



TECHNICAL REPORT ON THE MINERAL RESERVES AND RESOURCES

MANA MINE, BURKINA FASO

AS OF DECEMBER 31, 2007

By

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ABSTRACT

This technical report, written in conformity with Appendix 43-101A1 of National Instrument 43-101, Disclosure for Mineral Projects, has been prepared by Semafo Burkina Faso SA in support of its declaration on mineral resources and mineral reserves as of December 31, 2007.

Before estimating the mineral resources as of December 31, 2007, an optimization of the mineral resources was carried out using the NPV-Scheduler software, which is part of the Datamine system software. The parameters that were used are two-fold: technical (final pit slope, dilution, mining recovery and processing recovery), and economical (market selling price, extraction costs, processing costs, sales costs).

After optimization, mining design procedures allow the categorization from mineral resources to mineral reserves. The design of the different pits takes into account a number of key parameters (slope angle, width and ramp slope, height of bench, number and width of security berms). These parameters allow for the assessment of the mineral reserves within each pit.

Total proven and probable mineral reserves of the Mana deposits (Nyafe and Wona) were estimated after design of an optimal pit with Datamine software (Mine Design) using a gold market price of US\$650/ounce. The total mineral reserves are now estimated to be 9,824,400 tonnes of gold averaging 2.93g/t Au, which translates to a total of 924,700 ounces of gold metal.

For both Nyafe and Wona deposits, the total measured and indicated remaining mineral resources were estimated by kriging technique of modelled ore outlines, also using Datamine system. Cut-off grade used is 0.5g/t Au for the Wona deposit and 0.3g/t Au for others. Mineral resources (excluding mineral reserves) are now estimated to be 4,875,100 tonnes of ore with an average grade of 2.03 g/t Au for a total of 317,800 ounces gold metal.

From these estimates, mineral reserves have increased by 21,900 ounces (2.5%) from the data published December 31, 2006 and mineral resources have also increased by 16,100 ounces (5.4%) due to the reinterpretation of the mineralized outlines for both deposits following drilling programs in 2007.

In total, the overall mineral resources (including proven and probable mineral reserves and measured and indicated mineral resources) is now estimated at 14,699,400 tonnes with an average grade of 2.63g/t Au for a total of 1,242,500 ounces of gold metal.

With the additional exploration work done in 2007, total inferred resources for the Mana mine amounts to 25,297,200 tonnes with an average Au grade of 2.30g/t and possibly containing a total Au metal of 1,867,100 ounces. This represents an increase of 420% over 2006 inferred resources figures.

The total mineral resources (excluding inferred resources) estimate represents an increase of 3% in gold metal content when compared to the last published estimate dated December 31, 2006.

1. INTRODUCTION AND MANDATE

The author was mandated by Semafo Inc. («Semafo») to prepare a technical report in conformity with National Instrument 43-101 aiming at updating the estimated mineral reserves and resources of the deposits of the Mana Property in Burkina Faso, Africa. The report presents figures as of December 31st, 2007. He was assisted by the geological groups of Semafo Inc., and Mana Minerals SA who contributed to most chapters of the report.

The objective of this report is to make such information public in all of Semafo's official annual publications.

2. DESCRIPTION AND LOCATION OF THE PERMIT AREAS

Mana Minerals S.A., a 100% subsidiary of Semafo Inc., holds 8 exploration permits in the Houndé volcano-sedimentary syncline covering a total surface area of 1,608km². Semafo Burkina Faso, also a wholly owned subsidiary of Semafo Inc, owns one mining permit, the Mana mining permit. Table 1 summarizes the permit situation.

Table 1 : SITUATION OF THE EXPLORATION PERMITS ●● MANA MINERALS				
Permit	Attribution Date (dd-mm-yyyy)	Surface Area (km²)	Quadrangle	Province
Mana ¹	20-03-2007	93.5	Houndé	Balé
West Mana	10-10-2005	250	Houndé	Balé
East Mana	19-10-2005	241.07	Houndé	Balé
Fobiri	12-07-1999	138.20	Houndé	Balé
Kona	31-05-2001	112.5	Dédougou	Mouhoun and Balé
Bombouela	08-08-2002	250	Dédougou	Mouhoun
Bara	10-10-2005	117.34	Dédougou	Mouhoun
Massala	24-04-2003	248.68	Dédougou	Mouhoun and Sourou
Oulla	27-10-2003	249.95	Dédougou	Mouhoun
NOTES:				
1	Mana is a mining permit owned by Semafo Burkina Faso. All other permits are exploration permits owned by Mana Minerals S.A.			

The nine permits are located 200km West of Ouagadougou and geologically, cover a part of the Houndé Birimian volcano-sedimentary belt, in the western section of Burkina Faso (Fig. 1).

3. ACCESS, CLIMATE AND TOPOGRAPHY

3.1 Access

Access to the exploration site is by the asphalt national road running from Ouagadougou to Bobo-Dioulasso. Dirt roads provide access to the property year round.

A railroad in good condition, located about 25km south of the property linking Ouagadougou and Abidjan, in Ivory Coast, may become a good opportunity for heavy equipment transportation to the mine site.

3.2 General Topography

The Mana sector to the East and North-West is composed of eluvial and alluvial plains. High reliefs of saprolitic nature dominate the central area. High glaciais plateaux and small hills occupy the north and north-west sectors.

3.3 Climate

The climate of the area is of sub-sahelian type. The rainy season runs from June to September (800mm to 900mm per year) with a maximum rain fall in August. The dry season runs from October to May. February and March see dust winds blowing in from the North (Harmattan). Temperatures vary from 15°C at night to 40°C at daytime.

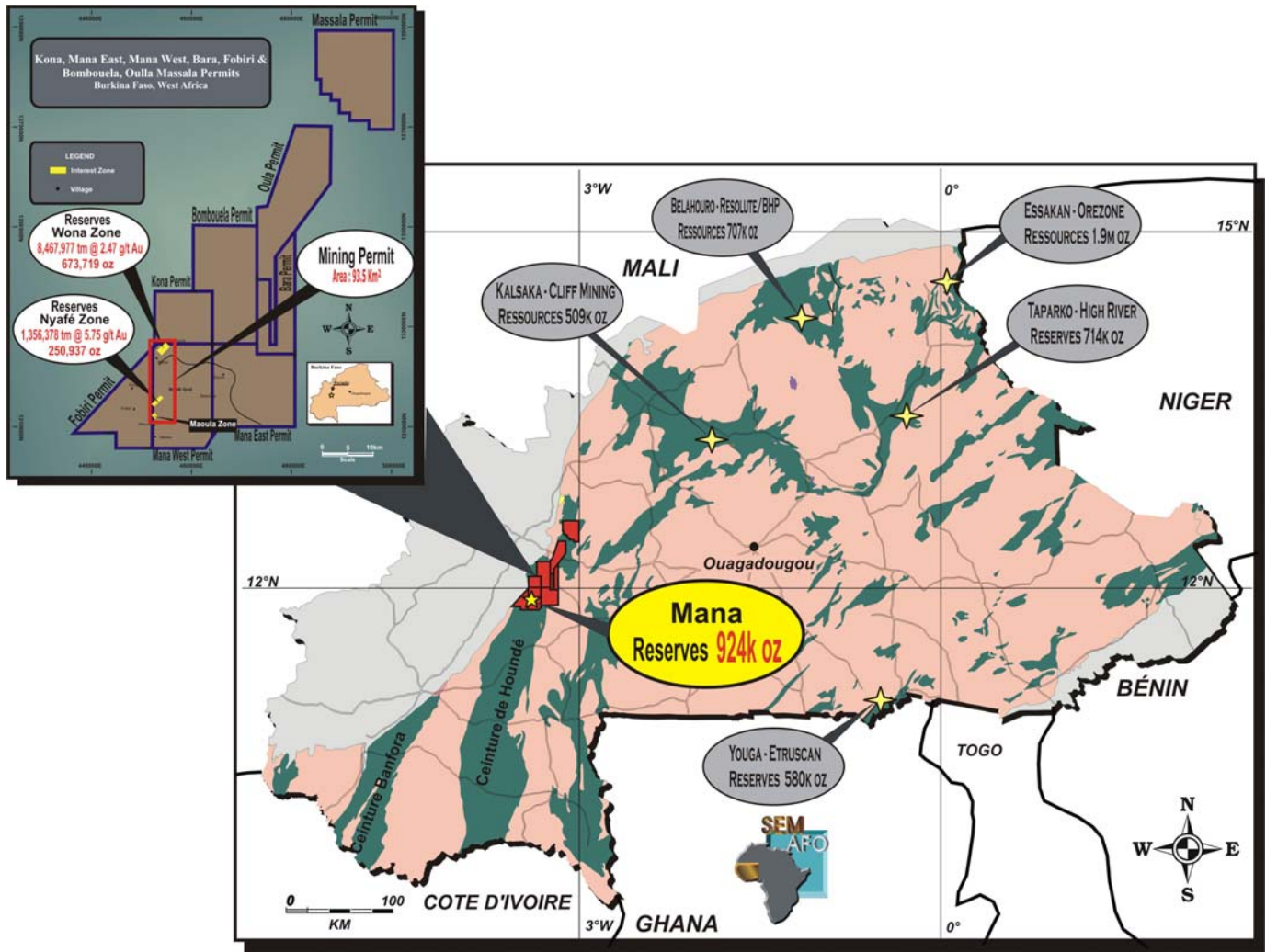


Fig. 1: Location of the Mana Mineral SA permits on a simplified geological map of Burkina Faso

4. CHRONOLOGICAL ACCOUNT OF WORKS

Since October 1997, exploration work undertaken by SEMAFO on the Mana permit have led to the discovery of the gold-bearing structure of Nyafe. Work in 1998-1999 includes:

- Prospecting the stream sediments of the Bleg and alluvial types;
- Lithogeochemical sampling followed by 62 trenches totalling 2,078m;
- 37 RC (reverse circulation) bore holes totalling 3,198m;
- 5 DDH totalling 420m, to confirm the lateral continuity and the shallow depth of the mineralized zone.

Following this discovery, SEMAFO swiftly proceeded to file an application for the adjacent permit for a surface area of 184 km² named Fobiri. It was granted in July of 1999. With a set goal for the Mana Project (identification of mineral resources presumed to be in the order of 1 million ounces Au), two exploration strategies were adopted:

- Strategic exploration by geochemical prospecting (Bleg and soils) on the Mana, Fobiri and Kona claims to discover other mineralized structures;
- Detailed exploration using RC bore holes; tight grid ground geochemistry (100m x 50m); induced polarization (IP) geophysics in dipole-dipole mode and magnetometric surveys; and by geological mapping mainly of the Nyafe mineralized structure to determine its lateral and downstream extensions.

From the second quarter 2000, the objective of the exploration of the Mana-Fobiri prospect was to confirm the interest shown by the Nyafe structure and to outline and develop other important targets in both areas (reference report, RP19-Mana and Fobiri).

Ground geochemistry made on Mana and Fobiri Bleg anomalies has brought to attention a number of gold anomalous zones located to the NW of Nyafe. These anomalies correspond to the SW extension of Nyafe structure. It continues towards the SSW and alternates with the Kongoliba Djan anomaly located at the southern limit of Nyafe towards Fobiri (the Maoula anomaly). Other observed anomalies correspond to the lode 67 anomaly to the SE, parallel to the Nyafe structure and the extreme SE, the Fobiri axis anomaly and, finally, the Wona anomaly.

All of these anomalies have been identified by trenching and by geological mapping. Encouraging results have been logged on these anomalies particularly on the Wona, Maoula and Filon 67 anomalies. RC bore holes on the Nyafe structure brought to attention the downdip extension of the structure at -130m, a network of parallel structure of shallow thickness as well as upgrading of the SW extension.

Detailed work including additional trenches, dipole-dipole mode IP geophysics, geological mapping at 1:2,000 and RC bore holes were concentrated on the Nyafe structure. Work started at the end of 2000 and the beginning of 2001 and focused on the reconnaissance of the Wona geochemical anomaly. It consists of gradient induced polarization (IP) geophysical survey covering 16.9km of profiles; 22 trenches totalling 5,826m³; 35 reverse circulation (RC) bore holes totalling 2,851m; 28 rotary air blast (RAB) bore holes totalling 1,096m; carbon in leach (CIL) mineral dressing tests on RC bore holes and a first estimate of mineral resources.

Results from trenches and bore holes were highly encouraging. They confirmed the extension of the Wona structure over more than 1,600m and suggested that it was open to the NE and to the SW. It

therefore warranted the filing for another permit for 112km² (Kona permit) north of Wona to delimit the structure.

