

TecnoPetrol Inc.

Technical Report

Gold Resources of Concessions Choco 4 and 10 Estado Bolivar, Venezuela

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SUMMARY

The Venezuelan mining exploration company (Promiven) held, since the early 1990's, exploration rights to a number of concessions in Bolivar State, Venezuela. After a program of exploration work managed by Promiven, which ended in 1996, gold deposits were identified in the Choco 4 and Choco 10 concessions, and resource estimates were prepared. TecnoPetrol Inc. has entered into an agreement with Carisma Corporation A.V.V., Enrique Valero and Francisco Clerico (subject to regulatory and shareholder approval) pursuant to which TecnoPetrol has agreed to purchase from Messrs. Valero and Clerico all the issued and outstanding shares of Carisma. Carisma's sole asset is the right to acquire a 70% interest in certain properties, including the Choco 4 and Choco 10 mineral concessions, through the purchase of all of Promiven's shares. TecnoPetrol has commissioned Micon International Limited to evaluate the Choco 4 and Choco 10 concessions.

Stanley Bartlett, P. Geo. Senior Geologist of Micon, visited the concessions during July 25 and 26, 2002, and also inspected the Promiven base camp to review geological mapping, drill logs, inspect some representative core and review the sample preparation facilities.

The Choco 4 and Choco 10 concessions are located approximately 15 km west of the mining town of El Callao in Bolivar State, Venezuela. They cover a total area of 7,214.51 Ha. The mining concessions were granted by Ministerio de Energia y Minas (MEM) to Corporación Venezolana de Guayana (CVG) in 1993, after which CVG transferred the rights to the Promiven (70%) subsidiary Promotora Minera de Guayana (PMG), subject to conditions. The property is subject to royalties according to the rights granted in 1993 by MEM to CVG. Mining rights were granted effective for 20 years and may be renewed, after 20 years, for a further 20 years. CVG retains a right to participate in any project development by funding its 30% share.

The Choco mineral concessions cover oxide and sulphide gold mineralisation that occurs in the western portion of the Pastora greenstone belt which in turn forms part of the Proterozoic to Archean Guyana Shield. Primary gold deposits comprise irregular lenses and pods of quartz-sericite altered metavolcanic rock. Shearing has facilitated the deep tropical weathering observed in the region and the development of saprolite to depths of 30 to 70 m. Quartz and sericite enriched gold mineralisation is hosted by clay and sericite altered metavolcanic rocks.

During 1993, a geological survey and a semi-detailed geochemical soil survey carried out within the concession areas disclosed a large gold anomaly (>100 ppb Au) covering an approximate area of 1,500 m x 1,500 m. Targeting the large gold anomaly, a drilling program by Aircore and HQ3 was commenced in 1993. Over 1,200 holes, mainly Aircore, with average vertical depth of 30 m, were completed. Promiven and its engineering contractor completed resource estimates and development studies.

Micon was commissioned to review the existing work and advise TecnoPetrol on the acquisition. Relying on the database and geological sections provided by Promiven, Micon created a new mineral resource block model and a resource estimate, presented below.

CHOCO GOLD PROJECT MINERAL RESOURCE ESTIMATE
(As of October 01, 2002)

Cut-Off	Category	Tonnes (t)	Grade Au (g/t)	Gold (kg)	Gold (oz)
0.5	Indicated	9,584,655	2.37	22,677	729,075
0.5	Inferred	4,601,921	2.21	10,170	326,973
1.0	Indicated	7,501,970	2.81	21,058	677,016
1.0	Inferred	3,468,503	2.68	9,292	298,742

Micon considers that this estimate of mineral resources is classified according to the definitions by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines adopted by CIM Council on August 20, 2000.

The mineralised resource estimate generated from this modeling indicates a significant gold deposit on the property, which is of sufficient merit to justify further exploration by a drilling program as described in the table below. Within the mineralised zone examined, approximately 25 % of the resource is classified as “inferred”. Part of the recommended program will be designed to infill selected areas, to allow potential upgrading of material from inferred to indicated category. Also, except for a few relatively deep holes in the Rosika prospect area, detailed exploration for unweathered mineralisation on the Choco prospects is non-existent. In order that the property can be developed effectively, Micon recommends that a drilling program be commissioned for confirmation of previous results, for in-fill drilling, and for deep exploration. The confirmation drilling is proposed as part of the due diligence connected with the acquisition, and the exploration program commences with the definition drilling designed for in-fill of the inferred zones. A summary of the program follows:

PROPOSED DEFINITION AND EXPLORATION PROGRAMS

Phase	Program Description	Budget (US\$)
1	Definition drilling – 5,100 m	315,000
2	Deep exploration drilling on identified targets – 3,940 m	320,000
3	Compilation and drilling beneath known mineralisation - 2,000 m	175,000
4	Exploration drilling on targets to be defined - 2,000 m	175,000
	Confirmation drilling – 300 m	15,000
Total		US\$1,000,000

Other activities are also recommended to advance the project, and will incur an estimated total cost of US\$650,000. They are:

- An update of the current resource model with results of drilling from the program described above.
- Confirmatory metallurgical testing with samples obtained from the above drilling program.
- Geotechnical evaluation of the potential sites for a tailings storage area and to provide slope design for potential open pits. This work can be conducted as part of the planned drilling campaign and under direction of a geotechnical consultant.
- Preparation of a feasibility study, based on the updated resource model, mine design, estimate of mineable reserves, process plant and tailings storage design, and estimates of capital and operating cost.
- Commencement of environmental baseline survey and impact assessment studies.

INTRODUCTION AND TERMS OF REFERENCE

The Venezuelan mining exploration company (Promiven) held, since the early 1990's, exploration rights to a number of concessions in Bolivar State, Venezuela. After a program of exploration work managed by Promiven, which ended in 1996, gold deposits were identified in the Choco 4 and Choco 10 concessions, and resource estimates were prepared.

Promiven is currently 100% owned by Inmobiliaria Valle Dos, C.A. a 100% subsidiary of Cemex Venezuela, C.A. In early 2002, Promiven, through its parent company, indicated its intention to dispose of the exploration assets. TecnoPetrol, with its past connections to gold mining in Venezuela, has recently entered into an agreement, subject to shareholder and regulatory approval, with Carisma Corporation A.V.V. ("Carisma") and Carisma's two shareholders pursuant to which TecnoPetrol will acquire all of the issued and outstanding shares of Carisma. Carisma has the right to acquire all the issued and outstanding shares of Promiven, which holds a 70% interest in Promotora Minera de Guayana CA ("PMG"). PMG holds the exploration and exploitation rights to the concessions.

TecnoPetrol commissioned Micon International Limited (Micon), in July 2002, to conduct an evaluation of two of the concessions and the reported resources, prior to the acquisition, and to assist in developing a plan for the potential installation of a mining and processing operation. The evaluation of the gold resources for the two concessions, Choco 4 and Choco 10, is the subject of this Technical Report.

Stanley Bartlett, P. Geo. Senior Geologist of Micon, visited the concessions during July 25 and 26, 2002, and also inspected the Promiven base camp to review geological mapping, drill logs, inspect some representative core and review the sample preparation facilities. He supervised the revised resource modeling and calculation of the resource estimate, which is quoted in this report as the Micon Resource Estimate of October 01, 2002, and is the principal author of this report.

In preparation of the resource evaluation, Micon has used information owned by Promiven, including:

- Information Memorandum prepared by Promiven.
- Geological mapping, drill logs and drilling database prepared by Promiven.
- Resource model supplied by Hatch Associates Pty. Ltd (formerly BHP Engineering, Perth, Australia, who prepared earlier resource estimates for the properties).

DISCLAIMER

Micon has relied upon information which describes the project history, the exploration rights and concession dimensions, as contained in the Information Memorandum prepared by Promiven.

Micon has relied upon geological mapping, drill logs, drill hole locations and intersection lengths, as provided by Promiven in the course of the visit to the site office in El Callao, Venezuela.

Micon has relied upon the sample and assay database provided by Promiven for the Choco 10 concession exploration program, and has used the resource model provided by Hatch Associates (formerly BHP Engineering), as the basis for the resource evaluation contained in this report.

Micon has relied upon written statements provided by TecnoPetrol in describing the details of the agreement between TecnoPetrol and Carisma, and of Carisma's right to acquire Promiven.

Micon has not independently verified the statements and data contained in the above noted information. Micon has not verified the assay data provided by Promiven, other than by independent assay of one sample collected from the site and of twenty-one representative crushed sample rejects taken from the Promiven sample store.

PROPERTY DESCRIPTION AND LOCATION

The Choco property is located approximately 15 km west of the mining town of El Callao in Bolivar State, Venezuela (see Figure 1-1, El Callao Mining District). The Choco property comprises two contiguous mineral concessions Choco 10 and Choco 4 as shown in Figure 1-2. They cover a total area of 7,214.51 Ha. The coordinates listed in the table below define the concessions.

Concession	Vertices	Easting (m)	Northing (m)	Area (Ha)
Choco 10	NW	613464.61	809492.61	
	SW	613464.61	802982.61	
	NE	620002.75	809492.61	
	SE	620002.75	802982.61	4256.33
Choco 4	NW	613464.61	814017.11	
	SW	613464.61	809492.61	
	NE	620002.75	814017.11	
	SE	620002.75	809492.61	2958.18

Micon is not aware of any legal survey being conducted of the concessions, beyond the normal requirements of the State, through the Ministerio de Energia y Minas ("MEM") to define the concession boundaries.

Ownership

On February 1, 1988 Promotora Minera de Venezuela, C.A. ("Promiven") and Corporación Venezolana de Guayana C.A. ("CVG") entered into an association agreement pursuant to which CVG and Promiven agreed to incorporate a joint vehicle (Promotora Minera de Guayana, C.A. or "PMG") for the development of certain mining areas (the "Association Agreement") which were to be leased by CVG to PMG, under certain Lease Agreements.

