

**VERIFICATION
OF DRILL CORE SAMPLING
MIWAH PROJECT, SUMATRA, INDONESIA**



Prepared by Mining Associates Pty Limited
for
East Asia Minerals Corporation

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EXECUTIVE SUMMARY

Mining Associates (“MA”) was commissioned by East Asia Minerals Corporation (“EAS”) to conduct independent sampling of EAS drill core at the Miwah Project in Sumatra. The main intent of the exercise was to confirm the general tenor of gold mineralization reported from exploratory diamond drilling by EAS at Miwah.

Tony Woodward of MA visited the Miwah prospect site in July 2010 and selected two mineralised intervals from each of the first 30 EAS drill holes drilled at Miwah. One-quarter core segments were cut under direct supervision of MA from each of the selected intervals. The 60 quarter core samples were dispatched to the ALS Minerals Division laboratory in Brisbane Australia for analysis for gold, silver and base metals using similar preparation and assay protocols to those used by Intertek Jakarta for the initial EAS half core assays. Standards and blank samples were also used in the ALS assay exercise.

Assay results from the 60 quarter-core samples taken by MA showed that gold values from ALS had a lower mean of 2.55 ppm Au compared to the mean of 3.03 ppm Au for the equivalent Intertek assays. The original Intertek assays of sampled half-core for the 60 samples ranged from 0.43 to 30.1 ppm Au. Gold values from ALS for the quarter-core sampling by MA ranged from 0.35 to 19.65 ppm Au. The average ALS silver value of the 60 samples of quarter core was 9.0 ppm Ag, compared to the mean of 10.2 ppm Ag for the equivalent Intertek assays of half-core samples.

The gold values reported by ALS for the three Certified Reference Material samples included by MA in the batch of quarter core samples were all less than the certified value. The gold values reported by ALS averaged 94% of the certified values. Results from assaying of the same Certified Reference Material submitted to Intertek Jakarta by EAS as part of the Miwah QA/QC procedures averaged 101% of the certified value.

Following receipt of the initial assays and recognition of possible low laboratory bias, discussions with ALS indicated they were aware of this bias and subsequently some 57 of the original 60 quarter core samples were re-assayed by ALS using a different analytical technique. Three samples were not re-assayed due to insufficient sample material.

Re-assaying by ALS of 57 of these quarter core samples confirmed that the ALS method initially used had a low analytical bias. Using an ore grade ALS fire assay method, the average gold value of the 57 samples of quarter core re-assayed was 2.27 ppm Au compared to an average grade of 2.02 ppm Au for the samples assayed using an ALS Fire Assay/ICP Method. The original half core assaying by a Fire Assay/ICP method at Intertek Jakarta averaged 2.43 ppm Au for the equivalent 57 core intervals.

Comparison of Average Gold Re-Assays				
Laboratory	# samples	Sample	Assay Method	Average ppm Au
Intertek Jakarta	57	Half Core	Fire Assay-ICP-AES finish	2.43
ALS Perth	57	Quarter Core Re-Assay	Fire Assay-AA finish	2.27
ALS Perth	57	Quarter Core	Fire Assay-ICP-AES finish	2.02

On a sample by sample comparison, only 1 quarter core sample out of the total 60 was considered a failure, being outside 3 standard deviations of the whole data set. This sample (original half core 4.41g/t, quarter core 13.60g/t) when re-assayed returned 10.35g/t by screen fire assay, which is within the quality control range. Re-plotting the differences between the gold assays for half core and re-assayed quarter core showed that in none of the 57 sample assays was the difference between half and quarter core assays outside 3 standard deviations of the mean.

Two samples of drill core which were reported by EAS as having higher than average values of 4.31 ppm Au and 30.10 ppm Au returned respective ALS values of 13.60 ppm Au and 19.65 ppm Au from the quarter core sampling of the same intervals. The variation in grades indicated that the gold mineralization at Miwah may in part contain coarse gold grains which may have produced a nugget

effect. This was examined with the screen fire assaying of 5 of the higher grade quarter core samples. The results suggested that the gold mineralization in the selected samples did not contain enough coarse gold grains to produce a nugget effect as the +75 micron fraction only contained 0.15% to 1.20% of the total gold in the samples.

The vuggy silica nature of the mineralized zone with a barren silica framework containing iron oxides in the vugs may also produce a sampling issue. It is possible that washing/flushing of oxides (with contained gold) from porous core will occur during the drilling and core cutting process. This washing effect would increase with the additional cutting required to take half core down to quarter core.

1.1. Conclusions

1. The core sampling, analytical and QAQC protocols used by EAS at Miwah are in line with industry practice and are considered by MA to be in-line with international best practise.
2. The sampling by MA returned gold values of similar tenor to the values previously reported by EAS and confirmed the presence of a well mineralised gold and silver system at Miwah. MA is confident, following the site visit and the results of its sampling that the general range of gold and silver values reported by EAS are representative of the values that can be expected from the Miwah deposit.
3. The gold values returned from sampling of quarter core at the Miwah gold prospect confirm MA's conclusion that gold values from sampling of quarter core at the Miwah gold prospect correspond well with those previously reported by EAS from half-core sampling of the equivalent intervals but with slightly lower average values.
4. MA considers that the variation in assay results between the original half core and quarter core sets of assay results is not significant and can be attributed to one or a combination of the following: (a) laboratory bias, (b) sample size (nugget effect) and (c) sampling bias (washing effect associated with cutting down to quarter core).
5. The initial quarter core assays and the assaying of the Certified Reference Material suggested that the ALS laboratory results were showing a low bias. Re-assaying by ALS of the quarter core samples confirmed that the initial analytical method used by ALS had a low analytical bias. The repeat assays returned higher gold values than the initial quarter core assays with the mean gold value slightly less (6.5%) than the mean gold value for the assays by Intertek on half-core samples collected by EAS from the equivalent intervals.
6. The screen fire assay results suggest that the gold mineralization in the selected samples does not contain enough coarse gold grains to produce a nugget effect. The variation in gold values between the half core assays and the quarter core samples suggests that half core samples may be more representative than smaller quarter core samples or washing effects have occurred during core cutting of the smaller diameter drill core.

1.2. Recommendations

1. In order to determine if the slightly lower values from the duplicate core samples are related to washing effects, MA recommends that this be evaluated with a limited program of large diameter core drilling, use of polymer drill mud and wrapping of core prior to cutting.
2. MA recommends that a limited number of core holes be used for half core duplicates.

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INTRODUCTION

1.3. Nature of the Brief

Mining Associates (“MA”) was commissioned by East Asia Minerals Corporation (“EAS”) to conduct independent quarter core sampling of EAS drill core at the Miwah Project in Sumatra and arrange for assaying of the samples in Australia, with a follow-up review of the results. The main intent of the sampling is to confirm the general range of gold values reported from exploratory diamond drilling by EAS at Miwah.

Tony Woodward, Principal Consultant for Mining Associates, visited the Miwah property between 17 July and 19 July to carry out the required drill core sampling program.

1.4. Scope of Work

The scope of work consisted of:

- Visit to Miwah prospect site
- Review current core sampling procedures and assay protocols
- Select two mineralised samples from each of the first 30 EAS drill holes drilled at Miwah (total 60 samples)
- Collect one-quarter core segment from each sample
- Carry one-quarter cores to Australia (or arrange shipment thereof) to ALS laboratory in Brisbane (or other nominated independent laboratory)
- Arrange analysis for gold using similar preparations and assay protocols as those used by EAS
- Review and report on assay results against EAS results and discuss any variance
- Memorandum with comparison of assay results

1.5. Limitations

The opinions expressed in this report have been based on information supplied to MA by EAS, its associates and their staff. MA has exercised all due care in reviewing the supplied information. MA has relied on this information and has no reason to believe that any material facts have been withheld, or that a more detailed analysis may reveal additional material information. MA does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them.

PROPERTY DESCRIPTION & LOCATION

1.6. Property Details

The Miwah project comprises three contiguous east-west trending blocks (Figure1) covering an area of approximately 30,000 ha in the Regency of Aceh Pidie, Sumatera, Indonesia. EAS have a 95% interest in the tenements.

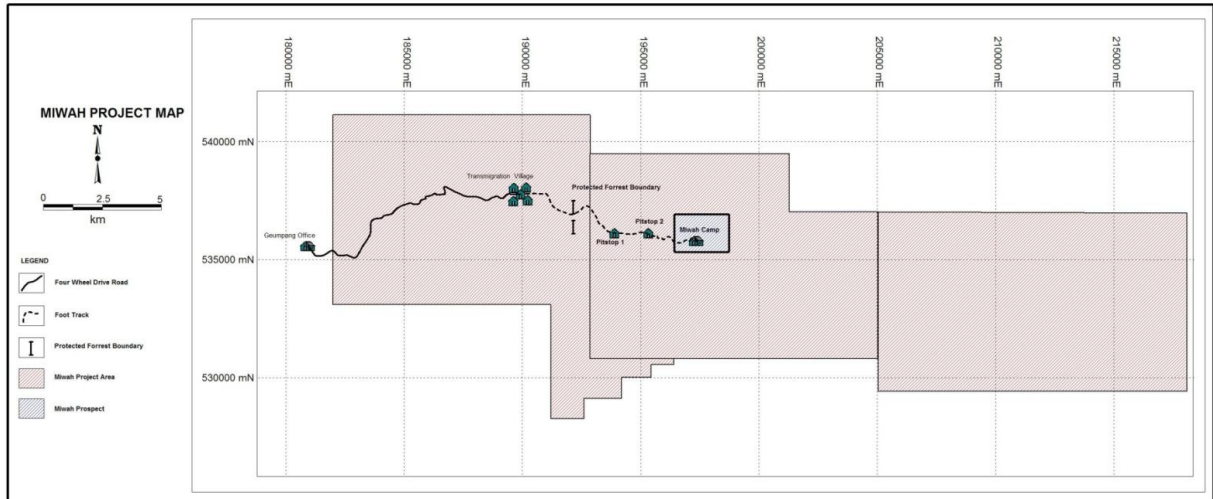


Figure 1: Miwah Project Tenements

Source: EAS, 2009

KP Number	Date Granted	Comments
KP 06NOP002	29 Nov 2006	Converted to IUP in November 2009
KP 06NOP00030	29 Nov 2006	Converted to IUP in November 2009
KP 06NOP00030	29 Nov 2006	Converted to IUP in November 2009

1.7. Location & Access

The Miwah project area is located between 197200mE–198650mE and 535400mN–536800mN UTM (WGS84 47N) approximately 150 km south southeast of Banda Aceh (Figure 2) in the Barisan Mountain range.

The topography is steep and rugged at an elevation ranging from 1500–2000 metres above sea level, and mostly covered by rain forest and tropical vegetation.

The Miwah project can be accessed from the village of Geumpang by an 8km 4WD track and a 9km walking track or alternatively by helicopter direct to the project site.



Figure 2: Regional Location Map
 Source: Royle, 2009

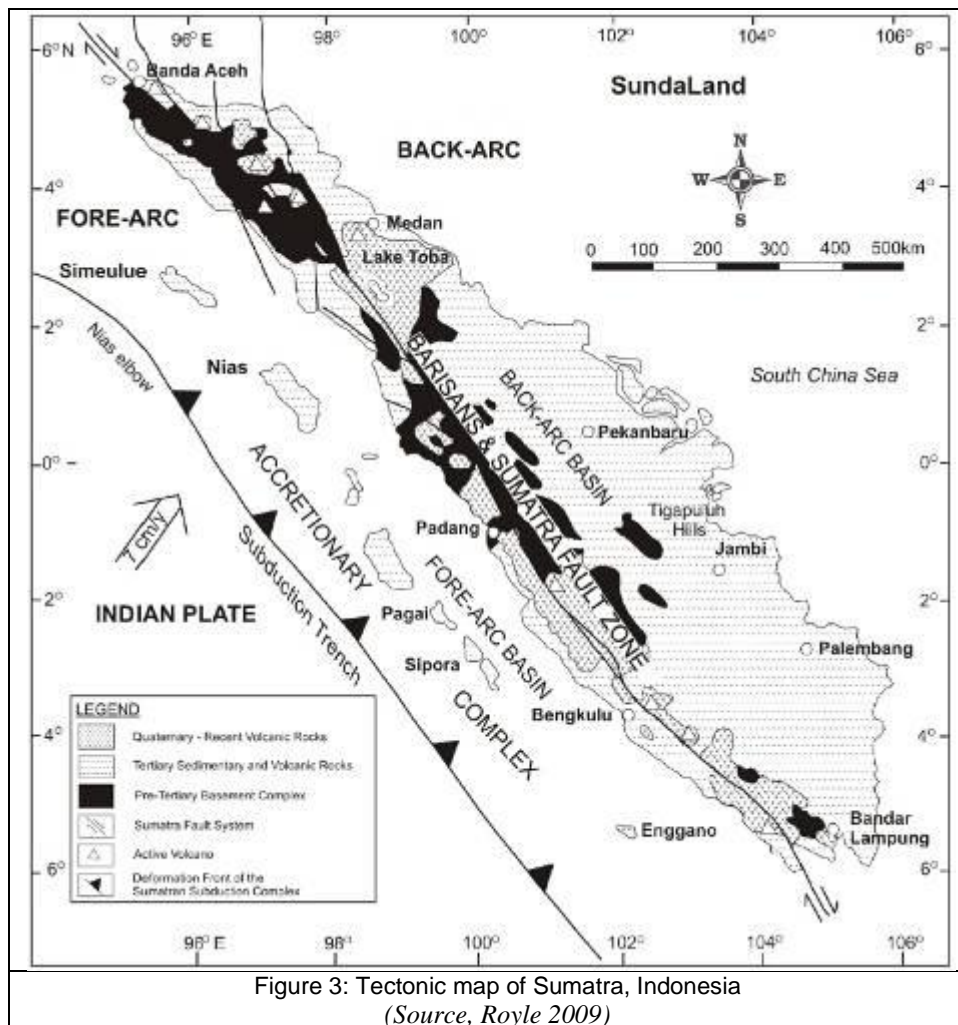
GEOLOGICAL SETTING

1.8. Regional Geology and Mineralization

Sumatra forms the southwestern margin of Sundaland, which is an extension of the Eurasian continental plate. Sumatra is considered to be composed of fragments of continental plates and volcanic arcs which were derived from the breakup of Gondwanaland during the Late Palaeozoic and Mesozoic.

