

15 September 2020

# Indigenous Energy Resources Increased at Depot Creek Project in Papua New Guinea.

Mayur Resources (ASX: MRL) has booked an increase in compliant resources at its Depot Creek Coal Project in Gulf Province, Papua New Guinea (PNG).

The Inferred JORC Resource at the project has increased to 12.8 million tonnes (Mt) from 11.5 Mt and includes a higher confidence Indicated Resource component of 3.9Mt. The resource modelling work was completed by New Zealand's Verum Group which also identified a new exploration target of >100Mt within the project tenement area (excluding adjacent tenements which in aggregate and including Depot Creek have an Exploration Target of approximately 200 Mt).

Managing Director Paul Mulder said the resource upgrade and improved confidence was significant to the company's nation building agenda.

"We now have a sufficient pathway to further underpin fuel supply resources to our Enviro Energy Park (EEP) Power Project in Lae and our Central Cement and Lime (CCL) Project in Central Province," Mr Mulder said.

"The EEP will only require up to 300,000 tonnes of coal per year, to supplement the use of other renewable fuel sources such as biomass to generate much needed reliable, affordable power for the Lae region, and importantly displace Lae's current reliance on burning highly polluting diesel and heavy fuel oil for a large portion of its baseload power generation needs."

Mr Mulder said the CCL project needed to heat kilns to 1400 degrees Celsius in order to process the limestone, and the most commonly used fuel in the world to produce cement was coal (along with other waste materials). He added although domestic gas is an option for the CCL project, any switch to gas would need to be based off a gas price that can compete with coal and a quantity of gas that is available and bankable as a secured supply source for the project.

"The next step for Depot Creek will be a infill and expansion program to further increase both confidence and continuity in the area covered by the existing resources as well as resource extensional work along strike to the northwest and southeast in line with the independent >100Mt exploration target stated by Verum Group," Mr Mulder said.

"Success for this project is being able to provide a 100% Domestic Market Obligation commitment to local industry with low ash, low sulphur, low cost, indigenous energy, displacing far higher cost and polluting heavy fuel oil and diesel imports".

"We want to bring competition to PNG's other energy sources, provide a redundant backup for PNG in the event of natural disasters, and export energy to other south east Asian nations to create additional sources of foreign exchange, while creating significant employment in the Gulf region," he said.

The upgrade follows a successful completion of a series of exploration programs late last year which included shallow backpack drilling and a LiDAR survey. This supplemented previous work at the project, which included



diamond core drilling and a geological mapping program, that resulted in the previously announced maiden JORC Inferred Resource of 11.5Mt.

Competent person Kerry Gordon from Verum noted "although this was a modest increase in resources from previous work, a further six to 10 hole down dip drill program that confirmed seam continuity would enable a significant upgrade to the resource volume and confidence level."

The coal samples were obtained by two methods. Firstly, a backpack BQ core size (35mm) drilling program was conducted which targeted the main seams along strike where they dipped below the surface (see ASX Announcement 30 Dec 2019, Phase 1 Drilling complete at Depot Creek) and, secondly, the collection of channel samples at various out cropping seams.. The objective was to get a good understanding of the quality, continuity and thickness of the main seams along the 10km strike of the previously mapped at surface outcropping coal area.

A total of 45 shallow backpack drill holes along strike were drilled and 14 channel samples obtained. Samples were logged, sealed, bagged and shipped to ALS Laboratories in Brisbane for coal quality analysis.

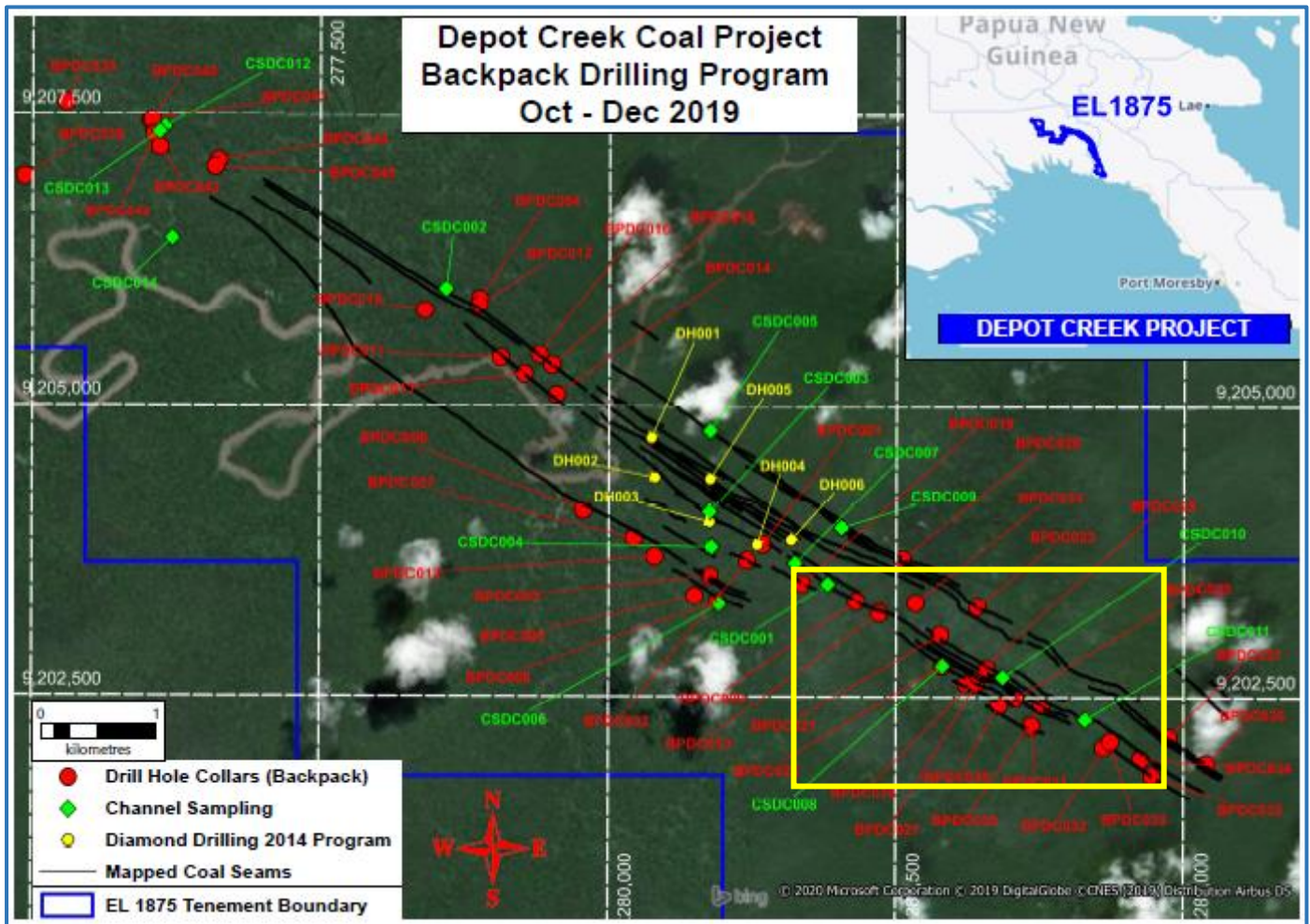


Figure 1 - Map of Depot Creek Phase 1 backpack drilling program and coal seams (yellow box see enlarged area coal seams in Figure 2 below).

