BEHRE DOLBEAR

founded 1911 MINERALS INDUSTRY ADVISORS

ABENTEUER RESOURCES CORP.

SUITE 900 - 555 BURRARD STREET
VANCOUVER, BC, V7X 1M8

NI 43-101 TECHNICAL REPORT ON THE UM BALAD/EL URF EXPLORATION CONCESSION AREA IN EGYPT

(BEHRE DOLBEAR PROJECT NUMBER J10-179)

PREPARED BY:
Prepared by Qualified Person
Richard J Fletcher, M.Sc,., FAusIMM, MIMMM, C. Geol, C. Eng.

BEHRE DOLBEAR INTERNATIONAL LIMITED,
Hydra House, 26 North Street, Ashford, Kent, TN24 8JR, United Kingdom
www.dolbear.com

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

1.0 SUMMARY

Pursuant to a September 2010 letter of intent between SMWG and Abenteuer Resources Corp. ("Abenteuer"), Abenteuer will acquire SMWG's 100% interest in the Um Balad Concession Area located about 100 km northwest of Hurghada in the Eastern Desert Region of Egypt by acquiring all of the issued and outstanding share capital of SMWG in exchange for approximately 53% of the issued and outstanding share capital of Abenteuer. The Concession Area originally measured 878 km^2 in area, prior to a statutory 25% reduction by 220 km^2 to about 650 km^2.
The Concession Agreement required a minimum expenditure commitment of US$ 1 million in the first year (Exploration Stage, see Table 3) and will require a further US$ 5 million expenditure (Evaluation Stage). The main objective of this report is to assess whether the results of the exploration stage expenditure were sufficiently encouraging to justify proceeding with the second $5million evaluation programme.

The area of the Um Balad Concession has been explored and mined for gold and other minerals since the early pharaonic times, as evidenced by the numerous and widespread ancient workings and their associated archaeological remains.

The Um Balad Concession Area includes two ancient gold mines (Um Balad and Wadi Dib) and six ancient copper mines in the El Urf and Um Monqul areas. These mines are located in sub-vertical quartz veins associated with a large granodiorite intrusion that extends 8 km N-S and 3 km E-W at the junction of Wadi Um Balad and Wadi Qena.

The El Urf / Um Monqul copper-gold deposits have many of the characteristics of the recently recognised "Iron-Oxide-Copper-Gold" (IOCG) type deposits. IOCG type deposits are concentrations of copper and gold minerals hosted within predominantly iron-oxide gangue mineral assemblages which share a common genetic origin. IOCG deposits are often associated with other valuable trace elements such as uranium, silver, bismuth and rare-earth (cerium, lanthanum) metals, although these accessories are typically subordinate to copper and gold in economic terms.

The Um Balad Concession Area is at the exploration stage of development.

1.1 CONCLUSIONS

There are two main exploration targets within the Um Balad Concession Area.

Um Balad

1. The Um Balad area was an important area for gold mining in ancient times, as evidenced by the extensive workings related to andesitic volcanic rocks along the contact zone of a large granitic intrusion.
2. The lack of any significant modern mining activity and the paucity of documented exploration, suggests that the individual quartz veins are too small or too low-grade to support underground mining.
3. The large areal extent of the gold mineralisation suggests there may be potential for the discovery of a low-grade open-pit type deposit. Such a discovery would require a substantial drilling programme.

El Urf / Um Monqul

4. The El Urf/Um Monqul area was a significant area for gold mining in ancient times, as evidenced by the 10 – 12 km^2 extent of these workings, but the lack of any significant modern mining activity and the paucity of documented exploration, suggests that the individual quartz veins were too small or too low-grade to support underground mining.

5. Available data has shown that the El Urf area contains high levels of gold, copper and molybdenum associated with the red haematite altered contact zone along the margin of a granitic intrusive.
6. The gold-copper mineralisation and extensive red haematite alteration at El Urf/Um Monqul exhibits many characteristics of the recently recognised "iron-oxide- copper-gold" (IOCG) type deposits
7. The large areal extent of the copper-gold mineralisation suggests there may be potential for the discovery of a low-grade open-pit type deposit. Such a discovery would require a substantial drilling programme to establish a significant mineral resource. A drilling programme totalling about 40,000m is planned at an estimated cost of about US$ 5 million.

It is Behre Dolbear's opinion that these results of the initial Exploration Phase expenditure justify proceeding with the $5million expenditure commitment for the Evaluation Phase required by the Concession Agreement.

Recommendation

8. A two stage drilling programme is recommended to establish the location and extent of the mineralisation. A first stage of 10,400m at an estimated cost of US2M and a second stage of 18,800m at an estimated cost of US$3M. Following a review of the results of the first stage, the drilling programme should be amended as required in order to concentrate the second stage of the drilling programme on the priority targets. However, the second stage of drilling will not be dependent on completion of the first stage as it is expected that any second stage drilling for targets that fail to live up to expectations will be re-allocated to the highest priority targets. The estimated cost of the proposed drilling programme is equivalent to the expenditure commitment required by the Concession Agreement.

2.0 ELECTRONIC TRANSMISSION

Electronic mail copies of this report are not official unless authenticated and signed by Behre Dolbear and are not to be modified in any manner without Behre Dolbear's express written consent.

3.0 INTRODUCTION

3.1 TERMS OF REFERENCE, CONSULTANT RELATIONSHIP

In December 2009, Mr R J Fletcher of Behre Dolbear International Limited ("Behre Dolbear"), carried out a review of the mineral exploration carried out on the Fawakhir and Um Balad Concession areas held by SMW Gold Limited (SMWG), a company which is incorporated in Cyprus. On the basis of technical data, reports and technical studies provided by SMWG's management and technical staff in Cairo, and by officers of the Egyptian Mineral Resources Authority (EMRA), formerly Egyptian Geological and Mining Authority (EGSMA), and site visits to the main areas of interest in the Fawakhir and Um Balad Concession areas. The report was to cover:

- The licence areas - their tenure, terms and co-ordinates:
- The location of the projects within the Concession areas:
- The work done on the projects, quantitatively and qualitatively:
- Geological descriptions and interpretations:
- Resource estimates and the basis for these:
- The potential for establishing further reserves: and
- Any other appropriate comments based on professional judgement.

In September 2010, SMWG signed a letter of intent with Abenteuer, a corporation incorporated in Alberta, Canada, to undertake a transaction whereby Abenteuer would acquire all of the issued and outstanding share capital of SMWG in exchange for issuing to the SMWG shareholders an aggregate of approximately 53% of the issued and outstanding share capital of Abenteuer on a post-transaction basis. Accordingly, on completion of the transaction, SWMG would become a wholly-owned subsidiary of Abenteuer, and the current shareholders of SMWG would as an aggregate carry a majority interest of the issued and outstanding share capital of Abenteuer. In October 2010, Abenteuer requested that Behre Dolbear prepare an updated report in NI 43-101 format for submission to the TSX Venture Exchange, a Canadian stock exchange on which Abenteuer's common shares currently trade.

Behre Dolbear previously acted in an independent capacity as a consultant to SMWG and is currently acting in a similar capacity to Abenteuer and is receiving a pre-negotiated fixed fee for its services. Neither Behre Dolbear nor any professional working on this assignment has any ownership interest, financial interest, or any other pecuniary interest in SMWG, Abenteuer or the Fawakhir and Um Balad Concessions.

Behre Dolbear's appraisal of the Fawakhir and Um Balad Concession areas in Egypt was conducted on a reasonableness basis and Behre Dolbear has noted herein where such provided information engendered questions. Except for the instances in which we have noted questions, Behre Dolbear has relied upon the information provided by SMWG as being accurate, reliable and suitable for use in this assessment.

This report has been prepared in accordance with the terms and definitions given in "Form 43-101F1 Technical Reports" and the "CIM Definition Standards for Mineral Resources and Mineral Reserves" adopted by the CIM Council on December 11, 2005.

3.2 WORK CARRIED OUT

The author (R J Fletcher) spent 5 days in Egypt between 3rd and 9th November 2009 and during this period carried out the following work:-

- One day in Cairo reviewing the licence areas held by SMWG with SMWG's geological experts and officers and geological experts of EMRA, to provide an historical perspective of previous work on the mineral deposits, and independent confirmation of the information provided by SMWG:
- Two days spent in field visits to the main areas of interest within the Fawakhir Concession area, including most of the old mining sites:
- Two days spent in field visits to the main areas of interest within the Um Balad Concession area, including the old mining sites.

Table 1 List of persons providing information and advice

NAME	POSITION	ORGANISATION
Mark Lisnyanski	General Director	SMWG Company
Dr Vladimir Shashkin	Director of Geology	SMWG Company
Karim Matar	Managing Director	SMWG Company
Mohammed Hadi	Vice President	SMWG Company
Gayas Yusupov	Senior Geologist	SMWG Company
Dr. Oleg Morazov	Geological Advisor	SMWG Company
Dr. Abd El Aal Attia	General Director – Technical and Environmental Studies	Egyptian Mineral Resources Authority (formerly EGSMA)

As there has been no further significant field work by SMWG since the initial Behre Dolbear report was completed in December 2009, it was considered that another site visit was not justified. In October 2010, SMWG provided additional technical data and progress reports relating to exploration results that became available since the initial report was prepared. Of these latest 1400 samples analyzed, over 26% had a gold grade of more than 0.3 grams/tonne Au. These results have been incorporated into this revised report.

Details of the Fawakhir Concession area are provided in a separate report.

3.3 RELIANCE ON OTHER EXPERTS

In consideration of all legal aspects relating to the Um Balad Concession , Behre Dolbear has placed reliance on the representations by the Company that, as of 1 October 2010, the legal ownership of all mineral and surface rights has been verified; and no significant legal issues exist which would affect the likely viability of the Exploration Assets as reported herein.

4.0 PROPERTY DESCRIPTION AND LOCATION

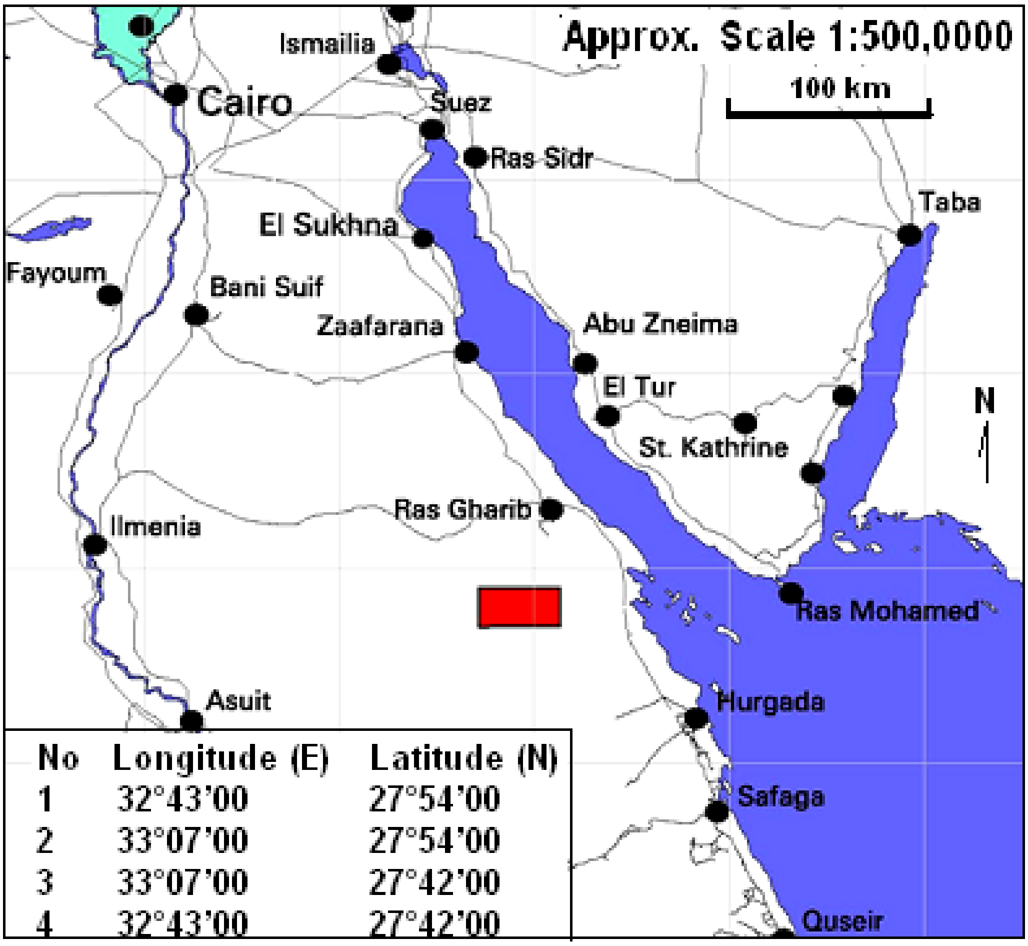
The Um Balad Concession Area

The Um Balad Concession Agreement between the Arab Republic of Egypt and the Egyptian Mineral Resources Authority (EMRA) and SMW Engineering Ltd., is a Production sharing agreement that was signed between SMW Engineering and the EMRA on October 1, 2007 after ratification by the Egyptian parliament. This agreement was later transferred to SMWG, who have a 100% ownership / interest in the Concession. Pursuant to a September, 2010 letter of intent between SMWG and Abenteuer Resources Corp. ("Abenteuer"), Abenteuer will acquire SMWG's 100% interest in the Um Balad Concession Area by acquiring all of the issued and outstanding share capital of SMWG in exchange for approximately 53% of the issued and outstanding share capital of Abenteuer. The Concession Area originally measured 878 km^2 in area, prior to a statutory 25% reduction by 220 km^2 to about 650 km^2.

Boundary description of the concession area.

The Um Balad Concession Area is located about 400 km SSE of Cairo and is centred at 33°30'E / 27°50'N. The Concession Area originally measured about 873 km^2. Coordinates of the corner points of the Concession Area were determined by map co-ordinates in accordance with the Concession Agreement and relevant Egyptian legislation, and are shown on Figure 1:-

Figure 1 Map showing the Um Balad Concession Area (in red)



In accordance with the Concession Agreement, at the end of year 1 (2009) the Um Balad Concession was subject to a minimum 25% reduction in area. The area was accordingly reduced by 25.4% to 651.66 km^2, as shown in Figure 2 below:-

Figure 2 Reduced Concession Area

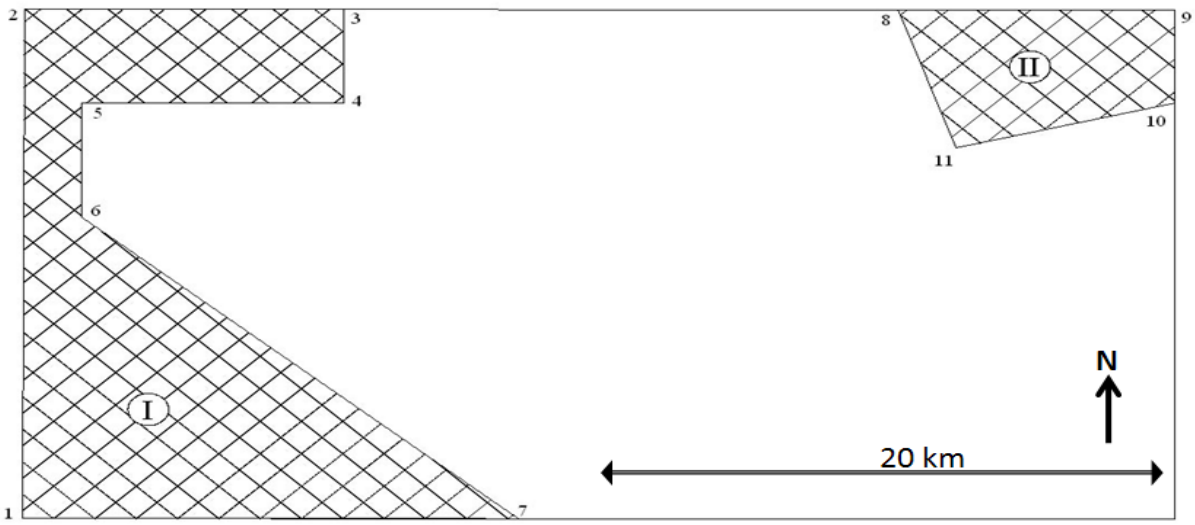


Table 2 Coordinates of reduced Concession Area

Site number	Point number	(UTM) m E	(UTM) m N	Old Egyptian	
I	1	472000	3064000	32°43' E	27°42' N
	2	472000	3087000	32°43' E	27°54' N
	3	483000	3087000	32°50' E	27°54' N
	4	483000	3082000	32°50' E	27°51' N
	5	474000	3082000	32°44' E	27°51' N
	6	474000	3077000	32°44' E	27°48' N
	7	489000	3064000	32°53' E	27°41' N
II	8	502000	3087000	33°01' E	27°54' N
	9	511400	3087000	33°07' E	27°54' N
	10	511400	3082000	33°07' E	27°51' N
	11	504000	3080000	33°02' E	27°50' N
Total of Um Balad area, km^2			873.63		
Site I, km^2			178.495		
Site II, km^2			43.474		
Reduced measure, 25.4%			to 651.66 Km^2.		