The Permo-Carboniferous Sundaland continental basement rocks that are interpreted to underlie much of Sumatra are distributed mostly in northern and western central Sumatra and sporadically and less abundantly in southern Sumatra (Figure 3).

In northern Sumatra, where the Miwah project is located, these basement rocks comprise argillites, sandstone, quartzite and limestone of the Tapanuli and Peusangan Groups. Overlying these rocks are sub aerial to oceanic arc assemblages known as the Woyla Group, which were either accreted to, or emplaced onto the proto Sundaland southern margin during the Mesozoic. Following periods of up-lifting and partial erosion of the basement rocks the region underwent sedimentation on both sides of the Barisan Mountains from the Tertiary onward (Royle, 2009).



Mineral occurrences within Sumatra appear to be associated with at least three (3) magmatic arcs – the middle to late Cretaceous Sumatra-Meratus arc in the centre; the Neogene Sunda-Banda arc along the western coastal range of Sumatra; and the arcuate Neogene Aceh arc present only in northeastern Sumatra (Figure 4).

The Neogene Sunda-Banda arc comprises basaltic-andesitic lava flows and small shallow intrusions. Mineralization within this arc includes the Martabe high sulphidation gold deposit, and the Krueh, Lebong Tandai and other polymetallic deposits hosted in volcano-plutonic centres.

The Neogene Aceh arc, located exclusively in north Sumatra, hosts the Miwah high-sulphidation epithermal gold mineralization and other epithermal and porphyry copper-gold occurrences at Butung, Tangse, Pisang Mas, Sable, Woyla, Abong, Takengon, and Barisan (Royle, 2009).

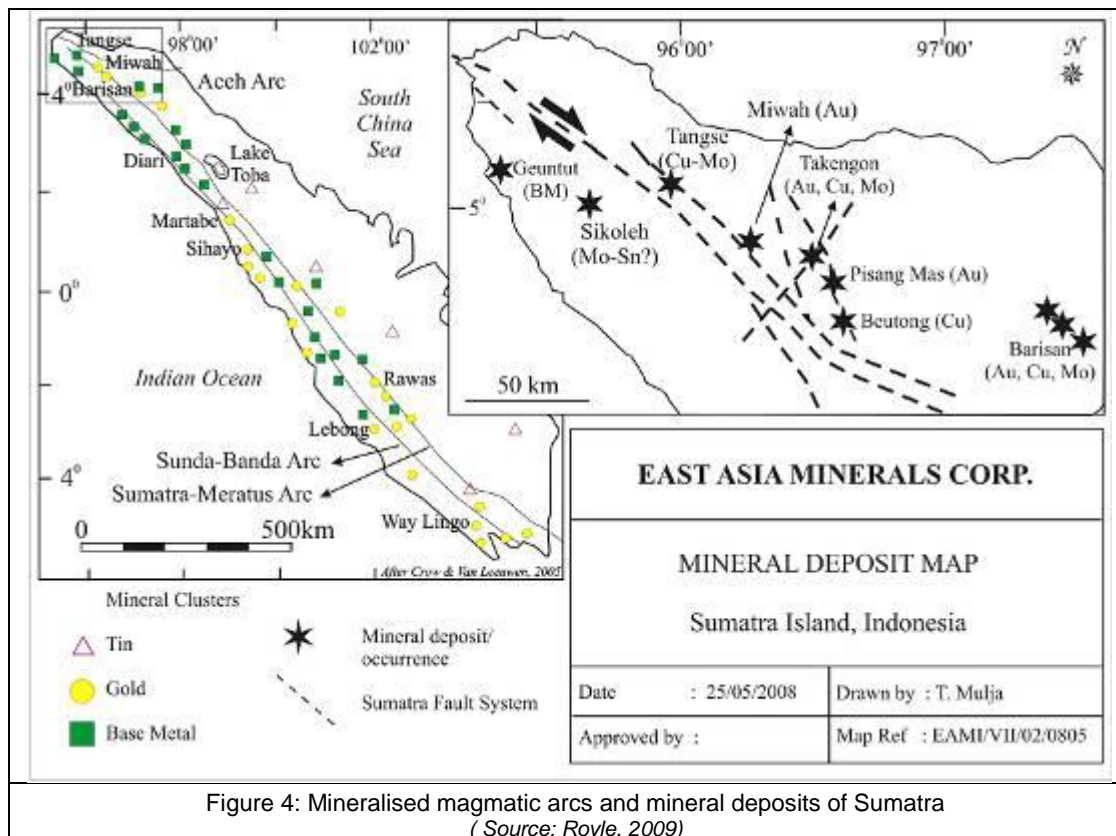


Figure 4: Mineralised magmatic arcs and mineral deposits of Sumatra
(Source: Royle, 2009)

1.9. Local Geology

The Miwah gold deposit is hosted in a sequence of Plio-Pleistocene andesitic volcanic rocks located on the southern flank of the Sague Volcanic Centre. It is proximal to an arc normal fault (070°) splay that forms part of the Great Sumatran Fault complex. Episodic fault activity related to wrench tectonics has been responsible for pulses of high level magmatism and development of the phreatic breccias, flow dome complexes, hydrothermal alteration and gold mineralization observed in the area.

Intense and pervasive hydrothermal alteration has destroyed most rock textures so rock identification is a challenge. The principal host rocks are phreatomagmatic diatreme breccia and/or possible volcanic breccias at Miwah Bluff and gently dipping andesite tuff, volcanic breccia and lava further to the north-east at Block M. The andesitic volcanics have been intruded by narrow hydrothermal breccias, andesite and dacite flow domes and numerous late-stage highly magnetic hornblende-andesite porphyry dykes.

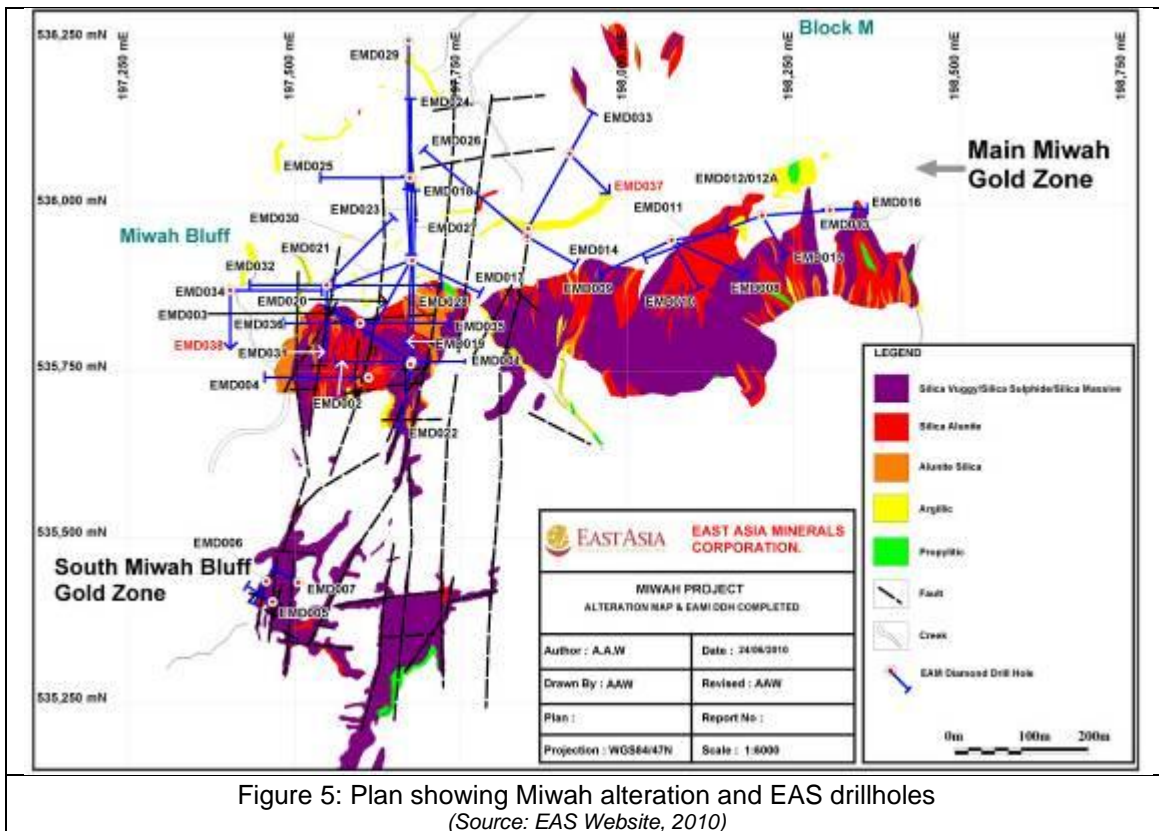
2. MINERALIZATION

2.1. Miwah Prospect

Gold mineralization at Miwah is closely related to a well defined tabular body of residual vuggy silica-sulphide, which forms a resistant east-northeast trending ridge with a near-vertical cliff wall on the southern side (cover photo). The mineralization at the Miwah Main Zone has been traced for 1200m along strike and is 300m to 400m wide with up to 200m vertical thickness. The South Miwah Bluff Zone is immediately adjacent to and contiguous with the Main Zone and has been mapped over 650m strike and is up to 300m wide.

Extensive surface channel sampling and diamond drilling by EAS and previous explorers has shown that mineralization at Miwah occurs within a zone of high sulphidation alteration. This alteration is both structurally and lithologically controlled forming a semi-continuous, broadly east-northeast trending sub-horizontal zone. The vuggy residual silica, massive silica and silica-sulphide alteration is bordered

outwards and at depth by advanced argillic alteration which forms a broad halo up to several kilometres around the entire Miwah mineralised system grading outwards to regional propylite alteration (Figure 5).



The Miwah Main Zone gold mineralization has been interpreted as a shallow laterally extensive sub-horizontal layer in the upper levels of a large mineralized system. The advanced argillic alteration terminates abruptly several hundreds of metres below the topographic ridge, generally as minor silica-sulphide structures. Initial scout drilling at South Miwah Bluff has confirmed the geological model of a mineralized vertical diatreme breccia feeder zone that cuts through the Main Zone.

Primary mineralization is dominated by patches of >20% disseminated fine grained pyrite and minor arsenopyrite mostly in vuggy silica and silica-alunite alteration facies. Peripheral argillic altered rocks contain <5% pyrite. Hypogene copper mineralization consists mainly of fine grained crystalline enargite, luzonite, covellite and rare chalcocite. Copper sulphides and sulfosalts are associated with higher gold values.

Supergene mineralization is erratically developed with a mixed transitional zone of oxide and sulphide as patches in upper levels and mostly unoxidised sulphides at lower elevations.

2.2. Geological Model

Miwah demonstrates many of the features of the shallow part of a high-level high sulphidation epithermal gold system (<500m depth) including intense acid leaching, strong structural and lithological permeability controls to fracture fed mineralising fluids, presence of structurally-controlled hydrothermal and phreatic breccias, disseminated mineralization with Au-Ag >> Cu, and the elemental association of As, Sb, Bi, Ba, S and Te. Miwah has a similar volcanic setting of volcanic domes or dome complexes to many other high sulphidation deposits. It has a very similar volcanic setting, with an alteration halo of comparable size, to the Martabe gold-silver deposit which are a current resource of 137M tonnes at 1.5 g/t gold (6.5M ozs) and 15 g/t silver (66M ozs).

