Quarterly Activities Report

For the three months ended 31 December 2023

Summary

During the quarter Sihayo Gold Limited ("Sihayo" or "the Company") continued its focus on exploration and pre-development activities at the Sihayo-Pungkut 7th Generation Contract of Work ("CoW") in North Sumatra, Indonesia.

Exploration activities included prospecting and soil geochemical surveys at Sihayo and Hutabargot Julu (Sigompul) in the north block, and the relogging of historic drill core from Tambang Ubi and Tambang Tinggi in the south block. Scout diamond drilling programs are planned on all three prospects in calendar year 2024.

The Company continued a Concept Study with a mining consulting group as the next stage of assessing the underground mining potential at Sihayo. This follows an updated resource model and subsequent increase in the Mineral Resource Estimate (MRE) for the Sihayo deposit reported early in the previous quarter, featuring an increase in high grade mineralisation beneath the current pit limits.

The Company concluded a shareholder loan agreement to provide working capital to fund the current operations.

Executive Chairman Colin Moorhead said:

"The December quarter was one of consolidation for The Company as project work focused on evaluating underground mining scenarios while the exploration team continued to develop exciting exploration targets at Sihayo, Hutabargot Julu and Kotanopan.

With respect to potential underground mining, which targets the +3g/t Au higher-grade resources at Sihayo with aim of adding material value to the Starter project, The Company expects to release an update on this work in the coming quarter. Whilst Sihayo Gold is funded in the short term via a further shareholders loan, discussions are ongoing with key stakeholders to resolve future financing to progress the project and continue exploration on the Contract of Work".

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Sihayo Gold Limited

ASX code: SIH

12,204,256,180 shares
AUD 0.2 cents per share
AUD 24.4 m market cap
AUD $1.4 m cash

Board of Directors

Mr Colin Moorhead
Executive Chairman

Mr Misha Collins
Non-executive Director

Mr Gavin Caudle
Non-executive Director

Mr Daryl Corp
Non-executive Director

Management

Ms Susan Park
Company Secretary

Registered office

Suite 1, 245 Bay Street
Brighton VIC 3186

www.sihayogold.com

Highlights

1. Exploration

Exploration activities during the quarter included prospecting and soil geochemical surveys conducted at Sihayo and Hutabargot Julu (Sigompul) in the north block, and relogging historic drill core from Tambang Ubi and Tambang Tinggi in the south block (Figure 1).

