CHAPTER III

FIELD ACTIVITY AND RESULTS

3.1. Secondary Data compilation

Some data was collected from the results of geophysical reports and preliminary survey reports. The limitation of data and information resulted in difficulties process of verifying those data. Therefore, the recommendations can't be concludes about the prospects of the area due to the absence of data that is not represented. However, efforts is done to take inventory of re-form field data collection and analysis of laboratory samples to obtain preliminary information

Technically, the data is not yet fit for use as reference in planning the mine. Nevertheless, the results of this site visits can be concluded on which areas that a viable. Therefore, apart from the limitations of information, the priority of this field trips is to look for potential sites of primary mineralization Au metal by mapping it in detail for future detail exploration and drilling.

3.2. Field Survey

Preparatory activities include determining the path that will be passed based on the topography and the information obtained about the areas that suffered alteration. Preliminary activities begin on February 20, 2012 until March 7, 2012, with activities covering both surface geological mapping, rock sampling and rock chip channel sampling.

Survey conducted a geological mapping to determine the distribution of rocks making on the concession, areas that experienced alteration, mineralization in identified outcrop the rocks encountered. Alteration occurs in the area that take measurements and description of the orientation of the vein mineralization is considered as a carrier. Direction and slope measurements performed using geological compass. Any data obtained were recorded and documented.

Photo 14. Sampling of rock using channel sampling method

Photo 15. Data Collection

Rock Chip Sampling

The rock sampling gathering is determined by observation of physical characteristics of the rock outcrop that has alteration, the presence of minerals such as pyrite alteration and mineralization, chalcopyrite, limonite, hematite, malachite, bornite, sphalerit and visible gold. The number of samples taken were 89 samples and they were all sent to the laboratory for preparation and testing. Rock samples taken will be analyzed to determine levels of metals contained within the main Au. Each point of the location of the rock samples are plotted or marked as a reference in order to undertake thechannel sampling when a potential level of Au presence is indicated.

Table 3. The results of analysis of levels of Au, Ag and Cu on the collected rock chip samples. In lieu to expedite the test result and minimized laboratory test cost, the client has mixed the rock samples according to the rock spot.

Group	Sample ID	Au	Ag	As	Bi	Cr	Pb	Sb
Group A	OCI 1/1-SP 8 OCI 2/RC-SP 8 OCI 7/RC-SP 8B OCI 3/1-SP8A OCI 80/RC-SP 8D OCI 87/1-SP 8E OCI 82/RC-SP 8D	0.11	< 0.1	211	3	11	3	2
Group B	OCI 65/RC-SB OCI 68/RC-SB OCI 70/RC-SC OCI 59/RC-WB OCI 76/RC-NB	0.38	0.5	805	666	23	6	71
Group C	OCI 23/3-R1 OCI 30/RC-R1 OCI 24/RC-R1 OCI 32/RC-R1 OCI 27/RC-R1	0.02	0.3	102	<2	12	8	8
Group D	OCI 34/RC-R2 OCI 38/RC-R2 OCI 33/RC-R2 OCI 35/RC-R2	0.01	0.1	47	<2	15	8	3
Group E	OCI 47/RC-R3 OCI 48/RC-R3	0.03	1.8	68	<2	13	396	4

	OCI 54/RC-R3 OCI 53/RC-R3							
Group F	OCI 96/RC-R4 OCI 97/RC-R4 OCI 98/RC-R4 OCI 99/RC-R4 OCI 101/RC-R4 OCI 102/RC/R4	1.38	0.2	98	7	21	27	15
Group G	OCI 60/RC-SP7A OCI 9/3-SP7 OCI 10/1-SP6	0.85	0.4	45	<2	13	12	2
Group H	OCI 56/RC-SP3A OCI 55/1-SP3A OCI 13/RC-SP4 OCI 16/RC-SP4	18.5	3.8	903	149	182	39	39
Group I	OCI-NKO 3/RC OCI-NKO 6/RC OCI-NKO 9/RC OCI-NKO 12/RC	14.9	1.7	488	85	10	26	622
Group J	OCI 92/4-SBA OCI 74/2 SB	0.23	0.3	127	<2	19	6	18

Note : Intertek Laboratory

Channel Sampling

Channel sampling were carried out on the path to the tunnel which shows the location of a good Au grade indication based on the analysis of rock chip sampling which were taken earlier. Rock sampling were performed at a 1 meter apart sapce via takeng samples cut bedding or rock foliasion.

