Kalimantan GOLD
Corporation Limited

First Quarter Report

For the three months ended March 31, 2015

Kalimantan GOLD Corporation Limited

Management Discussion and Analysis

For the three month period ended March 31, 2015

(In United States dollars, unless otherwise noted)

(unaudited)

Date

The following discussion is management's assessment and analysis of the results of operations and financial conditions ("MD&A") of Kalimantan Gold Corporation Limited (the "Company" or "Kalimantan Gold") and should be read in conjunction with the accompanying unaudited condensed consolidated interim financial statements and related notes thereto for the three months ended March 31, 2015, (the "Financial Report") and with the audited consolidated financial statements and management discussion and analysis for the year ended December 31, 2014, and 2013, all of which are available on the SEDAR website at www.sedar.com.

All financial information in this MD&A related to 2015 and 2014 has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in US dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

The effective date of this MD&A is May 27, 2015.

Overview

Description of the Business

Kalimantan Gold Corporation Limited is incorporated in Bermuda and is an exploration stage company engaged in the business of acquiring and exploring mineral properties in Indonesia. The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades in Canadian dollars on the TSX Venture Exchange in Canada and in British Pounds Sterling on the AIM Market in London under the symbol KLG.

The Company has three principal areas of interest: the KSK Contract of Work ("KSK CoW") in Central Kalimantan with multiple copper and gold prospects; the Beutong Izin Usaha Pertambangan ("Beutong IUP") in Aceh, Indonesia which covers two porphyry copper-gold-molybdenum prospects - West and East Porphyries and the Beutong Skarn (copper-gold) prospect; and the Jelai Izin Usaha Pertambangan ("Jelai IUP") epithermal gold prospect in North Kalimantan.

On January 12, 2015, the Company purchased Tigers Copper Singapore No. 1 Pte Ltd. ("TC Sing"), a Singapore company with a 50% owned subsidiary Beutong Resources Pte Ltd. ("BRPL"). BRPL, in turn, owns an 80% interest in PT Emas Mineral Murni ("PT EMM"), which holds the Beutong IUP in Indonesia. Effectively, the Company purchased a 40% share in the Beutong IUP.

KSK CoW:

The holder of the KSK CoW is PT Kalimantan Surya Kencana ("KSK"). KSK is owned 75% by Indokal and 25% by PT Pancaran Cahaya Kahayan ("PCK"). Kalimantan Gold holds 100% of the shares of Indokal Limited ("Indokal") and Indokal owns 100% of PCK.

The KSK CoW was granted to KSK on April 28, 1997 by the Republic of Indonesia under the 6^{th} generation of CoW's issued. The terms of the KSK CoW defines several periods under which certain types of work on the KSK CoW is to be undertaken. The KSK CoW is now confirmed as commencing the 5th year of the Exploration Period on April 23^{rd}, 2015. The Company, under Article 23 of the KSK CoW, has the right to request further extensions of the exploration period. The period following Exploration is the Feasibility Study Period which runs for not less than two years, is extendable, and provides time to complete studies and identify the area for mining.

A portion of the KSK CoW is within Hutan Lindung or protected / reserved forest area. The KSK CoW was granted prior to the enactment of the 1999 Government of Indonesia Law No. 41 on Forestry which prohibits open pit mining in Hutan Lindung areas. A subsequent Presidential Decree has confirmed that when the Company's property meets the necessary criteria it may apply for a permit to exploit that portion of the properties within the KSK CoW that fall within the Hutan Lindung, either by underground mining or by applying to change the forestry status. On March 12, 2012 (as amended April 8, 2013), KSK received a 2-year forestry permit granting permission to explore certain areas of the KSK COW. On December 2, 2013, the Company applied for a 2-year renewal of the forestry permit for a total area of 7,688ha of which 170.25ha falls within the Hutan Lindung. The Capital Investment Coordinating Board ("BKPM") in consultation with the Ministry of Environment and Forestry ("MEF") and the Ministry of Energy and Mineral Resources ("MEMR") formally issued the Company with a forestry permit ("IPPKH") renewal on April 23, 2015. The permit, received by the Company on May 1, 2015, is valid for a period of two years and authorizes the company to carry out both surface and drilling activities over permitted areas of the KSK CoW.

On April 18, 2011, as amended on May 31, 2012, the Company entered into a joint venture agreement (the “KSK Agreement”) with Surya Kencana LLC (“SK LLC”), a wholly-owned subsidiary of Freeport-McMoRan Exploration Corporation (“Freeport”) in relation to the KSK CoW. Notice was received from SK LLC on December 30, 2013, of their withdrawal from the KSK Agreement effective January 31, 2014. SK LLC has therefore forfeited its right to the shares of Indokal. However, SK LLC will retain the right to a royalty of 1% over the property, capped to a maximum of the total expenditures of approximately US$35 million made by SK LLC on the project.

The Beruang Kanan (“BK”) Copper Project is situated within the eastern part of the KSK CoW area, in Gunung Mas Regency. The project is accessible by sealed and unsealed road, from Palangkaraya the capital city of Central Kalimantan. Forestry status over the area covered by the BK Project is production forest, and a forestry permit is required to conduct exploration activities.

The BK Copper Project comprises four prospects, namely Beruang Kanan Main (BKM), Beruang Kanan South (BKS), Beruang Kanan West (BKW) and Beruang Kanan Polymetallic Zone (BKZ). The most advanced project is BKM. The Company recently announced an independently estimated maiden Mineral Resource for BKM as: an Inferred Resource of 47 million tonnes averaging 0.6% Cu or 621,700,000 pounds of copper.

The technical report supporting this Resource is titled "Beruang Kanan Main Zone, Kalimantan Indonesia: 2014 Resource Estimate Report" dated effective September 2014, written by Duncan Hackman, B. App. Sc., MSc. MAIG of Hackman and Associates Pty. Ltd. This report is filed on the Company’s profile on Sedar and on the Company’s website at www.kalimantan.com.

Beutong Project:

The holder of the Beutong IUP is an Indonesian company, PT EMM. PT EMM is owned 80% by BRPL a Singapore company. BRPL is owned 50% by TC Sing. TC Sing is owned 100% by Kalimantan Gold Corporation Limited. Therefore, Kalimantan Gold holds an effective 40% interest in the Beutong IUP at this stage (80% x 50% x 100% = 40%). PT Media Mining Resources ("PTM") owns the remaining 20% of the shares of PT EMM.

Pursuant to a joint venture agreement between PTM and TC Sing dated February 11, 2011, as most recently amended November 19, 2014 (the "Option Agreement"), TC Sing can increase its shareholding in BRPL from its current 50% ownership to 100% by completing expenditure and development milestones thus ultimately holding an effective 80% interest in the Beutong IUP.

The Beutong Project is located within the Beutong IUP in the province of Aceh, Indonesia, some 60 kilometres inland from the coastal city of Meulaboh on the island of Sumatra. Excellent infrastructure exists nearby including sealed road access to the project area, grid power, seaport and commercial airport.
The forestry status of the IUP comprises 3,617 Ha classified as Areal Penggunaan Lain (APL) or land allocated for other purposes (also known as non-forest area) and the remaining 6,383 Ha is classified as Hutan Lindung (HL) or protected forest. The Beutong Copper Project comprises three prospects, namely the Beutong East (“BEP”) and Beutong West (“BWP”) Porphyries and the Beutong Skarn. All fall within

forest areas classified as APL, and therefore do not require a forestry permit to conduct exploration activities.

The Company has defined a maiden NI 43-101 resource estimate for the Beutong Project as follows:
Beutong Mineral Resource on a 100% basis comprises:

- Measured and Indicated Resources of 93Mt at 0.61% Cu, 0.13ppm Au, 1.97ppm Ag and 97ppm Mo (0.3% Cu Reporting Cut) for contained metal of 1,241Mlbs copper, 373koz gold, 5,698koz silver and 20Mlbs molybdenum (0.3% Cu Reporting Cut); and

- Inferred Resources of 418Mt at 0.45% Cu, 0.13ppm Au, 1.11ppm Ag and 129ppm Mo (0.3% Cu Reporting Cut) for contained metal of 4,092Mlbs copper, 1,746koz gold, 14,903koz silver and 112Mlbs molybdenum (0.3% Cu Reporting Cut).

- Beutong Mineral Resource on a relevant attributable 40% interest basis comprises:

  - Measured and Indicated Resources of 38Mt at 0.61% Cu, 0.13ppm Au, 1.97ppm Ag and 97ppm Mo (0.3% Cu Reporting Cut) for contained metal of 496Mlbs copper, 149koz gold, 2,279koz silver and 8Mlbs molybdenum (0.3% Cu Reporting Cut); and

  - Inferred Resources of 167Mt at 0.45% Cu, 0.13ppm Au, 1.11ppm Ag and 129ppm Mo (0.3% Cu Reporting Cut) for contained metal of 1,637Mlbs copper, 698koz gold, 5,961koz silver and 45Mlbs molybdenum (0.3% Cu Reporting Cut).

The technical report supporting this Resource is titled "The Beutong copper-gold-silver-molybdenum mineralization, Aceh Indonesia" dated effective November 2014, written by Duncan Hackman, B. App. Sc., MSc. MAIG of Hackman and Associates Pty. Ltd. This report is filed on the Company's profile on Sedar and on the Company's website at www.kalimantan.com.

Porphyry copper-gold-molybdenum mineralization at Beutong extends from surface in the BEP to depths greater than 800 meters vertically. The majority of the Resource outlined to date occurs in the top 500 meters of the two porphyry bodies (BEP and BWP) and better results from near surface within the BEP are included in Table 1 below.

Hole	From	Interval	Cu(%)	Au(ppm)	Mo(ppm)
BC001-02	2.50	147.50	1.32	0.25	145
BC001-04	2.70	147.60	0.92	0.26	78
BC004-03	10.50	140.00	0.94	0.08	137
BEU0800-01	3.25	217.25	1.18	0.20	96
BEU0800-02	2.80	347.10	1.06	0.18	133
BEU0800-03	5.00	330.90	0.79	0.15	106
BEU0900-01	5.30	374.20	0.89	0.13	117
BEU0900-02	5.30	173.70	0.78	0.08	124
BEU0900-03	4.50	300.00	0.65	0.14	63
BEU0900-05	5.50	224.50	0.71	0.14	44
BEU1000-02	154.00	252.70	0.67	0.05	87

Table 1: Beutong significant drill intercepts (cut-off 0.5% Cu, max 4m internal waste)

The deposit remains open to the east, west and at depth. Targets for additional shallow mineralization occur immediately to the east of section 0700 on the BEP where drill intersections of 384.7m at 0.67%Cu, 0.21g/t Au, 100ppm Mo (BEU700-03 from 74.5m) and 224m at 0.73% Cu, 0.12g/t Au and 74ppm Mo (BEU700-04 from 136m) remain open.

