

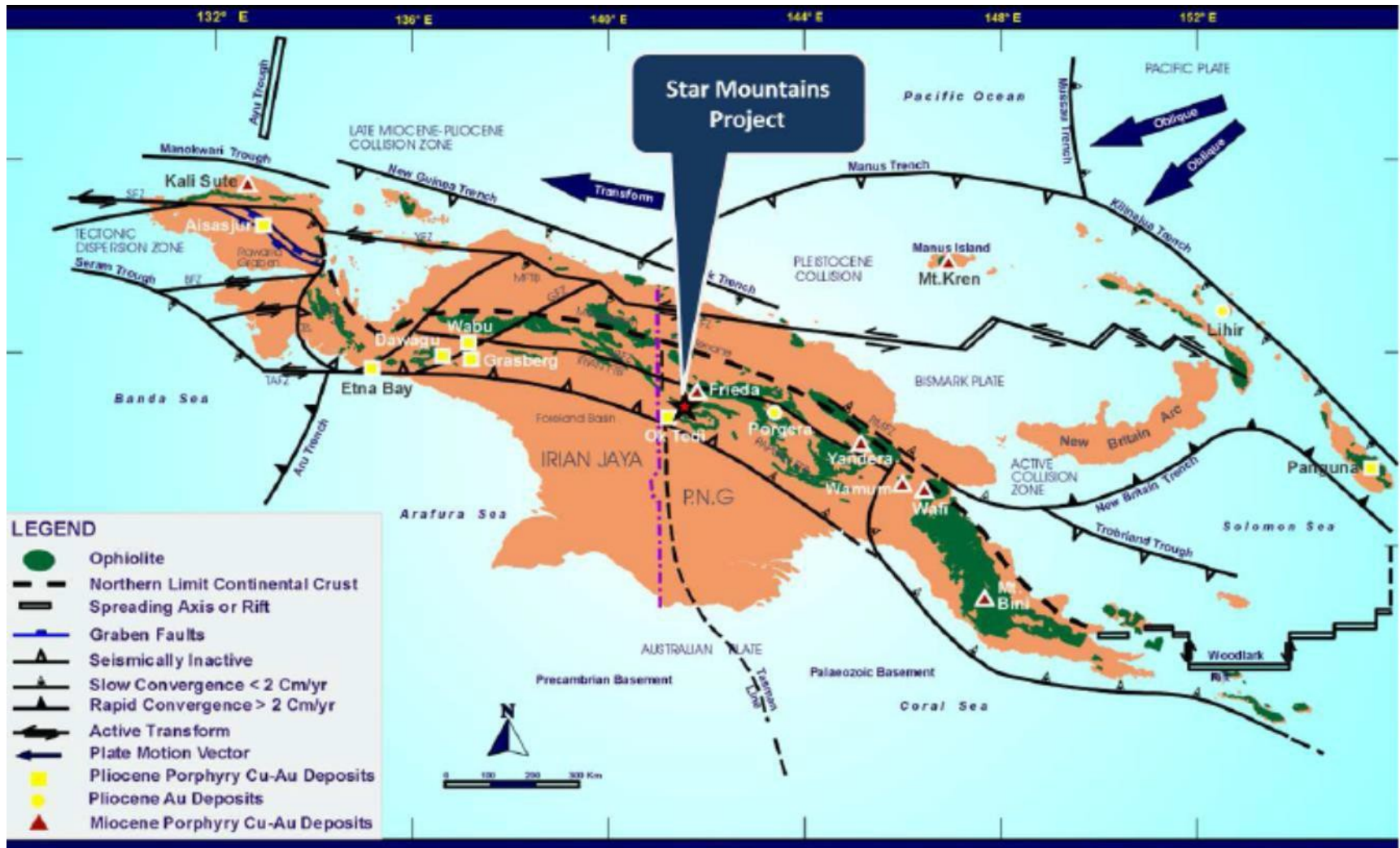
STAR MOUNTAINS



Star Mountains – Overview

- A potentially large copper/gold porphyry project in mining friendly Papua New Guinea (PNG).
- Located in the highly prospective PNG Orogenic Belt, just 25 km from the giant Ok Tedi mine and in the same geological arc as Grasberg, Frieda River, Porgera & Ramu.
- Initial Mineral Resource declared in 2018 – 210 Mt @ 0.4% Cu and 0.4 g/t Au for 840,000 tonnes of contained copper and 2.9 Moz contained gold.
- More than \$60 million spent on exploration since discovery in early 1970s, including more than \$30 million over the past six years.
- Extensive drilling, field work, geophysics and aeromag surveys completed, providing deep knowledge of regional geological setting.
- Well established logistics including exploration camp, airstrip, helicopter pad and core shed. Close proximity to supply centres of Tabubil and Mt Hagen.
- Excellent relations with the community have been developed.