No part of the Concession Area has been relinquished since November 2009.

On September 9 2010, SMWG's attorney in Egypt provided an Opinion Letter noting that SMWG had successfully completed the initial exploration period and that his office "considered that the Agreements are in good standing".

There were no reporting requirements between then and October 1, 2010 that were not fulfilled.

Key aspects of the agreement with EMRA are:-

- Production sharing agreements were signed between SMW Engineering (transferred to SMW Gold) and the Egyptian Mineral Resources Authority on October 1, 2007, after ratification by parliament.
- Minimum expenditure commitment of US$1 million in the first year and then US$ 5 million in the following two years.
- 4% royalty.
- 50:50 production sharing after expense recovery.
- 20-year exploitation lease with option for a 10-year extension.
- tax exemptions on extraction, production, export and transportation of minerals, withholding taxes.
- Provision for access to water and surface rights is included in the terms of the Concession Agreement.

Details of the nature and extent of the title including surface rights and the obligations that must be met to retain the property are described in considerable detail in Section 4 of the companion to this report entitled "NI43-101 Technical Report on the Fawakhir/El Sid Concession Area".

There do not appear to be any legacy environmental liabilities.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Accessibility
The Um Balad Concession Area is located about 400km southeast of Cairo and about 40 km inland from the Red Sea coast. It is about 110 km northwest of Hurghada, from where it can be accessed by travelling north along the coastal highway for about 100 km to Wadi Dara (1 hour) and then westwards along a good gravel road to Um Balad (1.5 hours). A network of tracks along the wide sandy wadis allows access to most parts of the Concession area.

Climate
The area has an arid climate, dominated by hot summers and mild winters. The average annual precipitation is about 17.4 mm which falls mainly in the late summer (July to October) period. The monthly mean temperature varies between 24° and 38°C during the summer; and between 12° and 26°C during the winter. The relative humidity varies between 28% in summer and 57% in winter. The predominant wind direction is from the north.

Local resources
There are no significant local resources in the Concession area which is virtually uninhabited.

Infrastructure
There is little infrastructure in the Eastern Desert region and the population is sparse, consisting of small coastal settlements and semi-nomadic tribesmen. The closest facilities, including an international airport, are at Hurghada about 120 km to the southeast.

There are international airports at Luxor that serves tourist sites in the Nile valley; and at Hurghada on the Red Sea coast that serve the extensive development of tourist resorts and marine centres.

The Eastern Desert region is served by the port of Suez in the north, which has modern container handling facilities, an oil refinery and a major airport. There are small, but reasonably modern port facilities at Port Safaga.

The Eastern Desert area is bounded to the west by a single track railway and a bitumen road which follow the Nile River between Cairo and Wadi Halfa on the Sudan border. To the east, the area is bounded by a modern bitumen road which follows the Red Sea coastline from Suez to Halaib on the Sudan border. These two transport corridors are linked by several connecting roads which traverse narrow valleys through the hills. There is also a railway that connects Port Safaga to the Nile valley railway at Quena, although this now appears to serve only the phosphate mines. Away from these roads, access is restricted to rough, unformed tracks suitable only for four-wheel drive vehicles.

There are high-voltage electric transmission lines along the coast road and along the Nile valley.

Topography and vegetation
The main drainage is Wadi El-Urf that trends nearly east-west and Wadi Makhrag EI-Ebel that trends north-south.

The wadi level in the Concession area is about 400 masl. The surrounding bare, rocky hills rise about 200m above the wadi level. The Dokhan volcanics form a 2000m high mountain (Gabal Monqul) on the northern side of the intrusive dome containing the mineralised area.

The area is arid rock desert that is virtually devoid of vegetation.

There are no environmental or other protected "reserves" in the Eastern Desert region, except for the off-shore Hurghada Islands marine reserve. However, access to much of the area is restricted to protect the extensive archaeological remains that occur throughout the area.

6.0 HISTORY

The area of SMWG's Um Balad Concession has been explored and mined for gold and other minerals since the early pharaonic times, as evidenced by the numerous and widespread ancient workings and their associated archaeological remains. These provide evidence of successive periods of activity that have been related to the periodic invasions of the Hittites, Phoenicians, Greeks, Romans, Byzantines, Ottomans and British colonisers.

The first documented exploration commenced in 1902 with the grant of an exploration concession to the British company *Egyptian Sudan Exploration Co. Ltd*. No mining activity developed within the area now covered by the SMWG Concession, although extensive groups of ancient workings were identified.

The Wadi Um Balad area includes 2 ancient gold mines (Um Balad and Wadi Dib) and 6 ancient copper mines (El Urf/Um Monqul), located in sub-vertical quartz veins associated with a large granodiorite intrusion that extends 8 km N-S and 3 km E-W at the junction of Wadi Um Balad and Wadi Qena (Castel et al, 1998). The most important of these were:

Um Balad (Au) at 27° 48' N/32° 47' E
Um Monqul (Au-Cu-Mo) at 27° 50' N/33° 04'E
El Urf (Au-Cu-Mo) at 27° 48'N/33° 02'E and
Wadi Dib (Au) at 27° 44'N/33° 00'E

In 1983, the Um Balad area was covered by an airborne magnetic and spectral gamma-ray survey by the Western Geophysical Company (America), during a larger survey of the Eastern Desert Region as a part of the Minerals, Petroleum and Groundwater Assessment Project (MPGAP). The aerial magnetic survey was conducted using Varian (V-85) low sensitivity (0.1 nanotesla) airborne magnetometer, with a proton precision sensor mounted in a tail stinger configuration, installed in a twin engine Cessna Titan, type 404 aircraft. The aircraft followed a system of equally-spaced NE-SW oriented flight traverses 1.5 km apart at a nominal flight altitude of 120 m ground clearance. Tie lines were flown in a NW-SE direction at 10 km intervals. A Varian VIW 2321 GA single cell caesium vapour magnetometer with a microprocessor basis digital and analog recording system was used as a magnetic base station during the survey for the purpose of correcting the magnetic data for daily variations in the earth's magnetic field. The obtained aeromagnetic survey data were reduced, compiled and finally presented in the form of a set of contour maps at scale of 1:50,000 (Aero-Service, 1984).

Numerous geological, geochemical and mineralogical studies were carried out by EGSMA, often with soviet assistance. Some of the results were published (EGSMA/Technoexport, 1966-68), as follows:-

Figure 3 **Satellite imagery of Um Balad Concession area**
(Concession Boundary marked in yellow)

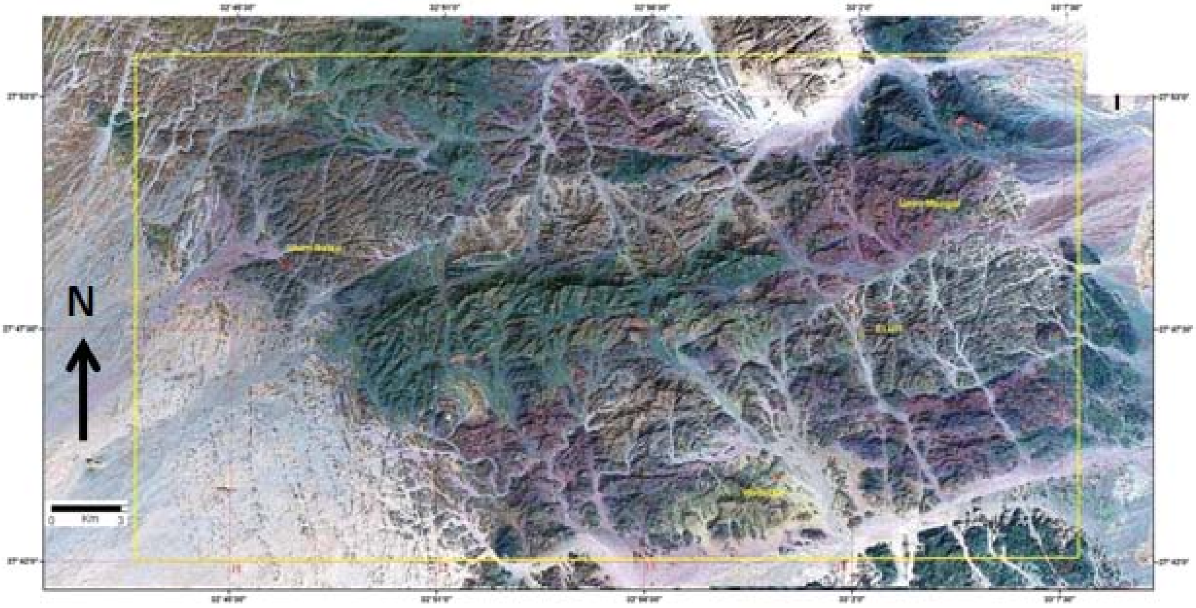
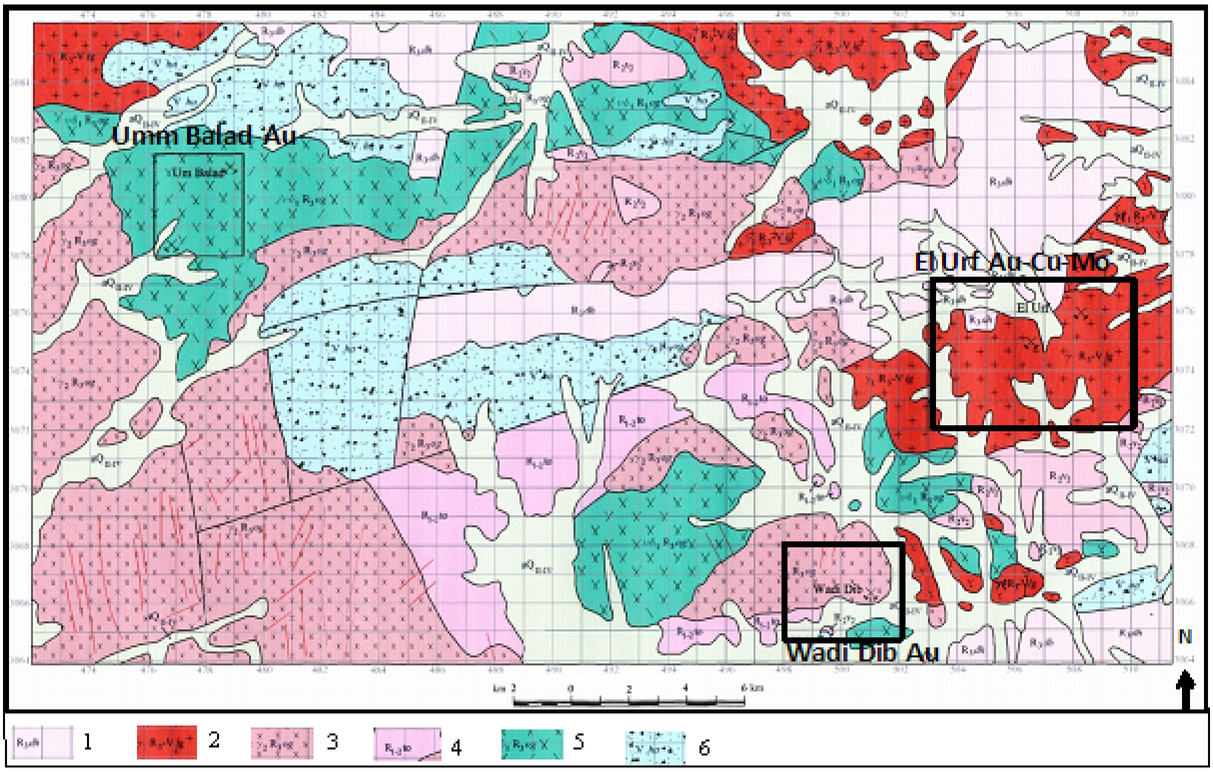


Figure 4 **Geological map of the Um Balad Concession area**
(Source: Geologic map of the Gebel El`Urf quadrangle (1983); and Hurgada quadrangle (1983)



LEGEND for Figure 4 1 –alluvium, 2 – younger granite, 3 – older grano-diorites, 4 – older granites, 5 – Dohkan volcanics, 6 – Hamammat conglomerates.

6.1 UM BALAD GOLD DEPOSIT

There are many ancient gold workings located in Wadi Um Balad at 27° 49' N/32° 47' E.

The area is composed of volcano-sedimentary rocks intruded by diorite and quartz diorites. The quartz diorite may represent a chilled marginal phase of the diorite. The area is cut by major E-W trending faults with downthrow to the north (figure 5).

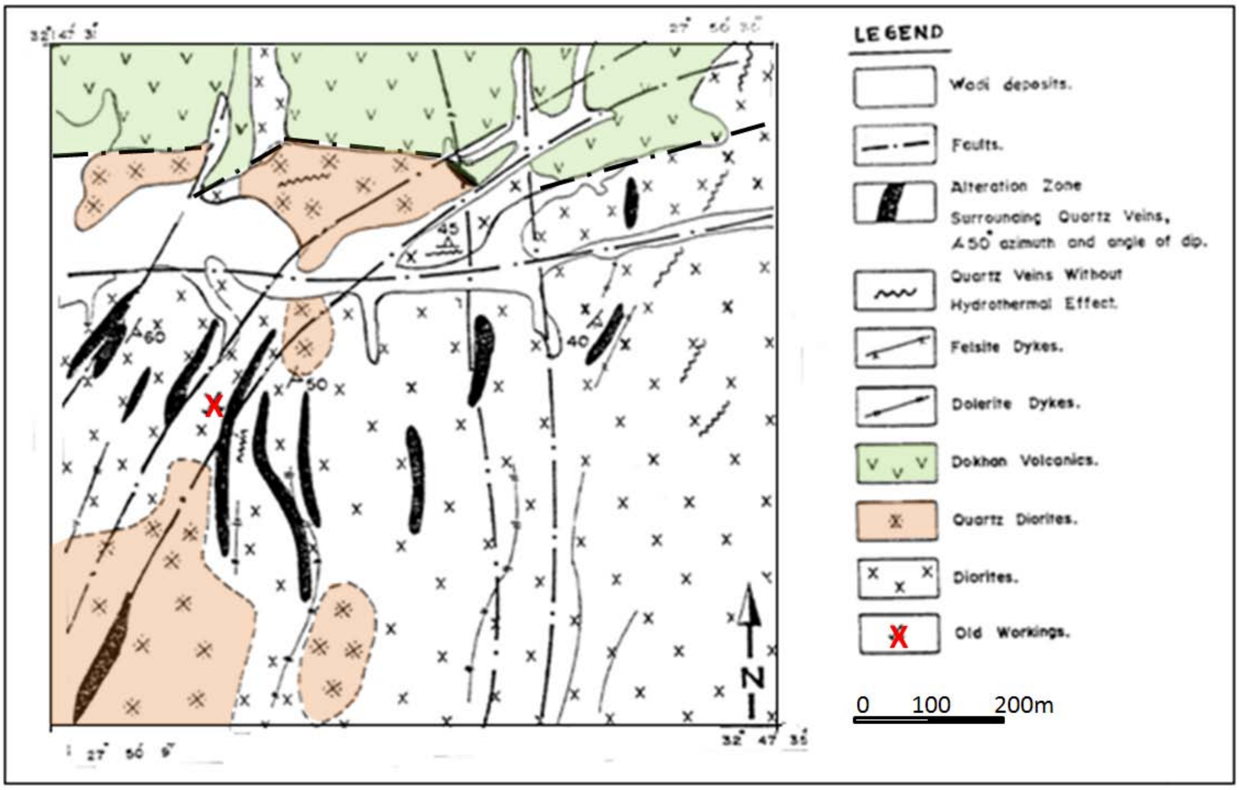
There is a 300m long, NNE trending, auriferous quartz vein dipping 55°E, intruded into the contact zone. The vein was 0.5m thick in the deepest workings. The vein carries pyrite and arsenopyrite (up to 2.5% As). A second parallel vein composed of quartz and calcite is 75m in length. There is a third smaller vein.

Results of analyses of auriferous quartz veins for gold at Um Balad (N=25)

Range of Au values	0.6 – 13 ppm
Arithmetic mean	3.7 ppm
Host Rock	diorite

Jenkins (1936) reported that there were about 500 tonnes of tailings on site. 331 tonnes of these old tailings were processed and yielded 5.27 kg of gold corresponding to an average content of 15.92 g/t Au. Two samples of quartz yielded assay values of 10.85 and 13.95 g/t Au.

