

Sumatra Copper & Gold plc

("the Company")

ASX Code: SUM

Capital structure

At 28.4.2016

709,735,176 listed CDIs

1,217,006 unquoted shares

1,500,000 options

311,932,436 warrants

7,500,000 performance rights

7,000,000 convertible notes

Market capitalisation

At 28.4.2016

CDI price: A\$0.05

Market capitalisation: A\$36m

Cash & bullion, debt

At 31.03.2016

Cash and bullion: US\$1.6m

Loan facility: US\$45m

Convertible notes: US\$7m

Board of Directors

Stephen Robinson

Chairman

David Fowler

Managing Director

Adi Sjoekri

Executive Director

Jocelyn Waller

Non-executive Director

Gavin Caudle

Non-executive Director

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Highlights

The Company is pleased to present its March 2016 quarter activities report for the Tembang Gold-Silver Project, located in southern Sumatra, Indonesia ("Tembang").

Production

- Gold production of 5,406 oz and silver production of 121,569 oz (6,916 gold-equivalent "AuEq"¹ ounces)
- All-in sustaining cost (AISC) of US\$1,261/oz and cash cost (C1) of US\$1,018/oz, net of Ag credits
- Gold recovery of 89.8% and silver recovery of 73.0%
- Finished product stocks of 1,150 oz of gold and 18,458 oz of silver at quarter end

Sales

- Gold sales of 5,465 oz and silver sales of 119,922 oz
- Gold and silver revenue of US\$6.044 million and US\$1.799 million respectively for total revenue of US\$7.833 million
- Average realised sales price of gold of US\$1,106 / oz and silver of US\$14.92 per oz

Safety

- There were no Lost Time Injuries (LTIs) during the quarter. A total of 3,442,872 man hours have been completed LTI-free since initial construction began at Tembang in July 2013

Financial

- Cash & cash equivalents at 31 March 2016 of US\$0.3 million
- Bullion at 31 March 2016 of US\$1.3 million
- Full drawdown of US\$5 million convertible note and amendment of note facility for provision of additional US\$2 million (drawn down subsequent to end of quarter)

Outlook

- Underground production levels expected to increase as additional levels are reached. Underground productivity continued to improve subsequent to quarter end
- Underground mine plans being revised for change to conventional top-down long hole stoping mining method rather than bottom-up Avoca method resulting in earlier access to high grade stope areas
- Expected production of at least 35,000 oz AuEq during 2016 with the second half of 2016 consistent with an annual production rate of 40,000 to 50,000 oz AuEq per annum
- Expected C1 cash costs, after silver credits, of US\$750 / oz

Note: all data above is for the quarter ended 31.03.2016

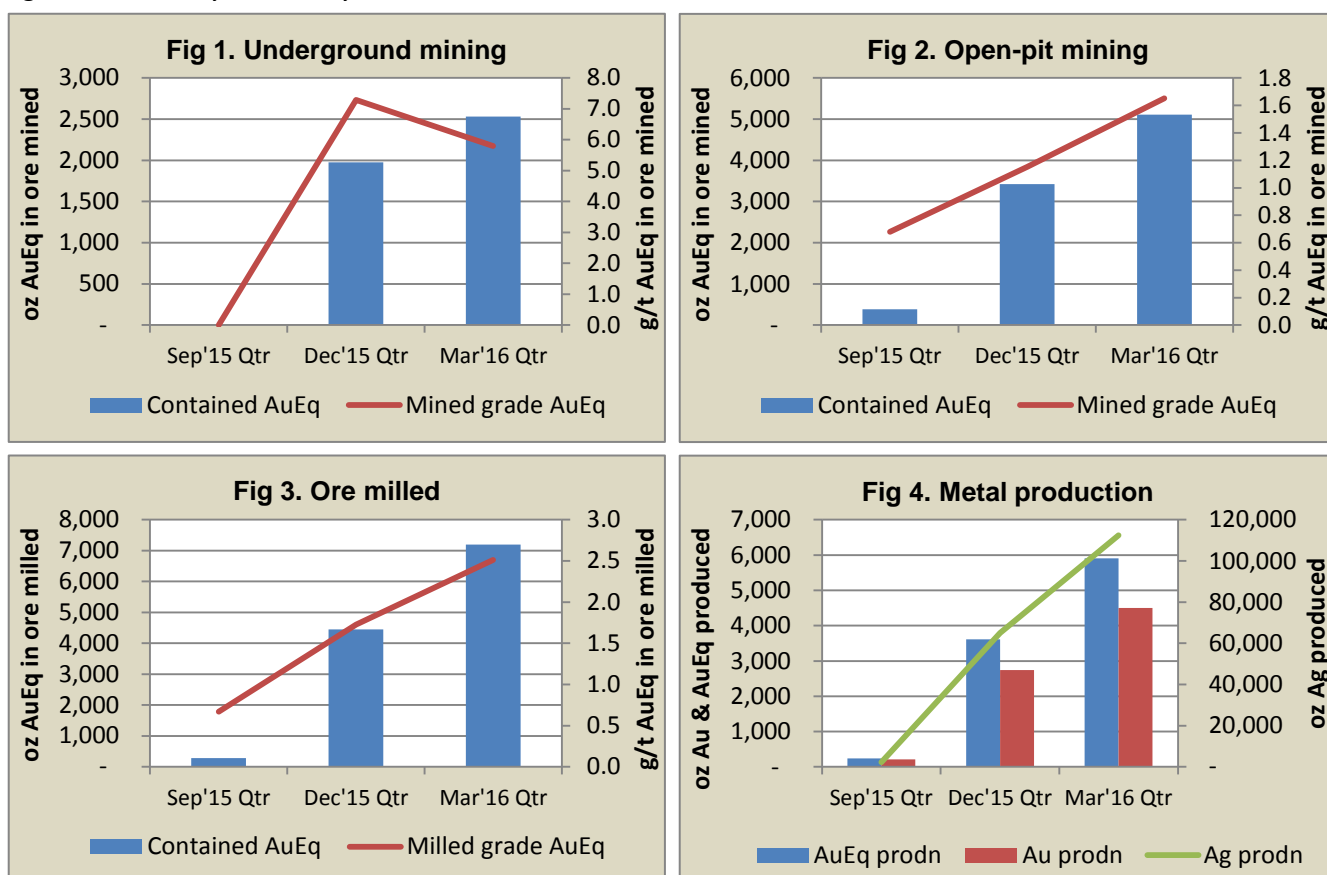
Summary

Table 1: Tembang Operations – Key Production Statistics

Tembang Operations	Unit	Dec Qtr 2015	Mar Qtr 2016	Year-to-date FY 2016
Underground mining				
Ore mined	Tonnes	8,439	13,578	13,578
Mined grade	g/t Au	5.53	4.62	4.62
	g/t Ag	131.92	93.92	93.92
Contained metal	oz Au	1,500	2,017	2,017
	oz Ag	35,793	41,000	41,000
Open pit mining				
Ore mined	tonnes	80,257	96,177	96,177
Mined grade	g/t Au	1.25	1.31	1.31
	g/t Ag	35.36	27.01	27.01
Contained metal	oz Au	3,237	4,051	4,051
	oz Ag	91,244	85,519	85,519
Mill production				
Ore milled	tonnes	80,257	103,323	103,323
Mill grade	g/t Au	1.25	1.81	1.81
	g/t Ag	35.36	50.14	50.14
Contained metal	oz Au	3,237	6,024	6,024
	oz Ag	91,244	166,489	166,489
Recovery	% Au	84.74	89.75	89.75
	% Ag	70.13	73.02	73.02
Recovered gold	oz Au	2,743	5,406	5,406
Recovered silver	oz Ag	63,992	121,569	121,569
Gold & silver sales				
Gold sold	oz Au	804	5,465	5,465
Silver sold	oz Ag	32,151	119,922	119,922
Inventory at end of quarter				
Ore stocks	oz Au	142	74	74
	oz Ag	4,372	2,735	2,735
Metal in circuit	oz Au	770	869	869
	oz Ag	15,675	14,424	14,424
Finished product	oz Au	1,331	1,150	1,150
	oz Ag	17,717	18,458	18,458

Quarterly Production Data

Figures 1 – 4: Key Quarterly Production Data



¹Note: "AuEq" = Gold equivalent ounces, calculated as gold assay + (silver assay / 80) where 1g/t Au = 80g/t Ag.