A total of 45 samples were gathered on the location of the channel sampling. Each collection point is labeled with a ribbon as a marking for later reference.

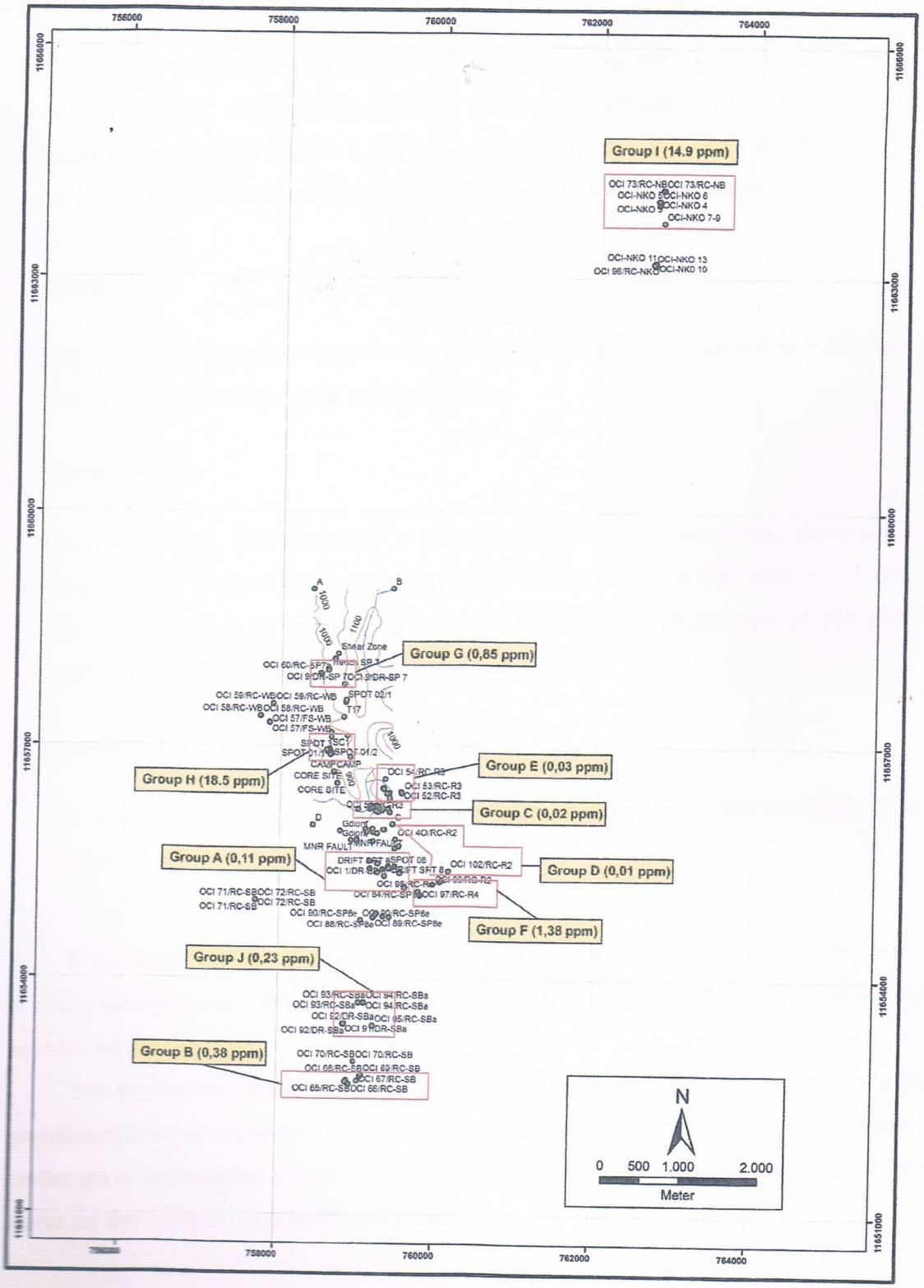

Figure 4. Result Analysis Map (Au)

3.3. Mineralization Locality do Its Potential

Analytical results obtained from the area showing the metal content, which is quite significant Au, which is the group F (1.38 ppm), group G (0.85 ppm), group H (18.5 ppm), group I (14.9 ppm). Based on the results of the analysis, which shows the location of mineralization can be divided into three zones, namely:

- **North Zone**

  The area of the mineralization is based on preliminary estimates that 1,871,566 (1.87 Ha) m^2 with Au levels are 14.9 ppm.

