REVISED ANNUAL INFORMATION FORM

FOR THE FISCAL YEAR ENDED MARCH 31, 2010

April 20, 2011

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PRELIMINARY INFORMATION

All information contained in this revised annual information form of Colt Resources Inc. (the "**Corporation**" or "**Colt**") is as at April 20, 2011, unless otherwise stated.

Financial Statements

This revised annual information form should be read in conjunction with the Corporation's audited consolidated financial statements and the management's discussion and analysis for the fiscal year ended March 31, 2010. The audited consolidated financial statements and the management's discussion and analysis of the Corporation for the fiscal year ended March 31, 2010 are available under the Corporation's profile on SEDAR at www.sedar.com. Copies may also be obtained from the Corporation upon request. See "Additional Information" in this revised annual information form.

Currency

All dollar amounts referred to herein are expressed in Canadian dollars, unless otherwise specified.

Cautionary Note Regarding Forward-Looking Statements

Certain of the information contained in this revised annual information form may contain "forward-looking statements". Forward-looking statements may include, among others, statements regarding the Corporation's future plans, costs, objectives or economic performance, or the assumptions underlying any of the foregoing, including those described under "General Development of the Business" or "Business of the Corporation and Description of the Properties". In this revised annual information form, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. Forward-looking statements are based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties and other unpredictable factors, many of which are beyond the Corporation's control. These risks and uncertainties include, but are not limited to, those described in this revised annual information form under the heading "Risk Factors", and could cause actual events or results to differ materially from those projected in any forward-looking statements. The Corporation does not intend, nor does it undertake any obligation, to update or revise any forward-looking statements contained in this revised annual information form to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.

CORPORATE STRUCTURE

The Corporation

The Corporation was incorporated on April 25, 2000 under the *Business Corporations Act* (Alberta) under the name "Colt Capital Corp.". On September 19, 2000, the Articles of the Corporation were amended to remove the private company provisions. On May 15, 2006, the Corporation was continued under the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). On July 18, 2007, the Corporation's name was changed to "Colt Resources Inc.". On June 27, 2007, the issued and outstanding common shares of the Corporation were consolidated on the basis of five (5) pre-consolidation common share for one (1) post-consolidation common share and new articles were adopted to conform with the provisions of the BCBCA. On September 9, 2010, the shareholders of the Corporation approved the continuation of the Corporation under the *Canada Business Corporations Act*.

The head office of the Corporation is located at 2000 McGill College Avenue, Suite 2010, Montreal, Québec H3A 3H3. The registered office of the Corporation is located at 609 Granville Street, Suite 1600, Pacific Centre, P.O. Box 10068, Vancouver, British Columbia V7Y 1C3.

Intercorporate Relationships

The Corporation holds all the issued and outstanding shares of Eurocolt Resources Unipessoal Lda., a company formed under the laws of Portugal as of May 23, 2007.

The Corporation also holds all the issued and outstanding shares of Aurmont Resources Unipessoal Lda., a company formed under the laws of Portugal as of October 28, 2010.

Finally, the Corporation holds all the issued and outstanding shares of TungSPA Unipessoal Lda., a company formed under the laws of Portugal as of March 28, 2011.

GENERAL DEVELOPMENT OF THE BUSINESS

The Corporation is engaged in the acquisition, exploration and, if warranted, the development of mineral property interests located in Portugal and Canada. All of the Corporation's properties are in exploration stages.

The Corporation's portfolio is comprised of seven mineral exploration properties (collectively, the "**Properties**"), all of which are located in either Portugal or Canada. These Properties are: (i) the Penedono Concession, Portugal (the "**Penedono Concession**"); (ii) the Armamar-Meda Concession, Portugal (the "**Armamar-Meda Concession**"); (iii) the Montemor gold project, Portugal (the "**Montemor Property**"); (iv) the Moimenta-Almendra Concession, Portugal (the "**Moimenta-Almendra Concession**"); (v) the Santa Margarida do Sado Concession, Portugal (the "**Santa Margarida Concession**"); (vi) the Extra High Property, British Columbia (the "**Extra High Property**"); and (vii) the Gaspésie Mineral Property, Québec (the "**Gaspésie Mineral Property**"). Other than the Montemor Property in which the Corporation holds a 51% interest and the Extra High Property in which it holds a 67% interest, the Corporation has acquired a 100% interest in each of the Properties.

The principal Properties of the Corporation are the Penedono Concession, the Armamar-Meda Concession and the Montemor Property.

Three-Year History

Financing Activities

Fiscal 2008

On June 29, 2007, the Corporation completed a private placement of convertible debentures due June 28, 2010, for a total amount of $1,465,000. The convertible debentures were convertible into units of the Corporation, each unit consisting of one common share of the Corporation and one common share purchase warrant. The convertible debentures were convertible at

$0.30 per unit before June 29, 2009, and $0.35 per unit before June 29, 2010. Each common share purchase warrant entitled its holder to purchase one additional common share of the Corporation at an issue price of $0.30 per share until June 29, 2009, and thereafter at an issue price of $0.35 per share until June 29, 2010. As at such dates, none of these common share purchase warrants had been exercised. As at June 30, 2010, debentures convertible in an aggregate of 883,964 common shares of the Corporation were issued and outstanding. On June 30, 2010, the balance of $225,000 in convertible debentures, plus accrued interest, was paid through the issuance of 883,964 common shares of the Corporation at a price of approximately $0.34 per share. The common share purchase warrants comprised in the convertible debentures were extended until June 29, 2011 and entitle the holders thereof to purchase common shares of the Corporation at a price of $0.35 per share.

On January 8, 2008, the Corporation completed a non-brokered private placement of 3,908,000 units at a price of $0.25 per unit, for gross proceeds to the Corporation of $977,000. Each unit consisted of one common share of the Corporation and one common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.30 until December 30, 2010. As at such date, none of these common share purchase warrants had been exercised. These 3,908,000 common share purchase warrants have been extended until February 25, 2012 at an exercise price of $0.45 per share. In addition, the Corporation completed the issuance of 57,143 "flow through" common shares at a price of $0.35 per share, for gross proceeds to the Corporation of $20,000.

