

# Independent Qualified Person's Report of Cibak and Cipancar Prospects at Ciemas Gold Project in Republic of Indonesia

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Report Prepared for  
**P.T. Wilton Wahana Indonesia**



Prepared by

 **srk** consulting

Project Numbers: SCN502

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# 1 Summary

## 1.1 Summary of Principal Objectives

Wilton Resources Corporation Limited (“Wilton” or the “Group” or the “Company”) commissioned SRK Consulting China Limited (“SRK”) to review all related technical aspects of Cibak and Cipancar Prospects at the Ciemas Gold Project (“Ciemas” or the “Project”) located near the town of Pelabuhan Ratu in the Sukabumi Region of West Java, Republic of Indonesia. The update of operational progress at Cibak and Copancar Prospects has been reflected in Wilton’s Annual Report 2016 released on 30 September 2016. The objective of the mission is to provide the Company with an Independent Qualified Person’s Report (the “Report”) for release or endorsement of Wilton’s announcements with regard to the Mineral Resource on the Catalist Board of the Singapore Exchange (“SGX”).

## 1.2 Outline of Work Program

The work program involved two phases of work:

- Phase 1 – During the period of 19 to 22 August 2016, SRK made a site visit to Cibak and Cipancar Prospects at Ciemas Gold Project to inspect the geology, gold mineralisation, structures, topography, as well as shafting completed and being excavated.
- Phase 2 – SRK had reviewed the metallurgical test work and data acquired for the Cibak and Cipancar Prospects, and prepared the report, including mineral resource estimation.

## 1.3 Results

### 1.3.1 Overall

Wilton operates the Ciemas Gold Project in West Java, Indonesia with two mining licences covering a total area of approximately 30.8 square kilometres (km<sup>2</sup>). The Project consists of a number of gold deposits and occurrences with gold mineralization hosted in quartz veins, structural altered rocks with breccia, or in quartz porphyry. SRK has completed a qualified person’s report (“QPR”) and associated updated reports previously for the Pasir Manggu, Cikadu, Sekolah, and Cibatu Prospects (“4 Prospects”) which were released by Wilton in 2013, 2014 and 2015. The Cibak and Cipancar Prospects, also belonging to the Ciemas Gold Project, were chosen by Wilton for a trial production. SRK conducted a site inspection and reviewed the historical data from 33 trenches carried out by Terrex Resources NL (“Terrex”) during 1992 to 1994 and PT Meekatharra Minerals (“Meekatharra”) during 1996 to 1998, and the data from 31 shafts developed by Wilton recently at Cibak and Cipancar Prospects. Based on the integrated database, SRK estimated that, at a gold cut-off grade of 2.5 grams per tonne (“g/t”), the Cibak and Cipancar Prospects contain about 1.1 million tonnes (“Mt”) of Inferred Resources averaging about 5.6g/t of gold. The Mineral Resource statement for the Cibak and Cipancar Prospects is presented in Table 1-1.

**Table 1-1: Mineral Resources of Cibak and Cipancar Prospects by SRK Consulting China Ltd, as of 31 August 2016**

| Zones        | Mineralized Bodies | Cut-Off Au (g/t) | Category        | Tonnage (Mt) | Au (g/t)   |
|--------------|--------------------|------------------|-----------------|--------------|------------|
| Cibak        | 101                | 2.5              | Inferred        | 0.39         | 6.6        |
|              | 102                | 2.5              | Inferred        | 0.18         | 4.1        |
|              | 103                | 2.5              | Inferred        | 0.09         | 4.5        |
| Cipancar     | 201                | 2.5              | Inferred        | 0.40         | 5.6        |
|              | 203                | 2.5              | Inferred        | 0.05         | 5.6        |
| <b>Total</b> |                    | <b>2.5</b>       | <b>Inferred</b> | <b>1.10</b>  | <b>5.6</b> |



The information in this Mineral Resources report is based on information compiled by Mr. Hongliang Gong, Mr. Pengfei Xiao and Dr. Anson Xu, full-time employees of SRK Consulting China Ltd. Mr. Gong and Mr. Xiao are both Member of the Australasian Institute of Mining and Metallurgy. Dr. Xu is a Fellow of the Australasian Institute of Mining and Metallurgy. Their experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking is sufficient to qualify them as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves." Mr. Gong, Mr. Xiao and Dr. Xu consent to the reporting of this information in the form and context in which it appears.

The cut-off grade is 2.5 g/t Au and is determined based on the following assumptions: underground-mine, mining dilution of 20%, ore-processing recovery of 90%, cash operating cost of USD 75/t, and gold metal price of USD 1,300/oz.

Figures for gold metal in this table are estimated based on the resource tonnages and grades, and do not represent the exact amount of extractable metal for this Project. They should be treated differently from the expected production of gold bullion.

Discrepancies may occur due to rounding.

Table 1-2 summarises the mineral resources of the Cibak and Cipancar Prospects according to the SGX Catalist listing rule "Appendix 7D: Summary of Reserves and Resources". The summary table can also be found in Appendix 3 of this Report.

**Table 1-2: Summary of Resources of Cibak and Cipancar Prospects, SRK Consulting China Ltd, as of 31 August, 2016**

| Category          | Mineral Type | Gross Attributable to Licence |          | Net Attributable to Issuer |          |                                   | Remarks      |
|-------------------|--------------|-------------------------------|----------|----------------------------|----------|-----------------------------------|--------------|
|                   |              | Tonnes (Mt)                   | Au (g/t) | Tonnes (Mt)                | Au (g/t) | Change from previous update (%)** |              |
| <b>Reserves</b>   |              |                               |          |                            |          |                                   |              |
| Proved            | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| Probable          | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| <b>Total</b>      | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| <b>Resources*</b> |              |                               |          |                            |          |                                   |              |
| Measured          | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| Indicated         | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| Inferred          | Gold         | 1.1                           | 5.6      | 1.1                        | 5.6      | NA                                | New Estimate |
| <b>Total</b>      | Gold         | 1.1                           | 5.6      | 1.1                        | 5.6      | NA                                | New Estimate |

\*The Mineral Resources are reported inclusive of the Ore Reserves. No Ore Reserves have been estimated for the two prospects (Cibak and Cipancar) by the date of finalizing this report.

\*\*Change from previous update: there was no public announcement of the resources and reserves for the Cibak and Cipancar Prospects before.

NA - Not Applicable

**Name of Qualified Person:** Dr Anshun (Anson) Xu, Corporate Consultant (Geology), SRK Consulting China Ltd

**Date:** 31 August 2016

**Professional Society Affiliation / Membership:** The Australasian Institute of Mining and Metallurgy (AusIMM) / FAusIMM (#224861)

### 1.3.2 Operational Licences and Permits

SRK has sighted the original business licences for the Ciemas project, one for the Company and the other for the PT. Liek Tucha Ciemas ("Liek Tucha") which the Company owns 99% shares. SRK has also sighted the two original Mining Business Licences (Izin Usaha Pertambangan, "IUPs") that have been issued for the Ciemas project. These were both issued by the Integrated Licensing Services Board Administration of Sukabumi District.

SRK has sighted the relevant land use documents indicating that the Company has secured land access rights to approximately 75.85 hectares ("ha") of land from local residents in Pasir Manggu and Cileuweung gold bearing zone areas during past five years.

### 1.3.3 Geology

Geologically, the Ciemas Gold Project is situated within a poly-metallogenic volcanic rock belt of gold (“Au”), lead (“Pb”), zinc (“Zn”), and copper (“Cu”), in Ciletah Bay, West Java, Indonesia. Geotectonically it is located at the southern margin of Sundaland, which is the continental core of southeast (“SE”) Asia formed by the accretion of blocks to the Eurasian margin, and was assembled by the time of the Late Triassic.

The Ciemas gold deposit is hosted by a late Eocene to early Miocene volcanic rock belt. The belt is composed mainly of volcanic breccia and mostly covered by Quaternary eluvium and alluvium as well as a post-mineralisation tuff blanket up to 20 m thick. Volcanic breccia, tuffs, and andesite are widely distributed in the Ciemas Project area.

The mineralised domain is comprised of 6 mineralised bodies at Cibak and Cipancar Prospects, hosted by gold-bearing quartz veins and altered volcanic rocks or fault breccia along the N60-70E trending faults, which dip about 70° towards SE. The width of the mineralisation ranges from about 0.5 m to 4 m. Weathering of various grades occurs at various depth due to and along the fault fracture zones. Mineralisation at Cibak and Cipancar Prospects is of the quartz vein type and is usually associated with altered volcanic rocks and/or fault breccia.

### 1.3.4 Exploration and Quality Assurance/Quality Control

A series of Australian junior explorers, first Parry Corporation from 1986 to 1990, followed by Terrex Resources from 1992 to 1994, and then Meekatharra Minerals from 1996 to 1998, joined the titleholder in exploration of the Ciemas Project area, including Cibak and Cipancar. These companies all ceased operations at Ciemas because of funding shortages.

PT Prihaditama was engaged by Wilton to conduct a survey on the Cibak and Cipancar area using Geophysics surveying method. Induced Polarization (“IP”) and Resistivity techniques were utilized to locate any anomaly (mineralization zone) beneath the investigated.

The data acquired at the Cibak and Cipancar Prospects are comprised of historical data from 33 trenches conducted by Terrex Resources during 1992 to 1994 and Meekatharra Minerals during 1996 to 1998, and the data from 31 shafts acquired by Wilton recently.

SRK has not had access to the quality assurance and quality control (“QA/QC”) procedures of the historical exploration, because the detailed information was not available. The recent shafting and sampling was conducted and/or supervised by Wilton’s geologists. The Wilton’s shaft data are generally consistent with the results generated from the historical trenches, both disclosed the similar mineralised bodies on location, striking as well as mineralisation type. Under the supervision of SRK, some samples were taken and assayed. The results of these samples are comparable with previous assays. SRK is of opinion that the data acquired at the Cibak and Cipancar Prospects are only adequate to be used for Inferred Resource category in the mineral resource estimation that is reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code” 2012 Edition).

### 1.3.5 Data Verification

A total of 10 samples were collected from the ongoing shafts by Wilton’s geologists under SRK’s supervision, and these samples were used for indirect verification on previous data and mineralisation condition. All verification samples were sent to Intertek laboratory in Jakarta for gold analysis using FA50 Fire Assay method with a detection limit of 0.005 g/t. The results used for verification are compared with averaged results from adjacent vein samples in the database, which indicates that similar mineralisation results generated by the samples from ongoing shafts and from previous trenches or shafts.

### 1.3.6 Mineral Resources

The Mineral Resource Statement presented herein represents the Mineral Resource estimation prepared for the Cibak and Cipancar Prospects according to the JORC Code.

A total of 221 samples from 64 surface trenches and shafts were imported into database covering the mineralised zones of Cibak and Cipancar. The UTM coordinate projection was used for locating drill collars and limiting the geological and resource models generated during this project. A geological model for the Cibak and Cipancar gold mineralised zones was built using Surpac (V6.3) software. A total of 6 mineralised domains were modelled for Cibak and Cipancar Prospects. Three domains were outlined in Cibak and three in Cipancar. Only two domains in Cipancar were reported Inferred Resource due to the cut-off grade.

SRK considers that portions of the mineralisation in the Cibak and Cipancar Prospects are amenable to be mined using underground mining method. In order to determine the quantities of material offering “reasonable prospects for eventual economic extraction” by underground mining, SRK used a set of mining and processing assumptions/parameters to calculation the cut-off-grade to evaluate the proportions of the block model (Inferred blocks) that could be “reasonably expected” to be mined from underground mine. The conceptual parameters used are presented in Table 1-3.

**Table 1-3: Assumptions Used for Cut-Off-Grade Calculation**

| Parameter                  | Value | Unit   |
|----------------------------|-------|--------|
| Gold metal price           | 1300  | USD/OZ |
| Mining cost                | 43    | USD/t  |
| Processing cost            | 22    | USD/t  |
| Administrative cost        | 10    | USD/t  |
| Mining dilution            | 20    | %      |
| Gold process recovery      | 90    | %      |
| In situ Gold cut-off grade | 2.5   | g/t    |

The Resource statement for the Cibak and Cipancar as of 31 August 2016, at a cut-off grade of 2.5 g/t Au, is tabulated in Table 1-4.

**Table 1-4: Mineral Resource Estimate for Cibak and Cipancar Prospects, SRK Consulting China Ltd, as of 31 August 2016**

| Zones        | Bodies | Cut-Off Au (g/t) | Category        | Tonnage (Mt) | Au (g/t)   |
|--------------|--------|------------------|-----------------|--------------|------------|
| Cibak        | 101    | 2.5              | Inferred        | 0.39         | 6.6        |
|              | 102    | 2.5              | Inferred        | 0.18         | 4.1        |
|              | 103    | 2.5              | Inferred        | 0.09         | 4.5        |
| Cipancar     | 201    | 2.5              | Inferred        | 0.4          | 5.6        |
|              | 203    | 2.5              | Inferred        | 0.05         | 5.6        |
| <b>Total</b> |        | <b>2.5</b>       | <b>Inferred</b> | <b>1.1</b>   | <b>5.6</b> |

The information in this Mineral Resources report is based on information compiled by Mr. Hongliang Gong and Dr. Anson Xu, full-time employees of SRK Consulting China Ltd. Mr. Gong is a Member of the Australasian Institute of Mining and Metallurgy. Dr. Xu is a Fellow of the Australasian Institute of Mining and Metallurgy. Their experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking is sufficient to qualify them as Competent Persons as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves.” Mr. Gong and Dr. Xu consent to the reporting of this information in the form and context in which it appears.

The cut-off grade is 2.5 g/t Au and is determined based on the following assumptions: underground-mine mining dilution of 20%, ore-processing recovery of 90%, cash operating cost of USD 75/t, and gold metal price of USD 1,300/OZ.

Figure discrepancies may occur due to rounding.

### 1.3.7 Ore Processing and Metallurgy

#### Metallurgical Test Work

Wilton engaged Shandong Xinhai Mining Technology & Equipment Inc. (“Xinhai”) to complete a metallurgical test work in 2016 for the Cibak and Cipancar Prospects. It was to develop an optimum metallurgical flowsheet and optimum conditions and parameters to recover gold and silver.

After reviewing the metallurgical test work and metallurgical project design, SRK compared the three technical flowsheets below from the design, and recommends the third one, i.e. pre-oxidation and then agitation cyanide leach, but suggests adjusting the zinc dust replacement to Carbon in Pulp process.

There are three optional technical flowsheets:

- a) Flotation and flotation tailing cyanidation;
- b) Flotation concentrate cyanidation and flotation tailing cyanidation; and
- c) Pre-oxidation and then cyanidation.

The first flowsheet is relatively simple and its final products are gold concentrate, gold bullion and silver bullion. This process can achieve high gold recoveries ranging from 90% to 97% based on the degree of oxidation level. The weakness of this flowsheet is that about 45% to 85% of the gold product presents as concentrate which will suffer high sales cost, discount price, and arsenic penalty.

The second flowsheet is complex and its final products are gold bullion and silver bullion. The gold recovery is estimated around 88%. The complex flowsheet will need higher capital and operating costs.

The third flowsheet is relatively simple and its final products are gold bullion and silver bullion. The gold recovery is estimated around 86% for all levels of ore oxidation. The metallurgical plant design adopted this flowsheet. SRK is of the opinion that the designed flowchart is feasible.

#### Preliminary Mineral Processing Plant Design

Wilton commissioned Jinjian Engineering Design Co., Ltd. (“Jinjian”) and Xinhai to conduct a preliminary engineering design for 300t/d mineral processing plant for Ciemas Gold Project in March 2016.

The processing plant is designed with an initial stage production capacity of 300 tpd using oxidation pre-treatment, leaching (zinc precipitate) and smelting process. The initial stage production is aimed to process the materials from Cibak and Cipancar Prospects.

### 1.3.8 Conceptual Mining Study

Wilton engaged Xinhai to complete a mining design in 2016 for the Cibak and Cipancar Prospects based on a geological investigation and a general estimation of mineral resources compiled by Xinhai. The main conceptual proposals for mining are as below.

- Xinhai selected a simultaneous prospecting and mining design, namely prospecting while mining, at the Cibak and Cipancar Prospects. The mineralised bodies should be determined by further exploration workings.
- An underground Mining design is adopted in the Cibak and Cipancar Prospects. There are main adits in Cibak at 485m ASL, and in Cipancar at 530m ASL for mining & prospecting at the same time. The mining order is from hanging wall to footwall, and from top to bottom. Ramps will be used to connect different levels.
- The mining and mineral processing capacity will be as 300 t/d. The constant working system is 300 days per year, 3 shifts per day and 8 hours per shift.
- Based on the facts of that the deposit is steeply inclined with thin to extreme thin bodies, and that country rock can be categorised as medium to good stability by preliminary judgment, the recommended mining methods for the body with good rock stability are shallow-hole shrinkage

mining method and resuing stoping method; for the extreme thin vein with thickness less than 0.8m, the method will be resuing stoping method; for the thin body with good ore rock stability and thickness over 0.8m, the mining method will be shallow hole shrinkage method. The recommended method for the body with poor rock stability will be blasting control static shrinkage filling method.

- Mining auxiliary system: for water drainage, for the levels above the main adit, gravity drainage will be used at the early stage, and for the levels below the main adit, one-stage centralized drainage will be used at the late stage. For transportation, trolley locomotive will drive bucket-tipping cars for the transportation in adit. Every electric locomotive drives 8 cars with useful load of 6.75t and length of 15m. There needs 3 trolley locomotives for transportation in adit. The ventilation is mainly based on local fan ventilation during exploration.

***SRK is of the opinion that the mining design is at a conceptual stage and further exploration at Cibak and Cipancar Prospects is necessary to verify previous exploration results and upgrade the mineral resources, in order to carry out technical studies and mining design on them.***

### 1.3.9 Project Risk Analysis

SRK considered various technical aspects that may affect the reliability of the mineral resource estimate, and feasibility and viability for any development of the project. SRK's final Risk Assessment is presented in Table 1-5.

**Table 1-5 Project Risk Assessment for Cibak and Cipancar Prospects**

| Risk Issue                                    | Likelihood | Consequence | Overall |
|---|------------|-------------|---------|
| <b>Exploration and Mineral Resources</b>      |            |             |         |
| Poor quality of previous exploration programs | Possible   | Major       | High    |
| Poor continuity of mineralised bodies         | Possible   | Moderate    | Medium  |
| Faulting makes mineralised bodies complex     | Possible   | Moderate    | Medium  |
| Low potential for resource increase           | Possible   | Moderate    | Medium  |
| <b>Mining</b>                                 |            |             |         |
| Unknown underground water                     | Possible   | Moderate    | Medium  |
| Low confidence for reserve conversion         | Likely     | Major       | High    |
| Unsuitable mining method                      | Possible   | Moderate    | Medium  |
| <b>Ore Processing</b>                         |            |             |         |
| Refractory ore                                | Possible   | Moderate    | Medium  |
| Unsuitable flow sheet                         | Unlikely   | Moderate    | Low     |

### 1.3.10 Interpretations and conclusions

SRK has made the following interpretations and conclusions:

#### 1.3.10.1 Geology, Exploration and Mineral Resources

- Mineralisation at Cibak and Cipancar Prospects are of the quartz vein type and/or structurally controlled alteration type.
- SRK has not access to had the QA/QC procedures the historical exploration, because the detailed information of the QA/QC data was not available. The Wilton's shaft data are generally consistent with the results generated from the historical trenches, both disclosed the similar mineralised bodies in location, striking, and mineralisation type. The samples taken under SRK's supervision also returned similar results. SRK is of the opinion that the data acquired at the Cibak and Cipancar Prospects are integrated, however, are only adequate to be used for Inferred Resource category in the mineral resource estimation.

- The results of samples taken by SRK are compared with averaged results from adjacent vein samples in previous programs, and it indicates that similar mineralisation results generated by the samples from ongoing shafts and from previous trenches or shafts.
- As of 31 August 2016 and at a cut-off grade of 2.5 g/t Au, the Cibak and Cipancar Prospects are estimated to contain 1.1 Mt of Inferred Resources at an average grade of 5.6 g/t Au.

#### **1.3.10.2 Mineral Processing**

- The target metals to be recovered in the processing plant are gold and silver. A metallurgical test and a preliminary processing plant design for Cibak and Cipancar Prospects were carried out by Xinhai and Jinjian, respectively, to develop an optimum metallurgical flowsheet and optimum conditions and parameters to recover gold and silver.
- The processing plant is designed with an initial stage production capacity of 300 tpd using oxidation pre-treatment, leaching (zinc precipitate) and smelting process. The initial stage production is aimed to process the materials from Cibak and Cipancar Prospects.
- SRK has compared the three flowsheets from the design, and recommends the plan of pre-oxidation and then agitation cyanide leach, while suggests adjusting the zinc dust replacement to Carbon in Pulp process. This flowsheet is relatively simple and the final products are gold bullion and silver bullion. The gold recovery is estimated around 86% on average for all levels of ore oxidation.

#### **1.3.10.3 Conceptual Mining Study**

- It is proposed that a strategy of mining while prospecting can be adopted for exploring and developing the prospects.
- An underground Mining design is adopted in the Cibak and Cipancar Prospects. There are main adits in Cibak at 485m ASL, and in Cipancar at 530m ASL for mining & prospecting at the same time. The mining order is from hanging wall to footwall, and from top to bottom. Ramps will be developed to connect different levels.
- The recommended mining methods include shallow-hole shrinkage mining method and resuing stoping method, as well as blasting control static shrinkage filling method for the body with poor rock stability.
- For the levels above the main adit, the gravity drainage will be used at the early stage, and for the levels below the main adit, one-stage centralized drainage will be used at the late stage. For transportation, trolley locomotive will drive bucket-tipping cars for the transportation in adit. The ventilation is mainly based on local fan ventilation during exploration.

#### **1.3.11 Recommendations**

SRK strongly recommends that the company should consider

- To implement further systematic exploration programmes in the Cibak and Cipancar Prospects to upgrade the mineral resources, in order to support mining design and other studies for the proposed trial production.
- To have Qualified person(s) to participate in further exploration and resource upgrade programs to carry out a standardised QA/QC procedure during the further exploration in accordance with the widely accepted best practice.

For ore processing and mining, SRK has following recommendations:

- The pre-oxidation and then cyanidation flowsheet may be used in the trial production plant, while following parameters should be optimized.
  - The pre-oxidation operating parameters, such as the recipe of chemical oxidant, pulp density and treatment time, should be optimized.

- Carbon in pulp (“CIP”) process should be assessed as an alternative option to zinc dust replacing process. The pulp density of cyaniding operation should be optimized.
- The crushing and grinding circuit should be optimized considering the humidity and stickiness of feed material.
- To start with the trial production programme by using the recommended ore processing flowsheet. The parameters and flowsheet should be optimized further during the trial production, of which the aim is indeed for the operation optimization.
- It is recommended that more investigations should be conducted on hydrogeology and geotechnical conditions prior to develop the adits and ramps for the mining and exploration.
- The focus should be on the exploration of the mineralised bodies by conducting drifts along the veins, rather than on the mining to match the designed capacity. Overall, the trial production of mining and processing aims to obtain useful technical and economic parameters which can be used for developing the four main prospects.

## 2 Introduction and Terms of Reference

Wilton Resources Corporation Limited (“Wilton” or “the Group” or “the Company”) commissioned SRK Consulting China Limited (“SRK”) to review all related technical aspects of the Cibak and Cipancar Prospects at the Ciemas Gold Project (“Ciemas” or the “Project”) located near the town of Pelabuhan Ratu in the Sukabumi Region of West Java, Republic of Indonesia.

The Cibak and Cipancar Prospects belong to Wilton’s Ciemas Gold Project. A series of public qualified person’s reports or update reports have been prepared by SRK engaged by Wilton focus on four main prospects (Pasir Manggu, Cikadu, Sekolah and Cibatu, together as “4 Prospects”) previously.

The update of operational progress at Cibak and Copancar Prospects has been reflected in Wilton’s Annual Report 2016 released on 30 September 2016.

### 2.1 Report Objectives

The objective of the Report is to provide the Company with a Report for release or endorsement of Wilton’s announcements with regard to the mineral resource on the Catalist Board of the Singapore Exchange (“SGX”).

### 2.2 Reporting Standard

This Report has been produced in accordance with The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“JORC Code 2012”) for the reporting of exploration results and mineral resources, and is binding upon all Australasian Institute of Mining and Metallurgy (“AusIMM”) members.

Aspects reviewed in this Report include the geology of the deposit, the exploration data, processing, and Mineral Resources.

### 2.3 Work Program

The work program involved two phases of work:

- Phase 1 – During the period of 19 to 22 August 2016, SRK made a site visit to Cibak and Cipancar Prospects at Ciemas Gold Project to inspect the geology, gold mineralisation, structures, topography, as well as shafting completed and being excavated.
- Phase 2 – SRK had reviewed the metallurgical test work and data acquired for the Cibak and Cipancar Prospects, and prepared a report, including a mineral resource estimation.

### 2.4 Project Team

The SRK team and their areas of responsibility are as described in Table 2-1.