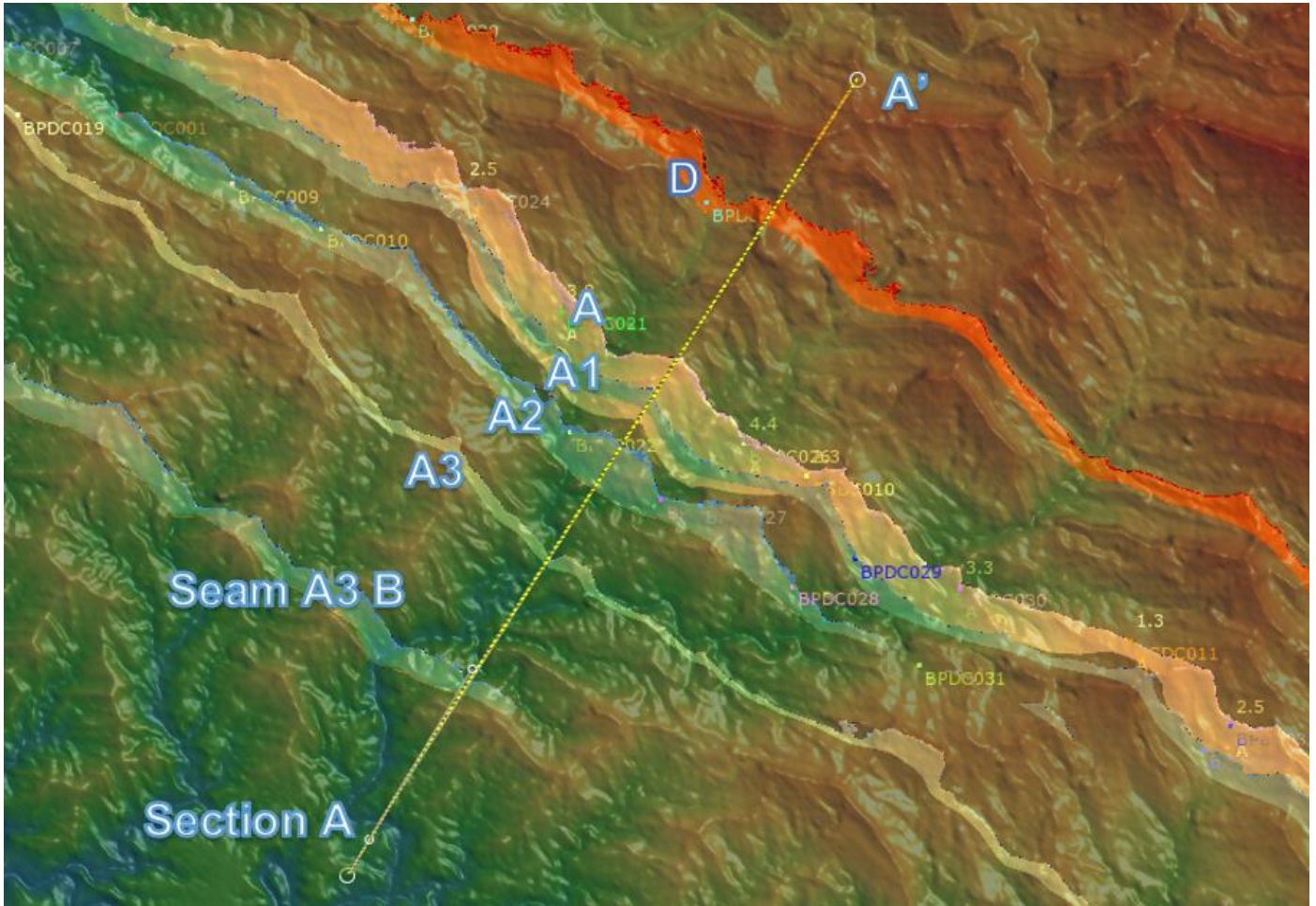


Figure 2 – Inferred Seams A3B through to seam D cutoff at 1:15 vertical strip ratio

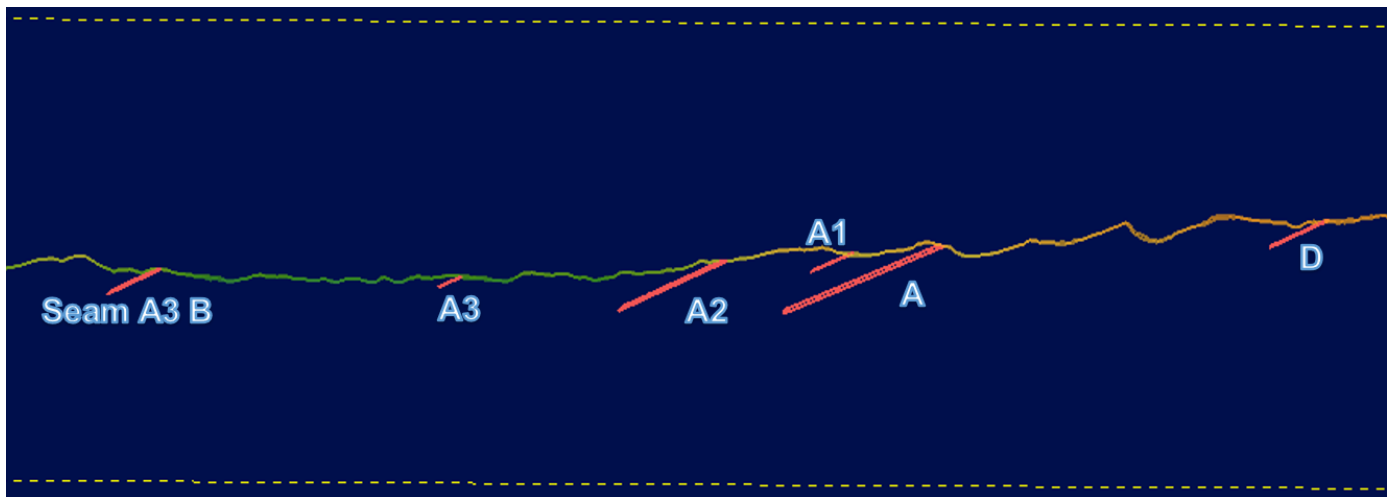


Figure 3 – Section A-A' showing all modelled seams clipped to a 15:1 overburden to coal vertical cut-off



Topography was modelled from LiDAR data flown between 12th to 18th December 2019 by TWL. LiDAR data was imported into leapfrog and a surface triangulation was created for the Depot Creek area with a cell size of 1m. The 1m resolution file was used for picking coal seams and structural interpretation.

