



**Asiamet  
Resources**

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## **Asiamet Resources Files Preliminary Economic Assessment Report for the Beruang Kanan Prospect, KSK CoW, Indonesia**

Asiamet Resources Limited ("ARS" or the "Company") has filed a technical report supporting the independently prepared Preliminary Economic Assessment ("PEA") study of the Beruang Kanan Main Zone. The PEA has been finalized in compliance with the guidelines of Canadian National Instrument 43-101. The PEA is available for viewing on [www.sedar.com](http://www.sedar.com) or [www.asiametresources.com](http://www.asiametresources.com).

**As announced on April 5, 2016, the highlights of the PEA are:**

The PEA is the first study undertaken to evaluate the economics of developing an open pit mine and heap leach solvent extraction electro-winning facility ("SX-EW") to directly produce copper cathode based on the near surface copper deposit reported in the 2015 BKM Resource estimate (ARS NR October 21, 2015). Results of the PEA study demonstrate excellent potential for developing a robust, low strip ratio, low capital intensity copper project with low operating costs, strong cash flow generation capacity and significant upside potential through further Resource growth.

**PEA base case highlights:**

- **Target annual production of 25,000 tonnes LME grade A (99.999%) copper metal**
- **After-tax Net Present Value ("NPV") of US\$204.3 million** (10% discount rate)
- **After-tax Internal Rate of Return ("IRR") of 38.7%**
- **Gross Revenue of US\$1.27 billion** (US\$3.25lb copper price over Life of Mine ("LOM"))
- **C1 Operating cost of US\$1.28 per pound**
- **Initial Capital Cost of US\$163.8 million** with low capital intensity
- **2.4 year payback** (After-tax from the start of production)
- **Robust mine plan derived from Indicated Resources (29%) and Inferred Resources (71%)**
- **Initial 8+ year mine life at a low average strip ratio of 1.23**
- **Significant potential for additional mineralization close to BKM**

Asiamet considers target production of 25,000 tonnes of copper cathode per year for an initial 8 year LOM to be the most appropriate option for the PEA given the significant exploration potential already identified close to the BKM deposit. Copper mineralization at BKM remains open in several directions and locally at depth. Adjacent high potential prospects at Beruang Kanan South ("BKS"), Beruang Kanan West ("BKW") and BKZ Polymetallic ("BKZ") also represent attractive targets for additional mineralization as demonstrated by the strong surface and drilling results returned to date e.g. 10m at 2.52% Cu incl. 2m at 7.45% Cu from 19.5m at BKS (ARS NR November 16, 2015). Increasing the Mineral Resource base, and thus the potential feed available to the BKM processing facilities evaluated in the current PEA, is likely to have a strongly positive impact on the BKM Copper Project value and will be a key focus for Asiamet going forward.



## Qualified Person

The PEA was led by the following Qualified Persons ("QP"), as such term is defined in NI 43-101, each of whom is independent of Asiamet and have read and confirmed that this news release, and the April 5, 2016 news release, fairly and accurately reflects the contents of the PEA report:

- Mr. Ross Cheyne (BE Mining, FAusIMM)
- Mr. Graeme Miller (FAusIMM, CP AusIMM, BE (Chem))
- Mr. Duncan Hackman (B.App.Sc., MSc., MIAG)
- Mr. Johan Du Preez (BSc Eng., P.Eng)
- Mr. Ali Sahami (Ph.D)

The technical information has been included herein with the consent and prior review of the above noted QPs, who have verified the data disclosed, including sampling, analytical and test data underlying the information or opinions contained herein.

Mr. Ross Cheyne was responsible for the overall compilation of the PEA Study. He is MD of ORELOGY Consulting Pty Ltd and is the QP for purposes of National Instrument 43-101. Mr. Cheyne has more than 28 years' experience, and has experience relevant to this style of operation to qualify as a Qualified Person as defined in NI 43-101.

Mr. Graeme Miller is the QP responsible process metallurgy, process design and associated cost estimation for leach pad through to SX / EW. This includes supervising the metallurgical test work and estimated the copper recoveries. He is a hydrometallurgical and mineral processing engineer with more than 30 years of experience, much of it related to heap leach projects (+12) and solvent extraction operations (+40).

The QP responsible for the independent Resource Estimate at BKM is Mr. Duncan Hackman (B.App.Sc., MSc., MIAG), a consultant geologist with more than 30 years' experience. Mr. Hackman is Principal of Hackman and Associates and is a member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity undertaken to qualify as a Qualified Person as defined in NI 43-101. All mineral Resources have been estimated in accordance with the definition standards on mineral resources and mineral reserves of the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") referred to in National Instrument 43-101, commonly referred to as NI 43-101. U.S. reporting requirements for disclosure of mineral properties are governed by the United States Securities and Exchange Commission ("SEC") Industry Guide 7. Canadian and Guide 7 standards are substantially different. This News Release uses the terms "measured," "indicated" and "inferred" resources. We advise investors that while those terms are recognized and required by Canadian regulations, the SEC does not recognize them. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Engineering designs for Infrastructure buildings, road and earthworks, where required, were undertaken by DRA Global. (DRA). DRA also provided indicative cost estimates for those items not quoted by Indonesian suppliers. This work was peer reviewed by Mr. Johan Du Preez (BSc Eng., P.Eng). Mr. Du Preez is a civil engineer with 40 years' of relevant mining infrastructure experience.

Pt. Prastiwahyu Trimitra Engineering investigated various energy supply options for BKM project. PT SMEC Denka Indonesia assessed Hydropower development potential within the BKM project area. PT. Resindo Resources and Energy Indonesia (Resindo) reviewed the preferred options / alternatives for the supply of mining and copper processing plant equipment and/or large volumes of bulk materials to the BKM site.



PT Lorax Indonesia completed a Flora and Fauna Ecology Study and provided input to development of a site-specific biodiversity management plan and a general reference for future environmental management strategies. Mr. Ali Sahami (Ph.D) is the President of PT Lorax Indonesia.

The information that relates to geology, mineralization, drilling, and mineral resource estimates on the BKM copper deposit, is based on information prepared under the supervision of, or has been reviewed by Mr. Stephen Hughes P. Geo., Asiamet Resources' Vice President of Exploration, a geologist with more than 20 years of experience, a director of ARS and a Qualified Person within the meaning of NI 43-101 and the AIM Rules for Companies. Mr. Hughes has reviewed and validated that the information contained in the release is consistent with that provided by the QPs responsible for the PEA. All principal technical personnel and QP's participating in the development and review of the PEA have extensive relevant experience.

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

Tony Manini, 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 characterized 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*



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