Work started in 2002 stretched over a month and a half (mid-February to end of March) and hit the Wona and Nyafe structures. This covered essentially in RC bore holes totalling 2,678m of which 1,332m on the Nyafe sector and 1,346m on the Wona sector. CIL tests were also performed on the bore hole samples in order to update the mineral resources.

Work performed between June and July 2002 consisted in the search for extensions of the Wona NE structure and of the Nyafe structure, more specifically the D structure located in the NE and the H structure to the SW. Furthermore, strategic prospecting on the Kona claim was initiated but was limited to the completion and interpretation of the BUMIGEB aeromagnetic survey and to geological interpretation. During this period, 26 RC bore holes totalling 1,924m were drilled on the Wona extensions.

The re-interpretation of results from the aeromagnetic survey has shown that the Wona lineament extends for more than 15km. This finding led to filing for acquisition of the Bombouela permit. At the end of this period (September 2002) an independent audit of the work was done by Geoconseil Marcel Vallée Inc.

In 2003, work consisted in the certification of the Wona resources by tightening the grid of surveys to 50m and then to 25m. Also, a ground control of the aeromagnetic lineament by magnetometric prospecting was carried out as well as a ground geochemical survey on a grid of 100x100m for the Kona claim. Bleg prospecting joined with the Bombouela area.

In Nyafe, work consisted solely on the search for SW and NE extensions of Nyafe using RC bore hole and on CIL in bottle testing. A total of 114 RC bore hole samples were tested using CIL and an estimate of mineral resources was performed.

In Wona, work performed in 2003 consisted in the certification of the Wona mineral resources by the tightening the drill grid to 50m then 25m, thus totalling 17,301m of RC bore holes and 1,319.5m of core drilling, a ground control of the aeromagnetic survey of the lineament by magnetometric prospecting and by ground geochemistry at a grid of 100mx100m for the Kona claim.

In 2004 the feasibility study and the launching of the Environmental Impact study were both completed. The final report on the Feasibility study was made public in August 2005.

In February 2006, the Canadian company Genivar was commissioned to supply the reference and details of engineering, to purchase material and equipment as well as to provide construction management. Mine construction started the second quarter of 2006. The environmental impact study was completed the third quarter of 2006 with the conclusion of the public hearing and issuing from the *Ministère de l'Environnement et du Cadre de vie du Burkina Faso* which was brought by a substantiated recommendation.

Work in 2006 included bore holes performed are essentially (approximately 90%) of the RC type. Furthermore, 24 DDH drill holes were performed on predetermined transversal sections in order to confirm the intersections shown by RC bore holes. The bore holes dip at an angle varying from 50-60° and target structures with dips varying from 50° to the south to sub-vertical to the north.

In February 2007, the Mana operating permit was received from the *Conseil des Ministres of the Burkina Faso Government*.

5. GEOLOGY

5.1 Regional Geological Context

Burkina Faso is part of the West African Craton Baoulé-Mossi domain. Three types of formation from different eras can be found (Fig. 2):

1. A palaeoproterozoic formation (Birimien) including sedimentary, volcano-sedimentary and plutonic terrains (basalts, rhyodacites, gabbros and tuffs) injected with large batholiths of tonalites, granodiorites and granites. The volcanic and volcano-sedimentary formations are metamorphosed in the greenschist facies and modified by at least 2 deformation phases (a syn- and a post-schistous). The shears associated to these phases create 2 important synclines of a NE-SW direction: the Houndé-Ouahigouya syncline to the West and the Tibéle-Dori-Markoye to the East.
2. The sedimentary overburden of the neo-proterozoic lies in a major unconformity on the Birimien substratum in the Western and South East part of Burkina. It is mainly composed of flat shaped marine deposits and of levels of continental tillites.
3. The Cenozoic grounds of the continental terminal. These occupy limited surfaces to the far East and to the North-West of Burkina. They are of the Miopliocene and Oligocene eras and of fluvio-lacustrine origin.

5.2 Local Geology

The permit area is located in the Houndé Birimian syncline. Trenching, bore holes and mapping show that the geology of the property is characterized by sedimentary, volcano-sedimentary and volcanic formations of mafic to intermediate composition and locally associated to rhyolite volcanic outcrop. The Nyafe zone is essentially composed of basalts and tuffs ranging from mafic to intermediate (Fig. 3).

The Maoula zone is encased in sedimentary formations made of an alternation of sandstone and pelitic layers associated to massive quartzite horizons.

The Wona zone is composed of a very deformed succession of sedimentary (black pelites), volcano-sedimentary and meta-volcanites in a greenschist facies (Fig 4).

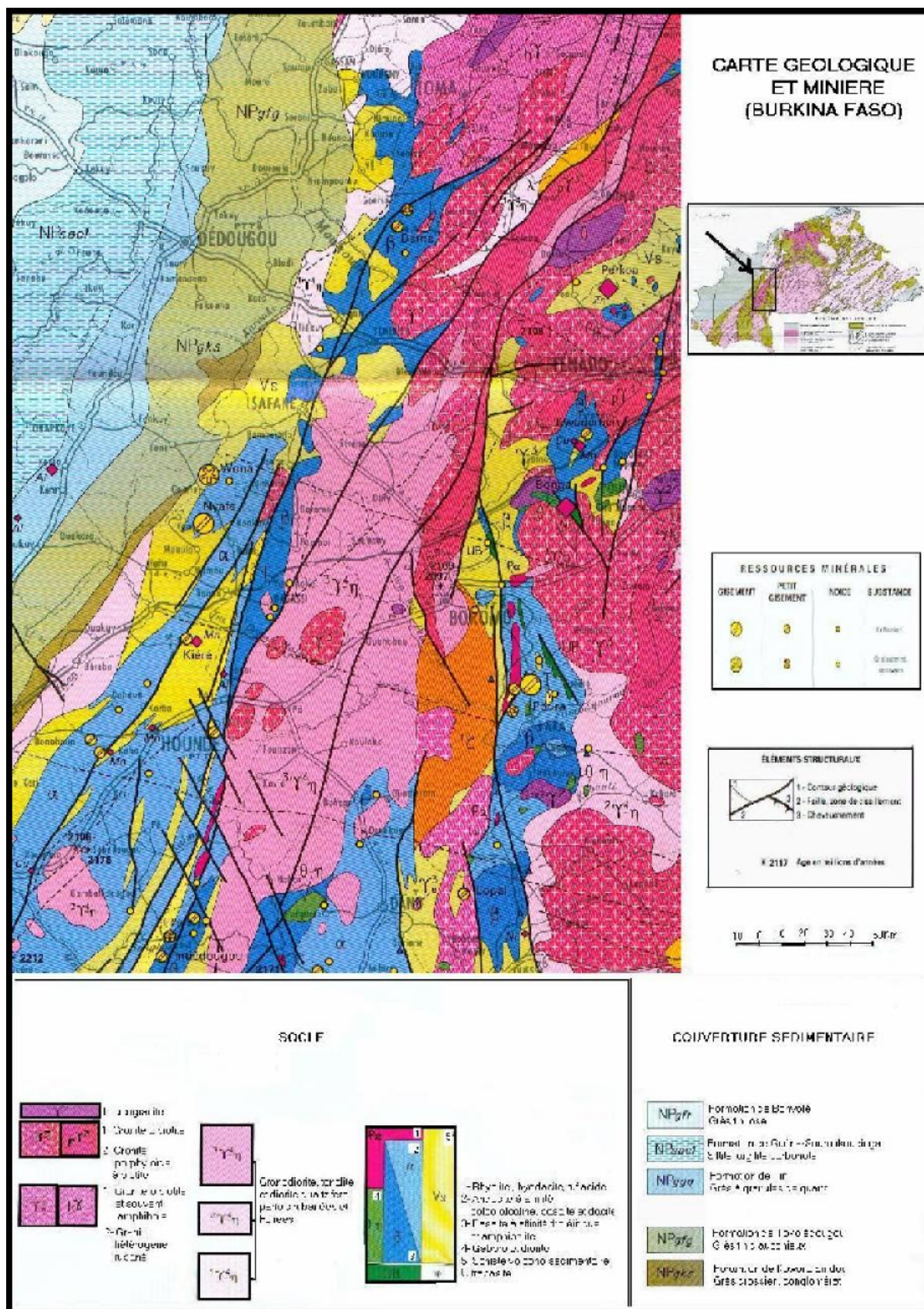


Fig. 2: Burkina Faso – Geological and mining map

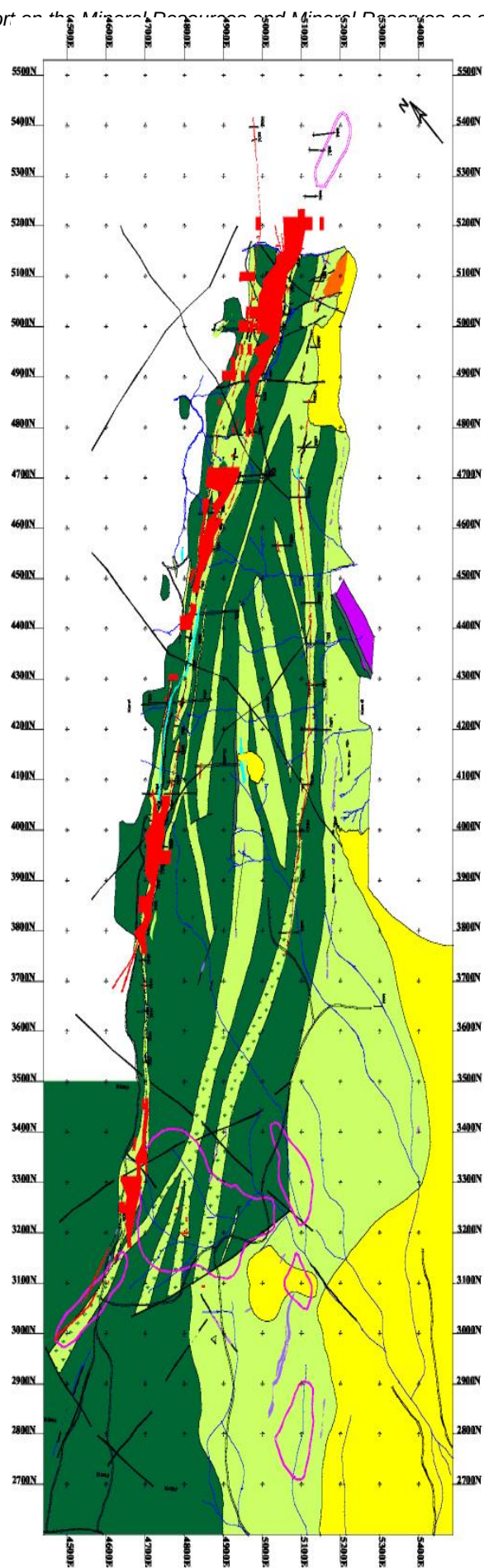


Fig. 3: Geological map of the Nyafe deposit area.

