G-Resources Group Limited
國際資源集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1051)

ANNOUNCEMENT

G-RESOURCES – MARTABE EXPLORATION UPDATE

Hong Kong, 28 December 2015

G-Resources Group Limited (HKSE: 1051 – "G-Resources" or the "Company") is pleased to update the market with recent exploration results at G-Resources' Martabe gold and silver mine in Indonesia.

HIGHLIGHTS

G-Resources continues its successful exploration programme at the Martabe gold and silver mine in North Sumatra. Recent work has focused on drilling for high grade sulphide targets at Martabe, and on regional exploration targets over the Contract of Work ("CoW").

The key results from exploration work are:

- **A drilling program at the Horas West Horas sulphide target returned high grade results including:**
  - **3.0 metres @ 24.46 g/t gold, 147 g/t silver.**
  - **7.6 metres @ 7.41 g/t gold, 34 g/t silver.**
- **Porphyry copper-gold style mineralisation and alteration has been discovered at the Golf Mike North Prospect, approximately 7 kilometres south east of the Martabe Gold Mine. Significant copper and gold results have been received from selected surface rock chip and float samples, with best result from bornite bearing skarn being 1.6% copper, 2.2 g/t gold.**
- **At this early stage the results at Golf Mike North are encouraging, but the economic potential of this prospect is not yet known.**

Geologist Ms. Hesty Indirawati operating 3D geological software.

HORAS WEST HIGH GRADE SULPHIDE TARGET

The Horas deposit is located approximately 3 km south east of the Purnama Pit and Martabe process plant, south of the Barani deposit. Drilling in 2011 discovered a high grade zone in the west, referred to as the Horas Barat prospect. This drilling was reported on 6 October 2011, 17 January 2012, 26 June 2012, and 2 November 2015.

Since the previously reported results, results have been received from a drilling program of 12 holes. This program consisted of closely spaced holes into the high grade zones, and has shown there is short range continuity within these high grade zones. Lack of continuity and high nugget effect over short ranges is a common limitation on high grade gold deposits.

Best results for this drilling were:

- APSD1572: 21.0 metres @ 1.58 g/t gold, 1 g/t silver from 21.0 metres;
- APSD1572: 7.6 metres @ 7.41 g/t gold, 34 g/t silver from 169.8 metres;
- APSD1577: 3.0 metres @ 24.46 g/t gold, 147 g/t silver from 179 metres;
- APSD1579: 34.3 metres @ 2.03 g/t gold, 22 g/t silver from 135.7 metres.

The complete results from this phase of drilling at Horas West are provided in Table A1 in Appendix 1. Some of the better results are shown on section in Figure 4.

Mid level grades (>2 g/t Au) shows strike continuity over hundreds of metres and remains open to the north and south. Figure 5 shows this strike continuity on a long section. Within the 2 g/t zone, bonanza grades appear to be restricted to “pods” of maximum length 25-50 metres. The geological controls on the pods is not yet clear, but it is interpreted the pods may be oriented roughly parallel to the bedding planes of the host sedimentary rocks. Carbon rich beds in the sediments may play a role in the emplacement of bonanza high grades. G-Resources geologists are currently working to interpret the sedimentary stratigraphy, which may lead to improved drill targeting.

The results of this drilling continue to show the potential for narrow, bonanza grade gold zones over a 900 metre strike length. Further drilling program is planned to test the strike repetitions to the known pods and look for additional bonanza grade zones.

Radio Operator Ms. Nelmi Suriani on duty to support helicopter operations. Radio contact with the helicopter is maintained to provide logistical support between ground operations and the pilot.

REGIONAL EXPLORATION

Exploration work is continuing over the prospective, 1,639 km^2 CoW. The perseverance of G-Resources over an extended time has been successful, with the identification of porphyry copper-gold style mineralisation at the Golf Mike project, within 7 kilometers of the Martabe Gold Mine.

This discovery is a direct result of new technology and geological concepts that have been introduced to the team by our world class external consultants. These new techniques and ideas are expanding the exploration search into areas that have previously been discarded as having low prospectivity. The on ground activity by the exploration team complements and enhances the effectiveness of the new technology.

More detail on the recent prospect scale work is provided below.

Golf Mike North Prospect

Golf Mike is located approximately 7 kilometers south of Martabe, shown on Figure 2. As previously detailed on 2 November 2015, an exploration program located suspected porphyry style mineralisation including copper results up to 0.6% copper in surface rock chip and float samples. The area of interest is called the Golf Mike North Prospect.

Since the previous release, additional alteration has been mapped at surface, and copper and gold bearing sediment hosted skarn has been identified. The results of microscopy, spectral analysis and geochemistry confirms that the alteration and copper mineralisation identified at surface is from a porphyry copper style mineralised system. At this stage the economic potential of the copper-gold porphyry style system has not been confirmed.

A summary of the significant results and exploration targets is shown in Figure 6. Photographs of representative samples and their locations are provide in Appendix 2.

Skarn mineralisation and hornfels occurs within sediments capping the interpreted underlying intrusives. The sediments occur on ridges, which are capped by hard, occasionally silicified and sericite altered sandstone on the ridge tops, with inter-fingered siltstone outcropping down the ridges. The skarn consists of various forms, most commonly green calc-silicate with varying amounts of garnet and magnetite, hornfelsed shales which contain sulphides and lesser massive magnetite skarn. Sulphides including pyrite, pyrrhotite and copper minerals occur in all the skarns.

Two styles of copper mineralisation have been identified in the skarn:

- In the South Anomaly area (shown in Figure 6), chalcocite, malachite and minor chalcopyrite occurs within siltstone and to a lesser extent sandstone. This assemblage is interpreted as a remobilisation of copper into the first two minerals by weathering of chalcopyrite.
- In the North Anomaly area, bornite and lesser chalcopyrite occur within fine bedded siltstones. These are shedding off a steep hill capped by a sandstone and have only been identified as float. Outcrop of this mineralisation has not yet been located. The best results are from two float samples from the side of a steep hill: being bornite and chalcopyrite bearing sediment hosted skarns with 1.6% copper and 2.2 g/t gold.

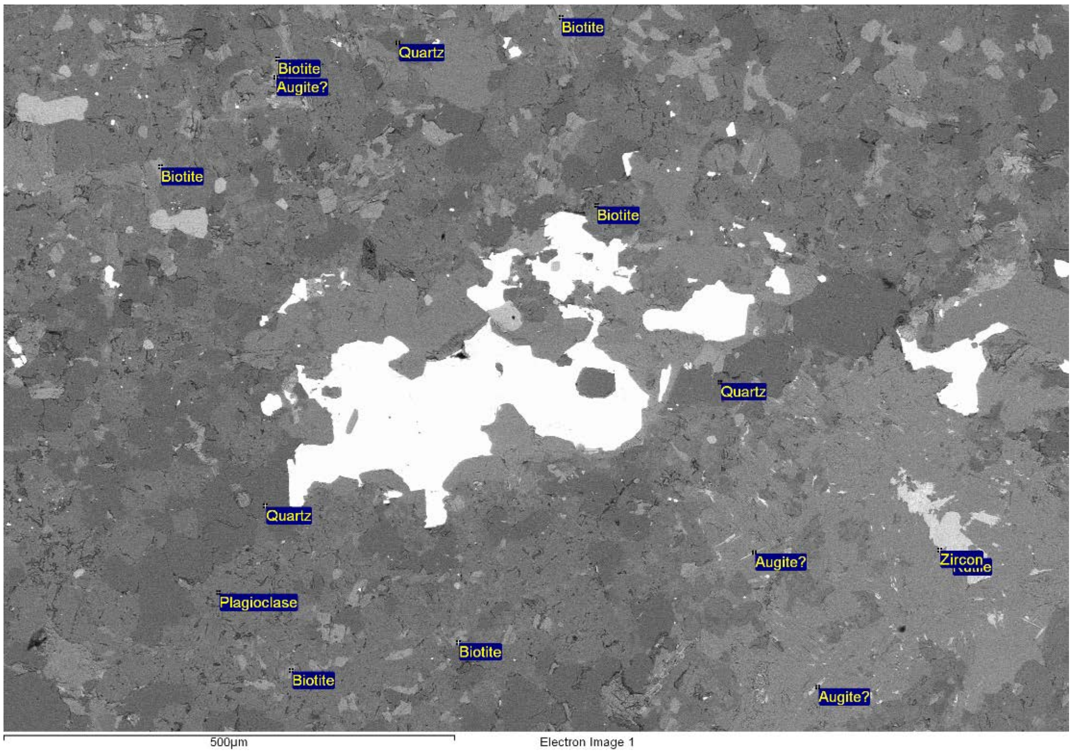
Mineralised intrusive are identified, associated with interpreted inner propyltic to phyllic alteration. Copper mineralisation consists of chcopyrite in quartz-magnetite veins and as disseminations. The best results assay from this mineralisation are 0.63 % copper and 0.15 g/t gold. The intrusives are associated with tourmaline breccias and anomalous molybdenum results, both of which are potentially indicative of the upper limits of a porphyry copper deposit.