Fiscal 2009

On July 30, 2008, the Corporation issued 900,000 units at a price of $0.25 per unit, for gross proceeds to the Corporation of $225,000. Each unit consisted of one common share of the Corporation and one common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.30 per share until July 30, 2011.

On September 29, 2008, the Corporation issued 60,800 "flow-through" units at a price of $2.50 per unit, for gross proceeds to the Corporation of $152,000. Each "flow-through" unit consisted of nine "flow-through" common shares of the Corporation, one common share of the Corporation and ten common share purchase warrants, each such common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.35 per share until September 29, 2009. As at such date, none of these common share purchase warrants had been exercised.

On December 1, 2008, the Corporation issued 460,000 units at a price of $0.25 per unit, for gross proceeds to the Corporation of $115,000. Each unit consisted of one common share of the Corporation and one common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.30 per share until July 30, 2011.

Also on December 1, 2008, the Corporation issued 18,200 "flow-through" units at a price of $2.50 per unit, for gross proceeds to the Corporation of $45,500. Each "flow-through" unit consisted of nine "flow-through" common shares of the Corporation, one common share of the Corporation and ten common share purchase warrants, each such common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.35 per share until December 1, 2009. As at such date, none of these common share purchase warrants had been exercised.

On March 3, 2009, the Corporation issued 300,000 units at a price of $0.25 per unit, for gross proceeds to the Corporation of $75,000. Each unit consisted of one common share of the Corporation and one common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.30 per share until March 3, 2012.

Fiscal 2010

On July 15, 2009, the Corporation completed a non-brokered private placement of an aggregate of 3,339,090 units at a price of $0.11 per unit, for gross proceeds to the Corporation of approximately $367,300. Each unit was comprised of one common share of the Corporation and one-half of one common share purchase warrant, each full common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.15 until June 30, 2011.

On November 19, 2009, the Corporation completed a non-brokered private placement of an aggregate of 5,663,637 units at a price of $0.11 per unit, for gross proceeds to the Corporation of approximately $623,000. Each unit was comprised of one common share of the Corporation and one-half of one common share purchase warrant, each full common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.15 until June 30, 2011.

On March 31, 2010, the Corporation completed a non-brokered private placement of an aggregate of 4,000,000 units at a price of $0.25 per unit, for gross proceeds to the Corporation of approximately $1,000,000. Each unit was comprised of one common share of the Corporation and one-half of one common share purchase warrant, each full common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.45 until February 25, 2012.

Agreements related to the Properties

On May 7, 2007, Rio Narcea Gold Mines S.A. of Portugal ("**Rio Narcea Portugal**"), the Portuguese branch of Rio Narcea Gold Mines S.L. of Spain, which is a wholly-owned subsidiary of Rio Narcea Gold Mines Ltd. of Canada ("**Rio Narcea Canada**"), assigned all of the rights, benefits and obligations of Rio Narcea Portugal covered under an exploration contract dated October 29, 2004 between the Government of Portugal and Rio Narcea Portugal in respect to the Penedono Concession to the Corporation. Under a definitive agreement between the Corporation and Rio Narcea Portugal, and as consideration for the foregoing assignment, the Corporation issued to Rio Narcea Canada 1,000,000 restricted common shares (200,000 on a post-consolidation basis). Of the 1,000,000 restricted common shares, 250,000 common shares were freely tradeable six months from the closing date, 250,000 common shares after nine months from the closing date, 250,000 common shares twelve months from the closing date and 250,000 common shares 15 months from the closing date. Furthermore, following commercial production, the Corporation will pay to Rio Narcea Canada a 1% net smelter return ("**NSR**") royalty for a maximum amount of US$1,000,000, in addition to an obligation to pay a 4% NSR royalty to the Government of Portugal.

On October 29, 2009, the Government of Portugal granted an initial two-year extension in respect of the Penedono Concession. It remains possible for the Corporation to seek an additional one-year extension on the Penedono Concession prior to the expiry of the current term.

On December 10, 2007, the Corporation entered into a prospecting and exploration license agreement with the Government of Portugal whereby the Corporation was granted the exclusive right to prospect and explore for base and precious metals on the Armamar-Meda Concession for an initial three-year term, which may be extended twice on an annual basis. On December 11, 2010, the Government of Portugal approved the extension of the prospecting and exploration license agreement on the Armamar-Meda Concession until December 10, 2011. During the initial three-year term, the Corporation was obligated to incur prospecting and exploration expenditures of not less than 25,000 € in the first year, 50,000 € in the second year and, 75,000 € in the third year, all of which expenditures have been incurred. Upon the expiry of the initial term, the Corporation was required to relinquish, on an annual basis, 50% of the area covered by the license. During the extended term, the Corporation is obligated to incur exploration expenditures on an annual basis of not less than 100,000 €. During the initial and extended terms, the Corporation is obligated to pay to the Government of Portugal an annual fee in the amount of 35 € per sq. km. of ground covered by the license. Upon the completion of the initial and extended terms, the Corporation may apply for an exploitation license, which, if granted, shall have a term of 30 years and which may be extended by the Government of Portugal for a period not to exceed 20 years (the "**Armamar-Meda Exploitation License**"). Upon the granting of the Armamar-Meda Exploitation License, and in the event that mining activities are to take place, then the Corporation shall be obligated, at the discretion of the Government of Portugal or more precisely the Direcção Geral de Energia e Geologia (Department of Energy and Geology) (the "**DGEG**"), either to pay 10% of the net income derived from its mining activities or pay a NSR on production at NSR rates ranging from 1% to 4% depending on the price of gold. In addition, as soon as the Armamar-Meda Exploitation License is granted to the Corporation, and provided that production from the mining activities is determined to exceed 1,000,000 ounces of gold or of gold equivalent during the life of the mining activities, then the Corporation will be obligated to pay 100,000 € as a commercial discovery bonus to the Government of Portugal.

