NI 43-101 TECHNICAL REPORT - CABALLO BLANCO PROJECT

RESOURCE UPDATE at the LA PAILA ZONE

Veracruz State

MEXICO

(Longitude 96° 27' 30" W, Latitude 19° 40' 44" N)

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1. SUMMARY

This independent technical report was prepared for Goldgroup Mining Inc. ("Goldgroup") to document an updated NI 43-101 compliant mineral resource estimate on the La Paila zone located in the north portion of the Company's Caballo Blanco property, Veracruz, Mexico.

The Caballo Blanco property is located next to the Gulf of Mexico approximately sixty five kilometres by paved road north northwest of the city of Veracruz in the state of Veracruz, Mexico. The property consists of fourteen mineral claims covering an area of 54,732 hectares centered at Longitude 96˚ 27' 30" West and Latitude 19˚ 40' 44" North.

In October, 2011 Goldgroup completed the acquisition of the remaining 30% interest in the Caballo Blanco property held by Almaden Minerals Ltd. ("Almaden"). Goldgroup currently owns 100% of the Caballo Blanco project.

The aggregate consideration paid by Goldgroup to Almaden in connection with the transaction consisted of: US$2,500,000 in cash; 7,000,000 Goldgroup common shares at closing; the right to receive up to an additional 7,000,000 Goldgroup common shares upon the achievement of certain project milestones (1,000,000 common shares upon commencement of commercial production, 2,000,000 common shares upon measured and indicated resources, including cumulative production, reaching 2,000,000 ounces of gold, 2,000,000 common shares upon measured, indicated and inferred resources, including cumulative production, reaching 5,000,000 ounces of gold and 2,000,000 common shares upon measured, indicated and inferred resources, including cumulative production, reaching 10,000,000 ounces of gold); a 1.5% net smelter return royalty; and the transfer of the Company's 40% interest in the El Cobre property.

The Caballo Blanco property lies at the eastern end of the Trans Mexican Volcanic Belt and is underlain by sub-aerial basalts, andesites and diorite dykes of Miocene age covered by a sequence of felsic quartz tuffs, andesitic 'dome' complexes, volcaniclastics and younger intrusive dacitic plugs. Capping this volcanic package are Pliocene alkaline basalt flows that are commonly well preserved as small flat highland plateaus.

A variety of geophysical, geochemical and geological surveys have been extremely useful in identifying drill targets throughout the property; most importantly, airborne magnetics, induced polarization resistivity anomalies, clay alteration haloes identified by TerraSpec® spectrometry, mineralized surface rock geochemistry and detailed geological and structural mapping. These surveys will remain an integral part of any future exploration program at Caballo Blanco.

Two large areas of epithermal gold mineralization have been discovered within the current Caballo Blanco property, referred to as the Northern Zone and Highway Zone. Both are prominent high–sulphidation epithermal gold prospects that occur within extensive areas of clay and silica alteration.

The discovery of gold mineralization at La Paila in the Northern Zone is relatively new for this region of Mexico. The gold is very fine and occurs within a vuggy and brecciated silica alteration of an original andesite host rock in the upper levels of the surrounding epithermal system. The elongate and silicified

gold rich mineralization at La Paila likely formed from fluid rising along a north trending fault structure well above a deeper intrusive 'heat source'. Similar silica and clay alteration zones have been recognized at La Cruz and the Highway Zone that lie along a north-south linear trend over a distance greater than nine kilometres. La Paila, located on the north end of this trend, contains significant gold mineralization with drill intercepts of 2.194 grams per tonne gold over 89.91 metres (08CDN-04) and 0.584 grams per tonne gold over 216.41 metres (07CBN-02). La Paila is the subject of an updated resource estimation described in this report.

Regionally in the Northern Zone of the Caballo Blanco property, the La Paila gold occurrence is located on the northern portion of a large 'magnetic high' ring structure that measures approximately three kilometres in diameter. At least four other resistivity high anomalies here, with similar silica alteration to La Paila, are identified along the inner flanks of this magnetic feature.

A total of one hundred and eighty one core holes and thirty six reverse circulation holes have been drilled since the discovery of gold at Caballo Blanco including the neighbouring Central Grid Zone now owned 100% by Almaden Minerals. This report documents drill results since the completion of last NI 43-101 by Cuttle and Giroux, March 2010. This includes 142 new drill holes (10CBRC-43 through 11CBN-184), approximately 100 line kilometres of 3 dimensional induced polarization (IP) and 123 metres of underground development in the north central portion of the La Paila mineralized body.

In 2010/2011, Goldgroup targeted seven specific areas to drill within the Northern Zone of the Caballo Blanco Property. This ongoing drill program continues to identify the extents of the low-grade bulk mineable gold at La Paila and other areas in the Northern Zone. The drill holes at La Paila were collared along 50 metre and 100 metre sections extending over a horizontal distance of 900 metres to the north, 380 metres east and extend to vertical depths of close to100 metres above sea level (over 400 metres deep). The vuggy silica breccia hosting the gold mineralization outcrops at surface in the north end of the occurrence and plunges gently to the south. Block faulting is common.

As of January 4, 2012 Goldgroup had driven a 123 metre long 3 metre by 3 metre underground access drift into the north central portion of the La Paila mineralized body. This is a portion of the planned underground development which is designed to give more detailed geological information on mineralization controls and also to provide more material for large ongoing column leach tests. The walls of this new underground access have been chip sampled, however laboratory results and detailed geological mapping were not available during the Authors' property visit.

A total of twenty five column tests have been completed to date on bulk surface sample and reverse circulation drill cuttings showing gold recoveries from 76% to 94% based on atomic absorption analysis of the recovered solution and a final fire assay of the column residue. Leach times have been run for an average of 40 days and average cyanide and lime consumptions are low at 0.14kg and 1.6kg per tonne of sample respectively.

The La Paila zone demonstrates good continuity from section to section and several areas remain open for drill testing especially along the east, west and southern portions of the current block model. Further drilling will not only improve the sample density of the current resource at La Paila but may expand on other significant and partly 'isolated' gold intercepts found beside and below the relatively flat lying mineralized body.

Gary Giroux of Giroux Consultants was retained to estimate an updated resource for La Paila, based on the constraints of a geological solid surrounding the mineralized sections of a silica breccia. It follows up an initial estimate completed by Cuttle and Giroux, March, 2010. The update is based on an additional 112 drill holes completed since the last estimate. The drill hole density is not sufficient to establish any blocks in the measured category and all blocks are considered either Indicated or Inferred. Below is the resource available if one could mine to the limits of the mineralized solid. It includes no edge dilution. Estimations in this report using a cut-off of 0.2 grams per tonne gold can be separated into the following categories for La Paila:

- Indicated – 28,890,000 tonnes, 0.62 g/t Au, 2.32 g/t Ag or 575,000 ozs Au and 2,150,000 ozs Ag
- Inferred – 24,020,000 tonnes, 0.54 g/t Au, 2.50 g/t Ag or 419,000 ozs Au and 1,930,000 ozs Ag

The authors recommend 20,000 metres of follow-up core drilling, principally to improve drill sample density at La Paila in the Northern Zone, but to also test similar exploration targets at La Cruz and Bandera (1.5kms south and 2.5kms southwest of La Paila respectively) and the Highway Zone located 7 kilometres south of La Paila.

The estimated total cost for this drill campaign is $4,000,000 Can.

2. INTRODUCTION

This technical report presents an independent review and updated estimation of a precious metal resource at the La Paila zone at the Caballo Blanco Project in Veracruz State, Mexico. The report has been prepared by Jim Cuttle, P. Geo. (Qualified Person) and Gary Giroux, P. Eng. (Qualified Person) of Giroux Consultants Ltd., at the request of Mr. Keith Piggott, President and CEO of Goldgroup Mining Inc.. Goldgroup is a public company with head offices in Vancouver, B.C. Canada and a main field office in Hermosillo, Mexico.

Summaries and conclusions contained in this report are considered compliant with National Instrument 43-101 and the December 11, 2005 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards and definitions. This report may be used by the company to support and maintain future public financings.

2.1 Scope of Work and Terms of Reference

Two 'on-site' field visits to the Caballo Blanco Project area were completed by Cuttle. First on November 1st to November 3rd, 2009, as a guest of Keith Piggott, CEO of Goldgroup, Kevin Sullivan, VP Exploration, Goldgroup, Fernando Téliz, Project Manager, Omar Felix, Goldgroup Geologist, Humberto Hernández Senior Geologist, and second on January 6, 2012 in the company of Kevin Sullivan. Giroux visited Caballo Blanco November 7th to November 9th, 2011 with Kevin Sullivan and Omar Felix.

During the field visits Cuttle was able to collect several rock and drill core samples from La Paila (Northern Zone), verify drill hole collar locations, visit the core logging / storage buildings and column leach facilities and inspect the geological field offices at the coastal community of Villa Rica. The Highway Zone and original Central Grid Zone were not visited during either of these field trips.

Data compilation for this technical report at Caballo Blanco is based on research from internal reports, opinions and general impressions and ideas gathered from Goldgroup consultants and Principles as well as government agencies including the Mexican Geological Survey or SGM (Servicio Geológico Mexicano). Vital electronic data were obtained from well maintained company 'MapInfo' and 'Surpac' databases containing the bulk of the geological, geophysical and geochemical information generated since the beginning of the project. All regional and local property maps, figures and diagrams in this report were generated by the authors using a UTM NAD27 US (Zone 14N) projection or NAD27 Longitude / Latitude (Mex) where the scale dictates. Current field work on the property is all being collected in UTM WGS84 (Zone 14N). The authors have drawn their own conclusions for this report and have prepared it based on information believed accurate at the time of completion.

Throughout the preparation of this report, the authors were able to rely on the open and enthusiastic assistance of Keith Piggott, Kevin Sullivan, and Omar Felix. Their help is much appreciated.

3. RELIANCE ON OTHER EXPERTS

The authors of this report have obtained information concerning the Caballo Blanco Project from several sources, including the following experts:

- Mineral Resource estimates - Giroux Consultants
- Geophysics - Mexican Geophysical Department - Mexico City and SJ Geophysics - Vancouver, B.C.
- Geological - Richard Sillitoe, 2008
- Geochemical - Barry Smee and Associates.
- Analytical - ALS Global and Inspectorate Labs, Vancouver, B.C.
- SGM (Servicio Geológico Mexicano)

Jim Cuttle is responsible for all parts of this Technical Report on Caballo Blanco, excluding Section 14 on "*Mineral Resource Estimates*" which was completed by Gary Giroux of Giroux Consultants Ltd., Vancouver, B.C., Canada.

4. PROPERTY LOCATION AND DESCRIPTION

The Caballo Blanco Property covers a horizontal surface area of 54,732.4120 hectares (547.32 square kilometres) and is centered next to the Gulf of Mexico at Longitude 96˚ 27’ 30” W, Latitude 19˚ 40’ 44” N, or 65 kilometres by paved road north northwest of the city of Veracruz in Veracruz State, Mexico.

As of February 7, 2012 the property comprised fourteen mining claims as described below.

Table 1. Mineral Claim Details

	CLAIM NAME	TITLE #	RECORDED	HECTARES	COSTS - 2011
1	CABALLO BLANCO	216694	17-May-02	600.00	MXN 75,864.00
2	REDUCCION CABALLO BLANCO II	224414	04-May-05	504.8125	MXN 63,828.00
3	CABALLO BLANCO IV	218176	11-Oct-02	1,634.00	MXN 206,603.00
4	REDUCCION CABALLO BLANCO VI	224415	04-May-05	1,014.1711	MXN 64,136.00
5	CABALLO BLANCO VII	223282	23-Nov-04	231.7764	MXN 14,657.60
6	CABALLO BLANCO VIII (Div)	223360		48.4557	MXN 1532.17
7	REYNA NEGRA FRACCION 3	221374	03-Feb-04	1,061.7484	MXN 67,144.00
8	CABALLO BLANCO IX FRACCION 1 (Div)	Pending	Pending	7,409.0749	MXN 0
9	CABALLO BLANCO IX FRACCION 2	234277	10-Jun-09	663.1832	MXN 10.080.40
10	CABALLO BLANCO IX FRACCION 3	234278	10-Jun-09	233.3950	MXN 3,457.60
11	C.B.2	234324	12-Jun-09	244.0336	MXN 3,709.40
12	C.B.6	Pending	Pending	396.29	MXN0
13	C.B.11	236991	8-Oct-10	5,400.00	MXN 54,864.00
14	C.B.12 (Div)	237441	16-Dec-10	35,273.7841	MXN 363,158.63
	TOTALS MXN Pesos ($1Can = 12.78 MXN, Feb 7, 2012)			54,732.4120	**MXN 929,124.80**

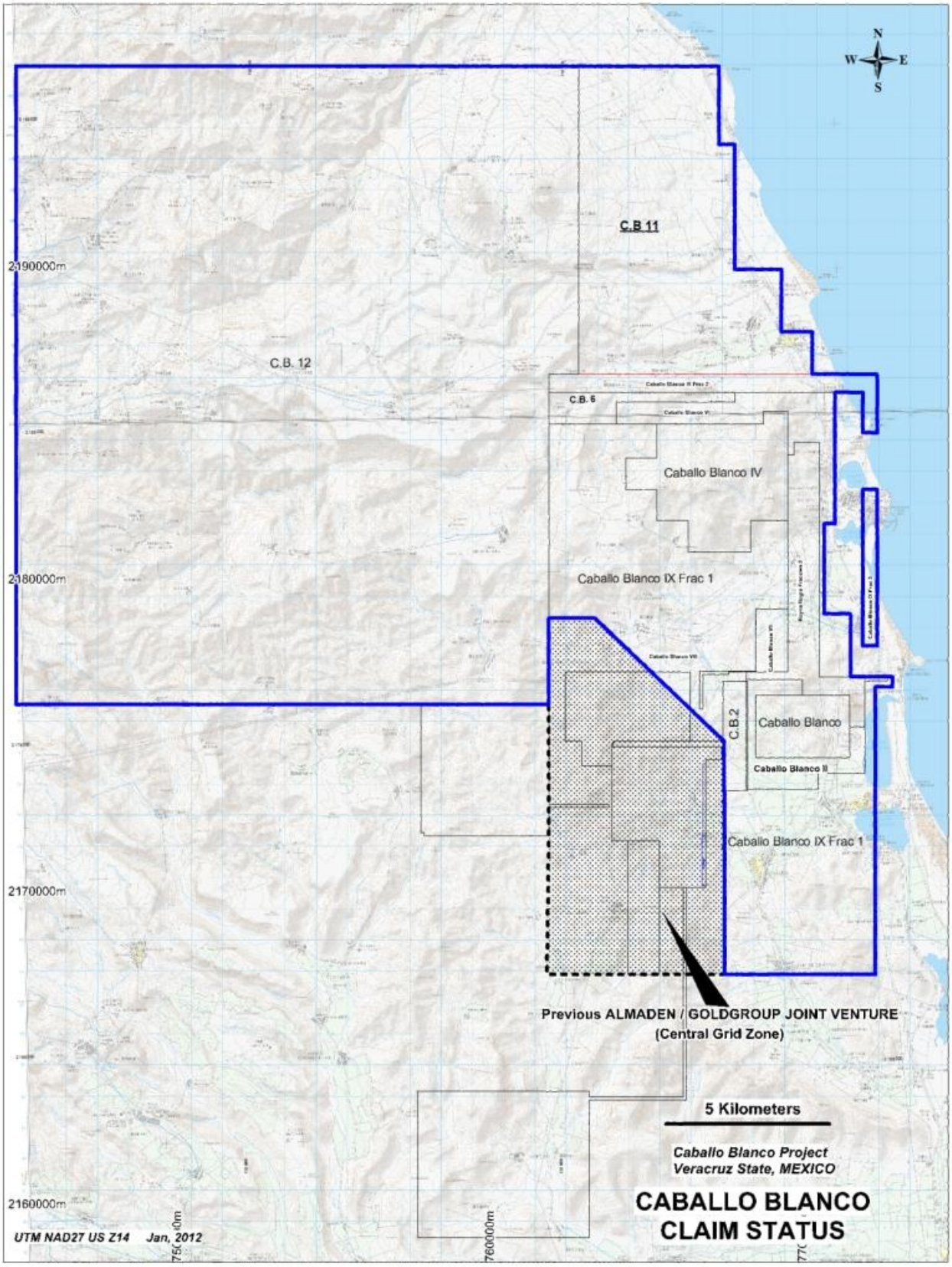
Title to each of the above mineral claims is held by Minera Gavilán S.A. de C.V., a wholly-owned subsidiary of Almaden. Each of the mineral claims is currently in the process of being transferred from Minera Gavilán to Candymin S.A. de C.V., a wholly-owned subsidiary of Goldgroup Mining Inc. in connection the Goldgroup's acquisition of Almaden's remaining 30% interest in the project. As of the date of this report, information obtained from Goldgroup indicate the claims remain in good standing. This claim status was not independently confirmed by the authors.

Under terms of the original Share Purchase Agreement, Goldgroup Resources Inc. (currently Goldgroup Mining Inc.) agreed to buy 100% interest in Minera Cardel S.A de C.V., a wholly owned subsidiary of NGEx Resources Incorporated. Minera Cardel S.A. de C.V. holds an option to acquire a 70% interest in the Caballo Blanco Project from a subsidiary of Almaden Minerals Ltd. The share purchase agreement called for payments by Goldgroup to NGEx totalling CDN$15 million, comprised of staged cash payments totalling $6 million and nine million shares of Goldgroup at a deemed price of $1.00 per share. NGEx Resources will receive a 1.5% net smelter royalty and, upon commercial production, a onetime advance royalty payment in the amount of CDN$5 million.

Fig.1. Country Location Map (Cuttle, 2012)

Fig. 2 Veracruz State Location Map (modified by Cuttle from Mexican Road Map, Ver 2)

Fig. 3. Claim Tenure Map (Cuttle, 2012)



Pursuant to a memorandum of agreement among Almaden Minerals Ltd., the Company and NGEx Resources Inc. dated February 5, 2010, the area defined in Table 2 was transferred to a new entity (the "El Cobre Joint Venture") owned 60% by Almaden Minerals and 40% by the Company. The new entity holds a 100% interest in the area and is operated by Almaden Minerals.

Table 2. The "El Cobre Joint Venture" Boundaries

Corner point	East UTM – Nad 27	North UTM – Nad 27
1	761525	2179000
2	763000	2179000
3	767000	2175000
4	767000	2167172
5	761525	2167172

In October, 2011 Goldgroup completed the acquisition of the remaining 30% interest in the Caballo Blanco project held by Almaden Minerals Ltd. ("Almaden"). Goldgroup now owns 100% of the Caballo Blanco project.

The aggregate consideration paid by Goldgroup to Almaden in connection with the transaction consisted of: US$2,500,000 in cash; 7,000,000 Goldgroup common shares at closing; the right to receive up to an additional 7,000,000 Goldgroup common shares upon the achievement of certain project milestones (1,000,000 common shares upon commencement of commercial production, 2,000,000 common shares upon measured and indicated resources, including cumulative production, reaching 2,000,000 ounces of gold, 2,000,000 common shares upon measured, indicated and inferred resources, including cumulative production, reaching 5,000,000 ounces of gold and 2,000,000 common shares upon measured, indicated and inferred resources, including cumulative production, reaching 10,000,000 ounces of gold); a 1.5% net smelter return royalty; and the transfer of the Company's 40% interest in the El Cobre property.

Since the last qualifying report in March, 2010 on Caballo Blanco, Goldgroup has purchased surface rights from eight land owners, signed rental agreements with five land owners and is in the process of buying or leasing four other land parcels. These areas lie within the Northern Zone area including La Paila.

Originally, NGEx Resources Inc., through its wholly owned subsidiary Minera Cardel S.A de C.V had signed 'land entry' agreements with at least five private individuals that claim legal title to surface rights inside the Caballo Blanco claim block. These agreements include a yearly payment for access to their lands as well as additional compensation for any disturbance the company may cause from the Company's geological surveying, road building and/or drilling activity. Legal rights to these lands have not been verified by the authors however it is understood these agreements remain in good standing for the Goldgroup's ongoing exploration and development work during and beyond 2012.

There are no environmental liabilities known to the authors on the Caballo Blanco property.

5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Veracruz is a major port and is well connected with daily flights to Mexico City and other national and international destinations. The property is reached by driving north from Veracruz to Villa Rica, using the Pan American Highway which transects the eastern portion of the claim block. From here a network of dirt roads access most of the current areas of interest. New drill roads have been constructed to support recent drill campaigns, particularly in the Northern Zone areas.

The nearest supply centre is Cardel, a town of 20,000 located approximately 30 kilometres south of the Caballo Blanco claim block. The town offers an abundant supply of mining personnel. On the north-eastern edge of the property sits Mexico's only nuclear power plant at Laguna Verde. Its location allows easy access to the Mexican electrical power grid. Water is relatively abundant in small creeks at elevations below 200 metres, throughout most of the year.

A well-organized field office and villa style accommodations house a small crew at the coastal community of Villa Rica. Many other villas are currently empty and likely available for rent.

The topography is semi rugged with elevations from sea level up to 700 metres on the higher mountain tops. The climate is semi-tropical with a distinct rain season from June to November.

6. HISTORY

The first record of gold in the Caballo Blanco claim area dates back to 1995 when Charlie Warren of Whitehorse, Yukon sampled a small quartz vein outcrop in a road cut along the Pan American Highway. Through his Mexican wife, he staked several mineral claims to cover what is known today as the Highway Zone.

The property was subsequently optioned to Almaden Minerals Ltd. in 1997 (Minera Gavilán S.A. de C.V.) who staked additional claims to cover the two other areas known as the Central Grid Zone and Northern Zone. Almaden completed a variety of geophysical, geochemical and geological surveys and drilled 17 reverse circulation drill holes in the Central Grid Zone 'porphyry' target

In 2001, Almaden optioned the property to Noranda who drilled nine core holes in the Highway and Central Grid zones and returned the property to Almaden later that year. Results were not encouraging.

In December, 2002, Almaden signed a joint-venture agreement with Comaplex Minerals Corp. proposing to spend US$2 million over four years to explore the Caballo Blanco claims. Comaplex carried out a variety of geological work throughout the property, targeting the Central Grid Zone, the Highway Zone and the Northern Zone. From 2004 through 2006 Comaplex drilled ten core holes, and in 2005 discovered wide low grade gold mineralization in drill hole CB05-03 at La Paila in the Northern Zone. Comaplex completed the required expenditures of the joint venture agreement and went on to earn a 60% interest in the property. In February, 2007, Almaden purchased Comaplex Minerals Corp's 60% interest for a cash payment of US$1.25 million.

In April, 2007 Almaden optioned Caballo Blanco to Canadian Gold Hunter Corp. of Vancouver, B.C who in turn completed a variety of surveys and additional drilling in the Northern Zone and Central Grid areas under its Mexican subsidiary, Mineral Cardel S.A de C.V. From 2007 to 2009, forty two core holes were drilled, with at least thirty holes targeting the new gold area at La Paila discovered by Comaplex in 2005.

In September 2009, Canadian Gold Hunter Corp changed its name to NGEx Resources Inc. and later in November signed a 'share purchase agreement' allowing Goldgroup Resources to earn a 70% interest in the Caballo Blanco project.

Pursuant to a memorandum of agreement among Almaden Minerals Ltd., the Company and NGEx Resources Inc. dated February 5, 2010, the area defined in Table 2 was transferred to a new entity (the "El Cobre Joint Venture") owned 60% by Almaden Minerals and 40% by the Company.

In October, 2011 Goldgroup completed the acquisition of the remaining 30% interest in the Caballo Blanco project held by Almaden Minerals Ltd. ("Almaden") and transferred to Almaden the Company's remaining 40% interest in the El Cobre property. Goldgroup now owns 100% of the Caballo Blanco project.

6.1 Resource History

One previous resource estimate has been completed on the Caballo Blanco Property and is detailed in a 43-101 Technical Report by Cuttle and Giroux, dated March 20, 2010.

For that report Gary Giroux of Giroux Consultants was retained to estimate a resource for the La Paila zone, based on the constraints of a geological solid surrounding the mineralized sections of a silica breccia. The drill hole density was not sufficient to establish any blocks in the measured category and all blocks were considered either Indicated or Inferred. Estimations in that report using a cut-off of 0.2 grams per tonne gold identify a total of 139,000 ounces gold in the indicated category and 517,000 ounces gold in the inferred category at La Paila:

- Indicated – 6,710,000 tonnes, 0.645 g/t Au, or 139,000 ozs Au
- Inferred – 27,600,000 tonnes, 0.583 g/t Au, or 517,000 ozs Au

7. GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology

During the visit to the Caballo Blanco property the author had a limited amount of time to become familiar with geological interpretations of the regional and local geology. As a consequence he has relied on summary reports from other sources, specifically summaries and descriptions by Richard Sillitoe (Sillitoe, R.H. 2008) and geologists for Canadian Gold Hunter (internal report by, Téliz, F., Hernandez, H., Mehner, D., and Christoffersen, J., 2008). Descriptions from the latter follow:

"The Caballo Blanco project is located at the intersection of the Trans-Mexican Volcanic Belt (at its eastern extremity) and the NNW-SSE trending Eastern Alkaline Province. Regionally the area is located over a tectonic high known as the Teziutlan Massif, which has a Palaeozoic (metamorphic– intrusive–metasedimentary) basement. This massif divides the Tampico–Misantla Basin and the Veracruz Basin, respectively to the north and south. Such basement underlies marine Mesozoic rocks (Gómez-Tuena, et al., 2003).

The Trans-Mexican Volcanic Belt (TMVB) has been defined as a continental magmatic arc formed by more than 8,000 volcanic edifices and a few intrusive bodies that extends from the Pacific to the Gulf coast in Central Mexico (1,000 km long and up to 230 km wide), with a general E-W orientation. The TMVB is controlled by a complex extensional tectonic regime, whose volcanic products are underlain by basements with widely different ages, compositions and thicknesses. Calc-alkaline and alkaline rocks are distributed all along the TMVB; however alkaline rocks (Na-K) tend to be more abundant at both the west and east ends of the TMVB (Orozco-Esquivel, et al., 2007).

The evolution of the TMVB is considered to be related to the reorientation of the magmatic arc and directly associated with the change in the general composition from felsic (Sierra Madre Occidental) to intermediate and mafic. This change has been considered as being related to the re-organization of the subduction system associated with large-scale tectonism during the early Miocene. In the middle Miocene (17-12 Ma), the volcanic arc extended to the east, to the coast of the Gulf of México (Ferrari, et al., 1999).

The Eastern Alkaline Province (EAP) was considered as an independent Cenozoic magmatic province with alkaline rocks, related to extensional faulting parallel to the Gulf of México coast, extending from the state of Tamaulipas in the north southward to the Los Tuxtlas Range in the State of Veracruz (Demant and Robin, 1975 in Orozco-Esquivel, et al., 2007). Originally, the EAP was interpreted as a progressively southward migration of alkaline volcanism from the Oligocene-Eocene in Tamaulipas to the Quaternary in Los Tuxtlas. However, based on recent data (dating and geochemistry), such kind of migration model is not likely nor is the mafic volcanism in Tamaulipas considered to be directly linked to magmatism in the Caballo Blanco area. Based on new data (Orozco-Esquivel, et al., 2007), the volcanism near the Caballo Blanco project area is linked to the evolution of the TMVB and not really to intra-plate tectonism of the EAP. Several geological episodes have been distinguished during the time evolution of the TMV B (Orozco Esquivel, et al., 2007 and Ferrari, et al., 2005). These episodes are well represented around the Caballo Blanco property:

a) *Middle to late Miocene episode: This stage is defined by the emplacement of plutonic and sub- volcanic bodies of gabbroic to dioritic, calc-alkaline composition (15-11 Ma), with an adakitic geochemical signature (implying partial fusion of a subducted slab during a period of sub-horizontal to shallow-dipping subduction) (Gomez-Tuena, et al., 2003). In this way, the earliest magmatic activity around the Caballo Blanco project was strongly influenced by melting of the subducted oceanic crust. At the end of the adakitic period, there followed a*

regional uplift, correlated to an episode of sub-volcanic and intrusion emplacement (Gomez-Tuena, et al., 2003).

The intrusive rocks are described as micro-porphyritic to microcrystalline (hypabyssal), found with sulphides, propyllitic alteration and normally cut by mafic dikes. These rocks have been dated as 17 Ma (Laguna Verde microdiorite, NE corner of the property), 14.6 Ma (Plan de las Hayas, north of the project) and 13-11 Ma (El Limón, western edge of the property) for some gabbros. This initial phase of magmatism in the area resulted in some products being emplaced to the east within the present Gulf of Mexico (Ferrari, et al., 2005).

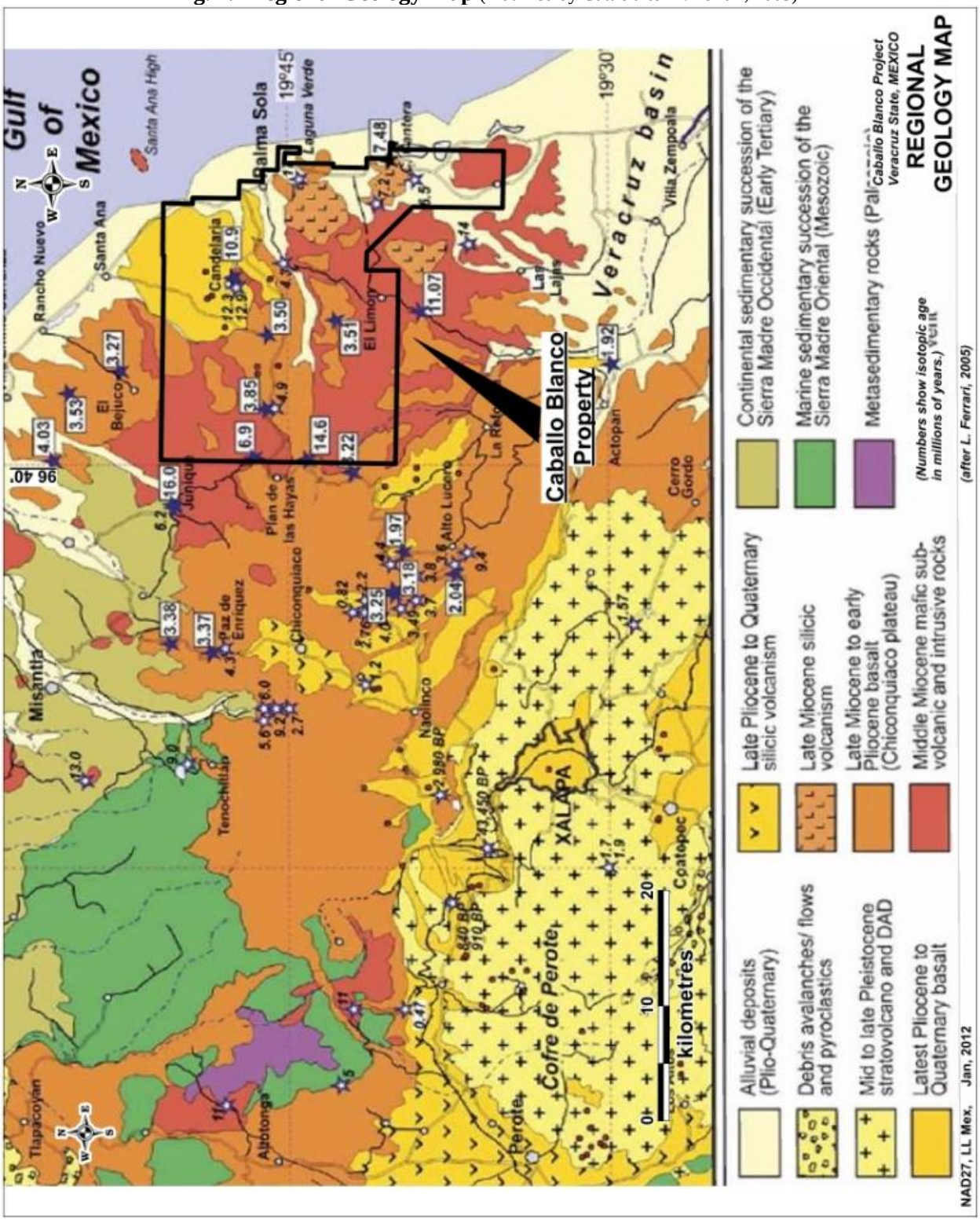
b) *Late Miocene episode: Mafic volcanic rocks were emplaced as fissure basaltic flows, commonly forming plateaus or mesas, with ages reported in the area between 7.5 to 6.5 Ma (López- Infanzón, 1991; Ferrari et al., 2005). Intermediate, sub-alkaline, subduction-related volcanism changed at about 7.5 Ma to mafic alkaline volcanism in the area (Chiconquiaco–Palma Sola volcanic fields to the north of Caballo Blanco). Such an abrupt change in the nature of the volcanism has been ascribed to a sudden change in the magma source (Orozco-Esquivel, et al., 2007).*

An unconformity, associated with several tens of metres of volcaniclastic rocks is reported between the Middle to late Miocene intrusions and late Miocene lava flows. Dating done by Cantagrel and Robin (1979) (in Gómez-Tuena, 2007) has reported ages of 6.5 Ma and 7.5 Ma for dacite domes in Cerro Metates (eastern part of the property) and Cerro Cantera (SE zone of the claim block). A dioritic intrusion has been dated as 7.3 Ma (Zempoala, 20 km to the south of the property). This intrusion is considered as hypabyssal magmatism, the time equivalent to the basaltic plateau volcanism in the area (Ferrari, et al., 2005).

c) *Early–Late Pliocene bimodal volcanism episode: The magmatic products around the Caballo Blanco area derive from the partial fusion of a relatively deeper mantle with the geochemical signature of an enriched mantle wedge (Orozco-Esquivel, et al., 2007). Ages of 4.0 and 3.1 Ma were obtained for plateau basalt to the north of the property (Plan de Hayas). A few kilometres to the south of the property (Actopan and Alto Lucero), highly potassic younger volcanic rocks overlying the plateau succession have been dated at 2.24 to 1.97 Ma.*

d) Late Pliocene to Quaternary episode: Basaltic to andesitic volcanic products of alkaline composition occur in the Palma Sola region (north edge of the Caballo Blanco property). The most recent volcanic rocks do not show signs of the subducted oceanic crust but have been influenced by contamination with the local continental crust (Orozco-Esquivel, et al., 2007). Quaternary volcanic rocks reach a thickness of up to 800 metres (to the west of the property area), abruptly thinning to the east to tens of metres in the coastal zone (Ferrari, et al., 2005)".

Fig. 4. Regional Geology Map (modified by Cuttle after L. Ferrari, 2005)



7.2 Property Geology

The Caballo Blanco property lies at the eastern end of the Trans Mexican Volcanic Belt and is underlain by sub-aerial basalts, andesites and diorite dykes of Miocene age that are in turn covered by a sequence of felsic quartz tuffs, andesitic 'dome' complexes, volcaniclastics and younger intrusive dacitic plugs. Capping the volcanic package are Pliocene alkaline basalt flows that are commonly well preserved as small flat highland plateaus.

At least two large areas of epithermal precious metal occur within the current Caballo Blanco property, referred to as the Northern Zone and Highway Zone. Mineralization is confined to altered varieties of upper Miocene andesitic domes and dacitic intrusives.

7.2.1 Northern Zone High-Sulphidation Epithermal Gold Target

Geological mapping, rock chip sampling, geophysical surveying and core drilling have identified a large area of silica and associated silica clay alteration within an andesitic dome complex along the northern portion of the property. Altered feldspar andesites that host gold mineralization are spread over an area of 5kms by 4kms and occur in close association to a prominent magnetic ring structure with at least five prominent silica caps forming distinct 600 metre high hilltops. Rock exposures in these areas include mixtures and overprints of classic vuggy, brecciated and or massive silica with associated and flanking haloes of advanced argillic to argillic alteration. These diverse clay alteration zones have been identified and mapped in part using a TerraSpec® spectrometer. Drill testing at three of these 'silica cap' features, La Paila, Bandera and La Cruz, suggest that acid leaching from hydrothermal fluids extend to depths of over 300 metres. The Red Valley target lies at lower elevations on the outside fringe of the circular ring feature and has been identified with soil geochemistry.