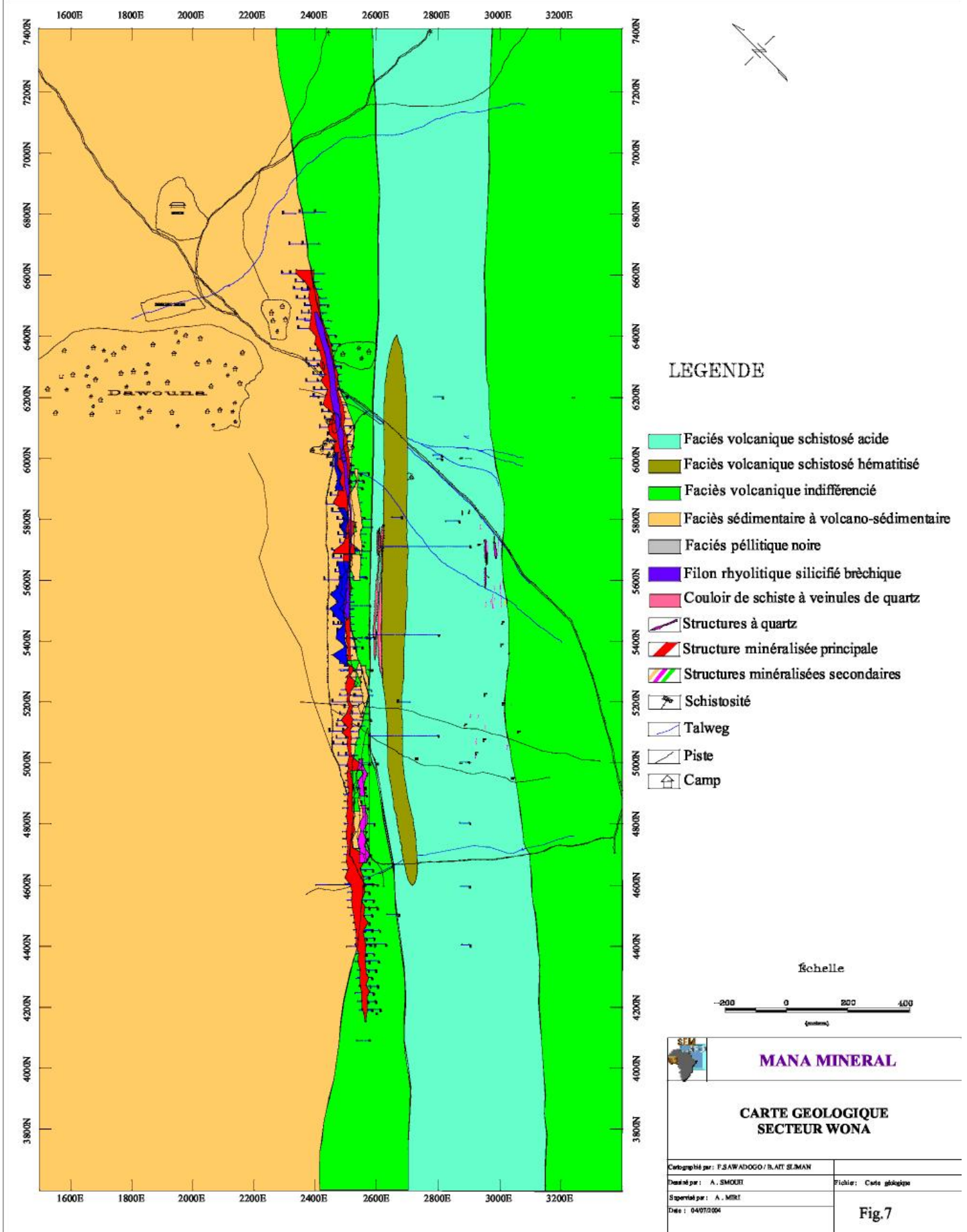


Fig. 4: Geological map of the Wona deposit area.

From a structural point of view, these formations are affected by a schistosity of flux with axial plane bearing NS folds extending towards North. Shear zones of NE direction affect this zone. These shears seem to be right-handed for the ductile syn-schistose phase as shown by the deviation of the schistosity and the stratification. These shear zones are characterized by an intensification of the deformation, by a strong hydrothermal weathering and by the presence of highly deformed quartz. They also seem to recur subsequently in a fragile phase, as can be witnessed in the rock brecciation and in the map like compression relay of these zones (case of Nyafe and Wona). The mineralization seems to be associated to the shear zones. It is associated to an intense weathering characterized by a silicification and a sericitization, to quartz veins, mylonites and brecciations. These veins are often affected by a second phase folding.

5.3 Geochemical and Mineralogical Studies

Based on up to date results, the Wona gold bearing mineralization is linked to silicification, to zones of breccia as well as mylonitic zones.

The geochemical study shows a positive correlation between Au and Te, Ag, W, Sb, Hg, As and S, Au and Te elements.

- A main ferro-arseniferous mineral paragenesis with pyrite (very dominant) and arsenopyrite (minor); the accessory mineral phases are composed of:
 - Antimoniferous grey copper (tetrahedrite);
 - Galena;
 - Nagyagite $Pb_5Au (Te,Sb)_4S_6$;
 - Scheelite ($CaWO_4$);
 - Au and Ag Tellurium;
 - Nickeliferous Cobaltite;
 - Cinabre (HgS);
 - Ag Chloride ($AgCl$);
 - Ag Tellurium (Ag_2Te).
- Other mineral phases are also present :
 - Hematite (from pyrite oxidation);
 - Monazite (La-Ce-P) very frequent ;
 - Rutile (TiO_2);
 - Apatite.

Host rock minerals and hydrothermal alterations are represented by quartz, ferriferous dolomite, siderite, ferriferous chlorite and sericite.

Gold shows either as pure gold (100% Au) in hematite from pyrite oxidation ranging in size from 1 to 2μ , either as native gold (8% Ag, 92% Au) of 5μ size, found in pyrite, or as free native gold in quartz (ranging from 1 to 10μ) or in Ag_2AuTe (petzite).

Geochemical and mineralogical studies have shown that the Wona gold bearing mineralization is trapped in mylonisation or brecciation zones and in quartz veins in ductile-friable type tectonic conditions.

Mintek conducted a mineralogical study on a 300kg sample of brecciated metasediments taken from bore hole SPQ2 (22-23m and 57-90m from the breccia zone) to determine the grindability index.

The X-Ray diffraction (XRD) analysis showed the following mineral (Table 2) and chemical (see Table 3) composition.

Table 2: TABLE OF RELATIVE ABUNDANCE OF MINERALS DETERMINED BY XRD			
Sample	Major (>20 %)	Minor (5 – 20 %)	Trace (<5 %)
Concentrate Managem	Pyrite, Quartz	Chlorite, Fe-metal	Ankerite, Mica, K-Feldspar, Carbon, Arsenopyrite

Table 3: TABLE OF CHEMICAL COMPOSITION		
Mineral name	Chemical formula	Mineral groups
Pyrite	FeS ₂	Sulfide minerals
Pyrrhotite	Fe _(1-x) S	
Arsenopyrite	FeAsS	
Chalcopyrite	CuFeS ₂	
Cobaltite	(Co,Fe)AsS	
Quartz	SiO ₂	Quartz and Silicate Waste
Chlorite (Chamosite)	(FeMg) ₅ Al(Si ₃ Al)O ₁₀ (OH,O) ₈	
K-Feldspar (Microcline)	KAlSi ₃ O ₈	
Mica (Muscovite)	KAl ₂ Si ₃ AlO ₁₀ (OH) ₂	
Carbon	C	Carbonate waste
Ankerite	Ca(Fe,Mg,Mn)(CO ₃) ₂	
Hematite	Fe ₂ O ₃	Oxidised waste
Magnetite	Fe ₃ O ₄	
Iron	Fe	Ferrous metal

The modal composition also determined by SEM allows the determination of the host-rock/ sulfide ratio (Table 4).

Table 4: TABLE OF MODAL COMPOSITION	
Mineral phase	Estimated mass (%)
Gangue 1	39.2
Pyrite	44.2
Arsenopyrite 2	4.4
Pyrrhotite	0.5
Chalcopyrite	<0.5
Fe-metal 3	11.6
NOTES: 1: quartz, silicates, ankerite 2: with traces of cobaltite 3: including iron oxides.	

Grain sizes vary from 1.8 to 64.3 μ and have the following distribution (Table 5):

Table 5: TABLE OF GRAIN SIZE DISTRIBUTION			
Grain size class (ECD, μm)	No. grains	Average grain size (ECD)	Total Au detected (%)
<5	36	3.2	6
5–15	13	8.0	14
15–25	3	19.3	18
25–60	0	-	-
>60	1	64.3	62
TOTAL	53	6.5μm	100

5.4 Geological Description of the Nyafe Deposit

Three major lithological groups outcrop in the Nyafe sector and extension:

- A grouping of volcanic pyroclastic of intermediate to basic composition which can be found at the SE and NW ends. It roughly follows a NE-SW direction. It is composed of a schistose pyroclast along a NE to NNE direction.
- An acid to intermediate volcanic grouping associated to a volcano-sedimentary facies mainly outcropping in the extreme SE zone, Maoula and Bana. This facies forms a NE-SW belt.
- An intermediate to basic volcanic lava grouping with tuffaceous remnants. These volcanic rocks are generally massive with a glassy to microlitic texture.

The different volcanic facies, except the lavas, show a schistosity of flux of NNE to NE direction. These formations are also affected by folds from the second phase of ENE-WSW axial planes.

Faults that affect the sector have a NW-SE orientation; they affect practically the whole Houndé belt and show a sinistral pattern. The balance is of NE-SW with a dextral pattern.

Many quartzites concordant with the shistosity run along the zone particularly in the extreme SE. They often have a cherty appearance with iron oxides and are set in acid to intermediate volcanic facies.

6. EXPLORATION PROGRAM 2007

In 2007, all of the 8 exploration permits underwent exploration work as well as the Mana mining permit. Overall the amount of work carried out may be summarized as follows:

Auger sampling:	677 holes, 9,115m
Trenching:	32 units, 3,895m
Channel sampling:	6 units, 494m
Geophysics:	2 IP ground surveys, 96.5km (Phase I: 36.5km, Phase II: 60km)
Soil geochemistry:	4,515 soil samples
Rock geochemistry:	86 rock samples
RC drilling:	151 holes, 14,431m
DDH drilling:	33 holes, 12,187m

Table 6 presents the details of the exploration programs broken down per permit area.

Table 6: TABLE OF 2007 EXPLORATION WORK ON THE PERMITS ●● MANA MINERALS			
TYPE OF WORK▶ PERMIT/AREA ▼	AUGER SAMPLING & TRENCHING	GEOCHEMISTRY & GEOPHYSICS	DRILLING
MANA		Wona: IP vertical gradient geophysics (36.5km, phase I & 60km, Phase II)	Nyafe: 8 DDH holes (2,662m) Nyafe NE: 27 RC holes (3,571m) Wona: 9 DDH holes (3,327,5n) Wona: 16 RC holes (2,195m) Wona NE: 7 RC holes (1,033m) Wona: 13 DDH holes (5,165.5m)
Filon 67			Phase I: 12 RC holes (724m) Phase II: 18 RC holes (1,273m)
Maoula			Phase I: 6 RC holes (321m) Phase II: 11 RC holes (706m)
Under Waste Dump at Nyafe			7 RC holes (413m)
Fofina & Nyafe SW	125 Auger holes (1,843m)		
KONA	2 Trenches (88 & 75m) 59 Auger holes (714m)		10 RC holes (1,264m) Wona NE: 3 RC holes (452m) Wona NE: 3 DDH holes (1,032m)
MANA WEST	Konkouliko: 2 Trenches (91 & 139m) Yona : 3 Trenches (175, 124 & 100m)	Geochemistry : 2,282 samples and 71 rock samples.	Konkouliko: 3 RC holes (288m)
MANA EAST		Kokoi :Geochemistry : 1,519 soil samples & 6 rock samples	
FOBIRI	6 trenches (530m) 152 Auger holes (2,745m)	Geochemistry: 714 soil samples & 9 rock samples	
BARA	Channel sampling : 2 channels (50m) 1 Trench (101m) 123 Auger holes (1,480m)		5 RC exploratory holes (400m)
OULLA	5 Trenches (785m) 2 Channel sampling (190m)		26 RC exploratory holes (1,791m)
BOMBOUELA	218 Auger holes (2,333m)		
MASSALA	13 Trenches (2,217m) 2 Channel sampling (254m)		

7. SAMPLING METHODS AND APPROACH

Since 1999, the reverse circulation bore hole method (RC) was generally used to outline the deposit. Samples are systematically taken at one metre intervals of bore hole. Recovery is considered satisfactory (90%), corresponding to 8 kilograms per meter of bore hole, except for bore holes where strong water flows or fault zones were encountered.

Each sample is divided then subdivided ($1/2$, $1/4$, $1/8$) using a riffler. The $1/8$ portion (about 1kg) is bagged and sent for analysis while the $7/8$ remaining (about 7kg) are re-split a second time to generate a reference sample which will be stored in the core library for later use. The riffler is blown clean with compressed air after each sample.

All individual drilling samples represent one-meter of drilling which were split in half for cores and RC drill cuttings riffled split (see above) to end to 1kg samples. One half-core or a 1kg RC sample is kept on site as a control and an equivalent sized sample was then sent for preparation and gold assaying at the Abilab laboratories in Ouagadougou, Burkina Faso. Each sample was fire assayed for gold content on a 50-gram pulp sub-sample at the same Abilab laboratories.

8. PREPARATION, ANALYSIS AND SAMPLE SAFETY

8.1 Cross-Checking of Laboratories

The contractual laboratory used for outsourcing the analysis of samples collected for exploration work underwent cross-checking for quality assurance purposes. The Abilab Laboratory of Ouagadougou, Burkina Faso, the main contractor laboratory for Mana Minerals was cross-checked by sub-sourcing a minimum amount of samples that would make the exercise viable.

The cross-check laboratory used was SGS Laboratory in Ouagadougou, Burkina Faso. Approximately 1300 samples, which were originally assayed for gold by Abilab, were sent for re-analysis by SGS. This represents approximately 5% of the total population of samples taken in 2007 for exploration purposes. A correlogram of SGS Lab against Abilab Lab is shown on Fig. 5.