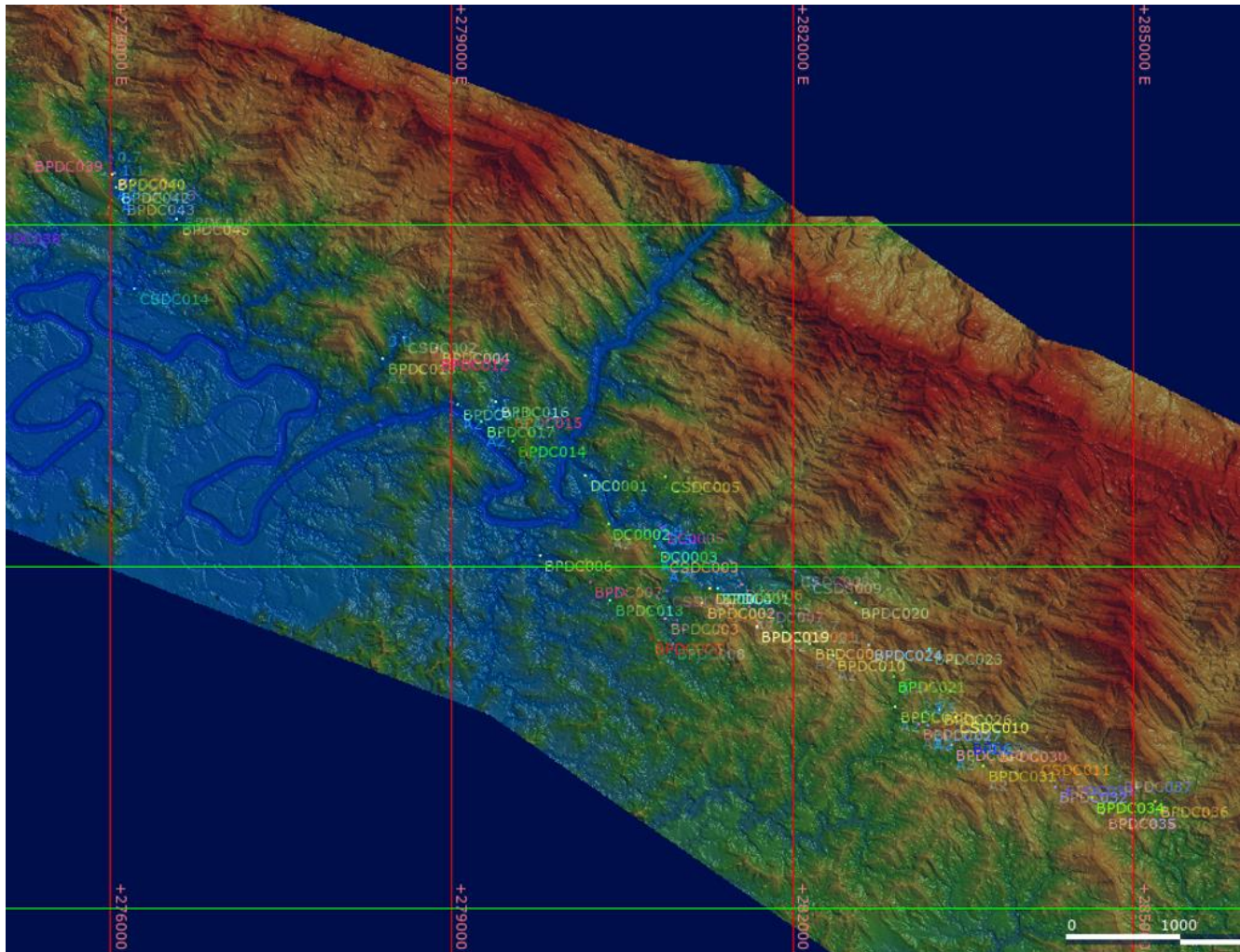


Figure 4 – Topography, drill hole collars and channel samples 2019.

#### Resource Classification:

The limitations from the previous modelling and JORC statement were applied to the current model and JORC statement:

- A minimum seam thickness (on a parent seam basis as opposed to a modelled ply basis) of 30cm
- A maximum ash (on a ply average basis) of 40%
- A maximum overburden ratio of 15:1 (coal to overburden). This has been used in lieu of a depth cut-off and is referenced in detail in Section 4.5
- A maximum extrapolation along strike of 2km for inferred resource for points of observation supported by mapping and LiDAR
- A maximum distance along strike of 500m for Indicated resource



This resulted in the below updated resource estimate:

2020 Seam (note renamed)	Total Resources (2020)	Inferred (2020)	Indicated (2020)	2015 Seams	2015 Inferred
A3B	1.3	1.3		-	
A3	<0.1	<0.1		A3 and A2	
A2	3.1	1.4	1.7	A2	4.2
A1	0.5	0.5		A1	0.2
A	6.7	4.5	2.2	D	
D	1.1	1.1		-	4.59
C					2.4
<b>Total</b>	<b>12.8</b>	<b>8.9</b>	<b>3.9</b>		<b>11.5</b>

Table 1 - Resource Estimate

Coal seams are traceable over long strike distances at the Depot Creek (11.9km) prospect (Figure 4) and adjacent domains. Recent LiDAR data at 1m resolution highlights seam surfaces, which can be traced along outcrop between known channel samples and drill points. The resolution of the LiDAR also highlights more competent sandstone lithology above each seam horizon up to ~10m thick. These coal seams and sandstone beds were traced in Leapfrog and a structural trend developed. The trend and the sandstone beds lineation's were used to constrain seam horizons between historical and recently mapped points. The data gathered from the LiDAR Interpretation changed the seam interpretations and correlations. The new topographic surface has traced outcrop pattern surface repeating over 10's of meters versus previous surfaces more at 100's of metres.

Six clearly continuous major seams were modelled in the Depot Creek deposit. Further rider and small splits off these main seams are expected with further exploration.

## Coal Quality

Coal quality was assessed using 2014 drilling data, backpack drilling data from 2019 and verified channel sampling data. Additional channel sampling data from previous exploration programs has been used as supporting data but does not contribute to coal quality values reported. Field verification of some sample locations in the 2018 Geovale program indicated that sampling may have been partial and sampling protocol not followed therefore they are not included in this report.

Analysis indicates the Depot Creek coals are Sub bituminous (ATSM D-338), with low ash and low sulphur (Table 2).

Seam	MHC	IM % (adb)	Ash% (adb)	VM % (adb)	FC % (adb)	TS % (adb)	CV (kcal/kg) (adb)	CV (kcal/kg) (GAR)
A3b	22.1	16.9	5.9	40.2	34.8	0.7	5014	4700
A3	22.9	17.9	8.7	38.6	34.9	0.6	4980	4677
A2	25.5	21.5	3.7	40.0	34.8	0.3	4926	4675
A1	23.5	20	11.2	38.3	33.2	1.6	4800	4590
A	25.6	20.5	5.1	38.8	35.5	0.5	4876	4563
D	22.6	17.7	6.7	39.6	35.9	1.8	5227	4916

Table 2 – Seam Coal Quality (GAR based on Moisture Holding Capacity (MHC))



## Comparisons to Previous Models

The re-correlated seams were compared to the previous model. The in-ground resources were broadly comparable, however seam correlations due to further mapping, extensive site visit and the detailed LiDAR increased the number of thick individual seams and decreased the number of seams modelled.

## Exploration Target

In addition to the updated JORC numbers above, the exploration target outside of the current inferred and indicated areas has also been assessed, using available supportive data to identify separate domains along strike where coal is mapped and likely to occur at depth, for an exploration target of 100Mt.

