



PELANGAN GOLD PROSPECT - WEST LOMBOK PROJECT
 PHASE 2 DRILLING
 DIAMOND DRILL HOLE STATISTICS

As at September 21, 2011

HOLE ID	COORDINATE UTM		EL. (m above MSL)	AZIMUTH (N...°E)	DIP (...°)	FINAL Depth (m)	INTERVAL (m)	SIGNIFICANT INTERSECTIONS (Au/Ag g/t)
	E	N						
PLD001	384577.0	9028692.0	144.8	59°	-50°	150.00	56.55 - 61.4m incl. 56.55 - 57.9m	4.85 m @ 7.11/18.5 1.35 m @ 16.7/17.0
PLD002	384577.0	9028692.0	144.8	59°	-75°	221.80	120.15 - 137.4m incl. 121.6 - 130.35m	17.25 m @ 5.73/11.7 8.75 m @ 10.51/20.7
PLD003	384530.9	9028672.1	120.4	65	-65	300.30	232.95 - 249.50m incl. 237.50 - 245.20m incl. 240.70 - 245.20m	16.55 m @ 5.5/3.7 7.70 m @ 10.9/6.1 4.50 m @ 17.6/8.0
PLD004	384656.2	9028587.2	186.8	70	-50	150.00	79.25 - 90.20m incl. 1.5m	10.95 m @ 2.00/34.0 1.5 m @ 5.6/166.0
PLD005	384463.8	9028885.9	71.6	100	-50	149.20	72.70 - 74.45m and 92.90 - 94.85m	17.5 m @ 1.15/4.9 1.95 m @ 1.16/13.7
PLD006	384656.2	9028587.2	186.8	70	-68	149.00	110.05 - 126.20m incl. 2.45m	16.15 m @ 1.4/12.0 2.45 m @ 4.7/34.0
PLD007	384490.0	9028777.6	77.6	62	-45	158.75	78.80 - 118.50m incl. 78.50 - 96.20m incl. 88.10 - 94.25m 127.70 - 128.45m	39.7 m @ 9.4/15.7 17.40 m @ 19.4/28.3 6.15 m @ 37.7/26.0 0.75 m @ 22.1/15.4
PLD008	384615.3	9028682.7	161.2	75	-45	156.00	70.35 - 81.90m incl. 3.5m 93.70 - 105.50m incl. 2.00m	11.55 m @ 9.80/31.1 3.5 m @ 26.1/96.5 11.8 m @ 1.40/9.2 2.00 m @ 3.70/22.6
PLD009	384530.9	9028672.1	120.4	32	-60	295.00	217.30 - 225.50m incl. 217.30 - 221.60m	8.20 m @ 4.4/2.7 4.30 m @ 7.5/3.9
PLD010	384615.3	9028682.7	161.2	72	-70	195.00	127.35 - 149.40 m incl. 140.40 - 149.40 m incl. 140.80 - 142.20 m	22.05 m @ 2.7 / 2.8 9.0 m @ 4.6 / 1.6 1.4 m @ 11.5 / 2.3
PLD011	384529.0	9028670.0	117.0	65	-60	282.35	210.20 - 226.70m incl. 211.50 - 216.25m	16.5 m @ 3.2 / 16.4 4.75 m @ 8.2 / 41.9