Initially, PMG was supposed to be 51% owned by Promiven and 49% by CVG. The Association Agreement was amended on May 8, 1989 to provide among other things that CVG would own 30% of PMG and Promiven 70% of PMG.

CVG ultimately assigned its interest in PMG to C.V.G. Ferrominera del Orinoco C.A. (“FMO”), a wholly owned subsidiary of CVG.

The mining concessions were initially granted by MEM to CVG, at the following dates:

Concession	Area(ha)	Date
Bochinche 1	5,000	May, 1990
Bochinche 2	5,000	May, 1990
Choco 4	2,942	May, 1993
Choco 10	4,247	May, 1993

CVG (through the Lease Agreements) then assigned to PMG the exploration and mining rights over the areas covered by these concessions in the manner and under the general conditions described below.

1. The project risks were to be totally borne by Promiven. FMO’s interest in Promiven is carried through the exploration phase and FMO retains the right to participate in any project development by funding its 30% share.
2. If the project is successful royalties will be paid to CVG and CVG-Tecnica Minera C.A. (“Tecmin”) at specified rates described below.
3. The Choco concessions are subject to royalties as follows:
 - a. Lease Agreements: royalty payable to CVG, a sliding scale royalty applied to annual gold produced, ranging from 0.28 % at 1g/t of ore mined, to 10.00 % at 18 g/t of ore.
 - b. Association Agreement: royalty payable to Tecmin, at 1% of gross profits during first 10 years, then 0.5% of gross profits during subsequent years.
 - c. Mining Law: Exploitation Tax, royalty payable to MEM, is 3% of revenue from gold production and may be reduced to 1% in special circumstances.
4. Mining rights are effective for 20 years and will be renewed, for 10 year periods, for a maximum aggregate of an additional 20 years

Promiven is currently 100% owned by Inmobiliaria Valle Dos, C.A. an affiliate of Cemex Venezuela, C.A.

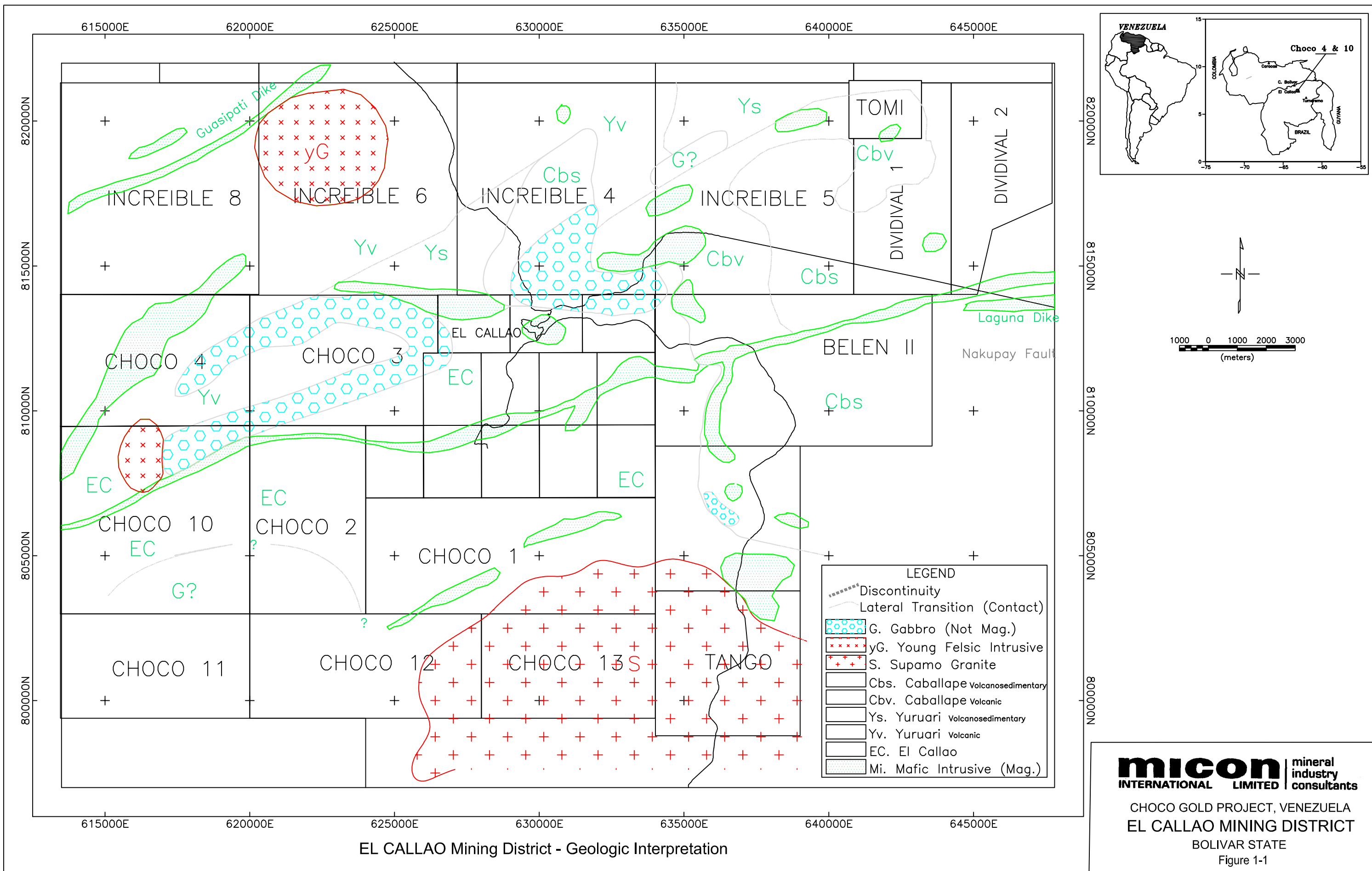
In September 2002, Carisma Corporation A.V.V. entered into an agreement with Inmobiliaria Valle Dos, C.A. and Cemex Venezuela; C.A. for the purchase of 100% of the shares of Promiven. Subsequently, TecnoPetrol Inc. also entered into an agreement for the purchase of 100% of the shares of Carisma Corporation A.V.V. (subject to regulatory and shareholders’ approval).

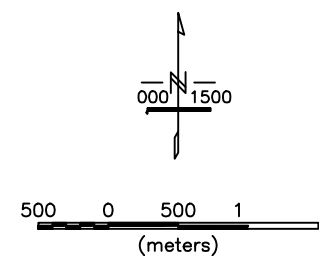
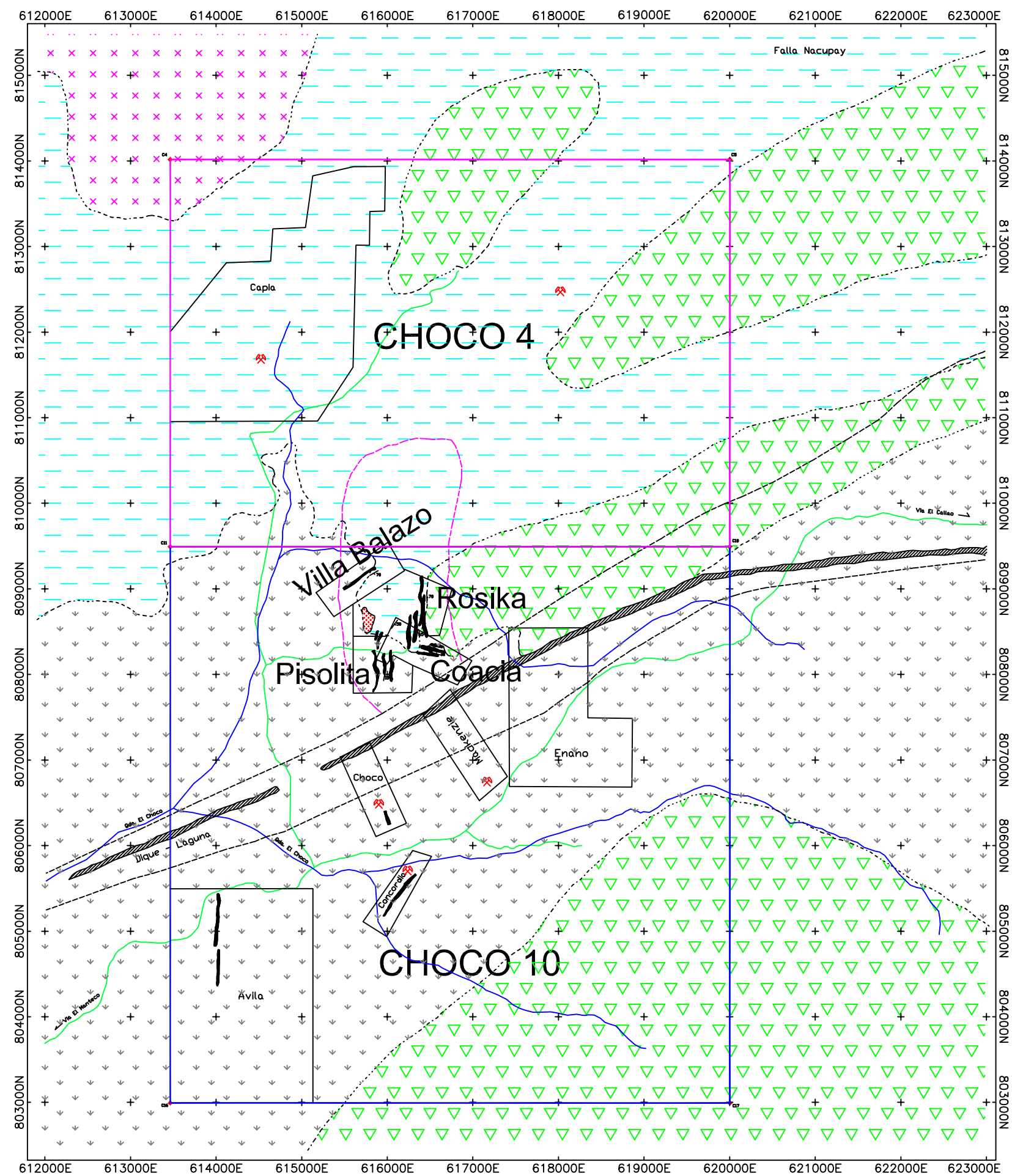
Pursuant to the TecnoPetrol-Carisma Letter Agreement, TecnoPetrol has agreed, subject to a number of conditions including regulatory approval, to purchase from the two Carisma

shareholders, Messrs. Valero and Clerico, all of the issued and outstanding shares of Carisma in consideration of the issuance of 5,000,000 common shares of TecnoPetrol, which, after closing of the acquisition, and before any related equity financing, would represent 27.88% of the issued and outstanding common shares of TecnoPetrol. Carisma's sole asset is the right, subject to certain conditions, to acquire a 70% indirect interest in the Choco 4 and 10 and Bochinché Zero, 1 and 2 mineral concessions (the "Concessions") in the El Callao and Sifontes Municipalities, Bolívar State, Venezuela, through the right to acquire all of the issued and outstanding shares of Promiven.

