

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

HOLE ID	Prospect	COORDINATE		EL. (m above MSL)	AZIMUTH (N...°E)	INCL (...°)	STARTED	FINAL LENGTH (m)	SIGNIFICANT INTERSECTION					
		UTM							Comments	FROM	TO	Interval	Au (g/t)	Ag (t/t)
		E	N											
PLD039	Jati	383153.0	9029461.6	138.4	210	-50	10/01/2012	222.00		79.30	81.30	2.0	0.83	2.5
PLD040	Jati	383234.2	9029417.3	155.7	210	-50	13/01/2012	184.70		11.70 99.00 111.50	13.70 101.60 111.80	2.0 2.6 0.3	5.84 1.64 0.9	2.2 7.5 5.3
PLD041	Jati	383331.1	9029277.3	204.7	30	-50	25/01/2012	200.80	Including	52.75 62.00 62.80	53.70 63.20 63.20	0.95 1.2 0.4	0.53 0.68 1.22	1.2 21.8 63.2
PLD042	Tanjung	383737.6	9028867.2	155.6	30	-50	30/01/2012	248.70		No Significant Result				
PLD043	Tanjung	383675.7	9029039.0	210.3	30	-50	06/02/2012	183.60		50.50	51.90	1.4	9.3	28
PLD044	Tanjung	383850.3	9028840.5	175.1	30	-50	11/02/2012	156.85		43.55	44.75	1.2	1.1	6.3
PLD045	Tanjung	383886.9	9028800.0	180.8	30	-60	17/02/2012	172.70		No Significant Result				
PLD046	Jati	383576.2	9029107.9	154.8	30	-50	19/02/2012	162.00		47.10	49.30	2.2	1.4	19.3
PLD047	Tanjung	383777.1	9028827.0	152.7	30	-50	24/02/2012	235.80		No Significant Result				
PLD048	Jati	383454.1	9029199.7	160.5	30	-50	26/02/2012	155.90		No Significant Result				
PLD049	Jati	383653.4	9028997.3	193.4	30	-50	04/03/2012	252.00		No Significant Result				
PLD050	Kayu Putih	383805.1	9029945.8	32.0	225	-50	28/03/2012	180.10		94.50	95.10	0.60	1.46	6.8
PLD051	Kayu Putih	383805.1	9029945.8	32.0	195	-50	07/04/2012	163.60		No Significant Result				
Total Drilled Length:								2,518.75						

Qualified Person

The technical information in this document has been reviewed by Southern Arc's Executive Vice President, 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 Principal 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**

HOLE ID	Prospect	COORDINATE		EL. (m above MSL)	AZIMUTH (N...°E)	INCL (...°)	STARTED	FINAL LENGTH (m)	SIGNIFICANT INTERSECTION						
		UTM							Comments	FROM	TO	Interval	Au (g/t)	Ag (t/t)	
		E	N												
MCG036	Bising	388573.4	9023779.8	322.6	195	-50	22/11/2012	42.40		<i>Drilling stopped</i>					
MCG037	Bising	388625.6	9023756.2	308.0	195	-50	23/11/2012	23.50		<i>Drilling stopped</i>					
MCG038	Bising	388569.6	9023770.5	323.4	195	-50	10/12/2012	101.80		27.67	58.4	30.73	0.3	1.4	
										89.75	91.5	1.75	1.02	0.6	
MCG039	Bising	388619.8	9023743.3	312.3	195	-50	10/12/2012	81.10		20.3	51.2	30.9	0.35	1.4	
MCG040	Bising	388271.0	9023963.9	384.3	195	-70	15/12/2012	165.20		100.8	147.9	47.1	0.37	1.2	
									Including	125.65	147.9	22.25	0.48	1.8	
MCG041	Bising	388198.5	9023870.2	408.9	195	-50	16/12/2012	100.60		20	86.8	66.8	0.66	2.4	
									Including	22	79.8	57.8	0.72	2.5	
									Including	22	64.8	42.8	0.81	2.6	
									Including	22	44.9	22.9	1.16	2.7	
									Including	35.9	39.85	3.95	2.89	2.3	
MCG042	Bising	388243.6	9023869.7	395.2	195	-50	18/12/2012	112.10		16	69.2	53.2	1.04	1.4	
									Including	26.3	47.8	21.5	1.6	1.6	
									Including	32.2	33.2	1	9.67	0.8	
									and	46.3	46.6	0.3	10.2	61.3	
									and	66.2	66.4	0.2	10.3	25.5	
MCG043	Bising	388280.6	9023858.3	383.2	195	-45	22/12/2012	105.10		20.7	63.1	42.4	0.51	1.1	
									Including	39	49.1	10.1	1	1.9	
Total Drilled Length:															
									731.80						

Qualified Person

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

HOLE ID	Prospect	COORDINATE		EL. (m above MSL)	AZIMUTH (N...°E)	INCL (...°)	STARTED	FINAL LENGTH (m)	SIGNIFICANT INTERSECTION					
		UTM							Comments	FROM	TO	Interval	CU (%)	AU (g/t)
		E	N											
SLD032	Selodong	392668.7	9021933.1	18.5	290	-65	04/02/2012	370.70	<i>No Significant Result</i>					
SLD033	Selodong	389442.5	9021771.0	184.7	10	-65	25/09/2012	1212.70						
Total Drilled Length:								1,583.40						

Qualified Person

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