NI 43-101 Technical Report on the La Española Cu ± Ag, Au, Zn Property, Lima, Peru

Prepared for:
Minera Española S.A.C.
PJ. Los Pinos 190 Dept. 901
Miraflores, Lima
Peru

A subsidiary of:
Grenville Gold Corporation
8338-120th Street , # 200
Surrey, BC, V3W 3N4
Canada

Luc Pigeon
B.Sc., M.Sc., P.Geo.
Alfredo Franco 315
Santiago de Surco
Lima, Peru

GATEWAY SOLUTIONS
MINING EXPLORATION & SURVEY LEADERS

76° 22’ 30” West Longitude
12° 36’ 10” South Latitude

16 November 2011

Table of Contents

Figures

Tables

Glossary of Terms

Abreviations

CAD	Computer-Aided Design
CAD	Canadian Dollar

CMPA	Cooperacion Minera Peruano-Alemana
DEM	Digital Elevation Model
DGPS	Differential Global Positioning System
FA/AA	Fire assay with an atomic absorption finish
GATEWAY	Gateway Solutions S.A.C.
GPS	Global Positioning System
ICP	Inductively-Coupled Plasma
IGN	Instituto Geográfico Nacional
INGEMMET	Instituto Geologico Minero y Metalurgico
INSPECTORATE	Inspectorate Services del Peru S.A.C.
IP	Induced Polarization
ISO	International Organization for Standardization
MAG	Magnetometry
MINERA ESPAÑOLA	Minera Española S.A.C.
NI 43-101	National Instrument 43-101
PSAD56	Provisional South American Datum 1956
Qa/Qc	Quality assurance / Quality control
R.U.C.	Registro Unico Tributario
S.A.	Sociedad Anónima
S.A.C.	Sociedad Anónima Cerrada
SUNAT	Superintendencia Nacional de Administracion Tributaria
SUNARP	Superintendencia Nacional de Registros Publicos
USGS	United States Geological Survey
USD	United States Dollars
UTM	Universal Transverse Mercator
WGS	World Geodetic System

Units

Ag^{equiv}	Silver equivalent
ºC	Degrees Celsius
cm	Centimeter
g	Gram
g/t	Gram per metric tonne
kg	Kilogram
km	Kilometer
kW	Kilowatt
m	Meter
Ma	Million Years
mm	Millimeter
Mt	Million tonne
ppm	Part per million

Elements

Ag	Silver
As	Arsenic
Au	Gold
Cu	Copper

Mo	Molybdenum
Pb	Lead
Sb	Antimony
W	Tungsten
Zn	Zinc

1. Summary

1.1. Property Location and Ownership

The Property is situated in the Districts of Coayllo and Calango, Province of Cañete, Department of Lima in the Republic of Peru; approximately 100 km south-east of the capital Lima. The Claims are centered on UTM coordinate system, PSAD56, zone 18L, 351000 meters East and 8607000 meters North; or geographic coordinate system 76º 22' 30" of west Longitude and 12º 36' 10" of south Latitude.

The eight (8) subject Claims cover an area of 3600 hectares and are named: ALTERNATIVA, ALTERNATIVA II, LORENITA C, ANNY, GOOD, GOOD 1, YSABEL II AND YSABEL III. The Claims are 100%-held by Minera Española S.A.C.

1.2. Geology and Mineralization

The local geology is dominated by the middle to late Cretaceous Cochahuasi intrusion member of the Coastal Batholith. Jurassic and Lower Cretaceous sedimentary and volcano-sedimentary rocks are also exposed to the southwest. The Cochahuasi igneous complex is comprised of a group of intrusions that occur between Cata (Omas River) and Cochahuasi (Mala River). These intrusions are composed of tonalite, granodiorite and monzodiorite that are cross-cut by a dacite and andesite dyke swarm. The emplacement of the dykes is controlled by a NNW striking fault system with variable sub-vertical dips. This fault system hosts the Cu ± Ag, Au, Zn mineralization.

The Rosa Maria vein outcrops discontinuously over 1,500 m and has a thickness that varies between 0.4 m to 4.0 m. It strikes 324-357 and dips between 62-88 degrees NE. The mineralization consists of discontinuous quartz veins and veinlets also hosting copper and iron oxide minerals including tenorite, malachite, chrysocolla, cuprite, hematite, magnetite and goethite. Initial limited sampling (29 samples) of the Rosa Maria surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 3.35 g/t Au and 23.7 g/t Ag. Copper concentrations vary from 0.0186 % to 5.11 % Cu whereas Zn concentrations reach up to 1.02 % Zn.

The Rosa Maria vein underground mineralization consists of quartz ± calcite veins and veinlets also containing copper and iron sulphide minerals including bornite, pyrite, chalcopyrite and Fe-sphalerite. Initial systematic sampling (155 samples) of the Rosa Maria vein underground exposure (250 m strike length) indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.299 g/t Au and 47.9 g/t Ag. Copper concentrations reach up to 9.33 % Cu whereas Zn concentrations reach up to 3.49 % Zn.

The Micaela vein outcrops discontinuously over 1100 m and has a thickness that varies between 0.35 m to 1.00 m. It strikes 340 and dips between 70 and 80 degrees NE. The mineralization consists of discontinuous quartz veins and veinlets also hosting chalcopyrite, malachite, pyrite and magnetite. Initial limited sampling (11 samples) of the Micaela surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.378 g/t Au and 18.1 g/t Ag. Copper concentrations vary from 0.0189 % to 2.45 % Cu whereas Zn concentrations are low only reaching up to 0.0384 % Zn.

The Elisa vein outcrops discontinuously over 400 m and has a thickness that varies between 0.4 m to 1.3 m. The mineralization consists of discontinuous quartz veins also hosting malachite, chrysocolla and magnetite. Initial limited sampling (9 samples) of the Elisa surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.287 g/t Au and 48.9 g/t Ag. Copper concentrations vary from 0.0262 % to 9.5 % Cu whereas Zn concentrations reach up to 0.9227 % Zn.

The Anita vein outcrops discontinuously over 50 m and has a thickness that varies between 0.3 m to 1.5 m. The mineralization consists of discontinuous quartz veins also hosting chalcopyrite malachite, chrysocolla, magnetite and pyrite. Initial limited sampling (13 samples) of the Anita surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.486 g/t Au and 11.6 g/t Ag. Copper concentrations vary from 0.0916 % to 4.48 % Cu whereas Zn concentrations reach up to 0.2930 % Zn.

The Rosario vein outcrops discontinuously over 50 m and has a thickness that varies between 0.3 m to 1.0 m. The mineralization consists of discontinuous quartz veins also hosting malachite and magnetite. Initial limited sampling (3 samples) of the Rosario surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.323 g/t Au and 6.3 g/t Ag. Copper concentrations vary from 0.1301 % to 3.30 % Cu.

Several other discontinuous veins and/or mineralized occurrences spatially-correlated with brecciated rock were identified within Zone A. These veins normally outcrop discontinuously less than 30 m and have thicknesses that vary between 0.3 m to 0.8 m. The mineralization consists of discontinuous quartz veins also hosting malachite, chrysocolla, magnetite and calcite. Initial limited sampling (34 samples) of Zone A surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.764 g/t Au and 17.1 g/t Ag. Copper concentrations vary from 0.06943 % to 7.33 % Cu whereas Zn concentrations reach up to 0.7480 % Zn.

1.3. Exploration Concept and Status

The Property is at an early exploration stage and only basic technical information is currently available. However, the on-going surface exploration has shown that potentially economic structurally-controlled Cu ± Ag, Au, Zn vein mineralization occurs on the Property. The underground sampling has also identified mineralization that may also continue at depth. A systematic exploration program including geophysical surveys and drilling are required in order to model the mineralizations's underground continuity.

1.4. Conclusions and Recommendations

The Author concludes that potentially economic mineralization occurs on the Property and that further exploration work is needed in order to estimate a resource.

It is recommended to purchase a Worldview-2 satellite image covering the entire Property. Five geodesic benchmarks should be installed on the Property and measured to 5mm accuracy. A Digital Elevation Model should be produced based on ortho-rectified aerial photos.

The current sample density is restricted and further geological mapping and sampling are required. A Property-wide geological survey including rock and soil geochemistry surveys are recommended. The intrusive rocks should be studied and divided according to their textures and compositions. The contacts between the intrusive and sedimentary rocks should be mapped at a scale of 1:1000.

Property-wide ground magnetometry and local induced polarization surveys are needed in order to identify buried structures and mineralization, and to model their underground continuities.

The Phase II program is contingent to the results obtained during Phase I. Infrastructure improvements such as road maintenance and the construction of a small (but scalable) exploration camp with a logging facility and core racks are needed. Trenching and sampling over the vein systems is necessary. A 2500 m NQ or HQ diamond drilling project should initially be adequate to test the Rosa Maria mineralization underground continuity. Some drilling may also be necessary at other promising target areas.

The Phase I & II exploration budgets are given in Table 26.1. It is estimated that Phase I & II will cost approximately CAD 446,000 and CAD 1.1 million respectively.

2. Introduction

Minera Española S.A.C. ("Minera Española"), a Peruvian corporation with R.U.C. N° 220517548678, the subsidiary of Grenville Gold Corp. ("Grenville" or the "Issuer"), a Canadian Corporation, contracted Gateway Solutions S.A.C. ("Gateway", "Gateway Solutions"), a Peruvian corporation with R.U.C. No. 20518815084, to carry-out a site visit and prepare an independent Technical Report on the La Española Property (herein after referred to as the "Property") and to propose, if warranted, an exploration program.

This report was prepared in accordance with the guidelines of the National Instrument 43-101 Standards of Disclosure for Mineral Projects and Form 43-101F1 Technical Report of Canada. The report was prepared by Luc Pigeon B.Sc., M.Sc., P.Geo. a Gateway Solutions geoscientist and an independent Qualified Person as defined by NI 43-101.

The objectives of this Technical Report are:

(i) Disclose all relevant technical and non-technical information available on the Property,
(ii) Perform a site inspection to assess the Property's current exploration status and social situation,
(iii) Perform verification sampling of the Minera Española (2011) exploration results, and
(iv) Recommend, if warranted, an exploration program and estimate its cost.

This Technical Report relies on information available in published and unpublished technical journals, government investigations and reports, legal opinions, internal technical memorandums (i.e., Elescano, 2007; Pigeon, 2007; Epiquien, 2010; Illanes Bustamante, 2011 and Minera Española, 2011), geological reports and maps.

Research and conceptual models cited partly rely on these reports and the Author's Property visit; however, while the Author considers the technical reports, journals and government publications referenced to be of quality, the Author has not personally investigated all their findings.

The Author spent a total of one (1) day on the Property on September 06, 2011 examining and sampling the Rosa Maria vein.

3. Reliance on Other Experts

The Author does not rely on any report, opinion, or statement of another expert who is not a qualified person, or on information provided by the Issuer, concerning legal, political, environmental, or tax matters relevant to the technical report.

4. Property description and Location

4.1. Location

4.1.1. Political

The Property is situated in the Districts of Coayllo and Calango, Province of Cañete, Department of Lima in the Republic of Peru on the continent of South America; approximately 100 km south-east of the capital Lima (Figures 4.1 & 4.2).

4.1.2. Geographic

The Property is located within the IGN map sheet 26k-Lunahuana. The Claims are centered on UTM coordinate system, PSAD56, zone 18L, 351000 meters East and 8607000 meters North; or geographic coordinate system 76º 22' 30" of west Longitude and 12º 36' 10" of south Latitude (Figure 4.3).

4.2. Description

4.2.1. Claim Identification and Size

The eight (8) subject Claims cover an area of 3600 hectares and are named: ALTERNATIVA, ALTERNATIVA II, LORENITA C, ANNY, GOOD, GOOD 1, YSABEL II AND YSABEL III.

4.2.2. Ownership and Royalties

The Author verified the mineral claim details, including legal description, location, ownership and validity on 2011/10/11 by checking the INGEMMET (Peruvian Government) online claim registry. The Claims are 100%-held by Minera Española S.A.C. Table 4.1 summarizes the details of each Mineral Claim forming the Property.

To date, the 2010 Claim fees applicable to the Property have been paid and the Claims are currently in good standing.

To the best of the Author's knowledge the Property is not subject to any royalties, back-in rights, payments, or other agreements or encumbrances.

4.2.3. Permits and Environmental Liabilities

The Issuer or its subsidiary have not yet obtained a Category I exploration permit. This permit is required before initiating the recommended Phase II program.

To the best of the Author's knowledge there are no environmental liabilities on the Property.

To the Author's knowledge there are no other significant factors and risks that may affect access, title, or the Right or ability to perform work on the Property.

4.3. Claim Definition under the Mining Code of Peru

The Claims are for metallic minerals giving the titleholder the right to explore and exploit metallic minerals within the bounds of the Claims; subject to permitting and the payment of the annual fees established under Peruvian and Environmental

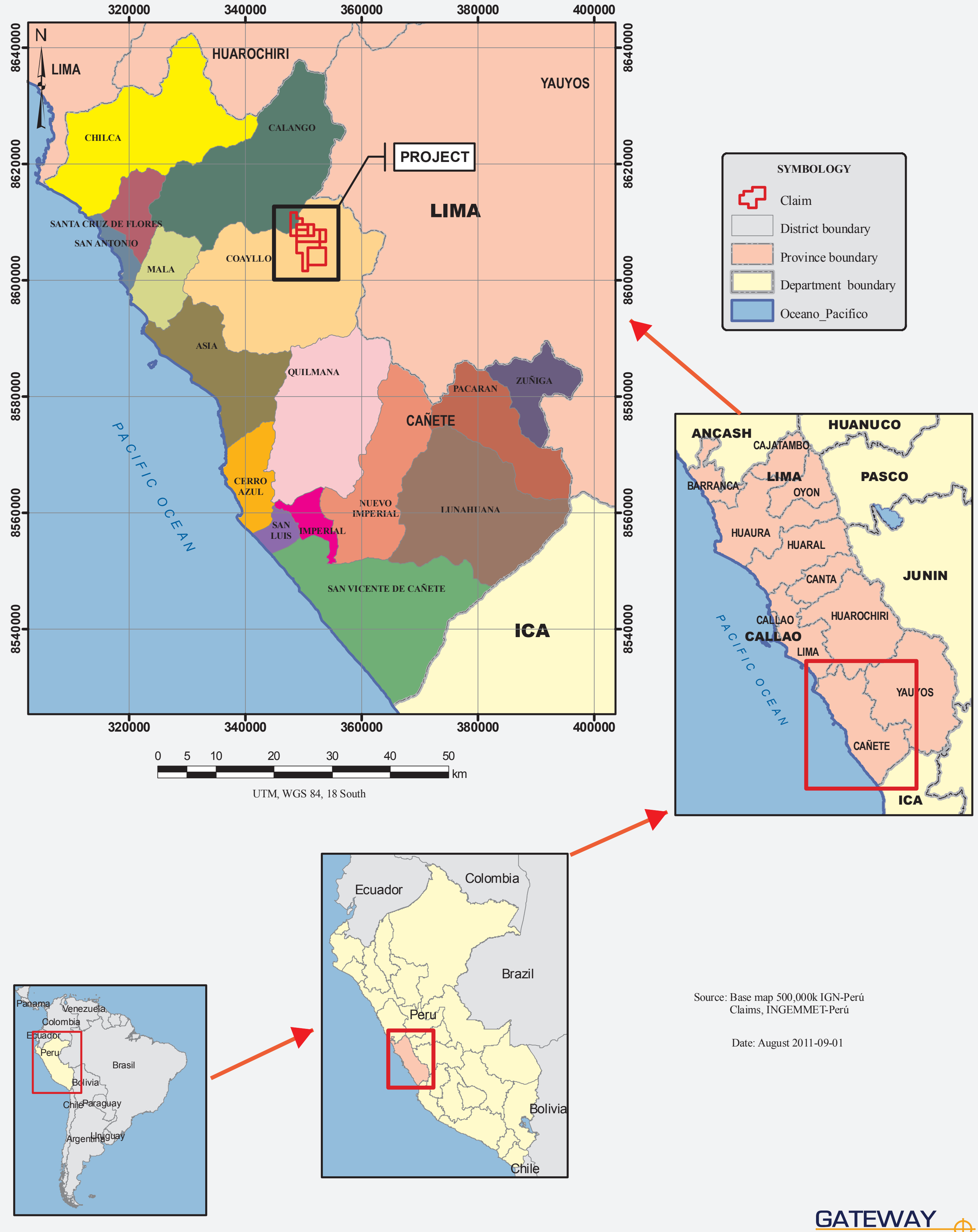


Figure 4.1. The Property location map.

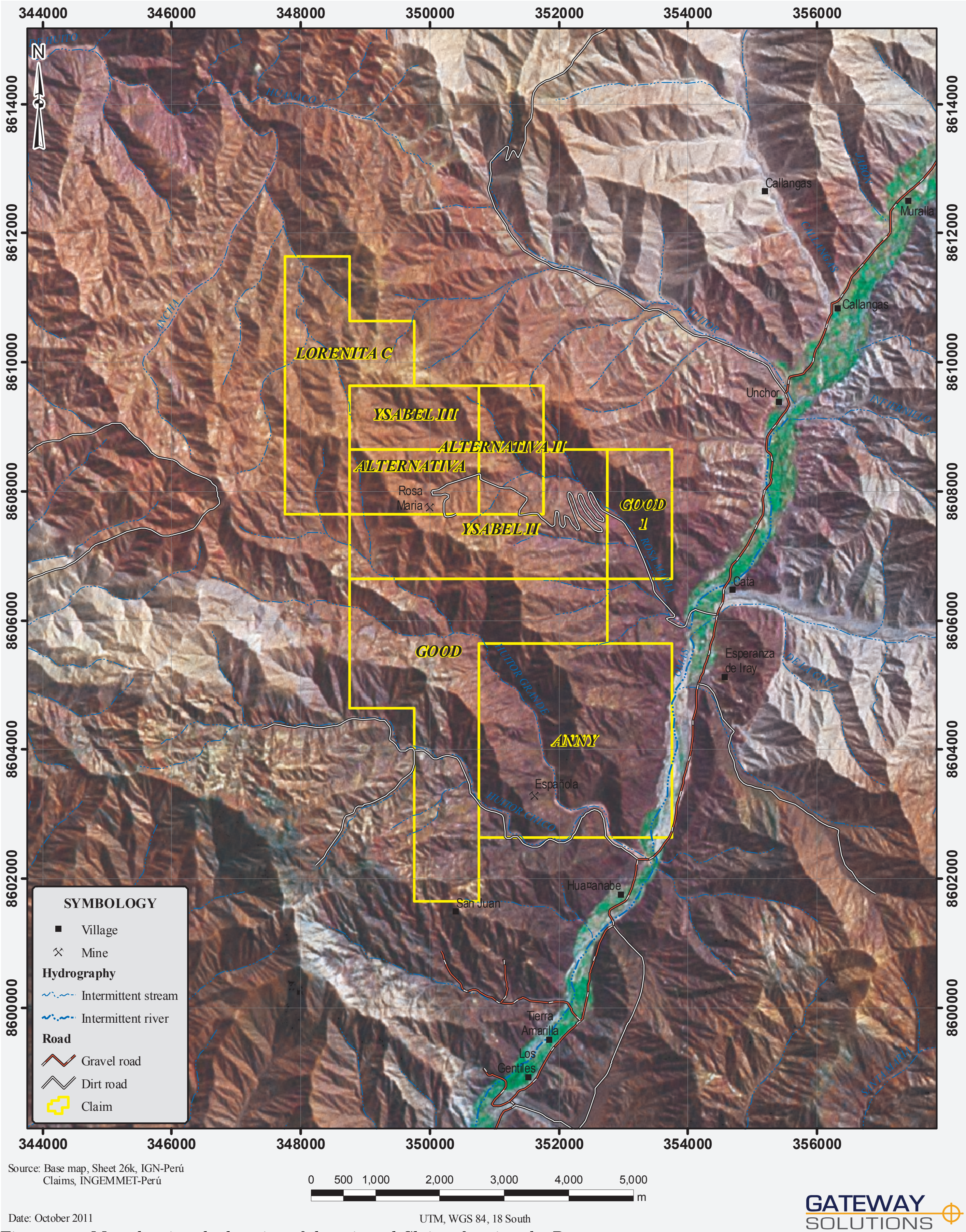


Figure 4.2. Map showing the location of the mineral Claims forming the Property.

CODE	CLAIMS	HOLDER	DATE	HECTARES	TITLE	LOCATION		
						DEPARTMENT	PROVINCE	DISTRICT
010097104	ALTERNATIVA	MINERA ESPAÑOLA S.A.C	2004-04-22	200	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO
010099504	ALTERNATIVA II	MINERA ESPAÑOLA S.A.C	2004-04-26	200	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO
010030805	LORENITA C	MINERA ESPAÑOLA S.A.C	2005-01-25	500	D.M. Titulado D.L. 708	LIMA	CAÑETE	CALANGO
010367104	ANNY	MINERA ESPAÑOLA S.A.C	2004-11-26	900	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO
010307406	GOOD	MINERA ESPAÑOLA S.A.C	2006-07-17	900	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO
010491806	GOOD 1	MINERA ESPAÑOLA S.A.C	2006-11-22	200	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO
010356904	YSABEL II	MINERA ESPAÑOLA S.A.C	2004-11-12	500	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO
010357004	YSABEL III	MINERA ESPAÑOLA S.A.C	2004-11-12	200	D.M. Titulado D.L. 708	LIMA	CAÑETE	COAYLLO

Table 4.1. The details of the Claims forming the Property.