**Table 2-1: SRK Consultants, Titles, and Responsibilities**

| SRK Personnel  | Project Role  |
|----------------|---|
| Dr Anson Xu    | Corporate Consultant, Team Leader, main QP/CP                 |
| Pengfei Xiao   | Principal Consultant, Geology and Mineral Resource review, CP |
| Hongliang Gong | Senior Consultant, resource estimation, CP                    |
| Lanliang Niu   | Principal Consultant, Processing/Metallurgy review, CP        |
| Falong Hu      | Senior Consultant (Mining), Review of Mining, CP              |
| Dr Yiefei Jia  | Principal Consultant, peer review and quality control         |



**Anshun (Anson) Xu PhD (Geology), FAusIMM**, is a Director and Corporate Consultant (Geology) of SRK China, and specialises in the exploration of mineral deposits. He has more than 30 years' experience in exploration and development of various types of mineral deposits including Cu-Ni sulphide deposits related to ultra-basic rocks, tungsten and tin deposits, diamond deposits, and especially deep expertise in various types of gold deposits, including vein-type, fracture-breccia zone type, alteration type, and carlin type deposits. He was responsible for the Mineral Resource estimations of several diamond deposits, and for reviews of Mineral Resource estimations of several gold deposits. *He recently completed several due diligence jobs for clients from both China and overseas including technical review projects such as Canadian NI 43-101 reports and HKEx and SGX public technical reports. Anson is the project manager and responsible for report compilation. He is the main CP/QP of the project.*

**Pengfei Xiao, M.Sc, MAusIMM, MSEG**, is a Principal Consultant (Geology). He graduated from the Institute of Geology and Geophysics, Chinese Academy of Sciences and specialised in comprehensive geophysical exploration of metal mineral deposits applying geo-electric and electromagnetic methods. Since he joined SRK China in 2008, Pengfei has accumulated experience in more than 30 consulting projects including due diligence reviews (geology, exploration, and resource reviews), exploration design and resource verifications in China, Mongolia, Africa, South America, Southeast Asia and Central Asia. These projects involve precious, base, and other nonferrous metal deposits, and also include some non-metal projects. Pengfei also has expertise in exploration QA/QC protocols for sampling, and sample preparation and analysis. Recently he has assisted in compiling public technical reports to aid SRK clients in successful property transactions. *Mr Xiao conducted reviewing and assessing the geology including the resource of the project.*

**Hongliang Gong, M.Sc., MAusIMM**, is a Senior Consultant (Geological Engineering) with SRK China. He obtained a Master's degree in Structural Geology from the Chinese Academy of Geological Sciences, and has participated in the National 973 Program and was a key member of the Crisis Mines Study. He has worked on gold deposit geological exploration, research of gold metallogeny, and project reviews in China for AngloGold Ashanti. Since joining SRK, Hongliang has been involved in due diligence, QA/QC, geology modelling, and resource estimation and reconciliation projects in China, Southeast Asia, and Europe for HKEx IPOs and Information Disclosures, TSX IPOs, and M&A projects. He has participated in producing technical reports compliant with Australasian JORC Code and Canadian CIM Classification (NI 43-101) covering iron, manganese, copper, molybdenum, nickel, vanadium, phosphorus, and coal. He has accumulated geological and fieldwork expertise based on long experience and dedicated study. *Mr Gong conducted the resource modelling and estimates.*

**Lanliang Niu, B.Eng. MAusIMM, MCAMRA**, is a Principal Consultant (Processing) with SRK Consulting China. He has over 25 years' experience in processing, hydrometallurgical testing and studies, mine technical support, and production management, and he is competent in both theoretical study and actual production. He has specific expertise in the processing of precious metal, nonferrous metal, ferrous metal, and some non-metal, as well as processing test design, data processing, and plant design and operation. He maintains active acquaintance with new developments and applications of processing technologies, facilities, and reagents. He has received two national awards for his achievements in this area. Since joining SRK, Lanliang has been responsible for ore processing/metallurgical and economic analysis scopes of work and involved in more than 70 independent technical review projects. *Lanliang conducted the processing and metallurgy review.*

**Falong Hu, B.Eng.**, is a Senior Consultant (Mining). He has a Bachelor's degree in Mining Engineering from Central South University. Before joining SRK he worked as an on-site and head office mining engineer at Sino Gold Mining Limited (which later merged with Eldorado Gold Corp.) and Silvercorp Metals Inc. He is familiar with underground mine production systems and has been involved in mine design, scheduling, and development; underground mining production; longhole blasting; rock mechanics; ventilation; back-fill and cost accounting. He is also proficient in digital modelling using Gecom Surpac. *Mr. Hu is responsible for the review of the preliminary mining study.*

**Dr Yiefei Jia, PhD, FAusIMM**, is a Principal Consultant (Geology) with a specialty in the exploration of mineral deposits. He has more than 20 years' experience in the field of exploration, development, and resource estimation of precious metals (Au, Ag, and PGE), base metals (Pb, Zn, Cu, V, and Ti), and black metals (Mn and Fe) as well as other metal ore deposits in different geological settings in Australia, China, and North and Central America. He also has over five years' experience in coal deposit exploration and due diligence in China, Indonesia, and Mongolia. He has extensive experience in project management, exploration design, and resource assessment and has coordinated a number of due diligence projects with technical reports for fund raising or listing on overseas stock exchanges, such as the HKEx. *Dr. Jia reviewed the report for internal peer review.*

## 2.5 Statement of SRK's Independence

Neither SRK nor any of the authors of this Report have any material present or contingent interest in the outcome of this Report, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of SRK.

SRK has no prior association with Wilton, in regard to the mineral assets that are the subject of this Report. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence.

SRK's fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The payment of that professional fee is not contingent upon the outcome of the Report.

## 2.6 Warranties

Wilton has represented in writing to SRK that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate, and true.

## 2.7 Indemnities

As recommended by the VALMIN Code, Wilton has provided SRK with an indemnity under which SRK is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Wilton; or
- which relates to any consequential extension workload through queries, questions, or public hearings arising from this Report.

## 2.8 Consents

SRK consents to this Report to be used internally by Wilton for release or endorsement of the announcement with regards to the technical aspects at the Cibak and Cipancar Prospects on the Ciemas Gold Project.

## 2.9 SRK Experience

The SRK group employs over 1,600 professionals internationally and has 50 permanently staffed offices in many countries on six continents. SRK in Australia has about 120 staff in five offices in Perth, Sydney, Newcastle, Melbourne, and Brisbane. SRK in China has offices in Beijing and Nanchang. SRK has considerable experience in providing independent assessments for companies listed on stock exchanges in Australia, Britain, Canada, Hong Kong, South Africa, and the US. In China, SRK has provided Independent Technical Review Reports for companies as shown in Table 2-2.

**Table 2-2: Recent Reports to International Stock Exchanges by SRK China**

| Company                                     | Year | Nature of Transaction   |
|---|------|---|
| Yanzhou Coal Limited                        | 2000 | Sale of Jining III coal mine to the listed operating company              |
| Chalco (Aluminum Corporation of China)      | 2001 | Listing on HKEx and New York Stock Exchange                               |
| Fujian Zijin Gold Mining Group              | 2004 | IPO Listing on HKEx   |
| Lingbao Gold Limited                        | 2005 | IPO Listing on HKEx   |
| Yue Da Holdings Limited                     | 2006 | Acquisition of shareholding in mining projects in Yunnan, China           |
| China Coal Energy Company Ltd (China Coal)  | 2006 | IPO Listing on HKEx   |
| Sino Gold Mining Limited                    | 2007 | Dual Listing on HKEx  |
| Xinjiang Xinxin Mining Industry Co., Ltd    | 2007 | IPO Listing on HKEx   |
| Kiu Hung International Holding Limited      | 2008 | Acquisition of shareholding in coal projects in Inner Mongolia, China     |
| Hao Tian Resource Group Limited             | 2009 | Very Substantial Acquisition of two coal mines in Inner Mongolia, China   |
| Green Global Resources Holdings Ltd         | 2009 | Acquisition of shareholding in one iron project in Mongolia               |
| Ming Fung Jewellery Group Holdings Ltd      | 2009 | Acquisition of shareholding in gold project in Inner Mongolia, China      |
| Continental Holdings Limited                | 2009 | Acquisition of a gold project in Henan, China                             |
| North Mining Shares Company Limited         | 2009 | Acquisition of a molybdenum mining project in Shaanxi, China              |
| CNNC International Ltd                      | 2010 | Acquisition of an uranium mine in Africa                                  |
| Sino Prosper Mineral Products Ltd           | 2010 | Acquisition of shareholdings in one gold project in Inner Mongolia, China |
| New Times Energy Corporation Ltd            | 2010 | Acquisition of shareholding in gold projects in Hebei, China              |
| United Company RUSAL Limited                | 2010 | IPO Listing on HKEx   |
| Citic Dameng Holdings Limited               | 2010 | IPO Listing on HKEx   |
| China Hanking Holdings Limited              | 2011 | IPO Listing on HKEx   |
| China Daye Non-Ferrous Metal Mining Limited | 2012 | Very Substantial Acquisition on HKEx                                      |
| China Nonferrous Mining Corporation Limited | 2012 | IPO Listing on HKEx   |
| Hengshi Mining Investments Limited          | 2013 | IPO Listing on HKEx   |
| Wilton Resources Corporation Limited        | 2013 | RTO Listing on SGX  |
| Future Bright Mining Holdings Limited       | 2014 | IPO Listing on HKEx   |
| Agritrade International Pte LTD             | 2015 | Acquisition of Shareholding in one coal mine in Indonesia                 |
| China Unienergy Group Limited               | 2016 | IPO Listing on HKEx   |

## 2.10 Forward-Looking Statements

Estimates of Mineral Resources, Ore Reserves, and mine production are inherently forward-looking statements, which being projections of future performance will necessarily differ from the actual performance. The errors in such projections result from the inherent uncertainties in the interpretation of geologic data, in variations in the execution of mining and processing plans, in the inability to meet construction and production schedules due to many factors including weather, availability of necessary equipment and supplies, fluctuating prices, ability of the workforce to maintain equipment, and changes in regulations or the regulatory climate.

The possible sources of error in the forward-looking statements are addressed in more detail in the appropriate sections of this Report. Also provided in the Report are comments on the areas of concern inherent in the different areas of the mining and processing operations.

### **3 Disclaimer**

The opinions expressed in this Report have been based on the information supplied to SRK by Wilton. The opinions in this Report are provided in response to a specific request from Wilton to do so. SRK has exercised all due care in reviewing the supplied information. Whilst SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data.

## 4 Abbreviations and Units

| Abbreviation    | Meaning  |
|-----------------|--|
| ASL             | Above Sea Level  |
| AusIMM          | Australasian Institute of Mining and Metallurgy  |
| bcm             | bank cubic metre   |
| BD              | Bulk Density   |
| °C              | degrees Celsius  |
| CAPEX           | Capital Expenditure  |
| dB              | Decibel  |
| deposit         | Earth material of any type, either consolidated or unconsolidated, that has accumulated by some natural process or agent   |
| E               | East   |
| g               | gram   |
| ha              | Hectare  |
| HKEx            | The Stock Exchange of Hong Kong Limited  |
| IER             | Independent Expert Report  |
| IFC             | International Finance Corporation  |
| IPO             | Initial Public Offering  |
| IQPR            | Independent Qualified Person's Report  |
| JORC Code       | Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC), December 2012. |
| kg              | Kilogram   |
| km              | Kilometre  |
| km <sup>2</sup> | square kilometre   |
| kV              | Kilovolt   |
| kW              | Kilowatt   |
| L               | Litre  |
| m               | Metre  |
| M               | Million  |
| m RL            | metres Reduced Level   |
| m <sup>3</sup>  | cubic metre  |
| Mtpa            | million tonnes per annum   |
| MW              | Megawatt   |
| N               | North  |
| MW              | Megawatt   |
| N               | North  |
| QA/QC           | quality assurance/quality control  |
| SGX             | Singapore Exchange   |
| SRK             | SRK Consulting (China) Limited   |
| TSF             | Tailings Storage Facility  |
| USD             | United States Dollars  |
| VALMIN Code     | Australasian Code for Public Reporting of technical assessments and valuations of mineral assets   |
| W               | West   |
| WRD             | waste rock dump  |
| WSCP            | Water and Soil Conservation Plan   |
| >               | greater than   |
| <               | less than  |
| %               | percent  |

## 5 Property Description and Location

### 5.1 Business Licences

SRK has sighted two original business licenses, one for PT. Wilton Wahana Indonesia and one for PT. Liek Tucha Ciemas (“Liek Tucha”). SRK has also sighted an original supporting document with its translation indicating that the Company owns 99% of Liek Tucha. Details of the business licences for the Ciemas Project are presented in Table 5-1.

**Table 5-1: Business Licences**

| Business Licence No.                     | Issued To                   | Issued By   | Issue Date | Expiry Date | Business Activities | Type of Goods/Service                                |
|--|-----------------------------|---|------------|-------------|---------------------|--|
| 00363/P-01/1.824.271                     | Pt. Wilton Wahana Indonesia | Industry and Trade Service, Jakarta Special Capital Region Province | 3-Apr-13   | 3-Apr-18    | Trading             | Electronics, Mine (Coal, Mineral), Telecommunication |
| 503.17/3106/380/10-22/PM.Herr-BPMPT/2013 | Pt. Liek Tucha Ciemas       | Integrated permit service agency, Government of Sukabumi Regency    | 12-Feb-13  | 18-Jan-18   | Trade of Goods      | Mining of Gold                                       |

### 5.2 Tenure Information

Indonesian national law on Mineral and Coal Mining (No.4 of 2009) (the “Mining Law”), allows the issue of mining permits under the following three categories:

- **Mining Business Permit** – called an *Izin Usaha Pertambangan* (“IUP”) in Indonesian, a general mining licence issued to specific companies conducting mining business activities within a Commercial Mining Business Area – a mining area for larger scale mining, called a *Wilayah Usaha Pertambangan* (“WUP”) mining area.
- **Special Mining Business Permit** – *Izin Usaha Pertambangan Khusus* (“IUPK”), a licence issued to specific companies conducting mining business activities within a specific State Reserve Area – a mining area reserved for the national strategic interest, called a *Wilayah Pencadangan Negara* (“WPN”) mining area.
- **People’s Mining Permit** – *Izin Pertambangan Rakyat* (“IPR”), a licence granted only to Indonesian citizens/investors conducting mining business of a limited size and investment, within a People’s Mining Area – a mining area for small scale local mining, called a *Wilayah Pertambangan Rakyat* (“WPR”) mining area.

Two IUPs have been issued for the Ciemas Gold Project, as follows: one to PT Wilton Wahana Indonesia (“PT WWI”); and the other to PT Liektucha Ciemas (“PT LTC”), subsidiary companies owned and controlled by Wilton. The author has sighted these two original IUPs. The details of the IUPs of the Ciemas Gold Project are summarised in Table 5-2. The two IUPs cover a total area of 30.785 square kilometres. The location is presented in Figure 5-1. The IUP OP permits authorise all forms of mining activity through to production. Applicable safety and environmental approvals are in place.

**Table 5-2: Ciemas Gold Project IUPs**

| Asset Name   | Issuer’s Interest                   | Development Status                                 | Expiry Date       | Area (km <sup>2</sup> ) | Type of Deposit         |
|--|-------------------------------------|--|-------------------|-------------------------|-------------------------|
| Production Operation Mining Business Permit (IUP OP) to PT WWI under Decree Number 503.8/7797-BPPT/2011 of 05 October 2011 | 100% via PT Wilton Wahana Indonesia | Permitted for production; under active exploration | 07 September 2030 | 28.79                   | Gold and other minerals |

| Asset Name   | Issuer's Interest            | Development Status   | Expiry Date  | Area (km <sup>2</sup> ) | Type of Deposit |
|--|------------------------------|--|--------------|-------------------------|-----------------|
| Renewal of IUP OP to PT LTC under Decree Number : 503.8/3016-PPT/2012 dated 08May 2012 | 100% via PT Liektucha Ciemas | Permitted for production; Scoping Study completed; Feasibility in progress; development and pilot production preparation | 01April 2028 | 2                       | Gold            |

SRK notes that the common standard conditions for the Ciemas Project IUPs include the following key technical items:

- The companies have the right to implement the project's "Production Operation" which is defined as including "construction, production, processing, purification, and transportation and sales".
- The companies have the right to utilise the general facilities and infrastructure for IUP Production Operation activity.
- The companies must appoint a "head of technical mine" (mining technical manager) responsible for the IUP production operation, and the mining environmental, health and safety management.
- The companies must submit the initial annual project Work Program and Budgets (called *Rencana Kerja dan Anggaran Belanja* or "RKAB" in Indonesian) to the Head of the Sukabumi District not more than 60 (sixty) working days after the issuance of the IUP. The follow up RKABs are to be submitted in November of each year.
- The companies must submit a "reclamation plan" and "post mining plan" (no dates are provided).
- The reclamation warranty (rehabilitation guarantee) is to be assigned before commencement of production.
- The mining security closure (post-mine guarantee) must be reserved.
- The companies must submit the Mine Closure Plan (*Rencana Penutupan Tambang* or "RPT") two years before the end of production activities.
- The companies must provide the agreed-upon compensation to the "rights holder of the land and forest enforcement" that has been disturbed by IUP production operation.
- The companies are required to construct all relevant project related infrastructure, including transport (ports, railways, roads), communications, power/water supply facilities, and accommodation and social support facilities (including waste treatment facilities).

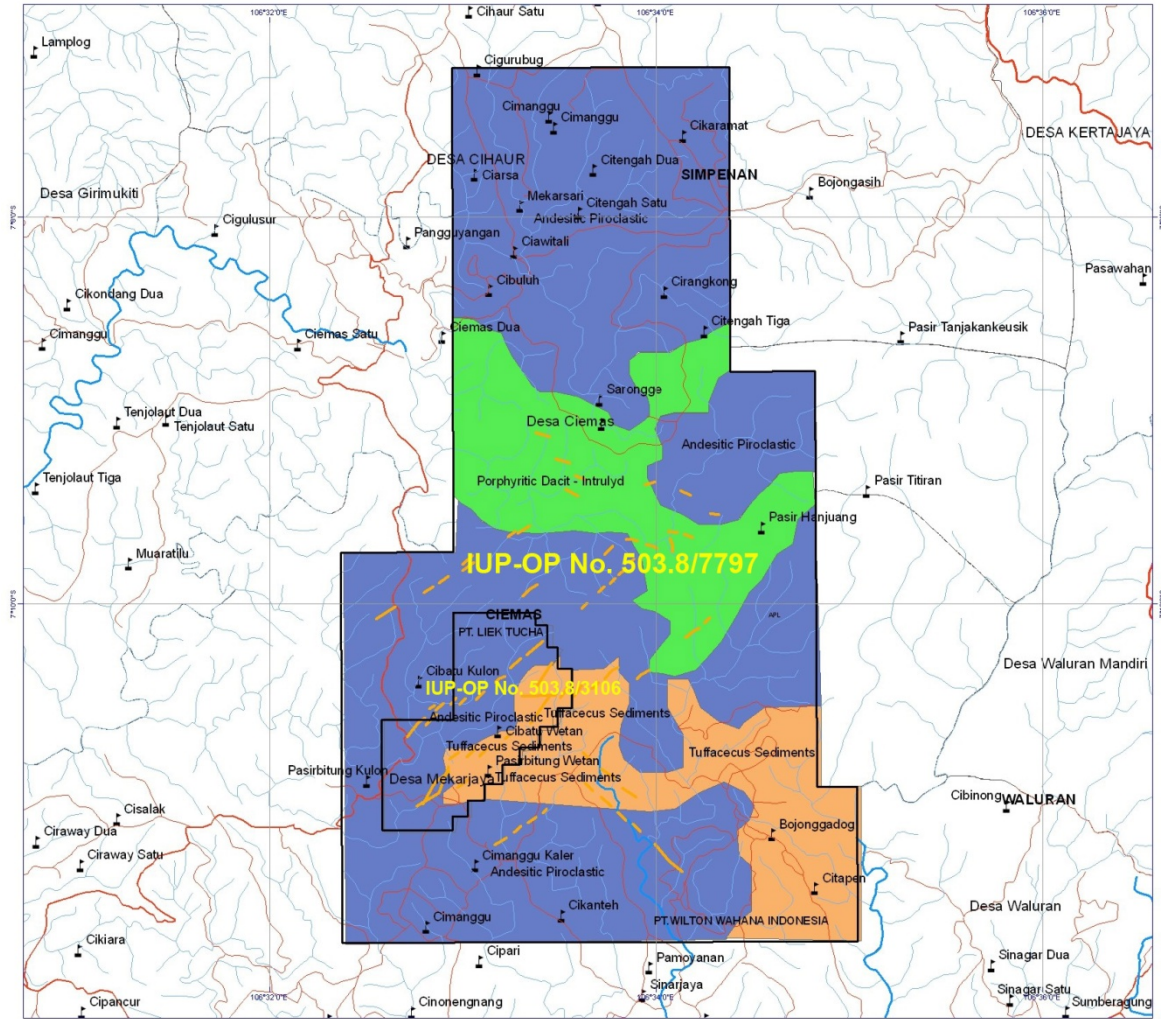


Figure 5-1: Wilton's Exploration and Mining Licence Areas



## 6 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

### 6.1 Location and Accessibility

Administratively, the Ciemas deposit area is located in the Jampang Kulon area, in the southwestern part of the Sukabumi Region, West Java Province, Republic of Indonesia. It is about 200 km south of Jakarta.

An expressway connects Jakarta and the city of Bogor (55 km), from where a secondary paved road leads through Sukabumi to the coastal city of Pelabuhan Ratu, from where access to the mine and exploration area is provided by 45 km of a paved asphalt road. Generally, access to the area is convenient. However, the road deteriorates as it approaches the mine. Figure 6-1 shows the regional and local location of the project area.



Figure 6-1: Project Location and Access

### 6.2 Topography and Climate

The landform of the exploration and mining area is represented by an undulating terrain with elevations varying from 379 to 760 m above sea level (“ASL”), generally with the lower parts in the southern areas.

The typical monsoon tropical climate is characteristic of the West Java province, with two seasons, i.e. dry and rainy. The temperature is stable year round, remaining between 18° and 28°C day and night. Precipitation is nearly 4,000 mm per annum, mostly concentrated between November and next April, which is the rainy season.

Water resources are abundant and the level of groundwater is high. Most of the ore bodies are located below the groundwater table. Sukabumi has a tropical monsoon climate, with hot weather, thick soil layers, and dense vegetation.

### **6.3 Infrastructure and Local Resources**

The project is located in an impoverished mountainous area. The local economy is based mainly on agriculture. Main crops include rice, bananas, corn, and papayas, and plantations of cloves, rubber, and tea are also common.

Presently the power supply is via a local grid; generators are another major source of electricity. A large-scale power station and port project are under construction in Pelabuhan Ratu, about 12 km in a straight line from the mine site.

The water supply is sufficient due to the extremely well-developed river system and high levels of precipitation; water pools and elevated tanks are available on the mine site.

Wilton is one of the few mining enterprises in the Ciemas area; in some places local people pan gold from strongly altered volcanic rock outcrops and soils.

The Indonesian government is focused on attracting investment and increasing employment opportunities. Wilton intends to recruit a majority of project employees from the local population.

## 7 History

### 7.1 History of Exploration

Detailed historical works in the Ciemas Project area, including Cibak and Cipancar, were described in previous reports and summarised as following.

There is evidence that the Pasir Manggu deposit at the Ciemas Gold Project was prospected in colonial times, but the property has not been recorded in Van Bemmelen's 1970 treatise on Dutch mining activity in Indonesia. A Kuasa Pertambangan (KP: Authority to Mine) was acquired by Ms Liek Tucha in the early 1980s, and this title and its successor, the current IUP OP held by PT LTC (as Table 5-2), have been held continuously since those times. A series of Australian junior explorers, first Parry Corporation from 1986 to 1990, followed by Terrex Resources from 1992 to 1994, and then Meekatharra Minerals from 1996 to 1998, joined the titleholder in exploration of the project area. These companies all ceased operations at Ciemas because of funding shortages.

This resulted in a great deal of intensive exploration as described in more detail in the Resource Report. Unfortunately the data generated in this work has not been preserved as well as it might have been, but it has been possible to largely reconstruct the data bases and verify the earlier sampling results to a sufficient degree to enable use of much of the data in the present Mineral Resource estimates.

In 2007, PT WWI, a subsidiary of the Company, acquired an interest in the PT LTC's KP, and in late 2007 applied for the larger area that surrounds it. In December 2008, PT WWI was granted a mining permit and an exploration permit and PT WWI presently holds two operational IUP ("IUP-OP") mining permits for the Project.

From 2009 to 2015, multiple additional exploration works, mining and metallurgical studies were conducted including topography, compilation mapping, trenching, geophysics, scoping studies, metallurgical test, and a processing plant design. Pasir Manggu is considered the most advanced in terms of exploration and relevant studies, followed by Cikadu, Sekolah, and Cibatu where systematic drilling programs have been conducted and Mineral Resources estimated. Detailed historical works were described in previous reports.

### 7.2 History of Mineral Resources

SRK completed the "Updated Resource Report for the Ciemas Gold Project in Sukabumi Region, Indonesia" for the Group as of 30 June 2014. The Mineral Resources were reported in accordance with the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code", 2012 Edition), and focus on four advanced prospect zones (4 Prospects) of Pasir Manggu, Cikadu, Sekolah and Cibatu, exclusive the Cibak and Cipancar prospects. The mineral resources have been updated annually, and no material change has occurred in the past two years neither mining activities nor further exploration programs were then done by the Company. Table 7-1 presents a comparison of Resources in the four prospect zones as of 30 June 2016 for the 4 Prospects.

**Table 7-1: Estimated Resources at the 4 Prospects as of 30 June 2016**

| Property     | Category  | As of 30 June 2016 |          |         |
|--------------|-----------|--------------------|----------|---------|
|              |           | Resource (kt)      | Au (g/t) | Au (kg) |
| Pasir Manggu | Measured  | 120                | 7.3      | 870     |
|              | Indicated | 450                | 7.5      | 3,390   |
|              | Inferred  | 270                | 3.8      | 1,030   |
| Cikadu       | Indicated | 1,100              | 9.1      | 9,970   |
|              | Inferred  | 360                | 8.4      | 3,040   |
|              | Indicated | 710                | 9.2      | 6,520   |

| Property | Category               | As of 30 June 2016 |          |         |
|----------|------------------------|--------------------|----------|---------|
|          |                        | Resource (kt)      | Au (g/t) | Au (kg) |
| Sekolah  | Inferred               | 300                | 8.6      | 2,580   |
|          | Indicated              | 660                | 9.1      | 5,990   |
| Cibatu   | Inferred               | 670                | 8.3      | 5,580   |
|          | Measured               | 120                | 7.3      | 870     |
| Total    | Indicated              | 2,920              | 8.9      | 25,870  |
|          | Measured and Indicated | 3,040              | 8.8      | 26,740  |
|          | Inferred               | 1,600              | 7.6      | 12,230  |

Note: \*Cut-off grade applied for Mineral Resource statement is 1.0 g/t Au.

\*Mineral resources are not ore reserves and do not have demonstrated economic viability.

No public mineral resource estimation was made and released for the Cibak and Cipancar Prospects so far.

### 7.3 History of Production

No information showing mining activities or production occurred in the Ciemas Gold Project.

## 8 Geological Description

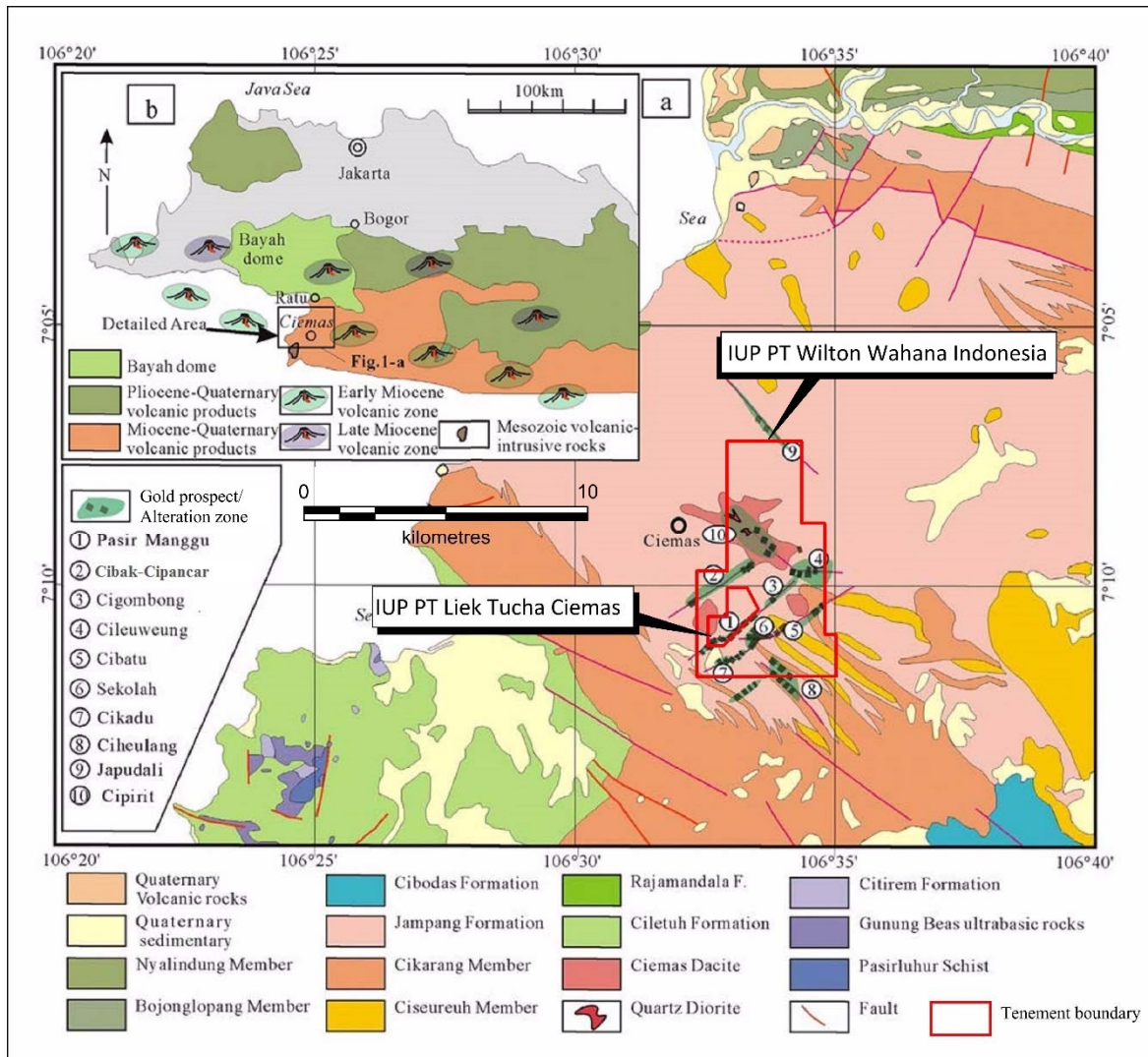
This section is summary of geological setting from data and reports provided by the Company and the QPR of *Independent Qualified Person's Report for the Ciemas Gold Project, Ciemas, Sukabumi Region, Republic of Indonesia* compiled by SRK in 2013. Detailed geological description is presented in the 2013 QPR.

