



QUARTERLY REPORT

For the three months ending 31 March 2010

HIGHLIGHTS

SIHAYO GOLD PROJECT, INDONESIA (75%)

- Definitive Feasibility Study progressing on schedule for completion by December 2010.
- Infill drilling identifies a thick zone of high grade gold in the south eastern portion of the Sihayo 1 North Resource.
Significant results included:
 - **SHDD 205 – 26m at 9.4g/t Au from 98m**
including 4m at 19.5g/t Au
 - *and 1m at 26.3g/t Au*
 - **SHDD 211 – 6m at 15.8g/t Au from 77m**
 - *including 2m at 27.4g/t Au*
 - **SHDD 195 – 26m at 5.8g/t Au from 81m**
 - *including 2m at 17.0g/t Au*
 - *and 4m at 8.3g/t Au*
- Infill drilling program clearly demonstrates the potential to expand the overall resource beyond the current drilled envelope.
- 7 diamond drilling rigs on site to carry out infill resource and geotechnical drilling. Infill drilling to be completed in mid May.
- Metallurgical test work program is approximately 50% complete.
- Baseline environmental studies are 95% complete.

CORPORATE

- Greg Entwistle, formally Project Director of the Martabe project, appointed Chief Operating Officer of Sihayo Gold.
- Gavin Caudle, of the Summit Group appointed Non Executive Director.
- Company has \$4.3 million in cash and is debt free.

1. REVIEW OF OPERATIONS

1.1 INDONESIA

Pungkut Gold Project, Sumatra (75%)

SUMMARY

The Definitive Feasibility Study (DFS) program continues to progress well at the **13.2 MT grading 2.4g/t Au (1.01 Moz)** JORC compliant Inferred resource at Sihayo (Figure 1). Work is continuing in line with the aggressive timeline programmed to complete the DFS by December 2010 and be in a position to commence construction as early as possible in 2011.

Infill drilling of the Sihayo 1 North resource area is approximately 80% completed, the program has been expanded to include drilling of the Old Camp Prospect, which is considered to be an extension of the main Sihayo 1 North deposit. There are currently seven diamond drilling rigs operating on infill drilling at Sihayo with the aim of upgrading the resource estimate from Inferred status to Indicated status under the JORC code.

Results of the drilling during the Quarter have been successful in confirming good continuity of the mineralisation between drill holes. The drilling has identified two main lodes of mineralisation, an upper lode immediately below the Tertiary unconformity and a second deeper lode in the south eastern portion of the resource.

Of particular note during the quarter were the results of detailed drilling of the deeper lode at the south eastern end of the resource where drilling identified thick sections of high grade mineralisation including results such as **26m at 9.4g/t Au** and **26m at 5.8g/t Au**. Previous wide spaced drilling in this portion of the resource had identified sporadic intersections of high grade mineralisation 5 to 10 metres thick and of grades between 5g/t to 10g/t Au but the continuity of mineralisation could not be confirmed. The recent drilling has now defined a continuous high grade lode which is expected to have an overall positive impact on the grade of the resource. **Based on the results of the drilling to date the resource remains open to the north, east and south.**

Following the completion of the Infill drilling program, exploration drilling will continue with the initial aim of confirming extensions of the mineralisation around the current resource to expand the overall resource base. Further afield, work will be conducted to identify other areas with the same geological sequence as seen at Sihayo, in particular along the main Sumatran Fault Zone to the northwest and south east of Sihayo. Earlier work has identified geochemical anomalism along at least 7km of the fault system along strike between the Sihayo 2 and Dolok prospects (Figures 1 and 2), most of which has not been tested by drilling.

The Project Manager of the DFS, Mr Greg Entwistle has joined Sihayo Gold Limited on a full time basis as the Company's Chief Operating Officer and Project Manager. The Company believes this appointment is critical in achieving its stated aim of completing the DFS by December 2010 and be in a position to commence construction early as possible in 2011. Greg's experience in managing the feasibility and development of the Martabe and Gosowong gold projects in Indonesia will complement the current DFS team.

Metallurgical test work continued during the Quarter, approximately 50 bulk samples have been delivered to the AMMTEC laboratory in Perth and are currently undergoing grind and leach tests and other process test work. The metallurgical program is expected to be completed in June.

Geotechnical and sterilization drilling of the proposed site for the tailings storage facility (TFS) have commenced with GHD managing the work and is expected to be completed during the 4th Quarter. Geotechnical drilling of the resource area has also commenced.

Baseline environmental studies have been completed by Golder and Associates in Indonesia.

Following successful preliminary studies two international groups are currently conducting detailed studies into the viability of the use of hydro electric power for the mining operation.

