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DRILLING UNVEILS NEW POTENTIAL BULK-TONNAGE NEAR SURFACE ZONE WITH HIGH-GRADE INTERCEPTS

The initial 48 metres of the first hole in the Karuka/Enterprise potential bulk-tonnage zone has produced results indicating continuity of mineralisation and high-grade intercepts:

- **EDD 024 intercepted 48 metres @ 1.72 g/t Au from surface, including:**
 - **3.2 metres @ 16.75 g/t Au from 39.1m, including a section of,**
 - **1.3 metres at 32.1 g/t Au from 41.0metres to 42.3metres**
- **The high-grade intercepts are significant in the context of the bulk-tonnage target with strong continuity of mineralization exhibited.**
- **Drill Hole EDD 024 is located only 800m from the Edie Creek Mine processing infrastructure, with the potential to provide further high-grade mining material for current Edie Creek operations.**
- **Assays are pending for the remainder of EDD 024, which ended at a depth of 219m.**
- **A further 9 holes to be drilled in the Enterprise / Karuka system, with hole Two (2) commencing in coming days.**

Niuminco Group Limited (“Niuminco” or “the Company”) has now completed the first drillhole EDD 024 of the planned 10 hole drilling program of the potential bulk-tonnage Karuka - Enterprise stock-work and diatreme zone. This target has a strong gold anomaly defined by 1,366 continuous chip samples of weathered rock outcrop in trenches over a **cumulative length of 2,732m, which averaged 0.53g/t Au**. This sampling was confined to a broadly elliptical shaped zone with dimensions 600m by 300m, defined by the yellow circle in the NW of *Figure 2*.

This strong gold surface expression response may be due to near-surface supergene enrichment (that may decrease at depth), or alternatively represent a surface leached zone from which grade increases with depth to the base of oxidation is unknown.

Coring was triple-tubed in HQ size rods and drilling muds and polymers were used to enhance core recovery. EDD 024 had shown initial encouraging results using the standard Fire Assay method of 0.55g/t Au for the first 48m assayed from surface. The recognition of coarse gold in on-site panning prompted the re-assay of this section of core samples using the Screen Fire Assay method, which is specifically designed to more accurately assay for coarse free gold.

The Screen Fire Assay results confirm the presence of coarse gold by showing a threefold increase in weighted average grade of 1.72g/t Au for the first 48m re-assayed and demonstrates that the assays display consistent and anomalously high gold values throughout the section.

These encouraging results have prompted the Company to complete assays on the remainder of the drill hole EDD 024 using the Screen Fire Assay method, and results are currently awaited. **Positive results in this drill-hole may prompt further check assaying of previous drill holes where coarse-gold may have been neglected in the standard Fire Assay technique.**

EDD 024 was collared at the Eastern-end of the Karuka-Enterprise stockwork and diatreme zone, delineated by the Karuka flag in *Figure 1* below.



Figure 1: Edie Creek oblique Google Earth view showing location of infrastructure, vein systems and main targets.

Hole EDD 024 had the following parameters:

HOLE	N	E	RL	AZ AMG	DIP	END DEPTH
EDD 024	9186980	462144.221	2046	220	60	219.1m

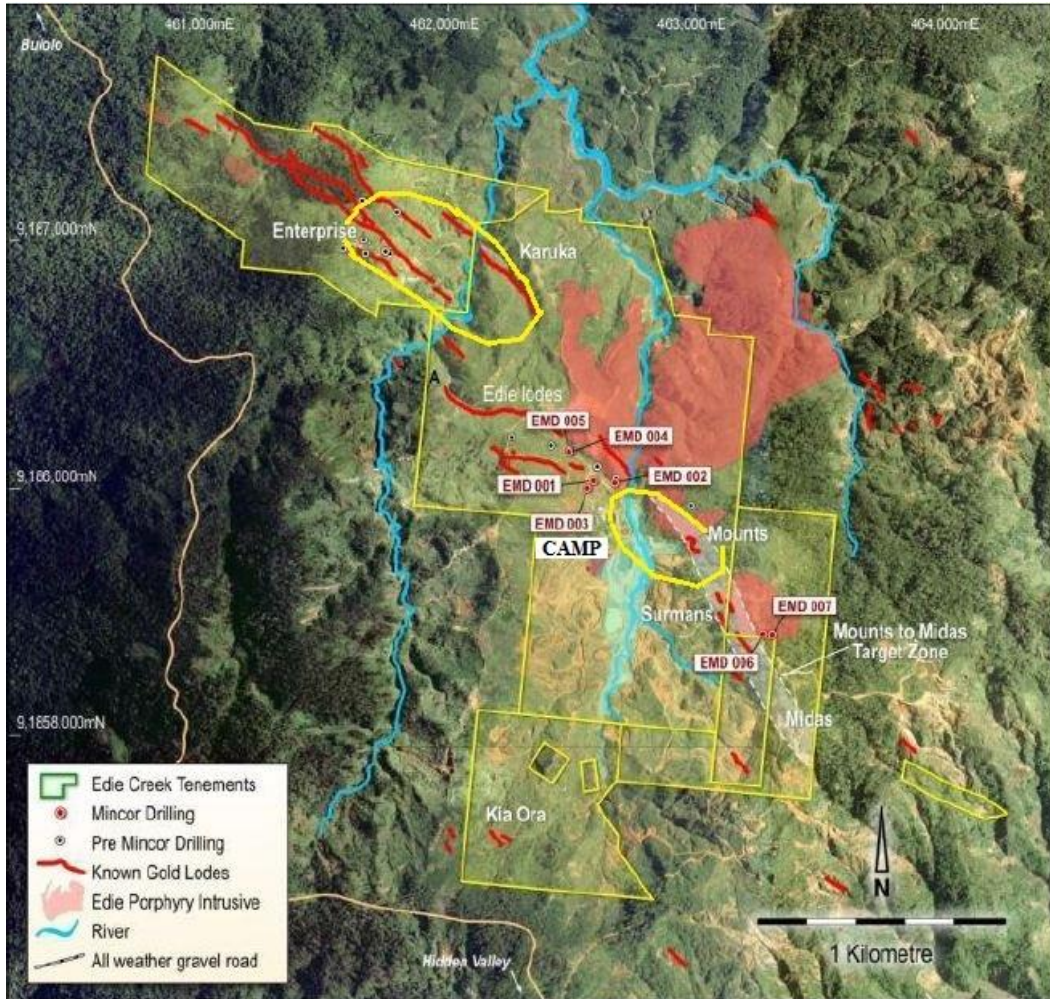


Figure 2: Google earth image showing leases boundaries, main targets & potential stockwork zones.

The planned order of drilling the remaining nine (9) holes for the balance of the Karuka/Enterprise bulk-tonnage program is shown below, and numbered 2 to 10.

One of Niuminco's Longyear 38 diamond core drill rigs will be moved across to the location of planned hole number 2, with drilling of that hole scheduled to commence next week using Niuminco's drilling crew.