HOLE ID	COORDINATE UTM		EL. (m above MSL)	AZIMUTH (N...°E)	DIP (...°)	FINAL Depth (m)	INTERVAL (m)	SIGNIFICANT INTERSECTIONS (Au/Ag g/t)
	E	N						
PLD012	384490.0	9028777.6	77.6	55	-70	310.10	108.80 - 11.60 m 188.50 - 194.50 m	2.8 m @ 0.5 / 5.4 6.0 m @ 0.5 / 2.0
PLD013	384631.4	9028649.5	184.3	82	-65	201.00	110.40 - 134.90 m incl. 117.80 - 126.75 m	24.5 m @ 1.3 / 5.9 8.95 m @ 2.3 / 11.8
PLD014	384711.1	9028441.1	191.7	50	-65	159.00	74.60 - 111.80 m incl. 90.70 - 99.90 m	37.2 m @ 2.5 / 14.2 9.2 m @ 4.1 / 24.0
PLD015	384591.5	9028646.3	168.1	84.6	-70	341.50	No Significant Result	
PLD016	384566.9	9028767.9	106.6	63	-70	157.90	91.90 - 102.90 m incl. 93.50 - 95.80 m and 98.50 - 99.20 m	11.0 m @ 2.17/8.6 2.30 m @ 4.00/14.5 0.7 m @ 4.50 /4.0
PLD017	384709.1	9028440.0	191.6	15	-65	195.35	132.40 - 138.40 m incl. 132.40 - 133.70 m	6.0 m @ 2.2/13.1 1.30 m @ 4.9/11
PLD018	384388.5	9029050.0	69.9	65	-47	162.90	79.30 - 80.00 m	0.70 m @ 2.4/2.7
PLD019	384663.3	9028360.5	221.6	70	-46	228.10	147.10 - 152.30 m incl. 147.70 - 148.45 m and 151.75 - 152.30 m 160.80 - 174.75 m incl. 160.80 - 163.20 m and 173.75 - 174.75 m	5.2m @ 4.1/10.3 0.75 m @ 14.0/43.7 0.55 m @ 14.5/5.2 13.95 m @ 2.7/19.4 2.4 m @ 7.1/34.8 1.0m @ 4.7/40.9
PLD020	384309.8	9028698.1	183.9	215	-50	187.00	66.95 - 68.00 m 78.65 - 80.35 m 110.05 - 111.00 m	1.05m @ 1.3/1.5 1.7m @ 2.5/0.8 0.95m @ 1.4/3.3
PLD021	384640.2	9028566.2	171.1	65	-70	296.70	No Significant Result	
PLD022	384783.9	9028193.0	269.9	80	-55	182.20	101.80 - 117.60 m incl. 111.40 - 117.00 m incl. 115.60 - 117.00 m	15.8m @ 3.6/19.7 5.6m @ 7.0/12.6 1.4m @ 18.2/10.9
PLD023	384245.7	9028742.7	183.1	210	-50	164.25	No Significant Result	
PLD024	384663.3	9028360.5	221.6	65	-67	280.45	223.85 - 225.80 m	1.95 m @ 3.3
PLD025	384783.1	9028193.0	271.1	44	-65	214.35	145.55 - 160.55 m 165.30 - 175.35 m 189.80 - 191.10 m	15 m @ 1.0 10.05 m @ 1.1 1.3 m @ 4.1
PLD026	384374.6	9029164.6	44.2	65	-55	77.60	Abandoned due to water	
PLD027	384120.8	9028807.5	190.2	210	-50	247.25	167.20 - 193.40 m incl. 167.20 - 168.50 m incl. 189.15 - 192.60 m	26.2 m @ 4.2 1.3 m @ 30.1 3.45 m @ 12.3

HOLE ID	COORDINATE UTM		EL. (m above MSL)	AZIMUTH (N...°E)	DIP (...°)	FINAL Depth (m)	INTERVAL (m)	SIGNIFICANT INTERSECTIONS (Au/Ag g/t)
	E	N						
PLD028	384375.2	9028828.0	121.1	70	-61	334.20	251.05 - 252.40 m	1.35 m @ 1.0/6.2
PLD029	384313.1	9029257.0	53.3	65	-50	154.15	No Significant Result	
PLD030	384158.7	9029448.0	32.4	65	-50	154.20	No Significant Result	
PLD031	384728.4	9028268.0	266.1	70	-50	213.15	154.70 - 158.60 m incl. 156.40 - 157.25 m	3.90 m @ 3.9 0.85 m @ 11.5
PLD032	384809.5	9028103.0	267.3	65	-45	191.40	87.20 - 100.35 m incl. 97.05 - 100.35 m	13.15 m @ 1.4 3.30 m @ 2.3
PLD033	384003.4	9028878.0	219.0	210	-50	187.95	114.95 - 115.6 m	0.65 m @ 1.04
PLD034	383794.0	9029010.4	230.1	210	-50	100.00		
PLD036	383897.1	9028942.8	228.1	210	-50	15.20		
PLD037	384809.5	9028103.0	267.3	65	-75	39.45		
PLD038	384728.4	9028268.0	266.1	70	-70	11.75		
7,014.50								