Gold mineralization at La Paila is very fine and occurs within vuggy and brecciated silica alteration of the original andesitic flows and domes. The ore is clean and has little if any mercury or arsenic signatures. Drill core intervals contain significant gold mineralization with assays up to 2.19 g/t Au over 89.91 metres.

Photo 1. Looking west at La Paila and the broad alteration haloes, Northern Zone. (Photo - Almaden Minerals)

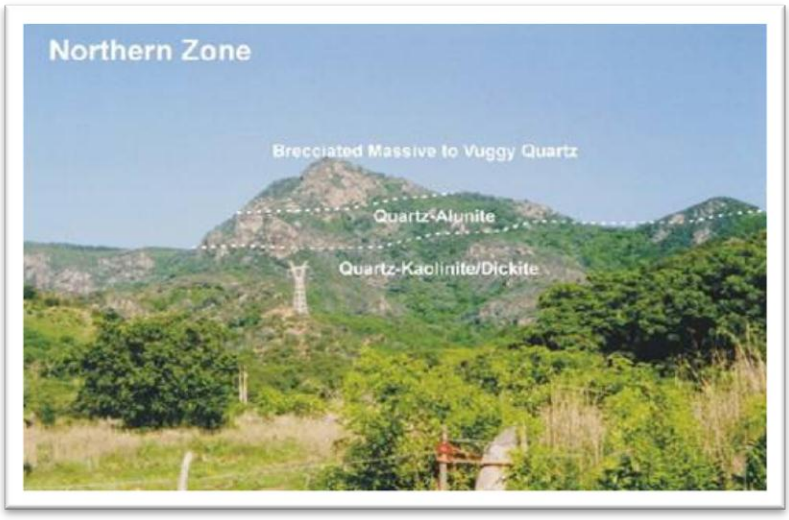


Photo 2. Typical 'vuggy silica' alteration with gold mineralization – La Paila area, Northern Zone (Photo - Cuttle)

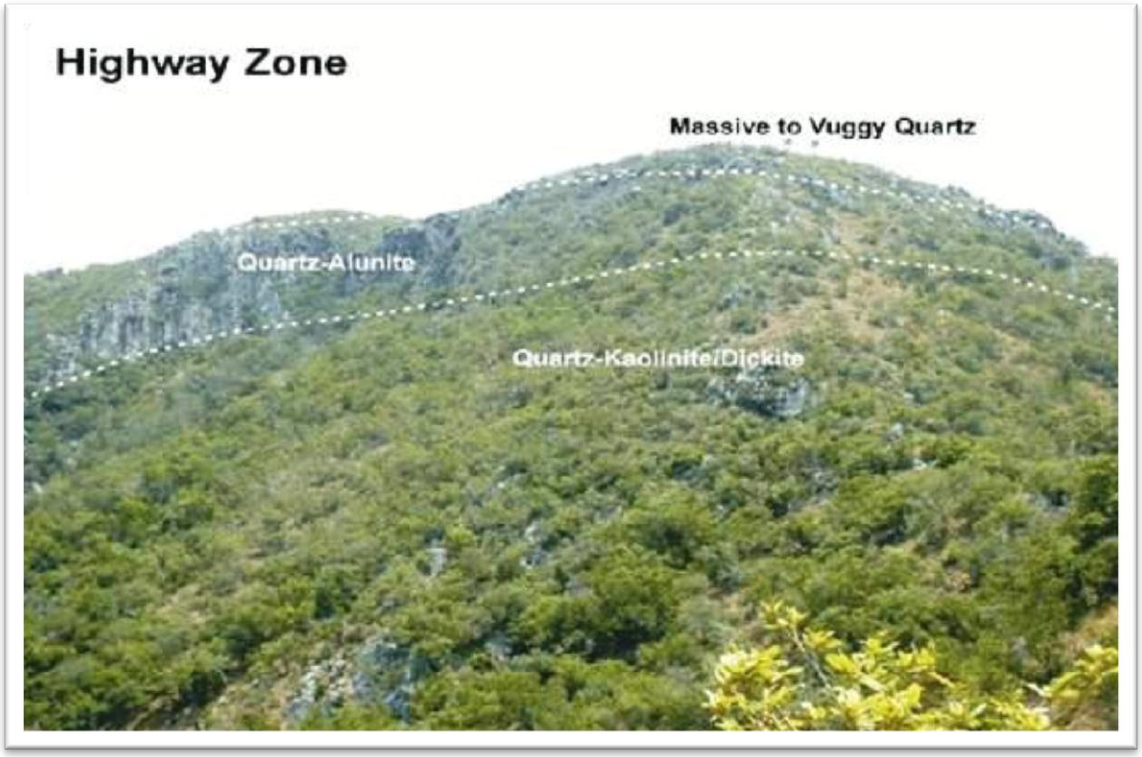
7.2.2 Highway Zone High-Sulphidation Epithermal Gold Target

This area is roughly 3kms by 4kms in size and is located along the eastern edge of the Caballo Blanco Property where road cuts for the Pan American Highway first exposed strong argillic alteration and small quartz veins that form part of the original discovery in 1995.

Alteration of the local dacitic tuffs and volcaniclastic host rock is very similar to the Northern Zone, located approximately 10 kilometres to the north northwest. Various geophysical and geochemical surveys suggest that high resistivity anomalies combined with extensive silica and silica-clay alteration coincide with the inner 'haloes' of a high-sulphidation epithermal system.

Several areas of vuggy silica alteration have been identified by geophysical and geological means in the southern area of the Highway Zone however the area is large and remains a valid exploration target for the future. Encouraging drill core assays from a hole collared in 'flanking' clay alteration zones intersected several gold bearing zones grading up to 1.42 g/t Au over 6 metres at the bottom of the hole. Examples like these and other isolated resistivity anomalies approximately two kilometres to the north of this drilling suggest significant potential remains open for additional work.

Photo 3. Alteration haloes at the Highway Zone (Photo - Almaden Minerals)



7.3 Property mineralization and alteration

In the Northern Zone and Highway Zone, gold mineralization is associated with vuggy silica breccia surrounded by large and distinct haloes of various mixtures of clay alteration including alunite, dickite, and pyrophylite. The elongate and silicified gold rich mineralization at La Paila likely formed from fluid rising along a north trending fault structure well above a deeper intrusive 'heat source'. It is interesting that similar silica and clay alteration zones and or soil anomalies have been recognized at La Cruz, Red Valley and Highway Zone, all of which lie along a north-south linear trend greater than nine kilometres in length.

Fig. 5. Property Geology Map (modified by Cuttle after Geological Survey of Mexico, SGM)

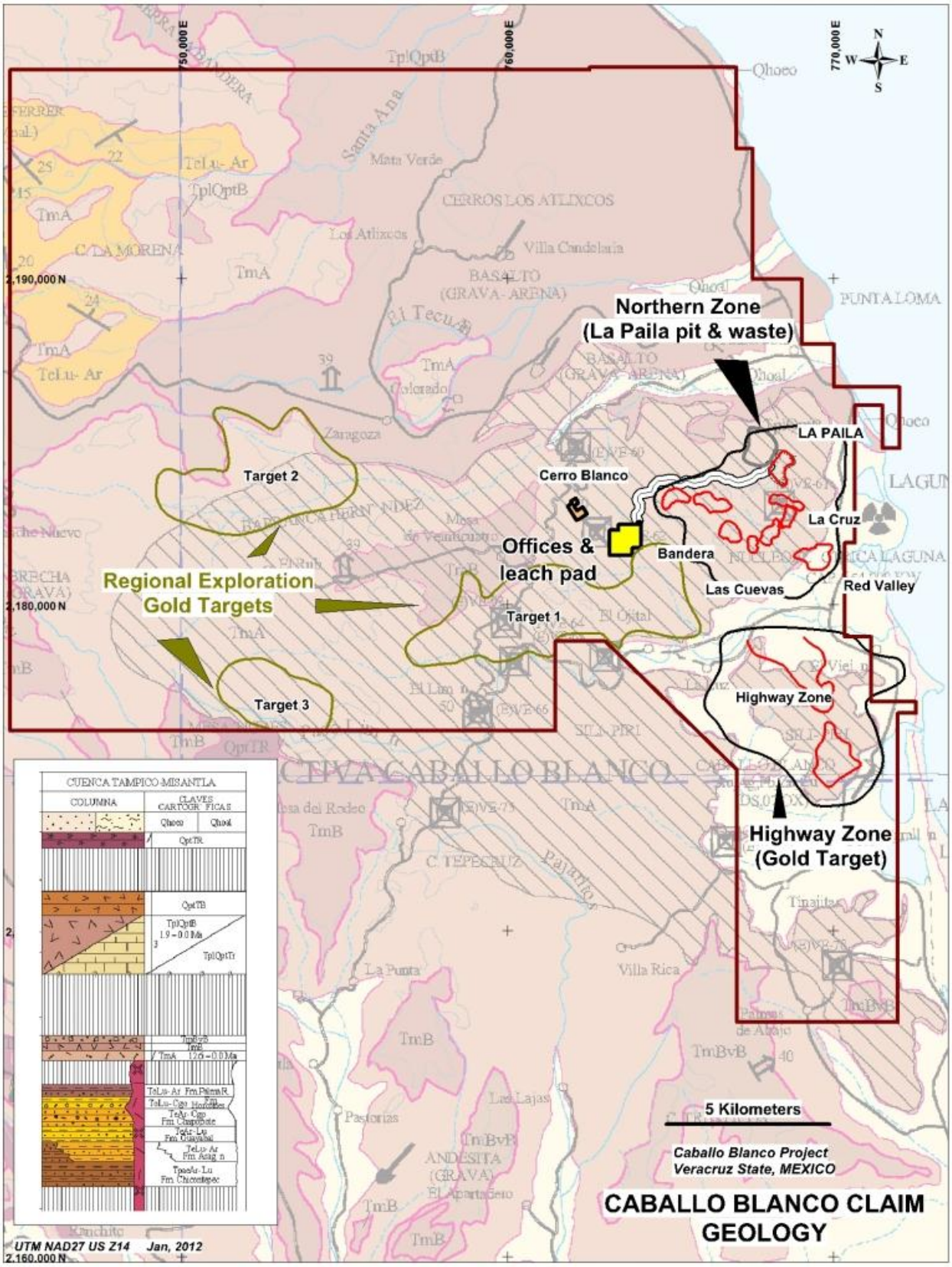


Fig. 6. North Zone Geology Map (after Goldgroup, 2010)

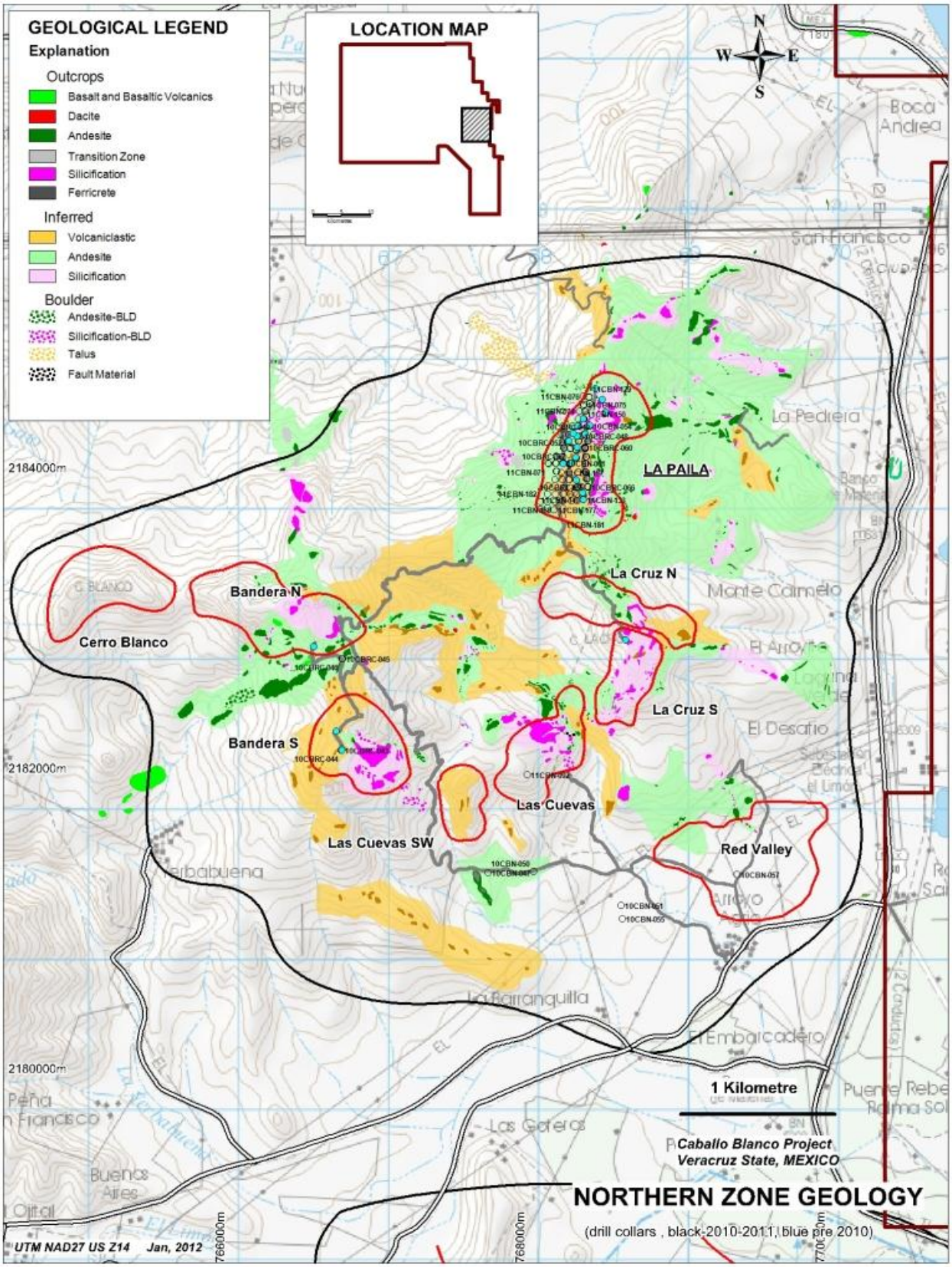
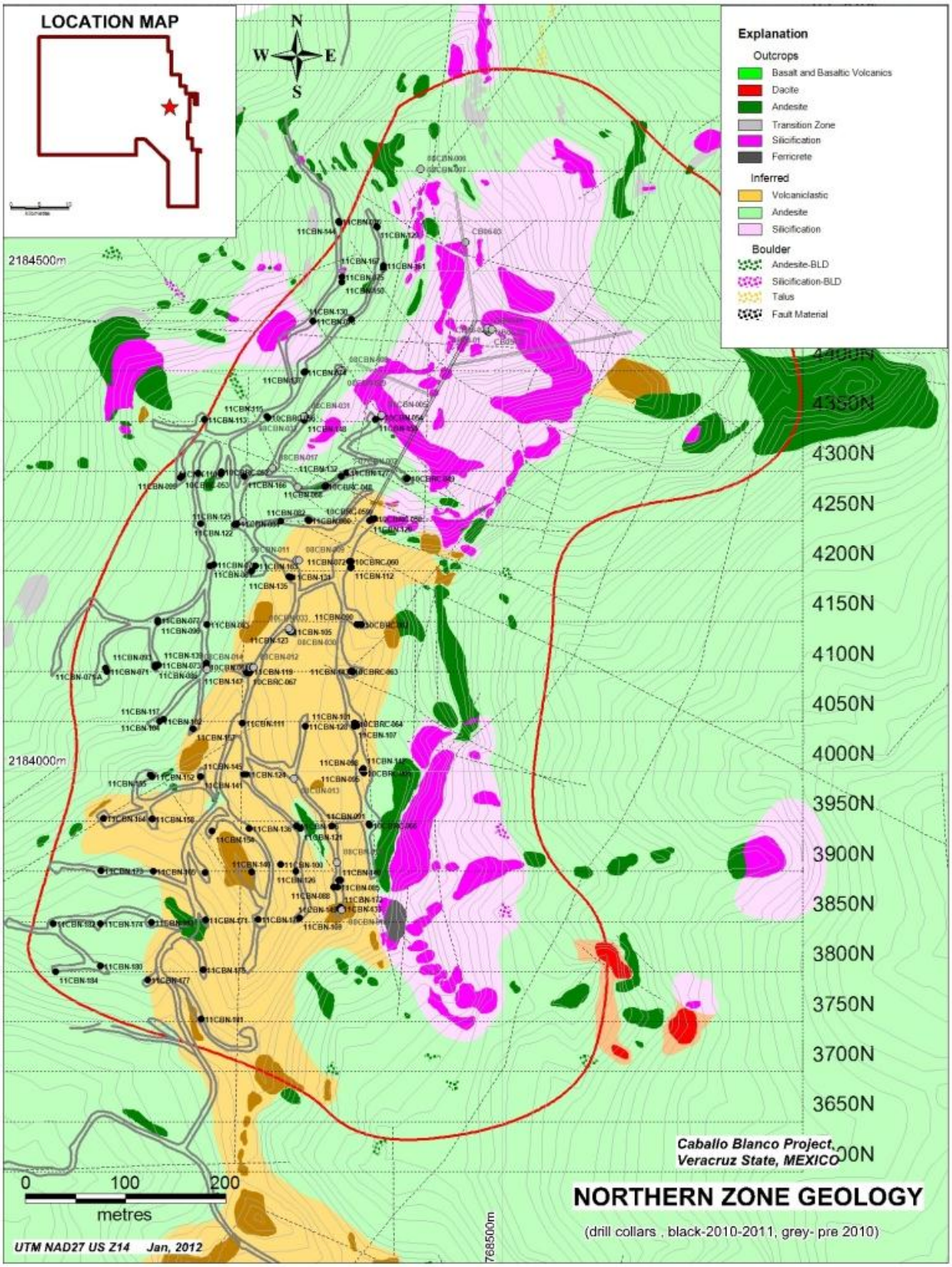


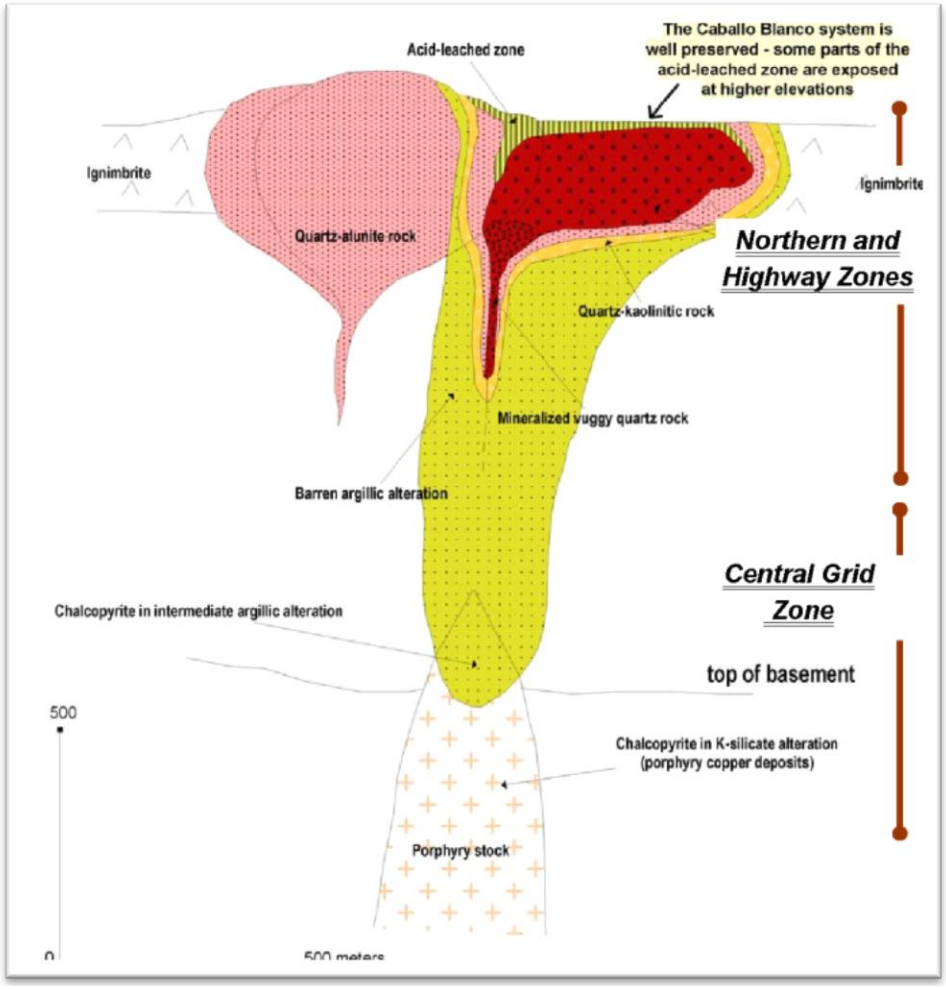
Fig. 7. La Paila Geology Map (after Goldgroup, 2012)



8. DEPOSIT TYPES

The Caballo Blanco property and Almaden Minerals neighbouring El Cobre property includes at least two distinct deposit types, defined as high-sulphidation epithermal gold and porphyry copper gold respectively. The Central Grid Zone (Porphyry) is located to the south of the Caballo Blanco Property and was part of the El Cobre Joint Venture between Almaden Minerals and Goldgroup before the Company transferred its 40% remaining interest back to Almaden.

Fig. 8. Typical Alteration Of High-Sulphidation Epithermal Deposits



Modified from Sillitoe, R.H. 2004, "Styles of High-Sulphidation Gold, Silver and Copper Mineralization in Porphyry and Epithermal Environments.

9. EXPLORATION

Work on the original Caballo Blanco property had outlined at least three large areas of interest since the initial discovery of gold at the Highway Zone in 1995. In the north and central part of the property, two large areas of high-sulphidation epithermal alteration have been discovered, locally named the Northern Zone (4kms by 5kms in area) and the Highway Zone (4kms by 2kms in area). In the southwest of the property and currently not part of Goldgroup's claim holdings, the Central Grid area hosts what appear to be at least two porphyry copper-gold prospects (Pedrero, Porvenir). These two porphyry prospects likely formed similar 'high level' argillic and silicic haloes and caps to the Northern and Highway zones. The degree of erosion here is deeper, and likely reveals the underlying porphyry intrusive plugs with stock-work copper-gold mineralization and associated alteration in the host rock.

From 1995 to 2005 Almaden Minerals Ltd, Noranda and Comaplex Minerals (all through Minera Gavilán) conducted a variety of surveys including an airborne magnetic / radiometric survey in 1997 (by Aerodat) ,extensive geochemical soil and rock sampling, induced polarization resistivity and chargeability (by Marc Beaupre Geophysics) and detailed geological mapping surveys (in house consultants). Follow up on anomalies developed from these surveys led to the drilling of 34 holes (6446 metres) in all three areas described above. Contractors for this drilling were Minera Gavilán and Energold de Mexico.

More recently from 2006 to 2009 Canadian Gold Hunter through Minera Cardel completed an aerial photographic survey on the northern two thirds of the Caballo Blanco property and during 2008, the geophysics department of the Servicio Geológico de Mexico (SGM) completed a helicopter-borne magnetic and radiometric survey (60-metre instrument terrain clearance) over the northern half of the property. The survey overlapped by three kilometres an earlier airborne magnetic, and radiometric survey completed by Aerodat over the southern half of the claims from 1997. Minera Cardel continued to collect soil and rock samples and also improve upon previous geological mapping that now covers most of the property area.

New road construction was completed to gain access to Cerro La Paila as well as the northern portion of the Central Grid Zone to support on-going ground surveys and drilling and up-grading old roads to access El Porvenir area. Minera Cardel drilled a total of 42 core holes, concentrating primarily on testing for epithermal gold mineralization at La Paila, Bandera and La Cruz areas in the Northern Zone as well as testing for porphyry mineralization twelve kilometres to the southwest at Pedrero and Porvenir areas in the Central Grid Zone. Drill contractors included Minera Gavilán, Energold de Mexico and Major Drilling de Mexico.

Since the last NI 43-101 report by Cuttle and Giroux in March, 2010 Goldgroup has drilled an additional 142 holes (19 RC, 123 core), including holes 10CBRC-43 through 11CBN-184. The Company has also completed detailed 3 dimensional induced polarization (IP) surveys as infill and extensions to previous surveys previously completed by Almaden and Comaplex Minerals and at the time of this report has driven a 123 metre long 3m by 3m underground access route into the north central portion of the La Paila mineralized body.

The complete database since 1995 is summarized in point form below:

- STREAM SEDIMENTS – 308 stream sediment samples have been collected sporadically on the property and each analyzed for gold by fire assay and 41 additional elements by ICP methods. Results show 66 samples are above the 80 percentile threshold of 8 ppb gold with a range up to a high of 205 ppb gold. The anomalous zones are generally confined to the three areas (Northern, Highway, and Central Grid Zones) but also include two other areas, one 4 kilometres southwest of Bandera (Northern Zone) and 2.3 kilometres west of Pedrero (Central Grid Zone) as seen in Fig. 17 in Cuttle and Giroux, 2010.
- ROCKS – 2441 rock grab samples have been taken from many surface locations throughout the property, however most come from the Northern, Highway and Central Grid Zones. Approximately 492 samples (20%) are above the 80 percentile of 88 ppb gold and many of these general areas; particularly along east trending ridges at La Paila that are indicative of low grade epithermal mineralization (0.5 to 1.5 g/t Au) have yet to be drill tested. Other isolated and higher grade gold samples (up to 14.6 g/t Au) occur outside the three main areas of interest and are located two and four kilometres southwest of Bandera and four kilometres south of the Highway Zone (refer to Fig. 17 and Fig. 21 in Cuttle and Giroux, 2010).
- SOILS - 8578 soil samples have been collected over 3 general areas in the Northern Zone, Highway Zone and the Central Grid Zone, covering a total of over 52 square kilometres. All samples were analyzed by fire assay for gold and 41 additional elements by ICP methods. The grid spacing is dominantly 200m by 50m however local infill sampling has improved grid density in specific interest areas to 100m by 50m and 50m by 50m spacing. Geochemically positive correlation from soils over the high sulphidation epithermal prospects in the Northern and Highway Zones includes Ag, As, Bi, Sb, Pb and lesser Mo, Sn. In the porphyry environment of the Central Grid Zone, Au, Cu, Mo, Pb, Zn, and Sn. Results for gold in soils identify several anomalous areas that have in some but not all cases been followed up by drill testing. Several local anomalies above an 80 percentile threshold of 22 ppb gold remain valid exploration targets. Strong acid soil PH anomalies are located one kilometre west of La Paila and may be indicative of acid leaching from an undiscovered or blind epithermal system (refer to Fig. 16 in Cuttle and Giroux, 2010).
- GEOPHYSICS – Ninety percent of the property has been covered with two stages of airborne magnetics, and radiometrics with flight line spacing of 200 metres. On the ground, approximately 34 sq kms of area (Northern Zone, Highway Zone and Central Grid Zone) has been surveyed with IP resistivity and chargeability on a grid line spacing of generally 200 metres. Local step outs on 400m spaced lines and infill spaced lines at 100m isolate some areas of interest or known gold mineralization. It is reasonable to suggest with the large volumes of silica alteration and associated gold mineralization in a deeply oxidized environment such as La Paila in the Northern Zone, high resistivity anomalies have been instrumental in defining specific drill targets. Deeper un-oxidized rocks that contain primary sulphide and possible higher grade gold feeder zones may be represented by chargeability high anomalies underlying resistivity high anomalies found closer to surface (refer to Fig. 18 in Cuttle and Giroux, 2010).

  In 2010, Goldgroup contracted SJ Geophysics to complete approximately 100 line kilometres of 3D IP over the Northern Zone and Highway Zone at Caballo Blanco. The surveys were

completed on 100 metre and 200 metre line separation. Modelling of the resistivity and chargeability data has since helped refine new and improved targets for further drill testing.

- LITHOGEOCHEMISTRY – 1065 surface rock specimens have been collected and analyzed for clay alteration products using a company owned Terra Spec® spectrometer. These data are critical in defining distinct alteration haloes around mineralization and will help to vector exploration targets in the future (Fig. 17).
- DRILLING – One hundred and eighty one core holes and thirty six reverse circulation holes have been drilled since the discovery of gold at Caballo Blanco (Northern Zone and Highway Zone) including the neighbouring Central Grid Zone which, as of October 2011, is owned 100% by Almaden Minerals. Due to small open cavities and intense alteration and oxidation to at least 300 metres, reverse circulation (RC) drilling and diamond drilling at Caballo Blanco was at times problematic and consequently several holes were either lost, had poor recovery, or never attained their projected depths. When comparing the two drilling methods, diamond drill core recoveries were consistently higher. The author believes that the many methods of collecting and presenting the historical data obtained by various companies since 1995 have been thorough and of high calibre.
- UNDERGROUND DEVELOPMENT – As of January 4, 2012 Goldgroup had driven a 123 metre long 3 metre by 3 metre underground access drift into the north central portion of the La Paila mineralized body. This is a portion of the planned underground development which is designed to give more detailed geological information on mineralization controls and also to provide more material for large ongoing column leach tests. At the time of Cuttle's visit, the walls of this new underground access had been chip sampled, however assay results for these samples and corresponding geological mapping were not complete.

- **Photo 4.** New underground development at La Paila - January, 2012 (Photo - Cuttle)

Fig. 9. New Induced Polarization Resistivity Survey - North Zone Area (modified from SJ Geophysics 2011)

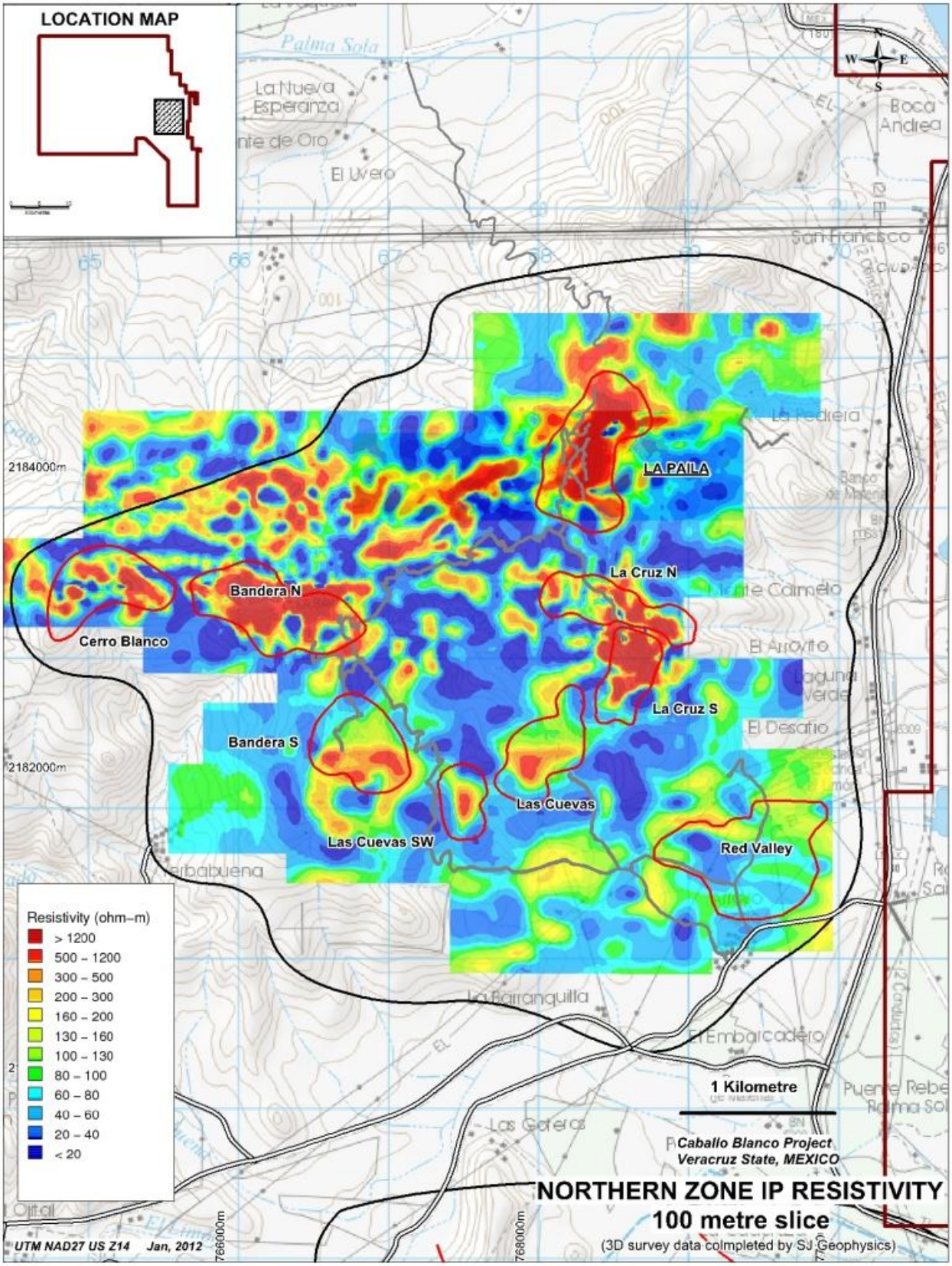
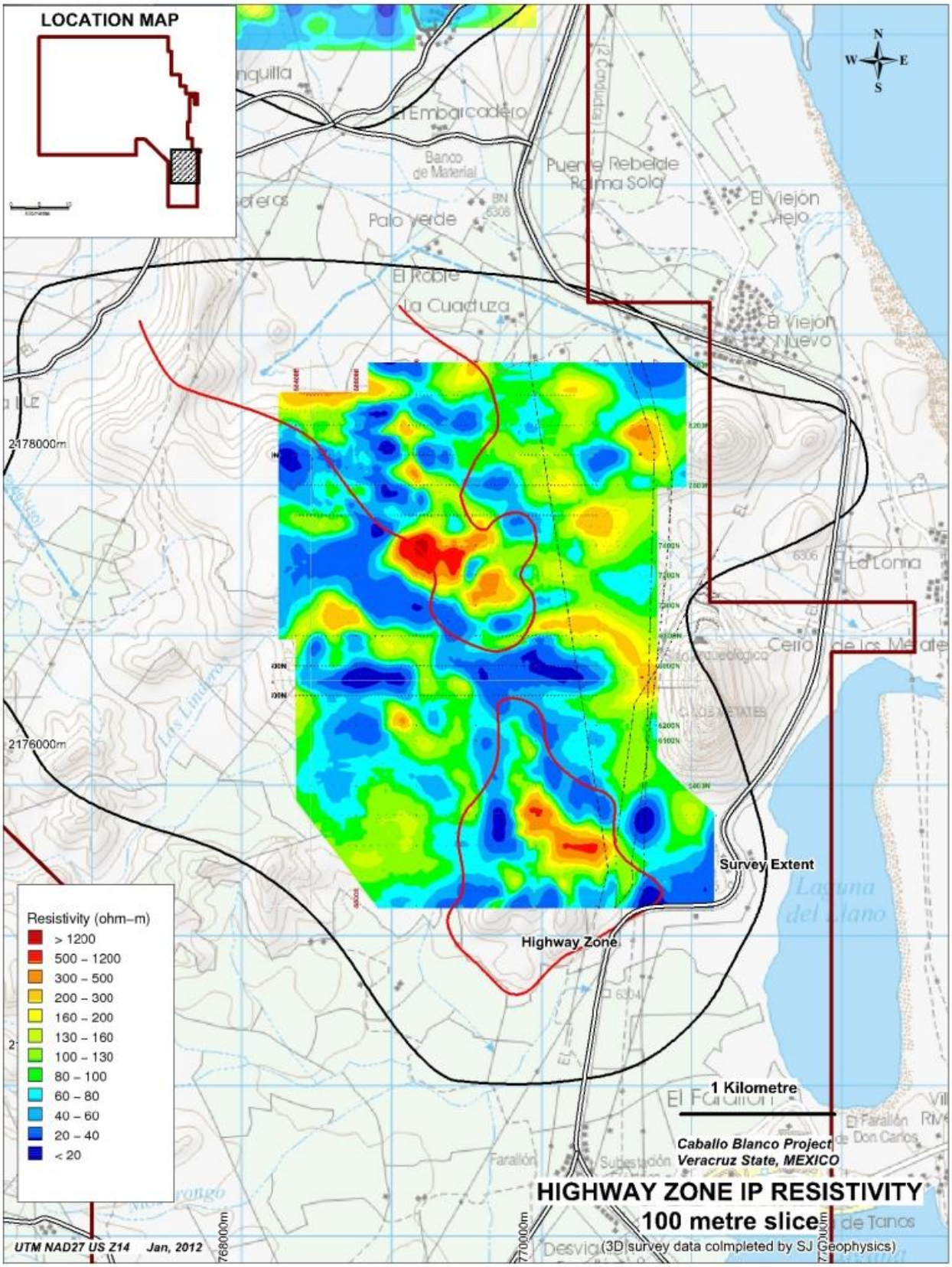


Fig. 10. New Induced Polarization Resistivity - Highway Zone Area (modified from SJ Geophysics, 2011)



10. DRILLING

One hundred and eighty one core holes and thirty six reverse circulation holes have been drilled since the discovery of gold at the Caballo Blanco Property (Northern Zone and Highway Zone). This includes the neighbouring Central Grid Zone which is part of the El Cobre project sold by Goldgroup to Almaden Minerals.