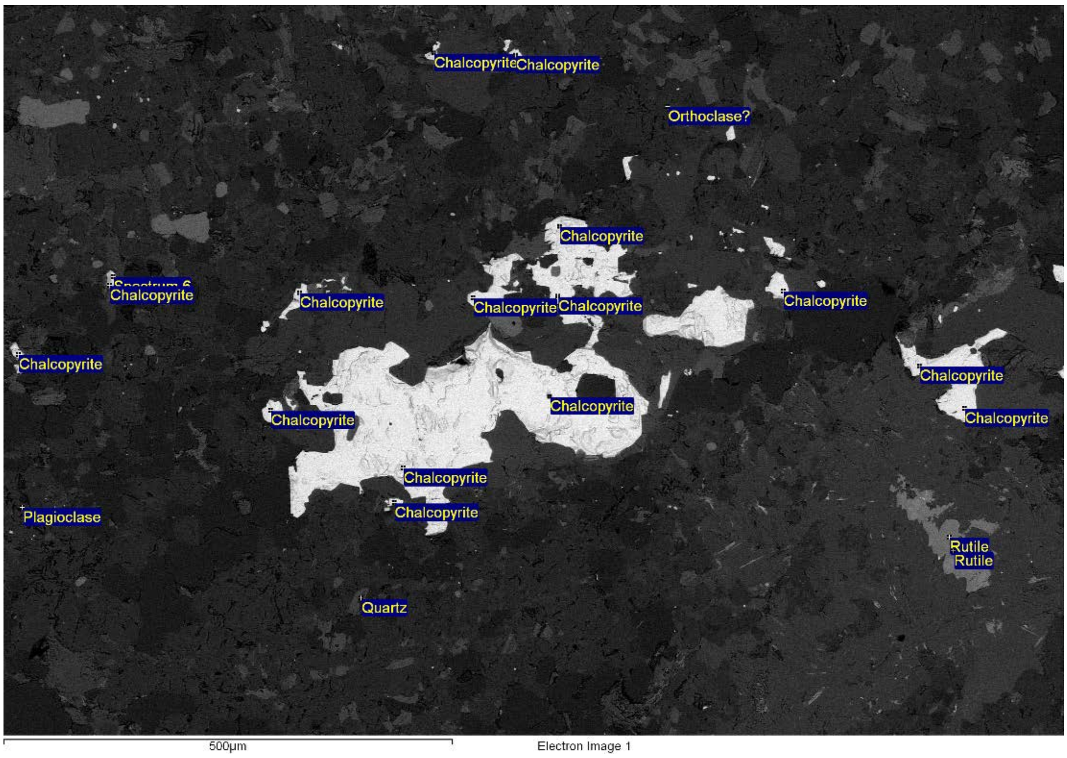
The interpretation so far is of one or more potential porphyry copper-gold systems of unknown size, buried within a few hundred of metres of surface. The alteration at surface is interpreted as “leaks” from the buried source(s) travelling upwards along structures. The alteration mineral assemblages may indicate the porphyry source is not very deeply buried: however this mineralogy is not conclusive evidence of proximity to surface.

Exploration is progressing at a fast pace with the following activities completed or underway:

- An ongoing program of surface mapping and rock sampling continues. Figure 6 compiles the most significant results to date from this program.
- Completion of a district scale soil sampling program using low detection limit assaying has been completed and results are awaited.
- Completion of a close spaced soil grid over the Southern Anomaly area. Results are awaited.
- The Company has contracted an experienced geophysical consultant, with a track record of successful porphyry exploration programs, to assist with planning of deep penetration geophysics programs.
- The geophysical consultant and G-Resources geologists completed a capability assessment of an Indonesian based geophysics contractor. This assessment indicates the contractor operates to a high standard and is capable of successfully completing the deep penetration geophysics work program, at a significantly lower cost than overseas based contractors.

After the results of the current and planned geochemistry and geophysics surveys have been received, the Company will be in a position to determine if a viable drill target is present.

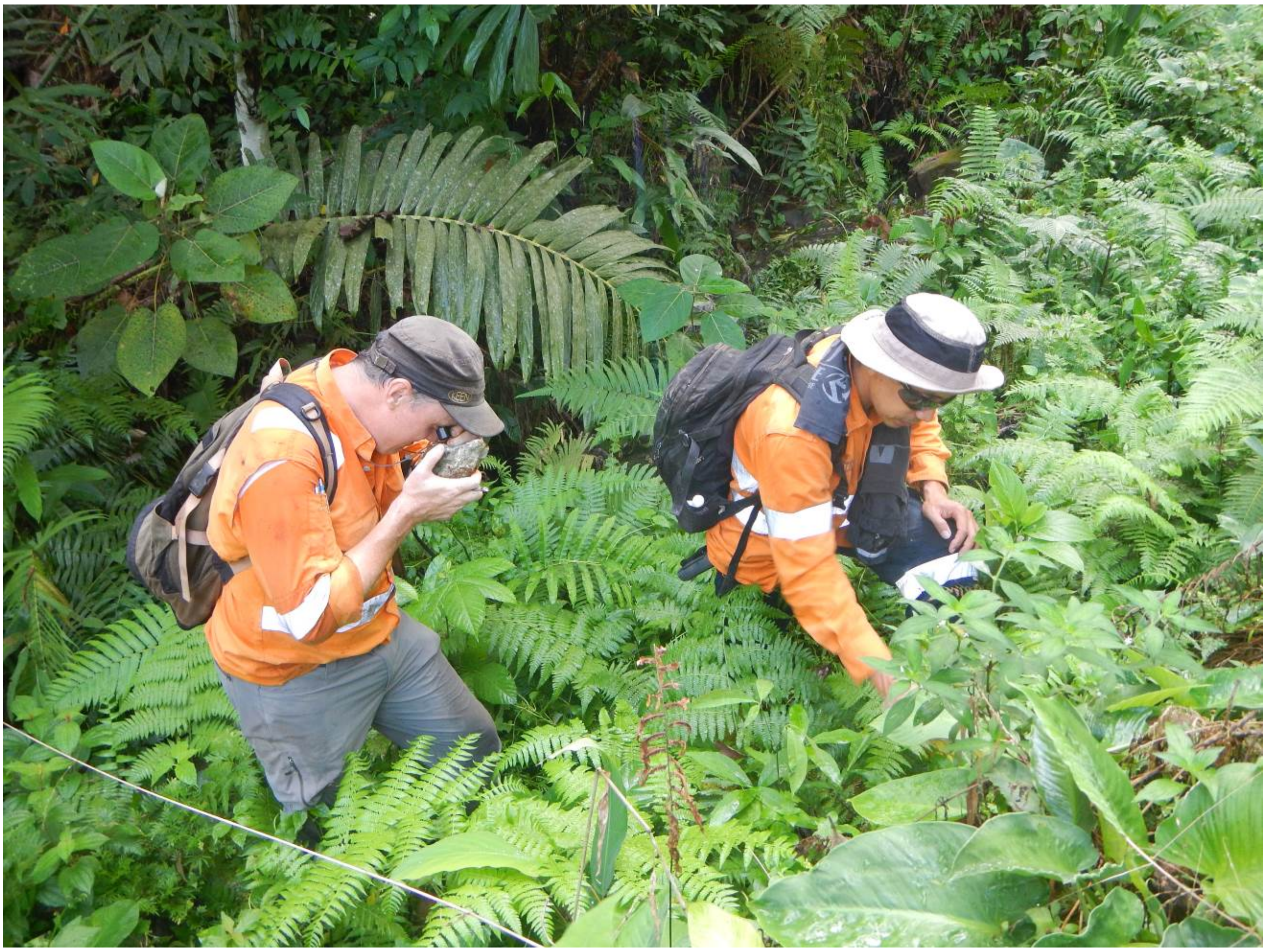




Scanning electron microscope images of sulphide (upper) and silicate phases (lower) with microprobe analyses annotated. The minerals identified are typical of a porphyry copper alteration assemblage. Scale across the image is approximately 2.5 millimetres.

Reconnaissance exploration in the Golf Mike District

While the results of geochemical sampling are awaited, G-Resources geologists continue to map and sample the wider district. Amongst other programs, a soil sampling program at 500 metre spacing is underway to cover the area between Golf Mike and the Martabe Mine. This program is using the same low detection limit chemical assay method that located the porphyry copper-gold style mineralisation at Golf Mike.



Geologist Mr. Huw Williams (left) and Field Technician Mr. Supryatno mapping the copper skarn discovery at Golf Mike. On the ground activity by experienced geologists is a key component of the G-Resources exploration strategy, at all stages of exploration from regional reconnaissance to resource drilling.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr. Shawn Crispin, a Competent Person who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr. Crispin is a full time employee of G-Resources.

Mr. Crispin 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'. Mr. Crispin consents to the inclusion of the matters based on his information in the form and context in which it appears.

G-Resources issues all public results under the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition)". The Code requires reporting across most of the operational aspects of the exploration programme. The reporting requirements are specified in Table 1 of the Code and provided in Appendix 3 attached to this report.

ABOUT MARTABE

The Martabe mine is located on the western side of the Indonesian island of Sumatra in the Province of North Sumatra, in the Batangtoru sub-district (Figure 1). Martabe is established under a sixth generation CoW signed in April 1997. The CoW defines all of the terms, conditions and obligations of both G-Resources and the Government of Indonesia for the life of the CoW.

Martabe Mine Aerial view.