All-in Sustaining Cost (AISC)

Table 2: Tembang Operations – All-in Sustaining Cost (AISC)

Tembang	Unit	Mar Qtr 2016	Unit	Mar Qtr 2016
Mining costs	US\$m	3.272	US\$/oz	605
Processing costs	US\$m	2.578	US\$/oz	477
General & admin costs	US\$m	1.452	US\$/oz	269
Silver credits	US\$m	(1.797)	US\$/oz	(333)
C1 Cash costs	US\$m	5.505	US\$/oz	1,018
Royalties	US\$m	0.241	US\$/oz	45
Capital works (sustaining)	US\$m	0.104	US\$/oz	19
Tailings storage	US\$m	0.253	US\$/oz	47
Underground development	US\$m	0.699	US\$/oz	129
Inventory movements	US\$m	(0.097)	US\$/oz	(18)
Mine exploration (sustaining)	US\$m	0.114	US\$/oz	21
All-in Sustaining Cost (AISC)	US\$m	6.819	US\$/oz	1,261
Production	Oz Au	5,406		

Tembang Operations

Underground Mining

Development & Stopping

The Belinau underground mine continued its ramp-up to full production, with ore mined for the March quarter totalling 13,578 tonnes at an average grade of 4.62 g/t Au and 93.92 g/t Ag for a total contained metal of 2,017 oz Au and 41,000 oz Ag. A higher level of underground ore production is expected in the June quarter as the number of headings grow and the strike length of the orebody increases.

Ground conditions in the decline improved markedly in accordance with expectations, however the overall development productivity rate was below plan due to a lack of available headings, unexpected water inflows, limitations in the skill levels of the underground team, the wet season and the setting up of infrastructure. Productivity rates progressively improved into April with target levels for the life-of-mine plan expected to be achieved during the June quarter as more headings become available.

During the quarter, the main decline accessed Level 2 where ore development was completed and stoping commenced. In March, the decline progressed to Level 3 where unexpected significant groundwater inflows, possibly related to water connectivity from the existing open pit, delayed ore development by a week. Subsequent to the end of the quarter, ore development on Level 3 East was completed and stoping had commenced. Level 3 West ore development is continuing (Figure 5).

Following intersection of the unexpected groundwater, it was decided to access ore located below the pit from Level 4 (rather than Level 3), allowing a greater control of water inflows through incline development and a greater pillar distance from the pit floor. Access to Level 4 is expected in late May.

Operational Optimisation

Experience gained from the development of Levels 1, 2 and 3 at Belinau has allowed the Company to refine its mining strategy through increased geotechnical knowledge of the orebody and wall rock, and improvements in the mining methodology. Mining has been changed to conventional top-down longhole open stoping, rather than bottom up Avoca mining, using waste as backfill. The advantage of longhole stoping is an earlier extraction of stope tonnes and a reduction in the rate of decline development. This is in contrast to Avoca mining, where stoping is delayed until development is completed to at least 4 levels before mining commences from the bottom up. The disadvantages of longhole stoping are increased remote loading and the requirement to leave rib pillars for support, whereas the Avoca method provides near full recovery of the orebody. The improving ground conditions with depth provides potential for less rib pillar support between levels.

The current quality of underground mining is of a high standard, however productivity increases are required to ensure that the full drill, blast and mucking cycle is improved. During the quarter, the Company engaged an Australian drill and blast expert to train local crews in more efficient mining practices. This is expected to increase the rates of mining advance in both the decline and level development.

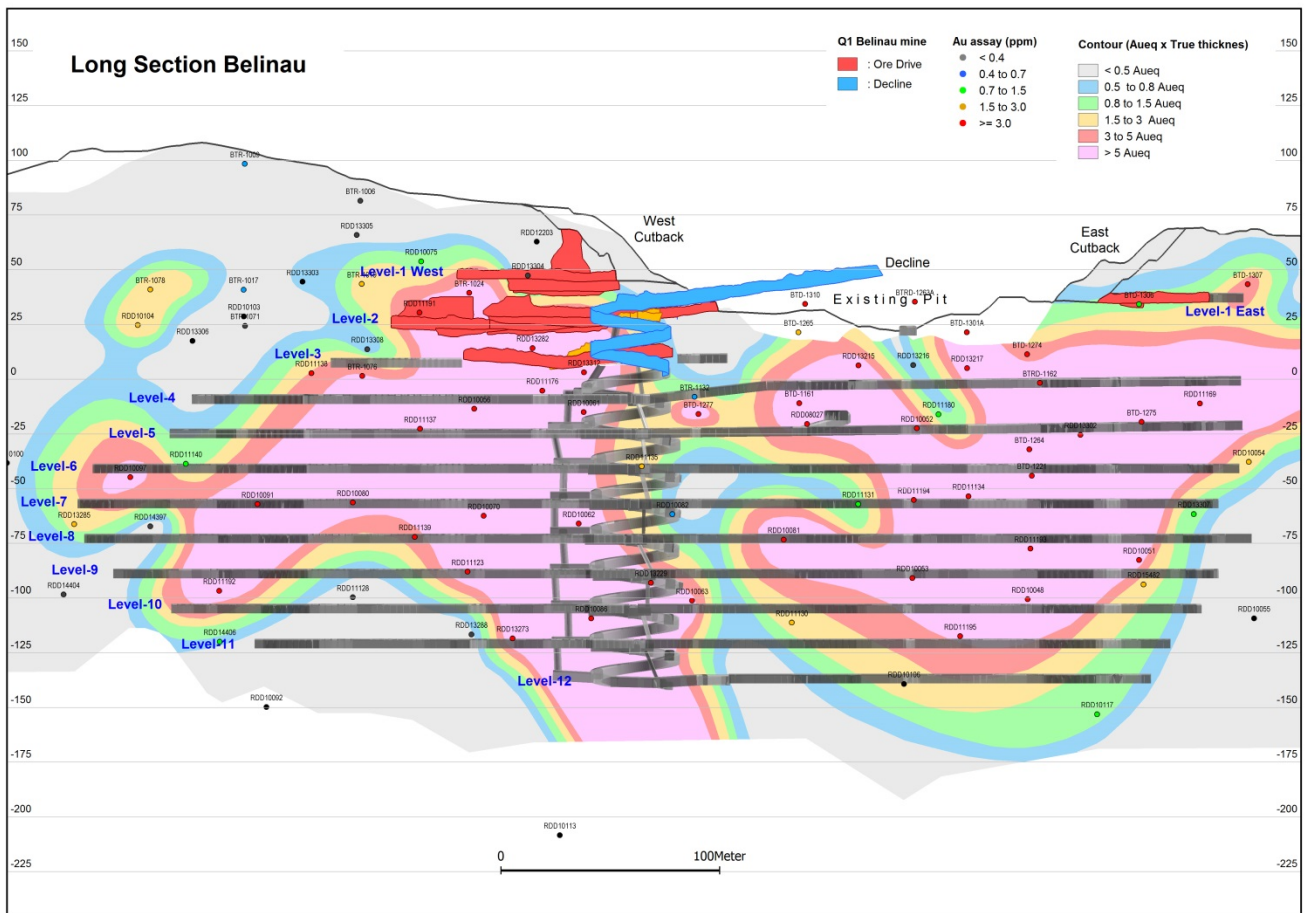


Figure 5: Belinau Long Section (at 28 April 2016)

Open Pit Mining

Open pit ore mined for the quarter was 96,177 tonnes at an average grade of 1.31 g/t Au and 27.01 g/t Ag for a total contained metal of 4,051 oz Au and 85,519 oz Ag.

Open pit production was affected by significant seasonal rainfall events which at times restricted mining activities and ore deliveries to the ROM pad. The wet season is expected to conclude during May.

Open pit mining focused on Berenai, Asmar and Siamang with the majority of the ore sourced from Berenai. Mining of waste at the high grade Siamang deposit commenced during the quarter.

Dewatering of the Berenai open pit continued on schedule.