Figure 5 Geological map of the Um Balad occurrence



6.2 UM MONQUL (EL URF) GOLD-COPPER DEPOSIT

This gold-copper occurrence is located at 27°50'N and 33° 04'E near Gebel Um Monqul and about 5 km south-east of Bir Um Monqul.

This gold occurrence was inspected by D. R. Home (1906), W. H. Neubaurer (1956) and Kochin and Bassyuni (1968). In one sample taken from a 0.25m thick quartz vein, the gold content was 15.81 g/t, and that of silver was 1.7 g/t (Home 1906). In a sample selected from the ancient tails the gold content was 3.87 g/t and silver was 0.93 g/t (Kochin and Bassyuni, 1968).

There are three sets of veins; E-W dipping south, E-W dipping north and N-S dipping east. The quartz veins are up to 0.25m wide and carry calcite, haematite, copper and gold values.

Riad et al (1978) reported that spectro-chemical analysis of 72 samples showed that the gold content in the mineralised zone ranged from 0.01 to 0.6 g/t and in two samples was 50 g/t (fire assay 27.34 g/t) and 20 g/t (fire assay 8 g/t) respectively. Spectral chemical analysis of 35 channel samples from the quartz-haematite-barite veins showed the gold content ranged from 0.1 to 6.0 g/t. Spectral analysis showed the presence of copper (up to 0.5% Cu) molybdenum (up to 0.015% Mo) and bismuth (up to 0.02% Bi).

Zaki (1987) reported that gold occurs in quartz veins that cut both Dokhan volcanics and Gattarian granites. The result of fire assay analysis showed gold values in the veins up to 1.2 g/t. In the alteration zones surrounding these veins the gold content reached 0.8 g/t. Some dolerite dykes had cubes of pyrite that when analysed for gold gave 0.6 g/t.

Abd El-Tawab (1993) studied the area archaeologically, and stated: the ancient gold mines in El-Urf (South Monqul) were exploited principally in the old kingdom and for a shorter period during Arabic times. The area of exploitation (16 km^2) comprised numerous ancient excavations and is situated in the central part of the granitoid pluton. The Au-Cu mineralization in the area is mainly confined to shear zones of mainly NE-SW direction. The shears which traverse granodiorite and quartz-syenite are impregnated with ferruginous barite veins in the eastern part of the mineralised area, but are gradually replaced by quartz-calcite veins in the western part. Haematite, geothite and specularite (micaceous haematite) are found in the ferruginous veins. The economic minerals in the veins are copper carbonates (malachite, azurite and chrysocolla) and very few sulphides (chalcopyrite and pyrite).

Botros (1995) reported that the Um Monqul gold occurrences occur in an area of volcano-sedimentary rocks that include banded-iron-formation (BIF), serpentinites, diorites, Dokhan volcanics and granites, cut by later dykes and veins. Rocks of the volcano-sedimentary sequence are metamorphosed to greenschist facies and locally up to middle amphibolite facies. Dokhan volcanic rocks occur at both Um Balad and Um Monqul. Their composition varies from andesite at Um Balad to dacite at Um Monqul. Three styles of gold mineralization were recognized:

- disseminated gold in auriferous BIF’s in the Shadli metavolcanic sequence;
- gold-bearing felsite dykes and altered wall-rocks (Dokhan volcanics);
- auriferous quartz veins where it is assumed that the "available" gold initially present in the Proterozoic volcanics was mobilized by the granites.

The quartz-vein gold deposits show a close relationship to the intrusive granites, occurring either at, or adjacent to, the granite contacts in the Um Balad and Um Monqul areas. They are fissure filling with, or without, wall-rock alteration. Many of them have been worked for gold since ancient times. They are usually short, rarely exceeding 500m in length (Um Monqul) and less than 5m in width.

The quartz veins are usually white, massive, rarely brecciated and with variable amounts of pyrite, chalcopyrite, sphalerite, pyrrhotite and gold. Calcite and barite are common gangue minerals. The majority of the quartz veins are dissected by veinlets of goethite-limonite. In most of the veins, gold occurs as fine specks disseminated either in the quartz or, rarely, in pyrite. The following shows the range of gold values, arithmetic mean and number (N) of analysed samples of quartz veins.

Results of analyses of auriferous quartz veins for gold at Um Monqul (N=13)

Range of Au values	0.6 - 2.39 ppm
Arithmetic mean	1.5 ppm
Host Rock	dacite porphyry (Dokhan volcanic)

Auriferous felsite and dolerite dykes occur at Um Monqul and cut both Dokhan Volcanics and granites. The contents of gold in ten samples of these dykes varied from 0.6 g/t to 1.71 g/t with an average of 1 g/t. Gold occurred as minute specks disseminated in the gangue minerals (Botros, 1995).

Botros and Wetait (1997)

The South Um Monqul (El Urf) prospect consists of calc-alkaline intermediate to felsic intrusions with country rocks subjected to extensive hydrothermal alteration with malachite staining along fractures. The close spatial and temporal association of the granodiorite intrusions with the dacite and rhyodacite volcanics suggest a high level of emplacement of the intrusive.

The contact zone is characterized by numerous quartz vein stockworks which are usually auriferous and were the target for gold exploration by the ancient prospectors. Higher copper grades of 0.1% to 0.5% Cu are associated with hydrothermal alteration.

The volcanic rocks are represented by dacite and rhyodacite of the Dokhan volcanics which form moderate to high relief. They are sheared in NE-SW and NW-SE directions and hydrothermal alteration was observed along these shear zones. Microscopically, these volcanics are composed of feldspars, quartz and biotite. Opaques are represented by martitized magnetite and minor amounts of pyrite and chalcopyrite.

The intrusive rocks of the South Um Monqul prospect are diorite, granodiorite, biotite granite and granite porphyry. Diorite outcrops in the western part of the area. In the field, diorite has low to moderate relief, has a greyish green colour on weathered surfaces and sometimes shows porphyritic texture.

Granodiorite is the dominant intrusive of the South Um Monqul prospect. Two sets of fractures are noted in this rock; trending NE and NW. Microscopically, the rock is composed of plagioclase, quartz, potash feldspar, hornblende and minor biotite. Kaolinite, chlorite and carbonates represent the secondary minerals. Accessory minerals are represented by apatite, sphene and opaques. The latter constitute about 2 to 4% of the rock and are dominated by martitized magnetite and minor contents of pyrite and chalcopyrite. These features suggest that granodiorite passes imperceptibly to adamellite that are considered as the co-magmatic plutonic equivalents of the dacite and rhyodacite volcanics respectively.

Biotite granite and granite porphyry occurs as dike-like bodies traversing the granodiorite, adamellite and their volcanic equivalent dacite and rhyodacite. These dike-like bodies trend in a NE-SW direction and dip SE at angles ranging from 15° to 30°. Accessory minerals are represented by apatite, sphene and opaques. The latter constitute about 7% of the rock and are dominated by magnetite, hosting specks of gold, pyrite, chalcopyrite and sometimes ilmenite. They have a reddish colour, and are extensively altered. Granite porphyry is characterized by high levels of opaque minerals (up to 12%) represented by martitized magnetite, pyrite and chalcopyrite. Traces of bornite, as well as gold were observed in some polished sections of the granite porphyry. This rock as well as biotite granite were the sites of the ancient gold workings at South Um Monqul where stockworks of auriferous quartz predominates. All the previously mentioned country rocks are traversed by barite and quartz veins, dolerite and felsite dykes. They are stained by malachite along fractures.

The rocks at South Um Monqul are hydrothermally altered over an area of about 12 km^2.

The most common copper minerals at South Um Monqul prospect are chalcopyrite, bornite with traces of gold, together with pyrite and magnetite. Enargite and covellite were observed in some specimens. Gold occurs as fine specks disseminated in quartz and barite veins and their altered host rocks. Chalcopyrite occurs within all the alteration zones, but predominantly in both potassic and phyllic-argillic alteration zones where biotite granite and granite porphyry are the host rocks. Chalcopyrite occurs as minor veinlets and usually as minute disseminations through the host rocks. Enargite and covellite were observed in some polished sections.

Gold occurs in minor quartz veinlets traversing granite and dacite-rhyodacite that have been subjected to potassic and phyllic alteration. In these veins, gold occurs as disseminated specks associated with sulphides that are altered to goethite (Botros, 1991). Gold dispersed in the barite-specularite veins is associated with the high sulphidation minerals enargite, bornite and chalcopyrite.

Pyrite occurs in all alteration zones but the ratio of pyrite to chalcopyrite is variable.

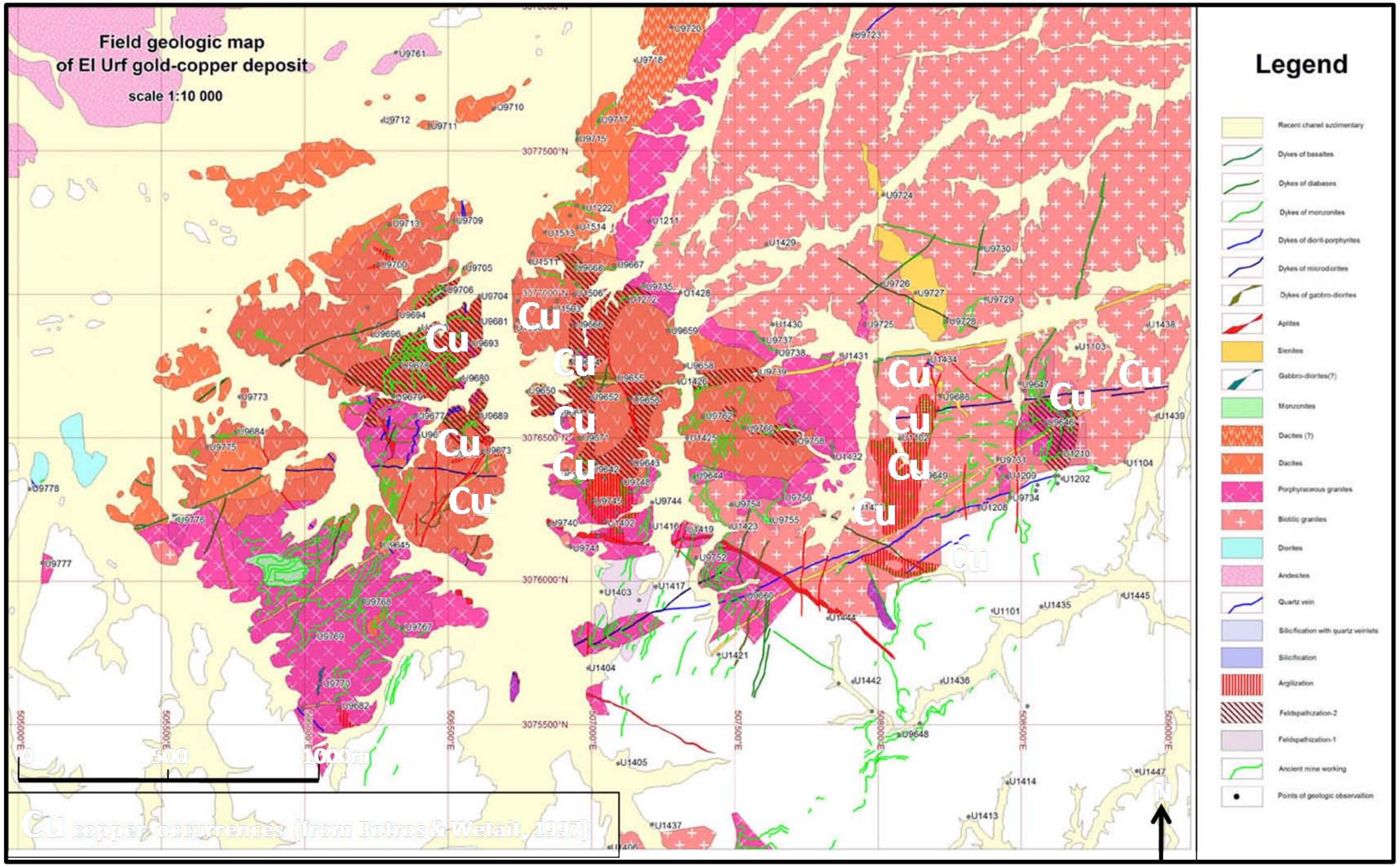
Magnetite is the dominant oxide at South Um Monqul prospect where it occurs as martitized grains that are disseminated in the groundmass of host rocks and also intergrown with silicate minerals. Sometimes the magnetite is sulphidized along the rims and usually hosts fine disseminated gold.

Supergene mineralization is represented by malachite.

Ninety geochemical bed-rock samples were collected from the Um Monqul area (Botros, 1991) and were analyzed for copper by spectrographic methods at the Egyptian Geological Survey Laboratory. Background values of copper in the area sampled ranged from 10 to 400 ppm Cu and the lower limit of the background is confined to fresh rocks and the upper limit to rocks subjected to alteration.

Eight anomalous areas were delineated with anomalies in the order of 3000 to 10,000 ppm Cu, against a background of 10 to 400 ppm Cu (figure 6). Copper values ranged from 3000 to 6000 ppm in the contact zone which is characterized by an aureole of stockworks of quartz, mostly auriferous. It seems that this aureole was the main site of the ancient workings for gold as indicated by the presence of many ruins and crushers.

Figure 6 Um Monqul gold-copper prospect (Source: Botros, 1997)



Ahmed (1997) Reported that from the ancient workings, slime dumps, stone mills, stone implements, stone washing tables and other ruins, it is clear that the Wadi EI-Urf gold occurrence has been actively mined during the Pharaonic, Roman and Arabic times. There are many old workings as galleries, trenches, shafts and pits. These workings trend NE, NW and N-S which are the main trend of the mineralised zones and veins. The galleries and trenches vary in width from 0.5m to 4m and in length from 5m to 100m, but the shafts and tunnels are less than 20m deep. There are slime dumps and 3 areas of tailings.

In 1997-98, detailed geological and geochemical exploration over an area of about 12 km^2, was carried out to study the gold and copper content in the alteration zones, veins, country rocks and alluvium. Prospecting located 8 mineralised zones, 20 quartz veins and 6 quartz-haematite-barite veins. These mineralised zones were composed of intensely silicifed and ferruginized rocks, transformed into a quartz-feldspar aggregates with thin quartz veinlets (1 to 10 cm) containing scattered impregnations of chalcopyrite, malachite and chrysocolla.

The rock units covering the area were meta-gabbro, diorite, Dokhan volcanics and hornblende-biotite granite, cut by granite, grano-syenite and dolerite dykes. Steeply dipping mineralised veins of quartz, haematite and barite up to 5m thick and 300m long also traverse the country rocks. The field work revealed shallow-dipping mineralised zones marked by hydrothermal alteration, represented by silicification, ferruginisation and kaolinitization. These zones are usually associated with the veins and confined to fracture zones striking from 10° to 40° NE of 200m thickness and 1000m length. Copper minerals were represented by malachite and azurite and some chalcopyrite. Iron minerals, in the form of cubes of pyrite and flakes of specularite, were observed along both these zones and the contact between them and the host rocks.

In the northern part of this area, there is a stockwork zone of quartz-barite-haematite veinlets and lenses. This zone trends E-W, is about 400m in length and varies in thickness from 100m to 200m.

The mineralised zones strike N-S or NE-SW and dip to the E or SE at angles varying from 10° to 30°. They vary in thickness from 10m to 70m and their length reaches 2 km. These mineralised zones are composed mainly of intensively silicified ferruginized, kaolinitized, chloritized and sericitized rocks with series of thin, quartz-calcite, barite and iron oxides veinlets (1-10 cm thick), these quartz veinlets contain scattered impregnations of chalcopyrite and traces of malachite and chrysocolla.

The mineralised veins are represented by quartz, calcite, barite, haematite and specularite veins. These veins have the same trend as the mineralised zones, and dip to the E or NE at angles of 10° to 75°. In some places there are stockworks of these veins. The veins vary in thickness from 0.2m up to 15m and are up to 300m in length. They contain some sulphide copper minerals (chalcopyrite, pyrite, tenorite and also malachite). The haematite-barite veins and veinlets occur mainly in the eastern area. The alteration types in this area were represented by kaolinitization, ferrugination silcification, chloritization and sericitization.

The results of 76 samples analysed by the atomic absorption method for Au, Cu and Mo of the mineralised zones, veins and the adjacent country rocks, were :-

For gold, 11 samples from quartz veins were analysed and two samples gave values 2.6 g/t and 0.4 g/t. Five samples were analysed from the barite veins and three samples gave 2.4 g/t, 0.7 g/t and 0.7 g/t. Eleven samples from haematite veins yielded gold values ranging from 0.4 - 38 g/t. Eighteen samples from the altered and the mineralised zones have gold content ranges from 0.3 to 19 g/t. Two samples from the ancient tailings gave gold values of 14.4 g/t and 17.7 g/t.