On January 21, 2008, the Corporation and Zab Resources Inc. ("**Zab**") (now Kokomo Enterprises Inc.), a company formerly related to the Corporation by certain common directors and officers, executed an option agreement whereby the Corporation has the right and option to acquire, in two separate equal tranches, Zab's 67% undivided interest in the Extra High Property. Pursuant to the agreement, the Corporation exercised the first tranche of the option by making a cash payment of $250,000 to Zab and has acquired from Zab a 33% undivided interest in the Extra High Property. As a result of exercising the first tranche of the option, the Corporation holds a 67% undivided interest in the Extra High Property and is the operator of it.

In order to exercise the second tranche of the option, the Corporation had to make a cash payment of $250,000 to Zab on or before December 31, 2008. The Corporation elected not to exercise the second tranche of the option. Therefore, the option agreement terminated and the Corporation and Zab commenced to operate as joint venture partners with the Corporation holding an initial 67% undivided interest in the Extra High Property and Zab holding an initial 33% undivided interest

therein, each party contributing for its proportionate share of the expenditures of the Extra High Property. Should any party's interest be diluted to less than a 10% undivided interest in the Extra High Property, then its interest will forever be converted to a 0.5% NSR royalty.

On February 12, 2008, the Corporation entered into a formal option agreement with Diagnos Inc. ("**Diagnos**") with respect to the Uranium properties, located in the Province of Québec (collectively, the "**Uranium Property**"). Pursuant to the agreement, the Corporation has exercised its option to acquire a 100% undivided interest, subject to a 2% NSR royalty, in each property by making a cash payment of $90,000 to Diagnos and by undertaking an exploration and drilling program of at least three exploration holes of not less than 100 feet per hole on each property. During the fiscal year ended March 31, 2009, the Corporation decided not to pursue the option agreement on the Uranium Property.

On October 1, 2008, the Corporation entered into a prospecting and exploration license agreement with the Government of Portugal whereby the Corporation was granted the exclusive right to prospect and explore for base and precious metals on the Moimenta-Almendra Concession for an initial three-year term, which can be extended twice on an annual basis. During the initial three-year term, the Corporation is obligated to incur prospecting and exploration expenditures of not less than 25,000 € in the first year, 50,000 € in the second year and 75,000 € in the third year. The Corporation has incurred the expenditures for the first and second years, the expenditures for the third year being underway until September 30, 2011. Upon the expiry of the initial term, the Corporation is required to relinquish 50% of the area covered by the license. During the first year of the extended terms, the Corporation is required to relinquish 50% of the remaining area covered by the license. During the extended term, the Corporation is obligated to incur exploration expenditures on an annual basis of not less than 100,000 €. During the initial and extended terms, the Corporation is obligated to pay to the Government of Portugal an annual fee in the amount of 25 € per sq. km. of ground covered by the license. Upon the completion of the initial and extended terms, the Corporation may apply for an exploitation license, which, if granted, shall have a term of 30 years and which may be extended by the Government of Portugal for a period not to exceed 20 years (the "**Moimenta-Almendra Exploitation License**"). Upon the granting of the Moimenta-Almendra Exploitation License, and in the event that mining activities are to take place, then the Corporation shall be obligated, at the discretion of the Government of Portugal or more precisely the DGEG (the two first years of the initial term have been waived), either to pay 10% of the net income derived from its mining activities or, pay NSR on production at NSR rates ranging from 1% to 4% depending on the price of gold. In addition, as soon as the Moimenta-Almendra Exploitation License is granted to the Corporation, and provided that production from the mining activities is determined to exceed 1,000,000 ounces of gold or of gold equivalent during the life of the mining activities, then the Corporation will be obligated to pay 100,000 € as a commercial discovery bonus to the Government of Portugal.

On December 15, 2008, the Corporation entered into an agreement with Diagnos to acquire a 100% interest in four mineral properties located in the Gaspésie region of the Province of Québec (the Gaspésie Mineral Property), namely, the Restigouche, West l'Alverne, Gaspésie-1 and Gaspésie-4 properties or other properties controlled by Diagnos, at the option of the Corporation. The Gaspésie Mineral Property, comprising 267 claims, including previous claims held by Diagnos in the region, covers an area of approximately 153 km^2, and is located in the southwestern part of the Gaspésie region, close to St-André-de-Restigouche. The terms of the acquisition included a payment of $62,500 in cash and the issuance of 750,000 restricted common shares of the Corporation at a price of $0.25 per share on or before March 27, 2009. In addition, Diagnos will retain a 2% NSR royalty on each property and the Corporation has an option to buy back 1% of the NSR for $1,000,000 at any time within the first five years of an economic discovery (that is, upon the Corporation having produced a positive feasibility study for a given project). The Corporation undertook to spend a minimum of $450,000 on exploration and drilling on the properties in the first two years. Following the entering into the agreement, the Corporation elected to outsource exploration work to Diagnos. This agreement was amended on September 3, 2010 to (i) decrease the amount to be spent on exploration and drilling on the properties from $450,000 to $200,000, and (ii) provide for an extension until August 31, 2012.

On September 17, 2009, the Corporation was granted a concession by the Government of Portugal, namely the Santa Margarida Concession, consisting of 360.46 km^2 of prospective ground situated on the western extension of the Iberian Pyrite Belt, where the favorable basement geology is concealed under Tertiary cover sediments of the Lower Sado Basin. The concession period is for an initial term of four years with a 50% area reduction at the end of the second and third years. The required minimum investment for the first year is 100,000 €, 300,000 € in the second, and 500,000 €.for each of the third and fourth years.

Other Material Events and Recent Developments

On December 2, 2008, Messrs. Bedo Kalpakian and Jake Kalpakian elected to step down from the Board of Directors of the Corporation in order to pursue other interests. Mr. Nikolas Perrault joined the Board of Directors and accepted the position of President and Chief Executive Officer, replacing Mr. Bedo Kalpakian.