Reconciled grades within the main Berenai vein were lower than predicted by the resource model, however a number of additional veins defined by grade control contributed to an overcall in ore tonnes.

Processing

Mill feed for the quarter consisted of 15.8% Asmar, 72.0% Berenai and 12.2% Belinau. Ore milled for the quarter totalled 103,323 tonnes at a grade of 1.81 g/t Au and 50.1 g/t Ag for a total contained metal of 6,024 oz Au and 166,489 oz Ag.

Gold recovery averaged 89.8% and was on target for the expected gold feed grade. Silver recovery

averaged 73.0% and was below target (80%) because the higher than expected silver head grade sometimes exceeded the electrowinning capacity. High metal loads in the adsorption and stripping circuit were offset by increasing the amount of strips per day.

Mill availability was high (96.9%) while mill utilization (90.1%) was lower due to occasional feed constraints caused by inclement weather. Mill throughput continued to increase and averaged 54.2 tonnes per hour (8% above nameplate).

Sodium cyanide consumption (for leaching and stripping) increased by 20 % due to the increased amount of strips per day, while SMBS (for cyanide detoxification) and lime (for pH modification) consumptions dropped by 26% and 27% respectively due to cyanide detoxification optimization and better reagent quality.

Key initiatives currently being implemented to optimize plant performance include:

- optimization of ore feed blend in order to equalize ore hardness and slurry viscosity;
- assessment of the grinding circuit in order to evaluate potential to increase throughput; and
- installation of a new sparging system in the detox reactor.

Run-of-mine stocks at the end of the quarter totalled 3,138 tonnes at an average grade of 0.73 g/t Au and 27.11 g/t Ag for total contained 74 oz Au and 2,735 oz Ag.

Metal in circuit stocks at the end of the quarter totalled 475 kilograms for total contained 869 oz Au and 14,424 oz Ag.

Operating Costs

Processing, administration and open pit mining costs were in line with expectations. Overall underground mining and development costs were less than expectations due to lower volumes. Cash costs and all in sustaining costs reflect lower production levels. As production increases these costs will fall and higher silver production should also contribute to higher by-product credits.

During the quarter, the operations team at Tembang implemented an improvement plan which identified some 40 projects to be evaluated or implemented during the 2016 financial year. During the first quarter, a number of projects were completed with estimated annual savings of US\$0.3m.

Site Administration

During the quarter, significant effort was placed into transitioning from a 2 twelve hour shifts to 3 eight hour shifts per day panel structure (with the exception of mining activities). The implementation of the 3 shift per day structure allows additional construction employees to be retained from the local community, and improves employee productivity whilst also reducing manning costs.

Improvements at the Kotomas camp were conducted during the quarter with a continued focus on improving the quality of accommodation for employees.

Health & Safety

The Company achieved a zero LTI quarter (534,449 man hours). The cumulative total man hours from the recommencement of construction of the Tembang Project in November 2014 to 31 March 2016 is 2,407,485 hours LTI free. Total man hours without an LTI incident since initial construction began at Tembang in July 2013 is 3,442,872 to the end of March 2016.

Environment

During the quarter, there were four reportable environmental incidents, all of which resulted from a partial collapse of compliance point bund walls in the tailings storage facility (TSF) due to heavy rain. In all cases, immediate rectification was undertaken to eliminate any impact to the external environment.

In regards to ongoing groundwater and environmental monitoring, an independent environmental consultant completed the first quarter of environmental monitoring as part of AMDAL compliance. Analytical results for discharge water at compliance points have been received with all parameters complying to the Government standard.

The Dam Safety Committee released a letter of recommendation to the Ministry of Public Works in regards to issuing the new TSF Design Certificate and Construction Permit.

Corporate Social Responsibility

During the quarter, the Company continued its local community engagement activities. The focus of local village community development has been:

- the ongoing supply of clean drinking water to drought affected areas, with Atlas Copco Nusantara engaged as a sponsor;
- continuation of training to improve the capacity of public health services, including immunisation, contraceptive services, pregnant women and toddler health checks, and to engage the community through women;
- assistance to the local community in Government-identified dengue endemic areas to eradicate dengue mosquitoes;
- facilitation of the “National Examination Try Out” for 18 primary schools, 4 junior high schools and 1 high school, which included a total of 1,084 students; and
- home industry to increase community income, including engagement with the Government, training and market research.



DNS supporting National Examinations ‘try out’ activities, to assist students and teachers’ improvement for the 2016 national exams in the Karang Jaya district.

Land Access

Total land compensated as of March 2016 is 349.4 ha, 78% of the total target area of 448 ha.

Security

The new security provider for the Tembang Project was mobilised to site and commenced services. As part of this process, the revised security system was also implemented which has resulted in cost savings through a reduction in security personnel.

During the quarter, there were a number of road blockades and a peaceful demonstration by the members of the local community causing a total of 76 hours of disruption to operations. Most of the causes of the blockades were cited as issues relating to demands for further local employment.

Operating & Development Outlook

During April 2016 underground mine productivity continued to improve, with ore production expected to increase upon access to Level 4 (scheduled for late May). In addition, increased grade is expected through the planned change in the underground mining method to a conventional top-down long hole stoping to access high grade stope areas sooner than the current mine schedule.

Guidance for full year 2016 remains as stated in the 2015 Annual Report:

- Gold-equivalent production of at least 35,000 ounces during 2016, with the second half of 2016 consistent with an annual production rate of 40,000 to 50,000 ounces per annum;
- Cash cost per ounce, after silver credits, of US\$750 per ounce.

Exploration

Near Mine Exploration Activities

Overview

Near mine exploration activities during the March quarter focussed on the completion of the soil geochemical sampling program at the Asmar - Anang Extension Target and the commencement of a new substantial soil geochemical sampling program at the Belinau SW Target.

While no exploration trenching or drilling was undertaken, a review of exploration targeting procedures commenced, including the development of a clear target ranking and prioritisation system. The aim of this work is to develop a clear "pipeline" of targets that will provide a measurable pathway to the discovery of new gold resources within easy trucking distance of the Tembang processing plant.

Asmar – Anang Extension Target

A further 52 soil geochemical samples were collected during the quarter to complete the survey of this high priority target which covers the interpreted north and north-easterly extensions of the Asmar deposit and the north-westerly extensions of the Tembang-Anang deposit.

The combined completed soil geochemical survey comprised 458 samples collected on a 25m x 25m grid with all assays now available. This sampling program has returned encouraging results with multiple +50-100 ppb gold anomalies being generated and warranting follow-up (Figure 6). While some of these targets have seen some historic drilling, its effectiveness will now be re-evaluated in the light of the new datasets and potentially a lower hurdle rate set by the re-commencement of mining at the nearby Asmar and Tembang-Anang deposits.

Geological mapping and rock chip sampling reported last quarter has identified a number of quartz veins and stockworks within the soil anomalies which returned encouraging gold and silver assays in the 0.5 – 8 g/t Au range. A further 29 rock chip samples were taken during the quarter from various outcropping veins (Figure 6, Appendix 3). Best results included a rock chip sample returning 0.43 g/t Au and 88 g/t Ag from the Anang Extension vein (Photo A) and multiple +1 g/t Au samples returned from a 40m strike length of an up to 2m thick Tembang style vein. The best assay from this vein returned 0.8m at 1.55 g/t Au and 19.7 g/t Ag.

The results to date from the now completed soil geochemical program at the Asmar - Anang Extension Target area are considered encouraging with the potential to extend resources. A program of follow-up excavator trenching has been designed to test a number of targets prior to drill testing as warranted.