Following a review of both historical and the more recent 2011-2012 data, two deep holes were drilled into the BEP and BWP. The program completed in late January 2014 resulted in the discovery of additional copper – gold mineralization north of the BWP and at depth in both the BWP and BEP. The deepest hole drilled at BWP (1592.3m in hole BEU1700D-01) intersected two broad zones of copper mineralization with associated molybdenum and gold. The distribution of copper-gold-molybdenum mineralization can be generally defined by a dominant, high-sulphidation epithermal style telescoped over an earlier-formed porphyry style which is largely confined to zones of phyllic alteration (Figure 1)

Figure 1: (Left) High sulphidation veins telescoped over the BWP (2.5m @ 7.75% Cu)
(Right) Classic BWP stockwork mineralization (782 – 785m assayed 0.58% Cu and 0.34 g/t Au).

A second deep hole drilled at BEP (BEU0800D-01) also intersected broad zones of moderate to high-grade copper – gold mineralization, including 279m @ 0.54% Cu and 0.13g/t Au (from 111m) and 276m @ 0.60% Cu and 0.11g/t Au (from 452m).

Deep drilling at BEP and BWP demonstrates vertical continuity of copper-gold mineralization to >800m depth. There are indications of potassic alteration (biotite and K-feldspar) at deeper levels in each hole and this style of alteration is typically associated with higher grade chalcopyrite- bornite mineralization(Figure 2).

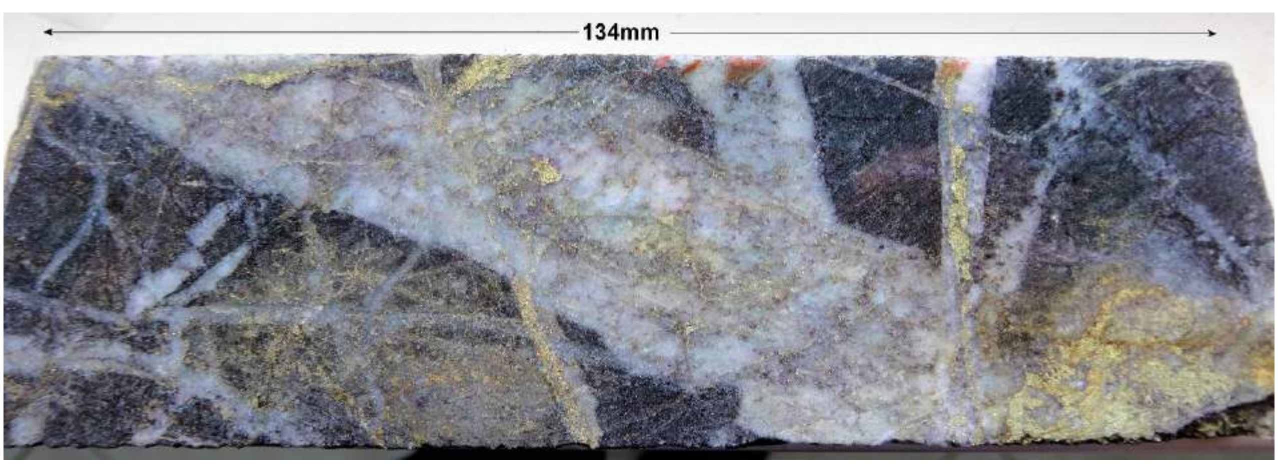


Figure 2: Potassic altered diorite porphyry with strong chalcopyrite-bornite copper mineralization intersected at depth in the BEP

A strongly mineralized copper-gold skarn deposit located 200 meters north of the BEP also remains open in all directions. Drill intercepts to date include 33m at 2.31% Cu, 1.23g/t Au from 2.5m depth with soil geochemistry and drilling indicate potential dimensions of 60m width over greater than 2km.

Jelai IUP:

The holder of the Jelai IUP is PT Jelai Cahaya Minerals ("JCM"). A wholly-owned subsidiary of the Company, KLG Singapore Private Limited, holds 99.3% of the shares of JCM. The remaining 0.7% of JCM shares continues to be held for the benefit of Kalimantan Gold by the same two nominee shareholders who previously held 100% of JCM.

The Jelai Gold Project (Jelai) is located approximately 500 kilometres north of Balikpapan, and 45 kilometres east of the town of Sekatak. The IUP is 5,000ha in size and contains twelve (12) mineral prospects, but the major focus has always been on the Mewet Prospect (Mewet). The forestry classification of the IUP area is production forest, and the Company announced that the Indonesian Ministry of Forestry renewed the IPPKH, which authorizes the Company to conduct exploration activities until December 16, 2015. The IPPKH covers 11 of the 12 gold – silver prospects in Jelai IUP, including the flagship Mewet Project.

Mineralization at Mewet comprises multiple veins and vein splays of the low sulphidation epithermal style and is hosted within a sequence of porphyritic andesite, intrusion breccias and diorite dykes. Grid soils, surface mapping and drilling have confirmed a cumulative strike length of 6.0 km, which includes the three major north-south trending Mewet, Sembawang and Nyabi veins and their Lipan, Salam, Adau, Tigalima and Obi vein splays (Figure 3). The highest grade gold - silver mineralization is associated with finely banded quartz-adularia and zones of multiphase brecciation of the colloform-crustiform quartz, generally with a weak sericitic / silicified alteration halo.

The Mewet system represents several phases of sealing and re-brecciation with a number of phases of colloform-crustiform quartz clasts observed in the chalcedonic quartz. The occurrence of adularia and coarse bladed calcite in high-grade zones and the presence of hydrothermal breccias and chalcedonic quartz are consistent with boiling.

A total 140 drill holes (16,786.15 metres) have been drilled at Mewet, all within the Mewet Prospect area.

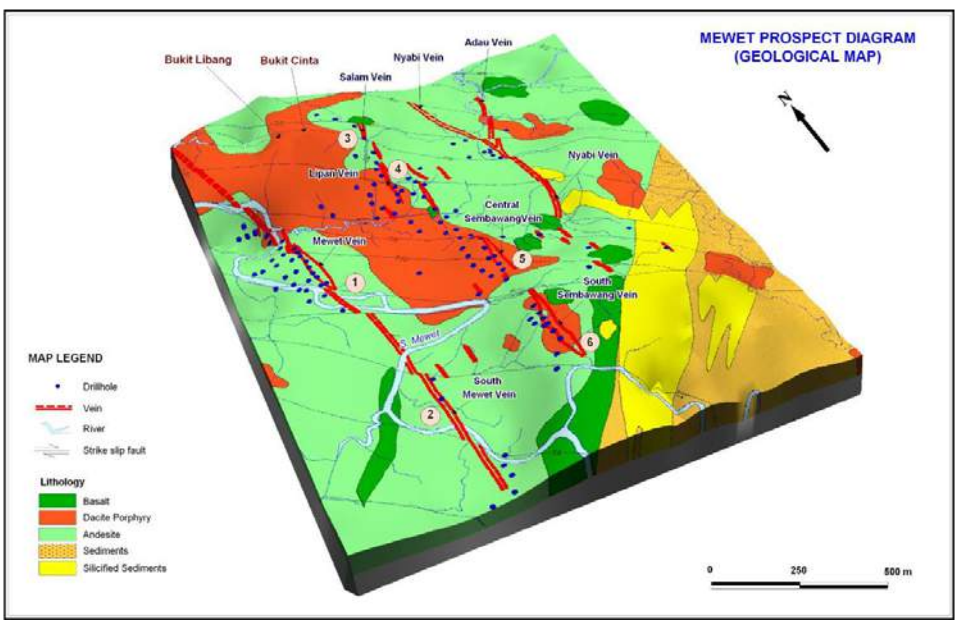


Figure 3: Mewet Prospect, Major N-S veins and associated splays

Hole	From	To	Metres	Au (g/t)	Ag (g/t)	Vein
JCM-50	26.5	34.5	8.1	4.52	2.74	Lipan
includes	26.5	27.8	1.4	15.40	6.00	
JCM-38	22.0	27.4	5.4	11.74	5.05	Lipan
includes	23.5	25.0	1.5	30.68	13.80	
JCM-01	21.6	24.7	3.2	5.76	2.60	Lipan
JCM-66	43.8	48.1	4.3	1.64	1.18	Sembawang
includes	46.7	48.1	1.4	2.99	1.90	
JCM-26	42.0	47.2	5.2	5.60	2.70	Sembawang
includes	43.4	44.6	1.2	17.33	7.50	
JCM-16	34.5	38.5	4.0	2.27	1.10	Sembawang
JCM-13	32.0	36.8	4.8	10.43	14.60	Sembawang
JCM-14	35.0	36.5	1.5	13.44	20.60	Sembawang
JCM-69	22.8	28.8	6.0	15.84	81.19	Mewet
JCM-68	36.7	39.1	2.5	4.45	11.03	Mewet
JM011	26.3	28.4	2.1	6.90	16.00	Mewet
JM012	57.0	58.7	1.7	11.10	10.00	Mewet
JM013	38.3	40.2	1.9	7.50	13.00	Mewet
JM015	67.5	69.0	1.5	7.30	14.00	Mewet
and	69.3	70.8	1.5	7.40	20.00	
JM018	115.0	119.5	4.5	6.40	8.00	Mewet
JM019	185.1	191.2	6.1	5.70	15	Mewet

Table 2 – Mewet, select significant drilled intercepts (cutoff 1.0g/t Au)

The overview and highlights for the three-month period ended March 31, 2015, and up to the date of this report include:

Beutong Project

PT EMM lodged the initial IUP Production conversion application with Nagan Raya Regency in March 2013. In early 2014 Nagan Raya Regency sought clarification from the Central Government on the IUP Production "issuing authority". Formal confirmation was received that the Minister of Energy and Mineral Resources (MEMR) within the Central Government in Jakarta is responsible for issuing an IUP Production license to an Indonesian company with foreign ownership (PMA Company) and PT EMM's application was submitted to the Central Government MEMR. The application remains under process with technical reviews ongoing. EMM continues to provide MEMR with supporting documentation as requested.

Due to the uncertainty related to determining the Government authority with responsibility for processing the IUP Production application, PT EMM was granted a one year suspension of the Beutong IUP exploration license on June 6, 2014. According to Law 4, 2009, suspension of mining business activities shall not reduce the validity period of Mining Permits and therefore the IUP Exploration license expiry date is pushed back one year to June 15, 2015, and the suspension is extendable one year. Due to recent personnel changes within the Central Government MEMR, the Company has been informed by MEMR that it requires more time to process the Beutong IUP Production application. A request for a further 1-year extension of the suspension has now been filed with MEMR.

A Production IUP is valid for 20 years, extendable for two subsequent periods each of 10 years duration.

Figure 4: Beutong project exploration camp, looking north.

Beruang Kanan ("BK") Copper Project

In 2014 the Company announced a Maiden Resource for its flagship BK Copper Project. The Mineral Resource estimate is only for the Main Zone (BKM), a portion of the Beruang Kanan mineralized area and is based on assays from 74 diamond drill core holes that were drilled from 1998 to 2007 and then from 2012 to 2013 (Figure 5).