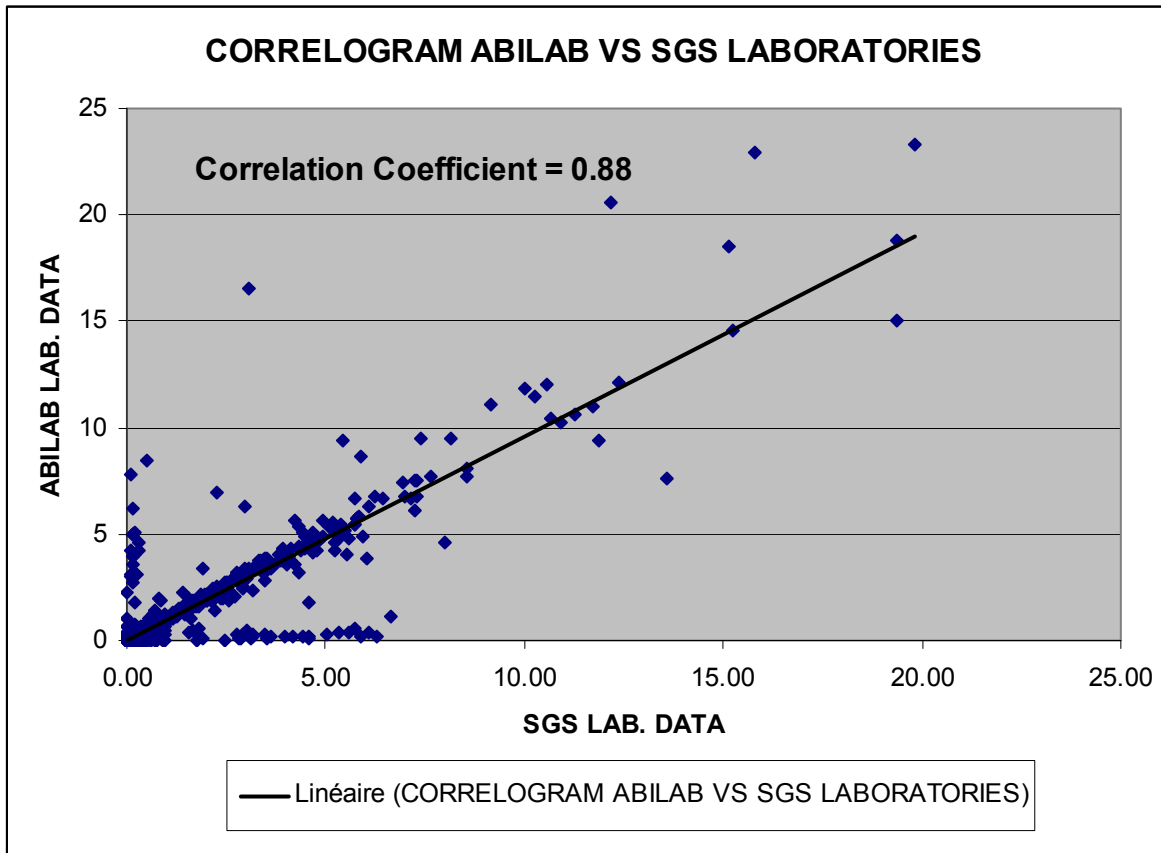


Fig. 5: Correlogram of over 1,000 samples assayed by two different laboratories. The correlogram shows good reliability of assays for Mana contractual laboratory Abilab of Ouagadougou. Note that all SGS assays marked as <0.01g/t have been recorded as 0.01g/t (SGS lab.detection limit)

8.2 Analysis of Duplicate samples

In year 2007, Quality Assurance (QA) also included the analysis of duplicate samples. This is physically done by the insertion of duplicate samples (doubles of the same samples) at random in assay batches sent to Abilab Laboratories in Ouagadougou. The laboratory is not aware of the existence of such samples. Over 550 duplicate samples were sent for assay in 2007 and results are compared between the original value obtained for a sample and its duplicate value in g/t. Results are compiled on a correlogram (Fig. 6).

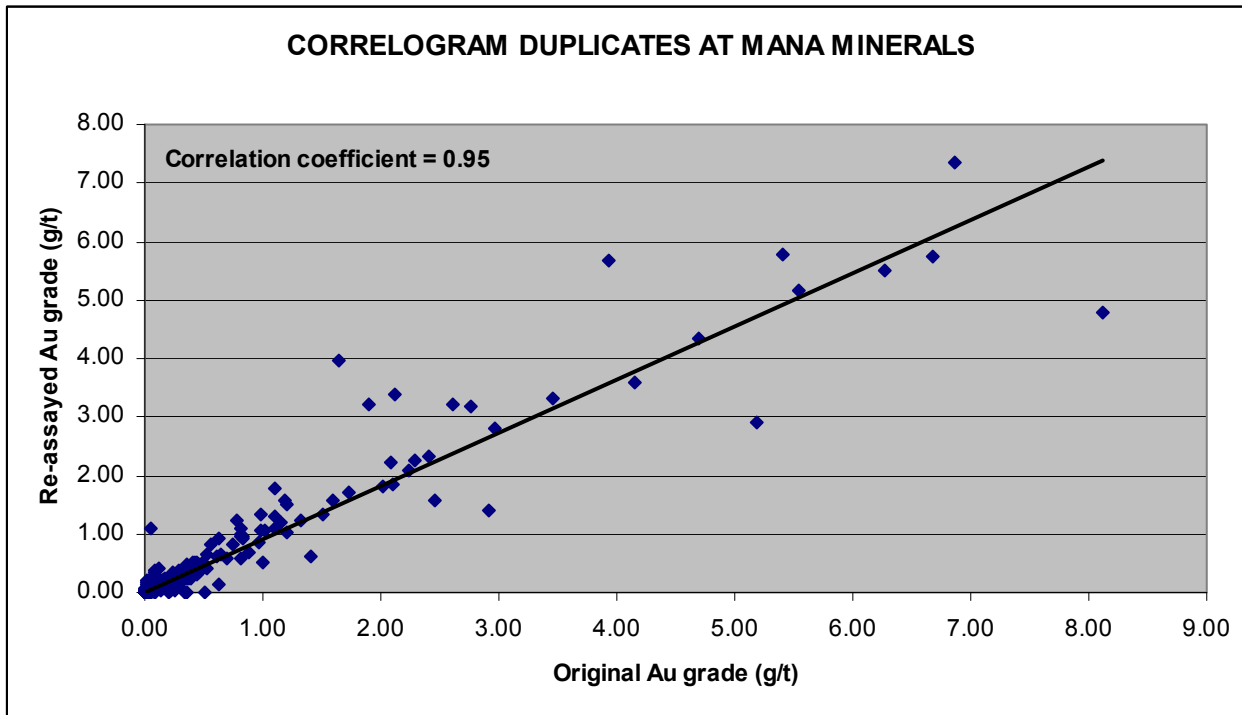


Fig. 6: Correlogram of duplicate samples assayed at Abilab laboratories, Ouagadougou. Note the correlation coefficient ρ of 0.95, indicating a high level of reproducibility of Abilab. Note that all assays marked as $<0.01\text{g/t}$ have been recorded as 0.01g/t (lab. detection limit)

The correlogram obtained shows a high degree of fit between the original values and the duplicate values, as indicated by the correlation coefficient ρ of 0.95 (a perfect correlation is when $\rho = 1.0$). It is concluded that reproducibility of assays at Abilab for Mana Minerals is high.

8.3 Analysis of Standards

Preparation and analysis of RC bore hole samples were done at ABILAB analysis laboratory in Ouagadougou, Burkina Faso. To ensure the reliability of the analysis, a two-fold quality control protocol was introduced:

- A quality control by ABILAB laboratory, and
- A quality control by the geology department of SML. It consists of the introduction of standards scattered throughout the samples batches sent to the laboratory. In principle, the laboratory does not know where the quality control samples are inserted in batches. For the case of standards, because they are shipped to the laboratory in their original bags, the laboratory can identify them, but will not know its grade value.

The standards that were used throughout 2007 are those obtained from Rocklabs Laboratory in Australia, and are described in Table 7.

Table 7: TABLE OF CHARACTERISTICS OF THE STANDARDS •• MANA				
ITEM	SAMPLE	SAMPLE CODE	THEORETICAL GRADE¹ (g/t)	STANDARD DEVIATION² (g/t)
1	OxE42	N/A	0.61	± 0.011
2	OxF53	N/A	0.81	± 0.029
3	OxG60	N/A	1.025	± 0.028
4	OxH52	N/A	1.291	± 0.011
5	OxJ47	N/A	2.384	± 0.02
6	OxK18	N/A	3.463	± 0.132
7	OxK48	N/A	3.557	± 0.042
8	OxN49	N/A	7.635	± 0.08
9	OxP50	N/A	14.89	± 0.33
NOTES: 1 The theoretical grade is that supplied by Rocklabs. 2 The standard deviation is that supplied by Rocklabs.				

The following graphs show the results obtained in the quality control of the geology using standards (Fig. 7). From the diagrams, it can be seen that standards show results in the acceptable range.

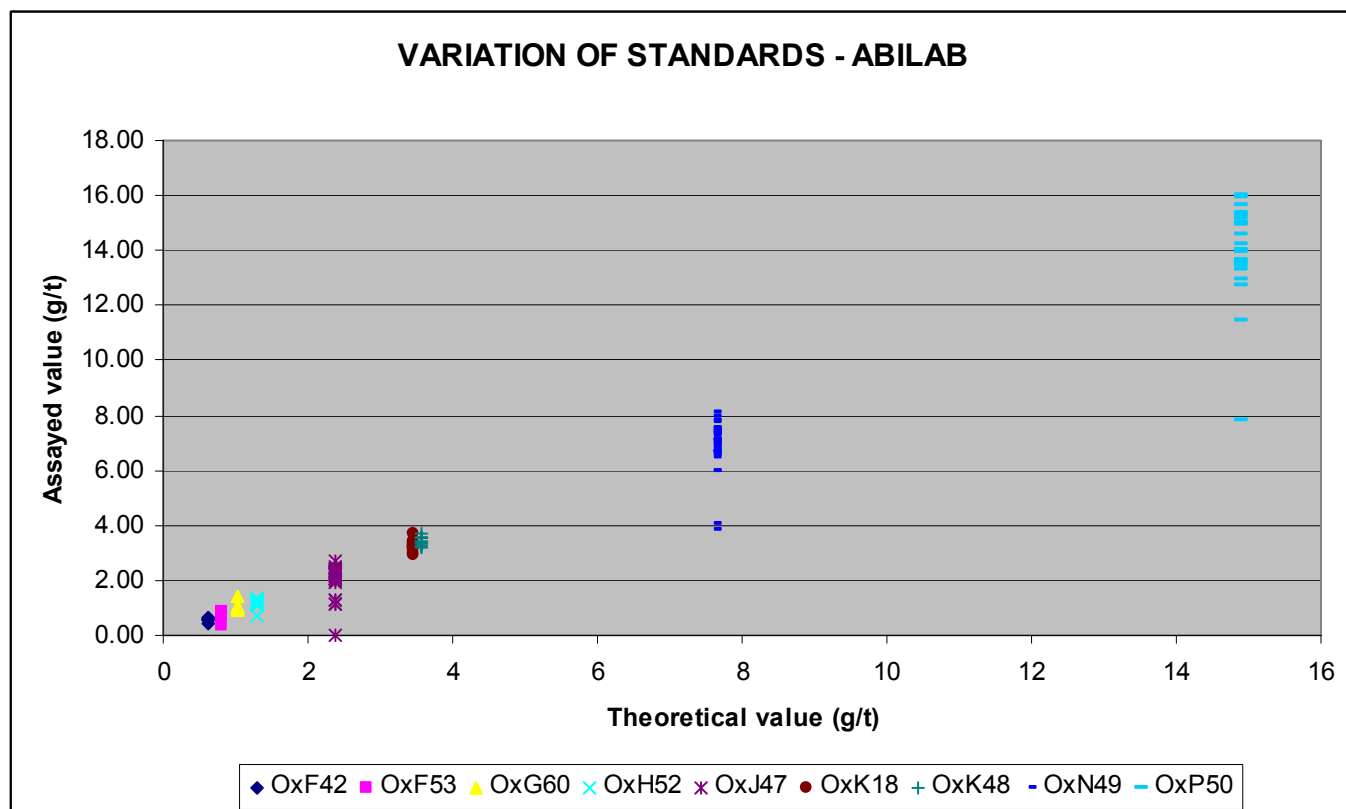


Fig. 7: Correlogram depicting the variations in actual assaying of the standards used at Mana. Nine standards were used. The Y axis shows the variation in Au grade (g/t) obtained from Abilab Laboratories of Ouagadougou, Burkina Faso on the standards analyzed.

