BLACKGOLD NATURAL RESOURCES LIMITED
Incorporated in the Republic of Singapore
(Company Registration No. 199704544C)

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Singapore, 038987

INDEPENDENT SUMMARY QUALIFIED PERSON'S REPORT ON THE UPDATED COAL RESOURCES AND COAL RESERVES ESTIMATES

of PT Samantaka Batubara

as at 31 December 2020

Dated: 6 May 2021

This Independent Summary Qualified Person's Report ("**Independent Summary QPR**") has been prepared by PT. DMT Exploration Engineering Consulting Indonesia ("**PTDMT**"). The independent qualified persons are:

1. Sonny Yudhistira, ("**Mr. Yudhistira**") is Principal Consultant (Geology) and an independent qualified person for Coal Resources Estimation. Mr. Yudhistira has over 14 years' experience in geology and mining industry. Mr. Yudhistira holds a Bachelor Degree in Geological Engineering from Gadjah Mada University, Yogyakarta, Indonesia. Mr. Yudhistira is a member of the Australasian Institute of Mining and Metallurgy (AusIMM Number: 317942). Mr Yudhistira is not a sole practitioner and Mr Yudhistira is a Director of PTDMT.

2. Yosef Mahardinata, ("**Mr. Mahardinata**") is Project Manager, Principal Consultant (Mining) and an independent qualified person for Coal Reserves Estimation. Mr. Mahardinata has over 15 years' experience and holds Bachelor Degree in Mining Engineering from Bandung Institute of Technology (ITB). Mr. Mahardinata is a member of the Australasian Institute of Mining and Metallurgy (AusIMM Number: 326161). Mr Mahardinata is not a sole practitioner.

*Mr. Yudhistira and Mr. Mahardinata are employed by PTDMT and undertake the annual reporting of Coal Resources and Reserves for BlackGold Natural Resources Limited (the "**Compan**y"). Mr Yudhistira, Mr Mahardinata, and PTDMT's shareholders and associates are independent of the Company, the Company's Directors, the Company's substantial shareholders, and the Company's advisers and associates.*

Mr Yudhistira, Mr Mahardinata, and PTDMT's directors, partners, shareholders and associates do not have any interest, direct or indirect, in the Company, the Company's subsidiaries or associated companies and will not receive benefits (direct or indirect) other than the remuneration paid in connection with this Independent Summary QPR.

Mr. Yudhistira and Mr. Mahardinata will be paid a consulting fee for the preparation of the statement of coal Resources and coal Reserves (i.e. Independent Summary QPR) by the Company and the consulting fees paid are not dependent on the findings of the Independent Summary QPR. No other relationship which could create a potential for conflict of interest exists.

Both Mr. Yudhistira and Mr. Mahardinata have 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. Yudhistira and Mr. Mahardinata also satisfy the requirements for an independent qualified person as set out in Catalist Rules 704(35)(a).

Mr. Yudhistira and Mr. Mahardinata consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

This Independent Summary QPR has been prepared in accordance with the applicable requirements in Practice Note 4C of the Singapore Exchange Securities Trading Limited's Listing Manual Section B: Rules of Catalist (the "**Catalist Rule**").

Jakarta, 6 May 2021

Sonny Yudhistira, BSc (Geology), MAusIMM

Yosef Mahardinata, BE(Mining), MAusIMM

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1. INTRODUCTION

1.1. Introduction

BlackGold Natural Resources Limited ("**BGNR**" or the "**Company**") commissioned PT DMT Exploration Engineering Consulting Indonesia ("**Independent Consultant**" or "**Consultant**" or "**PTDMT**"), an independent third-party consultant, to prepare an independent summary qualified person's report ("**Independent Summary QPR**") which includes estimate of coal Resource and Reserve of the Company's wholly-owned subsidiary, PT Samantaka Batubara coal mining concession ("**PTSBB**" or the "**Project**") located in Indragiri Hulu Regency, Riau province, Indonesia, with the input of data as provided by the Company. PTDMT understands that this Independent Summary QPR will be shared with the Company's shareholders as part of the continuous disclosure requirements of the Company.

1.2. Independent Summary Qualified Person's Report

The estimate of coal Resources and Reserves as of 31 December 2020 contained within this Independent Summary QPR has been reported in accordance with the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "**JORC Code**") as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

The Company has previously commissioned PT GMT Indonesia ("**PTGMT**") for JORC Code compliant statement of open cut coal Resource and Reserve as at 31 December 2018 dated 1 November 2019 ("**2018 IQPR**") and commissioned PT New Resource Mine Consulting for ("**PTNRM**") for an update to the 2018 IQPR in the form of summary of coal Resource and Reserve as at 31 December 2019 prepared in accordance with the disclosure requirements set out under Appendix 7D Summary of Reserves and Resources of the Catalist Rules (the "**2019 Appendix 7D**" or "**2019 Report**"). The 2018 IQPR and 2019 Report were announced by the Company on the SGXNet on 1 November 2019 and 29 June 2020, respectively. This Independent Summary QPR should be read in conjunction with the 2018 IQPR[1] and 2019 Report[2].

This Independent Summary QPR aims to provide an updated estimate on the open cut coal Resources and Reserves of the Project as at 31 December 2020. PTDMT has carried out geological modelling and Resources estimation. Subsequently PTDMT has carried out pit optimization. Based on the optimized pit shell, pit design was carried out considering the inputs provided by the Company. Differences in the overall Resources and Reserves is small, but category wise there are differences in the Resources and Reserves estimation when compared to the 2019 Report.

[1] http://blackgold.listedcompany.com/newsroom/GMT_Samantaka_IQPR18_FINAL.pdf

[2] http://blackgold.listedcompany.com/newsroom/20200629_225142_41H_VVXBCYW8225YNY08.1.pdf

1.3. Project Description

The Project is located in the Pauhranap Village, Peranap Sub District, Indragiri Hulu Regency of Riau Province, Indonesia, approximately 150 kilometres northwest of Pekanbaru, the Capital of the Riau Province. The PTSBB mining concession covers an area of 15,000 hectares and currently holds an IUP Operation Production ("**IUP OP**") licenses. The Company has advised that PTSBB status has been confirmed as "clean and clear" by the Indonesian Directorate General of Mineral and Coal with certificate number 148/Bb/03/2014 granted on 14 February 2014 — under regulations of the Ministry of Energy and Mineral Resources of Republic Indonesia (www.esdm.go.id).

The Project area is primarily forested hilly terrain and open rolling hills with topography ranging from 44 to 132 meters above mean sea level ("**MSL**"). Detailed topographic survey has been conducted over the entire concession. The ground topographic survey by Total Station covers an area of 1,004 Ha, while the aerial topography survey using Interferometric Synthetic Aperture Radar ("**IFSAR**") techniques covers the remaining area of 13,996 Ha.