Figure 1: Pungkut project area North Sumatra, showing principal prospects

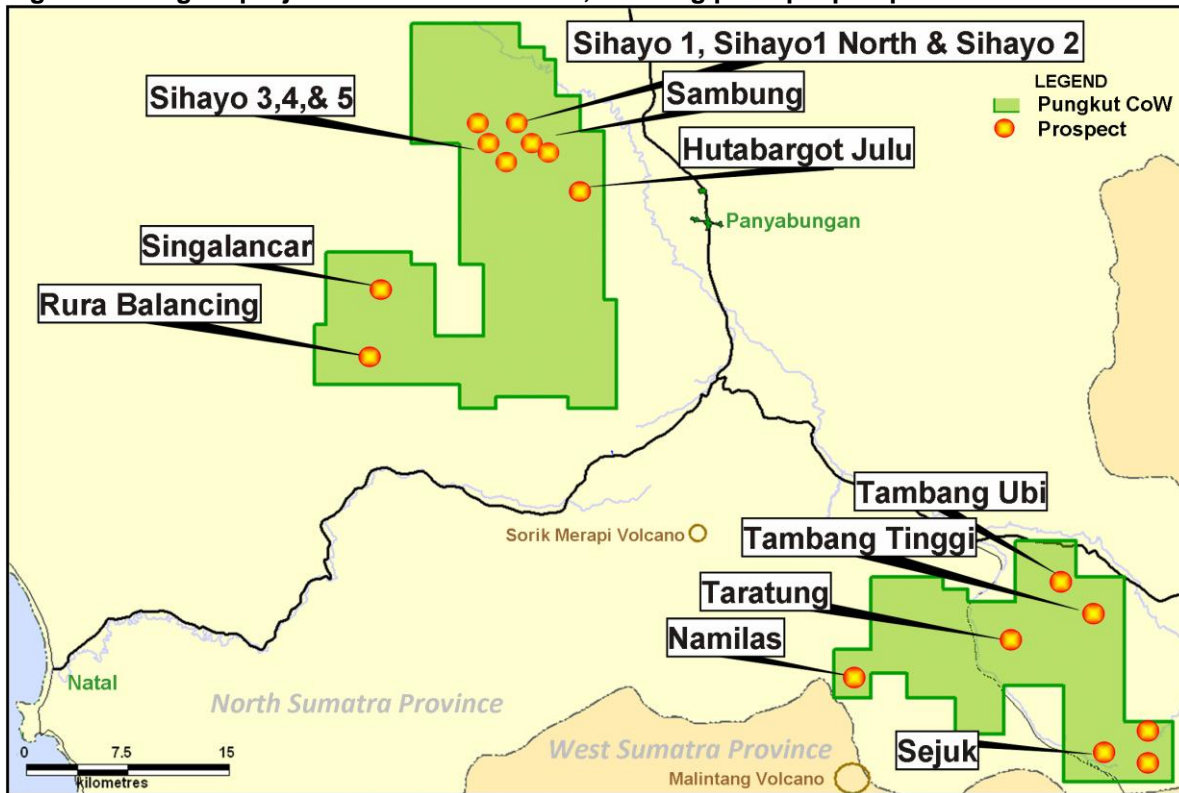
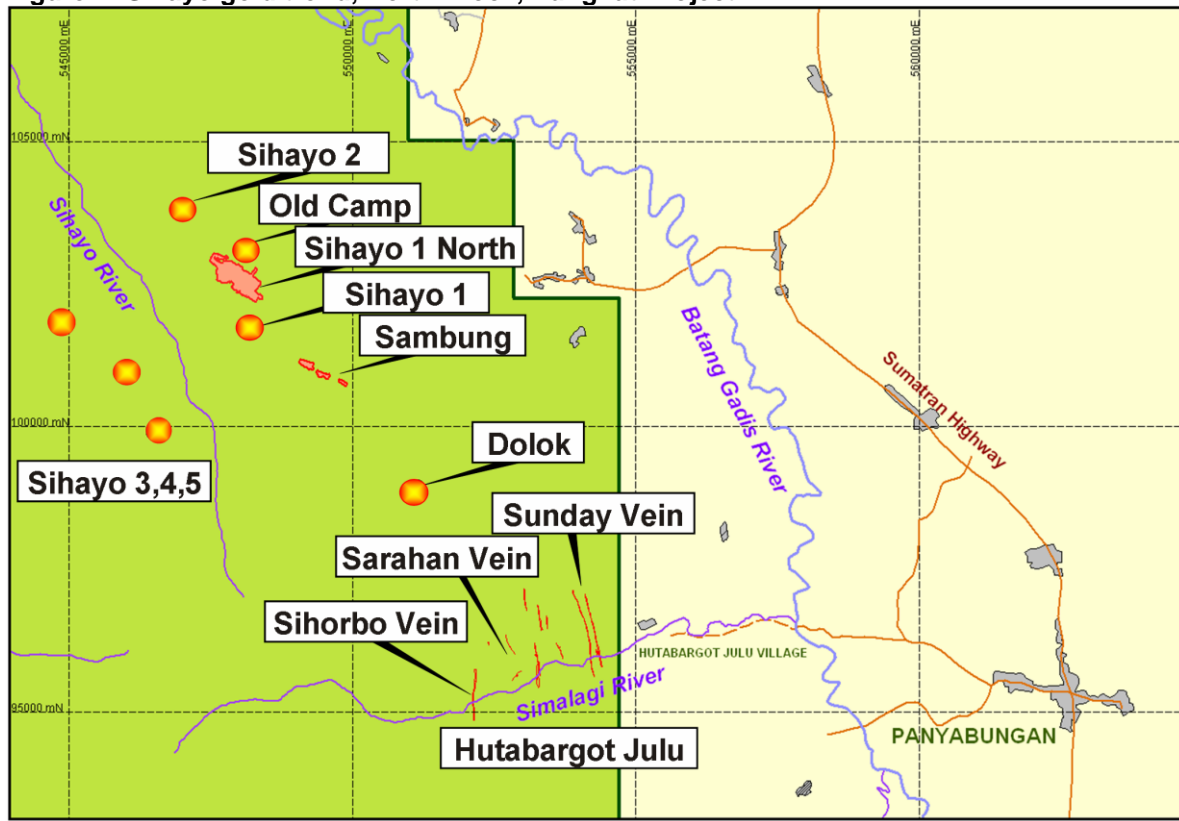


Figure 2: Sihayo gold trend, North Block, Pungkut Project



Sihayo 1 North

During the Quarter the Company completed a total of 125 infill drill holes at the Sihayo 1 North resource for a total of 9,536 metres. Drilling has been based on a nominal infill grid of 50 metres by 25 metres through out the extent of the original inferred resource area (Figure 3).