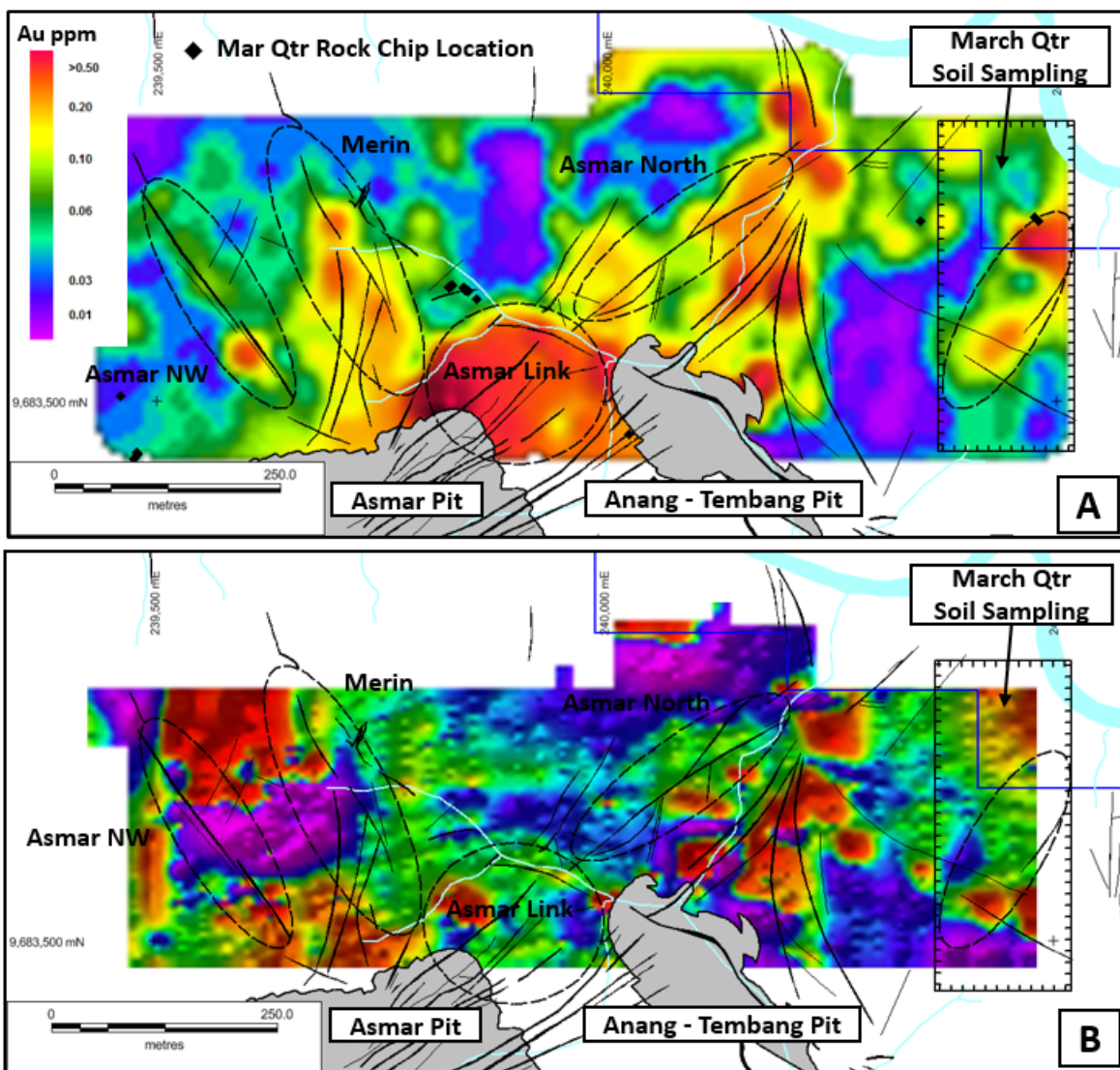


Figure 6 – Asmar-Anang Extension Target Area – (A) Completed gold soil geochemical program highlighting anomalies warranting further investigations. (B) Completed ground magnetic survey (TMI RTP). Black lines on both images are mapped and/or interpreted epithermal veins.

Belinau SW & Belinau NE Targets

With the Belinau underground mine now successfully delivering ore to the processing plant, the significance of this style of relatively narrow, but high grade quartz vein system, to create blending

opportunities and extend mine life has been highlighted as a priority exploration target.

During the quarter, a multidisciplinary review of the Belinau system highlighted a series of targets along strike, both to the southwest and northeast of the Belinau mine that have poorly defined, but potentially comparable, lithostructural settings. Importantly, while there are historic stream sediment, soil and rock chip gold and silver geochemical anomalies within these areas (Figure 7), the available historic data coverage is somewhat erratic (different companies and different sampling and assaying techniques etc) and the sample density and quality is not sufficient to move directly to drill testing. Importantly there has been very little historic drilling within these areas.

On this basis, a new soil geochemical program to test the Belinau SW and Belinau NE Target Corridors was designed and approved. Soil sampling of the 1.4km long Belinau SW Target Corridor has commenced at the northeast end and is moving south-westerly with a total of 191 samples collected during the reporting period. As usual, during the soil sampling process any outcrops or float of encouraging epithermal quartz veining is sampled with 19 rock chips collected to date (Appendix 3). Of these, six have returned gold assays above 0.5 g/t Au with a peak of 6.41 g/t Au. The majority of these samples were located within or near newly discovered artisanal adits and pits located proximal to, but along strike or parallel to the currently known Belinau vein system (Photo B).

The Company believes that Belinau SW and Belinau NE represent high priority targets and is accelerating exploration activities within these areas.

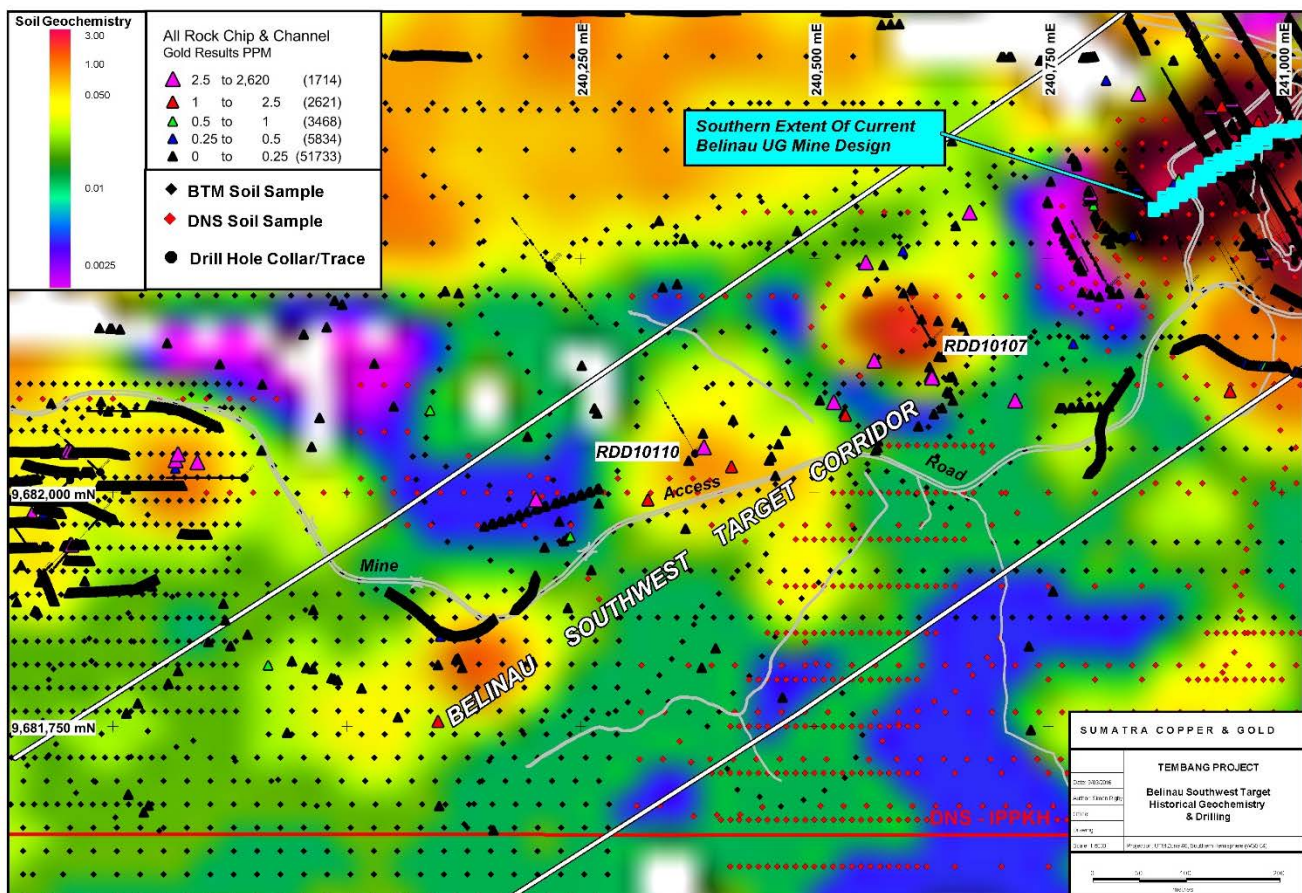


Figure 7 – Belinau SW Target – Compilation of historic data highlighting encouraging but poorly defined soil and rock chip gold anomalism over 1.4km along strike of the Belinau mine.