8.4 Preparation, Analysis and Security of the Samples

Transportation from borehole site to laboratory, preparation, grinding and pulverizing to a control size of 95% passing 75 microns for all samples are done under the supervision of Abilab laboratories in Ouagadougou, Burkina Faso. Following this, sub samples of 50g are analyzed for gold by fire assay followed by atomic absorption on sub-samples of 50g are also performed at the same facilities. The security and quality control program of sampling and analysis is performed at two levels:

- an internal control by Semafo: this is done by strict practice of quality control methods on all steps of sampling before shipping to the laboratory. It is completed by a program requiring systematically: the use of 3 types of standards from Rocklabs, New-Zealand which are incorporated with each shipment, the shipment of duplicate samples taken every 10 meters and by using a sterile standard sample from homogenous granite (created internally).
- a control at Abilab laboratories: by repeating the readings on the AA equipment (up to 3 times if needed) for high grades; furthermore, the laboratory generates duplicates on powdered material every 100 sample. Abilab produces and makes available, on demand, a report on its internal quality control program (round robin).

9. ADJACENT PROPERTIES

The mineral exploration permits adjacent to Mana are shown in map of Fig. 8. Companies immediately bordering Mana permits are Riverstone Resources Inc. and Sawadogo Sayouba.

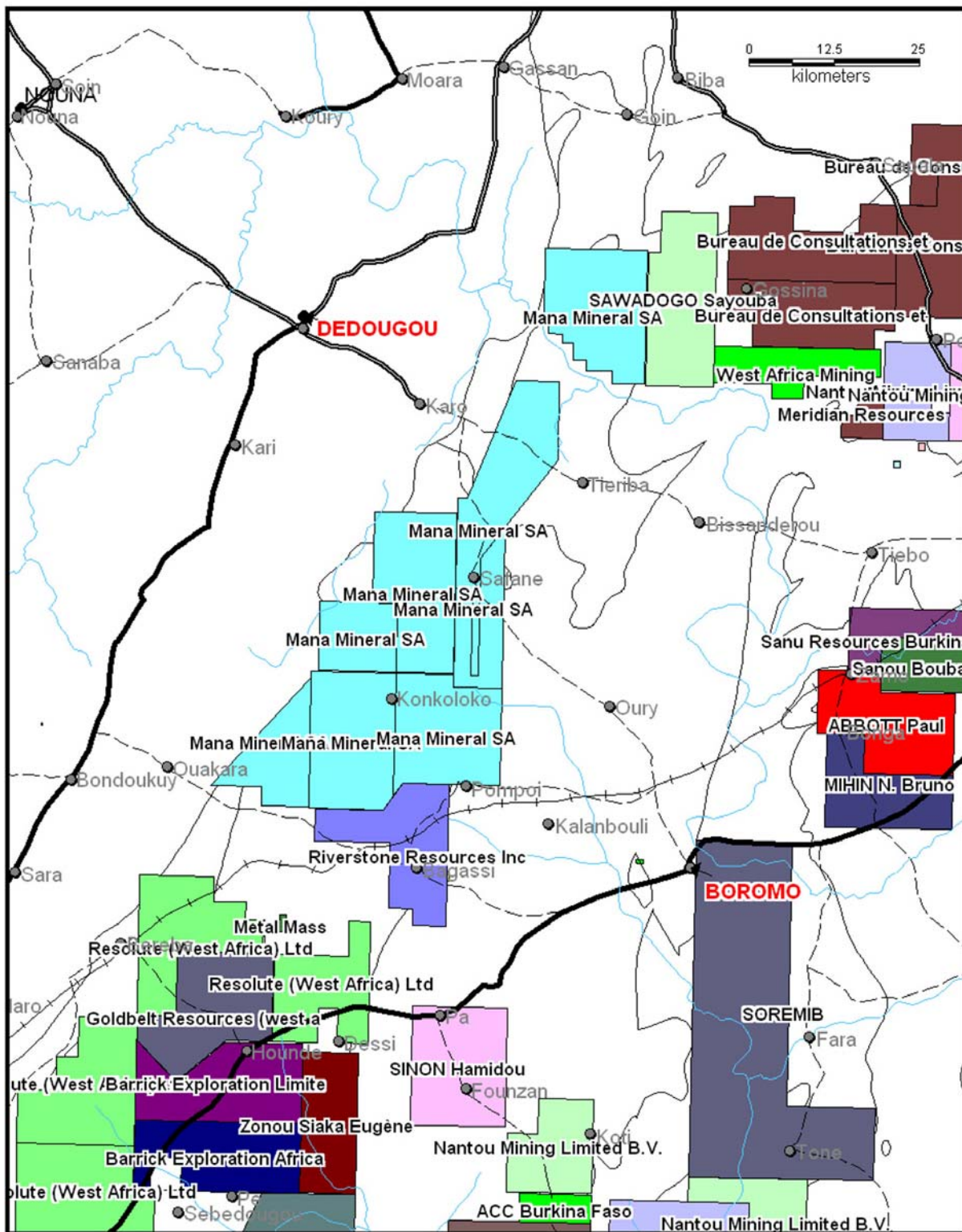


Fig. 8: Map of adjacent properties to Mana in Burkina Faso.

10. MINERAL PROCESSING TESTS

10.1 Tests on the Wona Ore

Tests were first performed at the *Centre de Recherche et Valorisation* (CRV) (Research and Upgrading Centre) at Reminex (Marrakech) and at SGS Tarkwa in Ghana. The latest tests (SGS-Lakefield 2006) for gold recovery show that the Wona saprolite ore can yield a recovery of up to 94%, that the Wona bedrock ore can yield 76%, the oxidized Nyafe ore 87% and the Nyafe sulfide ore 71%.

10.2 Tests on the Nyafe Ore

Samples from the RC bore holes on Nyafe also underwent at Reminex, the same testing as for the Wona samples. Those tests were chemical analysis for Au, Ag, Cu, As and Fe, a mineralogical study using X-Ray diffraction (XRD) as well as a bottle cyanadation test.

Chemical analyses show grades for Au between 0.86g /t and 21 g/t as well as Ag grades between 1 and 31g/t. Grades for Fe and AS respectively range between 5 and 9% and between 280ppm and 1.6%.

For the oxidized section, the mineralogical study show an iron oxide (hematite: Fe_2O_3), quartz and muscovite paragenesis as well as aluminum and magnesium silicates. The sulfide section is characterized by the presence of very fine grain size pyrite.

11. EVALUATION OF MINERAL RESERVES AND MINERAL RESOURCES

11.1 Preparation, Analysis and Security of the Samples

11.1.1 Building the Database

The data base is built using MS Excel spreadsheet software and includes:

- A surveys file (deviations): holds the name of bore holes and trenches, the bearing and pitch, as well as all deflections when they have been noticed;
- A collars file (coordinates): holding the coordinates x,y,z of bore holes and trenches and their lengths;
- An assays file (analysis): holding the gold analysis per mineralized intersection;
- A litho file (geology): holding the lithological description of bore hole and trench samples.

The data base holds all the data of RC bore holes, core drillings and chip sampling of trenches.

After completion of the data base we move on to the definition of cross sections (CS). Cross sections are vertical and defined to be perpendicular to the ore body strike. Their placement is dictated by the bore hole lines. The reach of each CS, also known as “clippings”, equals half the distance between the two cross sections. In the case of Wona, the CSs are spaced by 25m.

Table 8 presents a statistical overview of the sample Mana Minerals' sample database.

Table 8: TABLE OF SAMPLE DATABASE STATISTICS •• MANA MINERALS			
DEPOSIT ► DATA TYPE ▼	WONA	NYAFE	FILON 67
RC Drilling			
No. Holes	551	778	45
No. Samples	39,849	41,597	2,839
DDH Drilling			
No. Holes	62	42	-
No. Samples	11,227	3,445	-
Trenching			
No. Trenches	23	60	15
No. Samples	1,412	2,240	554
TOTAL			
No. Units	636	880	60
No. Samples	52,488	47,282	3,393

11.1.2 Ore Outlines (Strings)

As a function of the geological interpretation, the different intersections of a structure are linked on a transversal cut by an outline (string) in order to define the ore outline, that is the intersect of the ore outline with the plane of the cross section. The shape of the strings is defined by the mineralized intersections, with a geological cut-off grade of 0.3 to 0.5g/t Au. The vertical closure of a string depends on the thickness of the mineralized intersections on the CS and the geological model.

11.1.3 Linking Outlines Between Bordering CSs

The next step deals with linking the strings between the different CSs to build a solid. The solid is better known as «wireframe». Each mineralized structure is represented by a wireframe. Linking the strings takes into consideration any geological element that gives meaning to the ruptures in the ore outline (fault, unconformity). If necessary, structures are closed at mid-distance between a mineralised CS and the following sterile CS, in accordance with the geological interpretation.

11.1.4 Block Model Build-Up

To estimate grade and tonnage within an ore body, the constructed three-dimensional solid body is filled with blocks. The block definition is based solely on the smallest size of an estimation unit. The choice of the size for the unit block is dictated by the distance between the drill log and the size of the mining bench. The space unfilled by the unit block «parent cells», especially on the perimeter of the ore outlines, is filled with sub blocks «sub cells». The size of the sub blocks is defined by the «split» parameter which corresponds to a size reduction factor along a given direction. It should be noted that the smaller the size of the blocks (different from half the bore hole mesh required for a

category), the greater the estimation error on this block. This is a fundamental principle in geostatistics. The dimensions (in metres) of the estimation blocks used are listed in Table 9.

Table 9: TABLE OF BLOCK MODEL GEOMETRICAL PARAMETERS •• MANA DEPOSITS				
		MANA DEPOSITS		
Designation	Direction	WONA	NYAFE	FILON 67
BLOCK SIZE	X	12.5	5	5
	Y	12.5	5	5
	Z	5	2.5	2.5
	Split	3	3	3
	Split Plane	YZ	YZ	YZ
Composites (m)		3	2	--
Estimation method		IPD/K ¹	IPD/K	IPD/K
CATEGORIES	MEASURED			
	X	5	5	2
	Y	30	35	40
	Z	25	25	25
	INDICATED			
	X	7.5	7.5	3
	Y	45	52.5	60
	Z	37.5	37.5	37.5
	INFERRED			
	X	25	22.5	9
	Y	150	105	180
	Z	125	75	105
NOTES:				
1 K= Kriging optimized interpolation technique				

11.1.5 Composite Generation and Capping

Normalizing:

In order to minimize the support effort when estimating the block grades, the normalising of the length of the mineralized intersections is made at 1m.

Capping value:

In order to minimize the effect of high grades, capping values are applied (see Fig. 8 for Wona, Fig. 9 for Nyafe and Table 10).

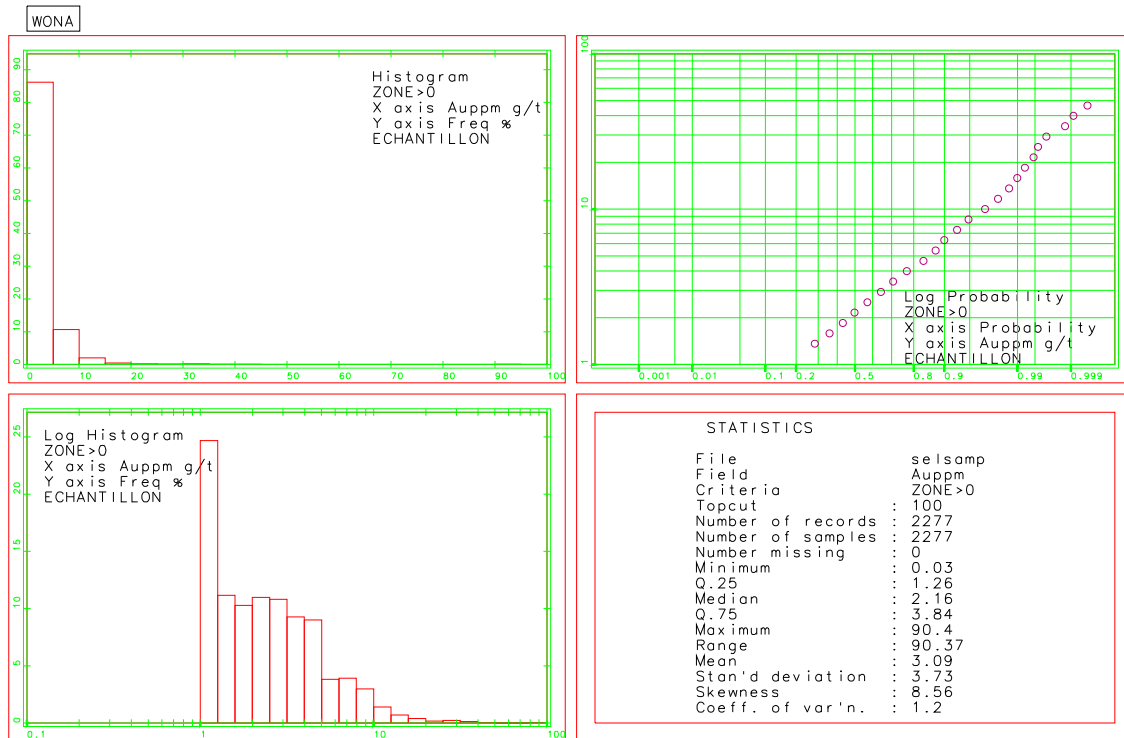


Fig. 9: Relative and cumulative histograms on Au grade of 2,777 samples from the Wona deposit.