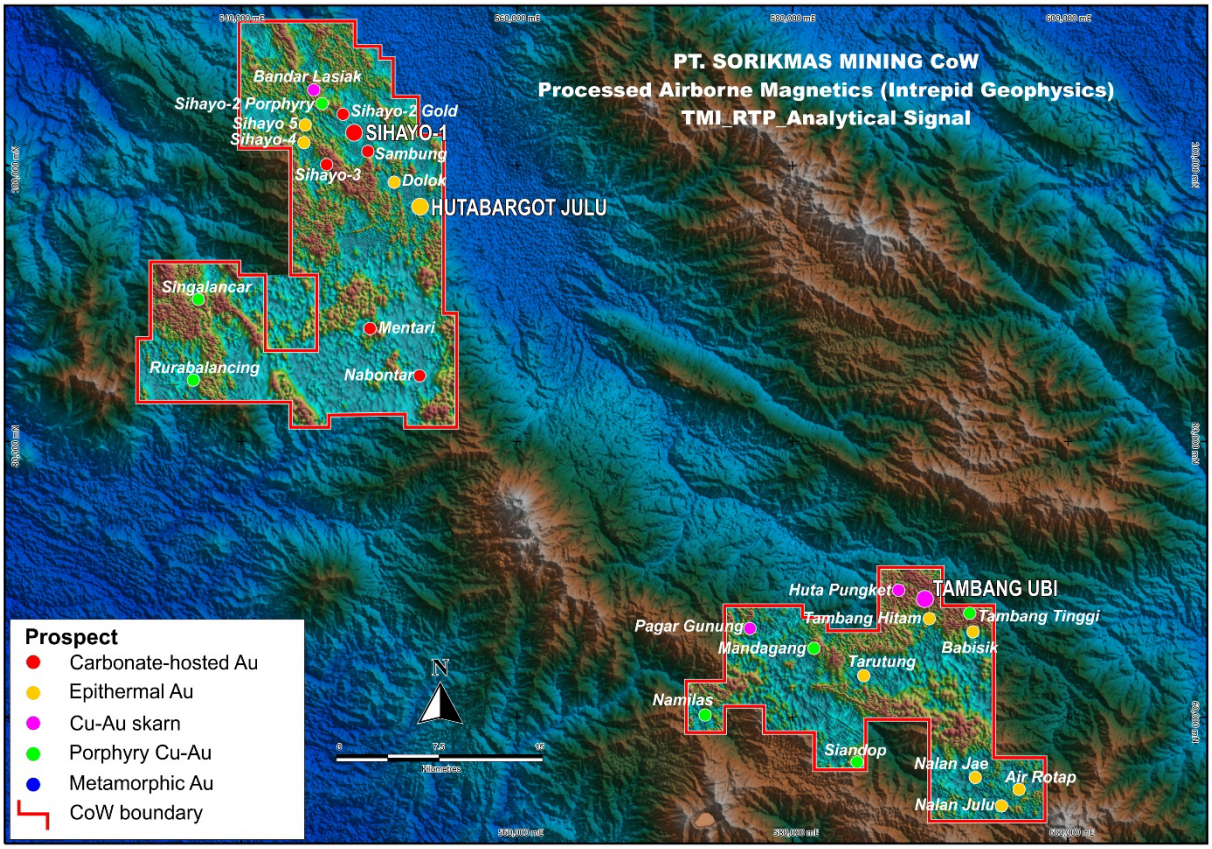

Figure 1: PT Sorikmas Mining CoW showing major prospects

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a. **Sihayo-1**

Prospecting and soil geochemical surveys were conducted at **Sihayo** and over the adjacent **Link Zone** jasperoid-hosted gold target (Figure 2). Results are expected to be received in the next quarter.

Two man-portable drill rigs are currently stored on site in readiness for additional infill and step-out drilling on the deeper high-grade gold resource at Sihayo. Drill pad construction is in progress ahead of the next program planned for calendar year 2024.

This proposed drilling program follows an updated MRE for the Sihayo gold deposit that was released in the previous quarter, and incorporated results from the 2022-23 drilling programs. The updated MRE reported an increase in contained gold of 122,000 oz at a 3 g/t Au cut-off in the Inferred and Indicated Mineral Resource categories at the deeper southern end of the Sihayo gold deposit[1].