Mining Law.

In Peru, Mineral Claims are map-registered using a grid system based on the PSAD56. The vertices of the Claims that comprise the Property are registered at the INGEMMET; and Superintendencia Nacional de Registros Publicos ("SUNARP"). The Claim boundaries do not have to be surveyed and no special marks or structure needs to be constructed within the Claim or at the Claim corners.

Pursuant to Articles 9, 12, 13, 38, 39, 59, 106 and 163 of the Single Text of the Peruvian Mining Law, approved by Supreme Decree 014-92-EM:

(i) Mineral Claims applied for, and awarded according to the grid-based system are single Claims for exploration and exploitation. They can be granted for metallic or non-metallic Minerals, and no overlap between them is allowed. Exploration and exploitation work may be initiated once the Title to the Claim has been granted, except in those areas of overlap with Claims predating December 15th, 1991. Upon completion of the Title procedure, resolutions awarding the titles must be recorded with SUNARP to create enforceability against third parties and the State.

(ii) In order to maintain the Mineral Claims in good standing, the holders must comply with the payment of a license fee equal to USD 3.00 per hectare per year.

(iii) Claim holders must reach an annual production of at least USD 100.00 per hectare in gross sales within six (6) years from January 1st of the year following the date the title was granted. If there is no production on the Claim within that period, the Claim holder must pay a penalty of USD 6.00 per hectare under the general regime, of USD 1.00 for small scale miners and USD 0.50 for artisan miners, during the 7th through 11th years following the granting of the Claim. From the 12th year onwards the penalty is equal to USD 20.00 per hectare under the general regime, USD 5.00 for small scale miners and USD 3.00 for artisan miners. The Claim holder is exempt from the penalty if exploration expenditures incurred during the previous year was ten (10) times the amount of the applicable penalty.

(iv) Failure to pay the license fees or the penalty for two (2) consecutive years will result in the forfeiture of the Mineral Claim.

(v) Mineral rights and surface rights in Peru are severed. The surface rights are granted for an indefinite term and are freely transferable, in whole or in part, and can be optioned, leased, or given as collateral or mortgage, with no need for approval from any governmental agency.

(vi) Mineral agreements (such as an Option to Acquire, a Mining Lease or Transfer of a Mineral Claim) must be formalized through a deed issued by a notary public and must be recorded with the Public Registry (SUNARP) to create enforceability against third parties and the Peruvian State.

Peru established a sliding scale mining royalty late in 2004. Calculation of the royalty payable is made monthly and is based on the gross value of the concentrate sold (or its equivalent) using international metal prices as the base for establishing the value of metal.

The sliding scale is applied as follows:

(i) First stage: up to USD 60 million annual revenue; 1.0 % of gross value.
(ii) Second stage: in excess of USD 60 million up to USD 120 million annual value; 2.0 % of gross value.
(iii) Third stage: in excess of USD 120 million annual value; 3.0 % of gross value.

5. Accessibility, Climate, Local Resources, Infrastructure and Physiography

5.1. Access

The Property is located 3 hours away from Lima by truck. The total travel distance is approximately 155 km. The route from Lima to Asia is along the paved Panamericana South highway and totals 105 km. This route is considered excellent. The route from Asia to Cata is a gravel road that follows the Rio Omas valley and totals 40 km. This route is considered good. The 11 km route from Cata to the Property is off-road, rough, switch-backed along the steep sloped Rosa Maria creek valley. This portion of the route is considered poor. Figure 5.1 illustrates the route to the Property including the travel times, distances and road conditions.

5.2. Climate and Operating Seasons

The Property is located in an arid subtropical-desert climate with an average annual temperature of 20.2 °C. February to March are the warmest months averaging 24.5°C and July is the coolest averaging 16.2°C. Little rain falls in the area, with most of the precipitation falling in December. Some minor precipitation occurs from December to March and ranges from 0.2 mm to 1 mm. April to November is dry and sees no precipitation. Exploration and mining activity can function year-round.

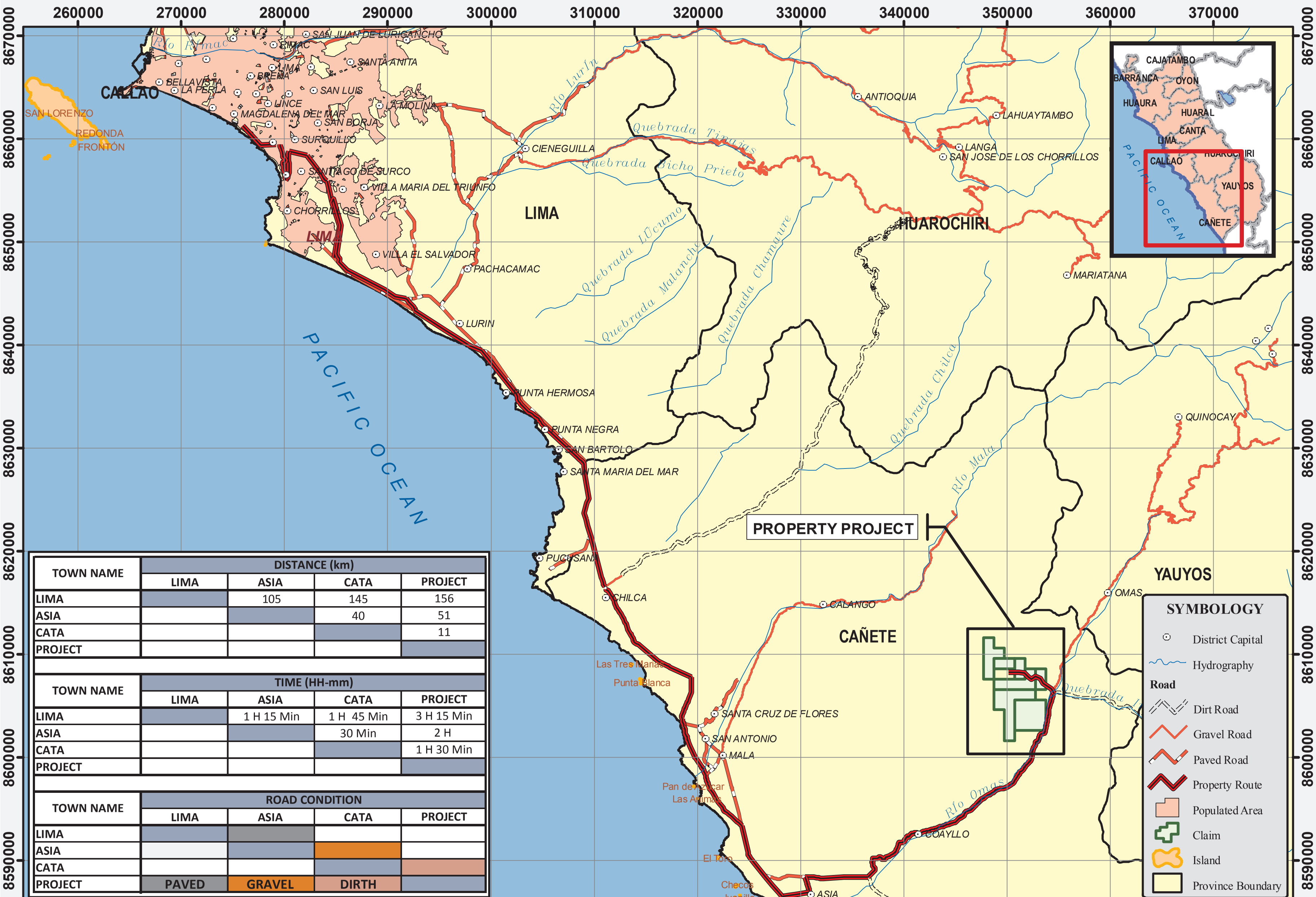
5.3. Elevation, Relief and Vegetation

The Property is located on the western foothills of the Peruvian Andes at the boundary with the Pacific coastal desert at elevations that vary from 800 m to 2400 m above sea level. The landscape consists of steep sloped, dry-creek and river valleys with moderate to steep sloped, rolling peaked mountains. The Omas and Mala Rivers drain the area and flow from the northeast to southwest, emptying into the Pacific Ocean. Creek valleys often follow a regional fabric and generally drain north-northwest, south-southeast, and southwest. The vegetation is restricted to shrubs, cactus and few flower species. (Figure 5.2).

5.4. Infrastructure and Local Resources

5.4.1. Adjacent Population Centers

The nearest population centers accessible by road are Cata (11 km), Asia (51 km) and Coayllo (31 km).



TOWN NAME	DISTANCE (km)			
	LIMA	ASIA	CATA	PROJECT
LIMA		105	145	156
ASIA			40	51
CATA				11
PROJECT				

TOWN NAME	TIME (HH-mm)			
	LIMA	ASIA	CATA	PROJECT
LIMA		1 H 15 Min	1 H 45 Min	3 H 15 Min
ASIA			30 Min	2 H
CATA				1 H 30 Min
PROJECT				

TOWN NAME	ROAD CONDITION			
	LIMA	ASIA	CATA	PROJECT
LIMA				
ASIA				
CATA				
PROJECT	PAVED	GRAVEL	DIRTH	

Source: Base map 500,000k IGN-Perú
Claim, INGEMMET-Perú

Date: August 2011-09-01

Figure 5.1. The Property access map displaying travel distances.

Figure 5.2. Photo displaying the Property's relief and vegetation.

5.4.2. Water

Water is scarce on the Property and will need to be trucked in.

5.4.3. Electricity and Petroleum

Electricity is available in Cata. Diesel, gasoline and natural gas are readily available in Asia.

5.4.4. Mining Personnel

Most of the local population and locally available work force has a primary level education. Experienced exploration technicians and professionals as well as all the necessary equipment are available in Lima.

5.5. Surface Right

The Property owner has entered into a surface and access Right agreement with the local community. The contract is somewhat informal and does not provide a specific expiration date. This agreement only includes initial exploration work such as rock sampling and geophysical work.

At the current stage of exploration, determining the sufficiency of tailings, waste disposal, heap leach, or processing plant sites is not applicable.

6. History

6.1. Ownership

In 2006, Minera Española bought the mineral Rights from several different Claim owners in order to consolidate the 3600 hectare Property. Table 6.1 gives the name of the previous owners and the transfer dates for the Claims forming the Property.

6.2. Exploration and Development

Engineer Jose Bravo provided the first studies for Cerro de Pasco Copper Corp. that was later continued by engineer Enrique Dueñas in 1921. Terrones and Wolfe visited the area in 1954 and produced a map of the exposed Rosa Maria vein. Further studies performed by Cerro de Pasco include geological reports by engineer Percy Rosas in 1956.

In 2006, Manuel Elescano carried-out a reconnaissance survey of the Property for Minera Española. He collected 101 samples of the mineralization including 52 samples from the Rosa Maria mine Lower level. However, unfortunately, only partial results were provided to the Author.

Elescano's (2006) sampling outlined approximately 130 m of copper mineralization averaging 1.68% Cu, 23.5 g/t Ag, 0.26 g/t Au, 13.68 % Fe and with an average mineralized width of 156 cm.

Pigeon (2007) authored an independent NI 43-101 Technical Report on the Property. The Author collected 6 samples of the underground mineralization and reported copper contents above 1%. The report is available to the public on SEDAR.

In 2010, Gateway Solutions performed reconnaissance sampling on the Property for Minera Española and collected 16 samples of the mineralization. Initial limited surface sampling (7 samples) indicates that the mineralization is characterized by anomalous mineral contents which assay on average 3.03% Cu and 0.176 g/t Au. One sample is characterized by a Cu content that is above 10%. Six samples were also collected within the Rosa Maria mine underground workings and nearby surface outcrops. Initial limited sampling indicates that the mineralization is characterized by anomalous mineral contents which assays on average 5.41% Cu, 13.7 g/t Ag, 0.59 g/t Au and 0.25% Zn. Two samples are characterized by Cu contents above 10% and one sample with an Au content reaching 2.032 g/t.

6.3. Mineral Resources and Reserves

There has been no mineral resource or reserve estimates carried out on the Property.

6.4. Production

During the 1940's the Compañía Cobre Asia was Rosa Maria's first formal miner. The Property then passed to Compañía Cobre Cata Acari which exploited the Rosa

Claim	Previous Owners	Date
Alternativa	NUEVO FUTURO SMRL	23/08/2004
	INVERSIONES MINERAS ALEXANDER	19/06/2006
	MINERA ESPAÑOLA SAC	31/07/2008
Alternativa II	NUEVO FUTURO SMRL	10/09/2004
	INVERSIONES MINERAS ALEXANDER	19/06/2006
	MINERA ESPAÑOLA SAC	31/07/2008
Lorenita C	LORENA CRISTINA CHAVEZ ANGELES	18/04/2005
	SMRL LORENITA C	22/08/2006
	INVERSIONES MINERAS ALEXANDER	28/02/2007
	MINERA ESPAÑOLA SAC	31/07/2008
Anny	LIDA AVELINA PIMENTEL JIBAJA	17/03/2005
	INVERSIONES MINERAS ALEXANDER	03/02/2007
	MINERA ESPAÑOLA SAC	31/07/2008
Good	INVERSIONES MINERAS ALEXANDER	30/11/2006
	MINERA ESPAÑOLA SAC	31/07/2008
Good 1	INVERSIONES MINERAS ALEXANDER	19/02/2007
	MINERA ESPAÑOLA SAC	31/07/2008
Ysabel II	Benjamin Nuñez Montañez	28/01/2005
	INVERSIONES MINERAS ALEXANDER	16/06/2006
	MINERA ESPAÑOLA SAC	31/07/2008
Ysabel III	Benjamin Nuñez Montañez	28/01/2005
	INVERSIONES MINERAS ALEXANDER	16/06/2006
	MINERA ESPAÑOLA SAC	31/07/2008

Table 6.1. The historical Claim owners.

Maria vein from the 1950's to 1975. No production statistics are currently available. In the early days, the ore was transported to a small plant in Cata using cable cars. Later the company built a road to the Rosa Maria vein allowing them to transport ore by truck. The company ceased mining in 1975 due to a drop in metal prices and because of social problems.

7. Geological Setting and Mineralization

7.1. Regional Geology

The Property is located in central Peru, within the Coastal Batholith at the border of two NW-trending metallogenic provinces. The deposit types associated with these provinces are (i) Cretaceous Pb-Zn-Cu volcanogenic massive sulphide ("VMS")-type, and (ii) Jurassic to middle Cretaceous Cu-Fe-Au-type. (Figure 7.1)

The Property is located within the Pre-Andean plains geo-morphologic setting (Figure 7.2) and the Coastal Batholith tectonic setting of Peru (Figure 7.3).

The regions' oldest recognized rocks are members of the volcano-sedimentary Puente Piedra Group that erupted in the late Jurassic and early Lower Cretaceous periods. Overlying the Puente Piedra Group are the Morro Solar Group continental siliciclastic sedimentary rocks and the Pamplona and Atocongo Formations limestone sequences. These rocks are overlain by the Casma Group which comprises marine volcanic rocks inter-stratified with marine sedimentary sequences that were deposited during Albian-Cenomaniano ages.

Plutonic rocks are widespread along the coast and are mostly member of the Coastal Batholith. The Coastal Batholith is a bimodal intrusive complex of calc-alkaline affinity emplaced between 102 to 37 Ma. It is formed of intrusions that vary in composition from gabbro to K-rich granites. It outcrops along a corridor parallel to, and at a distance of 5 to 20 km from the coast. The structures affecting the volcanic and sedimentary cover have been displaced and truncated by the intrusions. This deformation was most intense during the Lower Cretaceous. The Coastal Batholith was later sheared and faulted during the Inca deformation phase.

Figure 7.4 shows the regional geology and Figure 7.5 shows the regional stratigraphic column.

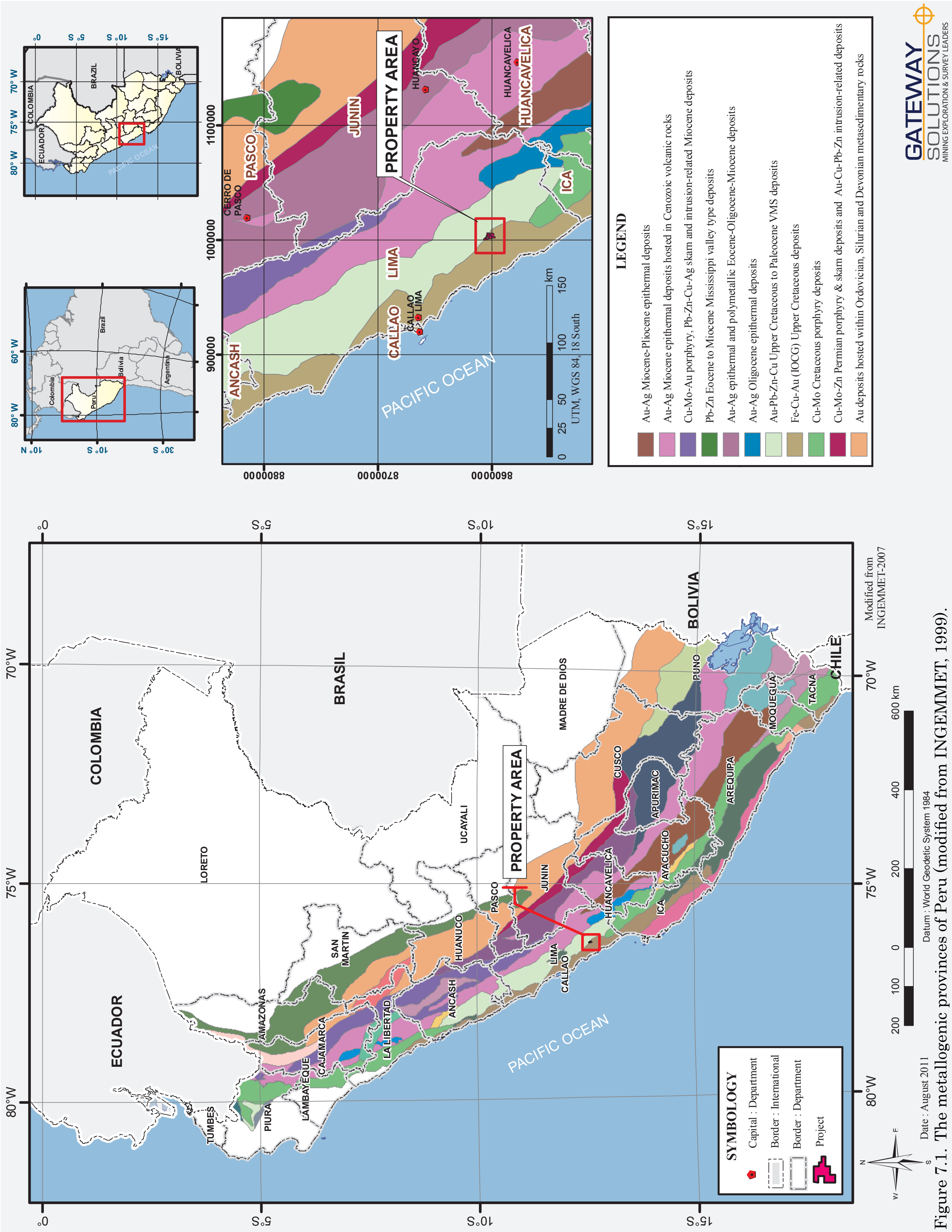


Figure 7.1. The metallogenic provinces of Peru (modified from INGEMMET, 1999).