Land use is designated as a "Production Forest" (Hutan Produksi Tetap or "**HP**"). The southern part of the concession is overlain by softwood plantation owned by PT Citra Sumber Sejahtera. It is understood that PTSBB already has a "Forest Use Permit" (Izin Pinjam Pakai Kawasan Hutan or "**IPPKH**") for coal production covering an area of 1,004 Ha in the northern part of the mining concession from the Indonesian Forestry and Environment Ministry, No. SK 797/Menhut-II/2014 dated 24 September 2014. PTSBB has also an approved environmental permit issued in December 2012.

2. KEY UPDATES TO COAL RESOURCE AND RESERVE ESTIMATES

2.1. Updated Estimates

The aggregate estimated coal Resources within PTSBB coal mining concession as at 31 December 2020 is 111 million tonnes, which comprises an estimated 24 million tonnes of Measured coal Resources, 51 million tonnes of Indicated coal Resources and 36 million tonnes of Inferred coal Resources.

A total 13.3 million tonnes of coal Reserves have been estimated within PTSBB coal mining concession as at 31 December 2020. It comprises 4.1 million tonnes of Proved Reserves and 9.2 million tonnes of Probable Reserves.

2.2. Comparative Difference

Compared to the Company's previous year estimates, the coal Resources estimate has increased by 1 million tonnes (representing an increase of 0.91%), comprising of no difference in the Measured coal Resources estimate, a decrease of 10 million tonnes (representing a decrease of 16.39%) in Indicated coal Resources and an

increase of 13 million tonnes (representing an increase of 56.52%) in the Inferred coal Resources estimate.

Total coal Reserves increased by 0.8 million tonnes (representing an increase of 6.4%) as compared with 2019 estimation, comprising an increase of 0.6 million tonnes (representing an increase of 17.1%) in the Proved coal Reserves estimate and an increase of 0.3 million tonnes (representing an increase of 3.4%) in the Probable coal Reserves estimate. The below table shows the Mineral Resources and Reserves summary in the PTSBB coal mining concession as at 31 December 2020 and the differences to the previous report:

Date of report: 6 May 2021
Date of previous report: 29 June 2020[7]

Mineral Resources and Reserves Summary Table

Name of Asset/Country/Project: PT Samantaka Batubara Coal Concession/Indonesia

		Gross Attributable to Licence(1)		Net Attributable to Issuer		
Category	Mineral Type	Tonnes (millions)(3)	Grade/Rank	Tonnes (millions)(3)	Grade/Rank	Change from Previous Update (%)(5&6)
RESERVES(4)						
Proved	Coal	4.1	Lignite	4.1	Lignite	+17.1
Probable	Coal	9.2	Lignite	9.2	Lignite	+3.4
Total	**Coal**	13.3	**Lignite**	13.3	**Lignite**	**+6.4**

RESOURCES(2&4)						
Measured	Coal	24	Lignite	24	Lignite	0
Indicated	Coal	51	Lignite	51	Lignite	-16.39
Inferred	Coal	36	Lignite	36	Lignite	+56.52
Total	**Coal**	**111**	**Lignite**	**111**	**Lignite**	**+0.91**

Effective date of Resources and Reserves estimates: 31 December 2020

Notes:

1) *Licence refers to PTSBB's Operation Production (IUP OP) licence.*
2) *Reported Resources are inclusive of those Coal Resources converted to Coal Reserves.*
3) *The Coal Resources estimates are rounded to two significant figures while Coal Reserves presented are rounded to the nearest one hundred thousand to reflect the accuracy of the estimates. Minor discrepancies are due to rounding and are not considered material by PTDMT.*
4) *Resources and Reserves are reported in accordance with the JORC Code.*
5) *Resources was estimated after using Geostatistics for arriving the boundaries for different category.*
6) *Estimation of Resource & Reserve were done afresh.*
7) *The date of previous update was for an effective date of 31 December 2019.*
8) *PTDMT was engaged by the Company on 22 January 2021.*
9) *Approximately 0.3 million tonnes of coal was produced during for the financial year ended 31 December 2020.*

2.3. **Independent Qualified Person**

Name of Independent Qualified Person for Resources: Mr Sonny Yudhistira
Date: 31 December 2020 (effective date of Resources estimate)
Professional Society Affiliation/Membership: BSc (Geology), MAusIMM

Name of Independent Qualified Person for Reserves: Mr Yosef Mahardinata
Date: 31 December 2020 (effective date of Reserves estimate)
Professional Society Affiliation/Membership: BE(Mining), MAusIMM

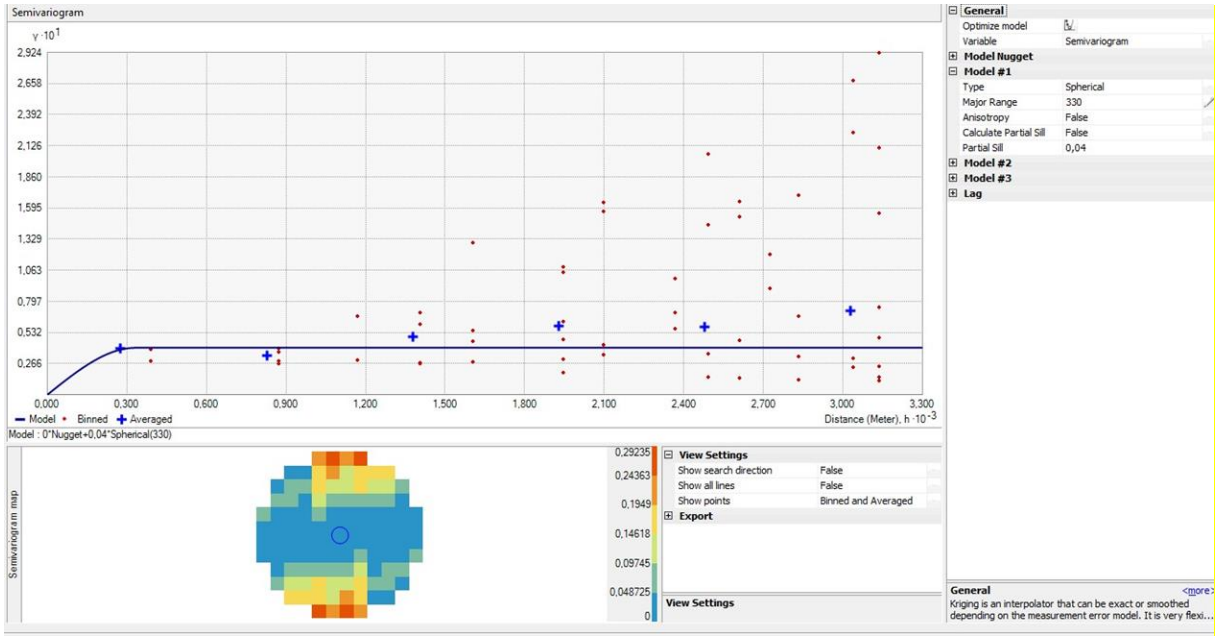
2.4. **Basis for Comparative Difference in Resources**

For the purpose of coal Resources classification, PTDMT is guided by the Australian Guidelines for the Estimation and Classification of Coal Resources, 2014 Edition, specifically referring to clause 5.7, PTDMT use geostatistical analysis to provides a mechanism to understand and quantify a variable's continuity and the degree to which it is spatially correlated.

