

# CAPABILITY STATEMENT



## Company Details

|                                 |  |
|---------------------------------|--|
| <b>Company Name and Address</b> | Derisk Geomining Consultants Pty Ltd<br>PO Box 264<br>Red Hill Qld 4059<br>Australia |
| <b>ABN</b>                      | 44 615 606 454   |
| <b>Directors</b>                | Mark Berry, Principal Geologist<br>Michele Pilkington, Business Manager              |
| <b>Primary Contact</b>          | Mark Berry<br>+61 4 0802 9549<br>+65 9084 4652<br>mark@deriskgeomining.com           |
| <b>Website</b>                  | www.deriskgeomining.com  |

## Company Overview and Business Model

Derisk is an independent, privately-owned consulting company servicing the global minerals industry. Our directors, staff and associates have a wealth of experience in exploration, mining, processing, environmental management, and social/community engagement.

Our business strategy is straightforward and effective – We deliver Tier One services without the Tier One price tag because:

1. We listen to your plans and provide options that meet your needs, then deliver to our agreed scope, schedule and budget.
2. We ensure that our project team has comprehensive knowledge and the relevant expertise to deliver the appropriate advice and services for your scope of work.
3. Our business model is based on a digital office-less structure, a small core team of staff, and an extensive associate base of trusted and experienced mining consultants. This model significantly reduces our business overheads and we pass these cost savings directly to our clients.

## Services

Derisk provides advice and services to exploration, mining, advisory, corporate finance, private equity, legal, and regulatory organisations. Our services encompass the full mining value chain from exploration, assessment and feasibility, planning, construction, production, to closure and rehabilitation.

Our staff and associates have extensive international minerals industry experience across a wide range of commodities, geological settings, mining methods and processing routes.

Whether you need high-level strategic thinking and advice or detailed tactical services, Derisk can deliver. Our core services include:

- **Due diligence, reviews and audits.** We perform internal and external technical reviews and audits to support continuous improvement, compliance obligations, and transactions. We can review projects at any stage of development, from early exploration through to mature operations. Our reviews can be desk top or site-based depending on your requirements.
- **Expert/Specialist reports and public reporting.** If you need a Competent/Qualified Person report to support a listing or reverse takeover, a technical assessment report, or a mineral asset valuation prepared in accordance with international reporting standards/codes such as the JORC Code<sup>1</sup> and the VALMIN Code<sup>2</sup>, Derisk can assist. We also undertake compliance checks of internal and third-party reports prepared for stock/securities exchange release.

<sup>1</sup> Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code), 2012

<sup>2</sup> Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015

- **Resource/Reserve estimation and studies.** Our staff and trusted associates have the expertise to prepare and report mineral resource and ore reserve estimates for a diverse range of commodities, geological settings, and mining methods. We can also undertake technical studies at a scoping and prefeasibility level, as well as provide technical support in preparing feasibility studies.
- **Mine operations support.** Derisk can support operations across geology, mining and metallurgy. Whether you need assistance or support in grade control, resource estimation, mine planning and scheduling, reserve estimation, process control or reconciliation, we can assist.
- **Strategic/organisational planning and management reviews.** How many times do you see companies reinventing the wheel, when it comes to strategic technical planning, organisational structure, management and operational planning, and the like. Derisk staff can provide objective input into your strategic planning processes.
- **Technical risk assessment.** Mining is perceived as a “risky business”. As our company name implies, we are focused on providing advice and services that minimise technical risk and maximise the opportunities associated with better mining and processing of your mineral asset.
- **Geological database management.** Whether you need short or long term support to help manage your geological databases or have specific project requirements, we can assist you. Derisk provides support via a range of software applications, including QA/QC protocols and compliance checking.
- **Mentoring and professional development.** We provide tailored one-to-one mentoring of early-mid career technical staff and have a range of mentors that can assist you to reach your full potential as a mining industry professional. We also deliver customised professional development workshops that cater for technical and management staff, which can be site-based or capital city-based.

In May 2018, Derisk became an acQuire Nova Network Partner, certified to deliver high-quality geoscientific information management services to our clients.