Martabe, with a resource base of 7.4 million ounces of gold and 70 million ounces of silver, is G-Resources Group's core asset. Martabe's operating capacity is to mine and mill the equivalent of 4.5 mtpa ore to produce some 250,000 ounces gold and 2 million ounces silver per annum. Costs are competitive when compared to global gold producers.

G-Resources is seeking to organically grow gold production through continued exploration success on the large and highly prospective CoW area (Figure 2). The Martabe mine enjoys the strong support of the Indonesian Central, Provincial and Local Governments and the nearby communities of Batangtoru.

By Order of the Board
G-Resources Group Limited
Chiu Tao
Chairman and Acting Chief Executive Officer

Hong Kong, 28 December 2015

As at the date of this announcement, the Board comprises:

(i) Mr. Chiu Tao, Mr. Owen L Hegarty, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie and Mr. Hui Richard Rui as executive directors of the Company; and

(ii) Dr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.

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** For identification purpose only*

Figure 1: Martabe Mine Location.

Figure 2: Martabe CoW.

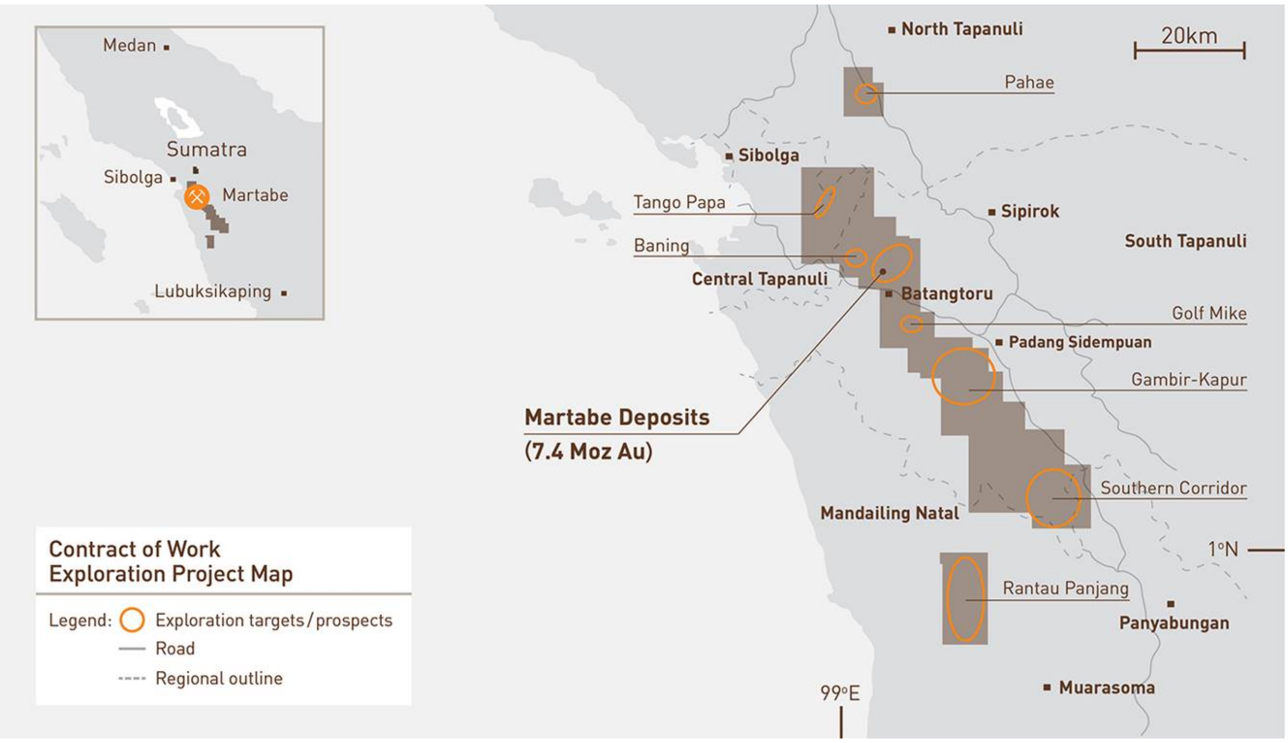


Figure 3: Plan location of prospects, recent drill holes and cross sections at the Martabe Mine area referred to in this report.

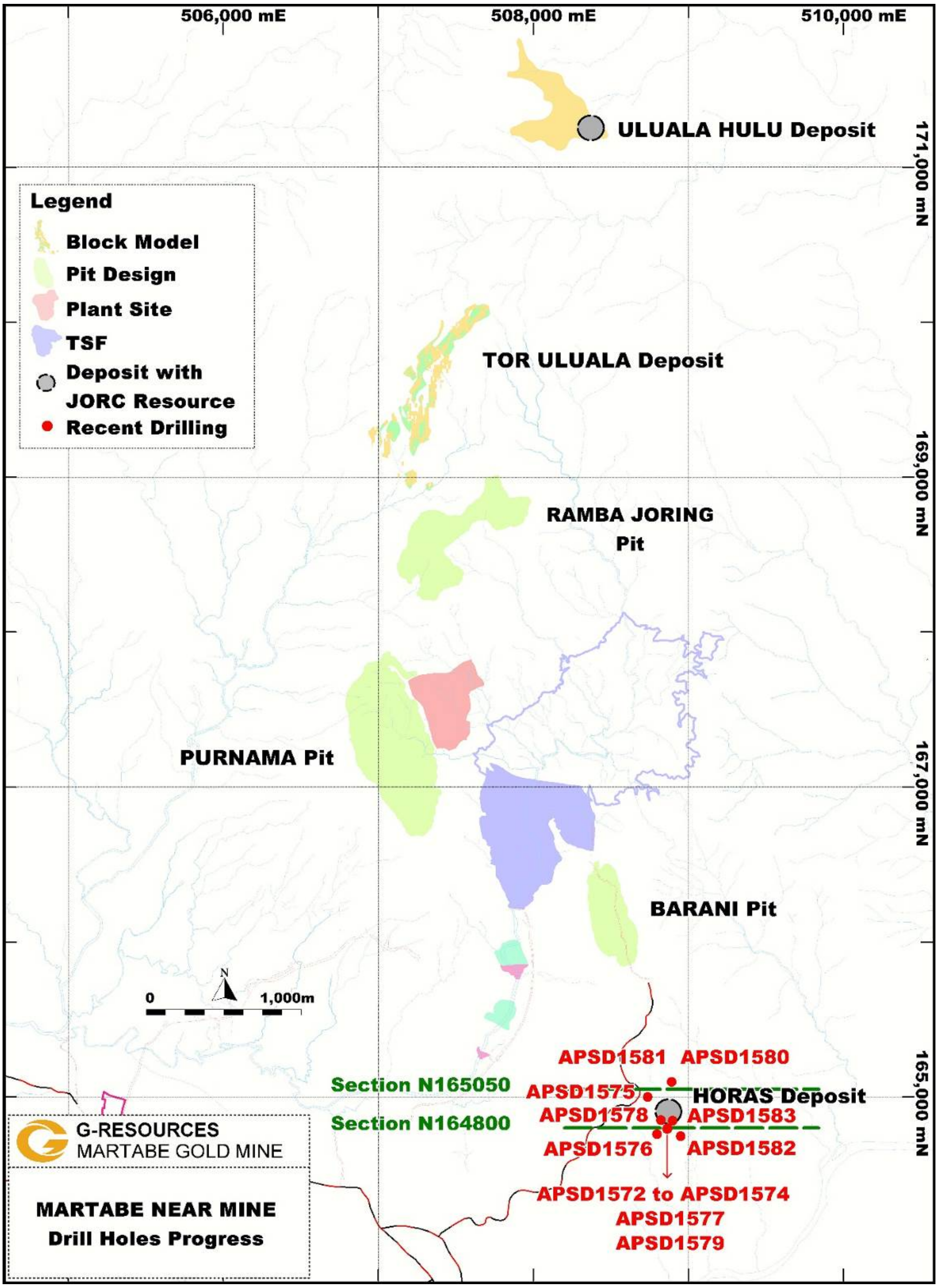
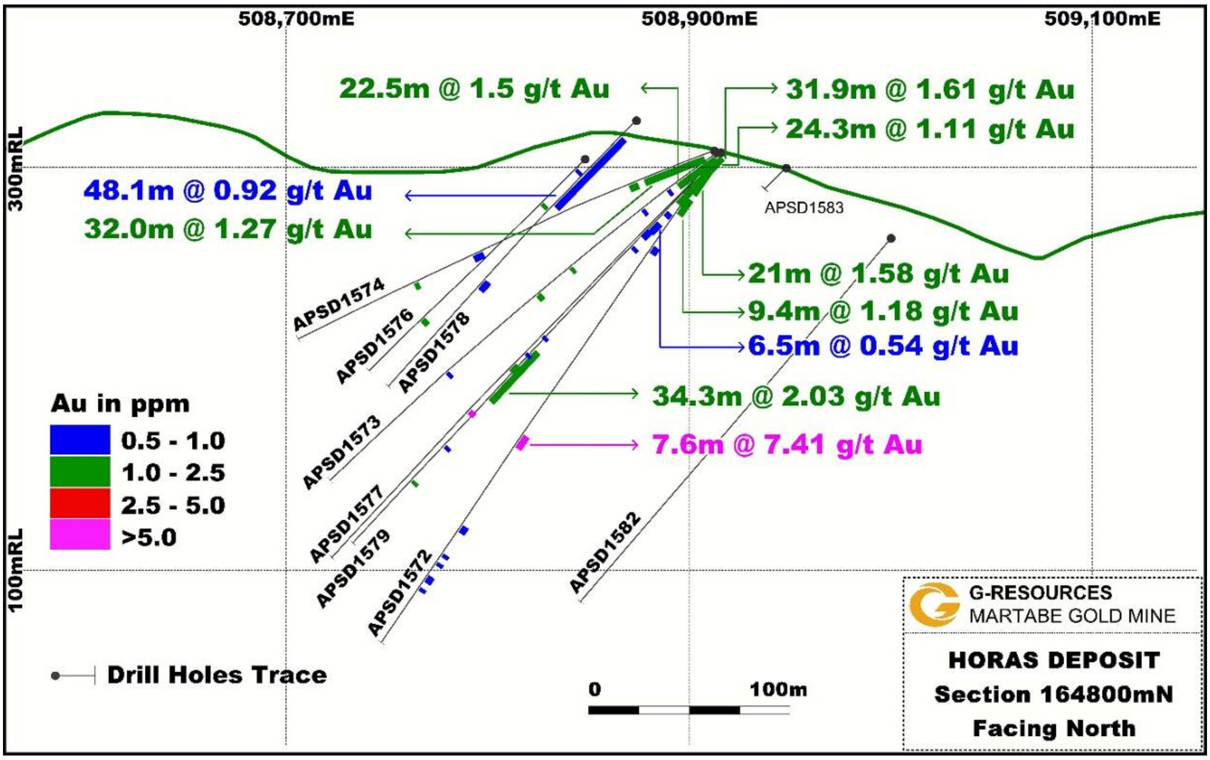