On May 14, 2009, Mr. Jonathan Rich resigned as director and Chief Financial Officer of the Corporation. In order to fill the vacancy, the Corporation appointed Mr. Aurelio Useche, a director of the Corporation, to act as Chief Financial Officer in the interim.

On July 25, 2009, Mr. David A. Johnson joined the Board of Directors and subsequently became Corporate Secretary of the Corporation on December 31, 2009.

On December 1, 2009, Mr. Mario Justino joined the Corporation as Vice-President, Exploration.

On February 1, 2010, Mr. Jorge Valente resigned as director and Chief Operating Officer of the Corporation.

On March 1, 2010, Mr. James Ladner joined the Board of Directors and filled the vacancy created by Mr. Valente.

On June 1, 2010, Mr. Donald Ziraldo joined the Board of Directors.

On August 2, 2010, the Corporation entered into an agreement (the "**Montemor Agreement**") with a wholly-owned subsidiary of Australian Iron Ore PLC ("**AIOC**"), a privately-owned Australian company, whereby the Corporation agreed to become the operator of and acquire, in two stages, 100% ownership of the Montemor Property located in southern Portugal. The transaction was approved by the DGEG, a division of the Portuguese Ministry of Economy and Innovation, on October 13, 2010. The joint venture between the Corporation and AIOC filed an Experimental Mining License application for the Montemor Property on January 31, 2011. Pursuant to the agreement between the Corporation and AIOC, and upon receipt of the approval of the DGEG, the Corporation paid 60,000 € to AIOC and became the owner of a 51% interest in and the operator of the Montermor Property. Upon award of an Experimental Mining License to the Colt-AIOC joint venture by the DGEG, the Corporation has agreed to pay 125,000 € to AIOC and to issue 3,000,000 common shares of the Corporation, following which the Corporation will become the owner of a 100% interest in the Montemor Property. Finally, subject to approval of the DGEG, the Corporation will become operator of the Montemor Property and immediately undertake the responsibility of finalizing and submitting documentation required to obtain the Experimental Mining License and prepare a technical report in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). On March 7, 2011 the Corporation filed a NI 43-101 compliant technical report in respect of the Montemor Property. A copy of the report has been filed on SEDAR and is also available on the Corporation's website.

On August 31, 2010, the Corporation announced that its common shares began trading on the OTC market's highest tier, the OTCQX.

On October 8, 2010, the Corporation announced that it had appointed Mr. Declan Costelloe as a director of the Corporation.

On October 27, 2010, the Corporation completed a non-brokered private placement of an aggregate of 10,000,000 units at a price of $0.35 per unit, for gross proceeds to the Corporation of $3,500,000. Each unit was comprised of one common share of the Corporation and one-half of one common share purchase warrant, each full common share purchase warrant entitling its holder to purchase one common share of the Corporation at a price of $0.45 until February 25, 2012.

On February 8, 2011, the common shares of the Corporation began trading on the TSX Venture Exchange under the trading symbol "GTP". The common shares of the Corporation ceased trading on the Canadian National Stock Exchange on the same day.

On February 18, 2011, Mr. Jean Depatie joined the Board of Directors of the Corporation and Mr. Joao Carlos Gaspar de Sousa was appointed the Corporation's Vice-President of Operations, Portugal. On the same date, Mr. Mario Justino resigned as Vice-President, Exploration of the Corporation.

On February 28, 2011, Mr. Declan Costelloe was appointed the Corporation's Executive Vice-President and Chief Operating Officer.

On March 25, 2011, Mr. Richard Quesnel joined the Board of Directors of the Corporation and was appointed the Corporation's Senior Technical Advisor. Mr. Quesnel was appointed to the Board Directors following the resignation of Mr. Wayne Murton as a director on the same day.

On April 19, 2011, the Corporation announced that Mr. Richard Quesnel had resigned from its Board of Directors and as an advisor to the Corporation, effective on such date at the request of the TSX Venture Exchange.

BUSINESS OF THE CORPORATION AND DESCRIPTION OF THE PROPERTIES

Exploration Expenses

The total amount expended by the Corporation on exploration and development costs (taking into account write-offs but without taking into account tax credits or grants) was $934,841 for the fiscal year ended March 31, 2010.

Description of the Properties

The Penedono Concession

Certain of the information in this section is taken from a technical report prepared in accordance with NI 43-101 dated August 27, 2010 (the "**Penedono Technical Report**"), prepared by Warner Gruenwald, P. Geo, of Geoquest Consulting Ltd. Mr. Gruenwald is a qualified person that is independent of the Corporation within the meaning of NI 43-101. During July 2010, and as part of his efforts in preparing the Penedono Technical Report, Mr. Gruenwald conducted a property visit to the Penedono Concession. A copy of the Penedono Technical Report is available under the Corporation's profile on SEDAR at www.sedar.com.

