Annual Qualified Person's Report on Operations at the Ciemas Gold Project, Financial Year Ended 30 June 2016

Prepared for: Wilton Resources Corporation Limited

WILTON RESOURCES CORPORATION LIMITED

Effective Date: 31 August 2016

Prepared by: SRK Consulting China Limited

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This Report is prepared to meet the requirements of the Catalist Rules of the Singapore Exchange.

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Introduction

This annual qualified person's report ("AQPR") summarises the technical work conducted on Wilton Resources Corporation Limited's ("Wilton" or "the Group" or "the Company") Ciemas Gold Project in the Company's financial year ("FY2016") from 1 July 2015 to 30 June 2016. For completeness, this AQPR also includes technical updates which occurred after 30 June 2016.

The Group's operational activities are classified into:

- Pilot Production Programme;
- Production Programme; and
- Exploration Programme.

The Pilot Production Programme is to develop an initial production pilot plant with a production capacity of 300 tonnes of ore per day ("tpd"). The primary sources of ore to be processed in the pilot plant are from Cibak and Cipancar Prospects.

The Production Programme is to develop the main mining operation and processing plant for the four main prospects (Pasir Manggu, Cikadu, Sekolah and Cibatu, together as "4 Prospects") with a production capacity of 1500 tpd.

The Pilot Production Programme and the Production Programme are running in parallel and are independent from each other. The two groups of prospects (the 4 Prospects, and the Cibak and Cipancar Prospects) may not have the same ore characteristics. Both programmes share some common facilities and infrastructure work such as a centralized location to house both the planned 1500 tpd and the 300 tpd production plants, and a centralized tailings storage facility ("TSF").

Main Progress in FY2016

During the FY2016, the Group has made material Progress on all three programmes above. The Company decided to focus its efforts on the Pilot Production Programme whilst working towards the completion of a feasibility study for the production programme.

Pilot Production Programme

Metallurgical Test Work

Wilton engaged Shandong Xinhai Mining Technology & Equipment Inc. ("Xinhai") to complete a metallurgical test work in FY2016 for the Cibak and Cipancar Prospects. It was to develop an optimum metallurgical flowsheet and optimum conditions and parameters to recover gold and silver.

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

There are three optional flowsheets:

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

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

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

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

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

Preliminary Mineral Processing Plant Design

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

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

Mining Design

Wilton engaged Jinjian and Xinhai to complete a preliminary mining design in 2016 for the Cibak and Cipancar Prospects based on a geological investigation and a sketchy estimation of mineral resources, using a conventional two dimensional method in accordance with Chinese standard, compiled by Xinhai, and reviewed by Professor Zhang Zhengwei in 2015. Xinhai selected an underground mining design with simultaneous prospecting and mining design concept, namely prospecting while mining, at the Cibak and Cipancar Prospects. It is SRK's opinion that the mining design is at an early stage and further exploration at Cibak and Cipancar Prospects is recommended in addition to the proposed prospecting while mining concept to upgrade the mineral resources, in order to carry out mining design and other studies on them.

Tailings Storage Facility Design

Wilton commissioned Jinjian and Xinhai to conduct a TSF engineering design for Ciemas Gold Project in March 2016.

The TSF is designed situating at a natural valley, northeast from the designed process plant. It occupies a plan area of about 15 hectare ("ha"). The TSF will be constructed in stages. The yearly tailing discharged is about 90,000 ton or 60,000 m^3. The maximum storage capacity and effective storage capacity are 1.21 x 10^6 m^3 and 1.03 x 10^6 m^3 respectively. The maximum height of the primary embankment is 23m at an elevation of 488 m. There are flood drainage system and seepage drainage system.

Site Sterilisation

PT. Prihaditana Geosciences & Oceanography Consulting was engaged by Wilton to conduct Geophysics survey using Induced Polarisation ("IP") and Resistivity technique to locate any anomaly (mineralisation zone) around the proposed major infrastructure (process plant, TSF, waste dumps, etc.) in October 2015. The results of this survey suggest that no mineralization underneath the proposed major infrastructure area.

PT. Prihaditana also conducted the IP & Resistivity survey in the Cibak and Cipancar Prospects in 2015. The purpose is to explore the distribution of the mineralized zones at Cibak and Cipancar Prospects.

Geotechnical Investigation

Wilton commissioned PT. Geotechnical & Environmental Services Indonesia (Golder) to carry out geotechnical investigations for the proposed Process Plant and TSF part of Ciemas Gold Project in 2016. The geotechnical investigation has been completed with the following conclusions.

The study of the TSF starter dams for dry TSF and embankments for wet TSF indicate adequate stability. The serviceability state (settlement tolerance) of the facilities within Process Plant controls the type of foundation suitable for supporting the structures. The in situ soils are likely non liquefiable based on their particle size analysis curves for both Process Plant and TSF sites.

The stability analysis results indicate that the performance of the Primary and Auxiliary dams for the Dry Disposal TSF option under both static and seismic conditions is acceptable. Similarly, results of stability analysis of the three embankments proposed for the Wet Disposal TSF option under both static and seismic conditions indicates the conceptual profile of the embankments are feasible.

Land Rights

Acquiring surface rights on the proposed location of major infrastructures (particularly, the processing plant area and TSF) has also been completed. This would facilitate the next stage of civil engineering and construction development in this area.

Production Programme

Wilton engaged Australian Minmet Metallurgical Laboratories Pty. Ltd. ("AMML") to conduct the metallurgical test work on ore from the 4 Prospects. The coring ore samples were obtained from the 30 DDH drillings across all 4 Prospects. The aim was to find the optimum process flow route for the process plant. Subsequently, Wilton engaged PT Geoservices-Minerals Division ("Geoservices") to continue the test work to include engineering design study with costing. Geoservices undertook a metallurgical feasibility study on the Ciemas Gold Project. The metallurgical feasibility study is comprised of, and has been completed based on the following reports:

- Interim Metallurgical Test Work Report in April 2015 by AMML;
- Metallurgical Review Report in August 2015 by PT Geoservices;
- Comminution SMC Test Report in October 2015 by PT Geoservices;
- Characterization Test Work Report in November 2015 by PT Geoservices;
- Oxidation Options Report in December 2015 by PT Geoservices; and
- Response & Optimisation Report in March 2016 by PT Geoservices.

The Metallurgical Feasibility Study comprises a process plant design and cost estimates for an ore processing plant to process ore from the 4 Prospects. The plant proposed in this study consists of

primary crushing, SAG milling, gravity separation, froth flotation, two-stage fluid-bed roasting, off-gas scrubbing, carbon-in-leach, elution & regeneration, gold room and detoxification circuits, capable of treating ore at throughput rate of 0.5 million tpa. It is SRK's opinion that the study or design needs further optimization to complete the feasibility study.

Exploration Programme

A Mineral Resource update dated 30 June 2014 ("the Resource Report") utilising data from holes from late 2012 to early 2013 within the 4 Prospects was done by SRK Consulting China Limited ("SRK") previously. There are no material changes for the mineral resource statements for the 4 Prospects, since neither mining activities nor further exploration programs were then done by the Company.

The resource estimation and classification for Cibak and Cipancar Prospects have been completed by Xinhai in accordance with Chinese standard with a conventional two dimensional method. The database has been transmitted to SRK and a verification and re-estimation programme followed by JORC compliant reporting for Cibak and Cipancar Prospects are in progress.

Recommendations

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

- To conduct further systematic exploration programmes in the Cibak and Cipancar Prospects to upgrade the mineral resources, in order to carry out a mining design and other studies for the trial production on them.
- To adhere the designed pre-oxidation and then cyanidation flowsheet in the trial production plant, while following parameters should be optimized:
  - The pre-oxidation operating parameters, such as the recipe of chemical oxidant, pulp density and treatment time, should be optimized;
  - Carbon in pulp ("CIP") process should be assessed as an alternative option to zinc dust replacing process. The pulp density of cyaniding operation should be optimized.
  - The crushing and grinding circuit should be optimized considering the humidity and stickiness of feed material.
- To start with the trial production programme by using the ore processing flowsheet optimized by SRK above. The parameters and flowsheet should be optimized further during the trial production, of which the aim is indeed for the operation optimization;
- Upon the success of the trial production, to apply the optimized flowsheet of the trial plant for the plant of the main production of the 4 Prospects, later.

AQPR Information

This AQPR provides an overview of the activities of Wilton during FY2016 and subsequently. It should be read in conjunction with Wilton's announcements and Quarterly Reports in FY2016. All reports are provided by Wilton and generally available to view on the Company's website, http://www.wilton.sg/ .

This AQPR has been produced to meet the annual reporting requirements of the Catalist Rules of the Singapore Exchange and has no other purpose. Where applicable, Exploration Results, Mineral Resources, and mining and metallurgical studies results are reported in accordance with the 2012 Edition of Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore

Reserves ("JORC Code 2012 Edition"), and estimated or based upon documentation prepared by a Competent Person ("CP") as defined by the JORC Code 2012 Edition.