Shabaan (1998) reported that the granitic rocks (mainly hornblende-biotite granite, granodiorite and quartz-syenite), Dokhan Volcanics (mainly felsic) cut by granite, felsite, felsite-porphyry, syenite, syenite-porphyry, dolerite, diabase and alkaline-granite dykes. Also there are quartz-haematite, barite and calcite veins traversing these rocks with anomalous concentrations of gold, copper and molybdenum. The hydrothermal alteration is represented by silicification, ferruginization and koalinization and the mineralised zones are usually connected with the mineralised veins and collectively confined to fractures striking N40°E and N40°W. The mineralised zone is up to 200m wide and 1000m in length.

157 bed-rock samples, 316 channel samples and 31 samples from pits were collected for spectral and atomic absorption analyses.

Results of spectral analysis of bed-rock samples showed anomalous values of Ba (<3%), Sr (<3%), Cu (1000 ppm), Mo (20 ppm), Y (100 ppm), La (100 ppm) and Ce (1000 ppm).

Atomic absorption analysis of bed-rock samples showed gold values up to 6 g/t. Alteration zones (with iron oxides and barite) and quartz veins gave gold values up to 19 g/t. Gold values in the alluvium reached 0.75 g/t. Tailings samples gave gold values up to 17.9 g/t.

Spectro-chemical analysis of channel samples revealed gold values ranging from 0.1 to 6 g/t, copper values up to 0.5% and molybdenum values up to 0.015%.

Mineralogical analysis of the panned samples showed that the ore minerals are represented by chalcopyrite, molybdenum, gold, pyrite, malachite, chrysocolla, wulfenite and iron hydroxides.

7.0 GEOLOGICAL SETTING

During the period January 2008 to May 2009, SMWG carried out systematic mapping and sampling of the Um Balad Concession area. This included the study of the geological structure of the licence area, based on satellite imagery interpretation (Landsat, Alos, Google) and creation of geological maps at 1:50,000 scale.

The Pre-Cambrian basement complex in the Um Balad area is part of the Arabian–Nubian Shield (ANS) that was affected by the Pan-African orogenic tectonism about 600 mya.

The oldest rocks are the calc-alkaline granitoid basement. These are overlain by the Dokhan Volcanics which are in turn overlain by the molasse-type Hammamat sediments. They are all intruded by the "Younger Granites". The Dokhan Volcanics and the Hammamat sedimentary units are the main stratigraphic units.

AGE	STRATIGRAPHIC UNIT	LITHOLOGY
PAN-AFRICAN	Younger Granites II	Biotite monzogranite
	Hammamat	Sandstones and conglomerates
	Dokan Volcanics	Andesite to rhyolite pyroclastics, lavas and sub-volcanic intrusives
	Younger Granites I	Alkali feldspar granite
	Granitic intrusives	Quartz diorite / tonalite
LATE PROTEROZOIC	Meta-volcanics	Felsic to intermediate volcanics Mafic to intermediate volcanics

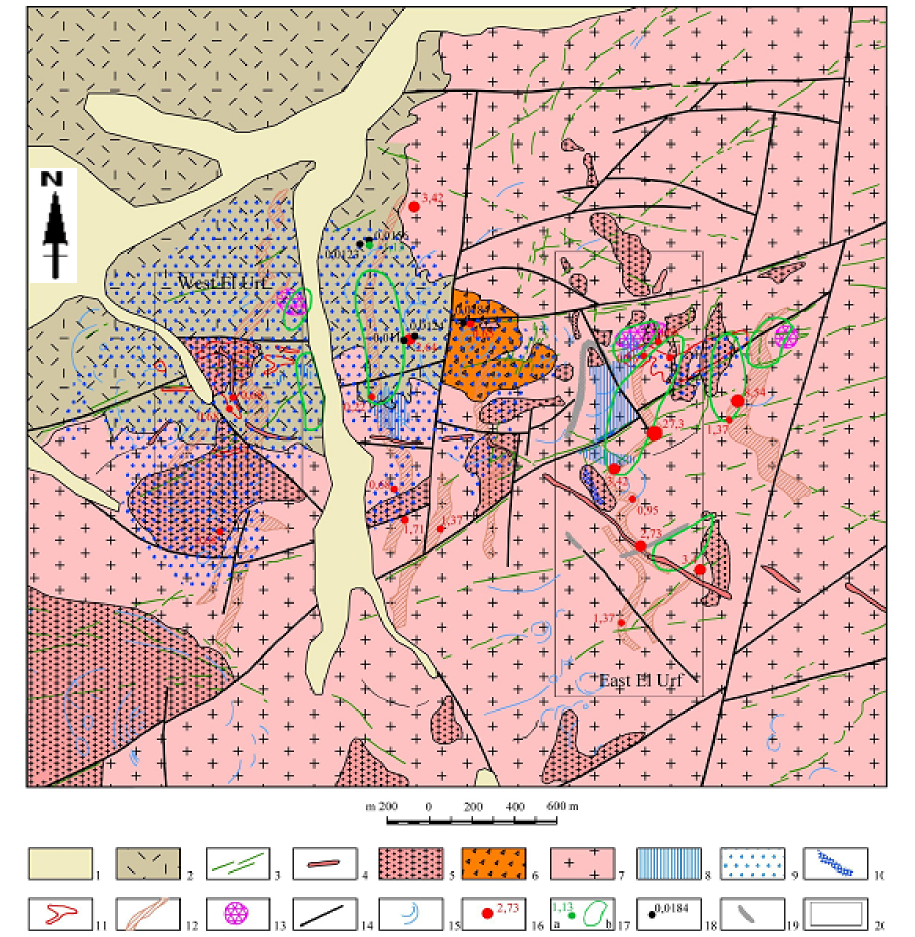
Um Monqul/El Urf

Regional scale geological mapping by SMWG established that the mineralisation at El Urf occurs within a large (3km-wide) E-W trending fault-bounded trough, or graben, which has preserved the younger and overlying Hammamat Conglomerate Formation.

Within and immediately adjacent to this trough are small, high-level granitic intrusions and possibly co-magmatic felsic dykes and volcanics.

The contacts of the granitic intrusions are intensely brecciated and altered over widths of many metres to a deep red colour due to abundant red haematite and abundant veins and stockworks of quartz and carbonate composition. The red alteration zone is easily visible in outcrop and appears to have been the preferred loci of the ancient gold workings. In places the alteration zone appears to be sub-horizontal or dipping at a shallow angle. Combined with the rugged topography, this results in the alteration zone having a complex distribution in outcrop. Evidence of the altered contact rocks has been mapped over an area of 10 to 12 km^2.

Figure 7 Geology map of El Urf gold-copper prospect



1 - wadi sediments, 2 – Dokhan volcanics, 3 – felsic dikes, 4 – mafic dykes, 5 – grano-syenite, 6 – felsic volcanic breccias, 7 – granites, 8 – argillization, 9 – feldspatisation, 10 – silification, 11 – quartz-barite stockworks, 12 – quartz-barite veins, 13 – biotite /potassic alteration zones after Botros (1997); 14 – faults, 15 – lineaments, 16 – gold g/t; 17 – (a) icopper % (b) – after Botros (1997); 18 – molybdenum %; 19 – gold in wadi sediments (Botros,1997), 20 – East / West El Urf detailed prospect ing areas.

8.0 DEPOSIT TYPES

The El Urf/Um Monqul copper-gold deposits have many of the characteristics of the recently recognised "Iron-Oxide-Copper-Gold" (IOCG) type deposits.

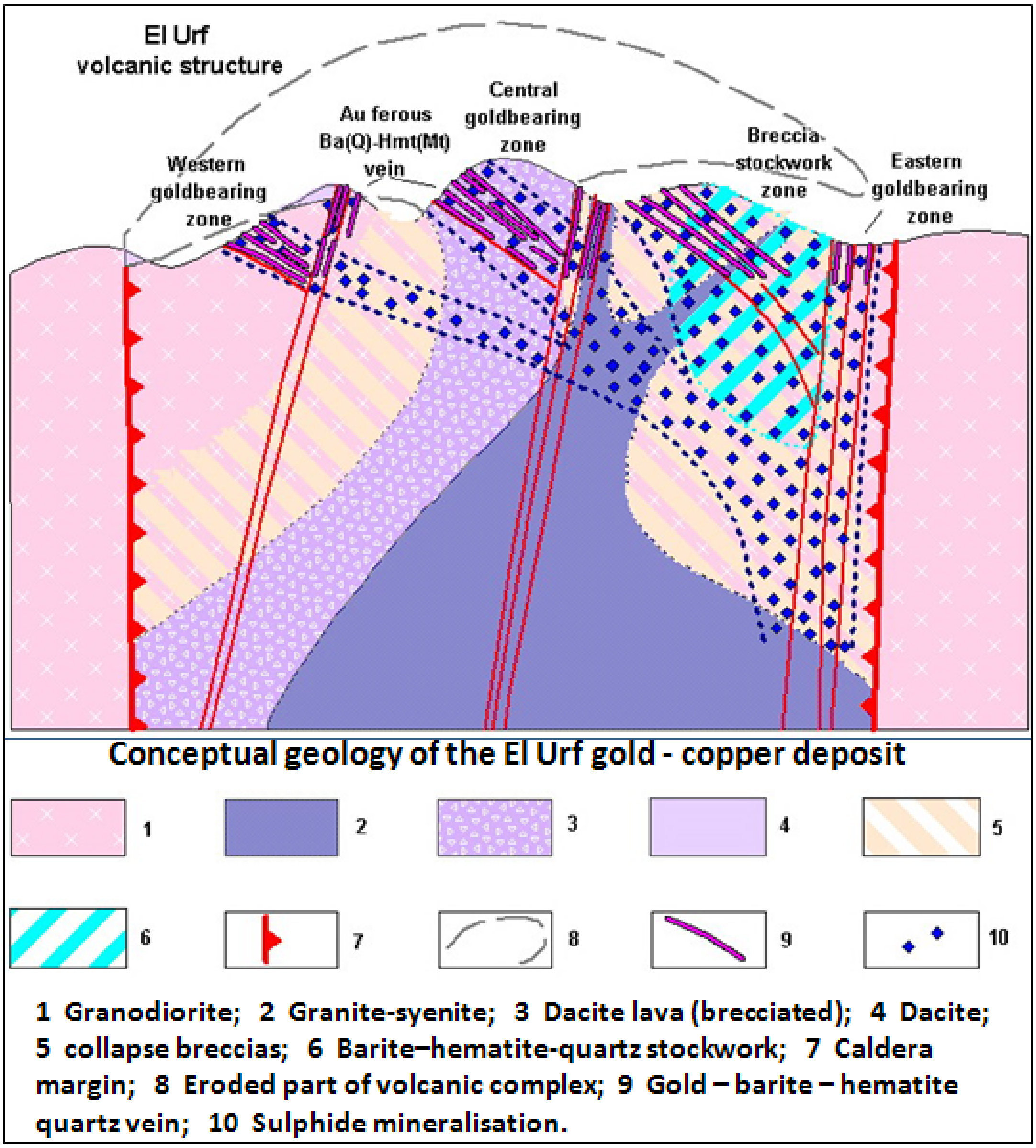
Iron-oxide-copper-gold deposits are concentrations of copper and gold minerals hosted within predominantly iron-oxide gangue mineral assemblages which share a common genetic origin. IOCG deposits are often associated with other valuable trace elements such as uranium, silver, bismuth and rare-earth (cerium, lanthanum) metals, although these accessory minerals are typically subordinate to copper and gold in economic terms (Belperio and Freeman, 2004).

IOCG type deposits typically occur at the margins of large mafic or granitic igneous bodies intruded into sedimentary or volcano-sedimentary strata. As such, IOCG deposits form pipe-like, mantle-like or extensive haematite-breccia bodies within the host stratigraphy. The morphology of these haematite-breccia bodies is usually determined by the host stratigraphy and structures and is not an important criterion of the orebody itself.

The genesis and provenance of IOCG deposits, their alteration assemblages and gangue mineralogy may vary between provinces, but are usually related to:-

- Major regional thermal events broadly coeval with IOCG formation, represented by low to medium grade metamorphism,
- Mafic intrusions and/or I- or A-type granitoid intrusions.
- Host stratigraphy is relatively Fe-enriched (BIF, ironstones), but deposits have relatively little reduced carbon (eg, coal, etc).
- Regional-scale alteration systems, operating over tens of kilometres, involving admixture of at least two hydrothermal fluids.
- Large-scale crustal structures which allow extensive hydrothermal circulation of mineralising fluids.

Figure 8 Conceptual section through El Urf gold-copper occurrences (looking north)



9.0 MINERALIZATION

The mineralised veins are represented by quartz, calcite, barite, haematite and specularite veins that are intruded into the host granitic and volcanic rocks as described in section 7 above . In some places there are stockworks of these veins. The veins vary in thickness from 0.2m up to 15m and are up to 300m in length. They contain some sulphide copper minerals (chalcopyrite, pyrite, tenorite) and also malachite. The haematite-barite veins and veinlets occur mainly in the eastern area. The alteration types in this area were represented by kaolinitization, ferruginization silicification, chloritization and sericitization.

Trench and rock chip sampling showed that, in many places at El Urf / Um Monqul, the contact alteration zones and associated zones of quartz and carbonate veining, contained gold values in the range of 1 to 5 g/t, copper values of 0.1 to 1% and molybdenum values up to 150 ppm, over widths of many metres.

10.0 EXPLORATION BY SMWG (2008-10)

During the period January 2008 to May 2009, SMWG carried out systematic mapping and sampling of the Um Balad Concession area. This included the study of the geological structure of the licence area, based on satellite imagery interpretation (Landsat, Alos, Google) and creation of geological maps at 1:50,000 scale. The results of this work were recorded in three reports:-

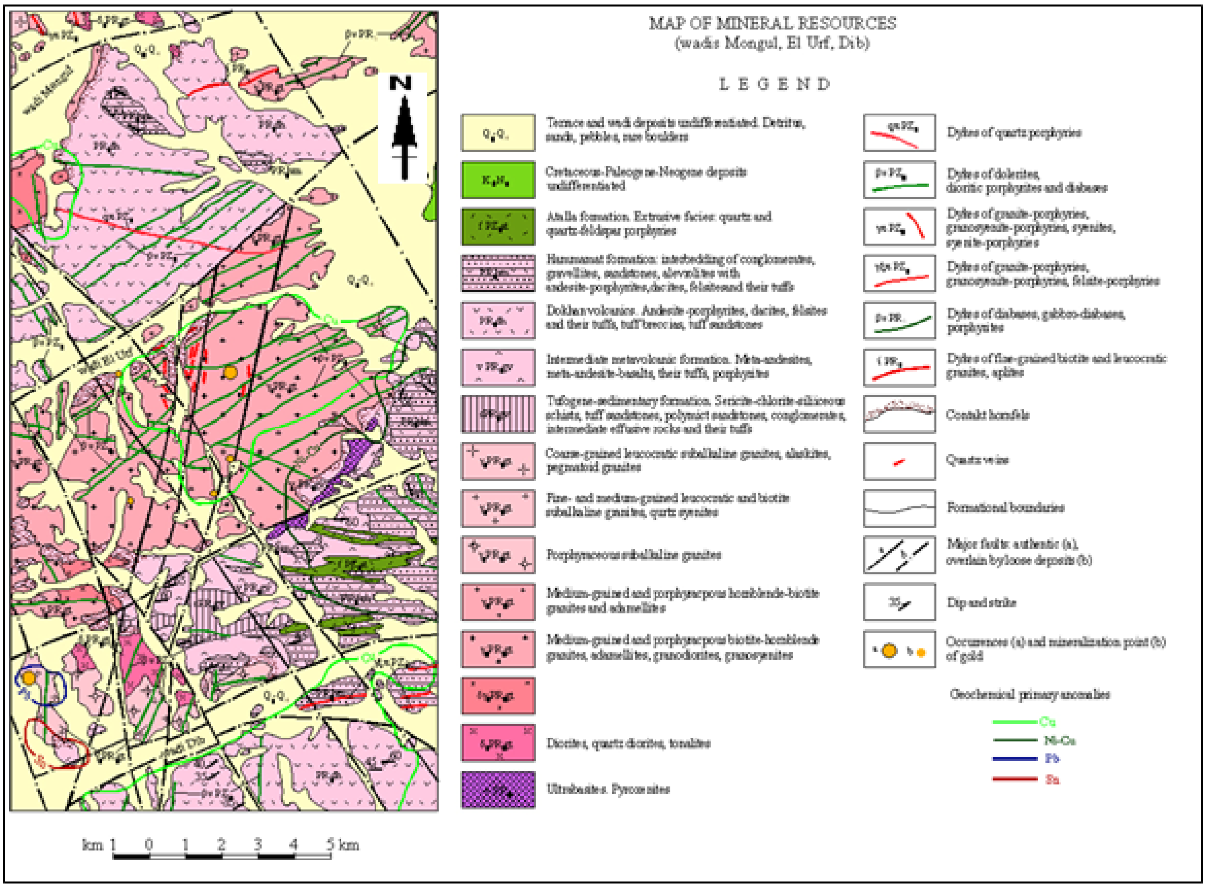
- Summary information report on the results of works on the Um Balad licensed area during the first six months of 2008 year;
- Summary information report on the results of works on the Um Balad licensed area during May-December of 2008 year.
- Annual Information Report on the results of works on Um Balad licensed area during January 2008 to May 2009 year.