- **Central Zone**

  The area of the mineralization is based on preliminary estimates, there are two areas where the potential of first location with an area of 160,850 m^2 (0.16 Ha) with Au content is 0.85 ppm and the second location with an area of 358,258 m^2 (0.35 Ha) with Au Content is 1.,5 ppm.

- **South Zone**

  The area of the mineralization is based on preliminary estimates that 360,553 m^2 (0.36 Ha) with Au levels are: 1/38 ppm.

The result of the laboratory analysis conducted by mixing or incorporatif of multiple samples into certain groups, is eventually affect the calculation of the mineral reserve of the Au-gold.

The preliminary exploration conducted on the 3 km^2 area, indicated that a fairly significant level of Au-gold exist on the area. Out of three zone, only central zone has under go a exploitation stage. Therefore, it is recomended that a detail exploration is done on the nothern and southern zone.

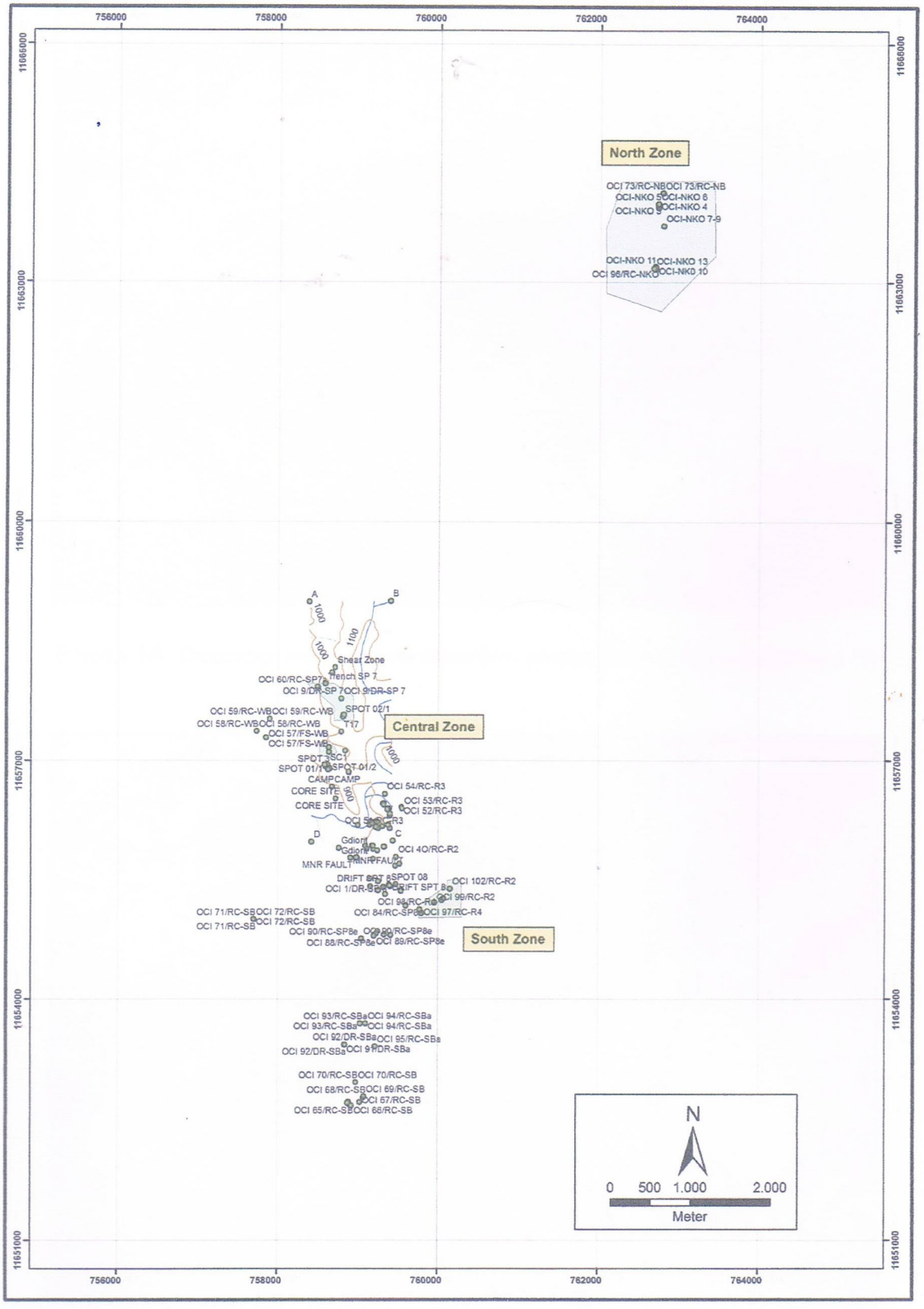

Figure 5. Prospect Mineralization Map

Photo 16. Outcrop view mineralization potential on Spot 3 (Group H)

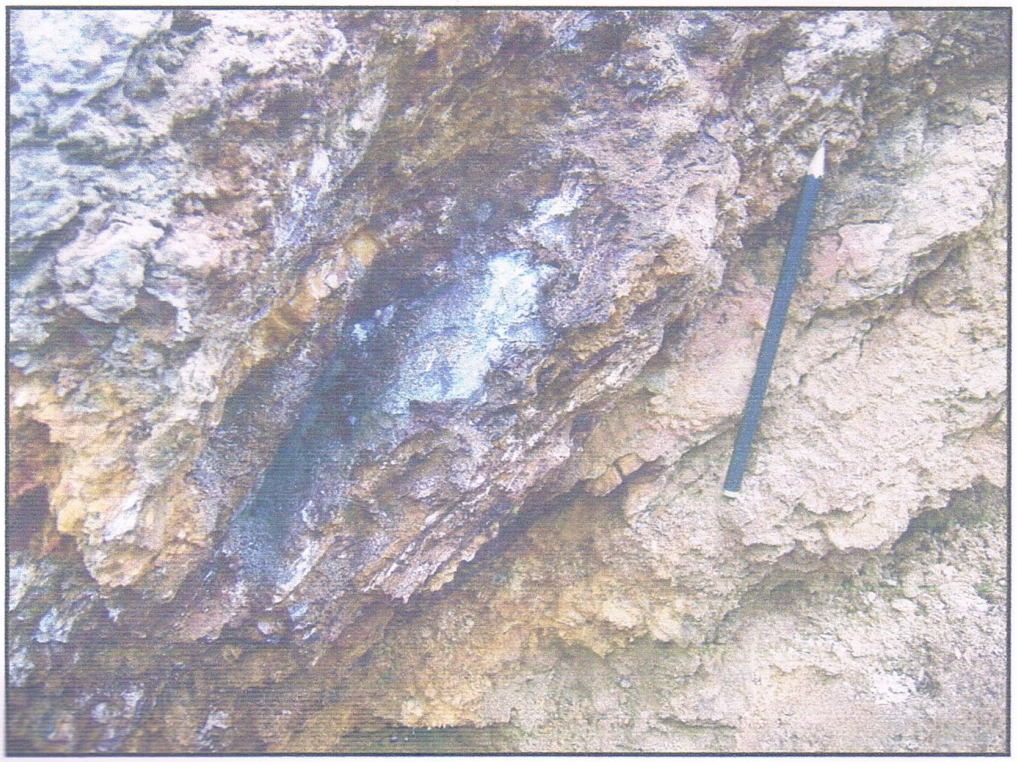

Photo 17. Outcrop view mineralization potential on Spot 4 (Group H)

Photo 18. Outcrop view mineralization potential on NKO (Group I)