Figure 4: Cross section showing selected results of Horas Drilling.



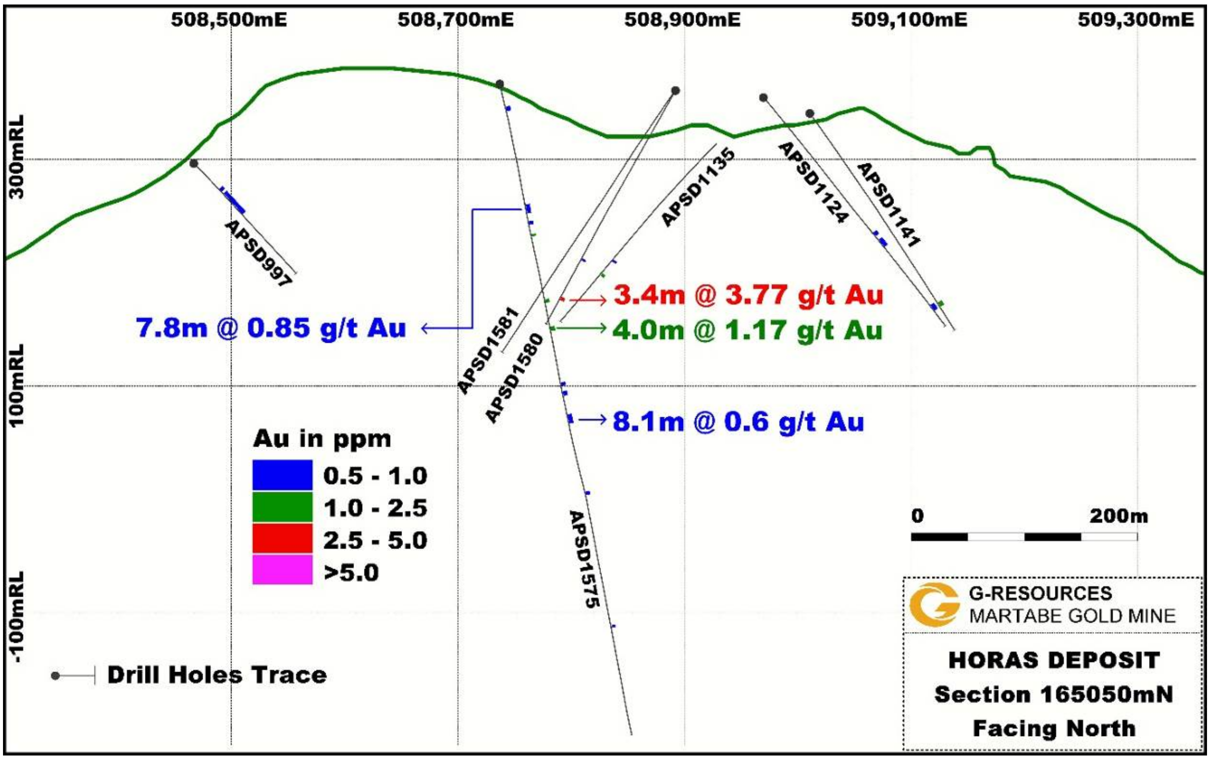


Figure 5: Long section through the Horas West target showing interpreted alteration and gold distribution, open to the north.

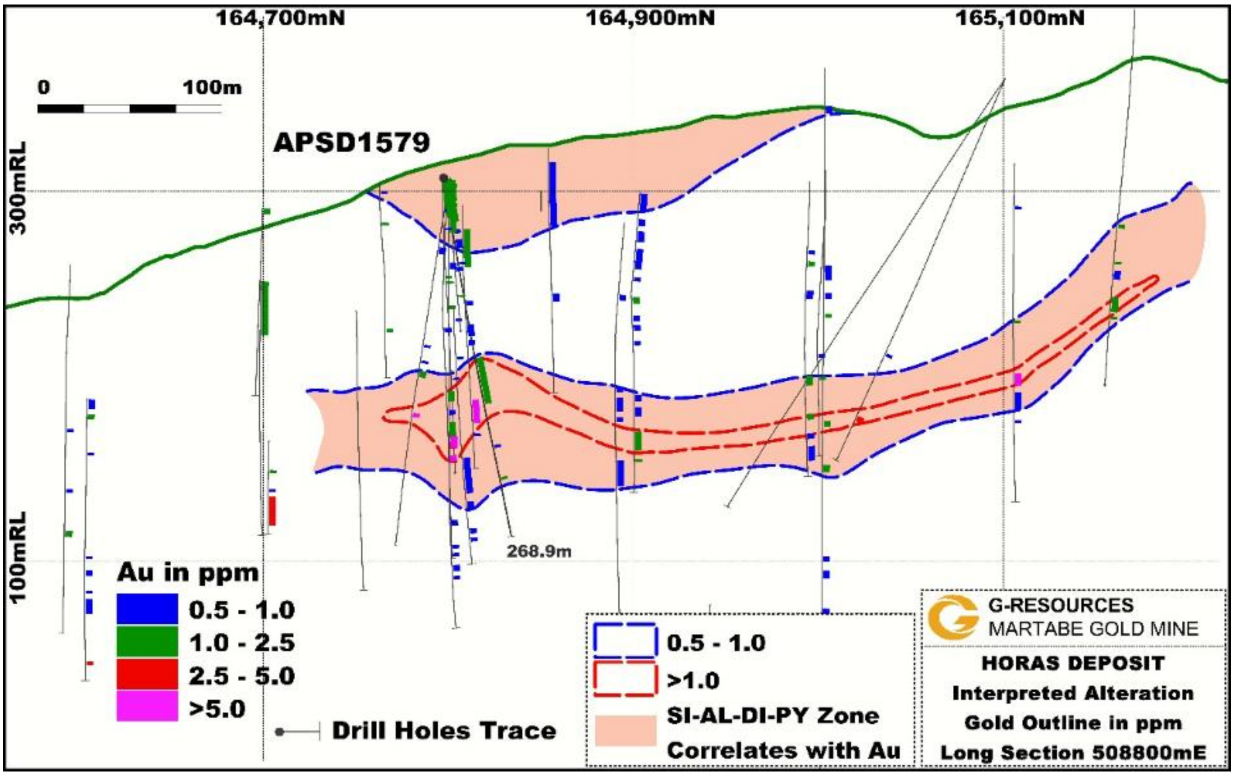
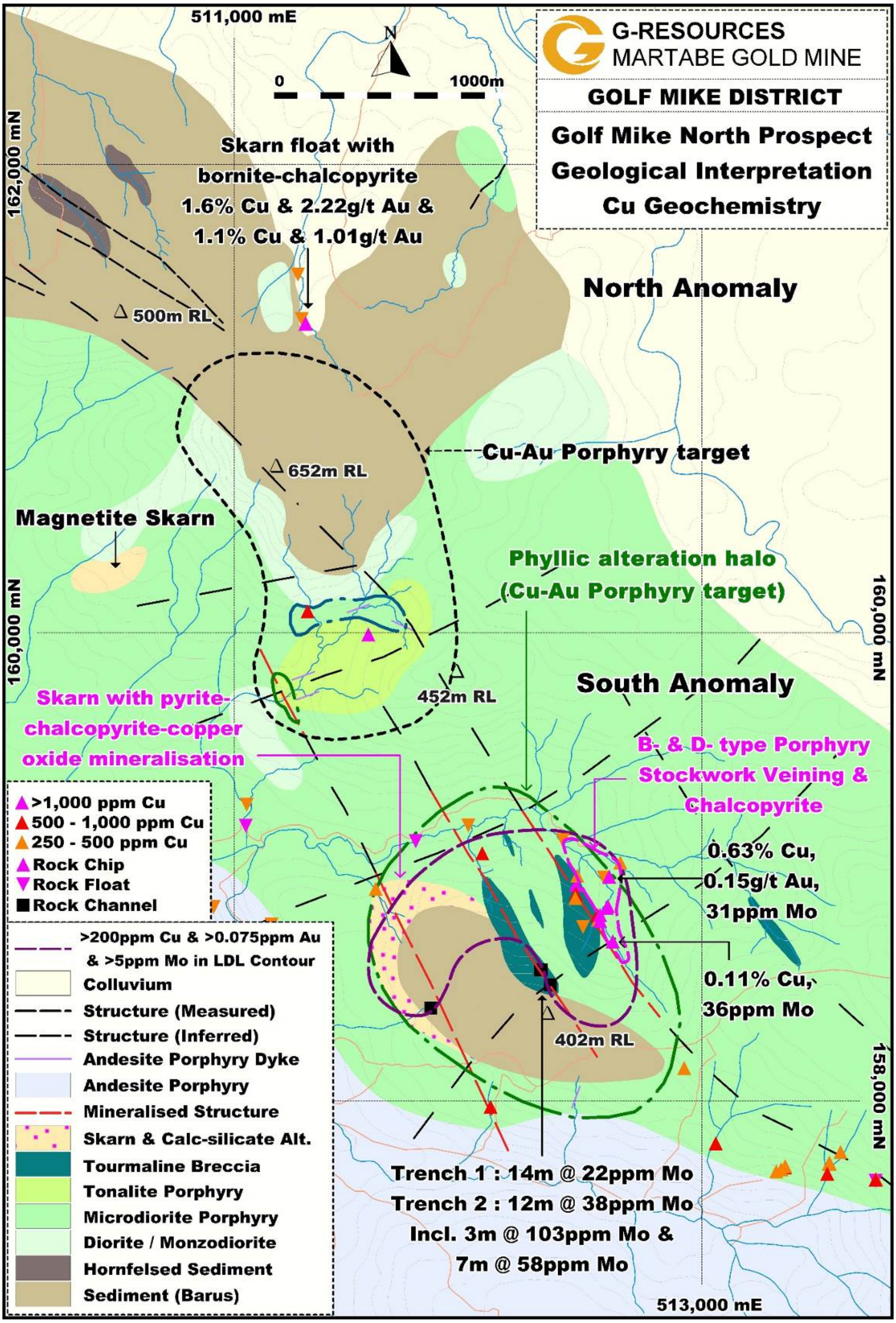