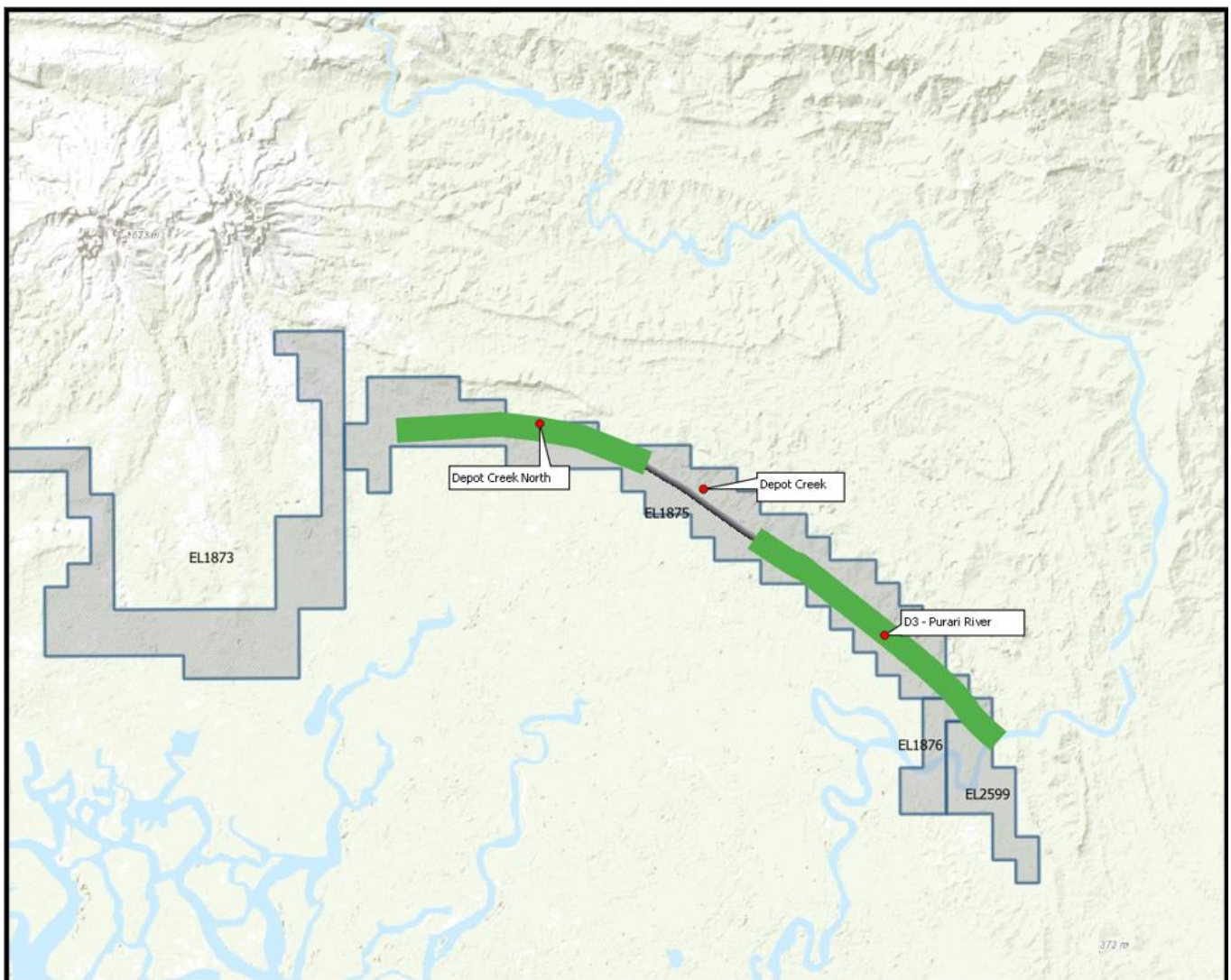


Figure 5 – Exploration Target Domains



## Hole Data

Hole ID	Easting	Northing	RL (m)	Azimuth	Inclination	Depth (m)	Coal Quality
BPDC001	281337	9203809	25.8	0.0	-90.0	8.7	y
BPDC002	281202	9203674	56.6	0.0	-90.0	3.8	y
BPDC003	280879	9203539	21.0	0.0	-90.0	3.5	y
BPDC004	278871	9205920	48.0	0.0	-90.0	5.5	y
BPDC005	280746	9203367	33.7	0.0	-90.0	1.5	y
BPDC006	279777	9204100	9.2	0.0	-90.0	2.6	y
BPDC007	280218	9203859	27.8	0.0	-90.0	3.5	y
BPDC008	280947	9203316	21.9	0.0	-90.0	4	y
BPDC009	282154	9203320	44.0	0.0	-90.0	5.5	y
BPDC010	282352	9203220	55.7	0.0	-90.0	3.5	y
BPDC011	279057	9205418	10.0	0.0	-90.0	4	y
BPDC012	278868	9205868	64.4	0.0	-90.0	2	y
BPDC013	280397	9203704	21.6	0.0	-90.0	3	y
BPDC014	279543	9205101	20.8	0.0	-90.0	2.7	y
BPDC015	279504	9205354	14.5	0.0	-90.0	5.1	y
BPDC016	279392	9205443	16.6	0.0	-90.0	5	y
BPDC017	279262	9205278	15.1	0.0	-90.0	4.5	y
BPDC018	278396	9205822	14.2	0.0	-90.0	3.3	y
BPDC019	281681	9203472	81.2	0.0	-90.0	2	y
BPDC020	282555	9203685	49.3	0.0	-90.0	2.23	y
BPDC021	282884	9203037	47.5	0.0	-90.0	3.8	y
BPDC022	282903	9202769	35.5	0.0	-90.0	3.4	y
BPDC023	283204	9203277	67.7	0.0	-90.0	1.8	y
BPDC024	282669	9203309	84.8	0.0	-90.0	2.7	y
BPDC025	283106	9202619	36.3	0.0	-90.0	3.07	y
BPDC026	283288	9202744	41.0	0.0	-90.0	4.8	y
BPDC027	283192	9202607	52.6	0.0	-90.0	4.2	y
BPDC028	283395	9202427	42.9	0.0	-90.0	2.8	y
BPDC029	283535	9202488	49.9	0.0	-90.0	1.3	y
BPDC030	283766	9202424	39.9	0.0	-90.0	3.8	y
BPDC031	283677	9202253	54.2	0.0	-90.0	0.6	y
BPDC032	284305	9202067	66.0	0.0	-90.0	0.9	y
BPDC033	284364	9202118	76.9	0.0	-90.0	2.6	y
BPDC034	284627	9201967	67.4	0.0	-90.0	2.8	y
BPDC035	284724	9201827	48.2	0.0	-90.0	2.5	y
BPDC036	285187	9201934	38.8	0.0	-90.0	1.2	y
BPDC037	284871	9202152	50.0	0.0	-90.0	1	y
BPDC038	274929	9206970	20.1	0.0	-90.0	0.9	y
BPDC039	275293	9207611	63.7	0.0	-90.0	0.5	y
BPDC040	276021	9207441	16.7	0.0	-90.0	0.7	y



BPDC041	276034	9207453	11.4	0.0	-90.0	1.9	y
BPDC042	276055	9207331	13.0	0.0	-90.0	1.1	y
BPDC043	276105	9207221	8.6	0.0	-90.0	0.63	y
BPDC044	276615	9207111	9.6	0.0	-90.0	4.5	y
BPDC045	276587	9207057	8.7	0.0	-90.0	1.5	y