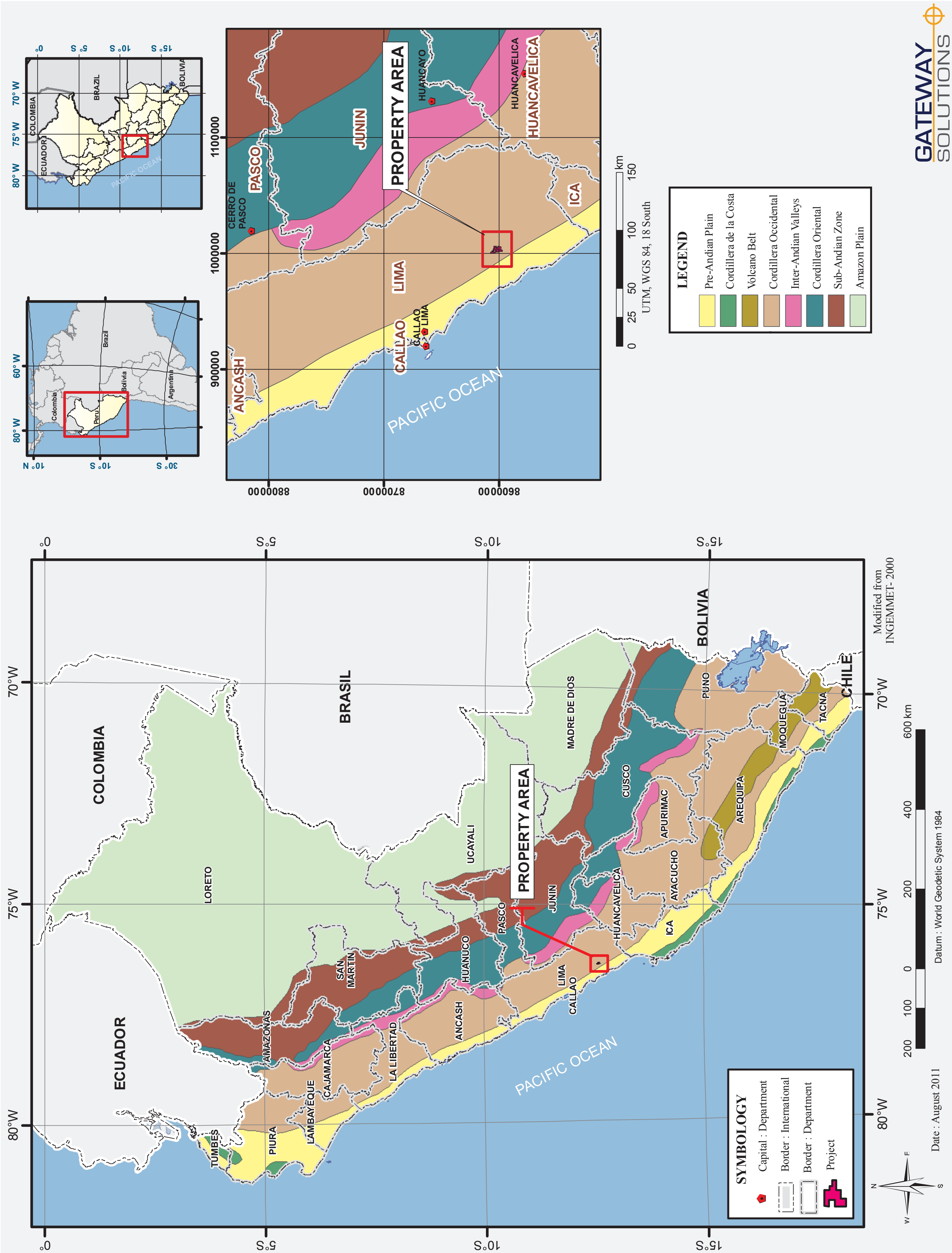


Figure 7.2. The morpho-structural units of Peru (modified from Lecaros et al, 2000).

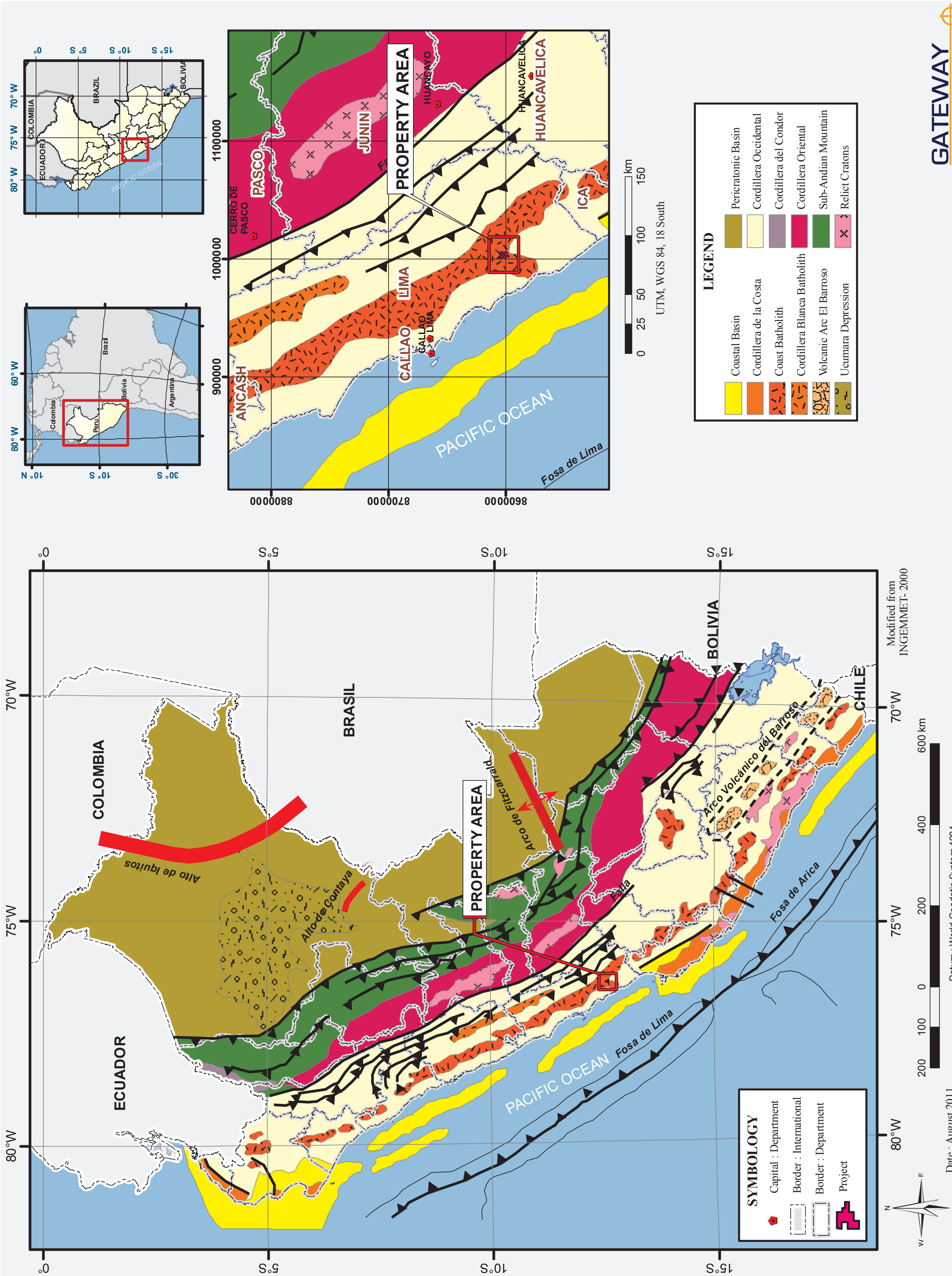
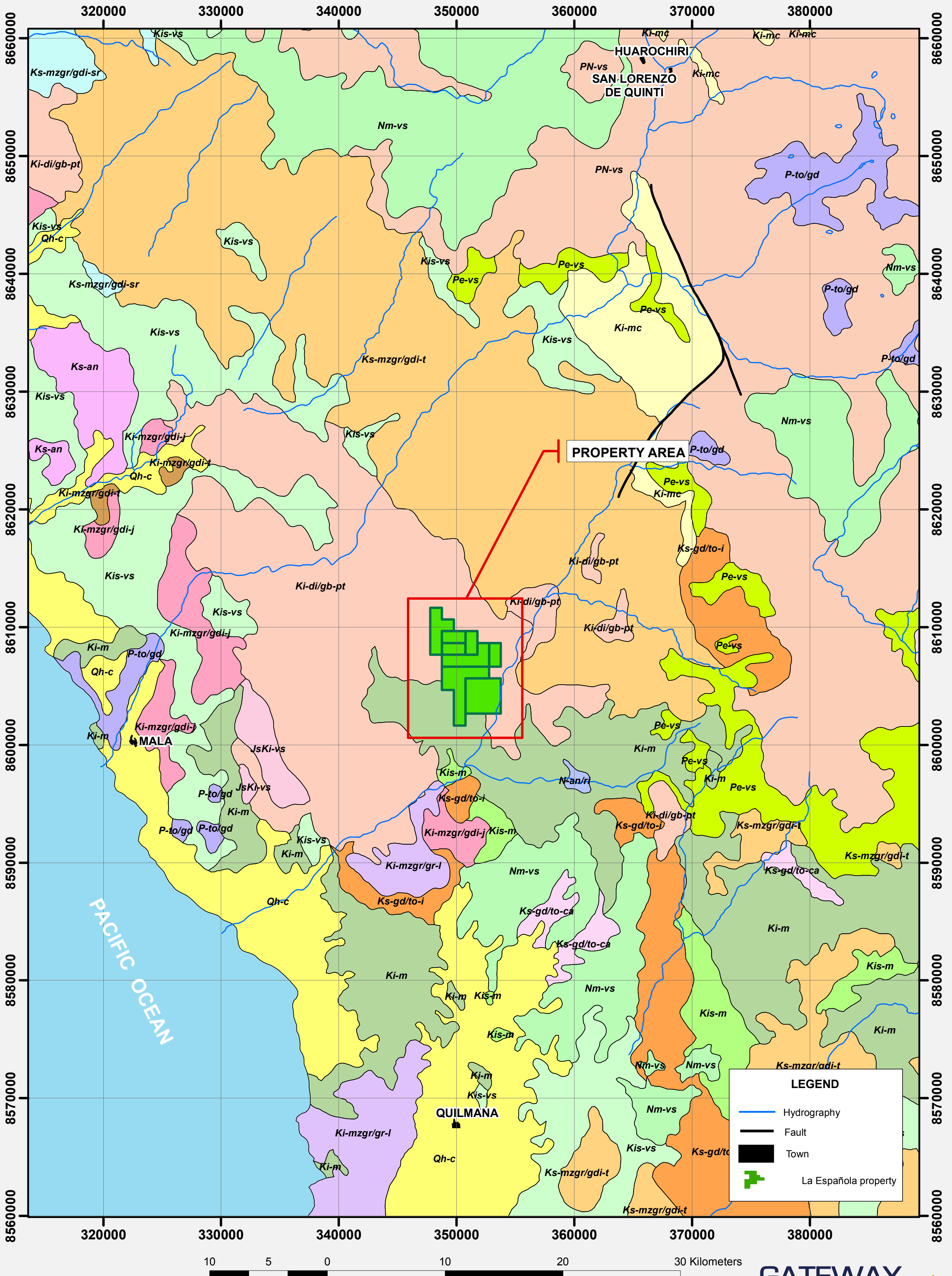


Figure 7.3. The tectonic units of Peru.



Projection : Universal Transverse Mercator, Zone 18 S
Horizontal Datum : World Geodetic System 1984
Date: April 2010

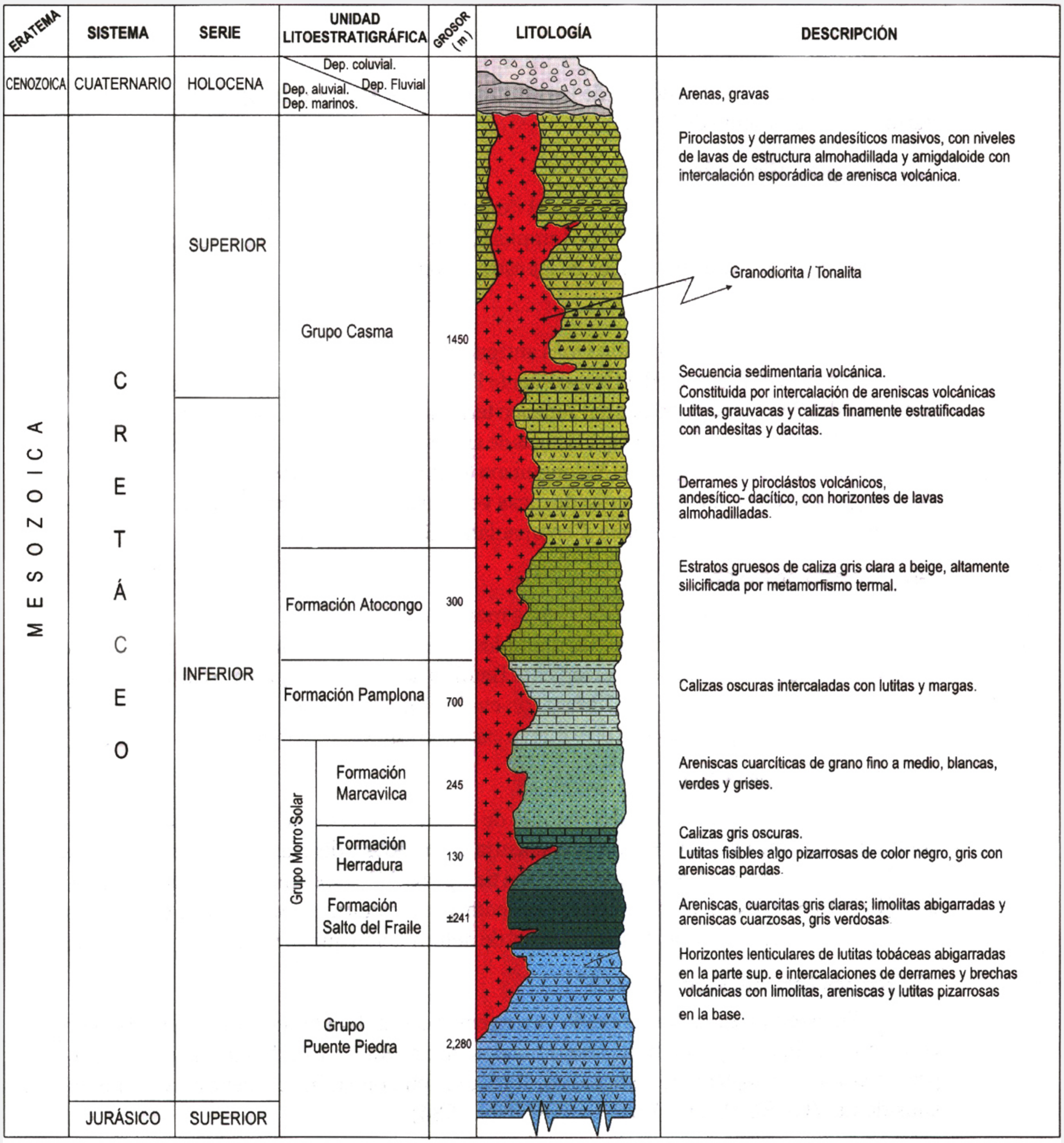
GATEWAY SOLUTIONS
EXPLORATION, MINING & SURVEY LEADERS
www.gateway-solutions.com.pe

Figure 7.4. The regional geological map.

LEGEND

Qh-c	Quaternary - Holocene: Continental
Qpl-c	Quaternary - Pleistocene: Continental
N-an/ri	Neogene: Andesite-Rhyolite
N-gd/to	Neogene: Granodiorite-Tonalite
Nm-vs	Neogene - Miocene: Volcano-sedimentary
Nmp-v	Neogene - Miocene - Pliocene: Volcanic
P-an/ri	Subvolcanic intrusions
P-to/gd	Paleogene: Tonalite-Granodiorite
PN-mgr/gr	Andean Stocks
PN-vs	Paleogene - Neogene: Volcano-sedimentary
Pe-vs	Paleogene - Eocene: Volcano-sedimentary
Ki-di/gb-pt	Patap Super-unit
Ki-mzgr/gr-l	Linga Super-unit
Ks-di/to/gd	La Mina, Humaya Super-unit
Ks-gd/to-ca	Cretaceous: Granodiorite-Tonalite
Ks-gd/to-i	Upper Cretaceous: Granodiorite-Tonalite
Ks-gd/to-p	Paccho Super-unit
Ks-mzgr/gdi-sr	Santa Rosa Super-unit
Ks-mzgr/gdi-t	Tiabaya Super-unit
KsP-c	Upper Cretaceous - Paleogene: Continental
Ks-an	Upper Cretaceous: Lurin Subvolcanic
Kis-m	Upper Lower Cretaceous: Marine
Kis-vs	Lower Upper Cretaceous: Volcano-sedimentary
Ki-m	Lower Cretaceous: Marine
Ki-mc	Lower Cretaceous: Marine-Continental
Ki-mzgr/gdi-j	Lower Cretaceous: Microgranite-Granodiorite
Ki-mzgr/gdi-t	Lower Cretaceous: Monzogranite-Granodiorite
JsKi-vs	Upper Jurassic - Lower Cretaceous: Volcano-sedimentary

Figure 7.4 (Continued). The regional geological map.



(Modificado de Ingemmet, 1992)

Figure 7.5. The regional stratigraphic column. (modified from Lecaros et al., 2000)

7.2. Local and Property Geology

The local 1:100,000 geological map, 26-k, Lunahuana (Salazar D. & Landa T., 1970) indicates that the local geology is dominated by the middle-late Cretaceous Cochahuasi intrusion member of the Coastal Batholith (Figure 7.6). However, Jurassic and Lower Cretaceous sedimentary and volcano-sedimentary rocks are also exposed to the southwest. The following is a brief description of these rock units:

7.2.1. Asia Formation

The Asia Formation is composed of gray shale beds interbedded with fine-grained sandstone, and occasionally with calcareous and volcanic horizons. This unit comprises a belt that is exposed along the Coastal Batholith between Mala and Asia. It also outcrops on the Andes' lower western flank and within the Coastal Batholith between the Omas and Cañete valleys.

7.2.2. Morro Solar Group

The Morro Solar Group comprises a belt that is exposed along the Coastal Batholith and on the Andes lower western flank. It overlies the Asia Formation and is it composed of three members: the (i) lower, (ii) middle, and (iii) upper. The following is a brief description of the members:

7.2.2.1. Lower Member

The Lower member is composed of thin- to medium-sized beds of white to light gray fine-grained sandstone locally interbedded with clay-rich fine-grained gray sandstone and light gray to yellowish gray shale. The Lower member has an approximate thickness of 200 m.

7.2.2.2. Middle member

The Middle member is composed of light brown quartz-rich sandstone interbedded with light to yellowish gray shale and occasionally with gray andesite horizons. This unit sporadically outcrops near Asia. The Middle member has an approximate thickness of 700 m.

7.2.2.3. Upper Member

The Upper member is composed white quartz-rich sandstone in beds reaching up to 1.5 m. Some beds display cross-bedding texture. The member's base comprises light gray to yellowish beige sandstone. The upper member has a thickness of approximately 300m.

7.2.3. Pamplona Formation

The Pamplona Formation marks the transition to the shallow marine environment of the Atocongo Formation limestone and is characterized by a lutite base and arkosic limestone roof.

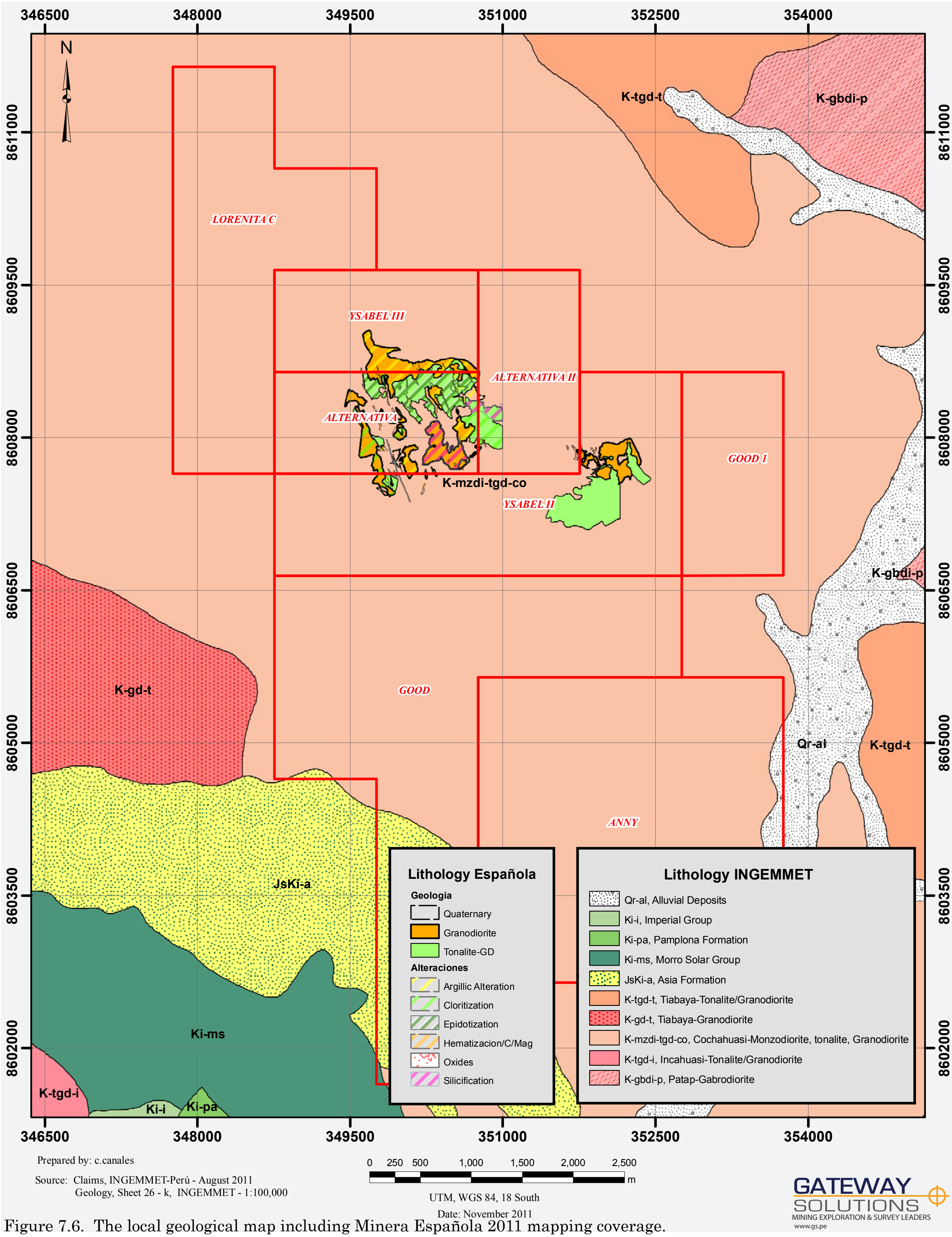


Figure 7.6. The local geological map including Minera Española 2011 mapping coverage.