3. EXPLORATION

3.1. Exploration Work

From 1995 to 1997 PT Miwah Tambang Emas conducted exploration activities at Miwah including geological mapping, drainage sampling, trenching, extensive rock sampling and 2,400 line km of airborne magnetic and radiometric surveys. Extensive surface sampling and mapping and gold geochemical anomalies provided the basis for approximately 3,100 metres (12 holes) of diamond drilling. This drilling partially defined the prospect intersecting significant alteration and gold mineralization.

Since 2008 EAS has undertaken geological mapping, reprocessing of the historical high-resolution regional aeromagnetic and radiometric data, and carried out extensive rock saw channel sampling along cliff exposures in the Miwah Bluff, Block M and Moon River areas.

Diamond drilling commenced in June 2009 to verify the strike and grade of the shallow but laterally extensive gold-bearing silica zone exposed along the Miwah ridge. At the end of June 2010 a total of 36 diamond drill holes of a planned 45 hole program had been completed (33 holes into the Miwah Main Zone and 3 holes into the South Miwah Bluff Zone). Drilling is continuing to gather the information required to complete an initial NI43-101 resource estimate for the Miwah Main Zone.

3.2. Results

EAS has taken almost 2,500 metres of rock sawn channel samples from the Miwah gold zones with an average grade of 2.35 g/t gold.

As at June 2009 EAS has drill validated the 1.2 kilometre east-west length of the main Miwah gold-bearing zone, and has encountered gold mineralization in all of the 33 holes. The Main Zone remains open in all directions.

The South Miwah Bluff Gold Zone is immediately adjacent to and contiguous with the Main Gold Zone. Geological mapping has outlined an area of an area of 650 by 300 metres and initial scout drilling (Holes EMD005 to 007) has confirmed the geological model of a gold mineralized diatreme breccia feeder.

Table 2: Miwah Drill Hole Summary EMD001 to EMD030

Drill Hole	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
EMD001	10.9	68	57.1	1.97	11.9
EMD002	8.3	166.3	158	1.71	8.67
EMD003	9.1	152	142.9	2.25	18.54
EMD004	4.6	69	64.4	1.37	9.05
EMD005	2.6	24	21.4	3.36	5.08
EMD006	8.2	28.5	20.3	5.38	21.18
EMD007	4.8	16.2	11.4	0.85	2.33
EMD008	85	185	100	2.11	5.18
EMD009	86	174	88	1.16	2.76
EMD010	83	199.9	116.9	1.42	2.48
EMD011	93	200.3	107.3	1.05	6.3
EMD012A	32.8	216.3	183.5	1.28	6.62
EMD013	46.3	200	153.7	1	1.7
EMD014	76	177	101	1.38	3.51
EMD015	26.8	159.7	132.9	1.01	3.57
EMD016	23	132	109	0.59	1.05
EMD017	51.5	72	20.5	1.36	1.24
EMD018	39	155	116	2.18	17.73
	239	263	24	1.68	9.1
EMD019	82	163	81	4.08	11.53
EMD020	77.3	185.5	108.2	2.12	9.39
EMD021	43	200	157	1.36	5.12
EMD022	6.9	55	48.1	3.55	14.12
	174.5	205	30.5	0.33	3.14
EMD023	83.5	173.5	90	1.32	3.37

Table 2: Miwah Drill Hole Summary EMD001 to EMD030

Drill Hole	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
EMD024	98	209	111	3.96	4.61
EMD025	86	93	7	1.15	1.5
	123.5	132	8.5	1.26	2.13
	147.5	151.4	3.9	1.64	3.21
	180	189.5	9.5	1.09	6.06
EMD026	107	266	159	1.01	2.8
	296	354.7	58.7	0.31	1.84
EMD027	29	176	147	0.62	2.43
EMD028	55.5	141	85.5	1.71	7.73
EMD029	110	213.5	103.5	1.07	2.34
EMD030	51	86.3	35.3	1.07	7.94
	122	151.5	29.5	0.39	1.43

EAST ASIA MINERALS DRILL CORE SAMPLING

3.3. Sampling Procedure

Mineralised drill core is generally sampled over 1 metre lengths unless major changes in mineralization or lithology occur. Selected core is cut in half using a diamond core saw and half the split core is sent for assaying. The half core sent for assay is placed in a calico sample bag with an EAS numbered tag. Sacks containing the cut samples are carried by porter to the EAS base at Geumpang and then taken by company vehicle to the Intertek sample preparation facility in Medan.

EAS has in place a quality assurance/quality control (QA/QC) program involving the routine analysis of blank samples, certified reference materials (“CRM”), and inter-laboratory check analysis during the drilling program. Standards including blanks are inserted into sample batches at the rate of 1 for every 20 normal samples. CRMs purchased from Geostats Pty Ltd in Australia are included in every batch of samples to test the accuracy and precision of the analysis. Blank samples sourced locally are inserted to detect any contamination during sample preparation.

3.4. Sample Preparation

All drill core samples underwent sample preparation at the Intertek Utama Services sample preparation facility in Medan which is part of the worldwide Intertek Group. The samples are crushed to -2 mm before being split to an approximate 1.5 kg sample, which is pulverised to minus 200 mesh and then split to a 250 gram sample which is forwarded to the Intertek laboratory in Jakarta for analysis. A flow chart of the sample preparation procedure at Intertek is shown in Figure 8.

3.5. Sample Analysis

At the Intertek laboratory in Jakarta gold is determined on 50g samples of pulverized material using inductively coupled plasma-atomic emission spectroscopy (ICP-AES) with analysis by fire assay methods (Intertek method code: FA 50). Detection limits range from 0.001 to 10 g/t Au. Gold assays greater than 10 g/t are re-analysed with 50g fire assay plus gravimetric finish with a detection limit to 1,000 g/t Au.

Base metals and other elements are determined with an aqua regia acid digestion and ICP-AES (the 34-element package). Detection limits for the main elements are: Ag 0.2 ppm; Cu 1 ppm; Pb 2 ppm; Zn 1 ppm; As 5 ppm; Sb 5 ppm.

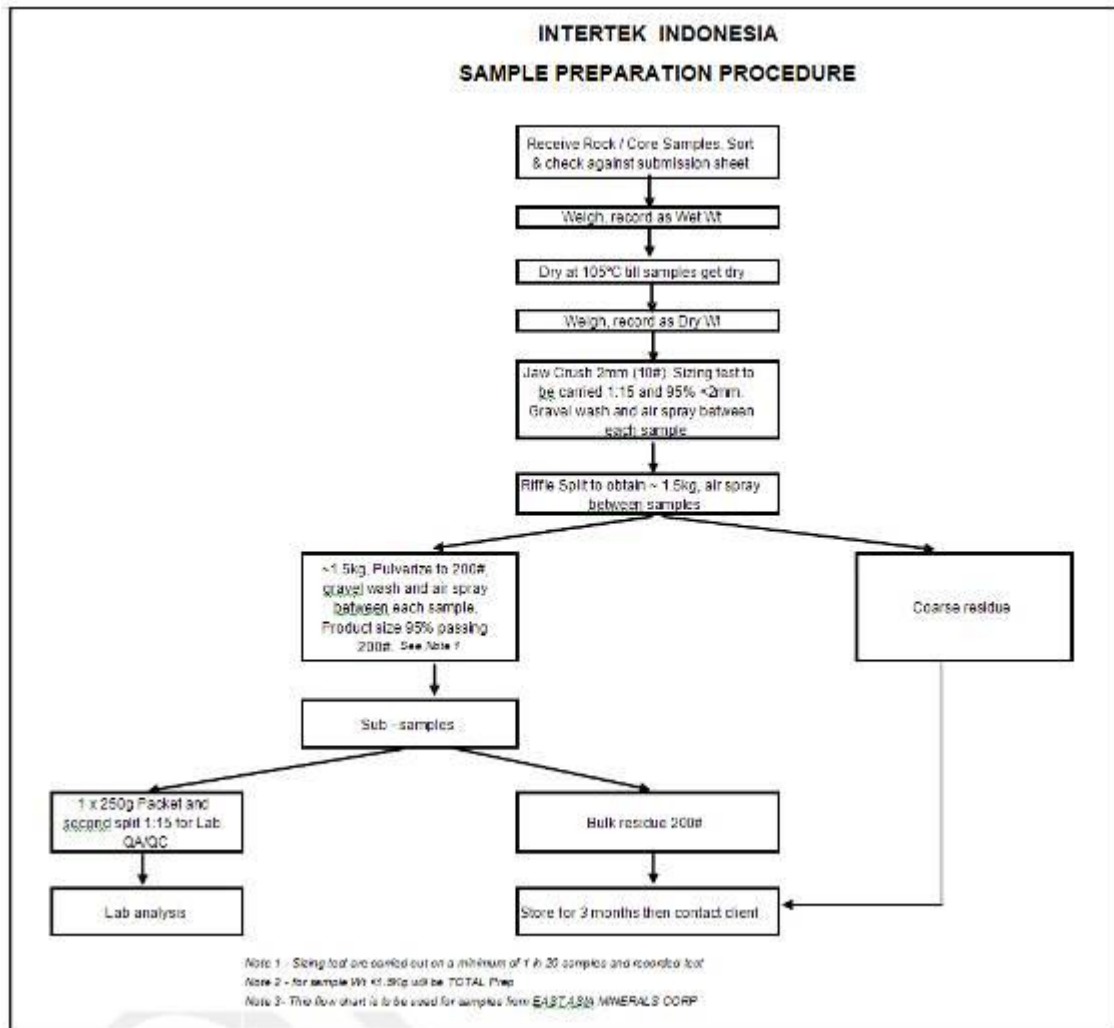


Figure 6: Flow Chart for Intertek Sample Preparation Procedure
(Source: EAS, 2010)

DATA VERIFICATION BY MINING ASSOCIATES

3.6. *Drill Core Sampling*

Tony Woodward of MA visited the Miwah prospect site in July 2010 and selected two mineralised intervals from each of the first 30 EAS drill holes drilled at Miwah. The 60 quarter core samples were dispatched to the ALS Minerals Division laboratory in Australia for analysis for gold and base metals using similar preparation and assay protocols to those used by Intertek Jakarta for the initial EAS half core assays.

The site visit entailed:

- Overview of geology of the Miwah Project (presented by EAS geologists, Kurniawan and Victor Werror)
- Review of core cutting and sample collection procedures and sample transportation
- Review of QA/QC program and assay lab procedures used by EAS at Miwah.
- Review of drill core sampling results and core logging sheets from holes EMD01 to EMD30 drilled by EAS at Miwah
- Selection of two mineralised intervals at each of the thirty holes (EMD01 to EMD30)
- None of the drill hole collar locations were visited but drilling activity was witnessed during an aerial reconnaissance of the Miwah bluff

Following selection of the mineralised intervals the drill core sections were located and the boxes laid out for display. The selected half core intervals were cut with a diamond saw and the right hand side of the quartered core sampled under supervision. The quarter core was immediately placed in plastic bags containing a numbered sample tag and the plastic bag placed in a numbered calico bag which was tied and a tamperproof seal inserted. Samples weighed from 0.50 kg to 2.01 kg depending upon core size and core recovery. Every 20 samples a Certified Reference Material ("CRM") or a blank sample, both supplied by EAS, were inserted into the batch. The CRMs were purchased by EAS from Geostats Pty Ltd in Australia and the blank sample was sourced from the local Geumpang area.

The 60 bagged samples of core plus the 3 standards and 3 blanks were placed in one of four FedEx cardboard air freight boxes which were then sealed in view of the author. Because of payload limitations with the helicopter the sampled core was flown to the EAS base at Geumpang on 18 July and the samples were then sent to Medan overnight in an EAS vehicle under police escort. Tony Woodward, with the help of EAS personnel, delivered the samples to the FedEx offices in Medan on 19 July for dispatch by air freight to the ALS sample preparation facility at Virginia in Brisbane, Australia. The author was present at the ALS sample preparation facility on 23 July when the seals on the FedEx boxes were broken prior to ALS commencing work.

3.7. *Drill Core Sample Preparation and Analysis*

ALS was requested by MA to use similar sample preparation and analytical methods to those used originally by Intertek in Indonesia.

The ALS Minerals Division in Brisbane crushed the core samples to >70% -6mm using a jaw crusher (ALS Code CRU-21) and then pulverised the sample in a bowl pulveriser (ALS Code PUL-23) to 85% passing 75 microns. Two of the pulverised samples were checked for quality and found to be 95% and 96% passing 75 microns. Crushers and pulverisers were gravel washed after every sample (ALS Codes WSH-21 and WSH-22).

The samples were analysed for gold by 50g Fire Assay with an ICP-AES finish (ALS Code Au-ICP22; detection level 0.001 ppm). Gold assays greater than 10 ppm Au were re-analysed with a 50g Fire Assay plus an AAS finish (detection level 0.01 to 100 ppm Au). Analysis for a suite of 35 other elements

was determined by Aqua Regia digestion and ICP-AES (ALS Code ME-ICP41). Detection limits for the main metals of interest were: Ag 0.2 ppm; Cu 1 ppm; Pb 2 ppm; Zn 2 ppm; As 2 ppm; Sb 2 ppm.