This report has been prepared by Dr Anson Xu who has approximately 30 years' experience in geology, exploration and project evaluations. Dr Xu is a Corporate Consultant with SRK Consulting and is a Director of SRK China. He is Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). By virtue of his education, membership in a recognized professional association, and relevant work experience, Dr Anson Xu is an independent Qualified Person as this term is defined by Catalist Rules.

Additional contributions of this report have been provided by Mr Hongliang Gong, Mr Pengfei Xiao and Mr. Lanliang Niu. Mr. Gong is a member of AusIMM, and a Senior Consultant with SRK. He has over 9 years' experience in exploration, resource review and estimation. Mr Xiao is a member of AusIMM, and a Principal Consultant with SRK. He has worked with SRK over 8 years and specialises in exploration and resource estimation. Mr. Niu is a member of AusIMM, and a Principal Consultant of SRK with over 25 years' experience in mineral processing and metallurgical studies. He reviewed the processing test works and feasibility studies on processing plants, and compiled related sections on ore processing in the report.

Dr Yonglian Sun, FAusIMM, who has approximately 30 years' experience in geotechnical engineering and mining has peer reviewed the AQPR. Dr Sun is a Corporate Consultant with SRK and is Managing Director of SRK China.

1 Introduction

The P.T. Wilton Wahana Indonesia ("Wilton", "PT WWI" or "the Company"), a subsidiary of Wilton Resources Corporation Ltd (the "Group"), has engaged SRK Consulting China Ltd ("SRK") to update the Ciemas Gold Project status and activities, including exploration and mining studies as well as metallurgical test works and engineering design, completed during the financial year 2016 ("FY2016") ended on 30 June 2016. The updated will be presented within this annual qualified person's report ("AQPR") 2016.

The scope of the technical services presented in this AQPR 2016 is as below:

- Release/Endorsement of Annual Technical Progress for the Project;

SRK reviewed the progress of the Project made from the date of 1 July 2015 to 30 June 2016. The aspects reviewed and disclosed in this report include project progress in the following programmes.

1. Pilot Production Programme
2. Production Programme; and
3. Exploration Programme

The Pilot Production Programme is to develop an initial production pilot plant with a production capacity of 300 tonnes of ore per day ("tpd"). The primary sources of ore to be processed in the pilot plant is from Cibak and Cipancar Prospects.

The Production Programme is to develop the main mining operation and processing plant for the four main prospects (Pasir Manggu, Cikadu, Sekolah and Cibatu, together as "4 Prospects") with a production capacity of 1500 tpd.

The Pilot Production Programme and the Production Programme are running in parallel and are independent from each other. The two groups of prospects (the 4 Prospects, and the Cibak and Cipancar Prospects) may not have the same ore characteristics. Both programmes share some common facilities and infrastructure work such as a centralized location to house both the planned 1500 tpd and the 300 tpd production plants, and a centralized tailings storage facility ("TSF").

There is no material change of the Exploration Programme in the 4 Prospects. The review and compilation of Mineral Resource Estimate is underway for Cibak and Cipancar Prospects which are targeted for pilot production.

2 Property Description

2.1 Location and Access

The Ciemas Gold Project is located within the followed Izin Usaha Pertambangan ("IUP"), covering 30.785km^2, some 160km south of Jakarta, in Sukabumi Regency of West Java Province, as shown in Figure 2-1. It is reached via the regular road network along sealed roads in variable condition. The topography is rolling hills, and vegetation has mostly been cleared for seasonal cropping by local villagers. Several villages are present throughout the project area, as well as plantations, both private- and state- owned. Villagers engage in farming, work in plantations, or engage in artisanal mining activities. Average annual rainfall is about 3,500mm/ year.

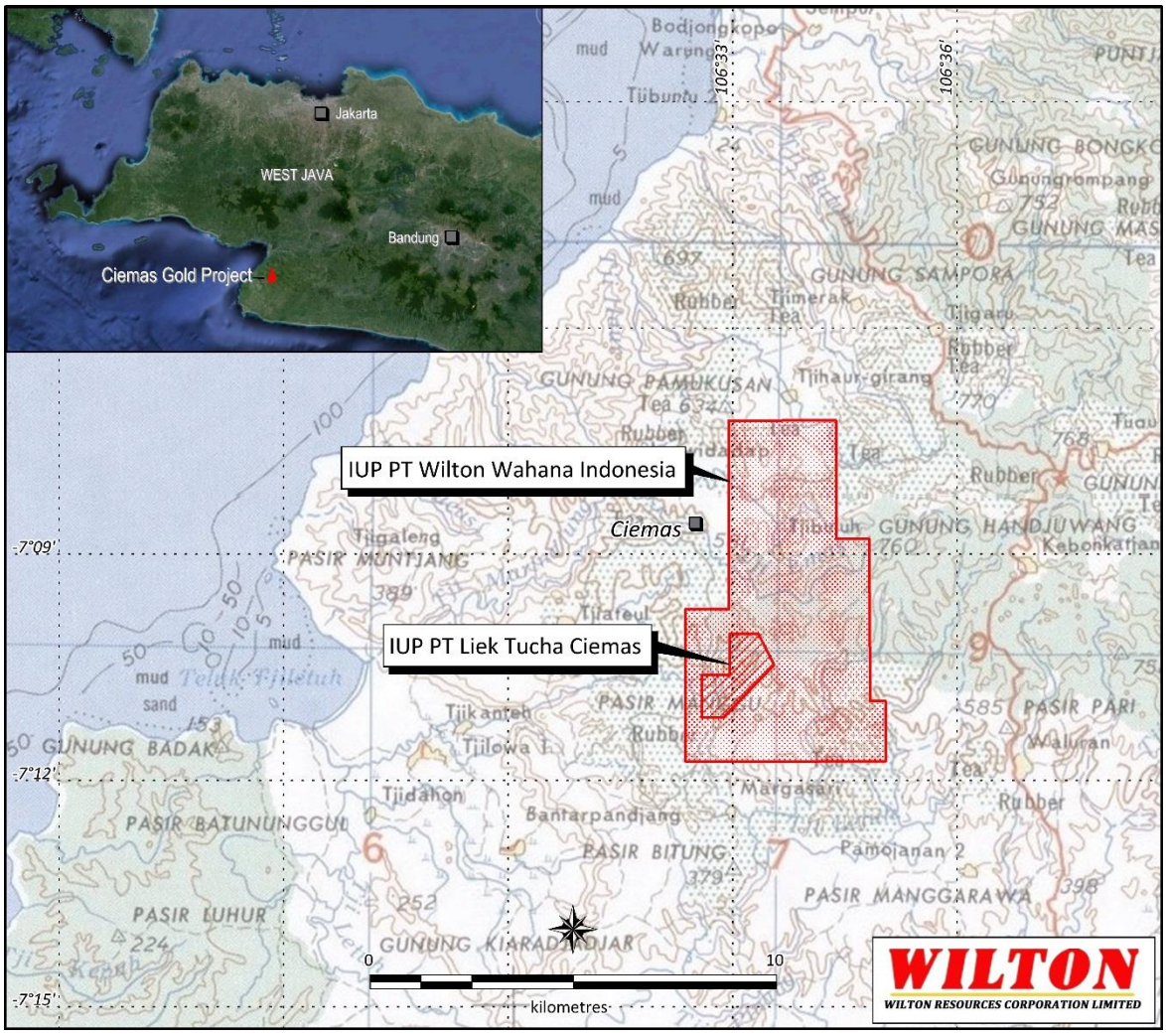

Figure 2-1: Ciemas Gold Project Location and Access

2.2 Tenure Information

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

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

Two IUPs have been issued for the Ciemas Gold Project, as follows: one to PT WWI; and the other to PT Liektucha Ciemas ("PT LTC"), subsidiary companies owned and controlled by Wilton. The author has sighted these two original IUPs. The details of the IUPs of the Ciemas Gold Project are summarised in Table 2-1. The two IUPs cover a total area of 30.785 square kilometres. The IUP OP permits authorise all forms of mining activity through to production. Applicable safety and environmental approvals are in place. Rehabilitation costs to an appropriate standard of accuracy are incorporated into mining costs in the Scoping Study.

Table 2-1: Ciemas Gold Project IUPs

Asset Name	Issuer's Interest	Development Status	Expiry Date	Area (km^2)	Type of Deposit
Production Operation Mining Business Permit (IUP OP) to PT WWI under Decree Number 503.8/7797-BPPT/2011 of 05 October 2011	100% via PT Wilton Wahana Indonesia	Permitted for production; under active exploration	07 September 2030	28.79	Gold and other minerals
Renewal of IUP OP to PT LTC under Decree Number : 03.8/3016-PPT/2012 dated 08May 2012	100% via PT Liektucha Ciemas	Permitted for production; Scoping Study completed; Feasibility in progress; development and pilot production preparation	01April 2028	2	Gold

3 History of the Property

There is evidence that the Pasir Manggu deposit at the Ciemas Gold Project was prospected in colonial times, but the property has not been recorded in Van Bemmelen's 1970 treatise on Dutch mining activity in Indonesia. A Kuasa Pertambangan (KP: Authority to Mine) was acquired by Ms Liek Tucha in the early 1980s, and this title and its successor, the current IUP OP held by PT LTC (as Table 2-1), have been held continuously since those times. A series of Australian junior explorers, first Parry Corporation from 1986 to 1990, followed by Terrex Resources from 1992 to 1994, and then Meekatharra Minerals from 1996 to 1998, joined the titleholder in exploration of the project area. These companies all ceased operations at Ciemas because of funding shortages.