Pursuant to a letter agreement dated September 11, 2002 and accepted by Cemex on October 3, 2002 (the "Carisma-Cemex Letter Agreement"), in order for Carisma to acquire the Promiven shares, Carisma must pay the following to Cemex: (a) US\$300,000 upon execution of a final agreement; (b) US\$1 million on the first and second anniversaries of the execution of a final agreement; (c) US\$1.2 million on the third anniversary of the execution of a final agreement; and (d) US\$750,000 on each of the eighth and ninth anniversaries of the date that the Concessions go into production. TecnoPetrol will effectively assume all of these obligations once it completes the purchase of the shares of Carisma.

In 1998 the Ministry of the Environment granted to PMG the occupation of the Choco 4 and Choco 10 concessions, and in 2002 granted the exploration permit. Micon is not aware of any existing environmental liabilities to which the property is subject, and has no reason to suspect that there are any.





LEGEND

- | | |
|---------------------------------------|--|
| MAFIC INTRUSIVE | Diabase (Laguna - Dike) |
| SUPAMO COMPLEX | Sodic Granite |
| | Tonalite |
| MAFIC INTRUSIVE | Metagabbro |
| YURUARY FORMATION | Metalava and Metapyroclastic from andesitic to dacitic composition |
| EL CALLAO FORMATION | Basalt |
| Geological Contact | |
| ----- Magnetic Feature (fault zone P) | |
| MINERALISATION | |
| Magnetic Anomaly | |
| Creek | |
| Prospect | |
| Artesanal Mine | |
| Road & Trails | |

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CHOCO GOLD PROJECT, VENEZUELA
EL CALLAO MINING DISTRICT
BOLIVAR STATE - VENEZUELA
GEOLOGY OF CHOCO 4 & 10 CONCESSIONS
Figure 1-2

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The area of the concessions is covered by gently sloping topography with elevation ranging from 200 m to 300 m above sea level. The annual rainfall of the area is about 1,260 mm and the average temperature is 25°C. The area is classified as savanna type forest, and most of the concessions are presently covered by forest.

A paved secondary road passes through the concessions in Choco 10 and provides access to the town of El Callao, about 15 km to the east from the concessions. El Callao has a population of approximately 5,000 and is the center of population in the area. It is a historic gold mining center and a number of present and past producing mines are located nearby. The main highway, between the regional center of Puerto Ordaz to the north, and other gold mining centers of El Dorado, Kilometer 88 and the Brazilian frontier to the south, passes El Callao.

A major high voltage 400 kV electrical supply line carrying power from the Guri dam, and destined for Brazil, passes near El Callao. A sub-station about 5 km from the Choco concessions supplies power to El Callao. The potential water supply is from the Yuruari River, which passes north of the concessions, approximately 8 km distant, and from which other local mines draw water.

The Choco concessions are mostly unused for agricultural activity and the gently sloping topography provides suitable and adequate locations for project infrastructure and potential waste storage and tailings storage areas. Promiven already has exploitation rights to the entire concession area, which provide adequate area for potential mining and processing operations.

HISTORY

Previous Exploration

The exploration activity in Choco started in 1990 with a regional geochemical soil survey carried out within the Choco 4 and 10 concessions. Geophysical techniques were utilized during 1992 starting with aeromagnetic survey within the concessions. It was followed by ground magnetic survey, a detailed geochemical soil survey and trenching covering five prospect areas. A strong indication for gold mineralisation was obtained as magnetic high.

During 1993, a geological survey and a semi-detailed geochemical soil survey carried out within the concession areas disclosed a large gold anomaly (>100 ppb Au) covering an approximate area of 1,500 m x 1,500 m. Targeting the large gold anomaly, a drilling program by Aircore and HQ3 was commenced in 1993.

Over 1,200 holes, mainly Aircore, with average vertical depth of 30 m, were completed. The drilling identified the presence of four major zones of mineralisation in Choco 10, named as Coacia, Pisolita, Rosika West and Rosika East prospects. The initial drill spacing was at a grid density of 50 m x 50 m, followed by infill drilling of 50 m x 25 m and 25 m x 25 m. Validation drillings in Coacia and Pisolita were of 12.5 m x 12.5 m spacing

Aircore drilling in Choco 4, according to Promiven, showed mineralisation in a saprolite zone and intersected gold bearing quartz veins, and Promiven suggested that lode type mineralisation is likely to exist at depth. No record of a resource estimate has been provided.

BHP Engineering (BHPE) and Snowden Associates carried out the resource evaluation studies for the Choco 10 deposit in 1994-5, and BHPE conducted a preliminary feasibility study during 1995 and 1996.

Historical Mineral Resources

Promiven provided an Information Memorandum that reported the following mineral resources for the Choco deposits. The block model that forms the basis of this estimate is described in a January 1996-dated BHP Engineering report referred to as RE02199. The resource above a nominal cut-off grade of 0.5 g/t, stated according to JORC Code, is shown in Table I.

Table I
BHPE MEASURED AND INDICATED MINERAL RESOURCES AT 0.5 g/t AU CUT-OFF

Zone	Mill. Tonnes	Grade (g/t)	Au (Kg)	Au (Oz)
Laterite	4.58	1.23	5,637	81,000
Clay	7.24	1.88	13,632	438,000
Fresh	2.64	2.07	5,465	176,000
Total	14.46	1.71	24,734	795,000
Inferred Resources	1.67	1.38	2,302	74,000

Micon reviewed the BHPE mineral resource estimate and considered that excessive sub-grade material had been included in the mineralization outlined. Micon considered that inclusion of material below the cut-off grade would potentially overstate the mineral resource tonnage and underestimate the gold grade. In Micon's opinion, recalculation of the Choco mineral resources was necessary to more accurately represent the economic potential of the property.

There has been no organized production from the property. There is evidence of some surface workings conducted prior to the recent exploration campaign but no records of production are believed to be available. After the cessation of exploration in 1996, small areas of the property have been worked periodically by small groups of artisanal miners (mineros), accessing the mineralised zones either by small pits or by short vertical shafts. During the site visit in July 2002, these miners were producing a small amount of vein type material, which is packed into sacks and delivered to one of the local small mills, where gravity separation is employed to recover the gold. The miners are paid by the mill owners on the basis of a fixed price per sack of material. No estimate of the amount of gold recovered to date from the property by these miners has been attempted, as this is considered to represent an insignificant quantity.

GEOLOGICAL SETTING

The Choco mineral concessions cover oxide and sulphide gold mineralisation that occurs in the western portion of the Pastora greenstone belt, which in turn forms part of the Proterozoic

to Archean Guyana Shield. The prolific Guyana Shield extends through Brazil, Guyana and the El Callao gold belt of eastern Bolivar State, Venezuela. The project area is underlain by metavolcanics and metasediments of the El Callao and Yuruari Formations, which have been intruded by younger felsic to mafic stocks and sill-like bodies. A significant regional marker unit, the late-phase Laguna diabase dyke, passes south of the currently defined mineralisation.

The area is structurally complex and shearing is evident both within the stratigraphic sequence and near the margins of intrusive rocks. Large-scale gabbroic intrusions present in the concession area form topographic highs and are probably over-thrust blocks. Late dykes of intermediate composition are present and probably indicate a deep-seated intrusion that may be the cause of shearing. The dominant structural trends are north-south and east-west-trending with a secondary structural trend to the northeast. A schematic geological map is present in Figure 1-2 above.

DEPOSIT TYPES

Primary gold deposits comprise irregular lenses and pods of quartz-sericite altered metavolcanic rock that contain up to 20 % pyrite. The orientation of these deposits is variable and ranges from moderate to steeply dipping to flat lying and gently dipping. High grade gold generally occurs in sulphide-rich zones although a direct correlation between gold and sulphide mineralisation has not been determined. Unweathered mineralisation occurs in the Fresh zone and the average grade of the mineralisation outlined is 2.6 g/t Au.

Shearing has facilitated the deep tropical weathering observed in the region and the development of saprolite to depths of 30 to 70 m. Quartz and sericite enriched gold mineralisation is hosted by clay and sericite altered metavolcanic rocks. These lenses occur in what is referred to as the Clay zone. The average grade of the Clay zone mineralisation is approximately 2.5 g/t Au.

Deep weathering has led to the development of lateritic surface enrichment of gold, and colluvial and pisolitic laterite deposits in excess of 10 m thick are locally present. The distribution of gold-bearing laterite is irregular but the deposits tend to thicken on topographic slopes in response to gravity. Laterite is relatively unconsolidated and requires no blasting. The average grade of the Laterite zone is 1.6 g/t Au.