The technical information in this document has been reviewed by Southern Arc's Chief Geologist, Andrew Rowe, B. App. Sc. Geology, MAusIMM. Mr. Rowe has over 18 years of international mineral exploration experience throughout Southeast and Central Asia and Australia. During this time he has held such positions as Chief Geologist – Feasibility Studies, Senior Geologist and Consulting Geologist. The technical information in this document has also been reviewed by Southern Arc's President & Chief Operating Officer, Dr. Mike Andrews, PhD, FAusIMM, who has sufficient experience relevant to the style of mineralization under consideration and qualifies as a Qualified Person as defined by National Instrument 43-101.

The drill program and sampling protocol is managed by Southern Arc under the supervision of Andrew Rowe. The diamond drill holes are drilled at PQ, HQ and NQ sizes depending on hole depth and core recovery to date has averaged 98.0%. Half core is cut by rock saw and is generally sampled using nominal 1-metre intervals; however, sample intervals are varied according to geological contacts and have ranged between 0.2 to 2.5 metres in length. Three quality control samples (one blank and two standards) are inserted into each batch of 40 samples. The half core samples are securely transported from the project site to the Intertek Testing Services ("ITS") sample preparation laboratory in Sumbawa Besar via private truck hired by Southern Arc. Sample pulps are then sent to the ITS Jakarta laboratory by ITS. Gold is analysed by fire assay with AAS finish and a four-acid digestion with ICP-MS finish is used to analyse a full suite of elements including silver and base metals. ITS is one of the world's largest product and commodity testing, inspection and certification organizations. The Jakarta laboratory is ISO 17025 accredited and employs a Laboratory Information Management System for sample tracking, quality control and reporting.



**MENCANGGAH EPITHERMAL DISTRICT
PHASE 1 DRILLING
DIAMOND DRILL HOLE STATISTICS**

As at January 15, 2012

Drill Hole	Target	Depth (m)	Coordinates		Az	Dip	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
			E	N							
MCG001	Waterfall	288.3	388177	9022741	210	-50	257.5	259.8	2.3	4	176.7
Including							259	259.8	0.8	7.6	412
MCG002	Waterfall	138.3	388026.6	9022819.6	210	-55	118.7	120.7	2	5.2	10.5
Including							118.7	118.9	0.2	9.8	3
MCG003	Waterfall	316.6	387905	9022620.6	30	-50	221.9	222.2	0.3	1.6	1
MCG004	Waterfall	358.7	387838.1	9022677.3	30	-60	115.9	117.2	1.3	3.8	1.5
MCG005	Waterfall	256.8	387980.4	9022611.3	30	-60	74.3	75.3	1	1.2	2.5
							77.15	78	0.85	3.3	4.7
							229	230	1	1.4	3.3
MCG006	Waterfall	178.5	388063.4	9022543.1	30	-50	102	106.4	4.4	1.1	1.3
							122.35	123.95	1.6	11	2.6
MCG007	Waterfall	190.5	387903.4	9022618.8	210	-50	<i>No Significant Result</i>				
MCG008	Waterfall	50	388114	9022438	30	-45	<i>Hole abandoned at 50 m due to collapse</i>				
MCG009	Waterfall	165	387836	9022673.6	210	-60	84.1	85.5	1.4	2.4	3.1
							95.9	96.2	0.3	3.4	22
							98.4	98.7	0.3	1.5	2.5
							112.4	112.8	0.4	2.1	4.4
MCG010	Waterfall	203.3	387979.2	9022609.5	210	-70	111.05	112	0.95	1.5	9.2
							118.85	119.6	0.75	3	10.8
							131.9	132.9	1	1.7	7
							169.85	170.85	1	1	
MCG011	Waterfall	149	387766.3	9022714.8	210	-70	41	41.8	0.8	1.5	
MCG012	Waterfall	252	387631.1	9022695.5	30	-45	<i>No Significant Result</i>				
MCG013	Waterfall	262.5	388062.7	9022542.3	0	-90	<i>No Significant Result</i>				
MCG014	Waterfall	275.9	388116.2	9022445.3	30	-50	125.85	126.35	0.5	1.3	7.9
							260.9	261.7	0.8	1.2	2.4
							265.7	268.35	2.65	1	4.7
MCG015	Waterfall	400.8	387758.2	9022556	30	-55	16	18	2	1.8	1.3
							48.55	49.06	1.05	1.5	4.5
							313	313.7	0.7	1.2	4.1
							363	363.95	0.95	1.4	10.4
MCG016	Waterfall	393.3	387686.6	9022604.1	30	-50	160.15	161	0.85	1.4	3.8