Proven Rich Geological Belt



PNG – Preferred Mining Jurisdiction

- Stable democracy
- Established mining regulatory and permitting regime
- Supportive mining policy
- Highly successful history of mining project developments
- Sizable and growing mining labour force
- Strong law and order
- Pragmatic approach to environmental management
- Favourable tax regime
- Improving infrastructure

Established Rich Geological Belt



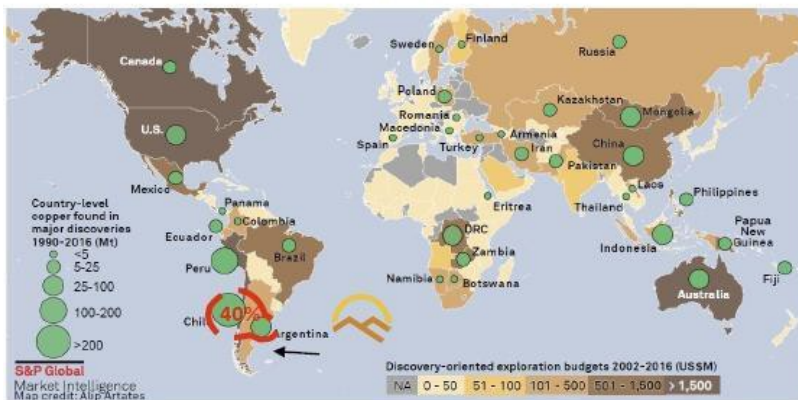
PNG – Largely Untested Mining Frontier

- Opportunities to discover giant and super giant deposits around the world is shrinking.
- The countries that are being explored have challenges – South America, DRC, etc.
- PNG is a frontier and it is worth exploring.
- Many well known deposits have been found after others walked away and/or were found on the last drill hole of a program.

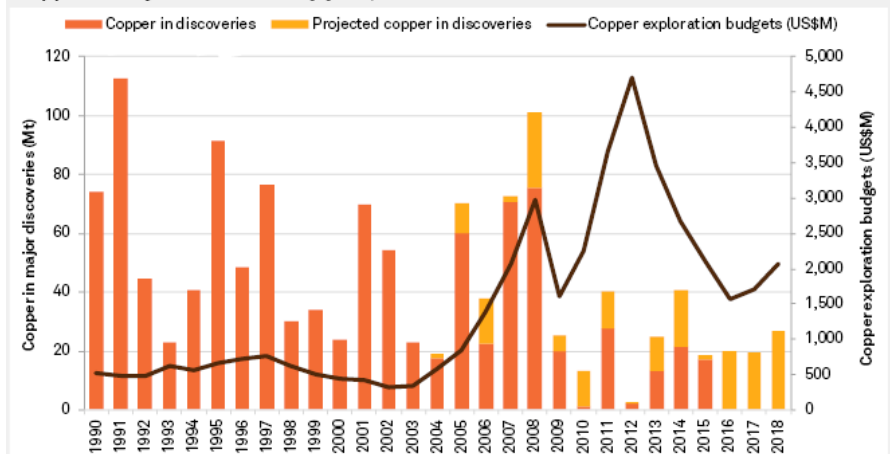
- Voiseys Bay
- Oya Tolgoi
- Pebble
- Wafi
- Porgera
- Frieda

- Rate of discovery declining.

Major Copper Discoveries by Country, 1990-2016



Copper in major discoveries by year, 1990-2018



Data as of April 23, 2019.
Source: S&P Global Market Intelligence

Advanced Exploration Project

- Total exploration expenditure to date exceeds \$60 million.
- Extensive drilling and exploration work completed since discovery in 1971.
- 51 holes drilled for 21,415 metres.
- Seven prospects tested, with mineralisation identified at five.
- Tenement package of 501 sq km includes four leases:
 - Nong River EL 1312
 - Mt Scorpion EL 1781
 - Benstead EL 2001
 - Mt Abernh EL 2467

Assays Consistently Confirm Mineralisation



Outstanding drill results to date:

- 596m @ 0.61% Cu & 0.85 g/t Au from 24m downhole (Olgal, Hole 14, 2012)
- 22m @ 1.42% Cu & 0.57 g/t Au from 146m downhole (Kum Kom, Hole 1, 2013)
- 68m @ 0.97% Cu & 0.37 g/t Au from 280m downhole (Kum Kom, Hole 1, 2013)
- 183m @ 0.53% Cu & 0.58 g/t Au from 168m downhole (Olgal, Hole 19, 2016)
- 430m @ 0.39% Cu & 0.24 g/t Au from 168m downhole (Olgal, Hole 20, 2016)
- 435m @ 0.52% Cu & 0.72 g/t Au from 76m downhole (including 100m @ 0.82% Cu & 1.39 g/t Au) (Olgal, Hole 17, 2016)
- 47.0m @ 0.33% Cu & 0.09 g/t Au from surface (Fune, Hole 4, 2017)
- 26.8m @ 0.97% Cu & 0.34 g/t Au from 136m (Fune, Hole 4, 2017)
- 13.0m @ 0.88% Cu & 0.25 g/t Au from 268m (Fune, Hole 4, 2017)

Additional Exploration Work Conducted to Date

- 200m spaced aeromagnetic & radiometric survey over EL 1312
- Completed several programs of field mapping and sampling
- LiDAR survey
- 100m lined-spaced Heli-borne magnetic and radiometric survey over tenements
- Ground IP & AMT survey at Olgal and Kum Kom prospects
- ZTEM airborne electrical resistivity survey conducted (over 3,268 line-km flown)
- Ground AMT survey at Unfin, Bumtin, Tuk, Olgal-Futik corridor and Fune



Comprehensive DataSets

Regional

- LiDAR topographic survey
- 100m line spacing airborne magnetic/radiometric survey
- ZTEM survey
- Geology map to 100,000 scale
- Full coverage stream sediment survey