Table 10: TABLE OF CAPPING VALUES ●● MANA DEPOSITS	
DEPOSIT	CAPPING VALUE (g/t) Au
Wona	15
Nyafe	30
Filon 67	30

11.1.6 Estimating Grades and Defining Categories

11.1.6.1 Approach

Interpolation of grades is made using the inverse of the square of distances method (IPD). The Datamine module used to estimate grades is «Estimate». This module allows for the interpolation of grades on the mineralized structure map and allows categorization of the mineral resources. It considers three ellipses nested on each other of which the greater axis is oriented along the strike of the mineralised structure, the smaller axis perpendicular to the structure and the intermediate axis along the dip.

11.1.6.2 Wona Estimate

The Wona sector is divided into two zones as a function of the structure thickness:

- the North Wona zone (5700N – 6600N) with important thicknesses averaging 15 to 20m;
- the South Wona zone (4200N – 5700N) with shallow thicknesses averaging 3 to 5m.

The definition criteria for block dimensions are summarized in Table 10 above.

This estimate was made based upon an ore outline of 0.5 g/t Au. It should be noted that the concept of planned dilution is not applied on structures of shallow thicknesses. The Wona sector profiles are spaced at approximately 25m and cover a distance of 2,400m from the transversal section 4200N to the 6600N section.

11.1.6.3 Nyafe Estimate

A mineral resource block is built upon a block with the following dimensions:

X = 2m Direction of structure thickness;
Y = 5m Direction of structure lengthening;
Z = 2.5m Vertical direction of structures, is equal to the height of a bank.

The Nyafe gold deposit is made of very thin structures with sudden variations of direction and dip. The choice of these block dimensions is made for a good selectivity during mining operations.

The 2-m along the direction of structure thickness corresponds roughly to the minimal selectivity size. The selection of 5m along the N-S lengthening is due to the sudden change of dip and direction of structures and to their thinness. The 2.5m vertical corresponds to a selective height of bank for mining.

Statistical and geostatistical analysis of grades for Nyafe show that in the Nyafe solids corresponding to a geological cut grading 0.5g/t. There are 986 original mineralized intersections of 1m length. The grade for these intersections ranges from 0.01 to 66.6g/t averaging 6.69g/t. The cumulative frequency curve using a log scale shows a breakage at a grade value of 30g/t (Fig. 10).

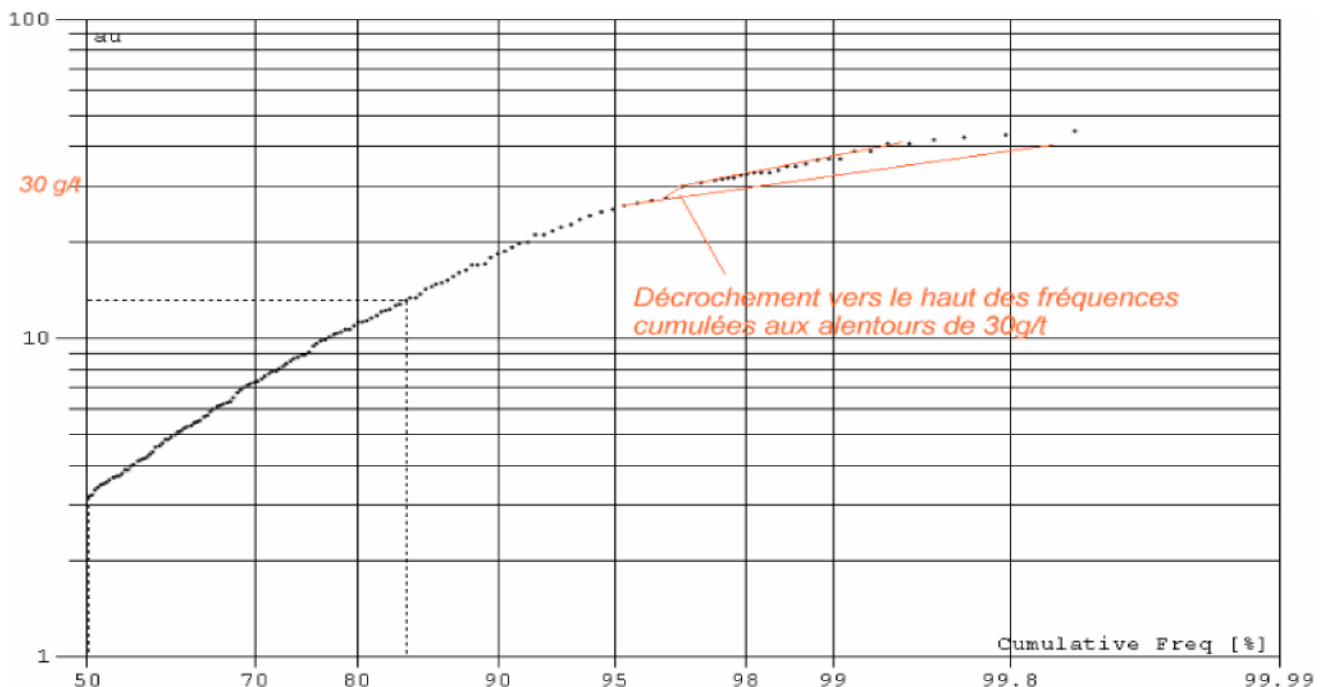


Fig. 10: The Nyafe capping value curve

The cumulative frequency curve has defined the capping value at 30 g/t Au, which corresponds to 3.5% of gold metal. To minimize the support effect in terms of thickness of mineralized intersections, all thicknesses are evened at 2m and vowed to be the size of composites used to estimate block grades.

11.2 Specific Gravity Measurements (SG)

From the Wona drill logs 3 facies are detectable: saprolite, saprock and bedrock. This breakdown was also confirmed by: grindability tests, bottle cyanadation tests and specific gravity measurements.

Semafo's specific gravity file holds the results for 188 specific gravity measurements on as many spacings (from 9cm to 32cm) on 7 core drilling holes (from WDC7 to WDC13).

There is a wide specific gravity difference between on one hand the saprolite and the saprock and on the other fresh rocks. Therefore in this study, the fixed values used for each type of ore are: 2.3 for saprolite, 2.4 for saprock and 2.7 for bedrock (see Table 11).

Table 11: TABLE OF SG MEASUREMENTS (2003)●● WONA				
Material type	Number	Minimum	Maximum	Average
Saprolite	44	1.51	2.4	1.9
Saprolite mineralised	57	1.89	2.65	2.3
Saprock	8	1.79	2.74	2.3
Saprock mineralised	10	1.72	2.70	2.4
Bedrock	35	1.66	2.96	2.7
Bedrock mineralised	34	2.13	3.07	2.7

The average specific gravity determined for the mineralised facies is:

- Mineralized saprolite: 2.3g/cm³
- Mineralized saprock: 2.4 g/cm³
- Mineralized bedrock: 2.7 g/cm³

The average specific gravity determined for waste material is:

- Waste saprolite: 1.9 g/cm³
- Waste saprock: 2.3 g/cm³
- Waste bedrock: 2.7 g/cm³

For Nyafe, only two types of mineralized materials have been identified, oxidized and sulfide ores. The densities used are 2.3 for the oxides and 2.8 for the sulfides (Table 12).

Table 12: SPECIFIC GRAVITY MEASUREMENT STATISTICS ●● NYAFE				
Type of Material ▼	Number	Minimum	Maximum	Average
Oxides	7	1.99	2.41	2.3
Sulfides	13	2.73	2.97	2.8
Oxide waste	3	1.87	2.21	2.0
Bedrock waste	11	2.73	3.07	2.9

11.3 Gold Grade Modeling

Interpolation of grades is made by a standard kriging method. “Estima” is the Datamine module used to estimate grades. This module allows interpolation of grades on the mineralized structure map and categorization of the mineral resources. It uses 3 ellipses nested on each other of which the greater axis is oriented along the lengthening of the mineralised structure, the smaller axis perpendicular to the structure and the intermediate axis along the dip.

In order to minimize the support effect in terms of the intersections, all thickness values are recalculated to 2m for Nyafe and 3m for Wona and are considered as the size of the composites used to estimate the grade of blocks.

11.4 Parameters Used to Estimate the Mineral Reserves

Preparation of the mineral reserves was carried out using the Datamine software and the NPV Scheduler modules for the optimization of pits and the Mine Design modules for pit design.

In order to achieve an estimate of mineral reserves as up-to-date as possible, the optimisation parameters were designed taking into account variations of anticipated costs. Table 13 lists these parameters as of December 31st, 2007.

Table 13: TABLE OF OPTIMIZATION PARAMETERS ●● MANA MINERALS			Dec 31st 2007
PARAMETER	WONA	NYAFE	
Selling price (\$/ounce)	650	650	
Gold price variance (for sensitivity analysis) \$	10	10	
Minimum gold price (\$/ounce)	600	600	
Maximum gold price (\$/ounce)	1,000	1,000	
Mining dilution (%)	5	10	
Mine recovery (%)	100	100	
Mining equipment capacity for oxidized ore (BCM ¹) (tonnes/day)	15,640	13,200	
Mining equipment capacity for Saprock ore (tonnes/day)	15,640		
Mining equipment capacity for sulfide ore (BCM*) (tonnes/day)	12,690	10,000	
Minimum spaced required at pit bottom (m)	10	10	
Trenching for pit bottom (m)	10	10	
Bench height (m)	2.5	2.5	
Ramp slope (%)	10	10	

Table 13: TABLE OF OPTIMIZATION PARAMETERS ●● MANA MINERALS		Dec 31st 2007
PARAMETER	WONA	NYAFE
Double width (%)	18	18
Single width (%)	11	11
General pit slopes (°)		
Oxidized ore		42-45
Sulfide ore		52-55
Saprolite	42-45	
Saprock	42-45	
Bedrock	52-55	
Fuel Price (\$)		
Price in Burkina Faso	1.11	1.11
Current crude oil price	100	100
Plant capacity (t/j)		
Saprolite ore	4,500	
(4,000 for Q1 & Q2	4,200	
Saprock ore	4,000	
Bedrock ore		
Oxidized ore		4,500
(4,000 for Q1 & Q2)		
Sulfides		4,000
Work Index (kwh/tonne)		
Saprolite ore	10.2	
Saprock ore	15.7	
Bedrock ore	16.3	
Oxidized ore		7.5
Sulfide ore		12.6
Specific Gravity in-situ (tonnes/m³)		
Saprolite ore	2.3	
Saprock ore	2.4	
Bedrock ore	2.7	
Oxidized ore		2.3
Sulfide ore		2.8
Ore recovery (%)		
Saprolite ore	94	
Saprock ore	87	
Bedrock ore	76	
Oxidized ore		87
Sulfide ore		71
Mining costs (\$/tonne)		
Saprolite waste	1.18	1.32
Saprock waste	1.28	
Bedrock waste	1.80	1.86