Geochemical samples and drill data have defined a near surface mineralized zone that is greater than 1000m in north south dimension and up to 950m wide, open in all directions. Copper mineralization is typically confined to breccia zones and occurs in sulphide veins, in milky white quartz veins, as prominent coarse masses and clots filling open spaces, and on fracture faces. The copper mineralization includes chalcocite, covellite, and digenite with lesser chalcopyrite and bornite at depth. The deposit shows a vertical zonation of copper minerals, accordingly from top to bottom: pyrite→chalcocite+/-digenite, pyrite→chalcocite-covellite+-digenite, pyrite→ covellite and a deeper zone of pyrite→chalcopyrite+/-bornite. It is unclear if the copper species identified to date are hypogene or supergene in origin, but likely the latter.

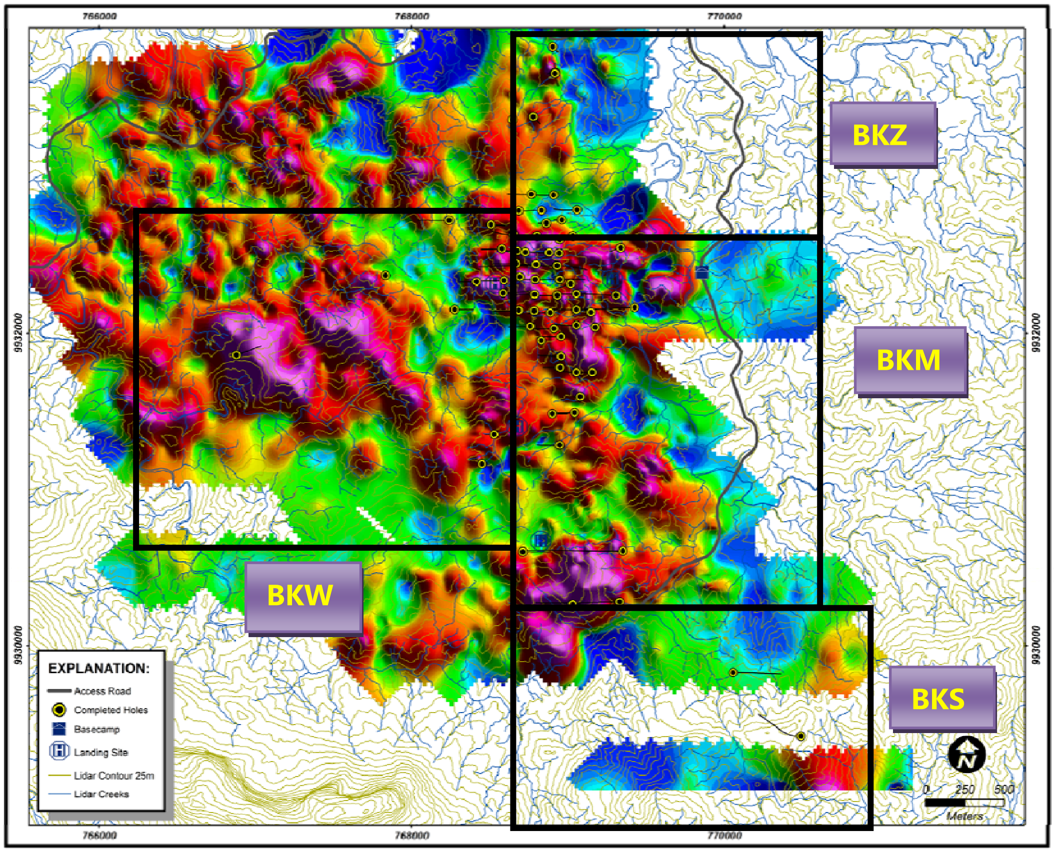


Figure 5: BK Project area - copper in soils and completed drill holes.

A review of mapping data, drill core logs and photos, and surface geochemical data has provided additional insight into the geologic setting and mineralization style at BKM. These data indicate BKM is a volcanoclastic hosted hydrothermal deposit (possibly affected by low grade metamorphism) and located within and adjacent to an interpreted thrust fault-coupling or ramping zone. At least four different breccias are recognized in drill core, including tectonic breccia (referred to as Wispy Breccia), andesitic volcanic breccia, polymict hydrothermal breccia and an intrusion breccia. Late stage diorite dykes have been observed in drill core, but appear to be post mineral and unrelated to the copper mineralization. Deep drilling intersected a large diorite porphyry at depth, but it is not mineralized.

Drill hole geological logs and assay results for the BKM deposit show a clear association between higher copper grades and quartz veined and/or silica flooded breccia, the surface expression of which are commonly observed in the field as large outcropping silicified ledges (Figure 6). Systematically mapping these ledges and character is being undertaken to produce a vein density contour map that will be used to assist drill targeting.

Figure 6: Erosional resistant quartz veins or ledges at BKM.

A Resource evaluation drilling program has been designed to both expand and upgrade the confidence of the recently released BKM copper Resource as defined in the NI 43-101 Technical Report prepared by Hackman & Associates Pty Ltd. A total of 80 holes are planned for 6500m, drilling at 50m intervals along 100m spaced section lines. Sighter metallurgical test work is planned early in the program to establish material types/copper species and test copper recoverability i.e. leaching and/or flotation. A total of nine drill holes have been completed to date and final assays have been received for the first four holes.

Final assays were received for a total of 323.1 meters in the four drill holes reported to date. A drill hole location plan and a table of full assay results are provided in Figure 7 and Table 3 respectively.

Hole BKM32450-01 (92.4m end of hole ("EOH")) drilled as an infill hole on section line BKM32450 intersected strong near surface copper mineralization in brecciated and silicified volcaniclastic rocks.

Three wide intervals of mineralization were reported as follows:

14 meters at 2.02% Cu (from 4.7 meters depth)

- *Including 6.0 meters at 3.71% Cu (from 4.70 meters)*

22 meters at 0.88% Cu (from 32.0 meters depth)

- *Including 5.0 meters at 1.10% Cu (from 35.0 meters)*
- *Including 6.0 meters at 1.57% Cu (from 45.0 meters)*

15 meters at 0.57% Cu (from 76.0 meters depth)

BKM32450-02 (70.6m EOH) also drilled as an infill hole on section line BKM32450 hit a post mineral dyke and failed to intersect the key target zone of mineralization. Three narrow mineralized intervals were intersected; including a small interval assaying 2m at 2.08% Cu (from 49.5 meters depth).

Hole BKM31750-01 (75.1m EOH) drilled on section line BKM31750 intersected a cumulative 23m interval (over 3 individual intersections) of highly elevated copper mineralization in centimeter to meter scale quartz veins. Better assays received from this interval include 9.0 meters at 0.73% Cu (from 19.0 meters depth) and 10.0 meters at 0.57% Cu (from 41.0 meters depth).

BKM31750-02 (85.0m EOH) also collared as an infill hole on section line BKM31750 intersected a broad zone of copper mineralization comprising covellite and chalcocite in centimeter scale quartz veins and zones of strong silicification. Copper mineralization is more pervasive than previous holes located nearby and extends beyond the current limits of the BKM deposit. Better results include:

54 meters at 1.10% Cu, (from 16.5 meters depth)

- *Including 16 meters at 1.67% Cu (from 17.5 meters)*
- *Including 19 meters at 1.22% Cu (from 37.5 meters)*

The drilling program planned for the Beruang Kanan Main deposit (BKM) in 2015 is designed to increase confidence and expand the deposit beyond the known resource. The first four holes have confirmed continuity of mineralization on each section line and drill hole BKM31750-02 indicates copper mineralization is potentially more pervasive in the southern part of the BKM deposit than previously recognized.

The potential for additional mineralization in the southern part of the BKM deposit is also supported by recent field mapping which identified strong veining and stockwork copper mineralization in sub-crop and outcrop over more than 400 meters to the west of drill hole BKM31750-02.

Further drilling is planned to fully define the extent of mineralization in this area.

Drilling is continuing on both of the section lines reported above with at least seven holes planned on line BKM32450 and ten holes on line BKM31750. Once these two sections are completed, drilling will move to section lines BKM31650 and BKM32350 located 100m to the south of current drilling. A list of drill hole details is provided in Table 4.

HOLE ID	From	To	Length	Copper (%)
BKM31750-01	19.0	28.0	9.0	0.73
BKM31750-01	41.0	51.0	10.0	0.57
BKM31750-01	66.0	70.0	4.0	0.59
BKM31750-02	1.5	6.5	5.0	0.93
BKM31750-02	16.5	70.5	54.0	1.10
Including	17.5	33.5	16.0	1.67
Including	37.5	56.5	19.0	1.22
BKM32450-01	4.7	18.7	14.0	2.02
Including	4.7	10.7	6.0	3.71
BKM32450-01	32.0	54.0	22.0	0.88
Including	35.0	40.0	5.0	1.10
Including	45.0	51.0	6.0	1.57
BKM32450-02	8.1	10.1	2.0	0.49
BKM32450-02	31.5	39.5	8.0	0.46
BKM32450-02	49.5	51.5	2.0	2.08

Table 3: BKM Deposit 2015 Drilling - Significant intercepts.

Notes: Grade intercepts are calculated as a weighted average grade above 0.3% copper
True widths are interpreted to be between 80-100% of the reported lengths, unless otherwise stated.

