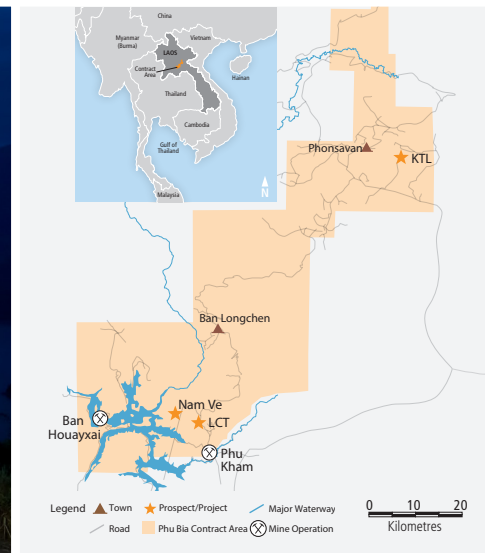


# BAN HOUAYXAI GOLD-SILVER OPERATION, LAOS



*The Ban Houayxai Gold-Silver Operation is located 25 kilometres west of the Phu Kham Copper-Gold Operation in PanAust's 2,600 square-kilometre Phu Bia Contract Area in Laos.*

*The Operation commenced production in May 2012 and comprises an open-pit mine feeding ore to a conventional four million tonnes per annum (Mtpa) carbon-in-leach process plant.*

## 2016 PERFORMANCE

Excellent production and cost performances were achieved at the Ban Houayxai Gold-Silver Operations in 2016, with annual records set for gold production, open-pit material mined and costs.

A total of 127,825 ounces (oz) of gold and 1,101,393oz of silver in doré was produced (poured) at the Operation in 2016. The C1<sup>i</sup> cost after precious metal credits of US\$465/oz gold after silver credits shattered projected costs for the year. An all-in sustaining cost (AISC<sup>ii</sup>) of US\$662/oz gold was achieved.

A record 13.2 million tonnes (Mt) of material was mined at the Ban Houayxai Operation during 2016 which included 5.3Mt of ore. Over 4.7Mt of ore was processed during the year, 18 per cent above nameplate capacity.

In 2016, Ban Houayxai successfully underwent its three-yearly recertification audit as required by the International Cyanide Management Code. The audit confirmed that the Ban Houayxai Operation continues to operate in full compliance with the Code which is administered by the International Cyanide Management Institute.

## AWARD WINNING OPERATIONS

In 2016, PanAust's Ban Houayxai and Phu Kham Operations retained their Caterpillar 5-star contamination control ratings for their mobile maintenance workshops and associated supply facilities.

PanAust's facilities are two of only three workshops worldwide to receive the maximum 5-star rating and the first in a developing country.

The rating follows a robust and challenging audit process. An accredited Caterpillar representative carries out in-depth checks of the facilities and employees' contamination control knowledge during the course of several days. The 5-star rating also recognises PanAust's efforts in driving a high-performance culture. PanAust attests that contamination control makes a safer working environment and contributes to operational excellence through equipment reliability improvements, major component life extensions, and maintenance costs reductions.

In March 2013, PanAust received the Project Development of the Year Award from Mines and Money Hong Kong Asia Mining Awards, in recognition of outstanding project management for the development of the Ban Houayxai Gold-Silver Operation.

For more information, visit [www.panaust.com.au](http://www.panaust.com.au).

### Photo captions: (L-R)

The Ban Houayxai Copper-Gold Operation process plant at dusk

A map of PanAust's Phu Bia Contract Area in Laos; the Ban Houayxai Gold-Silver Operation is in the south-west corner of the Contract Area

<sup>i</sup> Brook Hunt convention for the reporting of direct costs comprising: mine site, product transportation and freight, treatment and refining charges and marketing costs; based on payable metal content after by-product credits

<sup>ii</sup> AISC reported are the C1 cost plus royalties, allocated corporate support charges, shared services costs, sustaining capital; lease principal and interest charges; and deferred mining and inventory adjustments capitalised