### 8.1 Geology Background

The Ciemas Gold Project is situated within a volcanic metallogenic belt of gold (“Au”), lead (“Pb”), zinc (“Zn”), and copper (“Cu”), in Ciletah Bay, West Java, Indonesia. Tectonically it is located at the southern margin of Sundaland, which is the continental core of southeast (“SE”) Asia formed by the accretion of blocks to the Eurasian margin, and was assembled by the time of the Late Triassic (Figure 8-1). The Cibak and Cipancar is the mineralised body numbered 2# showing in Figure 8-1.

The Ciemas gold deposit is hosted by a late Eocene to early Miocene volcanic rock belt. The belt is composed mainly of volcanic breccias and mostly covered by Quaternary eluvium and alluvium as well as a post-mineralisation tuff blanket up to 20 m thick. Volcanic breccias, tuffs, and andesite are widely distributed in the Ciemas Project area.

Geological investigation suggests that the genesis of gold deposits at the Ciemas Gold Project is closely related to the magmatic hydrothermal activity whereby Miocene quartz diorite porphyrite intruded into andesite and dacite, from the perspective of mineralisation-forming space and time (see Zhengwei Zhang and others, 2015). Regionally, two sets of faults and/or fractures are developed, striking northeast (“NE”) and northwest (“NW”). The extensions of these faults/fractures vary from some one hundred metres to several kilometres, with the widths generally varying from 1 m to 20 m. These faults/fractures are the primary structures controlling the mineralisation and mineralisation-bearing zones in this area. Folding mainly consists in the Ciemas syncline with a NE axial direction. Structural analysis indicates that the mineralisation-bearing faults represent three stages of tectonic activity. Early activity in the extensional faults is shown by stockworks and structure filling mineralisation. The middle stage activity is indicated by compressional faults with shear zones consisting of tectonic shears and fracture breccias, and late activity represented by extensional faults with goldbearing fractured zones with chalcedony–quartz veins, silicification, pyritisation, and carbonization. All of these styles of mineralisation are represented in the Ciemas Gold Project, as recently documented by Professor Zhengwei Zhang and others.



**Figure 8-1: Geological Setting and Mineralised Zones, Ciemas Gold Project**

Geological map of the Sukabumi district, West Java, showing ten identified mineralised areas within the Company's concessions. Four of these: 1, 5, 6, and 7 comprise the Deposits and have assigned Mineral Resources. Modified from Zhengwei Zhang and others: "The trinity pattern of Au deposits with porphyry, quartz-sulphide vein and structurally-controlled alteration rocks in Ciemas, West Java, Indonesia", <http://dx.doi.org/10.1016/j.oregeorev.2014.07.003>

## 8.2 Deposit characteristics

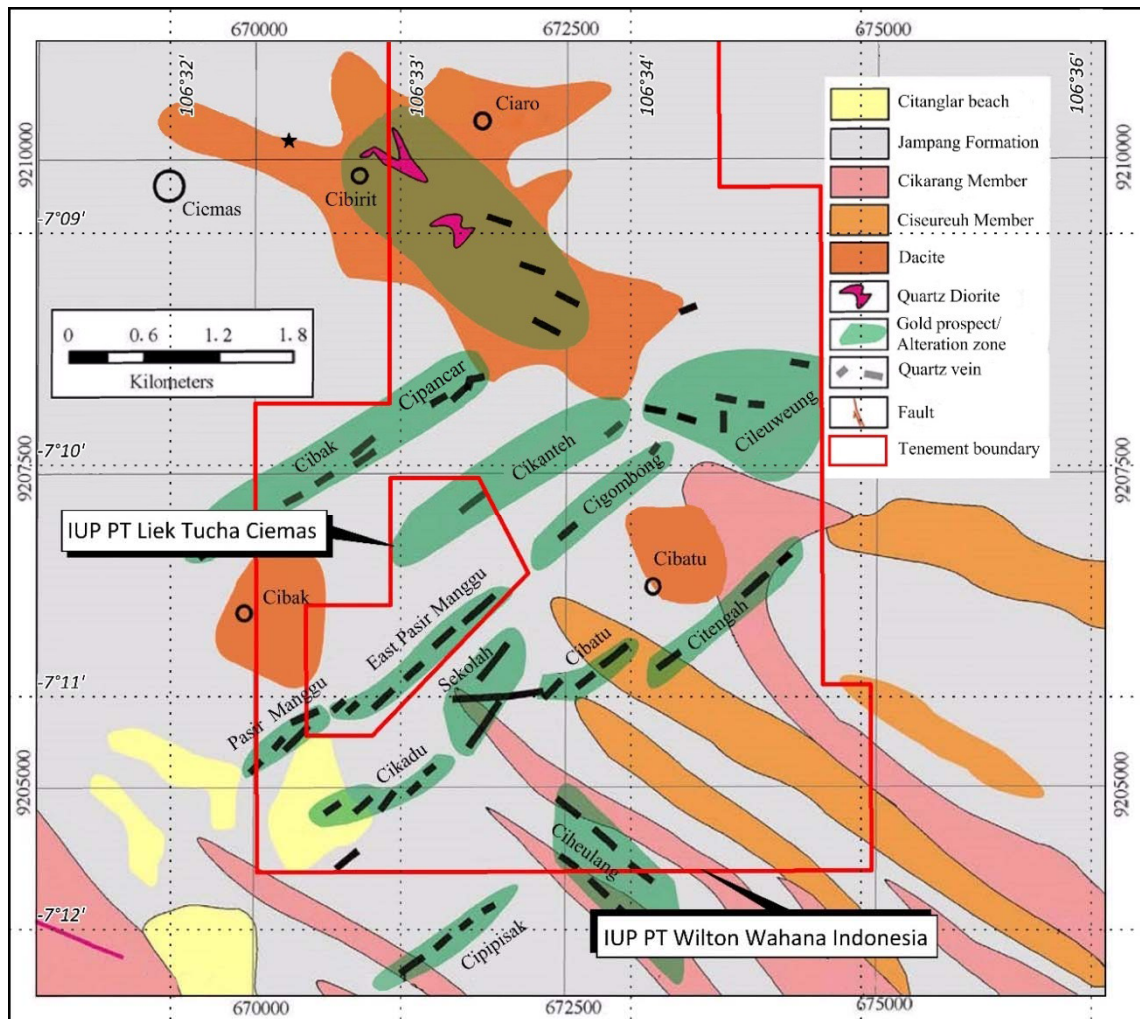
The structures in the Ciemas Gold Project are consistent with the regional structures, and are dominated by NE and NW faults and/or fractures. Within these structure zones, chalcedony-quartz veins are intermingled, often showing boudinage along strike and down dip.

The gold mineralisation at the Ciemas Gold Project is related to different fault stages of dominant structures and tension zones. These structure zones could be secondary fractures related to the Sumendala fault. The dacite (usually described as quartz-dacite porphyry) intrusion also provides favourable geological conditions for mineralisation.

The Ciemas Gold Project gold mineralisation is hosted in quartz veins, or structurally altered rocks with tectonic breccia, or in quartz porphyry. Mineralisation is predominantly related to NE-SW and NW-SE veins with the extensions varying from some 100 m to about 1,000 m; and the width of the mineralised bodies generally varies from 1 m up to about 15 m.



About 10 main gold mineralised zones have been defined by the exploration conducted in the Ciemas Gold Project area within an area of approximately 10 km<sup>2</sup> in the central part of the Company's tenement (IUP 503.8/7797). A simplified geological map for the major mineralised zones defined in the Project is shown in Figure 8-2.



**Figure 8-2: Distribution of Main Mineralised Zones of Ciemas Gold Project**

*Modified from Zhengwei Zhang and others, 2015*

The mineralised domains is comprised of 6 mineralised bodies at Cibak and Cipancar Prospects hosted by gold-bearing quartz veins and altered volcanic rocks or fault breccia along the N60-70E trending faults, which dip about 70° towards SE. The width of the mineralisation ranges from about 0.5 m to 4 m. Weathering of various degradates occurs at various depth due to and along the fault fracture zones. The plan view of mineralised domains and side-looking section are shown in Figure 8-3 and Figure 8-4, respectively.

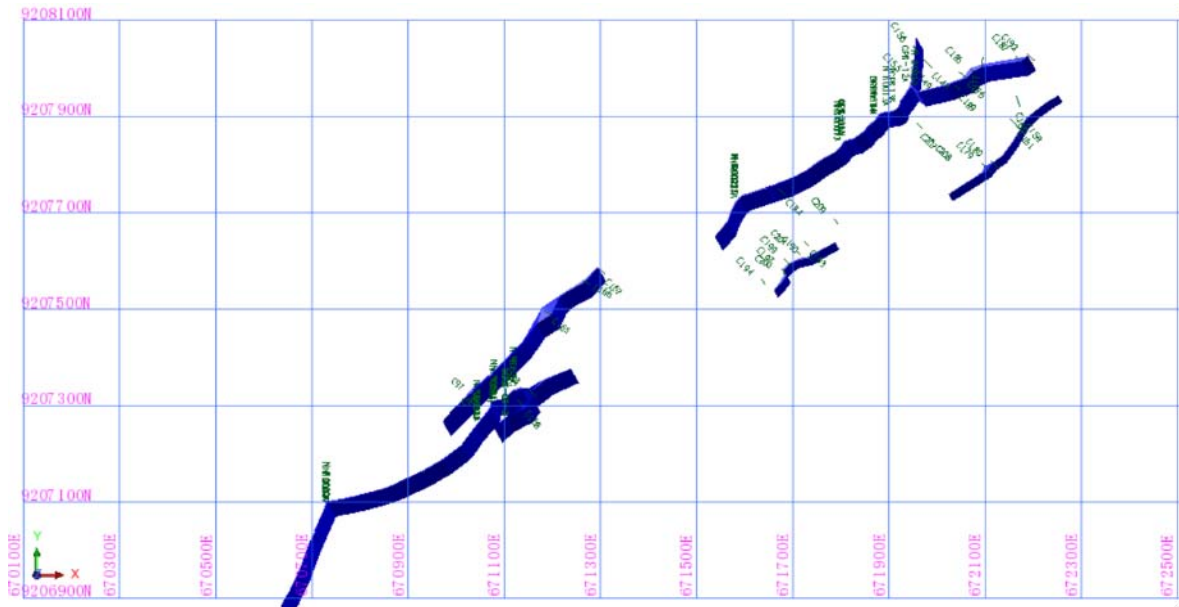


Figure 8-3: Mineralised Domains with Shafts and Trenches

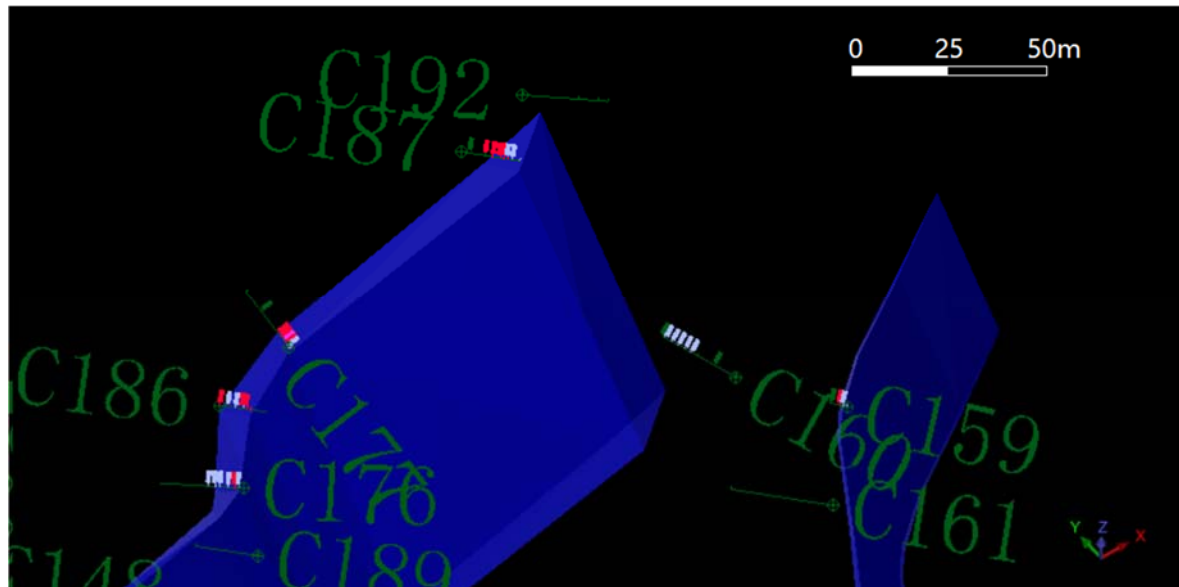


Figure 8-4: Side-looking Section of Mineralised Domains



## 9 Deposit Types

Mineralised rocks have been identified as porphyry, quartz–sulphide veins, and structure-controlled alteration rocks and/or fault breccia. The mineralisation types of all major gold mineralised zones which have been discovered in the Ciemas Gold Project are classified as follows:

- Four mineralised zones, Pasir Manggu, Cigombong, Cileuweung, Cibak, and Cipancar are of the quartz vein type;
- The gold mineralisation at Cikadu, Sekolah, Cibatu, Ciheulang, and Japudali is of the structurally controlled alteration type; and
- Cipirit, Ciaro and Cibuluh are related to the quartz porphyry intrusive type.

## 10 Exploration and Sampling

### 10.1 Exploration Summary

A series of Australian junior explorers, first Parry Corporation from 1986 to 1990, followed by Terrex Resources from 1992 to 1994, and then Meekatharra Minerals from 1996 to 1998, joined the titleholder in exploration of the Ciemas Project area, including Cibak and Cipancar. These companies all ceased operations at Ciemas because of funding shortages.

Pt Prihaditama was engaged by Wilton to conduct a survey on the Cibak and Cipancar area using Geophysics surveying method. IP & Resistivity techniques were utilized to locate any anomaly (mineralization zone) beneath the investigated area.

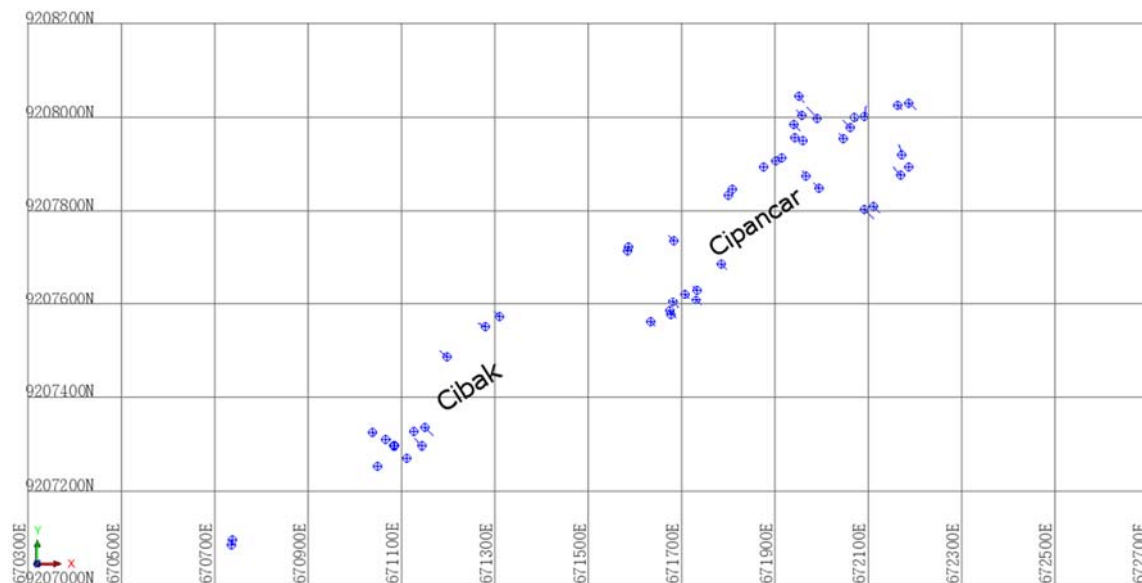
The survey was conducted on a stretch of 470m line perpendicular to the predicted mineralised veins. There are 48 electrodes at 10m interval along the line where measurements are taken. A total of nine lines were conducted at a parallel interval of 200m across the entire Cibak and Cipancar Prospects. The resulting anomaly model can be made to a depth of about 60m.

### 10.2 Trenching and Shafting

The data acquired at the Cibak and Cipancar Prospects is comprised of historical data from 33 trenches by Terrex Resources during 1992 to 1994 and Meekatharra Minerals during 1996 to 1998, and the data from 31 shafts acquired by Wilton recently.

The historical trenches were not investigated on site. The data of historical trenches were sorted by PT Asia Sejati Indonesia (“PT ASI”) commissioned by Wilton, and were provided to SRK for mineral resource estimation.

The Wilton’s miners dug vertical shafts with the depth range of 3.2 m to 30.65 m, sampled using continuous rock-chips, and measured the sample locations using band tape. The location of the shafts were surveyed using hand held GPS by Wilton’s geologist. All samples from Wilton’s shafts were packed by plastic bags with numbering, and were sent to PT Intertek Utama Services (“Intertek”) based in Jakarta for analysis. A synoptic logging was also made by the Wilton’s geologist. Figure 10-1 shows the plan of trenches and shafts at Cibak and Cipancar Prospects. Table 10-1 shows the coordinates of trenches and shafts. Figure 10-2 shows one of the operational shaft and samples.



**Figure 10-1 Plan of trenches and shafts at Cibak and Cipancar Prospects**

**Table 10-1 Coordinates of trenches and shafts**

| Name      | Y       | X      | Z      | Type  | Name | Y       | X      | Z      | Type   |
|-----------|---------|--------|--------|-------|------|---------|--------|--------|--------|
| N_R0012   | 9207950 | 671960 | 581.28 | Shaft | C148 | 9207999 | 671990 | 561.70 | Trench |
| N_R0013A  | 9207907 | 671902 | 588.06 | Shaft | C149 | 9208003 | 671957 | 569.14 | Trench |
| N_R0014   | 9207894 | 671875 | 587.31 | Shaft | C155 | 9207985 | 671941 | 574.86 | Trench |
| N_R0016   | 9207846 | 671809 | 586.03 | Shaft | C156 | 9208046 | 671951 | 565.38 | Trench |
| N_R0017   | 9207834 | 671800 | 586.62 | Shaft | C159 | 9207895 | 672188 | 585.06 | Trench |
| N_R0017A  | 9207834 | 671800 | 586.62 | Shaft | C160 | 9207921 | 672172 | 582.79 | Trench |
| N_R0021A  | 9207724 | 671586 | 584.16 | Shaft | C161 | 9207876 | 672169 | 577.94 | Trench |
| N_R0021B  | 9207715 | 671585 | 581.96 | Shaft | C165 | 9207486 | 671198 | 541.86 | Trench |
| N_R0021C  | 9207724 | 671586 | 584.16 | Shaft | C166 | 9207552 | 671279 | 554.01 | Trench |
| N_R0021D  | 9207724 | 671586 | 584.16 | Shaft | C167 | 9207572 | 671310 | 557.69 | Trench |
| N_R0029C  | 9207325 | 671125 | 509.93 | Shaft | C168 | 9207296 | 671143 | 505.84 | Trench |
| N_R0034   | 9207295 | 671086 | 500.34 | Shaft | C176 | 9207979 | 672061 | 562.57 | Trench |
| N_R0034A  | 9207295 | 671086 | 500.34 | Shaft | C177 | 9208002 | 672093 | 572.58 | Trench |
| N_R0033   | 9207295 | 671083 | 499.90 | Shaft | C179 | 9207803 | 672092 | 574.51 | Trench |
| N_R0031   | 9207253 | 671049 | 495.22 | Shaft | C180 | 9207809 | 672111 | 569.87 | Trench |
| N_R0031A  | 9207253 | 671049 | 495.22 | Shaft | C183 | 9207335 | 671149 | 516.53 | Trench |
| N_R0029   | 9207084 | 670735 | 480.82 | Shaft | C184 | 9207736 | 671685 | 576.90 | Trench |
| N_R0029A  | 9207084 | 670735 | 480.82 | Shaft | C186 | 9208000 | 672069 | 569.01 | Trench |
| N_R0029B  | 9207084 | 670735 | 480.82 | Shaft | C187 | 9208026 | 672164 | 575.56 | Trench |
| N_R0030   | 9207095 | 670737 | 483.22 | Shaft | C189 | 9207954 | 672047 | 570.17 | Trench |
| CBK-31A   | 9207253 | 671049 | 495.22 | Shaft | C190 | 9207609 | 671731 | 578.12 | Trench |
| CBK-34    | 9207295 | 671086 | 500.34 | Shaft | C192 | 9208030 | 672187 | 576.89 | Trench |
| 1CBK-01-2 | 9207269 | 671110 | 507.52 | Shaft | C193 | 9207631 | 671733 | 578.67 | Trench |
| 2CBK-01-2 | 9207269 | 671110 | 507.52 | Shaft | C194 | 9207562 | 671634 | 601.27 | Trench |
| NR-29C    | 9207325 | 671125 | 509.93 | Shaft | C197 | 9207585 | 671676 | 595.09 | Trench |
| CPR-12A   | 9207957 | 671942 | 580.47 | Shaft | C199 | 9207605 | 671682 | 588.94 | Trench |
| 1CPR13B   | 9207914 | 671914 | 589.27 | Shaft | C200 | 9207577 | 671678 | 595.62 | Trench |
| 2CPR13B   | 9207914 | 671914 | 589.27 | Shaft | C201 | 9207622 | 671706 | 582.73 | Trench |
| CPR-14    | 9207894 | 671875 | 587.31 | Shaft | C207 | 9207875 | 671968 | 571.62 | Trench |
| CPR-14N   | 9207894 | 671875 | 587.31 | Shaft | C208 | 9207849 | 671994 | 570.08 | Trench |
| CPR-16N   | 9207846 | 671809 | 586.03 | Shaft | C209 | 9207687 | 671786 | 569.60 | Trench |
|           |         |        |        |       | C96  | 9207308 | 671065 | 508.29 | Trench |
|           |         |        |        |       | C97  | 9207325 | 671036 | 510.29 | Trench |



**Figure 10-2: Shaft on-going (Left) and Samples (Right)**

## 10.3 Sampling

### 10.3.1 Sampling in Trenches

Documents provided by the Company presents the sampling method on site during the previous exploration campaigns. Rock samples were picked up from a representative main vein body and the both side alteration zone (halo) on the hanging wall and footwall of the veins. Samples were collected across the ore body and alteration zone, channel sampling method is applied perpendicular the strike line. The sampling procedure is as follows.

- Earth and organic materials must be removed from the outcrops body, Scrape the oxide cover.
- Determines the channel line perpendicular to strike line,
- Determines the break line of sample interval based on alteration type and mineralization degree,
- Places the plastic sheet on the ground below the outcrops,
- Collects sample by chipping rock body in 10 cm width and 5 cm depth.
- Collects sample in 2 plastic bags, weight in 1 kilogram for each,
- Wash the samples again when return on the base camp just before the package the samples.

Trenching was required in addition to discover minerals. It was also to secure data concerning the mineralised body conditions such as depth, physical characteristics, country rocks, direction and gradients etc.

The horizontal direction of trenching in a location was defined according to approximate strike direction of the adjacent outcrops in the concerned location. Trenching was strike of the body, thus it will intersect the available stratification. The trenching was between 20 and 30 meter lengths. With 2 meter wide and 2-4 meters deep.

Soil samples were picked up by manual digging to horizon B. Each sample was packed in plastic bag approximately 2500 grams.

### 10.3.2 Sampling in Shafts

Along the trending of the gold-bearing veins, the Company has dug many shafts to exploration the veins. All shafts have been dug manually. The collar of shafts were orientated using hand-held GPS. The workers have dug the shaft vertically by hand then dug the drifts horizontally heading the gold-bearing veins and cross the veins and altered wall rocks. The horizontal drifts generally are at the

depth of 10 to 20 m from the surface. Continuous grab sampling was an alternative way to collect the samples in place of the channel sampling method was not possible to be applied for the safety reason. The depth of the shaft and the length of drift were measured by a meter ruler. Veins and altered wall rocks or middle band were sampled respectively using continuous grabbing. Sample length was also measured using a meter ruler, and the sampling direction was measured by compass.

## 10.4 Bulk Density

SRK found that records of the density samples from previous exploration were not available, and in the previous resource estimation an overall density of 2.65 tonnes per cubic metre (“t/m<sup>3</sup>”) was used as an assumption. Following SRK’s suggestion in previous report, a total of 45 specific gravity samples were collected from the Pasir Manggu West deposit on 4 April 2012 along with 15 oxidized mineralised samples, 15 mixed mineralised samples, and 15 primary mineralised samples, and were sent to PT. Zhongye Mineral Resources Exploration Development (“Zhongye”) for analysis. Another batch of bulk density samples were collected and analysed for the Cikadu, Sekolah, and Cibatu zones in 2012. The test shows that the average value of density for the fresh mineralized cores is about 2.7 t/m<sup>3</sup>.

For the reason that the mineralised gold-bearing materials from the surface and shafts about 20 to 30 m deep, including quartz veins and altered fault breccia or wallrocks, are undergone varies degrade weathered. Mineralised materials are weathered, semi-weathered and fresh. Therefore, SRK used the reference overall density of 2.65 t/m<sup>3</sup> for the resource estimation of Cibak and Cipancar Prospects, and recommends strongly to conducting bulk density measurements in further exploration programme at the Cibak and Cipancar Prospects.

## 11 Quality Assurance and Quality Control ( “QA/QC” )

SRK has not had access to the quality assurance and quality control of the historical exploration, because the detailed information was not available. The Wilton's shaft data are generally consistent with the results generated from the historical trenching, both disclosed the similar mineralised bodies on location, striking as well as mineralisation type. SRK is of opinion that the data acquired in previous programs at the Cibak and Cipancar Prospects may support to define the Inferred Resource category in the mineral resource estimation that is reported in accordance with JORC Code 2012 Edition. SRK also recommends strongly the Company carry out a systematic exploration in next step in accordance with the strict QA/QC procedures to further verify previous exploration results and upgrade the resource category.

## 12 Sample Preparation, Analyses and Security

SRK has not had access to the information of sample preparation and analyses in trenching samples collected by Terrex and Meekatharra in 1990s, because it is not available.

All samples collected by Wilton in 2015 were analysed at an independent Intertek laboratory in Jakarta, Indonesia using the Fire Assay method.