7.2.4. Cochahuasi Complex

The Cochahuasi igneous complex is comprised of a group of intrusions that occur between Cata (Omas River) and Cochahuasi (Mala River). These intrusions are usually composed of tonalite, granodiorite and monzodiorite that are cross-cut by a dacite and andesite dyke swarm (Figure 7.6). The emplacement of the dykes is controlled by a NNW-SSE striking fault system with variable sub-vertical dips. This fault system hosts the Cu ± Ag, Au mineralization. Elescano (2007) suggests that dyke emplacement is coeval with the mineralization.

7.3. Mineralization

The on-going Minera Española exploration has identified numerous mineralized outcrops on the Property including at least 4 significant vein structures formed within plutonic rocks member of the Cochahuasi igneous complex (Figure 7.7). The following is a brief description of the vein characteristics and sample results.

7.3.1. Rosa Maria

7.3.1.1. Surface

The Rosa Maria vein outcrops discontinuously over 1,500 m and has a thickness that varies between 0.4 m to 4.0 m (Figure 7.8; Illanes Bustamante, 2011 and references therein). It strikes 324-357 and dips between 62-88 degrees NE. The mineralization consists of discontinuous quartz veins and veinlets also hosting copper and iron oxide minerals including tenorite, malachite, chrysocolla, cuprite, hematite, magnetite and goethite. Initial limited sampling (29 samples) of the Rosa Maria surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 3.35 g/t Au and 23.7 g/t Ag. Copper concentrations vary from 0.0186 % to 5.11 % Cu whereas Zn concentrations reach up to 1.02 % Zn. Sulfur and As concentrations are low and reach up to 0.12 % S and 242 ppm As respectively. Lead concentrations locally reach up to 0.1410 % Pb. Table 7.1 gives the Rosa Maria surface sample results whereas Figure 7.9 illustrates the sample locations and results.

7.3.1.2. Underground

The mineralization consists of quartz ± calcite veins and veinlets also containing copper and iron sulphide minerals including bornite, pyrite, chalcopyrite and Fe-sphalerite (Figure 7.10). Initial systematic sampling (155 samples) of the Rosa Maria vein underground exposure (250 m strike length) indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.299 g/t Au and 47.9 g/t Ag. Copper concentrations reach up to 9.33 % Cu whereas Zn concentrations reach up to 3.49 % Zn. Sulfur and As concentrations reach up to 10.96 % S and 1173 ppm As respectively. Lead concentrations locally reach up to 0.1510 % Pb. Table 7.2 gives selected Rosa Maria underground sample results whereas Figure 7.11 illustrates the sample locations and results.

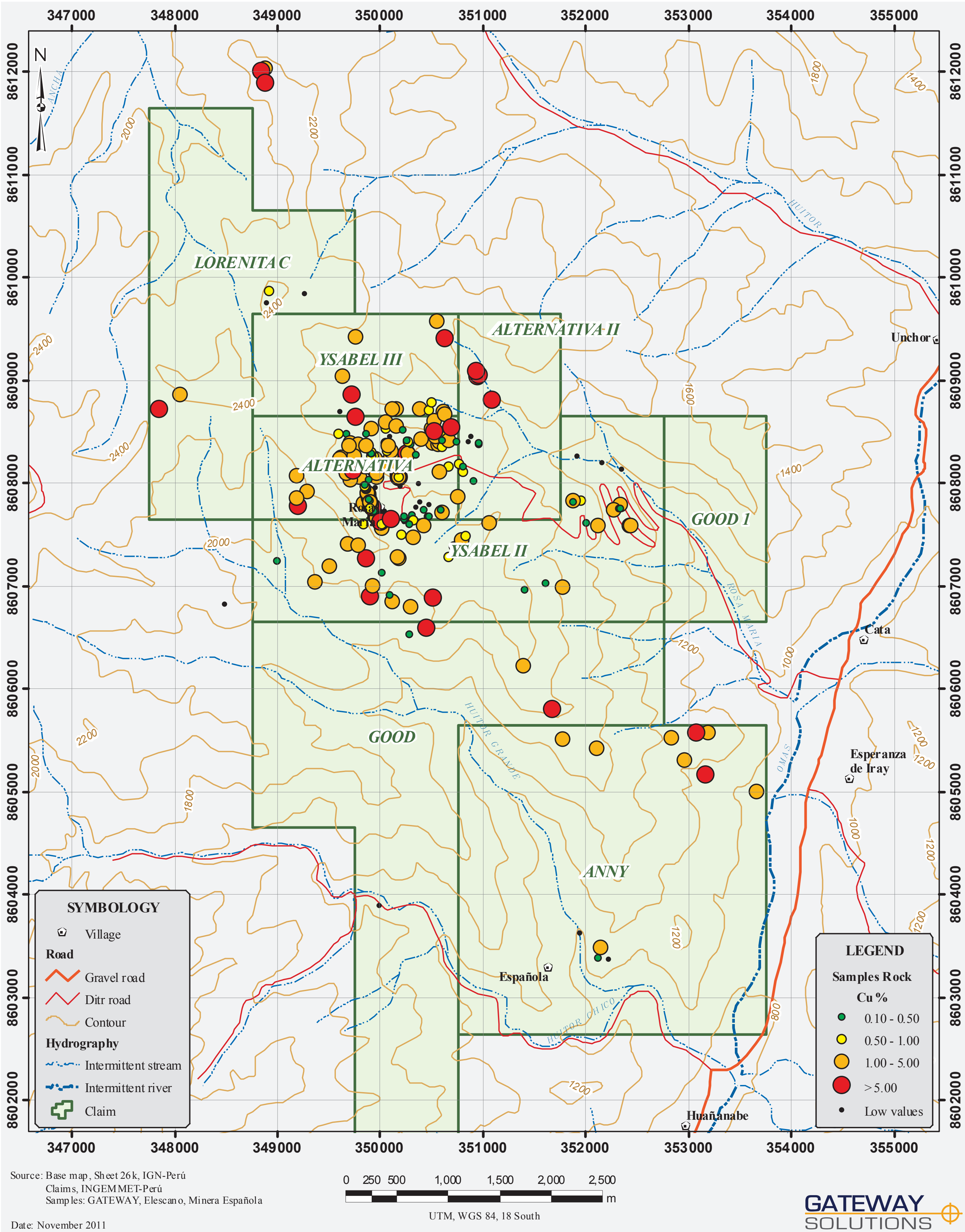


Figure 7.7. Map displaying the sample locations and Cu results.

Figure 7.8. The Rosa Maria vein surface workings.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Vein Azi	Vein Dip	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn ppm
1271	350025	8607575	2122	WGS84	CANAL	RM	1.7	348	80NE		0.144	4.5	44	0.14	1.435	10.5	1700	5	18	0.03	2	0.1230
1272	350020	8607597	2133	WGS84	CANAL	RM	1.2	338	88NE		0.287	4.8	109	0.09	1.13	21.2	1870	3	47	0.06	-2	0.1380
1273	350007	8607621	2133	WGS84	CANAL	RM	1.2	338	85NE		1.085	10	89	0.08	0.956	13	981	6	19	0.07	-2	0.1840
1274	349995	8607645	2139	WGS84	CANAL	RM	1.3	338	80NE		1.370	9.5	242	0.04	0.882	17.9	874	4	51	0.04	2	0.0422
1275	349986	8607665	2157	WGS84	CANAL	RM	2.2	338	80NE		0.119	1.3	12	0.10	1.265	21.9	3520	1	6	0.01	-2	0.0317
1281	349982	8607703	2133	WGS84	CANAL	RM	1.7	336	75NE		0.080	0.8	5	0.27	0.807	20.1	4660	-1	83	0	-2	0.0445
1282	349975	8607727	2120	WGS84	CANAL	RM	1.3	352	80NE		0.129	2.8	27	0.24	0.632	8.81	2470	1	15	0.01	-2	0.0890
1286	349889	8608026	2091	WGS84	CANAL	RM	1.0				0.561	7.8	189	0.14	0.281	31.2	391	16	42	0.12	-5	0.0076
1288	349864	8608141	2018	WGS84	CANAL	RM	0.45	325	70NE	Mal,Mt	0.285	4.8	71	0.14	0.5331	14.68	380	16	101	0.05	6	0.0078
1289	349757	8608160	2053	WGS84	RCH	RM					0.079	1.4	13	0.33	0.7182	>15	2649	14	20	0.05	7	0.0326
1291	350072	8607654	2109	WGS84	CANAL	RM	0.9	328	56NE	Mt	-0.005	0	2	0.22	0.0186	5.18	608	-1	3	0	-2	0.0088
1292	350008	8607647	2141	WGS84	CANAL	RM	0.4	334	85NE	Mal,Mt	0.119	5.3	57	0.04	0.856	32.4	805	4	89	0.02	-2	0.0157
1296	349784	8608251	2105	WGS84	CANAL	RM	0.4	357	75NE	Qz	0.122	6.2	112	0.18	0.538	17.3	1530	24	38	0.05	-2	0.0195
1297	349759	8608249	2093	WGS84	CANAL	RM	0.4	156	70NE	Mt	0.166	1.3	9	0.26	1.7400	14.6	1865	6	7	0.02	-2	0.0127
1302	349600	8608471	2182	WGS84	CANAL	RM	0.5	330	75NE	Mal,Cris,Qz	3.350	3.2	7	0.10	0.871	8.51	2420	2	169	0.02	3	0.1450
1304	349805	8608376	2124	WGS84	CANAL	RM	0.2	326	76NE	Mt	0.997	4.7	140	0.13	0.078	28	353	30	28	0.06	7	0.0056
1305	349706	8608360	2161	WGS84	CANAL	RM	0.5	332	72NE		0.504	10.4	91	0.04	1.5050	14.8	642	17	205	0.09	2	0.0268
1311	349956	8607947	2152	WGS84	RCH	RM		323	70NE	Mt	0.016	-0.2	-5	0.50	0.0189	9.79	1806	4	31	0.03	-5	0.0195
1315	349946	8607759	2087	WGS84	CANAL	RM	0.75	325	88NE	Py,Cris	0.287	3.8	33	0.04	0.5974	11.6	1429	8	65	0.03	-5	0.1496
1316	349946	8607759	2087	WGS84	CANAL	RM	0.8	325	88NE	Py,Cris,Qz	0.145	3.5	25	0.05	0.5944	11.98	2371	6	35	0.02	-5	0.1107
1317	349921	8607771	2084	WGS84	CANAL	RM	0.8	330	86NE	Qz	0.015	5.5	11	0.18	2.1000	>15	5415	2	889	0.03	6	0.5990
1318	349943	8607769	2084	WGS84	CANAL	RM	0.8	340	82NE	Cris,Qz	0.369	10	101	0.15	5.11	>15	4257	3	257	0.04	9	1.02
1319	349918	8607819	2066	WGS84	CANAL	RM	1.8	334	86NE	Cris,Epi,Mt,Qz	0.132	6.8	28	0.08	0.5299	>15	1472	9	1410	0.06	5	0.1223
1320	349921	8607893	2050	WGS84	CANAL	RM	0.6	341	82NE	Qz	0.298	2.6	71	0.27	0.6192	14.87	968	11	260	0.07	-5	0.1299
1321	349976	8607689		WGS84		RM					2.164	16.7	69	0.08	3.13	>15	436	10	152	0.06	-5	0.0668
1322	349974	8607720	2120	WGS84	CANAL	RM		352	80NE		0.433	23.7	39	0.11	4.5300	>15	>10000	15	158	0.04	5	0.2178
1324	349917	8607929	2074	WGS84	CANAL	RM	1.1	340	62NE	Mt,Qz	0.391	12.8	44	0.13	0.8952	>15	783	18	752	0.06	14	0.1514
1325	349907	8607989	2094	WGS84	CANAL	RM	0.5	360	31NE	Mt,Qz	0.106	4.1	16	0.16	0.363	>15	402	10	20	0.04	6	0.0136
1359	349619	8608688	2095	WGS84	CANAL	RM	0.6	324	78NE	Mt	0.022	0.4	-5	0.21	0.068	10.8	4232	-2	-5	-0.01	-5	0.0268
										Min	-0.005	-0.2	-5	0.04	0.0186	5.18	353	-2	-5	-0.01	-5	0.0056
										Max	3.350	23.7	242	0.50	5.11	32.4	>10000	30	1410	0.12	14	1.02

Table 7.1. Selected Rosa Maria surface sample results.

GATEWAY SOLUTIONS
MINING EXPLORATION & SURVEY LEADERS
www.gs.pe

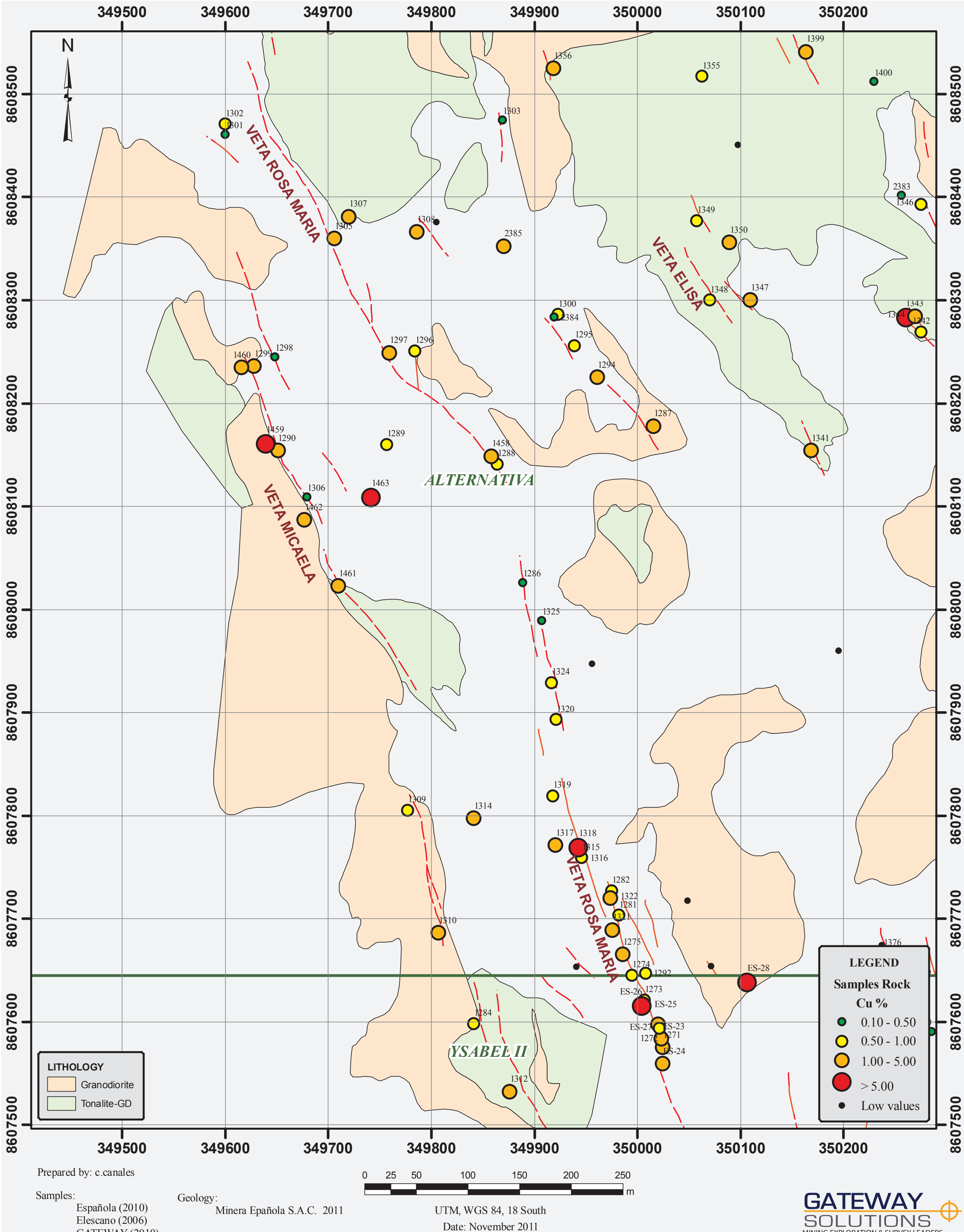


Figure 7.9. Map displaying the Rosa Maria and Micaela surface sample results.