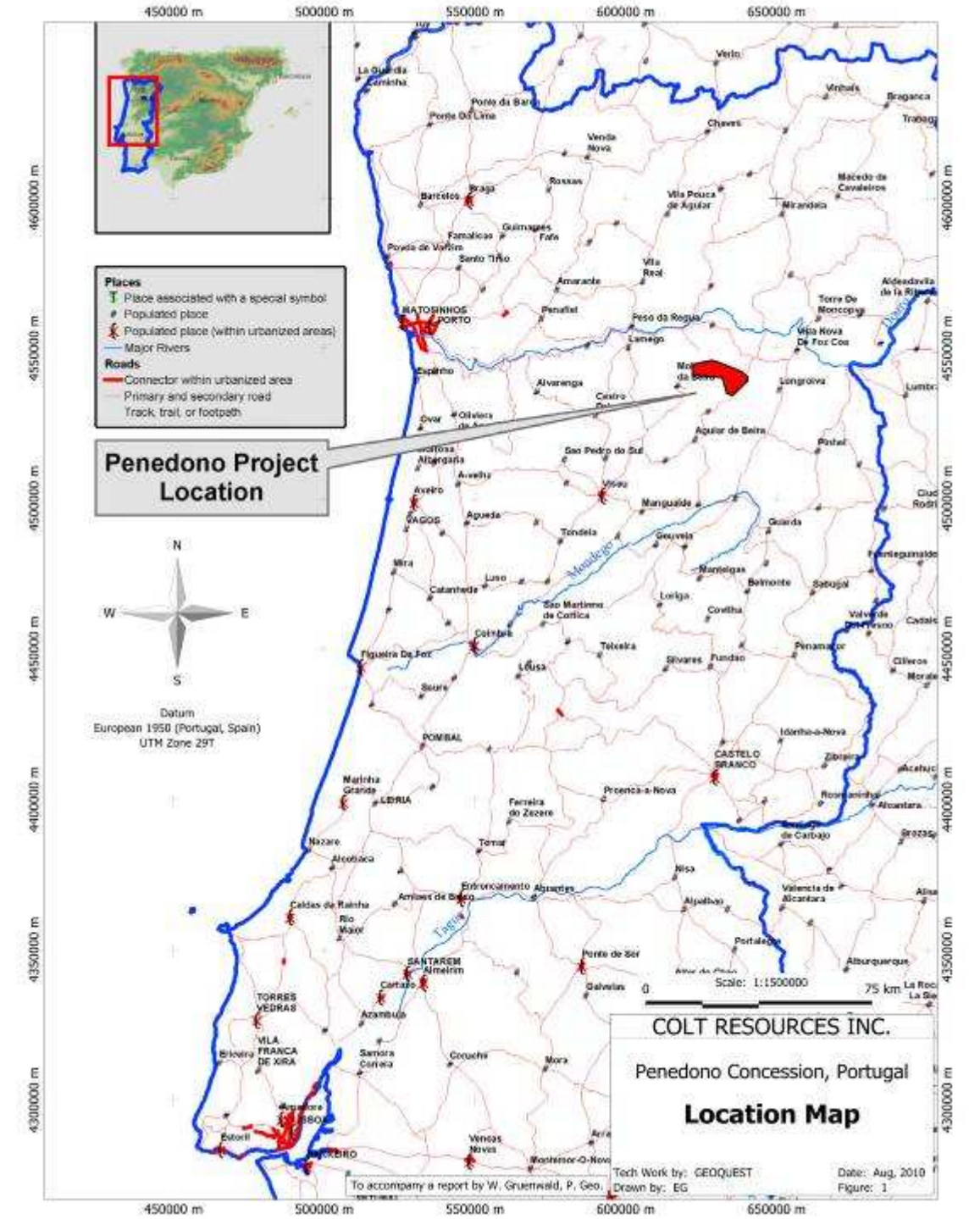
Summary of the Penedono Concession

Property Description and Location

The Penedono concession is situated in north central Portugal approximately 295 air kilometres north-northeast or four hours driving time from Lisbon, the country's capital. The village of Penedono, the exploration base for the concession, lies about 50 km northeast of the city of Viseu. Several smaller villages within the concession include Granja, Riodades, Castainco and Ferronha. Colt, with four concessions, is the second largest mineral rights holder in Portugal. The Penedono Concession covers 102.5 km².

Rio Narcea Gold Mines S.A. Sucursal em Portugal, (hereinafter referred to as Rio Narcea), was the holder of the rights, benefits and obligations under an October 29, 2004 contract between Rio Narcea and Ministerio da Economia e da Inovação, Direccao-Geral de Energia e Geologia (DGEG) to the Penedono concession, covering a total area of 205.19 sq km. The contract was for a five year period.

Under a July 4, 2007 agreement Rio Narcea assigned to Colt the contract covering the concession. As required by Portuguese mining law upon the third anniversary the concession was reduced by 50% to 102.47 km². A required reduction on Oct. 29, 2008 resulted in three distinct blocks covering an area of 51.23 km². Renegotiation of the Exploration Contract with DGEG, the Portuguese mining authority, resulted in the granting of an exploration permit extension of a further three years, starting on October 29, 2009. This brought the concession area back to 102.47 km². By October 29, 2011 the concession will have to be reduced in area by 50%. In order to maintain the contract in good standing, Colt is required to complete annual exploration programs with defined expenditures and payments to the government. Since the concession was acquired, Colt has met its contractual obligations and has incurred exploration expenditures of € 1,199,213. The terms of the definitive agreement, including the net smelter return royalties payable on the Penedono Concession, are summarized above under the heading "Agreements related to the Properties".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Places
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Populated place (within urbanized areas)
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Roads
Connector within urbanized area
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Penedono Project Location
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UTM Zone 29T
Scale: 1:1500000
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75 km
COLT RESOURCES INC.
Penedono Concession, Portugal
Location Map
Tech Work by: GEOQUEST
Drawn by: EG
Date: Aug. 2010
Figure: 1
To accompany a report by W. Gruenwald, P. Geo.

Accessibility, climate Local Resources, Infrastructure and Physiography

Accessibility

The Penedono concession is in a region with a well developed road system. The larger centre of Viseu lies about 50 km south west from Penedono and the coastal city of Porto is three hours westerly by paved highway. Paved roads from Porto and other centres provide regional access. Numerous gravel roads provide access to most of the concession.

Climate

The climate is temperate - humid with a mean temperature of 15° C and an annual rainfall of up to 20 cm. Summer temperatures can reach 40°C while minor snowfalls may occur in the winter at higher elevations. Snow does not last more than a day or two. The operating season for exploration and mining operations is year round.

Local Resources

Portugal is a mining friendly country of the European Union where the exploration and mining industry have a long history and good relationship with government at both the state and municipal levels. Penedono, the largest village in the area, with a population of 3,400 is located in the eastern part of the concession. Several smaller villages are scattered throughout the region. The local economy is devoted mainly to agricultural activities. New employment opportunities would be welcomed. Villages in the concession could provide many of the personnel for mining purposes although training would be required.