Samples were prepared by Intertek to the appropriate pulp for gold assay. For fire assaying, 50g of pulp sample was used for the analysis with detection limit of 0.005 ppm Au. Moreover, other 40 elements were also analysed using various methods, including AAS, ICP-OES, Four Acid Digestion AAS, and XRF.

SRK has conducted a full investigation at the Intertek laboratory in Jakarta during the previous exploration period of the Pasir Manggu, Cikadu, Sekolah, and Cibatú Prospects in 2014.

## 13 Data Verification

SRK personnel visited the Cibak and Cipancar Prospects during the period of 19 to 22 August 2016. During which time SRK inspected and verified the local geology, mineralisation, veins, fractural zones, and exploration programs. This inspection included outcrops of mineralized veins on the surface and mineralized bodies underground in the shafts and drifts. Visual observation, digital photos and Global Positioning System (GPS) measurements were used to conduct and record the results of this inspection.

A total of 10 samples were collected from the ongoing shafts by Wilton's geologist under SRK's supervision, and these samples were used for a simplified verification on previous data and mineralisation condition.

**All verification samples were sent to Intertek laboratory in Jakarta for gold analysis using FA50 Fire Assay method with a detection limit of 0.005 g/t. The Table 13-1 shows the summary of samples use for data verification. The results used for verification are compared with results or averaged results from adjacent vein samples in the database (As shown in**

Table 13-2). The S1V is quartz vein and is compared with the average of adjacent samples of N\_R0029, N\_R0029A and N\_R0029B, which are three secondary quartz veins within a main quartz vein. The wall rock samples of S1R and S1L are omitted for comparison. The S3, S5, S6 are compared with adjacent samples of N\_R0013A, N\_R0021D and N\_R0031, respectively. The samples of S2L, S2V and S2R are omitted due to no adequately adjacent samples for comparison. The comparison is presented in the Figure 13-1 indicates that a similar mineralisation results generated by the samples from ongoing shafts and from previous trenches or shafts.

Although these samples are not direct duplicated samples of the original samples in previous programs, and they can only verify the original samples roughly due to distance, they may verify the gold mineralisation and general grades of gold discovered in previous programs in the properties. SRK opines that the historical exploration from trenches and shafts provided by the Company is generally reliable, but at a relatively low exploration degree, and the historical exploration data may support the resource estimation of Inferred category. A systematic geology exploration at the Cibak and Cipancar Prospects is also strongly recommended by SRK in the further working to acquire data sufficient to be used in estimation for Measured and Indicated Resources.

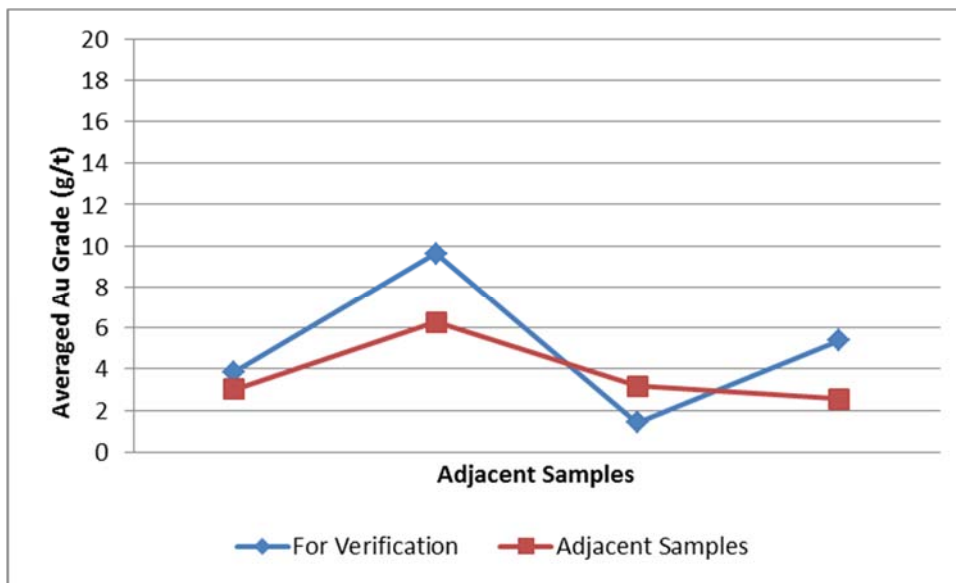
**Table 13-1: Summary of Samples for Data Verification**

| Sample ID | Prospect | Weight /kg | X      | Y       | Z   | Depth (m) | Veins Azimuth | Sample Length (m) | Au (g/t) |
|-----------|----------|------------|--------|---------|-----|-----------|---------------|-------------------|----------|
| S1R       | Cibak    | 5.1        | 670728 | 9207078 | 498 | 5         | N36E          | 1                 | 0.119    |
| S1V       | Cibak    | 5.9        | 670728 | 9207078 | 498 | 5         | N36E          | 1                 | 3.84     |
| S1L       | Cibak    | 5.1        | 670728 | 9207078 | 498 | 5         | N36E          | 1                 | 0.032    |
| S2L       | Cibak    | 3.3        | 671021 | 9207213 | 506 | 15        | N52E          | 1                 | 0.443    |
| S2V       | Cibak    | 6.3        | 671021 | 9207213 | 506 | 15        | N52E          | 1                 | 3.91     |
| S2R       | Cibak    | 3.2        | 671021 | 9207213 | 506 | 15        | N52E          | 1                 | 0.165    |
| S2        | Cibak    | 6.5        | 671021 | 9207213 | 506 | 15        | N52E          | 1                 | 9.74     |
| S3        | Cipancar | 2.8        | 671890 | 9207904 | 582 | 15        | N60E          | 1                 | 9.63     |
| S5        | Cipancar | 1.9        | 671649 | 9207754 | 581 | 20        | N61E          | 1.3               | 1.4      |
| S6        | Cipancar | 4.1        | 671049 | 9207253 | 505 | 20        | N64E          | 1                 | 5.38     |



**Table 13-2: Comparison for Verification**

| Adjacent Sample ID | X      | Y       | Z      | Au (g/t) |         | Verified Sample ID | Au (g/t) |
|--------------------|--------|---------|--------|----------|---------|--------------------|----------|
|                    |        |         |        | Au (g/t) | Average |                    |          |
| N_R0029            | 670735 | 9207084 | 480.82 | 1.15     | 3.01    | S1V                | 3.91     |
| N_R0029A           | 670735 | 9207084 | 480.82 | 2.48     |         |                    |          |
| N_R0029B           | 670735 | 9207084 | 480.82 | 5.39     |         |                    |          |
| N_R0013A           | 671902 | 9207907 | 588.06 | 6.26     |         | S3                 | 9.63     |
| N_R0021D           | 671586 | 9207724 | 584.16 | 3.17     |         | S5                 | 1.4      |
| N_R0031            | 671049 | 9207253 | 495.22 | 2.53     |         | S6                 | 5.38     |



**Figure 13-1: Simplified Comparison of Averaged Adjacent Samples**

## 14 Processing

### 14.1 Introduction

Wilton has proposed a Pilot Production Programme which is to develop an initial production pilot plant with a production capacity of 300 tpd to process the mineralised materials from Cibak and Cipancar Prospects. The target metals to be recovered in the processing program are gold and silver. A metallurgical test and a preliminary processing plant design were carried out by Shandong Xinhai Mining Technology and Equipment Inc. (“Xinhai”) Xinhai for Cibak and Cipancar Prospects to develop an optimum metallurgical flowsheet and optimum conditions and parameters to recover gold and silver.

SRK reviewed the test results and the preliminary design, and summarised the findings below.

### 14.2 Xinhai’s Metallurgical Tests

Xinhai accomplished metallurgical tests in its Yantai laboratory and submitted its test report of *Metallurgical Test Work Report for Gold Ore in Ciemas Gold Project* dated 20 August 2015. The tests were conducted on six composite samples. Gravity separation, floatation and cyanide leaching are tested. The purpose of the tests is to demonstrate the metallurgical amenability and to develop the flowsheet and operational conditions and parameters for the design program of the metallurgical plant. Of course, the tests are also a verification of previous metallurgical test work results.

#### 14.2.1 Ore Samples

The samples for the metallurgical tests were collected from different parts of the deposits. There are 4 oxidized samples, 3 primary samples and 2 argillic samples, Total weight is 50 kilograms. Six composite samples with different oxidation ratio are made up for simulating the production stages of mining of the project. The composite samples are considered to be of representative. The multiple elements assay results are shown in Table 14-1. The results indicate that only gold and silver deserve for recovery, but the arsenic content may have deleterious effect to the extraction of gold and silver. Sulphur exists in the forms of sulphide minerals, mainly arsenopyrite and pyrite, secondly galena, sphalerite and stibnite, etc. The content of sulphur increases from composite 1 to 6, representing the ore from shallow to deep part of the deposits.

**Table 14-1: Elements assay results of composite samples, Xinhai**

| Element          | Composite 1 | Composite 2 | Composite 3 | Composite 4 | Composite 5 | Composite 6 |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Au*              | 9.40        | 12.10       | 11.70       | 12.30       | 14.30       | 14.60       |
| Ag*              | 40.10       | 34.30       | 32.40       | 26.30       | 41.60       | 40.60       |
| Cu               | 0.01        | 0.01        | 0.01        | 0.01        | 0.02        | 0.02        |
| Pb               | 0.06        | 0.07        | 0.07        | 0.07        | 0.10        | 0.10        |
| Zn               | 0.03        | 0.02        | 0.02        | 0.02        | 0.10        | 0.10        |
| S                | 1.20        | 1.51        | 1.68        | 2.38        | 3.39        | 3.65        |
| TFe*             | 4.90        | 4.46        | 5.24        | 5.93        | 6.90        | 7.30        |
| Sb               | 0.06        | 0.04        | 0.02        | 0.04        | 0.06        | 0.06        |
| As               | 0.99        | 1.06        | 1.00        | 1.20        | 1.70        | 1.82        |
| TC*              | 0.29        | 0.21        | 0.22        | 0.21        | 0.18        | 0.18        |
| SiO <sub>2</sub> | 75.36       | 74.41       | 74.86       | 74.43       | 78.84       | 77.84       |

|                   |      |      |      |      |      |      |
|-------------------|------|------|------|------|------|------|
| Al <sub>2</sub> O | 8.69 | 8.87 | 8.78 | 8.89 | 4.98 | 4.98 |
| CaO               | 0.98 | 0.85 | 0.91 | 0.87 | 0.98 | 0.98 |
| MgO               | 0.20 | 0.21 | 0.19 | 0.20 | 0.40 | 0.40 |
| TiO <sub>2</sub>  | 0.44 | 0.52 | 0.50 | 0.53 | 0.24 | 0.24 |

Note: the content unit of Au and Ag is grams per ton of ore, others are weight percentage; TFe is total iron and TC is total carbon.

### 14.2.2 Gravity Separation Tests

The gravity separation tests adopt one stage open circuit of shaking table. Variations of grinding fineness are tested. The result of the tests is shown in Table 14-2. It can be seen that the gravity separation can obtain saleable concentrate, but the gold recovery in concentrates is low. The conclusion drawn from the tests is the same of previous tests – gravity separation alone is not suitable for processing the Ciemas ore.

**Table 14-2: Gravity Separation Test Results, Xinhai**

| Sample      | Grinding Finess<br>(-200 mesh ) | Concentrate<br>Yield (%) | Grade (g/t) |    | Recovery (%) |    |
|-------------|---------------------------------|--------------------------|-------------|----|--------------|----|
|             |                                 |                          | Au          | Ag | Au           | Ag |
| Composite 1 | 40.2%                           | 4.91                     | 46.6        |    | 24.1         |    |
|             | 51.6%                           | 3.85                     | 58.3        |    | 24.0         |    |
|             | 62.8%                           | 3.24                     | 68.6        |    | 23.9         |    |
|             | 71.6%                           | 2.96                     | 76.3        |    | 23.9         |    |
| Composite 2 | 40.1%                           | 4.87                     | 76.8        |    | 30.9         |    |
|             | 51.3%                           | 3.49                     | 100.6       |    | 29.3         |    |
|             | 62.6%                           | 3.26                     | 108.8       |    | 29.2         |    |
|             | 71.8%                           | 2.96                     | 116.2       |    | 28.3         |    |
| Composite 4 | 41.3%                           | 7.13                     | 75.8        |    | 44.0         |    |
|             | 52.0%                           | 6.44                     | 78.6        |    | 41.3         |    |
|             | 63.1%                           | 5.89                     | 81.4        |    | 39.2         |    |
|             | 72.1%                           | 5.12                     | 85.2        |    | 35.7         |    |
| Composite 5 | 40.8%                           | 12.18                    | 64.3        |    | 55.0         |    |
|             | 51.4%                           | 9.89                     | 73.6        |    | 50.9         |    |
|             | 62.5%                           | 8.12                     | 83.9        |    | 47.5         |    |
|             | 72.1%                           | 7.03                     | 90.4        |    | 44.6         |    |
| Composite 6 | 40.6%                           | 12.35                    | 66.2        |    | 56.1         |    |
|             | 51.2%                           | 10.09                    | 75.4        |    | 52.0         |    |
|             | 62.9%                           | 8.41                     | 84.6        |    | 48.7         |    |
|             | 71.9%                           | 7.36                     | 92.3        |    | 46.3         |    |

### 14.2.3 Floatation tests

The floatation tests adopt an open circuit shown as Figure 14-1. A closed floatation circuit test is carried out on the 6th composite sample too. The floatation tests are carried out under the optimized grinding fineness of 75% minus 200mesh (75% <0.074mm). The results are shown in Table 14-3. As the gravity separation, floatation can obtain saleable concentrate but cannot achieve high recoveries.

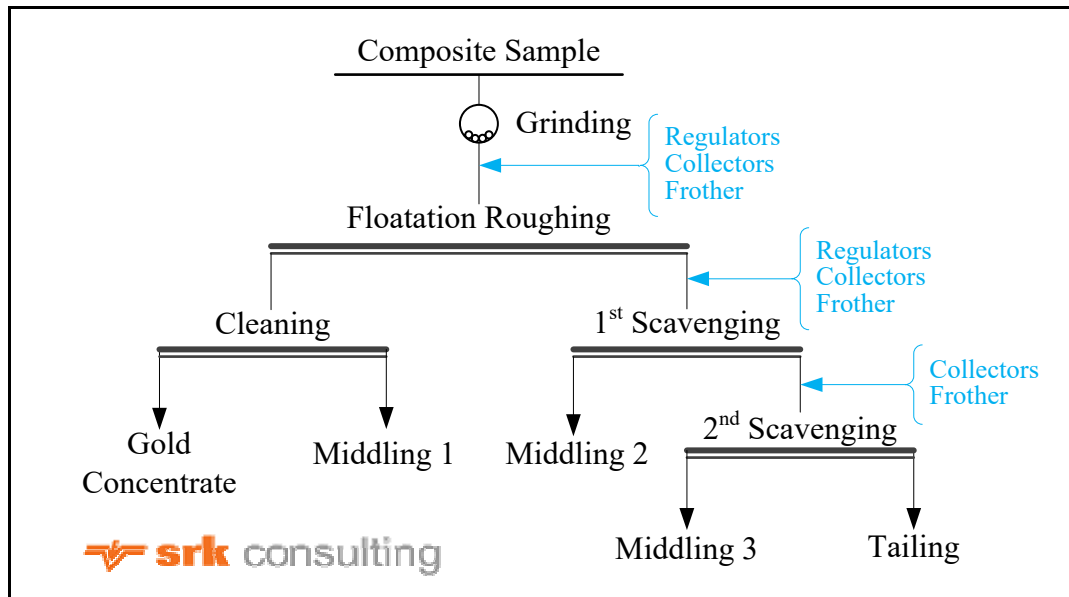


Figure 14-1: Flotation Test Open Circuit, Xinhai

Table 14-3: Flotation Test Results, Xinhai

| Sample      | Product     | Yield (%) | Grade (g/t) |    | Recovery (%) |    |
|-------------|-------------|-----------|-------------|----|--------------|----|
|             |             |           | Au          | Ag | Au           | Ag |
| Composite 1 | Concentrate | 5.86      | 54.9        |    | 33.9         |    |
|             | Middling 1  | 8.35      | 10.4        |    | 9.2          |    |
|             | Middling 2  | 6.68      | 15.8        |    | 11.1         |    |
|             | Middling 3  | 5.76      | 11.8        |    | 7.2          |    |
|             | Tailing     | 73.35     | 5.0         |    | 38.7         |    |
|             | Feed        | 100.00    | 9.5         |    | 100.0        |    |
| Composite 2 | Concentrate | 6.73      | 68.2        |    | 38.2         |    |
|             | Middling 1  | 9.42      | 11.3        |    | 8.9          |    |
|             | Middling 2  | 7.02      | 16.2        |    | 9.5          |    |
|             | Middling 3  | 6.07      | 12.4        |    | 6.3          |    |
|             | Tailing     | 69.86     | 6.4         |    | 37.2         |    |
|             | Feed        | 100.00    | 12.1        |    | 100.0        |    |
| Composite 4 | Concentrate | 12.73     | 54.2        |    | 56.4         |    |
|             | Middling 1  | 3.61      | 14.6        |    | 4.3          |    |
|             | Middling 2  | 2.63      | 13.9        |    | 3.0          |    |
|             | Middling 3  | 1.79      | 13.5        |    | 2.0          |    |
|             | Tailing     | 79.24     | 5.3         |    | 34.3         |    |
|             | Feed        | 100.00    | 12.2        |    | 100.0        |    |
| Composite 5 | Concentrate | 18.09     | 60.7        |    | 76.8         |    |
|             | Middling 1  | 5.16      | 15.9        |    | 5.7          |    |
|             | Middling 2  | 3.71      | 13.2        |    | 3.4          |    |
|             | Middling 3  | 2.68      | 12.1        |    | 2.3          |    |
|             | Tailing     | 70.36     | 2.4         |    | 11.8         |    |
|             | Feed        | 100.00    | 14.3        |    | 100.0        |    |
| Composite 6 | Concentrate | 18.18     | 62.2        |    | 76.9         |    |
|             | Middling 1  | 5.15      | 16.2        |    | 5.7          |    |
|             | Middling 2  | 3.76      | 14.2        |    | 3.6          |    |
|             | Middling 3  | 2.55      | 13.0        |    | 2.3          |    |

|              |             |        |      |       |       |       |
|--------------|-------------|--------|------|-------|-------|-------|
|              | Tailing     | 70.36  | 2.4  |       | 11.5  |       |
|              | Feed        | 100.00 | 14.7 |       | 100.0 |       |
| Composite 6* | Concentrate | 21.62  | 58.6 | 161.1 | 86.1  | 85.8  |
|              | Tailing     | 78.38  | 2.6  | 7.4   | 13.9  | 14.2  |
|              | Feed        | 100.00 | 14.7 | 40.6  | 100.0 | 100.0 |

Note:\* the last test of composite 6 adopts closed circuit.

#### 14.2.4 Gravity Separation-Flotation Tests

Gravity and flotation combined open circuit are also conducted on the 5th and 6th composites. The flowsheet is one stage shaking table and then flotation to process the tailing of shaking table. The results are show in Table 14-4. Compared with the flotation results, the combined flowsheet have not increased the gold recovery.

**Table 14-4: Gravity Separation Combined Flotation Test Results, Xinhai**

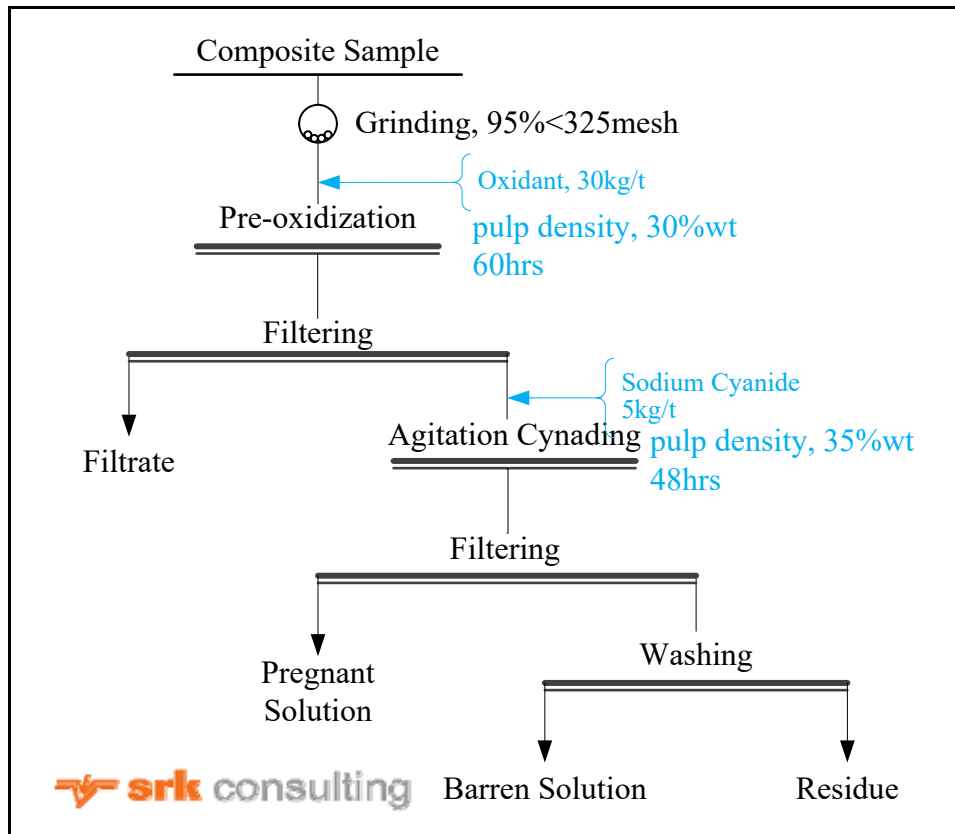
| Sample      | Product               | Concentrate<br>Yield (%) | Grade (g/t) |    | Recovery (%) |    |
|-------------|-----------------------|--------------------------|-------------|----|--------------|----|
|             |                       |                          | Au          | Ag | Au           | Ag |
| Composite 5 | Gravity Concentrate   | 7.19                     | 85.6        |    | 43.09        |    |
|             | Flotation Concentrate | 6.15                     | 68.9        |    | 29.67        |    |
|             | Total Concentrate     | 13.34                    | 77.9        |    | 72.76        |    |
| Composite 6 | Gravity Concentrate   | 7.32                     | 87.5        |    | 44.05        |    |
|             | Flotation Concentrate | 6.09                     | 69.7        |    | 29.19        |    |
|             | Total Concentrate     | 13.41                    | 79.4        |    | 73.24        |    |

#### 14.2.5 Cyanide Leaching Tests

After a series of condition optimizing tests, under the optimized conditions and flowsheet as Figure 14-2, cyanide leaching tests are implemented on composite samples. The test results are shown in Table 14-5. The leaching rates of gold and silver are stable at 89% and 70% respectively, indicating the ores of Ciemas deposits are amenable to cyanide leaching process.

**Table 14-5: Cyaniding Test Results of Composite Samples, Xinhai**

| Sample      | Feed Grade (g/t) |      | Residue Grade (g/t) |      | Leaching Rate (%) |      |
|-------------|------------------|------|---------------------|------|-------------------|------|
|             | Au               | Ag   | Au                  | Ag   | Au                | Ag   |
| Composite 1 | 9.4              | 40.1 | 1.0                 | 10.7 | 89.2              | 73.2 |
| Composite 2 | 12.1             | 34.3 | 1.3                 | 13.2 | 89.1              | 61.7 |
| Composite 3 | 11.7             | 32.4 | 1.2                 | 12.6 | 89.5              | 61.1 |
| Composite 4 | 12.3             | 26.3 | 1.4                 | 10.7 | 88.7              | 59.5 |
| Composite 5 | 14.3             | 41.6 | 1.5                 | 12.1 | 89.5              | 71.0 |
| Composite 6 | 14.6             | 40.6 | 1.7                 | 11.5 | 88.5              | 71.6 |



**Figure 14-2: Cyaniding Test Circuit, Xinhai**

Cyanide leaching tests are also conducted on the concentrates and tailings of flotation of the 5th and 6th composite samples. The quality of the concentrates of the two composite is shown in Table 14-6. The processing methods and test results are summarized in Table 14-7. Arsenic is the deleterious element for cyaniding, which content is high in the concentrates. Arsenic is the penalty element for sale of gold concentrate too. The results indicate the flotation concentrate is difficult to cyanide leach. The flotation tailing is easy to leach due to the removal of arsenic to concentrate. Flotation and then tailing cyaniding can reach high recovery of precious metals.

**Table 14-6: Flotation Concentrate Quality**

| Element                    | Au (g/t) | Ag (g/t) | As (%) | Sb (%) | S (%) | Tfe (%) |
|----------------------------|----------|----------|--------|--------|-------|---------|
| Concentrate of Composite 5 | 45.4     | 130.2    | 5.90   | 0.04   | 10.67 | 18.91   |
| Concentrate of Composite 6 | 46.7     | 128.9    | 5.98   | 0.04   | 11.58 | 23.11   |

**Table 14-7: Cyaniding Results of Flotation Products, Xinhai**

| Sample and Process                          | Feed Grade (g/t) |       | Residue Grade (g/t) |      | Leaching Rate (%) |      |
|---|------------------|-------|---------------------|------|-------------------|------|
|   | Au               | Ag    | Au                  | Ag   | Au                | Ag   |
| <i>Flotation Concentrate of Composite 5</i> |                  |       |                     |      |                   |      |
| Grinding-cyaniding                          | 45.4             | 130.2 | 24.4                | 78.3 | 46.3              | 39.9 |
| Bacterial oxidization-cyaniding             | 45.4             | 130.2 | 13.4                | 59.6 | 70.5              | 54.2 |
| Roasting-cyaniding                          | 45.4             | 130.2 | 7.6                 | 44.6 | 83.2              | 65.8 |
| <i>Flotation Tailing of Composite 5</i>     |                  |       |                     |      |                   |      |
| Grinding-cyaniding                          | 2.8              |       | 1.3                 |      | 53.9              |      |
| Alkaline pre-treatment-cyaniding            | 2.8              |       | 0.5                 |      | 83.9              |      |
| <i>Flotation Concentrate of Composite 6</i> |                  |       |                     |      |                   |      |

|  |      |       |      |      |      |      |
|--|------|-------|------|------|------|------|
| Grinding-cyaniding                       | 46.7 | 128.9 | 21.6 | 85.0 | 46.3 | 34.1 |
| Bacterial oxidization-cyaniding          | 46.7 | 128.9 | 13.6 | 69.0 | 70.9 | 46.5 |
| Roasting-cyaniding                       | 46.7 | 128.9 | 8.1  | 49.7 | 82.6 | 61.4 |
| <i>Flotation Tailings of Composite 6</i> |      |       |      |      |      |      |
| Grinding-cyaniding                       | 2.8  |       | 1.4  |      | 48.9 |      |
| Alkaline pre-treatment-cyaniding         | 2.8  |       | 0.5  |      | 83.9 |      |

### 14.3 Mineral Processing Plant Design

Jinjian Engineering Design Co., Ltd, a subsidiary of Xinhai, conducted a preliminary design of the metallurgical plant in March 2016. The document named 300t/d Mineral Processing Preliminary Design for Ciemas Gold Project of PT. Wilton Wahana Indonesia has been submitted to Wilton.

The metallurgical plant is designed at a capacity of 300 tons per day (300tpd) or 90 thousand tons per year (90 ktpa). Wilton named the project as a trial production (pilot) plant. The site for expansion to 600tpd has been set aside in the design.