Prospects

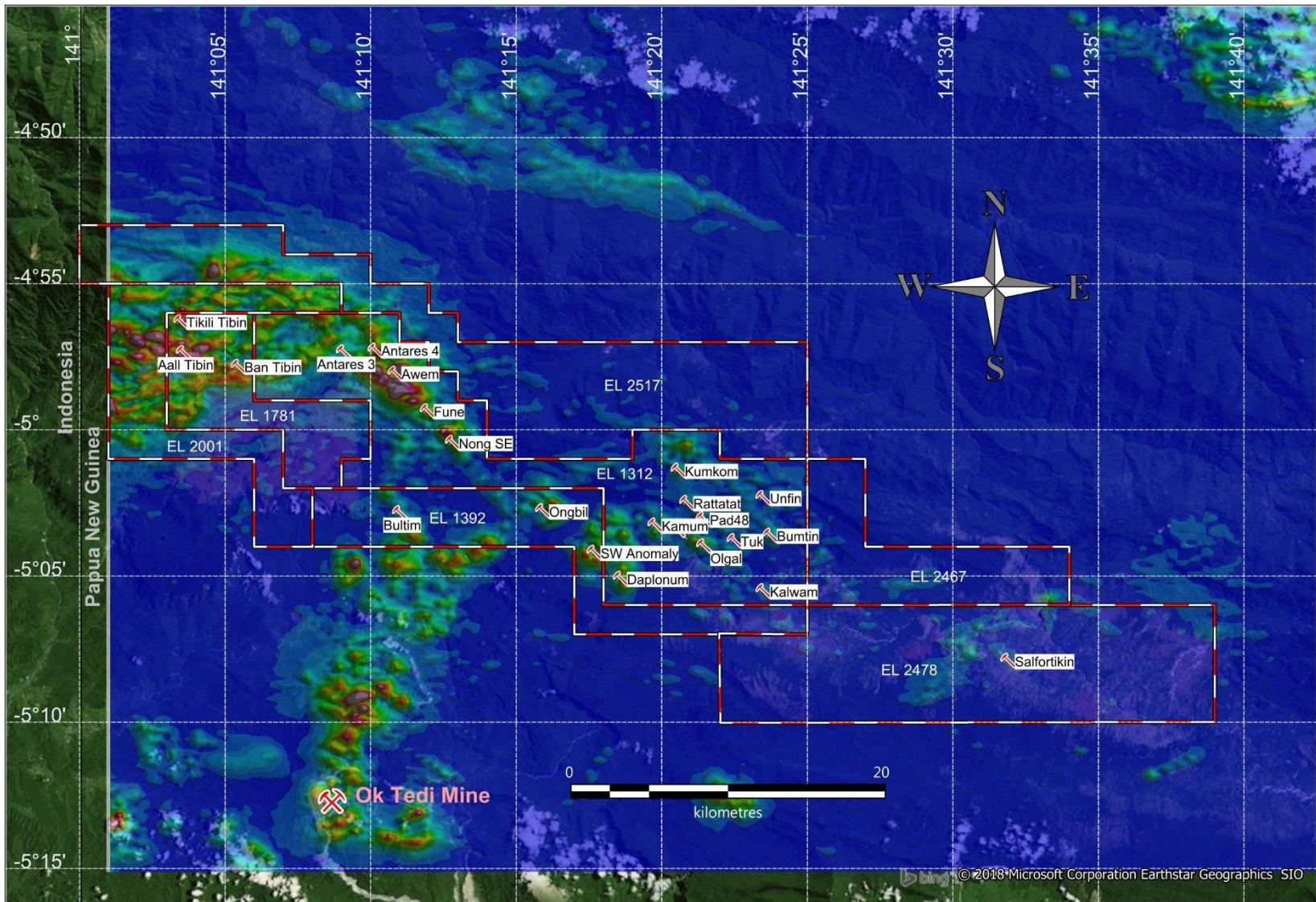
- Mapping at 1,000 scale or better
- ATM surveys over main prospects (Olgal, Futuik, Ratattat, Unfin, Bumtin, Fune)
- 51 drill holes (21,415m) on eight prospects
- Full ICP suite elements +50 g fire assay on every 2m of core
- Terraspec analysis on almost all samples