Table 13: TABLE OF OPTIMIZATION PARAMETERS ●● MANA MINERALS		Dec 31st 2007
PARAMETER	WONA	NYAFE
Saprolite ore	1.30	1.41
Saprock ore	1.38	
Bedrock ore	1.84	1.90
Transportation Nyafe (\$/Tonne)		1.55
Geological control (\$/Tonne)	0.25	0.75
Processing costs (\$/tonne)		
Saprolite	10.75	10.75
Saprock	13.02	
Bedrock	18.27	18.27
Structural costs (\$/tonne) --- Annual	3,700,000	3,700,000
Saprolite	2.69	2.69
Saprock	2.69	
Bedrock	2.69	2.69
Gold selling costs (\$/ounce)	5.80	5.80
Selling costs (\$/ounce recovered)	5.80	5.80
Saprolite Wona (\$/tonne recovered)	0.49	
Saprock Wona (\$/tonne recovered)	0.40	
Bedrock Wona (\$/tonne recovered)	0.33	
Oxidized Nyafe (\$/tonne recovered)		0.97
Sulfides Nyafe (\$/tonne recovered)		0.84
Royalties (3% per ounce)	19.50	19.50
Royalties (\$/tonne recovered)		
Saprolite Wona	1.64	
Saprock Wona	1.34	
Bedrock Wona	1.11	
Oxidized Nyafe		3.27
Sulfides Nyafe		2.84
Rehabilitation (\$/tonne of rock)	0.10	0.10
WITHOUT WASTE STRIP RATIO		
Costs per tonne of ore	Without waste	With Waste
Saprolite Wona (\$/tonne)	17.22	21.24
Saprock Wona (\$/tonne)	19.18	23.54
Bedrock Wona (\$/tonne)	24.60	30.73
Average cost Wona (\$/tonne)	21.25	26.39
Oxidized Nyafe (\$/tonne)	21.50	37.51
Sulfides Nyafe (\$/tonne)	28.94	51.51
Average cost (\$/tonne)	22.88	40.12
Cut-off grade for mining	Without waste	With Waste
Saprolite Wona (g/t)	0.88	1.08
Saprock Wona (g/t)	1.06	1.29
Bedrock Wona (g/t)	1.55	1.93
Average cut-off grade (g/t)	1.24	1.55

Table 13: TABLE OF OPTIMIZATION PARAMETERS ●● MANA MINERALS			Dec 31st 2007
PARAMETER	WONA	NYAFE	
Oxidized Nyafe	1.18	2.06	
Sulfides Nyafe	1.95	3.47	
Average cut-off grade (g/t)	1.33	2.33	
Cut-off grade for ore processing	0.79		
Saprolite Wona (g/t)	0.96		
Saprock Wona (g/t)	1.41		
Bedrock Wona (g/t)			
Oxidized ore Nyafe		0.97	
Sulfides ore Nyafe		1.66	
Actualization rate (5%)	5	5	

12. MANA Mineral Reserves Declared as of December 31st 2007

12.1 Mana Mineral Reserves Declared As Of December 31st 2007

As of December 31st 2007, the reserves update for the Mana deposits amounts to 9,824,400 tonnes at an average grade of 2.93g/t. These yield a total of 924,700 ounces of Gold metal. This enables to maintain actual production rate for an additional nine years. Details are provided in Table 14. Totals have been rounded to the nearest hundred. These reserves are stated on the basis of a 5% dilution factor at the time of mining and a 97.5% mine recovery (pre-processing) factor.

Note that grades are multiplied by the recovery function in order to provide proper input parameter to the NPV ultimate pit design software, which calculates with the pit design an economic cut-off grade with Gold price of \$US650/ounce.

Table 14: TABLE OF RESERVES PER DEPOSIT (AREA)				DÉC 31 ST 2007
CHARACTERISTICS► DEPOSITS ▼	QUANTITY (Tonnes)	GRADE (g/t)	METAL QTY (Oz ¹)	PERCENTAGE Au (%)
NYAFE				
► Northern Zone	859,662	5.90	163,185	17.65
► Central Zone	305,228	6.26	61,388	6.64
► Southern Zone	191,488	4.28	26,364	2.85
TOTAL NYAFE	1,356,378	5.75	250,937	27.14
WONA	8,467,977	2.47	673,719	72.86
TOTAL	9,824,400	2.93	924,700	100
NOTES: 1 Oz: Ounce The Oz to gram conversion factor is 1 oz = 31.1035g				

The following Table 15 presents the Nyafe pits reserves broken down by ore type.

Table 15: TABLE OF RESERVES PER ORE MATERIAL TYPE ●● NYAFE				DÉC 31 ST 2007
DEPOSIT ► ORE MATERIAL ▼	NYAFE NORTH PIT	NYAFE CENTRAL PIT	NYAFE SOUTH PIT	
OXIDIZED				
QTY (Tonnes)	514,878	185,281	80,164	
GRADE (g/t)	5.90	5.91	3.96	
METAL (Oz)	97,630	35,192	10,203	
SULFIDES				
QTY (Tonnes)	344,784	119,947	111,324	
GRADE (g/t)	5.91	6.79	4.52	
METAL (Oz)	65,556	26,196	16,160	
TOTAL				
QTY (Tonnes)	859,700	305,200	191,500	
GRADE (g/t)	5.90	6.26	4.28	
METAL (Oz)	163,200	61,400	26,400	
NOTES:				
The Oz to gram conversion factor is 1 oz = 31.1035g				

Table 16 presents Wona reserves broken down into saprolite, saprock and bedrock material types.

Table 16: TABLE OF RESERVES PER ORE MATERIAL TYPE ●● WONA		DÉC 31 ST 2007
DEPOSIT ► ORE MATERIAL ▼	WONA	
SAPROLITE		
QTY (Tonnes)	3,643,557	
GRADE (g/t)	2.63	
METAL (Oz)	308,102	
SAPROCK		
QTY (Tonnes)	1,453,374	
GRADE (g/t)	2.37	
METAL (Oz)	110,791	
BEDROCK		
QTY (Tonnes)	3,371,046	
GRADE (g/t)	2.35	
METAL (Oz)	254,827	
TOTAL		
QTY (Tonnes)	8,468,000	
GRADE (g/t)	2.47	
METAL (Oz)	673,700	
NOTES:		
The Oz to gram conversion factor is 1 oz = 31.1035g		

Proven and probable reserves categories figures are presented in Table 17.

Table 17: TABLE OF RESERVES PER ORE CATEGORY •• PROVEN AND PROBABLE				DÉC 31 ST 2007
DEPOSIT ►	NYAFE NORTH PIT	NYAFE CENTRAL PIT	NYAFE SOUTH PIT	WONA
CATEGORY ▼				
PROVEN				
QTY (Tonnes)	784,611	295,617	175,067	7,303,189
GRADE (g/t)	6.03	6.31	4.35	2.52
METAL (Oz)	152,137	59,979	24,479	592,349
PROBABLE				
QTY (Tonnes)	75,052	9,611	16,420	1,164,788
GRADE (g/t)	4.58	4.56	3.57	2.17
METAL (Oz)	11,049	1,508	1,885	81,370
TOTAL (per deposit)				
QTY(Tonnes)	859,700	305,200	191,500	8,468,000
GRADE (g/t)	5.90	6.26	4.28	2.47
METAL (Oz)	163,200	61,400	26,400	673,700
TOTAL (all deposits)				
PROVEN				
QTY (Tonnes)				8,558,500
GRADE (g/t)				3.01
METAL (Oz)				828,900
PROBABLE				
QTY (Tonnes)				1,265,900
GRADE (g/t)				2.35
METAL (Oz)				95,800
GRAND TOTAL				
QTY (Tonnes)				9,824,400
GRADE (g/t)				2.93
METAL (Oz)				924,800
NOTES:				
The Oz to gram conversion factor is 1 Oz = 31.1035g				

12.2 Mana Minerals' Mineral Resources Declared as of December 31st 2007

As of December 31st 2007, the measured & indicated resources update from the models for the Samira Hill gold mine amounts to 4,875,000 tonnes at an average grade of 2.03g/t, for a metal content of 317,800 ounces. Inferred resources update is 25,297,200 tonnes at 2.3g/t for a metal content of 1,867,100 ounces. Model envelopes are made from grades above 0.5g/t for Wona and 0.3 for Nyafe and Filon 67. Total figures have been rounded to the nearest hundred. Table 18 provides the resources details.

Table 18: TABLE OF RESOURCES PER DEPOSIT ●● MEASURED & INDICATED				DÉC 31 ST 2007
CHARACTERISTICS ► DEPOSITS ▼	QUANTITY (Tonnes)	GRADE (g/t)	METAL QTY (Oz)	PERCENTAGE Au (%)
NYAFE				
Measured	267,043	3.32	28,483	21.58
Indicated	312,998	3.16	31,811	17.12
WONA				
Measured	1,813,465	1.62	94,345	71.47
Indicated	2,300,099	1.94	143,385	77.16
FILON 67				
Measured	85,352	3.35	9,184	6.96
Indicated	96,127	3.44	10,622	5.72
TOTAL				
Measured	2,165,900	1.90	132,000	42
Indicated	2,709,200	2.13	185,800	58
TOTAL Measured & Indicated	4,875,100	2.03	317,800	100
NOTES:				
The Oz to gram conversion factor is: 1 oz = 31.1035g				

Details of resources stated in table 18 are presented per material type in table 19.

Table 19: TABLE OF RESOURCES PER MATERIAL TYPE ●● MEASURED & INDICATED				DÉC 31 ST 2007
CHARACTERISTICS ► DEPOSITS ▼	QUANTITY (Tonnes)	GRADE (g/t)	METAL QTY (Oz)	PERCENTAGE Au (%)
NYAFE¹ OXIDIZED ORE				
Measured	30,409	2.33	2,282	1.73
Indicated	27,038	1.65	1,439	0.77
NYAFE SULFIDE ORE				
Measured	236,634	3.44	26,201	19.85
Indicated	285,959	3.30	30,372	16.35
WONA² SAPROLITE ORE				
Measured	45,964	2.21	3,269	2.48
Indicated	36,103	2.44	2,832	1.52
WONA SAPROCK ORE				
Measured	61,617	1.13	2,240	1.70
Indicated	29,185	1.84	1,724	0.93
WONA BEDROCK ORE				
Measured	1,705,884	1.62	88,836	67.29
Indicated	2,234,811	1.93	138,829	74.71
FILON 67¹ OXIDIZED ORE				
Measured	74,725	3.40	8,161	6.18
Indicated	68,391	3.60	7,926	4.27
FILON 67 SULFIDE ORE				
Measured	10,628	2.99	1,023	0.77
Indicated	27,736	3.02	2,696	1.45
TOTAL				
Measured	2,165,900	1.90	132,000	42
Indicated	2,709,200	2.13	185,800	58
TOTAL Measured & Indicated	4,875,100	2.03	317,800	100
NOTES:				
1 Resources estimates are based on a cut-off grade of 0.3g/t.				
2 Resources estimates are based on a cut-off grade of 0.5g/t.				
The Oz to gram conversion factor is: 1 oz = 31.1035g				

The inferred category of resources is listed per deposit in Table 20.

Table 20: TABLE OF INFERRED RESOURCES PER DEPOSIT ●● MANA MINERALS				DÉC 31 ST 2007
CHARACTERISTICS ► DEPOSITS ▼	QUANTITY (Tonnes)	GRADE (g/t)	METAL QTY (Oz)	PERCENTAGE Au (%)
NYAFE				
Inferred	1,384,705	2.98	132,569	7.10
WONA				
Inferred	23,856,957	2.25	1,728,165	92.56
FILON 67				
Inferred	55,494	3.59	6,400	0.34
TOTAL				
Inferred	25,297,200	2.30	1,867,100	100
NOTES:				
The Oz to gram conversion factor is: 1 oz = 31.1035g				

12.3 Other Relevant Data and Information

12.3.1 Mining Operation

From the Mana and Nyafe deposits, the project foresees gold production using open pit mining and a carbon-in-leach (CIL) treatment plant. Mining works are performed by the Semafo Burkina Faso Company using its own workforce and its own mining equipment.

At full production, the ore will be processed at the rate of 109,000 tonnes per month or 1.30 million tonnes per year for oxide and sulfide ores. At this rate the mine will produce on average 125,000 ounces of gold per year for the first 3 years of full production and an average of 90,000 ounces per year for the following years. The ore will be crushed and ground to 80% passing 75 microns for the oxides and finer than 53 microns for the sulfides. Carbon adsorption, desorption and electrolytic extraction will be used to recover the gold from the leach solutions. The electrolytic extraction cathodes will be calcined, melted and then poured into gold ingots for shipping.

12.3.2 Recovery Rate

The run of mine gold ore will be treated using a standard Carbon-in-leach (CIL) flow sheet treatment, with a throughput of 109,000 tonnes per month. An in-depth metallurgical study on all the mineralized zones has shown that the recovery varies with the deposit (Wona or Nyafe), with depth and especially with the nature of the rock (oxide or sulfide). Available technologies for mineral dressing of the ore from the project deposits were evaluated. This evaluation confirmed the advantage of the CIL process over other options.