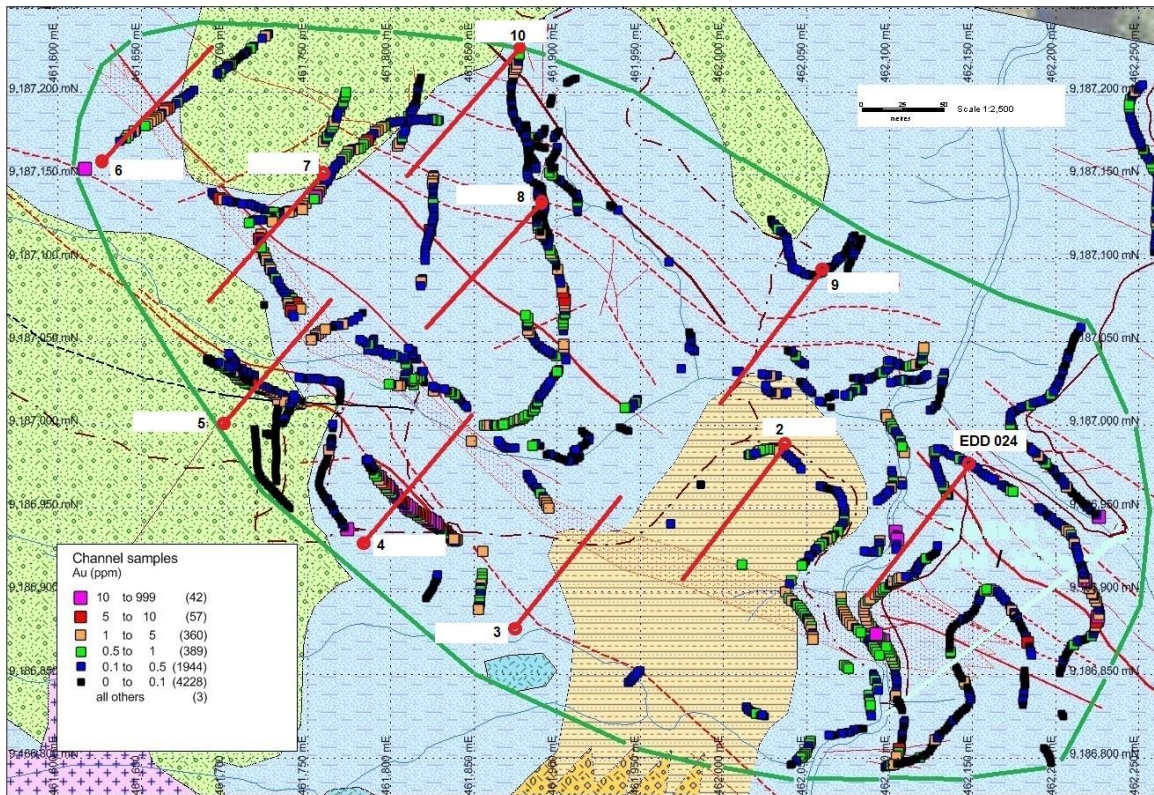


Figure 3: Enterprise – Karuka stockwork zone with projection of EDD 024 and proposed drill pattern.

Further assay results from drill hole EDD 024 will be released as they come to hand.

Mark Ohlsson
 Company Secretary
 8 February, 2017

The information in this report that relates to exploration results is based on Information reviewed by John Nethery (BSc Dip Ed.) who is a Fellow of the Australasian Institute of Mining and Metallurgy (Chartered Professional) and a Fellow of the Australian Institute of Geoscientists. Mr Nethery has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 report to accompany ASX release Feb 2017.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <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> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <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> 	<ul style="list-style-type: none"> • Sampling reported for Edie Creek is for ½ PQ, HQ or NQ diameter diamond drill core. • Holes were generally steeply dipping (>60°) • Hole azimuths were generally planned to perpendicularly intercept, or intersect at a high angle, any known or inferred veins, mineralized zones or structural trends. • Sampling was done on sawn half core. • Consistency of sampling method was maintained by reference to a written protocol. • Sampling method is considered appropriate for vein style epithermal gold mineralisation.
Drilling techniques	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • All holes drilled by Niuminco are triple tube diamond core. Holes were drilled using HQ size core. The core was un-oriented.

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • Recoveries recorded on a drill run and sample length basis. • There were some zones of poor recovery in near surface leached and oxidized zones and in intensely altered shear zones. • Overall recovery is acceptable but needs improvement. Most holes average 85% recovery. Recovery in the fresh mineralized zones averages 65%, recovery in oxidised mineralisation is 55%. • Could be grade loss with low recovery in fine gold in wad.
<i>Logging</i>	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • All holes were geologically and geotechnically logged to a detail and standard appropriate for mineral resource estimation. • The logs are qualitative/semi-quantitative and record lithology, alteration, mineralogy, mineralization, weathering, strength, fracture numbers and their orientations and other relevant features of the core. • All core recovered is logged
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • Samples are taken by cutting the core in half using a diamond saw. • No non-core samples were taken. • Samples were taken based on geological observations of changes in mineral intensity or type. • Sampling protocol is documented with a flow sheet. • Half core samples bagged and dispatched to Intertek Lae/Townsville for crushing, grinding and assay. • All sampling methods and sample sizes are deemed to be appropriate and are similar to sampling protocols used on epithermal gold deposits.
<i>Quality of assay data and</i>	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF 	<ul style="list-style-type: none"> • All drill core samples were assayed using a 50g fire assay for Au, Screen Fire Assay of suspected coarse grained gold sections and ICP method for Ag and other elements. • The gold is determined by fire assay by using lead

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laboratory tests	<p><i>instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> • <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> 	<p>collection technique with a 50 gram sample charge weight.</p> <ul style="list-style-type: none"> • Assaying carried out by Intertek Lae/Townsville, an accredited lab. • QAQC program involved standards submitted to the laboratory. No lab check carried out to date as the program has only recently started. Outcomes indicate acceptable precision and no obvious bias.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Significant intersections have been verified by the Competent Person and the Edie Creek mine geologists • There were no twinned holes. • Niuminco has a series of written protocols relating to sampling, logging, data entry, data checking and data storage • There have been no adjustments to the assay data.
Location of data points	<ul style="list-style-type: none"> • <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> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drillhole collars were located by theodolite survey. Drill collar elevations were also calculated from the theodolite survey conducted by Niuminco over the Edie Creek Mining Leases area. • Expected accuracy is +/-0.1 m for northing and easting and +/-0.1 m for elevation coordinates • WGS84, zone 56S for local GPS work. •
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <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> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • This is the first hole of a proposed 10 hole program on the Enterprise – Karuka stockwork zone. • Drilling in this report is of a scout nature and did not follow regular spacing or azimuth. • Downhole sampling is dependent upon intensity of mineralisation. • Compositing has not been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <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> • <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> 	<ul style="list-style-type: none"> • Drilling orientation is believed appropriate with no bias. Where some control to mineralisation distribution is suggested, the drill hole is oriented to perpendicular to the controlling feature. • Where multiple structures of unequal proportions or grade are identified, the drillhole is oriented perpendicular to the higher grade structure • Where multiple structures of equal proportions or grade