Siamang Area

During the quarter, a newly constructed haul road associated with the current mining operation at Siamang exposed a series of epithermal quartz veins ranging from 0.2 – 1m wide paralleling the Siamang vein system. A total of six rock chip channel samples were collected across these new vein sets and returned a best assay result of 14.0 g/t Au and 5.5g/t Ag. Further investigations are underway.

Exploration Targeting & Prioritisation

With the successful commissioning of the processing plant, the Company has taken the decision to increase exploration activities with the aim of extending mine life. To achieve this, a two stage approach has been taken. The first, as reported in the December 2015 Quarter, was the completion of an Exploration Strategy Review. The second stage, which commenced during the current quarter, was a review of exploration targeting procedures, including the development of a clear target ranking and prioritisation system. The aim of this work is to develop a clear “pipeline” of targets that will provide a measurable pathway to the discovery of new gold resources within easy trucking distance to the processing plant.

Under this system, targets will be categorised into a “pipeline” by exploration stage (Grassroots, Target Delineation, Drill Testing, Advanced Exploration & Resource Development) and then prioritised for advancement. To date, 28 targets have been selected and the process of evaluating and prioritising these for advancement has begun.



Photo A: Asmar Extension – Banded crustiform vein (0.43 g/t Au, 88 g/t Ag).

Photo B: Belinau SW - Mapping adit from artisanal mining.

Regional Exploration Activities

No field work on regional targets was undertaken during the March quarter. However, regional targets that are potentially within trucking distance to the processing plant are being evaluated as part of the current exploration targeting and prioritisation process and will be included in the exploration pipeline.

Corporate

Finance

Cash and cash equivalents at 31 March 2016 were US\$0.3 million with bullion on hand at the end of the quarter of US\$1.3 million.

During the quarter, the US\$5 million convertible note facility (ASX Announcement 16 December 2015) was fully drawn down and an amendment to the note facility was executed for provision of an additional US\$2 million (ASX Announcement 31 March 2016). The additional US\$2 million was drawn down subsequent to the end of the quarter.

Gold and silver sales

A total of 5,465 oz of gold and 119,922 oz of silver were sold at an average price of US\$1,106/oz and US\$14.92 / oz respectively for total revenue of US\$7.833 million.

Table 3: Gold Sales for March 2016 Quarter

Sales	Gold sold (Au)			Silver sold (Ag)			Total US\$m
	oz Au	US\$/oz	US\$m	oz Ag	US\$/oz	US\$m	
Sales	5,465	1,105.99	6.044	119,922	14.92	1.789	7.833

Hedging

Delivery into hedges during the quarter was as follows:

- 5,250 oz of gold were delivered into hedges at a price of US\$1,108.50/oz; and
- 42,900 oz of silver were delivered into hedges at a price of US\$14.47/oz.

There were no new gold or silver hedges entered into during the quarter.

Capital structure

2,550,000 CDIs were issued during the quarter, at a deemed issue price of A\$0.05 each, as contracted employee bonus payments in regards to the construction and commissioning of the Tembang Project.

Table 4: CDI capital structure at 28 January 2016

CDI Holder	No. of CDIs	%
Provident Minerals Pte Ltd (3 holdings)	232,750,037	32.79
PT Saratoga Investama Sedaya (2 holdings)	185,278,580	26.11
HSBC Custody Nominees (Australia) Limited	53,187,693	7.49
Goldstar Mining Asia Resources (L) BHD/C	44,356,656	6.25
Yaw Chee Siew	24,972,309	3.52
Mrs Juliette M Buchanan	22,298,732	3.14
Citicorp Nominees Pty Limited	19,035,337	2.68
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/C>	7,995,780	1.13
Berrafall Pty Ltd <Morris Hardwick S/F A/C>	7,500,000	1.06
BNP Paribas Noms Pty Ltd <UOB Kay Hian Priv Ltd DRP>	7,323,783	1.03
Total Top 10 CDI Holders	604,698,907	85.20
Others	105,036,269	14.80
Total CDI's on issue as at 28 April 2016	709,735,176	100.00

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About Sumatra Copper & Gold plc

Sumatra Copper & Gold plc (ASX: SUM) is a gold and silver producer and precious metals explorer in southern Sumatra, Indonesia. The Company’s flagship asset is its Tembang gold-silver mine, currently in production. The Company also has an extensive exploration portfolio with projects ranging from brownfield, near-production opportunities to strategically located greenfield holdings.

Competent Person’s Statement – Exploration Results

The information in this report that relates to exploration results is based on information compiled by Mr Simon Rigby, who is a part time consultant to the Company and a Member of the Australian Institute of Geoscientists. Mr Rigby has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rigby consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Person’s Statement – Mineral Resources Asmar, Berenai, Siamang, Tembang-Anang and Bujang

The information in the report to which this statement is attached that relates to the Mineral Resource estimates for Asmar, Berenai, Tembang-Anang, Siamang and Bujang is based on information compiled by Mr Chris Black who is a member of the Australian Institute of Geoscientists and a full time employee of Cube Consulting. Mr Chris Black has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Chris Black consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

Competent Person’s Statement – Mineral Resources Buluh and Belinau

The information in the report to which this statement is attached that relates to the Mineral Resource estimate for Buluh and Belinau, is based on information compiled by Mr Robert Spiers who is a member of the Australian Institute of Geoscientists and a full time employee of H & S Consultants Pty Ltd. Mr Robert Spiers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Robert Spiers consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

Competent Person’s Statement – Ore Reserves

The information in this report that relates to Open Pit and Underground Ore Reserves is based on information compiled by Mr Shane McLeay of Entech Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McLeay has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McLeay consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 1: Tembang Project Mineral Resource Estimate

The Mineral Resource estimate is in compliance with the JORC Code (2012 Edition) and was published on 18 May 2015. There have been no material changes to these Mineral Resource estimates since the date of this publication.

Mineral Deposit	OPEN PIT (>0.5g/t Au)					
	Category	Tonnes	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
Asmar ⁽²⁾	<i>Measured</i>	-	-	-	-	-
	<i>Indicated</i>	1,636,000	1.2	20.6	64,000	1,082,000
	<i>Inferred</i>	1,509,000	1.4	11.9	68,000	577,000
	Total	3,145,000	1.3	16.4	132,000	1,659,000
Berenai ⁽⁴⁾	<i>Measured</i>	-	-	-	-	-
	<i>Indicated</i>	1,628,000	2.1	34.3	112,000	1,797,000
	<i>Inferred</i>	669,000	1.7	31.8	36,000	685,000
	Total	2,297,000	2.0	33.6	148,000	2,482,000
Buluh ⁽¹⁾	<i>Measured</i>	69,000	3.4	38.3	8,000	85,000
	<i>Indicated</i>	186,000	2.0	24.2	12,000	145,000
	<i>Inferred</i>	212,000	1.8	25.7	12,000	175,000
	Total	467,000	2.1	27.0	32,000	405,000
Siamang ⁽⁴⁾	<i>Measured</i>	60,000	2.5	48.3	5,000	94,000
	<i>Indicated</i>	178,000	2.1	28.0	12,000	160,000
	<i>Inferred</i>	190,000	1.8	22.0	11,000	134,000
	Total	428,000	2.0	28.0	28,000	388,000
Bujang ⁽⁴⁾	<i>Measured</i>	-	-	-	-	-
	<i>Indicated</i>	217,000	2.8	37.0	19,500	261,000
	<i>Inferred</i>	69,000	1.9	20.0	4,000	44,000
	Total	286,000	2.6	33.0	24,000	305,000
Tembang / Anang ⁽³⁾	<i>Measured</i>	-	-	-	-	-
	<i>Indicated</i>	170,000	2.5	29.3	13,500	160,000
	<i>Inferred</i>	55,000	2.1	29.9	4,000	53,000
	Total	226,000	2.4	29.4	17,500	214,000
Total (OP)	<i>Measured</i>	129,000	3.1	43.2	13,000	179,000
	<i>Indicated</i>	4,015,000	1.8	27.9	234,000	3,606,000
	<i>Inferred</i>	2,704,000	1.6	19.2	135,000	1,669,000
	Total	6,850,000	1.7	25.0	381,000	5,453,000