Due to small open cavities and intense alteration and oxidation to at least 300 metres, drilling has been at times problematic and consequently several drill holes were either lost or never attained their projected depths. However, drill core recovery is generally good (80%+) and the authors believe that the many methods of collecting and presenting the historical data obtained by various companies since 1995 have been thorough and of high calibre.

Previous drill testing throughout the Caballo Blanco Property has identified many areas with gold mineralization, however the La Paila prospect in the Northern Zone, among other areas, is considered the most significant area of gold mineralization found to date and is detailed below. Descriptions of other mineralized locations are described in the previous NI43-101 report by Cuttle and Giroux, 2010.

10.1 Pre 2010 Drilling - La Paila

Besides the mineralized rock chip samples and extensive alteration assemblages found on the top and along the upper slopes of Cerro La Paila, the first real significant gold mineralization associated with this alteration was intersected in drill hole CB05-03 by Comaplex Minerals in 2005. The discovery hole cut 58 metres grading 1.772 g/t Au and is located at relatively shallow depths along the north end of an irregular northerly trending body of vuggy silica breccia.

Holes were drilled, targeting the extents of the low-grade bulk mineable gold at La Paila. These drill holes were collared along 50 metre and 100 metre sections extending over a horizontal distance of 800 metre to the north, 280 metres east and extend to vertical depths of 200 metres above sea level. The principal unit hosting the gold mineralization outcrops at surface in the north end of the property and may plunge gently to the south. It is not clear however if this perceived plunge of the gold zone at La Paila is the direct result of local block faulting or subject to insufficient drill data. True widths were not calculated for any composites at Caballo Blanco.

10.2 Goldgroup drilling - 2010/2011

In 2010/2011 Goldgroup targeted seven specific areas within the Northern Zone of the Caballo Blanco Property. This report includes maps that locate and identify 142 holes new holes (10CBRC-43 to 11CBN-184). Three additional holes were drilled at La Paila (11CBN-185 to 187), however assays for these holes as well as holes 11CBN-179 to 11CBN-181 and 11CBN-183 had not been received and are not included in resource estimations by Giroux at the time of writing this report.

Table 3: Areas drilled in 2010/2011 by Goldgroup (holes 10CBRC-43 to 11CBN-184)

Zone	Area	Total meterage	Holes
Northern	La Paila	33459.63	130
Northern	Bandera N/S	1022.00	4
Northern	Las Cuevas SW	612.10	2
Northern	Red Valley	612.10	3
Northern	Cerro Blanco	250.5	2
Northern	Las Cuevas	600.00	1
		36556.33	142

The 2010/2011 drill program commenced with a reverse circulation percussion rig contracted from Layne Drilling in Hermosillo. Hard abrasive conditions and intense fracturing encountered in the siliceous alteration lead to very poor sample recoveries of less than 50%, in the mineralised assemblage. The reverse circulation program was abandoned after 19 holes due to the poor recoveries and the inability to complete holes to their target depths because of the difficult drilling conditions.

The program was changed to all diamond core with two rigs, one supplied by Corebeil and the other by Landdrill. As the program progressed another rig was added by Corebeil and two more by Landdrill bringing the total to 5 machines in July of 2011, for the remainder of the program. All of the original 14 reverse circulation holes drilled at La Paila were later twinned with diamond core and table of comparative results is shown in Table 4 below. None of the reverse circulation drill holes have been included in the resource estimation.

Table 4: Comparison - Reverse Circulation / Diamond drill twinned holes - La Paila area

RC HOLE	From m	To m	Interval m	Au grade (g/t)	DIAMOND HOLE	From m	To m	Interval m	Au grade (g/t)
10 CBRC 48	42.00	174.00	132.00	0.57	11 CBN 68	37.00	171.00	134.00	0.61
10 CBRC 49	22.00	150.00	128.00	0.40	11 CBN 70	22.00	151.50	129.50	0.49
10 CBRC 52	80.00	86.00	6.00	0.33	11 CBN 110	89.50	94.30	4.80	0.17
and	92.00	96.00	4.00	0.26					
10 CBRC 53	60.00	68.00	8.00	0.26	11 CBN 99	65.85	69.85	4.00	0.41
and	76.00	82.00	6.00	0.38	and	79.85	83.30	3.45	0.52
10 CBRC 56	88.00	94.00	6.00	0.23	11 CBN 115	87.05	93.76	6.71	0.20
and	164.00	174.00	10.00	0.27	and	163.10	173.10	10.00	0.20
and	180.00	192.00	12.00	0.24	and	179.10	197.10	18.00	0.30
10 CBRC 58	30.00	186.00	156.00	0.42	11 CBN 69	29.80	203.80	175.00	0.45
10 CBRC 59	26.00	140.00	114.00	0.60	11 CBN 120	13.75	140.00	126.25	0.69
10 CBRC 60	56.00	170.00	114.00	0.58	11 CBN 72	56.00	178.00	122.00	0.80
10 CBRC 62	48.00	58.00	10.00	0.34	11 CBN 90	48.30	54.30	6.00	0.22
and	84.00	146.00	62.00	0.68	and	86.30	134.30	48.00	0.77
10 CBRC 63	94.00	104.00	10.00	0.22	11 CBN 97	88.30	104.30	16.00	0.25
and	112.00	174.00	62.00	0.35	and	110.30	172.30	62.00	0.37
10 CBRC 64	46.00	110.00	64.00	0.59	11 CBN 101	43.78	109.74	65.96	0.85
and	146.00	176.00	30.00	0.68	and	139.74	189.95	50.21	0.41
and	188.00	194.00	6.00	0.28					

RC HOLE	From m	To m	Interval m	Au grade (g/t)	DIAMOND HOLE	From m	To m	Interval m	Au grade (g/t)
10 CBRC 65	102.00	128.00	26.00	0.75	11 CBN 95	85.15	101.15	20.00	0.83
					and	111.15	163.35	52.20	0.31
10 CBRC 66	38.00	144.00	106.00	0.71	11 CBN 91	38.15	112.50	74.35	0.60
10 CBRC 67	92.00	96.00	4.00	0.71	11 CBN 100	97.50	109.50	12.05	0.34
and	106.00	126.00	20.00	0.35	and	143.55	157.55	14.00	0.70
and	154.00	170.00	16.00	0.35	and	233.55	281.55	48.00	0.51

All diamond drill holes were collared with either PQ or HQ size rods and reduced from there to HQ or NQ as drilling conditions dictated. The majority of the core is HQ size. A total of 117 core holes were completed at La Paila (10 CBN 54, 61 and 11 CBN 68-88, 90, 91, 93-102, 104, 105 and 107-184). All drill holes were surveyed using a Reflex EZ shot.

The 2010/2011 drill program continued to identify the extents of the low-grade bulk mineable gold at La Paila and other areas in the Northern Zone The drill holes at La Paila were collared along 50 metre and 100 metre sections extending over a horizontal distance of 900 metres to the north, 380 metres east and extend to vertical depths of close to100 metres above sea level.

A variety of geophysical, geochemical and geological surveys continue to be extremely useful in identifying drill targets in and around the Northern Zone; most importantly airborne magnetic, IP resistivity high anomalies, clay alteration haloes identified by a TerraSpec® spectrometer, location of mineralized surface rock geochemistry and detailed geological and structural mapping. These surveys have not only been used successfully to outline a classic zonation of clay minerals representative of a large epithermal system but they have most importantly been useful in defining zones of silica flooding and associated gold mineralization. These surveys should remain principle exploration tools for future work at Caballo Blanco.

The table below lists all drill hole data collected by Goldgroup in 2010 and 2011 from seven different areas of the Northern Zone These collar locations include 19 reverse circulation holes and 123 diamond drill holes for a total of 36,556 metres of drilling. None of the nineteen reverse circulation drill holes have been included in the resource estimation due to low recovery.

Table 5: All drill collar locations - 2010/2011 (NAD 27 Mex, zone 14)

HOLE_ID	East_27/14	North_27/14	elev m	LENGTH m	AZI	DIP	AREA	YEAR	TYPE
10CBRC-043	766724.85	2182193.94	591.18	334.00	0	-90	BANDERA S	2010	RC
10CBRC-044	766728.31	2182193.83	591.04	224.00	90	-65	BANDERA S	2010	RC
10CBRC-045	766730.31	2182803.17	577.35	214.00	270	-80	BANDER N	2010	RC
10CBRC-046	766728.91	2182802.97	577.43	250.00	260	-50	BANDERA N	2010	RC
10CBN-047	767702.48	2181378.69	133.12	301.50	180	-45	LAS CUEVAS SW	2010	DDH
10CBRC-048	768322.06	2184284.76	520.90	218.00	90	-80	LA PAILA	2010	RC
10CBRC-049	768404.90	2184292.79	523.27	202.00	80	-50	LA PAILA	2010	RC
10CBN-050	768004.81	2181387.29	114.82	301.50	140	-50	LAS CUEVAS SW	2010	DDH
10CBN-051	768587.72	2181159.07	45.54	301.50	310	-50	RED VALLEY	2010	DDH
10CBRC-052	768218.96	2184299.28	496.73	124.00	110	-80	LA PAILA	2010	RC
10CBRC-053	768178.77	2184295.04	476.43	256.00	0	-90	LA PAILA	2010	RC

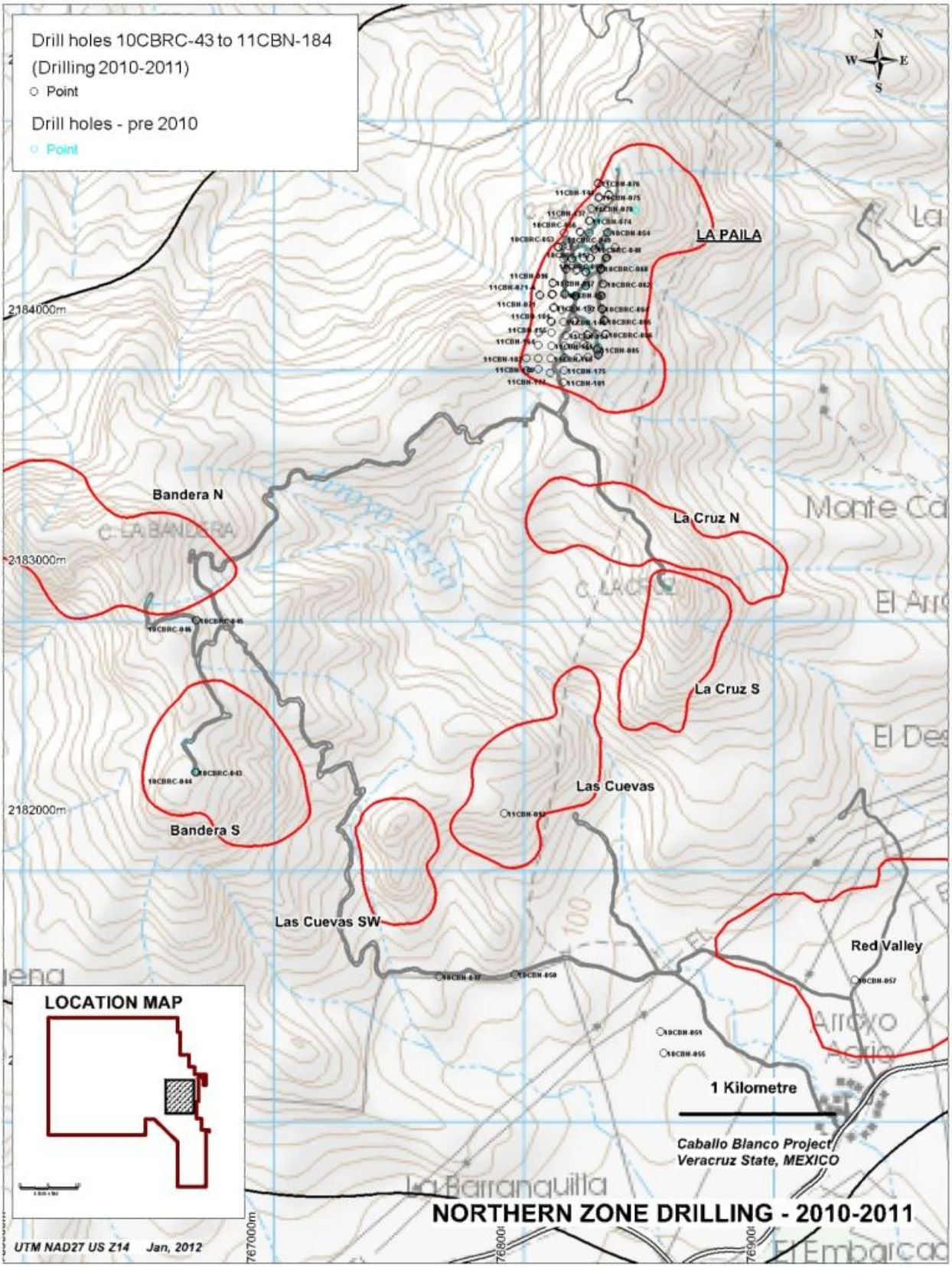
HOLE_ID	East_27/14	North_27/14	elev m	LENGTH m	AZI	DIP	AREA	YEAR	TYPE
10CBN-054	768378.35	2184354.00	548.27	217.10	90	-45	LA PAILA	2010	DDH
10CBN-055	768599.00	2181072.02	600.00	9.10	0	-90	RED VALLEY	2010	DDH
10CBRC-056	768265.46	2184353.21	494.35	232.00	90	-75	LA PAILA	2010	RC
10CBN-057	769364.05	2181364.47	26.71	301.50	310	-45	RED VALLEY	2010	RC
10CBRC-058	768371.90	2184252.89	487.36	216.00	90	-60	LA PAILA	2010	RC
10CBRC-059	768370.35	2184251.97	487.39	172.00	90	-45	LA PAILA	2010	RC
10CBRC-060	768348.67	2184209.92	481.91	214.00	90	-50	LA PAILA	2010	RC
10CBN-061	768203.35	2184104.41	498.76	294.00	0	-90	LA PAILA	2010	DDH
10CBRC-062	768358.60	2184146.84	479.82	146.00	90	-65	LA PAILA	2010	RC
10CBRC-063	768347.74	2184099.83	489.29	200.00	90	-65	LA PAILA	2010	RC
10CBRC-064	768352.84	2184047.88	484.33	240.00	0	-90	LA PAILA	2010	RC
10CBRC-065	768361.40	2183998.72	488.04	260.00	90	-50	LA PAILA	2010	RC
10CBRC-066	768366.65	2183946.00	489.32	144.00	80	-60	LA PAILA	2010	RC
10CBRC-067	768246.64	2184098.38	510.57	246.00	90	-65	LA PAILA	2010	RC
11CBN-068	768323.54	2184285.21	520.92	235.50	90	-80	LA PAILA	2011	DDH
11CBN-069	768368.89	2184251.93	487.36	287.80	90	-60	LA PAILA	2011	DDH
11CBN-070	768404.16	2184292.58	523.16	191.50	90	-50	LA PAILA	2011	DDH
11CBN-071	768103.84	2184100.28	471.19	45.00	90	-65	LA PAILA	2011	DDH
11CBN-071-A	768102.68	2184103.02	470.96	73.30	0	-90	LA PAILA	2011	DDH
11CBN-072	768346.75	2184209.90	481.99	212.00	90	-50	LA PAILA	2011	DDH
11CBN-073	768155.74	2184106.29	484.36	178.50	0	-90	LA PAILA	2011	DDH
11CBN-074	768301.55	2184398.80	497.35	201.00	90	-75	LA PAILA	2011	DDH
11CBN-075	768339.38	2184494.29	481.33	234.00	90	-45	LA PAILA	2011	DDH
11CBN-076	768336.26	2184549.61	476.63	364.50	90	-45	LA PAILA	2011	DDH
11CBN-077	768155.18	2184151.08	479.87	301.50	90	-70	LA PAILA	2011	DDH
11CBN-078	768309.90	2184450.01	485.55	229.20	90	-45	LA PAILA	2011	DDH
11CBN-079	768211.27	2184206.88	488.23	202.50	0	-90	LA PAILA	2011	DDH
11CBN-080	768305.52	2184250.89	502.79	315.30	90	-75	LA PAILA	2011	DDH
11CBN-081	768207.53	2184205.16	488.27	184.50	270	-60	LA PAILA	2011	DDH
11CBN-082	768306.51	2184250.85	502.83	335.00	90	-50	LA PAILA	2011	DDH
11CBN-083	768204.12	2184146.90	494.61	310.50	90	-70	LA PAILA	2011	DDH
11CBN-084	768234.19	2184247.31	504.73	314.50	0	-90	LA PAILA	2011	DDH
11CBN-085	768334.95	2183884.59	497.41	220.60	0	-90	LA PAILA	2011	DDH
11CBN-086	768152.32	2184104.47	484.18	253.50	270	-70	LA PAILA	2011	DDH
11CBN-087	768249.16	2184200.35	501.48	245.10	270	-60	LA PAILA	2011	DDH
11CBN-088	768331.24	2183884.34	497.72	139.37	270	-50	LA PAILA	2011	DDH
11CBN-090	768354.16	2184146.67	479.71	134.30	90	-70	LA PAILA	2011	DDH
11CBN-091	768366.30	2183947.47	489.18	160.02	90	-60	LA PAILA	2011	DDH
11CBN-092	767962.01	2182030.01	600.00	117.00	44	-60	LAS CUEVAS	2011	DDH
11CBN-093	768152.72	2184106.09	483.77	229.50	0	-70	LA PAILA	2011	DDH
11CBN-094	768354.16	2184146.67	479.71	377.40	90	-80	LA PAILA	2011	DDH

HOLE_ID	East_27/14	North_27/14	elev m	LENGTH m	AZI	DIP	AREA	YEAR	TYPE
11CBN-095	768360.37	2184001.07	487.96	320.04	90	-60	LA PAILA	2011	DDH
11CBN-096	768155.28	2184148.98	479.76	301.50	135	-50	LA PAILA	2011	DDH
11CBN-097	768349.68	2184099.35	489.08	271.80	90	-65	LA PAILA	2011	DDH
11CBN-098	768359.13	2184000.97	488.03	219.98	0	-90	LA PAILA	2011	DDH
11CBN-099	768177.95	2184293.34	476.37	162.20	0	-90	LA PAILA	2011	DDH
11CBN-100	768278.00	2183907.16	513.00	370.50	90	-70	LA PAILA	2011	DDH
11CBN-101	768352.03	2184046.98	484.17	273.49	0	-90	LA PAILA	2011	DDH
11CBN-102	768157.16	2184050.37	495.52	186.20	0	-90	LA PAILA	2011	DDH
11CBN-103	763596.04	2181619.02	391.00	132.00	0	-90	CERRO BLANCO	2011	DDH
11CBN-104	768160.53	2184052.35	495.40	377.85	90	-60	LA PAILA	2011	DDH
11CBN-105	768286.74	2184140.06	499.54	310.50	0	-90	LA PAILA	2011	DDH
11CBN-106	763573.04	2182630.02	379.00	118.50	0	-90	CERRO BLANCO	2011	DDH
11CBN-107	768352.01	2184045.23	484.17	14.21	180	-50	LA PAILA	2011	DDH
11CBN-108	768351.76	2184048.07	484.31	237.98	90	-60	LA PAILA	2011	DDH
11CBN-109	768328.99	2183945.47	496.31	252.00	90	-70	LA PAILA	2011	DDH
11CBN-110	768218.08	2184297.47	496.70	211.30	90	-80	LA PAILA	2011	DDH
11CBN-111	768239.73	2184048.23	520.03	334.50	0	-90	LA PAILA	2011	DDH
11CBN-112	768348.51	2184203.93	481.80	200.44	0	-90	LA PAILA	2011	DDH
11CBN-113	768201.78	2184351.94	489.11	170.40	90	-65	LA PAILA	2011	DDH
11CBN-114	768195.39	2184297.99	483.02	182.20	0	-90	LA PAILA	2011	DDH
11CBN-115	768263.99	2184354.99	494.13	256.30	90	-75	LA PAILA	2011	DDH
11CBN-116	768293.97	2183945.82	512.53	240.30	0	-90	LA PAILA	2011	DDH
11CBN-117	768160.53	2184052.35	495.40	340.40	90	-70	LA PAILA	2011	DDH
11CBN-118	768348.09	2184203.30	482.10	351.00	90	-80	LA PAILA	2011	DDH
11CBN-119	768247.92	2184099.80	510.60	340.50	90	-80	LA PAILA	2011	DDH
11CBN-120	768366.76	2184250.83	487.37	193.70	90	-45	LA PAILA	2011	DDH
11CBN-121	768297.43	2183943.36	512.30	235.50	90	-80	LA PAILA	2011	DDH
11CBN-122	768233.82	2184246.68	504.72	260.50	90	-76	LA PAILA	2011	DDH
11CBN-123	768289.36	2184139.77	499.49	272.30	90	-80	LA PAILA	2011	DDH
11CBN-124	768240.71	2183997.00	515.05	332.50	0	-90	LA PAILA	2011	DDH
11CBN-125	768231.94	2184247.15	504.81	215.70	270	-80	LA PAILA	2011	DDH
11CBN-126	768293.30	2183899.95	517.86	214.50	0	-90	LA PAILA	2011	DDH
11CBN-127	768344.22	2184298.87	519.82	299.60	90	-63	LA PAILA	2011	DDH
11CBN-128	768302.50	2184045.44	496.25	310.50	0	-90	LA PAILA	2011	DDH
11CBN-129	768373.67	2184544.52	499.36	3.20	0	-90	LA PAILA	2011	DDH
11CBN-130	768348.69	2184451.73	511.96	290.17	90	-45	LA PAILA	2011	DDH
11CBN-131	768286.04	2184194.84	496.47	251.40	270	-72	LA PAILA	2011	DDH
11CBN-132	768338.67	2184294.80	519.99	373.80	180	-50	LA PAILA	2011	DDH
11CBN-133	768336.51	2183862.75	496.98	247.50	0	-90	LA PAILA	2011	DDH
11CBN-134	768302.62	2184044.89	496.43	274.50	180	-70	LA PAILA	2011	DDH
11CBN-135	768288.91	2184194.32	496.34	284.60	90	-85	LA PAILA	2011	DDH

HOLE_ID	East_27/14	North_27/14	elev m	LENGTH m	AZI	DIP	AREA	YEAR	TYPE
11CBN-136	768246.71	2183942.81	530.46	308.20	0	-90	LA PAILA	2011	DDH
11CBN-137	768302.87	2184399.52	497.49	305.71	90	-50	LA PAILA	2011	DDH
11CBN-138	768354.13	2184045.59	484.22	224.00	90	-75	LA PAILA	2011	DDH
11CBN-139	768203.49	2184108.01	497.92	291.50	270	-80	LA PAILA	2011	DDH
11CBN-140	768336.04	2183891.47	497.39	241.50	90	-70	LA PAILA	2011	DDH
11CBN-141	768197.91	2183994.79	536.32	338.00	0	-90	LA PAILA	2011	DDH
11CBN-142	768360.88	2184003.05	487.88	256.50	90	-75	LA PAILA	2011	DDH
11CBN-143	768349.98	2184100.10	489.17	250.50	90	-45	LA PAILA	2011	DDH
11CBN-144	768336.71	2184548.49	476.64	284.68	90	-60	LA PAILA	2011	DDH
11CBN-145	768243.36	2183997.14	514.83	268.50	90	-75	LA PAILA	2011	DDH
11CBN-146	768248.79	2183899.76	543.00	319.50	0	-90	LA PAILA	2011	DDH
11CBN-147	768243.92	2184098.83	510.75	290.50	90	-60	LA PAILA	2011	DDH
11CBN-148	768301.38	2184351.18	504.89	314.50	90	-65	LA PAILA	2011	DDH
11CBN-149	768338.05	2183862.59	497.49	253.50	90	-60	LA PAILA	2011	DDH
11CBN-150	768338.84	2184489.21	481.33	318.21	90	-60	LA PAILA	2011	DDH
11CBN-151-A	768305.01	2184251.30	503.03	347.50	90	-60	LA PAILA	2011	DDH
11CBN-152	768149.28	2183994.62	527.44	277.50	0	-90	LA PAILA	2011	DDH
11CBN-153	768372.47	2184351.80	544.08	257.00	90	-57	LA PAILA	2011	DDH
11CBN-154	768209.08	2183940.55	536.22	321.00	0	-90	LA PAILA	2011	DDH
11CBN-155	768147.51	2183996.87	527.50	201.50	270	-80	LA PAILA	2011	DDH
11CBN-156	768374.18	2184544.12	499.47	300.42	135	-45	LA PAILA	2011	DDH
11CBN-157	768190.49	2184042.65	508.87	308.40	270	-84	LA PAILA	2011	DDH
11CBN-158	768149.29	2183952.45	535.73	274.00	0	-90	LA PAILA	2011	DDH
11CBN-159	768277.68	2184249.94	503.50	311.00	90	-80	LA PAILA	2011	DDH
11CBN-160	768202.58	2183898.75	522.22	233.00	0	-90	LA PAILA	2011	DDH
11CBN-161	768380.93	2184505.20	508.26	302.67	90	-45	LA PAILA	2011	DDH
11CBN-162	768197.76	2184247.63	484.84	305.40	270	-80	LA PAILA	2011	DDH
11CBN-163	768252.55	2184205.32	501.31	356.40	180	-50	LA PAILA	2011	DDH
11CBN-164	768100.73	2183952.85	527.40	299.00	0	-90	LA PAILA	2011	DDH
11CBN-165	768150.35	2183900.01	510.35	367.00	0	-90	LA PAILA	2011	DDH
11CBN-166	768241.29	2184294.79	505.94	317.35	90	-75	LA PAILA	2011	DDH
11CBN-167	768380.73	2184502.20	508.54	281.33	130	-45	LA PAILA	2011	DDH
11CBN-168	768148.90	2183849.20	499.98	363.70	0	-90	LA PAILA	2011	DDH
11CBN-169	768296.61	2183853.24	514.52	299.78	0	-90	LA PAILA	2011	DDH
11CBN-170	768255.53	2183852.07	536.48	299.62	0	-90	LA PAILA	2011	DDH
11CBN-171	768203.11	2183851.32	505.58	322.50	0	-90	LA PAILA	2011	DDH
11CBN-172	768338.05	2183863.96	497.48	278.70	90	-75	LA PAILA	2011	DDH
11CBN-173	768098.43	2183900.87	511.38	358.00	0	-90	LA PAILA	2011	DDH
11CBN-174	768097.82	2183848.11	502.10	361.49	0	-90	LA PAILA	2011	DDH
11CBN-175	768200.51	2183801.55	495.94	301.50	0	-90	LA PAILA	2011	DDH
11CBN-176	768339.00	2183863.16	497.46	249.90	90	-50	LA PAILA	2011	DDH

HOLE_ID	East_27/14	North_27/14	elev m	LENGTH m	AZI	DIP	AREA	YEAR	TYPE
11CBN-177	768144.85	2183791.83	484.93	388.00	0	-90	LA PAILA	2011	DDH
11CBN-178	768336.42	2183891.45	497.36	301.50	0	-90	LA PAILA	2011	DDH
11CBN-179	768337.60	2183891.54	497.24	320.30	90	-81	LA PAILA	2011	DDH
11CBN-180	768097.50	2183805.69	486.19	396.42	0	-90	LA PAILA	2011	DDH
11CBN-181	768198.41	2183752.88	484.35	262.50	0	-90	LA PAILA	2011	DDH
11CBN-182	768050.13	2183847.97	501.99	298.50	0	-90	LA PAILA	2011	DDH
11CBN-183	768337.60	2183891.54	497.24	281.00	90	-50	LA PAILA	2011	DDH
11CBN-184	768053.00	2183800.16	487.00	200.00	0	-90	LA PAILA	2011	DDH

Fig. 11. 2010-2011 Drill Collar Locations by Goldgroup - Northern Zone (Cuttle, 2012)



11. SAMPLE PREPARATION, ANALYSIS, QAQC AND SECURITY

Prior to Goldgroup drill 2010/2011, at least four different Companies have completed drill programs at Caballo Blanco. Early reverse circulation drilling by Almaden Minerals (through Minera Gavilán S.A de C.V.) in 1998 concentrated on the Central Zone 'Porphyry' target, and in 2002, Noranda and Almaden drilled nine holes in the Central Grid and Highway Zones. More recently, Comaplex Minerals and Canadian Gold Hunter (through Minera Cardel S.A de C.V.) completed an additional fifty two core holes, principally targeting the Northern Zone area at or near La Paila and to a lesser extent at the Central Grid and Highway Zones in the central and southern part of the claims.

Sampling methods used by Canadian Gold Hunter (Minera Cardel) geologists on 32 of the 38 drill holes in the Northern Zone are described in the following paragraph. Sampling methods by Comaplex for the other six holes in the Northern Zone are unknown at this time; however check assays by Minera Cardel on mineralized core intercepts from three of these core holes suggest no significant differences in assay results.

11.1 Sample Preparation and Analysis - 2009

The core samples were sent to ALS Chemex preparation Lab in Guadalajara, Mexico where they were dried and crushed to minus 150 mesh and the pulps were then air couriered to ALS Chemex Laboratories in North Vancouver, BC, Canada (*ISO 17025 accredited*). Each were then dissolved in an aqua regia leach and analyzed for gold by fire assay methods and 35 other trace elements by ICP – MS methods (inductively coupled plasma with mass spectroscopy).

11.2 Quality Assurance - Quality Control (QA-QC) - 2009

The three different standard reference materials used in this drilling campaign were purchased from CDN Resource Laboratories Ltd. in Vancouver, Canada by Minera Cardel. Control charts suggest most all of the assay data on these three different standards fall within two standard deviation of the norm. Specific outliers exist just outside 2SD, however these are not considered influential to the overall data package.

- Standard P1 - 6% or 3 samples out of 49 – above / below 2SD
- Standard 3C – 4% or 2 samples out of 48 – above / below 2SD
- Standard P7A – 4% or 2 samples out of 46 – above / below 2SD

Source material for the 48 blanks inserted into the assays in the Northern Zone comes from two locations. Inserts into assay shipments for drill holes CB06-01 to CB-06-03 and 07CBN-01 to 08CBN-05 used local blank gravel and inserts for holes 08CBN-06 to 09CBN-042 used previously drilled core from barren andesite in the Northern Zone. Exact location and the average reference analysis of the barren andesite inserts and local gravels are unknown; however assay data on the blanks generally vary from minimum detection of less than 5 parts per billion gold (ppb) to 44ppb gold with 3 samples above two standard deviation of 31ppb gold. The authors do not considered these outliers to be problematic.

Although three outlier samples from 141 duplicates show abnormal results, the duplicate assaying program reflects an acceptable degree of correlation. The author believes sample preparation, security and general analytical procedures to be adequate for the core drilling at Caballo Blanco. A list of relevant composite intervals from core drilling at La Paila is itemized in Appendix V. True widths were unknown.

11.3 Sample Security - 2009

A variety of HQ, NQ and / or BQ size drill core was delivered daily from the drill rig to the Company's on-site core logging and storage facility near the small community of Arroyo Agrio in the north-eastern part of the claim block. Geotechnical and geological data was then recorded by company geologists, including recovery, specific gravity, rock quality designation (RQD), alteration defined by spectrometer readings and specific geological rock type. Core samples were selected and marked by the same geologists, with company technicians later using a diamond saw to half the core and secure each half sample with self locking clips. Sample lengths varied generally from 1 to 3 metres long and up to 6 metres in length and were chosen primarily along on recognized alteration or lithological boundaries. Three different standard reference samples, as well as locally derived 'blank' material and core duplicates were inserted into each lab shipment in regular frequency; generally a different standard reference material every 20 samples, a blank every 80 samples and core duplicates every 20 to 30 samples. A complete library of split core remains protected inside a fenced compound near the small village of Arroyo Agrio (photo 5).

11.4 Sample Preparation and Analysis - 2010/1011

During the 2010/2011 drilling campaign conducted by Goldgroup samples of half core and riffle split reverse circulation percussion chips from drill holes 10CBRC43 to 11CBN113 were collected from site by Inspectorate and taken to their Durango preparation facility where they were dried, crushed and a 250g split was pulverised to -75 microns. The rejects were returned to site while the pulps were air couriered to Inspectorate's Richmond, BC, Canada facility and analyzed for gold by fire assay with Atomic Absorption ("AA") finish. In addition, a 30 element Inductively Coupled Plasma ("ICP") analysis (aqua regia digest) was conducted on all samples.

Samples of half core from drill holes 11CBN114 to 11CBN184 were collected from site by ALS Global and taken to their Guadalajara preparation facility where they were dried, crushed and a 250g split was pulverised to -75 microns. The rejects were returned to site while the pulps were air couriered to their Vancouver facility and analysed for gold by fire assay with AAS finish. In addition, a 35 element ICP analysis was conducted on all samples.

11.5 Quality Assurance - Quality Control (QA-QC) - 2010/2011

The three different standard reference materials used in this drilling campaign were prepared by CDN Resource Laboratories Ltd. in Vancouver, Canada from mineralised material from the La Paila deposit supplied by Minera Cardel. Control charts suggest most all of the assay data on these three different standards fall within two standard deviation of the norm. Specific outliers exist outside 2SD, however these are not considered influential to the overall data package.

- Standard GS-1E - 2% or 3 samples out of 163 – above / below 2SD
- Standard GS-P8 – 2% or 3 samples out of 161 – above / below 2SD
- Standard CGH-1 –1% or 2 samples out of 167 – above / below 2SD

One standard, one blank or one duplicate was inserted per group of 10 samples sent to the laboratory.

11.6 Sample Security - 2010/2011

A variety of HQ and/or NQ size drill core was delivered daily from the drill rig to the Company's on-site core logging and storage facility near the small community of Arroyo Agrio in the north-eastern part of the claim block. Geotechnical and geological data was then recorded by company geologists, including

recovery, specific gravity, rock quality designation (RQD), alteration defined by spectrometer readings and specific geological rock type.

Core samples were selected and marked by the same geologists, with company technicians later using a diamond saw to halve the core and secure each half sample with self locking clips. Sample lengths varied generally from 1 to 3 metres long and up to 6 metres in length and were chosen primarily along on recognized alteration or lithological boundaries. The samples were sealed and shipped via ALS Global to ALS Chemex Preparation Laboratories in Guadalajara (holes 11CBN114 to 11CBN184) or picked up by Inspectorate Labs and driven to their preparation laboratories in Durango State (holes 10CBRC43 to 11CBN113).