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

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

From 2009 to 2015, multiple additional exploration works, mining and metallurgical studies were conducted including topography, compilation mapping, trenching, geophysics, scoping studies, metallurgical test, and a processing plant design. Pasir Manggu is considered the most advanced in terms of exploration and relevant studies, followed by Cikadu, Sekolah, and Cibatu where systematic

drilling programs have been conducted and Mineral Resources estimated. Detailed historical works were described in previous reports.

4 Geological Setting

4.1 Geological Background

The Ciemas Gold Project is situated within a volcanic metallogenic belt of gold ("Au"), lead ("Pb"), zinc ("Zn"), and copper ("Cu"), in Ciletah Bay, West Java, Indonesia. Tectonically it is located at the southern margin of Sundaland, which is the continental core of southeast ("SE") Asia formed by the accretion of blocks to the Eurasian margin, and was assembled by the time of the Late Triassic (Figure 4-1).

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

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

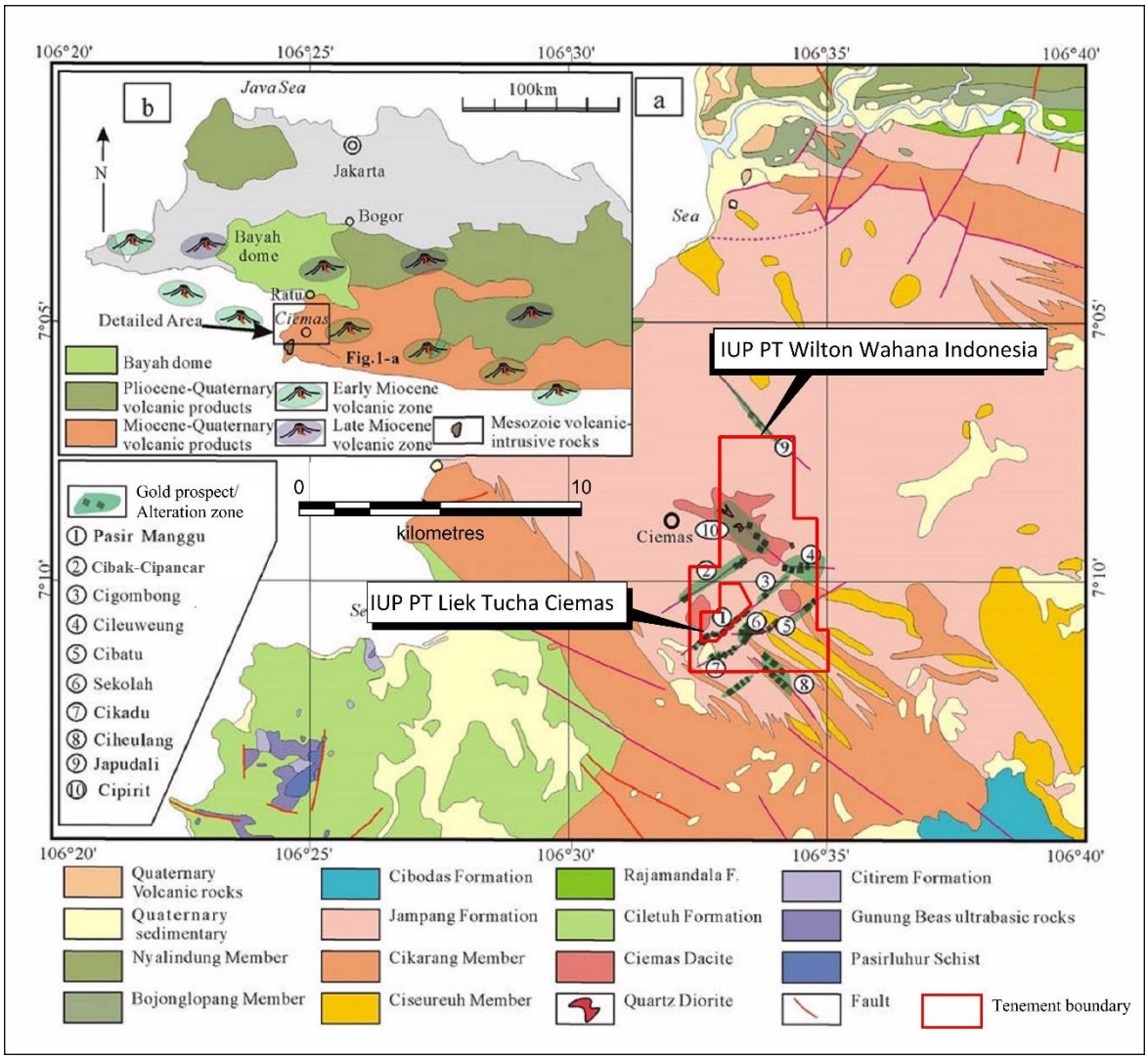

Figure 4-1: Geological Setting and Mineralised Zones, Ciemas Gold Project

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

4.2 Deposit characteristics

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

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

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

About 10 main gold mineralised zones have been defined by the exploration conducted in the Ciemas Gold Project area within an area of approximately 10 km^2 in the central part of the Company's tenement (IUP 503.8/7797). A simplified geological map for the major mineralised zones defined in the Project is shown in Figure 4-2.

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

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

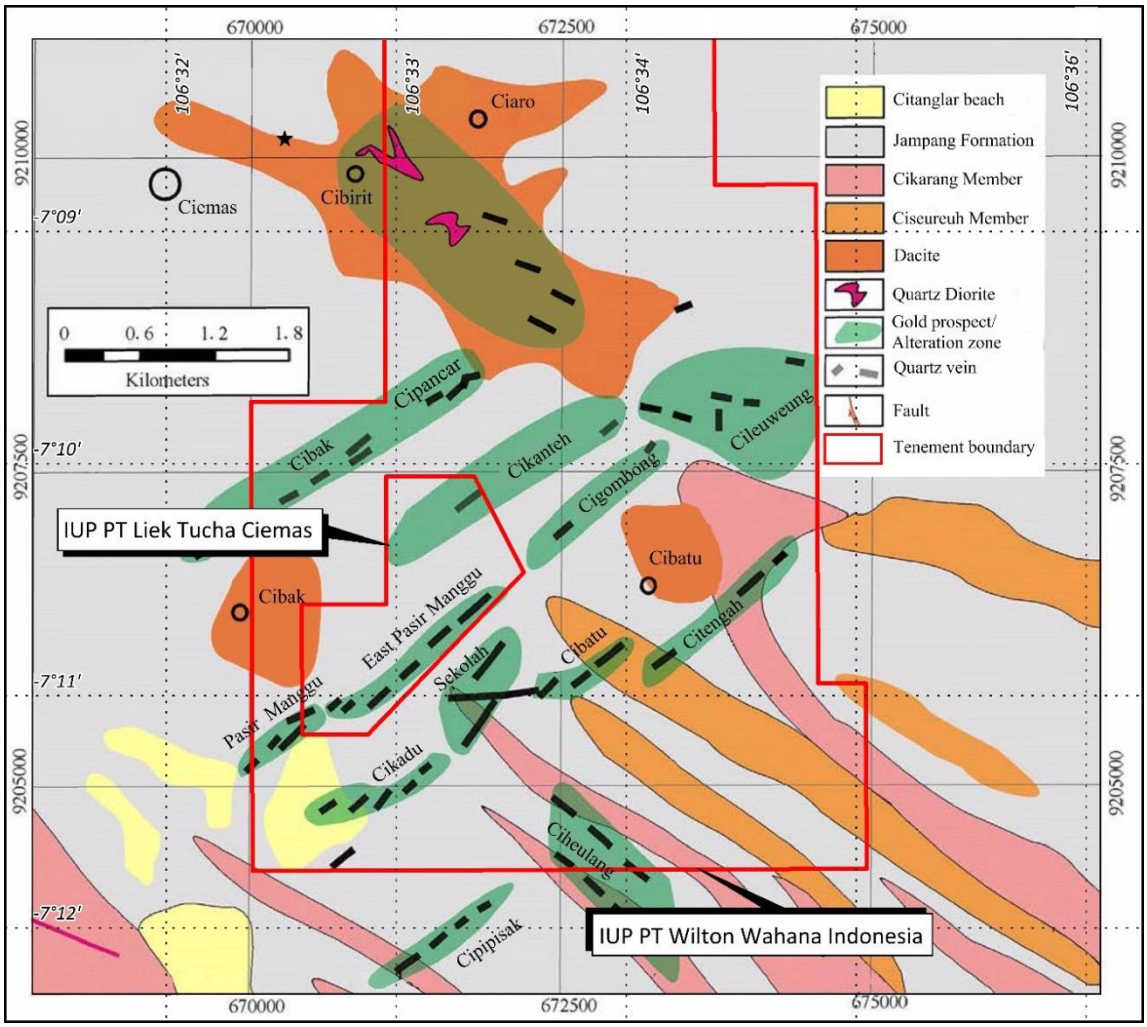

Figure 4-2: Distribution of Main Mineralised Zones of Ciemas Gold Project

Modified from Zhengwei Zhang and others, 2015

5 Project Progress for FY2016

The main Progress conducted during the financial year 2016 at the Ciemas Gold Project area is summarized in this report as follows.