The results of the drilling have shown overall excellent continuity of the mineralisation and have confirmed two main components to the resource; a shallow weathered zone in the northwest and a deeper high grade zone in the south east. In general the 3D modeling of each of these lodes shows good continuity between drill holes with some variability in grade and thickness. The shallow north western lode is extensively weathered and occurs at depths from surface to 50 metres deep, while the deeper lode has been identified at depths between 50 and 130 metres deep.

Significant results from the upper regolith lode during the Quarter included:

SHDD157: 8m @ 4.7 g/t Au from 24m
and 11m @ 3.2 g/t Au from 35m
SHDD160: 21m @ 2.2 g/t Au from 1m
SHDD171: 35m @ 2.5 g/t Au from 3m
SHDD224: 2.9m @ 6.6 g/t Au from 1m
and 15.4m @ 8.9 g/t Au from 5.4m
SHDD226: 5.7m @ 7.7 g/t Au from 24.3m
SHDD232: 12m @ 3.2 g/t Au from surface
SHDD244: 14m @ 2.9 g/t Au from 1m

The results of the drilling of the deeper lode in the south eastern part of the resource during the Quarter were highly significant and have shown there is an extensive lode of higher grade mineralisation, which generally thickens to the west. The infill drilling has not yet identified the limits of the lode and it is expected to continue beyond the limits of the current infill drilling. Figure 4 shows drilling results on section through this lode.

Significant results during the Quarter from the deeper lode included:

SHDD205: 26m @ 9.4 g/t Au from 98m
***including* 4m @ 19.5 g/t Au**
SHDD195: 26m @ 5.8 g/t Au from 81m
SHDD211: 6m @ 15.8 g/t Au from 77m
SHDD227: 12m @ 5.4 g/t Au from 95m
SHDD240: 11m @ 6.0 g/t Au from 104m
SHDD253: 10m @ 6.1 g/t Au from 83
and 5m @ 10.1g/t Au from 58m
SHDD260: 7m @ 7.4 g/t Au from 111m
SHDD266 11m @ 6.4g/t Au from 76m

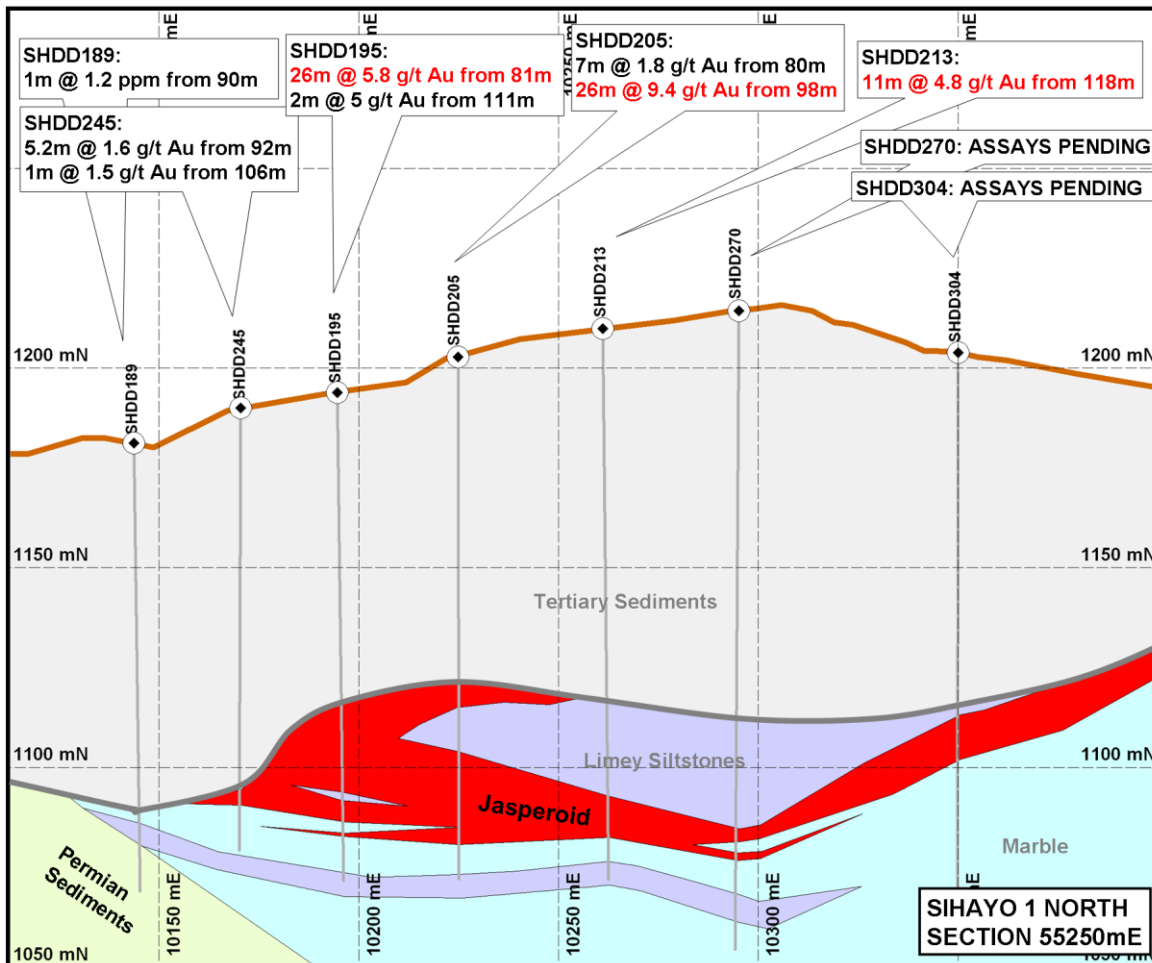


Figure 4: Sihayo 1 North – Geological cross section 55250mE, deeper high grade lode.