It is the author's opinion that sample preparation, security and analytical procedures are adequate and have been completed to industry standard.

12. DATA VERIFICATION

12.1 Site Visit - November, 2009

Cuttle completed an on-site field visit to the Caballo Blanco Project area was from November 1st to November 3rd, 2009, as a guest of Keith Piggott, CEO of Goldgroup, Kevin Sullivan, VP Exploration, Fernando Téliz, Project Manager, Minera Cardel, and Humberto Hernández Senior Geologist, Minera Cardel.

During the field visit the author was able to collect rock and drill core samples from La Paila (Northern Zone), verify drill hole collar locations as well as visit the core logging / storage facilities near Arroyo Agrio and the geological field offices at Villa Rica. The Highway and Central zones on the Caballo Blanco property were not visited by the author.

Photo 5. Core storage facilities near Arroyo Agrio, Caballo Blanco Project - 2009 (Photo - Cuttle)

Photo 6 Typical 'cement carne' used to identify drill hole collar locations, Caballo Blanco Project - 2009 (Photo - Cuttle)

Five rock samples were collected by the author, one rock chip sample from surface exposure of the gold zone at La Paila and four rock samples from mineralized intervals in four drill holes at La Paila. The rocks were later hand delivered to Acme Labs of Vancouver for analysis (*ISO 9001:2008 accredited*).

The five check assays show good correlation to previous assays obtained by Canadian Gold Hunter (Minera Cardel) as shown in the table below and the author verifies that gold mineralization does exist at 'point' locations in drill core and surface exposures at the La Paila Area. No other samples were taken by the author outside the La Paila area at the Caballo Blanco property.

Table 6. Assay checks by Author, Nov, 2009

Sample	Location La Paila	Length	Original assay g/t Au	Check assay g/t Au	Comments
JCCB-1	La Paila area	1.5m chip	Not relevant	3.246	1.5m surface chip, along o/c of vuggy silica gold zone. 768415E, 2184513N
JCCB-2	DDH CB05-03 120m-122m	2.0m	0.360	0.340	¼ core was cut by rock saw during field visit
JCCB-3	DDH 07CBN 02 146.7-148.44m	1.74m	0.266	0.500	¼ core was cut by rock saw during field visit
JCCB-4	DDH 08CBN 11 150.26-151.79m	1.53m	1.010	1.013	¼ core was cut by rock saw during field visit
JCCB-5	DDH 08CBN 18 105.16-106.68m	1.52m	0.701	0.653	¼ core was cut by rock saw during field visit

12.2 Site Visit - January, 2012

Cuttle visited the Caballo Blanco Property a second time on January 6, 2012 in the company of Kevin Sullivan VP Exploration of Goldgroup Mining.

During the field trip the author was able to visit the La Paila prospect in the Northern Zone and verify new drill hole collar locations as well as visit the Company's core logging / storage facilities and column leach pads near Arroyo Agrio, and the geological field offices at Villa Rica.

No additional samples were taken during this site visit, however Cuttle was able to verify that exploration work and drill testing at La Paila was ongoing by Goldgroup.

Photo 7. Typical 'cement carne' used to identify drill hole collar locations, Caballo Blanco Project - 2012 (Photo - Cuttle)

In the opinion of the authors the data base provided is adequate to estimate a resource and is up to industry standards.

13. MINERAL PROCESSING AND METALLURGICAL TESTING

13.1 Metallurgical Testing in 2009/2010 - Goldgroup

As part of Goldgroup's 2009 due diligence work at Caballo Blanco, the Company cut eight samples from previously split drill core from the La Paila Zone. These samples were taken to represent different ore characteristics from low grade (<0.5 g/t Au), to medium grade (0.5 to 1.5 g/t Au) and high grade material (>1.5g/t Au).

The samples were crushed to -1/2 inch and were leached for 144 hours by standard 'bottle roll' with cyanide solutions at the Company's in-house facility. Results show that the five samples with head grades below 1 gram gold gave high recoveries within 24 to 48 hours, while three samples above 1 gram gold gave slower recovery after the 144 hours. The three higher grade samples were then crushed to -1/4 inch and run for a further 48 hours improving their recoveries to 74.5%, 89% and 91%. Recoveries for the low grade material were close to 100%.

Mining engineers from Goldgroup concluded; "These initial bottle rolls indicate that the ore is highly amenable to leaching. The gold ore is totally oxidised to at least 300 metres depth and is benign in leaching since there appears to be no other minerals or deleterious materials present. This indicates low reagent consumption in the commercial heap leach process."

The authors caution that the initial 'bottle roll' test work described in this section for La Paila is preliminary in nature and may not be representative of true recoveries obtained in the future.

Table7. Caballo Blanco (La Paila Zone) Preliminary 'in-house' Bottle Roll Tests by Goldgroup - 2009

	INITIAL	RECOVERED	TAILS	CALCULATED		LEACH	CRUSH
SAMPLE	FIRE ASSAY g/t	GOLD g/t	ASSAY g/t	HEAD GRADE g/t	% RECOVERY	TIME hrs	SIZE
CBN-1	0.78	1.1			141	144	-1/2"
CBN-2	2.79	2.83	0.97	3.8	74.5	196	-1/2", -1/4"
CBN-3	0.46	0.45			98	144	-1/2"
CBN-4	0.25	0.22			88	144	-1/2"
CBN-5	0.47	0.5			106	144	-1/2"
CBN-6	1.32	1.6	0.185	1.79	89	196	-1/2", -1/4"
CBN-7	0.27	0.32			118	144	-1/2"
CBN-8	1.21	1.37	0.125	1.5	91	196	-1/2", -1/4"

All samples were run for an initial 144 hrs, at which time samples 2, 6 and 8 showed recoveries of 59%, 78% and 79% respectively. Samples 2, 6 and 8 were again dried and re-crushed to minus ¼" and leached for another 48 hrs and gave additional recoveries.

13.2 Metallurgical Testing in 2010/2011 - Goldgroup

After the initial success of the preliminary bottle roll testing Goldgroup constructed an onsite laboratory to conduct column leach testing on mineralized material under local conditions. The laboratory contains a crushing and screening facility a Perkin Elmer AAnalyst 200 Atomic Absorption Spectrometer for reading gold and silver contained in solution and test columns of 6 inch, 16 inch and 40 inch diameters.

Photo 8. Goldgroup's onsite 'Column leach' laboratory at Arroyo Agrio - Caballo Blanco Project - 2012 (Photo - Cuttle)

Samples are loaded into the columns and cyanide solution of varying strengths is dripped into the top of the column at rates resembling those of a heap leach operation. Solution is collected at the base of the column every 24hrs and analysed by Atomic Absorption Spectrometry to determine the quantity of gold and silver recovered each day. Precious metals in solution are then removed by carbon absorption and the solution is adjusted for pH and cyanide strength and re-circulated back to the top of the column.

Photo 9. Goldgroup's onsite 'Perkin Elmer' Atomic Absorption Spectrometry equipment at Arroyo Agrio - Caballo Blanco Project - 2012 (Photo - Cuttle)

A total of twenty five column tests have been completed to date on bulk surface sample and reverse circulation drill cuttings showing gold recoveries from 76% to 94% based on atomic absorption analysis of the recovered solution and a final fire assay of the column residue. Leach times have been run for an average of 40 days and average cyanide and lime consumptions are low at 0.14kg and 1.6kg per tonne of sample respectively.

Table8. Caballo Blanco (La Paila Zone) Preliminary 'in-house' Column Tests - Goldgroup 2010/2011

Column No	Crush size	Initial Head Assay (g/t Au)	Recovered gold in solution (g/t Au)	Residue Tails Assay (g/t Au)	Calculated Head Assay (g/t Au)	Recovery
1	-1"	0.806	0.910	0.065	0.975	93.33%
2	-1"	0.806	0.896	0.061	0.957	93.63%
3	-1"	0.806	0.867	0.057	0.924	93.83%
4	-1/2"	0.546	0.618	0.050	0.668	92.51%
5	-1/2"	3.528	2.888	0.365	3.253	88.78%
6	-1/2"	0.681	0.728	0.104	0.832	87.50%
7	-1 1/4"	0.628	0.789	0.051	0.840	93.93%
8	-1 1/4"	0.628	0.747	0.060	0.807	92.57%
9	-4" + 1 1/4"	0.683	0.777	0.065	0.842	92.28%
10	-1/2"	0.670	0.666	0.113	0.779	85.49%
11	-3/4"	0.265	0.285	0.063	0.348	81.90%
12	-3/4"	0.283	0.278	0.068	0.346	80.35%
13	-3/4"	0.261	0.289	0.055	0.344	84.01%
14	-3/4"	0.613	0.709	0.100	0.809	87.64%
15	-3/4"	0.859	0.723	0.088	0.811	89.15%
16	-3/4"	0.823	0.664	0.084	0.748	88.77%
17	-3/4"	1.760	1.666	0.290	1.956	85.17%
18	-3/4"	1.634	1.656	0.247	1.903	87.02%
19	-3/4"	1.547	1.730	0.204	1.934	89.45%
20	-8"	0.271	0.262	0.081	0.343	76.38%
21	-3/4"	0.698	0.696	0.154	0.850	81.88%
22	-3/4"	0.672	0.744	0.142	0.886	83.97%
23	-3/4"	0.682	0.704	0.074	0.778	90.49%
24	-3/4"	0.637	0.753	0.088	0.841	89.54%

All fire assays have been conducted by Inspectorate or ALS Global.

The authors caution that these are "in house" column tests conducted by Goldgroup's metallurgical staff and have yet to be verified by an independent outside consultant.

The authors are not aware of any mineral processing factors or deleterious elements that may discourage economic extraction.

14. MINERAL RESOURCE ESTIMATES

At the request of Goldgroup Mining a resource estimate for the La Paila zone was completed on the Caballo Blanco property in Mexico by Giroux Consultants Ltd. This follows up an initial estimate completed by Cuttle and Giroux, March, 2010. The update is based on an additional 112 drill holes completed since the last estimate with an effective date for this update of Jan. 16, 2012.

G.H. Giroux is the qualified person responsible for the resource estimate. Mr. Giroux is a qualified person by virtue of education, experience and membership in a professional association. He is independent of both the issuer and the vendor applying all of the tests in section 1.5 of National Instrument 43-101. Mr. Giroux visited the Caballo Blanco property on November 7 to 9, 2011.

The authors are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing or political factors that could materially affect this mineral resource estimate.

14.1 Data Analysis

Although collars and surveys were supplied for 152 drill holes, assays were available only up to hole 11CBN-178, then 11CBN-182 and 11CBN-184. As of the effective date for this update of Jan. 16, 2011, 145 drill holes had 13,527 assays for gold and silver. A combined 36,691 m was assayed as of the effective date for this update. See Appendix I for listing of drill holes used in the resource estimate.

Two hundred and fifteen Au assays reported as -1.0 were set to 0.001 g/t Au and 215 silver assays reported as -1.0 were set to 0.1 g/t Ag. Two gaps in the assay record were found and values of 0.001 g/t Au and 0.1 g/t Ag were inserted.

Project geologist, Omar Felix Saavedra, has created a three dimensional solid model based on the mineralized silica breccia as identified in drill logging. La Paila is considered a high sulphidation epithermal system with fine gold hosted within a massive silica breccia alteration of an andesitic host. The solid is shown below.

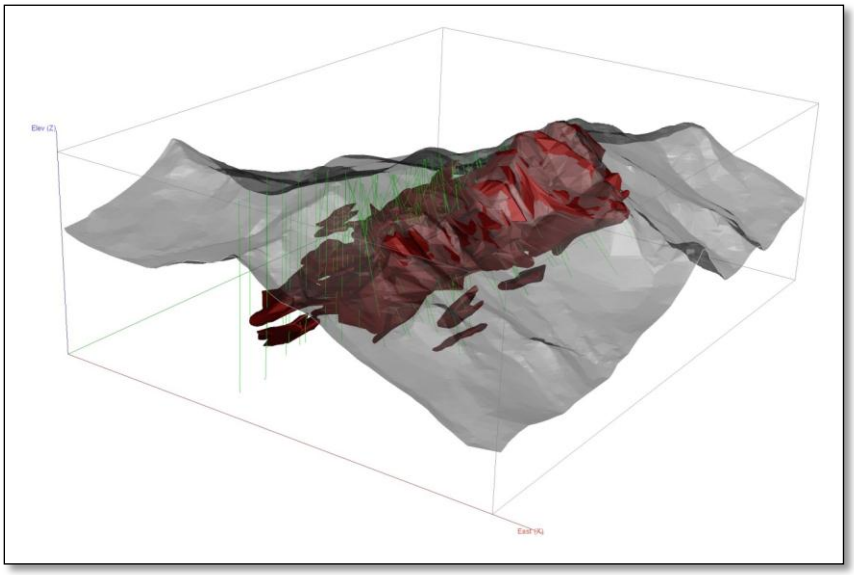


Fig. 12. Isometric view looking northwest showing the mineralized solid, drill hole traces and surface topography at La Paila. (Giroux, 2012)

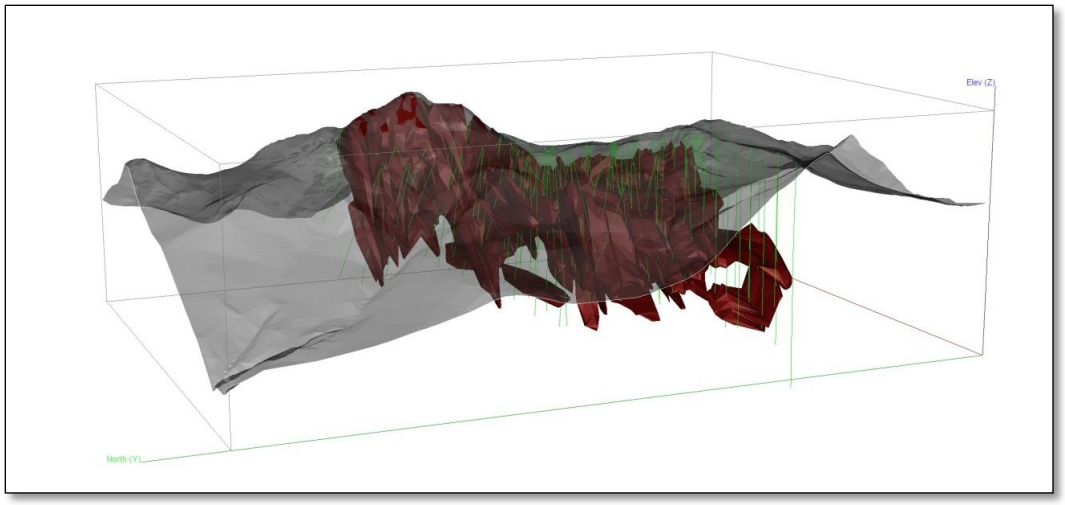


Fig. 13. Isometric view looking east showing the mineralized solid, drill traces and surface topography at La Paila. (Giroux, 2012)

Drill hole assays were back tagged if inside or outside this solid. The statistics for gold and silver inside and outside the mineralized solid are tabulated below.

Table 9: Assay statistics for Au and Ag inside and outside Mineralized Solid - La Paila

	Inside Mineralized Solid		Outside Mineralized Solid	
	Au (g/t)	Ag (g/t)	Au (g/t)	Ag (g/t)
Number of Assays	5,097	5,097	8,430	8,430
Mean Value	0.596	2.67	0.056	1.03
Standard Deviation	0.705	18.69	0.090	18.26
Minimum Value	0.001	0.05	0.001	0.05
Maximum Value	11.10	1106.0	3.22	1085.0
Coefficient of Variation	1.18	7.00	1.62	17.75

The grade distributions for gold and silver were examined both inside and outside the mineralized solid. Lognormal cumulative frequency plots were used to evaluate the distribution of metals. In each case for each variable multiple overlapping lognormal populations were found. The populations are summarized below.

Table 10: Summary of Gold Populations present in Mineralized Solid

Population	Mean Au (g/t)	Percentage of Total Data	Number of Assays
1	6.98	0.31 %	16
2	2.78	2.20 %	112
3	0.44	83.84 %	4,264
4	0.27	7.73 %	393
5	0.07	4.18 %	213
6	0.009	1.75 %	89

Population 1 representing 0.31% of the total data had a mean of 6.98 g/t Au and represents erratic outliers. These samples are widely distributed through the deposit and should be capped. An effective

cap would be two standard deviations above the mean of population 2. Using a cap of 6.0 g/t Au a total of 10 gold assays were capped. A similar procedure was used to assess silver in the mineralized solid and both gold and silver in waste. The cap levels are summarized below.

Table 11: Cap levels for Au and Ag - La Paila

Zone	Variable	Cap Level	Number Capped
Mineralized Solid	Au	6.0 g/t	10
	Ag	70.0 g/t	7
Waste	Au	0.26 g/t	173
	Ag	20.0 g/t	20

The results from capping are shown in Table 12. Mean values are slightly lower but so are standard deviations and coefficients of variation which make the results more suitable, for a resource estimation.

Table 12: Assay statistics for Capped Au and Ag inside and outside Mineralized Solid - La Paila

	Inside Mineralized Solid		Outside Mineralized Solid	
	Au (g/t)	Ag (g/t)	Au (g/t)	Ag (g/t)
Number of Assays	5,097	5,097	8,430	8,430
Mean Value	0.594	2.28	0.052	0.66
Standard Deviation	0.684	4.21	0.060	1.66
Minimum Value	0.001	0.05	0.001	0.05
Maximum Value	6.00	70.00	0.26	20.00
Coefficient of Variation	1.15	1.85	1.15	2.53

14.2 Composites

Uniform down hole composites, 5 m in length, were produced for La Paila that honoured the mineralized solid. Small intervals near the solid boundary were combined with adjoining samples if less than 2.5 m in length. Those greater than or equal to 2.5 m were left alone. As a result the composite produced were of uniform support 5 ± 2.5 m. The data outside the breccia solid were also composited in a similar manner. The statistics for 5 m composites are tabulated below.

Table 13: Statistics for Au and Ag - 5 metre Composites

	Inside Mineralized Solid		Outside Mineralized Solid	
	Au (g/t)	Ag (g/t)	Au (g/t)	Ag (g/t)
Number of Assays	2,009	2,009	3,529	3,529
Mean Value	0.588	2.25	0.033	0.47
Standard Deviation	0.596	3.35	0.050	1.24
Minimum Value	0.001	0.05	0.001	0.05
Maximum Value	5.47	53.97	0.589	19.43
Coefficient of Variation	1.01	1.49	1.49	2.65

14.3 Variography

Pairwise relative semivariograms were produced for gold and silver from composites within the mineralized solid. The four principal horizontal directions were modeled first: azimuth 90°, 0°, 45° and 135°. The directions with the longest continuity (range) were at 0° and 45° so azimuths between 0° and 45° were modeled. The direction of longest continuity in both Au and Ag was found to be along azimuth 05°. The vertical plane perpendicular to azimuth 05° was then examined and the longest range for Au and Ag was found along azimuth 95° dip -78°. In all cases nested spherical models were fit to the data. The nugget to sill ratio was 30% for gold and 31% for silver showing reasonable sampling variability.
Next the composites outside the mineralized solid were modeled and for both Au and Ag isotropic nested structures were indicated.

The semivariogram parameters are summarized below with the semivariograms attached as Appendix II.

Table 14: Summary of Semivariograms for Au and Ag

Zone	Variable	Az / Dip	C_0	C_1	C_2	Short Range (m)	Long Range (m)
Mineralized Solid	Au	05° / 0°	0.15	0.25	0.10	25	110
		275° / -12°	0.15	0.25	0.10	10	20
		095° / -78°	0.15	0.25	0.10	36	250
	Ag	05° / 0°	0.20	0.22	0.22	26	160
		275° / -12°	0.20	0.22	0.22	30	40
		095° / -78°	0.20	0.22	0.22	40	140
Waste	Au	Omni Directional	0.12	0.40	0.28	46	100
	Ag	Omni Directional	0.08	0.24	0.14	40	100

14.4 Bulk Density

A total of 267 specific gravity measurements were made on drill core using the wt. in water/wt. in air method (see Appendix III for listing of data). Samples were taken from holes 08CBN003 to 09CBN041 and from a variety of mineralized and waste lithologies. The results can be sorted by rock type into mineralized units and waste. Samples, from within the mineralized solid, numbered 148 with a minimum of 1.73, maximum of 2.73 and an average specific gravity of 2.39. A total of 119 samples from outside the mineralized solid had a minimum of 1.61, a maximum of 3.13 and an average of 2.38.
The specific gravity measurements were compared to Au grades to see if a relationship between grade and density existed. A scatter plot between gold and SG is shown below and it is clear there is no relationship between grades and density with a correlation coefficient of 0.0109.

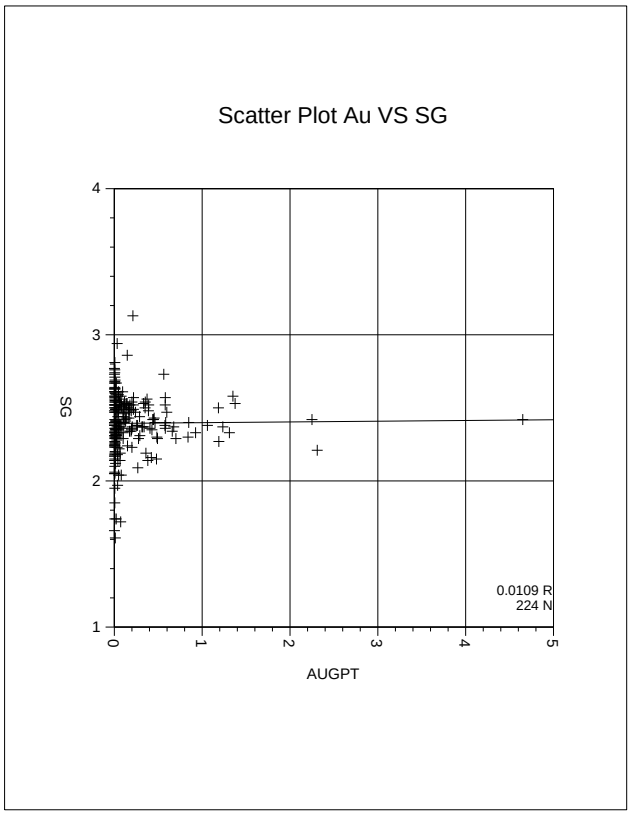


Fig. 14. Scatter plot showing Au versus SG

As a result the average specific gravity of 2.39 was applied to material within the mineralized solid and 2.38 to material outside the solid. Blocks straddling the contact were given a weighted average.

14.5 Block Model

A block model consisting of blocks 20 x 20 x 5 cubic metres in dimension was superimposed over the drill hole data and 3D solids. Within each block the percentage of material below surface topography and within the breccia solid was recorded. The block model origin was as follows:

Lower Left Corner

767980 E	Column size = 20 m	36 columns
2183940 N	Row size = 20 m	44 rows

Top of Model

605 Elevation Level size = 5 m 94 levels

No Rotation

14.6 Grade Interpolation

Grades for Au and Ag were interpolated into all blocks with some percentage within the mineralized solid by ordinary kriging. Kriging within the mineralized solid was completed in 4 passes with the search ellipse for each pass oriented in the principal directions of continuity as defined by the semivariograms and the ellipse dimensions a function of the semivariogram range. For the first pass a minimum of 4 composites were required from within a search ellipse with dimensions equal to ¼ of the semivariogram

range. For blocks not estimated in Pass 1, a second pass with the search ellipse expanded to ½ the semivariogram range was completed. A third pass using the full range and a fourth pass using twice the range completed the kriging exercise. Only composite within the mineralized zone were used for this estimate. In all passes a maximum of 12 composites were allowed and if more than 12 were found the closest 12 were used. In all passes a maximum of 3 composites from any one hole were allowed thereby assuring that a minimum of 2 drill holes were always used.

For blocks estimated within the mineralized zone but containing some percentage of waste a second kriging run was made using only composites outside the mineralized solid. These blocks were estimated in a similar manner using the semivariograms for Au and Ag in waste. Blocks containing both a mineralized grade and waste grade were given the weighted average.

The kriging parameters are summarized below, with the search direction and distances as well as the number of blocks estimated, given for each pass.

Table 15: Summary of Kriging Parameters

Zone	Variable	Pass	Number Estimated	Az/Dip	Dist. (m)	Az/Dip	Dist. (m)	Az/Dip	Dist. (m)
Mineralized Solid	Au	1	1,182	05 / 0	27.5	275/ -12	5.0	95/-78	62.5
		2	8,414	05 / 0	55.0	275/ -12	10.0	95/-78	125.0
		3	8,143	05 / 0	110.0	275/ -12	20.0	95/-78	250.0
		4	2,529	05 / 0	220.0	275/ -12	40.0	95/-78	500.0
	Ag	1	2,066	05 / 0	40.0	275/ -12	10.0	95/-78	35.0
		2	10,712	05 / 0	80.0	275/ -12	20.0	95/-78	70.0
		3	6,109	05 / 0	160.0	275/ -12	40.0	95/-78	140.0
		4	1,381	05 / 0	320.0	275/ -12	80.0	95/-78	280.0
Waste	Au	1	1,551	Omni Directional			25.0		
		2	7,763	Omni Directional			50.0		
		3	4,784	Omni Directional			100.0		
		4	1,127	Omni Directional			200.0		
	Ag	1	1,551	Omni Directional			25.0		
		2	7,763	Omni Directional			50.0		
		3	4,784	Omni Directional			100.0		
		4	1,127	Omni Directional			200.0		

14.7 Classification

Based on the study herein reported, delineated mineralization at La Paila Deposit is classified as a resource according to the following definitions from National Instrument 43-101 and from CIM (2005):

"In this Instrument, the terms "mineral resource", "inferred mineral resource", "indicated mineral resource" and "measured mineral resource" have the meanings ascribed to those terms by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as those definitions may be amended."

The terms Measured, Indicated and Inferred are defined by CIM (2005) as follows:

"A Mineral Resource is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge."

"The term Mineral Resource covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined by the consideration and application of technical, economic, legal, environmental, socio-economic and governmental factors. The phrase 'reasonable prospects for economic extraction' implies a judgement by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. A Mineral Resource is an inventory of mineralization that under realistically assumed and justifiable technical and economic conditions might become economically extractable. These assumptions must be presented explicitly in both public and technical reports."

Indicated Mineral Resource

"An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed."

"Mineralization may be classified as an Indicated Mineral Resource by the Qualified Person when the nature, quality, quantity and distribution of data are such as to allow confident interpretation of the geological framework and to reasonably assume the continuity of mineralization. The Qualified Person must recognize the importance of the Indicated Mineral Resource category to the advancement of the feasibility of the project. An Indicated Mineral Resource estimate is of sufficient quality to support a Preliminary Feasibility Study which can serve as the basis for major development decisions."

Inferred Mineral Resource

"*An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, workings and drill holes."*

"Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to

allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Inferred Mineral Resources must be excluded from estimates forming the basis of feasibility or other economic studies."

Geologic continuity has been established through drill core logging and geologic mapping both on surface and underground. The geologic solid is used to constrain the resource estimate. Grade continuity can be quantified by the semivariogram for each variable. By tying the search ellipse to the semivariogram range, the blocks estimated during pass 1 and pass 2 with up to ½ the semivariogram range used are considered Indicated. The drill hole density is not sufficient to establish any blocks at measured at this time. All other blocks were considered Inferred. The resource is tabulated below at a range of gold cutoffs. No economic studies have been completed at this time so a true economic cutoff is unknown. A cutoff of 0.2 g/t Au has been highlighted as a possible open pit cutoff. The resource is presented in two sets of Tables. The first Tables 16 and 17 show the resource for the portion of blocks within the mineralized solid. This is the resource available if one could mine to the limits of the mineralized solid and includes no edge dilution. The second set of tables (Tables 18 and 19) show the resource if one mined the entire 20 x 20 x 5 cubic metres blocks. This includes the edge dilution around the extremities of the solid. The achievable resource is somewhere between these two extremes as one could never mine to the limits of the mineralized solids and with decent grade control one wouldn't take all the dilution built in to the Total Block estimate.

Table 16: Indicated Resource within the Mineralized Solid - La Paila

Au Cutoff	Tonnes > Cutoff	Grade>Cutoff		Contained Metal	
(g/t)	(tonnes)	Au (g/t)	Ag (g/t)	Au (ozs)	Ag (ozs)
0.10	29,510,000	0.61	2.30	579,000	2,180,000
0.15	29,350,000	0.61	2.31	578,000	2,180,000
0.20	**28,890,000**	**0.62**	**2.32**	**575,000**	**2,150,000**
0.25	27,700,000	0.64	2.33	566,000	2,080,000
0.30	25,670,000	0.67	2.33	549,000	1,920,000
0.40	20,800,000	0.74	2.32	494,000	1,550,000
0.50	15,860,000	0.83	2.38	422,000	1,210,000
0.60	11,710,000	0.93	2.48	349,000	930,000
0.70	8,210,000	1.05	2.65	276,000	700,000
0.80	5,900,000	1.16	2.87	221,000	540,000
0.90	4,290,000	1.28	3.11	177,000	430,000
1.00	3,110,000	1.41	3.24	141,000	320,000
1.10	2,170,000	1.57	3.41	109,000	238,000
1.20	1,710,000	1.68	3.47	92,000	191,000
1.30	1,390,000	1.78	3.54	80,000	158,000

Table 17: Inferred Resource within the Mineralized Solid - La Paila

Au Cutoff (g/t)	Tonnes > Cutoff (tonnes)	Grade>Cutoff		Contained Metal	
		Au (g/t)	Ag (g/t)	Au (ozs)	Ag (ozs)
0.10	24,160,000	0.54	2.49	420,000	1,930,000
0.15	24,090,000	0.54	2.50	420,000	1,940,000
0.20	**24,020,000**	**0.54**	**2.50**	**419,000**	**1,930,000**
0.25	23,440,000	0.55	2.53	415,000	1,910,000
0.30	21,900,000	0.57	2.55	401,000	1,800,000
0.40	16,240,000	0.64	2.65	336,000	1,380,000
0.50	10,420,000	0.76	2.88	254,000	960,000
0.60	6,930,000	0.86	2.89	192,000	640,000
0.70	4,670,000	0.97	3.22	145,000	480,000
0.80	3,160,000	1.07	3.26	109,000	330,000
0.90	2,220,000	1.17	3.46	83,000	250,000
1.00	1,490,000	1.27	3.40	61,000	160,000
1.10	1,010,000	1.38	2.65	45,000	90,000
1.20	600,000	1.54	2.27	30,000	40,000
1.30	390,000	1.70	2.31	21,000	30,000

Table 18: Indicated Resource within Total Blocks

Au Cutoff (g/t)	Tonnes > Cutoff (tonnes)	Grade>Cutoff		Contained Metal	
		Au (g/t)	Ag (g/t)	Au (ozs)	Ag (ozs)
0.10	40,730,000	0.46	1.90	605,000	2,490,000
0.15	36,010,000	0.51	2.01	586,000	2,330,000
0.20	32,350,000	0.54	2.08	566,000	2,160,000
0.25	28,920,000	0.58	2.14	541,000	1,990,000
0.30	25,440,000	0.62	2.19	510,000	1,790,000
0.40	19,340,000	0.71	2.26	442,000	1,410,000
0.50	14,100,000	0.81	2.37	366,000	1,070,000
0.60	9,940,000	0.92	2.51	293,000	800,000
0.70	6,900,000	1.04	2.68	230,000	590,000
0.80	4,960,000	1.15	2.89	184,000	460,000
0.90	3,580,000	1.27	3.13	146,000	360,000
1.00	2,510,000	1.40	3.23	113,000	260,000
1.10	1,750,000	1.56	3.34	87,000	188,000
1.20	1,340,000	1.68	3.33	73,000	143,000
1.30	1,080,000	1.79	3.51	62,000	122,000

Table 19: Inferred Resource within Total Blocks

Au Cutoff (g/t)	Tonnes > Cutoff (tonnes)	Grade>Cutoff		Contained Metal	
		Au (g/t)	Ag (g/t)	Au (ozs)	Ag (ozs)
0.10	40,930,000	0.35	1.78	461,000	2,340,000
0.15	33,770,000	0.40	1.96	432,000	2,130,000
0.20	28,410,000	0.44	2.12	402,000	1,940,000
0.25	24,350,000	0.48	2.26	373,000	1,770,000
0.30	20,200,000	0.52	2.41	336,000	1,570,000
0.40	12,880,000	0.61	2.70	254,000	1,120,000
0.50	7,790,000	0.73	3.00	182,000	750,000
0.60	4,720,000	0.84	3.15	128,000	480,000
0.70	3,130,000	0.94	3.63	95,000	370,000
0.80	2,080,000	1.04	3.75	70,000	250,000
0.90	1,390,000	1.13	4.19	51,000	190,000
1.00	900,000	1.23	4.03	36,000	120,000
1.10	550,000	1.35	3.11	24,000	50,000
1.20	250,000	1.60	2.53	13,000	20,000
1.30	190,000	1.72	2.41	11,000	10,000

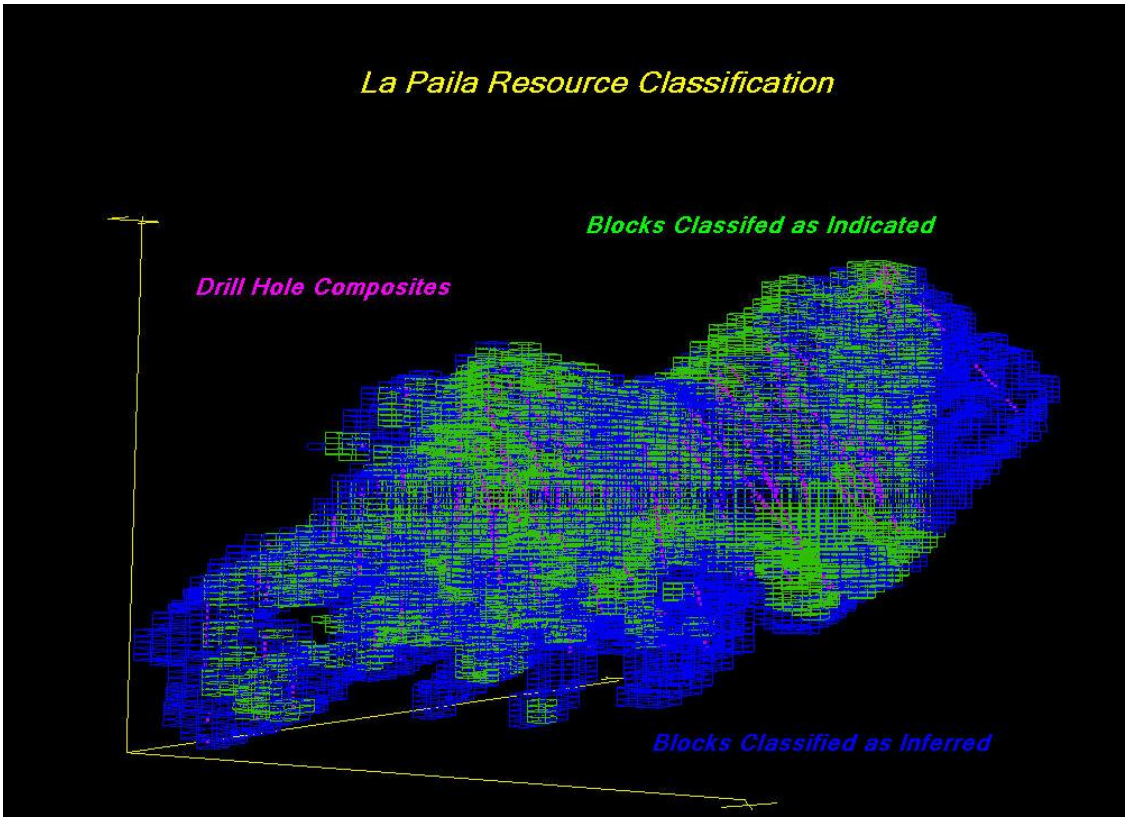


Fig. 15. Isometric view looking NW showing Classified Blocks (Giroux, 2012)

14.8 Model Verification

The block model estimation was verified by swath plots. These are slices through the deposit in three directions N-S (40 m slices), E-W (40 m slices) and Vertical (10 m slices) where the average grade from composites is calculated and plotted against the average grade for estimated blocks. The shape of the relative curves should be similar.