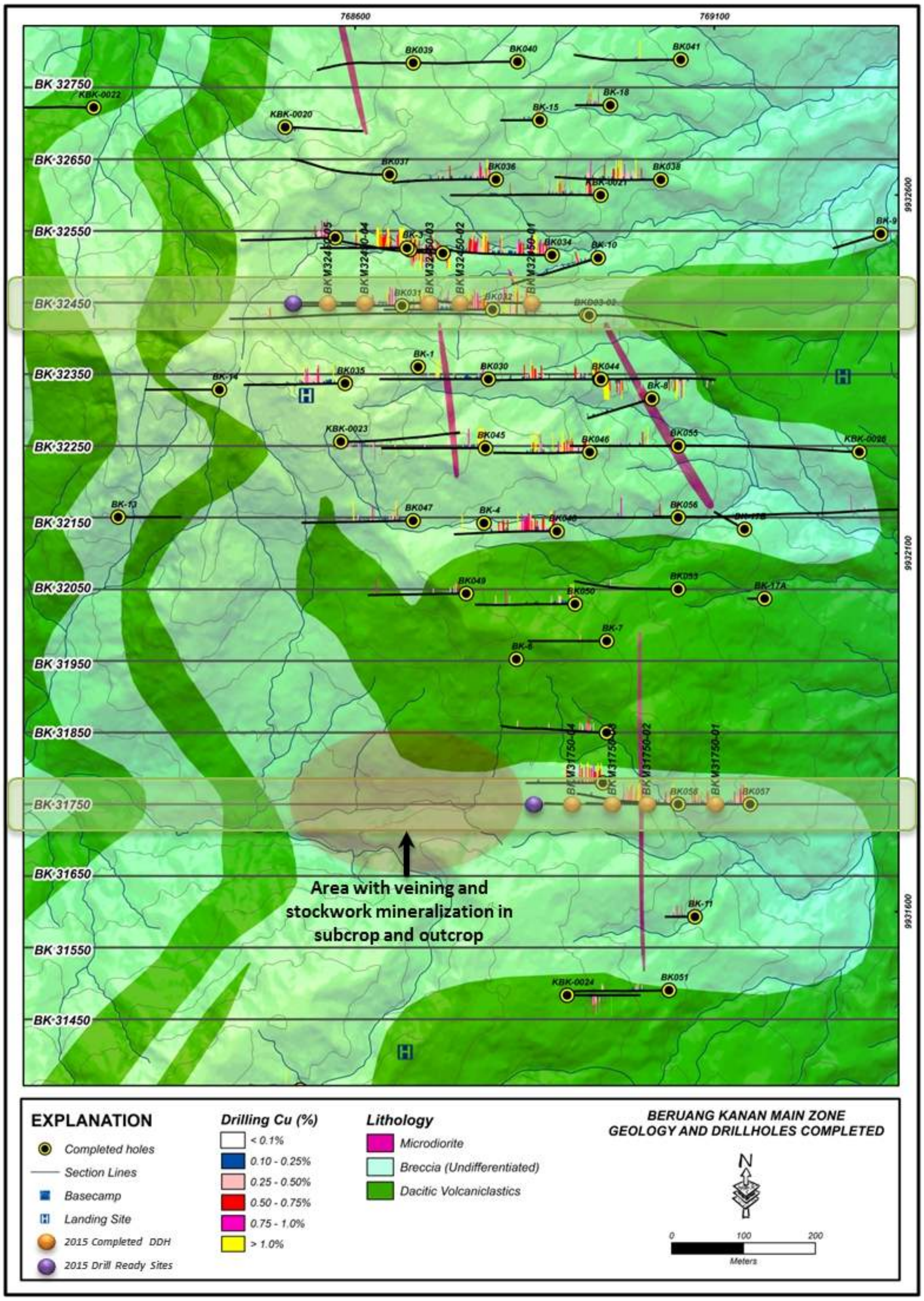


Figure 7: Location map showing section lines and drill collars

Station ID	Easting	Northing	Elevation	Proposed Depth	Actual Depth	Azimuth	Inclination	Assays
BKM31750-01	769102	9931750	363	70	75.1	270	-60	Finals Confirmed
BKM31750-02	769006	9931750	397	80	85.0	270	-60	Finals Confirmed
BKM31750-03	768959	9931750	417	80	75.0	270	-60	Pending
BKM31750-04	768902	9931750	420	60	75.3	270	-60	Pending
BKM31750-05	768843	9931750	419	75	0.0	270	-60	Drill Ready
BKM32450-01	768845	9932450	423	85	92.4	270	-60	Finals Confirmed
BKM32450-02	768746	9932450	443	70	70.6	270	-60	Finals Confirmed
BKM32450-03	768704	9932450	456	70	75.2	270	-60	Pending
BKM32450-04	768613	9932450	485	70	65.4	270	-60	Pending
BKM32450-05	768563	9932450	498	70	65.4	270	-60	Pending

Table 4: Drill Hole Details. Notes: Drill collars recorded using a handheld GPS device and reported in WGS84 UTM Zone 49S; Drill hole dip and azimuth are recorded approximately every 25 meters downhole

Desk top technical reviews were conducted on other priority targets within the BK project, namely BK South (“BKS”), BK West (“BKW”) and BKZ Polymetallic (“BKZ”) prospect areas; each within 1.5km of the BKM inferred resource (Figure 5). Soil and rock geochemistry, drilling and field mapping data indicate the presence of near surface copper mineralization similar in style to that occurring at BKM. The prospects are summarized as follows:

- **BKS prospect** : Drill hole KBK-28 intersected **10.5m @ 0.88% Cu** from 14.5 meters depth and rock chips assayed up to 17.6% Cu. Drill hole KBK-28 also intersected high grade gold mineralization from 11.5m, returning 3m @ 11.52g/t Au, (including 1.5m @ 21.7g/t Au). The copper in soil anomaly at BKS measures 800m by 900m and is open to the south.

- **BKW prospect:** A coincident copper in rock chip and soil anomaly measuring 1700m by 1000m, with rock chips returning up to **0.80% Cu**. Road mapping identified covellite in strongly clay altered breccia within the soil anomaly. Only one drillhole (KBK027) tested the edge of the copper anomaly and intersected elevated copper (4m @ 0.14% Cu) and arsenic (up to 207ppm As), the same geochemical signature as BKM.

- **BKZ prospect**: Drill hole BKZ-1 testing outcropping massive sulphide style mineralization intersected **16m @ 5.75% Zn, 2.78% Pb, 0.64g/t Au, 57.5g/t Ag and 0.16% Cu** (including **6m @ 11.63% Zn, 5.99% Pb, 0.71g/t Au, 98g/t Ag and 0.32% Cu**). A grid-based soil sampling program over the area defined a 400m by 200m anomalous zone of Pb-Zn-Cu soil geochemistry, which requires additional drilling.

Looking Ahead:

KSK

Drilling will be initially focused at BK Main Deposit, which aims to extend and upgrade confidence of the near surface higher grade copper mineralized areas. This program will increase drill hole density along the 100m spaced East-West oriented section lines from 100-200m to 50m hole spacings, both within and outside the known resource. The Company owned Jackro and RB drill rigs are well suited for the conditions at BKM and each has capacity to drill greater than 100m depth in HQ size core. The rigs are currently positioned on drill sections BKM31750 and BKM32450, once completed the rigs will move to section lines BKM31650 and BKM32350, located 100m to the south of current drilling. Each hole is expected to be completed within 2-3 days and assay results are anticipated approximately 7-10 days after samples are received by the laboratory.

The Company is planning to rapidly advance the BK Main deposit through to scoping study stage over the course of 2015. An extensive program of resource infill and expansion drilling, metallurgical test work and mining studies is planned, subject to positive drill results and the availability of ongoing funding. Several nearby prospects, Beruang Kanan South "BKS," Beruang Kanan West "BKW" and Beruang Kanan Polymetallic "BKZ" have potential for additional mineralization and will be scout drill tested, conditional on the availability of ongoing funding.

Discussions continue with a small number of Indonesian groups who have expressed an interest in partnering with Kalimantan Gold on the KSK CoW however the Company has not received any formal offers to date.

Beutong

Once granted, the IUP Production License provides a key part of the necessary approval pathway to the further development of the Beutong Project. The application process remains on track and PT EMM continues to provide supporting documentation as requested by the Central Government MEMR. Upon receipt of the IUP Production the Company intends to re-active field programs aimed at extending near surface Resources and progressing development of the project. Of note, with the granting of the IUP Production License, the Company will, within 90-days of that event, be obliged to make the required payment of AUS$2.875M to complete the earn-in of the effective 60% interest in the Beutong IUP.

Jelai

The Company is continuing discussions with several mining and exploration companies regarding potential partnering on the Jelai IUP. A small number of interested parties are currently undertaking technical reviews and due diligence.

JCM has lodged its application to upgrade the Jelai Exploration License (IUP - Izin Usaha Pertambangan Eksplorasi) to a full operation / production Mining License (IUP - Izin Usaha Pertambangan Produksi). The application was prepared in accordance with the relevant mining regulations and was submitted to MEMR in Q1 2015. A temporary suspension has been requested by the company, in order to finalize the IUP Production application and complete the conversion process.

Corporate Social Responsibility (CSR) Program

Yayasan Tambuhak Sinta (“YTS”) was funded by SK LLC, by way of funding to KSK, until late 2014, to work in many of the Dayak villages located along the Kahayan River, just outside of the KSK CoW area. There are no Dayak villages located within the KSK CoW area.

YTS’s continued program focus is on strengthening governance in the area, monitoring livelihood activities and information kiosks, and on helping communities take greater responsibility for their own development agenda through participatory planning, institution strengthening and economic development.

Qualified Person

All technical data, as disclosed in this MD&A, unless otherwise noted, has been reviewed and verified by the Company's Qualified Person for the Company’s mineral projects, Stephen Hughes, a Qualified Person under NI 43-101.

Aim Rule 26

We confirm that our website (www.kalimantan.com) includes the information required by AIM Rule 26.

Results of Operations

Results of operations for the three month period ended March 31, 2015:

The Company incurred a loss and comprehensive loss for the three month period ended March 31, 2015, of $4,586,633 (2014 – $178,652). Of this loss, $3,866,813 was as a result of an impairment loss on the acquisition of the Beutong copper-gold project in Indonesia. See Note 9 to the financial statements.

- **Consultants and shared office costs**: March 31, 2015 – $257,728; (March 31, 2014 - $56,780)
  With the acquisition of TC Sing, the raising of $1.0 million in equity, and the commencement of active work programs, the Company re-commenced incurring expenditures relating to CEO, staff and office costs. During the first quarter of 2014, after Freeport ceased funding the KSK CoW, CEO costs were reduced to $15,000. The Company recommenced activities in early 2015 and is now expending fees of $125,250 for the newly-appointed CEO and Vice President of Exploration. Shared office costs for the three months ended March 31, 2015 were $90,585 inclusive of several support staff. Chief Financial Officer costs have remained relatively stable at $21,496 (2014 - $24,010).

- **Directors fees**: March 31, 2015 – $nil; (March 31, 2014 - $3,500)
  During the current three-month period ended March 31, 2015, the Company's Directors have continued to agree to waive their fees until such time as the Company is adequately funded.

- **Exploration costs**: March 31, 2015 – $433,168; (March 31, 2014 - $109,771)
  Gross exploration expenditures in the current fiscal quarter are $433,168 compared to $1,257,280 in the comparative 2014 period. However, there were recoveries from Freeport of $1,147,509 in the comparative 2014 period, where there are no recoveries in the current 2015 period. Expenses at the KSK CoW in the current period include mobilization of staff and equipment in preparation for the drilling campaign at BKM, to begin immediately upon the granting of the forestry permit, which was issued on April 23, 2015.

- **Investor relations**: March 31, 2015 – $418; (March 31, 2014 - $654)
  We expect this line item to increase in fiscal 2015 as we re-commence field activities and re-energize the Company's presence in the market.

- **Office and administrative services**: March 31, 2015 – $2,580; (March 31, 2014 - $10,008)
  These costs tend to be cyclical in nature, and are expected to reach annual average levels of approximately $12,000 during 2015.

- **Impairment loss on acquisition**: March 31, 2015 – $3,866,813; (March 31, 2014 - $nil)
  This loss relates to the acquisition of the Beutong IUP and is discussed in Note 9 to the condensed consolidated financial statements as at March 31, 2015.