Drilling has also commenced at the Old Camp prospect with the aim of incorporating this prospect into the main Sihayo 1 North resource update. Recent interpretation has suggested that Old Camp and its potential extensions along strike are a continuation of the Sihayo 1 North mineralised system. Although the current program will only include Old Camp mineralisation, which has been identified by previous exploration drilling, further exploration during the next two quarters is expected to test the overall extensions to both Old Camp and the main Sihayo 1 North resource.

A total of approximately 50 bulk samples of the Sihayo 1 North mineralisation have been submitted to AMMTEC laboratory in Perth for extensive metallurgical test work. The aim of the test work, which is expected to be completed in June, is to finalize the process route for the Sihayo gold project. The samples have been selected from a series of depth based domains from surface regolith to deep fresh mineralisation. The work will test the cyanide leaching characteristics and the grinding and crushing characteristics of the various types of mineralisation.

Geotechnical drilling of the preferred Tailings Storage Facility, selected by GHD Australia, has commenced and there are currently two drilling rigs operating on this program. Final test work and confirmation of the selected site is planned to be completed by the end of June 2010.

Golder and Associates (Indonesia) has completed field work for the baseline environmental study and the final report is expected to be delivered to the Company within the next month. Environmental and social programs are aiming to meet and exceed the requirements of an international minerals company, to meet the standards and permitting required by Indonesian law, to meet the standards required as an ASX listed company, and facilitate a smooth transition towards the construction and then production stages of the project.

Field studies into the potential use of hydro electricity to power the Sihayo plant have been undertaken by two international companies. The initial results suggest that a suitable river system is located approximately 6 km north of Sihayo. The companies are looking at two options; a smaller plant just to service the Sihayo mine site and a larger plant to service both the mine site and local power grid.

Table 1: Significant Drill Results Sihayo 1 North (>1g/t Au) March Quarter 2010

| Hole ID | East | North | Azimuth | Dip | From | To | Intercept | g/t Au |
|---------|--------|--------|---------|-----|-------|-------|-----------|--------|
| SHDD156 | 548149 | 102572 | 0 | -90 | 30 | 31 | 1 | 1.1 |
| SHDD157 | 548042 | 102365 | 40 | -70 | 24 | 32.5 | 8.5 | 4.7 |
| | | | | | 35 | 46 | 11 | 3.2 |
| | | | | | 51 | 53 | 2 | 2.4 |
| | | | | | 56 | 58 | 2 | 3.3 |
| | | | | | 96 | 102.3 | 6.3 | 1.5 |
| | | | | | 103.8 | 106.7 | 2.9 | 2.8 |
| | | | | | 108.2 | 115 | 6.8 | 2.7 |
| SHDD159 | 547876 | 102559 | 0 | -90 | 0 | 11 | 11 | 2.0 |
| SHDD160 | 547801 | 102783 | 0 | -90 | 1 | 22 | 21 | 2.2 |
| SHDD161 | 547892 | 102578 | 0 | -90 | 10 | 14 | 4 | 3.7 |
| | | | | | 47 | 48 | 1 | 2.5 |
| SHDD162 | 548170 | 102606 | 0 | -90 | 99 | 111 | 12 | 4.4 |
| SHDD163 | 548061 | 102391 | 40 | -70 | 42.8 | 44.2 | 1.4 | 5.8 |
| | | | | | 44.6 | 46 | 1.4 | 3.5 |
| | | | | | 76 | 77 | 1 | 2.0 |
| | | | | | 90 | 95 | 5 | 2.0 |
| SHDD164 | 547834 | 102822 | 0 | -90 | 19 | 20 | 1 | 1.1 |
| | | | | | 32 | 35 | 3 | 3.2 |
| SHDD166 | 547850 | 102841 | 0 | -90 | 28 | 30 | 2 | 1.3 |
| | | | | | 30.7 | 31.9 | 1.2 | 3.5 |
| SHDD167 | 547745 | 102795 | 0 | -90 | 1 | 10 | 9 | 4.2 |
| | | | | | 17 | 18 | 1 | 1.2 |
| | | | | | 26 | 31 | 5 | 2.8 |
| SHDD169 | 548147 | 102492 | 0 | -90 | 23 | 27.3 | 4.3 | 2.5 |
| | | | | | 53 | 54 | 1 | 1.7 |
| | | | | | 96 | 106.2 | 10.2 | 2.1 |
| | | | | | 106.8 | 113 | 6.2 | 5.0 |
| SHDD171 | 547729 | 102776 | 0 | -90 | 3 | 38.1 | 35.1 | 2.5 |
| SHDD172 | 548235 | 102681 | 220 | -70 | 5 | 7.3 | 2.3 | 5.2 |
| SHDD173 | 547682 | 102810 | 0 | -90 | 0 | 5 | 5 | 1.0 |
| | | | | | 9 | 10 | 1 | 2.4 |
| | | | | | 13 | 14 | 1 | 2.2 |
| | | | | | 20 | 21 | 1 | 5.6 |
| SHDD174 | 548249 | 102703 | 0 | -90 | 8 | 10 | 2 | 2.2 |
| SHDD175 | 548191 | 102544 | 0 | -90 | 20 | 21 | 1 | 2.5 |
| | | | | | 26 | 38 | 12 | 1.4 |
| | | | | | 73 | 77 | 4 | 1.2 |
| | | | | | 116 | 117 | 1 | 2.7 |
| SHDD176 | 547612 | 102722 | 0 | -90 | 1 | 7 | 6 | 1.5 |
| SHDD177 | 548229 | 102668 | 0 | -90 | 13 | 24 | 11 | 2.0 |
| SHDD179 | 547920 | 102617 | 0 | -90 | 3 | 4 | 1 | 4.4 |
| SHDD180 | 547939 | 102631 | 0 | -90 | 18 | 25 | 7 | 2.4 |
| SHDD181 | 548260 | 102232 | 40 | -90 | 90 | 94 | 4 | 5.1 |
| SHDD182 | 547579 | 102839 | 0 | -90 | 10 | 11 | 1 | 1.2 |
| | | | | | 18 | 19 | 1 | 1.4 |
| SHDD183 | 547969 | 102384 | 40 | -90 | 0 | 2 | 2 | 4.2 |
| | | | | | | | | |

