

# QUARTERLY REPORT

## FOR THE THREE MONTHS ENDED 30 JUNE 2015



# ONE ASIA RESOURCES

### KEY POINTS

- Pani Project - MOU signed with Provident.
- Rights Issue raises \$2.6m.
- Appointment of Mr Gavin Bradley as Non-Executive Director.
- Awak Mas Updated Feasibility Study: Preliminary Indonesian Government Approval.

### OVERVIEW

Significant progress has been achieved by One Asia with the signing of the MOU with Provident over the Pani Project and the successful completion of the recent rights issue. These positive developments aim to accelerate the resolution of the current Pani IUP dispute, and allow the company to work in co-operation with Provident, the KUD Dharma Tani Marisa, and the local community to develop the Pani Project.

At Awak Mas, One Asia has been successful in obtaining preliminary approval for the company's expanded feasibility study for the project incorporating the Salu Bulu satellite deposit.

## PANI GOLD PROJECT

During the quarter One Asia signed a Memorandum of Understanding (MOU) with Provident Capital Partners Pte Ltd (Provident) providing for the establishment of a joint venture on One Asia's interests in the Pani Gold Project. The purpose of the arrangement is to resolve the current Pani IUP dispute dating back to December 2013, working in co-operation with the KUD Dharma Tani Marisa (KUD) and the local community to develop the Pani Project. The ultimate ownership of the joint venture will be 66.6% Provident and 33.3% One Asia, with One Asia and Provident each committing US\$4m cash. Detailed agreements are currently being established with respect to the operation and management of the joint venture. These arrangements will include representation by One Asia on the Joint Venture board and pro rata funding rights.

Provident is well-credentialed, has extensive Indonesian experience and networks and will be invaluable in resolving the Pani IUP dispute and ultimately developing the project. One Asia is appreciative of the tangible support from Provident at Pani and looks forward to working together to enhance tenement security and social licence, and to take Pani forward into production. One Asia and Provident are committed to the development of the Pani IUP with the KUD and local community.

As previously announced, the One Asia Group received correspondence from PT Prima Mineralindo Nusantara ('PT Prima'), a company associated with the wife of former One Asia MD, Mr Stephen Walters, alleging that a right of first refusal over One Asia's interest in the Pani Project had been triggered by the Provident MOU, and that One Asia is in default with respect to the Pani arrangements. On 7 July 2015 the One Asia Group received correspondence from PT Prima purporting to terminate one of the agreements that establish the Pani Joint Venture. There is no legal basis for PT Prima's notices, and the One Asia Group continues to deny default, observing that the default notice and subsequent termination notice are of no force and effect. The One Asia Group is reviewing the actions of PT Prima and Mr Stephen Walters, and will vigorously defend its rights in the Pani Project.

During the quarter One Asia staff and personnel continued baseline studies and undertook routine technical activities at the Pani site.

## AWAK MAS GOLD PROJECT

During the quarter the Indonesian Mines Department provided its preliminary approval for the revised Awak Mas feasibility study. The next step for Awak Mas from a permitting perspective involves completing the AMDAL (Indonesian environmental and social approval) which is required prior to final Mines Department approval.

The updated Awak Mas Prefeasibility Study (PFS), as announced to shareholders in March 2015, incorporates the Salu Bulu higher grade satellite deposit and the Tarra Main satellite deposit neither of which were included in the 2012 Study. The PFS demonstrates that a robust commercial scale gold project can be developed at Awak Mas and the results warrant the completion of a Bankable Feasibility Study.

The benefits of adding higher grade ore into the mine plan, and a reduction in the plant size and pit have led to significant improvements in NPV. In addition, the new work benefits from the flexibility of multiple pits and ore sources, lower fuel prices and generally declining industry costs. Ownership has increased from a right to earn 80% to 100% outright ownership obtained in December 2013, subject to a royalty due to Vista Gold Corp. ('Vista') on gold production capped at 2.5 million ounces. The royalty due to Vista is 2% on the first 1.25 million ounces of gold produced and 2.5% on the next 1.25 million ounces of gold produced.