Figure 6: Map showing exploration targets at the Golf Mike North Prospect.



Appendix 1: Drill hole information

This appendix provides drill hole information relevant to the contents of this report. Drill holes are reported as follows:

- The grid system employed is UTM (WGS84) Zone 47N.
- Significant intersections are calculated with a 0.5 g/t gold cut over a maximum of 2 metres of contiguous internal waste. One significant intersection may contain multiple intersections of internal waste.
- All intersections are down hole and may not necessarily be true widths.
- Note: NA = Final certified laboratory assay not yet available.

Table A1. Horas West Diamond Drilling Locations and Results

Horas West Collar Locations

Hole Number	Easting (m)	Northing (m)	RL (m)	Final Depth (m)	Azimuth (in Degrees)	Inclination (in degrees from horizontal)
APSD1572	508863.6	164799.4	307.5	295.0	273.3	-55.7
APSD1573	508863.7	164796.7	307.4	252.1	270.9	-36.6
APSD1574	508862.4	164799.3	308.4	227.1	272.5	-21.5
APSD1575	508737.1	165003.6	366.6	586.4	90.9	-76.6
APSD1576	508798.2	164762.7	304.3	150.1	273.5	-45
APSD1577	508865.7	164801.1	307.4	280.4	259.3	-45
APSD1578	508823.7	164854.0	323.4	180.6	270.0	-45.6
APSD1579	508865.7	164797.4	307.4	268.9	280.1	-46.4
APSD1580	508892.0	165101.0	361.0	252.7	232.8	-54.71
APSD1581	508892.0	165101.0	361.0	315.3	225.6	-46.3
APSD1582	508950.0	164750.0	265.0	237.5	270.4	-50.1

Horas West Drill hole Assay Intercepts

Hole Number	From Depth (m)	To Depth (m)	Interval (m)	Au (g/t)	Ag (g/t)
APSD1572	3.0	24.0	21.0	1.58	1
APSD1572	27.0	36.4	9.4	1.18	5
APSD1572	56.0	60.0	4.0	0.65	7
APSD1572	169.8	177.4	7.6	7.41	34
APSD1572	224.0	228.0	4.0	0.60	1
APSD1572	241.0	243.0	2.0	0.62	12
APSD1572	246.0	248.0	2.0	0.78	5
APSD1572	254.0	258.0	4.0	0.64	3
APSD1572	261.2	263.2	2.0	0.89	12
APSD1573	3.0	25.5	22.5	1.50	1
APSD1573	29.5	31.5	2.0	0.59	2
APSD1573	45.5	47.5	2.0	0.84	5
APSD1573	91.5	93.5	2.0	1.63	3
APSD1573	112.0	115.0	3.0	1.04	3
APSD1573	172.0	174.0	2.0	0.65	1
APSD1574	6.0	38.0	32.0	1.27	1
APSD1574	41.5	46.0	4.5	1.70	4
APSD1574	125.7	131.0	5.3	0.56	9
APSD1574	161.0	163.4	2.4	1.15	33
APSD1575	21.0	25.0	4.0	0.95	2
APSD1575	109.0	116.8	7.8	0.85	3
APSD1575	124.0	127.2	3.2	0.82	2
APSD1575	135.7	137.7	2.0	1.91	5
APSD1575	194.5	197.5	3.0	1.28	3
APSD1575	219.0	223.0	4.0	1.17	2
APSD1575	269.0	272.0	3.0	0.51	1
APSD1575	277.0	281.2	4.2	0.58	3
APSD1575	298.0	306.1	8.1	0.60	2
APSD1575	368.0	371.0	3.0	0.58	1
APSD1575	488.0	490.0	2.0	0.84	6
APSD1576	6.0	8.0	2.0	0.51	0
APSD1576	30.0	32.0	2.0	1.12	2
APSD1576	112.0	115.0	3.0	2.11	9
APSD1577	3.7	28.0	24.3	1.21	1

Hole Number	From Depth (m)	To Depth (m)	Interval (m)	Au (g/t)	Ag (g/t)
APSD1577	53.0	58.0	5.0	0.72	8
APSD1577	127.0	129.0	2.0	0.60	2
APSD1577	139.0	141.0	2.0	0.54	3
APSD1577	147.0	151.8	4.8	1.21	14
APSD1577	179.0	182.0	3.0	24.46	147
APSD1578	10.9	59.0	48.1	0.92	8
APSD1578	109.0	114.8	5.8	0.68	21
APSD1579	1.6	33.5	31.9	1.61	3
APSD1579	39.5	42.5	3.0	0.84	6
APSD1579	47.0	53.5	6.5	0.54	3
APSD1579	64.0	66.0	2.0	0.51	0
APSD1579	135.7	170.0	34.3	2.03	22
APSD1579	201.0	203.0	2.0	0.50	2
APSD1579	225.0	227.0	2.0	1.27	6
APSD1580	181.5	183.5	2.0	0.65	2
APSD1580	223.0	226.4	3.4	3.77	92
APSD1581	196.0	198.0	2.0	0.64	25
APSD1581	206.0	209.0	3.0	0.63	5
APSD1581	217.0	222.0	5.0	0.68	3
APSD1581	225.0	240.0	15.0	1.27	2
APSD1581	252.0	254.0	2.0	3.39	8
APSD1581	276.0	282.0	6.0	0.84	5
APSD1582	4.0	7.0	3.0	0.81	NA
APSD1582	216.0	219.0	3.0	0.66	NA
APSD1582	222.0	224.0	2.0	0.82	NA
APSD1582	227.0	229.0	2.0	2.42	NA

Appendix 2: Photographs and locations of selected rock specimens from the Golf Mike North Prospect

Photographs of rock and alteration types

<table>
<tr><td></td><td></td></tr>
<tr><td>Photo 1. Sandstone & pebble sandstone outcrop at the highest point in the prospect area.</td><td>Photo 2. Intercalated siltstone and pebble sandstone from the outcrop pictured in Photo 1.</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Photo 3. Diorite intrusive outcrop.</td><td>Photo 4. Diorite intrusive float showing xenoliths.</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Photo 5. Microdiorite porphyry intrusive outcrop, high temperature altered with mineralized stockwork quartz veining.</td><td>Photo 6. Quartz (silica) - magnetite - chlorite - sericite - pyrite +/- chalcopyrite sealed veinlets hosted in altered microdiorite intrusive from the outcrop pictured in Photo 5.</td></tr>
</table>

Photo 7. Potassically altered microdiorite porphyry intrusive hosting pyrite-chalcopyrite bearing mineralized stockwork quartz veinlets.