The process of pre-oxidation succeed by agitation cyanide leaching was adopted. The flowsheet includes ore crushing, milling, pre-oxidation, condensing, cyanidation, condensing and washing, zinc powder replacing, and refining sequentially. The final products are gold and silver Dore bars. The operating conditions and parameters are as follows:

- Grind fineness: 95% < 325mesh (95% < 44mm)
- Pulp density for pre-oxidation: 30%wt
- Agitation time for pre-oxidation: 60hr
- Oxidant usage: 30~ 60kg/ ton of ore
- Pulp density for cyanidation: 35%wt
- Agitation time for cyanidation: 48hr
- Sodium cyanide usage: 5kg/ton of ore

The designed production technical index is shown in Table 14-8.

**Table 14-8: Designed Metallurgical Parameters of pilot plant**

| Item                    | Unit   | Parameter |
|-------------------------|--------|-----------|
| Processing capacity     | t/d    | 300       |
|                         | kt/a   | 90        |
| Feed grade              | Au g/t | 11.7      |
|                         | Ag g/t | 32.4      |
| Cyaniding recovery      | Au %   | 89.5      |
|                         | Ag %   | 61.1      |
| Washing recovery        | Au %   | 99.9      |
|                         | Ag %   | 98.8      |
| Zinc replacing recovery | Au %   | 99.3      |
|                         | Ag %   | 99.0      |
| Refining recovery       | Au %   | 99.5      |
|                         | Ag %   | 99.5      |
| Final recovery          | Au %   | 88.0      |
|                         | Ag %   | 60.0      |

The tailings storage facilities were also designed. The designed tailings dam is located in a valley, northeast of the metallurgical plant. The total storage capacity and effective storage capacity are respectively 1,208,000m<sup>3</sup> and 1,027,000m<sup>3</sup>, which can serve 17.0 years for an assumption of 90kt/year throughput.

Geotechnical investigation has been conducted for the proposed process plant and tailings storage facility. Golder has completed the report of Geotechnical Investigation for Tailing Storage Facility and Process Plant dated 10 August 2016, and concluded that both the process plant and TSF area are suitable for their intended use and can proceed.

After reviewing the metallurgical test works and the pilot plant project design, SRK compared the three flowsheets below, and recommends the third one, i.e. pre-oxidation and then agitation cyanide leach, but suggests adjusting the zinc dust replacement to Carbon in Pulp process.

There are three optional flowsheets:

- a) Flotation and floatation tailing cyanidation;
- b) Flotation concentrate cyanidation and floatation tailing cyanidation; and
- c) Pre-oxidation and then cyanidation.

The first flowsheet is relatively simple and final product is gold concentrate, gold Dore and silver Dore. This process can achieve high gold recovery ranging 90% to 97% per the ore oxidation level. The weakness is that about 45% to 85% of the gold product presents as concentrate which will suffer high sales cost and discount price, even arsenic penalty.

The second flowsheet is complex and the final product is gold Dore and silver Dore. The gold recovery is estimated around 88%. Complex flowsheet will need higher capital and operating costs.

The third flowsheet is relatively simple and the final product is gold Dore and silver Dore. The gold recovery is estimated around 86% for all levels of ore oxidation. The metallurgical plant design adopted this flowsheet. SRK is of the opinion that the designed pre-oxidation and then cyanidation flowsheet is feasible in the trial production plant, while following parameters should be optimized:

- The pre-oxidation operating parameters, such as the recipe of chemical oxidant, pulp density and treatment time, should be optimized;
- Carbon in pulp (CIP) process should be assessed as an alternative option to zinc dust replacing process. The pulp density of cyaniding operation should be optimized.
- The crushing and grinding circuit should be optimized considering the humidity and stickiness of feed material.



## 15 Conceptual Mining Study

SRK believes that it is too early to do a mining design on the Cibak and Cipancar Prospects, because there are no resources with higher category for ore reserve conversion and a feasibility study. Following description is for information purpose only, and SRK is of opinion that the study is conceptual.

Wilton engaged Xinhai to complete a mining design in 2016 for the Cibak and Cipancar Prospects based on a geological investigation and a general estimation of mineral resources compiled by Xinhai, and reviewed by Professor Zhang Zhengwei in 2015. The main conceptual proposals for mining are as below.

- Xinhai selected a simultaneous prospecting and mining design, namely prospecting while mining, at the Cibak and Cipancar Prospects. The mineralised bodies should be determined by further exploration workings.
- An underground Mining design is adopted in the Cibak and Cipancar Prospects. There are main adits in Cibak at 485m ASL, and in Cipancar at 530m ASL for mining & prospecting at the same time. The mining order is from hanging wall to footwall, and from top to bottom.
- The mining and mineral processing capacity will be as 300 t/d. The constant working system is 300 days per year, 3 shifts per day and 8 hours per shift;
- Development scheme: based on the occurrence mineralised bodies, mining method and actual situation on site, Xinhai proposed a preliminary mining scheme by using adit and ramp development during prospecting and mining.
- Based on the facts of that the deposit is steeply inclined with thin to extreme thin bodies, and that country rock can be categorised as medium to good stability by preliminary judgment, the recommended mining methods for the body with good rock stability are shallow-hole shrinkage mining method and resuing stoping method; for the extreme thin vein with thickness less than 0.8m, the method will be resuing stoping method; for the thin body with good ore rock stability and thickness over 0.8m, the mining method will be shallow hole shrinkage method. The recommended method for the body with poor rock stability will be blasting control static shrinkage filling method.
- Mining auxiliary system: for water drainage, for the levels above the main adit, gravity drainage will be used at the early stage, and for the levels below the main adit, one-stage centralized drainage will be used at the late stage. For transportation, trolley locomotive will drive bucket-tipping cars for the transportation in adit. Every electric locomotive drives 8 cars with useful load of 6.75t and length of 15m. There needs 3 trolley locomotives for transportation in adit. The ventilation is mainly based on local fan ventilation during exploration.

SRK is of the opinion that the mining design is at a conceptual stage and further exploration at Cibak and Cipancar Prospects is necessary to verify previous exploration results and upgrade the mineral resources, in order to carry out technical studies and mining design on them.

## 16 Mineral Resource Estimate

### 16.1 Introduction

SRK had conducted a mineral resource estimate and subsequent updates from 2014 to 2016 for the 4 Prospects. The results are presented in the Section 7.2 in this report.

For the Cibak and Cipancar Prospects, Wilton commissioned SRK to make a mineral resources estimate based on the historical data and data acquired by the Company recently. SRK undertook a site visit at the Cibak and Cipancar prospects and investigated on the geology, gold mineralisation, structures, topography, as well as shafting completed and being excavated. SRK believes that current data base can support a resource estimate with a lower category. SRK did the check list of Table 1 of JORC 2012 code, as provided in Appendix 2.

### 16.2 Mineral Resource Estimation Procedures

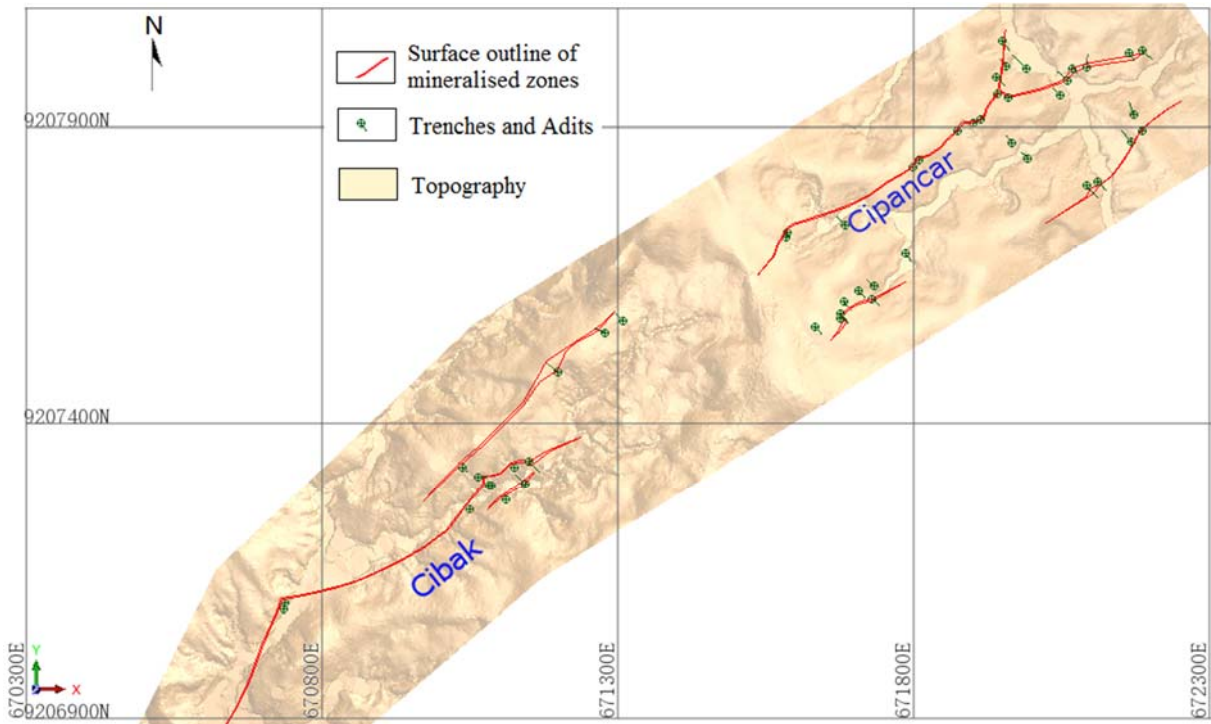
The resource evaluation involved the following steps:

- Database compilation and verification;
- Construction of geological domains and Definition of resource domains;
- Block modelling and grade interpolation;
- Resource classification and validation;
- Assessment of “reasonable prospects for economic extraction” and selection of appropriate cut-off grades; and
- Preparation of the Mineral Resource Statement.

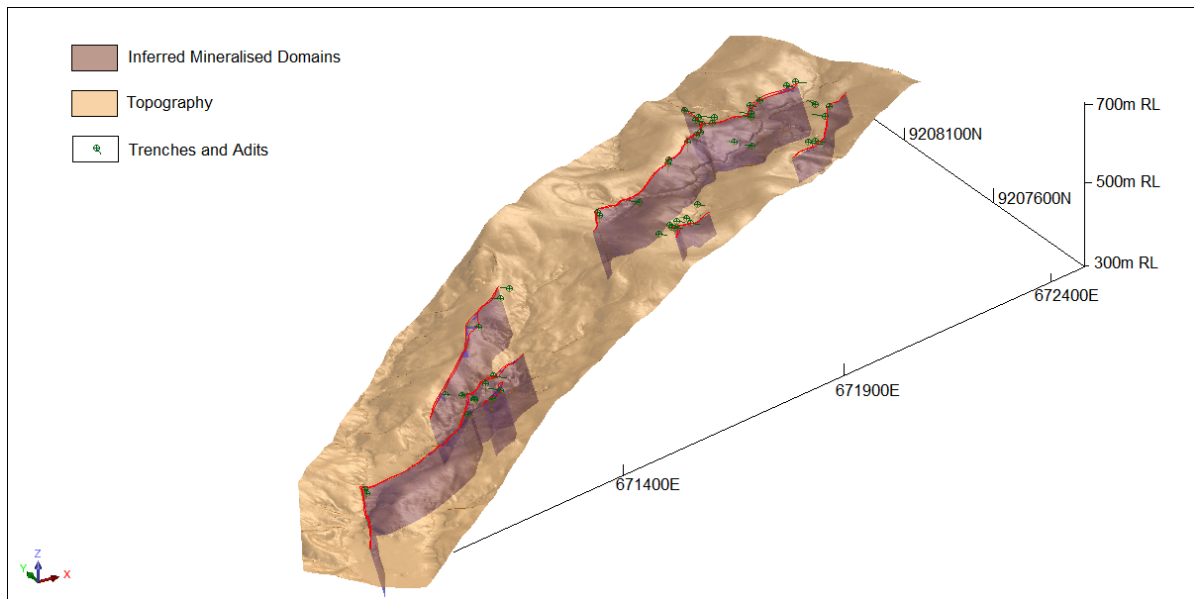
### 16.3 Database Compilation and Domain Model

All the available 33 historic trenches, and 31 shafts completed by the Company recently, were digitised and compiled in a database. The combined database was validated by Surpac to search for errors such as missing or overlapping intervals, incorrect IDs, channel sample lengths, azimuths, or dips, and duplicated samples. Only minor errors were found and rectified.

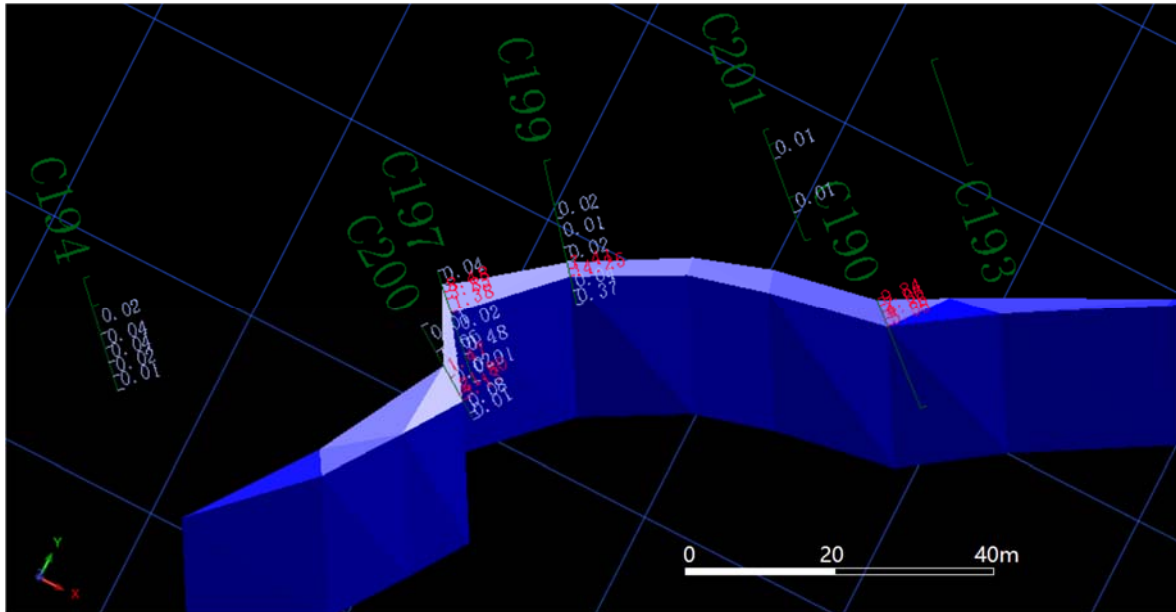
A total of 221 samples from 64 surface trenches and shafts were imported into database covering the mineralized zones of Cibak and Cipancar Prospects, as shown in Figure 16-1. The UTM coordinate projection was used for locating the trenches and shafts, and limiting the geological and resource models generated during this project. A geological model for the Cibak and Cipancar gold mineralised zones was built using Surpac, delineating based on the gold grade, inferring 100m down-dip and max 345m along trending. A total of 6 mineralised domains were modelled for Cibak and Cipancar Prospects. Three domains were outlined in Cibak and three in Cipancar. Only two domains were reported Inferred Resource in Cipancar due to the cut-off grade. The 3D mineralised domains were presented in Figure 16-2. The mineralised body delineated using gold grade was shown in Figure 16-3.



**Figure 16-1: 2D Mineralised Domains Outlined by the Historical Trenches and Adits**



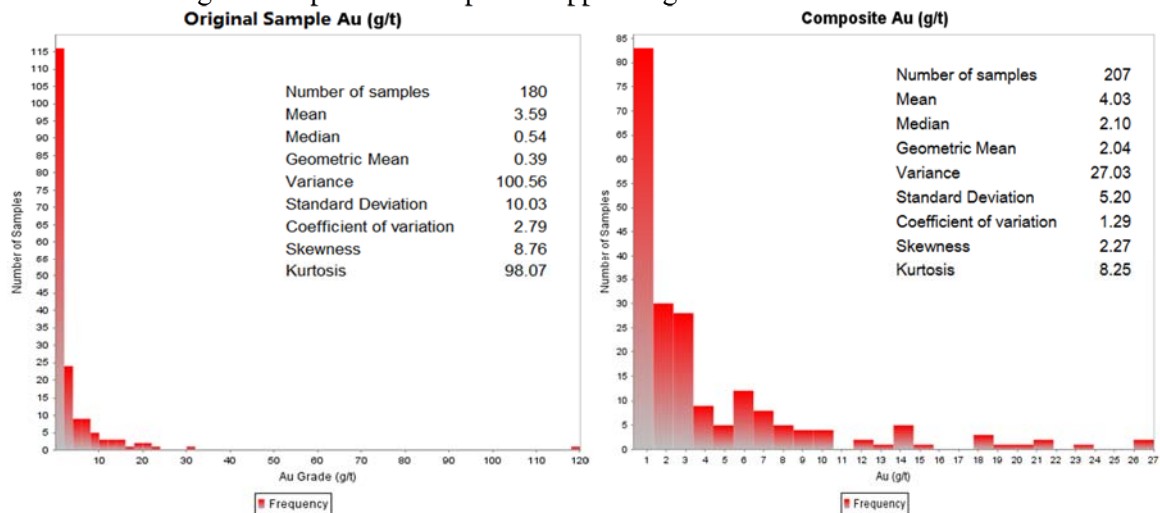
**Figure 16-2: 3D Mineralised Domains**



**Figure 16-3: Delineated Mineralised Body based on Gold Grades**

## 16.4 Data Analysis

Composites were generated at 0.5 m from mineralised samples above 0.3 g/t Au. Figure 16-4 shows the histograms and basic statistics for the original samples and composite samples. The histograms show both the original samples and composites appear log-normal distribution.



**Figure 16-4: Histograms and Statistics of Au for Originals and Composites**

## 16.5 Top-cutting

Top-cut at 27 g/t Au of 99% percentile of original sample statistics was applied for the composites within the domains.

## 16.6 Block Model and Grade Estimation

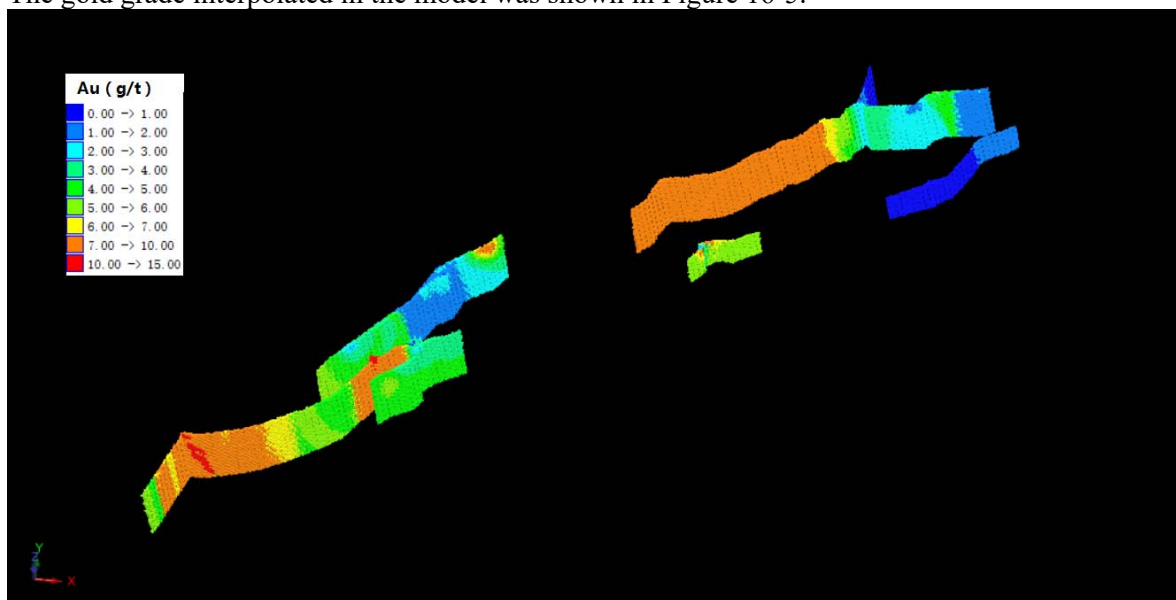
No variogram modelling was performed for composites in domains due to the samples are insufficient for variogram analysis. The block model for the Cibak and Cipancar gold mineralised zones was produced with dimensions of 5 m x 5 m x 5 m along the X (east), Y (north), and Z (elevation) axes for cell block, 2.5 m x 2.5 m x 2.5 m for sub-block. Limits of block model are presented in Table 16-1. Gold grade was estimated using Inverse Distance Weighted (“IDW”)

method within the delineated mineralised domains, max 100m extrapolating down-dip. The search ellipsoid axis are 60° in major axis, 0° in semi-major axis, -70° in minor axis. The anisotropy factor of major/semi-major is 1.3, and major/minor is 5. The extrapolation distance is limits within the outlined mineralisation domain with the maximum horizontal distance for extrapolation from 40m to 340m, while the down-dip distance for extrapolation ranges from 70m to 100m. Three passes of 200m, 400m, 600m of maximum search distance of major axis as well as max vertical search distance with maximum number of samples of 15, minimum samples of 1 were applied for filling the blocks within the mineralisation domain during the interpolation and extrapolation. No grade was extrapolated for blocks out of the mineralisation domain. All resources is based on extrapolated data and classified as Inferred Resource.

**Table 16-1: Limits of Block Model**

| Direction | Minimum Limit | Maximum Limit | User Block Size (m) | Min. Block Size (m) |
|-----------|---------------|---------------|---------------------|---------------------|
| X         | 670600        | 672300        | 5                   | 2.5                 |
| Y         | 9206800       | 9208100       | 5                   | 2.5                 |
| Z         | 360           | 610           | 5                   | 2.5                 |

The gold grade interpolated in the model was shown in Figure 16-5.



**Figure 16-5: Gold Grade Interpolated in the Model**

## 16.7 Density

SRK found that records of the ore density samples from previous exploration were not available, and in the previous resource estimation an overall density of 2.65 tonnes per cubic metre (“t/m<sup>3</sup>”) was used as an assumption for the Cibak and Cipancar Prospects. SRK also used bulk density of 2.65 t/m<sup>3</sup> for the mineral resource estimation in this report.

## 16.8 Depleted Area

No depleted area was performed in the Cibak and Cipancar zones since there is no historical production in the two mineralised zones.

## 16.9 Classification

Mineral Resource classification is typically a subjective concept; industry best practices suggest that resource classification should consider the confidence in the geological continuity of the mineralised structures, the quality and quantity of exploration data supporting the estimates, and the geostatistical

confidence in the tonnage and grade estimates. Appropriate classification criteria should aim at integrating these concepts to delineate regular areas at similar resource classification.

As SRK's opinion on the data quality provided by the Company for the Cibak and Cipancar Prospects in Chapter 11, Inferred Resources were classified in accordance with the JORC Code by SRK for the Cibak and Cipancar Prospects based on the historical exploration data density, geological continuity of mineralisation, as well as the site investigation by SRK.

## 16.10 Mineral Resource Statement

The JORC Code 2012 defines a mineral resource as:

*“a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity, and other geological characteristics of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated, and Measured categories.*

*All reports of Mineral Resources must satisfy the requirement that there are reasonable prospects for eventual economic extraction (i.e., more likely than not), regardless of the classification of the resource.*

*Portions of a deposit that do not have reasonable prospects for eventual economic extraction must not be included in a Mineral Resource...*”

The “reasonable prospects for eventual economic extraction” requirement generally implies that the tonnage and grade estimates meet certain economic thresholds and that the mineral resources be reported at an appropriate cut-off grade that takes into account extraction scenarios and processing recoveries.

SRK considers that portions of the mineralisation in the Cibak and Cipancar Prospects are amenable to be mined using underground mining method. In order to determine the quantities of material offering “reasonable prospects for eventual economic extraction” by underground mining, SRK used a set of mining and processing assumptions/parameters to evaluate the proportions of the block model (Inferred blocks) that could be “reasonably expected” to be mined from underground mine.

The conceptual parameters used in Cibak and Cipancar Prospects are summarised in Table 16-2. The reader is cautioned that the results of the estimate are used solely for the purpose of testing the “reasonable prospects for eventual economic extraction” by underground mining and do not represent an attempt to estimate mineral reserves. The results are to be used as a guide for assisting in the preparation of a Mineral Resource Statement and for selecting an appropriate resource-reporting cut-off grade.

**Table 16-2: Assumptions Used for Cut-Off-Grade Calculation**

| Parameter                  | Value | Unit   |
|----------------------------|-------|--------|
| Gold metal price           | 1300  | USD/OZ |
| Mining cost                | 43    | USD/t  |
| Processing cost            | 22    | USD/t  |
| Administrative cost        | 10    | USD/t  |
| Mining dilution            | 20    | %      |
| Gold process recovery      | 90    | %      |
| In situ Gold cut-off grade | 2.5   | g/t    |

The Resource statement for the Cibak and Cipancar as of 31 August 2016, at a cut-off grade of 2.5 g/t Au, is tabulated in Table 16-3.

**Table 16-3: Mineral Resource Statement, as of 31 August 2016**

| Prospect     | Bodies | Cut-Off Au (g/t) | Category        | Tonnage (Mt) | Au (g/t)   |
|--------------|--------|------------------|-----------------|--------------|------------|
| Cibak        | 101    | 2.5              | Inferred        | 0.39         | 6.6        |
|              | 102    | 2.5              | Inferred        | 0.18         | 4.1        |
|              | 103    | 2.5              | Inferred        | 0.09         | 4.5        |
| Cipancar     | 201    | 2.5              | Inferred        | 0.4          | 5.6        |
|              | 203    | 2.5              | Inferred        | 0.05         | 5.6        |
| <b>Total</b> |        | <b>2.5</b>       | <b>Inferred</b> | <b>1.1</b>   | <b>5.6</b> |

The information in this Mineral Resources report is based on information compiled by Mr. Hongliang Gong, Mr. Pengfei Xiao and Dr. Anson Xu, full-time employees of SRK Consulting China Ltd. Mr. Gong and Mr. Pengfei Xiao are both Member of the Australasian Institute of Mining and Metallurgy. Dr. Xu is a Fellow of the Australasian Institute of Mining and Metallurgy. Their experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking is sufficient to qualify them as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves." Mr. Gong, Mr. Pengfei Xiao and Dr. Xu consent to the reporting of this information in the form and context in which it appears.

The cut-off grade is 2.5 g/t Au and is determined based on the following assumptions: underground-mine, mining dilution of 20%, ore-processing recovery of 90%, cash operating cost of USD 75/t, and gold metal price of USD 1,300/oz.

Figures for Au metal in this table are estimated based on the resource tonnages and grades, and do not represent the exact amount of extractable metal for this Project. They should be treated differently from the expected production of gold bullion.

Discrepancies may occur due to rounding.