Summary of Quarterly Results

Unaudited financial results for each of the eight most recently completed quarters are summarized below:

	March 31, 2015 $	December 31, 2014 $	September 30, 2014 $	June 30, 2014 $	March 31, 2014 $	December 31, 2013 $	September 30, 2013 $	June 30, 2013 $
Total revenues	-	-	-	-	-	-	-	-
Profit (loss) for the quarter	(4,556,156)	(391,012)	(259,405)	(55,843)	(178,652)	(194,226)	(245,046)	88,316
Basic and diluted profit (loss) per share	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	0.00

The Company is an exploration stage enterprise. At this time any issues of seasonality or market fluctuations have no significant impact. The Company currently expenses all its mineral exploration costs and general and administration costs and these amounts are included in the loss for each quarter. The Company's finances determine the levels of exploration. Period over period variances will occur from time-to-time for non-cash items including: the granting of stock options and the resulting stock-based compensation expense for that period; and the impairment losses on exploration and evaluation assets.

Liquidity

The Company began the current fiscal year with $30,382 in cash. Operating activities used $675,721; investing activities used $58,458; financing activities contributed $976,960; and a positive foreign exchange adjustment on cash balances contributed $193; to end the quarter with $273,356 in cash.

The Company will require additional financing, through various means including but not limited to equity financing, for continued operations and for the substantial capital expenditures required to achieve planned principal operations. The Company plans to raise additional financial resources through equity financings during the next twelve months. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

In January 2015, the Company closed a brokered private placement through the issuance of 51,910,441 common shares for gross proceeds of $1,009,541 at an issue price of $0.01945 (C$0.023) per common share. The Company paid aggregate fees to brokers who introduced the Company to private placement investors of $32,581.

On May 5 and May 7, 2015, the Company borrowed $60,000 and $40,000 respectively from an officer and director of the Company by way of two demand notes bearing interest at 8% per annum, which the Company plans to repay once the upcoming brokered private placement closes.

On May 27, 2015, the Company announced that it plans to undertake a brokered private placement to place up to 108,443,747 common shares at a price of £0.012 per share for total gross proceeds of approximately £1.3 million (approximately equivalent to CDN $2.5 million at CDN $0.023 per share). The Company has received commitments from investors for 108,443,747 common shares to be issued and settled in CREST. The participating investors include clients of the Company's UK broker agents, VSA Capital Limited and Optiva Securities Limited.

Capital Resources

At the date of this MD&A, the Company has 14,675,000 stock options outstanding and 14,675,000 share purchase warrants outstanding. Upon an increase in the Company's share price and share volume traded, it would be expected that the stock options and warrants would likely be exercised, thereby contributing additional cash to the treasury.

On April 30, 2015, the shareholders approved an increase in the authorized share capital to $8,000,000 divided into 800,000,000 common shares at a par value of $0.01 each.

The Company has met its expenditure requirements pursuant to its KSK CoW for all exploration phases of the contract due to the ability to carry over excess work expenditures.

Contingency

During 2011, the Indonesian tax authorities conducted an audit of JCM for the 2009 tax year. The majority of the review focused on the deductibility of expenditures in Indonesia and adjusted the tax loss carry forwards. The most material outcome from the audit related to the tax authorities deeming that the intercompany loans made by the Company to JCM should have had interest accrued at the rate of 8% per annum with withholding tax of 20%, therefore becoming payable to the Indonesian government. The Company continues to believe that this tax assessment is without basis. To have the appeal heard by the tax court, the Company paid a deposit of Rp 440,139,447, an amount equal to the 2009 tax exposure as calculated by the tax authorities. The outcome of the tax appeal process and any tax assessments due and payable arising from that process is not determinable at this time, however, the Indonesian tax Court denied the Company's appeal in 2015. The Company will once again appeal this decision, however, the Company did write off the government deposit in the 2014 year of $36,761.

Transactions with Related Parties

The Company's related parties consist of companies owned by executive officers and directors as follows:

Name	Nature of transactions
Golden Oak Corporate Services Limited ("Golden Oak")	Financial reporting, Chief Financial Officer, Corporate Secretary and compliance services.
Romfal Corporate Pty Ltd. ("Romfal")	Past Chief Executive Officer
Tigers Realm Minerals Pty Ltd. ("TR Minerals")	Deputy Chairman and Chief Executive Officer; Vice President Exploration; shared office costs; shared staff

The Company incurred the following fees and costs in the normal course of operations in connection with companies owned or controlled by key management and directors.

	March 31, 2015	March 31, 2014
Consulting fees – Golden Oak	$ 21,496	$ 24,010
Consulting fees – Romfal	-	15,000
Consulting fees – TR Minerals	125,250	-
Shared office and staff costs – TR Minerals	90,585	-
Total	$ 237,331	$ 39,010

Compensation of key management personnel:

The remuneration of directors and other members of key management personnel, including amounts disclosed above during the three month period ended March 31, 2015, and 2014 were as follows:

	March 31, 2015	March 31, 2014
Consulting fees	$ 146,746	$ 39,010
Salaries, wages and related costs (exploration and evaluation expenditures)	37,286	49,714
Directors fees to non-management directors	-	3,500
Total	$ 184,032	$ 92,224

At March 31, 2015, an amount of $56,669 (December 31, 2014 - $4,053) was owed to key management personnel and directors, and is included in trade and other payables. On May 5 and May 7, 2015, the Company borrowed $60,000 and $40,000 respectively from an officer and director of the Company by way of two demand notes bearing interest at 8% per annum.

Future Canadian Accounting Standards

The following new standard, amendment to standards and interpretations is not yet effective as of the date of these financial statements, and have not been applied in preparing these consolidated financial statements.

IFRS 9 Financial instruments - classification and measurement

IFRS 9 is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding the instrument to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

The effective date for the amendment is indeterminate at this time, with an expected adoption date of January 1, 2018, and will be applied retrospectively. Early application is permitted.

The Company has not early adopted this revised standard and its future adoption is not expected to have a material effect on the financial statements.

Management of Capital

The Company manages common shares and stock options as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. Cash consists of cash on hand, balances with banks and investments in highly liquid instruments. The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash and the fair value approximates the carrying value.

Financial Instruments and Related Risks

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: Fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; available-for-sale; or other liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	March 31, 2015	December 31, 2014
Cash	Loans and receivables	$ 273,356	$ 30,382
Receivables and other assets	Loans and receivables	42,074	11,740
Trade and other payables	Other liabilities	318,569	278,299

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash are Level 1 in the fair value categories.

The Company's risk exposures and the impact on the Company's financial instruments are summarized as follows:

Credit Risk
Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, receivables, and balances receivable from the government. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions in business and savings accounts, guaranteed investment certificates and in government treasury bills which are available on demand by the Company for its programs.

Liquidity Risk
Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's current financial liabilities are anticipated to fall due within the next sixty days.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest Rate Risk: The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and short-term investments and on the Company's obligations are not considered significant.

b) Foreign Currency risk: The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The majority of the Company's cash is held in Canada in Canadian (CDN") dollars and the Company expects to continue to raise equity predominantly in Pounds Sterling ("GBP"). The Company conducts its business in Indonesia in Indonesian Rupia ("Rp") with a significant portion of expenditures in that country denominated in United States ("US") dollars and in addition, a portion of the Company's business is conducted in CDN, GBP and the Australia ("AUS") dollar. As such, it is subject to risk due to fluctuations in the exchange rates between the US dollar and each of the Rp, GBP and CDN and AUS dollars. A significant change in the currency exchange rates between the US dollars relative to foreign currencies could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

   Management believes the foreign exchange risk related to currency conversions are minimal and therefore, does not hedge its foreign exchange risk. Based upon the net exposures and assuming that all other variables remain constant, a 1% increase or decrease in the US dollar against the US dollar, RP, GBP, and AUS dollar, would result in a nominal change to profit or loss.

c) Commodity price risk - While the value of the Company's core mineral resource properties, the KSK Contract of Work (the "KSK CoW"), the Beutong Izin Usaha Pertambangan (IUP), and the Jelai Izin Usaha Pertambangan ("IUP"), are related to the price of copper and gold and the outlook for these minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect of its operational activities.

   Historically, gold and copper prices have fluctuated significantly, and are affected by numerous factors outside of the Company's control, including but not limited to: industrial and retail demand; central bank lending; forward sales by producers and speculators; levels of worldwide production; short-term changes in supply and demand because of speculative hedging activities; and other factors related specifically to gold.

Political Uncertainty

In conducting operations in Indonesia, the Company is subject to considerations and risks not typically associated with companies operating in North America. These include risks such as the political, economic and legal environments. Among other things, the Company's results may be adversely affected by changes in the political and social conditions in Indonesia, and by changes in governmental policies with respect to mining laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation.

Forward Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Additional Disclosure for Venture Issuers without Significant Revenue

The components of exploration costs are described in Note 10 to the Financial Report.

Outstanding Share Data

At March 31, 2015, the authorized share capital comprised $5,000,000 divided into 500,000,000 common shares at a par value of $0.01 each. On April 30, 2015, the shareholders approved an increase in the authorized share capital to $8,000,000 divided into 800,000,000 common shares at a par value of $0.01 each. All issued shares are fully paid.

	Common Shares Issued and Outstanding	Share Purchase Warrants	Stock Options
Balance at March 31, 2015	394,724,753	14,675,000	14,675,000
Balance as of the date of this MD&A	394,724,753	14,675,000	14,675,000

Risks

The Company is subject to risks and challenges similar to other companies in a comparable stage of development. These risks include, but are not limited to, continuing losses, dependence on key individuals, and the ability to secure adequate financing to meet minimum capital required to successfully complete its projects and continue as a going concern. These factors should be reviewed carefully.

In addition to the risks noted above in the “Financial instruments and Related Risks” section, information concerning risks specific to the Company and its industry, which are required to be included in this MD&A are incorporated by reference to the Company’s MD&A for the year ended December 31, 2014.

Other information

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and at the Company’s web site www.kalimantan.com.

Kalimantan GOLD
Corporation Limited

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Three months ended March 31, 2015 and 2014

(In United States dollars, unless otherwise noted)

(unaudited)

Notice to Reader

These interim financial statements of Kalimantan Gold Corporation Limited have been prepared by management and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

KALIMANTAN GOLD CORPORATION LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(unaudited - expressed in United States dollars, unless otherwise noted)

	Note		March 31, 2015		December 31, 2014
ASSETS					
Current assets					
Cash	*5*	$	273,356	$	30,382
Receivables and other assets	*6*		42,074		11,740
			315,430		42,122
Non-current assets					
Security deposit			20,391		20,960
Prepaid acquisition costs	*7*		-		13,618
Equipment	*8*		66,992		100,842
TOTAL ASSETS		$	402,813	$	177,542
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other payables	*10*	$	318,569	$	278,299
Non-current liabilities					
Provision for employee service entitlements			21,301		22,466
			339,870		300,765
Shareholders' equity (deficit)					
Share capital	*11*		3,908,018		1,674,842
Equity reserves	*11*		28,310,061		25,777,467
Deficit			(32,131,688)		(27,575,532)
			86,391		(123,223)
Non-controlling interest	*16*		(23,448)		-
			62,943		(123,223)
TOTAL LIABILITIES AND EQUITY		$	402,813	$	177,542

Nature of operations and going concern	*1*
Commitments	*13*
Contingency	*14*
Subsequent events	*11, 17*

These condensed consolidated interim financial statements are authorized for issue on behalf of the Board of Directors on May 27, 2015.