Table 3 Summary of exploration by SMWG in the Um Balad Concession area

Activity	Units	Total	Cost US$
Office work			
Compiling geological maps of the Um Balad Concession area	Km^2t	880	46K
Digitising Topographic, Geological and Geophysical maps (scale 1:200 000)	Km^2	880	
Digitising mineral locality maps Wadi Monqul, El Urf, Dib and Um Balad)	Km^2	880	
Processing Landsat, Quickbird and Google satellite imagery	Km^2	880	
Compilation / assessment of results and Report preparation	Km2	880	122K
Mapping and Sampling			
Geological mapping scale1:5000	km^2	3.0	85K
Geological mapping scale 1:2000 and 1:1000	km^2	3.4	213K
Prospecting and surveying traverses	km	22	148K
Grab Sampling	sample	66	
Trenching for sampling	m	1166	48K
Trench / Channel Sampling (12-18 kg)	sample	857	93K
Analysis – fire assay (Au) and atomic absorption (Cu, Mo)	sample	342	76K
Thin section preparation	sample	50	21K
Polished section preparation	sample	20	
Chip sampling (2 kg)	sample	58	
Heavy Mineral sampling (20 liters)	sample	104	
TOTAL	-	-	850.7K

In the course of the geological mapping SMWG located more than 2500 ancient workings with a combined length of more than 40 km. In the eastern part of the area, ancient waste dumps reach a height of 5m. Systematic sampling of these ancient workings has not been completed, but some individual samples taken from dumps in the eastern part of the area yielded gold values up to 12 g/t Au.

Figure 9 Geology and mineral resources of the Wadi Monqul, El Urf and Dib area (Source: A.V. Riad, M.El. Sayed, A.M. Ahmed, O. Nabrovenkov, Yu. Belov, V. Sun-Kin-Zyan et al., 1978)



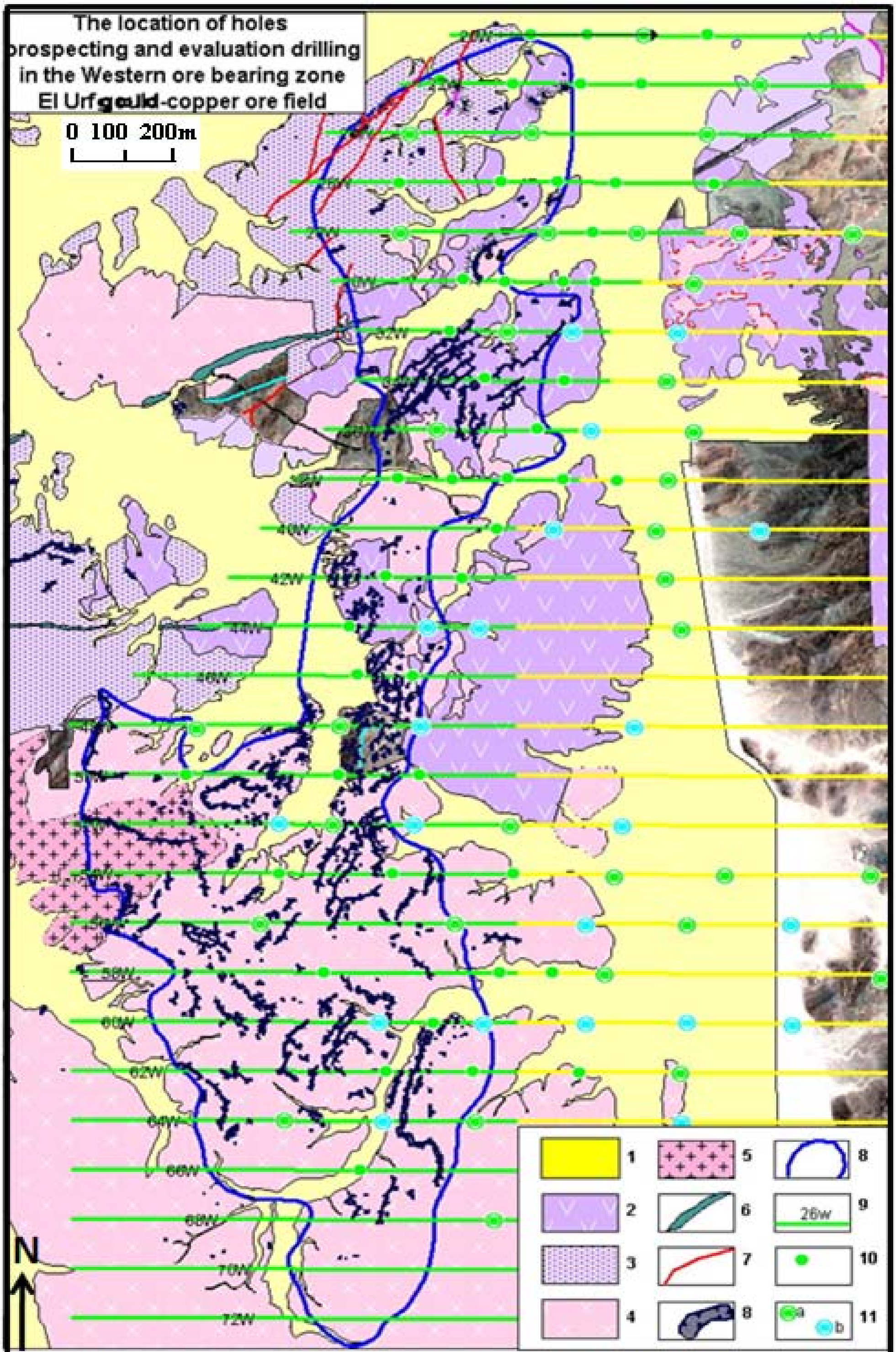
EL Urf – Western zone

The Western mineralised zone at El Urf is the most accessible for the drilling operations. It is elongated about 2.1 km in the meridional (N-S) direction. There is a possibility of this zone continuing northwards under the wadi sediments, in which case its extent could be 2.4 km. In the northern and southern parts of the zone its width is 400 - 530 m. In the central section it narrows down to 150 m. The outcropping area of this zone (without taking into account the part that may be hidden under the wadi sediments) is 0.7 km^2.

The western zone contains a large number of ancient workings, with 515 mapped workings occupying an area of 22,200 m^2. Most of these workings mined thin, shallow-dipping, barite - hematite veins with a quartz and carbonate gangue. These veins have often been excavated (trenched) over strike lengths of 200 - 300m. They are arranged in a series of 10 or more parallel veins at a distance of 3 - 10m apart from each other, forming a 60 - 100 m wide closely-spaced linear stockwork zone that dips gently to the east-southeast. This zone has no clear geological boundaries. Its northern part is localized in the igneous rocks, and the southern part in the granitic rocks, but this has no effect on its nature.

The geology and proposed drill-hole locations are shown on Figure10.

Figure 10 Western mineralised zone at El Urf

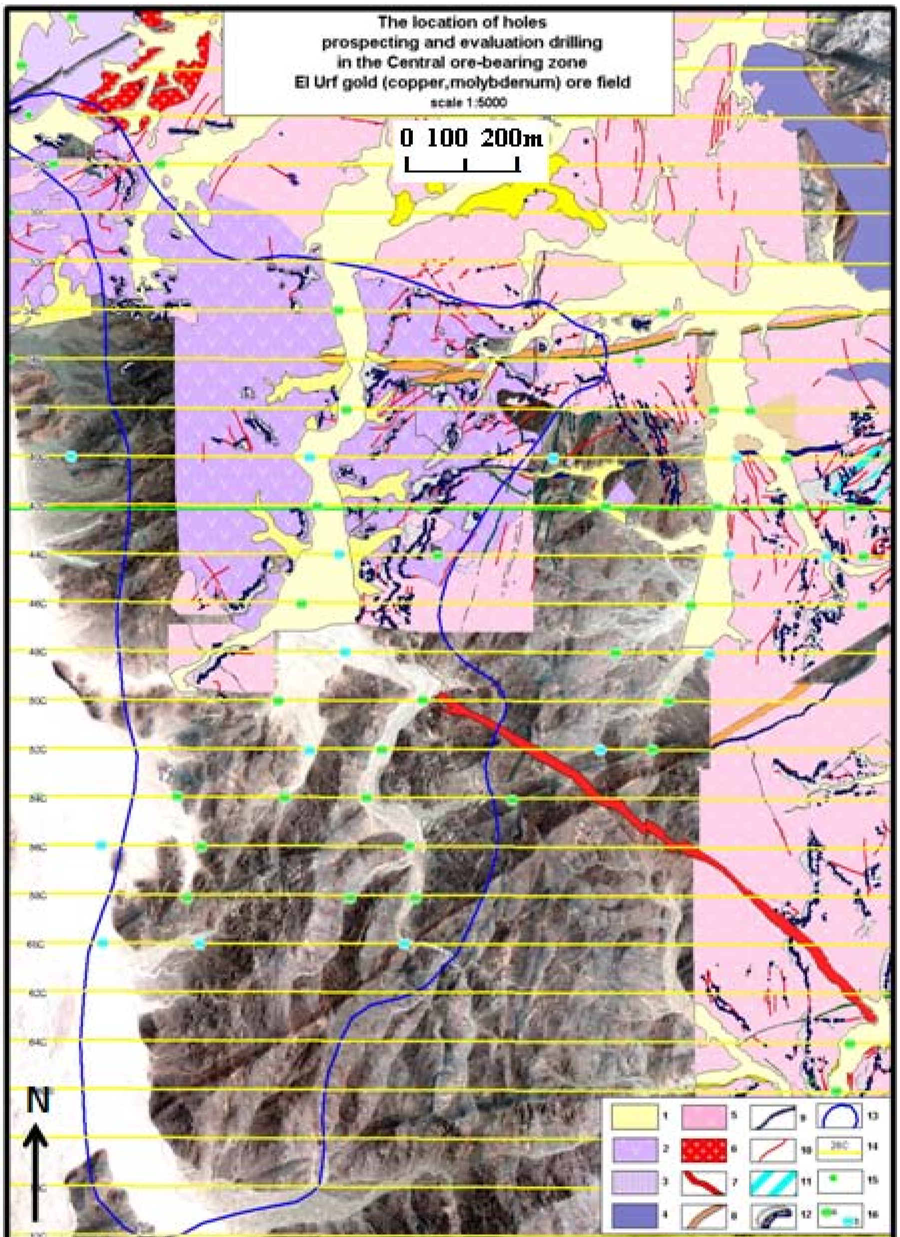


1 – Wadi sediments; 2 – Dacite lava breccia; 3 – Dacite; 4- Granodiorite; 5 – Granite; 6 – Diorite dyke; 7 – Fault; 8 – Ancient mine; 9 – Zone boundary; 10 - Survey line & number; 11 – Non-core drill hole; 12 – Core hole: a) second stage, b) priority stage.

El Urf - Central zone

The Central mineralised zone is located about 200 - 500m to the east of the Western zone. The zone extends about 1600m N-S and its width in the northern part is 700m and in the southern part is 400m. It occupies an area of 0.95 km^2. The geology and proposed drill-holes are shown in Figure 11.

Figure 11 Central mineralised zone at El Urf

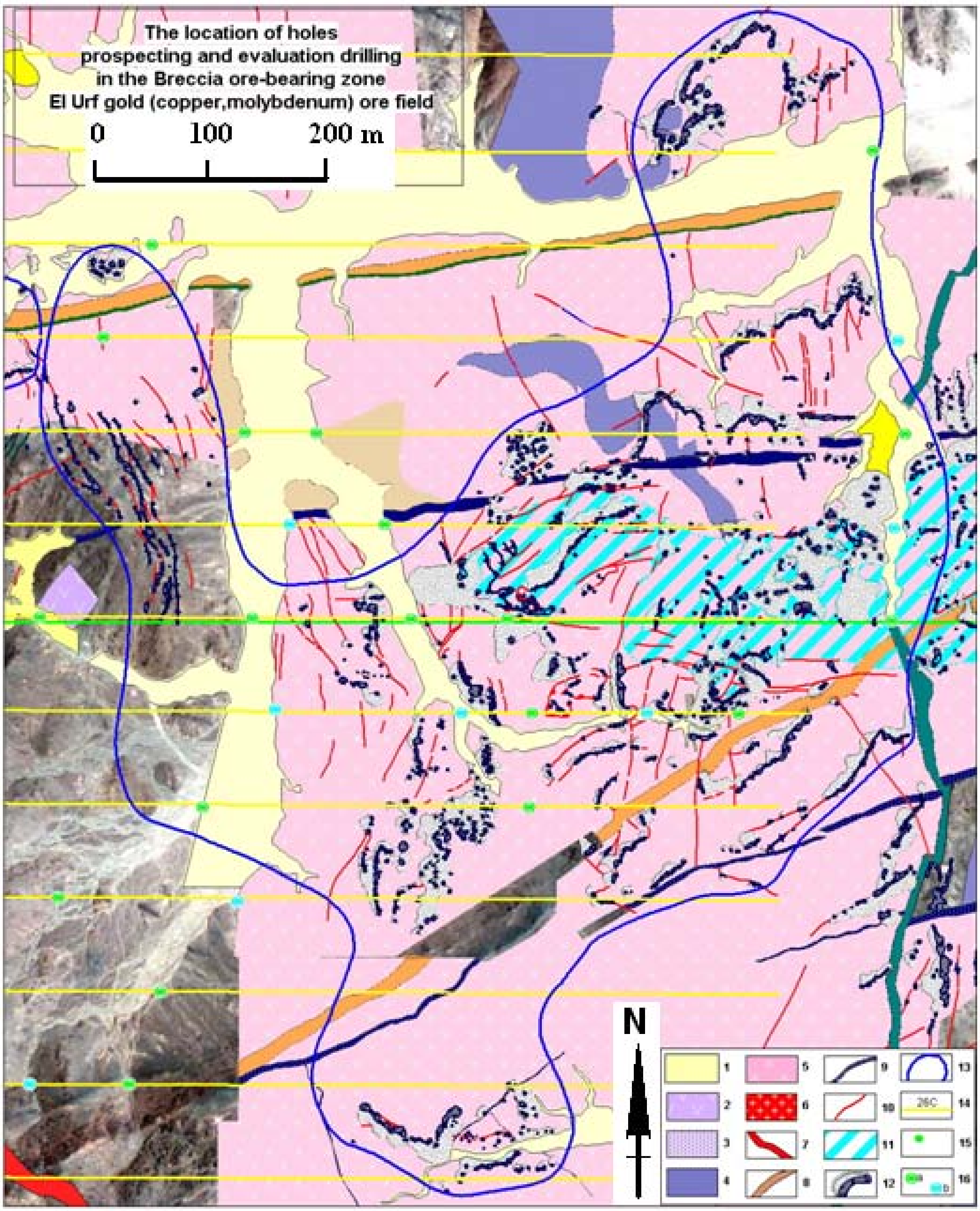


1 – Wadi deposit; 2 – Dacite lava breccia; 3 – Dacite; 4 - Granosyenite; 5 – Granodiorite; 6 – Leucocratic granite; 7 – Aplite dyke; 8 – Syenite dyke; 9 – Diorite dyke; 10 – Fault; 11 – Barite - (quartz) - hematite stockwork; 12 – Ancient mine; 13 - Zone boundary; 14 - Survey line & number; 15 – Non-core drill hole; 16 - Core hole a) second stage, b) priority.

Breccia mineralised zone
The Breccia mineralised zone is essentially a Y-shaped eastern extension of the Central zone. The width of the zone in the central part is 680m, its length is about 500m and its area is about 0.38 km^2.