5.1 Pilot Production Programme – Cibak and Cipancar Prospects

5.1.1 Mining Design

Wilton engaged Xinhai Mining Technology & Equipment Inc ("Xinhai") to complete a mining design in 2016 for the Cibak and Cipancar Prospects based on a geological investigation and a general estimation of mineral resources compiled by Xinhai, and reviewed by Professor Zhang Zhengwei in 2015.

Xinhai selected a simultaneous prospecting and mining design, namely prospecting while mining, at the Cibak and Cipancar Prospects. The mineralised bodies should be determined by further exploration workings.

An underground Mining design is adopted in the Cibak and Cipancar Prospects. There are main adits in Cibak at 485m ASL, and in Cipancar at 530m ASL for mining & prospecting at the same time. The mining order is from hanging wall to footwall, and from top to bottom. The initial capital expenditure is estimated at about USD4.9 million.

SRK is of the opinion that the mining design is at an early stage and further exploration at Cibak and Cipancar Prospects is recommended in addition to the proposed prospecting while mining concept to upgrade the mineral resources, in order to carry out mining design and other studies on them.

5.1.2 Metallurgical Test Work

Xinhai was engaged in 2015 by Wilton undertake a metallurgical test work for Cibak and Cipancar Prospects, aiming to determine the optimal process flow and the optimal parameters to provide the basis for technical flow design, investment, development and production of the mine in the future.

A detailed review for the metallurgical studies was performed by SRK being presented in Chapter 7 in this report.

5.1.3 Preliminary Mineral Processing Plant Design

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

The processing plant is designed with an initial stage production capacity of 300 tpd using oxidation pretreatment, leaching (zinc precipitate) and smelting process. In the later years, the plant capacity can be expected to upgrade to 600 tpd.

Two process flow routes designs are: A) preoxidation (alkaline pretreatment) - leaching (zinc precipitation), and smelting route; and B) flotation, roasting, leaching (zinc precipitation) and smelting route.

The following information was indicated by the preliminary processing plant design report, and will be reviewed by SRK presented in a latter chapter in this report.

- For the alkaline pretreatment process, two-phase ore grinding is adopted. Phase 1 ore grinding to 200 mesh (75%), followed by second stage grinding to 325 mesh (95%). The slurry feeds to leaching tanks for alkaline pretreatment (60 hr). After filter press, it goes to agitation tank for slurry mixing and then to leaching for 48 hr. After gone through two times of leaching and 3 times of washing. The pregnant solution overflow from the thickener. The gold mud is obtained by purification, deoxidation and zinc powder precipitation of the pregnant solution, before to smelting for the gold dore. The recovery rate is about 87%.

- For the flotation, roasting and leaching route. Phase 1 ore grinding to 200 meshes (75%), followed by flotation circuit. The flotation concentrate reports to roasting, After roasting, the Calcine is grind to 325 mesh (95%) before alkaline pretreatment and leaching (zinc precipitation). Tailing from floatation is regrind to 200 mesh (90%) before alkaline pretreatment and leaching. The recovery rate is 92%.
- On the initial production capacity of 300 tpd, the Capex for the processing plant equipment alone, using alkaline pretreatment and leaching route is about as follow: processing equipment USD4.6 million, electrical USD0.9 million, installation USD1.8 million. Processing operating cost is about RMB439 or USD66 per ton ore (currency rate of 1 USD=6.65 RMB was used, the same below).
- For the floatation, roasting route, given the roasting set has a minimum design capacity to be economically viable, it is a significant cost to the overall capex. The processing operating cost is RMB605 or USD91 per ton ore.

The next stage of detailed engineering design and technical drawing is in progress and scheduled to be completed by 1QFY17.

A detailed review for the Preliminary Mineral Processing Plant Design was performed by SRK being presented in Chapter 7 in this report.

5.1.4 Tailings Storage Facility Design

The TSF is designed situating at a natural valley, northeast from the designed process plant. It occupies a plan area of about 15 ha. The TSF will be constructed in stages. The yearly tailing discharged is about 90,000 ton or 60,000 m^3. The maximum storage capacity and effective storage capacity are 1.21 x 10^6 m^3 and 1.03 x 10^6 m^3 respectively. The maximum height of the primary embankment is 23m at an elevation of 488 m. There are flood drainage system and seepage drainage system. Direct project cost of dam (including impervious liner with bentonite USD1.3 million) is USD1.7 million. Direct project cost of drainage system is USD0.4 million. Others is USD81 thousand. A total of USD2.1 million.

5.2 Production Programme – 4 Prospects

5.2.1 Metallurgical Test Work

Wilton engaged PT Geoservices – Geometallurgical Laboratory ("Geoservices") in 2015 to undertake a Metallurgical Feasibility Studies on the Ciemas Gold Project. The objective is to conduct a metallurgical test work programme to determine the optimum processes flow route, and followed by engineering design and costing (Opex and Capex) for the mineral processing plant.

The Metallurgical Feasibility Study comprises a review of the metallurgical test work previously done by the Australian Minmet Metallurgical Laboratories Pty Ltd. ("AMML"), and continues the metallurgical test work to include characterization test work, response & optimization test work, and Comminution. These Metallurgical test work determines the optimum processes flow route and forms the basis of the process plant engineering design, opex and capex estimates.

The process plant design consists of primary crushing, SAG milling, gravity separation, froth flotation, two-stage fluid-bed roasting, off- gas scrubbing, carbon-in-leach, elution & regeneration, gold room and detoxification circuits, capable of treating ore at throughput rate of 0.5 million tpa over a projected 6 year mine life, with about 90% gold recovery rate.

A detailed review for the metallurgical studies and process plant engineering design for the 4 Prospects program was performed by SRK being presented in Chapter 7 in this report.

5.2.2 Site Sterilisation

PT. Prihaditama Geosciences & Oceanography Consulting was engaged by Wilton to conduct Geophysics survey using Induced Polarisation (IP) and Resistivity technique to locate any anomaly (mineralization zone) around the proposed major infrastructure area in October 2015.

The results suggest that the proposed locations of major infrastructures such as process plant, TSF and waste dumps have no potentially economic mineralization underneath them.

5.2.3 Geotechnical Investigation

Wilton commissioned PT. Geotechnical & Environmental Services Indonesia ("Golder") to carry out geotechnical investigations for the proposed Process Plant and TSF of Ciemas Gold Project in 2016.

The geotechnical assessment presented in the Golder's report concerns the TSF and Process Plant within a permitted area of 37.2 ha and briefly the camp site as well.

The stability analysis results indicate that the performance of the Primary and Auxiliary dams for the Dry Disposal TSF option under both static and seismic conditions is acceptable. Similarly, results of stability analysis of the three embankments proposed for the Wet Disposal TSF option under both static and seismic conditions indicates the conceptual profile of the embankments are feasible.

The study of the TSF starter dams for dry TSF and embankments for wet TSF indicate adequate stability. In situ CBR test and/or Vane Shear test must be carried out to confirm the strength parameter of the fills adopted in the analysis. It is important to manage surface water such that ponded water remains remote from the dams, reducing the risk of developing high pore pressures within the embankment. We recommend a deformation analysis of the TSF dam under earthquake loadings is carried out to ascertain the safety of the dam which includes modelling of staged construction of the TSF dam.

The serviceability state (settlement tolerance) of the facilities within Process Plant controls the type of foundation suitable for supporting the structures. Settlement estimates suggest shallow footings are acceptable to support a range of loads applicable in this study. Bearing capacities (ultimate state) for shallow footings also appear adequate for the structures. Chemical analysis results for the soils indicate non-aggressive to structures, therefore no abnormal material durability issues are anticipated.

The in situ materials are suitable for both embankments of the TSF dam and backfills of retaining structures. The embankments for TSF dam are recommended to include rock fill zones to improve the overall stability. The investigation has not identified any readily available source of natural construction aggregate at the site, however blasted and/or crushed rock derived from slightly weathered to fresh volcanic breccia and andesite bedrock encountered at the site is expected to be suitable for use. Mine overburden rock could be investigated as a potential source of construction material.