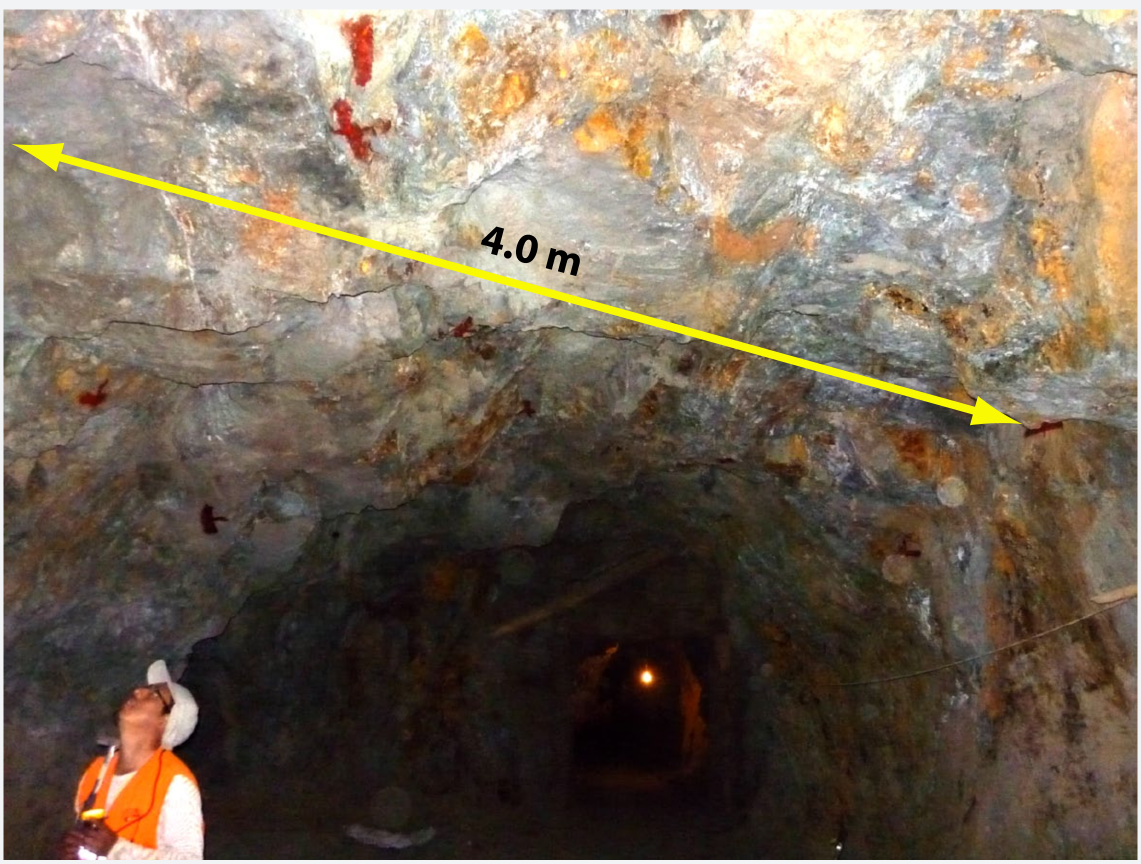


Figure 7.10. Underground photos displaying the Rosa Maria vein width.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn %
1032	349918	8607774	1996	WGS84	CANAL	RM-U	1.2	Py,Cpy,Mt,Cris,Qz	0.076	4.9	19	1.03	1.38	11.30	3810	-1	50	0.13	2	0.1480
1034	349917	8607778	1996	WGS84	CANAL	RM-U	1.2	Py,Born,Cris	0.212	11.8	9	4.35	1.34	11.80	2890	2	222	0.07	-2	0.361
1041	349912	8607791	1996	WGS84	CANAL	RM-U	1.0	Py,Cpy,Qz	0.612	16.8	42	4.65	1.92	15.70	3350	-1	357	5.96	2	1.6500
1045	349910	8607798	1996	WGS84	CANAL	RM-U	1.6	Py,Cpy,Born,Qz	0.267	10.9	35	2.06	1.54	11.00	2480	1	193	3.33	6	0.3040
1046	349909	8607800	1996	WGS84	CANAL	RM-U	1.6	Py,Cpy,Born,Qz	0.534	10.4	18	2.70	1.33	8.29	2230	-1	322	2.01	-2	0.7210
1047	349909	8607803	1996	WGS84	CANAL	RM-U	1.6	Py,Cpy,Born,Qz	0.471	13.4	18	1.27	1.82	10.10	2530	2	251	1.50	-2	0.7710
1049	349907	8607806	1996	WGS84	CANAL	RM-U	1.6	Py,Cpy,Born,Qz	0.261	25.1	72	0.80	3.51	14.80	2860	7	1210	5.62	9	1.15
1050	349907	8607808	1996	WGS84	CANAL	RM-U	1.3	Py,Cpy,Born,Qz	0.602	18.5	58	0.69	2.03	16.00	3230	1	698	5.00	10	0.8610
1052	349905	8607812	1996	WGS84	CANAL	RM-U	1.3	Py,Cpy,Born,Cris,Qz	0.201	21.9	23	0.59	3.24	10.20	1535	2	251	4.04	3	0.2580
1055	349902	8607819	1996	WGS84	CANAL	RM-U	1.8	Py,Cpy,Born,Qz	1.085	22.1	33	3.27	2.92	15.65	2160	2	489	9.32	-5	1.735
1069	349892	8607860	1996	WGS84	CANAL	RM-U	2.0	Py,Cpy,Born,Qz	0.301	16.0	88	2.26	2.35	14.75	4310	-1	297	4.51	6	0.7120
1072	349891	8607870	1996	WGS84	CANAL	RM-U	2.2	Py,Cpy,Born,Qz	0.217	23.7	157	2.09	1.67	12.15	2790	-1	51	3.98	7	0.0263
1073	349890	8607875	1996	WGS84	CANAL	RM-U	1.9	Py,Cpy,Born,Qz	0.306	22.9	72	3.53	3.81	12.25	2960	-1	1510	5.23	6	0.4940
1074	349889	8607878	1996	WGS84	CANAL	RM-U	1.5	Py,Cpy,Born,Qz	0.815	12.4	63	7.53	1.97	11.95	2840	1	94	3.99	-5	0.0830
1075	349889	8607881	1996	WGS84	CANAL	RM-U	2.2	Py,Cpy,Born,Ca,Qz	0.230	11.8	26	4.81	1.87	13.95	3260	1	55	3.04	-5	0.0199
1076	349888	8607883	1996	WGS84	CANAL	RM-U	2.3	Py,Cpy,Born,Qz	0.225	13.8	27	3.54	2.11	14.95	3270	1	32	3.81	-5	0.0383
1078	349886	8607891	1996	WGS84	CANAL	RM-U	2.0	Py,Cpy,Born,Ca,Qz	0.204	16.3	153	2.03	2.96	11.70	2430	1	345	4.73	-5	0.6580
1079	349885	8607895	1996	WGS84	CANAL	RM-U	2.1	Py,Cpy,Qz	0.670	14.0	148	6.32	2.12	14.70	2690	2	407	3.69	7	0.2230
1101	350143	8608166	1996	WGS84	CANAL	RM-U	1.5	Py,Cpy,Born,Cris,Azu	0.180	18.1	29	2.01	2.20	13.06	3237	3	1400	5.62	-5	3.49
1102	350142	8608167	1996	WGS84	CANAL	RM-U	1.7	Py,Cpy,Born,Cris,Azu	0.306	10.0	11	0.71	1.67	11.31	1599	3	80	1.82	5	0.6176
1105	350116	8608252	1996	WGS84	CANAL	RM-U	3.1	Py,Cpy,Marm,Mt,Qz	0.427	5.6	39	2.94	1.64	11.58	3691	4	142	3.43	-5	3.49
1108	350178	8608083	1996	WGS84	CANAL	RM-U	2.0	Py,Cpy,Born	0.198	11.8	183	0.14	1.72	13.76	1991	4	62	2.69	-5	0.2175
1118	350182	8608066	1996	WGS84	CANAL	RM-U	1.8	Py,Cpy,Born,Qz	0.239	17.1	440	0.09	2.62	>15.00	2333	8	139	4.52	-5	1.30
1119	350185	8608058	1996	WGS84	CANAL	RM-U	1.5	Py,Cpy,Born,Qz	0.416	14.6	411	0.16	2.87	>15.00	2983	4	128	7.95	8	1.40
1121	350181	8608057	1996	WGS84	CANAL	RM-U	0.8	Py,Cpy,Born,Cris,Qz	0.481	14.7	76	0.43	2.35	14.40	2873	5	212	6.05	-5	0.0863
1123	350183	8608056	1996	WGS84	CANAL	RM-U	1.6	Py,Cpy,Cris,Qz	0.184	7.3	48	0.20	1.59	13.33	2865	11	132	2.75	7	1.35
1124	350181	8608056	1996	WGS84	CANAL	RM-U	1.7	Py,Cpy,Born,Qz	0.078	7.6	65	0.47	1.62	14.41	4125	3	42	2.12	-5	
1128	350181	8608054	1996	WGS84	CANAL	RM-U	1.3	Py,Cpy,Born,Cris,Ca,Qz	0.340	14.4	62	0.07	2.63	13.53	2040	6	203	7.93	-5	0.3830
1129	350186	8608052	1996	WGS84	CANAL	RM-U	1.2	Py,Cpy,Born	0.583	15.7	106	0.66	2.79	14.98	3151	6	183	5.12	-5	1.15
1131	350182	8608052	1996	WGS84	CANAL	RM-U	1.2	Py,Cpy,Born,Qz	0.967	40.0	96	0.28	6.95	14.53	2224	7	398	7.70	5	0.8737
1132	350186	8608050	1996	WGS84	CANAL	RM-U	1.0	Py,Cpy,Qz	0.499	15.5	138	0.14	2.55	14.19	2900	6	772	4.44	-5	0.6104
1133	350184	8608049	1996	WGS84	CANAL	RM-U	1.0	Py,Cpy,Qz	0.408	10.9	47	0.11	1.84	8.92	1808	7	152	3.78	-5	0.2761
1134	350182	8608049	1996	WGS84	CANAL	RM-U	1.4	Py,Cpy,Born,Qz	0.694	30.9	103	0.17	4.04	>15.00	2221	7	430	9.15	7	0.3146
1135	350187	8608047	1996	WGS84	CANAL	RM-U	1.2	Py,Cpy,Born,Qz	0.481	11.6	200	0.15	2.02	11.93	2619	4	106	2.76	5	0.4312
1144	349956	8607673	1996	WGS84	CANAL	RM-U	1.0	Py,Cpy,Born,Qz	0.450	16.5	1173	0.10	3.40	>15.00	2649	5	165	7.65	-5	0.7632
1154	349965	8607659	1996	WGS84	CANAL	RM-U	1.5	Py,Cpy,Born,Qz	0.572	13.8	13	0.29	2.12	>15.00	4713	10	143	3.49	-5	0.4577
1159	349938	8607752	-	WGS84	CANAL	RM-U	0.5	Cris,Ca,Qz	0.319	16.5	-5	2.06	1.72	13.90	3343	-2	114	0.06	-5	0.1860
1160	349937	8607752	-	WGS84	CANAL	RM-U	1.0	Qz	1.299	47.9	84	0.12	9.33	>15.00	1704	9	198	10.96	-5	0.9400
								Min	0.076	4.9	-5	0.07	1.33	8.29	1535	-2	32	0.06	-5	0.0199
								Max	1.299	47.9	1173	7.53	9.33	16.00	4713	11	1510	10.96	10	3.49

Table 7.2. Selected Rosa Maria underground sample results.

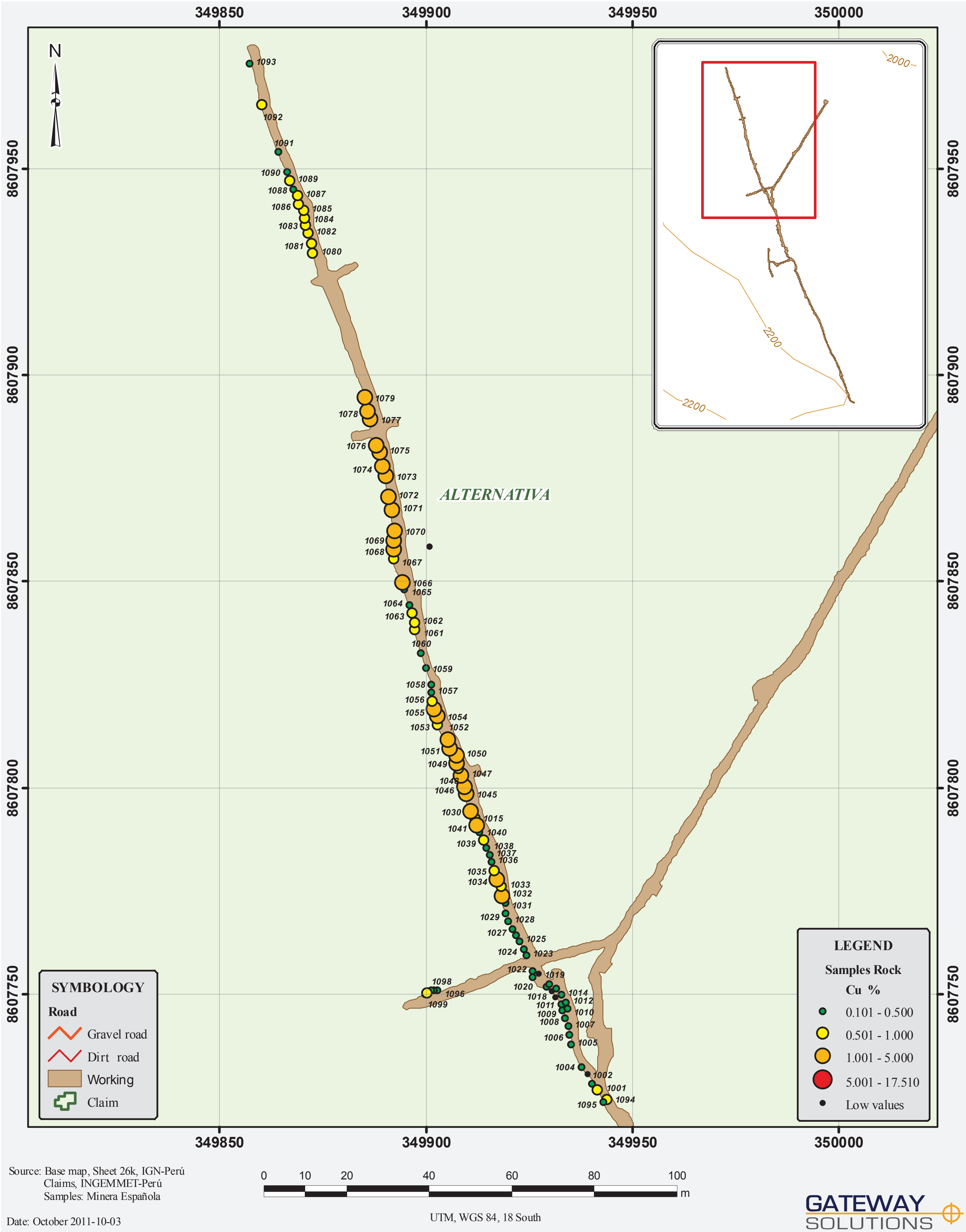


Figure 7.11. The Rosa Maria underground sample results.

7.3.2. Micaela

7.3.2.1. Surface

The Micaela vein outcrops discontinuously over 1100 m and has a thickness that varies between 0.35 m to 1.00 m. It strikes 340 and dips between 70 and 80 degrees NE. The mineralization consists of discontinuous quartz veins and veinlets also hosting chalcopyrite, malachite, pyrite and magnetite. Initial limited sampling (11 samples) of the Micaela surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.378 g/t Au and 18.1 g/t Ag. Copper concentrations vary from 0.0189 % to 2.45 % Cu whereas Zn concentrations are low only reaching up to 0.0384 % Zn. Sulfur concentrations are low reaching up to 0.11 % S. Arsenic and Pb concentrations locally reach up to 653 ppm As and 0.0153 % Pb. Table 7.3 gives the Micaela surface sample results whereas Figure 7.9 illustrates the sample locations and results.

7.3.3. Elisa

7.3.3.1. Surface

The Elisa vein outcrops discontinuously over 400 m and has a thickness that varies between 0.4 m to 1.3 m. It strikes between 329 - 356 and steeply dips NE. The mineralization consists of discontinuous quartz veins also hosting malachite, chrysocolla and magnetite. Initial limited sampling (9 samples) of the Elisa surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.287 g/t Au and 48.9 g/t Ag. Copper concentrations vary from 0.0262 % to 9.5 % Cu whereas Zn concentrations reach up to 0.9227 % Zn. Sulfur concentrations reach up to 11.51 % S. Arsenic and Pb concentrations locally reach up to 595 ppm As and 0.0335 % Pb. Table 7.4 gives the Elisa surface sample results whereas Figure 7.12 illustrates the sample locations and results.

7.3.4. Anita

7.3.4.1. Surface

The Anita vein outcrops discontinuously over 50 m and has a thickness that varies between 0.3 m to 1.5 m. It strikes 329 - 356 and has variable NE and SW dips. The mineralization consists of discontinuous quartz veins also hosting chalcopyrite malachite, chrysocolla, magnetite and pyrite. Initial limited sampling (13 samples) of the Anita surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.486 g/t Au and 11.6 g/t Ag. Copper concentrations vary from 0.0916 % to 4.48 % Cu whereas Zn concentrations reach up to 0.2930 % Zn. Sulfur concentrations reach up to 0.07 % S. Arsenic concentrations locally reach up to 505 ppm As. Lead concentration are low only reaching up to 0.0082 % Pb. Table 7.5 gives the Anita surface sample results whereas Figure 7.13 illustrates the sample locations and results.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Vein Azi	Vein Dip	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn ppm
1283	349941	8607653	2165	WGS84	RCH	Micaela					0.007	1.1	-5	0.72	0.0810	15.05	1705	-1	8	0.01	5	0.0160
1284	349841	8607598	2187	WGS84	RCH	Micaela					0.118	7.5	36	0.74	0.7090	18.10	3060	1	153	0.02	5	0.0247
1290	349651	8608154	2103	WGS84	CANAL	Micaela	1.5	325	70NE	Mal	0.022	7.8	50	0.25	1.40	>15	2276	9	87	0.03	5	0.0384
1298	349648	8608245	2124	WGS84	CANAL	Micaela	1.9	154	75NE		0.019	2.1	5	0.49	0.2450	15	3950	-1	11	0	-2	0.0239
1299	349628	8608236	2128	WGS84	CANAL	Micaela	0.6	336	75NE	Mal	0.077	12.0	85	0.05	2.08	21.10	1075	3	107	0.04	-2	0.0292
1301	349600	8608461	2192	WGS84	CANAL	Micaela	0.4	308	66NE	Qz	0.378	7.7	653	0.08	0.1860	18.80	139	6	75	0.11	5	0.0021
1306	349679	8608109	2112	WGS84	CANAL	Micaela	0.4	340	80NE		0.074	10.8	531	0.18	0.1825	>15	197	6	25	0.07	-5	0.0357
1307	349720	8608381	2116	WGS84	CANAL	Micaela	0.5	150	75SW	Mal,Mt	0.051	18.1	132	0.07	2.11	>15	1469	5	59	0.03	6	0.0211
1309	349777	8607805	2142	WGS84	CANAL	Micaela	0.35	150	70SW	Mal,Qz	0.218	9.6	126	0.09	0.9884	11.39	1566	15	33	0.02	-5	0.0202
1312	349876	8607532	2195	WGS84	CANAL	Micaela	0.4	324	80NE	Mal,Cris,Qz	0.037	4.8	7	0.18	2.45	13.83	1000	5	24	0.02	5	0.0116
1313	349918	8607476	2218	WGS84	CANAL	Micaela	1	316	90	Py,Cpy,Mt,Mal	0.038	3.9	14	0.08	0.7753	9.23	1504	9	26	0.04	-5	0.0320
										Min	0.007	1.1	-5	0.05	0.081	9.23	139	-1	8	0	-5	0.0021
										Max	0.378	18.1	653	0.74	2.45	21.1	3950	15	153	0.11	6	0.0384

Table 7.3. The Micaela surface sample results.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Vein Azi	Vein Dip	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn ppm
1287	350016	8608178	2038	WGS84	CANAL	Elisa	1	356	67SW		0.095	4	14	0.36	2.12	15.95	3520	4	187	0.01	6	0.1015
1294	349961	8608225	2053	WGS84	RCH	Elisa		329	85NE	Mt	0.237	5.1	31	0.13	1.25	17.60	4340	11	23	0.04	-2	0.0235
1295	349939	8608256	2090	WGS84	CANAL	Elisa	0.6	332	85NE	Mt	0.078	2.3	19	0.09	0.7780	16.20	5520	6	22	0.02	-2	0.0227
1356	349919	8608525	2048	WGS84	CANAL	Elisa	0.4	344	78NE	Mal,Mt	0.459	2.6	15	0.20	1.54	>15	2353	-2	42	0.02	-5	0.0896
1357	349779	8608639	2084	WGS84	RCH	Elisa		340	78NE	Mal,Mt	0.020	-0.2	-5	0.65	0.0262	5.24	507	3	-5	-0.01	-5	0.0045
1358	349762	8608632	2085	WGS84	CANAL	Elisa	0.1	353	80NE	Mal,Qz	0.551	30.6	595	0.15	7.27	>15	939	13	335	0.35	-5	0.0926
1360	349734	8608855	2030	WGS84	CANAL	Elisa	1.3	350	70SW	Mal,Cris,Mt	0.306	3.7	26	0.13	1.79	>15	1893	12	26	0.03	-5	0.0119
1361	349729	8608851	2032	WGS84	RCH	Elisa				Qz	1.287	48.9	81	0.09	9.5	>15	1694	9	198	11.51	-5	0.9227
1362	349644	8609028	2079	WGS84	RCH	Elisa		342	80NE	Qz,Mal	0.568	1.9	13	0.05	1.38	9.35	441	3	10	0.04	-5	0.0047
										Min	0.02	-0.2	-5	0.05	0.0262	5.24	441	-2	-5	-0.01	-5	0.0045
										Max	1.287	48.9	595	0.65	9.5	17.6	5520	13	335	11.51	6	0.9227

Table 7.4. The Elisa surface sample results.

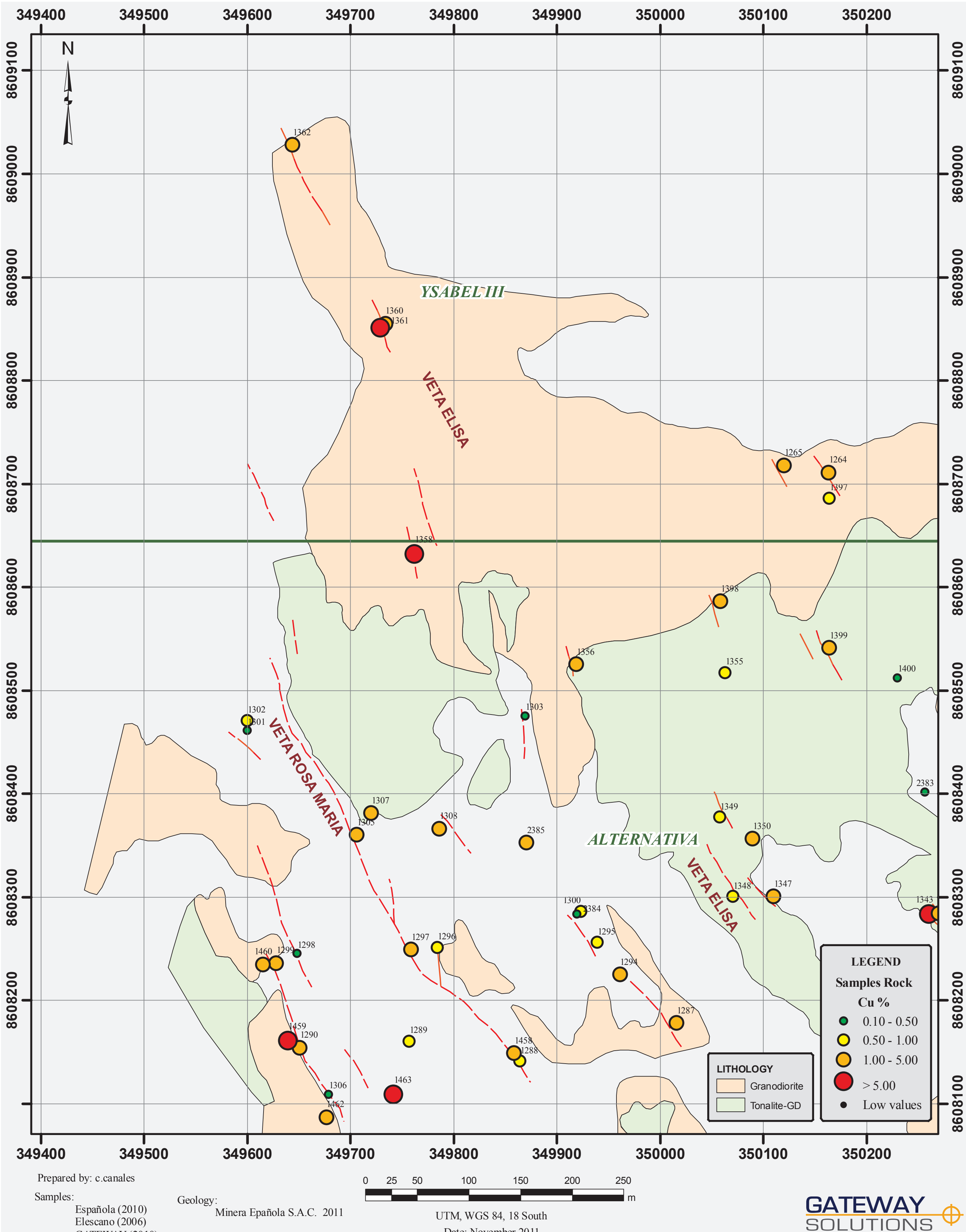


Figure 7.12. Map displaying the Elisa surface sample results.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Vein Azi	Vein Dip	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn ppm
1279	350805	8608107	1896	WGS84	CANAL	Anita	0.8			Cpy,Mal,Mt,Cris	0.378	5.2	98	0.17	0.6930	24.4	1040	7	9	0.07	10	0.0092
1280	350813	8608155	1871	WGS84	RCH	Anita				Mt	0.011	2.5	22	0.33	0.1930	22	2970	2	3	0.01	-5	0.0239
1331	350797	8608124	1892	WGS84	CANAL	Anita	0.4	155	86SW	Qz	0.114	0.8	117	0.19	0.1557	>15	270	12	22	0.06	-5	0.0056
1332	350778	8608174	1880	WGS84	RCH	Anita				Mt,Qz	0.282	2.9	505	0.24	0.6985	>15	2256	13	67	0.06	-10	0.0610
1366	350539	8608492	1997	WGS84	CANAL	Anita	0.25	320	74NE		0.272	1.7	18	0.24	1.95	>15	1312	10	31	-0.01	-5	0.0238
1368	350545	8608387	2019	WGS84	CANAL	Anita	0.4	347	85NE	Mt,Qz	-0.005	-0.2	-5	0.47	0.0916	>15	1779	14	10	-0.01	-5	0.0154
1369	350570	8608369	1992	WGS84	CANAL	Anita	0.8			Mt,Qz	0.438	6.5	47	0.05	3.16	9.7	1100	9	30	0.04	-5	0.2639
1370	350575	8608388	1990	WGS84	CANAL	Anita	0.4			Mal,Mt,Qz	0.084	9.0	7	0.26	2.33	11.01	1834	4	82	0.03	-5	0.2930
1371	350544	8608445	1991	WGS84	CANAL	Anita	0.4			Cris,Mt	0.291	3.9	19	0.20	4.48	>15	5002	11	62	0.02	-5	0.2739
1372	350507	8608524	1987	WGS84	CANAL	Anita	0.3			Py,Mt	0.486	11.6	20	0.15	4.36	>15	3305	5	46	0.06	-5	0.0820
1374	350605	8608339	1961	WGS84	CANAL	Anita	1	328	56NE	Mt	0.028	0.6	-5	0.30	0.5109	13.59	3901	11	11	-0.01	-5	0.0807
1383	350910	8608015	1940	WGS84	CANAL	Anita	1.5	320	55SW	Qz,Mt	0.014	0.3	-5	0.32	0.1063	13.83	3642	-2	6	-0.01	-5	0.0296
1396	350391	8608711	1963	WGS84	RCH	Anita		330	54SW	Mt	0.146	2.3	-5	0.34	1.43	8.23	1018	3	14	0.01	-5	0.0051
										Min	-0.005	-0.2	-5	0.05	0.0916	8.23	270	-2	3	-0.01	-10	0.0051
										Max	0.486	11.6	505	0.47	4.48	24.4	5002	14	82	0.07	10	0.2930

Table 7.5. The Anita surface sample results.