MINTEK of South Africa, a world leader in mineral processing technology, was chosen to run the necessary metallurgical tests to obtain the data that would lead to the design and cost evaluation of the plant. Additional independent tests were conducted by Reminex Valorisation in Morocco to confirm results and explore potential improvements. The design of the crushing and grinding units was contracted to the Australian ORWAY MINERAL CONSULTANTS (OMC), specialists in the field.

In-depth metallurgical testing done in South Africa, Ghana and Morocco concluded that the gold contained in the oxide, transition and sulfide ores, found in the Wona and Nyafe deposits can be concentrated using a Carbon-in-leach treatment (CIL).

To establish an overall forecast of gold recovery for the economic model and mineral resources optimization leach in bottle tests were systematically conducted by SGS Laboratory in Ghana, on all samples from mineral certification campaign and core composites. These tests produced a « recovery » data base that was integrated to the geological data base. This data base was used to predict recovery trends and the limits or depth of leachable ores. Test results are as follows:

- Wona: The weighed recovery for saprolite was 94%, 87% for saprock and 76% for bedrock.
- Nyafe: The recovery was 87% for oxides, but for sulfides it did not go over 71%.

12.3.3 Markets and Contracts

The Company sells its gold doré to a limited number of refiners at a price based upon the London Bullion Market price in effect shortly after delivery of the doré to the refiners. Since there are several other available gold refiners, the Company is not dependent upon any particular refiner.

There are no hedging sales contracts.

12.3.4 Environment

An environmental impact study of the project has been made; it will allow for the management of project impacts to follow the guidelines of the local laws. The study also takes into consideration the compensation to local populations when revenues or lodging has been affected by the project.

12.3.5 Taxation

Under the Mining Code and the mining agreement between the State of Burkina Faso and Semafo Burkina Faso, gold production attracts a royalty of 3% calculated on the value of each gold shipment, as assessed using the market price of gold at the time of shipment. In addition Semafo Burkina Faso's industrial and commercial profits will be taxed at the rate of 20% while repatriated dividends are subject to a 6.5% withholding tax.

The tax legislation also imposes a withholding tax at the rate of 10% on remuneration for services paid to suppliers who do not have a place of business in Burkina Faso and who performed work, in Burkina Faso or outside Burkina Faso and 5% for suppliers who have a place of business in Burkina Faso.

Semafo Burkina benefits from exemptions of customs duties on temporary import of equipment and from a 7-year exemption on certain taxes such as the Industrial and Commercial Professions Tax and the Employers and Apprenticeship Tax. The Mining Code and mining agreement also provides for total exoneration of VAT and import taxes (except three specific fees totalling 2.5%) on all mining and construction equipment and materials, fuel and lubricants during the preparatory phase (2 to 3 years) prior to production phase. A variety of tax reliefs, including a 100% accelerated depreciation, are provided to mining projects depending on whether it is for exploration or mining permits.

12.3.6 Estimate on Investment Spending and Operating Costs

Once in full operation, the project will require a workforce of about 400 people. It forecasts a cumulated production of 786,000 ounces (considering average mill recovery of 85%) of gold marketable at an average total cash cost of \$354 US per ounce.

This total cash cost includes sale fees, management fees, site rehabilitation costs and royalties.

12.3.7 Economic Analysis

Updated economic analysis of the feasibility of the mine has determined the following production rates for the mine life of Mana:

- Year 2008: 750,000 tonnes mined with production of 65,000 ounces Au;
- Years 2009-2011 1.3 Million tonnes mined with production of 125,000 ounces Au per year;
- Remaining mine life: 90,000 ounces Au per year.

12.3.8 Payback Period

The company anticipates a payback period of 2.5 years.

12.3.9 Mine Life

The estimated mine life for the project is at least 8 years. The mine started production on February 15th, 2008.

13. CONCLUSIONS & RECOMMENDATIONS

13.1 Conclusions

Mana Minerals' and Semafo Burkina Faso's project in Burkina Faso has yielded substantial amounts of gold reserves as indicated by the extensive exploration, delimitation and definition drilling programs carried out on all permits. The Wona and Nyafe deposits contain substantial amounts of economically recoverable reserves for which mining has already started. Nearly 10 million tonnes of gold ore are available for economic mining, with a potential to yield over 920,000 ounces of gold metal.

The next on-the-line for potential reserves is Filon 67, with over 12% of the total resources.

The new resources (measured & indicated) figures of 4.8 millions tonnes at 2.03g/t (cut-off of 0.3g/t) are encouraging figures and undoubtedly signals the need for further work programs on the strategic sites. In addition, the inferred resources increase of nearly 4-fold is also conducive to more exploration around the Wona deposit itself.

Total inferred resources for the Mana mine amounts to 25,297,200 tonnes with an average Au grade of 2.30g/t and possibly containing a total Au metal of 1,867,100 ounces. This represents an increase of 420% over 2006 inferred resources figures.

13.2 Recommendations

Work recommended for 2008 on the Mana Minerals permits in Burkina Faso is described in the following strategy. First, work will aim at the exploration and certification of the Wona NE extension. A second priority will be the certification of Filon 67 deposit. Following those priorities, work will focus on finding and developing new tactical targets in the immediate vicinity of Nyafe and Wona (Nyafe SW, Fofina, Fobiri and Maoula) and then to locate new tactical targets in all other permit areas.

It is anticipated that the 2008 exploration program will generate substantial of information on local geology of the various prospects, based on what has been learned from the Nyafe and Wona deposits.

13.2.1 Mining Permit and Kona

13.2.1.1 Tactical and Certification Work

In order to get a better understanding of the Maoula structure and shape, a series of work is considered for 2008 which includes:

- 300m of trenching;
- Over 7,000m of RC drilling;
- Over 15,000m of DDH drilling.

13.2.1.2 Ancillary Tactical Work

In order to certify the gold potential of Filon 67, 2,000m of RC drilling and 500m of DDH drilling are proposed.

13.2.1.3 Semi-Tactical Work

Moreau's litho-structural interpretation had established high-priority targets in the saddle-shaped area between Kona and Bombouela permits, in a lateritic/alluvial zone. To verify its potential, 1,200m of Auger sampling at 200x50m spacing is planned.

Following the Dipole-Dipole IP geophysical survey of November 2007 on the Northern structure at Wona, which had established the continuity of the structure through the resistivity/ chargeability and conductivity signatures, follow-up will be conducted.

13.2.1.4 Follow-up Work

With the above works, 1,000m of RC drilling will also be added to increase the geological knowledge of the zone.

13.2.2 Mana Est Permit Area

Semi-Tactical Work:

To complement soil geochemical work done in February 2007 on the targets located by the satellite imagery interpretation carried out previously, over 300 soil and 30 rock samples are planned to be picked from the Kokoi prospect. This will be done concurrently with soil geochemistry and geomorphological mapping at 1:10,000 scale. May 2007 soil geochemistry had revealed anomalous gold zones with values in excess of 2,752ppb in clayish soils or lateritic crustal areas.

Follow-up work will include 2,500m of Auger sampling at a 100mX50m grid spacing and over 1,000m of trenching.

13.2.3 Mana Ouest Permit Area

13.2.3.1 Semi-Tactical Work

Following Alain Moreau's satellite imagery interpretation in 2007, it is intended to collect 1,100 soil samples and 60 rock samples on the Dano0 Bassana prospect. A geomorphological map will also be produced at 1:10,000.

The March 2007 soil geochemical survey had located :

- A N90° oriented linear trend with grades as high as 7,496ppb and 36ppb;
- A N55° linear trend yielding 57ppb, 97ppb and 10ppb within a block of intermediate to basic lava with clay cover;
- South of the Mana village, slight anomalies (10-15ppb) lie within a corridor of yellowish/purple schists.
- At the western limit of the grid area, a cluster of anomalies containing gold values from 16-26ppb in a clayish-coarse grain area with quartz pebbles.

It is therefore recommended to follow-up these anomalies with 1,000m linear of trenching.

13.2.3.2 Follow-up Work

Subject to encouraging results of the above, a program of 2,000m of RC drilling is planned for 2008, in order to reach a better knowledge of these targets.

13.2.4 Fobiri Permit

13.2.4.1 Semi-Tactical Work

Adding to the soil geochemical survey carried out in February 2007, anomalies detected from Alain Moreau's satellite interpretation map will be subjected to a survey including 300 soil samples and 30 rock samples, on the Fobiri prospect. Geomorphological mapping at 1:10,000 scale will also be produced. The May 2007 Auger sampling program will be extended with an additional 3,000m.

13.2.4.2 Follow-up Work

Subject to positive results of the above-mentioned work, a program involving 1,000m of trenching and 2,000m of RC drilling is considered.

13.2.5 Bombouela Permit

13.2.5.1 Semi-Tactical Work

The litho-structural interpretation of A. Moreau had established high-priority zones in the Bombouela permit. In order to further develop these targets, a soil geochemical program at a 200x100m spacing is proposed on target L1 situated at the SW limit of the Bombouela soil grid. Geomorphological mapping at 1:10,000 and rock sampling will also be added. It is believed that these works will enable the collection of 300 soil samples and 15 rock samples. A program of 10,900m of Auger sampling is also considered at a 200mx50m spacing on G1, G2, H1 and K1 high-priority targets all situated in Bombouela.

13.2.5.2 Follow-up Work

Synchronized with positive results of the above, two additional works are proposed to include 1,000 of trenching and 2,000 of RC drilling.

13.2.6 Oulla Permit

13.2.6.1 Semi-Tactical Work

The soil geochemical survey carried out in year 2005 had located punctual soil anomalies in the NW main axis of the Makongo prospect. These anomalies contain gold values ranging from 102ppb to 934ppb in a quartz pebble bearing environment. To further explore those targets, 1,000m of trenching is proposed to verify the quality of those anomalies.

The soil geochemical program of 2005 on the Nounou prospect had yielded another anomalous trend SE of the principal trend, and had revealed 16ppb to 170ppb gold values; trenching is therefore recommended to cover 1,000m.

On the other hand, the 2005 soil geochemical survey on the Tuena 2 prospect had yielded 30-494ppb values South and SE of the lateritic crust covered grid. It is intended to follow-up these anomalies with 3,000m of Auger sampling at a spacing of 200mx25m.

13.2.6.2 Follow-up Work

Subject to the above work, 2,000m of RC drilling will also be added.

13.2.7 Bara Permit

13.2.7.1 Strategic Work

In 2004 a BLEG sampling program had located gold anomalies from 5-55ppb South of the Bara village. To further evaluate these, a soil geochemical program is proposed, at a 200mx100m grid spacing. This will generate 890 soil samples and 60 rock samples. Geomorphological mapping at 1:10,000 scale will accompany this work.

13.2.7.2 Follow-up Work

Following the above-mentioned work on Bara, 1,000m of trenching might be added to increase geological knowledge and potential of the areas.

13.2.7.3 Semi-Tactical Work

A soil geochemical program had shown an anomalous trend oriented N40°, South of the grid area. To follow-up this zone, extra soil geochemical work at 100mx50m spacing is required to generate over 500 samples. A geomorphological mapping at 1:10,000 scale will also be added. Further follow-up will take the form of 1,000m of trenching.

In addition, trench No. TB12 had intersected a gold mineralization corridor (1m@34g/t and 1m@12g/t) which possibly extends under the lateritic crust. Further work is therefore needed to develop the zone with 1,200m of Auger sampling.

Trench TB18 had also intersected gold mineralization (29m@2.08g/t) which plunges under a thick lateritic crust. Following-up this structure requires a geophysical IP survey of 5km in size (vertical gradient).

Further, 2,000m of RC drilling will be carried out to put to evidence the zones of interests which will result from the above surveys.

13.2.8 Massala Permit

13.2.8.1 Strategic Work

Complementing previous soil geochemical surveys, a 60km ground magnetic geophysical survey is considered.

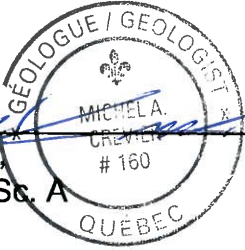
13.2.8.2 Semi-Tactical Work

The additional soil geochemical survey of November 2006 had led to the discovery of anomalous gold zones South of the grid. This zone is oriented 45° and is covered with a lateritic crust plateau. It is considered to carry out 5,000m of Auger sampling at 200mx50m grid spacing.

DATE AND SIGNATURE PAGE

Respectfully Submitted,


Michel A. Crevier,
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Date of Signature: March 27, 2008

Effective Date of Technical Report: December 31st, 2007