Including							168.5	173.25	4.75	15.6	15.1
							169.7	171.7	2	36.1	30.6
							179.55	180.4	0.85	1.1	7.1
							182.4	183.45	1.05	2	8.8
							184.9	185.5	0.6	1.8	6.8
							188.45	189.2	0.75	1.7	25.6
							209.3	210.2	0.9	2.2	19.4
							371.1	373.35	2.25	1	7.6
MCG017	Waterfall	264.1	388060.8	9022539.1	210	-70	79.2	79.6	0.4	1.8	34.2
MCG018	Waterfall	236.45	387768.4	9022718	30	-50	No Significant Result				
MCG019	Waterfall	196.5	387547.4	9022750.9	30	-50	No Significant Result				
MCG020	Waterfall	327	388211.5	9022415.8	30	-50	122.6	124.5	1.9	1.5	6.5
							150.9	151.9	1	1.9	4.4
MCG021	Waterfall	195.6	388265.4	9022369.7	30	-50	98	100	2	2.4	35.6
MCG022	Waterfall	292	388367.4	9022291.5	70	-60	No Significant Result				
MCG023	Waterfall	312.8	388286.8	9022633.1	15	-50	No Significant Result				
MCG024	Waterfall	259.5	387481.8	9022793.7	30	-50	215.6	217.6	2	1.7	4.8
							224.9	228.7	3.8	1	4.1
MCG025	Waterfall	225	387820	9022436.5	250	-55	No Significant Result				
MCG026	Waterfall	241.4	388356.2	9022650.6	30	-50	107.9	109.4	1.5	1.1	7
MCG027	Waterfall	240.1	388517.1	9022426.9	30	-50	No Significant Result				

The technical information in this document has been reviewed by Southern Arc's Chief Geologist, Andrew Rowe, B. App. Sc. Geology, MAusIMM. Mr. Rowe has over 18 years of international mineral exploration experience throughout Southeast and Central Asia and Australia. During this time he has held such positions as Chief Geologist – Feasibility Studies, Senior Geologist and Consulting Geologist. The technical information in this document has also been reviewed by Southern Arc's President & Chief Operating Officer, Dr. Mike Andrews, PhD, FAusIMM, who has sufficient experience relevant to the style of mineralization under consideration and qualifies as a Qualified Person as defined by National Instrument 43-101.

The drill program and sampling protocol is managed by Southern Arc under the supervision of Andrew Rowe. The diamond drill holes are drilled at PQ, HQ and NQ sizes depending on hole depth and core recovery to date has averaged 98.0%. Half core is cut by rock saw and is generally sampled using nominal 1-metre intervals; however, sample intervals are varied according to geological contacts and have ranged between 0.2 to 2.5 metres in length. Three quality control samples (one blank and two standards) are inserted into each batch of 40 samples. The half core samples are securely transported from the project site to the Intertek Testing Services ("ITS") sample preparation laboratory in Sumbawa Besar via private truck hired by Southern Arc. Sample pulps are then sent to the ITS Jakarta laboratory by ITS. Gold is analysed by fire assay with AAS finish and a four-acid digestion with ICP-MS finish is used to analyse a full suite of elements including silver and base metals. ITS is one of the world's largest product and commodity testing, inspection and certification organizations. The Jakarta laboratory is ISO 17025 accredited and employs a Laboratory Information Management System for sample tracking, quality control and reporting.