They are signed on the Company's behalf by:

"*Tony Manini*"
Tony Manini, Director

"*Peter Pollard*"
Peter Pollard, Director

The accompanying notes form an integral part of these condensed consolidated interim financial statements

KALIMANTAN GOLD CORPORATION LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(unaudited - expressed in United States dollars, unless otherwise noted)

		For the three months ended			
	Note		March 31, 2015		March 31, 2014
Expenses					
Accounting and audit		$	-	$	760
Consultants and shared office costs	*12*		257,728		56,780
Directors fees			-		12,500
Exploration and evaluation expenditures, net	*9*		433,168		109,771
Investor relations			418		654
Legal			3,308		2,435
Management fees			-		(47,388)
Office and administrative services			2,580		10,008
Telephone and facsimile			368		180
Transfer agent, filing and exchange fees			25,113		22,431
			722,683		168,131
Other items					
Foreign exchange gain (loss)			2,833		(10,699)
Impairment loss on asset acquisition	*9*		(3,866,813)		-
Interest income			30		178
			(3,863,950)		(10,521)
Loss and comprehensive loss for the period		**$**	**(4,586,633)**	$	(178,652)
Loss attributable to:					
Equity holders of the parent			(4,556,156)		(178,652)
Non-controlling interest			(30,477)		-
		$	**(4,586,633)**	$	(178,652)
Basic and diluted loss per common share		$	(0.01)	$	(0.00)
Weighted average number of shares outstanding			394,724,753		171,407,156

The accompanying notes form an integral part of these condensed consolidated interim financial statements

KALIMANTAN GOLD CORPORATION LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(unaudited - expressed in United States dollars, unless otherwise noted)

	For the three months ended	
	March 31, 2015	March 31, 2014
Cash provided from (used for):		
Operating activities		
Loss for the period	$ (4,586,633)	$ (178,652)
Adjustment for non-cash items:		
Depreciation	34,952	35,887
Impairment loss on asset acquisition	3,866,813	-
Unrealized foreign exchange loss / (gain)	(789)	(3,480)
Changes in non-cash working capital:		
Deferred funding	-	222,631
Provision for community development	-	240,000
Receivables and other assets	(30,334)	151,866
Trade and other payables	40,270	(252,794)
Provision for employee service entitlements	-	(154,274)
	(675,721)	61,184
Investing activities		
Acquisition of exploration and evaluation assets	(56,918)	-
Net liabilities acquired as part of an asset acquisition	(14,056)	-
Prepaid acquisition costs	13,618	-
Purchase of equipment	(1,102)	-
Recovery of equipment	-	271
Provision for reclamation	-	120,000
	(58,458)	120,271
Financing activities		
Share issues	1,009,541	-
Share issue costs	(32,581)	-
	976,960	-
Effect of foreign exchange on cash	193	1,942
Increase (decrease) in cash	242,974	183,397
Cash, beginning of the period	30,382	973,464
Cash, end of the period	$ 273,356	$ 1,156,861
Supplementary information:		
Interest paid	$ -	$ -
Income taxes paid	-	-
Non-cash investing and financing activities		
Fair value of shares issued for the acquisition of a subsidiary	**3,333,483**	-
Fair value of warrants issued for the acquisition of a subsidiary	**455,327**	-

The accompanying notes form an integral part of these condensed consolidated interim financial statements

KALIMANTAN GOLD CORPORATION LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
(unaudited - expressed in United States dollars, unless otherwise noted)

		Attributable to equity holders of the parent					
	Number of shares	Share capital	Equity reserves	Deficit	Total	Non-controlling interest	Total
Balance, January 1, 2014	171,407,156	$ 1,674,842	$ 25,675,245	$ (26,690,620)	$ 659,467	$ -	$ 659,467
Loss and comprehensive loss for the period	-	-	-	(178,652)	(178,652)	-	(178,652)
Balance, March 31, 2014	171,407,156	$ 1,674,842	$ 25,675,245	$ (26,869,272)	$ 480,815	$ -	$ 480,815

		Attributable to equity holders of the parent					
	Number of shares	Share capital	Equity reserves	Deficit	Total	Non-controlling interest	Total
Balance, January 1, 2015	171,407,156	$ 1,674,842	$ 25,777,467	$ (27,575,532)	$ (123,223)	$ -	$ (123,223)
Share issues - consideration shares	171,407,156	1,714,072	1,619,411	-	3,333,483	-	3,333,483
Warrant issues - consideration warrants	-	-	455,327	-	455,327	-	455,327
Share issues - private placement	51,910,441	519,104	490,437	-	1,009,541	-	1,009,541
Share issue costs	-	-	(32,581)	-	(32,581)	-	(32,581)
Acquisition of a subsidiary	-	-	-	-	-	7,029	7,029
Loss and comprehensive loss for the period	-	-	-	(4,556,156)	(4,556,156)	(30,477)	(4,586,633)
Balance, March 31, 2015	394,724,753	$ 3,908,018	$ 28,310,061	$ (32,131,688)	$ 86,391	$ (23,448)	$ 62,943

The accompanying notes form an integral part of these condensed consolidated interim financial statements

1. NATURE OF OPERATIONS and GOING CONCERN

Kalimantan Gold Corporation Limited (the "Company" or "Kalimantan Gold") is a publicly listed company incorporated under the laws of Bermuda. The Company's shares are listed on the TSX Venture Exchange ("TSX-V") and the Alternative Investment Market ("AIM") of the London Stock Exchange. The Company's principal business activities include the acquisition, exploration and development of mineral properties. The address of the Company in Canada is Unit 1 – 15782 Marine Drive, White Rock, British Columbia, Canada V4B 1E6. The condensed consolidated interim financial statements of the Company as at and for the period ended March 31, 2015, comprise the Company and its subsidiaries. The Company is the ultimate parent. The Company's principal mineral property interests are located in Indonesia.

The Company is in the process of exploring its mineral property interests and has not yet determined whether any of its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts spent for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties.

The operations of the Company will require various licenses and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. The Company will require additional financing through various means, including but not limited to equity financing, for continued operations and for the substantial capital expenditures required to achieve planned principal operations. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual consolidated financial statements as at and for the year ended December 31, 2014. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

b) Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Functional and presentation currency

The presentation currency of the Company is the United States dollar.

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency") and has been determined for each entity within the Company. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21 *The Effects of Changes in Foreign Exchange Rates* ("IAS 21").

d) Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2014.

(unaudited - expressed in United States dollars, unless otherwise noted)

3. SIGNIFICANT ACCOUNTING POLICIES

a) Principles of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries, from the date control was acquired. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation. For partially owned subsidiaries, the interest attributable to non-controlling shareholders is reflected in non-controlling interest. Adjustments to non-controlling interest are accounted for as transactions with owners and adjustments that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Name of subsidiary	Place of incorporation	Proportion of ownership interest	Principal activity
Indokal Limited	Hong Kong	100%	Holding company
PT Pancaran Cahaya Kahaya ("PCK")	Indonesia	100%	Holding company
PT Kalimantan Surya Kencana ("KSK")	Indonesia	100%	Owner of KSK CoW
PT Kalimantan Management Consultants ("KMC")	Indonesia	100%	Holding company
KLG Singapore Private Limited ("KLG Sing")	Singapore	100%	Holding company
PT Jelai Cahaya Minerals ("JCM")	Indonesia	100%	Owner of Jelai IUP
Tigers Copper Singapore No. 1 Pte Ltd. ("TC Sing")	Singapore	100%	Holding company
Beutong Resources Pte Ltd. ("BRPL")	Singapore	50%	Holding company
PT Emas Mineral Murni ("PT EMM")	Indonesia	40% *	Owner of Beutong IUP
PT Tigers Realm Gold Indonesia ("PT TRG")	Indonesia	95%	Holding company

* effective ownership (PT EMM is 80% owned by BRPL)

b) Accounting policies

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company as at and for the year ended December 31, 2014, with the exception of the following newly adopted policy:

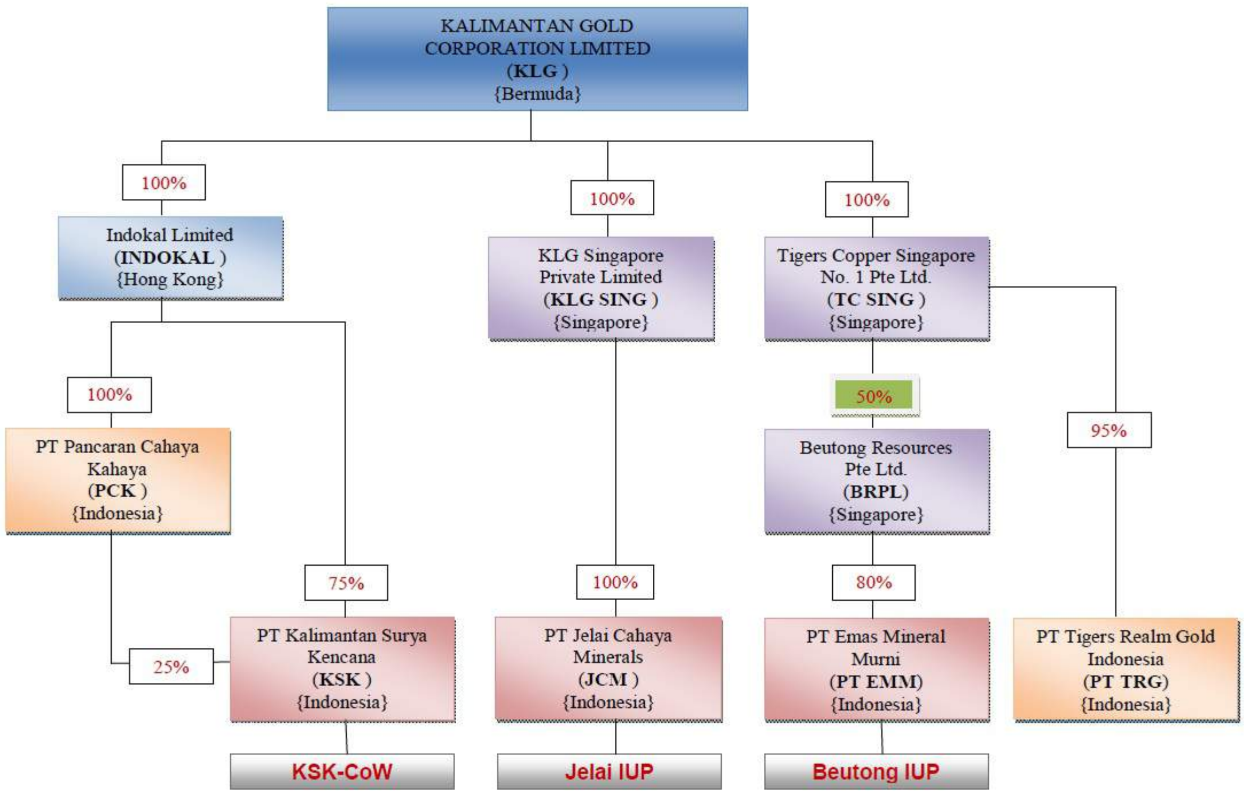
Non-controlling interest

Non-controlling interest in the Company's less-than-wholly-owned subsidiaries are classified as a separate component of equity. On initial recognition, non-controlling interest is measured at the fair value of the non-controlling entity's pro-rata share in the subsidiary. Subsequent to the original transaction date, adjustments are made to the carrying amount of non-controlling interest for the non-controlling interest's share of changes to the subsidiary's equity.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interest is adjusted to reflect the change in the non-controlling interest's relative interest in the subsidiary, and the difference between the adjustment to the carrying amount of non-controlling interests and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to owners of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c) Organization chart