Target Identification

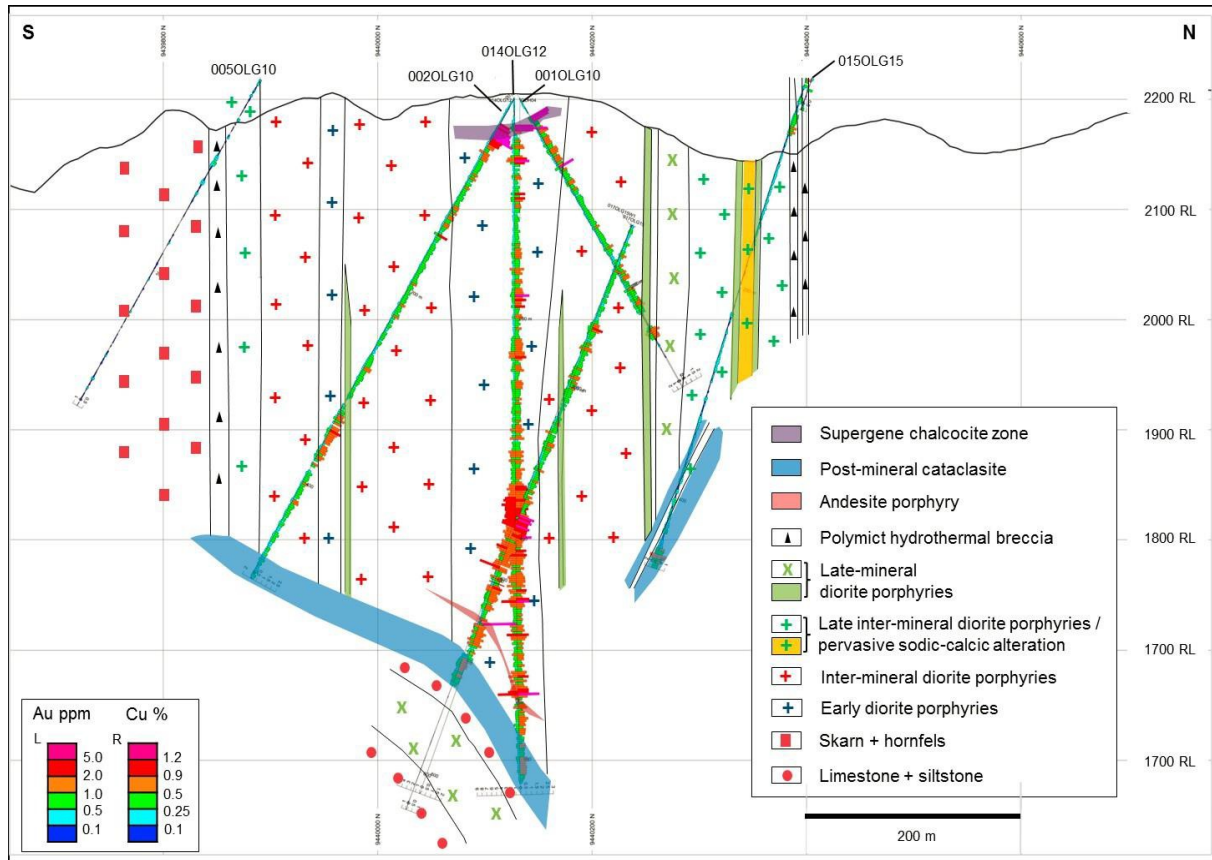
High Success Rate

- Using the regional geochem, 1:100,000 geology, structure from LiDAR and airborne magnetic data, the Star Mountains JV identified 29 targets in the core ELs (1312, 1392, 1781, 2001).
- All these targets have been mapped and sampled at 1:5000.