The central part of the Breccias zone is composed of large-fragmented, often block-shaped breccia of the altered granitoid rocks. The Breccia fragments are densely packed with the space between the fragments filled with barite- hematite and some sulphide mineralization. The breccia body extends 570m N-S and has a width of 120 - 180m and occupies an area of 70 000 m^2. The gold-bearing barite - hematite, that forms numerous veins within the limits of this breccia body were the object of intensive ancient workings, the largest of which are located near its contacts on the western side of the breccia body. The geology and location of proposed drill holes are shown in Figure 12.

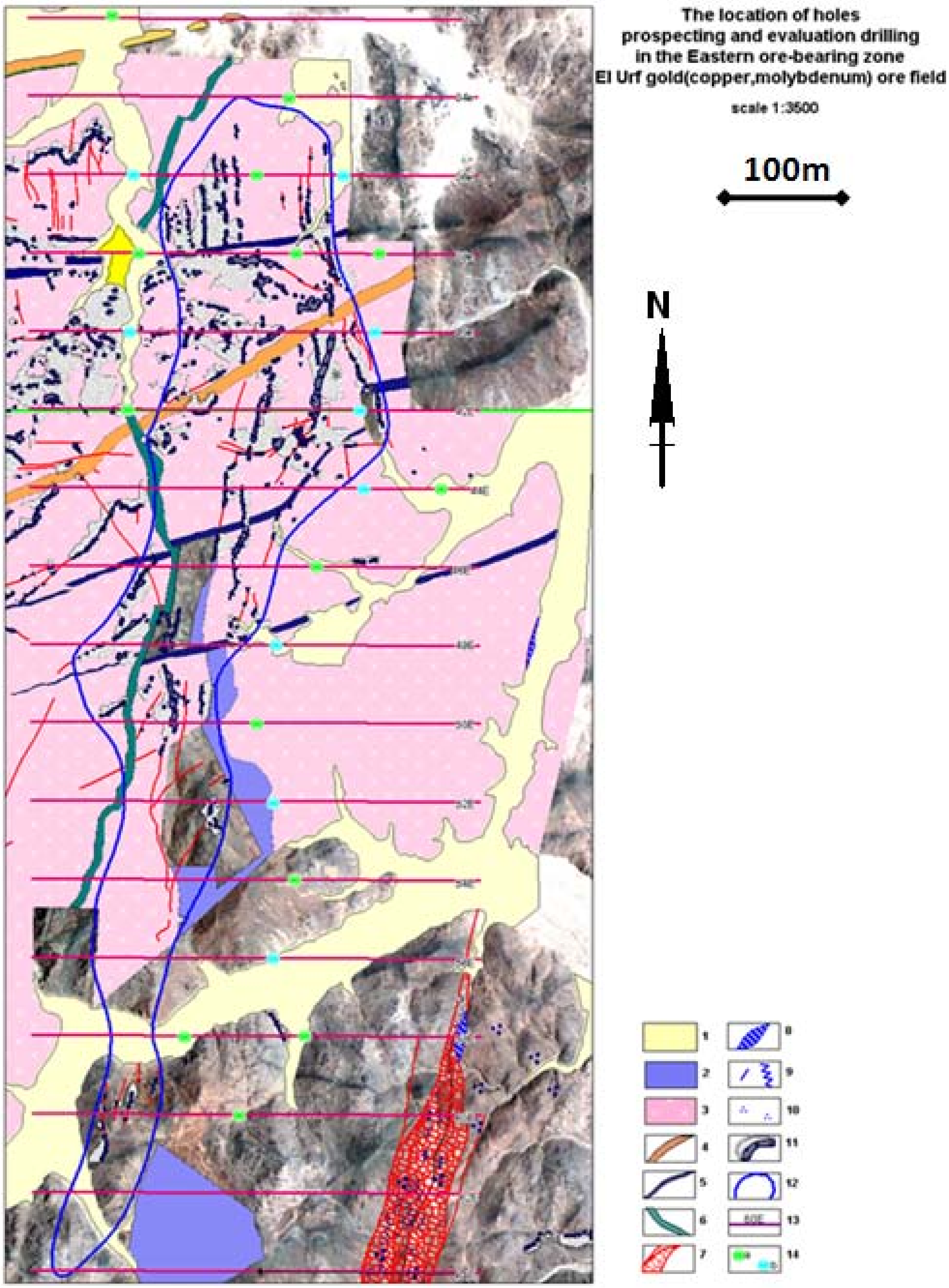
Figure 12 Breccia mineralised zone at El Urf (Legend same as for figure above)



Eastern mineralised zone

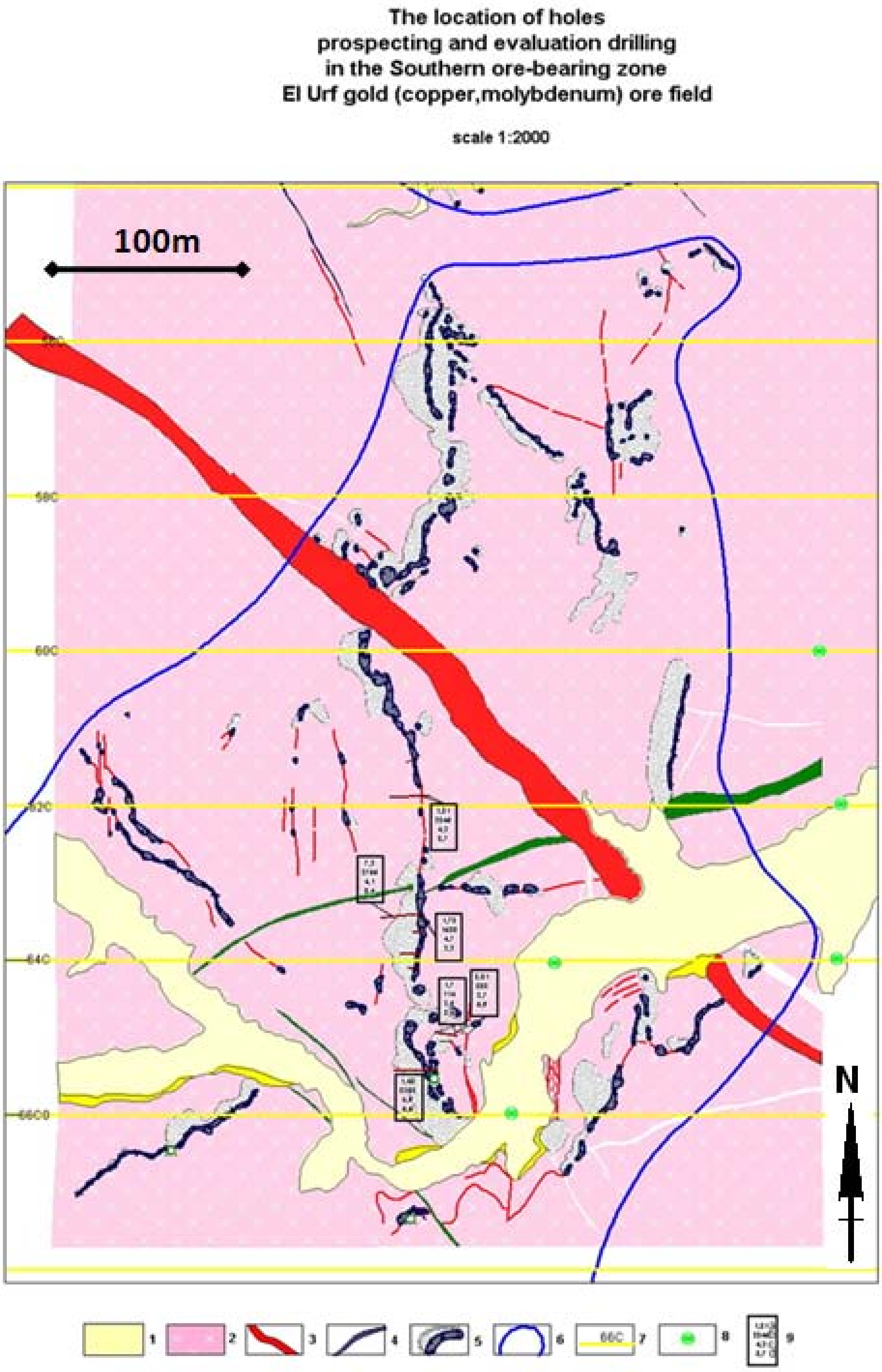
The Eastern mineralised zone adjoins the Breccia zone. The length of the zone is 1200m, the width varies from 180 m (in the north) to 70 m in the south. The zone consists of a series of steeply dipping N-S trending gold-bearing vein structures. The geology and the proposed drill holes are shown in Figure 13.

Figure 13 Eastern mineralised zone at El Urf (Legend same as for figure above)



Southern mineralised zone
The southern mineralised zone can be considered as the continuation of the breccia zone localized in the granitic rocks. It extends N-S over a length of more than 2 km and has a width of 450 m in the north and 860 m in the south and occupies an area of 1.2 km^2. Only a small part of this zone has been mapped so far. The geology of the northern part of the zone and the proposed drill holes are shown in Figure 14.

Figure 14 Southern mineralised zone at El Urf (Legend same as for figure above)



Bayid mineralised zone

The Bayid mineralised zone is located 2 km to the east of the eastern zone and is hosted in granitic rocks, close to the contact with gabbros. The zone is 450 m wide and up to 770 m in length, occupying an area of 0.27 km^2. The zone is characterised by the lines of intensive ancient workings on a series of elongated N-S gold bearing structures up to 200 m in length. The distance between the mineralised structures is 10 to 30 m and they dip eastwards at 45° - 65°. Surveying this part of the area has been carried out, but the samples have not yet been processed.

Figure 15 SMWG Sample locations – El Urf gold-copper prospect

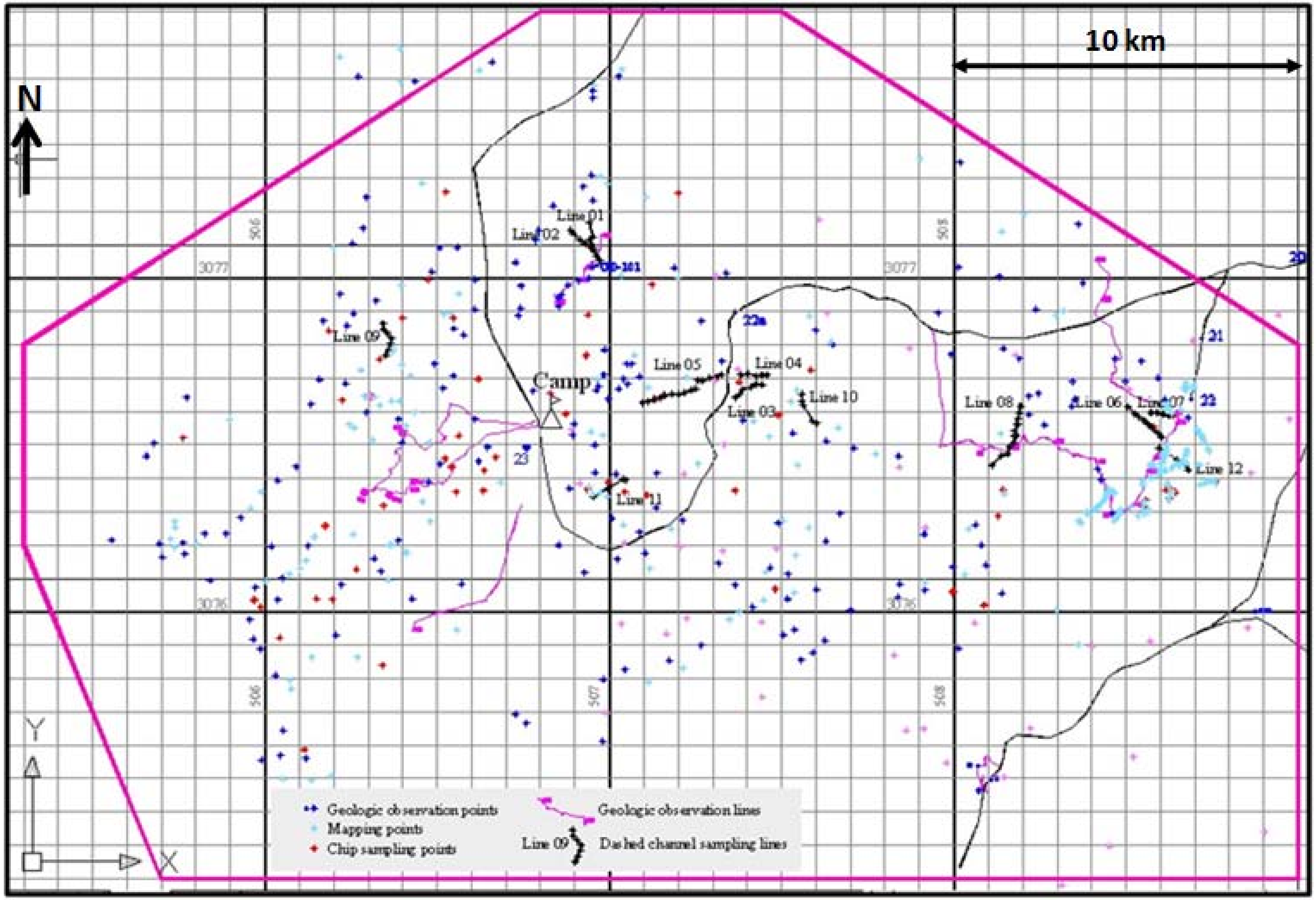
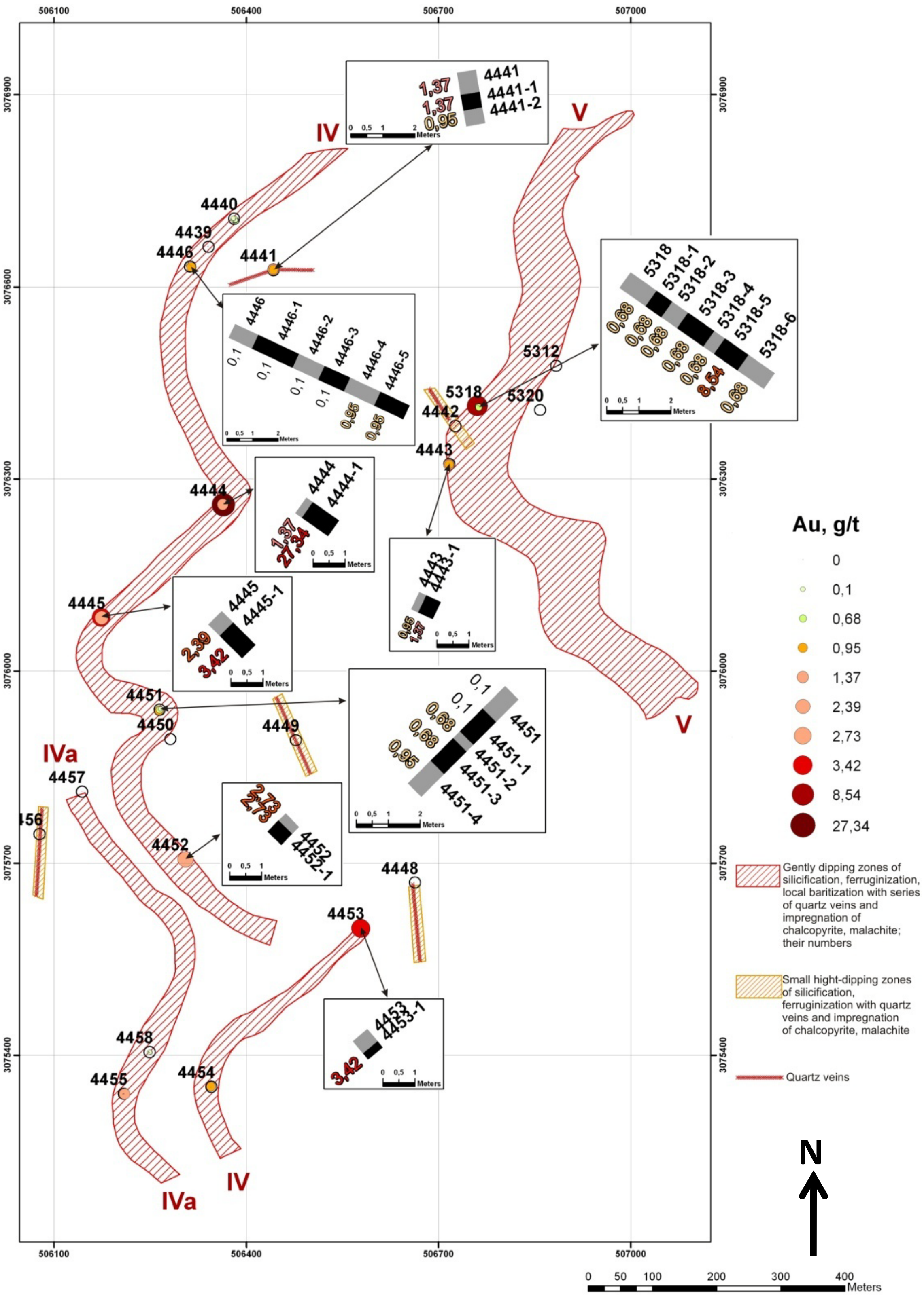


Figure 16 Trench sampling at El Urf gold-copper prospect



Assay results are shown in Table 6.

