpolation is guided and constrained by solid TIN (triangulated) boundaries. 1,470 two metre composites inform the grade interpolation within domains. Parent cell estimates (25mE x 25mN x 10mRL) were written to a sub-blocked model. High grade restrictions were employed to spatially constrain extreme grades from informing block grades at distance from sample locations (thresholds and distance restrictions being domain dependent). Tonnage factors were applied to the model by a regression formula determined between measured DBD (2,025 readings taken from BKZ) and the total Fe+Zn+Pb+Cu grade. Tonnage factors in the Upper Polymetallic Zone average 3.18g/cc and average 3.01g/cc in the Lower Copper Zone.

7. As assessed, and in accordance with the guidelines outlined in the JORC Code (2012 Edition), the mineralisation reported in the 2018 Resource estimate for the BKZ Polymetallic Project has reasonable prospects for eventual economic extraction. Assessment was undertaken by applying economic parameters sourced from the Mining Cost Service, Mine & Mill Equipment Estimator's Guide (2017), publicly available BFS studies of similar scale projects and preliminary values being determined for use in the nearby BKM copper BFS study (scheduled for completion in Q2 2018). Plant and Mill capital cost, mining (ore and waste costs, loss and dilution), processing (costs, recoveries and concentrate grades), transport (road, barge, port and sea freight costs), smelter treatment and refining costs (excluding participation and deleterious element charges), general/admin costs, royalties, concentrate payable metal percentages and spot metal prices were applied on a cost and revenue per tonne of mineralisation basis. In order to access the high grade zinc mineralisation and Lower Copper Mineralisation a significant portion of the low grade zinc mineralisation will need to be mined, thus the economic cut-off grade for the low grade zinc mineralisation was assessed with mining costs excluded. The proximity of the BKZ polymetallic mineralisation to the BKM copper deposit is a favourable feature with respect to sharing of capital and general/admin costs as well as providing processing opportunities for treating the copper mineralisation at BKZ. A zinc and lead smelter is current under construction at Kotawaringan Barat in Central Kalimantan and reports state that this smelter is open to receive ores from all sources offering in-country processing options for treatment of BKZ material.
8. The estimate is assigned an Inferred Mineral Resource classification under the guidelines outlined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Drilling or data density, geological and grade continuity and data quality/reliability (particularly core recovery) are the key risk inputs in determining the Resource classification. The significant difference in mineralisation style and grade tenor between the low and high grade domains in the BKZ Upper Polymetallic Zone is considered of material importance to the project and therefor in accordance with the JORC Code (2012) principles the Resources for these domains are reported separately.

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.
“digenite”	Digenite is a copper sulfide mineral with formula Cu9S5. Digenite is a black to dark blue opaque mineral.
“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.
“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).
"g/t"	grams per tonne; equivalent to parts per million ('ppm')
“hematite”	Hematite is the mineral form of iron(III) oxide (Fe_2O_3), one of several iron oxides. Magnetite alteration is also typically associate with porphyry copper systems, at or close to the central core.
“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 are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.
"Inferred Resource"	An ‘Inferred Mineral Resource’ is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence

	and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
"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.
"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.
JORC	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The JORC Code provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports.
"lbs"	Pounds (measure of weight)
"Mlbs"	Million pounds (measure of weight)
"magnetite"	Magnetite is main iron ore mineral, with chemical formula Fe3O4. Magnetite is ferromagnetic, and it is attracted to a magnet and can be magnetised to become a permanent magnet itself.
"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, metre-scale or in tens of metres 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 estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.

	Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.
"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, zin etc) that in some cases can be in sufficient quantity to form mineral ore bodies.
"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.
"porphyry"	Porphyry copper deposits are copper +- gold +- molybdenum orebodies that are formed from hydrothermal fluids that originate from a voluminous magma chamber below the deposit itself.
"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".
"propylitic alteration"	Propylitic alteration is the chemical alteration of minerals within a rock, caused by hydrothermal fluids. This style of alteration typically results in epidote–chlorite+–albite alteration and veining or fracture filling, commonly altering biotite or amphibole minerals within the rock groundmass. It typically occurs along with pyrite.
"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.