Table 3 - Backpack drilling sample locations

Hole	Easting	Northing	RL (m)	Azimuth	Inclination	Depth (m)	Coal Quality
CSDC001	281906	9203471	30.3	0.0	-90.0	3.5	y
CSDC002	278579	9206007	12.9	0.0	-90.0	4.8	y
CSDC003	280874	9204088	25.5	0.0	-90.0	3.5	y
CSDC004	280892	9203788	23.4	0.0	-90.0	1	y
CSDC005	280881	9204784	33.8	0.0	-90.0	1.6	y
CSDC006	280960	9203299	22.6	0.0	-90.0	2.5	y
CSDC007	281620	9203648	24.5	0.0	-90.0	3.7	y
CSDC008	282024	9203954	25.2	0.0	-90.0	3.3	y
CSDC009	282132	9203904	27.6	0.0	-90.0	1.6	y
CSDC010	283427	9202672	67.9	0.0	-90.0	7.3	y
CSDC011	284144	9202306	74.0	0.0	-90.0	1.3	y
CSDC012	276143	9207393	9.7	0.0	-90.0	1.8	y
CSDC013	276101	9207353	8.8	0.0	-90.0	1	y
CSDC014	276213	9206436	4.5	0.0	-90.0	1.2	y

Table 4 - Channel sample locations

This announcement was authorised by Mr Paul Mulder, Managing Director of Mayur Resources Limited.

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## ABOUT MAYUR RESOURCES

Mayur Resources is an ASX-listed company focused on the development of natural resources in Papua New Guinea. The maturation of our diversified asset portfolio, which spans industrial minerals, power generation, coal, copper and gold, will contribute to nation-building and job creation in a country experiencing a significant growth trajectory. Our unique portfolio of projects, many in close proximity to world-class producing mines, are located on or near to the coast for easy development access and future access to seaborne markets.

## COMPETENT PERSONS STATEMENT

I Kerry Gordon, confirm that I am the Competent Person for the report and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code, 2012 Edition, having over 15 years' experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member of the Australian Institute of Mining and Metallurgy, Membership #224807.
- I have reviewed the Report to which this Consent Statement applies.