- Eight of these targets were selected for detailed follow up mapping, sampling and AMT survey.
- Five of the eight prospects drilled (Olgal, Fune, Kum Kum, Unfin, Fune) hit intercepts with significant copper grades (>0.2% Cu).

Main Prospects



Mineral Resources, 2018

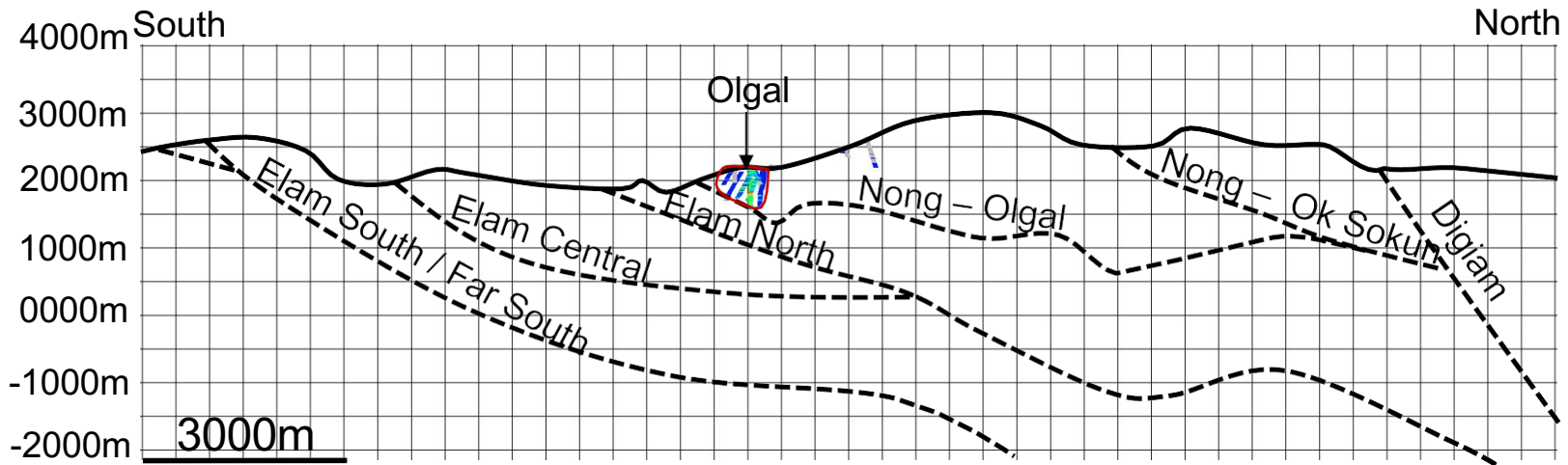
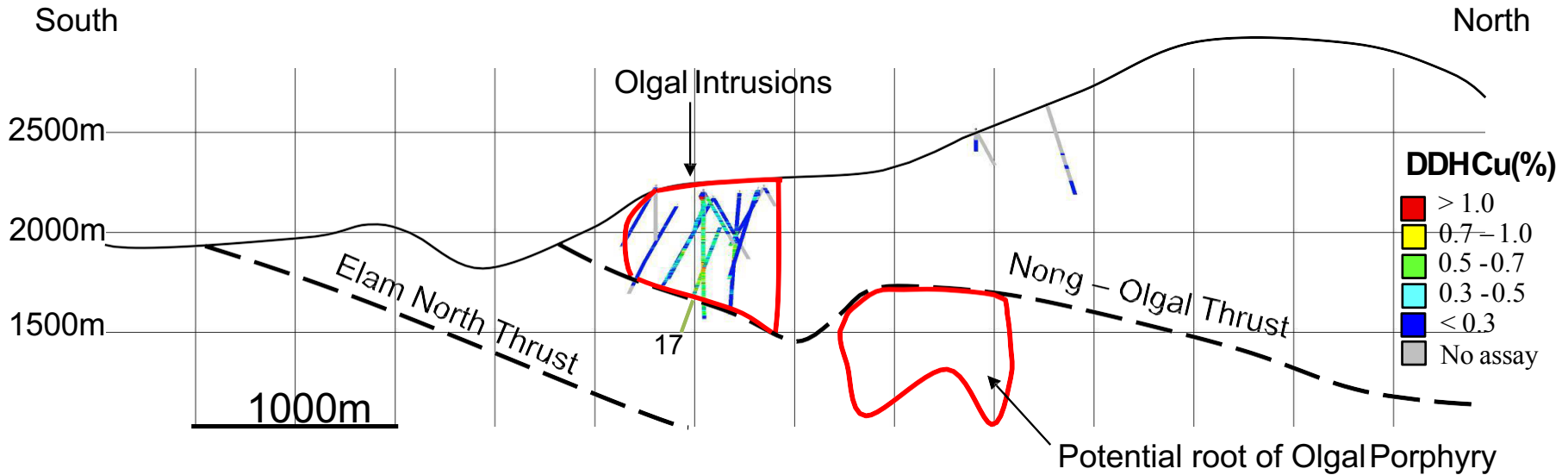