Mineral Deposit	UNDERGROUND (>2.78g/t Au)					
	Category	Tonnes	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
Belinau ⁽¹⁾	<i>Measured</i>	132,000	9.7	70.0	41,000	298,000
	<i>Indicated</i>	139,000	9.0	77.0	40,000	346,000
	<i>Inferred</i>	67,000	7.3	65.0	16,000	141,000
	Total	338,000	8.9	72.0	97,000	785,000
Grand Total (OP + UG)	Measured	261,000	6.4	56.7	54,000	477,000
	Indicated	4,172,000	2.1	29.7	274,000	3,952,000
	Inferred	2,771,000	1.7	20.2	151,000	1,810,000
	Total	7,204,000	2.1	27.0	478,000	6,257,000

Notes:

1: updated Nov, 2013 by Rob Spiers, Hellman & Schofield in compliance with JORC 2012

2: updated Nov, 2013 by Chris Black, Cube Consulting, in compliance with JORC 2012

3: updated March, 2014 by Chris Black, Cube Consulting in compliance with JORC 2012

4: updated March, 2015 by Chris Black, Cube Consulting in compliance with JORC 2012

Estimates have been rounded to the nearest 1,000 t, 0.1 g/t grade and 1,000 oz metal

Appendix 2: Tembang Project Ore Reserve Estimate

The Ore Reserve estimate is in compliance with the JORC Code (2012 Edition) and was published on 25 March 2014. There have been no material changes to these Ore Reserves estimates since the date of this publication.

Deposit	Reserve Category	Ore	Grade	Contained Gold	Grade	Contained Silver
		Tonnes ('000t)	Au (g/t)	Au (oz)	Ag (g/t)	Ag (oz)
OPEN PIT ORE RESERVES						
Asmar	<i>Proved</i>	-	-	-	-	-
	<i>Probable</i>	733	1.6	38,000	24.8	585,000
Berenai	<i>Proved</i>	-	-	-	-	-
	<i>Probable</i>	710	2.2	51,000	31.8	726,000
Bujang	<i>Proved</i>	-	-	-	-	-
	<i>Probable</i>	56	3.7	7,000	57.2	102,000
Siamang	<i>Proved</i>	4	7.8	1,000	102.8	12,000
	<i>Probable</i>	31	7.6	8,000	61.6	61,000
Tembang Anang	<i>Proved</i>	-	-	-	-	-
	<i>Probable</i>	59	1.6	3,000	31.1	59,000
Total Open Pit	<i>Proved</i>	4	7.8	1,000	102.8	12,000
	<i>Probable</i>	1,588	2.1	106,000	30.0	1,534,000
	<i>Total</i>	1,592	2.1	107,000	30.2	1,546,000
UNDERGROUND ORE RESERVES						
Belinau	<i>Proved</i>	204	6.0	39,000	41.5	272,000
	<i>Probable</i>	214	5.1	35,000	44.4	306,000
	<i>Total</i>	418	5.5	74,000	43.0	578,000
TOTAL ORE RESERVES						
Tembang	<i>Proved</i>	208	6.0	40,000	42.5	284,000
	<i>Probable</i>	1,802	2.4	141,000	31.7	1,839,000
	<i>Total</i>	2,010	2.8	181,000	32.9	2,123,000

Calculations have been rounded to the nearest 1,000 t, 0.1 g/t grade and 1,000 oz. metal.

Appendix 3 Rock chip information summary

Exploration Rock Chip Sampling Results, March 2016 Quarter

Sample No	Type	Target	Easting (mE)	Northing (mN)	Length (m)	Au ppm	Ag ppm
238147	OC	Tembang/Anang	240480	9683700	0.2	0.02	0.21
238148	OC	Tembang/Anang	240478	9683703	0.2	0.04	0.33
238149	OC	Tembang/Anang	240476	9683705	0.2	0.16	0.25
238150	OC	Tembang/Anang	240350	9683700	0.25	0.43	88.3
238151	OC	Tembang/Anang	240025	9683463	0.35	0.56	26.6
238152	OC	Tembang/Anang	240053	9683411	1.5	0.1	<0.1
238153	OC	Tembang/Anang	240053	9683410	0.7	0.18	0.29
238154	OC	Tembang/Anang	240054	9683409	1.5	0.35	0.68
238155	OC	Belinau	240975	9682273	0.3	0.04	<0.1
238156	OC	Belinau	240999	9682362	0.2	0.15	0.19
238157	OC	Belinau	241020	9682414	0.35	0.04	0.23
238254	OC	Tembang/Anang	239479	9683441	0.4	0.04	0.13
238255	OC	Tembang/Anang	239477	9683443	0.35	0.04	<0.1
238256	OC	Tembang/Anang	239475	9683435	0.4	0.05	0.15
238257	OC	Tembang/Anang	239460	9683505	0.8	0.06	0.29
238158	CH	Belinau	241020	9682414	0.35	0.2	<0.1
238159	CH	Siamang	239111	9683532	0.55	2.67	1.5
238161	CH	Siamang	239107	9683538	0.3	0.66	0.4
238162	CH	Siamang	239101	9683545	0.25	0.08	0.4
238163	CH	Siamang	239099	9683547	0.7	0.24	0.2
238164	CH	Siamang	239095	9683551	0.25	14	5.5
238165	CH	Siamang	239092	9683552	0.25	0.09	0.2
238167	CH	Belinau FW	241162	9682306	0.25	0.1	10.5
238168	GB	Belinau FW	241162	9682304	0.2	0.04	5.2
238169	CH	Belinau FW	241145	9682342	0.4	0.25	<0.1
238170	CH	Belinau FW	241145	9682343	0.55	0.86	0.3
238171	CH	Belinau FW	241146	9682343	0.8	0.16	0.1

Sample No	Type	Target	Easting (mE)	Northing (mN)	Length (m)	Au ppm	Ag ppm
238172	CX	Tembang	239828	9683629	1	0.46	42.7
238173	CX	Tembang	239827	9683628	1	1.07	59.7
238174	CX	Tembang	239826	9683627	1	0.19	11.2
238175	CX	Tembang	239826	9683627	0.5	0.09	4.8
238176	CX	Tembang	239825	9683627	1	<0.02	2.9
238177	CX	Tembang	239825	9683626	0.5	0.05	4.1
238178	CX	Tembang	239828	9683629	0.45	0.43	11.8
238179	CX	Tembang	239841	9683626	0.8	0.6	36.1
238181	CX	Tembang	239842	9683626	0.6	0.46	15.1
238182	CX	Tembang	239843	9683625	1	0.96	12.9
238183	CX	Tembang	239843	9683624	1	0.47	12.9
238184	CX	Tembang	239843	9683623	1	1.05	5.4
238185	CX	Tembang	239847	9683622	0.8	1.55	19.7
238186	CX	Tembang	239847	9683622	0.4	0.27	11.5
238187	CX	Tembang	239847	9683622	0.55	0.41	12
238188	CX	Tembang	239855	9683614	0.8	0.35	8.8
238189	CX	Tembang	239855	9683613	0.4	0.35	5.9
238190	OC	Belinau SW	241094	9682321	0.6	1.9	1.3
238191	OC	Belinau SW	241082	9682310	0.25	0.79	4.7
238192	OC	Belinau SW	241079	9682275	0.2	6.41	9.3
238193	OC	Belinau SW	241076	9682282	0.2	0.54	0.6
238194	OC	Belinau SW	241044	9682273	0.3	0.09	<0.1
238195	OC	Belinau SW	241124	9682268	0.2	1.58	29.1
238196	OC	Belinau SW	241113	9682294	0.1	0.2	<0.1
238197	OC	Belinau SW	241005	9682438	0.2	0.08	0.4
238198	OC	Belinau SW	241004	9682439	1	<0.02	0.1
238199	OC	Belinau SW	241124	9682269	1	0.05	0.3