d) New standards, interpretations and amendments not yet effective

The following new standard, amendment to standards and interpretations is not yet effective as of the date of these financial statements, and have not been applied in preparing these consolidated financial statements.

<u>IFRS 9 Financial instruments - classification and measurement</u>

IFRS 9 is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding the instrument to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

The effective date for the amendment is indeterminate at this time, with an expected adoption date of January 1, 2018, and will be applied retrospectively. Early application is permitted.

The Company has not early adopted this revised standard and its future adoption is not expected to have a material effect on the financial statements.

(unaudited - expressed in United States dollars, unless otherwise noted)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: Fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; available-for-sale; or other liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	March 31, 2015	December 31, 2014
Cash	Loans and receivables	$ 273,356	$ 30,382
Receivables and other assets	Loans and receivables	42,074	11,740
Trade and other payables	Other liabilities	318,569	278,299

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash are Level 1 in the fair value categories.

Financial Risk Management

All aspects of the Company's risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended December 31, 2014.

5. CASH

	As at March 31, 2015	As at December 31, 2014
Canadian dollar denominated cash held in Canada	$ 14,027	$ 8,996
US dollar denominated cash held in Canada	214,851	5,145
US dollar and Rupiah cash held in Indonesia	44,478	16,241
	$ 273,356	$ 30,382

(unaudited - expressed in United States dollars, unless otherwise noted)

6. RECEIVABLES AND OTHER ASSETS

	As at March 31, 2015	As at December 31, 2014
Receivable – employee advances	$ 4,165	$ 2,406
Receivable – other	16,520	477
Prepayments	21,389	8,857
	$ 42,074	$ 11,740

7. PREPAID ACQUISITION COSTS

As at December 31, 2014, the Company prepaid certain legal and regulatory fees totaling $13,618, in advance of the closing of the following transactions which occurred on January 12, 2015: The acquisition of the Beutong project; the filing of an NI 43-101 technical report; and the closing of a concurrent brokered private placement.

8. EQUIPMENT

The following is a reconciliation of the carrying amounts of equipment, all located in Indonesia.

	Equipment
Cost	
At December 31, 2014	$ 594,973
Assets acquired	1,102
At March 31, 2015	$ 596,075
Accumulated depreciation	
At December 31, 2014	$ 494,131
Depreciation for the period	34,952
At March 31, 2015	529,083
Carrying amounts	
At December 31, 2014	$ 100,842
At March 31, 2015	$ 66,992

(unaudited - expressed in United States dollars, unless otherwise noted)

9. EXPLORATION AND EVALUATION ASSETS & EXPENDITURES

On January 12, 2015, the Company purchased Tigers Copper Singapore No. 1 Pte Ltd. (“TC Sing”), a Singapore company with a 50% owned subsidiary Beutong Resources Pte Ltd. (“BRPL”). BRPL, in turn, owns an 80% interest in PT Emas Mineral Murni (“PT EMM”), which holds the Beutong IUP in Indonesia. Effectively, the Company purchased a 40% share in the Beutong IUP.

IFRS requires that a determination is made as to whether an acquisition is a business combination by applying the definitions contained in IFRS 3, which requires that the assets acquired and liabilities assumed constitute a business. Management has determined that this acquisition does not constitute the acquisition of a business, therefore, has treated it as an acquisition of a group of assets.

The acquisition of TC Sing from Tigers Realm Minerals Pty Ltd. (“Tigers Minerals”) was completed by way of the issuance of 171,407,156 common shares of the Company (“Consideration Shares”) with a fair value of $3,333,483; and the issuance of 14,675,000 common share purchase warrants (“Consideration Warrants”) with a total fair value of $455,327. In addition, the Company incurred closing costs of $56,918 to complete the transaction.

Fair value of assets acquired:

Cash	$	16,122
Receivables and other assets		6,084
Exploration and evaluation assets		3,866,813
Non-controlling interest in subsidiary		(7,029)
Trade and other payables		(36,262)
	$	3,845,728

Consideration for acquisition:

Fair value of shares issued	$	3,333,483
Fair value of warrants issued		455,327
Transaction costs		56,918
	$	3,845,728

The Company reviews the carrying values of its exploration and evaluation assets on a regular basis by reference to the project economics including any independent feasibility studies on a property, the timing of the exploration and/or development work, the work programs and the exploration results experienced by the Company. When the carrying value of the asset exceeds its estimated net recoverable amount, an impairment loss is recorded to reflect its decline in value.

The Company performed an impairment test on the newly-acquired exploration and evaluation assets according to IFRS 6 and IAS 36. Entities recognizing exploration and evaluation assets are required to perform an impairment test on those assets when specific facts and circumstances outlined in the standard indicate an impairment test is required.

Based on the impairment testing performed, the Company determined that the exploration and evaluation assets acquired for $3,866,813 were impaired, and recorded an impairment loss of $3,866,813.

(unaudited - expressed in United States dollars, unless otherwise noted)

9. EXPLORATION AND EVALUATION ASSETS & EXPENDITURES *(continued)*

The Company's exploration and evaluation assets comprise the KSK Contract of Work (the "KSK CoW") porphyry copper prospect in Central Kalimantan, an Izin Usaha Pertambangan ("IUP") for the Jelai gold project in East Kalimantan, and the newly-acquired Beutong IUP in Aceh, Sumatra, Indonesia.

The details of exploration expenditures expensed during the period ended March 31, 2015, and 2014 are as follows:

	For the three months ended	
	March 31, 2015	March 31, 2014
KSK CoW		
Exploration costs during the period		
Community development	$ 24,968	$ 388,287
Consultants and contractors	16,983	152,624
Field support	70,713	61,932
Land tax and dead rent	-	21,525
Reclamation costs	-	120,000
Salaries, wages and related costs	159,708	203,134
Sample preparation and analysis	1,675	57,466
Supplies and equipment	13,852	31,990
Taxation	23,627	11,524
Transport (including helicopters)	-	137,698
Travel and accommodation	23,682	33,518
	335,208	1,219,698
Depreciation	34,281	34,710
Current period exploration	369,489	1,254,408
Recovery from funding partner	-	(1,147,509)
Current period net exploration	369,489	106,899
Jelai IUP		
Exploration costs during the period		
Consultants and contractors	6,159	272
Field support	825	(1,338)
Salaries, wages and related costs	4,009	2,006
Taxation	648	85
Travel and accommodation	13	670
	11,654	1,695
Depreciation	671	1,177
Current period exploration	12,325	2,872
Recovery from funding partner	-	-
Current period net exploration	12,325	2,872

<table continues on next page>

(unaudited - expressed in United States dollars, unless otherwise noted)

9. EXPLORATION AND EVALUATION ASSETS & EXPENDITURES *(continued)*

	For the three months ended	
	March 31, 2015	March 31, 2014
Beutong IUP		
Exploration costs during the period		
Community development	4,253	-
Consultants and contractors	5,901	-
Contracted drilling	1,059	-
Field support	15,457	-
Salaries, wages and related costs	21,493	-
Supplies and equipment	915	-
Travel and accommodation	2,276	-
	51,354	-
Depreciation	-	-
Current period exploration	51,354	-
Recovery from funding partner	-	-
Current period net exploration	51,354	-
Total current period exploration	433,168	109,771
Cumulative exploration expenditures included in the deficit, beginning of the period	20,852,386	20,415,151
Cumulative exploration expenditures included in the deficit, end of the period	$ 21,285,554	$ 20,524,922

KSK CoW – Central Kalimantan

The holder of the KSK CoW is KSK. The Company owns 100% of Indokal, and Indokal owns 100% of PCK. KSK is owned 75% by Indokal and 25% by PCK.

Jelai Project – East Kalimantan

The holder of the Jelai IUP is JCM, a wholly-owned subsidiary of the Company, by way of its ownership of KLG Sing, which holds 99.3% of the shares of JCM. The remaining 0.7% continues to be held for the benefit of Kalimantan Gold by the same two nominee shareholders who previously held 100% of JCM.

Beutong Project – Aceh, Sumatra, Indonesia

The holder of the Beutong IUP is an Indonesian company, PT Emas Mineral Murni, ("PT EMM"). PT EMM is owned 80% by Beutong Resources Pte Ltd. ("BRPL") a Singapore company. BRPL is owned 50% by Tigers Copper Singapore No. 1 Pte Ltd. ("TC Sing"). TC Sing is owned 100% by Kalimantan Gold Corporation Limited. Therefore, Kalimantan Gold holds an effective 40% interest in the Beutong IUP at this stage (80% x 50% x 100% = 40%). PT Media Mining Resources ("PT MMR") owns the remaining 20% of the shares of PT EMM.

(unaudited - expressed in United States dollars, unless otherwise noted)

9. EXPLORATION AND EVALUATION ASSETS & EXPENDITURES *(continued)*

Beutong Project – Aceh, Sumatra, Indonesia *(continued)*

Pursuant to the joint venture agreement between PT MMR and TC Sing dated February 11, 2011, as most recently amended on November 19, 2014 (the "Option Agreement"), TC Sing can increase its effective ownership in the Beutong IUP to 80% by completing staged payments and milestones. The next payment of AUD$2.875M is due within 90-days of the Beutong exploration IUP being converted to a production IUP, which will complete the earn-in of an effective 60% interest: the exploration expenditure spending milestone has been met for this next stage. Final exploration milestones, expenditure milestones, lump-sum payments, and the completion of a bankable feasibility study must be completed by the extended expiry date of the Beutong IUP in order for the Company to earn the 80% effective interest in the Beutong IUP.