3.8. Initial Quarter Core Sampling Results

The comparative results for gold and silver are shown in Table 3.

Table 3: Comparative results of original EAS sampling and MA sampling								
HOLE ID	FROM	TO	EAS Sample ID	Au ppm	Ag ppm	MA Sample ID	Au ppm	Ag ppm
			Half core	EAS	EAS	Quarter core	MA	MA
EMD001	19.00	20.00	5004516	2.98	12.6	5013901	2.85	16.3
EMD001	29.00	30.00	5004527	1.85	8.2	5013902	1.53	7.1
EMD002	53.00	54.00	5004663	1.09	5.6	5013903	1.14	4.2
EMD002	131.00	132.00	5004734	1.06	2.3	5013904	0.98	2.2
EMD003	44.00	45.00	5004825	4.83	39.8	5013905	3.76	29.2
EMD003	74.00	75.00	5004858	0.60	3.6	5013906	0.60	2.9
EMD004	35.00	36.00	5004997	2.05	40.5	5013907	1.30	37.3
EMD004	40.00	41.00	5005003	1.48	6.6	5013908	0.76	5.7
EMD005	12.00	13.00	5005093	3.64	4.4	5013909	2.63	2.6
EMD005	22.00	23.00	5005104	2.47	5.6	5013911	0.76	7.8
EMD006	22.00	23.00	5005136	4.31	58.1	5013912	13.60	47.4
EMD006	25.00	26.00	5005139	2.17	13.4	5013913	2.24	10.2
EMD007	4.80	5.40	5005157	2.33	2.1	5013914	2.07	3
EMD007	14.20	15.20	5005165	0.65	0.9	5013915	0.41	0.7
EMD008	94.00	95.00	5005281	6.03	2.2	5013916	6.26	1.8
EMD008	121.00	122.00	5005308	0.90	4.8	5013917	1.02	4.3
EMD009	92.00	93.00	5005461	4.56	4.6	5013918	2.74	1.2
EMD009	131.00	132.00	5005504	0.70	1.5	5013919	0.61	1.5
EMD010	150.00	151.00	5005704	1.24	13.3	5013921	1.15	8.3
EMD010	172.00	173.00	5005728	1.91	12.2	5013922	1.70	16.3
EMD011	127.00	128.00	5005855	2.10	12.5	5013923	2.00	16.7
EMD011	131.00	132.00	5005859	3.79	8.1	5013924	3.47	5.9
EMD012A	51.00	52.00	5005997	4.26	10.9	5013925	3.79	7.5
EMD012A	87.00	88.00	5006037	1.54	9.2	5013926	1.36	8.9
EMD013	88.00	89.00	5006244	1.18	2.8	5013927	0.89	1.7
EMD013	151.00	152.00	5006312	2.17	1.0	5013928	1.39	0.7
EMD014	117.00	118.00	5006449	3.16	0.9	5013929	3.05	0.6
EMD014	136.00	137.00	5006467	1.84	2.8	5013931	1.79	2.1
EMD015	68.00	69.00	5006586	0.60	3.2	5013932	0.54	3.6
EMD015	154.00	155.00	5006656	0.76	1.3	5013933	0.70	1.1
EMD016	62.00	63.00	5006748	1.04	2.4	5013934	0.58	1.3
EMD016	104.00	105.00	5006792	0.82	0.5	5013935	0.75	0.4
EMD017	55.00	56.00	5006895	1.34	1.2	5013936	1.50	1.1
EMD017	71.00	72.00	5006913	0.43	<0.5	5013937	0.35	<0.2
EMD018	67.00	68.00	5008053	2.31	5.6	5013938	2.00	5.3
EMD018	128.00	129.00	5008121	2.51	9.8	5013939	2.11	6.5
EMD019	93.00	94.00	5007053	30.10	6.5	5013941	19.65	4.8
EMD019	100.00	101.00	5007061	10.40	2.7	5013942	7.69	2
EMD020	118.00	119.00	5007254	6.34	78.8	5013943	5.60	67
EMD020	154.00	155.00	5007294	2.89	25.0	5013944	2.05	22.7

Table 3: Comparative results of original EAS sampling and MA sampling

HOLE ID	FROM	TO	EAS Sample ID	Au ppm	Ag ppm	MA Sample ID	Au ppm	Ag ppm
			Half core	EAS	EAS	Quarter core	MA	MA
EMD021	73.00	74.00	5007396	1.73	1.7	5013945	1.89	1.7
EMD021	160.00	161.00	5007488	1.83	4.7	5013946	1.48	2.7
EMD022	12.00	13.00	5008276	4.66	30.0	5013947	3.29	20.8
EMD022	46.00	47.00	5008313	1.63	12.9	5013948	1.38	12.1
EMD023	94.00	95.00	5007605	3.11	1.6	5013949	1.79	1.8
EMD023	149.00	150.00	5007661	2.13	27.6	5013951	1.80	22.9
EMD024	128.00	129.00	5007782	3.23	2.1	5013952	2.19	1.2
EMD024	199.00	200.00	5007858	8.84	4.3	5013953	4.53	5.6
EMD025	124.50	125.50	5007941	2.80	3.7	5013954	2.52	3.3
EMD025	125.50	126.50	5007942	1.00	3.7	5013955	1.10	2.9
EMD026	154.00	155.00	5008605	1.07	5.2	5013956	0.80	4.4
EMD026	212.00	213.00	5008666	1.99	5.5	5013957	1.92	3.1
EMD027	50.00	51.00	5010044	1.64	4.7	5013958	1.55	5.9
EMD027	173.00	174.00	5010171	6.10	8.2	5013959	6.62	7.1
EMD028	60.00	61.00	5010231	2.11	1.1	5013961	1.64	1.3
EMD028	118.00	119.00	5010295	4.24	30.6	5013962	3.58	32.9
EMD029	137.00	138.00	5008909	3.35	2.7	5013963	2.31	1.5
EMD029	158.00	159.00	5008933	1.78	5.4	5013964	1.52	4.6
EMD030	55.50	56.50	5010387	0.76	4.3	5013965	0.63	3.5
EMD030	79.00	80.00	5010406	1.13	17.2	5013966	1.09	24.6

3.9. Gold Values

Gold values from the quarter-core sampling by MA from the initial assaying by ALS Brisbane ranged from 0.35 ppm Au to 19.65 ppm Au compared to a minimum of 0.43 ppm Au and a maximum of 30.1 ppm Au for the equivalent samples of half-core assayed by Intertek Jakarta. The average gold value of the 60 samples of quarter core was 2.55 ppm Au. This is 16% lower than the average value of 3.03 ppm Au for the equivalent half-core samples.

Of the 60 core samples assayed by ALS only 9 were reported as containing gold values greater than those reported by Intertek for the equivalent sample interval.

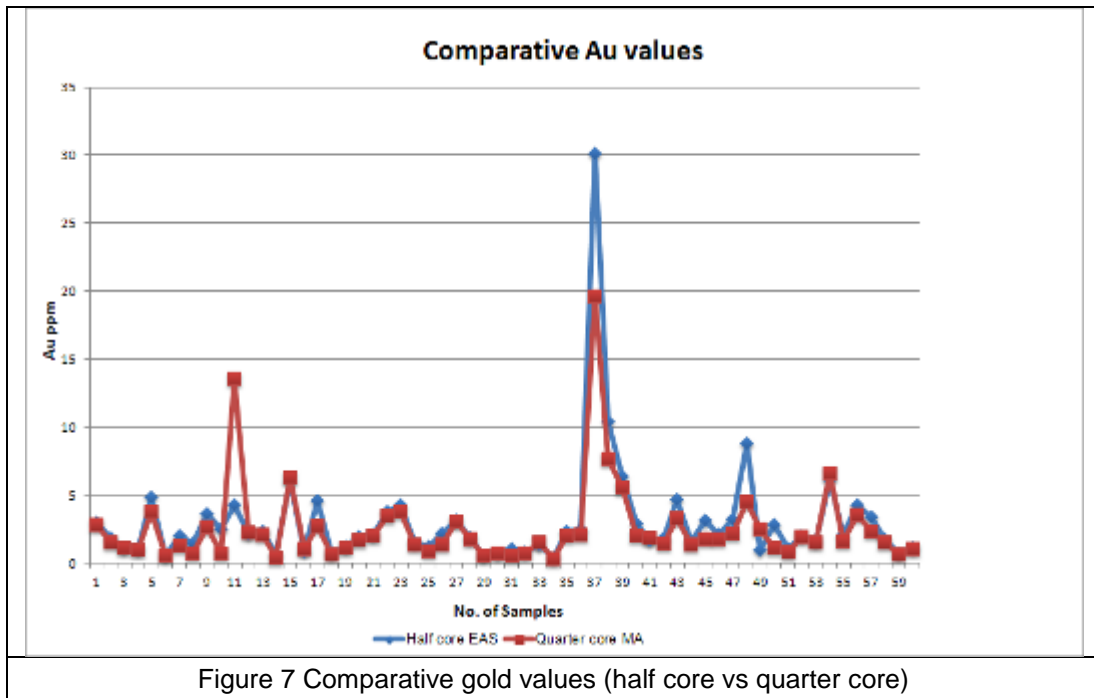


Figure 7 Comparative gold values (half core vs quarter core)

A plot of the differences between the gold assays for half core and quarter core showed that in only one of the 60 sampled intervals was the difference between half and quarter core assays outside 3 standard deviations of the mean. This sample (original half core 4.41g/t, quarter core 13.60g/t) when re-assayed return 10.35g/t on screen fire assay, which although still relatively higher than the original assay is within the quality control range.

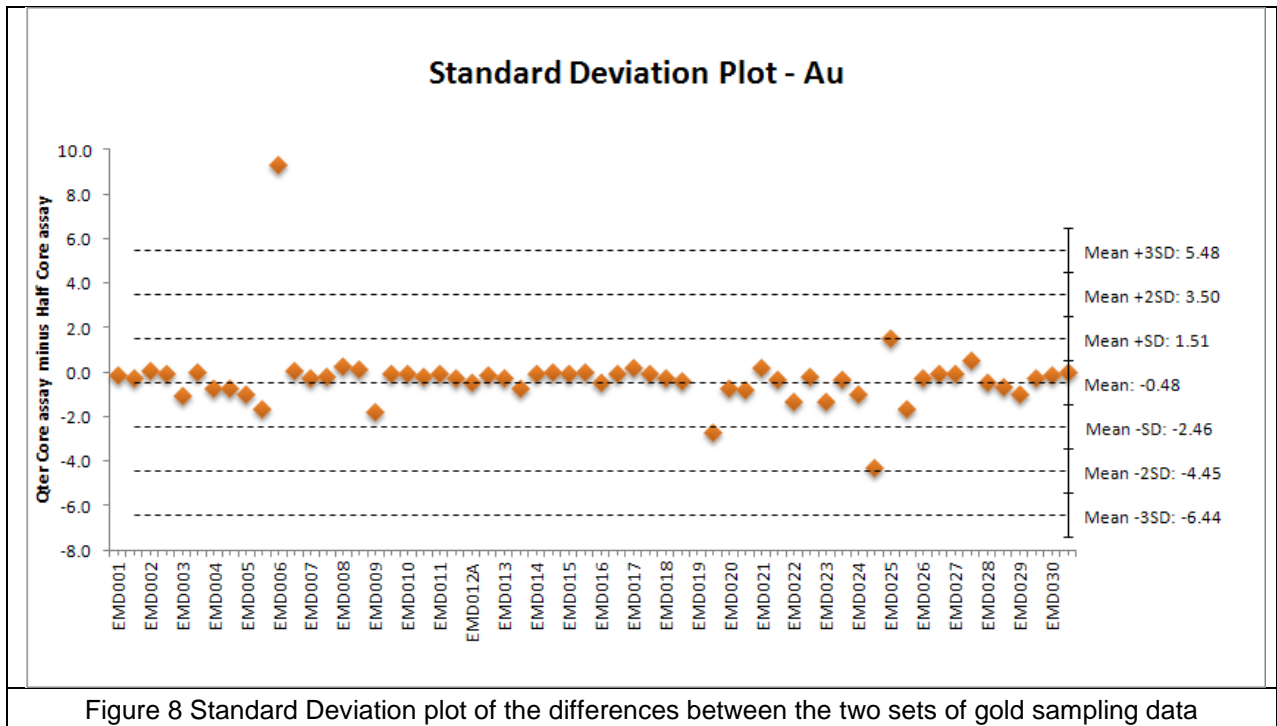


Figure 8 Standard Deviation plot of the differences between the two sets of gold sampling data