The in situ soils are likely non liquefiable based on their particle size analysis curves for both Process Plant and TSF sites.

5.2.4 Land Rights

Acquiring surface rights on this proposed location of major infrastructures (in particular the process plant and TSF) has also been completed. This would facilitate the next stage of civil engineering and construction development in this area.

5.3 Exploration Programme

5.3.1 Mineral Resource Statement

SRK completed the "Updated Resource Report for the Ciemas Gold Project in Sukabumi Region, Indonesia" for the Group as of 30 June 2014. The Mineral Resources were reported in accordance with the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code", 2012 Edition). The Mineral Resources were updated for four advanced prospect zones, namely Pasir Manggu, Cikadu, Sekolah and Cibatu, among a number of mineralised zones.

There is no material change for the mineral resource statements, since neither mining activities nor further exploration programs were then done by the Company from the last financial year.

Table 5-1 below presents a comparison of Resources in the four prospect zones as of 30 June 2016 and as of 30 June 2015. The Measured + Indicated Resources is 3,040 thousand tonnes ("kt"), contains 26,740 kg of gold with an average gold grade of 8.8 grammes per tonne ("g/t"). The Inferred Resources is 1,600 kt, contains 12,230 kg of gold with an average grade of 7.6 g/t Au.

Table 5-1: Comparison of Estimated Resources at the 4 Prospects (30 June 2015 and 30 June 2016)

Property	Category	As of 30 June 2016			As of 30 June 2015			Changes[1]
		Resource (kt)	Au (g/t)	Au (kg)	Resource (kt)	Au (g/t)	Au (kg)	
Pasir Manggu	Measured	120	7.3	870	120	7.3	870	0%
	Indicated	450	7.5	3,390	450	7.5	3,390	0%
	Inferred	270	3.8	1,030	270	3.8	1,030	0%
Cikadu	Indicated	1,100	9.1	9,970	1,100	9.1	9,970	0%
	Inferred	360	8.4	3,040	360	8.4	3,040	0%
Sekolah	Indicated	710	9.2	6,520	710	9.2	6,520	0%
	Inferred	300	8.6	2,580	300	8.6	2,580	0%
Cibatu	Indicated	660	9.1	5,990	660	9.1	5,990	0%
	Inferred	670	8.3	5,580	670	8.3	5,580	0%
Total	Measured	120	7.3	870	120	7.3	870	0%
	Indicated	2,920	8.9	25,870	2,920	8.9	25,870	0%
	Measured and Indicated	3,040	8.8	26,740	3,040	8.8	26,740	0%
	Inferred	1,600	7.6	12,230	1,600	7.6	12,230	0%

Note: [1] Change from previous update as of 30 June 2014, changes are relative to contained metal as estimated; positive number denotes increase and negative number denotes decrease.

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

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

5.3.2 Recent Exploration in Cibak and Cipancar Prospects

Apart from the 4 main prospect areas there is still a lot of exploration potential in the Ciemas Project as addressed in previous technical reports.

Pt Prihaditama was engaged by Wilton to conduct a resource survey on the Cibak and Cipancar Prospects using Geophysics surveying method. IP & Resistivity techniques were utilized to locate any

anomaly (mineralization zone) beneath the investigated area and estimate potential mineralization quantity.

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

An initial resource estimation for Cibak and Cipancar Prospects has been completed by Xinhai in accordance with Chinese standard with a conventional two dimensional method. The database has been transmitted to SRK and a verification and re-estimation programme followed by JORC compliant reporting for the Cibak and Cipancar Prospects are in progress.

6 Exploration Data

A detailed description of the historical exploration carried out in the Ciemas Gold Project area can be found in the IQPR prepared by SRK, dated June 2013 (the "2013 SRK IQPR'). A summary of historical exploration is provided in the 'History of the Property' section on page 7 of this QPR.

As part of the SRK's 2013 IQPR, SRK assessed the historical data compiled by Wilton, or other consultants on behalf of Wilton, during 2012 and 2013. Following this, and in-line with SRK's recommendations, a verification drilling programme was completed in 2012. The drilling and sampling was performed in-line with standard procedures in gold mineral exploration. Based on the data review and verification results, SRK formed the opinion that the integrated database was adequate for Mineral Resource estimates of the Deposits. These results were reported in the 2013 SRK IQPR, which was incorporated in the Hartawan RTO circular. A second round of verification drilling continued after the 2013 SRK IQPR was compiled, and this was completed in January, 2014. The additional results from this programme were incorporated into the integrated database, and used as the basis for the Resource Report.

Details of the exploration and sampling techniques are presented in the Resource Report.

During the FY2015, the Group had made progress on detailed topographic survey which covered the entire area of the Project's concessions. Exploratory shafting was employed by the Group from FY2015 to FY2016 to investigate the resource potential zones such as Cibak and Cipancar Prospects, and preliminary in-house data showed these zones will possibly add resources in addition to the Project. The Group plans to conduct a pilot development with exploration on these potential targets in the coming financial year.

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

7 Metallurgical Test Work

The target metals to be recovered in the processing program are gold and silver. A series of metallurgical test works were carried out both for Cibak and Cipancar Prospects and 4 Prospects to develop an optimum metallurgical flowsheet and optimum conditions and parameters to recover gold and silver in FY2016.

7.1 Pilot Production Programme

7.1.1 Xinhai's Metallurgical Tests

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

Ore Samples

The samples for the metallurgical test were collected from different parts of the deposits. There are 4 oxidized samples, 3 primary samples and 2 argillic samples, Total weight is 50 kilograms. 6 composite samples with different oxide ratio are made up for simulating the production stages of mining of the project. The composite samples are considered to be of representative. The multiple elements assay results are shown in Table 7-1. The results indicate that only gold and silver deserve to recover, but the arsenic content may have deleterious effect to the extraction of gold and silver. Sulphur exists in the forms of sulphide minerals, mainly arsenopyrite and pyrite, secondly galena, sphalerite and stibnite, etc. The content of sulphur increases from composite 1 to 6, representing the ore from shallow to deep part of the deposits.

Table 7-1: Elements assay results of composite samples, Xinhai

Element	Composite 1	Composite 2	Composite 3	Composite 4	Composite 5	Composite 6
Au*	9.40	12.10	11.70	12.30	14.30	14.60
Ag*	40.10	34.30	32.40	26.30	41.60	40.60
Cu	0.01	0.01	0.01	0.01	0.02	0.02
Pb	0.06	0.07	0.07	0.07	0.10	0.10
Zn	0.03	0.02	0.02	0.02	0.10	0.10
S	1.20	1.51	1.68	2.38	3.39	3.65
TFe*	4.90	4.46	5.24	5.93	6.90	7.30
Sb	0.06	0.04	0.02	0.04	0.06	0.06
As	0.99	1.06	1.00	1.20	1.70	1.82
TC*	0.29	0.21	0.22	0.21	0.18	0.18
SiO2	75.36	74.41	74.86	74.43	78.84	77.84
Al2O	8.69	8.87	8.78	8.89	4.98	4.98
CaO	0.98	0.85	0.91	0.87	0.98	0.98
MgO	0.20	0.21	0.19	0.20	0.40	0.40
TiO2	0.44	0.52	0.50	0.53	0.24	0.24

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

Gravity Separation Tests

The gravity separation tests adopt one stage open circuit of shaking table. Variations of grinding fineness are tested. The tests result is shown in Table 7-2. It can be seen that the gravity separation can obtain saleable concentrate, but the gold recovery of concentrate are low. The conclusion drown from the tests is the same of previous tests – gravity separation alone is not suitable for processing the Ciemas ore.

Table 7-2: Gravity Separation Test Results, Xinhai

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

Floatation tests

The floatation tests adopt an open circuit shown as Figure 7-1. A closed floatation circuit test is carried out on the 6th composite sample too. The floatation tests are carried out under the optimized grinding

fineness of 75% minus 200mesh (75% <0.074mm). The results are shown in Table 7-3. As the gravity separation, floatation can obtain saleable concentrate but cannot reach high recoveries.