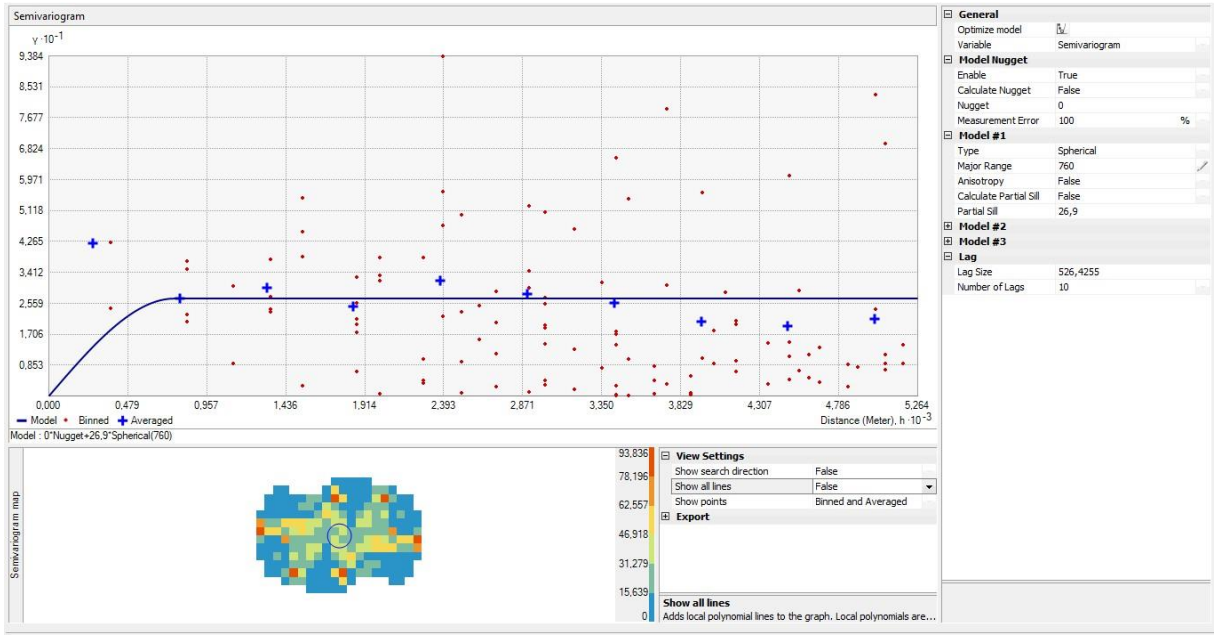
The Resources estimation parameters used based on an assessment of the geology of the deposit are as follow:

- Top surface limit used joint survey between IFSAR and ground survey on mine situation with cut-off date on 20 November 2020.
- Only boreholes that had valid survey collars (not GPS-survey) were used, (i.e. those boreholes not surveyed have not been considered).
- Cored boreholes that were geophysically logged and sampled were considered as valid points of observation for Resource calculations.
- Non-logged holes were considered in structural modelling if coal seam thickness demonstrated valid thickness and recovery adjacent geophysically logged boreholes.
- Open holes, intersecting coals seams with geophysical logs were also used to ensure continuity of the Resource calculation along the strike length of the deposit.
- An in-situ density applied to Resource estimation.
- Coal Resources are reported to the base level of the optimised Pit Shell which is equivalent to the approximate highest Indonesian Coal Price Reference (HBA) benchmark in the past ten years of approximate USD 120/t, which is equivalent to a maximum pit depth of approximately 100 m.
- The comparative difference in Resources report as mentioned in this Independent Summary QPR is mainly due to the increase in radius of influence applied by PTDMT. The confidence of the Resources depends on the quality of dataset for thickness and ash. These datasets have been validated using geostatistical tool of semi variogram. Radius of influence used in point of observation for quantity and quality. The radius of influence is determined by consideration of the perceived and observed variability in thickness and raw ash content of the seams. Below are the semi-variograms for Seam M3, Seam M4 and Seam M5.

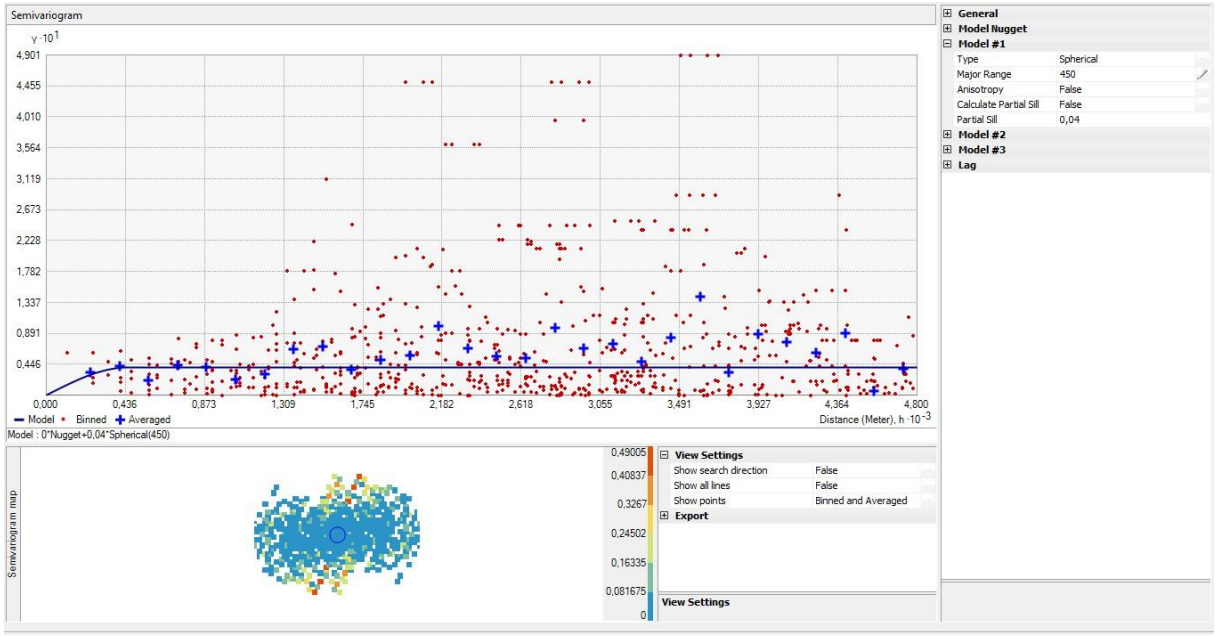
- The variogram may assist in defining distances of continuity between Points of Observation.



