



# QUARTERLY REPORT

## FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2015



# ONE ASIA RESOURCES

## KEY POINTS

- Pani Project – Alliance with Provident secure, slow but steady progress.
- Awak Mas Project – AMDAL near completion.
- Implementation of further cost reductions.

## OVERVIEW

The alliance established with Provident in May 2015 continues with its objective of resolving the current Pani IUP dispute, and ultimately working in co-operation with Provident, the KUD Dharma Tani Marisa, and the local community to develop the Pani Project. Progress has been slow but steady, with One Asia and Provident actively working with the KUD, the local community and regional authorities to resolve the current dispute.

At Awak Mas, One Asia is in the process of updating its environmental and social permits for the recently expanded feasibility study. The AMDAL (Indonesian environmental and social approval) is expected to be filed in the 4th quarter of 2015. One Asia was successful in obtaining preliminary approval for the revised feasibility study and expects full approval in 2016.



## PANI GOLD PROJECT

In May 2015 One Asia signed a Memorandum of Understanding (MOU) with Provident Capital Partners Pte Ltd (Provident) providing for the establishment of a joint venture on 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 working relationship with Provident is well established and One Asia is appreciative of the tangible support received. 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 and Provident are committed to the development of the Pani IUP with the KUD and local community. Due to the complexity of the ownership dispute and on-going court cases, the resolution of this dispute may take some time.

Detailed agreements continue to be established with respect to the operation and management of the joint venture. 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. These arrangements will include representation by One Asia on the Joint Venture board and pro rata funding rights.

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

## AWAK MAS GOLD PROJECT

During the last quarter the Indonesian Mines Department provided 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 AMDAL is near completion and is expected to be submitted in late 2015.

The updated Awak Mas Prefeasibility Study based on a gold price of \$US1,250/oz demonstrates the potential for a commercial scale gold project 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 general lowering of costs 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.

A preliminary geological review has been undertaken at Awak Mas which has indicated an alternative geological hypothesis which if confirmed could give vertical orientation to mineralisation amenable to more selective mining. This work continues and will include relogging and remodelling work on the 1,093 historic diamond drill holes totalling more than 125,000m of drilling. The aim of this study is to enhance the existing 2.83m ounce resource, reported in March 2015\*\*, and investigate all three project areas; Awak Mas, Salu Bulu and Tarra Main. The new geological hypothesis if proven would open up the geological potential of the field, both at depth and regionally.



	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

\*\* As announced to shareholders on 16 March 2015, which is available on the company website. The company confirms that it is not aware of any new information or data that materially affects the Information included in the announcements and that all material assumptions and technical parameters underpinning the resource estimates continue to apply and have not materially changed.

## CORPORATE

### CASH CONSERVATION

One Asia has undertaken a series of ongoing initiatives to minimise costs in 2015. To this end, One Asia issued 740,563 shares for services provided, savings of around A\$133,000 during the quarter. These shares were issued with the same pricing as the recent rights offering. These shares have been issued with respect to directors' fees to Mr Robin Widdup and Mr Gavin Bradley, in lieu of salary for Mr Adrian Rollke and Mr Boyke Abidin, and with respect to CFO, Company Secretarial and administrative functions provided by Mr Craig Smyth and Lion Manager.

The company continues to rationalise costs, with Acting CEO Mr Adrian Rollke agreeing to reduce his salary by 49% effective from 1 November 2015 and Mr Boyke Abidin, President Director of Indonesian Operations electing to receive 20% of his salary in shares. In addition, Directors have elected to reduce non-executive fees to A\$40,000/year, with the chair to receive A\$50,000/year representing approximately a 40% reduction. To preserve cash, Mr Robin Widdup and Mr Gavin Bradley will continue to receive their remuneration by way of shares, and Mrs Fiona Robertson and Mr Rob Thomson have agreed to reinvest 50% of their fees into shares in the company. In addition, the size of the Jakarta head office team has been further reduced.

### INVESTOR RELATIONS

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 csmyth@lsg.com.au.

# CORPORATE INFORMATION

## Board Members

Fiona Robertson  
Adrian Rollke

Robin Widdup  
Rob Thomson  
Gavin Bradley  
Craig Smyth

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

## Issued Share Capital

At 30 September 2015: 145,638,524 ordinary shares on issue.

## Jakarta Office

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