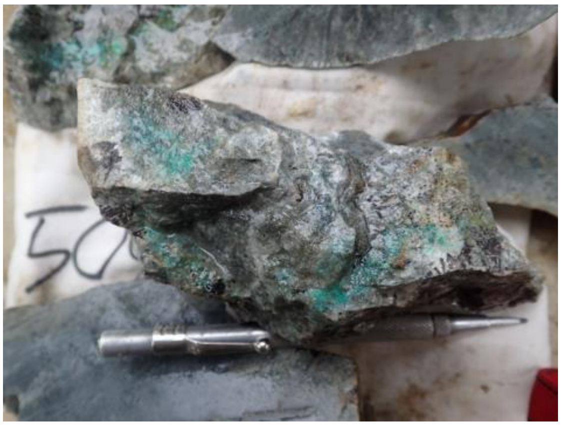


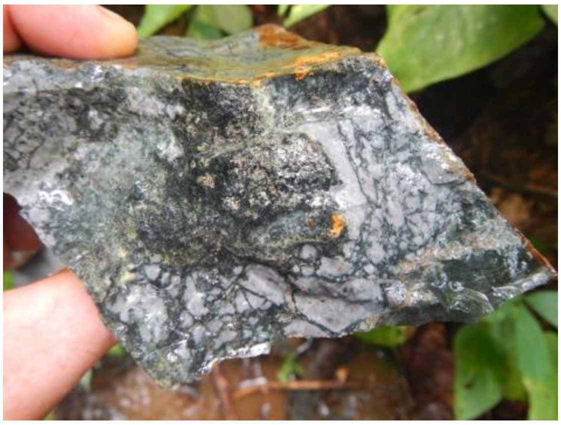
Photo 8. Malachite stained, strongly altered and veined microdiorite porphyry intrusive from outcrop.

Photo 9. Tonalite outcrop hosting intense silica, kspar, sericite alteration and silica-pyrite-chalcopyrite sealed stockwork veinlets.

Photo 10. Tonalite pictured left hosting texturally destructive alteration and quartz – kspar – pyrite - chalcopyrite veinlets with secondary Cu oxide (blue-black mineral, center).

Photo 11. Deformed tonalite outcrop containing a kspar-bearing high T alteration assemblage overprinted by clay and mineralized stockwork veinlets.

Photo 12. Macro of the silica-pyrite-chalcopyrite veinlets present in the outcrop pictured left. Note the blue-black secondary Cu oxide mineralization after chalcopyrite.

	
Photo 13. Tourmaline breccia and the altered microdiorite host-rocks form steep ledges.	Photo 14. Silica, sericite and tourmaline replaced microdiorite cut by quartz-pyrite +/-chalcopyrite sealed crackle breccia, from outcrop pictured left (Photo 9).
	
Photo 15. Silica, tourmaline and sericite sealed crackle breccia hosted in microdiorite porphyry, outcropping along the bluffs pictured in Photo 9.	Photo 16. Silica-tourmaline-sericite-sulphide sealed breccia float Contains pyrite, pyrrhotite and chalcopyrite mineralisation.
	
Photo 17. Fault breccia (right) cutting silica-epidote-chlorite-sericite skarn in the S. Sekolah creek on the southwestern flank of Golf Mike North hill.	Photo 18. Green silica-rich calc-silicate alteration has replaced siltstone in the outcrop in Photo 17, and hosts pyrite, chalcopyrite and secondary Cu oxide mineralization.

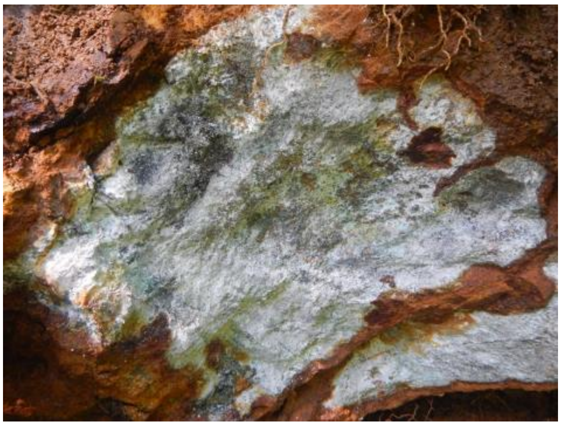
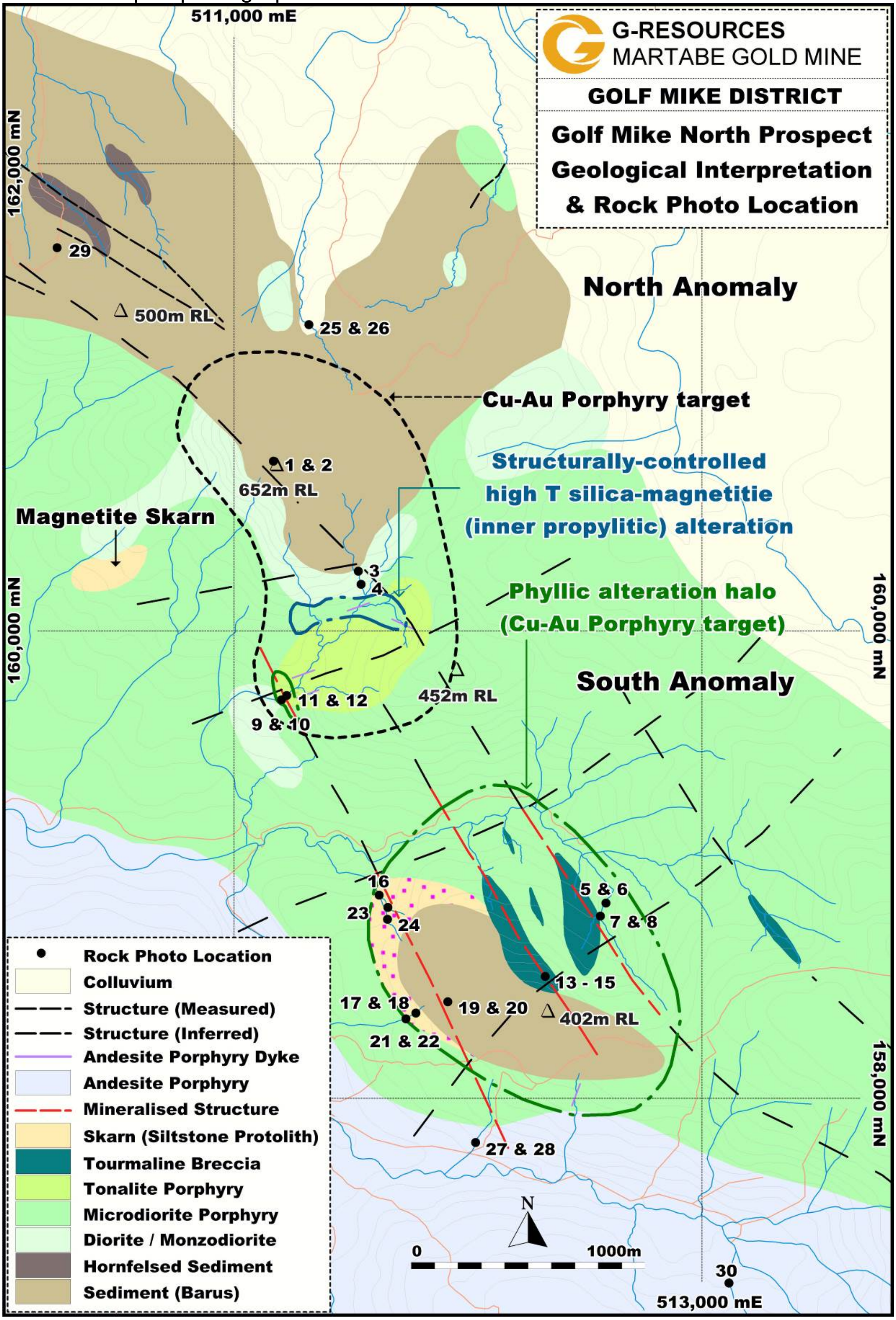
	
Photo 19. Outcropping silica-sericite-clay (skarn) and weak epidote calc-silicate replacement alteration in silty sandstone.	Photo 20. Altered silty sandstone pictured left, containing abundant disseminated pyrite-chalcopyrite and secondary Cu oxide mineralization (blue-black).
	
Photo 21. Cu stained, semi-massive pyrite-chalcopyrite mineralization in silica-epidote-chlorite-sericite retrograde skarn boulder float.	Photo 22. Silica-sericite-clay altered sandstone float with abundant blue-black secondary Cu oxide mineralization.
	
Photo 23. Cu stained and Cu oxide bearing diopside, magnetite, epidote, chlorite skarn. Contains abundant disseminated pyrite-chalcopyrite mineralization.	Photo 24. Prograde diopside-garnet-magnetite skarn with pyrite-chalcopyrite mineralizationl. Patches of secondary Cu oxide (blue-black mineral) coat chalcopyrite.

	
Photo 25. Disseminated chalcopyrite and vein-hosted bornite mineralization in sandstone-siltstone float.	Photo 26. Purple bornite sealed veinlets in calcareous siltstone float.
	
Photo 27. Andesite porphyry intrusive. The purple-brown colour and aphanitic groundmass distinguishes this unit from the older, mineralised green-grey microdiorite intrusive.	Photo 28. Unaltered andesite porphyry intrusive, pictured left. Note the purple-brown aphanitic groundmass. This unit is interpreted to have intruded following mineralisation.
	
Photo 29. Swarm of cm-wide mesothermal crystalline quartz veins in sandstone.	Photo 30. Pyrite and base-metal mineralisation in a crystalline quartz vein float.