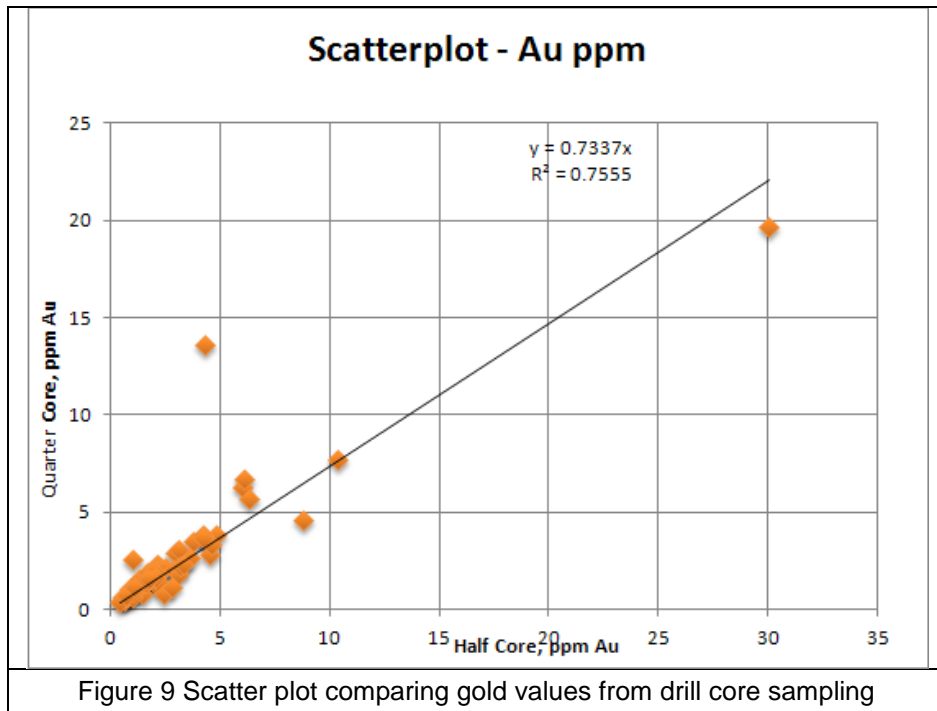


Figure 9 Scatter plot comparing gold values from drill core sampling

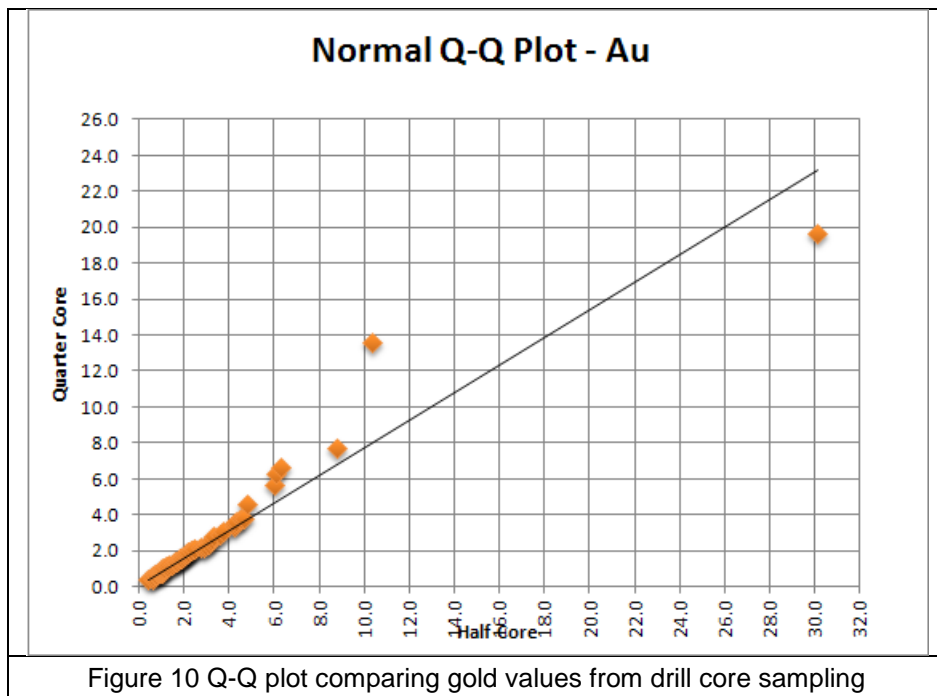


Figure 10 Q-Q plot comparing gold values from drill core sampling

The gold values reported by ALS for the three Certified Reference Material samples included by MA in the batch of quarter core samples were all less than the certified value. MA noted the certified value of the standard from the label on the drum of each standard as it was being weighed on site at Miwah. The certified value of the three CRMs used (G305-7, G302-5, and G301-1) was confirmed from the Geostats Pty Ltd website. The gold values reported by ALS for the CRMs ranged from 91% to 95% of the expected value, with an average of 94% of the certified values. It should be noted that the variations were all negative; i.e. the ALS results under-reported the certified value. Duplicate assaying of the CRMs by ALS confirmed the under-reporting of the certified values. Results from assaying of the same Certified Reference Material submitted to Intertek Jakarta by EAS as part of the Miwah QA/QC

procedures ranged from 95% to 106% of the expected value, with an average of 101% of the certified value.

Standard	Certified Value ppm Au	ALS assay ppm Au	ALS value as % of Certified Value
G305-7	9.59	9.03	94%
G302-6	1.66	1.51	91%
G301-1	0.85	0.81	95%

3.10. Silver Values

Silver values from the quarter-core sampling by MA (and assayed by ALS Brisbane) ranged from 0.4 ppm Ag to 67 ppm Ag compared to a minimum of 0.5 ppm Ag and a maximum of 79 ppm Ag for the equivalent samples of half-core assayed by Intertek Jakarta. The average silver value of the 60 samples of quarter core was 9.0 ppm Ag. This is 12% lower than the average value of 10.2 ppm Ag for the equivalent half-core samples.

Of the 60 core samples assayed by ALS only 12 were reported as containing silver values greater than those reported by Intertek for the equivalent sample interval. None of these samples were the same as those ALS reported as containing greater gold than the Intertek assays.

A plot of the differences between the silver assays for half core and quarter core shows that for 55 of 60 sampled intervals the difference between half and quarter core assays was within 2 standard deviations of the mean

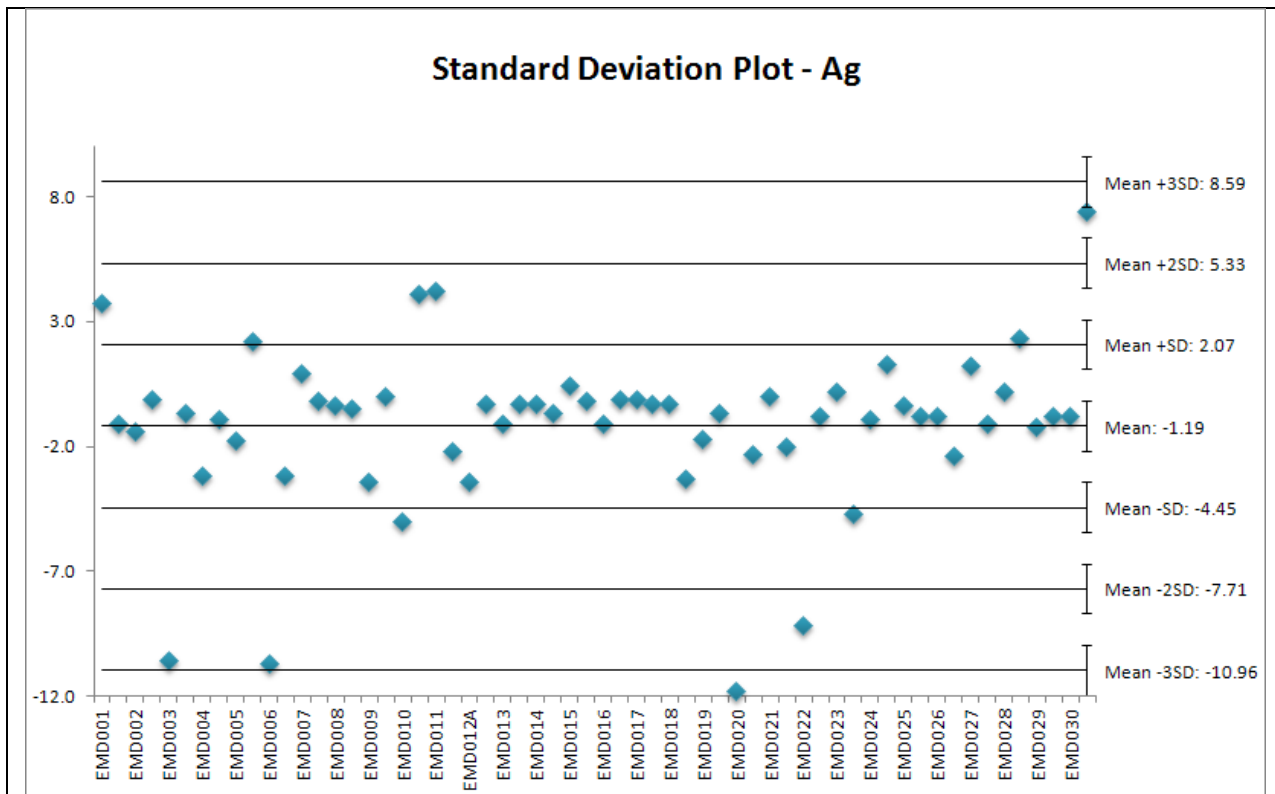
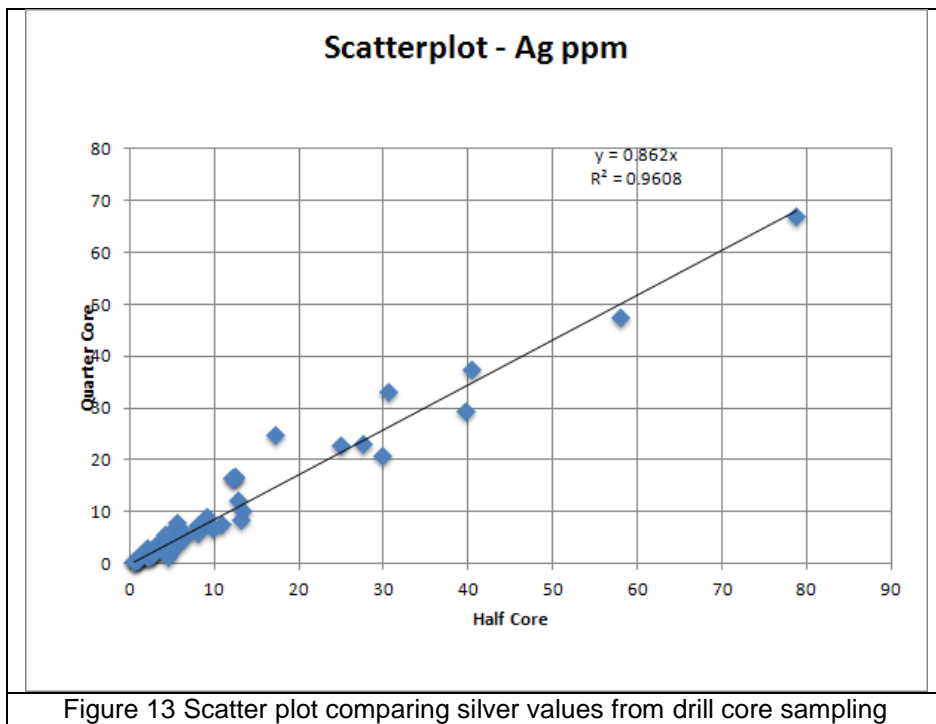
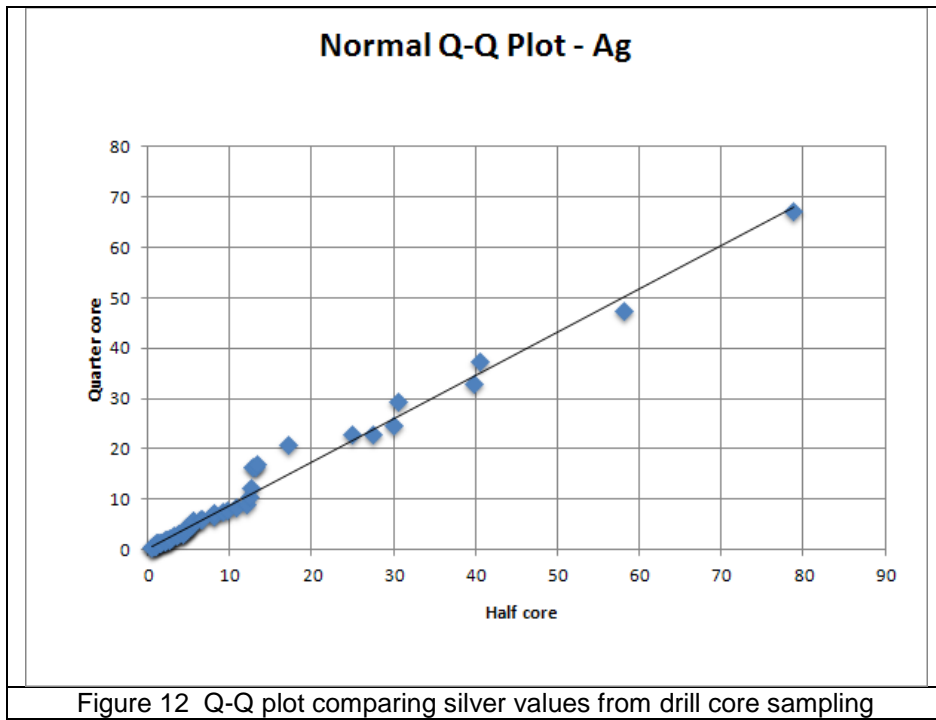


Figure 11 Standard Deviation plot of the differences between the two sets of silver sampling data



3.11. Other Values

Average values for five other elements (copper, lead, zinc, arsenic, antimony) in addition to gold and silver for the 60 quarter core samples compared with the average assays of the same elements from half-core sampling are summarised below in Table 5.