### International Experience and Commodity Focus

Our directors and associates have a wealth of international experience encompassing Australasia, Southeast Asia and China, the Americas, Africa and Europe. Our team has led/contributed to the estimation and reporting of many resources and reserves, and prepared public reports for the key minerals stock/securities exchanges. Our associate base comprises more than 80 consultants, each with more than 15 years’ industry experience, most with more than 25 years’ experience.

Our key commodity focus includes gold, silver, copper, copper-gold, lead, zinc, nickel, tin, tungsten, lithium, tantalum, coal, bauxite, iron ore, phosphate and industrial minerals.

### Examples of Our Projects

Derisk commenced operation on 1 March 2017 and has secured more than 30 engagements to date. We have assisted our clients with projects located in Australia, Indonesia, Papua New Guinea, Singapore, Malaysia, Philippines, Europe and South America. Selected examples of our work include the following:

- Desk top review of an Indonesian gold mine’s Mineral Resources and Ore Reserves against reconciled mill production, and provide recommendations for improvement.
- Site visit and technical review for a private company assessing options for exploration, development and financing of its southeast Asian tin project.
- Independent check valuation of an Indonesian nickel project.
- Desk top review for a private company contemplating a public listing of its Australian copper project, to assess the time line and work required to prepare all technical documents for the listing.
- Geological database support services to an Australian exploration company.
- Drill planning and monitoring, estimation of Coal Resources, and preparation of a prefeasibility study for an Indonesian coal project.
- Preparation of an Independent Geologist Report for a gold project to be listed on Singapore Exchange.
- Technical services and advice to several Singapore-based corporate finance groups with respect to Singapore Exchange technical reporting obligations for minerals companies.
- Independent desk top reviews for numerous clients, including gold, copper-iron, lithium-tantalum, coal and kaolin projects.
- Owner’s expert, reviewing feasibility study planning and outcomes at a European gold-copper project.
- Site visit and detailed review of a PNG bauxite project, with recommendations for future work.

- Compilation of Exploration Targets and Mineral Resources for an Australian phosphate project.
- Exploration planning and support for an advanced drilling program at an Indonesian nickel mine.
- Assist acQuire with a database implementation for a South African platinum project.
- Owners expert, advising on options for development of a European gold-polymetallic project.

### Management

Strategic and operational management of Derisk resides with its directors Mark Berry and Michele Pilkington. Mark is a geologist with nearly 40 years' minerals industry experience working for small, medium and large organisations. Michele is an accomplished business manager with over 30 years' experience in the services, contracting/consulting, and research and development sectors. We do not compromise the quality of our work and have a strong quality control program in place.

### Commercial Systems

We have established formal commercial agreements including a consultancy services agreement, sub-consulting and casual employment agreements, and a confidentiality/non-disclosure agreement.

### Insurances

We have professional indemnity and public liability insurance commensurate with our business activities, and Queensland WorkCover insurance for our employees.

### Consulting Charges

Derisk consulting charges are based on fixed hourly rates for short-term engagements and fixed daily rates for medium to long-term engagements. Derisk adds 5% of professional fees to cover project overheads, comprising IT, communications, and administrative functions. Our cost estimates should not be understood as a lump sum bid, except where we have expressly stated that the estimate is fixed price. Derisk will control costs within the cost estimates provided, but if a matter arises during a work request that is likely to increase our cost, we will raise this in writing when such matters become evident. We will then seek approval to continue work under a revised cost estimate.

### Incidental Expenses

Travel-related expenses (e.g. visa, air travel, car hire, taxis, accommodation, meals, medical costs, special insurances) and/or project-related expenses (e.g. courier or postage, project consumables) are charged at cost plus an administration fee of 2.5%.

### Terms of Payment

For engagements with new clients, Derisk will normally require a prepayment specified in the proposal prior to commencement of consulting services. Subsequent invoices will be issued monthly, or based on agreed milestones if specified in our proposal. Invoice payments are to be made by the client within the timeframe specified in the Derisk Services Agreement that accompanies each proposal.

### Travel

Derisk staff and associates travel the world. As part of our risk management process for site visits, we monitor travel advice, and in the case of a travel warning, we will review the travel (including any risk-mitigation measures) and we reserve the right to decline travel to any destination where a travel warning is in force.