MINERALISATION

The mineralised zones in Choco 10 cover an area measuring approximately 1,500 m x 1,500 m and have been subdivided into three main deposits including:

- Rosika: The largest deposit, which lies in the eastern and northern portion of the mineralised area. Rosika mineralisation comprises north-south-trending steep to moderately east-dipping altered zones.
- Pisolita: The second largest deposit that comprises north-trending, shallow east and west-dipping quartz veins that form Clay and Laterite Zone mineralisation. The

Pisolita deposit is hosted in a sequence of alternating pyritic and silicified and unaltered pillow basalt of the El Callao Formation and forms the western edge of the mineralised zone.

- Coacia: The smallest of the deposits located in southeastern portion of the mineralised area. Coacia mineralisation comprises west-northwesterly-trending, steep northeasterly-dipping Clay zone material that occurs at the contact of El Callao Formation basalt and adjacent pyroclastic rock of the Yuruari Formation.

The gold mineralogy of the Choco deposits is relatively simple. Very fine grained gold occurs in association with aggregates of limonite throughout the oxidized zone with gold particles measuring about 1 µm. Primary gold particles range in size to a few tens of µm and occur in fractures within pyrite grains or as isolated grains in quartz.

EXPLORATION

Promiven began exploration of the Choco concessions in 1990, initially using soil geochemistry followed by airborne and ground geophysics. A follow-up soil survey revealed a plus 100 ppb Au anomaly measuring 1,500 m x 1,500 m. These early exploration programs provided the impetus to initiate the subsequent drilling campaigns that led to the discovery of the Choco deposit. Since the importance of the results of these programs has been superseded by the drilling results, further discussion of the procedures and parameters of the earlier exploration programs is not warranted.

Reverse circulation (mainly Aircore with some down-the hole hammer) and diamond drilling (HQ3) was carried out between 1993 and 1995 during which nearly 50,000 m was drilled in more than 1,200 holes. Drilling to date is summarised in the following table.

Drill Campaign	Number of Holes	Metres Drilled
Pre-1995	983	33,868
1995	305	16,049
Total	1288	49,917

Micon has interpreted this extensive drilling database and the result of this interpretation is the new mineral resource block model, which is described below. The drilling was conducted by an independent contractor and was closely supervised by company geologists. While there are inherent risks related to any drilling, sampling and assaying campaign, it is Micon's opinion that the level of supervision and the extent and nature of the quality control measures in place during the Choco drilling campaign were of a high standard. Micon considers that the data generated during the Choco drilling campaign are adequate for use in calculating the mineral resources of the property.

DRILLING

The majority of holes were drilled using Aircore reverse circulation equipment. The program was conducted by Cavoex, a subsidiary company of the cement company Vencemos, using local personnel supervised and trained by individually contracted, experienced Australian drillers. A "Wallis 4.5" system installed on a Universal 650 multi-purpose drilling rig was

used. Where hard rock was encountered, drilling was extended using either a reverse circulation down-the-hole hammer or HQ-sized diamond drilling equipment. For parts of the program, and particularly diamond drilling, the following contractors were used: St. Lambert, a Canadian contractor; Angostura Mining, the Venezuelan branch of Bradley Brothers; and Rotopercusiones del Caroni, a local drilling contractor.

The area drilled measures 1,500 m. north to south and 1,100 m. east to west. Many holes were drilled to a depth of only 30m. The initial drilling was at a grid density of 50 m x 50 m. Later infill drilling was conducted at 50 m x 25 m and 25 m x 25 m intervals. A limited amount of validation drilling at Coacia and Pisolita was conducted on a grid of 12.5 m x 12.5 m.

Holes at Pisolita were drilled to the west at inclination of -50° though a few holes were oriented vertically or inclined to the east. The orientation of the holes was designed to provide representative samples of the Pisolita mineralization. The first holes drilled at Rosika were inclined -50° to the east but later holes were drilled to the west. Drilling at this attitude provided the most representative samples on average. At Coacia holes were drilled at -50° to the southwest on a grid oriented at 210° . On average, this orientation provided representative samples. No down-hole survey data was collected for Pre-1995 holes. Holes drilled during the 1995 campaign were surveyed using a Tropari down-hole gyrocompass and inclinometer.

SAMPLING METHOD

Aircore samples were collected at 2 m intervals at the Pisolita and Rosika prospects and at 1 m intervals at Coacia. A cyclone connected to the sample return hose, which was directly attached to the inner tube at the drill head, was used to collect drill cuttings. Samples weighed ranged from 15 kg to 20 kg per metre and were riffled at the drill site to 3.5 kg. Drill core was sampled on the basis of geology using a sample interval of 1 m. Intervals varied as required and ranged from 0.1 m to more than 4 m. A total of 31,880 samples were collected during the Choco drilling campaign, a total too numerous to list in this report.

The following factors could contribute to contamination of the Aircore and diamond core samples collected:

- Segregation of gold and down-hole contamination of samples during sample recovery operations
- Segregation of gold and down-hole contamination of subsequent samples by water
- Poor core samples recovered in broken ground
- Mislabelling due to poor sample administration

Micon considers that the potential of gold segregation during either sample recovery or resulting from water inflow is minimal, and that the impact on the mineral resource calculation is immaterial. Micon confirmed that the drilling equipment was sufficiently powerful and adequately maintained to remove the sample material from the hole, and that minor quantities of water were only rarely encountered. The rate of core recovery recorded was high, and recovery in broken ground was enhanced by use of HQ3 equipment which utilised a triple tube core recovery system. There is strong evidence that competent personnel

managed the drilling program, and Micon is of the opinion that the impact of any minor administration errors, that may have been made, would be immaterial.

In addition to the samples generated during the 1995 drilling campaign a total of 854 channel samples were collected from bulldozer trenches across the principal mineralised zones. These sample data were not used in generating Micon's mineral resource block model.

SAMPLE PREPARATION, ANALYSES AND SECURITY

All samples were prepared at the Promiven laboratory in El Callao. Prior to shipment to the laboratory reverse circulation samples were riffled at the drill rig to produce a 3.5 kg subsample. Core samples were either split into two using a knife or a diamond saw was used to cut hard intervals. Samples were dried, crushed to 6 mm and pulverised to in two stages to produce a final product of 500 g at 90 % passing 200 mesh (75 microns). In 1994, a rolls crusher that produced a 1.5 kg subsample of minus 200 mesh (75 microns) material replaced the initial stage of pulverisation.

Samples were shipped for analysis to Genalysis Laboratory Services Pty Ltd in Perth, Australia. The Genalysis laboratory is accredited (No 3244) by the National Association of Testing Authorities, Australia (NATA). Sample charges of 50 g were fire assayed with atomic absorption spectrophotometry (AAS) finish. Selected check samples from the three zones (Coacia, Rosika and Pisolita) were analysed at Triad Laboratories in Puerto Ordaz, Venezuela, whose certification status is unknown to the author. Rosika check samples were also assayed at Bondar Clegg in Vancouver, Canada, which has ISO 9002 certification.

A comprehensive program of quality control was in place during the exploration program. Duplicate RC samples were collected at the drill to measure the variability of gold within sample intervals. On average one duplicate was collected for each drill hole. The duplicate samples were inserted into the regular sample number sequence using the subsequent sample number to the original.

Duplicate samples were collected at the pulverisation stage at the rate of one sample per 30 samples processed. The duplicate samples were assigned a sample number and assayed in the same batch. In addition three standard samples were prepared and inserted into the sample number sequence. Thirty samples were subject to screen fire assay method to determine the effect of coarse gold. Samples were screened to 120 mesh to produce a pair of 60 g samples of minus 120 mesh material plus a sample of +120 mesh. All three samples were analysed and a final screen assay was calculated. The quality control data demonstrated that no real bias exists for duplicate drill sample intervals, and laboratory duplication.

Micon carried out a limited inspection of the Promiven exploration camp facilities and interviewed some of the people involved in the past exploration programs. Micon also reviewed some of the drilling records and examined drill core from one of the most significant holes drilled on the property. The general organisation of the data collection, the QA/QC checks that had been put in place and the fact that the sample materials on site have been orderly maintained all provided evidence to suggest that the administration of the exploration drill program and core logging, sampling and assaying was conducted to a very high standard.

DATA VERIFICATION

Micon has relied upon the sampling and analytical data provided by Promiven and which was used by BHPE in the resource modeling. Verification of the modeling techniques is described in Section 16, Mineral Resources Estimates.

Preliminary independent verification was conducted with a random selection by the author of 21 drill core assay pulps, plus a large rock sample. These were submitted by the author, for independent analysis, to OMAC Laboratories of Galway, Ireland for analysis. OMAC Laboratories is a member of the Alex Stewart Assayers Group, has ISO 9002 accreditation, and is certified according to the Proficiency Testing Program for Mineral Analysis Laboratories (PTP-MAL). The 21 sample pulps were recovered from storage on site and the single rock sample was collected from small miners' workings at the Coacia prospect. Due to the small amount of sample material available, the samples permitted by Promiven were small, ranging from 15 g to 30 g. The results for duplicate samples obtained from OMAC are summarised in Table II.