Maiden Resource at Olgal (in the Nong River lease)

- Inferred Resource of 210 million tonnes.
 - 0.4% Cu & 0.4 g/t Au
 - 840,000t contained Cu
 - 2.9 Moz contained Au
- Based on data and assays from 23 diamond drill holes with a nominal 200m spacing for 8,949m drilled.

Cu cut-off grade (%)	Mt	Cu (%)	Au (g/t)	Cu (Mt)	Au (Moz)
0.20	450	0.3	0.3	1.4	4.5
0.30	210	0.4	0.4	0.84	2.9
0.40	80	0.5	0.6	0.40	1.6

Where is the Olgal Root?



Advanced & Conceptual Targets

Olgal

- Porphyry copper gold deposit
- Inferred Resource
- Mineralisation open to west

Fune

- Skarn prospect

Futik

- Porphyry copper gold prospect and skarn prospect
- Lower grade mineralisation in drillholes
- Evidence of high sulfidation system seen in core - native sulfur, advanced argillic alteration, residual silica

Kum Kum

- Skarn prospect

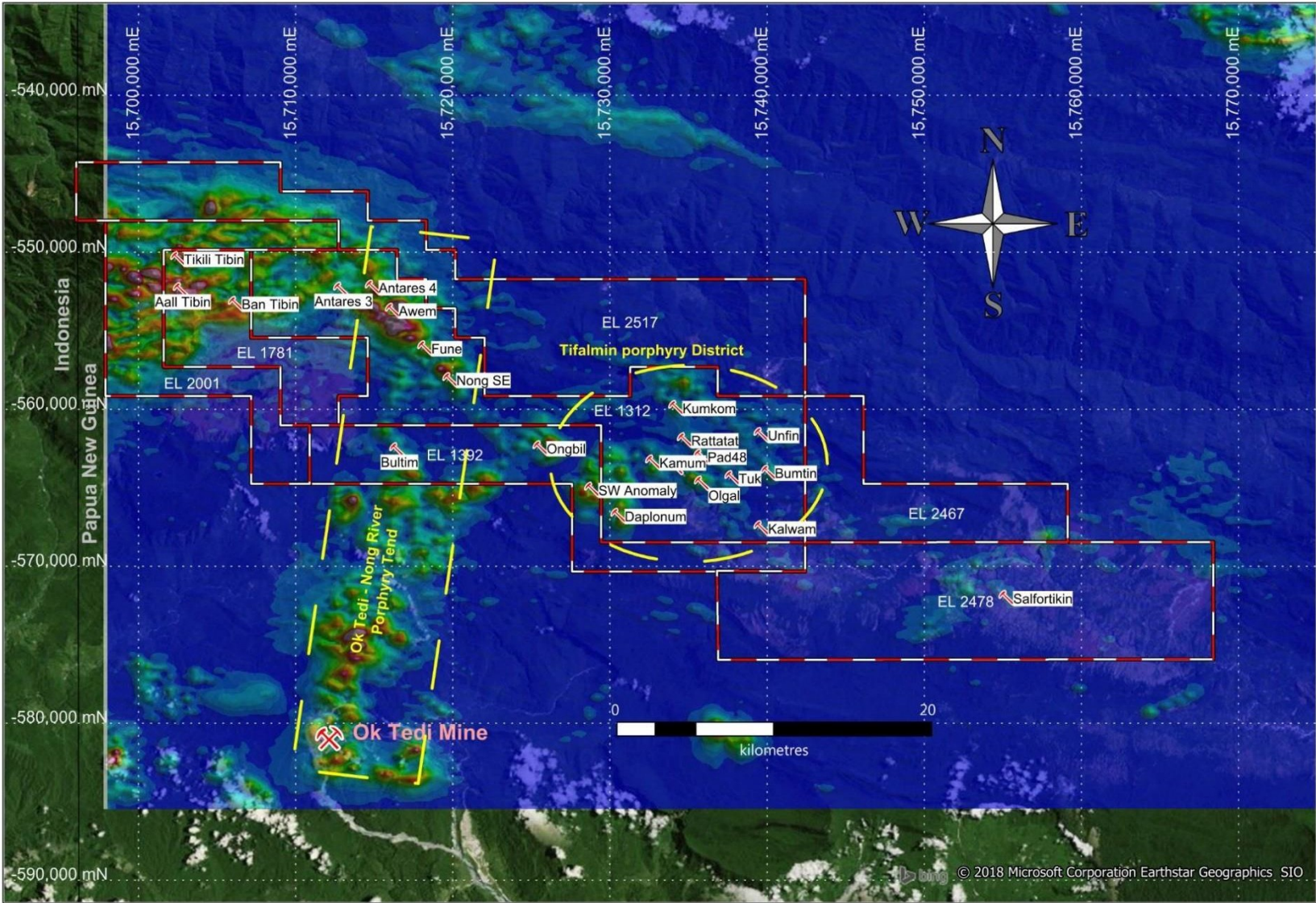
Buntim and Salifortikin

- Porphyry copper gold prospect
- Undrilled

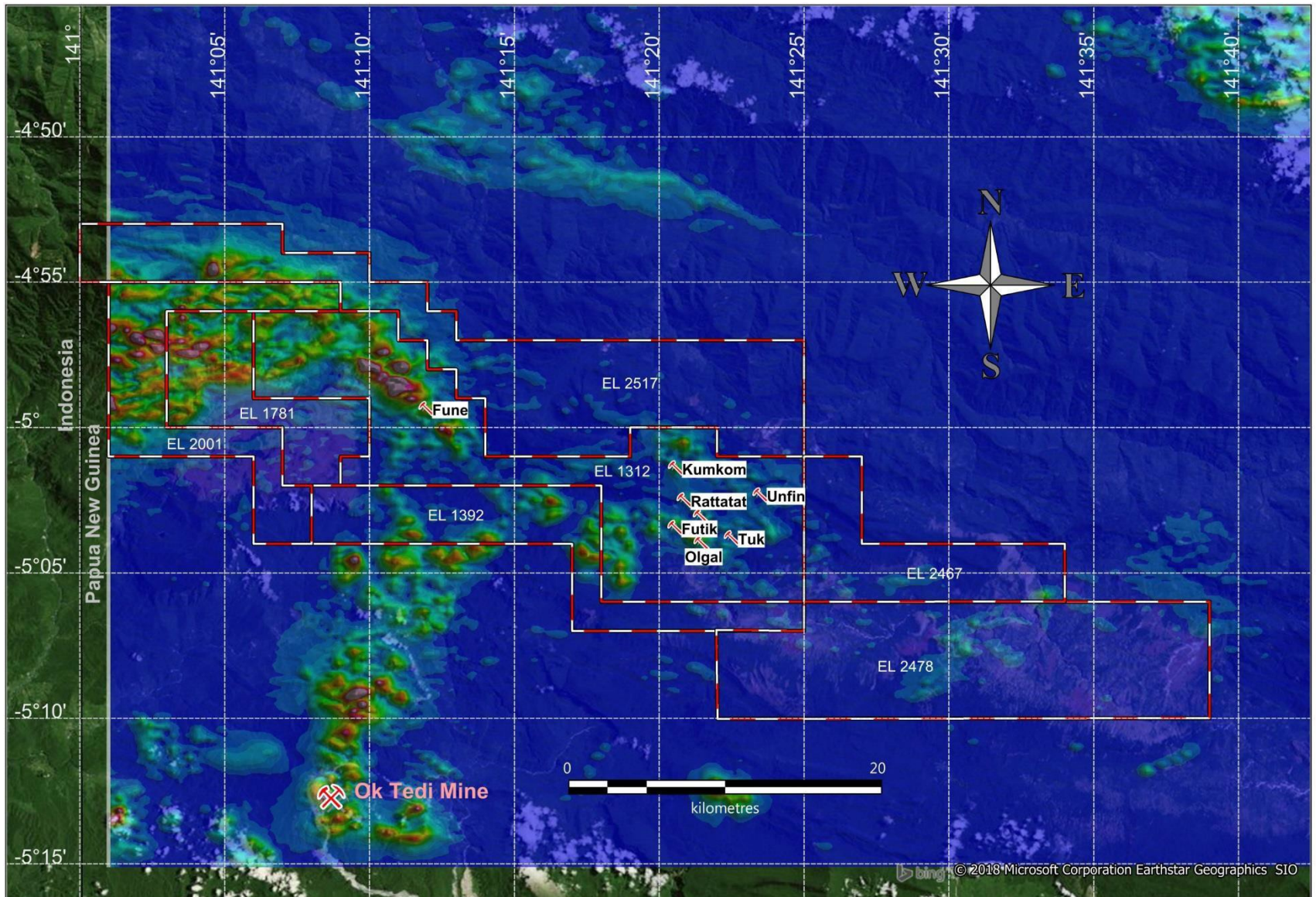
Pad 48

- Evidence of high-sulfidation system

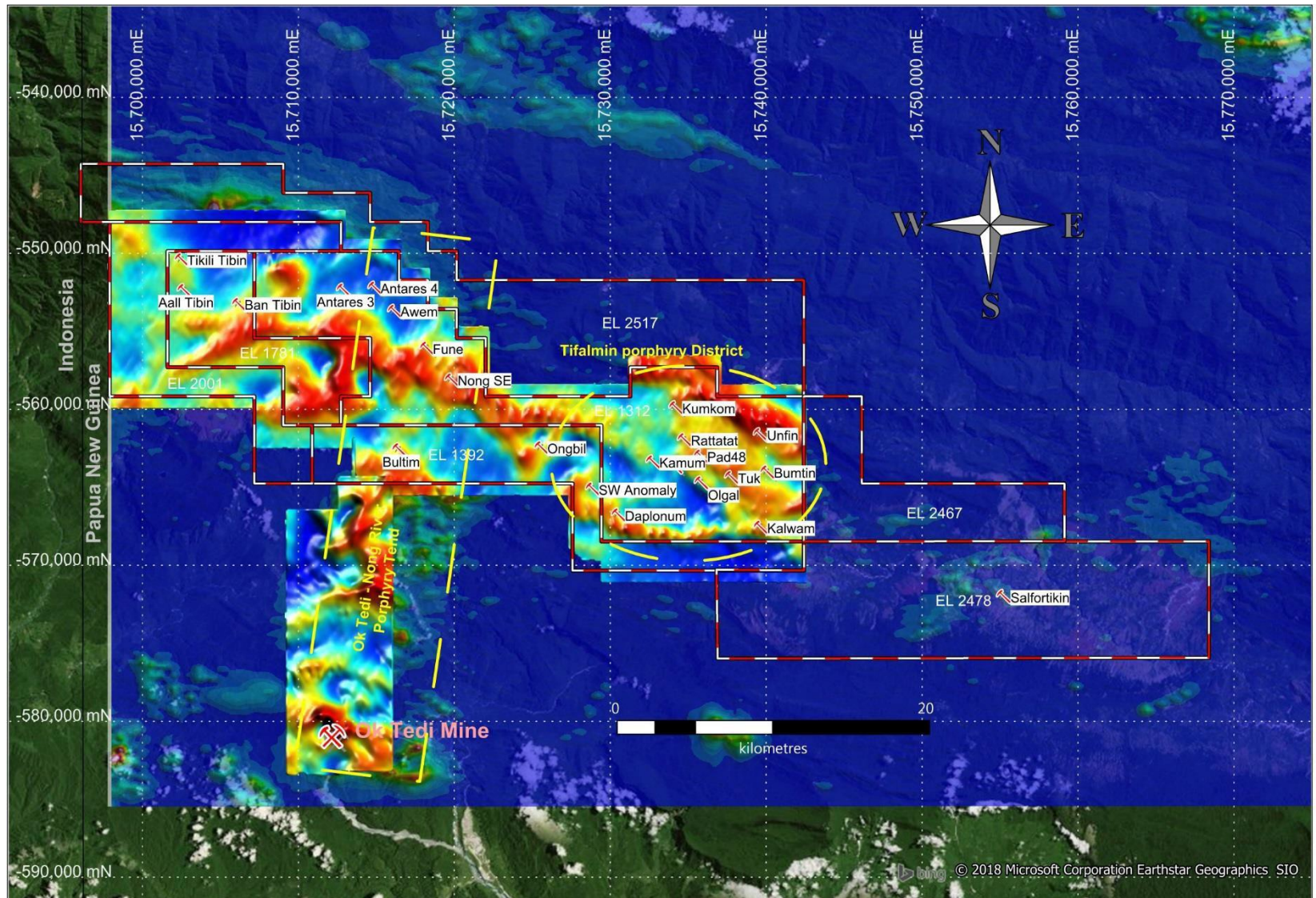
Tenements Cover Two Significant Porphyry Districts