Surface rights are available by negotiation with land owners. Sub surface mining rights are held irrevocably by the concession owner. There are many areas suitable for milling operations or heap leach pads. The old Santo Antonio mill site and tailings storage is located within sight of the town of Penedono. Additional tailings storage is available near the present site.

Infrastructure

In addition to excellent transportation corridors, high voltage power is locally available. Large water requirements would be readily available from several small rivers crossing the concession. The mine workings at Santo Antonio are flooded to the #2 access level and could provide water for diamond drilling purposes.

Physiography

The concession lies at elevations ranging from 500 to 1,000 metres above sea level. Topography is mostly gentle with rounded hills and gentle slopes. Fires in the past have burned off most hills and thus hill tops are barren of trees with only scrub bushes and grass. Valley bottoms and hillsides are planted in chestnuts, olives or vineyards.

History

The concession area was explored and exploited for gold since at least Roman times. Numerous small excavations attest to tungsten mining during the 1940s and 1950s. In the mid-1950s, the Santo Antonio gold mine went into production near the town of Granja and operated for up to seven years. Underground mining exploited several gold veins. The amount mined and gold produced is unknown however, tailings suggest that over 100,000 tonnes were milled. During the 1970s to 1990s RTZ Corporation (now Rio Tinto) and a joint venture with a Portuguese company S.P.E. with French BRGM attempted exploration. In 1995, Portuguese company (Sociedade Mineira de Moimento Lta.) acquired a concession in the area and formed a joint venture with Greystar Resources Ltd. Trenching, rock sampling, and seven drill holes targeted the Paredes - Dacotim area. In 1998, Greystar abandoned the concession.

Rio Narcea Gold Mines S.A. first applied for the Penedono Concession in 1998. From 1998 to 2003, they conducted extensive geochemical sampling, mapping, geophysics programs along with trenching and diamond drilling. The reported expenditures were €1,299,175. The company acquired the concession on October 24, 2004 and drilled several areas in 2005.

Other areas of historic exploration in the Penedono concession include ***Turgueira***, ***Paredes-Dacotim*** *and* ***Ferronha***. Previous trenching and drilling by Rio Narcea at Turgueira explored extensive greisen alteration and veining suggesting the potential to host substantial gold ± tungsten mineralization. Rio Narcea drilling returned 11.6 metres grading 2.6 g/t Au just north of a trench that cut 23 metres of 1.90 g/t Au. Past exploration at Paredes-Dacotim identified a highly altered quartz vein/shear structure extending over widths of greater than 10 metres. Drilling intersected this structure to depths exceeding 100 metres below surface. Notable results include 3.4 m of 2.96 g/t Au and 1.0 m of 6.17 g/t Au. The Ferronha vein cluster/swarm is an area of interest due to its four kilometre strike potential. A Rio Narcea drill hole intersected several vein zones with one yielding 2.68 g/t Au over 1.0 metre. Colt has not explored the Turgueira, Paredes-Dacotim and Ferronha areas.

Geology and Mineralization

The concession is largely underlain by upper Paleozoic age leucocratic "S Type" two-mica granite. Rocks include equigranular to feldspar porphyritic, muscovite only to muscovite-biotite granite. All gold mineralization on the concession is hosted by the "two-mica granite". Several clusters of auriferous quartz veins locally containing tungsten mineralization occur within a broad west-northwest trending 16 kilometre belt. The mineralized areas are referred to as ***Santo Antonio, Marofa, Turgueira, Paredes Dacotim, Ferronha, Sirigo Dama and Boucoes.***

Gold mineralization on the Penedono concession occurs as:

• En-echelon northeast striking, steep dipping quartz-sulphide veins (Santo Antonio).

• Quartz-sulphide "greisen" zones associated with mineralized veins (Santo Antonio, Turgueira, Marofa).

• Sheeted and stockwork fracture / micro vein systems (Ferronha).

For most vein systems, there is a direct correlation between gold grade and arsenopyrite content. Higher gold grades are always associated with arsenopyrite-rich material. Conversely however, not all arsenopyrite-rich material is indicative of high gold grades.

The Santo Antonio area comprises at least thirteen northeast striking, steeply dipping quartz veins that range from tight fracture veinlets (≤1cm) up to three metres wide. The longest, Vein 6, has a strike length of some 700 metres. Drilling has intersected veins to a depth of 150 metres below surface. Veins are open to depth and along strike.

Rio Narcea and Colt have only drilled parts of the Santo Antonio vein system. Five of the thirteen known veins (veins 7, 8, 9, 10 and 12) have not yet been drilled. Rio Narcea's drilling successfully located gold mineralization in Vein 5 where there was no apparent underground mining activity. Drilling yielded up to 5.90 g/t and 14.17 g/t Au in Veins 4 and 5 respectively. Core length intercepts range from 0.5 to 3.40 metres.

In 2007, Colt drilled 12 holes (1,355 m) on Veins 4 and 5 based upon Rio Narcea's work. This resulted in additional mineralized intercepts and indicated a 260 metre strike length and vertical extent of over 110 m. Veins 4 and 5 are considered open in all directions. Several intercepts in Vein 5 range from 0.23 to 8.96 g/t Au over core lengths of 0.57 to 1.53 metres. A newly located vein system oriented at 45° to Vein 4 was encountered to depths of 80 metres. Vein intercepts include 1.21 g/t Au over a core length of 17.00 metres containing 8.40 g/t Au over 0.57m.

In 2008, Colt drilled Veins 11 and 13 in the west part of the Santo Antonio cluster where there was no previous drilling. Gold and occasional tungsten mineralization was encountered not only in quartz veins but also in adjacent greisen zones in granite. The greisen zones are substantially wider than in the eastern veins thus suggesting potential for more extensive mineralized zones. Gold mineralization was intersected at depths up to 100 metres below surface. Intercepts of note include 14.59 g/t Au over a core length of 3.15 metres and 5.89 g/t Au over 8.14 metres in Vein 11 and 39.67 g/t Au over 2.23 metres in Vein 13. Hole PPE08-03 contains an intercept of 0.30% W.