Appendix 4

JORC Code, 2012 Edition - TABLE 1: The information in this table is relevant to all exploration and drilling activities currently taking place at taking place at the Tembang Project

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. 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>	<ul style="list-style-type: none"> Reverse Circulation (RC) and Diamond Core (DC) drilling is used for both exploration and resource/reserve definition. Surface rock chip and soil sampling is used as the primary first pass exploration tools. Magnetic susceptibility measurements have been collected for some drill holes but is not a routine dataset.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<ul style="list-style-type: none"> Measurements of diamond core recovery are routinely taken and recorded against sample intervals. Diamond core samples are split with diamond saw and 50% collected for sampling. Reverse Circulation samples are collected and split at the drill site with triple tiered sample splitter resulting in a 12.5% or 1/8 split with an approximate sample weight of 2-3 kg. Drilling samples are collected continuously with minimum/maximum sample size of 0.5m and 2.0m respectively All visual mineralization is sampled including sampling past the perceived zone of mineralization and into fresh rock Surface geochemical samples are collected to best represent the trend of perceived mineralization ie. across the vein
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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</i>	<ul style="list-style-type: none"> Mineralisation is associated to quartz vein lodes and 1m average sample size is collected (min/max sample sizes are 0.5m/2.0m) All drill samples are analysed for gold and silver with 50g fire assay for Au and 2-acid digestion with AAS finish for Ag Gold samples >50g/t Au are reanalysed with gravimetric method Silver samples >100g/t Ag are reanalysed with 4-acid digestion with AAS finish

Criteria	JORC Code explanation	Commentary
	<i>mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	<ul style="list-style-type: none"> Surface samples are being collected for Au and a standard multi-element ICP OES package that includes silver and common pathfinder minerals in epithermal systems
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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>	<ul style="list-style-type: none"> Diamond drilling uses HQ3 sized diamond drill core, triple-tube and 1.5m core barrels where required to improve recoveries Digital core orientation techniques are used (Reflex-ACT and Pathfinder-Ori-Finder) Reverse Circulation drilling uses standard double walled drill pipe and face sampling hammer
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	<ul style="list-style-type: none"> For diamond drilling, standard core recovery and RQD data is collected at the drill rig and based on drill runs (meter blocks) For Reverse Circulation drilling, complete samples are weighed at the drill with a conventional balance
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	<ul style="list-style-type: none"> Triple/Split tubes are used along with 1.5m (short) drill runs with diamond drilling to improve sample recoveries Drilling mud and additives professionals have been to site to plan suitable mud mixes and recommend techniques and materials to improve recoveries in low recovery zones
	<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>	<ul style="list-style-type: none"> Diamond core recoveries of quartz vein lodes is lower than in fresh rocks but generally the recoveries have been acceptable at >90% on average and no evidence of a grade bias due to variation in core recovery has been detected
Logging	<i>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.</i>	<ul style="list-style-type: none"> Geotechnical and recovery data is collected at the drill with whole core and prior to transporting core to logging facility Reverse circulation chips samples are collected and logged at the drill by a geologist Logging is of a suitable standard to allow for detailed geological and resource modelling
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	<ul style="list-style-type: none"> Core logging is completed at a suitable facility (on waist high inclined benches, in dry conditions and with sufficient natural light) Drill core is logged for Lithology, alteration, oxide, structure, veining and mineralization Standard nomenclature is used for

Criteria	JORC Code explanation	Commentary
		<p>logging and codes or abbreviations are used to input into a database</p> <ul style="list-style-type: none"> Historically, core logging has been collected manually on A3 paper sheets and is currently transitioning to digital data collection with a commercially available software, GeoSpark
	<i>The total length and percentage of the relevant intersections logged.</i>	<ul style="list-style-type: none"> 100% of drill holes are logged Selective sampling is utilized based on geological descriptions and presence or lack of visual mineralization All mineralized intervals are sampled Complete mineralized / hydrothermally altered zone is sampled both before and after (start and finish sample run in "fresh" rock)
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<ul style="list-style-type: none"> HQ diameter diamond drill core is sawn and 50% collected for sampling. The remaining 50% is stored on site in a core storage facility
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	<ul style="list-style-type: none"> Reverse circulation samples are collected on a per meter basis and split at the drill with a manual triple tired sample splitter resulting in a 12.5% or 1/8 split (2-3 kg sample)
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<ul style="list-style-type: none"> Sample size aims at a 2-3kg representative sample Samples are sent to Intertek Labs (Jakarta) where the sample prep package includes; drying at 105°C' crushing (jaw crusher to 95% <5mm), Pulverising (LM2 pulveriser to 95% <75um)
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<ul style="list-style-type: none"> Standard industry practice Quality Assurance-Quality Control procedure includes insertion of; Field Blanks (1/30) Field Duplicates (1/30) Standards (1/30)
	<i>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.</i>	<ul style="list-style-type: none"> Lab results include analyses for replicates and duplicates Historically, procedure included re-analysis of sample pulps at primary Lab (~5%) Future procedure will include re-analysis of sample pulps at an Umpire Lab (~5%)
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<ul style="list-style-type: none"> Gold mineralization in low sulphidation deposits is typically erratic (high grade - narrow vein) Tembang mineralization is not considered to have a high nugget effect
Quality of assay	<i>The nature, quality and appropriateness of the</i>	<ul style="list-style-type: none"> Other than grade control drilling and

Criteria	JORC Code explanation	Commentary
data and laboratory tests	<i>assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	exploration chip samples, all sample analysis is completed at a commercial analytical laboratory; Intertek Testing Services laboratory (Jakarta) <ul style="list-style-type: none"> ○ Au is analysed by 50g fire assay technique and considered total ○ Ag is analysed by 2-acid digestion with AAS finish and considered total <ul style="list-style-type: none"> ● Since the establishment of an on-site laboratory in late 2015, grade control drilling samples and exploration rock chip samples are assayed on-site. <ul style="list-style-type: none"> ○ Samples are fully prepped ○ Gold & silver analysis is by multi-acid digest and AAS finish
	<i>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.</i>	<ul style="list-style-type: none"> ● Not Applicable
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<ul style="list-style-type: none"> ● Standard industry practice Quality Assurance-Quality Control procedure includes insertion of; ● Field Blanks (1/30) ● Field Duplicates (1/30) ● Standards (1/30) ● Results of certified reference material "standards" indicate no lab bias
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	<ul style="list-style-type: none"> ● Calculations of significant intersections are carried out by qualified geology professional and reviewed by a Competent Person
	<i>The use of twinned holes.</i>	<ul style="list-style-type: none"> ● 18 twin holes were completed in 2008 to compare historical RC data with recent diamond drilling
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<ul style="list-style-type: none"> ● Historically, data has been collected via MS excel tables and MS Access database ● More recently, a commercially available data collection and management software; GeoSpark has been purchased ● Data is backed-up on a network server at the project site and the Jakarta head office ● Physical Drill Logs and Assay Certificates are stored on site
	<i>Discuss any adjustment to assay data.</i>	<ul style="list-style-type: none"> ● To date, there have been no adjustments made to assay data.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Some historical RC drill holes are considered invalid due to suspected downhole smearing, likely caused by RC drilling in wet conditions. These holes may have manual adjustments made to the assays to better reflect an interpreted interval of representative of mineralization and still allow the drill hole to be included as inferred resources. Current JORC 2012 compliant Mineral Resources are reported without RC data
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	<ul style="list-style-type: none"> In 2007 SCG commissioned PT Geoservices to complete a topographic survey of the Tembang post-mining surface. A set of survey beacons was established tied to the Indonesian UTM national grid. From the pick-up of old drill collar markers and infrastructure a correction factor was established to adjust the existing BTM data to true UTM coordinates. All drill collars are surveyed (picked up) by company surveyors using NIKON TOTAL STATION, DTM-352 equipment and tied to control points set out in 2007 survey. All drill holes collect down hole survey data with a single shot camera. Drill holes are not considered to be very deep and ground conditions relatively uncomplicated, as a result drill hole deviation has not been a problem Historically, all drill holes were surveyed down hole every 50m Currently, down hole surveys are collected every 25m with an aim to collect at least 3 points per hole in shorter holes
	<i>Specification of the grid system used.</i>	<ul style="list-style-type: none"> All coordinates are quoted in WGS 84 UTM-UTS Zone 48 South
	<i>Quality and adequacy of topographic control.</i>	<ul style="list-style-type: none"> Day to Day topography is completed with Total Station equipment for surveying of project surface data including drill collars A drone (UAV) survey is planned to improve accuracy of topography inside pits/pit walls
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	<ul style="list-style-type: none"> Drill spacing has generally aimed at; 50m x 50m for Inferred resources, 25m x 25m for Indicated resources and <25m x <25m spacing for Measured resources
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the</i>	<ul style="list-style-type: none"> The mineralisation and geology show good continuity from hole to hole and is sufficient to support the definition of a Mineral Resource or Ore Reserve and the