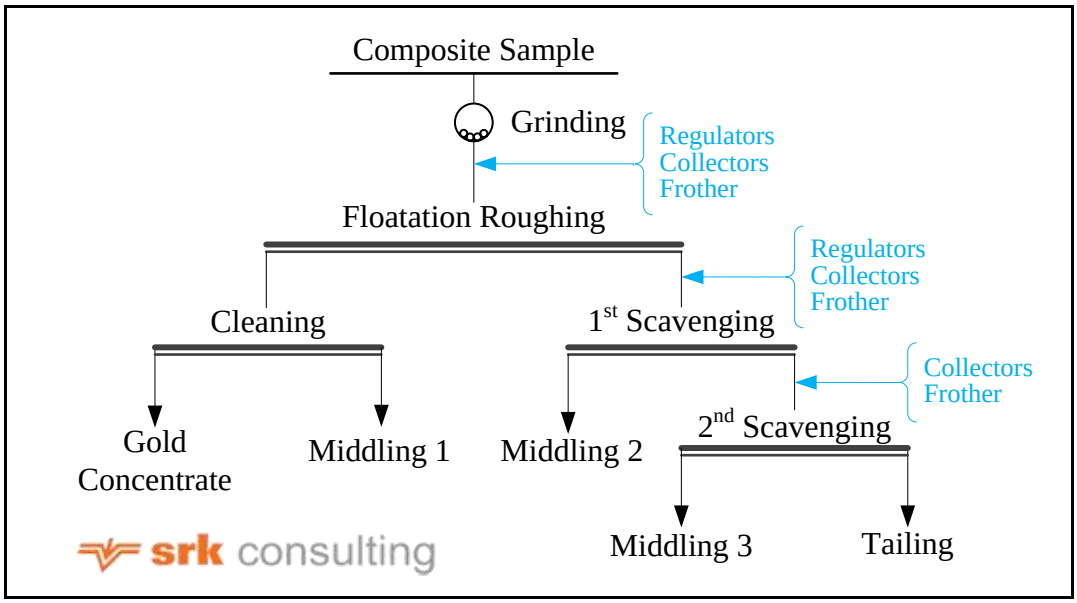

Figure 7-1: Floatation Test Open Circuit, Xinhai

Table 7-3: Floatation Test Results, Xinhai

Sample	Product	Yield (%)	Grade (g/t)		Recovery (%)	
			Au	Ag	Au	Ag
Composite 1	Concentrate	5.86	54.9		33.9	
	Middling 1	8.35	10.4		9.2	
	Middling 2	6.68	15.8		11.1	
	Middling 3	5.76	11.8		7.2	
	Tailing	73.35	5.0		38.7	
	Feed	100.00	9.5		100.0	
Composite 2	Concentrate	6.73	68.2		38.2	
	Middling 1	9.42	11.3		8.9	
	Middling 2	7.02	16.2		9.5	
	Middling 3	6.07	12.4		6.3	
	Tailing	69.86	6.4		37.2	
	Feed	100.00	12.1		100.0	
Composite 4	Concentrate	12.73	54.2		56.4	
	Middling 1	3.61	14.6		4.3	

	Middling 2	2.63	13.9		3.0	
	Middling 3	1.79	13.5		2.0	
	Tailing	79.24	5.3		34.3	
	Feed	100.00	12.2		100.0	
Composite 5	Concentrate	18.09	60.7		76.8	
	Middling 1	5.16	15.9		5.7	
	Middling 2	3.71	13.2		3.4	
	Middling 3	2.68	12.1		2.3	
	Tailing	70.36	2.4		11.8	
	Feed	100.00	14.3		100.0	
Composite 6	Concentrate	18.18	62.2		76.9	
	Middling 1	5.15	16.2		5.7	
	Middling 2	3.76	14.2		3.6	
	Middling 3	2.55	13.0		2.3	
	Tailing	70.36	2.4		11.5	
	Feed	100.00	14.7		100.0	
Composite 6*	Concentrate	21.62	58.6	161.1	86.1	85.8
	Tailing	78.38	2.6	7.4	13.9	14.2
	Feed	100.00	14.7	40.6	100.0	100.0

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

Gravity Separation-Floatation Tests

Gravity and floatation combined open circuit are also conducted on the 5th and 6th composites. The flowsheet is one stage shaking table and then floatation to process the tailing of shaking table. The results are show in Table 7-4. Compared with the floatation results, the combined flowsheet have not increased the gold recovery.

Table 7-4: Gravity Separation Combined Floatation Test Results, Xinhai

Sample	Product	Concentrate Yield (%)	Grade (g/t)		Recovery (%)	
			Au	Ag	Au	Ag
Composite 5	Gravity Concentrate	7.19	85.6		43.09	
	Floatation Concentrate	6.15	68.9		29.67	
	Total Concentrate	13.34	77.9		72.76	
Composite 6	Gravity Concentrate	7.32	87.5		44.05	

Floatation Concentrate	6.09	69.7	29.19
Total Concentrate	13.41	79.4	73.24

Cyanide Leaching Tests

After a series of condition optimizing tests, under the optimized conditions and flowsheet as Figure 7-2, cyanide leaching tests are implemented on composite samples. The test results are shown in Table 7-5. The leaching rates of gold and silver are stable at 89% and 70% respectively, indicating the ores of Ciemas deposits are amenable to cyanide leaching process.

Table 7-5: Cyaniding Test Results of Composite Samples, Xinhai

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

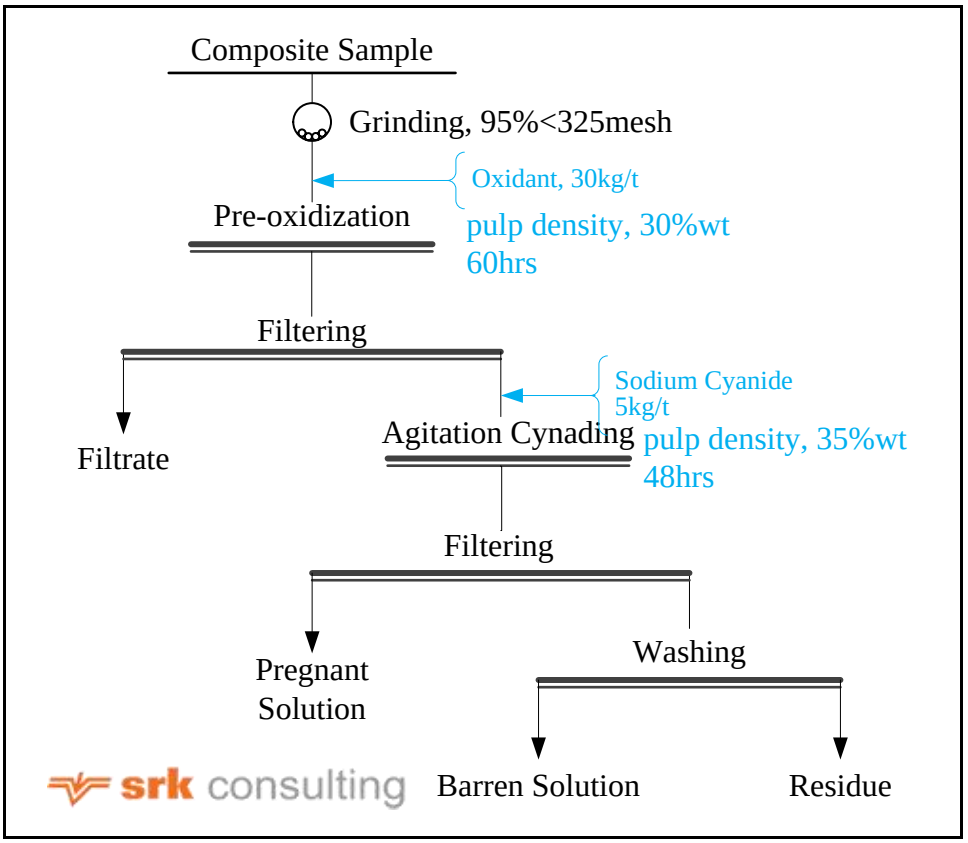

Figure 7-2: Cyaniding Test Circuit, Xinhai

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

Table 7-6: Floatation Concentrate Quality

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

Table 7-7: Cyaniding Results of Floatation Products, Xinhai

Sample and Process	Feed Grade (g/t)		Residue Grade (g/t)		Leaching Rate (%)	
	Au	Ag	Au	Ag	Au	Ag
Floatation Concentrate of Composite 5						
Grinding-cyaniding	45.4	130.2	24.4	78.3	46.3	39.9
Bacterial oxidization-cyaniding	45.4	130.2	13.4	59.6	70.5	54.2
Roasting-cyaniding	45.4	130.2	7.6	44.6	83.2	65.8
Floatation Tailing of Composite 5						
Grinding-cyaniding	2.8		1.3		53.9	
Alkaline pretreatment-cyaniding	2.8		0.5		83.9	
Floatation Concentrate of Composite 6						
Grinding-cyaniding	46.7	128.9	21.6	85.0	46.3	34.1
Bacterial oxidization-cyaniding	46.7	128.9	13.6	69.0	70.9	46.5
Roasting-cyaniding	46.7	128.9	8.1	49.7	82.6	61.4
Floatation Tailing of Composite 6						
Grinding-cyaniding	2.8		1.4		48.9	
Alkaline pretreatment-cyaniding	2.8		0.5		83.9	

7.1.2 Mineral Processing Plant Design

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

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

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

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

The designed production technical index is shown in Table 7-8.