	Average Au ppm	Average Ag ppm	Average Cu ppm	Average Pb ppm	Average Zn ppm	Average As ppm	Average Sb ppm
Quarter Core MA	2.55	9.05	1059	56	19.40	721	25
Half Core EAS	3.03	10.25	1191	95	12.59	902	37

3.12. Possible Nugget Effect

MA commented that the variation in assay results for the higher grade samples may be related to half core samples being more representative than smaller quarter core samples due to the presence of coarse gold grains producing a nugget effect. MA recommended that a number of the quarter core residues be analysed for gold by Screen Fire Assay to determine if grade variability of individual samples is related to the nugget effect of coarse gold. ALS agreed to analyse a selected number of the quarter core residues for gold by Screen Fire Assay.

3.13. Laboratory Low Bias

MA commented that the variation between the two sets of assay results, including the values reported by ALS for the Certified Reference Material, warranted further investigation. MA concluded from the results of the quarter core sampling that the ALS Brisbane/Perth laboratory was showing a low bias compared to the Intertek Jakarta laboratory. Discussions with ALS indicated that they were aware of this low bias with the analytical method used.

ALS management commented that *“Method Au-AA22 is designed as and mostly used as a low level method for gold. It gives a detection limit of 0.001ppm (or 1ppb). The standards that are routinely run with this method are standards with certified gold results less than 1ppm. (OREAS 65a cert Au 0.52 and ST-321 cert Au 0.049). In order to achieve the detection limit of 0.001ppm, the method incorporates a 4ml final volume of the dissolved prill from the fire assay process. This is designed to achieve the best detection limit but it does compromise the accuracy of the method. Both our standards and your standards have generally biased low by ~6%. We believe the most likely cause of the majority of this bias is in the accuracy of this final volume of 4ml. A difference in volume of 0.2ml, which is the volume of only about 4 drops, will cause a 5% bias in itself. We did repeat some of these samples due to a low bias on our standards. In general, the ~6% error whilst consistently low, is within the expected tolerance of this method. Given that the final volume is made up by adding a specific amount of water with a dispenser, it is reasonable to assume that this volume error would be consistent throughout the batch, and that the samples have also biased low by a similar amount. I would also like to point out that for best accuracy for Au above 1 ppm levels, we would recommend either Au-AA25 or Au-AA26. In these methods, the final volume is 10ml, so the same 0.2ml error only represents a 2% error instead of the 5% error in Au-AA22.”*

ALS was willing to carry out further investigation of the discrepancy at their expense and it was agreed that the quarter core samples would be re-assayed using an ore grade fire assay method.

4. SCREEN FIRE ASSAYS

4.1. Method

Five high grade gold samples from the quarter core sampling were selected for screen fire assaying at ALS Perth using ALS Method Au-SCR22AA.

The final pulp residues were washed through a 75 micron (200 mesh) screen to separate any coarse material. The +75 micron material was dried, weighed and analysed in its entirety.

The -75 micron fraction was dried and homogenised. Duplicate sub-samples of this fraction were analysed using standard fire assay procedures with an AA finish. Gold values for both the +75 micron and -75 micron fractions were reported by ALS together with the weight of each fraction. The calculated total gold content of the sample was also reported.

4.2. Results

Sample ID	Au-SCR22AA	Au-SCR22AA	Au-SCR22AA	Au-SCR22AA	Au-SCR22AA	
	Au Total (+) and (-)	Au (+) Fraction	Au (-) Fraction	Wt. + Fraction	Wt. - Fraction	Au in coarse fraction by wt
	ppm	ppm	ppm	g	g	%
5013912	10.35	7.52	10.4	6.1	362.3	1.20%
5013941	13.65	8.98	13.7	4.1	357.0	0.75%
5013942	4.65	5.53	4.65	1.2	340.3	0.42%
5013953	6.26	2.19	6.28	1.2	271.9	0.15%
5013959	6.83	3.46	6.85	1.2	363.0	0.17%

Sample ID	Au-AA26	Au-AA26D
	ppm Au	ppm Au
5013912	10.30	10.45
5013941	13.35	14.05
5013942	5.02	4.27
5013953	6.53	6.03
5013959	6.83	6.86

4.3. Comments

The screen fire assay results suggest that the gold mineralization in the selected samples does not contain enough coarse gold grains to produce a nugget effect. The +75 micron fraction only contained 0.15% to 1.20% of the total gold in the samples.

5. RE-ASSAYING OF QUARTER CORE

5.1. Method

57 of the 60 pulp residues from the original quarter core assaying in July 2010 were re-assayed for gold using ALS Method Au-AA26. This is an ore grade method for gold (detection range 0.01-100ppm Au) by fire assay with an AA finish. There was insufficient sample remaining after the screen fire assays to allow re-assay of 3 of the original samples. Insufficient Certified Reference Material remained for the CRMs to be re-assayed.

5.2. Results

HOLE ID	From	To	Intertek	MA	ALS	ALS
			Half core	Sample ID	Quarter core	Quarter core
			FA-ICP		FA-ICP22	FA-AA26
			Au ppm		Au ppm	Au ppm
EMD001	19.00	20.00	2.98	5013901	2.85	3.08
EMD001	29.00	30.00	1.85	5013902	1.53	3.64
EMD002	53.00	54.00	1.09	5013903	1.14	1.12

Table 8: Drill core Fire Assay Summary

HOLE ID	From	To	Intertek	MA	ALS	ALS
			Half core	Sample ID	Quarter core	Quarter core
			FA-ICP		FA-ICP22	FA-AA26
			Au ppm		Au ppm	Au ppm
EMD002	131.00	132.00	1.06	5013904	0.98	1.02
EMD003	44.00	45.00	4.83	5013905	3.76	3.83
EMD003	74.00	75.00	0.60	5013906	0.60	0.66
EMD004	35.00	36.00	2.05	5013907	1.30	1.31
EMD004	40.00	41.00	1.48	5013908	0.76	0.77
EMD005	12.00	13.00	3.64	5013909	2.63	3.68
EMD005	22.00	23.00	2.47	5013911	0.76	1.09
EMD006	22.00	23.00	4.31	5013912	13.60	NSS
EMD006	25.00	26.00	2.17	5013913	2.24	2.73
EMD007	4.80	5.40	2.33	5013914	2.07	1.79
EMD007	14.20	15.20	0.65	5013915	0.41	0.47
EMD008	94.00	95.00	6.03	5013916	6.26	7.00
EMD008	121.00	122.00	0.90	5013917	1.02	0.95
EMD009	92.00	93.00	4.56	5013918	2.74	3.27
EMD009	131.00	132.00	0.70	5013919	0.61	0.61
EMD010	150.00	151.00	1.24	5013921	1.15	1.17
EMD010	172.00	173.00	1.91	5013922	1.70	1.77
EMD011	127.00	128.00	2.10	5013923	2.00	2.11
EMD011	131.00	132.00	3.79	5013924	3.47	3.78
EMD012A	51.00	52.00	4.26	5013925	3.79	4.02
EMD012A	87.00	88.00	1.54	5013926	1.36	1.49
EMD013	88.00	89.00	1.18	5013927	0.89	0.88
EMD013	151.00	152.00	2.17	5013928	1.39	1.30
EMD014	117.00	118.00	3.16	5013929	3.05	4.24
EMD014	136.00	137.00	1.84	5013931	1.79	2.14
EMD015	68.00	69.00	0.60	5013932	0.54	0.59
EMD015	154.00	155.00	0.76	5013933	0.70	0.85
EMD016	62.00	63.00	1.04	5013934	0.58	0.57
EMD016	104.00	105.00	0.82	5013935	0.75	0.88
EMD017	55.00	56.00	1.34	5013936	1.50	1.62
EMD017	71.00	72.00	0.43	5013937	0.35	0.35
EMD018	67.00	68.00	2.31	5013938	2.00	2.20
EMD018	128.00	129.00	2.51	5013939	2.11	2.07
EMD019	93.00	94.00	30.10	5013941	19.65	NSS
EMD019	100.00	101.00	10.40	5013942	7.69	9.25
EMD020	118.00	119.00	6.34	5013943	5.60	6.01
EMD020	154.00	155.00	2.89	5013944	2.05	1.99
EMD021	73.00	74.00	1.73	5013945	1.89	2.05
EMD021	160.00	161.00	1.83	5013946	1.48	1.64
EMD022	12.00	13.00	4.66	5013947	3.29	4.43
EMD022	46.00	47.00	1.63	5013948	1.38	1.40
EMD023	94.00	95.00	3.11	5013949	1.79	2.31
EMD023	149.00	150.00	2.13	5013951	1.80	1.45
EMD024	128.00	129.00	3.23	5013952	2.19	2.49
EMD024	199.00	200.00	8.84	5013953	4.53	NSS
EMD025	124.50	125.50	2.80	5013954	2.52	2.82
EMD025	125.50	126.50	1.00	5013955	1.10	1.12
EMD026	154.00	155.00	1.07	5013956	0.80	0.83
EMD026	212.00	213.00	1.99	5013957	1.92	2.03
EMD027	50.00	51.00	1.64	5013958	1.55	1.73
EMD027	173.00	174.00	6.10	5013959	6.62	7.22
EMD028	60.00	61.00	2.11	5013961	1.64	1.81
EMD028	118.00	119.00	4.24	5013962	3.58	3.68
EMD029	137.00	138.00	3.35	5013963	2.31	2.66
EMD029	158.00	159.00	1.78	5013964	1.52	1.60
EMD030	55.50	56.50	0.76	5013965	0.63	0.72

HOLE ID	From	To	Intertek	MA	ALS	ALS
			Half core	Sample ID	Quarter core	Quarter core
			FA-ICP		FA-ICP22	FA-AA26
			Au ppm		Au ppm	Au ppm
EMD030	79.00	80.00	1.13	5013966	1.09	1.13
Mean			2.43		2.02	2.27

5.3. Comments

Re-assaying by ALS of the quarter core samples has confirmed that the ALS method initially used had a low analytical bias. The repeat gold assays although returning higher values are still less than the Intertek values. Using an ore grade ALS fire assay method FA-AA26, the average gold value of the 57 samples of quarter core assayed was 2.27 ppm Au compared to an average grade of 2.02 ppm Au for the samples assayed using ALS Method FA-ICP22. The original half core assaying by a Fire Assay/ICP method at Intertek Jakarta averaged 2.43 ppm Au for the equivalent 57 core intervals (Table 4).

Laboratory	# samples	Sample	Assay Method	Average ppm Au
ALS Perth	57	Quarter Core Re-Assay	Fire Assay-AA finish	2.27
ALS Perth	57	Quarter Core	Fire Assay-ICP-AES finish	2.02
Intertek Jakarta	57	Half Core	Fire Assay-ICP-AES finish	2.43

Re-plotting the differences between the gold assays for half core and quarter core showed that in none of the 57 sample assays was the difference between half and quarter core assays outside 3 standard deviations of the mean. There is an apparent wider spread of results above and below average difference which may reflect the different assay method used for the re-assay.