Criteria	JORC Code explanation	Commentary
		are identified, the drillhole is oriented to bisect each structure at the highest possible angle.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Chain of custody is managed by Niuminco. Samples are collected and stored on site by Niuminco personnel. Half core samples are shipped directly to Intertek Lae by mine courier. Tracking sheets track the progress of sample batches.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No audits or reviews have been carried out at this stage.

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"> <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> <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> 	<ul style="list-style-type: none"> The results reported relate to exploration carried out within Mining Lease Number 462. This is one of the contiguous Mining Leases held by Niuminco collectively known as the Edie Creek Leases. They are ML, 144, 380, 384 - 392, 402 - 410, 444 - 446 & 462. The Leases are issued under the Authority of the PNG Mining Act (1992). Niuminco holds an 83% interest in the ML's. Mincor holds 17%. A royalty on production of Kina10/oz up to 20,000oz and Kina5/oz is payable to Barrick. (2.5 Kina are approximately equal to 1\$Aus). The tenements are in good standing and no known impediments exist.

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<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Gold lodes were originally discovered in the area by individual prospectors in the mid 1920's. Mining has been conducted at Edie lode for almost 90 years and approximately 75,000 oz has been produced. Renison Goldfields Consolidated drilled 2 diamond holes in 1988 and conducted surface geochemical sampling. The sampling protocols employed are similar to those currently used by Niuminco, are of standard industry practice employing geochemical analysis of sawn half core, and are deemed appropriate for epithermal gold mineralisation. ANALABS laboratories were used for Au analyses. Method GG334; 30g sample, aqua regia digest, carbon rod. Niuminco are unable to verify the integrity of the sampling and assay protocols of a 12 hole program carried out by Edie Creek Mining in JV with Wayburn Resources in 1997. Until the results can be verified, the results will be deemed as a geochemical indicator guide to mineralisation. Sampling of core from the Niuminco 2010-2011 drill program followed identical sampling protocols as those currently used. Samples were dispatched to Intertek Lae/Townsville for analysis. Assay method for Au assays was screen fire assay on all of the oversize fraction and two samples each of 30g of the undersize fraction. Other elements by ICP. Mincor carried out drilling, geochemistry and geophysics on the ML's during a JV with Niuminco from 2011 - 2013. The drilling and geochemical program followed identical sampling protocols to those of Niuminco in its 2010-2011 and current campaign. Intertek Lae completed the analytical work.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Mineralisation at Edie Creek is classified as low sulphidation epithermal gold-silver mineralisation in an island arc setting.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material</i> 	<ul style="list-style-type: none"> Refer to release 1/7/2013.

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on	<p><i>drill holes:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <ul style="list-style-type: none"> ● <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> 	
Data aggregation methods	<ul style="list-style-type: none"> ● <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> ● <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> ● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> ● All reported assays have been length weighted. No top-cuts have been applied. ● No Au lower cut-off is reported as significant in the context of this geological setting, from surface to less than 50m below the surface. ● High grade gold intervals (>3ppm) applied to broader zones of gold mineralization are reported as included intervals. ● Reported intervals did not include intervals of internal waste. ● No metal equivalent values are used for reporting exploration results.
Relationships between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> ● <i>These relationships are particularly important in the reporting of Exploration Results.</i> ● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> ● <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> 	<ul style="list-style-type: none"> ● The geometry of the mineralization is incompletely known. All reported lengths are downhole lengths. True widths are unknown at this stage.

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<i>Diagrams</i>	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • Refer to report
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Broad surface geochemical exploration results are reported as being anomalous or not. Subdivision into specific class intervals will be tabled. Reporting of continuous significant surface assays, and assays to 50m below the surface, use no Au cut-off. No top cut has been applied.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> •
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Niuminco will carry out a scout drilling program over known veins, and gold anomalous rock/channel chip samples within the Edie Creek leases.