## 16.11 Sensitivity Analysis of Cut-Off Grades

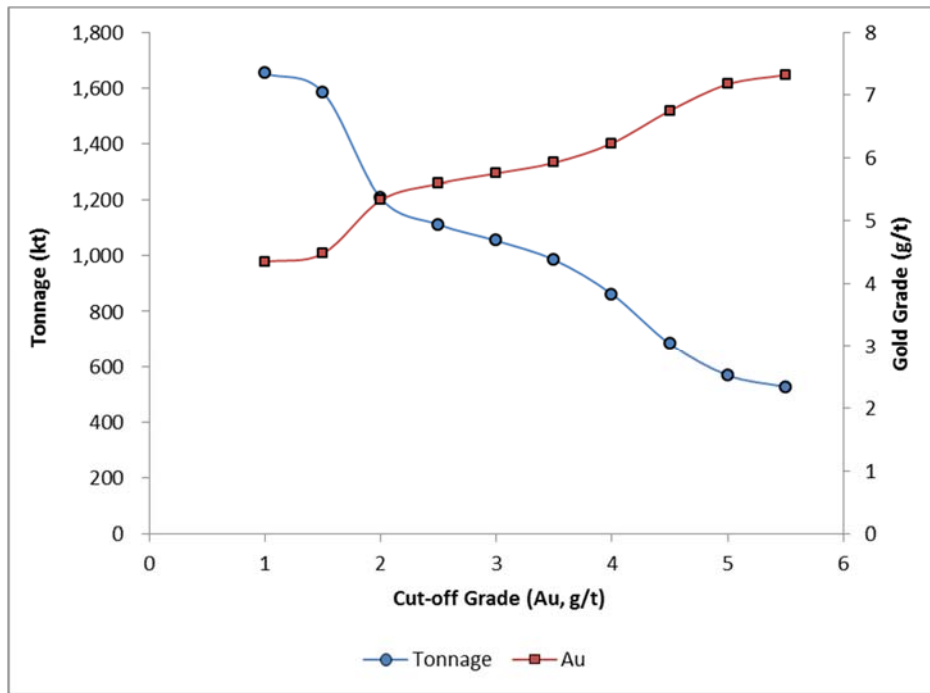
The tonnages and grades of the mineral resources at Cibak and Cipancar Prospects are sensitive to (i.e., closely dependent on) the reported cut-off grade. To illustrate this sensitivity, the global grade and tonnage is presented in Table 16-4. The reader is cautioned that the figures presented in this table should not be mistaken for a Mineral Resource Statement. The figures in Table 16-4 are presented only to show the degree to which the block model estimates are sensitive to the choice of cut-off grade. Figure 16-6 presents grade–tonnage curves.

**Table 16-4: Global Grade–Tonnage Table for Cibak and Cipancar Prospects\***

| Cut-off Au (%) | Tonnage** (Mt) | Au (g/t)   | Category        |
|----------------|----------------|------------|-----------------|
| 1              | 1.7            | 4.4        | Inferred        |
| 1.5            | 1.6            | 4.5        | Inferred        |
| 2              | 1.2            | 5.3        | Inferred        |
| <b>2.5</b>     | <b>1.1</b>     | <b>5.6</b> | <b>Inferred</b> |
| 3              | 1.05           | 5.8        | Inferred        |
| 3.5            | 1.0            | 5.9        | Inferred        |
| 4              | 0.9            | 6.2        | Inferred        |
| 4.5            | 0.7            | 6.8        | Inferred        |
| 5              | 0.6            | 7.2        | Inferred        |
| 5.5            | 0.5            | 7.3        | Inferred        |

\* The reader is cautioned that the figures in this table should not be misconstrued as representing a Mineral Resource Statement. The figures are presented only to show the sensitivity of the block model estimates to the choice of cut-off grade.

\*\*The tonnage is a total value of Inferred Resource classification.



**Figure 16-6: Grade Tonnage Curves**

## 16.12 Recommendation

A further exploration programme in the Cibak and Cipancar Prospects is strongly recommended by SRK to upgrade the mineral resources, in order to carry out technical studies and mining design on them.



## 17 Risk Assessment

Mining is a relatively high-risk industry. In general, risk may decrease from exploration, through development, to the production stage.

In SRK's opinion, the Cibak and Cipancar Prospects are still an exploration project, although some work has been completed (e.g. designs of mining and a processing plant), and risks exist in different areas.

SRK considered various technical aspects that may affect the reliability of the mineral resource estimate, and feasibility and viability of project development. SRK's final risk assessment is presented in Table 17-1.

**Table 17-1: Project Risk Assessment for Cibak and Cipancar Prospects**

| Risk Issue                                    | Likelihood | Consequence | Overall |
|---|------------|-------------|---------|
| <b>Exploration and Mineral Resources</b>      |            |             |         |
| Poor quality of previous exploration programs | Possible   | Major       | High    |
| Poor continuity of mineralised bodies         | Possible   | Moderate    | Medium  |
| Faulting makes mineralised bodies complex     | Possible   | Moderate    | Medium  |
| Low potential for resource increase           | Possible   | Moderate    | Medium  |
| <b>Mining</b>                                 |            |             |         |
| Unknown underground water                     | Possible   | Moderate    | Medium  |
| Low confidence for reserve conversion         | Likely     | Major       | High    |
| Unsuitable mining method                      | Possible   | Moderate    | Medium  |
| <b>Ore Processing</b>                         |            |             |         |
| Refractory ore                                | Possible   | Moderate    | Medium  |
| Unsuitable flow sheet                         | Unlikely   | Moderate    | Low     |

SRK has used a matrix as described below.

The likelihood of a risk is considered within a certain time frame (e.g., five years) as follows:

- **Likely:** will probably occur;
- **Possible:** may occur; or
- **Unlikely:** unlikely to occur.

The consequence of a risk is classified as follows:

- **Major Consequence:** The factor poses to the Project an immediate danger that, if uncorrected, will have a material effect on Project cash flow and performance and could lead to Project failure;
- **Moderate Consequence:** The factor, if uncorrected, will have a significant effect on Project cash flow and performance; or
- **Minor Consequence:** The factor, if uncorrected, will have little or no effect on Project cash flow and performance.

The overall risk assessment combines the likelihood and consequence of a risk to yield a classification of Low (unlikely and possible minor risks, and unlikely moderate risk), Medium (likely minor, possible moderate, and unlikely major risks) or High (likely moderate and major risks, and possible major risks).

## 18 Interpretation and Conclusions

SRK has made the following interpretations and conclusions based on site inspection and on a review of various reports and studies:

### 18.1 Geology, Exploration and Mineral Resources

- Mineralisation at Cibak and Cipancar Prospects are of the quartz vein type and/or structurally controlled alteration type.
- SRK inspected and reviewed the Wilton's shaft program and data, and found that the results are generally consistent with the results generated from the historical trenching, both disclosed the similar mineralised bodies in location, striking, mineralisation type. SRK has not had access to the QA/QC procedures the historical exploration, because the detailed information of the QA/QC data was not available. SRK is of the opinion that the data acquired at the Cibak and Cipancar Prospects is integrated however is only adequate to be used for Inferred Resource category in the mineral resource estimation.
- The results used for verification are compared with averaged results from adjacent vein samples in the database, and indicates that a similar mineralisation results generated by the samples from ongoing shafts and from previous trenches or shafts.
- As of 31 August 2016 at a cut-off grade of 2.5 g/t Au, the Cibak and Cipancar Prospects is estimated to contain 1.1 Mt of Inferred Resources at an average grade of 5.6 g/t Au.

### 18.2 Mineral Processing

- The target metals to be recovered in the processing program are gold and silver. A metallurgical test and a preliminary processing plant design for Cibak and Cipancar Prospects were carried out by Xinhai and Jinjian, respectively, to develop an optimum metallurgical flowsheet and optimum conditions and parameters to recover gold and silver.
- The processing plant is designed with an initial stage production capacity of 300 tpd using oxidation pre-treatment, leaching (zinc precipitate) and smelting process. The initial stage production is aimed to process the materials from Cibak and Cipancar Prospects.
- SRK has compared the three flowsheets from the design, and recommends the plan of pre-oxidation and then agitation cyanide leach, while suggests adjusting the zinc dust replacement to Carbon in Pulp process. This flowsheet is relatively simple and the final products are gold dore and silver dore. The gold recovery is estimated around 86% on average for all levels of ore oxidation.

### 18.3 Conceptual Mining Study

- It is proposed that a strategy of mining while prospecting can be adopted for exploring and developing the prospects.
- An underground Mining design is adopted in the Cibak and Cipancar Prospects. There are main adits in Cibak at 485m ASL, and in Cipancar at 530m ASL for mining & prospecting at the same time. The mining order is from hanging wall to footwall, and from top to bottom. Ramps will be developed to connect different levels.
- The recommended mining methods include shallow-hole shrinkage mining method and resuing stoping method, as well as blasting control static shrinkage filling method for the body with poor rock stability.
- For the levels above the main adit, the gravity drainage will be used at the early stage, and for the levels below the main adit, one-stage centralized drainage will be used at the late stage. For

transportation, trolley locomotive will drive bucket-tipping cars for the transportation in adit. The ventilation is mainly based on local fan ventilation during exploration.

## 19 Recommendations

Based on current condition of the project, SRK would like to make following recommendations to the Company.

### 19.1 Exploration and Mineral Resources

SRK strongly recommends that the company should consider

- To implement further systematic exploration programmes in the Cibak and Cipancar Prospects to upgrade the mineral resources, in order to support mining design and other studies for the proposed trial production.
- To have Qualified person(s) to participate in further exploration and resource upgrade programs to carry out a standardised QA/QC procedure during the further exploration in accordance with the widely accepted best practice.

### 19.2 Ore Processing, Metallurgic Tests and Conceptual Mining Study

For ore processing, SRK has following recommendations:

- The pre-oxidation and then cyanidation flowsheet may be used in the trial production plant, while following parameters should be optimized.
  - The pre-oxidation operating parameters, such as the recipe of chemical oxidant, pulp density and treatment time, should be optimized, and
  - Carbon in pulp (“CIP”) process should be assessed as an alternative option to zinc dust replacing process. The pulp density of cyaniding operation should be optimised.
  - The crushing and grinding circuit should be optimized considering the humidity and stickiness of feed material.
- To start with the trial production programme by using the recommended ore processing flowsheet. The parameters and flowsheet should be optimized further during the trial production, of which the aim is indeed for the operation optimization.
- It is recommended that more investigations should be conducted on hydrogeology and geotechnical conditions prior to develop the adits and ramps for the mining and exploration.
- The focus should be on the exploration of the mineralised bodies by conducting drifts along the veins, rather than on the mining to match the designed capacity. Overall, the trial production of mining and processing aims to obtain useful technical and economic parameters which can be used for developing the four main prospects.

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## 21 Certificate and Consent of Qualified Persons

### Anshun Xu

To accompany the report entitled *Independent Qualified Person's Report of Cibak & Cipancar Prospects at Ciemas Gold Project in Republic of Indonesia* and dated 31 December 2016.

I, Anshun Xu, do hereby certify that:

- 1) I am a Director and a Corporate Consultant in Geology and Mineral Resources with the firm of SRK Consulting (China) Limited ("SRK") with an office at:

B1205 COFCO Plaza  
8 Jianguomen Nei Dajie  
Beijing, the People's Republic of China  
100005  
Phone: 86-10-6511 1000  
Fax: 86-10-8512 0385  
Email: axu@srk.cn

- 2) I graduated with a bachelor's degree in Geology of Mineral Deposits from Nanjing University, China, (B.Sc.) in 1982; a master's degree in Geology of Mineral Deposits from Chengdu University of Technology, China, (M.Sc.) in 1988; and a doctoral degree in Geology from University of Nebraska-Lincoln, USA, (Ph.D.) in 1996.

I have practiced my profession since 1982. From 1982 to 1990, I taught geochemistry and geology of ore deposits at Chengdu University of Technology. From 1990 to 1996, I worked at the University of Nebraska-Lincoln as a teacher and research assistant; from 1996 to 2004, I worked at various Canadian mining companies; and since 2005, I have done mining consulting at SRK. I have worked in exploration management, resource estimates, and technical review and reporting for various types of mineral deposits, including iron, gold, silver, copper, nickel, cobalt, lead-zinc, diamond, bauxite, and others located in China, Canada, Mongolia, Kazakhstan, Indonesian, Philippines, North Korea, DR Congo, Cameroon, Madagascar, and Peru. I authored or co-authored multiple technical reports for IPO listings in the TSX, Hong Kong Stock Exchange, and SGX.

- 3) I am a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) (No. 224861) since 2005, and in good standing.
- 4) I visited the Ciemas Gold Project during the period of 27 - 30 March 2013.
- 5) I am the primary author being responsible for updating this technical report and the full content of this report.
- 6) I have had no previous involvement with the Ciemas projects. I have no interest, nor do I expect to receive any interest, either directly or indirectly, in the Project, nor in the securities of Wilton and/or its subsidiary mining companies.
- 7) I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
- 8) I am independent of the issuer applying all of the tests described in JORC.

Beijing, China  
31 December 2016



Anshun (Anson Xu, PhD, FAusIMM (#224861)  
Corporate Consultant (Geology)

# Appendices

## **Appendix 1: Mining Licenses**





**PEMERINTAH KABUPATEN SUKABUMI  
BADAN PELAYANAN PERIZINAN TERPADU**

Jl. Raya Cibolang Km. 7 Cisaat Telp./ Fax (0266) 237527

SUKABUMI 43152

**KEPALA BADAN PELAYANAN PERIZINAN TERPADU  
KABUPATEN SUKABUMI**

Nomor : 503.8/7797 - BPPT/2011

**TENTANG**

**PEMBERIAN PERSETUJUAN PENYESUAIAN PERUBAHAN IZIN USAHA PERTAMBANGAN (IUP) OPERASI PRODUKSI  
KEPADA PT. WILTON WAHANA INDONESIA**

- Membaca : Menindaklanjuti surat dari Wijaya Lawrence selaku Direktur Utama PT. Wilton Wahana Indonesia Nomor 03/X-WWI/WL-11 tanggal 03 Oktober 2011, perihal IUP Operasi Produksi.
- Menimbang : a. Surat Plt.Direktur Jenderal Mineral dan Batubara Kementerian Energi dan Sumber Daya Mineral Republik Indonesia Nomor : 70/30/DEM/2011 tanggal 26 Januari 2011 perihal Registrasi IUP;  
b. Bahwa berdasarkan Surat Bupati Sukabumi Nomor : 660.1/1362 A –BLH tanggal 16 Agustus 2010 perihal Persetujuan ANDAL,RKL/RPL Penambangan Emas dmp, Pengolahan dan Pembangunan Sarana Pendukungnya di Kecamatan Ciemas dan Kecamatan Simpenan;  
c. Bahwa berdasarkan Surat Kepala Dinas Pertambangan dan Energi Kabupaten Sukabumi Nomor : 540/155/PU tanggal 26 Mei 2011 perihal Revisi Izin Usaha Pertambangan (IUP) Operasi Produksi atas nama PT. Wilton Wahana Indonesia;  
d. bahwa berdasarkan poin a,b,c PT. Wilton Wahana Indonesia telah memenuhi syarat untuk diberikan Pemberian Persetujuan Penyesuaian Perubahan Izin Usaha Pertambangan (IUP) Operasi Produksi.
- Mengingat : 1. Undang-Undang Nomor 32 Tahun 2004 tentang Pemerintahan daerah (Lembaran Negara Tahun 2004 Nomor 125, Tambahan Lembaran Negara 4437) sebagaimana telah diubah dengan Undang-Undang Nomor 8 Tahun 2005 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 32 Tahun 2004 tentang Pemerintahan Daerah menjadi Undang-Undang (Lembaran Negara Tahun 2005 Nomor 108, Tambahan Lembaran Negara 4548);  
2. Undang-Undang Nomor 25 Tahun 2007 tentang Penanaman Modal (Lembaran Negara Tahun 2004 Nomor 67, Tambahan Lembaran Negara 4724);  
3. Undang-Undang Nomor 26 Tahun 2007 tentang Penataan Ruang (Lembaran Negara Tahun 2007 Nomor 68, Tambahan Lembaran Negara 4725);  
4. Undang-Undang Nomor 4 Tahun 2009 Tentang Pertambangan Mineral dan Batubara (Lembaran Negara Tahun 2009 Nomor 4, Tambahan Lembaran Negara 4959);  
5. Peraturan Pemerintah Nomor 27 Tahun 1999 tentang Analisis Mengenai Dampak Lingkungan Hidup (Lembaran Negara Tahun 1999 Nomor 59, Tambahan Lembaran Negara 3838);  
6. Peraturan Pemerintah Nomor 27 Tahun 1999 tentang Pembagian Urusan Antara Pemerintah Pusat, Pemerintah Daerah Propinsi, Pemerintah daerah Kabupaten/Kota (Lembaran Negara Tahun 2007 Nomor 82, Tambahan Lembaran Negara 4737);  
7. Peraturan Pemerintah Nomor 26 Tahun 2008 tentang Rencana Tata Ruang Wilayah Nasional (Lembaran Negara Tahun 2008 Nomor 48, Tambahan Lembaran Negara 4833);  
8. Peraturan Pemerintah Nomor 22 Tahun 2010 tentang Wilayah Pertambangan (Lembaran Negara Republik Indonesia Tahun 2010 Nomor 28);  
9. Peraturan Pemerintah Nomor 23 Tahun 2010 tentang Pelaksanaan Kegiatan Usaha Pertambangan Mineral dan Batubara (Lembaran Negara Republik Indonesia Tahun 2010 Nomor 29);  
10. Peraturan Pemerintah Republik Indonesia Nomor 78 Tahun 2010 tentang Reklamasi Dan Pasca Tambang (Lembaran Negara Republik Indonesia Tahun 2010 Nomor 138);  
11. Peraturan Daerah Kabupaten Sukabumi Nomor 13 Tahun 2007 tentang Pengelolaan Pertambangan;  
12. Peraturan Daerah Kabupaten Sukabumi Nomor 32 Tahun 2008 tentang Perubahan Organisasi Perangkat Daerah Kabupaten Sukabumi;  
13. Peraturan Bupati Sukabumi Nomor 56 Tahun 2010 tentang Struktur Organisasi Tata Kerja Badan Pelayanan Perijinan Terpadu Kabupaten Sukabumi;  
14. Peraturan Bupati Sukabumi Nomor 1 Tahun 2009 Tentang Pelimpahan Kewenangan Penyelenggaraan Pelayanan Perizinan dan Penanaman Modal kepada Badan Pelayanan Perizinan Terpadu Kabupaten Sukabumi;  
15. Keputusan Bupati Sukabumi Nomor 503.05/Kep.77-BPPT/2011 tentang Pembentukan Tim Teknis Pelayanan Perizinan Terpadu Kabupaten Sukabumi;

MEMUTUSKAN.....

**MEMUTUSKAN**

- Menetapkan : KEPUTUSAN KEPALA BADAN PELAYANAN PERIZINAN TERPADU KABUPATEN SUKABUMI  
TENTANG PEMBERIAN PERSETUJUAN PENYESUAIAN PERUBAHAN IZIN USAHA PERTAMBANGAN  
(IUP) OPERASI PRODUKSI KEPADA PT. WILTON WAHANA INDONESIA
- KESATU : Memberikan Persetujuan Penyesuaian Perubahan Izin Usaha Pertambangan (IUP) Operasi Produksi  
kepada :
- a. Nama Perusahaan : PT. WILTON WAHANA INDONESIA
  - b. Alamat Perusahaan : Komplek Harco Mangga Dua (Agung Sedayu) Blok C No. 5 Jalan  
Mangga Dua Raya Jakarta 10730, Indonesia.
  - c. Telephone : (62-21) 6125585, 6125586, 6125587, 6125588.
  - d. Fax : (62-21) 6125583
  - e. Nama Pemohon : Wijaya Lawrence
  - f. Jabatan : Direktur Utama
  - g. Jenis Komoditas : Emas dmp (Mineral Logam)
  - h. Lokasi Penambangan : Desa Ciemas dan Desa Melkarjaya Kecamatan Ciemas, Desa  
Cihaur Kecamatan Simpenan Kabupaten Sukabumi Propinsi Jawa  
Barat
  - i. Luas : 2.878,5 (dua ribu delapan ratus tujuh puluh delapan koma lima)  
Hektar
- Dengan koordinat titik batas wilayah pertambangan sebagaimana tercantum pada lampiran I dan  
wajib memenuhi ketentuan dan atau kewajiban selaku pemegang izin sebagaimana tercantum pada  
lampiran II, tidak terpisahkan dari surat izin ini.
- j. Jangka Waktu Berlaku Izin Usaha Pertambangan (IUP) Operasi Produksi ini berlaku selama  
**20 (dua puluh) Tahun** sejak tanggal 8 September 2010 sampai dengan 7 September 2030.
- KEDUA : Pemegang IUP Operasi Produksi mempunyai hak untuk melakukan kegiatan kontruksi, penambangan,  
produksi, pengangkutan dan penjualan serta pengolahan dan pemurnian dalam Wilayah Izin Usaha  
Pertambangan (WIUP) dan dapat diperpanjang 2 (dua) kali (sesuai dengan komoditas tambang sesuai  
Undang-Undang Nomor 4 Tahun 2009) ;
- KETIGA : IUP ini dilarang dipindahtangankan atau dikerjasamakan dengan pihak lain tanpa persetujuan Bupati;
- KEEMPAT : PT. Wilton Wahana Indonesia sebagai Pemegang IUP dalam melaksanakan kegiatannya mempunyai hak  
dan kewajiban sebagaimana tercantum dalam Lampiran Keputusan ini;
- KELIMA : IUP ini dapat diberhentikan sementara, dicabut, atau dibatalkan, apabila pemegang IUP tidak memenuhi  
kewajiban sebagaimana tersebut dalam Keputusan ini;
- KEENAM : Dengan Ditetapkannya Keputusan ini maka Keputusan Kepala Badan Pelayanan Perizinan Terpadu  
Kabupaten Sukabumi Nomor : 503.8/6441-BPPT/2010 tanggal 8 September 2010 tentang Persetujuan  
Peningkatan Izin Usaha Pertambangan (IUP) Eksplorasi Menjadi Izin Usaha Pertambangan (IUP) Operasi  
Produksi Bahan Galian Emas dmp kepada PT. Wilton Wahana Indonesia dinyatakan tidak berlaku lagi;
- KETUJUH : Keputusan Kepala Badan Pelayanan Perizinan Terpadu Kabupaten Sukabumi ini mulai berlaku pada  
tanggal 8 September 2010 dengan ketentuan apabila kemudian hari ternyata terdapat kekeliruan dalam  
penetapannya akan diadakan perubahan sebagaimana mestinya.



Tembusan, disampaikan kepada :

1. Yth. Menteri Energi dan Sumber Daya Mineral;
2. Yth. Gubernur Propinsi Jawa Barat;
3. Yth. Bupati Kabupaten Sukabumi;
4. Yth. Kepala Dinas Energi dan Sumberdaya Mineral Propinsi Jawa Barat;
5. Yth. Kepala Dinas Pertambangan dan Energi Kabupaten Sukabumi.

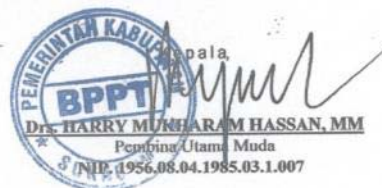
LAMPIRAN I : KEPALA BADAN PELAYANAN PERIZINAN TERPADU KABUPATEN SUKABUMI  
NOMOR : 503.8/7797 - BPPT/2011  
TANGGAL : 05 Oktober 2011

TENTANG  
DAFTAR KOORDINAT PEMBERIAN PERSETUJUAN PENYESUAIAN IZIN USAHA PERTAMBANGAN  
(IUP) OPERASI PRODUKSI  
KEPADA PT. WILTON WAHANA INDONESIA

- a. Lokasi Penambangan : Desa Ciemas dan Desa Mekarjaya Kecamatan Ciemas, Desa Cihaur  
Kecamatan Simpenan Kabupaten Sukabumi Propinsi Jawa Barat  
b. Jenis Komoditas : Mineral Logam (Emas dmp)  
d. Luas : 2.878,5 (dua ribu delapan ratus tujuh puluh delapan koma lima) Hektar  
e. Koordinat :

| No.<br>Titik | BUJUR TIMUR |     |        | LINTANG SELATAN |     |        |
|--------------|-------------|-----|--------|-----------------|-----|--------|
|              | Der         | Mnt | Dtk    | Der             | Mnt | Dtk    |
| 1            | 106         | 34  | 22.8   | -7              | 7   | 13.476 |
| 2            | 106         | 34  | 23.124 | -7              | 8   | 47.94  |
| 3            | 106         | 34  | 49.512 | -7              | 8   | 47.832 |
| 4            | 106         | 34  | 50.088 | -7              | 10  | 56.82  |
| 5            | 106         | 35  | 2.544  | -7              | 10  | 56.784 |
| 6            | 106         | 35  | 2.724  | -7              | 11  | 44.7   |
| 7            | 106         | 32  | 22.56  | -7              | 11  | 45.276 |
| 8            | 106         | 32  | 22.164 | -7              | 9   | 44.064 |
| 9            | 106         | 32  | 57.192 | -7              | 9   | 43.956 |
| 10           | 106         | 32  | 56.76  | -7              | 7   | 13.764 |
| 11           | 106         | 32  | 35.052 | -7              | 11  | 10.284 |
| 12           | 106         | 32  | 56.904 | -7              | 11  | 10.212 |
| 13           | 106         | 32  | 56.904 | -7              | 11  | 6.072  |
| 14           | 106         | 33  | 1.728  | -7              | 11  | 6.036  |
| 15           | 106         | 33  | 1.728  | -7              | 11  | 1.068  |
| 16           | 106         | 33  | 6.696  | -7              | 11  | 1.068  |
| 17           | 106         | 33  | 6.696  | -7              | 10  | 55.92  |
| 18           | 106         | 33  | 12.276 | -7              | 10  | 55.92  |
| 19           | 106         | 33  | 12.276 | -7              | 10  | 50.016 |
| 20           | 106         | 33  | 17.712 | -7              | 10  | 50.016 |
| 21           | 106         | 33  | 17.712 | -7              | 10  | 44.616 |
| 22           | 106         | 33  | 23.904 | -7              | 10  | 44.616 |
| 23           | 106         | 33  | 23.868 | -7              | 10  | 38.244 |
| 24           | 106         | 33  | 29.484 | -7              | 10  | 38.244 |
| 25           | 106         | 33  | 29.448 | -7              | 10  | 32.376 |
| 26           | 106         | 33  | 33.984 | -7              | 10  | 32.376 |
| 27           | 106         | 33  | 33.948 | -7              | 10  | 20.1   |
| 28           | 106         | 33  | 29.556 | -7              | 10  | 20.1   |
| 29           | 106         | 33  | 29.556 | -7              | 10  | 13.44  |
| 30           | 106         | 33  | 26.316 | -7              | 10  | 13.476 |
| 31           | 106         | 33  | 26.28  | -7              | 10  | 6.672  |
| 32           | 106         | 33  | 22.572 | -7              | 10  | 6.672  |
| 33           | 106         | 33  | 22.536 | -7              | 10  | 2.748  |
| 34           | 106         | 32  | 57.084 | -7              | 10  | 2.82   |
| 35           | 106         | 32  | 57.192 | -7              | 10  | 35.976 |
| 36           | 106         | 32  | 34.944 | -7              | 10  | 36.084 |

Keterangan : Sistem Koordinat Geografis Datum EWGS 84



LAMPIRAN II : KEPALA BADAN PELAYANAN PERIZINAN TERPADU  
KABUPATEN SUKABUMI  
NOMOR : 503.B/ 7797 - BPPT/2011  
TANGGAL : 05 Oktober 2011

TENTANG

HAK DAN KEWAJIBAN  
PEMEGANG PEMBERIAN PERSETUJUAN PENYESUAIAN PERUBAHAN  
IZIN USAHA PERTAMBANGAN (IUP) OPERASI PRODUKSI