In general the agreement is good with composite grades spiking above and below the estimates in some areas with fewer composites. There is no bias indicated and the resource seems reasonable.

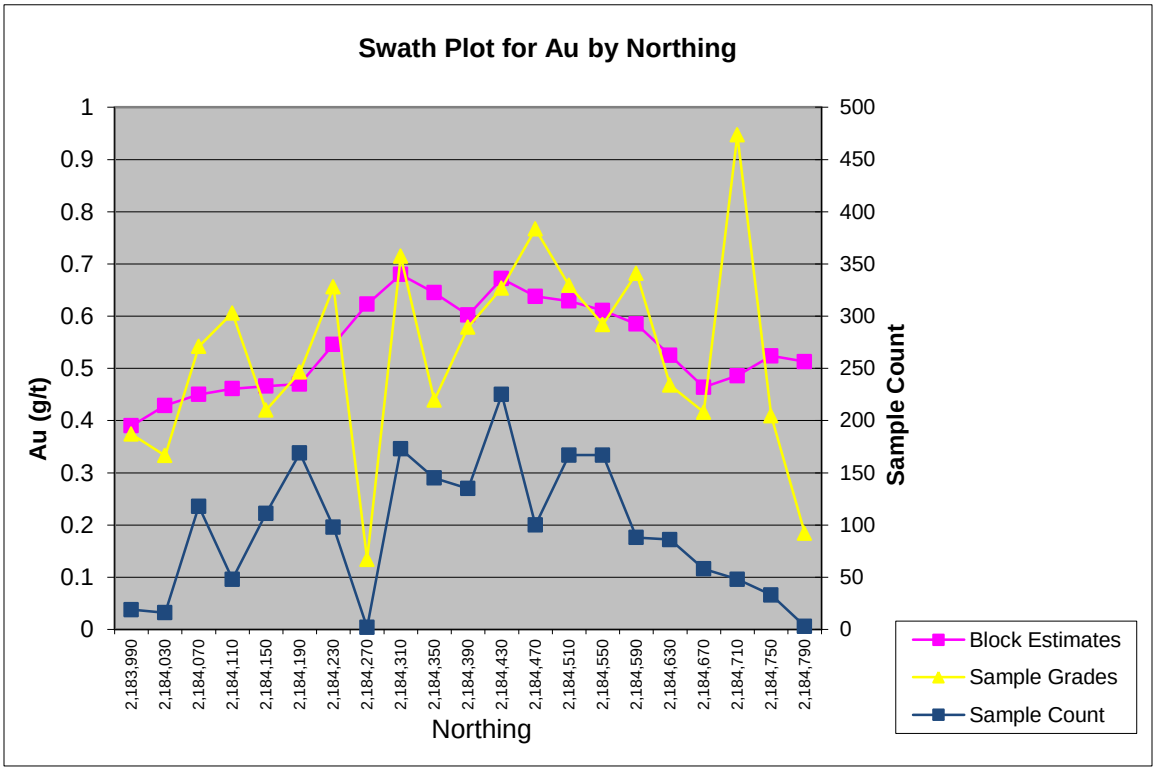


Fig. 16. Swath plot for Au by Northing, slices of 40 metres.

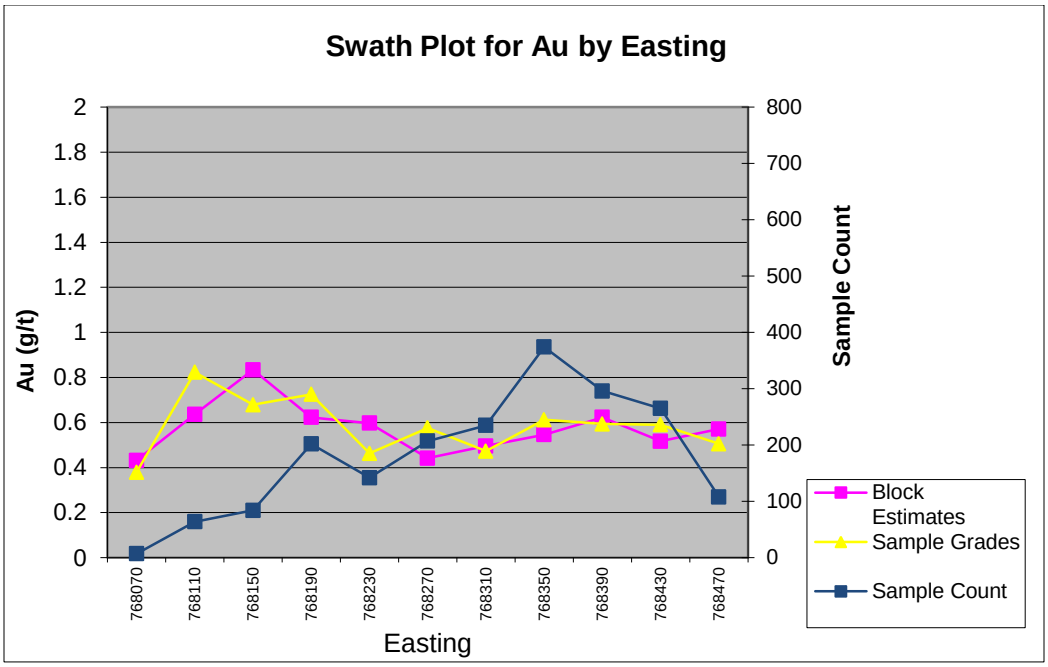


Fig. 17. Swath plot for Au by Easting slices of 40 metres

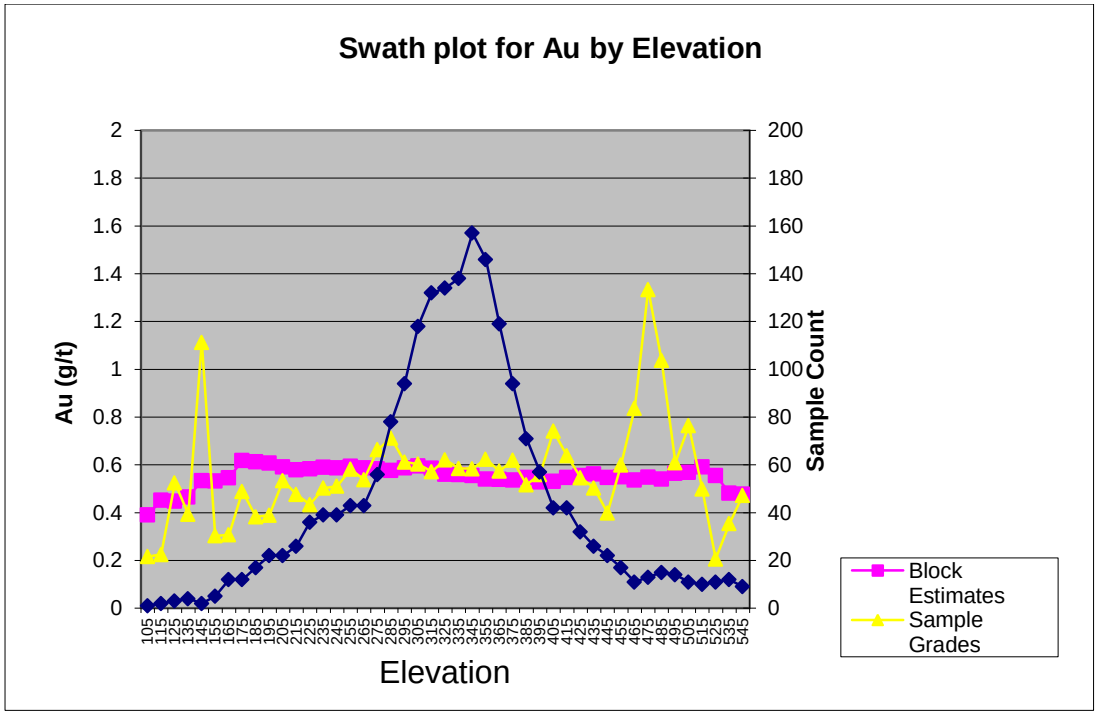
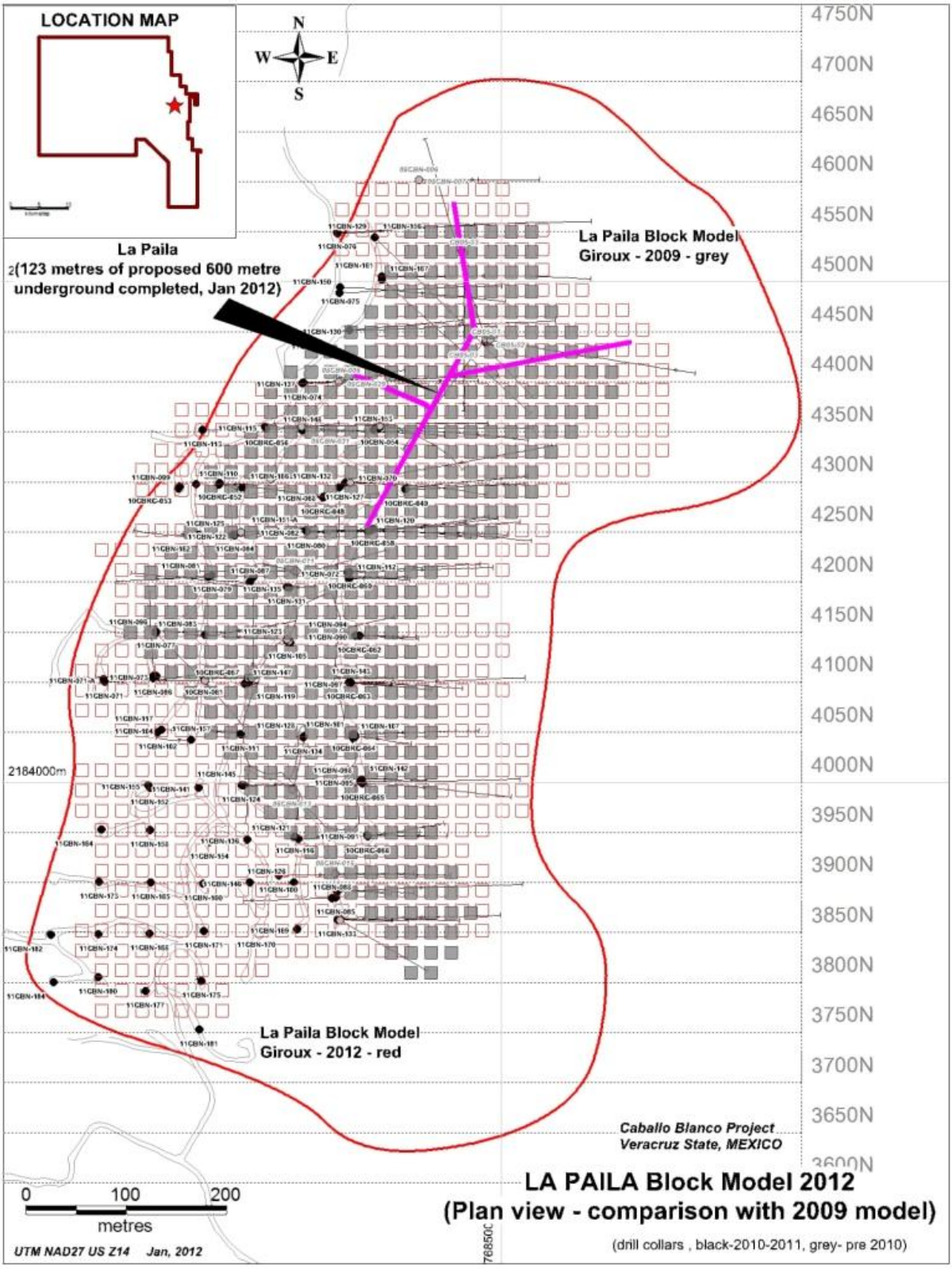


Fig. 18. Swath plot for Au by Elevation slices of 10 metres

Fig. 19. Block Model Comparison, 2009 to 2012 (Cuttle, 2012)



15. ADJACENT PROPERTIES

There are no records of any neighbouring mineral properties of merit in the area of the Caballo Blanco Project; however the author was not able to verify this fact. If mineralization is known adjacent to the property it is not necessarily indicative of mineralization found on the Caballo Blanco property.

Under the terms of the agreement described in section 4 of this report Almaden is now the 100% owner of the El Cobre porphyry copper project located immediately to the south of the Caballo Blanco concessions. This was previously subject to a joint venture between Goldgroup and Almaden called the 'El Cobre' joint venture.

16. OTHER REVELANT DATA AND INFORMATION

At the time of completion of this report, SRK (Phoenix, Arizona office) was conducting a Preliminary Economic Assessment (PEA) at Caballo Blanco. The PEA is expected to be completed in the first quarter of 2012.

No other relevant data or information known.

17. INTERPRETATION AND CONCLUSIONS

- Geological field work since 1995 has identified at least three large areas of epithermal precious metal and porphyry style copper gold mineralization at the Caballo Blanco Project. These areas are known as the Northern Zone, Highway Zone and Central Grid Zone and were originally under joint venture agreement between Goldgroup and Almaden Minerals Ltd, as described by Cuttle, Giroux, 2010. However in October 2011 Goldgroup completed the acquisition of the remaining interest in the Caballo Blanco project held by Almaden. Goldgroup now owns 100% of the Caballo Blanco project, excluding the copper-gold porphyry targets at the Central Grid Zone.

- Goldgroup drilled 19 reverse circulation (RC) holes and 123 diamond drill holes in the Northern Zone at Caballo Blanco. The RC holes proved very problematic with low sample recoveries and slow rates of advance particularly within the mineralised siliceous zones. The RC technique was abandoned in favour of large diameter diamond drill core. All fourteen RC holes at La Paila were later twinned with diamond drill core and recoveries improved significantly.

- A variety of geophysical, geochemical and geological surveys have been extremely useful in identifying drill targets in and around the Northern Zone and Highway Zone at Caballo Blanco. The most important surveys have been airborne magnetics, resistivity high IP anomalies, clay alteration haloes identified by TerraSpec® spectrometer, mineralized surface rock geochemistry and detailed geological and structural mapping. These surveys have not only been used successfully to outline a classic zonation of alteration representative of a large epithermal and porphyry systems but they have, most importantly, been used to define zones of silica flooding and associated gold and copper-gold mineralization. These surveys should remain principle exploration tools for future work at Caballo Blanco.

- The elongate and silicified gold rich mineralization at La Paila, in the Northern Zone, and its associated alteration patterns likely formed from fluid rising along a north trending fault structure well above a deeper intrusive 'heat source' (Sillitoe, 2008). Similar geochemical and geophysical anomalies and silica/clay alteration patterns have been recognized at La Cruz, Red Valley and Highway Zone, all of which lie along a north-south trend for a distance of over nine kilometres. This corridor represents an important exploration target for the future.

- In 2012, Gary Giroux of Giroux Consultants was retained to update the resource estimation for La Paila, based on the constraints of a geological solid surrounding the mineralized sections of a silica breccia. This is the resource available if one could mine to the limits of the mineralized solid and includes no edge dilution. The current drill hole density is not sufficient to establish any blocks in the measured category at this time and all blocks are considered either Indicated or Inferred. In light of the metallurgical recoveries obtained by Goldgroup, a 0.2 gram per tonne gold cut-off identifies the following resource categories at La Paila:

  <u>0.2 g/t cut-off</u>

  Indicated – 28,890,000 tonnes, 0.62 g/t Au, 2.32 g/t Ag or 575,000 ozs Au and 2,150,000 ozs Ag
  Inferred – 24,020,000 tonnes, 0.54 g/t Au, 2.50 g/t Ag or 419,000 ozs Au and 1,930,000 ozs Ag

- A total of twenty five 'in-house' column tests have been completed to date on bulk surface sample and reverse circulation drill cuttings showing gold recoveries from 76% to 94% based on atomic absorption analysis of the recovered solution and a final fire assay of the column residue. Leach times have been run for an average of 40 days and average cyanide and lime consumptions are low at 0.14kg and 1.6kg per tonne of sample respectively. These tests have yet to be verified by an outside independent laboratory.

- At least eleven other areas outside of the La Paila zone justify further geological work at Caballo Blanco. These areas include; four large IP resistivity high anomalies on the inner flanks of a 3 kilometre round magnetic high 'ring structure' in the Northern Zone; strong 'acid' PH anomalies 1.5 kilometres west of La Paila in the Northern Zone; three separate areas where isolated rock chip samples assay up to 14.6 grams per tonne gold along the northwest and south portions of the Caballo Blanco property; and three other separate areas with encouraging 'new' soil anomalies, extensive rock alteration and untested IP chargeability and resistivity anomalies at the Highway Zone. These are described in detail by Cuttle and Giroux, 2010.

- The authors do not see any risks and uncertainties that could affect current levels of exploration information, resource estimates or economic projections by Goldgroup.

18. RECOMMENDATIONS

- Further work at Caballo Blanco would involve ongoing infill drilling at La Paila particularly along the east flank and to the southwest and northeast and east of the mineralized zone. Additional targets containing gold mineralised silica and advanced argillic alteration to the north and east of the main La Paila zone should be priority targets.
- At the same time as the La Paila infill drill program is being completed, a mobile track mounted diamond drill rig would be designated a 'roaming machine' to test targets outside of the La Paila area. These target areas, among others, would initially include untested IP resistivity 'high' anomalies along the inner flanks of a 3 kilometre round magnetic high ring structure including Bandera and La Cruz in the Northern Zone and isolated gold intercepts in previous historical drilling in the Highway Zone.
- Prospect, geologically map and sample areas with rock assays up to 14.6 g/t gold as described in Cuttle and Giroux, 2010. These areas have yet to be investigated.
- A detailed compilation of future exploration potential at Caballo Blanco is beyond the scope of this report but remains a priority objective to complete before any major 'regional' field work continues.

Table 20. Cost Estimate

Item	Estimated cost $Can
Core Drilling – 20,000 metres	$4,000,000
Total Cost (all in)	**$4,000,000**

19. DATE AND SIGNATURE PAGE

Submitted with respect and signed this _____ day of February, 2012 at Vancouver, British Columbia, Canada

(Signed by Jim F. Cuttle)

(Signed and sealed copy on file)

_____

Jim F. Cuttle, B.Sc., P.Geo.

(Signed by G.H. Giroux)

(Signed and sealed copy on file)

_____

G.H. Giroux, P.Eng., MASc.

20. AUTHOR CERTIFICATE

I, Jim Cuttle, of the Municipality of Whistler, British Columbia, Canada, do certify that;

- I work as a consulting geologist with a home office at 86 Cloudburst Road, Black Tusk Village, Whistler, British Columbia, Canada. V0N-1B1.

- I am a graduate of the University of New Brunswick (1980) with a Bachelor of Science Degree in Geology.

- I have practiced my geological profession continuously for over 30 years in the capacity of exploration and consulting geologist. My work has included project generation, mineral property assessment, project management and data compilation for various public and private mineral exploration companies in Canada and Internationally.

- I am a registered member in good standing of The Association of Professional Engineers and Geoscientists of the Province of British Columbia (19313) and have been since July 1992.

- I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by reason of education, experience, and affiliation with a professional organization I meet the requirements of a "qualified person" as defined in National Instrument 43-101.

- I am responsible for all parts of this report titled "**NI 43-101 TECHNICAL REPORT CABALLO BLANCO PROJECT. RESOURCE UPDATE at the LA PAILA ZONE. Veracruz State, MEXICO**", compiled and written for Goldgroup Mining Inc., and dated effective February 7, 2012 , excluding Section 14 on "Mineral Resource Estimate".

- I certify that I have read National Instrument 43-101 and this Technical Report on the Caballo Blanco Property has been prepared in compliance with this National Instrument.

- I have previously work on this property, co-authoring a NI 43-101 report in 2010.

- I am independent of the issuer as described in Section 1.5 of NI 43 -101.

- This Technical Report on the Caballo Blanco Property is based on the author's data research and site visits to the property from May 21 to May 24, 2009 and January 6, 2012 and subsequent preparation of this report.

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

- I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public.

Dated this day of February, 2012

"*Jim Cuttle*"
Jim F. Cuttle, B.Sc., P.Geo.

I, G.H. Giroux, of 982 Broadview Drive, North Vancouver, British Columbia, do hereby certify that:

- I am a consulting geological engineer with an office at #1215 - 675 West Hastings Street, Vancouver, British Columbia.

- I am a graduate of the University of British Columbia in 1970 with a B.A. Sc. and in 1984 with a M.A. Sc., both in Geological Engineering.

- I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

- I have practiced my profession continuously since 1970. I have had over 30 years experience calculating mineral resources. I have previously completed resource estimations on a wide variety of precious metal deposits both in B.C. and around the world, including La Colorada, La Jojoba and Livia de Oro, La India and Kisladag.

- I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by reason of education, experience, independence and affiliation with a professional association, I meet the requirements of an Independent Qualified Person as defined in National Policy 43-101.

- This report titled **"**"**NI 43-101 TECHNICAL REPORT CABALLO BLANCO PROJECT. RESOURCE UPDATE at the LA PAILA ZONE. Veracruz State, MEXICO**" dated effective February 7, 2012, is based on a study of the data and literature available on the La Paila Property. I am responsible for Section 14 on the resource estimations completed in Vancouver during 2012. I have made a site visit the property on Nov. 7 to 9, 2011.

- I have previously worked on this property, completing a resource estimate in 2010.

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

- I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

- I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

Dated this day of February, 2012

"*G.H. Giroux*"
G. H. Giroux, P.Eng., MASc.

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APPENDIX I

List of Drill holes used for La Paila Resource estimation update

(Drill Holes used in 2012 Update are highlighted in green)

HOLE	EASTING WGS 84/14	NORTHING WGS 84/14	ELEVATION	LENGTH (m)
05CBN-001	768454.01	2184637.85	597.00	136.50
05CBN-002	768455.01	2184636.85	597.00	72.85
05CBN-003	768454.01	2184638.85	597.00	313.94
06CBN-001	768454.01	2184640.85	597.00	206.65
06CBN-002	768458.01	2184639.85	597.00	301.14
06CBN-003	768432.01	2184726.85	568.00	236.30
07CBN-002	768318.01	2184496.85	516.00	293.50
08CBN-003	768318.01	2184496.85	516.00	246.89
08CBN-004	768264.01	2184481.85	521.00	203.60
08CBN-005	768348.01	2184553.85	552.00	273.71
08CBN-006	768387.01	2184799.85	546.00	173.20
08CBN-007	768387.01	2184799.85	546.00	187.45
08CBN-008	768309.01	2184598.85	518.00	213.70
08CBN-009	768265.01	2184408.85	504.00	135.03
08CBN-010	768265.01	2184408.85	504.00	22.30
08CBN-011	768263.01	2184408.85	504.00	189.90
08CBN-012	768219.01	2184301.85	510.00	227.10
08CBN-013	768260.01	2184190.85	507.00	118.30
08CBN-014	768216.01	2184301.85	510.00	103.60
08CBN-015	768260.01	2184190.85	507.00	157.90
08CBN-016	768308.01	2184059.85	496.00	201.20
08CBN-017	768239.01	2184500.85	511.00	228.00
08CBN-018	768303.01	2184106.85	497.00	179.80
08CBN-020	768265.01	2184408.85	504.00	199.64
08CBN-029	768307.01	2184597.85	518.00	268.22
08CBN-030	768257.01	2184338.85	507.00	332.46
08CBN-031	768271.01	2184552.85	509.00	334.98
08CBN-032	768270.01	2184552.85	509.00	256.03
08CBN-033	768255.01	2184340.85	507.00	246.90
09CBN-034	768209.01	2184447.85	508.00	153.62
09CBN-035	768220.01	2184301.85	510.00	299.20
09CBN-037	768263.01	2184408.85	504.00	298.70
09CBN-041	768173.01	2184299.85	503.00	198.10
10CBN-054	768347.35	2184551.85	548.27	217.10
10CBN-061	768172.34	2184302.26	498.76	294.00
11CBN-068	768292.54	2184483.05	520.92	235.50
11CBN-069	768337.90	2184449.78	487.36	287.80
11CBN-070	768373.17	2184490.43	523.16	191.50

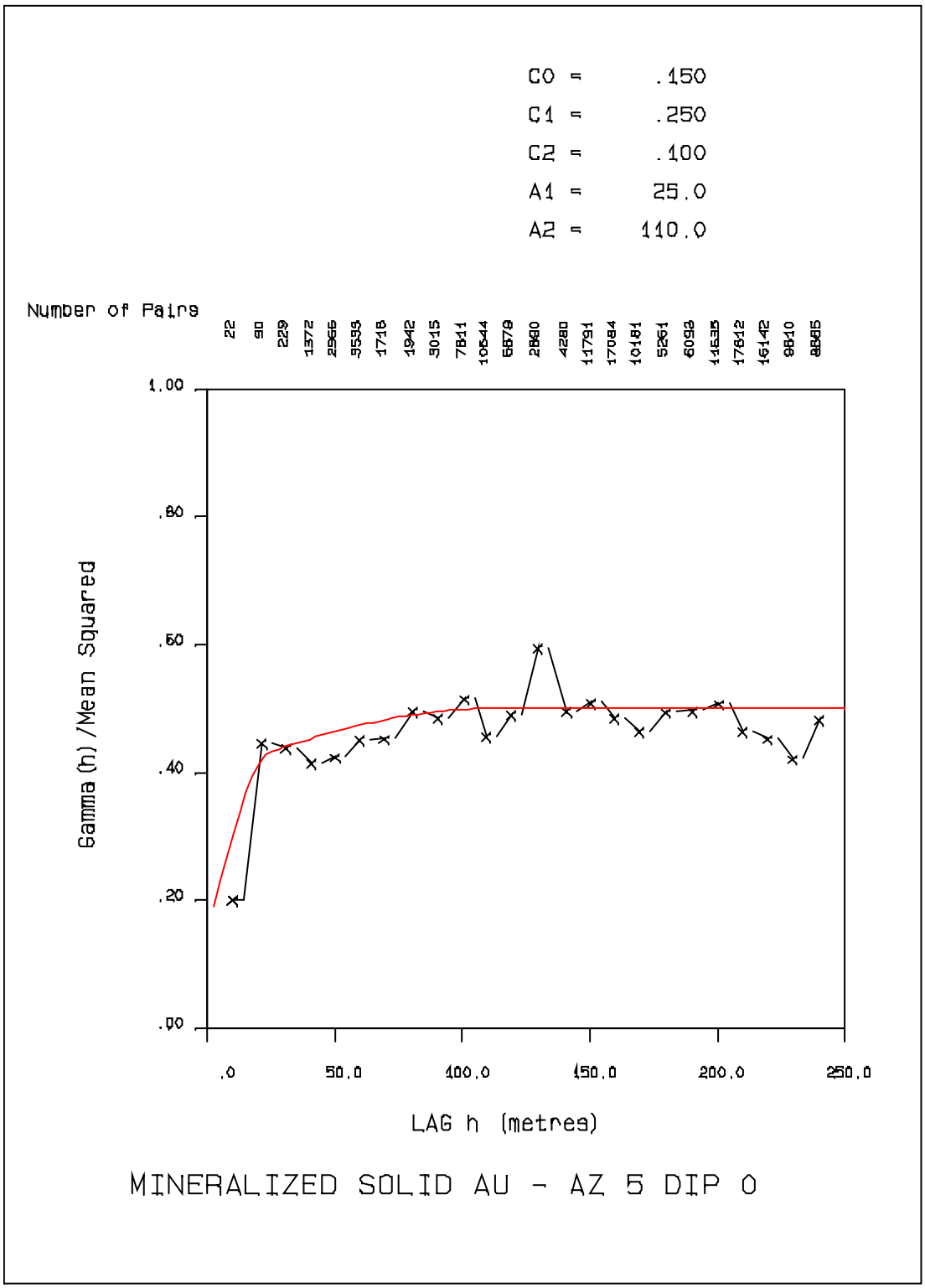
HOLE	EASTING WGS 84/14	NORTHING WGS 84/14	ELEVATION	LENGTH (m)
11CBN-071	768072.84	2184298.12	471.19	45.00
11CBN-071-A	768071.68	2184300.87	470.96	73.30
11CBN-072	768315.76	2184407.75	481.99	212.00
11CBN-073	768124.74	2184304.14	484.36	178.50
11CBN-074	768270.55	2184596.65	497.35	201.00
11CBN-075	768308.39	2184692.15	481.32	234.00
11CBN-076	768305.27	2184747.46	476.63	364.50
11CBN-077	768124.18	2184348.93	479.87	301.50
11CBN-078	768278.91	2184647.86	485.55	229.20
11CBN-079	768180.27	2184404.73	488.23	202.50
11CBN-080	768274.52	2184448.75	502.79	315.30
11CBN-081	768176.52	2184403.01	488.27	184.50
11CBN-082	768275.52	2184448.70	502.83	335.00
11CBN-083	768173.13	2184344.75	494.61	310.50
11CBN-084	768203.19	2184445.16	504.73	314.50
11CBN-085	768303.96	2184082.43	497.41	220.60
11CBN-086	768121.32	2184302.33	484.18	253.50
11CBN-087	768218.16	2184398.21	501.48	245.10
11CBN-088	768300.24	2184082.19	497.72	139.37
11CBN-090	768323.17	2184344.51	479.71	134.30
11CBN-091	768335.30	2184145.31	489.18	160.02
11CBN-093	768121.72	2184303.94	483.77	229.50
11CBN-094	768323.17	2184344.51	479.71	377.40
11CBN-095	768329.37	2184198.92	487.96	320.04
11CBN-096	768124.29	2184346.84	479.76	301.50
11CBN-097	768318.69	2184297.19	489.08	271.80
11CBN-098	768328.13	2184198.81	488.03	219.98
11CBN-099	768146.95	2184491.19	476.37	162.20
11CBN-100	768247.00	2184105.00	513.00	370.50
11CBN-101	768321.04	2184244.83	484.17	273.49
11CBN-102	768126.16	2184248.21	495.51	186.20
11CBN-104	768129.53	2184250.20	495.40	377.85
11CBN-105	768255.75	2184337.91	499.54	310.50
11CBN-107	768321.01	2184243.08	484.17	14.21
11CBN-108	768320.76	2184245.92	484.31	237.98
11CBN-109	768298.00	2184143.31	496.31	252.00
11CBN-110	768187.08	2184495.32	496.70	211.30
11CBN-111	768208.73	2184246.07	520.03	334.50
11CBN-112	768317.52	2184401.78	481.80	200.44
11CBN-113	768170.78	2184549.79	489.11	170.40
11CBN-114	768164.39	2184495.84	483.02	182.20
11CBN-115	768232.98	2184552.84	494.13	256.30

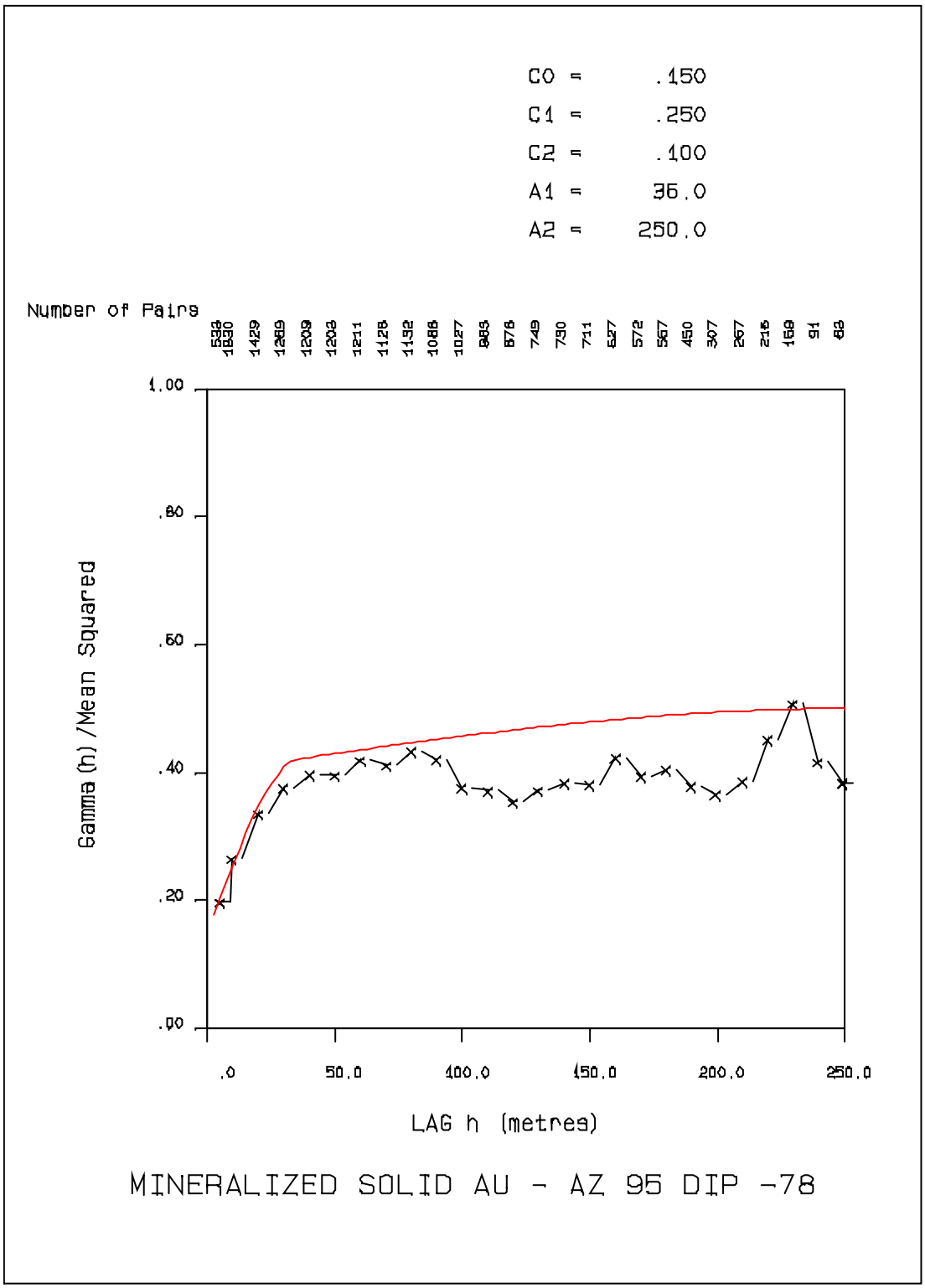
HOLE	EASTING WGS 84/14	NORTHING WGS 84/14	ELEVATION	LENGTH (m)
11CBN-116	768262.98	2184143.66	512.53	240.30
11CBN-117	768129.53	2184250.20	495.40	340.40
11CBN-118	768317.09	2184401.15	482.10	351.00
11CBN-119	768216.91	2184297.64	510.60	340.50
11CBN-120	768335.76	2184448.68	487.37	193.70
11CBN-121	768266.44	2184141.20	512.30	235.50
11CBN-122	768202.82	2184444.53	504.72	260.50
11CBN-123	768258.37	2184337.62	499.49	272.30
11CBN-124	768209.71	2184194.84	515.05	332.50
11CBN-125	768200.94	2184445.00	504.81	215.70
11CBN-126	768262.31	2184097.79	517.86	214.50
11CBN-127	768313.22	2184496.72	519.82	299.60
11CBN-128	768271.50	2184243.28	496.25	310.50
11CBN-129	768342.67	2184742.37	499.36	3.20
11CBN-130	768317.70	2184649.58	511.96	290.17
11CBN-131	768255.04	2184392.68	496.47	251.40
11CBN-132	768307.68	2184492.65	519.99	373.80
11CBN-133	768305.52	2184060.59	496.98	247.50
11CBN-134	768271.63	2184242.73	496.43	274.50
11CBN-135	768257.91	2184392.16	496.34	284.60
11CBN-136	768215.71	2184140.65	530.46	308.20
11CBN-137	768271.87	2184597.37	497.49	305.71
11CBN-138	768323.13	2184243.43	484.22	224.00
11CBN-139	768172.48	2184305.86	497.92	291.50
11CBN-140	768305.04	2184089.32	497.39	241.50
11CBN-141	768166.92	2184192.63	536.32	338.00
11CBN-142	768329.89	2184200.89	487.88	256.50
11CBN-143	768318.98	2184297.94	489.17	250.50
11CBN-144	768305.71	2184746.34	476.64	284.68
11CBN-145	768212.36	2184194.98	514.83	268.50
11CBN-146	768217.79	2184097.60	543.00	319.50
11CBN-147	768212.92	2184296.67	510.75	290.50
11CBN-148	768270.39	2184549.04	504.89	314.50
11CBN-149	768307.06	2184060.43	497.49	253.50
11CBN-150	768307.84	2184687.06	481.33	318.21
11CBN-151-A	768274.02	2184449.15	503.03	347.50
11CBN-152	768118.28	2184192.47	527.44	277.50
11CBN-153	768341.47	2184549.65	544.08	257.00
11CBN-154	768178.07	2184138.39	536.22	321.00
11CBN-155	768116.51	2184194.72	527.50	201.50
11CBN-156	768343.19	2184741.98	499.47	300.42
11CBN-157	768159.49	2184240.49	508.87	308.40