Table II
COMPARISON OF ORIGINAL AND OMAC GOLD ASSAYS

BHID	Sample ID	Weight (g)	From (m)	Original (g/t Au)	OMAC (g/t Au)	Difference (%)
PI03-03	42484	24.08g	21.80-23.80	6.20	5.76	-7.2
CO18A-02	56852	22.08g	13.00-14.00	22.50	33.90	50.7
CO18A-02	56872	19.08g	33.00-34.00	11.40	10.69	-6.2
CO18A-03	56922	22.08g	39.00-40.00	2.65	2.65	0.0
CO18A-03	56924	20.07g	41.00-42.00	7.80	7.95	2.0
PI04A-03	70597	21.06g	28.50-29.00	4.30	6.74	56.7
PI02C-10	72022	22.00g	1.40-3.40	3.20	3.37	5.3
PI02C-10	72029	20.01g	13.40-15.40	12.00	11.63	-3.0
CO274	74569	30.00g	191.45-192.38	8.00	7.60	-5.0
CO274	74579	21.02g	201.15-202.15	21.50	21.69	0.9
C0009	81131	20.09g	38.65-40.00	2.70	2.60	-3.8
C0009	81134	30.00g	43.55-44.90	3.50	3.74	6.9
C0171	81684	20.09g	25.60-27.60	5.40	5.54	2.6
C0184	81957	22.00g	5.50-7.50	18.50	15.98	-13.6
C0184	81961	16.00g	13.50-15.50	6.00	5.87	-2.2
C0194	82233	15.02g	27.50-29.50	7.20	7.01	-2.6
C0196	82269	20.01g	21.20-23.20	10.20	10.31	1.1
C0196	82270	22.05g	23.20-25.20	9.00	10.23	13.7
C0171	83069	23.06g	46.00-48.00	6.80	0.08	-98.9
C0213	83216	16.00g	22.00-24.00	17.00	16.28	-4.3
C0213	83217	15.01g	24.00-26.00	3.60	3.88	7.7

The duplicate assay results show that all but three of the 21 assay pairs demonstrate reasonable correlation. The errors observed between assay pairs for high grade samples 56852 and 70597 can result when small samples are analysed. The error observed for sample 83069 indicates that an error was made by either the Promiven sampling crew or by the analytical technicians at either one of the assay labs.

In addition to the above results a 1 kg grab sample from Coacia workings assayed 19.24 g/t Au at the OMAC laboratory.

ADJACENT PROPERTIES

Concessions or properties adjacent to the Choco 4 and Choco 10 concessions were not examined and are not discussed in this report.

MINERAL PROCESSING AND METALLURGICAL TESTING

Prior to 1995, metallurgical testwork for evaluation of heap leaching and gravity recovery for gold, had been completed by AMDEL Laboratories in Australia, using predominantly three composite samples representing the main zones of soft material in the deposit. In 1995, four new composite samples were prepared, with total weight of some 500 kg, using samples from the more recent drilling. The composites represented the four zones of laterite, clay / schist, silicified zone / quartz veins and volcanic bedrock. The composite samples were then used for metallurgical testing of Multiple Phase Milling / CIP Cyanidation and Heap Leach Cyanidation. The composite preparation and testing was conducted by McClelland Laboratories in Nevada, USA. The following discussion of results applies to the work conducted at the McClelland Laboratories.

The results of bottle roll cyanidation tests of 48 hours duration and after a final grind to 80 % passing 0.074 mm showed a recovery of gold in excess of 90 % for all samples. The laterite and clay/ schist samples generated gold recoveries of 94 %.

The recovery from the softer rock types, laterite and clay types, were maintained at high levels even at significantly coarser feed sizes up to 12 mm, indicating the potential of this material for heap leaching. However the volcanic bedrock sample provided much lower recovery at coarser sizes than 0.074 mm, and BHPE estimated a recovery of 45 % would be reasonable in a heap leaching operation.

The laterite and clay zones appear to be naturally acidic and during cyanide testing a high lime consumption, necessary to establish protective alkalinity, was indicated. A lime consumption of up to 14 kg/tonne for the laterite type was shown. For the quartz vein and bedrock samples, reasonable lime consumptions of around 3 kg/tonne were experienced. Cyanide consumption in all sample types averaged about 0.3 kg/tonne.

A single column leach test conducted with a weathered zone composite, crushed to 12 mm and agglomerated with cement, was completed. Cement consumption, to achieve a stable agglomerate, was high at over 12 kg/tonne. Maximum recovery of gold was attained after 60 days of testing, to a level of 90 %. Column testing with bedrock material was not completed.

Micon considers that these results are quite typical of gold deposits of this region and indicate the potential of conventional processing to recovery gold from the deposit at recovery levels of 90% or higher.

MINERAL RESOURCE ESTIMATE

Interpretation

Micon created a mineral resource block model using the assay database and geological cross sections provided by Promiven. The block model was created using Gemcom mining software supplemented by AutoCAD. Initially, cross sections were generated at 25 m intervals showing drill hole assays and the BHPE mineral resource envelopes. The deposit was subdivided into three sectors: Pisolita, Rosika and Coacia. Drilling in the Pisolita and Rosika areas was presented on east-west cross sections. Coacia drilling was shown on sections oriented on an azimuth of 210°. New mineral resource envelopes were outlined using a cut-off grade of 0.5 g/t Au. The new envelopes conformed to the Promiven and BHPE interpretations where this was deemed to be reasonable. Micon acknowledged BHPE's efforts to include only mineralised zones thought to demonstrate continuity and therefore some intercepts above the cut-off grade were not used to define mineral resource envelopes. Conversely, Micon found that Promiven had projected mineralisation only very short distances beyond some drill holes and, unless information to the contrary existed, intercepts were projected either half the distance to adjacent holes or 25 m, whichever was less.

The continuity of mineralised zones and the reasonableness of the interpretation were checked by examining adjacent sections on a light table. This effort identified several inconsistencies in correlating assay data from hole to hole and these were corrected. In general, there is a reasonable degree of continuity demonstrated by some of the mineralised zones but these can be highly variable in thickness and grade. Other zones demonstrated very limited continuity.

Solid Modeling

Considering the limited continuity of some zones and the required timeframe in which to complete the work it was decided to create a solids model using the Gemcom extrusion feature. Solids were created by projecting cross sectional mineral resource envelopes half the distance to adjacent sections. Generally, the envelopes were extended 12.5 m either side of the section lines. On a few sections, where drilling had been conducted along lines at 50 m intervals it was necessary to project the mineral resource envelopes 25 m.

Two primary groups of solids were developed: laterite, representing Promiven's Zone 2 laterite mineralisation and non-laterite, comprising Promiven's Clay and Fresh (Zones 1 and 0) mineralisation. Laterite and Non-Laterite solids were generated for each of the three principal zones: Pisolita (West), Rosika (East) and Coacia. The Non-Laterite solids model was further subdivided into the weathered (Clay) and unweathered (Fresh) zones using the wireframe contact surface provided by Hatch. The resulting solids represent the volume of mineral resources above a cut-off grade of 0.5 g/t Au.

Unlike a wireframe model where related cross sectional polygons are linked from section to section to create a 3-dimensional volume, extruded solids show abrupt step-like changes across the bisector plane of two adjacent cross sections. Micon considers the volume generated using the extrusion process to be a reasonable representation of the volume of mineralisation and suitable for this type of study.

To be consistent with previous calculations a block size of 12.5 m x 12.5 m x 5 m high was used. The solids model generated was filled with regular-sized blocks and block partials were calculated to account for the portions of blocks that straddled the contacts of the mineralised zones. The limits of the block model are:

	Minimum	Maximum	Distance (m)	No. of Blocks
Easting (m)	5512.5	6850	1337.5	107
Northing (m)	7275	8800	1525	122
Elevation (m)	0	300	300	60

Grade Interpolation

Micon utilised the solids model to extract the assay data to be used to create assay composites for Au block grade interpolation. All assay data falling within the solids model were compiled and flagged by zone and as either laterite or non-laterite. The compiled assay data are summarised in Table III and illustrated by the frequency distribution plots in Figures 2-1 to 2-3.

Table III
COMPILED ASSAY DATA

Assays	Pisolita Laterite			Pisolita Non-Laterite		
	Length	Uncut	Cut	Length	Uncut	Cut
Number	1199	1199	1199	2514	2514	2514
Mean	1.64	1.67	1.65	1.62	2.72	2.67
Wt Avg		1.75	1.72		2.73	2.68
Std Dev	0.65	2.86	2.54	0.72	4.90	4.41
COV	0.40	1.71	1.54	0.44	1.80	1.65
Max	10.40	58.00	35.00	12.52	80.00	35.00
Min	0.01	0.00	0.00	0.01	0.01	0.01
No. Cut			1			7

Assays	Rosika Laterite			Rosika Non-Laterite		
	Length	Uncut	Cut	Length	Uncut	Cut
Number	593	593	593	1266	1266	1266
Mean	1.46	1.33	1.33	1.58	2.74	2.47
Wt Avg	866.22	1.41	1.41	2004.75	2.88	2.55
Std Dev	0.61	1.49	1.49	0.62	10.99	3.84
COV	0.42	1.12	1.12	0.39	4.02	1.56
Max	2.36	18.50	18.50	4.40	370.00	35.00
Min	0.01	0.00	0.00	0.01	0.01	0.01
No. Cut			0			3

Assays	Coacia Laterite			Coacia Non-Laterite		
	Length	Uncut	Cut	Length	Uncut	Cut
Number	709	709	709	2025	2025	2025
Mean	0.93	1.97	1.97	0.99	3.10	2.89
Wt Avg		1.98	1.98		3.17	2.96
Std Dev	0.37	3.18	3.18	0.40	7.13	5.10
COV	0.40	1.62	1.62	0.41	2.30	1.77
Max	2.72	27.50	27.50	4.87	106.00	35.00
Min	0.01	0.00	0.00	0.01	0.01	0.01
No. Cut			0			13

High assays were cut to 35 g/t Au in order to reduce the impact of outliers in interpolating block Au grades. Only one laterite assay was cut and the impact on the contained gold was negligible. The impact of cutting was more significant for non-laterite mineralisation. The weighted average Au grade of cut data was lower by the following amounts: Pisolita 2 %, Rosika 12 %, Coacia 7 %.

Assay composites were generated from the data extracted from the solids model. A composite length of 2.5 m was utilised and Laterite and Non-Laterite data were compiled separately. All composite fragments less than 0.95 m were discarded as were 33 composites of nil grade that were derived from unsampled intervals within the solids model. Composite data are compiled in Table IV.

