

CHAPTER IV

CONCLUSION AND RECOMENDATION

4.1 Conclusion

Based on field observations and laboratory analyzes combined with results obtained by three zones of Au mineralization indicates that significant levels, namely:

- North Zone

The area of the mineralization is based on preliminary estimates that 1,871,566 m² (1.87 Ha) with Au levels are 14.9 ppm.

Estimated Inferred Reserve on 1 meter thick

$$1,871,566 \times 2,6 \text{ (gold density assumption on metamorphic rocks)}$$

$$= 4,866,071.6 \text{ ton}$$

$$\text{Inferred reserve} = 4,866,071.6 \text{ ton} \times 14.9 \text{ ppm} = 72,504,457,9 \text{ gr} = 72,504.45 \text{ kg}$$

$$72,504.45 \text{ kg} \times 40\% \text{ (Recovery corecction)}$$

$$= \mathbf{29,001.78 \text{ kg (Inferred reserve on 1.87 Ha area)}}$$

- Central Zone

The area of the mineralization, there are two potential areas where the site of Location an area 160850 m² (0.16 Ha) with the Au content is 0.85 ppm and the location II with an area of 358258 m² (0.35 Ha) with Au content is 18.5 ppm.

Estimated Inferred Reserve on 1 meter thick (Location I)

$$160,850 \text{ m}^2 \times 2,6 \text{ (gold density assumption on metamorphic rocks)}$$

$$= 418,210 \text{ gr}$$

$$\text{Inferred reserve} = 418,210 \text{ gr} \times 0.85 \text{ ppm} = 355,478.5 \text{ gr} = 355.47 \text{ kg}$$

$$355.47 \text{ kg} \times 40\% \text{ (Recovery corecction)}$$

$$= \mathbf{142.19 \text{ kg (Inferred reserve on 0.16 Ha area)}}$$

Estimated Inferred Reserve on 1 meter thick (Location II)

$$358,258 \text{ m}^2 \times 2,6 \text{ (gold density assumption on metamorphic rocks)}$$

$$= 1,001,670.8 \text{ gr}$$

$$\text{Inferred reserve} = 1,001,670.8 \text{ gr} \times 18.5 \text{ ppm} = 18,530,909,8 \text{ gr} = 18,530.90 \text{ kg}$$

$$18,530.90 \text{ kg} \times 40\% \text{ (Recovery corecction)}$$

$$= \mathbf{7,412.36 \text{ kg (Inferred reserve on 0.35 Ha area)}}$$

- South Zone

The area of the mineralization is based on preliminary estimates that 360,553 m² with Au levels are 1.38 ppm.

Estimated Inferred Reserve on 1 meter thick

360,553 m² x 2.6 (gold density assumption on metamorphic rocks)

= 937,385.8 gr

Inferred reserve = 937,385.8 gr x 1.38 ppm = 1,293,592.40 gr = 1,293.53 kg

1,293.53 kg x 40% (Recovery corecction)

= **517.41 kg (Inferred reserve on 0.36 Ha area)**

4.2 Recommendation

It is recommended that a detail exploration consist of detail sampling and site laboratory be conducted and focus and area at Northern and Southern zone.

- Detail Sampling

Details of sampling carried out in detail the sampling zones that have the potential mineralization (Au) based on the results of laboratory analysis, in which sampling is done with spacing at least 1 meter. The results of analysis of samples taken will be the location of the pathways known mineralization (Au) so that its spread can be known and may be used as a reference in determining the future drill point. Pathways of mineralization and the thickness of the spread of rock that shows the potential for Au mineralization levels will be used in the calculation of measured reserves. Measured reserves of Au mineralization has sufficient accuracy for evaluation of potential mineralization, although it is required to do either drill planning and detail drilling.