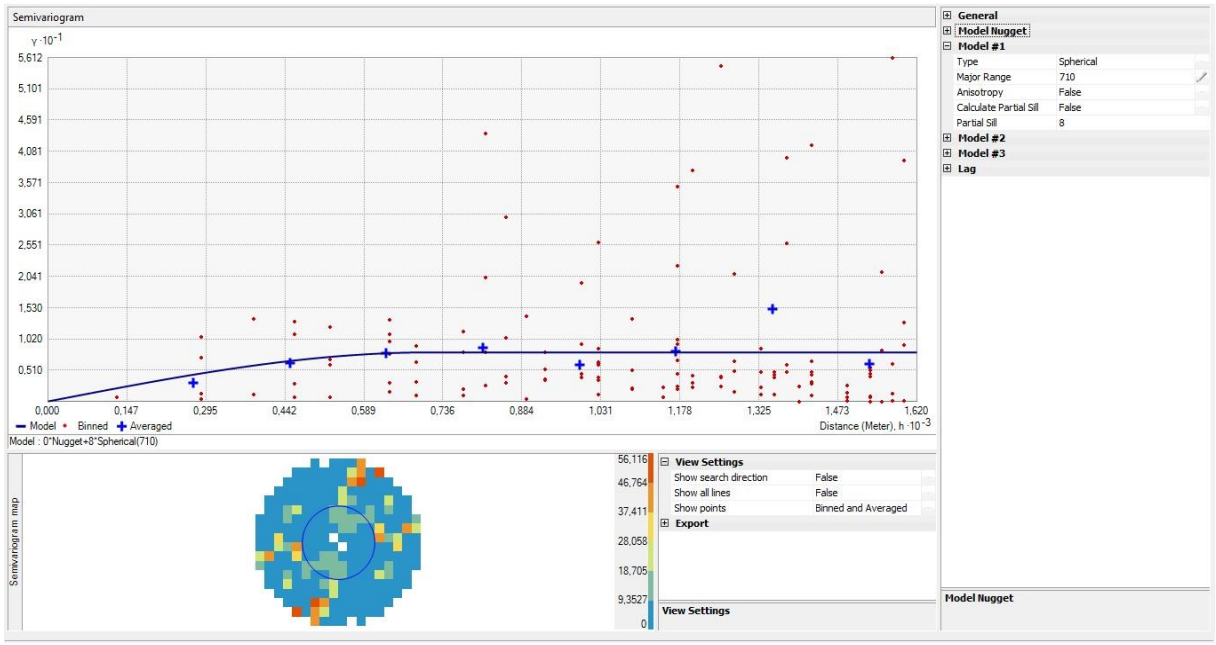
Seam M3 Thickness Semi Variogram



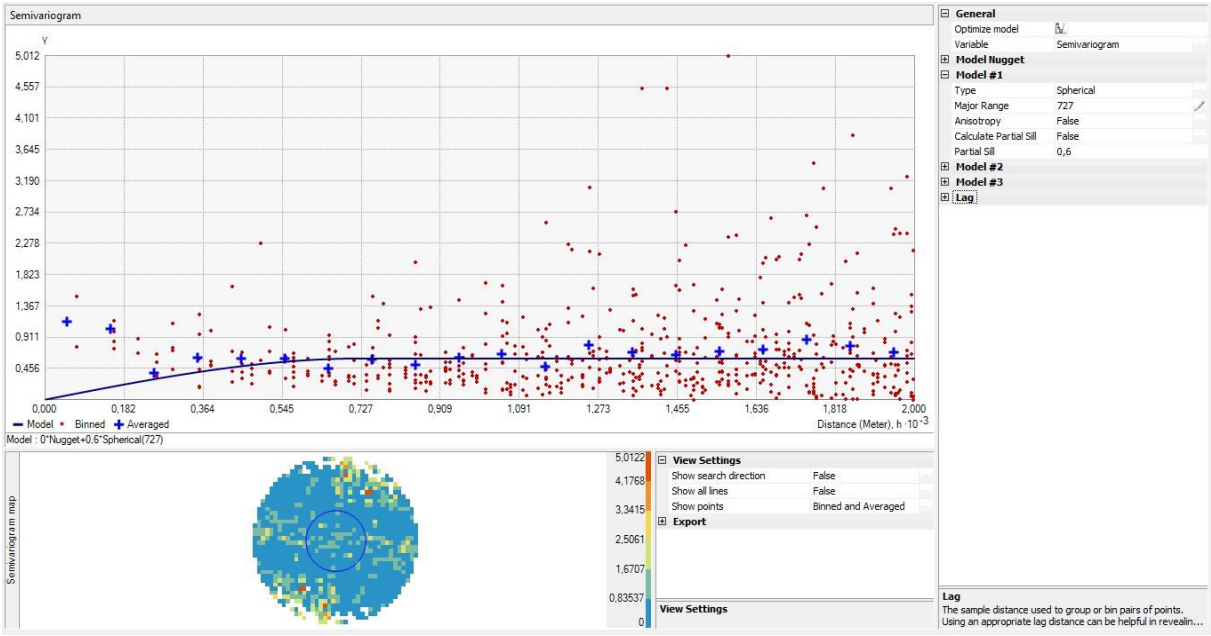
Seam M3 Ash Semi Variogram



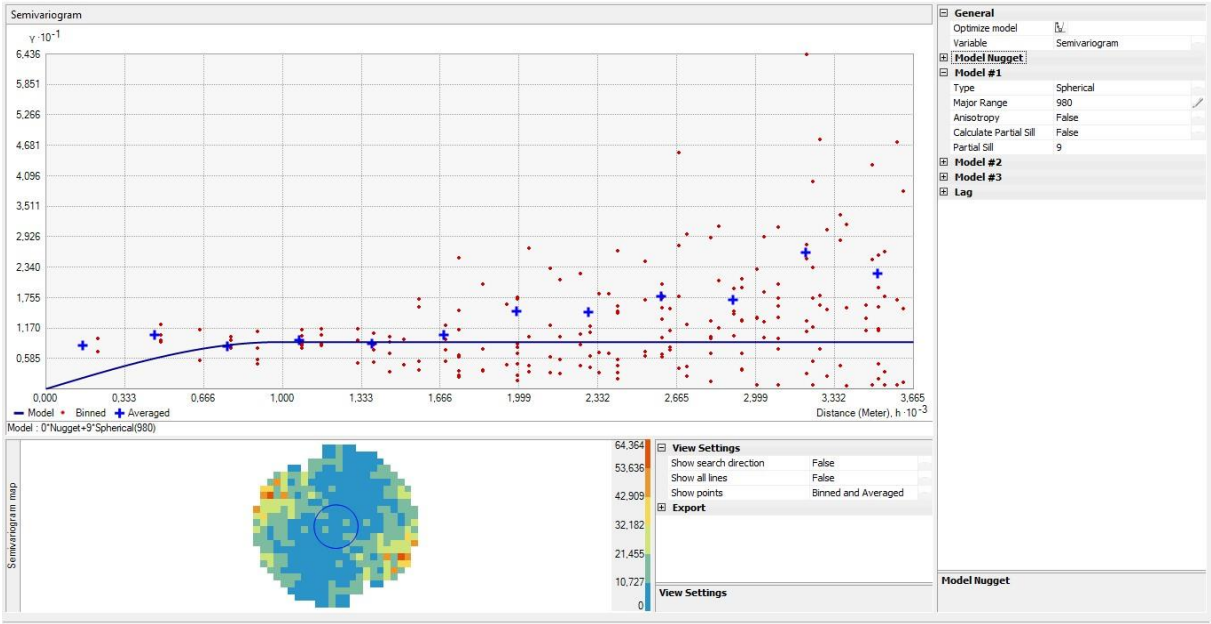
Seam M4 Thickness Semi Variogram



Seam M4 Ash Semi Variogram



Seam M5 Thickness Semi Variogram



Seam M5 Ash Semi Variogram

Radius of influence based on the semi-variogram result of Ash and Thickness are presented below:

Seam Group	Semi Variogram Result (m)		
	Ash	Thickness	Average
M3	760	330	545
M4	710	450	580
M5	980	727	854

The geostatistical approach provides an estimation variance that could replace distance from the nearest control point (point of observation) as the primary criterion for assurance of existence categorization. The Competent Person of DMT considers the level of confidence and statistical distribution of coal quality data in a range of 2/3 for indicated Resources and 1/3 for measured Resources. In addition, it also guided by rule of thumb proposed by Snowden (Practical Interpretation of resource classification guidelines (1996)), "*when applying variography to Mineral Resource classification is to have two-thirds of the semi-variogram sill (total variance) (usually represented by the first structure of a double structured semi variogram) as Measured and the material between the second structure and the sill (1/3 rd) as Indicated. Anything beyond the range should be considered Inferred*".

Geological continuity will not be demonstrated where drill holes are further apart than the range of the influence, beyond which the coal Resource is Inferred. It is more subjective defining drill hole spacing at which the division between Measured and Indicated Resources is made by taking the range at 2/3 of the variability.

Seam	Semi-variogram Result (m)			Radius of Influence Independent Summary QPR (2020)			Radius of Influence 2019 Report		
	Ash	Thickness	Average	Mea	Ind	Inf	Mea	Ind	Inf
M3	760	330	545	182	363	545	125	250	500
M4	710	450	580	193	387	580	125	250	1000
M5	980	727	854	285	569	854	250	500	1000
M6	-	825	825	-	-	825	125	250	500
M7	810	1080	945	315	630	945	250	500	1000
M9	-	640	640	-	-	640	125	250	500

The total Measured Resources estimated by PTDMT is 24 million tonnes, this number has a variation of 0% compared with the Resource estimate as stated in the 2019 Report. The Radius of Influence (RoI) applied by PTDMT for Resource estimation is obtained from applying semi-variogram geostatistics with an average distance greater than the average distance used in the 2019 Report, and the explanation are as follows:

1. Topographic data used by PTDMT is IFSAR data and ground survey on mine situation with cut-off date on November 20, 2020 (there are no activities on the concession during December 2020).
2. Coal Resources was reported by PTDMT to the base level of the optimised Pit Shell with maximum pit depth around 100 m, which is equivalent to the approximate highest Indonesian Coal Price Reference (HBA) in the past ten years, approximately USD 120/t.
   During previous year estimates as stated in the 2019 Report, coal Resources are reported 50% greater than the approximate HBA benchmark above. This is equivalent to a maximum coal price of USD 180 / t, with maximum pit depth around 100 m.
3. PTDMT creates boundary Resources by grouping Point of Observation (PoO) based on the level of confidence of PTDMT competent person in the available data.
4. PTDMT only estimated measured Resource on seam M5, however in the 2019 Report, the estimation was done on seam M5 and M6. With the limit area used by PTDMT for resource estimation, seam M6 is not obtained because it is located below the limit area.
5. The rounding factor that affects the total estimated number of Resources refers to clause 25 of the JORC Code.
6. The explanation above shows that the parameters used for Resource estimation by PTDMT are different from the 2019 report, it differs in the process, methods, and the amount of estimated coal. However the measured Resource estimation produced by PTDMT are similar with estimated numbers in the 2019 report.

2.5. Basis for Comparative Difference in Reserves

PTDMT has independently assessed the Resources and Reserves. Measured and Indicated Resources were considered for conversion to Reserves.

To assess the Reserves, a practical pit has been designed over the optimised pit. Geotechnically recommended and available bench parameters are considered to design the pit. Reserves of each seam is estimated based on the boundary defined in Resources estimation. Loss, dilution and recovery factors are applied with the coal quantity to estimate the Reserve.

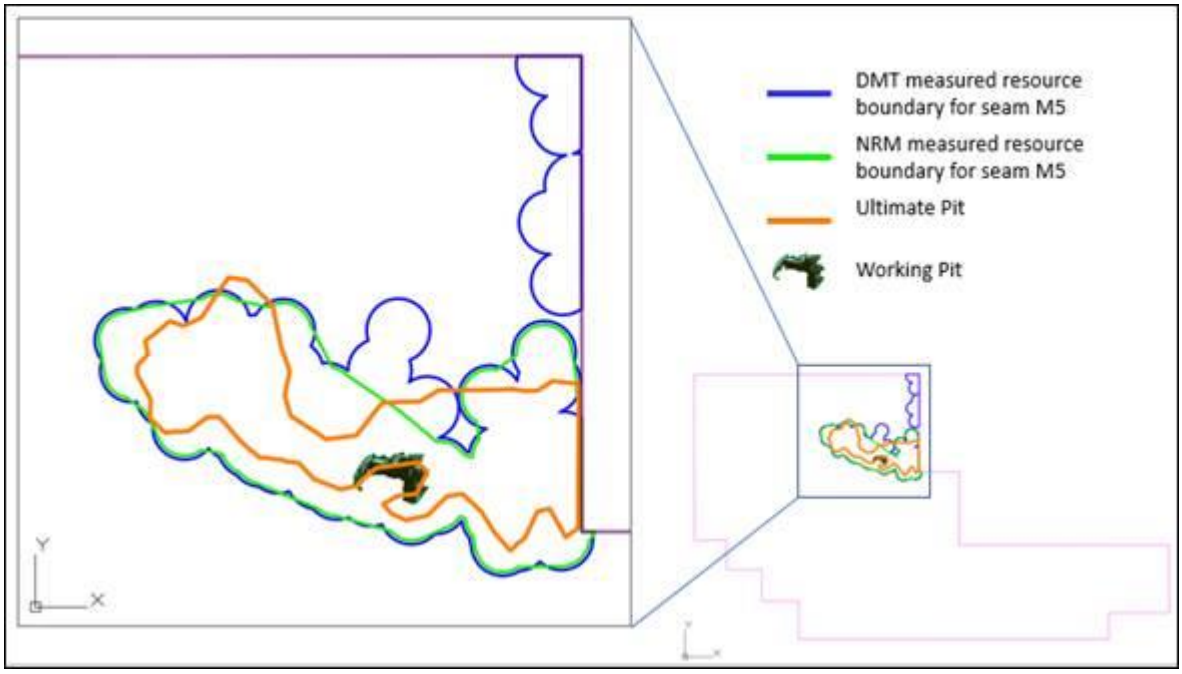
For this Independent Summary QPR, Resources boundary has increased from previous report (which is described in the earlier section of this Independent Summary QPR), which is the reason for the increase in total Reserves quantity from 12.5 million tonnes to 13.3 million tonnes.