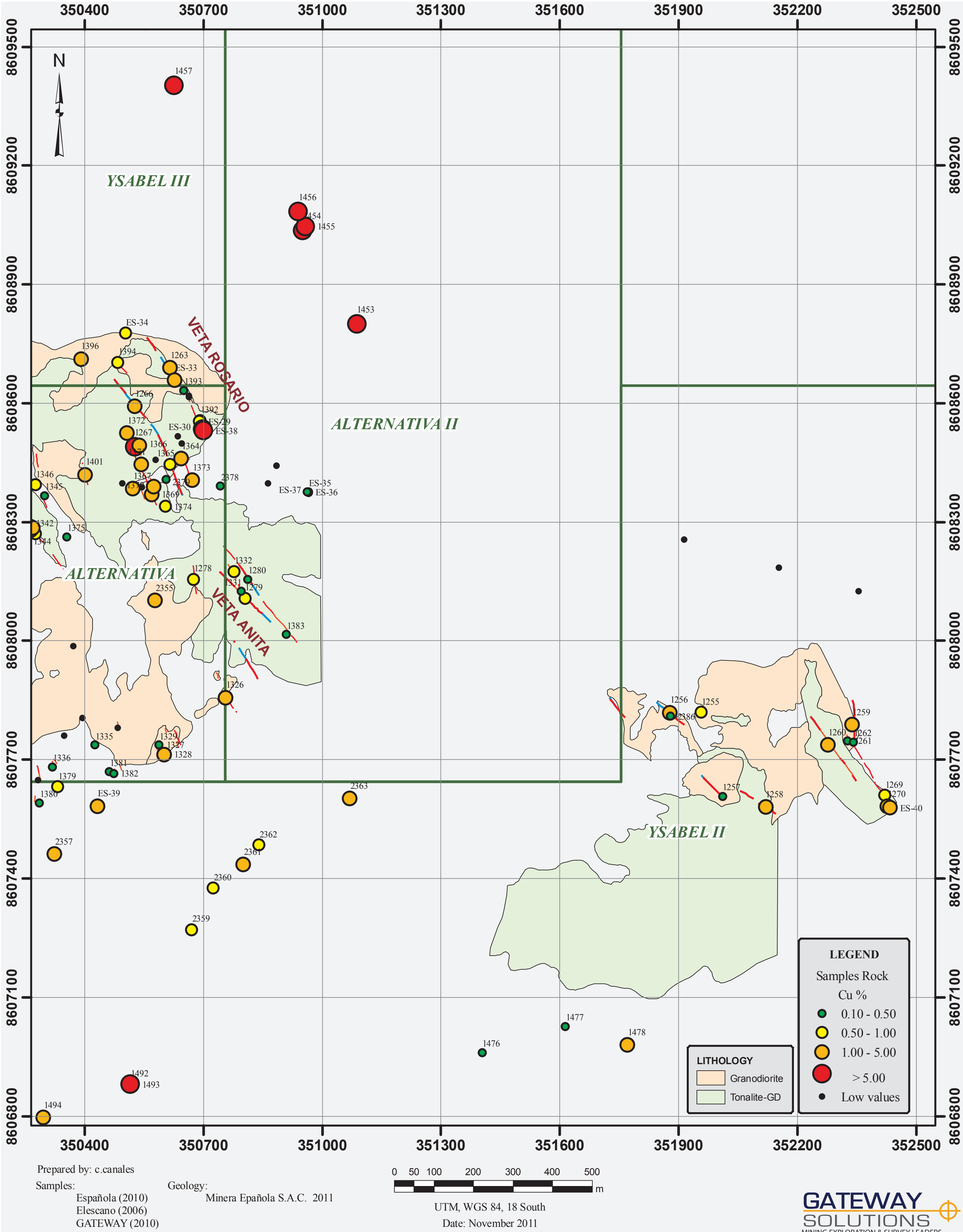


Figure 7.13. Map displaying the Anita and Rosario surface sample results.

7.3.5. Rosario

7.3.5.1. Surface

The Rosario vein outcrops discontinuously over 50 m and has a thickness that varies between 0.3 m to 1.0 m. It strikes 146 - 160 and has variable SW dips. The mineralization consists of discontinuous quartz veins also hosting malachite and magnetite. Initial limited sampling (3 samples) of the Rosario surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.323 g/t Au and 6.3 g/t Ag. Copper concentrations vary from 0.1301 % to 3.30 % Cu. Zinc and S concentrations are low reach up to 0.0361 % Zn and 0.06 % S. Arsenic and Pb concentrations are also low only reaching up to 84 ppm As and 156 ppm Pb. Table 7.6 gives the Rosario surface sample results whereas Figure 7.13 illustrates the sample locations and results.

7.3.6. Other Zone A showings

7.3.6.1. Surface

Several other discontinuous veins and/or mineralized occurrences spatially-correlated with brecciated rock were identified within Zone A (Figure 7.14). These veins normally outcrop discontinuously less than 30 m and have thicknesses that vary between 0.3 m to 0.8 m. They strikes 306 - 345 and have variable NE dips. The mineralization consists of discontinuous quartz veins also hosting malachite, chrysocolla, magnetite and calcite. Initial limited sampling (34 samples) of Zone A surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.764 g/t Au and 17.1 g/t Ag. Copper concentrations vary from 0.06943 % to 7.33 % Cu whereas Zn concentrations reach up to 0.7480 % Zn. Sulfur concentrations reach up to 0.14 % S. Arsenic and Pb concentrations locally reach up to 505 ppm As and 233 ppm Pb. Table 7.7 gives the Anita surface sample results whereas Figure 7.14 illustrates the sample locations and results.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Vein Azi	Vein Dip	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn ppm
1263	350616	8608689	1920	WGS84	CANAL	Rosario	1	146	60SW	Mt,Qz	0.323	6.3	84	0.08	3.3000	13.50	854	8	156	0.03	5	0.0361
1392	350693	8608556	1932	WGS84	CANAL	Rosario	0.6	340	85SW	Mal	0.014	1.2	-5	0.22	0.6532	12.90	3958	3	8	-0.01	-5	0.0226
1393	350651	8608632	1935	WGS84	CANAL	Rosario	0.8	334	62SW	Mal,Mt Epi	0.106	2.8	14	0.11	0.1301	>15	440	19	14	0.06	-5	0.0056
										Min	0.014	1.2	-5	0.08	0.1301	12.9	440	0	8	-0.01	-5	0.0056
										Max	0.323	6.3	84	0.22	3.3	13.5	3958	0	156	0.06	5	0.0361

Table 7.6. The Rosario surface sample results.

Sample Unit	UTM_E m	UTM_N m	Elev m	Datum	Type	Vein	Width m	Vein Azi	Vein Dip	Mineralization	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Sb ppm	Zn ppm
1264	350163	8608711	1984	WGS84	CANAL	Zona A	0.8	336	70SW	Mal,ca	0.150	5.1	40	0.26	4.32	9.28	2060	6	114	0.04	-5	0.7480
1265	350120	8608718	2002	WGS84	CANAL	Zona A	0.9	146	75NE	Mal,Ca,Qz	0.764	11.9	40	0.61	3.34	19.10	846	4	233	0.11	-5	0.1885
1266	350527	8608592	1974	WGS84	CANAL	Zona A	0.4	320	74NE	Mal,Ca,Qz	0.378	8.8	27	0.76	4.78	16.05	1680	13	10	0.14	7	0.0174
1267	350526	8608490	1993	WGS84	CANAL	Zona A	0.3	157	66NE	Mal,Mt,Qz	0.499	8.3	18	0.24	7.33	12	1425	5	61	0.03	-5	0.0863
1341	350169	8608154	1994	WGS84	CANAL	Zona A	1.4	345	82NE	Mal,Qz	0.313	4.4	29	0.16	1.38	>15	1765	9	201	0.03	-5	0.1669
1342	350276	8608269	2017	WGS84	CANAL	Zona A	0.6	334	64NE	Cris,Mt,Qz	0.058	2.1	-5	0.15	0.9080	11.57	1906	6	22	0.02	-5	0.1795
1343	350261	8608283	2028	WGS84	CANAL	Zona A	0.25	331	64NE	Mal Cris,Mt	0.101	4.0	-5	0.19	6.97	>15	3394	26	67	-0.01	-5	0.0813
1344	350270	8608284	2028	WGS84	CANAL	Zona A	0.4	338	85NE	Mal,Cris,Mt	0.158	2.4	-5	0.21	3.19	10.08	1757	3	58	0.04	-5	0.0313
1345	350300	8608366	2037	WGS84	CANAL	Zona A	0.4	341	74NE	Qz	0.132	1.4	34	0.25	0.4725	>15	648	2	24	0.03	-5	0.0082
1346	350276	8608393	2049	WGS84	CANAL	Zona A	2			Mal,Qz	0.092	1.0	-5	0.20	0.9224	11.87	1667	3	12	-0.01	-5	0.0131
1347	350110	8608300	2090	WGS84	CANAL	Zona A	0.4	307	82NE	Mal,Cris,Mt	0.157	17.1	-5	0.25	3.59	11.14	973	-2	22	0.04	-5	0.0232
1348	350071	8608300	2096	WGS84	CANAL	Zona A	0.4	318	61NE	Mt,Ca,	0.175	1.2	10	2.62	0.5406	14.80	1392	5	20	0.01	-5	0.0254
1349	350058	8608377	2069	WGS84	CANAL	Zona A	0.8	347	76NE	Mal,Cris	0.471	1.4	-5	0.34	0.6943	11.26	745	-2	10	-0.01	-5	0.0102
1350	350090	8608356	2077	WGS84	RCH	Zona A	0			Mal,Mt	0.196	2.6	-5	0.30	1.39	11.05	919	4	22	-0.01	-5	0.0117
1355	350063	8608517	2032	WGS84	RCH	Zona A	0			Mal,Mt	0.143	5.2	-5	1.89	0.7132	9.90	1672	3	14	0.01	-5	0.0146
1363	350646	8608497	1957	WGS84	RCH	Zona A	0			Qz	0.027	0.5	17	0.07	0.0733	6.95	202	12	-5	0.05	-5	0.0043
1364	350645	8608459	1969	WGS84	CANAL	Zona A	0.35	315	70NE	Mal,Mt	0.158	2.6	19	0.42	1.59	>15	1934	-2	34	0.01	-5	0.0603
1365	350617	8608445	1977	WGS84	CANAL	Zona A	0.4	326	72NE	Mal,Mt	0.097	2.2	10	0.19	0.5039	11.57	2170	4	12	0.01	-5	0.0534
1367	350522	8608383	2005	WGS84	CANAL	Zona A	0.3	338	85NE	Qz	0.208	5.5	41	0.30	4.53	12.91	758	4	46	0.05	-5	0.0102
1373	350672	8608405	1969	WGS84	CANAL	Zona A	0.3	342	74NE	Mal,Cris,Qz	0.586	2.7	12	0.12	1.86	9.22	1316	11	50	0.01	-5	0.1300
1375	350355	8608262	1974	WGS84	CANAL	Zona A	0.6	306	75NE	Mal,Mt,Qz	0.008	-0.2	-5	1.45	0.1044	9.40	1027	3	-5	-0.01	-5	0.0093
1394	350484	8608703	1935	WGS84		Zona A	0	316	60NE		0.052	0.7	-5	0.18	0.6073	>15	2624	7	-5	-0.01	-5	0.0143
1397	350164	8608686	1999	WGS84	RCH	Zona A	0	340	66SW	Mal,Mt	0.092	2.2	74	0.36	0.6034	13.06	2195	4	33	0.02	-5	0.0784
1398	350059	8608586	1982	WGS84	CANAL	Zona A	1.5	342	68NE	Mal,Mt	0.484	4.4	25	0.09	3.43	>15	620	11	37	0.06	-5	0.0284
1399	350164	8608541	2009	WGS84	CANAL	Zona A	0.3	332	60NE	Mal,Cris	0.207	4.6	-5	0.09	1.14	10.96	451	8	16	0.02	-5	0.0068
1400	350230	8608512	2023	WGS84	RCH	Zona A	0			Mt,Epi,Qz	0.019	0.4	-5	0.62	0.1367	6.28	860	2	7	-0.01	-5	0.0079
1401	350402	8608419	2024	WGS84	CANAL	Zona A	0.25	345		Mal,Mt	0.496	1.3	-5	0.48	1.10	3.80	228	3	5	-0.01	-5	0.0023
ES-29	350691	8608553	1925	WGS84	Chip	Zona A	0				0.040	2.3	30	0.44	0.8100	12.50	6380	4	7	-0.01	5	0.0186
ES-30	350698	8608534	1930	WGS84	Chip	Zona A	0				0.148	5.7	42	0.15	7.32	12.86	4957	12	15	0.02	6	0.0166
ES-31	350664	8608615	1935	WGS84	Chip	Zona A	0				0.064	0.8	80	0.20	0.0900	8.37	1270	2	45	0.02	10	0.0095
ES-32	350664	8608618	1935	WGS84	Chip	Zona A	0				0.012	0.3	52	0.16	0.0700	4.59	1100	10	12	-0.01	6	0.0064
ES-33	350628	8608657	1930	WGS84	Chip	Zona A	0				0.339	2.5	157	0.08	2.29	>15	800	12	20	0.07	15	0.0067
ES-34	350504	8608776	1913	WGS84	Chip	Zona A	0				0.138	0.8	51	0.69	0.6500	>15	2316	8	-5	0.01	6	0.0157
ES-38	350700	8608530	1932	WGS84	Chip	Zona A	0				0.494	3.7	51	0.15	>10	14.31		12	46	0.02	7	0.0133
										Min	0.008	-0.2	-5	0.07	0.07	3.80	202	-2	-5	-0.01	-5	0.0023
										Max	0.764	17.1	157	2.62	7.33	19.10	6380	26	233	0.14	15	0.7480

Table 7.7. The Zone A other showings surface sample results.

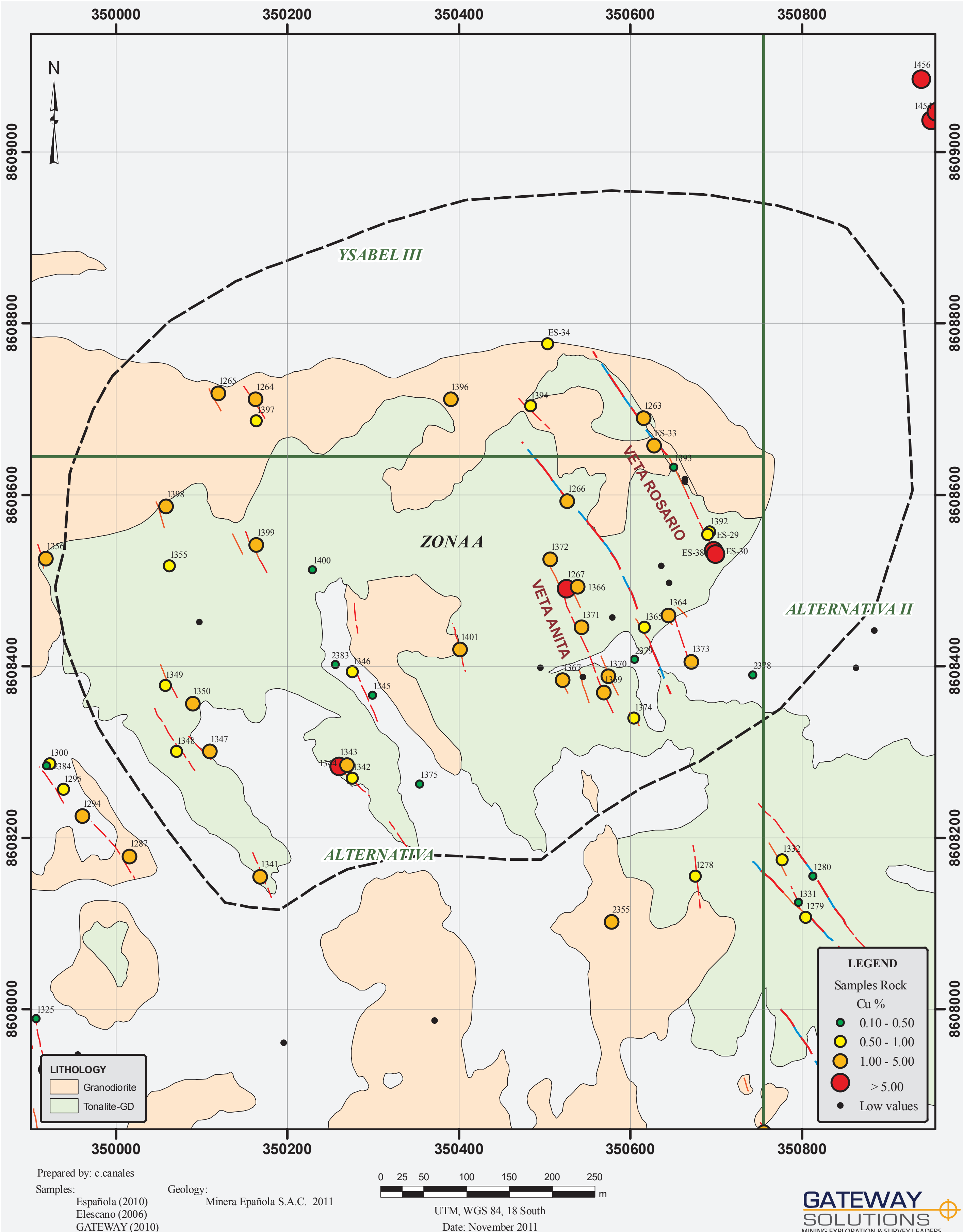


Figure 7.14. Map displaying the Zone A showings surface sample results.

8. Deposit Types

The Property is at an early exploration stage and only basic technical information is currently available. However, the on-going surface exploration has shown that structurally-controlled Cu ± Ag, Au, Zn vein mineralization occurs on the Property. The underground sampling has also identified potentially economic mineralization that may continue at depth. A systematic exploration program including geophysical surveys and drilling are required in order to model the mineralizations's underground continuity and establish a resource.

The following is an abstract from the BC Mineral Deposit Profiles that best summarize the characteristics of the Cu ± Ag vein deposits (Lefebure, 1996).

8.1. Cu ± Ag Quartz Veins

by David V. Lefebure

British Columbia Geological Survey

COMMODITY (BYPRODUCTS): Cu (Ag, rarely Au).

GEOLOGICAL CHARACTERISTICS

CAPSULE DESCRIPTION: Quartz-carbonate veins containing patches and disseminations of chalcopyrite with bornite, tetrahedrite, covellite and pyrite. These veins typically crosscut clastic sedimentary or volcanic sequences, however, there are also Cu quartz veins related to porphyry Cu systems and associated with felsic to intermediate intrusions.