Criteria	JORC Code explanation	Commentary
	<i>Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied</i>	classifications contained in the JORC Code (2012 Edition).
	<i>Whether sample compositing has been applied.</i>	<ul style="list-style-type: none"> • Sample compositing is only applied during the resource estimation process and is typically done on 1m intervals to reflect the average samples interval size and relatively narrow nature of the mineralized lodes
Orientation of data in relation to geological structure	<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>	<ul style="list-style-type: none"> • Drill holes are planned to intersect quartz vein lodes as close to perpendicular as logistically possible • An attempt has been made to orient diamond drill core however broken core or "bad ground" prohibits orientation process
	<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>	<ul style="list-style-type: none"> • No material sampling bias is considered to have been introduced by the drilling direction.
Sample Security	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> • Drill core and chip samples are transported from the drill sites to the drill core and sample processing facility at Tembang Exploration Camp. • Geology professionals complete logging and select sample intervals and supervise photography and sample preparation procedures • All samples for assay are bagged in numbered calico sample bags which are then sewn in to polyweave bags for transport. • Samples are dispatched to the assay lab in Jakarta in a private vehicle (local contractor) • Samples are driven to Jakarta (~2 days by road/ferry) • Samples are received by Intertek personnel and custody of samples is handed over by signing and a sample receipt form • Intertek advises by electronic mail that the samples have been delivered/received and a physical copy of receipt is returned to project for filing
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> • External Resource consultants, H&S Consultants and Cube Consulting visited the project in 2013 as part of JORC compliancy for reporting of mineral resources

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Behre Dolbear Australia (BDA) reviewed the drilling data in 2014 as part of external audit of definitive feasibility study (2014)

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<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 setting.</i>	<p>Permit Number: Decree of the Chairman of Indonesia Investment Board (BKPM) No. 5 / 1 / IUP / PMA / 2016</p> <ul style="list-style-type: none"> Company: PT Bengkulu Utara Gold Ownership: <ul style="list-style-type: none"> 70.00% SUM Singapore (Tandai) Pte Ltd 27.75% Sumatra Copper & Gold plc 2.25% PT Nusa Palapa Minerals Type of Permit: Mining Business Permit – IUP for Exploration Total Area: 14,044 Ha Location: Subdistrict: Napal Putih, Padang Jaya, and Arga Makmur Regency : Bengkulu Utara Province : Bengkulu Date Issued: 23 March 2016 Expiry: 21 December 2017 <p><i>Note 1: On 1 April 2015 the Company gave notice to the Dinas of Mines to relinquish an area comprising 2,662 ha held by PT Bengkulu Utara Gold. The permit was signed by the Chairman of Indonesia Investment Board (BKPM) on 23 March 2016 with 2,644 ha relinquished and 14,044 ha retained.</i></p> <p>Permit Number: Decree of Musi Rawas Regent Nr. 263/KPTS/DISTAMBEN/2012</p> <ul style="list-style-type: none"> Company: PT Dwinad Nusa Sejahtera Ownership: <ul style="list-style-type: none"> 99.95% Sumatra Copper & Gold 00.05% Adi Adriansyah Sjoekri Type of Permit: Mining Business Permit – IUP for Operation Production Total Area: 9,979 Ha Location: Village: Suka Menang Subdistrict: Karang Jaya

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> • Regency : Musi Rawas (Now is Musi Rawas Utara) • Province: Sumatera Selatan • Date Issued: 04 April 2012 • Expiry: 3 April 2032 <p>Permit Number: Decree of Musi Rawas Regent Nr. 657/KPTS/DISTAMBEN/2012</p> <ul style="list-style-type: none"> • Company: PT Musi Rawas Gold • Ownership: <ul style="list-style-type: none"> ○ 92.50% Sumatra Copper & Gold ○ 07.50% PT Nusa Palapa Minerals • Type of Permit: Mining Business Permit – IUP for Exploration • Total Area: 9,848 Ha • Location: Subdistrict: Karang Jaya • Regency : Musi Rawas Utara • Province: Sumatera Selatan • Date Issued: 28 December 2012 • Expiry : 27 December 2017
	<p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area</i></p>	<p>No known impediments to the security of any tenure. Confirmed with CnC certification from the ESDM (Mines Department). The Company has all required permitting for its Tembang operation: mine (IUP Operation and Production), Forestry (no overlap with Parks), and Environmental License (including B3 tailing on small TSF).</p>
<p>Exploration done by other parties</p>	<p><i>Acknowledgement and appraisal of exploration by other parties</i></p>	<ul style="list-style-type: none"> • Rio Tinto 1983-1984 • Barisan Tropical Mining 1987 – 1990 • Laverton NL 1997 - 2000
<p>Geology</p>	<p><i>Deposit type, geological setting and style of mineralisation</i></p>	<ul style="list-style-type: none"> • Low sulphidation epithermal veins, stockworks and breccias hosted in pyroclastic and volcanoclastic rocks of Late Oligocene to Early Miocene age
<p>Drill hole information</p>	<p><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></p> <ul style="list-style-type: none"> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level— elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> 	<ul style="list-style-type: none"> • All required drill hole information is tabulated and reported with all drilling results within the body of this report.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • down hole length and interception depth • hole length. 	
	<p><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></p>	<ul style="list-style-type: none"> • There are no exclusions claimed.
Data aggregation methods	<p><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></p>	<ul style="list-style-type: none"> • All reported drilling or continuous rock chip sample results are length weighted. • No upper cut-off is applied to pure exploration results.
	<p><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></p>	<ul style="list-style-type: none"> • A maximum 1m internal dilution is included for the reporting of drill hole intersections
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated</i></p>	<ul style="list-style-type: none"> • Metal equivalent values are not routinely reported for exploration results, but if they are reported they are for gold and silver only and the calculation variables (gold and silver prices and exchange rates used) are reported alongside the tabulated results.
Relationship between mineralisation widths and intercept lengths	<p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p>	<ul style="list-style-type: none"> • Where the geometry of the mineralisation and the drill hole is known, both the down-hole and true widths are reported
	<p><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></p>	<ul style="list-style-type: none"> • A clear statement is included with the reporting of exploration results whether the intersections are down hole or true width.
Diagrams	<p><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></p>	<ul style="list-style-type: none"> • Full reporting of results and plan and sectional views of drill results are included within the body of the report.
Balanced	<p><i>Where comprehensive reporting of all</i></p>	<ul style="list-style-type: none"> • Other than for soil samples, which are

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reporting	<i>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>	presented in an imaged format showing the full range of anomalism, other exploration rock chip and drilling data is fully reported.
Other substantive exploration data	<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>	<ul style="list-style-type: none"> • All material exploration data pertaining to the work reported has been included within the body of the report.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<ul style="list-style-type: none"> • Described within the body of the report.
	<i>Diagrams clearly high lighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive</i>	<ul style="list-style-type: none"> • Included within the body of the report.