Location map of photographs.



Appendix 3: JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling.	Samples referred to in this report are diamond drill samples, trench/channel samples or rock samples. Diamond drilling is generally accepted as the highest quality sample possible for non-bulk sample mineral exploration. Trench/channel samples are representative of intersections at the surface but are regarded as lesser quality than diamond drilling. Trenches referred to in this report were channel sampled using a diamond blade rock saw to cut a channel of consistent width. The rock within this channel was sampled to a consistent depth using a hammer and chisel.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Diamond drill core was marked with sampling intervals by geologists according to geological boundaries and pre-determined minimum and maximum sampling lengths. Trench/channel samples were sampled at a consistent depth and size without bias. All samples are taken at 2-5 kg in weight where possible, sealed in plastic bags and then placed in calico bags with waterproof tags to prevent sample contamination. Calibration of assay systems is done by the certified analytical laboratory.
	Aspects of the determination of mineralisation that are Material to the Public Report.	Half-core diamond drill core samples of approximately 4-5 kg, were pulverised to produce 50 g flux fused charge for fire assay.
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	All the drilling reported in this document is from diamond core drilling. The majority of core at Purnama has been HQ size, with lesser PQ from surface to 100m depth and rarely NQ, where ground conditions have required core reduction. All drilling is triple tube to minimise sample disturbance. Until recently drilling has been conducted only with heli-portable rigs. As mining infrastructure in the Martabe project was developed, an increasing number of drill sites were placed next to mining

Criteria	JORC Code explanation	Commentary
		access roads. Where appropriate, a down hole core orientation tool is used to gather detailed structural information. The tool used is an Asahi Orishot Procore orientation device. PQ, HQ and NQ sizes are kept on site.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Core recovery is measured during geotechnical logging by comparing the length of recovered core versus the drill run. Drill sample recovery at Martabe is dependent on lithology, alteration type and structure. Overall the drill recovery has been very good. The table below shows historical averages for drill recovery in different lithologies for the Purnama deposit.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Drilling uses a triple tube recovery system to maximise core recovery. In areas where core loss is a concern, i.e. more fractured Fe rich intervals, drill runs are limited to 0.20 m. Efforts are made to minimise the loss of drilling fluids downhole, wherever possible.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	A substantial body of test work has been completed at Martabe on loss of gold from the fine fractions during sampling and drilling. This suggests that there is a no significant if any loss of gold from fine fractions. In the event there is significant sample loss in a mineralised zone, these assays are removed from the data set at the stage of Resource Estimation.

Lithology	No of Data	Average recovery (%)
Soil	2778	78
Fault	732	92
Quartz	7360	94
Volcanic Hornblende Andesite	8559	94
Clay Breccia	7381	93
Silica Breccia	7643	92
Volcanic Andesite	15344	95
Sediments	2437	95
Volcanic Basaltic Andesite	2223	94

Criteria	JORC Code explanation	Commentary
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	All diamond drill holes were logged for geology and geotechnical features. Geotechnical logging was done by trained technicians under the supervision of geologists. Geotechnical logging includes measurements of drill run length, core recovery, RQD, fracture count and fracture characteristics. Geological logging was done by geologists on hand written logging sheets, which were transcribed into the GBIS data entry platform. Logged characteristics include (but are not limited to) assay markup interval, lithology, structure, breccia type, alteration type and intensity, and mineralisation style(s) and intensity. Geological logging was undertaken by a relatively small team of geologists. The reproducibility of the geological logging was checked by senior geologists on a routine basis and these checks revealed that a high level of consistency was achieved. The logging geologists were involved in the interpretation process, ensuring that there was consistency between logging and interpretation. All core was digitally photographed after logging and before cutting and sampling.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Visual geological and alteration logs are taken by a team of experienced geologists using a standardised logging scheme. Although visual logs are inherently qualitative, additional quantitative measurements of core are also taken routinely and are included in the interpretation of logged data. These include RQD measurements, SWIR analysis, and magnetic susceptibility measurements. These are all measured on a metre by metre basis.
	The total length and percentage of the relevant intersections logged.	All drill the holes have been logged, and only rarely (such as from geotechnical holes in barren volcanics or sediments outside the mineralised zone) were samples not sent for assay.
Sub-sampling techniques and sample	If core, whether cut or sawn and whether quarter, half or all core taken.	Core was cut into halves using a diamond blade core- saw, with one half sampled and one half retained. Quarter core samples were only taken on rare occasions (e.g. for metallurgical sampling).

Criteria	JORC Code explanation	Commentary
preparation	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	N/A
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples are placed into sealed plastic bags with an internal tag, and then into numbered calico bags for delivery to the PT Intertek Utama sample preparation facility at Padang. The process for sample preparation is as follows: Drying • Samples are placed onto aluminum trays and dried at 65°C. • If samples are specified for low temperature drying or if Hg assay is requested then samples are dried at low temperature of < 65°C. Crushing • Crush samples using a Jaw Crusher. • Jaw plates are cleaned after each sampling routine using a gravel wash. • Jaw crusher size result < 5 mm. Pulvurising • Use LM5, RM2000 and LM2 pulverize techniques employed depending on sample size. • Samples pulverised to 200# (200# > 95%). • Sizing tests performed 1/20 on each pulverize. • Bowls cleaned between each sample routine using a gravel wash.

Criteria	JORC Code explanation	Commentary
		Rolling/Mixing • The pulverized sample is then rolled/mixed in a rubber mat for a minimum of 20 times. • Rubber mat cleaned thoroughly between samples. Splitting • Riffle splitter used to split an analytical pulp sample of approximately 250 g to be sent to Jakarta for analysis. • Residue and Coarse rejects placed in a plastic bag and return to G-Resources. • Thorough reporting is carried out throughout the process and G-Resources deems the sample preparation techniques appropriate and of sufficient quality.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	On average core was sampled at approximately 1 m intervals through mineralised zones and 2-4 m intervals through suspected zones of mineralised waste. Core was cut in half with a diamond saw, with half sampled and half retained for reference. Duplicate sampling of crushed was done by the laboratory with splits taken for their QA/QC process according to their procedures. The Company takes duplicates on a campaign basis: these being either coarse reject or pulp sub-samples.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Studies of the Purnama deposit have demonstrated the fineness of gold observed in samples from Martabe. These show that approximately 73% of gold particles in samples are in the <5μm fraction, with a further 26% in the 5-50μm fraction, and less than 1% of gold particles exceeding the 50μm

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>size fraction. Having said this, sample sizes are cautiously large; to ensure that samples remain representative and any nugget effects of gold are minimised.</td></tr>
<tr><td>Quality of assay data and laboratory tests</td><td>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</td><td>Assaying was conducted at the PT Intertek Utama facility in Jakarta. The standard assaying suite used is shown in the table below:
<table>
<tr><th>Samples</th><th>Element</th><th></th><th>Lab_ Method</th><th>Method_ID</th><th>LDL</th><th>UDL</th></tr>
<tr><td rowspan="12">Resources Development DRILL CORE</td><td rowspan="9">Priority 1 Elements</td><td>Au</td><td>Fire Assays</td><td>FA51</td><td>0.01ppm</td><td>50ppm</td></tr>
<tr><td>Au >20ppm</td><td>Gravimetric</td><td>FA12</td><td>3ppm</td><td>10%</td></tr>
<tr><td>Ag</td><td>AAS + Acid Digest</td><td>GA02</td><td>1ppm</td><td>10%</td></tr>
<tr><td>Ag >100ppm</td><td>AAS + 3Acid Digest</td><td>GA30</td><td>0.01%</td><td>5%</td></tr>
<tr><td>Cu</td><td>AAS + Acid Digest</td><td>GA02</td><td>2ppm</td><td>10%</td></tr>
<tr><td>Cu>10,000</td><td>AAS + 3Acid Digest</td><td>GA30</td><td>0.01%</td><td>5%</td></tr>
<tr><td>As</td><td>X-Ray</td><td>XR01</td><td>1ppm</td><td>10%</td></tr>
<tr><td>As >10,000</td><td>X-Ray</td><td>XR01</td><td>0.01%</td><td>10%</td></tr>
<tr><td>SxS</td><td>LECO - SCIS</td><td>SCIS</td><td>0.01%</td><td>10%</td></tr>
<tr><td rowspan="3">Additional Elements</td><td>AuCN</td><td>Cyanide Leachable</td><td>CN05</td><td>0.1ppm</td><td>10%</td></tr>
<tr><td>AgCN</td><td>Cyanide Leachable</td><td>CN06</td><td>1ppm</td><td>10%</td></tr>
<tr><td>CuCN</td><td>Cyanide Leachable</td><td>CN06</td><td>2ppm</td><td>10%</td></tr>
</table>
Note SxS = sulphide sulphur

A suite of additional elements was assayed by ICP. A four acid (HCL, HNO3, $HCLO_4$, HF) digest was used to ensure liberation of elements locked in silicate matrices. The full table of assayed elements with their associated detection limits is presented below:</td></tr>
</table>