DEPOSITIONAL ENVIRONMENT / GEOLOGICAL SETTING: Veins emplaced along faults; they commonly postdate major deformation and metamorphism. The veins related to felsic intrusions form adjacent to, and are contemporaneous with, mesozonal stocks.

HOST/ASSOCIATED ROCK TYPES: Cu ± Ag quartz veins occur in virtually any rocks although the most common hosts are clastic metasediments and mafic volcanic sequences. Mafic dikes and sills are often spatially associated with metasediment-hosted veins. These veins are also found within and adjacent to felsic to intermediate intrusions.

DEPOSIT FORM: The deposits form simple to complicated veins and vein sets which typically follow high-angle faults which may be associated with major fold sets. Single veins vary in thickness from centimetres up to tens of metres. Major vein systems extend hundreds of metres along strike and down dip. In some exceptional cases the veins extend more than a kilometre along the maximum dimension.

TEXTURE/STRUCTURE: Sulphides are irregularly distributed as patches and disseminations. Vein breccias and stockworks are associated with some deposits.

WEATHERING: Malachite or azurite staining; silicified linear "ridges".

ORE CONTROLS: Veins and associated dikes follow faults. Ore shoots commonly localized along dilational bends within veins. Sulphides may occur preferentially in parts of veins which crosscut carbonate or other favourable lithologies. Intersections of veins are an important locus for ore.

GENETIC MODEL: The metasediment and volcanic-hosted veins are associated with major faults related to crustal extension which control the ascent of hydrothermal fluids to suitable sites for deposition of metals. The fluids are believed to be derived from mafic intrusions which are also the source for compositionally similar dikes and sills associated with the veins. Intrusion-related veins, like Butte in Montana and Rosario in Chile, are clearly associated with high- level felsic to intermediate intrusions hosting porphyry Cu deposits or prospects.

9. Exploration

In 2011 Minera Española initiated an exploration program consisting of surface and underground sampling, and geological mapping. To date, 321 samples were collected and analyzed by ICP and Au FA/AA. Preliminary underground and surface geological maps were produced (Figures 9.1 & 7.6). The exploration is currently on-going.

Initial limited surface sampling of the mineralized rock indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 11.75 g/t Au and 139 g/t Ag. Copper concentrations vary from 0.0050 % to 12.96 % Cu whereas Zn concentrations reach up to 0.7480 %. Sulfur and As concentrations are low only reaching up to 0.68 % S and 330 ppm As. Lead concentrations are also low and reach up to 0.0510 % Pb.

Initial systematic sampling (155 samples) of the Rosa Maria vein underground exposure (250 m strike length) indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.299 g/t Au and 47.9 g/t Ag. Copper concentrations reach up to 9.33 % Cu whereas Zn concentrations reach up to 3.49 % Zn. Sulfur and As concentrations reach up to 10.96 % S and 1173 ppm As respectively. Lead concentrations locally reach up to 0.1510 % Pb.

Tables 7.1 to 7.5 give selected sample results whereas Figures 7.10 to 7.14 illustrate the sample locations and results.

10. Drilling

There has been no diamond drilling carried out on the Property.

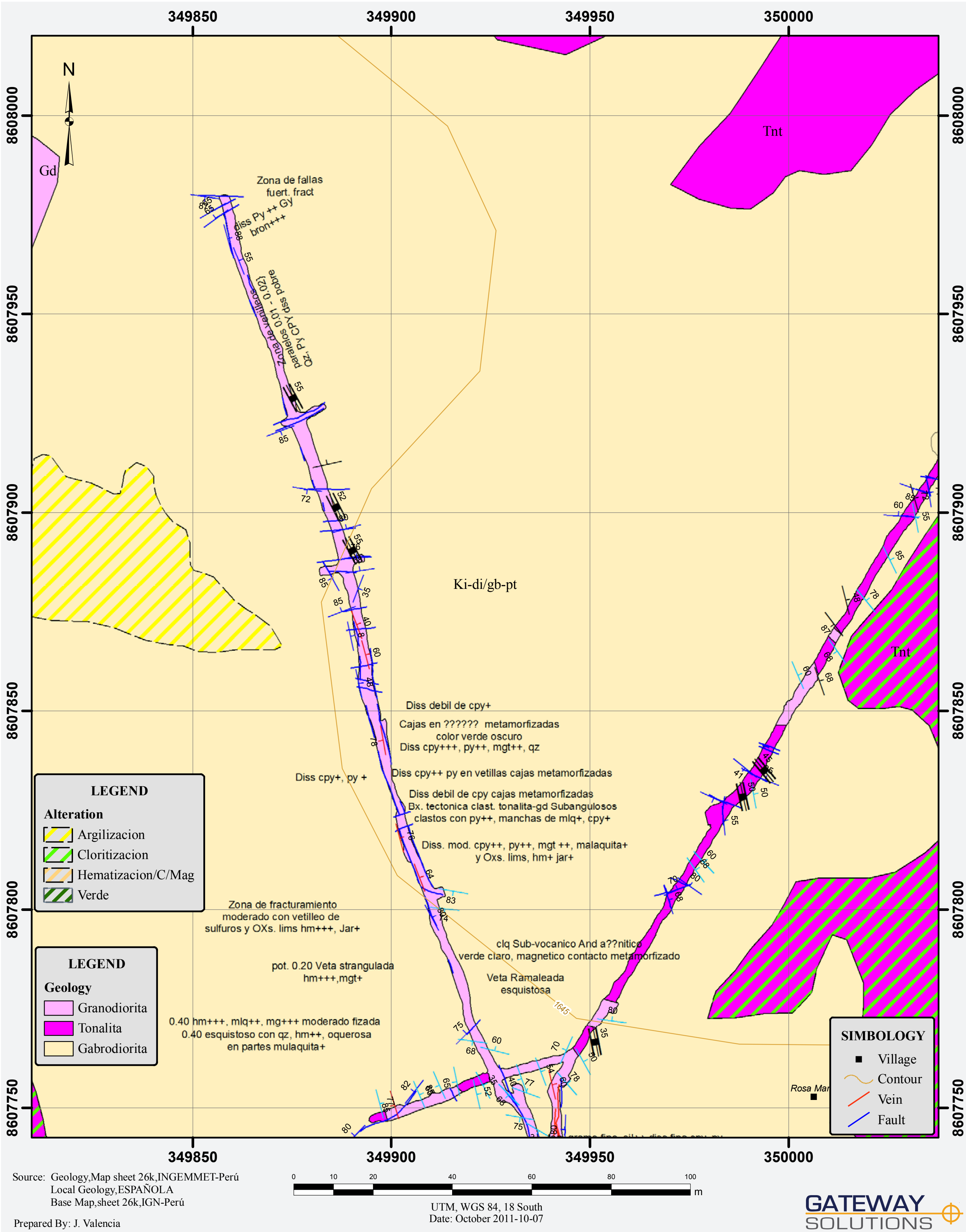


Figure 9.1. Preliminary Rosa Maria mine geological map.

11. Sample Preparation, Analyses and Security

11.1. Minera Española (2011)

11.1.1. Field Procedures

Most of the Minera Española (2011) samples are chipped channel samples and random chip samples taken within a well-defined painted area. The underground sampling was systematically carried out every 2 m. In the case of mineralized structures, the samples were collected perpendicular to the structure's strike. The wall rocks were usually sampled separately.

11.1.1.1. Sample Preparation and Splitting

The samples were collected using chisels, hammers and sledgehammers. The samples were placed into standard plastic sample bags. Each bag was labeled using a waterproof marker. A sample ID card containing the sample characteristics and location was also filled for every sample. The ID card's numbered stub was left inside each sample bag. The surface sample locations were measured using handheld GPS equipment with approximately 6-10 m accuracy. The underground samples were located using an un-surveyed mine plan produced by Minera Española.

11.1.1.2. Quality Control

No quality control program was implemented by Minera Española to support the sampling program.

11.1.1.3. Security

The sample bags were secured using tamper proof plastic fasteners and transported to Lima by truck.

11.1.2. Analytical Procedures

11.1.2.1. Sample Preparation and Analysis

Each sample submitted for chemical determination underwent the standard preparation procedure which includes drying, crushing and pulverizing the rock samples. The samples were first analyzed using the ICP analytical method and re-analyzed using the Fire Assay with the atomic absorption analytical method if the sample concentrations were above the accepted detection ranges.

11.1.2.2. Laboratory

The samples were assayed at the laboratories of the ALS Group, Lima Minerals Lab ("ALS") located in Callao. ALS is an independent ISO 9001-certified laboratory and has no relation to the Issuer.

11.1.3. Quality Control

Internal check analyses of the laboratory sub-samples were performed by ALS as part of their QA/QC program. The results of their quality control program were within acceptable ranges.

11.1.4. Adequacy of Procedures

The sample preparation, security, and analytical procedures were adequate for this sampling program.

11.2. Pigeon 2011

11.2.1. Field Procedures

The Author's samples were chip channel samples taken within selected Minera Española (2011) underground sample sites. The sampling targeted rocks containing visible oxide or sulfide minerals, rocks containing quartz veining and rocks containing other geological or mineralogical features favorable for the occurrence of precious and base metal mineralization. The width of sampling and total area sampled is often dictated by the outcrop shape and the width of the structure being sampled. In the case of mineralized structures, the samples were collected perpendicular to the structure's strike. The wall rocks were not sampled.

11.2.1.1. Sample Preparation and Splitting

The samples were collected using chisels, hammers and sledgehammers. The samples were placed into standard plastic sample bags. Each bag was labeled using a waterproof marker. A sample ID card containing the sample characteristics and location was also filled for every sample. The ID card's numbered stub was left inside each sample bag. The sample number, location and description were noted in a field book and later digitized into an Excel database. The samples had an approximate mass of 2 kg.

11.2.1.2. Quality Control

No quality control program was implemented by the Author to support this small sampling program.

11.2.1.3. Security

The sample bags were secured using tamper proof plastic fasteners. The samples were at all times under the Author's responsibility. The Issuer's representatives did not participate in any aspect of the sample collection or preparation. The samples were kept under locked conditions at Gateway's office until shipped to the analytical laboratory.

11.2.2. Analytical Procedures

11.2.2.1. Sample Preparation and Analysis

Each sample submitted for chemical determination underwent Inspectorate´s standard preparation procedure (Prep 1) which includes drying, crushing and pulverizing the rock samples. A 30 g homogenized rock powder sub-sample was then diluted using the Total Digestion method. The samples were first analyzed using the ISP-142 and ISP-330 analytical methods and re-analyzed using the ISP-140, ISP-201 and ISP-202 analytical methods if the samples concentrations were above the accepted detection ranges. Table 11.1 summarizes the analytical methods used and their detection limits.

11.2.2.2. Laboratory

The samples were assayed at the laboratories of Inspectorate Services Peru S.A.C. located at 444 Faucett Avenue in the Constitutional Province of Callao, near Jorge Chavez International Airport. Inspectorate is an independent ISO 9001:2000-certified laboratory and has no relation to the Issuer.

11.2.3. Quality Control

Internal check analyses of the laboratory sub-samples were performed by Inspectorate as part of their QA/QC program. The results of the quality control program were within acceptable ranges.

11.2.4. Adequacy of Procedures

The sample preparation, security, and analytical procedures were adequate for this small sampling program.

12. Data Verification

The Author verified the Minera Española (2011) underground sampling results by re-sampling nine sample sites. Initial limited underground sampling (9 samples) carried out by the Author confirms the Minera Española (2011) results and indicates that the Rosa Maria structure contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.451 g/t Au and 19.4 g/t Ag. Copper concentrations vary from 0.5136 % to 2.67 % Cu whereas Zn concentrations reach up to 1.55 % Zn. Sulfur concentrations reach up to 6.79 % S. Arsenic and Pb concentrations are low with values only reaching up to 160 ppm As and 0.0409% Pb. Table 12.1 provides the Pigeon (2011) sample results along with the duplicated Minera Española (2011) sample results. Figure 12.1 illustrates the Pigeon (2011) sample locations and results.

13. Mineral Processing and Metallurgical Testing

To the Author's knowledge, no modern mineral processing or metallurgical testing has been conducted.

14. Mineral Resource Estimates

No mineral resource estimates were carried out on the Property.

15. Mineral Reserve Estimates

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

Element	Symbol	Code	Method	LDL	UPD	Unit
Gold	Au	ISP-330	AA	0.005	10	g/t
Silver	Ag	ISP-142	ICP	1.000	200	ppm
Silver	Ag	ISP-140	AA	0.2	300	g/t
Lead	Pb	ISP-142	ICP	5	10000	ppm
Lead	Pb	ISP-140	AA	0.1	10	%
Lead	Pb	ISP-202	Vol.	N/A	>10	%
Zinc	Zn	ISP-142	ICP	5	10000	ppm
Zinc	Zn	ISP-140	AA	0.1	10	%
Zinc	Zn	ISP-201	Vol.	N/A	>10	%
Copper	Cu	ISP-142	ICP	1	10000	ppm
Aluminium	Al	ISP-142	ICP	0.01	15	%
Antimony	Sb	ISP-142	ICP	5	10000	ppm
Arsenic	As	ISP-142	ICP	5	10000	ppm
Boron	B	ISP-142	ICP	10	5000	ppm
Barium	Ba	ISP-142	ICP	5	1000	ppm
Bismuth	Bi	ISP-142	ICP	5	1000	ppm
Cadmium	Cd	ISP-142	ICP	1	5000	ppm
Calcium	Ca	ISP-142	ICP	0.01	15	%
Chromium	Cr	ISP-142	ICP	1	5000	ppm
Cobalt	Co	ISP-142	ICP	1	5000	ppm
Iron	Fe	ISP-142	ICP	0.01	15	%
Lanthanum	La	ISP-142	ICP	2	5000	ppm
Magnesium	Mg	ISP-142	ICP	0.01	15	%
Tin	Sn	ISP-142	ICP	10	5000	ppm
Manganese	Mn	ISP-142	ICP	2	10000	ppm
Mercury	Hg	ISP-142	ICP	2	10000	ppm
Molybdenum	Mo	ISP-142	ICP	2	10000	ppm
Nickel	Ni	ISP-142	ICP	1	5000	ppm
Phosphorous	P	ISP-142	ICP	10	10000	ppm
Potassium	K	ISP-142	ICP	0.01	10	%
Silver	Ag	ISP-142	ICP	0.2	200	ppm
Sodium	Na	ISP-142	ICP	0.01	10	%
Selenium	Se	ISP-142	ICP	5	5000	ppm
Strontium	Sr	ISP-142	ICP	1	5000	ppm
Thallium	Tl	ISP-142	ICP	5	10000	ppm
Titanium	Ti	ISP-142	ICP	0.01	15	%
Tungsten	W	ISP-142	ICP	10	5000	ppm
Vanadium	V	ISP-142	ICP	1	5000	ppm
Telurum	Te	ISP-142	ICP	5	10000	ppm

Table 11.1 The Inspectorate analytical methods used and their detection limits.

Sample	Sampler	Duplicate of	Easting	Northing	Au g/t	Ag g/t	As ppm	Ca %	Cu %	Fe %	Mn ppm	Mo ppm	Pb ppm	S %	Zn %
RM01-1032	Pigeon (2011)	1032	349918	8607774	0.048	2.7	17	2.08	0.5402	10.09	3448	4	22	0.10	0.0977
1032	Grenville (2011)				0.076	4.9	19	1.03	1.380	11.3	3810	<1	50	0.13	0.148
RM02	Pigeon (2011)	1034	349917	8607778	0.122	10.4	13	5.58	1.37	11.55	3017	6	196	0.05	0.4622
1034	Grenville (2011)				0.212	11.8	9	4.35	1.335	11.8	2890	2	222	0.07	0.361
RM03	Pigeon (2011)	1041	349912	8607791	1.451	17.1	44	4.94	2.21	14.85	2996	7	409	6.79	1.55
1041	Grenville (2011)				0.612	16.8	42	4.65	1.920	15.7	3350	<1	357	5.96	1.65
RM04-1054	Pigeon (2011)	1054	349903	8607817	0.201	4.7	24	1.66	0.9848	12.03	2799	6	59	1.77	0.5047
1054	Grenville (2011)				0.144	6.9	22	2.36	1.075	12.1	2370	4	88	3.32	0.0602
RM04-1030	Pigeon (2011)	1030	349911	8607794	0.075	3.2	11	5.32	0.5136	10.55	3423	3	47	0.75	0.2687
1030	Grenville (2011)				0.144	10.6	33	3.58	1.285	10.55	2780	1	232	2.97	0.267
RM05	Pigeon (2011)	1063	349897	8607842	0.158	5.4	16	1.26	1.33	11.67	3246	5	55	2.07	0.1868
1063	Grenville (2011)				0.08	5.3	14	1.42	0.9630	9.99	3110	1	87	2.23	0.312
RM06	Pigeon (2011)	1069	349892	8607860	0.187	19.4	52	2.62	2.67	14.66	4099	3	175	3.42	0.6274
1069	Grenville (2011)				0.301	16	88	2.26	2.350	14.75	4310	<1	297	4.51	0.712
RM07	Pigeon (2011)	1072	349891	8607870	0.163	7.5	160	2.31	1.12	12.24	2650	5	50	4.51	0.0190
1072	Grenville (2011)				0.217	23.7	157	2.09	1.670	12.15	2790	<1	51	3.98	0.0263
RM08	Pigeon (2011)	1077	349887	8607889	0.203	5.7	51	2.56	1.27	11.45	2391	15	85	1.70	0.1683
1077	Grenville (2011)				0.12	7.5	76	1.83	1.425	11.5	2240	3	44	2.78	0.0813

Table 12.1. The Pigeon (2011) sample results.

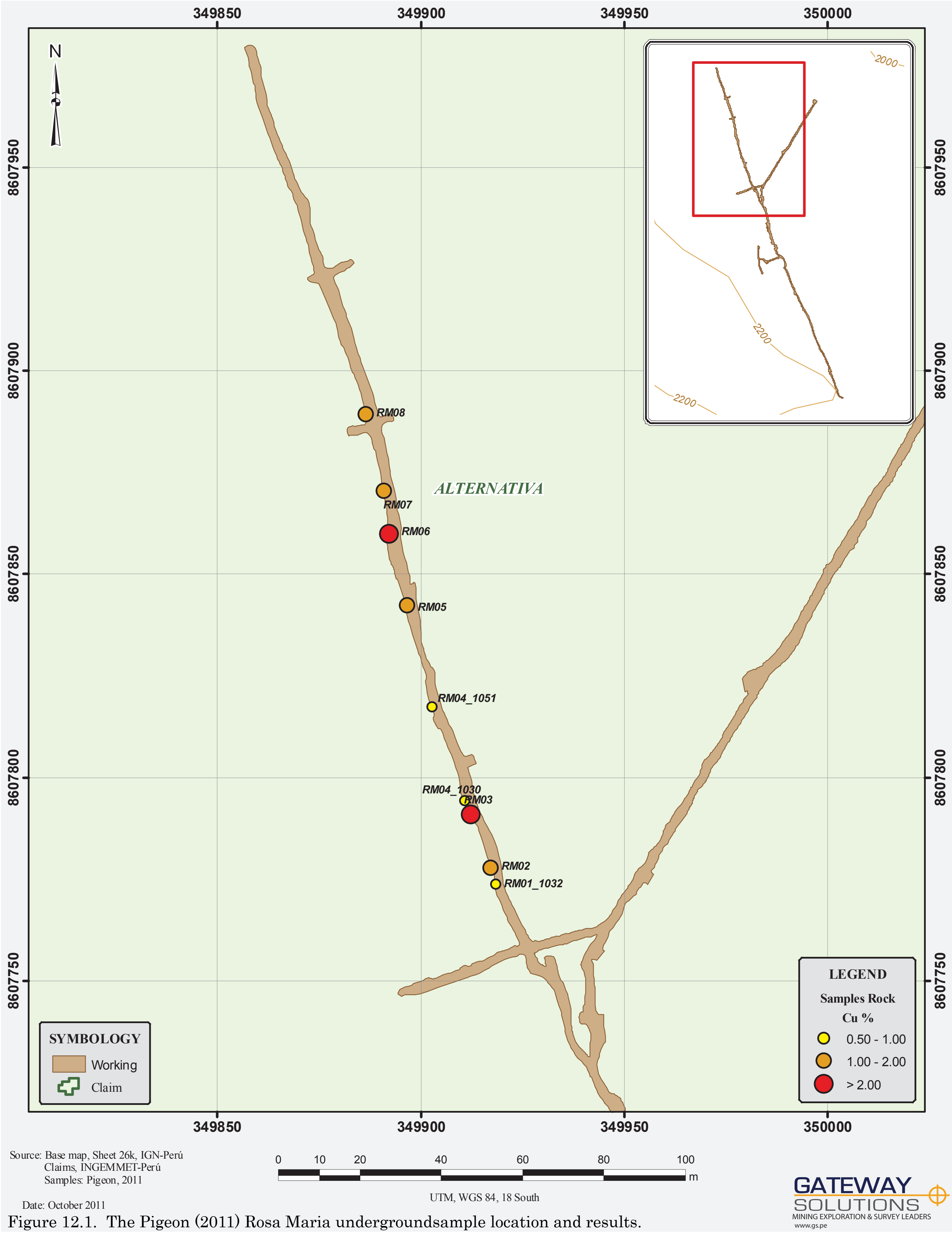


Figure 12.1. The Pigeon (2011) Rosa Maria undergroundsample location and results.