It is understood from the study that the variation in the Reserve is due to the change in radius of influence boundary for the Resource.

PTDMT has done the entire exercise based on the data provided by the Company. PTDMT has prepared variograms on assay values, based on this radius of influence

has been drawn. Later on, this radius distributed to boundary of Measured, Indicated and Inferred category of Resource. To determine the Proved Reserve category, Measured Resource boundary is used and similarly to determine Probable Reserve category, boundary of Indicated Resource has been used.

Radius considered by PTDMT is larger than that of earlier one. For understanding, below figure shows the boundaries for measured Resource category of PTDMT's when compared to the previous report for the Seam M5.



Independent Qualified Person from PTDMT has studied the project carefully and of the opinion that the permission for diverting the Cimpur river is not in place. Hence Reserve of 5.7 million tonnes beneath the Cimpur river has to be downgraded from Proved to Probable and accordingly reported. As and when the permission is made available, the downgraded quantity of 5.7 million tonnes can be upgraded to the Proved category.

3. INDEPENDENT CONSULTANT

PTDMT is part of Germany based DMT Group which is a mining engineering and consulting company having approximately 650 permanent employees in the field of mining, exploration, processing, infrastructure and building safety.

PTDMT's independence is ensured by the fact that it holds no equity in any project. This permits PTDMT to provide its clients with conflict-free and objective recommendations on crucial issues.

PTDMT has received fees for the preparation of this Independent Summary QPR in accordance with normal professional consulting practice. The fees are not contingent on the success of any financial transaction that may result. Neither PTDMT, nor any of its directors, staff, or sub-consultants who contributed to this report has any material interest in the company's Coal Resources and Reserves, or the assets reviewed.

4. JORC Code, 2012 Edition, Table 1

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• All cores were lithologically logged in splits in order to minimise disturbance of the sample. The core was photographed and wrapped in plastic to preserve the coal properties, particularly Total Moisture. This process was performed without delay to enable greater accuracy in the determination of in situ moisture content of coal. Non-coal seam roof and floor strata and in-seam partings >0.2 m were sampled separately and secured separately in sealed plastic bags. It is noted that coal intervals were sampled on a "ply-by-ply" basis on only a limited number (7 coal seams) which showed no significant in-seam coal quality variability. Although "ply-by-ply" sampling is considered preferable, the Consultant is of the opinion that this is not a material issue as the coal core holes are geophysically logged in the North Block and the adjoining pilot holes in the South Block are geophysically logged. • PTDMT is satisfied that the procedures have been appropriately applied.
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).*	• Vertical open hole drilling was used throughout the Project area, with "twin" partly cored quality holes drilled adjacent to existing open holes with geophysical loss, in order to identify relevant coal intervals to be cored. A total of 7 full cored geotechnical holes were drilled in the PTSBB North Block.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• All cores had a coal recovery of >90%. • From the results of data verification and validation PTDMT concluded that the data was enough to be processed as a geological model
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Based on information from previous report, a site geologist was present at all times and preliminary core logs were derived from "cuttings" and core depths. Almost of holes were geophysically logged and drill logs and coal sample depths subsequently reconciled against the geophysical logs.

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• See Item 1 above in relation to coal sampling procedures. All core samples were prepared by either PT Geoservices Ltd ("Geoservices") or PT Sucofindo ("Sucofindo") laboratories, both of which are recognised coal superintending companies, using the appropriate international standards.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• All analyses were undertaken by either Geoservices at Padang, West Sumatra, Indonesia or Sucofindo at Pekanbaru, Riau, Indonesia. A total of 134 quality drillholes were analysed by ASTM method. A limited number of "crosscheck" samples were analysed by both laboratories with no material variance noted. Standard tests on all cores included Proximate Analysis, TM, TS, CV, RD and HGI. A limited number of samples from the North Block were subject to more detailed analyses, including AFT, Ash Analysis, Ultimate Analysis and Trace Element analyses.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Verification of coal sampling was undertaken by the Consultant for all quality drillholes using core photographs, geophysical logs and core logs. No significant variations were identified. No adjustment of assay data was done. All "twin" holes were located within several metres of the open "pilot hole and given the simple structure (i.e. low dips and no identifiable faulting), seam intervals between pilot and twin holes showed minimal variance.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All borehole collars are reported to have been accurately surveyed by Total Station methods. A validation exercise has been carried out (Collar On Surface Plot) and this shows that the collar data is robust. • No down-hole survey was completed due to all • boreholes done vertically from surface.

Criteria	JORC Code explanation	Commentary
		• The grid system is UTM 47S WGS84. • Topographic control is adequate in that an ifSAR aerial photograph and ground survey by total station has been carried out for the site.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Spacing of drill lines in the North Block is typically 200 - 400 m with local wider spaced "reconnaissance" drilling at 800 m. The Consultant considers the drill spacing adequate for classification of Coal Resources to Measured. All drillhole collars were surveyed by Total Station and the Consultant validated hole elevation by comparison with topographic data which was a combination of Total Station survey and ifSAR aerial survey. The Consultant is satisfied that seam elevations (and therefore drillhole locations) are within reasonable tolerance. No independent re-survey of holes was undertaken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Boreholes were designed perpendicular to the strike of deposit. Numbers of holes were intercept seam to down dip to ensure seam continuity and quality. All drillholes were drilled vertically due to the shallow dip of strata.
Sample security	• *The measures taken to ensure sample security.*	• Sample was kept in a core box and wrapped with plastic before sampling and delivery to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Normal QA/QC procedures were implemented by PTDMT • Furthermore, adequate reviews by internal PTDMT personnel were undertaken as part of QC/QA procedures before reporting of Resources and reserves from the Project Deposit

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
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 mining concession is held under IUP No. 001/IUP/545-02/II/2013 dated 26 February 2013 for a term of 10 years, extendable upon compliance with the prevailing laws and regulations.