HOLE	EASTING WGS 84/14	NORTHING WGS 84/14	ELEVATION	LENGTH (m)
11CBN-158	768118.30	2184150.29	535.73	274.00
11CBN-159	768246.68	2184447.79	503.50	311.00
11CBN-160	768171.58	2184096.60	522.22	233.00
11CBN-161	768349.93	2184703.05	508.26	302.67
11CBN-162	768166.76	2184445.48	484.84	305.40
11CBN-163	768221.55	2184403.17	501.31	356.40
11CBN-164	768069.73	2184150.69	527.40	299.00
11CBN-165	768119.35	2184097.85	510.35	367.00
11CBN-166	768210.28	2184492.64	505.94	317.35
11CBN-167	768349.73	2184700.05	508.54	281.33
11CBN-168	768117.90	2184047.04	499.98	363.70
11CBN-169	768265.61	2184051.08	514.52	299.78
11CBN-170	768224.53	2184049.91	536.48	299.62
11CBN-171	768172.10	2184049.16	505.58	322.50
11CBN-172	768307.05	2184061.81	497.48	278.70
11CBN-173	768067.44	2184098.72	511.38	358.00
11CBN-174	768066.82	2184045.95	502.10	361.49
11CBN-175	768169.51	2183999.40	495.94	301.50
11CBN-176	768308.01	2184061.00	497.45	249.90
11CBN-177	768113.85	2183989.67	484.93	388.00
11CBN-178	768305.42	2184089.29	497.36	301.50
11CBN-179	768306.61	2184089.39	497.24	320.30
11CBN-180	768066.50	2184003.53	486.19	396.42
11CBN-181	768167.42	2183950.72	484.35	262.50
11CBN-182	768019.13	2184045.81	501.99	298.50
11CBN-183	768306.61	2184089.39	497.24	281.00
11CBN-184	768022.00	2183998.00	487.00	200.00

APPENDIX II

Semivariogram charts - La Paila drilling 2010-2011


C0 = .150
C1 = .250
C2 = .100
A1 = 25.0
A2 = 110.0
Number of Pairs
22 90 229 1372 2965 3583 1716 1942 3015 7811 10544 6579 2880 4280 11791 17084 10181 5261 6098 14535 17612 16142 9810 8885
1.00
.80
.60
.40
.20
.00
Gamma (h) /Mean Squared
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
MINERALIZED SOLID AU - AZ 5 DIP 0


C0 = .150
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A1 = 35.0
A2 = 250.0
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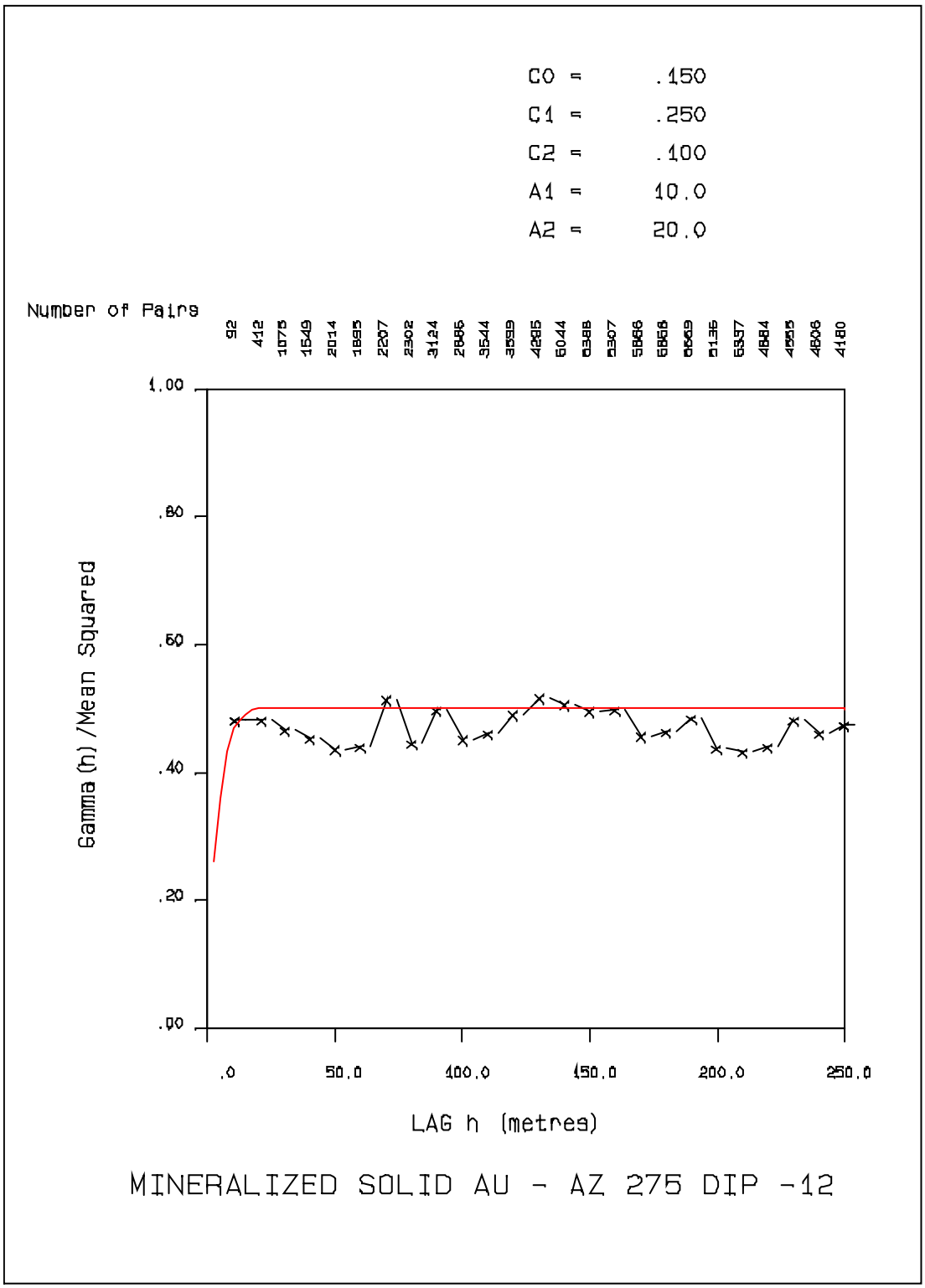
1.00
.80
.60
.40
.20
.00
Gamma (h) /Mean Squared
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
MINERALIZED SOLID AU - AZ 95 DIP -78


C0 = .150
C1 = .250
C2 = .100
A1 = 10.0
A2 = 20.0
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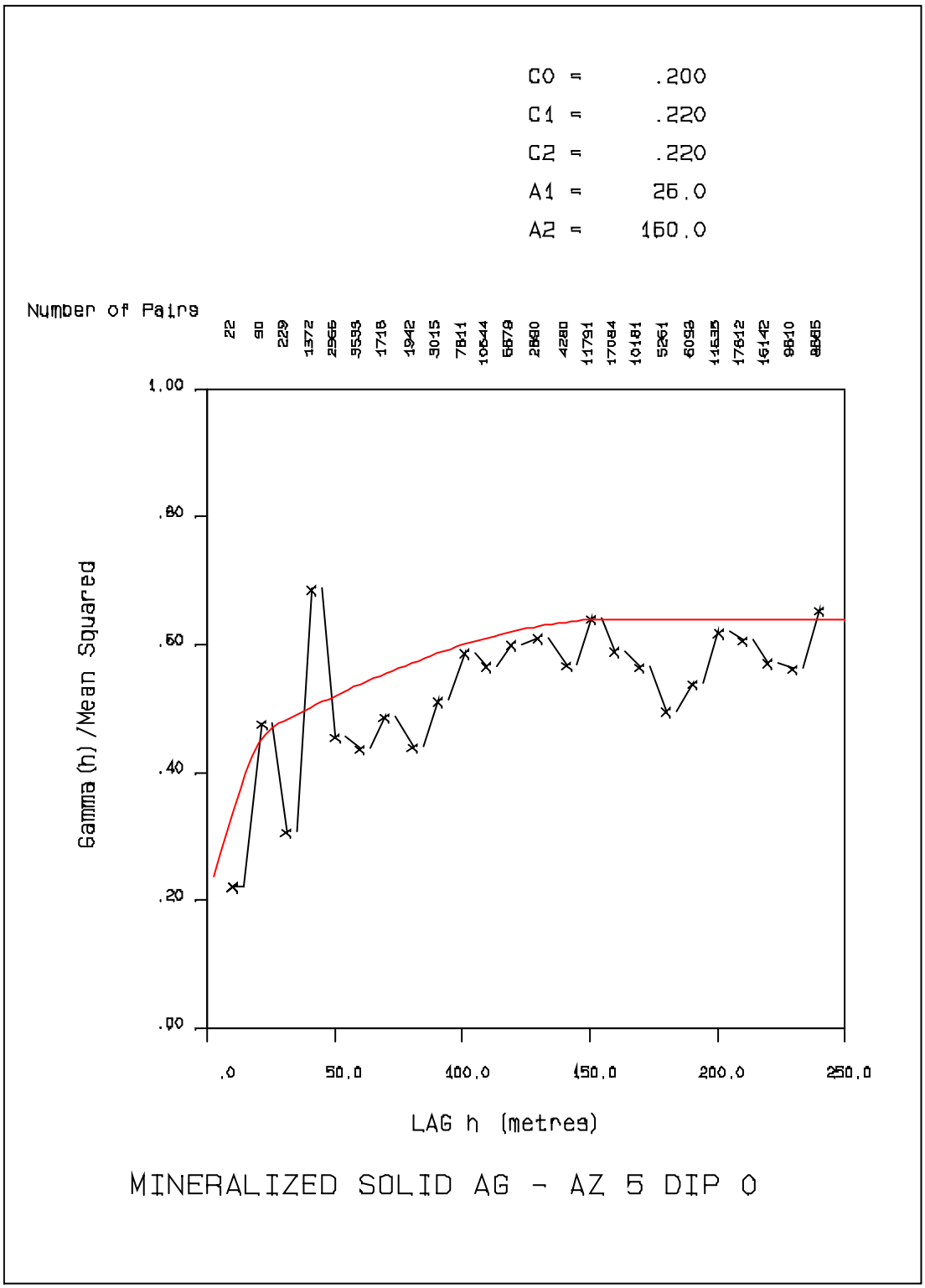
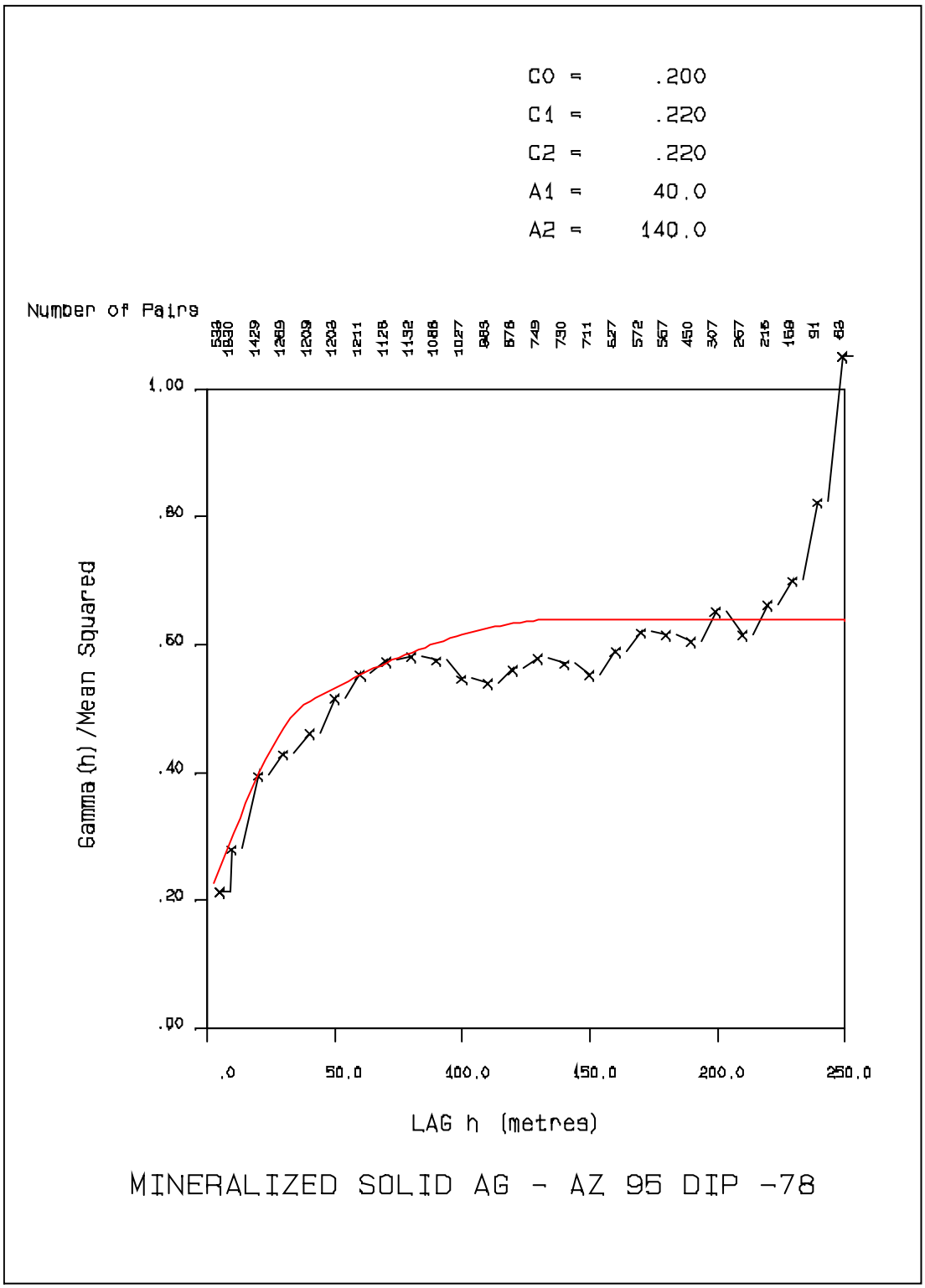
92 412 1075 1549 2014 1895 2207 2302 3124 2886 3544 3599 4285 6044 6388 5307 5866 6868 6569 5135 5337 4884 4555 4606 4180
1.00
.80
.60
.40
.20
.00
Gamma (h) /Mean Squared
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
MINERALIZED SOLID AU - AZ 275 DIP -12


C0 = .200
C1 = .220
C2 = .220
A1 = 25.0
A2 = 150.0
Number of Pairs
22 90 229 1372 2965 3583 1716 1942 3015 7811 10544 6579 2880 4280 11791 17084 10181 5261 6098 14535 17612 16142 9810 8885
Gamma (h) /Mean Squared
1.00
.80
.60
.40
.20
.00
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
MINERALIZED SOLID AG - AZ 5 DIP 0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A2 = 140.0
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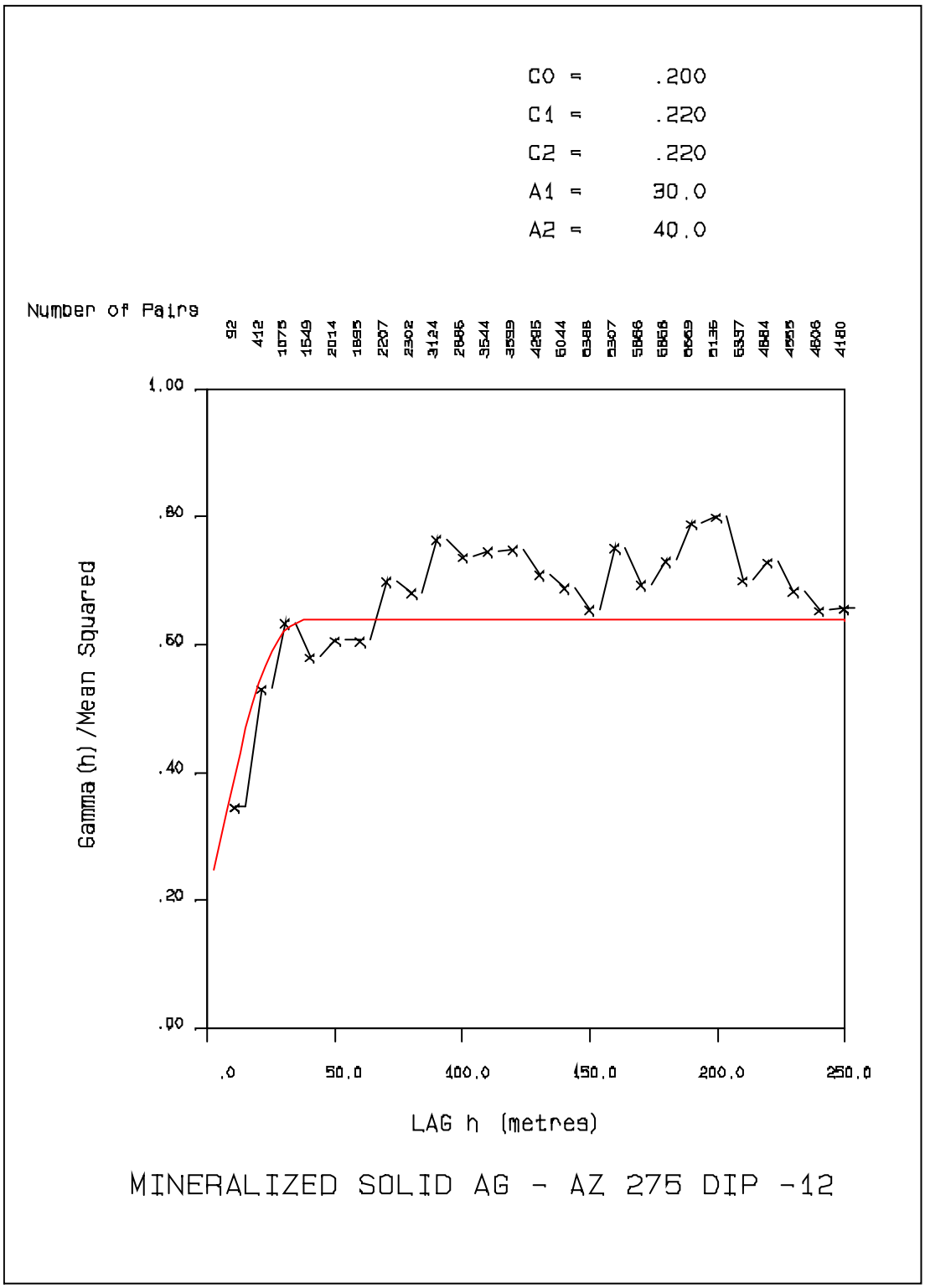
1.00
.80
.60
.40
.20
.00
Gamma (h) /Mean Squared
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
MINERALIZED SOLID AG - AZ 95 DIP -78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C2 = .220
A1 = 30.0
A2 = 40.0
Number of Pairs
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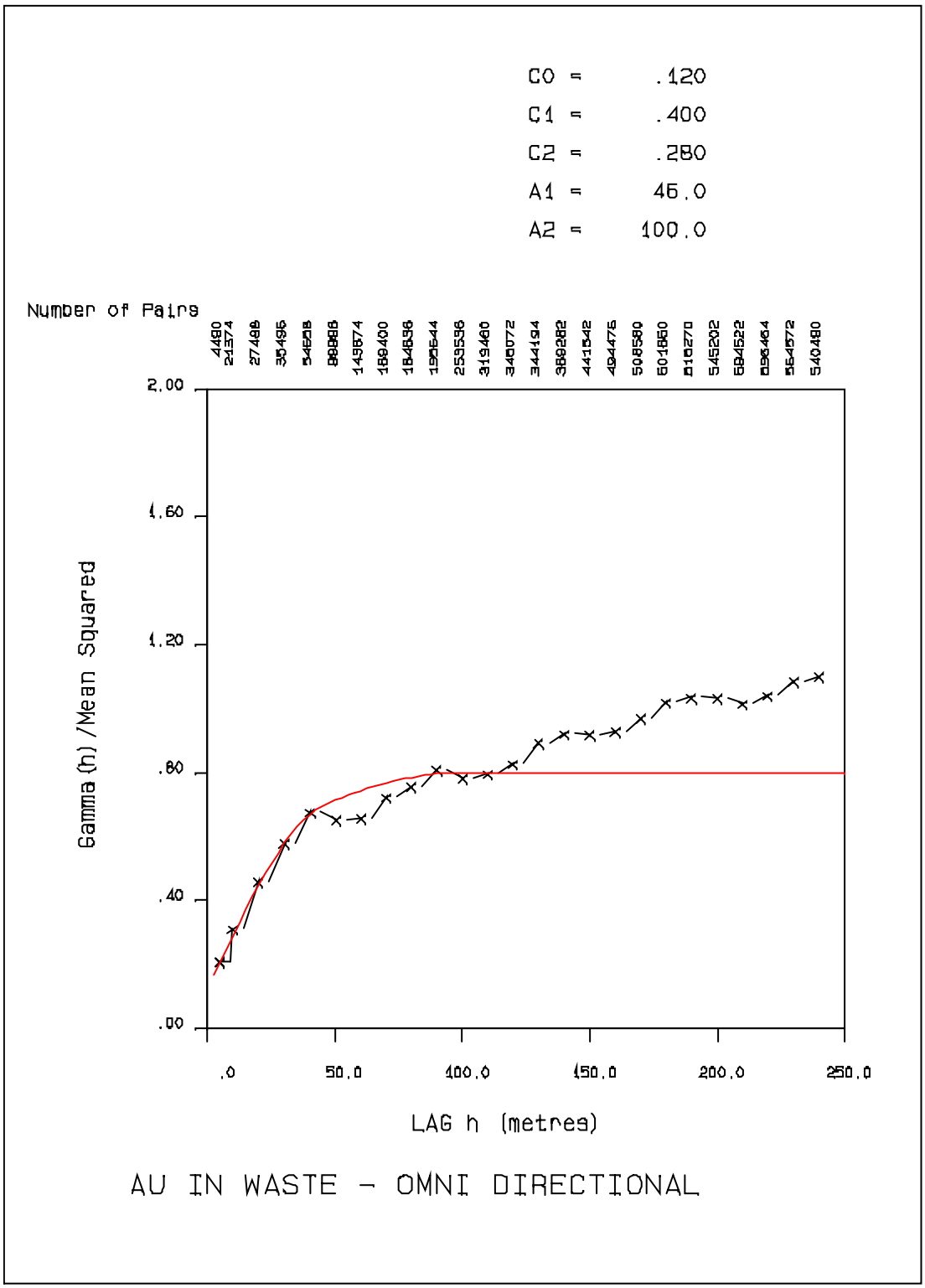
Gamma (h) /Mean Squared
1.00
.80
.60
.40
.20
.00
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
MINERALIZED SOLID AG - AZ 275 DIP -12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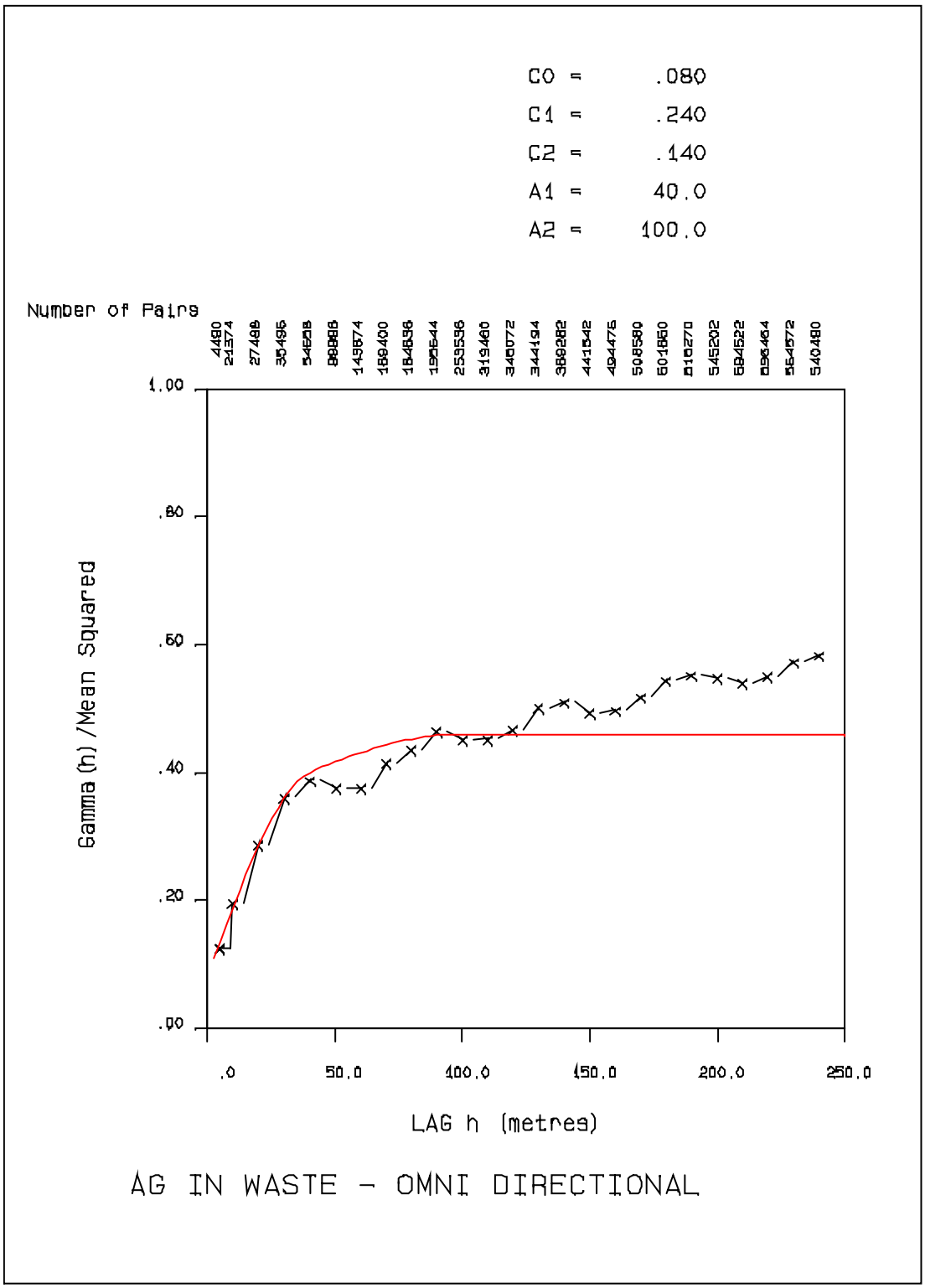
35496
54628
88888
143674
180400
184636
195644
253536
319460
345072
344194
380282
441542
494475
508580
601650
615270
645202
684522
696464
754572
840480
2.00
1.60
1.20
.80
.40
.00
Gamma (h) /Mean Squared
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
AU IN WASTE - OMNI DIRECTIONAL


C0 = .080
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A1 = 40.0
A2 = 100.0
Number of Pairs
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24374
27488
35496
54628
88888
143674
189400
184636
195644
253536
319460
345072
344194
389282
441542
494475
508580
501650
515270
545202
584522
596464
554572
540480
1.00
.80
.60
.40
.20
.00
Gamma (h) /Mean Squared
.0
50.0
100.0
150.0
200.0
250.0
LAG h (metres)
AG IN WASTE - OMNI DIRECTIONAL

APPENDIX III

Specific Gravity Determinations - La Paila drill core

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
08CBN003	Norte	And P	2.58	1290	831	459	2.81
08CBN003	Norte	And P	23.25	829	470	359	2.31
08CBN003	Norte	TRX	29.83	833	426	407	2.05
08CBN003	Norte	Vug Sil Bx	34.34	963	549	414	2.33
08CBN003	Norte	AL Bx	46.73	911	504	407	2.24
08CBN003	Norte	M Sil Bx	65.00	1047	610	437	2.40
08CBN003	Norte	Ck Bx1	72.35	1110	638	472	2.35
08CBN003	Norte	Pol M Bx	84.26	1110	635	475	2.34
08CBN003	Norte	Pl Bx	100.72	1089	652	437	2.49
08CBN003	Norte	M Sil Bx	116.18	1119	649	470	2.38
08CBN003	Norte	And P	156.23	953	557	396	2.41
08CBN003	Norte	M Sil Bx	178.82	983	558	425	2.31
08CBN003	Norte	Pl Bx	203.40	710	411	299	2.37
08CBN003	Norte	Pl Bx	228.40	487	280	207	2.35
08CBN004	Norte	And P	18.65	1021	555	466	2.19
08CBN004	Norte	And P	38.87	987	518	469	2.10
08CBN004	Norte	And P	57.45	1131	678	453	2.50
08CBN004	Norte	Vug Sil M Bx	78.81	1043	561	482	2.16
08CBN004	Norte	Vug Sil Bx	99.15	990	557	433	2.29
08CBN004	Norte	Vug Sil M Bx	118.87	1097	631	466	2.35
08CBN004	Norte	M Sil Bx 1	140.68	1015	595	420	2.42
08CBN004	Norte	And P	175.03	804	410	394	2.04
08CBN004	Norte	M Sil Bx	191.30	879	531	348	2.53
08CBN005	Norte	Vug Sil Bx	21.60	1012	558	454	2.23
08CBN005	Norte	Vug Sil Bx	41.09	1063	616	447	2.38
08CBN005	Norte	Vug Sil Bx	61.39	970	534	436	2.22
08CBN005	Norte	Ck Bx	80.25	930	549	381	2.44
08CBN005	Norte	Vug Sil M Bx	101.25	990	590	400	2.48
08CBN005	Norte	PL Bx	121.59	947	553	394	2.40
08CBN005	Norte	PL Bx	140.72	1015	607	408	2.49
08CBN005	Norte	PL Bx	162.24	723	422	301	2.40
08CBN005	Norte	PL Bx	180.25	909	541	368	2.47
08CBN005	Norte	PL Bx	200.16	1006	603	403	2.50
08CBN005	Norte	Vug Bx PL	221.75	981	591	390	2.52
08CBN005	Norte	Vug Bx PL	240.25	952	578	374	2.55
08CBN005	Norte	PL Bx	258.70	785	459	326	2.41
08CBN006	Norte	And P	20.36	1166	683	483	2.41
08CBN006	Norte	And P	34.19	826	482	344	2.40
08CBN006	Norte	And	54.86	354	151	203	1.74
08CBN006	Norte	And	74.27	464	268	196	2.37

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
08CBN006	Norte	And P	94.49	446	247	199	2.24
08CBN006	Norte	And P	125.27	581	354	227	2.56
08CBN006	Norte	And P	145.03	502	281	221	2.27
08CBN006	Norte	And	166.42	929	531	398	2.33
08CBN007	Norte	Vug Sil	27.93	639	392	247	2.59
08CBN007	Norte	And P	49.07	441	203	238	1.85
08CBN007	Norte	And P	72.03	1103	668	435	2.54
08CBN007	Norte	And	106.68	962	581	381	2.52
08CBN007	Norte	And P	133.24	608	366	242	2.51
08CBN007	Norte	And P	153.25	618	351	267	2.31
08CBN007	Norte	And P	173.84	676	406	270.5	2.50
08CBN008	Norte	And P	20.75	716	395	321	2.23
08CBN008	Norte	And P	41.72	830	447	383	2.17
08CBN008	Norte	Vug Sil M Bx	61.76	889	521	368	2.42
08CBN008	Norte	TRX	80.83	998	572	426	2.34
08CBN008	Norte	Vug Bx PL	102	1107	636	471	2.35
08CBN008	Norte	Vug Sil Bx	121.4	1067	603	464	2.30
08CBN008	Norte	Vug Sil M Bx	141.73	685.5	413	272	2.52
08CBN008	Norte	Vug Sil M Bx	161.83	663	395	268	2.47
08CBN008	Norte	Vug Sil M Bx	186.95	603	344	259	2.33
08CBN008	Norte	Vug Sil M Bx	206.66	659	392	267	2.47
08CBN009	Norte	And P	17.96	875	486	389	2.25
08CBN009	Norte	And P	42.46	1301	815	486	2.68
08CBN009	Norte	Vug Bx PL	62	936	557	379.5	2.47
08CBN009	Norte	Vug Bx PL	82	1085	637	448	2.42
08CBN009	Norte	Vug Bx PL	101.7	962	573.5	389	2.47
08CBN009	Norte	Vug Bx PL	122.23	923	565	358	2.58
08CBN011	Norte	And P	42.1	1303	801	502	2.60
08CBN011	Norte	And P	61.65	1034	600	434	2.38
08CBN011	Norte	And	82.54	1013	583	430	2.36
08CBN011	Norte	Vug Sil	102.42	841	460	381	2.21
08CBN011	Norte	M Sil Bx	123.21	1058	646	412	2.57
08CBN011	Norte	Pl Bx	144.93	800	462	338	2.37
08CBN011	Norte	M Sil Bx	163.43	892.5	498.5	394	2.27
08CBN012	Norte	And P	42.57	862	485.5	376.5	2.29
08CBN012	Norte	And P	63.23	745.5	429.5	316	2.36
08CBN012	Norte	And P	83.04	1197.5	742	455	2.63
08CBN012	Norte	PL M Bx 1	105.00	1089.5	603.5	486	2.24