Petrography

The various thin and polished sections were prepared using standard procedures and were examined using standard petrographic and reflected light microscopes and described in standard petrographic terminology. The results confirmed the identity and nature of the host rocks and hydrothermal alteration as described in sections 7 and 9 above.

11.0 DRILLING

No drilling has been carried out within the Um Balad Concession Area
Core drilling will be required to confirm the geological interpretations and demonstrate the potential for defining an economically viable mineral resource.

12.0 SAMPLING METHOD AND APPROACH

The samples were collected, prepared and dispatched to the laboratory by employees, officers, directors or associates of the vendor. SMWG though based in Cyprus, is a company of Russian origin that employs Russian geologists and uses a standard set of methods and procedures based on the formal Russian State approved methodology for all the geochemical, rock-chip and trench channel samples collected during their exploration programmes. This methodology is of a high standard and compares favourably with western best industry practice. Therefore, Behre Dolbear considers that the samples were:-

- Of good quality
- As representative of the material sampled as the method allows
- Not subject to any bias resulting from the sampling method or approach
- Appropriate for the rock types, geological controls and widths of mineralised zones
- Considerate of any other parameters relevant to the sampling interval.

Trench channel sampling
SMWG's main exploration effort consisted of systematic trenching and channel sampling across the outcrop of the main mineralised zones. The trenches were dug down to bedrock by hand, using local labour, and geologically mapped. Any mineralised sections of the trench identified from the geological mapping or from the presence of old workings, were marked out, the floor of the trench was cleaned and a power saw used to cut a continuous 100mm x 50mm channel, which was sampled over continuous 1m or 1.5m intervals. The samples, each weighing about 10-12 kg, were bagged on site and numbered for transport back to base camp. In total 1166m of trenches were dug and 857 channel samples were collected.

Some of the trench samples shown in Figures 15-16 above were inspected during the site visit by Behre Dolbear and found to be clean, well prepared, consistant with best industry practice and a reliable representation of the material sampled.

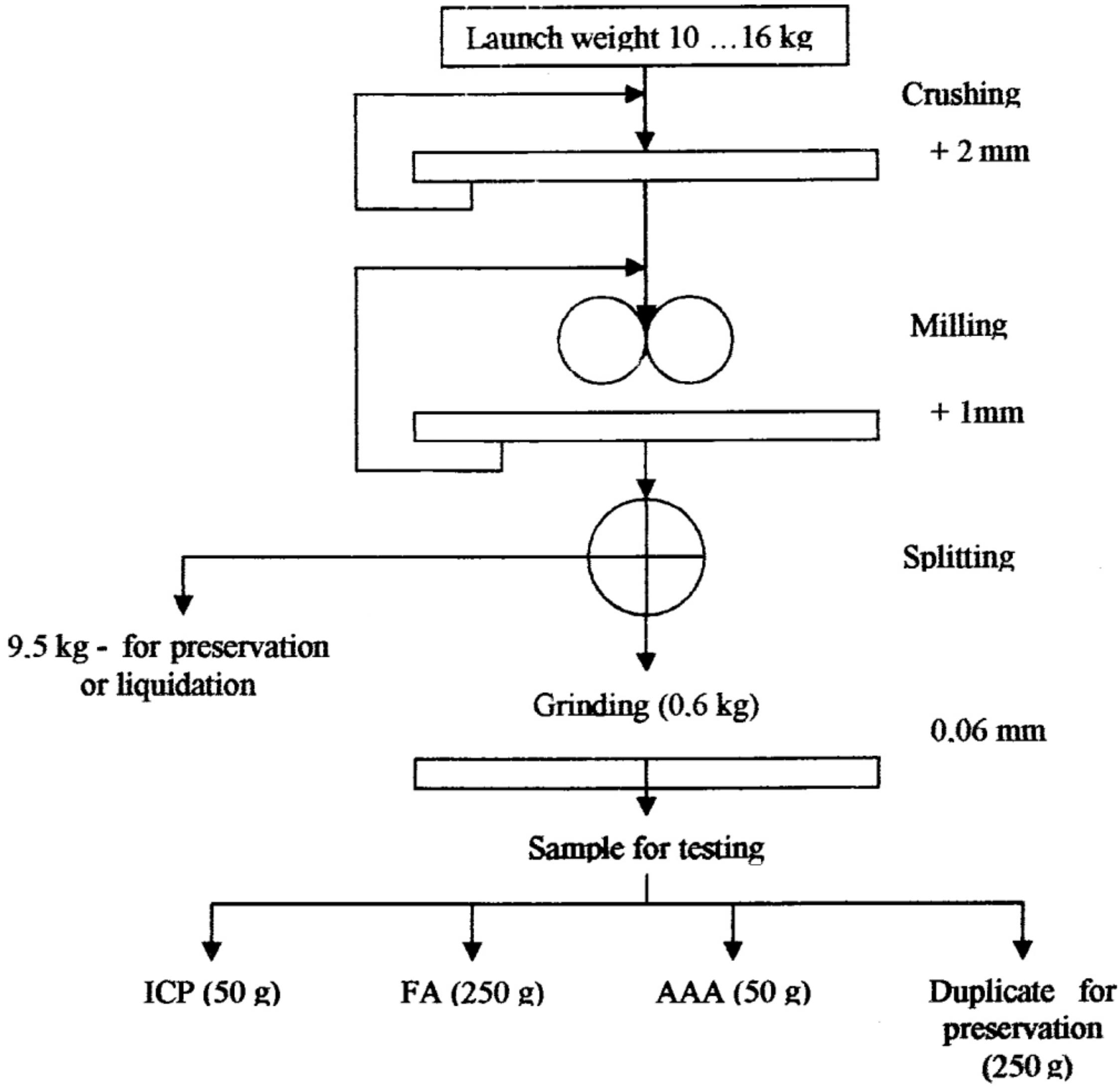
Grab Sampling
Waste dumps from the ancient workings were sampled by grab sampling about 12 - 14 kg of material. In total, there were 66 grab samples taken.

13.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

Sample preparation
The samples were prepared and dispatched to the laboratory by employees, officers, directors or associates of the vendor.

The rock samples were subject to the following sample preparation procedure at the base camp.

Figure 17 Sample Preparation Procedure



Samples were crushed and milled at the exploration base camp, using ROCKLABS (New Zealand) crushers and "ring mill" pulverisers. All the equipment was cleaned between samples using a compressed air line.

The pulverised sample was then split into three sub-samples, one of 250g sent for fire assay, one of 50g sent for ICP chemical analysis and one reference sample of 250g stored on site. All the reject part of the samples was retained on site for possible future reference.

Behre Dolbear considers that the sample preparations were:-

- Of good quality
- As representative of the material sampled as the method allows
- Appropriate for the rock types, geological controls and widths of mineralised zones

Sample analysis was done at the Al Amri Laboratory in Jedda, Saudi Arabia (857 channel samples for gold by fire assay).

The Al Amri Laboratory in Jedda (Al Amri Chemicals & Laboratory Division) is ISO 9001-2000 Certified (http://zed-group.com/history.html). The Al Amri Laboratory follows industry standard QA/QC procedures, including:-

- Checks on the precision of the instrument calibration by analyzing standard solutions with the required range of concentration.
- Accuracy Control is accomplished by using Certified Reference Materials (CRM) that are matrix-matched materials with assigned target values, CRMs are included in every batch or at frequent intervals if batches are large or if testing is continuous.
- Blanks are used to check for interference and detection limits of the assay method. One blank is included in every batch of samples, or at frequent intervals if batches are large or if testing is continuous.
- Duplicate samples are included in every batch, or at frequent intervals if batches are large or if testing is continuous.

Behre Dolbear considers that the Al Amri Laboratory is reputable and reliable and that the preparation and analysis of the samples submitted was adequate and suitable for the material involved.

14.0 DATA VERIFICATION

.
Geological data was verified by reference to published 1;250,000 geological maps and by inspection of geological outcrops in key locations. The geological interpretations were verified by reference to the authors previous 30 years experience of geological mapping and mineral exploration throughout the Nubian-Arabian Shield (ie Egypt, Sudan, Saudi Arabia and Yemen) and by reference to the voluminous literature of published and unpublished reports on the geology and mineral resources of Egypt.

Sampling procedures used by SMWG field staff were verified by inspection of the sample locations, sample documentation and inspection of the sample preparation facilities and procedures.

Sample analysis methods and procedures used by the Al Amri Laboratory in Jedda, Saudi Arabia (Al Amri Chemicals & Laboratory Division) that is ISO 9001-2000 Certified (http://zed-group.com/history.html) were verified by previous personal experience of the Al Amri Laboratory (on other projects) and by reference to the QA/QC documentation available on the Al Amri Laboratory website. The Al Amri Laboratory follows industry standard QA/QC procedures, including:-

- Checks on the precision of the instrument calibration by analyzing standard solutions with the required range of concentration.
- Accuracy Control is accomplished by using Certified Reference Materials (CRM) that are matrix-matched materials with assigned target values, CRMS are included in every batch or at frequent intervals if batches are large or if testing is continuous.

- Blanks are used to check for interference and detection limits of the assay method. One blank is included in every batch of samples, or at frequent intervals if batches are large or if testing is continuous.
- Duplicate samples are included in every batch, or at frequent intervals if batches are large or if testing is continuous.

Behre Dolbear has compared the SMWG sample assay data with historical assay data collected from similar locations by various organisations at various times during the past 40 years, as described in Section 6 History above. In general, the SMWG assay data was consistent with this historical assay data, which indicates that the SMWG sampling and analysis was reasonably accurate, reliable and fit for purpose. However, Behre Dolbear recommends that SMWG should introduce industry standard QA/QC protocols and procedures for all its sampling and analytical work.

15.0 ADJACENT PROPERTIES

There are no adjacent properties of significance.

16.0 MINERAL PROCESSING AND METALLURGICAL TESTING

There has been no mineral processing or metallurgical testing of materials from the known mineral occurrences in the Um Balad Concession Area. The SMWG project is at a relatively early stage of resource definition. Previous historical mining records have demonstrated the presence of substantial mineralisation, but to confirm the potential economic viability under modern conditions, substantial additional work will be required. However, the history of the old mines in the Concession area, demonstrate that the gold mineralisation can be processed to achieve acceptable levels of gold recovery, using simple gravity, amalgamation and cyanidation methods.

17.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

There are no mineral reserve or mineral resource estimates at any of the known mineral occurrences in the Um Balad Concession Area.

18.0 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data or information from the known mineral occurrences in the Um Balad Concession Area.

19.0 INTERPRETATION AND CONCLUSIONS

Behre Dolbear considers that the sample collection, preparation and analysis were of good quality, as representative of the material sampled as the methods allowed and appropriate for the rock types, geological controls and widths of mineralised zones.

The systematic geological mapping and geochemical sampling programme carried out by SMWG, has resulted in new insights into the extent and distribution of the ancient gold mining activities and into the geological controls of the gold and related copper mineralisation.

19.1 UM BALAD

The Um Balad area has been a significant area for gold mining in ancient times, as evidenced by the extensive workings.

The lack of any significant modern mining activity and the paucity of documented exploration, suggests that the individual quartz veins were too small or too low-grade to support underground mining.

The large areal extent of the gold mineralisation suggests there may be potential for the discovery of a low-grade open-pit type gold deposit. Such a discovery would require a substantial drilling programme.

19.2 EL URF/UM MONQUL

The El Urf/Um Monqul area has been a significant area for gold mining in ancient times, as evidenced by the extensive workings, but the lack of any significant modern mining activity and the paucity of documented exploration, suggests that the individual quartz veins are too small or too low-grade to support underground mining.

Available data has shown that the El Urf/Um Monqul area contains high levels of gold, copper and molybdenum associated with the red haematite breccias formed along the altered contact zone of a granitic intrusive.

The copper-gold mineralisation and extensive red haematite alteration at El Urf/Um Monqul exhibits many characteristics of the recently recognised “iron-oxide-copper-gold” (IOCG) type deposits.

The large areal extent of the copper-gold mineralisation suggests there may be potential for the discovery of a large low-grade open-pit type deposit. Such a discovery would require a substantial drilling programme.

It is Behre Dolbear’s opinion that these results of the initial Exploration Phase met their original objectives and justify proceeding with the $5million expenditure commitment for the Evaluation Phase required by the Concession Agreement.

19.3 RECOMMENDATIONS

Geological mapping at 1:2000 and 1:1000 scale using Quickbird high resolution satellite imagery, followed by channel sampling and drilling, should continue in order to define the origin and extent of the mineralisation at the Um Balad gold prospect and at the El Urf/Um Monqul Iron-Oxide-Copper-Gold (IOCG) type prospect. Mineralogical sampling and testwork, as appropriate, should be carried out in order to provide a sound basis for mineral resource estimation.

SMWG - Proposed work programme

Available data has shown that the El Urf/Um Monqul area contains anomalously high levels of gold, copper and molybdenum over an area of about 10 km^2. Geological investigations are continuing with geological mapping at 1:2000 and 1:1000 scale using Quickbird high resolution satellite imagery.

This will be followed by channel sampling and drilling at the El Urf/Um Monqul copper-gold prospect. At the same time they are planning to do further geochemical sampling at Um Balad.

This will be followed by a drilling programme to test the mineralised zones defined by the mapping and sampling work.

Proposed drilling programme
In order to determine the sub-surface extent of the mineralised zones and estimate the gold and copper resource within each site, it is proposed to do this by means of drilling, in two phases, a first phase of widely spaced holes along profiles located 160m apart, followed by a second phase of infill drilling in the zones of interest along drill profiles 80m apart and eventually in selected areas 40m apart. The distance between the drill holes along the profiles will be 40m. The proposed drilling programme is summarized in Table 4.

Table 4 Proposed drilling programme in the Um Balad Concession area

Drilling type	**No. of drill holes**		**Average length of each hole (m)**	**Inclination angle (degrees)**	**Total Drilled (m)**
El Urf area: Western zone					
Core drilling	Stage 1	10	100	75	1000
	Stage II	20	100	75	2000
	Total	30	100	75	**3000**
El Urf area: Central zone					
Core drilling	Stage 1	10	250	75	2500
	Stage II	20	300	75	6000
	Total	30	-	-	**8500**
El Urf area: Breccia zone					
Core drilling	Stage 1	6	350	75	2100
	Stage II	12	400	75	4800
	Total	18	-	-	**7200**
El Urf area: Eastern zone					
Core drilling	Stage 1	6	400	50	2400
	Stage II	12	500	50	6000
	Total	18	-	-	**9000**
El Urf area: Southern zone					
Core drilling	Stage 1	5	200	65	**1000**
El Urf area: Bayid zone					
Core drilling	Stage 1	3	200	65	**600**
Um Balad mine area					
Core drilling	Stage 1	8	100	65	**800**
Total in Um Balad Concession area : core drilling – 38,200m including 10,400m in Stage I and 18,800 in Stage II.					

The first stage of the drilling programme will establish the location and extent of the mineralisation. Following a review of the results, the drilling programme should be reviewed and amended as required in order to concentrate the second stage of the drilling programme on the priority targets.

The second stage of drilling is not expected to be dependant of the completion of the first stage as it is expected that any proposed second stage drilling for targets that fail to live up to expectations will be re-allocated to the highest priority targets.

The budget for this work will depend to some extent on contractual arrangements for the drilling programme, but is expected to be equivalent to the $5 million expenditure commitment required by the Concession Agreement. The main uncertainties relate to decisions on whether to use own drill rigs or contractors, and the related mobilisation and establishment costs.