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)		
Criteria	**JORC Code explanation**	**Commentary**
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Stage 1 drilling in the North Block of the mining concession conducted in 2011, by the previous concession owner, PT East Asia Power Indonesia.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Project is located in the South Sumatra Basin and is predominantly underlain by the coal-bearing Late Miocene to Pliocene age Muara Enim Formation ("Tmpm") which covers 65% of the concession. A total of 10 coal seams and 20 sub-seams have been identified. The major seams, Seam M5 and Seam M7 have average thicknesses of 3.3 m and 1.8 m, respectively. The geological structure is a gentle anticlinal structure with the axis trending N1350E. Coal dips on both the northern limb (herein after referred to as the "North Block" and southern limb (previously referred to as the "South Block") of the anticline have seam dips of <10 degrees.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Exploration drilling within the North Block was conducted in three stages. A total of 810 holes were drilled in the North Block to 31 December 2019 in three stages following a mapping programme in 2011. A total of 51 holes were drilled in Stage 1 included four (4) quality holes. Most Stage 1 drilling was supported by geophysical logging and drill collars were surveyed using Total Station. Stage 2 drilling was conducted from October to December 2012 with total of 103 holes including twelve (12) quality holes. All Stage 2 drilling is supported by geophysical logging with drillhole collars surveyed using Total Station. A total of 656 holes including 118 quality holes were drilled during Stage 3 in 2015.

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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• For the composite quality data the Consultant used weighted averaging based on tonnage.
Relationship between	• *These relationships are particularly important in*	• As the strata is low dipping, there is minimal variance between actual and apparent coal seam

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)		
Criteria	**JORC Code explanation**	**Commentary**
mineralisation widths and intercept lengths	*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').*	thickness as intersected in drillholes.
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.*	• All data were documented in the 2018 IQPR, the JORC Code compliant statement of open cut coal resource and reserve of PT Samantaka Batubara as at 31 December 2018 dated 1 November 2019 issued by PT GMT (the "**2018 IQPR**").
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 data was documented in the 2018 IQPR.
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 method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Geotechnical, Hydrological, Hydrogeological and Topographic.
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).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Detailed Study of the RAPP road diversion, Hydrology Study in relation to the Cimpur River diversion and Land Compensation. Detailed sub-crop drilling to better delineate potential pit limits.

Section 3 Estimation and Reporting of Mineral Resources (Criteria listed in section 1, and where relevant in section 2, also apply to this section)		
Criteria	**JORC Code explanation**	**Commentary**
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Almost all boreholes in the Project were geophysically logged and coal seam data (including quality) was entered into the geological database and was reconciled independently by the Consultant against the logs and each hole already checked using geophysical logging.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• PTDMT Competent Person for Resources Mr. Sonny Yudishtira, (Member of AuslMM - 317942) and PTDMT Competent Person for Reserves Mr. Yosef Mahardinata (Member of AuslMM - 326161) conducted a site visit from 24 - 27 March 2021.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The geological structure is relatively simple in the North Blocks. Geophysical logging of almost all drillholes allowed the Consultant to undertake seam correlation with a high degree of confidence. Geological interpretation was determined to be consistent with coal seam and other strata outcrops.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Based on drilling data in the project identified the deposit is a multiple-seam deposit, there are 10 seams and 20 subseams. The major Seam M5 has an average thickness of approximately 3.3 meters. Weathering depth is approximately 3 meters.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade*	• The modelling and estimation techniques and assumptions are in line with industry standards. PTDMT has used MineScape Stratmodel 6.1.2 in generating the gridded seam geological model. A maximum extrapolation distance of 5,000 m beyond the data was used in model. Coal Resources are reported to the base level of the optimised Pit Shell which is equivalent to the approximate highest Indonesian Coal Price Reference (HBA) benchmark in the past ten years of approximate USD 120/t, which is equivalent to a maximum pit depth of approximately 100 m • To build geological model, PTDMT used drill holes that have coal quality data and full core drilling type, if the drill holes used the non-core drilling must have geophysical log data, from 810 total drill holes PTDMT used 785 drill holes and in the model. • Minimum Interval thickness – 0.5 m • Seam Relationship – Conformable • Seam Continuity – Pinch • Compound Seam Continuity – Pinch • Base of weathering – modelled as per borehole lithology • All coal seams are cut off against base of weathering

Section 3 Estimation and Reporting of Mineral Resources (Criteria listed in section 1, and where relevant in section 2, also apply to this section)		
Criteria	**JORC Code explanation**	**Commentary**
	cutting or capping. • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Used the combination topography between Ifsar and ground survey method for Resources limit. • The Resource estimates are controlled by seam thickness, depth, weathering, and continuity interpretations. • Model data was compared to the raw borehole data as part of the geological model validation process.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Coal samples were analysed for TM (ar) and Inherent Moisture (ad).
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Coal Resources are contained within the PTSBB Concession, IUP No. 001/IUP/545-02/II/2013 dated 26 February 2013 for a term of 10 years, extendable upon compliance with the prevailing laws and regulations; • Coal Resources estimates are based on the geological database as at 20 November 2020; • A valid Point of Observation is a drillhole with an appropriate level of confidence. This estimate utilises cored holes with >90% linear core recovery in coal. • The upper limit of the seams is the Base of Weathering, which is beneath the Project topographic surface; • A minimum seam thickness of 0.5 m has been applied to this Resources estimate; • The maximum parting thickness included in the seams is 0.2 m, all partings greater than 0.2 m have been used to define seam splitting so that this material is now designated as interburden; • No geological losses have been applied; • No specific coal quality cut-off parameters were applied as both coal analyses and supporting geophysical logs show that there is a clear distinction between coal and non-coal intervals. • Resources have been estimated on an in situ basis using Relative Density at an estimated in situ moisture basis, which for this Project is deemed to be equivalent to the TM% (ar); • Coal Resources are reported to the base level of the optimised Pit Shell which is equivalent to the approximate highest Indonesian Coal Price Reference (HBA) benchmark in the past ten years of approximate USD 120/t, which is equivalent to a maximum pit depth of approximately 100 m

Section 3 Estimation and Reporting of Mineral Resources (Criteria listed in section 1, and where relevant in section 2, also apply to this section)		
Criteria	**JORC Code explanation**	**Commentary**
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• A minimum thickness of 0.5 m was applied due to the potential additional mining costs of mining thin low value coal. • The Pit Optimisation exercise was undertaken to justify the "Reasonable Prospects for Eventual Economic Extraction".
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Not applied as the coal is to be marketed as ROM coal with no beneficiation.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• Further detail study related to the RAPP road and river diversion are necessary to be undertaken to ensure the workable mine operation.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Based on in situ density as calculated from laboratory RD using the Preston-Sanders formula.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all*	• All data used as Points of Observation (quantity and quality) are compliant with the requirements of the 'Australian Guidelines for the Estimation and Classification of Coal

Section 3 Estimation and Reporting of Mineral Resources (Criteria listed in section 1, and where relevant in section 2, also apply to this section)		
Criteria	**JORC Code explanation**	**Commentary**
	relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Resources', 2014 Edition, as referenced by the JORC Code. • The basis for Coal Resource Classification is defined by the maximum distance from a Coal Quality Point of Observation as well as the Competent Person's interpretation geological confidence within the area of economic potential. • The Competent Person has accounted for all relevant factors in preparing the Coal Resources Statement. • The assessment results are in line with the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• As per findings in this review, plus internal reconciliation and peer review.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relative tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Based on the review of data by seam, validation of drill logs, geophysical logs and core logs, checking consistency thickness and quality by statistic, contour etc., the Competent Person is of the opinion that the Coal Resources categorisation is appropriate.