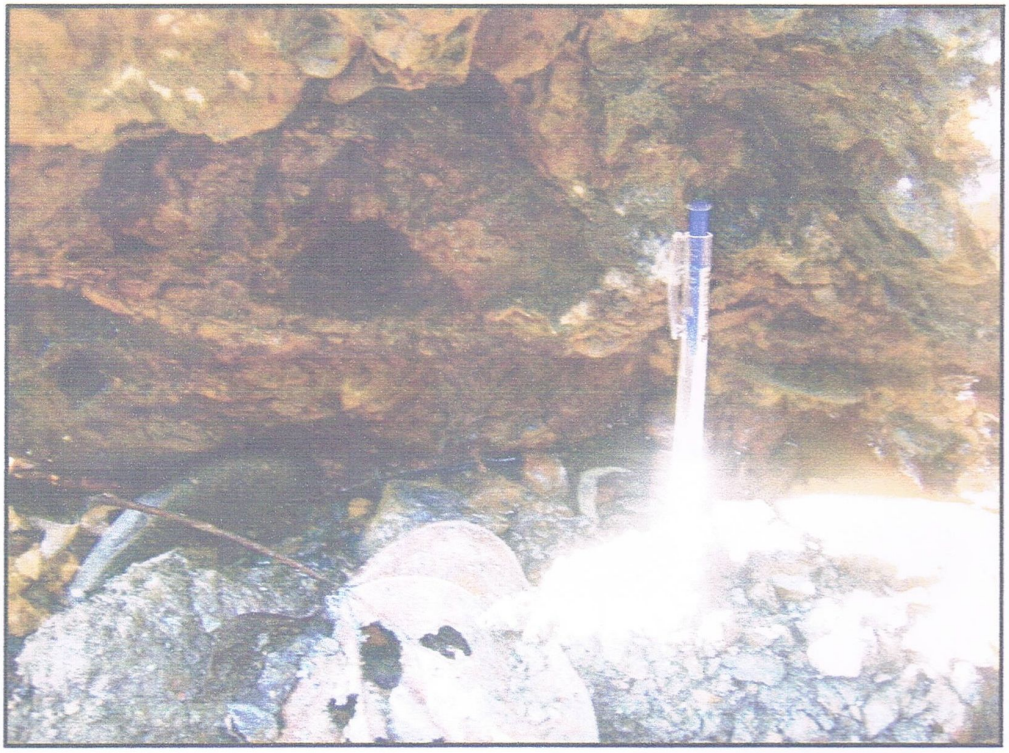

Photo 19. Outcrop view mineralization potential on River 4 (Group F)

3.4 Stages of Detail Exploration on North Zone and South Zone Area

Among the activities conducted during the detail exploration stage are :

- Detailed mapping on area prospect mineralization
- Detailed sampling (space 1 meter)
- Making Trenching
- Drill test planning

Photo 20. View Extraction of samples in detail and making trenching

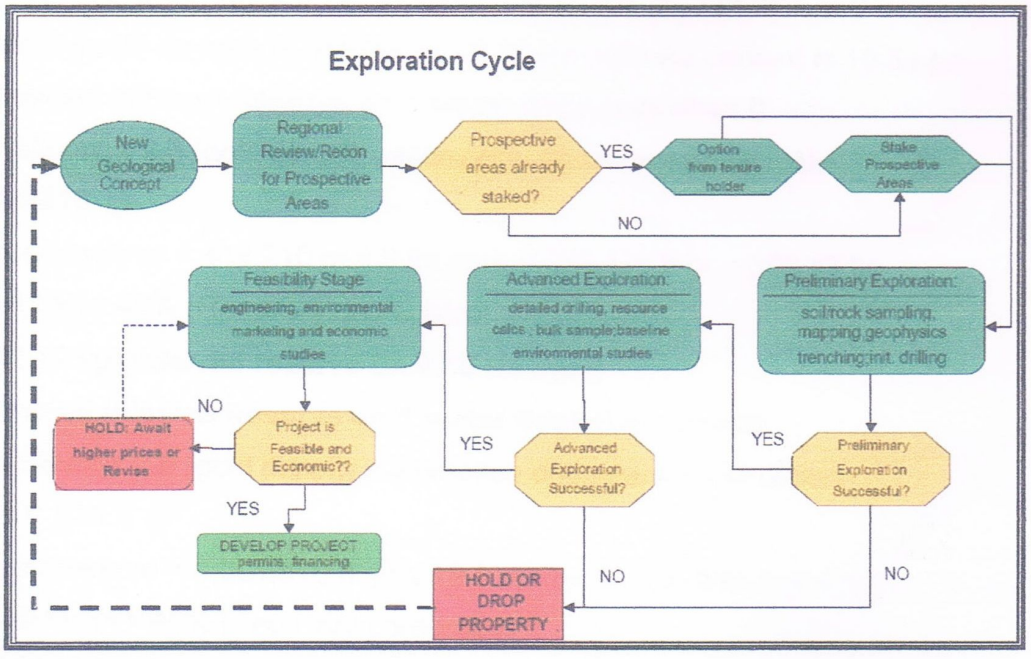

Figure 7. Flowchart of the exploration stage and systematically exploration methods