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
08CBN012	Norte	PL M Bx 1	125.32	640.5	368.5	272	2.35
08CBN012	Norte	PL M Bx 1	145.42	1113.5	466.5	647	1.72
08CBN012	Norte	PL M Bx 1	164.84	711	439	272	2.61
08CBN012	Norte	PL M Bx 1	184.43	546	321	225	2.43
08CBN012	Norte	PL M Bx 1	204.40	673.5	406.5	267	2.52
08CBN013	Norte	And P	21.10	972	620	352	2.76
08CBN013	Norte	TRX	39.21	993.5	540	453.5	2.19
08CBN013	Norte	Vug Sil M Bx	60.65	993	600	393	2.53
08CBN013	Norte	Sil Hem Bx	80.08	949	559	390	2.43
08CBN013	Norte	Pl Bx	99.20	770	469.5	300.5	2.56
08CBN014	Norte	And P	14.04	941	580	361	2.61
08CBN014	Norte	And P	34.45	1297	818	479	2.71
08CBN014	Norte	And P	55.21	1265	775	490	2.58
08CBN014	Norte	And P	76.05	835	510	325	2.57
08CBN014	Norte	And P	94.98	794	430	364	2.18
08CBN015	Norte	TRX	20.20	1203	671	532	2.26
08CBN015	Norte	Vug Bx PL	40.35	1002.5	545.5	457	2.19
08CBN015	Norte	Vug Bx PL	60.25	1148.5	664.5	484	2.37
08CBN015	Norte	Vug Bx PL	80.45	978	585	393	2.49
08CBN015	Norte	TRX	101.05	920	522	398	2.31
08CBN015	Norte	M Sil Bx 1	120.95	894	515	379	2.36
08CBN015	Norte	M Sil Bx	139.99	519.5	314.5	205	2.53
08CBN016	Norte	VC	21.85	1100.5	621.5	479	2.30
08CBN016	Norte	VC	40.95	1251.5	775.5	476	2.63
08CBN016	Norte	VC	61.06	1065.5	593.5	472	2.26
08CBN016	Norte	And P	82.15	1002.5	587.5	415	2.42
08CBN016	Norte	And P	101.80	940.5	504	436.5	2.15
08CBN016	Norte	And P	132.37	1025	621	404	2.54
08CBN016	Norte	And P	152.50	1033.5	638	395.5	2.61
08CBN016	Norte	And P	169.11	613.5	331.5	282	2.18
08CBN017	Norte	And P	21.20	1099	636.5	462.5	2.38
08CBN017	Norte	Ck Bx 1	40.55	1336	812	524	2.55
08CBN017	Norte	Vug Bx PL	61.40	1154	669	485	2.38
08CBN017	Norte	Vug Bx PL	80.78	759.5	445.5	314	2.42
08CBN017	Norte	Vug Sil Bx	103.82	879	502	377	2.33
08CBN017	Norte	Pl Bx	124.50	941.5	558.5	383	2.46
08CBN017	Norte	And P	145.29	931.5	561.5	370	2.52
08CBN017	Norte	M Sil Bx	165.21	732	449	283	2.59
08CBN017	Norte	Ck Bx	189.20	775	491	284	2.73
08CBN017	Norte	And P	208.20	706.5	480.5	226	3.13

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
08CBN018	Norte	TRX	22.26	1119.5	700	419.5	2.67
08CBN018	Norte	Vug Sil	41.25	711	411	300	2.37
08CBN018	Norte	M Sil Bx	59.87	901	544	357	2.52
08CBN018	Norte	Pol M Bx	89.87	784	474	310	2.53
08CBN018	Norte	PL Bx	110.25	507	302	205	2.47
08CBN018	Norte	Vug Sil Bx	124.76	195	110	85	2.29
08CBN018	Norte	And P	148.25	648	366	282	2.30
08CBN018	Norte	And P	167.95	654	357	297	2.20
08CBN020	Norte	And P	20.16	691	336	355	1.95
08CBN020	Norte	And P	40.52	1048	666	382	2.74
08CBN020	Norte	And P	59.74	712	447	265	2.69
08CBN020	Norte	And P	79.36	841	479	362	2.32
08CBN020	Norte	TRX	99.62	1037	674	363	2.86
08CBN020	Norte	Vug Bx PL	119.80	933	565	368	2.54
08CBN020	Norte	Vug Bx PL	139.95	879	509	370	2.38
08CBN020	Norte	PL Bx	157.30	753	415	338	2.23
08CBN029	Norte	And	21.50	1097	562.5	534.5	2.05
08CBN029	Norte	And	41.82	1194	633.5	560.5	2.13
08CBN029	Norte	And	60.64	1177	651	526	2.24
08CBN029	Norte	And	82.23	1229	683	546	2.25
08CBN029	Norte	PL Bx	106.75	1248	728	520	2.40
08CBN029	Norte	ML Bx	126.36	1769	1060	709	2.50
08CBN029	Norte	And	144.95	1543	942	601	2.57
08CBN029	Norte	ML Bx	165.90	1236	705	531	2.33
08CBN029	Norte	M Sil Bx	183.08	1572	955	617	2.55
08CBN029	Norte	M Sil Bx	205.20	1476	878	598	2.47
08CBN029	Norte	M Sil Bx	226.60	1406	795	611	2.30
08CBN029	Norte	And	245.24	1540	922	618	2.49
08CBN029	Norte	And	264.70	1601	980	621	2.58
08CBN030	Norte	And	20.72	1179	606	573	2.06
08CBN030	Norte	And	40.86	1582	905	677	2.34
08CBN030	Norte	And	68.18	1369	845	524	2.61
08CBN030	Norte	TRX	87.29	1539	877	662	2.32
08CBN030	Norte	PL Bx	107.88	1310	742	568	2.31
08CBN030	Norte	PL Bx	134.97	1274	650	624	2.04
08CBN030	Norte	PL Bx	153.98	1363	788	575	2.37
08CBN030	Norte	Vug Sil Bx	174.04	1304	698	606	2.15
08CBN030	Norte	ML Bx	194.01	1393	821	572	2.44
08CBN030	Norte	PL Bx	220.30	1351	834	517	2.61
08CBN030	Norte	PL Bx	241.82	842	484	358	2.35

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
08CBN030	Norte	Vug Sil M Bx	265.88	988	590	398	2.48
08CBN030	Norte	Vug Sil M Bx	286.91	921	522	399	2.31
08CBN030	Norte	Vug Sil M Bx	308.11	977	558	419	2.33
08CBN31	Norte	And	22.90	594	226	368	1.61
08CBN31	Norte	And	41.56	819	489	330	2.48
08CBN31	Norte	And	59.50	906	518	388	2.34
08CBN31	Norte	And	75.95	1167	704	463	2.52
08CBN31	Norte	And	101.19	841	448	393	2.14
08CBN31	Norte	PL Bx	121.62	1361	770	591	2.30
08CBN31	Norte	Vug Sil M Bx	145.51	886	510	376	2.36
08CBN31	Norte	Vug Sil M Bx	162.40	974	563	411	2.37
08CBN31	Norte	TRX	185.16	975	547	428	2.28
08CBN31	Norte	ML Bx	205.45	1033	601	432	2.39
08CBN31	Norte	ML Bx	222.57	1054	615	439	2.40
08CBN31	Norte	Vug Sil M Bx	242.27	1047	593	454	2.31
08CBN31	Norte	TRX	264.66	566	301	265	2.14
08CBN31	Norte	M Sil Bx	280.82	956	539	417	2.29
08CBN31	Norte	TRX	299.29	1124	675	449	2.50
08CBN31	Norte	And	320.57	1166	694	472	2.47
08CBN032	Norte	And	20.02	817	440	377	2.17
08CBN032	Norte	And	37.99	1607	964	643	2.50
08CBN032	Norte	And	61.71	1495	906	589	2.54
08CBN032	Norte	And	77.13	1634	996	638	2.56
08CBN032	Norte	And	99.96	1517	889	628	2.42
08CBN032	Norte	And	119.14	1733	1077	656	2.64
08CBN032	Norte	ML Bx	138.50	1629	961	668	2.44
08CBN032	Norte	ML Bx	166.05	1061	612	449	2.36
08CBN032	Norte	ML Bx	207.41	1053	614	439	2.40
08CBN032	Norte	PL Bx	224.55	759	428	331	2.29
08CBN032	Norte	And	242.82	931	561	370	2.52
08CBN033	Norte	And P	20.20	1654	964	690	2.40
08CBN033	Norte	And P	40.18	1912	1214	698	2.74
08CBN033	Norte	And P	68.16	1830	1126	704	2.60
08CBN033	Norte	Vug Sil Bx	89.39	1565	904	661	2.37
08CBN033	Norte	M Sil Bx	111.25	1730	1049	681	2.54
08CBN033	Norte	M Sil Bx	133.71	1606	968	638	2.52
08CBN033	Norte	M Sil Bx	154.80	1752	1058	694	2.52
08CBN033	Norte	ML Bx	188.85	1158	616	542	2.14
08CBN033	Norte	M Sil Bx	214.50	1401	837	564	2.48
08CBN033	Norte	And P	235.05	1670	662	1008	1.66

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
09CBN034	Norte	And	20.21	1611	917	694	2.32
09CBN034	Norte	And	41.45	1980	1256	724	2.73
09CBN034	Norte	And	62.37	1821	1135	686	2.65
09CBN034	Norte	And	84.70	1361	763	598	2.28
09CBN034	Norte	And	104.98	1284	753	531	2.42
09CBN034	Norte	Vug Sil M Bx	124.48	1560	813	747	2.09
09CBN034	Norte	Vug Sil Bx	142.60	1790	1036	754	2.37
09CBN035	Norte	And	27.78	1460	850	610	2.39
09CBN035	Norte	And	47.47	1244	667	577	2.16
09CBN035	Norte	And	66.71	1624	974	650	2.50
09CBN035	Norte	Vug Sil Bx	92.77	1616	949	667	2.42
09CBN035	Norte	M Sil Bx	115.17	1613	995	618	2.61
09CBN035	Norte	And	135.90	1404	748	656	2.14
09CBN035	Norte	M Sil Bx	155.30	1286	770	516	2.49
09CBN035	Norte	M Sil Bx	177.73	1385	832	553	2.50
09CBN035	Norte	M Sil Bx	198.98	1510	920	590	2.56
09CBN035	Norte	M Sil Bx	218.27	1525	925	600	2.54
09CBN035	Norte	M Sil Bx	239.26	1608	962	646	2.49
09CBN035	Norte	M Sil Bx	269.20	1358	799	559	2.43
09CBN035	Norte	Vug Sil Bx	289.36	1606	932	674	2.38
09CBN036	Norte	M Sil Bx	22.04	2209	1327	882	2.50
09CBN036	Norte	M Sil Bx	42.35	1694	1023	671	2.52
09CBN036	Norte	M Sil Bx	60.25	1294	759	535	2.42
09CBN036	Norte	M Sil Bx	79.35	1359	762	597	2.28
09CBN036	Norte	M Sil Bx	105.09	1246	694	552	2.26
09CBN036	Norte	Vug Sil M Bx	120.85	1450	822	628	2.31
09CBN036	Norte	PL Bx	142.39	1475	836	639	2.31
09CBN036	Norte	M Sil Bx	160.52	1418	784	634	2.24
09CBN036	Norte	ML Bx	174.90	1405	802	603	2.33
09CBN036	Norte	PL Bx	199.81	847	468	379	2.23
09CBN037	Norte	And	51.72	1565	970	595	2.63
09CBN037	Norte	TRX	91.14	1374	774	600	2.29
09CBN037	Norte	M Sil Bx	113.48	1456	883	573	2.54
09CBN037	Norte	Vug Sil Bx	135.05	1483	870	613	2.42
09CBN037	Norte	M Sil Bx	157.91	1446	847	599	2.41
09CBN037	Norte	Vug Sil Bx	183.53	830	475	355	2.34
09CBN037	Norte	And	204.54	758	400	358	2.12
09CBN037	Norte	Vug Sil M Bx	226.97	833	480	353	2.36
09CBN037	Norte	And	249.09	1096	701	395	2.77
09CBN037	Norte	And	268.22	1072	671	401	2.67

Hole Number	Zone	Rock Type	Depth (meters)	Sample Weight dry *g*	Sample Weight submerged *g*	Volume [wt dry - wt submerged] *g/cm³*	Bulk Density Wet Method *g/cm³*
09CBN037	Norte	And	292.81	1140	752	388	2.94
09CBN038	Norte	And	25.50	1434	745	689	2.08
09CBN038	Norte	And	48.84	1232	688	544	2.26
09CBN038	Norte	And	65.63	1196	628	568	2.11
09CBN038	Norte	TRX	81.16	1223	708	515	2.37
09CBN038	Norte	M Sil Bx	129.02	1459	754	705	2.07
09CBN038	Norte	ML Bx	157.70	1529.5	868.6	660.9	2.31
09CBN038	Norte	PL Bx	177.94	1413	808.5	604.5	2.34
09CBN038	Norte	Vug Sil M Bx	198.73	1595.5	908.5	687	2.32
09CBN038	Norte	ML Bx	218.49	1373.5	760.5	613	2.24
09CBN038	Norte	PL Bx	240.38	1390	783	607	2.29
09CBN039	Norte	And	19.39	1515	874	641	2.36
09CBN039	Norte	Vug Sil Bx	43.82	1301	690	611	2.13
09CBN039	Norte	Vug Sil Bx	69.31	1369	755	614	2.23
09CBN039	Norte	M Sil Bx	95.16	1285	689	596	2.16
09CBN039	Norte	And	127.20	1083	488	595	1.82
09CBN039	Norte	And	172.19	1180	720	460	2.57
09CBN040	Norte	TRX	19.74	1558	845	713	2.19
09CBN040	Norte	PL Bx	41.42	1249	754	495	2.52
09CBN040	Norte	Vug Sil Bx	77.75	1052	581	471	2.23
09CBN040	Norte	Vug Sil Bx	97.74	1419	818	601	2.36
09CBN040	Norte	VC	116.55	1159	572	587	1.97
09CBN040	Norte	M Sil Bx	136.86	1373	760	613	2.24
09CBN040	Norte	Vug Sil Bx	164.99	970	578	392	2.47
09CBN041	Norte	M Sil Bx	91.30	1534	920	614	2.50
09CBN041	Norte	PL Bx	119.12	1732	1060	672	2.58
09CBN041	Norte	TRX	138.38	1197	590	607	1.97
09CBN041	Norte	And	163.95	1676	1049	627	2.67
09CBN041	Norte	TRX	184.45	1736	1048	688	2.52

APPENDIX IV

Complete list of all drill collar locations at Caballo Blanco property (up to 11CBN-184)

(Mex NAD 27/14)

HOLE_ID	x_27/14	y_27/14	Elev (m)	Length (m)	Azi	Dip	ZONE	AREA	COMPANY	YEAR	TYPE
cb1	765104.00	2173271.00	128.00	167.60	90	-60	CENTRAL	PORVENIR	Almaden	1998	RC
cb2	765362.00	2173293.00	109.00	193.50	270	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb3	765562.00	2173207.00	99.00	153.90	270	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb4	765610.00	2173454.00	106.00	144.80	270	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb5	765901.00	2171929.00	122.00	167.60	270	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb6	765747.00	2171905.00	129.00	102.10	90	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb7	765933.00	2171837.00	104.00	150.90	105	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb8	766011.00	2172043.00	92.00	144.80	270	-60	CENTRAL	PORVENIR	Almaden	1998	RC
cb9	765734.00	2172224.00	124.00	135.60	90	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb10	765614.00	2172265.00	111.00	144.80	90	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb11	765610.00	2172215.00	111.00	171.60	270	-55	CENTRAL	PORVENIR	Almaden	1998	RC
cb12	765291.00	2172382.00	150.00	114.30	90	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb13	765688.00	2172420.00	97.00	123.40	90	-55	CENTRAL	PORVENIR	Almaden	1998	RC
cb14	765553.00	2171979.00	135.00	99.00	90	-45	CENTRAL	PORVENIR	Almaden	1998	RC
cb15	766300.00	2171393.00	110.00	144.80	270	-50	CENTRAL	PORVENIR	Almaden	1998	RC
cb16	765483.00	2172203.00	118.00	129.50	270	-55	CENTRAL	PORVENIR	Almaden	1998	RC
cb17	765681.00	2172000.00	145.00	102.10	270	-55	CENTRAL	PORVENIR	Almaden	1998	RC
CB02-1	764890.00	2172700.00	120.00	269.00	0	-90	CENTRAL	PORVENIR	Noranda	2002	DDH
CB02-2	764644.00	2173050.00	120.00	302.00	0	-90	CENTRAL	PORVENIR	Noranda	2002	DDH
CB02-3	764673.00	2173667.00	120.00	198.00	0	-90	CENTRAL	PORVENIR	Noranda	2002	DDH
CB02-4	765530.00	2172500.00	120.00	231.30	0	-90	CENTRAL	PORVENIR	Noranda	2002	DDH
CB02-5	769627.00	2175383.00	70.00	231.00	0	-90	HIGHWAY	HIGHWAY	Noranda	2002	DDH
CB02-6	769620.00	2174615.00	120.00	198.00	0	-90	HIGHWAY	HIGHWAY	Noranda	2002	DDH
CB02-7	770250.00	2175140.00	120.00	212.00	0	-90	HIGHWAY	HIGHWAY	Noranda	2002	DDH
DDH04CB1	765276.00	2173284.00	122.00	300.23	270	-60	CENTRAL	PORVENIR	Comaplex	2004	DDH
DDH04CB2	765431.00	2173349.00	125.00	215.80	90	-60	CENTRAL	PORVENIR	Comaplex	2004	DDH
DDH04CB3	770036.00	2175498.00	175.00	303.58	270	-50	HIGHWAY	HIGHWAY	Comaplex	2004	DDH
DDH04CB4	770214.00	2176511.00	100.00	327.36	255	-50	HIGHWAY	HIGHWAY	Comaplex	2004	DDH
CB05-01	768485.00	2184440.00	596.00	136.50	0	-90	NORTE	LA PAILA	Comaplex	2005	DDH
CB05-02	768486.00	2184439.00	596.00	72.85	110	-65	NORTE	LA PAILA	Comaplex	2005	DDH
CB05-03	768485.00	2184441.00	596.00	314.00	342	-50	NORTE	LA PAILA	Comaplex	2005	DDH
CB06-01	768485.00	2184443.00	596.00	206.65	217	-48	NORTE	LA PAILA	Comaplex	2006	DDH
CB06-02	768489.00	2184442.00	597.00	301.14	100	-48	NORTE	LA PAILA	Comaplex	2006	DDH
CB06-03	768463.00	2184529.00	596.00	236.25	180	-48	NORTE	LA PAILA	Comaplex	2006	DDH
07CBN-001	766726.00	2182199.00	591.00	109.12	0	-90	NORTE	BANDERA	Can Hunter	2007	DDH
07CBN-002	768349.00	2184299.00	516.00	293.50	79	-45	NORTE	LA PAILA	Can Hunter	2007	DDH
08CBN-003	768349.00	2184299.00	516.00	246.89	90	-80	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-004	768295.00	2184284.00	521.00	203.60	90	-80	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-005	768379.00	2184356.00	552.00	273.71	90	-70	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-006	768418.00	2184602.00	546.00	173.20	90	-70	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-007	768418.00	2184602.00	546.00	187.45	90	-50	NORTE	LA PAILA	Can Hunter	2008	DDH

HOLE_ID	x_27/14	y_27/14	Elev (m)	Length (m)	Azi	Dip	ZONE	AREA	COMPANY	YEAR	TYPE
08CBN-008	768340.00	2184401.00	518.00	213.66	90	-50	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-009	768296.00	2184211.00	504.00	135.03	90	-50	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-010	768296.00	2184211.00	504.00	22.25	90	-70	NORTR	LA PAILA	Can Hunter	2008	DDH
08CBN-011	768294.00	2184211.00	504.00	189.89	270	-60	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-012	768250.00	2184104.00	510.00	227.08	90	-50	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-013	768291.00	2183993.00	507.00	118.26	90	-50	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-014	768247.00	2184104.00	510.00	103.63	270	-70	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-015	768290.00	2183993.00	507.00	157.89	90	-80	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-016	768339.00	2183862.00	496.00	201.17	120	-60	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-017	768270.00	2184303.00	511.00	227.99	90	-85	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBCN-019	763782.00	2175938.00	210.00	187.43	180	-50	CENTRAL	PEDRERO	Can Hunter	2008	DDH
08CBN-018	768334.00	2183909.00	497.00	179.83	90	-50	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-020	768296.00	2184211.00	504.00	199.64	90	-70	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBCN-021	763478.00	2175808.00	250.00	108.20	180	-50	CENTRAL	PEDRERO	Can Hunter	2008	DDH
08CBCN-022	763622.00	2175856.00	235.00	304.19	180	-50	CENTRAL	PEDRERO	Can Hunter	2008	DDH
08CBCN-023	765278.00	2173305.00	118.00	295.13	180	-55	CENTRAL	PORVENIR	Can Hunter	2008	DDH
08CBCN-024	763858.00	2176075.00	196.00	229.20	180	-50	CENTRAL	PEDRERO	Can Hunter	2008	DDH
08CBCN-025	765278.00	2173305.00	118.00	318.51	180	-75	CENTRAL	PORVENIR	Can Hunter	2008	DDH
08CBCN-026	765117.00	2173330.00	122.00	349.91	180	-50	CENTRAL	PORVENIR	Can Hunter	2008	DDH
08CBCN-027	765278.00	2173307.00	118.00	272.80	0	-60	CENTRAL	PORVENIR	Can Hunter	2008	DDH
08CBCN-028	765117.00	2173330.50	122.00	403.86	180	-75	CENTRAL	PORVENIR	Can Hunter	2008	DDH
08CBN-029	768338.00	2184400.00	518.00	268.22	82	-75	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-030	768288.00	2184141.00	507.00	332.46	77	-71	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-031	768302.00	2184355.00	509.00	334.98	88	-57	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-032	768301.00	2184355.00	509.00	256.03	95	-76	NORTE	LA PAILA	Can Hunter	2008	DDH
08CBN-033	768286.00	2184143.00	507.00	246.89	272	-66	NORTE	LA PAILA	Can Hunter	2008	DDH
09CBN-034	768240.00	2184250.00	508.00	153.62	86	-60	NORTE	LA PAILA	Can Hunter	2009	DDH
09CBN-035	768251.00	2184104.00	511.00	299.17	221	-88	NORTE	LA PAILA	Can Hunter	2009	DDH
09CBN-036	768618.00	2182928.00	473.00	206.04	135	-50	NORTE	LA_CRUZ	Can Hunter	2009	DDH
09CBN-037	768296.00	2184211.00	504.00	298.70	280	-84	NORTE	LA PAILA	Can Hunter	2009	DDH
09CBN-038	766727.00	2182193.00	591.00	257.25	270	-52	NORTE	BANDERA	Can Hunter	2009	DDH
09CBN-039	766688.00	2182317.00	573.00	172.82	255	-65	NORTE	BANDERA	Can Hunter	2009	DDH
09CBN-040	766539.00	2182881.00	615.00	213.36	117	-60	NORTE	BANDERA	Can Hunter	2009	DDH
09CBN-041	768204.00	2184102.00	502.00	198.12	270	-68	NORTE	LA PAILA	Can Hunter	2009	DDH
10CBCN-042	764029.00	2175993.00	212.00	367.89	180	-55	CENTRAL	PEDRERO	Can Hunter	2009	DDH
10CBRC-043	766724.85	2182193.94	591.18	334.00	0	-90	NORTE	BANDERA S	Goldgroup	2010	RC
10CBRC-044	766728.31	2182193.83	591.04	224.00	90	-65	NORTE	BANDERA S	Goldgroup	2010	RC
10CBRC-045	766730.31	2182803.17	577.35	214.00	270	-80	NORTE	BANDER N	Goldgroup	2010	RC
10CBRC-046	766728.91	2182802.97	577.43	250.00	260	-50	NORTE	BANDERA N	Goldgroup	2010	RC
10CBN-047	767702.48	2181378.69	133.12	301.50	180	-45	NORTE	LAS CUEVAS SW	Goldgroup	2010	DDH
10CBRC-048	768322.06	2184284.76	520.90	218.00	90	-80	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-049	768404.90	2184292.79	523.27	202.00	80	-50	NORTE	LA PAILA	Goldgroup	2010	RC

HOLE_ID	x_27/14	y_27/14	Elev (m)	Length (m)	Azi	Dip	ZONE	AREA	COMPANY	YEAR	TYPE
10CBN-050	768004.81	2181387.29	114.82	301.50	140	-50	NORTE	LAS CUEVAS SW	Goldgroup	2010	DDH
10CBN-051	768587.72	2181159.07	45.54	301.50	310	-50	NORTE	RED VALLEY	Goldgroup	2010	DDH
10CBRC-052	768218.96	2184299.28	496.73	124.00	110	-80	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-053	768178.77	2184295.04	476.43	256.00	0	-90	NORTE	LA PAILA	Goldgroup	2010	RC
10CBN-054	768378.35	2184354.00	548.27	217.10	90	-45	NORTE	LA PAILA	Goldgroup	2010	DDH
10CBN-055	768599.00	2181072.02	600.00	9.10	0	-90	NORTE	RED VALLEY	Goldgroup	2010	DDH
10CBRC-056	768265.46	2184353.21	494.35	232.00	90	-75	NORTE	LA PAILA	Goldgroup	2010	RC
10CBN-057	769364.05	2181364.47	26.71	301.50	310	-45	NORTE	RED VALLEY	Goldgroup	2010	RC
10CBRC-058	768371.90	2184252.89	487.36	216.00	90	-60	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-059	768370.35	2184251.97	487.39	172.00	90	-45	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-060	768348.67	2184209.92	481.91	214.00	90	-50	NORTE	LA PAILA	Goldgroup	2010	RC
10CBN-061	768203.35	2184104.41	498.76	294.00	0	-90	NORTE	LA PAILA	Goldgroup	2010	DDH
10CBRC-062	768358.60	2184146.84	479.82	146.00	90	-65	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-063	768347.74	2184099.83	489.29	200.00	90	-65	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-064	768352.84	2184047.88	484.33	240.00	0	-90	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-065	768361.40	2183998.72	488.04	260.00	90	-50	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-066	768366.65	2183946.00	489.32	144.00	80	-60	NORTE	LA PAILA	Goldgroup	2010	RC
10CBRC-067	768246.64	2184098.38	510.57	246.00	90	-65	NORTE	LA PAILA	Goldgroup	2010	RC
11CBN-068	768323.54	2184285.21	520.92	235.50	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-069	768368.89	2184251.93	487.36	287.80	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-070	768404.16	2184292.58	523.16	191.50	90	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-071	768103.84	2184100.28	471.19	45.00	90	-65	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-071-A	768102.68	2184103.02	470.96	73.30	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-072	768346.75	2184209.90	481.99	212.00	90	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-073	768155.74	2184106.29	484.36	178.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-074	768301.55	2184398.80	497.35	201.00	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-075	768339.38	2184494.29	481.33	234.00	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-076	768336.26	2184549.61	476.63	364.50	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-077	768155.18	2184151.08	479.87	301.50	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-078	768309.90	2184450.01	485.55	229.20	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-079	768211.27	2184206.88	488.23	202.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-080	768305.52	2184250.89	502.79	315.30	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-081	768207.53	2184205.16	488.27	184.50	270	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-082	768306.51	2184250.85	502.83	335.00	90	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-083	768204.12	2184146.90	494.61	310.50	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-084	768234.19	2184247.31	504.73	314.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-085	768334.95	2183884.59	497.41	220.60	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-086	768152.32	2184104.47	484.18	253.50	270	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-087	768249.16	2184200.35	501.48	245.10	270	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-088	768331.24	2183884.34	497.72	139.37	270	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-090	768354.16	2184146.67	479.71	134.30	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-091	768366.30	2183947.47	489.18	160.02	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH

HOLE_ID	x_27/14	y_27/14	Elev (m)	Length (m)	Azi	Dip	ZONE	AREA	COMPANY	YEAR	TYPE
11CBN-092	767962.01	2182030.01	600.00	117.00	44	-60	NORTE	LAS CUEVAS	Goldgroup	2011	DDH
11CBN-093	768152.72	2184106.09	483.77	229.50	0	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-094	768354.16	2184146.67	479.71	377.40	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-095	768360.37	2184001.07	487.96	320.04	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-096	768155.28	2184148.98	479.76	301.50	135	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-097	768349.68	2184099.35	489.08	271.80	90	-65	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-098	768359.13	2184000.97	488.03	219.98	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-099	768177.95	2184293.34	476.37	162.20	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-100	768278.00	2183907.16	513.00	370.50	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-101	768352.03	2184046.98	484.17	273.49	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-102	768157.16	2184050.37	495.52	186.20	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-103	763596.04	2181619.02	391.00	132.00	0	-90	NORTE	CERRO BLANCO	Goldgroup	2011	DDH
11CBN-104	768160.53	2184052.35	495.40	377.85	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-105	768286.74	2184140.06	499.54	310.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-106	763573.04	2182630.02	379.00	118.50	0	-90	NORTE	CERRO BLANCO	Goldgroup	2011	DDH
11CBN-107	768352.01	2184045.23	484.17	14.21	180	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-108	768351.76	2184048.07	484.31	237.98	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-109	768328.99	2183945.47	496.31	252.00	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-110	768218.08	2184297.47	496.70	211.30	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-111	768239.73	2184048.23	520.03	334.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-112	768348.51	2184203.93	481.80	200.44	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-113	768201.78	2184351.94	489.11	170.40	90	-65	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-114	768195.39	2184297.99	483.02	182.20	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-115	768263.99	2184354.99	494.13	256.30	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-116	768293.97	2183945.82	512.53	240.30	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-117	768160.53	2184052.35	495.40	340.40	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-118	768348.09	2184203.30	482.10	351.00	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-119	768247.92	2184099.80	510.60	340.50	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-120	768366.76	2184250.83	487.37	193.70	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-121	768297.43	2183943.36	512.30	235.50	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-122	768233.82	2184246.68	504.72	260.50	90	-76	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-123	768289.36	2184139.77	499.49	272.30	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-124	768240.71	2183997.00	515.05	332.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-125	768231.94	2184247.15	504.81	215.70	270	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-126	768293.30	2183899.95	517.86	214.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-127	768344.22	2184298.87	519.82	299.60	90	-63	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-128	768302.50	2184045.44	496.25	310.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-129	768373.67	2184544.52	499.36	3.20	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-130	768348.69	2184451.73	511.96	290.17	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-131	768286.04	2184194.84	496.47	251.40	270	-72	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-132	768338.67	2184294.80	519.99	373.80	180	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-133	768336.51	2183862.75	496.98	247.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH

HOLE_ID	x_27/14	y_27/14	Elev (m)	Length (m)	Azi	Dip	ZONE	AREA	COMPANY	YEAR	TYPE
11CBN-134	768302.62	2184044.89	496.43	274.50	180	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-135	768288.91	2184194.32	496.34	284.60	90	-85	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-136	768246.71	2183942.81	530.46	308.20	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-137	768302.87	2184399.52	497.49	305.71	90	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-138	768354.13	2184045.59	484.22	224.00	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-139	768203.49	2184108.01	497.92	291.50	270	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-140	768336.04	2183891.47	497.39	241.50	90	-70	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-141	768197.91	2183994.79	536.32	338.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-142	768360.88	2184003.05	487.88	256.50	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-143	768349.98	2184100.10	489.17	250.50	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-144	768336.71	2184548.49	476.64	284.68	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-145	768243.36	2183997.14	514.83	268.50	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-146	768248.79	2183899.76	543.00	319.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-147	768243.92	2184098.83	510.75	290.50	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-148	768301.38	2184351.18	504.89	314.50	90	-65	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-149	768338.05	2183862.59	497.49	253.50	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-150	768338.84	2184489.21	481.33	318.21	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-151-A	768305.01	2184251.30	503.03	347.50	90	-60	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-152	768149.28	2183994.62	527.44	277.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-153	768372.47	2184351.80	544.08	257.00	90	-57	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-154	768209.08	2183940.55	536.22	321.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-155	768147.51	2183996.87	527.50	201.50	270	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-156	768374.18	2184544.12	499.47	300.42	135	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-157	768190.49	2184042.65	508.87	308.40	270	-84	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-158	768149.29	2183952.45	535.73	274.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-159	768277.68	2184249.94	503.50	311.00	90	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-160	768202.58	2183898.75	522.22	233.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-161	768380.93	2184505.20	508.26	302.67	90	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-162	768197.76	2184247.63	484.84	305.40	270	-80	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-163	768252.55	2184205.32	501.31	356.40	180	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-164	768100.73	2183952.85	527.40	299.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-165	768150.35	2183900.01	510.35	367.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-166	768241.29	2184294.79	505.94	317.35	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-167	768380.73	2184502.20	508.54	281.33	130	-45	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-168	768148.90	2183849.20	499.98	363.70	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-169	768296.61	2183853.24	514.52	299.78	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-170	768255.53	2183852.07	536.48	299.62	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-171	768203.11	2183851.32	505.58	322.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-172	768338.05	2183863.96	497.48	278.70	90	-75	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-173	768098.43	2183900.87	511.38	358.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-174	768097.82	2183848.11	502.10	361.49	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-175	768200.51	2183801.55	495.94	301.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH

HOLE_ID	x_27/14	y_27/14	Elev (m)	Length (m)	Azi	Dip	ZONE	AREA	COMPANY	YEAR	TYPE
11CBN-176	768339.00	2183863.16	497.46	249.90	90	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-177	768144.85	2183791.83	484.93	388.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-178	768336.42	2183891.45	497.36	301.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-179	768337.60	2183891.54	497.24	320.30	90	-81	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-180	768097.50	2183805.69	486.19	396.42	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-181	768198.41	2183752.88	484.35	262.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-182	768050.13	2183847.97	501.99	298.50	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-183	768337.60	2183891.54	497.24	281.00	90	-50	NORTE	LA PAILA	Goldgroup	2011	DDH
11CBN-184	768053.00	2183800.16	487.00	200.00	0	-90	NORTE	LA PAILA	Goldgroup	2011	DDH

APPENDIX V

Selected Drill hole composites - La Paila area (0.2 g/t Au cut off) - 2010-2011 drilling

Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
10 CBN 54	15.20	106.25	91.05	0.70
and	122.25	128.25	6.00	0.30
and	150.25	217.05	66.80	0.82
10 CBN 61	79.10	117.10	38.00	0.43
and	129.10	229.10	100.00	0.33
and	259.10	267.10	8.00	0.58
11 CBN 68	37.00	171.00	134.00	0.61
11 CBN 69	29.80	203.80	174.00	0.45
and	241.00	257.00	16.00	0.32
11 CBN 70	22.00	151.50	129.50	0.49
11 CBN 72	56.00	178.00	122.00	0.80
11 CBN 73	130.00	178.50	48.50	3.47
11 CBN 74				nsv
11 CBN 75	98.00	102.00	4.00	0.66
and	134.00	180.00	46.00	0.35
11 CBN 76	81.10	85.10	4.00	0.98
and	106.14	121.50	15.36	0.37
and	131.50	156.21	24.71	0.22
and	164.21	177.45	13.24	0.28
and	191.89	209.89	18.00	0.25
and	284.50	289.50	5.00	0.34
11 CBN 77	98.00	106.00	8.00	0.70
and	120.00	138.00	18.00	0.40
and	152.00	174.00	22.00	1.39
and	198.00	224.00	26.00	0.30
and	232.00	256.00	24.00	0.41
11 CBN 78				nsv
11 CBN 79	47.40	147.50	100.10	0.88
11 CBN 80	93.40	153.40	60.00	0.76
11 CBN 81				nsv
11 CBN 82	81.50	235.50	154.00	0.59
and	247.50	263.50	16.00	0.23
and	293.50	303.50	10.00	0.48
11 CBN 83	98.50	146.50	48.00	0.90
and	194.50	216.50	22.00	0.41
and	240.50	248.50	8.00	0.21
11 CBN 84	86.84	150.84	64.00	1.20
and	278.40	291.10	12.70	0.32
11 CBN 85	63.33	73.33	10.00	1.33

Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
11 CBN 130	146.09	180.35	34.26	0.37
and	224.35	243.50	19.15	0.44
11 CBN 131	86.90	177.50	90.60	0.91
and	227.28	241.28	14.00	0.25
11 CBN 132	98.20	108.20	10.00	0.24
and	140.20	172.20	32.00	0.24
and	238.80	246.80	8.00	0.23
11 CBN 133	163.15	172.50	9.35	0.32
and	192.50	200.50	8.00	0.38
11 CBN 134	141.40	226.40	85.00	0.65
11 CBN 135	97.90	109.90	12.00	0.68
and	119.90	137.90	18.00	0.24
and	155.90	231.90	76.00	0.25
and	245.90	251.90	6.00	0.31
11 CBN 136	137.20	147.20	10.00	0.37
and	273.20	302.20	29.00	0.27
11 CBN 137	146.15	173.07	26.92	0.34
and	245.00	257.00	12.00	0.42
11 CBN 138	51.40	57.40	6.00	0.25
and	107.40	165.40	58.00	0.40
11 CBN 139	74.87	85.90	11.03	0.50
and	140.10	219.52	79.42	1.20
and	251.00	257.00	6.00	0.36
and	269.00	278.50	9.50	1.60
11 CBN 140	28.50	40.50	12.00	0.21
and	56.50	90.50	34.00	0.41
and	104.50	127.50	23.00	0.30
and	157.05	172.70	15.65	0.64
and	204.80	241.50	36.70	0.47
11 CBN 141	78.50	100.50	22.00	0.40
and	254.50	304.50	50.00	0.58
11 CBN 142	75.90	145.50	69.60	0.97
11 CBN 143	71.30	165.20	93.90	0.77
11 CBN 144	108.90	138.38	29.48	0.35
11 CBN 145	105.70	181.55	75.85	0.65
and	201.95	211.50	9.55	0.64
and	225.05	231.05	6.00	0.31
and	241.05	256.50	15.45	0.37
11 CBN 146	201.50	239.50	38.00	0.44

Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
and	92.96	160.02	67.06	0.35
11 CBN 86	102.36	107.93	5.57	0.53
and	133.93	140.10	6.17	0.46
11 CBN 87	95.44	137.10	41.66	0.45
11 CBN 90	86.30	134.30	48.00	0.77
11 CBN 91	38.15	112.50	74.35	0.60
11 CBN 92				nsv
11 CBN 93				nsv
11 CBN 94	58.40	64.40	6.00	0.35
and	78.40	92.40	14.00	0.40
and	106.40	192.40	86.00	0.40
11 CBN 95	81.15	101.15	20.00	0.83
and	111.15	163.35	52.20	0.31
and	175.35	185.35	10.00	0.29
and	289.37	297.66	8.29	0.39
11 CBN 96	88.58	122.80	34.22	0.50
and	290.80	301.50	10.70	0.38
11 CBN 97	72.70	74.70	2.00	1.23
and	84.30	182.30	98.00	0.31
and	232.80	252.30	19.50	0.28
and	269.95	271.80	1.85	1.96
11 CBN 98	38.10	88.39	50.29	0.47
and	98.39	175.28	76.89	0.37
11 CBN 99	65.85	81.30	15.45	0.28
11 CBN 100	97.50	109.55	12.05	0.34
and	143.55	157.55	14.00	0.70
and	233.55	281.55	48.00	0.51
11 CBN 101	43.78	109.74	65.96	0.85
and	139.74	189.95	50.21	0.41
11 CBN 102				nsv
11 CBN 104	98.85	148.85	50.00	0.96
11 CBN 105	143.10	151.10	8.00	0.26
and	263.10	291.10	28.00	0.34
11 CBN 108	34.47	40.47	6.00	0.36
and	80.47	165.24	84.77	0.71
11 CBN 109	25.59	47.59	22.00	0.25
and	69.59	157.59	88.00	0.33
and	180.00	200.00	20.00	0.30

Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
11 CBN 147	87.78	151.50	63.72	0.46
and	185.50	189.50	4.00	0.24
and	211.50	215.50	4.00	0.27
and	223.50	246.00	22.50	0.27
and	258.00	268.00	10.00	0.28
and	274.00	279.90	5.90	0.20
11 CBN 148	246.85	262.85	16.00	0.42
11 CBN 149	76.50	96.50	20.00	0.50
and	112.50	200.75	88.25	0.49
11 CBN 150	135.33	145.73	10.40	0.39
and	199.34	211.53	12.19	0.23
and	226.27	232.27	6.00	0.29
11 CBN 151	73.05	143.30	70.25	0.64
11 CBN 151A	73.58	187.58	114.00	0.49
and	203.58	209.58	6.00	0.25
and	227.58	231.58	4.00	0.30
and	237.58	251.58	14.00	0.37
11 CBN 152	122.00	128.60	6.60	0.26
and	161.60	256.60	95.00	0.27
and	264.60	268.60	4.00	0.27
11 CBN 153	35.00	41.00	6.00	0.40
and	51.00	248.10	197.10	0.60
11 CBN 154	153.00	177.00	24.00	0.33
and	183.00	189.00	6.00	0.20
and	273.00	310.79	37.79	0.30
11 CBN 155	198.45	201.50	3.05	0.41
11 CBN 156	7.01	22.25	15.24	1.04
and	62.05	80.05	18.00	0.55
and	114.55	204.55	90.00	0.39
and	240.55	268.55	28.00	0.79
and	292.28	300.42	8.14	0.35
11 CBN 157	109.05	114.40	5.35	0.36
and	209.95	276.50	66.55	0.84
11 CBN 158	196.40	254.40	58.00	0.37
11 CBN 159	106.38	173.70	67.32	0.88
and	258.30	268.30	10.00	0.25
and	288.70	296.70	8.00	0.21
11 CBN 160				nsv

Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
11 CBN 110	113.30	117.30	4.00	0.30
11 CBN 111	106.60	128.60	22.00	0.52
and	317.50	325.50	8.00	1.04
11 CBN 112	52.70	124.20	71.50	0.51
11 CBN 113	40.83	44.83	4.00	2.18
and	99.80	116.40	16.60	0.57
11 CBN 114	75.60	92.80	17.20	0.30
11 CBN 115	171.10	197.10	26.00	0.26
11 CBN 116	113.50	131.50	18.00	0.49
and	145.50	240.30	94.80	0.53
11 CBN 117	154.00	196.00	42.00	0.62
11 CBN 118	101.04	129.00	27.96	0.38
11 CBN 119	101.50	107.50	6.00	0.25
11 CBN 120	13.75	140.00	126.25	0.69
11 CBN 121	54.05	66.05	12.00	0.40
and	104.05	122.05	18.00	0.48
and	152.05	170.05	18.00	0.51
and	193.60	199.60	6.00	0.30
and	205.50	209.50	4.00	0.91
11 CBN 122	108.00	177.50	69.50	0.47
11 CBN 123	73.00	92.30	19.30	0.32
and	110.30	116.30	6.00	0.25
11 CBN 124	86.00	92.00	6.00	0.45
and	110.00	118.00	8.00	0.53
and	222.00	268.00	46.00	0.31
and	282.00	288.00	6.00	0.33
11 CBN 125	88.37	145.70	57.33	1.16
and	195.80	212.80	17.00	1.01
11 CBN 126	136.15	199.50	63.35	0.49
11 CBN 127	39.30	183.30	144.00	0.89
and	251.30	257.30	6.00	0.36
and	296.00	299.60	3.60	0.62
11 CBN 128	117.00	123.00	6.00	0.27
and	247.00	251.00	4.00	0.63

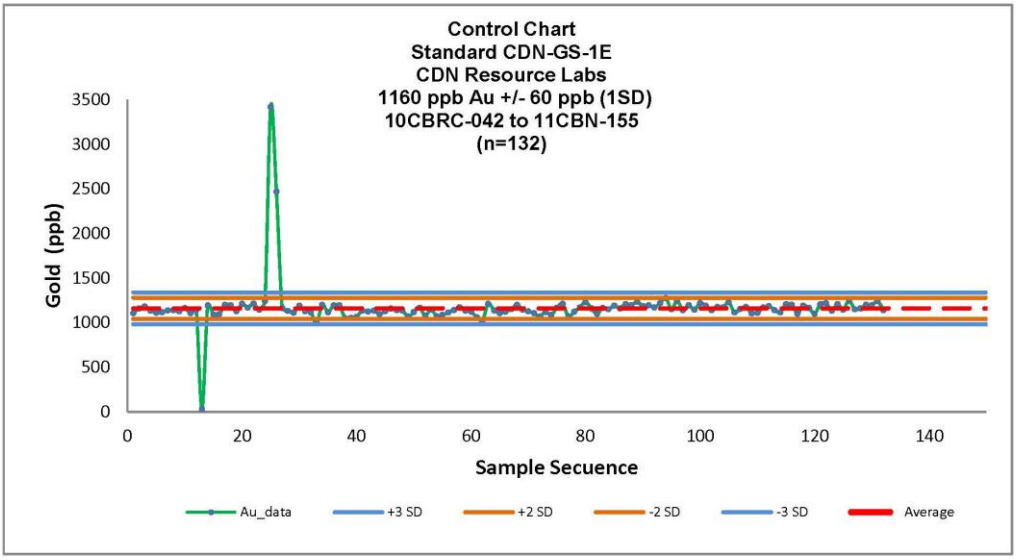
Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
11 CBN 161	99.55	111.55	12.00	0.29
	121.55	127.55	6.00	0.51
	135.55	139.55	4.00	0.31
	143.55	155.55	12.00	0.26
	159.55	171.55	12.00	0.32
	179.55	185.55	6.00	0.24
11 CBN 162	91.95	95.95	4.00	0.76
11 CBN 163	118.40	123.90	5.50	0.34
and	246.50	250.50	4.00	0.34
and	332.50	346.50	14.00	1.00
11 CBN 164				nsv
11 CBN 165	202.18	218.18	16.00	0.49
And	288.18	304.18	16.00	0.29
and	318.18	340.18	22.00	0.57
11 CBN 166	71.35	111.65	40.30	0.94
and	132.45	136.85	4.40	0.25
and	215.13	223.40	8.27	0.57
and	271.95	275.95	4.00	0.25
11 CBN 167	146.22	222.22	76.00	0.98
11 CBN 168	204.80	208.80	4.00	0.38
and	212.80	226.80	14.00	0.53
and	310.80	314.80	4.00	0.23
and	316.80	320.80	4.00	0.25
and	352.80	357.70	4.90	0.37
11 CBN 169	134.00	152.90	18.90	0.60
and	248.72	254.81	6.09	0.28
11 CBN 170	227.62	245.62	18.00	0.38
11 CBN 171	217.50	233.50	16.00	0.40
11 CBN 172	97.80	101.80	4.00	0.24
and	107.80	111.80	4.00	0.28
and	119.80	227.70	107.90	0.94
and	242.70	268.85	26.15	0.39
11 CBN 173				nsv

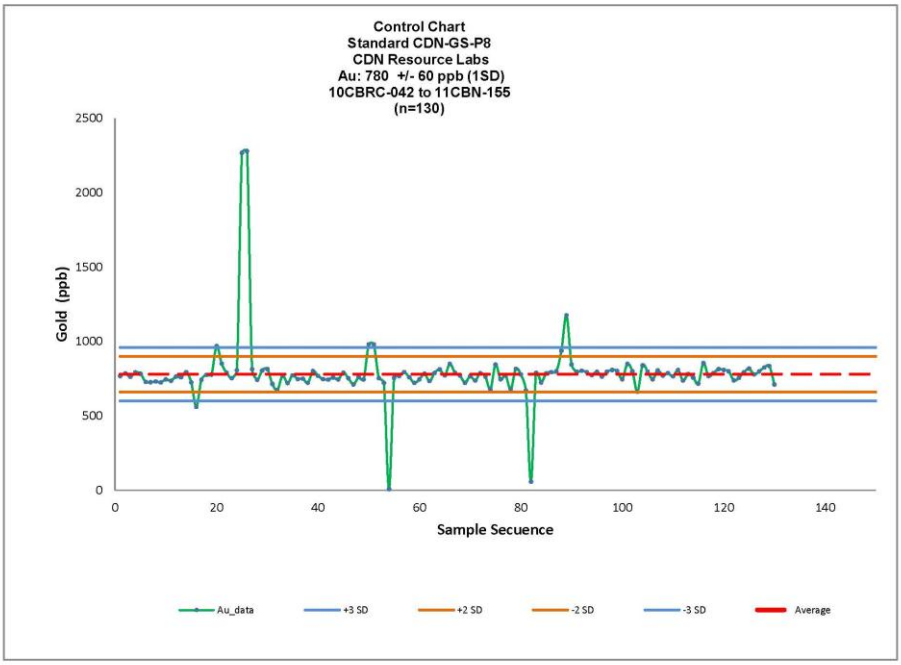
Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)

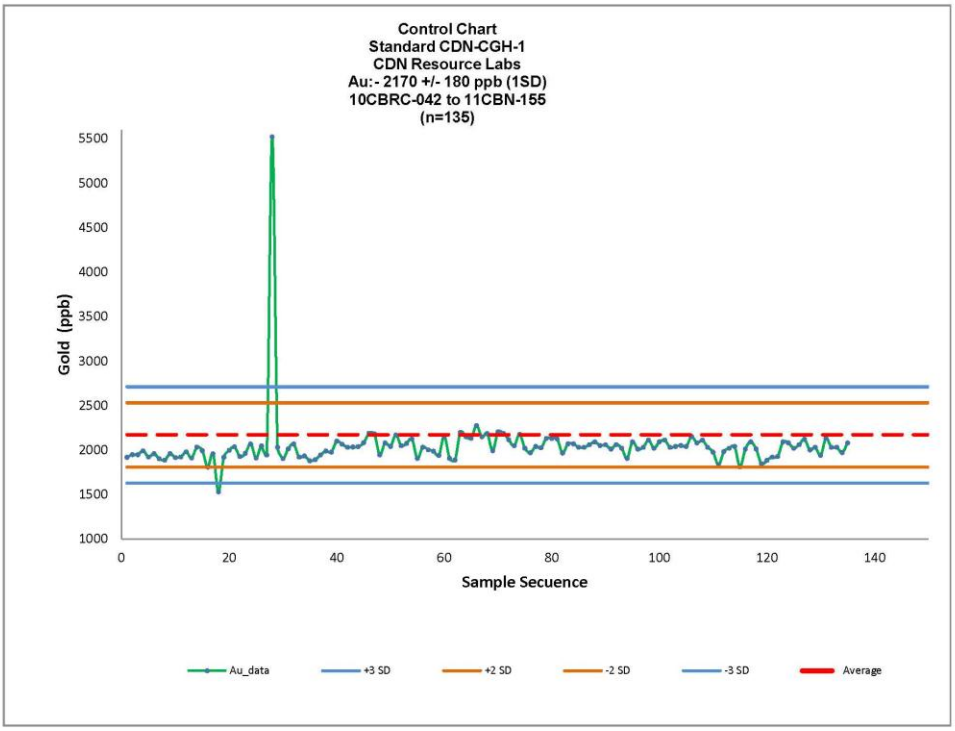
Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
11 CBN 174	329.25	341.25	12.00	0.29
11 CBN 175	177.50	182.78	5.28	0.37
and	189.59	193.59	4.00	0.43
	195.59	227.59	32.00	0.28
and	253.50	273.50	20.00	0.23
11 CBN 176	52.90	72.90	20.00	0.57
and	92.90	137.40	44.50	0.54
and	180.80	184.80	4.00	0.56
11 CBN 177	216.85	252.85	36.00	0.65
	266.85	270.85	4.00	0.45
11 CBN 178	30.00	38.00	8.00	0.43

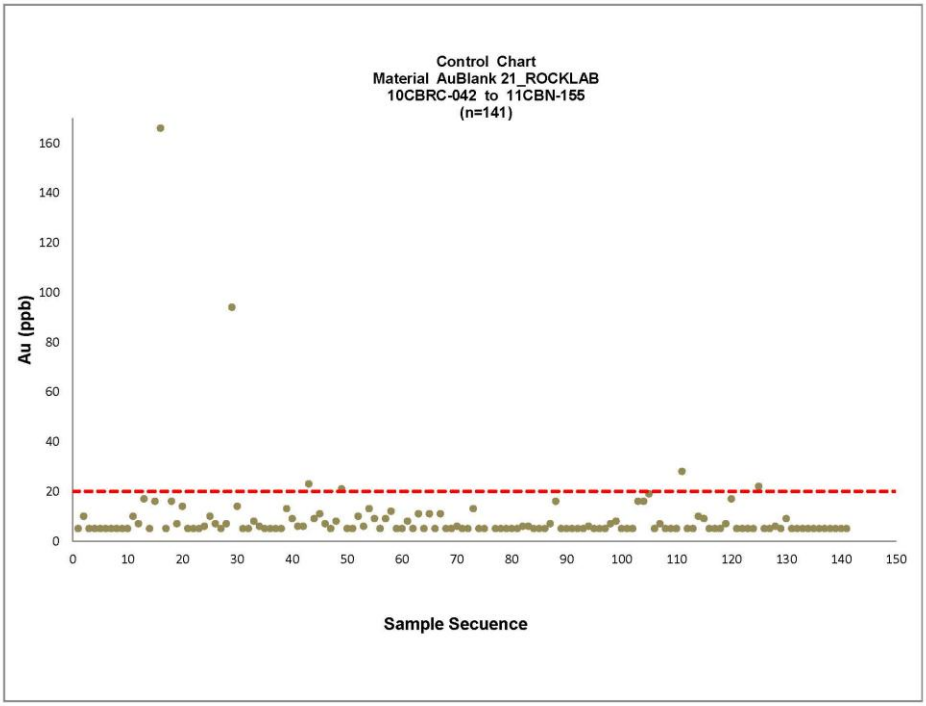
APPENDIX VI

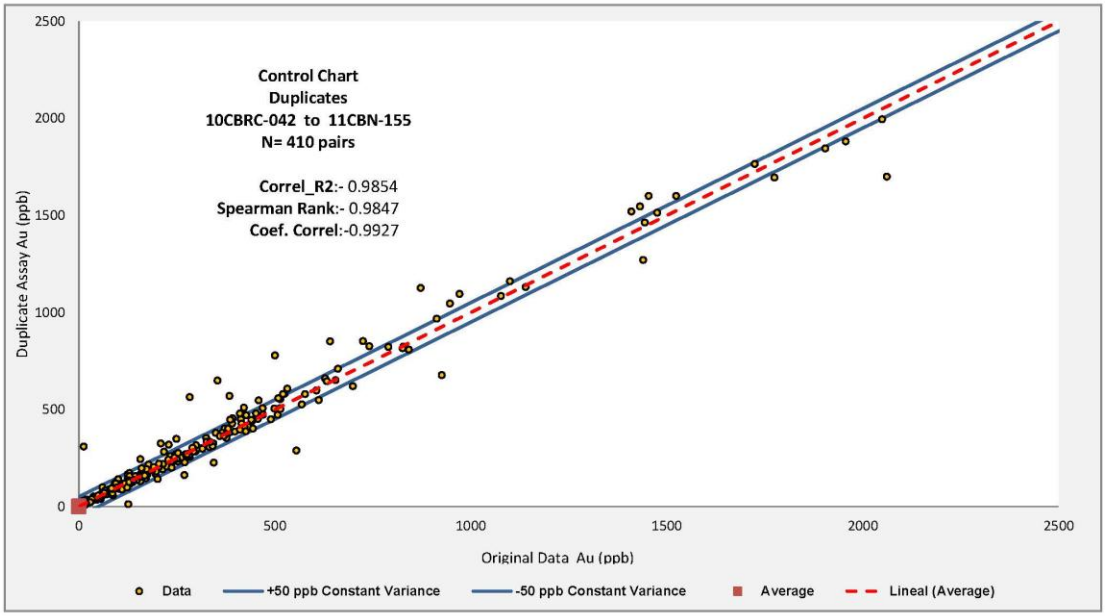
Quality Control Charts and certificates for standard GSP8, CDN-GS-1E and CGH1 - 2010/2011


Control Chart
Standard CDN-GS-1E
CDN Resource Labs
1160 ppb Au +/- 60 ppb (1SD)
10CBRC-042 to 11CBN-155
(n=132)
Gold (ppb)
3500
3000
2500
2000
1500
1000
500
0
0
20
40
60
80
100
120
140
Sample Secuence
Au_data
+3 SD
+2 SD
-2 SD
-3 SD
Average


Control Chart
Standard CDN-GS-P8
CDN Resource Labs
Au: 780 +/- 60 ppb (1SD)
10CBRC-042 to 11CBN-155
(n=130)
Gold (ppb)
2500
2000
1500
1000
500
0
0
20
40
60
80
100
120
140
Sample Secuence
Au_data
+3 SD
+2 SD
-2 SD
-3 SD
Average


Control Chart
Standard CDN-CGH-1
CDN Resource Labs
Au:- 2170 +/- 180 ppb (1SD)
10CBRC-042 to 11CBN-155
(n=135)
Gold (ppb)
5500
5000
4500
4000
3500
3000
2500
2000
1500
1000
0
20
40
60
80
100
120
140
Sample Secuence
Au_data
+3 SD
+2 SD
-2 SD
-3 SD
Average


Control Chart
Material AuBlank 21_ROCKLAB
10CBRC-042 to 11CBN-155
(n=141)
Au (ppb)
160
140
120
100
80
60
40
20
0
0
10
20
30
40
50
60
70
80
90
100
110
120
130
140
150
Sample Secuence


Control Chart
Duplicates
10CBRC-042 to 11CBN-155
N= 410 pairs
Correl_R2:- 0.9854
Spearman Rank:- 0.9847
Coef. Correl:-0.9927
Duplicate Assay Au (ppb)
Original Data Au (ppb)
0
500
1000
1500
2000
2500
Data
+50 ppb Constant Variance
-50 ppb Constant Variance
Average
Lineal (Average)

CDN Resource Laboratories Ltd.

#2, 20148 - 102nd Avenue, Langley, B.C., Canada, V1M 4B4, Ph: 604-882-8422 Fax: 604-882-8466 (www.cdnlabs.com)

GOLD ORE REFERENCE STANDARD: CDN-GS-1E

Recommended value and the "Between Laboratory" two standard deviations

Gold concentration: 1.16 ± 0.06 g/t

PREPARED BY: CDN Resource Laboratories Ltd.
CERTIFIED BY: Duncan Sanderson, B.Sc., Licensed Assayer of British Columbia
INDEPENDENT GEOCHEMIST: Dr. Barry Smee., Ph.D., P. Geo.
DATE OF CERTIFICATION: April 18, 2009

ORIGIN OF REFERENCE MATERIAL:

Standard CDN-GS-1E was prepared using ore supplied by Canadian Gold Hunter Corporation from its Caballo Blanco (North Zone) property in Mexico. It is a high sulphidation gold system with extensive silica flooding and brecciation. The breccia can be filled with iron oxides, but is usually devoid of clay.

METHOD OF PREPARATION:

Reject ore material was dried, crushed, pulverized and then passed through a 270 mesh screen. The +270 material was discarded. The -270 material was mixed for 6 days in a double-cone blender. Splits were taken and sent to 12 commercial laboratories for round robin assaying. Round robin results are displayed below:

	Lab 1	Lab 2	Lab 3	Lab 4	Lab 5	Lab 6	Lab 7	Lab 8	Lab 9	Lab 10	Lab 11	Lab 12
	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t
GS-1E-1	1.16	1.21	1.21	1.24	1.22	1.14	1.15	1.12	1.18	1.21	1.22	1.17
GS-1E-2	1.13	1.19	1.12	1.17	1.27	1.14	1.14	1.18	1.17	1.15	1.20	1.27
GS-1E-3	1.07	1.16	1.21	1.18	1.25	1.15	1.18	1.14	1.21	1.23	1.15	1.23
GS-1E-4	1.00	1.20	1.18	1.16	1.23	1.15	1.15	1.16	1.14	1.21	1.18	1.18
GS-1E-5	1.05	1.19	1.21	1.14	1.26	1.15	1.16	1.17	1.09	1.16	1.21	1.20
GS-1E-6	1.10	1.18	1.18	1.13	1.22	1.14	1.17	1.17	1.17	1.24	1.17	1.16
GS-1E-7	1.11	1.19	1.15	1.16	1.18	1.15	1.17	1.16	1.16	1.17	1.16	1.19
GS-1E-8	1.13	1.21	1.17	1.12	1.23	1.14	1.10	1.14	1.15	1.21	1.19	1.18
GS-1E-9	1.00	1.13	1.16	1.16	1.26	1.14	1.13	1.13	1.16	1.20	1.16	1.26
GS-1E-10	1.17	1.15	1.15	1.13	1.24	1.15	1.18	1.11	1.17	1.13	1.08	1.16
Mean	1.09	1.18	1.17	1.16	1.24	1.15	1.15	1.15	1.16	1.19	1.17	1.20
Std. Dev.	0.061	0.027	0.030	0.034	0.026	0.005	0.025	0.024	0.031	0.036	0.040	0.040
%RSD	5.56	2.29	2.58	2.97	2.13	0.46	2.17	2.05	2.66	3.05	3.38	3.33

Assay Procedure: all assays were fire assay, AA or ICP finish on 30g samples

APPROXIMATE CHEMICAL COMPOSITION:

	Percent			Percent
SiO2	80.0		Na2O	0.7
Al2O3	2.5		MgO	<0.1
Fe2O3	10.0		K2O	0.7
CaO	1.3		TiO2	2.2
MnO	<0.1		LOI	1.0
S	0.2		C	<0.1

GOLD ORE REFERENCE STANDARD: CDN-GS-1E

Statistical Procedures:

The final limits were calculated after first determining if all data was compatible within a spread normally expected for similar analytical methods done by reputable laboratories. Data from any one laboratory was removed from further calculations when the mean of all analyses from that laboratory failed a t test of the global means of the other laboratories. The mean and standard deviation were calculated using all remaining data. Any analysis that fell outside of the mean ±2 standard deviations was removed from the ensuing data base. The mean and standard deviations were again calculated using the remaining data. This method is different from that used by Government agencies in that the actual "between-laboratory" standard deviation is used in the calculations. This produces upper and lower limits that reflect actual individual analyses rather than a grouped set of analyses. The limits can therefore be used to monitor accuracy from individual analyses, unlike the Confidence Limits published on other standards.

Participating Laboratories:
(not in same order as table of assays)

Acme Analytical Laboratories Ltd., Vancouver, Canada
Activation Laboratories, Ancaster, Ontario, Canada
Activation Laboratories, Thunder Bay, Ontario, Canada
ALS Chemex, North Vancouver, Canada
Assayers Canada Ltd., Vancouver, Canada
Alex Stewart (Assayers) Argentina Ltd.
Genalysis Lab.Services, Australia
International Plasma Labs, Richmond, B.C., Canada
Labtium Inc., Finland
Omac Laboratory, Ireland
TSL Laboratories Ltd., Saskatoon, Canada
Ultra Trace Pty. Ltd., Australia

Legal Notice:

This certificate and the reference material described in it have been prepared with due care and attention. However CDN Resource Laboratories Ltd. nor Barry Smee accept any liability for any decisions or actions taken following the use of the reference material. Our liability is limited solely to the cost of the reference material.

Certified by Duncan Sanderson

Duncan Sanderson, Certified Assayer of B.C.

Geochemist B W Smee

Dr. Barry Smee, Ph.D., P. Geo.

CDN Resource Laboratories Ltd.

#2, 20148 - 102nd Avenue, Langley, B.C., Canada, V1M 4B4, Ph: 604-882-8422 Fax: 604-882-8466 (www.cdnlabs.com)

GOLD ORE REFERENCE STANDARD: CDN-CGH-1

Recommended value and the "Between Laboratory" two standard deviations

Gold concentration: 2.17 ± 0.18 g/t

PREPARED BY: CDN Resource Laboratories Ltd.
CERTIFIED BY: Duncan Sanderson, B.Sc., Licensed Assayer of British Columbia
INDEPENDENT GEOCHEMIST: Dr. Barry Smee., Ph.D., P. Geo.
DATE OF CERTIFICATION: May 18, 2009

ORIGIN OF REFERENCE MATERIAL:

Standard CDN-CGH-1 was prepared using ore supplied by Canadian Gold Hunter Corporation from its Caballo Blanco property in Mexico. It is a banded magnetite iron formation zone with gold in quartz shears with accessory pyrrhotite, pyrite, and arsenopyrite.

METHOD OF PREPARATION:

Reject ore material was dried, crushed, pulverized and then passed through a 270 mesh screen. The +270 material was discarded. The -270 material was mixed for 6 days in a double-cone blender. Splits were taken and sent to 12 commercial laboratories for round robin assaying. Round robin results are displayed below:

	Lab 1	Lab 2	Lab 3	Lab 4	Lab 5	Lab 6
	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t
CGH-1-1	2.29	2.10	2.13	2.09	2.42	2.110
CGH-1-2	2.17	2.11	2.08	2.36	2.24	2.015
CGH-1-3	2.08	2.26	2.27	2.27	2.27	2.075
CGH-1-4	2.21	2.14	2.34	2.17	2.32	2.142
CGH-1-5	2.16	2.10	2.15	2.29	2.34	2.131
CGH-1-6	2.12	2.16	2.08	2.12	2.35	2.153
CGH-1-7	2.12	2.05	2.13	2.05	2.23	2.171
CGH-1-8	2.11	2.08	2.12	2.03	2.41	2.212
CGH-1-9	2.24	2.28	2.10	2.33	2.20	2.094
CGH-1-10	2.14	2.06	2.18	2.07	2.25	2.102
Mean	2.16	2.13	2.16	2.18	2.30	2.12
Std. Dev.	0.065	0.079	0.085	0.124	0.077	0.055
%RSD	3.01	3.70	3.93	5.69	3.33	2.58

Assay Procedure: all assays were fire assay, gravimetric finish on 30g samples

GOLD ORE REFERENCE STANDARD: CDN-CGH-1

Statistical Procedures:

The final limits were calculated after first determining if all data was compatible within a spread normally expected for similar analytical methods done by reputable laboratories. Data from any one laboratory was removed from further calculations when the mean of all analyses from that laboratory failed a t test of the global means of the other laboratories. The means and standard deviations were calculated using all remaining data. Any analysis that fell outside of the mean ±2 standard deviations was removed from the ensuing data base. The mean and standard deviations were again calculated using the remaining data. This method is different from that used by Government agencies in that the actual "between-laboratory" standard deviation is used in the calculations. This produces upper and lower limits that reflect actual individual analyses rather than a grouped set of analyses. The limits can therefore be used to monitor accuracy from individual analyses, unlike the Confidence Limits published on other standards.

Participating Laboratories:
(not in same order as table of assays)

Acme Analytical Laboratories Ltd., Vancouver, Canada
Activation Laboratories, Ancaster, Ontario, Canada
Activation Laboratories, Thunder Bay, Ontario, Canada
ALS Chemex, North Vancouver, Canada
Assayers Canada Ltd., Vancouver, Canada
TSL Laboratories Ltd., Saskatoon, Canada

Legal Notice:

This certificate and the reference material described in it have been prepared with due care and attention. However CDN Resource Laboratories Ltd. nor Barry Smee accept any liability for any decisions or actions taken following the use of the reference material. Our liability is limited solely to the cost of the reference material.

Certified by Duncan Sanderson

Duncan Sanderson, Certified Assayer of B.C.

Geochemist B W Smee

Dr. Barry Smee, Ph.D., P. Geo.

CDN Resource Laboratories Ltd.

#2, 20148 - 102nd Avenue, Langley, B.C., Canada, V1M 4B4, Ph: 604-882-8422 Fax: 604-882-8466 (www.cdnlabs.com)

GOLD ORE REFERENCE STANDARD: CDN-GS-P8

Recommended value and the "Between Laboratory" two standard deviations

Gold concentration: 0.78 ± 0.06 g/t

PREPARED BY: CDN Resource Laboratories Ltd.
CERTIFIED BY: Duncan Sanderson, B.Sc., Licensed Assayer of British Columbia
INDEPENDENT GEOCHEMIST: Dr. Barry Smee., Ph.D., P. Geo.
DATE OF CERTIFICATION: April 18, 2009

ORIGIN OF REFERENCE MATERIAL:

Standard CDN-GS-P8 was prepared using ore supplied by Canadian Gold Hunter Corporation from its Caballo Blanco (North Zone) property in Mexico. It is a high sulphidation gold system with extensive silica flooding and brecciation. The breccia can be filled with iron oxides, but is usually devoid of clay.

METHOD OF PREPARATION:

Reject ore material was dried, crushed, pulverized and then passed through a 270 mesh screen. The +270 material was discarded. The -270 material was mixed for 6 days in a double-cone blender. Splits were taken and sent to 12 commercial laboratories for round robin assaying. Round robin results are displayed below:

	Lab 1	Lab 2	Lab 3	Lab 4	Lab 5	Lab 6	Lab 7	Lab 8	Lab 9	Lab 10	Lab 11	Lab 12
	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t	Au g/t
GS-P8-1	0.76	0.76	0.75	0.79	0.79	0.78	0.75	0.76	0.82	0.82	0.76	0.81
GS-P8-2	0.73	0.80	0.76	0.77	0.79	0.79	0.78	0.73	0.78	0.81	0.76	0.77
GS-P8-3	0.74	0.78	0.79	0.77	0.80	0.79	0.75	0.75	0.79	0.81	0.75	0.82
GS-P8-4	0.76	0.78	0.78	0.78	0.79	0.78	0.72	0.73	0.72	0.82	0.83	0.79
GS-P8-5	0.71	0.78	0.83	0.76	0.81	0.79	0.76	0.75	0.74	0.81	0.79	0.78
GS-P8-6	0.70	0.73	0.81	0.79	0.89	0.80	0.80	0.77	0.82	0.81	0.83	0.80
GS-P8-7	0.66	0.77	0.81	0.76	0.82	0.80	0.79	0.73	0.77	0.82	0.76	0.81
GS-P8-8	0.72	0.77	0.77	0.76	0.85	0.79	0.76	0.79	0.81	0.79	0.78	0.81
GS-P8-9	0.72	0.80	0.83	0.75	0.84	0.78	0.77	0.80	0.78	0.83	0.74	0.85
GS-P8-10	0.78	0.75	0.78	0.80	0.85	0.80	0.85	0.74	0.77	0.82	0.78	0.82
Mean	0.73	0.77	0.79	0.77	0.82	0.79	0.77	0.75	0.78	0.81	0.78	0.80
Std. Dev.	0.035	0.021	0.028	0.016	0.034	0.008	0.035	0.027	0.032	0.011	0.031	0.022
%RSD	4.75	2.69	3.55	2.12	4.14	1.03	4.56	3.53	4.15	1.38	4.02	2.79

Assay Procedure: all assays were fire assay, gravimetric finish on 30g samples

APPROXIMATE CHEMICAL COMPOSITION:

	Percent			Percent
SiO2	75.6		Na2O	0.5
Al2O3	2.3		MgO	<0.1
Fe2O3	15.6		K2O	0.8
CaO	1.2		TiO2	1.7
MnO	<0.1		LOI	1.0
S	0.1		C	<0.1

GOLD ORE REFERENCE STANDARD: CDN-GS-P8

Statistical Procedures:

The final limits were calculated after first determining if all data was compatible within a spread normally expected for similar analytical methods done by reputable laboratories. Data from any one laboratory was removed from further calculations when the mean of all analyses from that laboratory failed a t test of the global means of the other laboratories. The means and standard deviations were calculated using all remaining data. Any analysis that fell outside of the mean ±2 standard deviations was removed from the ensuing data base. The mean and standard deviations were again calculated using the remaining data. This method is different from that used by Government agencies in that the actual "between-laboratory" standard deviation is used in the calculations. This produces upper and lower limits that reflect actual individual analyses rather than a grouped set of analyses. The limits can therefore be used to monitor accuracy from individual analyses, unlike the Confidence Limits published on other standards.

Participating Laboratories:
(not in same order as table of assays)

Acme Analytical Laboratories Ltd., Vancouver, Canada
Activation Laboratories, Ancaster, Ontario, Canada
Activation Laboratories, Thunder Bay, Ontario, Canada
ALS Chemex, North Vancouver, Canada
Assayers Canada Ltd., Vancouver, Canada
Alex Stewart (Assayers) Argentina Ltd.
Genalysis Lab.Services, Australia
International Plasma Labs, Richmond, B.C., Canada
Labtium Inc., Finland
Omac Laboratory, Ireland
TSL Laboratories Ltd., Saskatoon, Canada
Ultra Trace Pty. Ltd., Australia

Legal Notice:

This certificate and the reference material described in it have been prepared with due care and attention. However CDN Resource Laboratories Ltd. nor Barry Smee accept any liability for any decisions or actions taken following the use of the reference material. Our liability is limited solely to the cost of the reference material.

Certified by Duncan Sanderson

Duncan Sanderson, Certified Assayer of B.C.

Geochemist B W Smee

Dr. Barry Smee, Ph.D., P. Geo.