Section 4 Estimation and Reporting of Ore Reserves (Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)		
Criteria	**JORC Code explanation**	**Commentary**
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• This Statement was prepared by Sonny Yudhistira and Yosef Mahardinata, principal consultant of the PT DMT EECI ("**PTDMT**"). • The Coal Resources reported are inclusive of the Coal Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken*	• Sonny Yudhistira as Competent Person of Coal Resources Estimation and Yosef Mahardinata as Competent Person for Coal Reserves Estimation conducted a site visit on 24-27 March 2021

Section 4 Estimation and Reporting of Ore Reserves (Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)		
Criteria	**JORC Code explanation**	**Commentary**
	indicate why this is the case.	
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore* • *Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• PTDMT has completed study for Life of the Mine to appropriate PFS standards, with key Modifying Factors having been considered, including economic viability, geotechnical, hydrological, infrastructure, marketing, environmental, social and regulatory permitting. • Small scale mining commenced in February 2016 and approximately 0.95 Mt of coal was produced until the end of December 2020.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Mineable Pit Shells based on the Lerchs-Grossman pit optimisation procedure. These pit shells have been used to estimate Coal Reserves. Constraints included the Resources classification polygons, lease boundaries. No specific coal quality cut-off parameters were applied as analyses show that there is a clear distinction between coal and non-coal intervals based on both coal quality analyses and geophysical logs.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (egg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The mining method used to determine the Ore Reserves was conventional open pit mining using backhoe style hydraulic excavators loading off-highway dump trucks for both waste and ore mining. • Coal Resources were converted to Coal Reserves using pit optimisation software with the application of relevant Modifying Factors, i.e. loss and dilution, geotechnical slope parameters for pits and external dumps. • Geotechnical studies indicate that waste material is low to very low strength and therefore will not require blasting, with some ripping as required. Limited study of potential acid forming strata has indicated potential for AMD which will require further testing and appropriate encapsulation of deleterious material waste dumps. Reasonable factors have been used for roof and floor loss (6 cm), dilution (combined roof and floor, 3 cm), minimum seam thickness (0.5 m), and minimum coal parting thickness (0.2 m) as well as diluting material properties. Coal quality is as per the geological model combined with loss, dilution and moisture adjustments. No Inferred Resources have been used in the Coal Reserves estimate, nor Inferred coal included in the Mineable Pit Shells and the mine schedule. No specialist infrastructure is required for mining. Support and coal handling infrastructure is discussed in the infrastructure section of the 2018 IQPR
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style*	• The coal produced at the Project is not washed resulting in 100% yield. Therefore, Coal Reserves is equal to Marketable Reserves.

Section 4 Estimation and Reporting of Ore Reserves (Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)		
Criteria	**JORC Code explanation**	**Commentary**
	of mineralisation. • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Hydrology and acid mine drainage ("**AMD**") overview, Ground Clearing and Top Soil Management, Water Management, Mine Rehabilitation and Status of Approvals are included in geotechnical and hydrology study overview chapter in the 2018 IQPR.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• The site infrastructure will include workshops, office and associated infrastructure. Infrastructure to support Mining and Coal Handling operations has been scoped and costed based on experience in previous coal operations. Detailed infrastructure layout plans are in progress which will determine the "footprint" and potential environmental impact of such construction, including land compensation. The Consultant is of the opinion that adequate capital allowance has been made for environmental and social costs.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable,*	• Client has supplied budget for mining, processing, and transport costs and applicable royalties to PTDMT. PTDMT has reviewed these costs and is of the opinion the costs used (both capital and operating) are appropriate for this style of deposit and are in line with similar sized mines in Indonesia. All costs and revenues were estimated in USD.

Section 4 Estimation and Reporting of Ore Reserves (Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)		
Criteria	**JORC Code explanation**	**Commentary**
	both Government and private.	
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• The Project coal price is based on the data provided by the Company, using actual coal sales price to customers.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• The current contracts are to fulfill the 5 years coal supply to PLN Tenayan Power Plant ("TPP") at 600 thousand tonnes per annum ("ktpa"). • The coal produced is a low energy thermal lignite coal with a typical product specification is as follows: ➢ TM 45.5% (ar); ➢ IM 15.0% (ad); ➢ CV 3,260 kcal/kg (gar); ➢ Ash 6.2% (ar); and ➢ TS 0.16% (ar). • It is understood that there are potential future coal supply sales to PT Soma Daya Utama ("SDU") planned to be commenced in 2021.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• The Competent Person believes that the mine is economically viable and the scale of operations that will be developed will be largely determined by the global market demand for the Project coal quality. Economic analysis (NPV) was done based on contracted coal price and the costs estimates (contractor mining operation).
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• The indigenous inhabitants of the concession area are the Pauhranap people. The land use is designated as Production Forest and no significant villages lie within the proposed area of operations. The North Pit is largely owned by smaller landowners and to date approximately 365 Ha has been compensated to facilitate current mine operations. The Consultant is of the opinion that adequate allowance has been made in capital costs to cover land compensation expenses.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes*	The Company has advised the Consultant that PTSBB status has been confirmed as "clean and clear" by the Indonesian Directorate General of Mineral and Coal with certificate number 148/Bb/03/2014 granted on 14 February 2014 — under regulations of the Ministry of Energy and Mineral Resources of Republic Indonesia (www.esdm.go.id).

Section 4 Estimation and Reporting of Ore Reserves (Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)		
Criteria	**JORC Code explanation**	**Commentary**
	anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Coal Reserves have been classified based on the confidence of the Coal Resources, the level of detail in the mine planning, and the level of risk associated with the project. Generally, Indicated Resources have been classified as Probable Reserves and Measured Resources within the pit shells have been classified as Proved Reserves. • A quantity of 5.7Mt beneath the Cimpur river has been downgraded from Proved to Probable on account of getting administrative approvals from diversion of the river. • No Inferred Resources have been used in the Coal Reserves estimate, nor Inferred coal included in the Mineable Pit Shells and the mine schedule.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• As per findings in this review, plus internal reconciliation and peer review.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• A cash flow model was created using the coal pricing and costs described above. The cash flow analysis demonstrated a positive return for the Project. The Consultant is of the opinion that Coal Reserves classification accurately reflects their view as to the level of confidence in the Reserves estimates.