| Hole ID | East | North | Azimuth | Dip | From | To | Intercept | g/t Au |
|---------|--------|--------|---------|-----|------|------|-----------|--------|
| SHDD185 | 548178 | 102458 | 0 | -90 | 28 | 29.3 | 1.3 | 1.6 |
| | | | | | 33.1 | 38.1 | 5 | 4.5 |
| | | | | | 118 | 119 | 1 | 1.1 |
| SHDD186 | 547954 | 102654 | 0 | -90 | 29 | 31 | 2 | 2.7 |
| SHDD189 | 548209 | 102248 | 0 | -90 | 90 | 91 | 1 | 1.2 |
| SHDD190 | 547982 | 102406 | 40 | -90 | 1 | 2 | 1 | 3.1 |
| | | | | | 14 | 15 | 1 | 1.5 |
| | | | | | 36 | 37 | 1 | 1.2 |
| | | | | | 43 | 58 | 15 | 2.1 |
| SHDD191 | 548020 | 102574 | 0 | -90 | 17 | 23 | 6 | 2.0 |
| | | | | | 27 | 30 | 3 | 1.5 |
| | | | | | 35 | 36.3 | 1.3 | 1.9 |
| SHDD193 | 547996 | 102425 | 0 | -90 | 32 | 35 | 3 | 5.0 |
| | | | | | 50 | 55 | 5 | 1.5 |
| SHDD194 | 548303 | 102601 | 0 | -90 | 54 | 68 | 14 | 1.8 |
| SHDD195 | 548237 | 102283 | 0 | -90 | 81 | 107 | 26 | 5.8 |
| | | | | | 111 | 113 | 2 | 5.0 |
| SHDD196 | 547646 | 102912 | 0 | -90 | 3 | 7.9 | 4.9 | 2.2 |
| | | | | | 9.2 | 11.1 | 1.9 | 2.4 |
| SHDD197 | 548159 | 102434 | 0 | -90 | 40 | 45.8 | 5.8 | 1.9 |
| | | | | | 85 | 86 | 1 | 1.3 |
| | | | | | 108 | 116 | 8 | 3.4 |
| SHDD198 | 547960 | 102446 | 0 | -90 | 43 | 46 | 3 | 1.8 |
| SHDD200 | 548185 | 102290 | 0 | -90 | 73 | 78 | 5 | 3.1 |
| SHDD201 | 548020 | 102575 | 0 | -90 | 18 | 23 | 5 | 3.2 |
| | | | | | 36 | 37 | 1 | 1.9 |
| SHDD203 | 548006 | 102486 | 0 | -90 | 18 | 25 | 7 | 1.8 |
| | | | | | 41 | 42.4 | 1.4 | 6.6 |
| | | | | | 42.7 | 45 | 2.3 | 2.5 |
| | | | | | 48 | 50 | 2 | 3.0 |
| | | | | | 65.3 | 80.1 | 14.8 | 3.4 |
| SHDD204 | 547535 | 102942 | 0 | -90 | 14 | 16 | 2 | 1.2 |
| SHDD205 | 548258 | 102305 | 0 | -90 | 80 | 87 | 7 | 1.8 |
| | | | | | 98 | 124 | 26 | 9.4 |
| SHDD208 | 547500 | 102901 | 0 | -90 | 8 | 9 | 1 | 1.6 |
| | | | | | 30 | 31 | 1 | 1.1 |
| SHDD209 | 548007 | 102550 | 0 | -90 | 33 | 34 | 1 | 6.6 |
| SHDD210 | 548071 | 102563 | 0 | -90 | 131 | 133 | 2 | 2.0 |
| SHDD211 | 548145 | 102332 | 0 | -90 | 63 | 64 | 1 | 11.7 |
| | | | | | 77 | 83 | 6 | 15.8 |
| SHDD212 | 547461 | 102930 | 0 | -90 | 21 | 22 | 1 | 1.4 |
| SHDD213 | 548280 | 102340 | 0 | -90 | 118 | 129 | 11 | 4.8 |
| SHDD214 | 548229 | 102509 | 0 | -90 | 26 | 27 | 1 | 2.0 |
| | | | | | 117 | 119 | 2 | 3.1 |
| SHDD215 | 548102 | 102603 | 0 | -90 | 31 | 33.9 | 2.9 | 1.9 |
| SHDD217 | 548114 | 102294 | 0 | -90 | 50 | 51 | 1 | 4.3 |
| SHDD218 | 547987 | 102533 | 0 | -90 | 28 | 29.4 | 1.4 | 2.8 |
| SHDD219 | 548250 | 102377 | 0 | -90 | 97 | 102 | 5 | 3.5 |
| SHDD220 | 547954 | 102488 | 0 | -90 | 37 | 41 | 4 | 1.3 |
| SHDD221 | 547878 | 102719 | 40 | -90 | 13 | 16 | 3 | 1.1 |
| | | | | | 20.7 | 22.1 | 1.4 | 4.4 |
| SHDD222 | 548299 | 102437 | 40 | -90 | 82 | 84 | 2 | 1.1 |
| | | | | | 92 | 94 | 2 | 6.3 |
| SHDD223 | 547854 | 102613 | 40 | -70 | 9 | 15 | 6 | 1.9 |
| SHDD224 | 547922 | 102448 | 0 | -90 | 1 | 3.9 | 2.9 | 6.6 |
| | | | | | 5.4 | 20.8 | 15.4 | 8.9 |
| SHDD225 | 547949 | 102568 | 0 | -90 | 27 | 28 | 1 | 2.4 |