Figure 2-1
PISOLITA NON-LATERITE GRADE/FREQUENCY CURVE

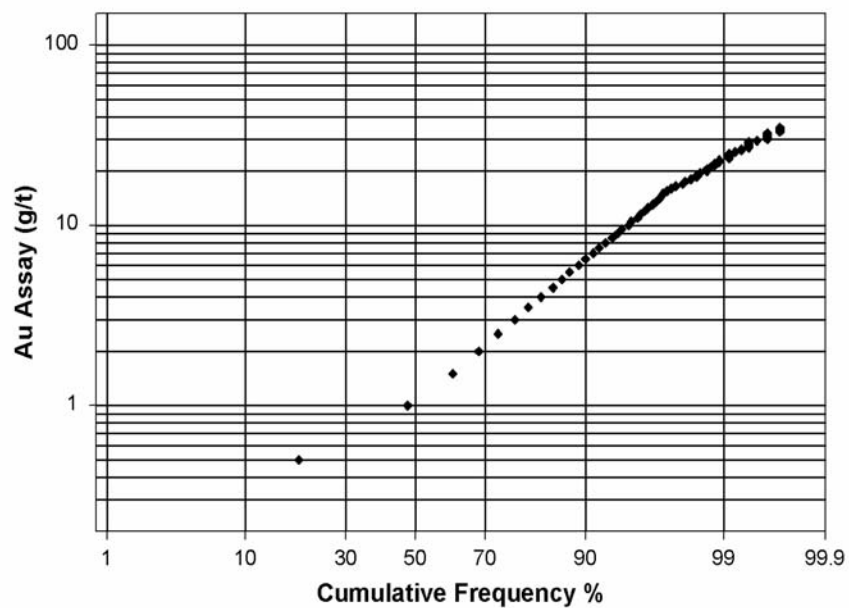


Figure 2-2
ROSIKA NON-LATERITE GRADE/FREQUENCY CURVE

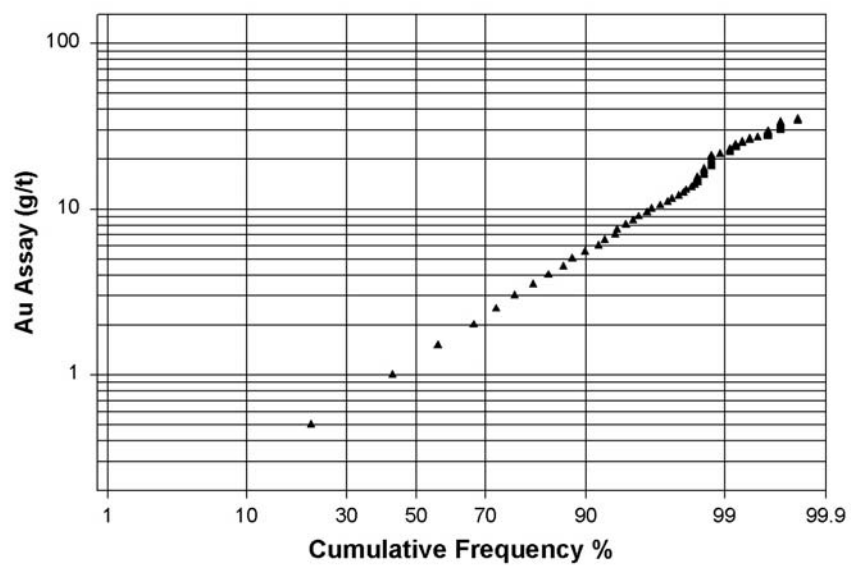


Figure 2-3
COACIA NON-LATERITE GRADE/FREQUENCY CURVE

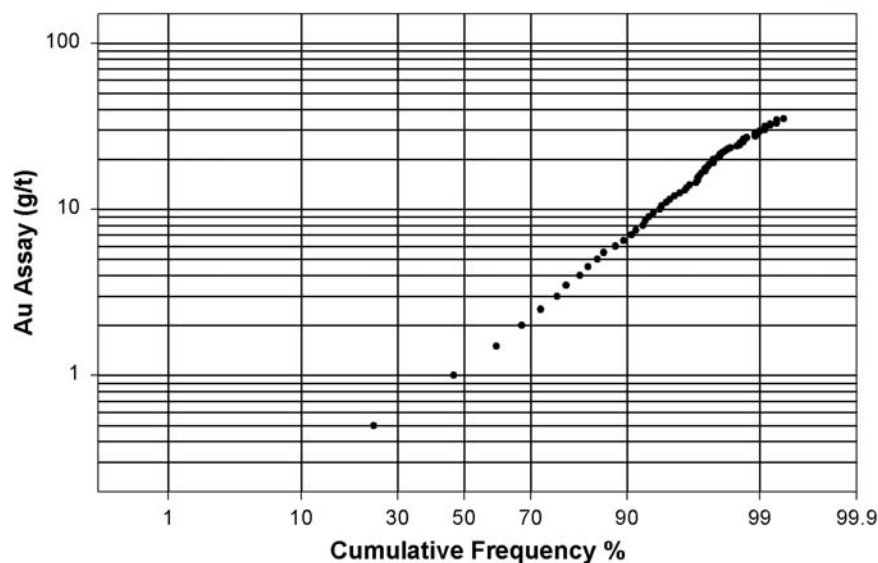


Table IV
COMPOSITED ASSAY DATA

Composites	Pisolita Laterite			Pisolita Non-Laterite		
	Length	Uncut	Cut	Length	Uncut	Cut
Number	848	848	848	1827	1827	1827
Mean	2.22	1.74	1.72	2.21	2.70	2.65
Wt Avg		1.77	1.75		2.72	2.67
Std Dev	0.47	2.57	2.25	0.46	3.90	3.48
COV	0.21	1.48	1.31	0.21	1.45	1.31
Max	2.50	46.98	28.58	2.50	64.13	31.00
Min	0.95	0.05	0.05	0.95	0.01	0.01

Composites	Rosika Laterite			Rosika Non-Laterite		
	Length	Uncut	Cut	Length	Uncut	Cut
Number	373	373	373	838	838	838
Mean	2.21	1.40	1.40	2.39	2.83	2.51
Wt Avg		1.42	1.42		2.88	2.54
Std Dev	0.49	1.39	1.39	0.33	8.51	2.96
COV	0.22	0.99	0.99	0.14	3.01	1.18
Max	2.50	15.89	15.89	2.50	222.76	22.44
Min	0.95	0.16	0.16	0.99	0.06	0.06

Composites	Coacia Laterite			Coacia Non-Laterite		
	Length	Uncut	Cut	Length	Uncut	Cut
Number	297	297	297	937	937	937
Mean	2.15	1.98	1.98	2.09	3.07	2.89
Wt Avg		2.06	2.06		3.21	3.00
Std Dev	0.50	2.55	2.55	0.59	5.73	4.24
COV	0.23	1.29	1.29	0.28	1.86	1.47
Max	2.50	16.46	16.46	2.50	97.61	34.86
Min	0.97	0.02	0.02	0.95	0.01	0.01

As expected, composites derived from cut assays are lower than uncut assay composites by the following amounts: Pisolita 2 %, Rosika 12 %, Coacia 7 %.

Block model Au grades were interpolated using the inverse distance squared algorithm (ID²) in Gemcom. The strategy developed was intended to minimise the smoothing of Au assays by restricting the search radius about each block and using a minimum number samples with which to interpolate a block grade. The following grade interpolation protocol was used:

TO DEFINE INDICATED MINERAL RESOURCES:

- Search Radius: Horizontal 30 m, Vertical 10 m
- Minimum Number of Drill Holes: 2
- Minimum Number of Samples: 3
- Maximum Number of Samples per Drill Hole: 2
- Maximum Number of Drill Holes: 4 (one per quadrant)
- Maximum Number of Samples: 8

TO DEFINE INFERRED MINERAL RESOURCES:

- Search Radius: Spherical 100 m (or maximum required)
- Minimum Number of Drill Holes: 1
- Minimum Number of Samples: 1
- Maximum Number of Samples per Drill Hole: 2
- Maximum Number of Samples: 2

Block model tonnage was calculated using a bulk density of 2.2 t/m³ for laterite and 2.7 t/m³ for non-laterite mineral resources. The same bulk density values were used for non-mineralised material of each zone.

Block models were created using both Cut and Uncut assay composites. No significant difference in tonnage resulted from the use of cut assay composites. However, the average grade of the cut model was lower and the net result was that the cut model contained 3.4 % less gold at a cut-off grade of 1 g/t Au. Micon's estimate of mineral resources, as of October 01, 2002, for the Choco property are presented in Table V. Micon considers that this estimate of mineral resources is classified according to the definitions by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines adopted by CIM Council on August 20, 2000.