16. Mining Methods

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

17. Recovery Methods

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

18. Project Infrastructure

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

19. Market Studies and Contracts

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

20. Environmental Studies, Permitting, and Social or Community Impact

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

21. Capital and Operating Costs

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

22. Economic Analysis

The Property is not an advanced property as defined by NI43-101, therefore no disclosure is required for this Item.

23. Adjacent Properties

The Property is located near the Vale Exploration Peru S.A.C. Tauripampa and the Compañia Minera Oro Candente S.A. Lunahuana properties (Figure 23.1). Both properties are at an early exploration stage and little information is available to the public.

The Iberian Mineral Raul and Condestable mines are located approximately 30 km SW of the Property (Figure 23.1). The Raul and Condestable mines are copper mines with gold and silver credits. The total measured and indicated resources are 7,707,000 tonnes grading 1.71% Cu and the total proven and probable reserves are 10,666,000 tonnes grading 1.1 % Cu (http://www.iberianminerals.com/English/Our-

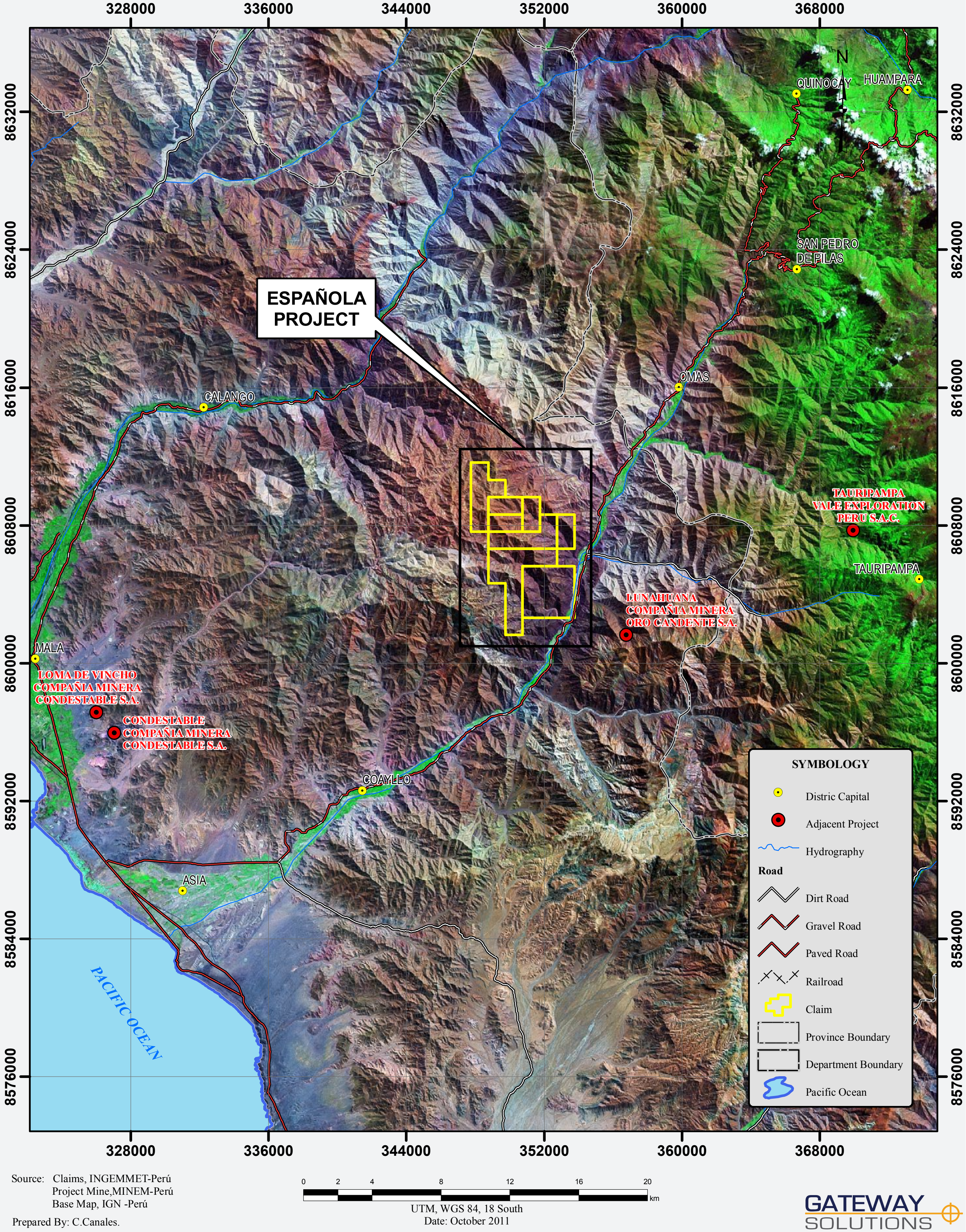


Figure 23.1. Map displaying the location of the adjacent properties.

Projects/Peru/Resourcesandreserves/default.aspx).

The Author has been unable to verify this information and the information given in Item 23 - Adjacent Properties is not necessarily indicative of the mineralization on the Property.

24. Other Relevant Data and Information

To the Author's knowledge, there is currently no known major environmental, permitting, legal, title, taxation, socio-economic or political issues that adversely affect the project.

25. Interpretations and Conclusions

The initial sampling and geological mapping carried out by Minera Española on the Property has outlined Cu ± Ag, Au, Zn mineralization composed of pyrite, chalcopyrite, bornite and Fe-sphalerite. The oxidized surface mineralization also contains malachite, chrysocolla and iron oxides. The mineralization occurs within NNW striking fault structures cross-cutting the intrusive host rock. At least four mineralized veins were mapped.

The Rosa Maria vein outcrops discontinuously over 1,500 m and has a thickness that varies between 0.4 m to 4.0 m. It strikes 324-357 and dips between 62-88 degrees NE. The mineralization consists of discontinuous quartz veins and veinlets also hosting copper and iron oxide minerals including tenorite, malachite, chrysocolla, cuprite, hematite, magnetite and goethite. Initial limited sampling (29 samples) of the Rosa Maria surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 3.35 g/t Au and 23.7 g/t Ag. Copper concentrations vary from 0.0186 % to 5.11 % Cu whereas Zn concentrations reach up to 1.02 % Zn. Sulfur and As concentrations are low and reach up to 0.12 % S and 242 ppm As respectively. Lead concentrations locally reach up to 0.1410 % Pb. Table 7.1 gives the Rosa Maria surface sample results whereas Figure 7.9 illustrates the sample locations and results.

The Rosa Maria vein underground mineralization consists of quartz ± calcite veins and veinlets also containing copper and iron sulphide minerals including bornite, pyrite, chalcopyrite and Fe-sphalerite. Initial systematic sampling (155 samples) of the Rosa Maria vein underground exposure (250 m strike length) indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.299 g/t Au and 47.9 g/t Ag. Copper concentrations reach up to 9.33 % Cu whereas Zn concentrations reach up to 3.49 % Zn. Sulfur and As concentrations reach up to 10.96 % S and 1173 ppm As respectively. Lead concentrations locally reach up to 0.1510 % Pb.

The Micaela vein outcrops discontinuously over 1100 m and has a thickness that varies between 0.35 m to 1.00 m. It strikes 340 and dips between 70 and 80 degrees NE. The mineralization consists of discontinuous quartz veins and veinlets also hosting chalcopyrite, malachite, pyrite and magnetite. Initial limited sampling (11 samples) of the Micaela surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.378 g/t Au and 18.1 g/t Ag. Copper concentrations vary from 0.0189 % to 2.45 % Cu whereas Zn concentrations are low only reaching up to 0.0384 % Zn. Sulfur concentrations are low reaching up to 0.11 % S. Arsenic and Pb concentrations locally reach up to 653 ppm As and 0.0153 % Pb.

The Elisa vein outcrops discontinuously over 400 m and has a thickness that varies between 0.4 m to 1.3 m. It strikes between 329 - 356 and steeply dips NE. The mineralization consists of discontinuous quartz veins also hosting malachite, chrysocolla and magnetite. Initial limited sampling (9 samples) of the Elisa surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.287 g/t Au and 48.9 g/t Ag. Copper concentrations vary from 0.0262 % to 9.5 % Cu whereas Zn concentrations reach up to 0.9227 % Zn. Sulfur concentrations reach up to 11.51 % S. Arsenic and Pb concentrations locally reach up to 595 ppm As and 0.0335 % Pb.

The Anita vein outcrops discontinuously over 50 m and has a thickness that varies between 0.3 m to 1.5 m. It strikes 329 - 356 and has variable NE and SW dips. The mineralization consists of discontinuous quartz veins also hosting chalcopyrite malachite, chrysocolla, magnetite and pyrite. Initial limited sampling (13 samples) of the Anita surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.486 g/t Au and 11.6 g/t Ag. Copper concentrations vary from 0.0916 % to 4.48 % Cu whereas Zn concentrations reach up to 0.2930 % Zn. Sulfur concentrations reach up to 0.07 % S. Arsenic concentrations locally reach up to 505 ppm As. Lead concentration are low only reaching up to 0.0082 % Pb.

The Rosario vein outcrops discontinuously over 50 m and has a thickness that varies between 0.3 m to 1.0 m. It strikes 146 - 160 and has variable SW dips. The mineralization consists of discontinuous quartz veins also hosting malachite and magnetite. Initial limited sampling (3 samples) of the Rosario surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.323 g/t Au and 6.3 g/t Ag. Copper concentrations vary from 0.1301 % to 3.30 % Cu. Zinc and S concentrations are low reach up to 0.0361 % Zn and 0.06 % S. Arsenic and Pb concentrations are also low only reaching up to 84 ppm As and 156 ppm Pb.

Several other discontinuous veins and/or mineralized occurrences spatially-correlated with brecciated rock were identified within Zone A. These veins normally outcrop discontinuously less than 30 m and have thicknesses that vary between 0.3 m to 0.8 m. They strikes 306 - 345 and have variable NE dips. The mineralization consists of discontinuous quartz veins also hosting malachite, chrysocolla, magnetite and calcite. Initial limited sampling (34 samples) of Zone A surface outcrops indicates that it contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 0.764 g/t Au and 17.1 g/t Ag. Copper concentrations vary from 0.06943 % to 7.33 % Cu whereas Zn concentrations reach up to 0.7480 % Zn. Sulfur concentrations reach up to 0.14 % S. Arsenic and Pb concentrations locally reach up to 505 ppm As and 233 ppm Pb.

The Author's one day site visit allowed for a visual inspection and verification sampling of the mineralization within the Rosa Maria underground workings.

Initial limited underground verification sampling by the Author confirms that the Rosa Maria structure contains anomalous base and precious metal concentrations. Gold and silver concentrations reach up to 1.451 g/t Au and 19.4 g/t Ag. Copper concentrations vary from 0.5136 % to 2.67 % Cu whereas Zn concentrations reach up to 1.55 % Zn. Sulfur concentrations reach up to 6.79 % S.

The Author is not aware of any significant risks and uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information disclosed herein.

The Author concludes that significant Au, Ag, Cu and Zn mineralization occurs on the Property and that further exploration work is needed in order to estimate a NI43-101 resource.

The goals of the current project were to confirm the existence of copper mineralization on the Property, produce an independent NI 43-101 Technical Report summarizing the geological knowledge accumulated on the Property and to recommend further exploration if warranted. The original objectives of this summary field review and report were met.

26. Recommendations

26.1. Phase I

It is recommended to purchase a Worldview-2 satellite image covering the entire Property. This imagery is instrumental for planning the proposed work program. The satellite image is sold with a general reference and will need to be rectified by measuring in the field the location of approximately 20 points that are visible in the image. Five geodesic benchmarks should be installed on the Property and measured to 5mm accuracy. These benchmarks will be used to precisely locate important features such as Claim boundaries, the mineralization, underground workings, future drill hole collars and landmarks. A Digital Elevation Model should be produced based on ortho-rectified aerial photos.

The current sample density is restricted and further geological mapping and sampling are required. A Property-wide geological survey including rock and soil geochemistry surveys are recommended. The soil grid should be positioned over the veins' overburden covered sections perpendicular to their strike. Allochtonous sedimentary deposits should be avoided during the soil survey. The intrusive rocks should be studied and divided according to their textures and compositions. The mineralization may be spatially-associated to a particular intrusive phase. The contacts between the intrusive and sedimentary rocks should be mapped at a scale of 1:1000. Advanced petrographic and mineralogical studies of the intrusive rocks may yield information about their petrogenesis, crystallization conditions and porphyry deposit potential.

Property-wide ground magnetometry and local induced polarization surveys are needed in order to identify buried structures and mineralization, and to model their underground continuities. The mineralized structures contain magnetite and should be easy to identify. The geophysical survey grids should be positioned perpendicular to the mineralized structure strikes.

The drill targets should be chosen and prioritized according the geological and geophysical results. The application for a drilling permit should begin once the drilling target locations have been identified. The Phase I results should be summarized in an NI 43-101 report where a detailed Phase II program should be proposed in light of the acquired data.

26.2. Phase II

The Phase II program is contingent to the results obtained during Phase I. Infrastructure improvements such as road maintenance and the construction of a small (but scalable) exploration camp with a logging facility and core racks are needed. The drill pads and the roads leading to them need to be constructed. Trenching and sampling over the vein systems is necessary. A 2500 m NQ or HQ diamond drilling project should initially be adequate to test the Rosa Maria mineralization underground continuity. Some drilling may also be necessary at other promising target areas. The drill hole collars should be surveyed and down-hole surveys should be carried out every 50 m.

26.3. Estimated Exploration Expenses

The Phase I & II exploration budgets are given in Table 26.1. It is estimated that Phase I & II will cost approximately CAD 446,000 and CAD 1.1 million respectively.

	Parameters			Phase I							Phase II				
				Month							Month				
	Qty.	Unit	$/Unit	1	2	3	4	5	6	Subtotal	7	8	9	10	Subtotal
Exploration															
Geodesic Benchmark	5	unit	1750	8,750	-	-	-	-	-	**8,750**	-	-	-	-	**-**
Topography (ortho photos)	1	unit	20000	20,000	-	-	-	-	-	**20,000**	-	-	-	-	**-**
Satellite Imagery Field Rectification	3	day	180	540	-	-	-	-	-	**540**	-	-	-	-	**-**
Satellite Imagery	1	unit	2500	2,500	-	-	-	-	-	**2,500**	-	-	-	-	**-**
Magnetometry Survey	370	km	150	55,500	-	-	-	-	-	**55,500**	-	-	-	-	**-**
Induced Polarization Survey (all incl.)	15	km	3000	-	-	-	45,000	-	-	**45,000**	45,000	-	-	-	**45,000**
Geological Mapping 1:5000 & Sampling	3600	Ha	40	-	75,000	69,000	-	-	-	**144,000**	-	-	-	-	**-**
Soil sample	500	site	20	-	10,000	-	-	-	-	**10,000**	-	-	-	-	**-**
Trenching	2	month	5000	-	-	-	-	-	-	**-**	5,000	5,000			**10,000**
HQ Diamond drilling (all incl.)	2500	m	300	-	-	-	-	-	-	**-**	375,000	-	375,000	-	**750,000**
Road Access	5	km	10000	-	-	-	-	-	-	**-**	50,000	-	-	-	**50,000**
Sample analyses and supplies	2,600	unit	40	10,000	20,000	10,000	-	-	-	**40,000**	-	32,000	32,000	-	**64,000**
NI43101 Independent Report Phase I	1	unit	30000	-	-	-	-	30,000	-	**30,000**	-	-	-	-	**-**
Enviromental Study and Permiting	1	unit	20000	-	-	-	-	10,000	10,000	**20,000**	-	-	-	-	**-**
NI43101 Independent Report Phase II	1	unit	40000	-	-	-	-	-	-	**-**	-	-	-	40,000	**40,000**
Logistics															
Truck A 4X4	7	month	2500	2,500	2,500	2,500	2,500	-	-	**10,000**	2,500	2,500	2,500	-	**7,500**
Truck B 4X5	6	month	2500	2,500	2,500	2,500	-	-	-	**7,500**	2,500	2,500	2,500	-	**7,500**
Field Office	7	month	1000	1,000	1,000	1,000	1,000	-	-	**4,000**	1,000	1,000	1,000	-	**3,000**
Food (approx.)			n/a	2,000	2,000	2,000	2,000	-	-	**8,000**	2,000	5,000	5,000	-	**12,000**
										-					
Contingency		10%		10,529	11,300	8,700	5,050	4,000	1,000	**40,579**	48,300	4,800	41,800	4,000	**98,900**
			Subtotal:	**115,819**	**124,300**	**95,700**	**55,550**	**44,000**	**11,000**	**446,369**	**531,300**	**52,800**	**459,800**	**44,000**	**1,087,900**

Table 26.1. Phase I & Phase II Exploration budget.

27. References

Elescano, M. (2007). Internal geology memorandum to Inversiones Mineras Alexander S.A.C., and personal communications.

Epiquien, J. (2010). Initial sample location and results database.

Illanes Bustamante, J. (2011). Española: Resumen Geologico, Minera Española S.A.C. report, 19p.

INGEMMET (1982). Instituto Geológico Minero y Metalúrgico, Mapa Tectónico del Peru, Sector Energia y Minas, República del Perú.

Lefebure, D.V. (1996). Cu+/- Ag Quartz Veins, in Selected British Columbia Mineral Deposit Profiles, Volume 2 - Metallic Deposits, Lefebure, D.V. and Hõy,T., Editors, British Columbia Ministry of Employment and Investment, Open File 1996-13, pp. 71-74.

León Lecaros, W.L., Palacios Moncayo, O., Vargas Vilchez, L., Sànchez Fernàndez, A. (2000). Memoria Explicativa Del Geológico del Perú, Escala 1:1,000,000 1999; Instituto Geológico Minero y Metalúrgico, Boletin No. 136, Serie A: Carta Geológico Nacional.

Minera Española. (2011). Initial electronic files including geological mapping, sample location and results database.

Pigeon, L. (2007). Technical Report on The La Española Property. Independent NI-43-101 report produced for Grenville Gold Corporation. 42p.

Salazar D. & Landa T. (1970). Instituto Geológico Minero y Metalúrgico, Mapa Geologica del Cuadrangulo de Lunahuana 26-k, Sector Energia y Minas, República del Perú.

28. Date

The effective date of this technical report is November 16, 2011.

Signed and sealed on this 16th day of November of the year 2011; in Santiago de Surco, Lima, Peru.

Luc Pigeon
B.Sc., M.Sc., P.Geo.
Lic. 849 (Quebec)

GÉOLOGUE / GEOLOGIST
LUC PIGEON
849
QUÉBEC

29. Appendices

29.1. Certificate of Qualified Person

(a) I, LUC PIGEON, B.Sc., M.Sc., P.Geo., am a geoscientist employed by Gateway Solutions S.A.C., a Peruvian mining exploration and surveying corporation. My address is Alfredo Franco 315, Santiago de Surco, Lima, Peru.

(b) This certificate applies to the technical report: "NI 43-101 Technical Report on the La Española Cu ± Ag, Au, Zn Property, Lima, Peru" dated November 16th, 2011.

(c) I have a Bachelor of Sciences (1999: B.Sc.) degree with Honors (Cum Laude) in Earth Sciences (Geology) and I have Master of Sciences (2003: M.Sc.) degree in Geology. Both degrees were awarded by the University of Ottawa, Ontario, Canada. I have practiced my profession full time since receiving my Master of Science in Geology in 2003. I have experience with the exploration of deposits such as volcanogenic massive sulfide deposits, porphyry and genetically related hydrothermal deposits, skarn deposits; exhalative lead-zinc deposits and alkaline rock-related deposits. I also have experience with Archean shear zone hosted gold deposits such as those occurring in the Abitibi greenstone belt in Canada. I have worked in Canada, Chile, Colombia, Ecuador and Mexico. I am a member in good standing of "Ordre des Géologues du Québec" from the Province of Québec, Canada. My registration number is 849. I fulfill the requirements of a Qualified Person as defined in NI 43-101.

(d) I last visited the Property for one day on September 6th, 2011.

(e) I am responsible for all the Items of this technical report.

(f) I am not or I do not:

(i) an employee, insider, or director of the Issuer and the Vendor;

(ii) an employee, insider, or director of a related party of the Issuer and the Vendor;

(iii) a partner of any person or company in paragraph (i) or (ii);

(iv) hold or expect to hold securities, either directly or indirectly, of the Issuer and the Vendor or a related party of the Issuer or the Vendor;

(v) hold or expect to hold securities, either directly or indirectly, in another Issuer or Vendor that has a direct or indirect interest in the Property or any adjacent property;

(vi) have or expects to have, directly or indirectly, an ownership, royalty, or other interest in the property that is the subject of this technical report or an adjacent property; and

(vii) have received the majority of my income, either directly or indirectly, in the three years preceding the date of this technical report from the Issuer and the Vendor or a related party of the Issuer and the Vendor.

(g) I had prior involvement with the Property that is the subject of this technical report. In 2007, I authored an independent NI43-101 report entitled: "Technical Report on the La Española Property";

(h) I have read NI 43-101 and this technical report has been prepared in compliance with the Instrument; and

(i) To the date of this certificate and to the best of my knowledge, information and belief, the technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

Signed and sealed on this 16th day of November of the year 2011; in Santiago de Surco, Lima, Peru.

Luc Pigeon
B.Sc., M.Sc., P.Geo.
Lic. 849 (Quebec)

GÉOLOGUE / GEOLOGIST
LUC
PIGEON
849
QUÉBEC