Criteria	JORC Code explanation	Commentary

Element	LDL	Element	LDL	Element	LDL	Element	LDL	Method ID	Lab Method
Ag	(0.5ppm)	Al	(0.01%)	As	(5ppm)	Ba	(2ppm)	IC50	ICP + 4 acid digest
Bi	(5ppm)	Ca	(0.01%)	Cd	(1ppm)	Co	(2ppm)		
Cr	(2ppm)	Cu	(2ppm)	Fe	(0.01%)	Ga	(10ppm)		
K	(0.01%)	La	(1ppm)	Li	(1ppm)	Mg	(0.01%)		
Mn	(2ppm)	Mo	(1ppm)	Na	(0.01%)	Nb	(5ppm)		
Ni	(5ppm)	Pb	(2ppm)	Sb	(5ppm)	Sc	(2ppm)		
Sn	(10ppm)	Sr	(1ppm)	S	(50ppm)	Ta	(5ppm)		
Te	(10ppm)	Ti	(0.01%)	V	(1ppm)	W	(10ppm)		
Y	(1ppm)	Zn	(2ppm)	Zr	(5ppm)				

Criteria	JORC Code explanation	Commentary
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	An ASD Terraspec 3 VIR/SWIR spectrometer was acquired in early 2013. Routine sampling of core has been conducted since and used for affirmation of alteration assemblages used in deposit scale modelling. Sample acquisition is set to take an average of 50 samples per reading, 100 sample average for white reference calibration. White reference calibration is performed once in every 20 readings taken on a standard spectralon panel obtained from ASD. Interpretation of spectra uses the TSG software for initial interpretation, but 100% of readings taken are visually checked and corrected by a trained operator. Drillcore measurements are made on a per-metre basis on all drillcore. Two Terraplus KT-10 magnetic susceptibility meters are in use, and routine collection of data from drillcore is employed. The machines are factory calibrated in accordance with the manufacturers guidelines. Sample measurements are taken on a per metre basis and interpreted both on site, and with verification from outside geophysical contractors. Standard collection SOPs are used to eliminate outside influence on magnetic susceptibility readings. Other direct measurement geophysical tools have been used on site, to compare drill results against predicted geophysical models, however these have been on a campaign basis and wholly operated by outside geophysical contractors.

Criteria	JORC Code explanation	Commentary
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Quality assurance was conducted in these ways: An ongoing QA/QC program was conducted using blind samples which included blank samples and certified reference standards. Only certified laboratories were used. Assay laboratories used for Resource Estimation work were audited by PTAR every two years.QA/QC Program. PTAR has a suite of certified and non-certified standards ("Standards") covering a range of grades and elements (including Au, Ag and Cu but not sulphide sulphur). Certified standards, sourced from Geostat Pty Ltd and Ore Research and Exploration (OREAS) Pty Ltd, were submitted as part of this campaign. Either a Standard or Blank was inserted at the rate of 1 in every 20 samples. Overall PT Intertek Utama performed very well with these standards, with the few anomalies observed considered likely due to mislabeling or data mismatching errors. These were corrected after receipt of the final assay results (usually within six weeks of sample submission).
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Significant intersections quoted in this report were verified by Mr. Janjan Hertijana, MAusIMM and full time employee of the Company.
	The use of twinned holes.	A large number of 'scissor" intersections are available which provide short range validation of geological models and geostatistical parameters. Twinned holes have been drilled in the past to collect samples for metallurgical test work.

Criteria	JORC Code explanation	Commentary
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All sample collection data, geological logging, borehole location and laboratory analysis results are retained and archived. All data is backed up with both a daily full SQL backup, and a weekly compilation. Monthly downloads to DVD are stored in a separate location to database hardware. Data entry and QA/QC are managed in-house by an experienced database manager.
	Discuss any adjustment to assay data.	No adjustments to assay data are made.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Diamond drill hole collar locations were located through Total Station. Most surveys were completed by a contracted licensed surveyor. Later surveys have been undertaken by a PTAR mine surveyor in some cases. Collar survey positions were validated by senior geologists before being entered into the SQL database. Down hole measurements have been conducted exclusively with electronic survey tools, consisting of a magnetic compass and inclinometer with electronic reading. Surveys were taken at 20 m below the collar, and then at 50 metre depths down the hole (i.e. 50 m, 100 m 150 m and so on until end of hole).
	Specification of the grid system used.	The grid system employed is UTM (WGS84) Zone 47N.
	Quality and adequacy of topographic control.	A LIDAR survey was conducted by PT Surtech Utama Indonesia in June 2010. The survey covered an area of 13,600 ha surrounding the Martabe project area. Data capture was at nominal point density of more than 2 points per square metre. The Lidar survey accuracy was measured with post processed kinematics GPS survey using approximately 30 points at one location. The error between the two methods was found to be within 5 cm. Processed data was produced to a grid at 0.15 cm spacing. The data was presented to PTAR as ASCII files suitable for creation of a digital terrain model, and as rectified, georeferenced orthophotos. Lidar does not completely penetrate vegetation and this can lead to elevation inaccuracies in

Criteria	JORC Code explanation	Commentary
		densely forested areas, such as the original surface of the Purnama deposit. The LIDAR surface may have greater elevation than the actual ground surface (up to several metres in places), however this accuracy is adequate for the purpose of constructing Mineral Resource Estimates.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Drill holes for Resource development drilling were completed on nominal E-W sections, spaced at the following intervals in the vertical and horizontal planes: Measured Resources: 25 metre spacing or less Indicated Resources: 25 metre by 50 metre Inferred Resources: 50 metre by 50 metre
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Where s resource is quoted. The data spacing and distribution is sufficient to establish geological and grade continuity. This has been established by variography and by comparing the results of drilling against close spaced grade control drilling in the Purnama Deposit.
	Whether sample compositing has been applied.	Sample compositing has not been applied before the process of Resource Estimation, where sample results are mathematically composited into appropriate lengths for the element being estimated.
Orientation of data in relation to geological	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Sample orientation is varied where possible to nearly perpendicular to the strike of mineralisation. Steep topography means that sampling may not be perpendicular to the dip of mineralisation. Scissor holes and more recently horizontal capable drill rigs have been used to overcome sampling bias.

Criteria	JORC Code explanation	Commentary
structure	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Where possible, drilling has attempted to intersect structures as close to normal to the structures strike extension as possible. It is not considered that bias has been introduced by this practice.
Sample security	The measures taken to ensure sample security.	Sample security was controlled through supervision of the diamond samples on the drill rigs, security controls in the core shed, and through controls on transportation of samples to a commercial assay preparation area off-site. In 2011, security staff at the Martabe Gold Mine completed a review of security related to exploration sample handling. This review did not find significant issues in the security arrangements of core handling.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Reviews of the exploration program (including sampling techniques and data) were held as follows: During and after the estimation process: internal reviews of the geological modelling and estimation processes were held on a regular basis. Independent consultants in specialist areas provided advice as appropriate (for example QA/QC evaluation prior to resource estimation). The results were documented as minutes of meetings and consulting reports. Every two years: an independent, expert review of the systems and processes relating to the Exploration programme and Mineral Resource Estimation Process were conducted. The last such review was completed in August 2014 by an independent consultant. The review consisted of 5 days onsite at the Martabe Gold Mine, where the consultant examined aspects of the operation dealing with exploration, geological interpretation, sample handling, and exploration staff skills and competency. Areas for improvement were noted regarding some ongoing operational

Criteria	JORC Code explanation	Commentary
		aspects of the resource development program. These have been addressed and do not affect the issue or underlying quality of this report.
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Martabe Gold Mine is located in the Martabe Contract of Work ("CoW") area. This "Generation 6" CoW was signed in 1997 and provides for a minimum 30 years tenure after production has commenced. The Martabe Gold Mine was fully permitted at the time of writing. Under Indonesian laws this includes water discharge permits for treated mine runoff and process waters, rent use permit of forest and environment permit for exploration activities, various environmental, operation and production approvals, and gold and silver bullion export permits amongst other permits and approvals.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The Martabe deposits were discovered in 1997-98 during a regional reconnaissance exploration program conducted by a joint venture between Normandy and Anglo Gold Corporation. A bulk leach extractable gold (BLEG) stream sediment survey located the Martabe cluster of deposits. Three deposits were initially identified, including the Purnama deposit. Surface exploration work included mapping, rock and soil sampling. Drilling commenced in October 1998 and the potential of the Purnama Deposit was quickly recognised. Multiple phases of exploration up to delineation drilling were continued throughout several ownership changes. A high level of continuity and work quality has been maintained over the project life.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The general geology of the Martabe Deposits Martabe Region and the district surrounding Martabe is well described by Harlan et al (2005) and Supoto et al (2003).
Drill hole Information	• *A summary of all information material to the understanding of the exploration results*	Refer to Appendix 1 of this report for details of all drilling relevant to these exploration results. All new significant drilling results at Horas West for the period of 1 July 2015 to 20 November 2015

Criteria	JORC Code explanation	Commentary
	including a tabulation of the following information for all Material drill holes: o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length*	within the areas under discussion are supplied in this Appendix.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Refer to Appendix 1 for details.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Refer to Appendix 1 for details.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Metal equivalent values are not reported.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Figures in the main text explain the geometry between drill holes and the orientation of mineralisation. All figures reported are down hole and not true widths, as explicitly stated in Appendix 1.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in the main text.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All material drill intersections are reported in Appendix 1 for the areas under discussion in this report.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and*	Details are reported in the main text.

Criteria	JORC Code explanation	Commentary
	method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Details are reported in the main text.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Details are reported in the main text.