## JORC CODE, 2012 EDITION – TABLE 1 (DEPOT CREEK RESOURCE UPGRADE 2020)

### SECTION 1 SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><i>Sampling techniques</i></p>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg 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.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘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 (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Previous drilling program consisted of 6 holes (HQ and NQ in 2014)</li> <li>• Core was photographed before sampling but after interval tag placement</li> <li>• Shaw Backpack drilling was completed during 2019 45 holes (BQ)</li> <li>• Cut Channel samples were completed during 2019, 15 channels</li> <li>• All coal quality drill core analysis has been taken from HQ3, NQ3 and BQ Shaw backpack boreholes. Coring was commenced from surface and through the coal seams into the floor for at least 4 m in HQ and NQ holes. Backpack drill holes drilled into floor verified from adjacent outcrop.</li> <li>• All seams were fully sampled at the time of drilling. Roof, floor and parting samples were also taken for all seams. Coal samples were between 0.1 and 0.5 m thick and sampled as individual plies on the basis of lithological characteristics.</li> <li>• Any non-coal partings less than 0.10 m thick were included with the coal ply samples. Partings greater than 0.10 m and up to a maximum of 0.5 m were sampled separately.</li> <li>• All available material within each identified sample interval was double bagged at the drill site in plastic bags accompanied by duplicate sample tags. These were sealed with cable ties and placed into larger plastic bags for transportation to the laboratory.</li> <li>• Coal seam depths and thicknesses for 2014 holes were interpreted from downhole geophysical logs available on HQ and NQ holes (density, gamma, calliper) and compared with recovered core intervals as measured during drilling. Where appropriate, known core loss was calculated and logs adjusted to accommodate differences</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>between core and geophysical log lengths.</p> <ul style="list-style-type: none"> <li>• The geophysical logging tools were calibrated by the logging company.</li> <li>• All coal quality samples were prepared and analysed using Australian Standard testing methodologies based on a pre-determined analysis regime designed by a third party, expert coal quality consultant.</li> <li>• Backpack drill holes of 2019 were not geophysically logged. Depths, thickness and partings were verified from nearby outcrops.</li> <li>• Cut channel sample were undertaken in the 2019 program, the coal face was cleaned, logged and sampled using the same methodology as for drill core.</li> </ul>
<p><i>Drilling techniques</i></p>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</i></li> </ul>	<ul style="list-style-type: none"> <li>• A total of 6 cored drillholes of varying depths were completed during the Depot Creek 2014 programme, and 45 for the 2019 programme.</li> <li>• Total metres drilled was 465.55m and 130.93m</li> <li>• The 2014 program used an ‘Alton LT140’ man portable rig 130.93 respectively</li> <li>• The 2019 program used 2 Shaw backpack drill rigs (41mm OD) with a conventional coring (BQ) set up.</li> <li>• The 2014 programme was managed and run by Deepcore Drilling.</li> <li>• The 2019 programme was managed by Mayur Resources</li> <li>• All drilling to date has been vertical cored HQ3, NQ3 and BQ3 core holes for coal quality sampling.</li> <li>• All 2014 coal quality samples were taken from the cored boreholes using HQ3 or NQ3 size, triple tube core barrels (of 1.6m linear capacity) on a wireline to produce 61.1 mm and 45.1 mm diameter core respectively.</li> <li>• For the 2019 Backpack drilling program a total of 45 holes were drilled.</li> </ul>
<p><i>Drill sample recovery</i></p>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Core recovery was accurately measured using a tape measure</li> <li>• 2014 drill core was measured within the splits to minimize sample</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<p>disturbance, prior to transferring core to PVC</p> <ul style="list-style-type: none"> <li>2019 Core was extracted from conventional core barrel directly to sample trays for photography, logging and sampling.</li> <li>Fit coal broken pieces together so that there are no gaps</li> <li>If coal was expected in the coming runs, drilling crew and geologists would endeavour to organise the runs by stopping early on the run above the coal so that the seam is cored in one run. This increases the chance of good coal recovery.</li> <li>The weighing of the coal samples for special moisture sampling was completed at the drill site as per the guidelines provided by MCQR (McMahon Coal Quality Resources). A hanging scale and kitchen scales were both used to measure the weight of the sample.</li> <li>During the drilling process each core run was individually measured by the driller and rig geologist. The recovered length was recorded in the drilling sheet. Core loss intervals were identified and marked next to the core on the core table by the rig geologist. The depth intervals were marked and the core was then photographed. Core loss was incorporated into the initial lithological log.</li> <li>Interpretation of the downhole geophysical logs and lithological logging from the core hole was used to define the coal roof, parting and floor intervals for the sampling of the 2014 program core.</li> <li>All uncontaminated material from each sample interval was carefully transferred from the core table to a plastic bag by hand and through the use of various sampling tools.</li> <li>All coal samples were sampled irrespective of core recovery. Decisions were made later by the Principal Company Geologist about which samples were analysed. Core loss within individual samples was acceptable as long as the recovery of the full seam section was considered to be representative.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>The logging and sampling site was always set up on a level flat area, on a good work bench to mark up and photograph the core, with a tarpaulin to cover the work area and core trays and samples, with</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>studies.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>good lighting when working at night.</p> <ul style="list-style-type: none"> <li>• All core was Geologically logged, marked, measured, and photographed before sampling.</li> <li>• The cored intervals from all drill holes were geologically logged by trained rig geologists. Core depths were initially based on the details provided by the driller and were verified by the rig geologist.</li> <li>• The logs were reviewed, and sample lengths validated and adjusted as required by experienced Company Geologists. Changes to the logs were only made after careful evaluation of all data (lithology logs, geophysical logs and core photos).</li> <li>• For the 2014 drill holes where necessary, the depths were adjusted later in the lithological log (manual or digital) to match depths determined from the down hole geophysical logs.</li> <li>• Core loss in the coal for the 2014 program was determined based on differences between sample length and interpreted intervals from geophysical logs.</li> <li>• Core loss for the 2019 program was determined from drilling depths and distinct drilling breaks monitored during drilling versus core recovered.</li> <li>• All Geological, lithological and limited geotechnical features were identified and logged for the 2014 programme. Core diameter was deemed to small for suitable geotechnical logging in the 2019 programme</li> <li>• The 2014 drill holes were lithology logged directly into a Toughbook computer using Task Manager 2014 software</li> <li>• The 2014 drill holes from the Depot Creek programme were Geophysically logged using a minimum of density, caliper and gamma responses, as well as verticality, sonic and resistivity sondes when possible.</li> <li>• The entire 465.55m of the 2014 drilling programme (6 holes) and the 2019 programme 130.93m (45 holes) was logged.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>All 2014 core was photographed in the field while on the core table after depth markers and sample intervals had been marked on it, but prior to any logging or sampling being carried out. The photographs covered a maximum interval of 0.5 m each and are stored in a digital format.</li> <li>All 2019 core was photographed as individual core trays.</li> </ul>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>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.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Geological and geophysical logs and core photos were used to distinguish sections of seams representing different coal qualities and these were analysed separately wherever possible. The core was logged and sampled as soon as possible after drilling to reduce potential for moisture loss. All available material within each identified sample interval was removed during sampling, including portions of the roof, seam, partings, and floor for all seams drilled. The core was broken by hammer and chisel where required to separate the core into specified sample intervals. All possible efforts were made to minimise any other breakage of the core.</li> <li>All 2014 drill core samples were sent to the Bureau Veritas Coal laboratory at Brendale, Queensland. Here every sample was registered and weighed on an as-received and an air-dried basis, and then analysed for apparent relative density. Representative samples of seams were selected and composited for analysis based on the initial ARD results. Sample preparation and the subsequent analyses were conducted using Australian Standard testing methodologies, and followed a pre-determined analysis regime designed by a third party, expert coal quality consultant.</li> <li>All 2019 drill core and channel samples were sent to ALS laboratory in Brisbane. Sample preparation and the subsequent analyses were conducted using Australian Standard testing methodologies, and followed a pre-determined analysis regime designed by a third party, expert coal quality consultant.</li> <li>BQ coal core was sampled in 1m lengths where possible for larger sample size.</li> <li>Bureau Veritas samples (2014) were initially crushed to a top size of</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>11.2mm, then half placed in reserve. The remaining half was then crushed to 4 mm for detailed raw coal testing. Raw coal composite analysis testing was also completed on the major seams.</p> <ul style="list-style-type: none"> <li>• Non-coal (roof, floor, interburden) samples were initially crushed to a top size of 11.2mm, then half placed in reserve. The remaining half was then crushed to 4 mm for relative density, proximate and total sulphur testing.</li> <li>• ALS lab samples (2019) were crushed to -11.2mm, divided, and then ¼ of the sample is crushed to -4mm. This -4mm sample is then divided, and partially crushed again – generating a both -4mm and -0.212mm split.</li> </ul>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The 2014 coal quality testing programme was designed by a third party, expert consultant.</li> <li>• The coal testing laboratories used (Bureau Veritas, Brendale and ALS Brisbane, Queensland) are National Association of Testing Authorities, Australia (“NATA”) accredited and undertakes coal testing according to AS, ASTM, or ISO standards. The laboratories have well established procedures for quality control and verification of acceptable levels of accuracy. The laboratory reports indicate that the analysis reported has been performed according to the appropriate standard, although the exact standards followed are not supplied on an individual basis.</li> <li>• Downhole geophysical logging was undertaken by Borehole Wireline International utilising appropriately tested and calibrated tools. Results and data provided were in accordance with expectations. No independent checks have been conducted into the company’s equipment and procedures. Downhole conditions varied and wherever possible, open hole surveys were completed, but in some instances only in-rod geophysical logging surveys could be completed.</li> </ul>
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data</i></li> </ul>	<ul style="list-style-type: none"> <li>• All primary field data have been checked and validated by Senior Company Geologists. Identification of seams and sample intervals to be composited for analysis were determined by the Principal Company Geologist for the 2014 program and the author for the 2019 programme. All sample details and other borehole data were</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>verification, data storage (physical and electronic) protocols.</i></p> <ul style="list-style-type: none"> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<p>provided to the resource modeller in digital spreadsheet format for verification by the Competent Person.</p> <ul style="list-style-type: none"> <li>• Analytical data were progressively entered into standardised spreadsheet templates at the laboratory as and when the results were generated. At the completion of each analysis stage, preliminary copies of the data were sent to an expert coal quality consultant retained by the Company, and the Principal Company Geologist for checking and validation prior to testing commencing on the next stage. At the end of testing, a single spreadsheet containing all the validated results was issued for each individual borehole for digital data storage.</li> <li>• The coal quality and geological data have been independently checked and validated by a third party expert consultant, no adjustments have been made to any of the data.</li> </ul>
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• LIDAR was flown and processed after the 2019 Backpack drilling program</li> <li>• Final 2014 drill hole collar positions were surveyed using a directional GPS (Garmin GPSMAP64S with OmniSTAR VBS) that was rated for sub- metre accuracy.</li> <li>• Survey results were recorded in Datum WGS84 and projection UTM Zone 55 South.</li> <li>• LiDAR was flown and processed by TWH Ltd.</li> <li>• LiDAR topography surface heights varied from previous available, Reduced level heights of Drill holes and channel sample were registered onto Lidar topography.</li> <li>• Lidar topography surface heights varied from previous available topographic data. Lidar was flown in a closed loop configuration and corrected by TWH Ltd. Where discrepancies were present between elevations of drill collars or observation points that used previous topographic survey data along with x and y co-ordinates from GPS surveys, it is assumed the Lidar Data is correct for elevation. Therefore the elevations of all observations are snapped vertically</li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>into position onto the Lidar topographic survey data. This often reduced the elevation of old points of observation and it is likely that old topographic information was disrupted by dense jungle vegetation. These modifications to elevation of observation points are material for calculation of coal and overburden tonnages.</p>
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drillhole spacing varies between 174m and 611m for the HQ/NQ holes and 62m and 500m for Channel sampling.</li> <li>• Data spacing is sufficient to establish the degree of coal seam continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure</li> <li>• Multiple samples were obtained for some coal seams within the project area. As such, where appropriate, sample compositing has been completed. Samples were weighted against sample thickness and RD. The samples were combined into relevant seam composites by the laboratory under instruction from the Principal Company Geologist to create a sample of sufficient size for the required testing programme.</li> </ul>
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Depot Creek project is located in the foothills of the Papuan Fold Belt</li> <li>• All holes were drilled vertically, to enable ease of drilling</li> <li>• The Depot Creek Project is situated within a moderate structural zone with moderate 'at surface' south-westerly dips Mapped dip observations in the Depot Creek area range between 20° and 30°,</li> <li>• Some minor faulting is documented within the cored holes and outcrop pattern, however the impact of individual fault displacements on the Resource Potential not calculated except where faulting prevents correlation of seams. Faults are likely to increase in throw and density closer to the known major thrust faults in the area.</li> </ul>
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<p>After the drill core had been sampled for coal, the samples were:-</p> <ul style="list-style-type: none"> <li>• Uniquely labelled and sealed (in double layers of heavy-duty plastic bags) before dispatch from site. The plastic bag would be sealed with a cable tie.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• The bag was then carried to the main camp, placed off the ground, in the shade next to the Geologist tent</li> <li>• They were transported from site to Port Moresby under the supervision of a Company Geologist and/or Verum Group Geologist. When leaving site the samples would be placed in the banana boat and covered with a tarpaulin to keep the sun off them.</li> <li>• In Port Moresby, any soiled, outer plastic bags were removed and replaced with a new, clean bag, so that the samples would pass through Australian quarantine/customs checks without delay. The samples were then packed securely and transported back to Australia as checked-in luggage on commercial flights. The samples were then couriered to the laboratory (2014 Bureau Veritas, Brendale, 2019 ALS) in Brisbane</li> <li>• At all stages of the transport chain a Senior Company Geologist was present.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• A suitably trained and experienced Senior Geologist from Verum, Group or Mayur Resources was onsite during all drilling operations to observe and review logging and sampling procedures and data collection methods.</li> <li>• All logging and sampling were completed in accordance with standard industry practice suitable for resource estimation.</li> <li>• Bureau Veritas, Brendale, Queensland undertook internal audits and checks in line with the Australian standards and their NATA certification. And the coal quality data have been routinely validated by a third party, expert consultant.</li> <li>• ALS Coal Services Brisbane maintains the background internal quality control data and a library of detailed laboratory analytical methods required as the necessary documentation for JORC reporting.</li> </ul>

## SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Depot Creek project area is within one exploration licence EL1875</li> <li>• The licence is held by Waterford Ltd, however Mayur has the rights to 100% of the licences EL1873, EL1874, EL1875, EL1876</li> <li>• Occurrences of coal seams stretching over a strike length of 200km are known to occur across 5 licences – EL1873, EL1874, EL1875, EL1876, and EL2305, all of which are either held or managed by Mayur</li> <li>• Known mapped extensions occur over a strike length of 120km</li> <li>• The tenements are all in good standing and report writing up-to-date</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• There is a long exploration history for coal within the region, with the first explorers venturing to the area in 1894 and finding coal</li> <li>• No company has ever held an exploration licence to explore for coal in PNG prior to 2009</li> <li>• A drilling program was undertaken in 2014 in the Depot Creek area</li> <li>• Bryan conducted extensive surveying and mapping on behalf of CRA in 1975 without applying for an exploration licence. Many of his maps have been field checked and are very accurate. In particular his map of the Depot Creek project area is accurate.</li> <li>• Waterford conducted a review of the entire Papuan Basin based on previous geological mapping and petroleum well-hole work.</li> <li>• Phoenix Global conducted a review of the Depot Creek project in 2012. They visited site for 5 days, created a basic map and collected samples.</li> <li>• Geovale Services contracted by Mayur Resources conducted field mapping and sampling in the Depot Creek area in 2018.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The coal at Depot Creek is located in the foothills of the Papuan Fold Belt along the mid-to-upper reaches of the Era River</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• The Papuan Fold Belt is a South-East trending Geological province separated from the Fly Platform to the South by the Papuan Thrust, and juxtaposed against the Aure Fold Belt to the south-East by a major thrust fault</li> <li>• In the Papuan Fold Belt, Miocene limestone and younger sandstone and coal of the Fly Platform are deformed by northeast dipping thrusts and associated folds in a foreland fold-and-thrust belt.</li> <li>• Deeper erosion at the northern extremity of the fold belt exposes underlying Mesozoic sandstone, siltstone and shale, as well as local intrusions, below the Miocene limestone.</li> <li>• Quaternary stratovolcanoes at Mt Bosavi and Mt Murray, which rise 1500- 2000m above the surrounding countryside, are surrounded by thick, lahar outwash deposits. Volcanic activity has ceased, but local oral history, and the presence of fumaroles hot springs, suggests a major eruption occurred in the Doma Peaks area several hundred years ago. Some craters are deeply eroded, but many volcanic centres, including Holocene cones, are still well preserved and can be identified on aerial photographs. Other centres extend southeast from the Mt Bosavi volcano to the margin of the Fly Platform.</li> <li>• The Papuan Fold Belt is separated from the New Guinea Thrust Belt to the north by the New Guinea Thrust, which comprises a corridor of arc-parallel structures. In the western part of the thrust, the most prominent structure is the Lagaip Fault, but it also includes the Trangiso, Stolle and Figi Faults. To the east, the thrust probably encompasses the Ambum and Kubor Faults, but it is not easily traced east of Quaternary basalt cover in the Mt Hagen area.</li> <li>• The Papuan Fold Belt also contains the Kutubu Oilfield, which originally contained recoverable reserves of more than 350 million barrels of oil and the giant Hides gas field (more than 5 trillion cubic feet of reserves), which will form the core of the PNG LNG project.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• <i>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:</i></li> </ul>	<ul style="list-style-type: none"> <li>• All the drill hole and channel sample co-ordinates from the 2014 and 2019 programmes in WGS84 Zone55S are available and listed. Please refer to Appendix 1</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> <li>● <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>● All downhole lengths and coal seam interception depths are provided</li> <li>● All drill holes and channel samples are considered to be vertical (90°) and incorporation of deviation data was not considered necessary</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>● <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>● <i>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.</i></li> <li>● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>● <i>Seams have been generally sampled and reported as full seam thicknesses. Where seams have been subsampled due to interpretation from the field geologist, samples have been reconciled in the laboratory to reflect corrected seam identification</i></li> <li>● <i>Drill holes which do not fully intersect the seam are excluded from the model for Tonnes and coal Quality, roof or floor points are used for structural modelling purposes.</i></li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>● <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>● <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i></li> </ul>	<ul style="list-style-type: none"> <li>● All drilling was conducted using vertical holes</li> <li>● The average dip of the coal seams at surface is around 25° however ranges between 30° and 17° within the geological models.</li> <li>● All coal seam intercepts represent apparent thicknesses, assuming a vertical intersection of the dipping seam.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>● <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>● Included as necessary within the report.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All applicable data from the 2014 and 2019 drilling programmes shall be included in this report</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All applicable data from the 2014 and 2019 drilling programmes shall be included in this report</li> <li>All applicable data from previous field mapping and sampling programs shall be included in this report.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Further drilling programs along strike to the north west and south east are planned for the Depot Creek deposit.</li> <li>Known outcropping coal seams occur for 120km total strike length, and these coal seams need to be field mapped and sampled by Mayur staff then followed up by drilling.</li> </ul>

### SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code explanation	Commentary
<i>Database integrity</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Data validation procedures used.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Mayur and PMPL (Pacific Mining Partners) and Verum Group personnel have validated the data submitted from the field Geologists</li> <li>• All 2014 borehole data was collected, corrected and validated using Task Manager 2014 geological logging software, and stored in Microsoft Excel spreadsheets. Filters were applied in Task Manager to limit the codes that could be entered for certain parameters and internal calculation checks were completed to ensure numerical values, codes, sample data and geophysical logs are valid. Core photos were registered in Task Manager to allow viewing with lithological data. Graphical plots were produced to match lithological and sample data with geophysical logs. All field data was reviewed by the Principal Company Geologist.</li> <li>• Coal quality data were routinely validated by a third-party expert consultant.</li> <li>• Data was also validated using Micromine (2015) and Leapfrog (2019) Geological database and modelling software.</li> </ul>
<i>Site visits</i>	<ul style="list-style-type: none"> <li>• <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li>• <i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The author of this report Senior Geologist Kerry Gordon was onsite ~3 weeks advising to the 2019 backpack and channel sampling program</li> <li>• Mayur Geologist Mr. Thomas Charlton completed a number of site visits during the 2014 drilling programme compiling observations of the site status and facilities</li> <li>• A suitably qualified and experienced Senior Geologist from PMPL was in charge of managing the entire 2014 programme from start to completion</li> </ul>
<i>Geological interpretation</i>	<ul style="list-style-type: none"> <li>• <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></li> <li>• <i>Nature of the data used and of any assumptions made.</i></li> <li>• <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The drill hole and outcrop channel sample density in the Depot Creek project allows good confidence in the seam thicknesses and quality consistency</li> <li>• The interpretation follows along well mapped and sampled strike lengths of outcropping coal,</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li><i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<ul style="list-style-type: none"> <li>A stripping ratio of 15:1 vertical OBR was used as a cut off</li> <li>Outcrop sampling and structural controls by lithological boundaries are used to determine seam correlation</li> </ul>
<i>Dimensions</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>At Depot Creek the resource area is approximately 11.9 km along strike, 200 - 1300m in plan width (total).</li> <li>The seams once clipped to 15:1 OBR do not overlap except for and A1 and A seam, therefore cumulative coal seam thickness is approximately ~5m</li> <li>The depths of the seams intersected in drill holes varies from outcropping at the surface to a maximum of approximately 150 mbgl</li> <li>The average density of the coal used to calculate the resource was 1.37g/cm<sup>3</sup> (In situ moisture basis)</li> </ul>
<i>Estimation and modelling techniques</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li><i>The assumptions made regarding recovery of by-products.</i></li> <li><i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li><i>Any assumptions behind modelling of selective mining units.</i></li> <li><i>Any assumptions about correlation between variables.</i></li> <li><i>Description of how the geological interpretation was used to control</i></li> </ul>	<ul style="list-style-type: none"> <li>The Geological model was developed by the competent person using Leapfrog modelling software.</li> <li>A full description of the modelling process and parameters is included in the main body of the report</li> <li>Full coal thickness from roof to floor is modelled for all coal seams</li> <li>Limits were placed on the resource estimate using the 0.3m thickness cut-off applied to all coal seams</li> <li>The models have been validated by checking cross-sections, thickness contours to ensure conformity with lithological boundaries and drill hole data</li> <li>The previous (2014) JORC resources were used as a check along with estimates based on mineralisation extent</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>the resource estimates.</i></p> <ul style="list-style-type: none"> <li>• Discussion of basis for using or not using grade cutting or capping.</li> <li>• The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</li> </ul>	
Moisture	<ul style="list-style-type: none"> <li>• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>• The <i>in-situ</i> moisture of all samples has been estimated and coal density used for resource estimation adjusted accordingly</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>• The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum raw ash for the coal resource is 35%</li> <li>• The minimum coal thickness for open cut coal mining at Depot Creek is estimated to be 0.30m</li> <li>• Maximum overburden ratio cut-off is 15:1 vertical</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Open cut mining studies to date are of a conceptual nature only</li> <li>• Based on site visits, the seams will be mined as long strike shallow opencast pits. The pits will not intersect as the 1:15 strip ratios only intercept for seams A and A1.</li> <li>• Further exploration and seams definition plus pit batter angle may see pits shells overlap</li> </ul>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Only raw coal data has been modelled for this resource report. It is not anticipated that the coal will be beneficiated.</li> <li>• There have been no metallurgical assumptions made</li> </ul>
Environmental factors or assumptions	<ul style="list-style-type: none"> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• Currently there is no mining title over the Depot Creek project area</li> <li>• Mayur is unaware of any limiting environmental factors at this very early stage of the project development</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p>	<ul style="list-style-type: none"> <li>• The area has no special environmental value</li> <li>• The project site is very isolated. No people live within a 23km radius. The nearest village (Ura) is 23km to the north along the Purari River. The next nearest village (Era Maipua) is 30km downstream by banana boat</li> <li>• The Era River can rise quite dramatically during the rainy season</li> <li>• Environmental baseline studies have not yet commenced</li> <li>• Waterford Ltd has an Environmental permit for the Depot Creek EL 1875 permit. See Appendix 2</li> </ul>
Bulk density	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> <li>• <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Bulk density has been determined using an in-situ density derived from laboratory seam densities on an airdry basis. Moisture holding capacity has been used in lieu of an ACARP style Total Moisture (TM) determination within a Preston Sanders Insitu density calculation. There is likely to be some error in the density conversion due to the low rank of the coal, and associated high moisture values, however within the context of an Inferred and indicated confidence classification the bulk density reported is considered robust. Densities have been applied on a seam average basis. At such time as further data becomes available, seam densities will be modelled as a variable across the deposit on a ply basis.</li> </ul>
Classification	<ul style="list-style-type: none"> <li>• <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li>• <i>Whether appropriate account has been taken of all relevant factors (ie 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).</i></li> <li>• <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The classification of resources are based on the maximum distances from a point of observation (moderated by factors such as Geological continuity) as recommended in the Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves (2003) as used for the 2014 JORC statement and updated for JORC 2012</li> <li>• The reliability and confidence in data available has been considered, unreliable input data such as the 2018 field mapping was removed as a point of observation and only used as supportive data</li> <li>• LiDAR surveys in conjunction with and extensive site visit provided confidence in the continuity of geology</li> <li>• The final resource classification reflects the Competent Person's view</li> </ul>

Criteria	JORC Code explanation	Commentary
		of the deposit.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The estimate has not been reviewed by any third party at this time.</li> </ul>
<i>Discussion of relative accuracy/confidence</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> <li>• <i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The relative accuracy of the resource is reflected in the reporting of the coal resource as per the guidelines of the 2012 JORC (Joint Ore Reserves Committee) code.</li> <li>• The reporting of Resources under an Inferred Classification(9. shows that detailed characteristics of the resource are still poorly understood. The supporting data from historical mapping means that confidence in the coal seams endowment across the reported area is high, although thicknesses, qualities and dips of the coal within extrapolated areas is low.</li> <li>• The reporting of the Resources under the indicated section Show that are Indicated section 3.4 mT, site visit by author being key.</li> </ul>