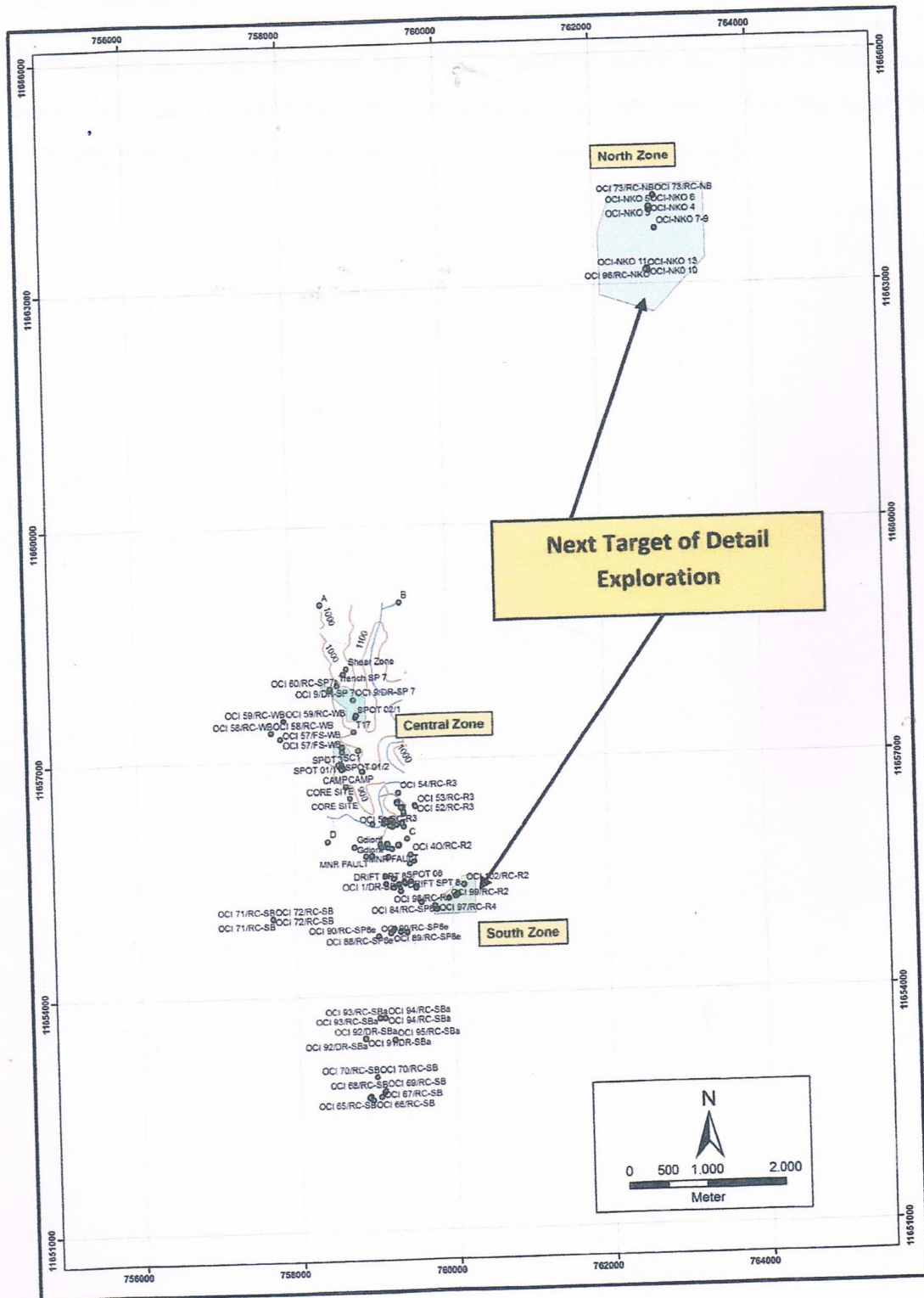
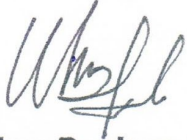


Figure 6. Target exploration detail

- Site Labotaratory

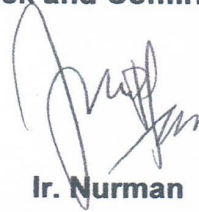
The existences of site laboratory is highly required during the Detail Exploration Stage. Its much needed in order expedite the analysis and allow the team to zoom regional and spread of gold for futher deposit detail zoning.

Prepared By :



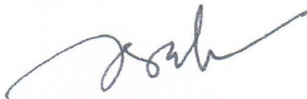
William Pradana Sollu, ST

Check and Confirm By :



Ir. Nurman

Approve By



Ir. Hamsah



Major (rtd) Ramlan



PT. KELANAJAYA INDONIAGA

Jl. Jend Sudirman, Komp Bppn Permai, Blok D3, No.56, Kel Damai,
76116, Balikpapan, East Kalimantan, Indonesia

Tel/Fax : +62542 731714

Email: kelanjaya_indo@yahoo.com
ramlan.ramly@gmail.com