Table 5 Summary of Estimated Exploration Costs

ACTIVITY	**ESTIMATED COST US$**	
	Stage 1	**Stage 2**
Geological work	250,000	
Surface sampling / assaying	250,000	
Drilling – Stage 1	1,000,000	
Supervision / logging / assaying / reporting	500,000	
Drilling - Stage 2		2,000,000
Supervision / logging / assaying / reporting		1,000,000
TOTAL	**2,000,000**	**3,000,000**

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Table 6 Results of sample analysis at Um Balad area

CLIENT	SMW GOLD		**SUBMITTED BY :**			
PROJECT :			**DATE RECEIVED**		October 7, 2008	
	REPORT STATUS:	FINAL				
	PAGE:	1 of 1				
DATE APPROVED		ELEMENT		NUMBER OF ANALYSIS	LOWER DETECTION	
11.18.08	1	Gold	Au	535	0,005	Ppm
11.18.08	2	Copper	Cu	342	1	Ppm
11.18.08	3	Molybdenum	Mo	342	2	Ppm

EXTRACTION	**METHOD**	**REMARKS**
1.FIRE ASSAY	ATOMIC ABSORPTION	FINAL RESULTS
2.HCl-HNO3-HClO4-HF	ATOMIC ABSORPTION	FINAL RESULTS
3.HCl-HNO3-HClO4-HF	ATOMIC ABSORPTION	FINAL RESULTS

##	Sample number	Au, ppm	Cu, ppm	Mo, ppm
1	U 01001	0,041	3280	44
2	U 01002	0,042	4762	65
3	U 01003	0,020	4310	43
4	U 01004	0,010	593	<2
5	U 01005	0,008	909	6
6	U 01006	0,008	776	2
7	U 01007	0,008	530	<2
8	U 01008	0,007	727	4
9	U 01009	0,008	657	8
10	U 01010	0,007	886	10
11	U 01011	0,012	1160	7
12	U 01012	0,012	773	9
13	U 01013	<0.005	1340	16
14	U 01014	<0.005	936	3
15	U 01015	0,010	918	4
16	U 01016	0,008	1069	13
17	U 01017	0,012	3362	16
18	U 01018	0,017	2831	11
19	U 01019	0,010	910	7
20	U 01020	0,015	1270	13
21	U 01021	<0.005	1052	25
22	U 01022	0,063	2799	17
23	U 01023	0,061	4087	26
24	U 01024	0,020	1052	12
25	U 01025	0,042	2477	31
26	U 01026	0,058	6600	24
27	U 01027	0,026	4480	83
28	U 01028	0,026	3886	18
29	U 01029	0,120	11345	75
30	U 01030	0,036	5651	67
31	U 01031	0,061	8119	79
32	U 01032	0,043	4417	42
33	U 01033	0,036	7890	156
34	U 01034	0,061	639	7
35	U 01035	0,030	712	<2
36	U 01036	<0.005	626	39
37	U 01037	<0.005	513	8
38	U 01038	0,007	119	4
39	U 01039	<0.005	161	<2
40	U 01040	<0.005	89	<2
41	U 01041	<0.005	238	2
42	U 01042	<0.005	183	<2
43	U 01043	<0.005	171	3
44	U 01044	0,007	97	5
45	U 01045	<0.005	386	<2
46	U 01046	<0.005	62	2
47	U 01047	<0.005	215	5
48	U 01048	0,007	389	5
49	U 01049	<0.005	55	4
50	U 01050	<0.005	25	<2

##	Sample number	Au, ppm	Cu, ppm	Mo, ppm
51	U 01051	<0.005	40	3
52	U 01052	<0.005	10	3
53	U 02001	0,043	3420	25
54	U 02002	0,020	2674	8
55	U 02003	0,008	911	7
56	U 02004	0,010	978	23
57	U 02005	0,010	1576	27
58	U 02006	0,007	955	8
59	U 02007	0,008	726	4
60	U 02008	0,008	627	15
61	U 02009	0,007	1086	10
62	U 02010	<0.005	940	12
63	U 02011	0,012	858	6
64	U 02012	0,008	781	9
65	U 02013	0,010	898	17
66	U 02014	0,008	389	19
67	U 02015	0,010	280	22
68	U 02016	0,010	536	53
69	U 02017	0,020	1561	123
70	U 02018	0,013	1074	48
71	U 02019	0,008	657	24
72	U 02020	0,008	914	50
73	U 02021	0,013	465	56
74	U 02022	0,008	307	57
75	U 02023	0,008	373	62
76	U 02024	0,008	261	5
77	U 02025	0,008	297	11
78	U 02026	0,007	325	8
79	U 02027	0,007	210	31
80	U 02028	0,007	73	14
81	U 02029	0,007	75	<2
82	U 02030	0,007	49	3
83	U 02031	0,007	32	2
84	U 02032	<0.005	21	5
85	U 02033	<0.005	33	<2
86	U 11001	0,013	51	70
87	U 11002	0,013	477	13
88	U 11003	0,222	1052	109
89	U 11004	0,033	2031	48
90	U 11005	0,099	3133	690
91	U 11006	0,027	153	257
92	U 11007	0,010	101	4
93	U 11008	0,007	95	<2
94	U 11009	0,007	307	4
95	U 11010	0,008	106	<2
96	U 11011	<0.005	237	3
97	U 11012	<0.005	229	4
98	U 11013	0,010	87	<2
99	U 11014	0,008	76	3
100	U 11015	<0.005	70	<2
101	U 11016	0,007	274	2

##	Sample number	Au, ppm	Cu, ppm	Mo, ppm
102	U 11017	0,007	123	5
103	U 11018	<0.005	195	<2
104	U 11019	0,005	553	7
105	U 11020	0,010	470	<2
106	U 11021	0,010	272	<2
107	U 11022	0,008	536	<2
108	U 11023	0,007	453	<2
109	U 03001	0,026	688	42
110	U 03002	0,023	1250	96
111	U 03003	0,007	186	<2
112	U 03004	0,007	273	<2
113	U 03005	0,007	230	<2
114	U 03006	<0.005	258	<2
115	U 03007	<0.005	86	10
116	U 03008	<0.005	79	7
117	U 03009	<0.005	106	5
118	U 03010	<0.005	70	7
119	U 03011	<0.005	228	11
120	U 03012	<0.005	55	4
121	U 03013	<0.005	65	4
122	U 03014	<0.005	84	13
123	U 03015	<0.005	114	<2
124	U 03016	0,010	230	4
125	U 03017	<0.005	257	2
126	U 03018	<0.005	1587	<2
127	U 03019	0,025	1517	5
128	U 03020	<0.005	418	3
129	U 03021	<0.005	54	<2
130	U 03022	<0.005	272	<2
131	U 03023	<0.005	273	5
132	U 03024	<0.005	388	3
133	U 03025	<0.005	1144	5
134	U 03026	<0.005	645	4
135	U 03027	<0.005	334	4
136	U 03028	<0.005	605	3
137	U 03029	<0.005	1326	6
138	U 03030	<0.005	720	11
139	U 03031	<0.005	493	5
140	U 03032	<0.005	11	3
141	U 03033	0,010	642	3
142	U 03034	0,013	2517	42
143	U 03035	0,007	3344	50
144	U 03036	0,007	1168	15
145	U 03037	0,007	316	3
146	U 03038	<0.005	283	<2
147	U 03039	<0.005	542	8
148	U 03040	0,008	2244	36
149	U 03041	<0.005	150	<2
150	U 03042	0,005	82	<2
151	U 03043	<0.005	26	<2
152	U 03044	<0.005	16	<2

##	**Sample number**	**Au, ppm**	**Cu, ppm**	**Mo, ppm**
153	U 03045	0,008	20	5
154	U 03046	<0.005	26	6
155	U 03047	<0.005	13	<2
156	U 03048	<0.005	8	2
157	U 03049	<0.005	30	<2
158	U 03050	<0.005	17	<2
159	U 03051	0,008	9	5
160	U 03052	<0.005	9	<2
161	U 03053	<0.005	13	<2
162	U 03054	<0.005	9	4
163	U 04001	<0.005	33	<2
164	U 04002	<0.005	50	6
165	U 04003	0,010	49	<2
166	U 04004	0,008	501	14
167	U 04005	0,007	20	3
168	U 04006	<0.005	4351	184
169	U 04007	<0.005	4124	107
170	U 04008	<0.005	4780	74
171	U 04009	0,008	5542	106
172	U 04010	0,016	4315	26
173	U 04011	<0.005	1643	44
174	U 04012	0,010	3591	144
175	U 04013	<0.005	1579	13
176	U 04014	<0.005	47	<2
177	U 04015	<0.005	863	15
178	U 04016	<0.005	105	<2
179	U 04017	<0.005	49	<2
180	U 04018	<0.005	562	<2
181	U 04019	<0.005	65	<2
182	U 04020	<0.005	44	3
183	U 04021	0,654	1179	14
184	U 04022	0,012	2736	21
185	U 04023	0,008	2896	14
186	U 04024	0,013	2936	29
187	U 04025	<0.005	731	25
188	U 04026	0,008	259	3
189	U 04027	<0.005	150	<2
190	U 04028	<0.005	108	<2
191	U 04029	<0.005	193	<2
192	U 04030	<0.005	902	15
193	U 04031	<0.005	73	<2
194	U 04032	<0.005	41	2
195	U 04033	<0.005	30	6
196	U 04034	<0.005	86	<2
197	U 04035	<0.005	32	3
198	U 04036	<0.005	37	2
199	U 04037	<0.005	42	3
200	U 04038	<0.005	29	<2
201	U 04039	<0.005	33	<2
202	U 04040	<0.005	21	4
203	U 04041	<0.005	27	3

##	Sample number	Au, ppm	Cu, ppm	Mo, ppm
204	U 04042	0,007	26	5
205	U 04043	0,007	19	3
206	U 04044	<0.005	592	10
207	U 04045	0,005	49	2
208	U 04046	0,007	85	3
209	U 04047	<0.005	70	3
210	U 04048	<0.005	26	3
211	U 04049	<0.005	29	<2
212	U 04050	0,007	73	3
213	U 04051	<0.005	31	4
214	U 05001	<0.005	435	6
215	U 05002	0,008	334	2
216	U 05003	0,007	240	4
217	U 05004	<0.005	648	7
218	U 05005	<0.005	339	<2
219	U 05006	<0.005	390	4
220	U 05007	<0.005	1482	4
221	U 05008	<0.005	239	<2
222	U 05009	0,007	250	5
223	U 05010	0,017	212	7
224	U 05011	<0.005	503	3
225	U 05012	<0.005	397	8
226	U 05013	<0.005	754	5
227	U 05014	0,008	1876	14
228	U 05015	<0.005	2045	9
229	U 05016	<0.005	1206	15
230	U 05017	<0.005	254	<2
231	U 05018	0,007	3613	64
232	U 05019	<0.005	201	5
233	U 05020	0,010	2146	61
234	U 05021	<0.005	529	12
235	U 05022	<0.005	425	7
236	U 05023	<0.005	503	6
237	U 05024	<0.005	275	<2
238	U 05025	<0.005	551	13
239	U 05026	<0.005	727	42
240	U 05027	0,012	486	14
241	U 05028	<0.005	466	11
242	U 05029	0,013	382	9
243	U 05030	<0.005	736	9
244	U 05031	0,014	285	8
245	U 05032	0,139	361	19
246	U 05033	0,028	168	4
247	U 05034	0,020	441	4
248	U 05035	0,076	217	<2
249	U 05036	0,010	588	4
250	U 05037	0,018	258	3
251	U 05038	0,013	567	25
252	U 05040	0,008	195	14
253	U 05041	0,013	248	9
254	U 05042	0,264	275	10

##	Sample number	Au, ppm	Cu, ppm	Mo, ppm
255	U 05043	0,008	40	6
256	U 05044	<0.005	136	5
257	U 05045	0,007	161	10
258	U 05046	0,012	248	19
259	U 05047	0,036	152	12
260	U 05048	<0.005	22	5
261	U 05049	<0.005	286	14
262	U 05050	0,103	241	27
263	U 05051	0,011	245	17
264	U 05052	0,007	97	16
265	U 05053	0,010	62	8
266	U 05054	<0.005	662	26
267	U 05055	0,008	1873	41
268	U 05056	<0.005	1892	38
269	U 05057	0,036	2721	124
270	U 05058	0,013	3794	45
271	U 05059	<0.005	862	27
272	U 05060	<0.005	961	20
273	U 05061	<0.005	985	27
274	U 05062	<0.005	1027	27
275	U 05063	0,008	18	<2
276	U 05064	0,011	200	7
277	U 05065	<0.005	930	29
278	U 05066	<0.005	1112	27
279	U 05067	2,264	546	77
280	U 05068	<0.005	421	12
281	U 05069	0,017	114	11
282	U 05070	<0.005	497	99
283	U 05071	1,699	439	95
284	U 05072	0,025	407	75
285	U 05073	0,013	117	5
286	U 05074	0,028	113	10
287	U 05075	<0.005	674	10
288	U 05076	0,041	433	34
289	U 05077	0,041	657	110
290	U 05078	0,010	560	15
291	U 05079	0,153	170	46
292	U 05080	0,345	232	45
293	U 05081	0,013	636	24
294	U 05082	<0.005	526	15
295	U 05083	0,010	687	41
296	U 05084	0,016	210	4
297	U 05085	0,013	825	29
298	U 05086	0,010	127	11
299	U 05087	0,081	841	29
300	U 05088	<0.005	105	28
301	U 05089	<0.005	126	8
302	U 05090	<0.005	165	5
303	U 05091	<0.005	503	15
304	U 05092	0,012	254	<2
305	U 05093	<0.005	160	3

##	Sample number	Au, ppm	Cu, ppm	Mo, ppm
306	U 05094	0,008	261	5
307	U 05095	<0.005	106	8
308	U 05096	<0.005	338	9
309	U 05097	<0.005	121	27
310	U 05098	<0.005	248	12
311	U 05099	<0.005	247	17
312	U 05100	0,007	130	23
313	U 05101	0,010	241	8
314	U 05102	<0.005	90	15
315	U 05103	0,023	531	39
316	U 05104	0,558	539	14
317	U 05105	0,012	1118	64
318	U 05106	0,018	713	15
319	U 05107	<0.005	634	93
320	U 05108	0,030	1740	159
321	U 05109	0,010	194	77
322	U 05110	0,065	158	4
323	U 05111	0,013	291	4
324	U 05112	0,025	735	<2
325	U 05113	0,374	803	83
326	U 05114	0,015	97	56
327	U 05115	0,010	1525	12
328	U 05116	0,007	30	4
329	U 05117	0,008	435	14
330	U 05118	<0.005	135	35
331	U 05119	0,012	661	22
332	U 05120	0,007	285	17
333	U 05121	0,022	73	12
334	U 05122	<0.005	47	8
335	U 05123	0,007	101	11
336	U 05124	0,032	1519	72
337	U 05125	0,060	348	19
338	U 05126	0,007	287	12
339	U 05127	<0.005	214	38
340	U 05128	<0.005	288	22
341	U 05129	0,008	194	97
342	U 05130	<0.005	103	16

21.0 DATE AND SIGNATURE PAGE

This Technical Report entitled "NI 43-101 Technical Report on the Um Balad Exploration Concession Area, in Egypt", that is dated 16th December 2010.

Signed this 16th day of December, 2010.

BEHRE DOLBEAR INTERNATIONAL LTD.

Per: ______________________________________

Name: Denis Acheson

Title: Chairman

CERTIFICATE AND CONSENT

To Accompany the Report Entitled "NI 43-101 Technical Report on the Um Balad Exploration Concession Area, in Egypt", dated 16th December 2010.

I, Richard James Fletcher, am a Senior Associate with the firm of Behre Dolbear International Limited with an office at: 3rd Floor, International House, Dover Place, Ashford, Kent, TN23 1HU, and do hereby certify that:-

1. I am a graduate of the University of Leicester with a Bachelor of Science honours degree in Geology and an MSc. in Exploration Geology from the University of North Queensland, Australia. I have practiced my profession continuously since 1966 and have more than 40 years experience of exploration and mining of gold and copper deposits and have worked on, visited or reported on many of the gold and copper deposits in the Nubian-Arabian Shield (ie Egypt, Sudan and Saudi Arabia).
2. I am a Fellow in good standing of the Australasian Institute of Mining and Metallurgy and a Chartered Geologist, and a Member in good standing of the Institute of Materials, Minerals and Mining and a Chartered Engineer.
3. As of the date of this certificate, to the best of my knowledge, information and belief, this technical report contains all the scientific and technical information required to be disclosed to make this technical report not misleading.
4. I am a qualified person for the purposes of National Instrument 43-101 and am independent of the issuer as defined in Section 1.4 of National Instrument 43-101 and I have not had any prior involvement with the property that is the subject of this report, nor have I received, nor do I expect to receive, any interest, directly or indirectly, in any of the Property or securities of Abenteuer Resources.
5. I have made a visit to the Egyptian Concession areas for one week in November 2009 and I have also reviewed technical data made available by SMW Gold Ltd and I am responsible for all sections of this report.
6. I have read National Instrument 43-101 and Form 43-101F1 and the technical report has been prepared in compliance with National Instrument 43-101and Form 43-101F1.

Signed.. Date 16th December 2010

R. J. Fletcher M.Sc., B.Sc. FAusIMM, MIMMM, C.Geol, C.Eng. at Conwy, UK.