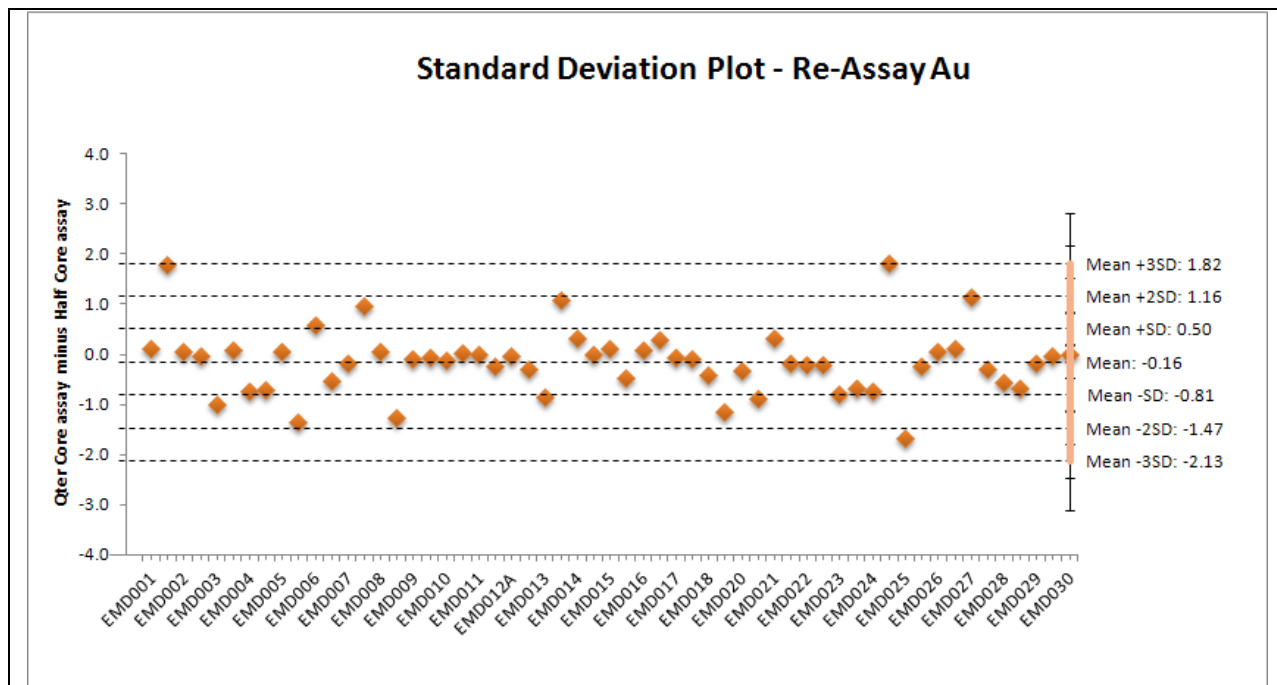


Figure 14 Standard Deviation plot of the differences between the two sets of gold sampling data

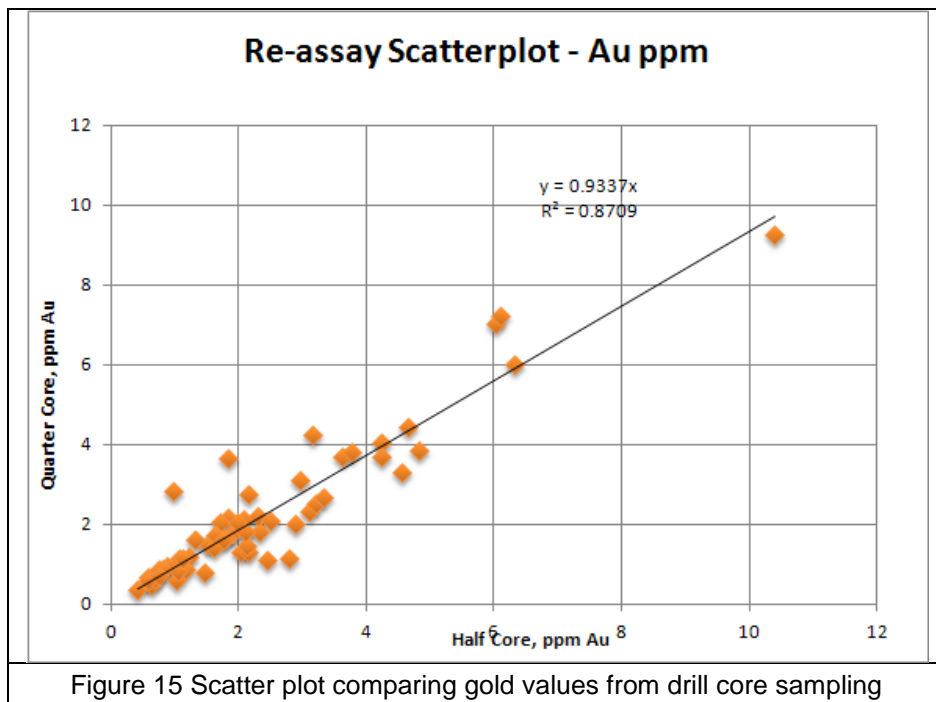


Figure 15 Scatter plot comparing gold values from drill core sampling

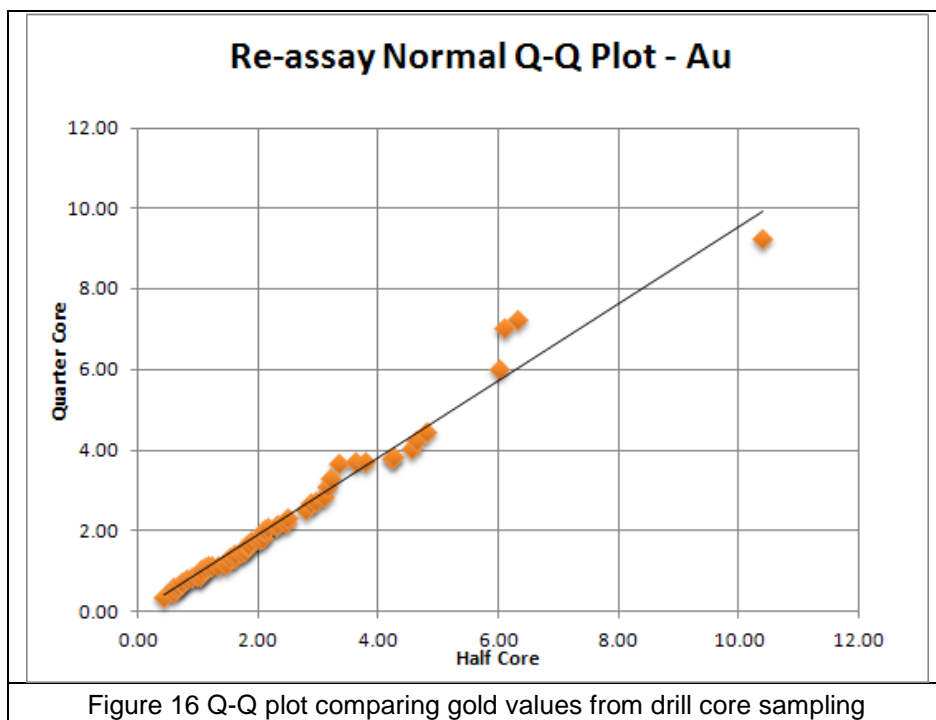


Figure 16 Q-Q plot comparing gold values from drill core sampling

6. DISCUSSION

Assay results from the 60 quarter-core samples taken by MA showed that gold values from ALS had a lower mean of 2.55 ppm Au compared to the mean of 3.03 ppm Au for the equivalent Intertek assays. The original Intertek assays of sampled half-core for the 60 samples ranged from 0.43 to 30.1 ppm Au. Gold values from ALS for the quarter-core sampling by MA ranged from 0.35 to 19.65 ppm Au. The

average ALS silver value of the 60 samples of quarter core was 9.0 ppm Ag, compared to the mean of 10.2 ppm Ag for the equivalent Intertek assays of half-core samples.

The gold values reported by ALS for the three Certified Reference Material samples included by MA in the batch of quarter core samples were all less than the certified value. The gold values reported by ALS averaged 94% of the certified values. Results from assaying of the same Certified Reference Material submitted to Intertek Jakarta by EAS as part of the Miwah QA/QC procedures averaged 101% of the certified value.

Following receipt of the initial assays and recognition of possible low laboratory bias discussions with ALS indicated they were aware of this bias and subsequently some 57 of the original 60 quarter core samples were re-assayed by ALS using a different analytical technique. Three samples were not re-assayed due to insufficient sample material.

Re-assaying by ALS of 57 of these quarter core samples confirmed that the ALS method initially used had a low analytical bias. Using an ore grade ALS fire assay method the average gold value of the 57 samples of quarter core re-assayed was 2.27 ppm Au compared to an average grade of 2.02 ppm Au for the samples assayed using an ALS Fire Assay/ICP Method. The original half core assaying by a Fire Assay/ICP method at Intertek Jakarta averaged 2.43 ppm Au for the equivalent 57 core intervals (Table 10).

Comparison of Average Gold Re-Assays				
Laboratory	# samples	Sample	Assay Method	Average ppm Au
Intertek Jakarta	57	Half Core	Fire Assay-ICP-AES finish	2.43
ALS Perth	57	Quarter Core Re-Assay	Fire Assay-AA finish	2.27
ALS Perth	57	Quarter Core	Fire Assay-ICP-AES finish	2.02

On a sample by sample comparison, only 1 quarter core sample out of the total 60 was considered a failure, being outside 3 standard deviations of the whole data set. This sample (original half core 4.41g/t, quarter core 13.60g/t) when re-assayed returned 10.35g/t by screen fire assay, which is within the quality control range. Re-plotting the differences between the gold assays for half core and re-assayed quarter core showed that in none of the 57 sample assays was the difference between half and quarter core assays outside 3 standard deviations of the mean.

Two samples of drill core which were reported by EAS as having higher than average values of 4.31 ppm Au and 30.10 ppm Au returned respective ALS values of 13.60 ppm Au and 19.65 ppm Au from the quarter core sampling of the same intervals. The variation in grades indicated that the gold mineralization at Miwah may in part contain coarse gold grains which have produced a nugget effect. This was examined with the screen fire assaying of 5 of the higher grade quarter core samples. The results suggested that the gold mineralization in the selected samples did not contain enough coarse gold grains to produce a nugget effect as the +75 micron fraction only contained 0.15% to 1.20% of the total gold in the samples.

The vuggy silica nature of the mineralized zone with a barren silica framework containing iron oxides in the vugs may also produce a sampling issue. It is possible that washing/flushing of oxides (with contained gold) from porous core will occur during the drilling and core cutting process. This washing effect would increase with the additional cutting required to take half core down to quarter core.

7. CONCLUSIONS & RECOMMENDATIONS

7.1. *Conclusions*

1. The core sampling, analytical and QAQC protocols used by EAS at Miwah are in line with industry practice and are considered by MA to be in-line with international best practise.
2. The sampling by MA returned gold values of similar tenor to the values previously reported by EAS and confirmed the presence of a well mineralised gold and silver system at Miwah. MA is confident, following the site visit and the results of its sampling that the general range of gold and silver values reported by EAS are representative of the values that can be expected from the Miwah deposit.
3. The gold values returned from sampling of quarter core at the Miwah gold prospect confirm MA's conclusion that gold values from sampling of quarter core at the Miwah gold prospect correspond well with those previously reported by EAS from half-core sampling of the equivalent intervals but with slightly lower average values.
4. MA considers that the variation in assay results between the original half core and quarter core sets of assay results is not significant and can be attributed to one or a combination of the following: (a) laboratory bias, (b) sample size (nugget effect) and (c) sampling bias (washing effect associated with cutting down to quarter core).
5. The initial quarter core assays and the assaying of the Certified Reference Material suggested that the ALS laboratory results were showing a low bias. Re-assaying by ALS of the quarter core samples confirmed that the initial analytical method used by ALS had a low analytical bias. The repeat assays returned higher gold values than the initial quarter core assays with the mean gold value slightly less (6.5%) than the mean gold value for the assays by Intertek on half-core samples collected by EAS from the equivalent intervals.
6. The screen fire assay results suggest that the gold mineralization in the selected samples does not contain enough coarse gold grains to produce a nugget effect. The variation in gold values between the half core assays and the quarter core samples suggests that half core samples may be more representative than smaller quarter core samples or washing effects have occurred during core cutting of the smaller diameter drill core.

7.2. *Recommendations*

1. In order to determine if the slightly lower values from the duplicate core samples are related to washing effects, MA recommends that this be evaluated with a limited program of large diameter core drilling, use of polymer drill mud and wrapping of core prior to cutting.
2. MA recommends that a limited number of core holes be used for half core duplicates.

8. REFERENCES

East Asia Minerals Corporation, 2008 Annual Report to Shareholders

East Asia Minerals Corporation, 2009 Annual Report to Shareholders

East Asia Minerals Corporation, 2010 Corporate Website

PT East Asia Minerals Indonesia, 2008, Progress Report on the Miwah Project.