Table V
CHOCO GOLD PROJECT MINERAL RESOURCE ESTIMATE
(As of October 01, 2002)

Cut-Off	Category	Tonnes	Grade	Gold	Gold
		(t)	Au (g/t)	(kg)	(oz)
0.5	Indicated	9,584,655	2.37	22,677	729,075
0.5	Inferred	4,601,921	2.21	10,170	326,973
0.8	Indicated	8,470,000	2.59	21,937	705,284
0.8	Inferred	4,002,148	2.44	9,769	314,081
1.0	Indicated	7,501,970	2.81	21,058	677,016
1.0	Inferred	3,468,503	2.68	9,292	298,742
1.2	Indicated	6,534,429	3.06	19,995	642,851
1.2	Inferred	2,966,431	2.95	8,736	280,867
1.5	Indicated	5,350,000	3.44	18,404	591,689
1.5	Inferred	2,332,728	3.38	7,887	253,566

Comparison With Earlier Mineral Resource Estimates

The Micon mineral resource estimate contains lower tonnage but higher grade and higher contained gold than the mineral resource estimate presented in the Promiven Information Memorandum (PIM). That PIM estimate was generated by BHPE using a solids model defined using a 0.5 g/t Au cut-off grade, a cut assay composite database, grade interpolation by ordinary kriging and the same bulk densities described above. The variance between the two models is attributed to the following points:

- Micon strictly adhered to the 0.5 g/t Au cut-off grade used to define the mineralised zones. BHPE included some sub-grade material in its effort to trace mineralised structures. This additional volume of sub-grade material contributed to the higher tonnage contained in the BHPE model.
- The volume of sub-economic material included in the BHPE model contributed low grade assays to the database used to calculate assay composites for grade interpolation. These assays served to lower the overall grade of the deposits.
- BHPE compiled assay data for each of the 32 separate mineralised zones that were outlined. Top cut values ranging from 6.0 g/t Au to 25 g/t Au were applied to 25 of the 32 data sets. BHPE reported that application of these top cut values to assay data reduced the average composite grade by 10 %. Micon used a top cut value of 35 g/t Au. The net effect was to reduce the weighted average laterite composite Au grade by 0.8 % and to lower the weighted average non-laterite composite Au grade by 5.6 %.
- BHPE used eight different search radii with principal axes ranging from 40 m to 200 m and an average of 20 two-metre composites (maximum 30) for block grade interpolation. Since the database contained a relatively high proportion of low grade values were smoothed throughout the block grade resulting in a lower average grade. The maximum number of 2.5 m composites used to interpolate block grades for the

Micon model was eight and the search radius for the two principal axes was 30 m. The Micon grade interpolation protocol was designed to limit the smoothing of high grade values and to generate block grades based on local composite values.

OTHER RELEVANT DATA AND INFORMATION

No other data or information are considered relevant

INTERPRETATION AND CONCLUSIONS

The area of Choco 10 concession being explored by PMG until 1996 was subjected to thorough drilling in a program including almost 50,000 m of drilling. Much of this drilling was to a relatively shallow depth of 30 m.

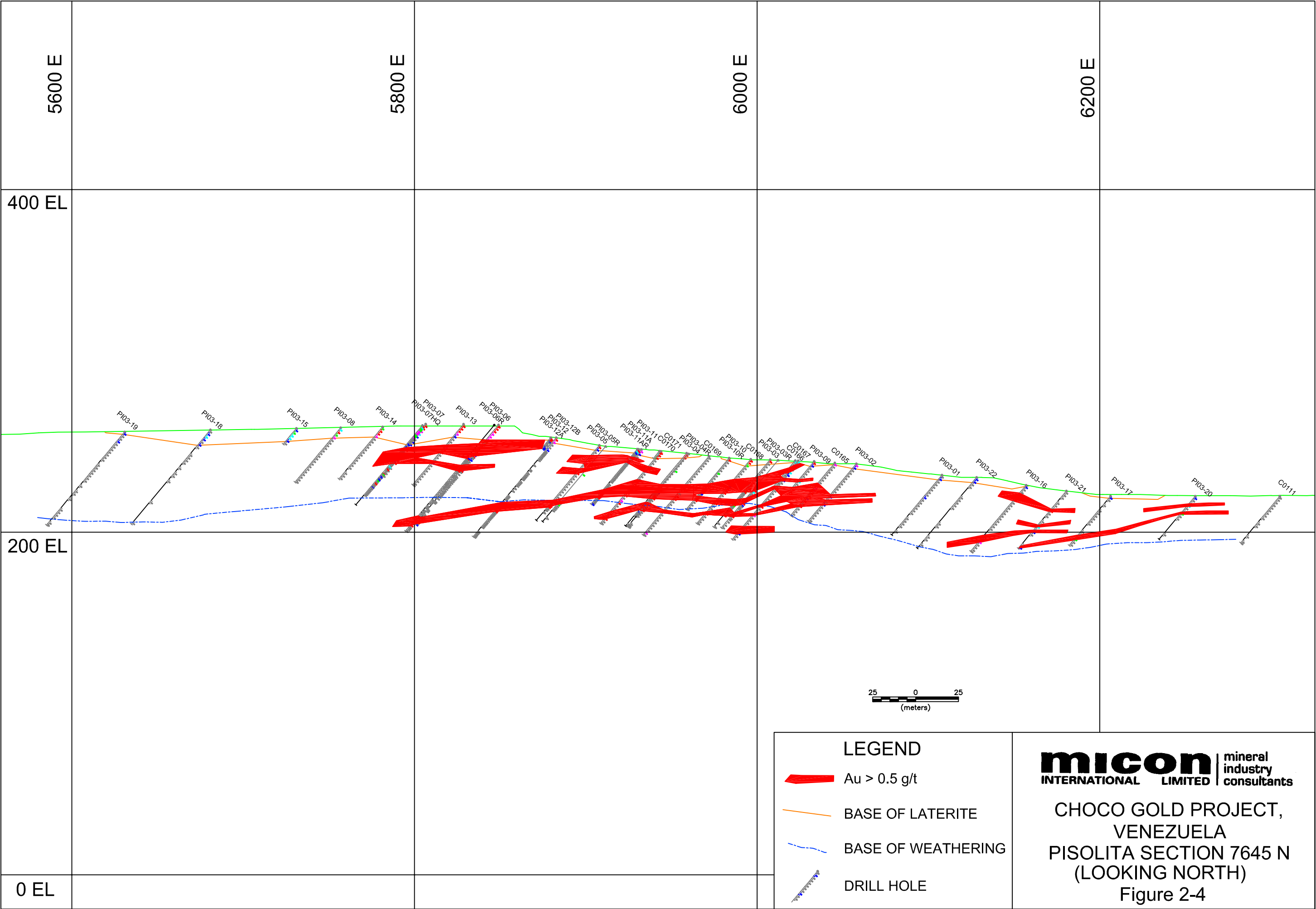
The general organisation of the data collection, the QA/QC checks that had been put in place and the fact that the sample materials on site have been orderly maintained all provided evidence to suggest that the administration of the Promiven exploration drill program and core logging, sampling and assaying was conducted to a very high standard.

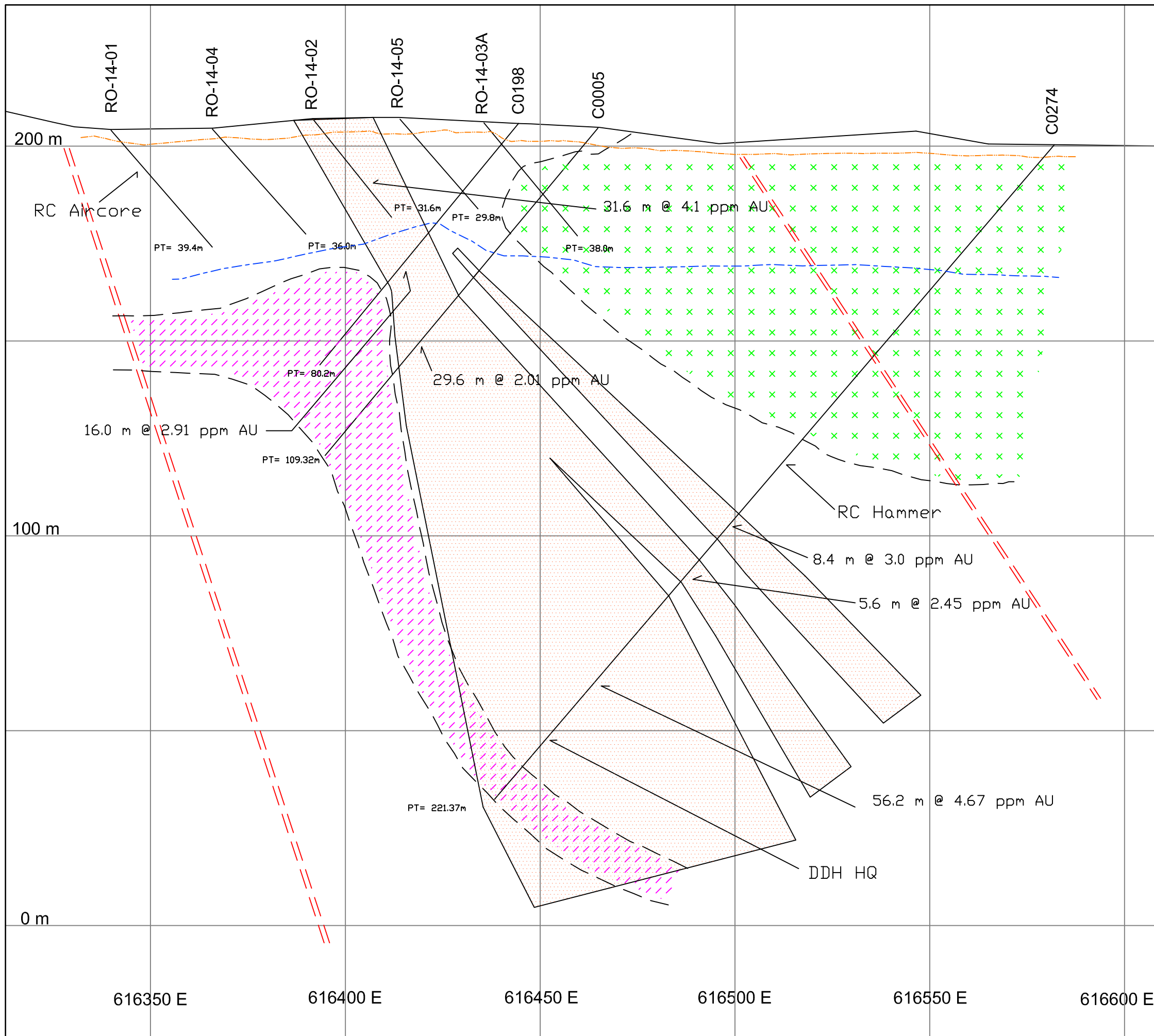
Micon created a mineral resource block model using the assay database and geological cross sections provided by Promiven, with new mineral resource envelopes outlined using a cut-off grade of 0.5 g/t Au. The mineralised resource estimate generated from this modeling indicates a significant gold deposit. Within the mineralised zone examined, approximately 25 % of the resource is classified as “inferred”. The overall conclusion is that the property merits further exploration, some of which will be designed to upgrade material from inferred to indicated category. For preparation of a feasibility study on the property, a higher proportion of indicated resources will be required, and any increase in the total resource will be of benefit to the project potential.