- A. HAK :
1. Memasuki Wilayah Izin Usaha Pertambangan (WIUP) sesuai dengan peta dan daftar koordinat;
  2. Melaksanakan kegiatan IUP (Kontruksi, Produksi, Pengangkutan dan Penjualan, Pengolahan dan Pemurnian) sesuai dengan ketentuan peraturan perundang-undangan;
  3. Membangun fasilitas penunjang kegiatan IUP (Kontruksi, Produksi, pengangkutan dan penjualan, pengolahan dan pemurnian), didalam maupun di luar WIUP;
  4. Dapat menghentikan sewaktu-waktu kegiatan IUP (Kontruksi, Produksi, pengangkutan dan penjualan), disetiap bagian atau beberapa bagian WIUP dengan alasan bahwa kelanjutan dari kegiatan IUP (Kontruksi, Produksi, pengangkutan dan penjualan), tersebut tidak layak atau praktis secara komersial maupun karena keadaan kahar, keadaan yang menghalangi sehingga menimbulkan penghentian sebagian atau seluruh kegiatan usaha pertambangan;
  5. Mengajukan permohonan pengusahaan mineral lain yang bukan merupakan asosiasi mineral utama yang diketemukan dalam WIUP;
  6. Mengajukan pernyataan tidak berminat terhadap pengusahaan mineral lain yang bukan merupakan asosiasi mineral utama yang diketemukan dalam WIUP;
  7. Memanfaatkan sarana dan prasarana umum keperluan kegiatan IUP Operasi Produksi (Kontruksi, Produksi, Pengangkutan dan Penjualan, Pengolahan dan Pemurnian) setelah memenuhi ketentuan peraturan perundang-undangan;
- B. KEWAJIBAN :
1. Sebelum melaksanakan kegiatan operasi produksi, pemegang IUP terlebih dahulu wajib mendapat persetujuan dari pemegang hak atas tanah sesuai dengan ketentuan peraturan perundang-undangan yang berlaku;
  2. Memberikan ganti rugi kepada pemegang hak atas tanah dan tegakan yang terganggu akibat kegiatan IUP Operasi Produksi;
  3. Sebelum melaksanakan kegiatan operasi produksi terlebih dahulu harus melakukan sosialisasi positif terhadap masyarakat setempat dan sekitarnya serta memprioritaskan penggunaan tenaga kerja setempat kecuali tenaga ahli yang tidak ada didaerah;
  4. Pemegang IUP agar ikut serta dan berpartisipasi dalam iuran desa setempat;
  5. Memberitahukan dimulainya pelaksanaan kegiatan operasi produksi selambat-lambatnya 7 (tujuh) hari kerja;
  6. Jika ternyata bahwa pekerjaan-pekerjaan belum dimulai dalam jangka waktu 6 (enam) bulan sesudah pemberian Izin Usaha Pertambangan (IUP) Operasi Produksi ini dan yang bersangkutan tidak menyampaikan alasan yang dapat dipertanggungjawabkan maka IUP ini dinyatakan batal demi hukum;
  7. Wajib memasang patok-patok permanen batas wilayah pertambangan sesuai dengan peta wilayah pertambangan yang disaksikan oleh aparat yang ditugaskan dari Dinas Pertambangan dan Energi Kabupaten Sukabumi;
  8. Hubungan antara pemegang IUP dengan pihak ketiga menjadi tanggung jawab pemegang IUP sesuai ketentuan perundang-undangan;
  9. Menyampaikan laporan antara lain:
    - a. Produksi dan pemasaran setiap 1 (satu) bulan sekali;
    - a. Pelaksanaan kegiatan usaha setiap 3 (tiga) bulan sekali;
    - b. Peta kemajuan tambang setiap 6 (enam) bulan sekali;
    - c. Pelaksanaan usaha setiap 1 (satu) tahun sekali;
    - d. Laporan kecelakaan di wilayah pertambangan dalam jangka waktu 1 x 24 jam sejak kejadian;
    - e. Melaporkan Rencana Investasi;
    - f. Laporan lainnya yang ditetapkan oleh Dinas berdasarkan ketentuan yang berlaku;

10. Penjualan.....



10. Penjualan produksi kepada afiliasi harus mengacu kepada harga pasar;
11. Membayar Iuran Tetap setiap tahun dan membayar royalty sesuai dengan ketentuan peraturan perundang-undangan;
12. Menyampaikan Rencana Penutupan Tambang sebelum kegiatan produksi berakhir;
13. Mengutamakan pemenuhan kebutuhan dalam negeri (DMO) sesuai ketentuan peraturan perundang-undangan;
14. Perusahaan wajib mengolah produksinya di dalam negeri;
15. Memenuhi ketentuan perpajakan sesuai dengan ketentuan peraturan yang berlaku;
16. Wajib mengangkat kepala teknik tambang dan wakil kepala teknik tambang serta mendapat pengesahan dari Kepala Dinas Pertambangan dan Energi Kabupaten Sukabumi selaku Kepala Pelaksana Inspeksi Tambang Daerah (KAPITDA);
17. Menempatkan jaminan reklamasi sebelum melakukan kegiatan produksi dan rencana penutupan tambang sesuai ketentuan peraturan perundang-undangan;
18. Wajib melaksanakan ketentuan keselamatan dan kesehatan kerja, lingkungan hidup pertambangan dan norma-norma pertambangan yang baik dan benar sesuai dengan ketentuan peraturan perundang-undangan yang berlaku;
19. Wajib melakukan upaya untuk menagani dampak pencemaran dan kerusakan karena pembuangan tailing dari kegiatan penambangan;
20. Pemegang IUP tidak dibenarkan menggunakan HANDAK (bahan peledak) jenis apapun dalam kegiatan usaha pertambangannya kecuali terlebih dahulu mendapat izin dari yang berwenang dan wajib memiliki juru ledak yang telah memiliki sertifikat dan kartu izin meledakkan (KIM);
21. Wajib memperbaiki atas beban sendiri semua bangunan pengairan dan badan jalan, termasuk tanggul-tanggul dan bagian tanah yang berguna bagi saluran air, yang terjadi atau diakibatkan karena pengambilan/penambangan dan pengangkutan bahan-bahan galian di wilayah/lokasi tambang yang pelaksanaan perbaikannya berdasarkan perintah/petunjuk instansi terkait;
22. Pemegang IUP diwajibkan menjaga kesehatan dan keselamatan para pekerja tambang serta harus menyediakan obat-obatan untuk Pertolongan Pertama Pada Kecelakaan (P3K) serta menyediakan alat proteksi diri bagi pekerja tambang serta melakukan safety talk terhadap pekerja tambang;
23. Pemegang IUP apabila dalam kegiatan usahanya menggunakan air, maka terlebih dahulu diwajibkan mendapat ijin dari Bupati Sukabumi melalui dinas/instansi berwenang serta perijinan teknis operasional lainnya sesuai dengan ketentuan peraturan perundang-undangan yang berlaku;
24. Pemegang IUP wajib melakukan sosialisasi positif terhadap lingkungan sekitar dalam rangka community development;
25. Permohonan perpanjangan IUP untuk kegiatan produksi harus diajukan 2 (dua) Bulan sebelum berakhirnya masa berlaku izin dengan disertai laporan akhir kegiatan usaha pertambangan dan persyaratan serta bukti-bukti kewajiban yang telah dipenuhi;
26. Apabila pemegang izin melalaikan hal tersebut diatas, maka izin berakhir menurut hukum dan segala kegiatan usaha pertambangannya harus dihentikan serta selambat-lambatnya 6 (enam) bulan sejak berakhirnya izin, pemegang izin wajib mengangkat keluar segala sesuatu yang menjadi miliknya kecuali benda-benda/ bangunan-bangunan yang dipergunakan untuk umum;
27. Apabila dalam jangka waktu sebagaimana dimaksud dalam butir 26, pemegang IUP tidak melaksanakan maka barang/asset pemegang IUP menjadi milik pemerintah;
28. Pemegang IUP wajib melakukan pengembangan wilayah, pengembangan masyarakat dan melakukan kemitrausahaan dengan masyarakat setempat berdasarkan prinsip saling membutuhkan, saling menguntungkan serta meraih penambang rakyat (skala kecil) yang telah ada dibawah bimbingan/pengawasan pemegang IUP dan melakukan pembinaan terhadap penambang rakyat (skala kecil) dengan batasan wilayah dan kegiatan tambang rakyat yang jelas;
29. Pemegang IUP harus menyediakan data dan keterangan sewaktu-waktu apabila dikehendaki oleh pemerintah;
30. Memberikan kemudahan untuk kelancaran pembinaan, pengawasan dan pengendalian yang dilakukan oleh aparat yang berwenang atas dasar Surat Tugas/Perintah;
31. Pemegang IUP wajib mentaati segala ketentuan Peraturan Perundang-undangan yang berlaku dibidang pertambangan serta peraturan lain yang berlaku dan yang akan dikeluarkan kemudian.

  
Kepala,  
**Dr. HARRY MUKHAROM HASSAN, MM**  
Pembina Utama Muda  
NIP. 195608041985031007



PEMERINTAH KABUPATEN SUKABUMI  
**BADAN PELAYANAN PERIZINAN TERPADU**

Jalan Raya Cibolang Km. 7 Cisaat Telepon/Fax. (0266) 237527  
E-mail : bppt@kabupatensukabumi.go.id  
Sukabumi Kode Pos 43152 Jawa Barat

KEPUTUSAN KEPALA BADAN PELAYANAN PERIZINAN TERPADU  
KABUPATEN SUKABUMI

Nomor : 503.8/ 3106 - BPPT/2012

TENTANG

PEMBERIAN PERSETUJUAN PENYESUAIAN MASA BERLAKU IZIN USAHA PERTAMBANGAN (IUP)  
OPERASI PRODUKSI BAHAN GALIAN EMAS DMP KEPADA PT. LIEKTUCHA CIEMAS

- Membaca : Surat dari PT. Liektucha Ciemas Nomor : 09/XI/LTC-JK/11 tanggal 21 November 2011 perihal Penyesuaian Perubahan Masa Berlaku Izin Usaha Pertambangan Operasi Produksi.
- Menimbang : a. bahwa berdasarkan Surat Kepala Dinas Pertambangan dan Energi Kabupaten Sukabumi Nomor 540/352/Binus tertanggal 3 Mei 2012 perihal Rekomendasi Teknis Atas Nama PT. Liektucha Ciemas;  
b. bahwa berdasarkan poin tersebut diatas, PT. Liektucha Ciemas telah memenuhi syarat untuk diberikan persetujuan penyesuaian masa berlaku Izin Usaha Pertambangan (IUP) Operasi Produksi.
- Mengingat
1. Undang-Undang Nomor 32 Tahun 2004 tentang Pemerintahan Daerah (Lembaran Negara Tahun 2004 Nomor 125, Tambahan Lembaran Negara 4437) sebagaimana telah diubah dengan Undang-Undang Nomor 8 Tahun 2005 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 32 Tahun 2004 tentang Pemerintahan Daerah menjadi Undang-Undang (Lembaran Negara Tahun 2005 Nomor 108, Tambahan Lembaran Negara 4548);
  2. Undang-Undang Nomor 25 Tahun 2007 tentang Penanaman Modal (Lembaran Negara Tahun 2004 Nomor 67, Tambahan Lembaran Negara 4724);
  3. Undang-Undang Nomor 26 Tahun 2007 tentang Penataan Ruang (Lembaran Negara Tahun 2007 Nomor 68, Tambahan Lembaran Negara 4725);
  4. Undang-Undang Nomor 4 Tahun 2009 tentang Pertambangan Mineral dan Batubara (Lembaran Negara Tahun 2009 Nomor 4, Tambahan Lembaran Negara 4959);
  5. Undang-Undang Nomor 32 Tahun 2009 tentang Perlindungan dan Pengelolaan Lingkungan Hidup (Lembaran Negara Republik Indonesia Tahun 2009 Nomor 140);
  6. Peraturan Pemerintah Nomor 27 Tahun 1999 tentang Analisis Mengenai Dampak Lingkungan Hidup (Lembaran Negara Tahun 1999 Nomor 59, Tambahan Lembaran Negara 3838);
  7. Peraturan Pemerintah Nomor 38 Tahun 2007 tentang Pembagian Urusan Antara Pemerintah Pusat, Pemerintah Daerah Propinsi, Pemerintah daerah Kabupaten/Kota (Lembaran Negara Tahun 2007 Nomor 82, Tambahan Lembaran Negara 4737);
  8. Peraturan Pemerintah Nomor 26 Tahun 2008 tentang Rencana Tata Ruang Wilayah Nasional (Lembaran Negara Tahun 2008 Nomor 48, Tambahan Lembaran Negara 4833);
  9. Peraturan Pemerintah Nomor 22 Tahun 2010 tentang Wilayah Pertambangan (Lembaran Negara Republik Indonesia Tahun 2010 Nomor 28);
  10. Peraturan Pemerintah Nomor 23 Tahun 2010 tentang Pelaksanaan Kegiatan Usaha Pertambangan Mineral dan Batubara (Lembaran Negara Republik Indonesia Tahun 2010 Nomor 29);
  11. Peraturan Pemerintah Republik Indonesia Nomor 78 Tahun 2010 tentang Reklamasi Dan Pasca Tambang (Lembaran Negara Republik Indonesia Tahun 2010 Nomor 138);
  12. Peraturan.....

12. Peraturan Daerah Kabupaten Sukabumi Nomor 13 Tahun 2007 tentang Pengelolaan Pertambangan;
13. Peraturan Daerah Kabupaten Sukabumi Nomor 32 Tahun 2008 tentang Perubahan Organisasi Perangkat Daerah Kabupaten Sukabumi;
14. Peraturan Bupati Sukabumi Nomor 56 Tahun 2010 tentang Struktur Organisasi Tata Kerja Badan Pelayanan Perijinan Terpadu Kabupaten Sukabumi;
15. Peraturan Bupati Sukabumi Nomor 40 Tahun 2010 Tentang Pelimpahan Kewenangan Penyelenggaraan Pelayanan Perizinan dan Penanaman Modal kepada Badan Pelayanan Perizinan Terpadu Kabupaten Sukabumi;
16. Keputusan Bupati Sukabumi Nomor 503.05/Kep.77-BPPT/2011 tentang Pembentukan Tim Teknis Pelayanan Perizinan Terpadu Kabupaten Sukabumi;

**MEMUTUSKAN**

- Menetapkan : KEPUTUSAN KEPALA BADAN PELAYANAN PERIZINAN TERPADU KABUPATEN SUKABUMI TENTANG PEMBERIAN PERSETUJUAN PENYESUAIAN MASA BERLAKU IZIN USAHA PERTAMBANGAN (IUP) OPERASI PRODUKSI EMAS DMP KEPADA PT. LIEKTUCHA CIEMAS
- KESATU : Memberikan Persetujuan Penyesuaian Mas Berlaku Izin Usaha Pertambangan (IUP) Operasi Produksi kepada :
- a. Nama : PT. LIEKTUCHA CIEMAS
  - b. Alamat : Kompleks Harco Mangga Dua (Agung Sedayu), Blok C No. 5, Jl. Mangga Dua Raya, Jakarta 10730
  - c. Nama Pemohon : Yusuf Hermawan Jatikusumo
  - d. Alamat Pemohon : Kp. Kiaralawang RT 02 RW 21 Desa Citepus Kec. Palabuhanratu
  - e. Jabatan dalam perusahaan : Direktur Utama
  - f. Telephone : (021) 6125585, 6125586, 6125587, 6125588
  - g. Fax : (021) 6125583, 6121047
  - h. Komoditas : Emas Dmp (Mineral Logam)
  - i. Lokasi Penambangan :
    - Blok : Pasir Manggu
    - Desa : Mekarjaya
    - Kecamatan : Ciemas
    - Kabupaten : Sukabumi
    - Propinsi : Jawa Barat
  - j. Luas : 200 (dua ratus) Hektar  
Dengan Peta dan Daftar Koordinat Wilayah Izin Usaha Pertambangan sebagaimana tercantum dalam lampiran I dan Lampiran II Keputusan ini.
  - k. Jangka waktu berlaku Izin Usaha Pertambangan : 20 (dua puluh) Tahun
- KEDUA : Pemegang IUP Operasi Produksi mempunyai hak untuk melakukan kegiatan konstruksi, produksi, pengolahan dan pemurnian dalam Wilayah Izin Usaha Pertambangan (WIUP) serta pengangkutan dan penjualan, terhitung mulai tanggal 4 Januari 2008 sampai dengan tanggal 4 Januari 2028.
- KETIGA : IUP Operasi Produksi ini dilarang dipindahtangankan kepada pihak lain tanpa persetujuan Bupati.
- KEEMPAT : PT. Liektucha Ciemas sebagai Pemegang IUP Operasi Produksi dalam melaksanakan kegiatannya mempunyai hak dan kewajiban sebagaimana tercantum dalam Lampiran III Keputusan ini.
- KELIMA : Selambat-lambatnya 60 (enam puluh) hari kerja setelah diterbitkannya Keputusan ini pemegang IUP Operasi Produksi sudah harus menyampaikan Rencana Kerja dan Anggaran Biaya (RKAB) kepada Dinas Pertambangan dan Energi Kabupaten Sukabumi untuk mendapat persetujuan.
- KEENAM : Terhitung sejak 90 (sembilan puluh) hari kerja sejak persetujuan RKAB sebagaimana dimaksud dalam diktum Kelima, pemegang IUP Operasi Produksi sudah harus memulai aktifitas di lapangan.

KETUJUH.....



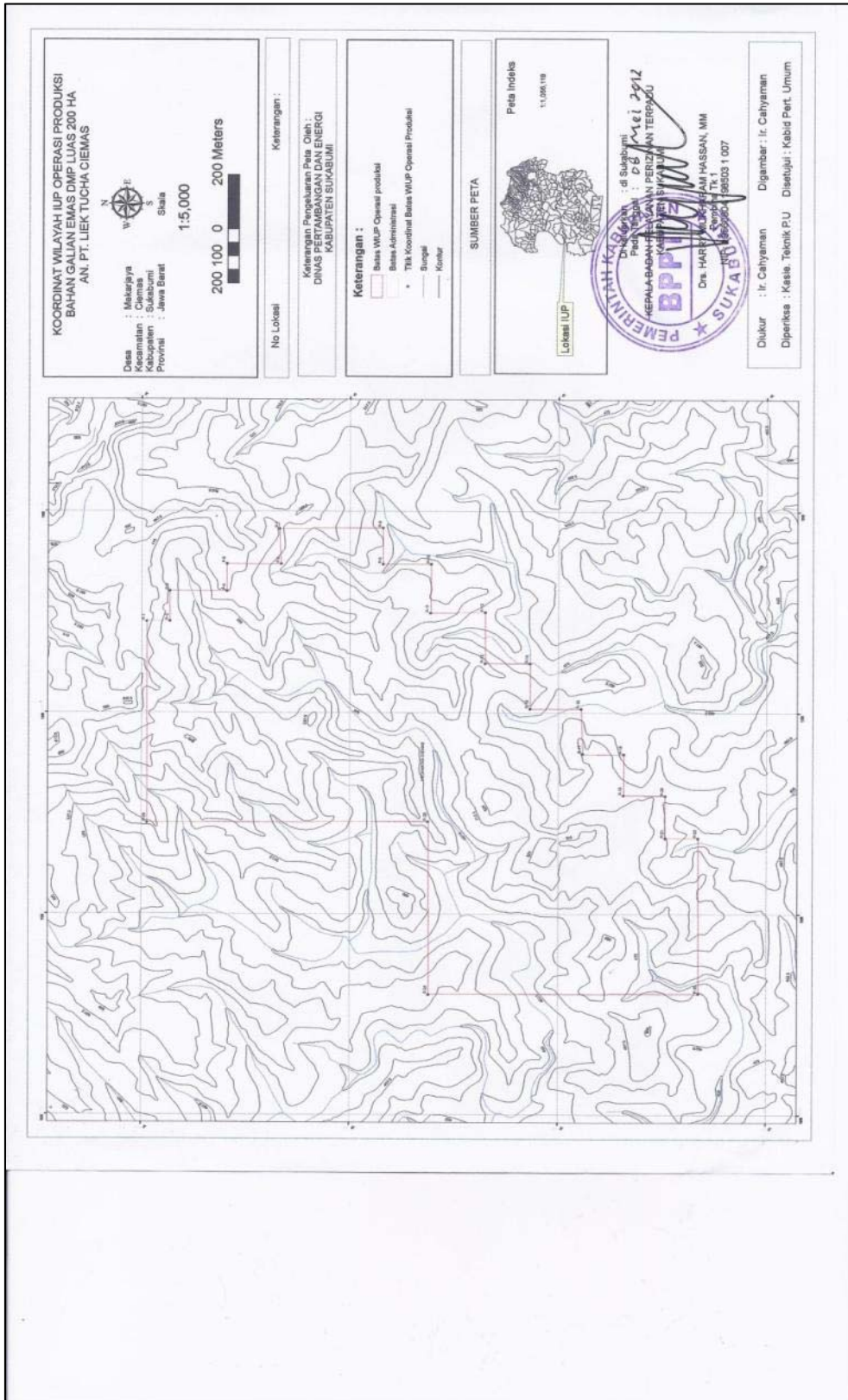
- KETUJUHH : Tanpa mengurangi ketentuan peraturan perundang-undangan, maka IUP Operasi Produksi ini dapat diberhentikan sementara, dicabut, atau dibatalkan, apabila pemegang IUP Operasi Produksi tidak memenuhi kewajiban dan larangan sebagaimana dimaksud dalam diktum Ketiga, Keempat, dan Kelima dalam Keputusan ini.
- KEDELAPAN : Dengan Ditetapkannya Keputusan ini maka Keputusan Kepala Badan Pelayanan Perizinan Terpadu Kabupaten Sukabumi Nomor : 503.8/1747-BPPT/2010 tanggal 9 Maret 2010 tentang Penyesuaian Izin Usaha Pertambangan (IUP) Eksploitasi Menjadi Izin Usaha Pertambangan (IUP) Operasi Produksi kepada PT. Liektucha Ciemas Indonesia dinyatakan tidak berlaku lagi.
- KESEMBILAN : Keputusan Kepala Badan Pelayanan Perizinan Terpadu Kabupaten Sukabumi ini mulai berlaku pada tanggal 4 Januari 2008 dengan ketentuan apabila kemudian hari ternyata terdapat kekeliruan dalam penetapannya akan diadakan perubahan sebagaimana mestinya

Ditetapkan di : SUKABUMI  
Pada Tanggal : 08 Mei 2012 .  
Kepala,  
  
Drs. HARRY MUKHARAM HASSAN, MM  
Pembina Utama Muda  
NIP. 1956.08.04.1985.03.1.007

Tembusan, disampaikan kepada :

1. Yth. Menteri Energi dan Sumber Daya Mineral;
2. Yth. Gubernur Propinsi Jawa Barat;
3. Yth. Bupati Sukabumi;
4. Yth. Kepala Dinas Energi dan Sumberdaya Mineral Propinsi Jawa Barat;
5. Yth. Kepala Dinas Pertambangan dan Energi Kabupaten Sukabumi;





LAMPIRAN II : KEPUTUSAN KEPALA BADAN PELAYANAN PERIZINAN TERPADU KABUPATEN SUKABUMI  
NOMOR : 503.8/3106-BPPT/2012  
TANGGAL : 08 Mei 2012.

TENTANG

DAFTAR KOORDINAT PERSETUJUAN PENYESUAIAN MASA BERLAKU IZIN USAHA PERTAMBANGAN (IUP)  
OPERASI PRODUKSI BAHAN GALIAN EMAS DMP KEPADA PT. LIEKTUCHA CIEMAS

- a. Lokasi Penambangan : Blok Pasir Manggu Desa Mekarjaya Kecamatan Ciemas  
b. Jenis Komoditas : Emas Dmp (Mineral Logam)  
d. Luas : 200 (dua ratus) Hektar  
e. Koordinat :

| Titik | BUJUR TIMUR |       |        | LINTANG SELATAN |       |        |
|-------|-------------|-------|--------|-----------------|-------|--------|
|       | Derajat     | Menit | Detik  | Derajat         | Menit | Detik  |
| 1     | 106         | 33    | 22.644 | 7               | 10    | 3.828  |
| 2     | 106         | 33    | 22.680 | 7               | 10    | 6.6    |
| 3     | 106         | 33    | 26.280 | 7               | 10    | 6.6    |
| 4     | 106         | 33    | 26.280 | 7               | 10    | 13.44  |
| 5     | 106         | 33    | 29.520 | 7               | 10    | 13.44  |
| 6     | 106         | 33    | 29.520 | 7               | 10    | 19.92  |
| 7     | 106         | 33    | 33.732 | 7               | 10    | 19.74  |
| 8     | 106         | 33    | 33.840 | 7               | 10    | 32.16  |
| 9     | 106         | 33    | 29.520 | 7               | 10    | 32.16  |
| 10    | 106         | 33    | 29.520 | 7               | 10    | 37.92  |
| 11    | 106         | 33    | 23.688 | 7               | 10    | 37.848 |
| 12    | 106         | 33    | 23.760 | 7               | 10    | 44.4   |
| 13    | 106         | 33    | 17.640 | 7               | 10    | 44.4   |
| 14    | 106         | 33    | 17.640 | 7               | 10    | 49.8   |
| 15    | 106         | 33    | 12.240 | 7               | 10    | 49.8   |
| 16    | 106         | 33    | 12.240 | 7               | 10    | 55.92  |
| 17    | 106         | 33    | 6.876  | 7               | 10    | 56.1   |
| 18    | 106         | 33    | 6.804  | 7               | 11    | 1.032  |
| 19    | 106         | 33    | 1.872  | 7               | 11    | 0.996  |
| 20    | 106         | 33    | 1.800  | 7               | 11    | 6      |
| 21    | 106         | 32    | 56.760 | 7               | 11    | 6      |
| 22    | 106         | 32    | 56.760 | 7               | 11    | 9.96   |
| 23    | 106         | 32    | 38.148 | 7               | 11    | 10.032 |
| 24    | 106         | 32    | 38.040 | 7               | 10    | 37.668 |
| 25    | 106         | 32    | 58.740 | 7               | 10    | 37.596 |
| 26    | 106         | 32    | 58.560 | 7               | 10    | 3.9    |

Keterangan : Sistem Koordinat Geografis Datum EWGS 84



Kepala,

*[Signature]*  
Drs. HARRY MUKHARAM HASSAN, MM  
Pembina Utama Muda  
NIP. 1956.08.04.1985.03.1.007

LAMPIRAN III : KEPUTUSAN KEPALA BADAN PELAYANAN PERIZINAN TERPADU KABUPATEN SUKABUMI  
NOMOR : 503.8/ 3106 - BPPT/2012  
TANGGAL : 08 Mei 2012

TENTANG

HAK DAN KEWAJIBAN  
PEMEGANG IZIN USAHA PERTAMBANGAN (IUP) OPERASI PRODUKSI

- A. HAK :
1. Memasuki Wilayah Izin Usaha Pertambangan (WIUP) sesuai dengan peta dan daftar koordinat;
  2. Melaksanakan kegiatan IUP (kontruksi, produksi, pengangkutan dan penjualan, pengolahan dan pemurnian) sesuai dengan ketentuan peraturan perundang-undangan;
  3. Membangun fasilitas penunjang kegiatan IUP (kontruksi, produksi, pengangkutan dan penjualan, pengolahan dan pemurnian), didalam maupun di luar WIUP;
  4. Dapat menghentikan sewaktu-waktu kegiatan IUP (kontruksi, produksi, pengangkutan dan penjualan), disetiap bagian atau beberapa bagian WIUP dengan alasan bahwa kelanjutan dari kegiatan IUP (kontruksi, produksi, pengangkutan dan penjualan), tersebut tidak layak atau praktis secara komersial maupun karena keadaan kahar, keadaan yang menghalangi sehingga menimbulkan penghentian sebagian atau seluruh kegiatan usaha pertambangan;
  5. Mengajukan permohonan perusahaan mineral lain yang bukan merupakan asosiasi mineral utama yang diketemukan dalam WIUP;
  6. Mengajukan pernyataan tidak berminat terhadap perusahaan mineral lain yang bukan merupakan asosiasi mineral utama yang diketemukan dalam WIUP;
  7. Memanfaatkan sarana dan prasarana umum keperluan kegiatan IUP Operasi Produksi (kontruksi, produksi, pengangkutan dan penjualan, pengolahan dan pemurnian) setelah memenuhi ketentuan peraturan perundang-undangan;
  8. Dapat melakukan kerjasama dengan perusahaan lain dalam rangka penggunaan setiap fasilitas yang dimiliki oleh perusahaan lain baik yang beralliasi dengan perusahaan atau tidak, sesuai dengan ketentuan peraturan perundang-undangan;
  9. Dapat membangun sarana dan prasarana pada WIUP lain setelah mendapat izin dari pemegang IUP yang bersangkutan.
- B. KEWAJIBAN :
1. Memilih yuridiksi pada Pengadilan Negeri tempat dimana lokasi WIUP berada;
  2. Selambat-lambatnya 6 bulan setelah ditetapkan keputusan ini, pemegang IUP Operasi Produksi harus sudah melaksanakan dan menyampaikan laporan pematokan batas wilayah IUP Operasi Produksi kepada Bupati melalui Dinas Pertambangan dan Energi Kabupaten Sukabumi;
  3. Hubungan antara pemegang IUP Operasi Produksi dengan pihak ketiga menjadi tanggung jawab pemegang IUP sesuai ketentuan perundang-undangan;
  4. Melaporkan rencana investasi;
  5. Menyampaikan rencana reklamasi;
  6. Menyampaikan rencana pasca tambang;
  7. Menempatkan jaminan penutupan tambang (sesuai umur tambang)
  8. Menyampaikan RKAB selambat-lambatnya pada bulan November yang meliputi rencana tahun depan dan realisasi kegiatan setiap tahun berjalan kepada Bupati melalui Dinas Pertambangan dan Energi Kabupaten Sukabumi dengan tembusan kepada Menteri dan Gubernur;
  9. Menyampaikan Laporan Kegiatan Triwulan yang harus diserahkan dalam jangka waktu 30 (tiga puluh) hari setelah akhir dari triwulan takwim secara berkala kepada Bupati melalui Dinas Pertambangan dan Energi Kabupaten Sukabumi dengan tembusan kepada Menteri dan Gubernur;
  10. Apabila ketentuan batas waktu penyampaian RKAB dan pelaporan sebagaimana dimaksud pada angka 8 (delapan) dan 9 (sembilan) tersebut diatas terlampaui, maka kepada pemegang IUP Operasi Produksi akan diberikan peringatan tertulis;
  11. Menyampaikan laporan produksi dan pemasaran sesuai dengan ketentuan peraturan perundang-undangan;
  12. Menyampaikan Rencana Pengembangan dan Pemberdayaan Masyarakat sekitar wilayah pertambangan kepada Bupati;
  13. Menyampaikan RKTTL setiap tahun sebelum menyampaikan RKAB kepada Bupati;
  14. Memenuhi ketentuan perpajakan sesuai dengan ketentuan peraturan perundang-undangan;
  15. Membayar luran Tetap setiap tahun dan membayar royalty sesuai dengan ketentuan peraturan perundang-undangan;
  16. Menempatkan jaminan reklamasi sebelum melakukan kegiatan produksi dan rencana penutupan tambang sesuai ketentuan peraturan perundang-undangan;
  17. Menyampaikan RPT (Rencana Penutupan Tambang) 2 tahun sebelum kegiatan produksi berakhir;
  18. Mengangkat Kepala Teknik Tambang dan Wakil Kepala Teknik Tambang serta mendapat pengesahan dari Kepala Dinas Pertambangan dan Energi Kabupaten Sukabumi selaku Kepala Pelaksana Inspeksi Tambang Daerah (KAPITDA);
  19. Kegiatan produksi dimulai apabila kapasitas produksi terpasang sudah mencapai 70 % yang direncanakan;
  20. Permohonan.....