There remain five known veins within the Santo Antonio vein cluster that have not been drill tested. In addition, strike extensions of many veins have also not been drill tested; these extensions have been interpreted from soil survey results, but have not been fully delineated. The 300-500 metre area between the northern part of the Santo Antonio vein cluster and Marofa may offer additional exploration potential. A topographic low with no outcroppings, greisen in soils, gold-in-soil

anomaly and change in vein directions between the two areas lend support to this view. Recent trenching work in the 300 metre gap between Veins 3 and 4 also revealed locally highgrade gold bearing quartz veins. No drilling has yet been conducted in the latter two areas.

The Marofa North and South areas, situated west and southwest of Santo Antonio are defined by a roughly two kilometre gold-in-soil anomaly identified by Rio Narcea's sampling. Within this area GeoLog personnel identified six areas of gold bearing quartz veins, fractures and float. In 2009, Colt conducted detailed excavator and hand trenching in three areas. Sampling returned low-grade gold intervals the longest being 0.27 g/t Au across 14.50 metres. The highest grade trench sample was 1.82 g/t Au across 0.70 metres. This work was followed by the drilling of six holes to determine whether the density of mineralized fractures and veinlets increased with depth. The highest grade drill intercept was 3.70 g/t Au over a core length of 2.10 metres. Other intercepts ranged up to 0.88 g/t Au with widths up to 6.88 metres. The recent work has only tested a portion of the large Marofa gold anomaly and there remain other targets that warrant further exploration.

Drilling

Since acquiring the Penedono concession Colt has carried out several diamond drilling programs with the most recent being completed in early 2010. Drilling programs have been managed by the well qualified staff of GeoLog – Gabinete de Geociencias, Lda., an independent Portuguese consulting company.

The diamond drilling division of LNEG, a geological division within the Portuguese Government, carried out the drilling for Colt using a truck mounted rig. The holes at Santo Antonio and Marofa were all drilled with HQ rods while Rio Narcea holes (other contractors) started with HQ and reduced to NQ.

Since 1996, ten separate drilling campaigns were completed on different areas of the concession with a total of 6,875.3 metres in 61 drill holes. Of these Colt has drilled 40 holes totaling 3157.7 metres with 34 holes on the Santo Antonio and six on the Marofa areas of the concession.

In 2009 and 2010 Colt completed 14 closely spaced diamond drill holes on Veins 11 and 13. Hole PPE10-01 yielded the highest grade intercept to date where 0.38 m grading 180.57 g/t Au occurs within a 3.10 metre core length grading 22.66 g/t Au. Underground workings were intersected in three holes along Vein 13. Unmined vein and rubble from these workings grade up to 75.64 g/t Au indicating that the veins were quite high-grade.

Sampling and Analysis

Sampling Method and Approach

Sampling on the Penedono concession comprises numerous stream sediments, soils, tailings, rocks and drill core. Rio Narcea personnel under competent professional supervision conducted the sampling. Rio Narcea's regional work included a stream sediment sampling program that covered the entire 205 km² concession. Where possible samples were collected from the active part of stream channels otherwise dry water borne sediment was used. The 456 silt samples collected equates to a favourable density of over two samples/km².

Soils samples were collected on grids oriented at 120°, which is roughly at right angles to many of the vein orientations. Approximately 20 % of the concession was sampled. Grid lines were generally spaced at 200 metres however; this was reduced to 100 metres at the Turgueira, Boucoes and Sendim areas. Soil samples were collected at 25-metre intervals over the grids for a total of 6,122 samples. Sampling density is considered ample for the deposit types being sought.

Soils are generally poorly developed with the "C" horizon being the most common material collected. This often consists of locally derived decomposed bedrock. In such situations it is common to collect enough "fines" to yield sufficient screened (-80 to -150 mesh) material for gold and ICP analysis. Given the type of material collected, the geochemical results are often quite site specific. The identified gold-in-soil anomalies are considered to be strong indicators of mineralization. A cautionary note put forward (Murton, 2007) was that that arsenic from the roasting of the sulphide concentrates was likely emitted from a large chimney on the hillside above the Santo Antonio mine. Arsenic soil anomalies at Santo Antonio therefore could be suspect even though there is a strong presence of arsenopyrite in the vein systems.

Rio Narcea's work also included the collection of 2,054 rock samples from trenches, outcrops and the accessible underground workings on the Santo Antonio veins. Continuous chip samples were collected using hammer and chisel across and along the length of trenches. Strongly mineralized sections were sampled in greater detail. Underground sampling was of adequate density with well marked sample sites. The author observed chip sampling at some Marofa outcroppings and underground on Veins 1 and 2 at Santo Antonio.

All drill cores (Rio Narcea and Colt) have been routinely logged, labeled and photographed. The author ascertained that for the Colt programs the sequence of core treatment began by measuring core recovery between each "drill run" identified by wooden markers. This was followed by RQD where the length of core >10 cm was measured. Detailed description or logging of the core was completed followed by sample marking. Prior to sampling, the core was photographed using a digital camera. The author reviewed core photos and found that each hole was presented as a high resolution continuous strip colour photo displaying the wetted core with the labeled sample intervals. The photo documentation is exceptionally well done.

Core was then cut longitudinally using an electric diamond saw with one half collected as a sample and the other returned to the core box for storage.

Sampling for all Colt drill programs was done to test not only quartz veins but wall rock as well. No sampling was done across geologic contacts. Sample lengths, ranging from <0.50 metres to seldom more than 1.50 metres, are consistent and appropriate for this type of mineralization and deposit type.

Core recovery for Colt's 2008 to 2010 drilling (21 holes) averaged 93.3%. Any significant core losses were documented. Other than four intersections of underground workings on Vein 13 (PPE08-02, 09-02, 10-04, 10-6), there were no significant core losses of the mineralized zones and none that would adversely affect the accuracy or reliability of the assay data.