Table 7-8: Designed Metallurgical Parameters of pilot plant

Item	Unit	Parameter
Processing capacity	t/d	300
	kt/a	90
Feed grade	Au g/t	11.7
	Ag g/t	32.4
Cyaniding recovery	Au %	89.5
	Ag %	61.1
Washing recovery	Au %	99.9
	Ag %	98.8
Zinc replacing recovery	Au %	99.3
	Ag %	99.0
Refining recovery	Au %	99.5
	Ag %	99.5
Final recovery	Au %	88.0
	Ag %	60.0
Metal production	Au kg/year	930
	Ag kg/year	1,750

The tailings storage facilities were also designed. The designed tailings dam is located in a valley, northeast of the metallurgical plant. The total storage capacity and effective storage capacity are

respectively 120.8×10^4 m^3 and 102.7×10^4 m^3, which can serve 17.0 years for an assumption of 90kt/year throughput.

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

The construction of mining production facilities including the process plant and TSF is scheduled to commence in the 2nd quarter of FY2017. The pilot production of the project is expected to start in the 3rd quarter of 2017.

The capital cost of the pilot plant project includes the cost of mineral processing, dust removal, electric power engineering, water supply and drainage, automation, TSF, general drawing, relevant living and welfare facility, other engineering and contingency allowance. The exploration and mining engineering are not included. Total capital cost of the pilot plant project is estimated to be RMB 0.20 billion (or USD30 million), including construction cost of RMB 0.18 billion (or USD27 million), contingency allowance of RMB 5.4 million (or USD0.8 million) and working capital of RMB 12 million (or USD1.8 million).

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

There are three optional flowsheets:

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

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

The second flowsheet is complex and the final product is gold Dore and silver Dore. The gold recovery is estimated around 88.33%. Complex flowsheet will need higher capital and operating costs.

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

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

7.2 Production Programme

7.2.1 AMML's Metallurgical Test Work

Australian Minmet Metallurgical Laboratories Pty Ltd. ("AMML") submitted Wilton a report of Metallurgical Test Work on Ciemas Gold and Silver Deposits dated on 30 April 2015. Two stages of test works were conducted. Stage 1 testing on 52 interval composites from four different locations and ore types were completed to determine the maximum potential cyanidation dissolutions of Au and Ag. Eight composites were made up based on ore types and gold dissolutions achieved in stage 1. The composites were selected and identified as follows:

- Ox1, low grade oxide ore type with high dissolution
- Ox2, high grade oxide ore type with high - moderate dissolution
- Ox3, low grade oxide ore type with low - moderate dissolution
- MP1, low grade mixed ore type with low dissolution
- MP2, low grade mixed/primary ore type with moderate dissolution
- MP3, high grade mixed ore type with low dissolution
- MP4, high grade primary ore type with low dissolution
- MP5, high grade mixed/primary ore type with moderate dissolution

Metallurgical tests on the 8 composites were conducted in stage 2. The tests consisted of:

a) kinetic cyanide leach test work
b) diagnostic leaching
c) gravity concentration and amalgamation test work, and
d) flotation test work

The kinetic cyanide leach and diagnostic tests results are summarized in Table 7-9.

Table 7-9: Tests Results of Cyanide Leach and Diagnostic Leach, AMML

	Cyanide Leach		Diagnostic Leach - Au Deportment %					
Stage 2 Composite	Head Grade	Leach Recovery	Head Grade	CN	HCl	HNO_3	Aqua Regia	Residue
	Au g/t	Au %*	Au g/t	[1]	[2]	[3]	[4]	[5]
OX1	1.24	84.2	1.24	83.3	11.5	4.4	0.3	0.6
OX2	5.49	84.6	5.49	83.7	5.2	10.3	0.0	0.8
OX3	1.82	29.7	1.82	27.4	9.8	56.6	0.2	6.0
MP1	1.39	41.1	1.10	6.4	2.7	85.8	0.3	4.7
MP2	1.02	37.2	0.97	34.8	8.0	49.8	0.4	6.9
MP3	5.50	5.3	5.50	5.2	1.8	80.4	0.1	12.6
MP4	10.80	25.8	10.80	26.9	10.4	58.7	0.1	4.0
MP5	11.10	44.7	11.10	41.8	14.8	40.9	0.0	2.5

Note: * Only P_{80}=75um grind results shown

[1] Free milling Au
[2] Inferred as carbonate-locked Au
[3] Inferred as arsenopyrite-locked Au

[4] Inferred as pyrite-locked Au
[5] Inferred as silicate-locked Au

Gravity concentration and amalgamation test work was comprised of a single pass through a Knelson concentrator, hand panning of the Knelson concentrate to observe visible free Au, and Hg amalgamation of the recombined Knelson concentrate. The results are described as below:

- Oxide composites: A majority of the Au and Ag was contained within the Knelson tails (between 68-92% and 80-88%, respectively). Of the gold recovered to the Knelson concentrate, two-thirds reported to the amalgam for comp Ox1 (17% of total Au). Negligible Au reported to the amalgam for comps Ox2 and Ox3.
- Mixed/Primary composites: A majority of the Au and Ag reported to the Knelson tails, although generally less than was the case for the oxide composites. Gold recovered in the Knelson concentrate ranged from 21 to 57%. Composite MP1 saw 26% of the gold report to the Hg amalgam.

The floatation test results are shown in Table 7-10.

Table 7-10: Floatation Test Results, AMML

Stage 2 Composite	Head Grade g/t		Total Rghr Grade g/t		Rghr Recovery %	
	Au	Ag	Au	Ag	Au	Ag
OX1	1.24	6	2.02	20.1	27.2	60.6
OX2	5.49	8	11.9	28.8	34.5	59.8
OX3	1.82	5	7.06	20.9	62	57.8
MP1	1.39	2	8.86	14.8	95.1	74.6
MP2	1.02	4	5.14	19.3	73.9	67.4
MP3	5.50	21	22.8	83.6	90.6	92.2
MP4	10.80	30	59.5	191	93.1	97.5
MP5	11.10	11	47.1	60.8	66.4	85.4

PT Geoservices, an Indonesian company located in Jawa Barat of Indonesia, reviewed the metallurgical test report and composed a report of Preliminary Metallurgical Review dated August 2015. This review report summarized AMML's metallurgical test and gave suggestion for future metallurgical tests program.

The results of the metallurgical test work can be summarised by the following statements: The Ciemas ores have been tested for their amenability to cyanidation agitation and responses to flotation techniques for the recovery of Gold. The tests were largely qualitative in nature and were performed on samples reporting a wide range of Gold head grades from four different deposits in the Ciemas area. The ores demonstrated predominantly refractory Gold characteristics with poor to little recovery by standard cyanidation agitation. Flotation responses were deemed to be encouraging with Gold recoveries above 90% to a rougher concentrate with a 15% mass pull. The bulk flotation concentrate will require pre-oxidation prior to cyanide leaching.

The presence of "free milling" non-refractory oxide ores were identified in a number of samples and requires further investigation. The extent and ultimately magnitude of the oxide ore resource

requires confirmation. However, the results in the test work provides for a compelling case to process the oxide ores by blending them with the primary ores, with any Gold associated with "oxide" minerals simply reporting to flotation tails and subsequently recovered in a CIL circuit.

The next phase of metallurgical test work needs to be performed on composites which represent proposed mine and mill feed Gold grades and further confirm flotation responses and cyanide leaching of flotation tails. The oxidation of high grade Gold flotation concentrates and subsequent cyanidation leaching is a crucial circuit that requires investigation.

There are a number of oxidation processes which can be utilised in the Ciemas process plant. The selection of this important part of the plant will require careful consideration. This part of the plant will have the greatest impact on Gold recovery and on capital and operating costs.

A revised metallurgical test work programme has been presented based upon the findings in this report. The previous proposals were based upon potentially two or three different distinct ore types and may have required two dedicated circuits (oxide and primary) in a larger and more complicated plant layout. The revised program will be focussed upon testing of samples which truly represent the blend of ores which will feed the plant.

Based on the data provided by Wilton and the recent metallurgical test work results it is envisaged that a process plant capable of handling the varying refractory and nonrefractory ores can be designed with a single circuit flowsheet.

7.2.2 PT Geoservices's Metallurgical Tests

PT Geoservices conducted an ore characteristic study and an metallurgical tests, and submitted a report of Characterization Test dated November 2015 and a Response and Optimization Test Report dated March 2016.

In the characterization test program, the following tests were performed on 5 composite samples represented the deposits of Pasir Manggu, Cikadu, Sekolah, Cibatu and a high grade composite - a blend of the deposits. The composites were prepared from a mixture of core, coarse retained assay samples and sample pulps.

a) head assays
b) partical size distribution-fractional assays
c) mineralogy
d) diagnostic leach, and
e) comminution

The mineralogy test provided the mineral component of the composites. This is the bases of understandings of ore characters. The diagnostic leach test revealed the gold deportment status in the composition minerals of the ore. This can help explain the leachbility of the ore. The comminution test results will be used as a reference when designing the crushing and milling circuits. Table 7-11 shows the test result of diagnostic leach.