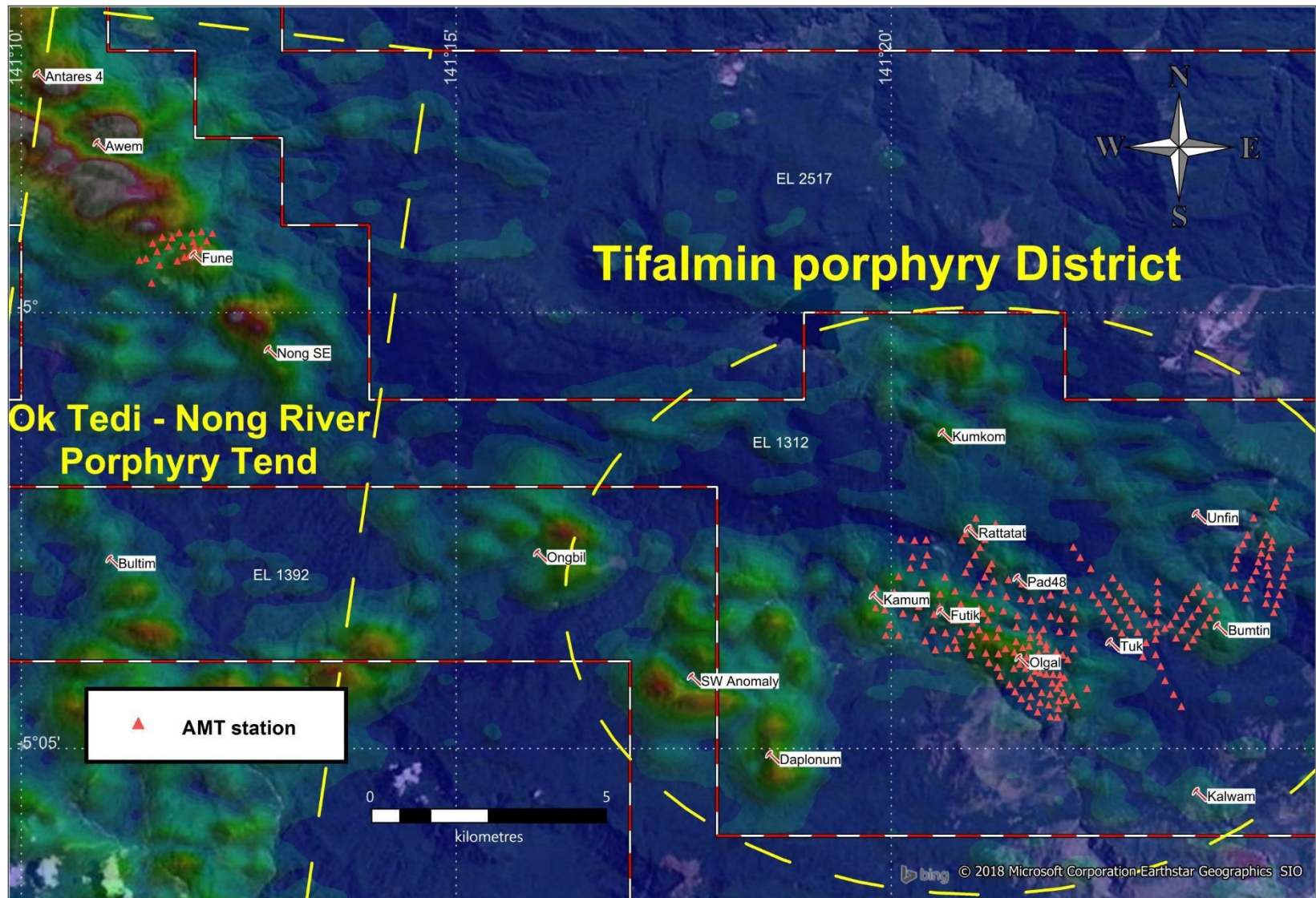
Drilled Prospects (on region magnetic AS image)



ZTEM Survey Conducted Over Core ELs



AMT Surveys (Fune & Tifalmin)



Local Infrastructure



- Main camp based at Tifalmin airstrip
- Accommodations for up to 30 persons
- Core shed and large fenced storage area
- Extensive infrastructure established
- Daily flights – fixed wing/chopper to POM
- Only 20km to Ok Tedi with additional medical, transport and police support
- Diesel power supply
- Reliable potable water supply



Strong Community Relations



- Strong support from the local communities in the Star Mountains.
- The exploration work starting 2010 has been a source of employment for many people in the area.
- Highlands has provided school supplies, water infrastructure and medical support to the local community.



Project History

- 1960's: Kennecott geologists identify copper gold mineralisation in the Star Mountains near Tifalmin
- 1969-1972: Kennecott drilled 5 holes and confirmed mineralisation
- 1975-1977: Ok Tedi Development Company – SS, PC, RC sampling, pit sampling and ground magnetic survey
- 1986-1988: CRA wide spaced regional sampling program
- 1992-1998: Newcrest – BHP JV Review & 1st pass geochemical drainage sampling
- 2002: Highlands acquired ground
- 2003: Noranda enters JV with Highlands
- 2005: Airborne magnetic and radiometric survey
- 2006-2009: Targets identified by regional stream sediment and geophysical surveys followed up by mapping, and soil and rock chip sampling
- 2010: Highlands Pacific 14 hole campaign at Olgal, with 12 holes encountering mineralisation
- 2012: Drilling moved to Futik, Pad 48, Rattatat, Kum Kom and Tuk; Highlands spent in excess of \$25 million from 2009 to 2013
- 2014: Anglo American became a JV partner, paying \$10 million for its initial interest and spending in excess of \$25 million during its time in the joint venture
- 2015: Nine hole program was completed including six holes at Olgal and three at Kum Kom
- 2016/17: Seven holes including four holes at Fune, two at Unfin and one at Olgal
- 2018: Highlands resumes 100% interest in the tenements; publishes Olgal Inferred Resource

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