Except for a few relatively deep holes in the Rosika prospect area, detailed exploration for unweathered mineralisation on the Choco prospects is non-existent. . A typical drill section for Pisolita is shown in Figure 2-4. Of the 1,288 holes drilled to date only 26 holes are deeper than 60 m and only six exceed 100 m in depth. There is excellent potential to discover mineralisation below the weathered zone on the Choco concessions. Systematic follow-up drilling is required to assess the most obvious leads currently available, which are beneath the currently defined oxide deposits at Pisolita and Coacia.

The deepest hole on the property is C0274, drilled to a depth of 221.4 m at the northern end of the Rosika prospect (See Figure 2.5, Section 8595N). This hole produced the best intersection encountered to date including 5.0 g/t Au over 50 m of drill hole length. The mineralised interval occurred within a wider intercept of 87.6 m averaging 3.6 g/t Au. No follow-up drilling has been conducted.

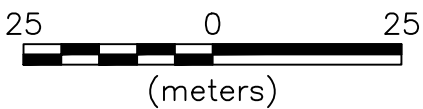
In order that the property can be developed effectively, a program for further exploration is warranted.





LEGEND

- | | | | |
|---|----------------------|---|----------------|
|  | Drill Hole |  | Mafic Volcanic |
|  | Shear zone |  | Gabbro |
|  | Base of Laterite | | |
|  | Base of Weathering | | |
|  | Lithological Contact | | |
|  | Au values > 1 g/t | | |



micon mineral
INTERNATIONAL LIMITED industry
consultants

CHOCO GOLD PROJECT,
VENEZUELA
ROSIKA SECTION 8595 N
(LOOKING NORTH)
Figure 2-5

RECOMMENDATIONS

It is Micon's opinion that the Choco property is of sufficient merit to justify the following recommended program.

Proposed Drilling Program

A significant proportion of mineral resources within the deposit has been assigned to the Inferred category using the classification criteria described in the report above. However, Micon considers that it would be prudent to drill a series of holes to upgrade critical mineral resources from the Inferred to the Indicated category.

Micon has reviewed the distribution of Indicated and Inferred mineral resources within the pit area. Typically, Inferred material is located between widely spaced drill holes where ore intercepts are more than 50 m apart. A total of 5,100 m of drilling in 68 holes is required to increase the proportion of indicated mineral resources. At an estimated cost of US\$40/m, including drilling, geology and assaying for reverse circulation drilling and US\$100/m for core drilling, the total cost of the required drilling is in the range of US\$315,000. It should be noted that in reviewing the drilling requirements Micon has only considered Choco mineral resources that occur within the preliminary open pit design.

A program of deep exploration drilling is recommended to increase gold mineral resources. Micon has compiled a preliminary drilling plan comprising 3,940 m in 25 holes. The cost of this program is estimated to \$320,000 based on 1,250 m of reverse circulation drilling and 2,690 m of diamond core drilling.

The deep drilling program described above permits follow-up of the most obvious targets that warrant further work. These targets exist within the limits of known mineralisation. In addition a comprehensive program is required to identify and prioritise targets that represent the best opportunity to increase gold mineral resources. The program envisioned includes the following elements:

- Review of all known mineralisation within the area of the concessions.
- Compilation of all small-scale miners' workings including surveying the location of the workings by GPS.
- Review and compilation of all geological and geophysical data in order to establish an exploration model with which to establish and priority-rank targets. The targets sought include deep targets beneath known oxide mineralisation, for example Pisolita prospect, which has not been subject to any deep drilling, as well as targets beyond the known mineralisation.

A minimum program of 2,000 m of drilling would be required to assess the potential for undiscovered deep gold mineralisation beneath the currently identified gold prospects. In addition, a further 2,000 m of drilling should be allocated to explore targets resulting from the exploration data compilation. The total cost of the data review and suggested drilling would be in the range of US\$350,000.

Considering the potential to upgrade the resource classification, to discover gold mineralization at depth and to discover mineralization in other parts of the concessions, Micon does not recommend that the results of subsequent phases of the program should be contingent upon positive results of the previous phase. The phases 1, 2 and 3 can be combined, subject to funding and availability of contractors, to rapidly develop the potential of the properties, be it through upgrading of known resource or extension into prospective zones previously not drilled due to limitations imposed on the previous exploration program.

Micon recommends that a series of confirmation drill holes be drilled to duplicate some of the earlier results, as a normal due diligence exercise to satisfy financing agreements. Five holes comprising 300 m should provide a satisfactory level of confidence in the existing data. The cost of this drilling would be approximately US\$15,000.

The recommended definition and exploration programs are summarised in Table VI.

Table VI
SUMMARY OF PROPOSED DEFINITION AND EXPLORATION PROGRAMS

Phase	Program Description	Budget (US\$)
1	Definition drilling – 5,100 m	315,000
2	Deep exploration drilling on identified targets – 3,940 m	320,000
3	Compilation and drilling beneath known mineralization - 2,000 m	175,000
4	Exploration drilling on targets to be defined - 2,000 m	175,000
	Due diligence confirmation drilling 1,500 m	15,000
Total		US\$1,000,000

Other Recommended Activities

Other recommended activities are summarised below, for which a total budget of US\$650,000 is proposed:

- An update of the current resource model with results of drilling from the program described above.
- Confirmatory metallurgical testing with samples obtained from the above drilling program.
- Geotechnical evaluation of the potential sites for a tailings storage area and to provide slope design for potential open pits. This work can be conducted as part of the planned drilling campaign and under direction of a geotechnical consultant.
- Preparation of a feasibility study, based on the updated resource model, mine design, estimate of mineable reserves, process plant and tailings storage design, and estimates of capital and operating cost.
- Commencement of environmental baseline survey and impact assessment studies.

REFERENCES

1. Promiven Gold Project, Venezuela, Information Memorandum, June 2002.
2. BHP Engineering, Report RE02199, January 1996.
3. McClelland Laboratories Inc., Metallurgical report, MLI Job No. 2199, October 13, 1995.

SIGNATURE

Signed -

**Stanley C. Bartlett, P. Geo.
Senior Geologist, Micon International Ltd.**

January 23rd, 2003

CERTIFICATE OF STANLEY C. BARTLETT, P.GEO.

As the principal author of this report entitled "Technical Report, Gold Resources of Concessions Choco 4 and Choco 10, Estado Bolivar, Venezuela" dated November 26th, 2002 and revised January 23rd, 2003, I hereby make the following statements:

1. My name is Stanley C. Bartlett and I hold the position of Senior Geologist at Micon International Limited, Mineral Industry Consultants. My office address is Suite 10, Keswick Hall, Keswick, Norwich, Norfolk, United Kingdom, NR4 6TJ.

2. (a) I have the following degrees:

- BSc. Geological Sciences, University of British Columbia, Vancouver, British Columbia, Canada.
- MSc. Mining Geology, Camborne School of Mines, Redruth, Cornwall, United Kingdom.

(b) I hold the following membership:

- Member of the Association of Professional Engineers and Geoscientists of British Columbia (No. 19698).

(c) I have been practising as a professional geologist for 24 years.

3. By reason of experience and education, I fulfill the requirements of a Qualified Person as set out in National Instrument 43-101, as regards the geological, exploration planning, resource and reserve aspects of the report.

4. I visited the Choco property in July, 2002 for a period of approximately 2 days.

5. I have read National Instrument 43-101 and Form 43-101F1. This report has been prepared in accordance with generally accepted Canadian mining industry practice and is in compliance with National Instrument 43-101, and Form 43-101F1. It is based on an examination and analysis of data and records provided by "TecnoPetrol Inc" and personal observation. It is a statement of material facts and opinion and may be used by "TecnoPetrol Inc" and its advisors in support of their public offering of Securities in Canada.

6. As of the date of this Certificate, I am not aware of any material fact or material change in regard to the subject matter of this report, which is not reflected in this report, the omission to disclose which makes the report misleading.

7. I am independent of TecnoPetrol Inc. applying all the tests in Section 1.5 of National Instrument 43-101.

8. I have not had prior involvement with the property that is the subject of this report.

Norwich, United Kingdom
23rd January, 2003

(Signed by) _____
Stanley C. Bartlett, P.Geo.

CONSENT OF PROFESSIONAL

January 23, 2003

TSX Venture Exchange
3rd Floor
130 King Street West
Toronto, Ontario
M5X 1J2

In connection with the Filing Statement (the "Filing Statement") of TecnoPetrol Inc. ("TecnoPetrol") to be dated on or about January 27, 2003 with respect to TecnoPetrol's proposed acquisition of Carisma Corporation A.V.V., the undersigned hereby states that:

1. I am the author of the Technical Report titled "Gold Resources of Concessions Choco 4 and 10, Estado Bolivar, Venezuela" dated November 26, 2002 and Revised January 23, 2003, (the "Report"), which is referred to in the Filing Statement;
2. I have read the Filing Statement and have no reason to believe that there are any misrepresentations contained in the Filing Statement which are derived from the Report or of which I am otherwise aware; and
3. I hereby consent to the references to the Report in the Filing Statement.

Yours very truly,



Stanley Bartlett, P.Geo.
Senior Geologist, Micon International Ltd.