Table 7-11: Diagnostic leach summary, PT Geoservices

Composite	Grind Size p80 Passing	Au Deportment %										Diag Leach Calculated Head Au g/t
		Cyanide Soluble Au						Roasted & Aqua Regia Digest Pyrite Locked Au		Residue Fire Assay Silica Locked Au		
		Direct Cyanide Leach CN Soluble Au		Elution Test Preg Robbed Au		Total Cyanide Soluble Au						
Units	um	%	g/t	%	g/t	%	g/t	%	g/t	%	g/t	g/t
CIBATU	38	68.8	5.12	2.3	0.17	71.1	5.30	25.7	1.91	3.3	0.25	7.45
CIKADU	38	18.4	0.63	18.7	0.64	37.1	1.26	58.6	1.99	4.3	0.15	3.40
PASIR MANGGU	38	31.4	0.56	24.7	0.44	56.2	0.99	39.3	0.70	4.5	0.08	1.77
SEKOLAH	53	28.1	0.39	5.0	0.07	33.1	0.46	52.7	0.73	14.2	0.20	1.39
HIGH GRADE	53	87.9	26.8	1.19	0.36	89.1	27.1	9.8	2.98	1.1	0.33	30.45

In the response and optimization tests program, gravity separation, floatation, cyanide leach and their combined processes were tested on the combination of the five composites in the characterization test program. The following tests were performed on the composites:

a) Head Assays
b) Particle Size Distribution – Fractional Assays
c) Knelson GRG Gravity Separation
d) Flotation Rougher - Cleaner
e) Two stage roasting
f) Bacterial Oxidation
g) Cyanide Leaching
h) Detoxification

Knelson is a centrifugal concentrator which is selected to implement the gravity separation. The results of gravity separation test, floatation test and floatation test of Knelson tailing are shown in Table 7-12.

Table 7-12: Gravity and Floatation Test Results, PT Geoservices

Product	Mass	Grade g/t			Recovery %		
	%	Au	Ag	As	Au	Ag	As
Gravity separation-combined composite original							
Concentate	1.5	375.99	57.9	10,757	66.5	7.2	8.5
Tailing	98.5	2.83	11.2	1,721	33.5	92.8	91.5
Feed-Combination	100.0	8.31	11.8	1,853	100.0	100.0	100.0
Floatation concentration-combined composite original							
Concentrate 1+2	3.7	12.00	29.0	3,676	5.7	14.5	7.7
Concentrate 3	4.7	5.96	33.0	4,086	3.7	21.2	11.0
Concentrate 4	9.3	15.50	13.0	2,954	18.7	16.5	15.6
Concentrate total	17.7	12.24	21.7	3,406	28.1	52.2	34.3
Tailing	82.4	6.69	4.2	1,396	71.9	47.8	65.7

Feed-combination	100.0	7.76	7.3	1,753	100.0	100.0	100.0
Rougher floatation-bulk Knlson tail							
Concentrate 1	1.4	2.62	29.0	1,640	1.3	3.8	1.4
Concentrate 2	1.9	2.91	28.0	1,820	1.9	4.7	2.0
Concentrate 3	2.3	2.70	42.0	2,060	2.1	8.5	2.7
Concentrate 4	2.8	4.21	30.0	2,420	4.2	7.5	4.0
Tailing	91.6	2.79	9.2	1,690	90.4	75.5	90.0
Feed-Knelson tailing	100.0	2.86	11.2	1,708	100.0	100.0	100.0

Cyanide leach tests were conducted on different materials and under different conditions. The results are shown in Table 7-13.

Table 7-13: Cyanide Leach Test Results, PT Geoservices

Material	Leach Process	Recovery %	
		Au	Ag
Floatation tailing	Direct agitation cyanide leach, 24hr	61.6	54.0
	Direct agitation cyanide leach, 48hr	66.9	61.3
Floatation concentrate	Roasting and cyanide leach ,48hr	59.6	
	Roasting and Carbon-in-Leach,24hr	75.9	27.6
	Roasting and regrinding and CIL,48hr	89.7	26.1
Float. Conc.of Knelson Tailing	Direct agitation cyanide leach, 24hr	84.0	
	BIOX A +Cyanidation	90.8	
	Biox BSS + Cyanidation	84.2	
	Biox Mixed + Cyanidation	86.5	

Cyanide detoxification test was conducted too. By using SMBS, the WAD and the total Cyanide can be detoxified to the below government of Indonesia threshold limit after 360 minutes or about 6 hours.

7.2.3 Metallurgical Feasibility Study for 4 Prospects

A metallurgical feasibility study was conducted for the 4 Prospects in 2016 by PT Geoservices to prepare the preliminary process design criteria and identify the capital and operating costs associated with the treatment of the gold bearing ores from main production stage at Ciemas.

The metallurgical feasibility study is comprised of, and has been completed based on the following reports:

- Metallurical Review Report in August 2015 by PT Geoservices;
- Comminution SMC Test Report in October 2015 by PT Geoservices;

- Characterization Test Wwork Report in November 2015 by by PT Geoservices;
- Oxidation Options Report in December 2015 by PT Geoservices; and
- Response & Optimisation Report in March 2016 by PT Geoservices.

The objective of this work was to prepare a Metallurgical Feasibility Study for the processing of the Ciemas' main-production-stage ores. The investigation involved metallurgical test programs and basic engineering design that provides the optimum process routes and flow sheets for recovery of Gold and Silver from ores of the 4 Prospects.

The main production stage process plant and facilities have been designed to treat 0.5 million tonnes per annum of gold bearing sulphide ores at an average nominal head grade of 6.5g/t Au, and 15g/t Ag. Ore will be sourced from the 4 Prospects, but may be supplemented by other ore sources.

The throughput rate and precious metal grades were selected according to the Open Pit Mining Scoping Study prepared by Mancala Pty Ltd, dated 30 June 2014.

The process plant will comprise the following main operations:

- Single stage crushing of ROM ore to a product size of 80% passing 120mm
- Grinding in a single stage of SAG milling operating in closed circuit with hydro-cyclones to produce a grind size of 80% passing 75 microns
- Gravity separation comprising centrifugal concentration and intensive leaching of concentrates
- Flotation using roughing, scavenging and a single stage of scavenger cleaning
- Concentrate dewatering and storage of flotation concentrate prior to roasting
- Two stage fluid bed roasting of the pyrite/arsenopyrite flotation concentrate.
- Lime milking, off-gas scrubbing and detoxification
- Carbon in Leach
- AARL carbon elution & electro-winning
- Tails thickening and detoxification
- Reagent mixing, storage and distribution system.

This Metallurgical Feasibility Study reports the process plant engineering design, complete with the costs for the design, construction and operation of a gold treatment plant. (Capex to ±17.5% accuracy and Opex to ±20% accuracy).

The treatment facility proposed in this study consists of primary crushing, SAG milling, gravity separation, froth flotation, two-stage fluid-bed roasting, off-gas scrubbing, carbon-in-leach, elution & regeneration, gold room and detoxification circuits, capable of treating ore at throughput rate of 0.5 million tpa over a projected 6 year mine life, with 90% gold recovery rate.

Total initial capital cost of USD47 million, comprising a contingency of USD5.2 million and direct costs of USD37 million and indirect costs of USD5.4 million.

Total operating costs of USD27 per tonne of ore processed or USD136 per ounce (equivalent). The overall capital cost for the new process plant was estimated at USD37 million ± 17.5% excluding VAT.

SRK is of the opinion that the operation programme planned in the metallurgical feasibility study is characterized by complex flowchart, large initial investment, high operation costs, and overestimated production index. SRK recommends the Company to start with the trial production programme by using the ore processing flowsheet optimized by SRK mentioned in section 8.4.1 in this report. The parameters and flowsheet should be optimized further during the trial production, of which the aim is indeed for the operation optimization. Upon the success of the trial production, to apply the optimized flowsheet of the trial plant for the plant of the main production of the 4 Prospects, later.

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9 Signature Page

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Anshun Xu, who is a Fellow of The Australasian Institute of Mining and Metallurgy (Member No. 224861). Anshun Xu has sufficient experience that is relevant to the style of mineralization 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'. Anshun Xu consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

I, Anshun Xu, confirm that I am the Competent Person for the report titled "Wilton Resources Corporation Annual Qualified Person's Report on Operations FY 2016" and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition);
- I am a **Competent Person** as defined by the JORC Code 2012 Edition, having more than five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Fellow of The Australasian Institute of Mining and Metallurgy.
- I have reviewed the Report to which this Consent Statement applies.
- I am employed by and carried out the assignment for SRK Consulting China Limited, located at

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- I meet the definition of a **Qualified Person** pursuant to the Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules")
- I am an Independent Qualified Person (under SGX Rule 442). I am both partner and director of SRK Consulting (China).
- I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest. I hold no securities in Wilton Resources Corporation Limited.
- I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Targets, Exploration Results and Mineral Resources.

I consent to the release of the Report and this Consent Statement by the directors of:
Wilton Resources Corporation Limited

Signature of Competent Person
Date: 30 September, 2016.