| Hole ID | East | North | Azimuth | Dip | From | To | Intercept | g/t Au |
|---------|--------|--------|---------|-----|------|------|-----------|--------|
| SHDD226 | 548083 | 102334 | 40 | -90 | 21 | 23.2 | 2.2 | 4.4 |
| | | | | | 24.3 | 30 | 5.7 | 7.7 |
| | | | | | 35 | 36 | 1 | 2.4 |
| SHDD227 | 548172 | 102522 | 0 | -90 | 31 | 33 | 2 | 10.1 |
| | | | | | 95 | 107 | 12 | 5.4 |
| | | | | | 112 | 114 | 2 | 2.7 |
| | | | | | 119 | 121 | 2 | 3.1 |
| SHDD228 | 547857 | 102699 | 0 | -90 | 0 | 4 | 4 | 1.5 |
| SHDD229 | 547974 | 102598 | 0 | -90 | 35 | 36 | 1 | 2.2 |
| | | | | | 40 | 42 | 2 | 1.2 |
| SHDD230 | 548316 | 102459 | 0 | -90 | 84 | 90 | 6 | 7.9 |
| | | | | | 93 | 94 | 1 | 3.8 |
| SHDD231 | 548002 | 102627 | 40 | -90 | 36 | 39 | 3 | 1.3 |
| SHDD232 | 547825 | 102576 | 0 | -90 | 0 | 12 | 12 | 3.2 |
| SHDD233 | 547845 | 102683 | 0 | -90 | 2 | 3 | 1 | 1.1 |
| | | | | | 12 | 14 | 2 | 2.1 |
| | | | | | 40 | 41 | 1 | 3.3 |
| | | | | | 48 | 54 | 6 | 1.8 |
| SHDD234 | 548259 | 102385 | 220 | -70 | 90 | 94 | 4 | 4.5 |
| | | | | | 100 | 102 | 2 | 1.6 |
| | | | | | 105 | 107 | 2 | 4.5 |
| SHDD236 | 547787 | 102534 | 0 | -90 | 0 | 3 | 3 | 5.7 |
| | | | | | 8 | 9 | 1 | 1.7 |
| SHDD238 | 548128 | 102313 | 0 | -90 | 60 | 64 | 4 | 7.7 |
| SHDD240 | 548266 | 102486 | 0 | -90 | 104 | 115 | 11 | 6.0 |
| SHDD241 | 547916 | 102528 | 220 | -70 | 6 | 8 | 2 | 3.0 |
| | | | | | 17 | 19 | 2 | 2.8 |
| | | | | | 75 | 78 | 3 | 2.4 |
| SHDD242 | 547812 | 102635 | 0 | -90 | 5 | 6 | 1 | 1.4 |
| | | | | | 9 | 15 | 6 | 1.7 |
| | | | | | 19 | 24 | 5 | 2.0 |
| | | | | | 37 | 38 | 1 | 1.6 |
| | | | | | 41 | 42 | 1 | 2.3 |
| SHDD243 | 547674 | 102558 | 0 | -90 | 0 | 5 | 5 | 1.6 |
| | | | | | 6.5 | 8 | 1.5 | 2.3 |
| | | | | | 12 | 14 | 2 | 1.7 |
| SHDD244 | 547894 | 102665 | 0 | -90 | 1 | 15 | 14 | 2.9 |
| SHDD245 | 548221 | 102265 | 0 | -90 | 92 | 97.2 | 5.2 | 1.6 |
| | | | | | 106 | 107 | 1 | 1.5 |
| SHDD246 | 548205 | 102563 | 0 | -90 | 17 | 18 | 1 | 1.2 |
| | | | | | 28 | 45.1 | 17.1 | 1.6 |
| | | | | | 110 | 113 | 3 | 2.5 |
| | | | | | 118 | 128 | 10 | 4.2 |
| SHDD247 | 547701 | 102591 | 0 | -90 | 15 | 22 | 7 | 1.1 |
| | | | | | 26 | 31.8 | 5.8 | 4.3 |
| | | | | | 32.7 | 34.5 | 1.8 | 1.7 |
| | | | | | 41 | 43 | 2 | 1.4 |
| | | | | | 59 | 62 | 3 | 1.1 |
| SHDD249 | 547909 | 102683 | 0 | -90 | 4 | 11 | 7 | 2.9 |
| | | | | | 19 | 20 | 1 | 1.0 |
| SHDD250 | 547790 | 102607 | 0 | 0 | 0 | 2 | 2 | 2.4 |
| | | | | | 12 | 16.3 | 4.3 | 2.4 |
| | | | | | 21.3 | 26 | 4.7 | 2.4 |
| | | | | | 29 | 36 | 7 | 1.1 |
| | | | | | 47 | 49 | 2 | 1.4 |
| SHDD251 | 547925 | 102702 | 0 | -90 | 18 | 21 | 3 | 1.3 |
| SHDD252 | 547869 | 102795 | 0 | -90 | 11 | 15 | 4 | 1.6 |
| | | | | | 21 | 24 | 3 | 2.2 |