20. Permohonan perpanjangan IUP untuk kegiatan produksi harus diajukan 2 (dua) tahun sebelum berakhirnya masa izin ini dengan disertai pemenuhan persyaratan;
21. Kelalaian atas ketentuan tersebut pada butir 20 (duapuluh), mengakibatkan IUP Operasi Produksi berakhir menurut hukum dan segala usaha pertambangan dihentikan. Dalam jangka waktu paling lama 6 (enam) bulan sejak berakhirnya keputusan ini pemegang IUP Operasi Produksi harus mengangkat keluar segala sesuatu yang menjadi miliknya, kecuali benda-benda/bangunan-bangunan yang dipergunakan untuk kepentingan umum;
22. Apabila dalam jangka waktu sebagaimana dimaksud dalam butir 21, pemegang IUP Operasi Produksi tidak melaksanakannya, maka barang/aspek pemegang IUP menjadi milik pemerintah;
23. Pemegang IUP Operasi Produksi harus menyediakan data dan keterangan sewaktu-waktu apabila dikehendaki oleh pemerintah;
24. Pemegang IUP Operasi Produksi membolehkan dan menerima apabila pemerintah sewaktu-waktu melakukan pemeriksaan;
25. Menerapkan kaidah pertambangan yang baik;
26. Mengelola keuangan dengan dengan sistem akuntansi Indonesia;
27. Melaporkan pelaksanaan pengembangan dan pemberdayaan masyarakat setempat secara berkala;
28. Mengutamakan pemanfaatan tenaga kerja setempat, barang, dan jasa dalam negeri sesuai dengan ketentuan peraturan perundang-undangan;
29. Mengutamakan pembelian dalam negeri dari pengusaha lokal yang ada di daerah tersebut sesuai dengan ketentuan peraturan perundang-undangan;
30. Mengutamakan seoptimal mungkin penggunaan perusahaan jasa pertambangan lokal dan/atau nasional;
31. Dilarang melibatkan anak perusahaan dan/atau afiliasinya dalam bidang usaha jasa pertambangan di WUP yang diusahakannya, kecuali dengan izin Menteri;
32. Melaporkan data dan pelaksanaan penggunaan usaha jasa penunjang;
33. Menyerahkan seluruh data yang diperoleh dari hasil kegiatan IUP Operasi Produksi kepada Bupati dengan tembusan kepada Menteri ESDM dan Gubernur Jawa Barat;
34. Menyampaikan proposal yang sekurang-kurangnya menggambarkan aspek teknis, keuangan, produksi dan pemasaran serta lingkungan sebagai persyaratan pengajuan permohonan perpanjangan IUP Operasi Produksi;
35. Memberikan ganti rugi kepada pemegang hak atas tanah dan tegakan yang terganggu akibat kegiatan IUP Operasi Produksi;
36. Mengutamakan pemenuhan kebutuhan dalam negeri (DMO) sesuai ketentuan peraturan perundang-undangan;
37. Penjualan produksi kepada afiliasi harus mengacu kepada harga pasar;
38. Kontrak penjualan jangka panjang (minimal 3 tahun) harus mendapat persetujuan terlebih dahulu dari Menteri;
39. Perusahaan wajib mengolah produksinya di dalam negeri;
40. Pembangunan sarana dan prasana pada kegiatan konstruksi antara lain meliputi :
  - a. Fasilitas-fasilitas dan peralatan pertambangan;
  - b. Instalasi dan peralatan peningkatan mutu mineral/batubara;
  - c. Fasilitas-fasilitas Bandar yang dapat meliputi dok-dok, pelabuhan-pelabuhan, dermaga-dermaga, jembatan-jembatan, tongkang-tongkang, pemecah-pemecah air, fasilitas-fasilitas terminal, bengkel-bengkel, daerah-daerah penimbunan, gudang-gudang, dan peralatan bongkar muat;
  - d. Fasilitas-fasilitas transportasi dan komunikasi yang dapat meliputi jalan-jalan, jembatan-jembatan, kapal-kapal, feri-feri, pelabuhan-pelabuhan udara, rel-rel, tempat-tempat pendaratan pesawat, hanggar-hanggar, garasi-garasi, pompa-pompa BBM, fasilitas-fasilitas radio dan telekomunikasi, serta fasilitas-fasilitas jaringan telegraph dan telepon;
  - e. Perkotaan, yang dapat meliputi rumah-rumah tempat tinggal, toko-toko, sekolah-sekolah, rumah sakit, teater-teater dan bangunan lain, fasilitas-fasilitas dan peralatan pegawai kontraktor termasuk tanggungan pegawai tersebut;
  - f. Listrik, fasilitas-fasilitas air dan air buangan dan dapat meliputi pembangkit-pembangkit tenaga listrik (yang dapat berupa tenaga air, uap, gas, atau diesel), jaringan-jaringan listrik, dam-dam, saluran-saluran air, sistem-sistem penyediaan air, dan sistem-sistem pembuangan limbah (tailing), air buangan pabrik, dan air buangan rumah tangga;
  - g. Fasilitas-fasilitas lain-lain, yang dapat meliputi namun tidak terbatas bengkel-bengkel mesin, bengkel-bengkel pengecoran, dan reparasi;
  - h. Semua fasilitas tambahan atau fasilitas lain, pabrik dan peralatan yang dianggap perlu atau cocok untuk operasi perusahaan yang berkaitan dengan WIUP atau untuk menyediakan pelayanan atau melaksanakan aktifitas-aktifitas pendukung atau aktifitas yang sifatnya insidental.



Kepala,

**Drs. HARRY MUKHARAM HASSAN, MM**

Pembina Utama Muda

NIP. 1956.08.04/1985.03.1.007

## **Appendix 2: JORC Code, 2012 Edition – Table 1 report: Cibak and Cipancar Prospects**

■ Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria                     | JORC Code explanation  | Commentary   |
|------------------------------|--|--|
| <b>Sampling techniques</b>   | <ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul> | <ul style="list-style-type: none"> <li>The mineralisation belongs to gold-bearing quartz veins formed along NE trending structures within volcanic rocks, as well altered volcanic rocks.</li> <li>Trenches and shafts were applied to disclose the mineralization veins. All samples were generally perpendicular to the strike of the mineralized bodies (or veins).</li> <li>For trenches, samples were collected across the ore body and alteration zone, channel sampling method is applied perpendicular the strike line.</li> <li>For shafts in 10 to 20 meters depth, channel sampling method was also used. When the method cannot possible to be applied for the safety reason. Continuous grab sampling was an alternative way to collect the samples.</li> <li>Mineralized intersections and hanging-and foot-walls were sampled. Only mineralized veins was sampled somewhere. Most of sample interval is about 0.2-1.0 m.</li> <li>Samples of trenches can meet the requirement of local practice. The Wilton's labours dug vertically shafts, sampled using continuous rock-chips, and measured the sample locations using band tape.</li> <li>Samples were packed by plastic bags with numbering, and were sent to laboratory for analysis.</li> </ul> |
| <b>Drilling techniques</b>   | <ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>   | <ul style="list-style-type: none"> <li>No drilling in the Cibak and Cipancar Prospects.</li> </ul>   |
| <b>Drill sample recovery</b> | <ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>  | <ul style="list-style-type: none"> <li>No drilling in the Cibak and Cipancar Prospects.</li> </ul>   |

| Criteria  | JORC Code explanation  | Commentary  |
|---|--|---|
| <b>Logging</b>  | <ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>   | <ul style="list-style-type: none"> <li>• The logging for the historical trenches during 1990s was not available.</li> <li>• A synoptic logging for the shafts was made by the Wilton's geologist. The logs included lithology, fractures and minor alteration information.</li> <li>• Sample logging was made including shaft coordinates, sample length, mineralization azimuth and width, weight, and so on.</li> </ul>   |
| <b>Sub-sampling techniques and sample preparation</b> | <ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul> | <ul style="list-style-type: none"> <li>• Samples were taken and sent to the laboratories by the company conducted the exploration campaigns.</li> <li>• The information of sampling during the exploration indicated acceptable for this style of mineralization.</li> <li>• No quality control samples was available for review.</li> <li>• Samples were constrained within the same lithology. The sample length depends on the width of the mineralized veins and altered wall rocks.</li> </ul> |
| <b>Quality of assay data and laboratory tests</b>     | <ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>   | <ul style="list-style-type: none"> <li>• SRK has not had access to the information of sample preparation and analyses for the historical trenching samples collected by Terrex and Meekatharra in 1990s, because the information is not available.</li> <li>• All the samples collected by Wilton in 2015 were analysed at an independent Intertek laboratory in Jakarta, Indonesia using the Fire Assay method. The lab used standards and duplicates, while Wilton did not do so.</li> </ul>      |
| <b>Verification of sampling and assaying</b>          | <ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>  | <ul style="list-style-type: none"> <li>• A total of 10 samples were collected from the ongoing shafts by Wilton's geologist under SRK's supervise for verification of the previous data as well as mineralisation condition.</li> <li>• All data verification samples were proposed sent to Intertek laboratory based in Jakarta for gold analysis.</li> </ul>  |
| <b>Location of data points</b>                        | <ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and</li> </ul>   | <ul style="list-style-type: none"> <li>• A topographic aerial survey was conducted by the Company resulting in 5 meters contour interval topography.</li> </ul>   |

| Criteria   | JORC Code explanation  | Commentary   |
|--|--|--|
|  | <p><i>other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• The location of the shafts were surveyed using handle GPS by Wilton's geologist.</li> <li>• The local grid was used in the historical data, and was transformed to UTM projection by the Company.</li> </ul>  |
| <b>Data spacing and distribution</b>                           | <ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>                        | <ul style="list-style-type: none"> <li>• The spacing of data ranges from 20m to 350 m, mostly 20m to 40 m.</li> <li>• The data spacing and distribution is sufficient to interpret the geological and grade for Inferred Resource, insufficient for Indicated and Measured Resource and Ore Reserve under the JORC Code 2012.</li> <li>• Sample compositing has been applied during the estimate.</li> </ul> |
| <b>Orientation of data in relation to geological structure</b> | <ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Exploration lines were perpendicular to the strike of the mineralization.</li> <li>• Most of the intervals from trenches and shafts are generally perpendicular to the gold-bearing veins.</li> </ul>   |
| <b>Sample security</b>   | <ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Information provided by the company shows that the sample security can meet an industrial practice.</li> </ul>  |
| <b>Audits or reviews</b>                                       | <ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Site visit had been performed by SRK personnel.</li> <li>• A review of sampling techniques and other relevant data provide by the Company suggest that the data collected was reliable for Mineral Resource estimation of Inferred Resource Category.</li> </ul>  |

## ■ Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria                                       | JORC Code explanation   | Commentary   |
|--|---|--|
| <b>Mineral tenement and land tenure status</b> | <ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to</i></li> </ul> | <ul style="list-style-type: none"> <li>• SRK has also sighted the two original Mining Business Licences ("IUPs") that have been issued for the Ciemas project. These were both issued by the Integrated Licensing Services Board Administration of Sukabumi District.</li> <li>• The Mining License numbers are IUP-OP 503.8/7797-BPPT/2011 and IUP-OP 503.8/3016-PPT/2012, with areas of</li> </ul> |



| Criteria  | JORC Code explanation  | Commentary   |
|---|--|--|
|   | <p><i>operate in the area.</i></p>   | <p>28.79 and 2 square kilometres (km<sup>2</sup>), respectively.</p> <ul style="list-style-type: none"> <li>The Cibak and Cipancar Prospects are located in IUP-OP 503.8/7797-BPPT/2011.</li> </ul>  |
| <p><b>Exploration done by other parties</b></p> | <ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>   | <ul style="list-style-type: none"> <li>A series of Australian junior explorers, first Parry Corporation from 1986 to 1990, followed by Terrex Resources from 1992 to 1994, and then Meekatharra Minerals from 1996 to 1998, joined the titleholder in exploration of the project area.</li> <li>Wilton has conducted exploration in the Cibak and Cipancar Prospects including topographic aerial survey, IP, Shafting.</li> </ul> |
| <p><b>Geology</b></p>                           | <ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Mineralised rocks have been identified as porphyry, quartz–sulphide veins, and structure-controlled alteration rocks and/or fault breccia.</li> </ul>   |
| <p><b>Drill hole Information</b></p>            | <ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul> | <ul style="list-style-type: none"> <li>A table providing a list of all holes that contributed to the project is embedded.</li> </ul>   |
| <p><b>Data aggregation methods</b></p>          | <ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>   | <ul style="list-style-type: none"> <li>The sample data derived from trenches and shafts were under a common industrial practice.</li> <li>No top-cut were applied.</li> <li>No metal-equivalence approaches were applied.</li> </ul>   |

| Criteria  | JORC Code explanation  | Commentary  |
|---|--|---|
| <b>Relationship between mineralisation widths and intercept lengths</b> | <ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul> | <ul style="list-style-type: none"> <li>• The mineralized domains were modeled for estimation of Inferred Resource according to the sample interceptions.</li> <li>• Considering the type of deposit and style of mineralization, the sampling is considered to be accepted in its representation of reported material for estimation purposes of Inferred Resource.</li> </ul>  |
| <b>Diagrams</b>   | <ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• The plan view and 3D side-looking were presented in the report.</li> </ul>   |
| <b>Balanced reporting</b>   | <ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• No Exploration Results were reported in this report.</li> </ul>  |
| <b>Other substantive exploration data</b>                               | <ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>                           | <ul style="list-style-type: none"> <li>• SRK used the reference overall density of 2.65 t/m<sup>3</sup> for the resource estimation of Cibak and Cipancar Prospects from results of other prospects within the Ciemas Gold Project, and recommended strongly conduct bulk density measurements in further exploration programme at the Cibak and Cipancar Prospects.</li> </ul> |
| <b>Further work</b>   | <ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• Further systematical exploration programme is recommended by SRK for the project.</li> </ul>   |

■ Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria                                   | JORC Code explanation   | Commentary   |
|--|---|--|
| <b>Database integrity</b>                  | <ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>   | <ul style="list-style-type: none"> <li>SRK performed a verification programme on the mineralisation and on-site.</li> </ul>  |
| <b>Site visits</b>                         | <ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>   | <ul style="list-style-type: none"> <li>SRK Competent Persons has visited the project from 2012 to 2016. Of which, SRK took an investigation on site on the Cibak and Cipancar Prospects. Data verification programme was performed by SRK during the site visit.</li> </ul>  |
| <b>Geological interpretation</b>           | <ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>The factors affecting continuity both of grade and geology.</li> </ul> | <ul style="list-style-type: none"> <li>The geological interpretation from the current available data is at a level of confidence for reporting Inferred Resource.</li> <li>Historical trenching data and Wilton's shafting data was provided by the Company and used in mineral resource estimation.</li> <li>The interpretation of geology and mineralization was used in the estimation.</li> <li>The grade and geology may be affected by quartz veins, alteration, fault breccia, and weathing.</li> </ul> |
| <b>Dimensions</b>                          | <ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>  | <ul style="list-style-type: none"> <li>The mineralised domains is comprised of 6 mineralised bodies at Cibak and Cipancar Prospects hosted by gold-bearing quartz veins and altered volcanic rocks or fault breccia along the N60-70E trending faults, which dip about 70° towards SE. The width of the mineralisation ranges from about 0.5 m to 4 m.</li> <li>The depth below surface ranges from 0m to 90-100 m.</li> </ul>   |
| <b>Estimation and modelling techniques</b> | <ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> <li>The availability of check estimates,</li> </ul>                       | <ul style="list-style-type: none"> <li>The Mineral Resource estimation presented in SRK's report was completed using Surpac software (V 6.3).</li> <li>The key assumptions are detailed in the report.</li> <li>Prior to modeling and estimation, the database provide by the Company was verified by SRK.</li> </ul>  |

| Criteria                  | JORC Code explanation  | Commentary  |
|---------------------------|--|---|
|                           | <p><i>previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p> <ul style="list-style-type: none"> <li>• <i>The assumptions made regarding recovery of by-products.</i></li> <li>• <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li>• <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li>• <i>Any assumptions behind modelling of selective mining units.</i></li> <li>• <i>Any assumptions about correlation between variables.</i></li> <li>• <i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li>• <i>Discussion of basis for using or not using grade cutting or capping.</i></li> <li>• <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Wireframes of mineralized zones were modeled according to the interpretation made based on geological interpretation and assay information.</li> <li>• Composites were generated at 0.5 m from mineralised samples above 0.3 g/t Au.</li> <li>• No variogram modelling was performed since insufficient composites for constructing the geostatistics variogram models.</li> <li>• No oxide resources were interpreted and estimated. No deleterious elements or other non-grade variables of economic significance were estimated.</li> <li>• No previous estimates in line with JORC were publicly listed.</li> <li>• Block grades was estimated using Inverse Distance Weighted (“IDW”) method.</li> <li>• In theory, a small size of support will generate a higher block variance, but to keep the global mean unchanged. The cell block size of block model are 5 m × 5 m × 5 m and sub-block are 2.5 m × 2.5 m × 2.5 m respectively along the X (east), Y (north), and Z (elevation) axes.</li> </ul> |
| <b>Moisture</b>           | <ul style="list-style-type: none"> <li>• <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• No moisture was measured for the moisture affect is slight for this project, therefore the tonnages were estimated on a dry basis.</li> </ul>  |
| <b>Cut-off parameters</b> | <ul style="list-style-type: none"> <li>• <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• A cut-off grade of 2.5 g/t Au has been applied for the resource estimation with assumptions as below. <ul style="list-style-type: none"> <li>• Gold metal price            1300<br/>    USD/oz</li> <li>• Mining cost                    43<br/>    USD/t</li> <li>• Processing cost              22<br/>    USD/t</li> <li>• Administrative cost        10<br/>    USD/t</li> <li>• Mining dilution              20        %</li> <li>• Gold process recovery      90        %</li> <li>• Gold cut-off grade          2.5       g/t</li> </ul> </li> <li>• The parameters assumed by SRK are used to test for “reasonable prospects for eventual economic extraction”. In SRK’s opinion a cut-off grade of 2.5 g/t Au is suitable to be applied for the mineral resource reporting for Cibak and Cipancar Prospects.</li> </ul>                     |

| Criteria                                    | JORC Code explanation  | Commentary  |
|---|--|---|
| <b>Mining factors or assumptions</b>        | <ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>   | <ul style="list-style-type: none"> <li>A preliminary mining design of a simultaneous prospecting and mining design, namely prospecting while mining, was carried out by Xinhai at the Cibak and Cipancar Prospects.</li> <li>Assumptions basis with some modification were used in the report.</li> </ul>   |
| <b>Metallurgical factors or assumptions</b> | <ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>   | <ul style="list-style-type: none"> <li>A desktop review of a metallurgical studies was conducted by SRK.</li> <li>A metallurgical test work is carried out by Xinhai.</li> <li>The target metals to be recovered in the processing program are gold and silver.</li> <li>The processing plant is designed with an initial stage production capacity of 300 tpd using oxidation pre-treatment, leaching (zinc precipitate) and smelting process. The initial stage production is aimed to process the materials from Cibak and Cipancar Prospects.</li> <li>SRK has compared the three flowsheets from the design, and recommends the plan of pre-oxidation and then agitation cyanide leach, while suggests adjusting the zinc dust replacement to Carbon in Pulp process. This flowsheet is relatively simple and the final products are gold dore and silver dore. The gold recovery is estimated around 86% on average for all levels of ore oxidation.</li> </ul> |
| <b>Environmental factors or assumptions</b> | <ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental</li> </ul> | <ul style="list-style-type: none"> <li>No special environmental review was carried out by SRK this time. But a review on aspects of environmental study has been conducted before and presented in reports previous.</li> </ul>   |



| Criteria  | JORC Code explanation  | Commentary   |
|---|--|--|
| <b>Bulk density</b>                               | <p><i>assumptions made.</i></p> <ul style="list-style-type: none"> <li><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></li> <li><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>  | <ul style="list-style-type: none"> <li>SRK found that records of the individual ore density samples from previous exploration were not available, and in the previous resource estimation an overall density of 2.65 tonnes per cubic metre ("t/m<sup>3</sup>") was used as an assumption.</li> <li>Two batches of bulk density samples were collected and measured. The test shows that the average value of density for the fresh mineralized cores is about 2.7 t/m<sup>3</sup>.</li> <li>Assumed specific gravity (SG) of 2.65 g/cm<sup>3</sup> was used in the mineral estimation by SRK, based on the previous assumption of an overall density of 2.65 g/cm<sup>3</sup>.</li> </ul> |
| <b>Classification</b>                             | <ul style="list-style-type: none"> <li><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li><i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>  | <ul style="list-style-type: none"> <li>As SRK's opinion on the data quality provided by the Company for the Cibak and Cipancar Prospects in Chapter 11, Inferred Resources were classified in accordance with the JORC Code by SRK for the Cibak and Cipancar Prospects based on the historical exploration data density, geological continuity of mineralisation, as well as the site investigation by SRK.</li> </ul>  |
| <b>Audits or reviews</b>                          | <ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Peer reviews of this ITR have been performed within SRK internally;</li> <li>SRK is not aware of any other audits or reviews that have been undertaken to the Mineral Resource estimation.</li> </ul>   |
| <b>Discussion of relative accuracy/confidence</b> | <ul style="list-style-type: none"> <li><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation.</i></li> </ul> | <ul style="list-style-type: none"> <li>Quantity is rounded to the thousand tonnes or million tonnes ("kt" or "Mt"). Grade of gold is rounded to one decimal to reflect the uncertainty of the resource estimate.</li> <li>Mineral resources were reported in relation to global estimate.</li> <li>No production data is used to remove the resources since no mining activities carried out in the project.</li> </ul>  |

| Criteria | JORC Code explanation  | Commentary |
|----------|--|------------|
|          | <p><i>Documentation should include assumptions made and the procedures used.</i></p> <ul style="list-style-type: none"><li>• <i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li></ul> |            |

■

### **Appendix 3: Summary of Reserves and Resources of Cibak and Cipancar Prospects (SGX Catalist listing rule: "Appendix 7D")**



## Summary of Reserves and Resources of Cibak and Cipancar Prospects

Following table summarizes the mineral resources and ore reserves of Cibak and Cipancar Prospects according to SGX Catalist listing rule “Appendix 7D Summary of Reserves and Resources” which is cross referenced from Rules 705(7), 1207(21) and Practice Note 6.3. The detail of reserves and resource can be referred to related sections of this technical report.

### Summary of Reserves and Resources of Cibak and Cipancar Prospects, SRK Consulting China Ltd, as of 31 August, 2016

| Category          | Mineral Type | Gross Attributable to Licence |          | Net Attributable to Issuer |          |                                   | Remarks      |
|-------------------|--------------|-------------------------------|----------|----------------------------|----------|-----------------------------------|--------------|
|                   |              | Tonnes (Mt)                   | Au (g/t) | Tonnes (Mt)                | Au (g/t) | Change from previous update (%)** |              |
| <b>Reserves</b>   |              |                               |          |                            |          |                                   |              |
| Proved            | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| Probable          | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| <b>Total</b>      | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| <b>Resources*</b> |              |                               |          |                            |          |                                   |              |
| Measured          | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| Indicated         | Gold         | NA                            | NA       | NA                         | NA       | NA                                |              |
| Inferred          | Gold         | 1.1                           | 5.6      | 1.1                        | 5.6      | NA                                | New Estimate |
| <b>Total</b>      | Gold         | 1.1                           | 5.6      | 1.1                        | 5.6      | NA                                | New Estimate |

\*The Mineral Resources are reported inclusive of the Ore Reserves. No Ore Reserves have been estimated for the two prospects (Cibak and Cipancar) by the date of finalizing this report.

\*\*Change from previous update: there was no public announcement of the resources and reserves for the Cibak and Cipancar Prospects before.

NA - Not Applicable

**Name of Qualified Person:** Dr Anshun Xu, Corporate Consultant (Geology), SRK Consulting China Ltd

**Date:** 31 August 2016

**Professional Society Affiliation / Membership:** The Australasian Institute of Mining and Metallurgy (AusIMM) / FAusIMM (#224861)

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