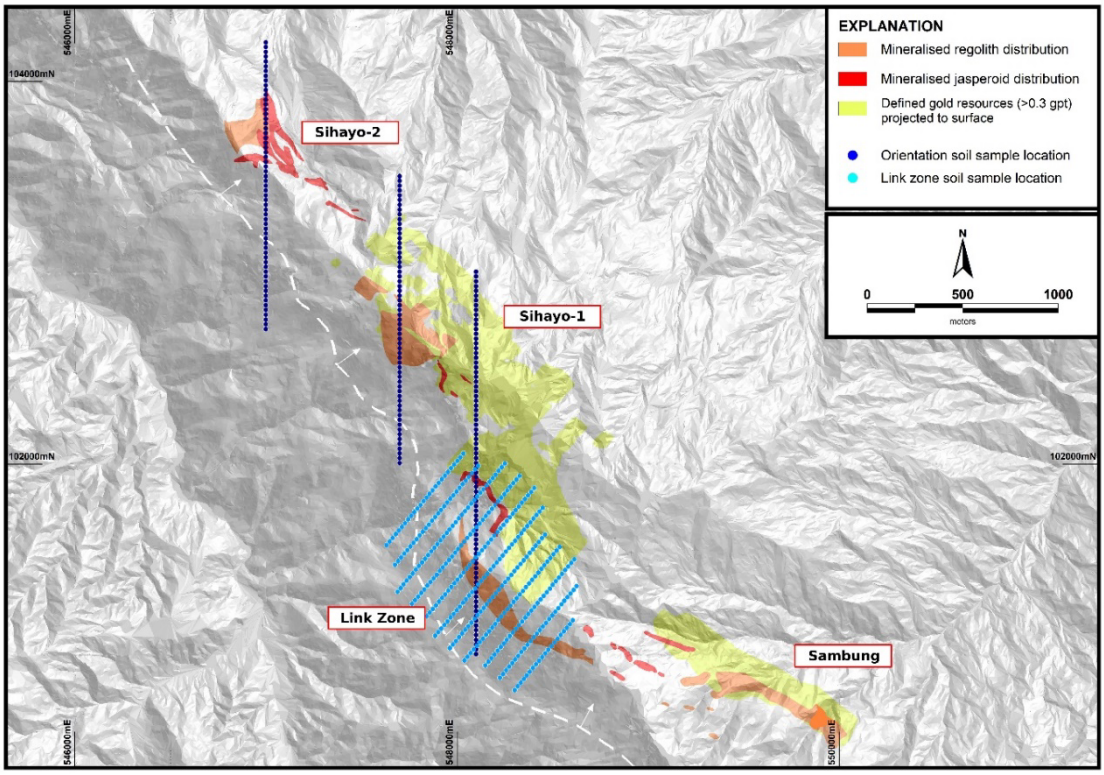

Figure 2: Sihayo Project – Location of soil sampling activities

[1] Refer ASX announcement (SIH:ASX) titled "Sihayo Mineral Resource Estimate Update results in increased grade and contained gold" dated 11 July 2023.

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b. **Hutabargot Julu**

Prospecting and soil geochemical surveys were conducted on the **Sigompul** epithermal gold-silver target (Figure 3). A scout diamond drilling program has been proposed for implementation in calendar year 2024.

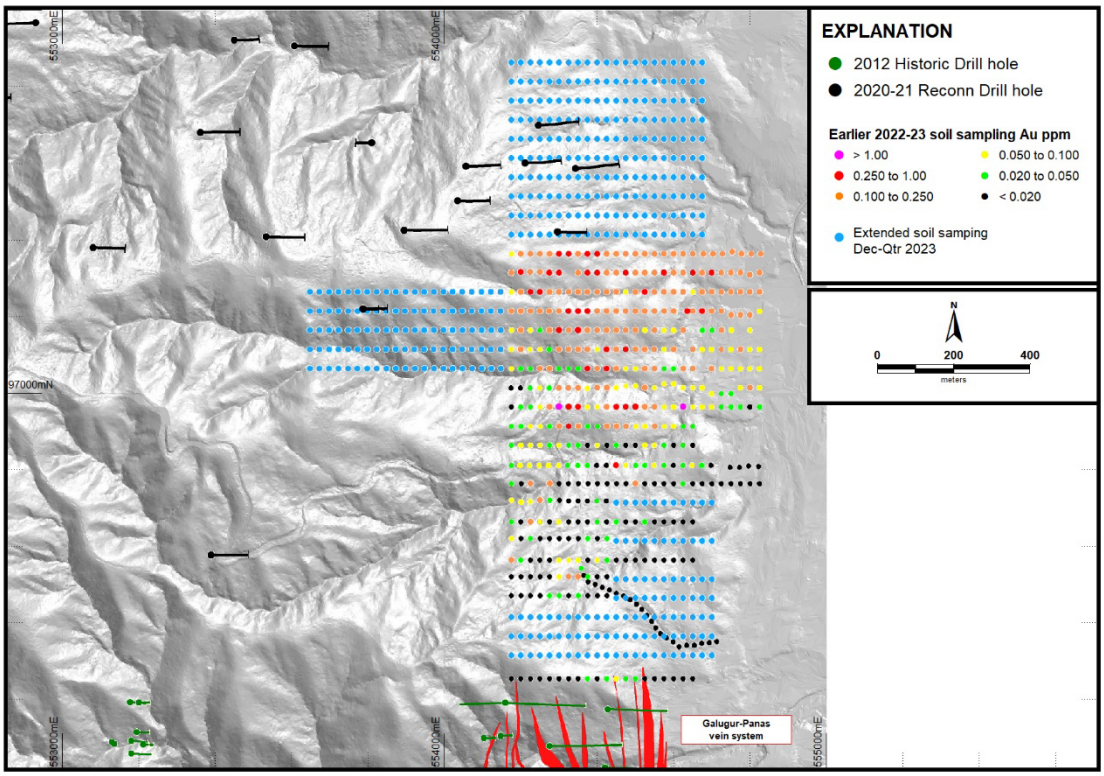

Figure 3: Hutabargot Julu Project – Location of soil sampling activities

c. **Kotanopan**

Relogging of historic drill core was conducted on the **Tambang Ubi** copper-gold skarn target and the adjacent **Tambang Tinggi** copper-gold porphyry-greisen target. A scout diamond drilling program has been proposed for implementation in calendar year 2024.

2. Sihayo Starter Project

A Concept Study assessing the underground mining potential at Sihayo is being conducted by the specialist mining consultant group Mining One. The results of this study are expected early in the March quarter.