10. TRADE AND OTHER PAYABLES

Falling due within the next twelve months		As at March 31, 2015		As at December 31, 2014
Trade and other payables	$	261,900	$	274,246
Trade and other payables owed to related parties		56,669		4,053
	$	318,569	$	278,299

11. SHARE CAPITAL AND RESERVES

a) Authorized share capital

At March 31, 2015, and December 31, 2014, the authorized share capital comprised $5,000,000 divided into 500,000,000 common shares at a par value of $0.01 each. On April 30, 2015, the shareholders approved an increase in the authorized share capital to $8,000,000 divided into 800,000,000 common shares at a par value of $0.01 each.

All issued shares are fully paid. At March 31, 2015, the issued share capital comprised 394,724,753 common shares (December 31, 2014 – 171,407,156).

b) Issued share capital

A summary of changes in share capital and reserves is contained in the Consolidated Statement of Changes in Equity, for the three month period ended March 31, 2015, and 2014.

Fiscal 2015

On January 12, 2015, the Company issued 51,910,441 common shares from a brokered private placement financing to raise $1,009,541 (C$1,193,940) at an issue price of $0.0194 (C$0.023) per common share. The Company incurred issue costs of $32,581.

On January 12, 2015, the Company issued 171,407,156 common shares to the vendor for the acquisition of TC Sing, with a fair value of $3,333,483 and issued 14,675,000 common share purchase warrants with a fair value of $455,327. In addition, the Company incurred closing costs of $56,918 to complete the acquisition (Note 9). The vendor immediately distributed the common shares and common share purchase warrants on a pro-rata basis to the shareholders in the ultimate parent company of the vendor, being Tigers Realm Metals Pty Ltd. ("TR Metals") and the Consideration Warrants were distributed on a pro-rata basis to the option holders of TR Metals.

(unaudited - expressed in United States dollars, unless otherwise noted)

11. SHARE CAPITAL AND RESERVES *(continued)*

b) Issued share capital *(continued)*

Fiscal 2014

There were no changes to the issued and outstanding share capital of the Company during the three months ended March 31, 2014.

c) Stock Options

The Company has a shareholder approved "rolling" stock option plan (the "Plan") in compliance with TSX-V policies. Under the Plan the maximum number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding common shares at the time of granting. The exercise price of each stock option shall not be less than the market price of the Company's stock at the date of grant. Options can have a maximum term of ten years and typically terminate 90-days following the termination of the optionee's employment or engagement, except in the case of retirement or death. Vesting of options is at the discretion of the Board of Directors at the time the options are granted.

The continuity of stock options for the three month period ended March 31, 2015, is as follows:

Expiry date	*Exercise price Cdn $*	Balance, December 31, 2014	Granted	Exercised	Expired	Balance, March 31, 2015
April 21, 2016	*$ 0.11*	4,875,000	-	-	-	4,875,000
June 17, 2016	*$ 0.12*	200,000	-	-	-	200,000
July 4, 2016	*$ 0.07*	200,000	-	-	-	200,000
July 1, 2018	*$ 0.10*	5,950,000	-	-	-	5,950,000
October 6, 2019	*$ 0.05*	3,450,000	-	-	-	3,450,000
		14,675,000	-	-	-	14,675,000
Weighted average exercise price Cdn$		$ 0.09	$ -	$ -	$ -	$ 0.09

The weighted average remaining contractual life of the options outstanding as at March 31, 2015, was 2.7 years. All of the outstanding options are exercisable at March 31, 2015.

d) Common share purchase warrants

The continuity of common share purchase warrants for the three month period ended March 31, 2015, is as follows:

Expiry date	*Exercise price Cdn$*	Balance, December 31, 2014	Issued	Exercised	Expired	Balance, March 31, 2015
June 4, 2016	*$ 0.06*	-	3,151,306	-	-	3,151,306
June 18, 2016	*$ 0.06*	-	1,003,527	-	-	1,003,527
October 2, 2016	*$ 0.10*	-	5,277,674	-	-	5,277,674
May 13, 2017	*$ 0.12*	-	1,708,746	-	-	1,708,746
April 13, 2019	*$ 0.10*	-	3,533,747	-	-	3,533,747
		-	14,675,000	-	-	14,675,000
Weighted average exercise price Cdn$		$ -	$ 0.09	$ -	$ -	$ 0.09

(unaudited - expressed in United States dollars, unless otherwise noted)

11. SHARE CAPITAL AND RESERVES *(continued)*

e) Stock-based Compensation

Fiscal 2015:

During the three month period ended March 31, 2015, the Company recorded $nil in non-cash stock-based compensation expense for options vesting in the period.

Fiscal 2014:

During the three month period ended March 31, 2014, the Company recorded $nil in non-cash stock-based compensation expense for options vesting in the period.

12. RELATED PARTY TRANSACTIONS

a) The Company's related parties consist of companies owned by executive officers and directors as follows:

Name	Nature of transactions
Golden Oak Corporate Services Limited ("Golden Oak")	Financial reporting, Chief Financial Officer, Corporate Secretary, and corporate compliance services.
Romfal Corporate Pty Ltd. ("Romfal")	Past Chief Executive Officer
Tigers Realm Minerals Pty Ltd. ("TR Minerals")	Deputy Chairman and Chief Executive Officer; Vice President Exploration; shared office costs; shared staff

The Company incurred the following fees and costs in the normal course of operations in connection with companies owned or controlled by key management and directors.

	March 31, 2015	March 31, 2014
Consulting fees – Golden Oak	$ 21,496	$ 24,010
Consulting fees – Romfal	-	15,000
Consulting fees – TR Minerals	125,250	-
Shared office and staff costs – TR Minerals	90,585	-
Total	$ 237,331	$ 39,010

b) Compensation of key management personnel:

The remuneration of directors and other members of key management personnel, including amounts disclosed in Note 12(a), during the three month period ended March 31, 2015, and 2014 were as follows:

	March 31, 2015	March 31, 2014
Consulting fees	$ 146,746	$ 39,010
Salaries, wages and related costs (exploration and evaluation expenditures)	37,286	49,714
Directors fees to non-management directors	-	3,500
Total	$ 184,032	$ 92,224

13. COMMITMENTS

The AIM Rules require the Company to have a Nominated Adviser ("Nomad") and Broker at all times.

RFC Ambrian Limited ("RFC") is the Company's Nomad for the purpose of the AIM Rules. During the three month period ended March 31, 2015, the Company paid or accrued $12,632 (AUD$15,000) in consulting fees to RFC. During the comparative 2014 period, the Company paid or accrued $9,172 (AUD$10,000) in consulting fees to RFC. The Company expects to incur costs in fiscal 2015 of AUD$60,000 to retain RFC.

VSA Capital ("VSA") is the Company's Broker for the purpose of the AIM Rules. During the three month period ended March 31, 2015, the Company paid or accrued a total of $5,934 (£3,750) as consulting fees to our AIM Broker. The Company expects to incur costs in fiscal 2015 of £15,000 to retain VSA.

14. CONTINGENCY

During 2011, the Indonesian tax authorities conducted an audit of JCM for the 2009 tax year. The majority of the review focused on the deductibility of expenditures in Indonesia and adjusted the tax loss carry forwards. The most material outcome from the audit related to the tax authorities deeming that the intercompany loans made by the Company to JCM should have had interest accrued at the rate of 8% per annum with withholding tax of 20%, therefore becoming payable to the Indonesian government. The Company continues to believe that this tax assessment is without basis. To have the appeal heard by the tax court, the Company paid a deposit of Rp 440,139,447, an amount equal to the 2009 tax exposure as calculated by the tax authorities. The outcome of the tax appeal process and any tax assessments due and payable arising from that process is not determinable at this time, however, the Indonesian tax Court denied the Company's appeal in 2015. The Company will once again appeal this decision, however, the Company did write off the government deposit in the 2014 year of $36,761.

15. SEGMENT DISCLOSURES

The Company operates in a single segment, being mineral exploration and development.

With the exception of the cash disclosed in Note 5, all of the Company's significant assets are held in Indonesia.

(unaudited - expressed in United States dollars, unless otherwise noted)

16. NON-CONTROLLING INTEREST

The Company owns TC Sing, a Singapore company with a 50% owned subsidiary BRPL. BRPL, in turn, owns an 80% interest in PT EMM, which holds the Beutong IUP in Indonesia. Effectively, the Company owns a 40% share in the Beutong IUP.

Summarized statements of financial position
Tigers Copper Singapore No. 1 Pte Ltd.

	March 31, 2015	January 12, 2015 *(Acquisition date)*	December 31, 2014
NCI percentage	***60.0%***	***60.0%***	***0.0%***
Current assets	$ 18,777	$ 22,206	$ -
Current liabilities	34,339	36,262	-
	(15,562)	(14,056)	-
Non-current assets	-	-	-
Non-current liabilities	-	-	-
	-	-	-
Net assets	**$ (15,562)**	**$ (14,056)**	**$ -**
Accumulated non-controlling interests	**$ 23,448**	**$ (7,029)**	**$ -**

Summarized statements of loss and comprehensive loss
Tigers Copper Singapore No. 1 Pte Ltd.

	March 31, 2015	March 31, 2014
NCI percentage	***60.0%***	***0.0%***
Loss for the period	$ 44,634	$ -
Other comprehensive income or loss	-	-
Loss and comprehensive loss for the period	$ 44,634	$ -
Loss allocated to NCI	$ 30,477	$ -

(unaudited - expressed in United States dollars, unless otherwise noted)

16. NON-CONTROLLING INTERESTS *(continued)*

Summarized statements of cash flows
Tigers Copper Singapore No. 1 Pte Ltd.

	March 31, 2015	March 31, 2014
NCI percentage	***60.0%***	***0.0%***
Cash flows from operating activities	$ (57,055)	$ -
Cash flows from investing activities	-	-
Cash flows from financing activities	50,454	-
Change in cash	(6,601)	-
Cash, beginning of the period	16,122	-
Cash, end of the period	$ 9,521	$ -

17. SUBSEQUENT EVENTS

Subsequent to March 31, 2015:

a) on May 5 and May 7, 2015, the Company borrowed $60,000 and $40,000 respectively from an officer and director of the Company by way of two demand notes bearing interest at 8% per annum; and

b) on May 27, 2015, the Company announced that it plans to undertake a brokered private placement to place up to 108,443,747 common shares at a price of £0.012 per share for total gross proceeds of approximately £1.3 million (approximately equivalent to CDN $2.5 million at CDN $0.023 per share). The Company has received commitments from investors for 108,443,747 common shares to be issued and settled in CREST. The participating investors include clients of the Company's UK broker agents, VSA Capital Limited and Optiva Securities Limited. The Company will pay fees to brokers who introduced the Company to private placement investors within the policies of the TSX Venture Exchange.