Royle, D.Z.; February 2009, Technical Report on the Miwah Gold Prospect, Province of Nanggroe Aceh Darussalam, Republic of Indonesia, East Asia Minerals Corporation

9. APPENDIX A Quarter Core Assay Data

BR10090587 - Finalized																			
CLIENT : "MINING - Mining Associates Pty Ltd"																			
# of SAMPLES : 66																			
DATE RECEIVED : 2010-07-23 DATE FINALIZED : 2010-08-10																			
PROJECT : "Medan"																			
CERTIFICATE COMMENTS : ""																			
PO NUMBER : ""																			
SAMPLE	PUL-QC	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41	ME-JCP41		
DESCRIPTION	Pass75sum	Ag	Al	As	B	Ba	Be	Bi	Ca	Cd	Co	Cr	Cu	Fe	Ga	Hg	K		
	%	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	%	ppm	ppm	%		
5013901		16.3	0.05	1085	<10	70	<0.5	12	0.08	<0.5	4	10	1890	2.86	<10	2	0.01	<10	0.01
5013902		7.1	0.06	263	<10	90	<0.5	3	0.05	<0.5	6	8	53	2.62	<10	<1	0.01	<10	0.01
5013903		4.2	0.74	1895	<10	30	<0.5	18	0.02	<0.5	2	8	272	6.37	10	1	0.16	<10	0.01
5013904		2.2	0.13	68	<10	20	<0.5	4	0.08	<0.5	19	18	164	5.8	<10	<1	0.03	<10	0.02
5013905		29.2	0.1	602	<10	30	<0.5	9	0.03	<0.5	4	8	103	3.23	<10	2	0.01	<10	0.01
5013906		2.9	1.02	123	<10	70	<0.5	2	0.03	<0.5	13	9	257	5.65	<10	<1	0.22	<10	0.01
5013907		37.3	0.14	1400	<10	50	<0.5	20	0.03	<0.5	8	8	828	4.08	<10	1	0.02	<10	0.01
5013908		5.7	0.87	136	<10	10	<0.5	4	0.03	<0.5	5	13	102	4.13	<10	1	0.14	<10	0.01
5013909		2.6	0.37	40	<10	20	<0.5	3	0.02	<0.5	4	10	20	2.64	<10	1	0.04	<10	0.02
5013910		13.4	0.29	<2	<10	10	<0.5	<2	0.34	<0.5	4	8	20	1.55	<10	<1	0.05	<10	0.08
5013911		7.8	0.4	260	<10	20	<0.5	9	0.06	<0.5	17	7	598	4.87	<10	1	0.04	<10	0.04
5013912		47.4	0.05	187	<10	10	<0.5	30	0.02	<0.5	5	6	144	1.77	<10	3	<0.01	<10	0.01
5013913		10.2	2.87	358	<10	90	<0.5	11	0.16	<0.5	7	9	131	5.79	10	<1	0.27	<10	0.25
5013914		3	0.96	34	<10	20	<0.5	2	0.03	<0.5	21	13	324	5.01	<10	1	0.08	<10	0.06
5013915		0.7	1.97	98	<10	60	<0.5	<2	0.09	<0.5	7	12	28	4.2	10	1	0.23	<10	0.19
5013916		1.8	0.1	235	<10	30	<0.5	5	0.03	<0.5	16	13	458	4.48	<10	1	0.01	<10	0.01
5013917		4.3	0.13	821	<10	10	<0.5	2	0.03	<0.5	19	23	1910	6	<10	1	0.02	<10	0.01
5013918		1.2	0.07	565	<10	10	<0.5	<2	0.03	<0.5	10	11	568	3.77	<10	1	0.01	<10	0.01
5013919		1.5	1.44	283	<10	20	<0.5	2	0.03	<0.5	9	9	447	4.23	10	<1	0.34	<10	0.01
5013920		<0.2	0.38	<2	60	<10	<0.5	<2	0.18	<0.5	67	914	6	3.87	<10	<1	0.01	<10	14.75
5013921		8.3	0.37	978	<10	<10	<0.5	5	0.03	<0.5	23	28	2500	5.66	<10	<1	0.09	<10	0.04
5013922		16.3	0.38	1670	<10	20	<0.5	19	0.03	<0.5	25	13	850	7.22	10	1	0.1	<10	0.02
5013923	95	16.7	0.07	3450	<10	20	<0.5	20	0.04	<0.5	13	13	6260	4.35	<10	1	0.06	<10	0.06
5013924		5.9	0.09	2740	<10	10	<0.5	2	0.06	<0.5	10	13	2510	4.7	<10	1	0.05	<10	0.01
5013925		7.5	0.08	4650	<10	10	<0.5	3	0.03	<0.5	16	10	7340	3.7	<10	1	0.02	<10	0.01
5013926		8.9	0.13	3550	<10	10	<0.5	3	0.02	<0.5	18	11	5570	3.04	<10	1	0.03	<10	0.01
5013927		1.7	0.11	787	<10	10	<0.5	<2	0.04	<0.5	13	11	1750	4.76	<10	<1	0.02	<10	0.02
5013928		0.7	1.9	151	<10	30	<0.5	2	0.04	<0.5	24	9	466	4.92	10	<1	0.48	<10	0.01
5013929		0.6	0.12	18	<10	10	<0.5	<2	0.04	<0.5	4	8	34	1.28	<10	<1	0.02	<10	0.02
5013930		95.6	0.3	<2	<10	20	<0.5	<2	0.21	<0.5	2	7	23	0.71	<10	<1	0.03	<10	0.06
5013931		2.1	0.57	487	<10	30	<0.5	8	0.03	<0.5	3	13	76	3.46	10	<1	0.16	<10	0.02
5013932		3.6	0.23	501	<10	10	<0.5	<2	0.02	<0.5	18	12	1085	4.34	<10	<1	0.07	<10	0.01
5013933		1.1	0.9	85	<10	20	<0.5	<2	0.01	<0.5	4	11	119	3.98	<10	<1	0.24	<10	0.01
5013934		1.3	0.71	300	<10	<10	<0.5	4	0.03	<0.5	25	4	588	5.09	<10	1	0.18	<10	0.01
5013935		0.4	0.57	147	<10	10	<0.5	<2	0.06	<0.5	16	12	339	4.19	<10	<1	0.12	<10	0.02
5013936		1.1	0.31	56	<10	20	<0.5	<2	0.03	<0.5	5	5	72	3.72	<10	1	0.07	<10	0.01
5013937		<0.2	0.74	95	<10	10	<0.5	<2	0.01	<0.5	5	5	158	3.66	10	<1	0.2	<10	<0.01
5013938		5.3	0.05	595	<10	620	<0.5	3	0.02	<0.5	21	8	122	2.62	<10	<1	0.01	<10	0.01
5013939		6.5	0.32	170	<10	30	<0.5	4	0.02	<0.5	19	7	276	5.58	<10	<1	0.21	<10	0.01
5013940		<0.2	0.29	2	40	<10	<0.5	<2	0.4	<0.5	63	798	5	3.92	<10	<1	0.01	<10	13
5013941		4.8	0.1	387	<10	60	<0.5	2	0.03	<0.5	7	9	47	1.82	<10	1	0.02	<10	0.03
5013942		2	0.13	387	<10	10	<0.5	<2	0.02	<0.5	6	9	59	2.25	<10	1	0.02	<10	0.02
5013943		67	0.13	1125	<10	80	<0.5	12	0.05	<0.5	14	12	482	7.05	<10	2	0.02	<10	0.12
5013944		22.7	0.24	508	<10	20	<0.5	14	0.02	<0.5	27	12	1380	6.26	<10	1	0.06	<10	0.01
5013945		1.7	0.04	19	<10	20	<0.5	5	0.01	<0.5	4	4	46	2.93	<10	<1	<0.01	<10	0.01
5013946		2.7	0.96	337	<10	10	<0.5	2	0.03	<0.5	28	18	824	3.8	<10	<1	0.21	<10	0.03
5013947		20.8	0.13	308	<10	100	<0.5	35	0.03	<0.5	8	15	114	3.72	<10	2	0.02	<10	0.02
5013948		12.1	0.5	666	<10	10	<0.5	28	0.02	<0.5	17	10	1045	10.85	10	<1	0.15	<10	0.01
5013949		1.8	0.08	16	<10	10	<0.5	7	0.04	<0.5	20	11	102	4.65	<10	1	0.02	<10	0.01
5013950		<0.2	0.81	<2	<10	20	<0.5	<2	0.6	<0.5	8	10	50	2.05	<10	<1	0.06	10	0.25
5013951		22.9	0.32	940	<10	50	<0.5	5	0.05	<0.5	13	6	3500	6.2	<10	1	0.06	<10	0.02
5013952		1.2	0.41	42	<10	20	<0.5	5	0.04	<0.5	23	7	204	5.91	<10	<1	0.08	<10	0.01
5013953		5.6	0.2	2560	<10	30	<0.5	19	0.05	<0.5	19	7	5530	4.99	<10	<1	0.05	<10	0.02
5013954		3.3	0.1	72	<10	20	<0.5	4	0.03	<0.5	10	10	252	4.08	<10	<1	0.02	<10	0.01
5013955		2.9	0.08	149	<10	10	<0.5	4	0.03	<0.5	8	7	479	2.53	<10	<1	0.02	<10	0.02
5013956		4.4	0.72	24	<10	20	<0.5	<2	0.03	<0.5	9	3	69	2.53	<10	<1	0.11	<10	0.01
5013957		3.1	0.11	854	<10	10	<0.5	16	0.03	<0.5	21	6	2510	4.51	<10	<1	0.02	<10	0.01
5013958		5.9	0.1	546	<10	<10	<0.5	6	0.02	<0.5	19	10	1710	3.59	<10	<1	0.02	<10	<0.01
5013959	96	7.1	0.53	52	<10	10	<0.5	18	0.05	<0.5	25	8	977	5.82	<10	1	0.08	<10	0.02
5013960		<0.2	0.33	2	60	<10	<0.5	<2	0.75	<0.5	78	951	17	4.07	<10	<1	<0.01	<10	14.95
5013961		1.3	0.08	32	<10	20	<0.5	5	0.02	<0.5	21	6	179	4.57	<10	<1	0.02	<10	0.02
5013962		32.9	0.09	2150	<10	140	<0.5	32	0.02	<0.5	14	12	2860	4.9	<10	1	0.02	<10	0.02
5013963		1.5	0.72	43	<10	30	<0.5	6	0.02	<0.5	9	4	54	3.38	10	1	0.28	<10	0.01
5013964		4.6	0.08	1590	<10	90	<0.5	7	0.03	<0.5	15	7	856	3.47	<10	<1	0.03	<10	0.04
5013965		3.5	0.03	35	<10	370	<0.5	2	0.02	<0.5	4	5	74	1.38	<10	<1	0.01	<10	0.01
5013966		24.6	0.08	1510	<10	100	<0.5	7	0.03	<0.5	13	6	1765	1.86	<10	1	0.01	<10	0.01

11. APPENDIX C Repeat Fire Assay Data

PH10119856 - Finalized	
CLIENT : "MINING - Mining Associates Pty Ltd"	
# of SAMPLES : 66	
DATE RECEIVED : 2010-08-30 DATE FINALIZED : 2010-10-01	
PROJECT : "Medan"	
CERTIFICATE COMMENTS : "Original assays by Au-ICP21 show a low bias it is recommended for ore grade work to use either Au-AA25 or Au-AA26 as Au-ICP21 is targeted at ppb level gold ALL:NSS is non-sufficient sample. "	
SAMPLE	Au-AA26
DESCRIPTION	Au ppm
5013901	3.08
5013902	3.64
5013903	1.12
5013904	1.02
5013905	3.83
5013906	0.66
5013907	1.31
5013908	0.77
5013909	3.68
5013910	NSS
5013911	1.09
5013912	NSS
5013913	2.73
5013914	1.79
5013915	0.47
5013916	7
5013917	0.95
5013918	3.27
5013919	0.61
5013920	0.01
5013921	1.17
5013922	1.77
5013923	2.11
5013924	3.78
5013925	4.02
5013926	1.49
5013927	0.88
5013928	1.3
5013929	4.24
5013930	NSS
5013931	2.14
5013932	0.59
5013933	0.85
5013934	0.57
5013935	0.88
5013936	1.62
5013937	0.35
5013938	2.2
5013939	2.07
5013940	<0.01
5013941	NSS
5013942	9.25
5013943	6.01
5013944	1.99
5013945	2.05
5013946	1.64
5013947	4.43
5013948	1.4
5013949	2.31
5013950	NSS
5013951	1.45
5013952	2.49
5013953	NSS
5013954	2.82
5013955	1.12
5013956	0.83
5013957	2.03
5013958	1.73
5013959	7.22
5013960	0.95
5013961	1.81
5013962	3.68
5013963	2.66
5013964	1.6
5013965	0.72
5013966	1.13

12. APPENDIX D Photographs of Sample Collection



Photo 1: Core trays laid out for sample selection
(Source: MA, July 2010)



Photo 2: Quarter core before collection
(Source: MA, July 2010)



Photo 3: Quarter core after selection
(Source: MA, July 2010)



Photo 4: Sampling broken core
(Source: MA, July 2010)



Photo 5: Quarter core samples prior to boxing
(Source: MA, July 2010)



Photo 6: Boxed samples awaiting helicopter pickup
(Source: MA, July 2010)