| Hole ID | East | North | Azimuth | Dip | From | To | Intercept | g/t Au |
|---------|--------|--------|---------|-----|------|------|-----------|--------|
| SHDD253 | 548179 | 102372 | 0 | -90 | 59 | 64 | 5 | 10.1 |
| | | | | | 83 | 93 | 10 | 6.1 |
| | | | | | 96 | 99 | 3 | 3.2 |
| | | | | | 110 | 111 | 1 | 3.7 |
| | | | | | 123 | 124 | 1 | 1.4 |
| SHDD254 | 548226 | 102430 | 0 | -90 | 124 | 125 | 1 | 1.2 |
| | | | | | 129 | 130 | 1 | 2.0 |
| SHDD255 | 548241 | 102206 | 0 | -90 | 92 | 93 | 1 | 6.8 |
| SHDD256 | 547856 | 102773 | 0 | -90 | 4 | 16 | 12 | 1.4 |
| SHDD257 | 547756 | 102656 | 0 | -90 | 7 | 8 | 1 | 1.3 |
| | | | | | 33 | 34 | 1 | 1.2 |
| SHDD258 | 547728 | 102615 | 0 | -90 | 0 | 1 | 1 | 1.5 |
| | | | | | 9 | 13 | 4 | 1.5 |
| | | | | | 16 | 23 | 7 | 1.8 |
| | | | | | 29.8 | 31 | 1.2 | 1.8 |
| SHDD259 | 547838 | 102749 | 0 | -90 | 8 | 21 | 13 | 1.5 |
| SHDD260 | 548206 | 102400 | 0 | -90 | 111 | 118 | 7 | 7.4 |
| SHDD261 | 547874 | 102793 | 0 | -90 | 14 | 15 | 1 | 1.2 |
| | | | | | 23.8 | 24.8 | 1 | 1.5 |
| | | | | | 44 | 47 | 3 | 2.1 |
| SHDD262 | 547690 | 102726 | 40 | -70 | 2 | 5 | 3 | 1.7 |
| | | | | | 19 | 20 | 1 | 1.3 |
| SHDD263 | 547649 | 102680 | 0 | -90 | 0 | 20 | 20 | 2.1 |
| | | | | | 35 | 36 | 1 | 2.0 |
| SHDD264 | 547824 | 102724 | 0 | -90 | 7 | 8 | 1 | 1.1 |
| | | | | | 17 | 19 | 2 | 2.7 |
| SHDD266 | 548163 | 102353 | 40 | -90 | 76 | 87 | 11 | 6.4 |
| | | | | | 105 | 106 | 1 | 2.4 |
| SHDD267 | 548243 | 102608 | 0 | -90 | 9 | 10 | 1 | 1.9 |
| | | | | | 22 | 35 | 13 | 2.8 |
| SHDD268 | 547798 | 102704 | 0 | -90 | 5 | 6 | 1 | 3.1 |
| | | | | | 10 | 11 | 1 | 2.5 |
| SHDD269 | 547676 | 102709 | 0 | -70 | 0 | 6 | 6 | 3.6 |
| | | | | | 10 | 22 | 12 | 1.9 |
| SHDD271 | 547761 | 102819 | 0 | -90 | 2 | 3 | 1 | 1.1 |
| | | | | | 53 | 55 | 2 | 2.0 |
| SHDD272 | 547646 | 102759 | 0 | -90 | 0 | 8 | 8 | 3.1 |
| | | | | | 11 | 12 | 1 | 2.6 |
| | | | | | 21 | 26 | 5 | 1.6 |
| SHDD274 | 547781 | 102842 | 0 | -90 | 0 | 2 | 2 | 1.9 |
| | | | | | 9 | 12 | 3 | 2.1 |
| | | | | | 16 | 17 | 1 | 1.3 |
| | | | | | 21 | 23 | 2 | 1.5 |
| | | | | | 38 | 39 | 1 | 3.1 |
| SHDD275 | 547633 | 102841 | 0 | -90 | 19 | 20 | 1 | 1.4 |
| | | | | | 25 | 26 | 1 | 1.0 |
| SHDD277 | 547608 | 102809 | 0 | -90 | 7 | 8 | 1 | 1.4 |
| SHDD280 | 547712 | 102841 | 40 | -70 | 0 | 3 | 3 | 1.8 |
| SHDD281 | 547561 | 102890 | 0 | -90 | 55 | 56 | 1 | 1.4 |

Notes

1. All assays determined by 50gm fire assay with AAS finish by Intertek- Caleb Brett Laboratories of Jakarta
2. Lower cut of 1.0ppm Au used
3. A maximum of 2m of consecutive internal waste (material less than 1.0ppm Au) per reported intersection
4. All interval grades were calculated as a weighted average
5. All intervals reported as down hole lengths
6. Sampling regime as quarter core for PQ and half core for NQ and HQ diameter core
7. Quality Assurance and Quality Control (QAQC):
8. Coordinates in UTM grid system

Regional Activities

No regional exploration was conducted during the Quarter while the focus of work has been on the Sihayo 1 North project. A regional exploration plan is expected to re-commence in the second quarter of 2010 with low level exploration in the South Block in order to maintain an active presence and to develop some of the prospects into drill ready targets.

In the second half of 2010 as drill rigs complete the infill drilling at Sihayo then drilling can take place on regional targets.

Exploration approval is being sought from the Department of Forestry to work in areas previously placed in suspension while the national park issue was resolved. Once approval is given then reconnaissance mapping and sampling is planned for the porphyry targets at Singalancar, Rura Balancing, and Namilas (Figure 1).

1.2 MALAWI (URANIUM) 100%

No activities were carried out during the Quarter.

The Company has submitted a request for renewal of the exploration licences until mid 2011 and is currently awaiting confirmation of the extensions.

1.3 INDIA (DIAMONDS) 9-10%

No progress has been made during the Quarter in resolving the legal status of the diamond tenements in India. The Company remains optimistic that its Indian JV Partner will be successful in gaining access to the tenement and application areas in the future. In the meantime there is no cost to Sihayo in maintaining its current equity.

2. Corporate Activities

During the Quarter 25 million options were exercised at \$0.06 by the Summit Investment Pty Ltd this represents the second tranche of options issued in the funding package approved at the 2009 AGM. The exercise of these options shows the continuing financial support by the Indonesian investment group.

The Company also raised an additional AUD\$2.8m via the placement of 40 million shares at \$0.07 per share to an Asian based institutional investor, Mr Yaw Chee Siew. At the time this price represented a 27% premium to the Company's share price.

