



**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											
MCG044	Bising	388271.0	9023963.9	381.0	195	-50	12/01/2013	172.60	Including	87.85	146	58.15	0.61	2.5
										104.6	146	41.4	0.73	3.3
										104.6	115.6	11	1.3	1.1
										123	130.5	7.5	1.1	11.0
MCG045	Bising	388104.3	9023882.0	431.5	195	-50	13/01/2013	91.80		20.45	64.35	43.9	0.35	2.9
MCG046	Bising	388178.3	9023954.5	420.6	195	-45	19/01/2013	145.30		91.3	120.1	28.8	0.4	2.1
									Including	106.3	115.8	9.5	0.62	2.8
MCG047	Bising	388128.3	9023962.3	433.4	195	-50	20/01/2013	133.10		77.45	110.8	33.35	0.35	2.3
MCG048	Bising	388178.3	9023954.5	420.6	195	-70	26/01/2013	166.90		100.6	125.4	24.8	0.55	2.3
									Including	109.5	125.4	15.9	0.65	2.9
MCG049	Tibu Serai	387977.0	9024919.0	413.1	238	-50	01/02/2013	144.00		31.3	43.4	12.1	1.07	1.2
									Including	34.65	38.85	4.2	2.17	1.7
										78.7	82	3.3	1.21	1.2
MCG050	Tibu Serai	387821.0	9024820.0	387.1	238	-50	02/02/2013	156.00		100.23	111	10.77	1.01	4
									Including	108.85	111	2.15	3.87	17
									Including	110.5	111	0.5	15	67.4
MCG051	Tibu Serai	387762.0	9025243.0	328.0	238	-50	05/02/2013	178.40		114.7	123.4	8.7	1.56	0.71
									Including	119.9	123.4	3.5	3.33	1
										136.45	145.3	8.85	0.74	0.4
MCG052	Tibu Serai	387704.7	9025293.3	300.0	238	-50	09/02/2013	215.80		101.72	103.05	1.33	0.66	0.3
MCG053	Tibu Serai	387636.9	9025189.6	324.7	238	-50	11/02/2013	146.50		31.4	41	9.6	0.35	0.3
MCG054	Tibu Serai	388360.0	9025311.2	368.6	238	-50	14/02/2013	185.90		139.1	159.2	20.1	0.56	1.4
									Including	156.6	157.7	1.1	3.11	11
MCG055	Tibu Serai	388775.3	9024786.7	441.0	238	-50	19/02/2013	97.60		48.6	73.4	24.8	4.27	0.6
									Including	49.4	49.9	0.5	71	1.9
									and	67.2	72.6	5.4	9.44	1.3
									Including	71.75	72.3	0.55	71	6.8
MCG056	Bising	388360.4	9023928.7	362.1	195	-60	27/02/1913	171.00						



**Total Drilled Length: 2,004.90**

**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.