3. Corporate

During the quarter ended 31 December 2023, the Company established a US$3.9 million loan from its largest shareholder, Provident Minerals Pte Ltd[2]. The additional funds will be used principally for permitting payments and general working capital as the Company assesses longer term funding options.

[2] Refer ASX announcement (SIH:ASX) titled "Loan from Provident" dated 27 October 2023.

December 2023 Quarter Overview

Tuesday, 30 January 2024 – The Company is pleased to report on its activities for the three months to 31 December 2023.

Health, Safety & Environment

The quarter passed with no recorded safety or environmental incidents and with a Total Recordable Injury Frequency Rate (TRIFR) of 0.00 for the 3 months to the end of the December quarter for FY2024.

The Company employs a paramedic and safety officer at each of its field camps to ensure that best practices are in place to maintain the health and safety of its employees. The field camps are regularly fogged and disinfected to mitigate the risk of insect-borne diseases and COVID-19 in the workplace.

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Exploration

Sihayo Project

Prospecting and soil geochemical surveys were conducted at **Sihayo** and over the adjacent **Link Zone** jasperoid-hosted gold target during the quarter.

An orientation soil survey was completed to characterise the gold and multi-element geochemical response in soils developed on jasperoid-hosted mineralization and the enclosing rock package. Three N-S oriented lines were surveyed and sampled at 25 metre intervals along each line (Figure 2). Soil samples were collected from between 1 and 1.5 metres depth in B/C horizon (ie transition zone parallel to the surface, and between the soil and the geologic material) using a hand-auger. A total of 203 samples was collected. The samples are stored for dispatch and assaying next quarter. Results from this orientation survey will be used to plan additional soil surveys and for drill targeting in the immediate project area.

A grid-based soil survey has commenced on the nearby Link Zone target, located between the Sihayo-1 and Sambung gold resources. Link Zone is defined by sporadic jasperoid and limestone outcrops and boulders extending beneath extensive sandstone caprock over 1 kilometre from Sihayo to Sambung[3]. The survey consists of eleven 100-metre-spaced NE-SW oriented gridlines covering the entire length of the Link Zone (Figure 2). Gridding and sampling were well advanced by the end of the quarter and the survey is expected be completed early next quarter. The samples would be dispatched for assaying soon after. Results from this survey will assist with targeting to explore for additional gold resources immediately adjacent to Sihayo.

Two man-portable drill rigs are currently stored on site. These will be used for additional infill and step-out drilling on the deeper high-grade gold resource at Sihayo[4]. Drill pad construction is in progress ahead of the next program planned for calendar year 2024.

Hutabargot Julu Project

Additional prospecting and soil geochemical surveys were conducted over the **Sigompul** epithermal gold-silver target. This work has been informed by grid soil sampling and prospecting that returned encouraging results reported in the previous quarter[5]. Encouraging results from this earlier work included 45 of 103 surface grab samples of silicified hydrothermal breccia and quartz veins assaying >0.2 g/t Au, including 16 samples assaying from 1.10 g/t to 84 g/t Au, located within a large coincident

[3] Refer ASX announcement (SIH:ASX) titled "June 2020 Quarterly Activities Report" dated 31 July 2020.
[4] Refer ASX announcement (SIH:ASX) titled "Sihayo Mineral Resource Estimate Update results in increased grade and contained gold" dated 11 July 2023.
[5] Refer ASX announcement (SIH:ASX) titled "September 2023 Quarterly Activities Report" dated 31 October 2023.

gold (>0.1 ppm Au), arsenic (>100 ppm As) and antimony (>5 ppm Sb) anomaly extending over an area measuring approximately 500 m by 700 m in the central and northern part of the Sigompul soil grid[6]. This large coincident Au-As-Sb soil anomaly occurs over mineralised hydrothermal breccias and other shallow epithermal palaeosurface features including silica sinters and acid-leach alteration zones. These may reflect the presence of mineralised veins extending for the Galugur-Panas vein system located at the southern end of the Sigompul grid (Figure 3).

Grid soil sampling conducted during the quarter extends from the northern, western, and southern edges of the soil survey completed in the previous quarter (Figure 3). This latest survey consists of 22 E-W oriented gridlines varying in length from 300 to 500 metres (Figure 3). Soil samples are collected at 25 metre intervals along each line and from between 1 and 1.5 metres depth in B/C horizon using a hand auger. Gridding and sampling were well advanced by the end of the quarter and the survey is expected to be completed early next quarter. The samples will be dispatched for assaying soon after. Results from this survey may assist with targeting for deeper mineralised veins.