Subsequent to the end of the Quarter the Company announced the appointment of Mr Gavin Caudle as a Non Executive Director. Gavin is a Director of Summit Investments Pty Ltd and brings substantial expertise in dealing with all aspects of business in Indonesia.

Yours faithfully
SIHAYO GOLD LIMITED



Paul Willis
Chief Executive Officer
30 April 2010

Note 1: *It is advised that in accordance with the Australian Stock Exchange Limited Listing Rule 5.6, the information in this report that relates to Exploration Results is based on information compiled by both Mr Tony Martin and Mr Dean Pluckhahn, who are Members of the Australasian Institute of Mining and Metallurgy. Mr Martin, a consulting geologist, is the principal of TRM Consulting Pty Ltd and Mr. Pluckhahn is a full time employee of Sihayo Gold Ltd's 75% owned subsidiary company P.T. Sorikmas Mining ("Sorikmas"). Mr Martin and Mr Pluckhahn have sufficient experience which is relevant to the style of mineralisation and type of deposit which is under consideration and to the activity which Sihayo Gold is undertaking to qualify as "Competent Persons" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Martin and Mr Pluckhahn both consent to the inclusion in this report of the matters based on information in the form and context in which it appears.*

Note 2: *All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Sihayo Gold Ltd, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions.*

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

SIHAYO GOLD LIMITED

ABN

77 009 241 374

Quarter ended ("current quarter")

31 MARCH 2010

Consolidated statement of cash flows

| | Current quarter | Year to date (9 months) |
|---|--------------------|----------------------------|
| | \$A | \$A |
| Cash flows related to operating activities | | |
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for (a) exploration and evaluation | (2,546,824) | (4,075,736) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (120,717) | (590,335) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 23,323 | 50,529 |
| 1.5 Interest and other costs of finance paid | - | (86,162) |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) | - | - |
| Net Operating Cash Flows | (2,644,218) | (4,701,704) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: (a)prospects | - | - |
| (b)equity investments | - | - |
| (c) other fixed assets | (102,315) | (163,841) |
| 1.9 Proceeds from sale of: (a)prospects | - | - |
| (b)equity investments | 5,000 | 5,000 |
| (c)other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other – cash acquired on purchase of subsidiary | - | - |
| Net investing cash flows | (97,315) | (158,841) |
| 1.13 Total operating and investing cash flows (carried forward) | (2,741,533) | (4,860,545) |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|------|--|-------------|-------------|
| 1.13 | Total operating and investing cash flows (brought forward) | (2,741,533) | (4,860,545) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from convertible notes issued | - | 5,000 |
| 1.14 | Proceeds from issued shares | 4,300,000 | 8,296,717 |
| 1.14 | Proceeds from shares to be issued through SPP | - | - |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other – cost of share issue | (37,752) | (89,797) |
| | Net financing cash flows | 4,262,248 | 8,211,920 |
| | Net increase (decrease) in cash held | 1,520,715 | 3,351,375 |
| 1.20 | Cash at beginning of quarter/year to date | 2,776,828 | 960,522 |
| 1.21 | Exchange rate adjustments to item 1.20 | 48,231 | 33,877 |
| 1.22 | Cash at end of quarter | 4,345,774 | 4,345,774 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A |
|------|--|------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 65,850 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

- Includes interest paid to convertible note holders at a rate of 10% per annum on principal sum outstanding.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NOT APPLICABLE

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NOT APPLICABLE

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A | Amount used \$A |
|---------------------------------|-------------------------|--------------------|
| 3.1 Loan facilities | - | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A |
|--------------------------------|------------------|
| 4.1 Exploration and evaluation | 2,400,000 |
| 4.2 Development | - |
| Total | 2,400,000 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A | Previous quarter \$A |
|---|------------------------|-------------------------|
| 5.1 Cash on hand and at bank | 4,301,910 | 1,732,964 |
| 5.2 Deposits at call – Bank Guarantee - Term Deposit | 20,000 23,864 | 20,000 1,023,864 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other – Share Purchase Plan A/c | - | - |
| Total: cash at end of quarter (item 1.22) | 4,345,774 | 2,776,828 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|-----------------------|----------------------------------|--|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | - | - | - | - |
| 6.2 Interests in mining tenements acquired or increased | - | - | - | - |

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|---|--------------------------|---|--|
| 7.1 Preference +securities <i>(description)</i> | | | | |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 +Ordinary securities | 490,202,424 | 490,202,424 | N/A | N/A |
| 7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs | 40,000,000 25,000,000 | 40,000,000 25,000,000 | \$0.07 \$0.06 | \$0.07 \$0.06 |
| 7.5 +Convertible debt securities <i>(Convertible Notes)</i> | | | | |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 Options <i>(description and conversion factor)</i> | 13,280,376 8,500,000 14,974,500 7,500,000 3,000,000 19,500,000 | 13,280,376 | <i>Exercise price</i> \$0.20 \$0.15 \$0.05 \$0.05 \$0.05 \$0.05 | <i>Expiry date</i> 31/01/2011 31/05/2013 31/08/2011 26/08/2011 31/08/2011 30/05/2010 |
| 7.8 Issued during quarter | | | | |
| 7.9 Exercised during quarter | 25,000,000 | | \$0.06 | 22/03/2010 |
| 7.10 Expired during quarter | 12,719,439 | | \$0.20 | 31/01/2010 |
| 7.11 Debentures <i>(totals only)</i> | | | | |

+ See chapter 19 for defined terms.

| | | | | |
|------|---|--|--|--|
| 7.12 | Unsecured notes (<i>totals only</i>) | | | |
|------|---|--|--|--|

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does /does not* give a true and fair view of the matters disclosed.



Sign here: Date: 30 April 2010
(Company Secretary)

Print name: DEAN CALDER

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.