



Niuminco Group Limited

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EDIE CREEK MINING OPERATIONS UPDATE

Niuminco is pleased to announce that all key mining and processing plant and equipment has arrived with installation now underway.

New equipment includes:

- **5tph Ball Mill**
- **Roller Crusher**
- **2tph Centrifugal Concentrator**
- **Two Vibrating Feeders**
- **Second tip-truck**
- **35t Excavator parts**

Installation of the new plant and equipment is expected to be completed in April, with processing capacity and production rising to the planned 60 tonnes per day during the June Quarter.

Higher-grade ore mined from Surmans Vein in January and February with 611 tonnes processed at an average grade of 3.8g/t of processed ore.

Edie Creek now positioned for 6.0x increase in throughput from January / February production, in addition to improved machine reliability and access to the higher grade mining inventory.

Additional mining machinery now operational, enabling mining of two lodes concurrently.

EDIE CREEK OPERATIONS

Mining

Higher-grade ore was sourced from the Surmans vein system in January and February resulting in 611 tonnes of ore being processed at an average grade of 3.8g/t Au during that period.

Significant development work continued at both the Surmans and Karuka vein systems over January and February with Karuka now ready to provide increasing quantities of high-grade ore going forward. This development work was achieved using only one operational excavator and the bull dozer, as major imported parts were awaited for the 35 tonne excavator. These parts have now arrived and with that machine operational, mining of both vein systems simultaneously can commence, utilising the recently acquired second tip-truck in these operations.

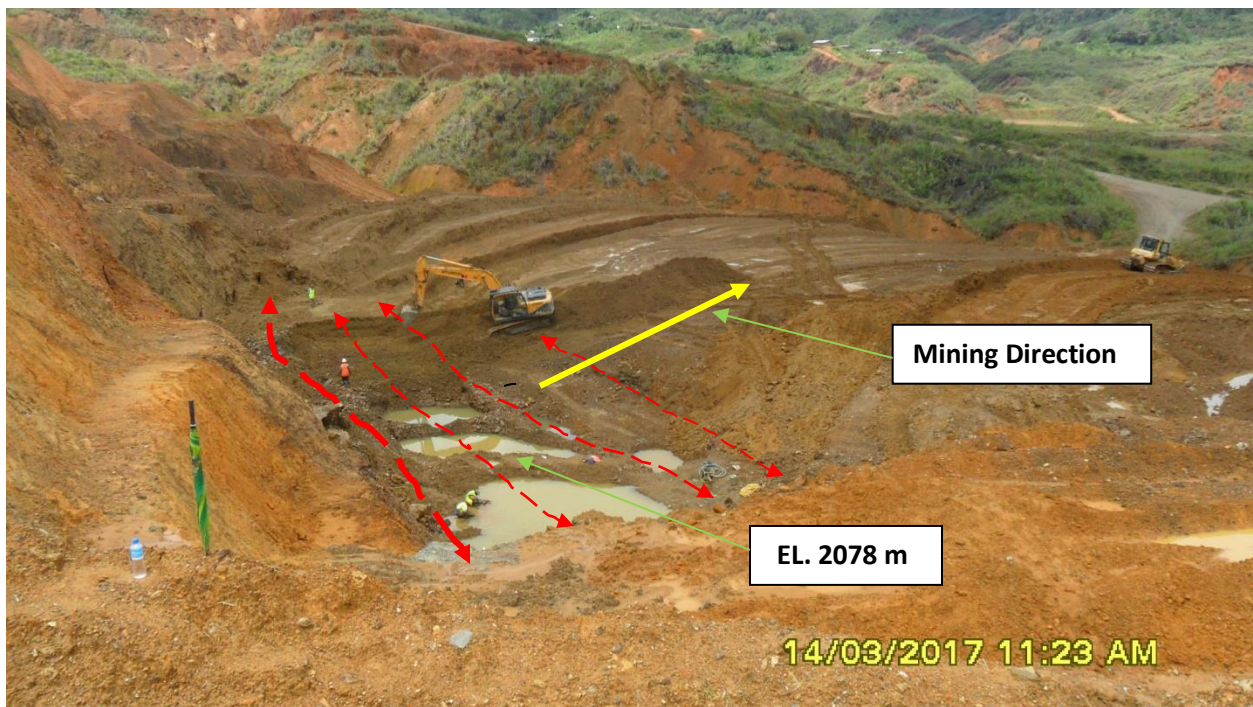


Figure 1 : Mining at Surmans vein system with veins marked in red.

Each of the veins exposed at Surmans and shown in red in Figure 1 above have all produced high grade ore at a level of 2 to 3 m below the current floor level. The elevation of the current floor level is 2,078 m (asl) and mining will continue from there towards the west at the level of 2,075m (asl), where we are expecting to mine good grade ore continuously, while intercepting

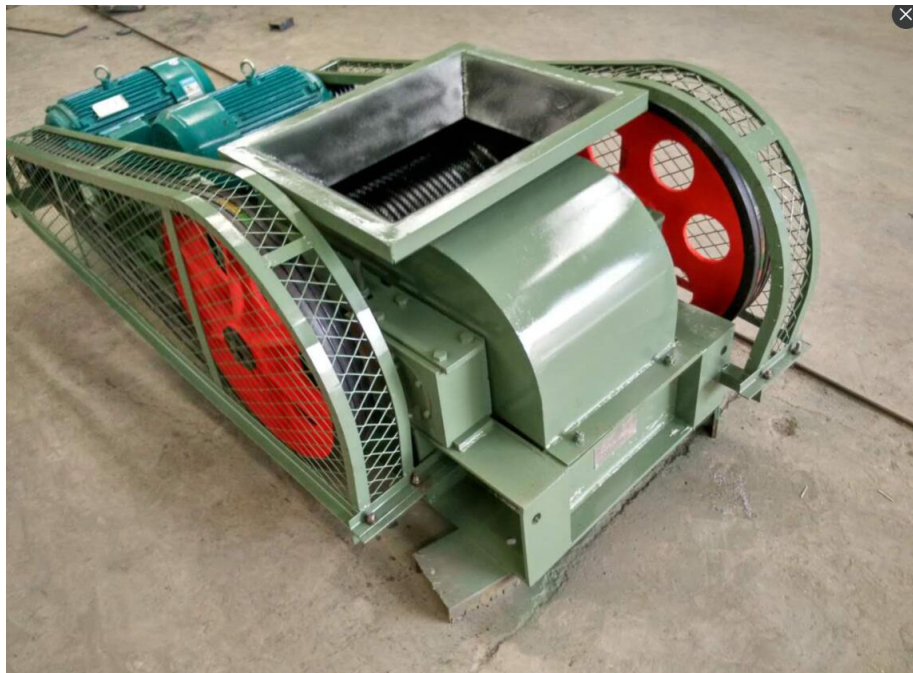
other parallel veins towards the west. The ore grade has historically tended to increase with depth when we have previously mined down to the elevation of 2,075m (asl).

Processing

The 5tph ball mill (below), 10-15tph roller crusher and 2tph centrifugal concentrator (below) have arrived from China. The ball mill and concentrator are to be installed into the existing processing circuit following installation of the 2 new vibrating feeders and modifications to the mill feed hoppers and conveyor belt, which are currently underway.



The roller crusher (pictured below) is to be installed nearby to the recently relocated vibrating screen and jaw crusher at the “old processing plant”, which is currently being modified and prepared for crushing and screening of ore prior to delivery to the milling/processing circuit.



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Mark Ohlsson
Company Secretary

16 March, 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.