A scout diamond drilling program has been proposed for implementation in calendar year 2024, pending sufficient funding.

Kotanopan Project

Relogging of historic drill core was conducted on the **Tambang Ubi** copper-gold skarn target and the adjacent **Tambang Tinggi** copper-gold porphyry-greisen target. This work will provide an enhanced understanding of the mineralisation controls and exploration potential on these respective targets.

Both targets are in the northeast corner of the CoW south block. This area features a complex zone of elevated regional magnetics associated with diorite and granodiorite intrusions into volcanic and limestone basement rocks cut by major fault strands of the Trans-Sumatran Fault Zone. Tambang Ubi and Tambang Tinggi are two of several gold and base metal targets identified from historic work along the +7 km long and up to 2 km wide WNE-ESE trending Tambang Tinggi mineral belt.

Prospecting and surface geochemical sampling at Tambang Ubi in previous quarters identified highly encouraging gold and copper results consistent with the prospectivity of this area for high-grade copper-gold skarn deposits[6]. Earlier prospecting and surface geochemical sampling at Tambang Tinggi also produced highly encouraging gold and copper results that support the prospectivity for gold-copper mineralised tourmaline-bearing greisen and related porphyry targets[7].

A scout diamond drilling program has been proposed for implementation in calendar year 2024, pending sufficient funding and the receipt of a forestry access permit (*IPPKH Eksplorasi*). The application process for this permit is in progress.

Sihayo Starter Project

Underground Mining Opportunities

As the next stage of assessing the underground mining potential at Sihayo, during the quarter, the Company engaged the specialist mining consulting group, Mining One, to conduct a Concept Study assessing the underground mining potential at Sihayo a.. This follows an updated resource model and subsequent increase in MRE for the Sihayo deposit reported early in the quarter, and which featured an increase in high grade mineralisation beneath the current pit limits[4].

[6] Refer ASX announcement (SIH:ASX) titled “Strong targets emerging at Sihayo” dated 24 October 2023.
[7] Refer ASX announcement (SIH:ASX) titled “Encouraging exploration results continue at Sihayo” dated 23 November 2021.

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Corporate and Finance

Financing

As at 31 December 2023, Sihayo had approximately $1.4M cash on hand with $2.3M of undrawn shareholder loan facilities. During the quarter the Company announced that it had secured a US$3.9 million loan with a term of up to 12 months from its largest shareholder, Provident Minerals Pte Ltd and/or its subsidiaries ("Provident")[8]. The additional funds will be used for permitting payments, including the balance of the Reclamation Guarantee ("JAMREK") required for construction activities for the Sihayo Starter Project to proceed. The funds were also used for general working capital as the Company assesses longer term funding options. The Company continues to assess options for further short-term as well as long-term financing.

Tenement Listing

Project	Tenement	Approval Date	Expiry Date	Area	Equity
PT Sorikmas Mining, Indonesia					
Pungkut	96PK0042	31/05/96	2049	66,200 ha	75
Oropa Indian Resources, India					
Block D-7		22/01/00	N/A	4,600km^2	9[9]
Sihayo Gold Limited, Australia					
Mt Keith	M53/490	11/06/04	10/06/25	589 ha	0[10]
	M53/491	11/06/04	10/06/25	620 ha	0[10]
Excelsior Resources Limited, Australia					
Mulgabbie	M28/364	25/03/09	24/03/30	54.6 ha	0[10]

[8] Refer ASX announcement (SIH:ASX) titled "Loan from Provident" dated 27 October 2023.
[9] Sihayo has an option to increase to 18%
[10] Sihayo entitled to a 2% net smelter return royalty

Related Party Disclosures

Sihayo also discloses the following payments to related parties during the quarter ended 31 December 2023.

Description	Fees paid
Payment of fees and consulting fees to Directors	$63,378
Payment of office rent and executive assistant services to Colin Moorhead & Associates Pty Ltd (an entity associated with Chairman, C. Moorhead)	$3,430
Total	$66,808

This ASX announcement has been approved by the Board of Sihayo Gold Limited.

For further information, please contact:

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Sihayo – Soil geochemical sampling & prospecting



Hutabargot Julu – Soil geochemical sampling & prospecting