	PFS November 2012*	PFS March 2015**
Resource	49.7mt x 1.4g/t: 2.1 moz	60.6mt x 1.45g/t: 2.83moz
Mined / Treated	29.mt x 1.37g/t	23mt x 1.55g/t <sup>(1,2)</sup>
Treatment Rate	3.5mt	2.5mt
Mine Life	8.5 years	10 years
Gold Recovered	1.14moz	1.02moz <sup>(3)</sup>
Cash Operating Cost (C1)	\$714/oz	\$565/oz
Capex	\$299m	\$198m
Including Contingency	15%	18%
Pit Optimisation Gold Price	\$1,250	\$1,250
<b>NPV 7.5%</b>	<b>\$17m</b>	<b>\$166m</b>

(1) Strip ratio 3.8/1 recovery 89.2%.

(2) Includes Inferred Resources from: Tarra Main of 2,787,690t @ 1.38 g/t Au; Awak Mas of 735t @ 3.35 g/t Au; Salu Bulo of 15,824t @ 1.39 g/t Au.

(3) Includes 111k ounces of gold recovered from an Inferred Resource on Tarra Main.

\* Released 17 December 2012

\*\* Released 16 March 2015

## CORPORATE

### FULLY SUBSCRIBED RIGHTS ISSUE RAISES \$2.6M

In May 2015, One Asia undertook a rights issue to fund its contribution to the Pani Project Joint Venture, to continue work on the Awak Mas Project and to fund working capital progressing its goal of becoming a successful gold mining company in Indonesia. The partially underwritten offering (1 for 9 renounceable rights at A\$0.18/share) was fully subscribed raising \$2.6m with 14,422,795 shares issued as a result.

### APPOINTMENT OF GAVIN BRADLEY AS NON-EXECUTIVE DIRECTOR

The Board of One Asia warmly welcomes Gavin Bradley who has been appointed as a Non-Executive Director of One Asia, bringing a wealth of experience in the financial markets and the resources sector. He is a senior finance executive with over 20 years banking experience (including +10 years as Joint Head of Macquarie Bank Limited's Metals and Energy Capital Division), specialising in project finance and principal equity investing across the mining and oil and gas sectors. Prior to that he worked for prominent Australian gold miner Normandy Mining. Gavin partially underwrote One Asia's recent rights offering, with a personal investment of \$0.5m. In the interests of preserving One Asia's cash reserves, Gavin has requested to receive shares in lieu of his director's fees.

### COST MINIMISATION

One Asia has undertaken a series of initiatives to minimise costs in 2015 and conserve cash wherever possible. To this end, One Asia issued 1,130,742 shares during the quarter with respect to underwriting fees and in lieu of cash for the provision of certain services under the same pricing as this rights offering, as approved by shareholders at One Asia's AGM. The services include provision of a corporate office by Lion Selection Group with Craig Smyth appointed as CFO and Company Secretary at a significant cost saving. Payment under these arrangements is by way of One Asia shares in lieu of cash. Mr Robin Widdup has elected to defer his director fees since November 2014, opting to receive shares in lieu of cash.

As noted above Gavin Bradley will receive shares in lieu of director's fees. In addition, Adrian Rollke has requested to receive 28% of his salary from 1 July 2015 by way of shares and Boyke Abidin, President Director of Indonesian Operations has elected to accept 10% of his salary on the same basis.

### INVESTOR RELATIONS

This is One Asia's inaugural quarterly report to shareholders, something that One Asia intends to continue to ensure shareholders receive regular news flow.

The Company welcomes shareholder feedback, and any questions or comments should be addressed to Adrian Rollke at +62 21 2904 0727 or via email at arollke@oneasiareources.com or to Craig Smyth at +61 3 9620 0718 or via email at csmlyth@lsg.com.au.

# CORPORATE INFORMATION

## Board Members

Fiona Robertson  
Adrian Rollke

Robin Widdup  
Rob Thomson  
Gavin Bradley  
Craig Smyth

Chairman  
Managing Director and  
Chief Executive Officer  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Company Secretary

## Issued Share Capital

At 30 June 2015 145,175,739 ordinary  
shares on issue

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