Sample Preparation, Analysis and Security

Rio Narcea's soil, stream and rock chip samples were not prepared prior to analysis. Drill cores for the Rio Narcea and Colt programs were cut longitudinally with a diamond saw. One half of the core was collected for sampling in and the other half was stored in core boxes. The saw is routinely cleaned between samples to prevent cross contamination. During the course of Colt's 2007-2010 exploration programs all rock and core sampling were conducted by GeoLog personnel. No Colt directors or officers handled or sampled drill cores.

Prior to Colt's programs "metallics" assays were reportedly conducted by Rio Narcea to determine the possible presence of coarse gold (Murton, 2007). This procedure involves assaying the coarse and fine fractions of a sample and calculating a weighted average gold grade. Comparison to the original assay reveals if metallic gold is present. Analysis revealed little indication of coarse gold and thus standard fire assay procedures were deemed to be appropriate. Rio Narcea's own laboratory conducted some analysis with duplicates in some cases analyzed by OMAC Laboratories in Ireland and ITMA in Oviedo, Spain. There was no indication that Rio Narcea introduced analytical reference samples however, the laboratories did use internal reference samples.

The Colt drill core samples were subjected to a 50 gram fire assay with Atomic Absorption finish (FA-AA) rather than the more common 30-gram (one assay-ton) assay. A larger sample size can be more representative especially with high-grade and "nuggety" gold mineralization. The fire assay method is regarded as the industry standard for gold analysis. In addition, all samples are subjected to ICP analysis that reports the concentration of 47 elements. Because the tungsten minerals wolframite and scheelite are relatively insoluble, a metaborate fusion followed by ICP-MS analysis is used. For some rock samples very significant increases in tungsten were reported over standard ICP methods.

Colt employed QA/QC protocols for the 2007 to 2010 drilling programs consisting of the insertion of reference samples including certified sample standards and blanks and duplicates into the sample stream. This was in addition to laboratory quality control protocols. No check assays at another laboratory were conducted. Inspection of the analytical data revealed a frequency of reference sample insertion of 14.23% or one reference sample for every seven samples. This is considered more than adequate for these exploration programs.

The laboratory analytical results compare very well with the inserted certified reference samples with the average variance being within 5%. Duplicate assays display a considerable assay variance due to differences in vein and sulphide content.

When comparing duplicate samples containing ≥0.25 g/t Au the grade variance averages 29.3% which is considered acceptable for vein type deposits.

Based upon the author's review the analytical data are considered very reliable and that the QA/QC protocols are appropriate for the current stage of exploration.

Data Verification

In late August 2008, the author of the Penedono Technical Report examined several areas on the concession along with Colt's 2007-08 drilling programs. More recently (July, 2010) the author examined exploration work conducted during the 2009 and 2010 programs as well as sampling procedures, QA/QC, core handling and storage facilities.

The site visits also confirmed the deposit types being explored, the extent and orientation of mineralization along with alteration and structure.

A comprehensive review of Colt's analytical data, specifically the drill sample data was performed. Drill logs along with all laboratory analyses for the 2007-2010 programs were received from GeoLog in Microsoft Excel format. This allowed the direct calculation and verification of the gold intersections reported by Colt. The data review revealed a more than ample frequency of reference sample insertion and an acceptable variance between the lab's data and that of the reference samples. Based upon the data review there are no concerns over the veracity of the exploration data.

Security of Samples

In 2007, Colt samples were shipped to EcoTech Laboratory Ltd. in Kamloops, BC, Canada by airfreight through customs broker Orey Comercio E Navegacao Lda. Since 2008 all samples were shipped by to OMAC Laboratories in County Galloway, Ireland. Because the lab is in the European Union, TNT Worldwide Express (Portugal) SA was used as the courier service.

Core and rock samples were collected in durable, labeled and tagged plastic sample bags secured by tamper proof, single use plastic straps. Individual samples were packaged in larger fibre bags that were sealed for shipment. Core and rock samples are stored and securely locked at Colt's Penedono facility. Sample shipments were picked up by the courier company and transported to the laboratory thus completing a complete and proper chain of custody. No Colt employees, officers, directors or associates handled or shipped any samples.

The six Santo Antonio mine tailings samples (April 2009) were packed under supervision of Peter Sullivan from Maelgwym Mineral Services and shipped by TNT Courier to the Cardiff University metallurgical laboratory for test work. GeoLog collected smaller duplicate samples in case the company wished to conduct future check assays.

The author of the Penedono Technical Report noted that he was completely satisfied that proper handling, sampling, analytical and quality control measures, storage and chain of custody procedures are being utilized.

Recommendations and Conclusion

In summary the Penedono concession offers excellent potential for the discovery of gold ± tungsten deposits in a region with excellent infrastructure, local resources and resource friendly communities. Colt's exploration programs have successfully delineated and tested gold mineralized zones in the Santo Antonio and Marofa areas. Previously unexplored veins were drilled and in some cases, new mineralized vein zones were discovered. Santo Antonio, Marofa and the Turguiera areas are but a few of the gold mineralized zones and geochemical anomalies that have yet to be fully explored.

Continued exploration on the concession is definitely warranted and should target two main areas.

Santo Antonio – Continued exploration drilling is warranted in two primary areas (not in priority order):

- Drilling on Veins 11 and 13 both along strike and to depth.
- Drilling on untested Veins 8-10 and 12.

- Drilling the 300m gap between Veins 3 and 4 to test high-grade veins and NE striking veins.
- Area of low topography, greisen soil and gold soil anomaly between Santo Antonio and Marofa.
- Trenching and possible drilling on Marofa target MF6.

Turgueira:

- Soil sampling and prospecting to further delineate of greisen alteration and Au-W mineralization.
- Trenching and drilling gold ± tungsten greisen and gold-in-soil soil anomalies.

Marofa:

- Prospecting, rock sampling.
- Trenching and drilling untested exploration targets

Ferronha:

- Prospecting and detailed rock sampling to define targets within large soil geochem anomaly.
- Trenching and drilling of select targets.

It is estimated that this work will take two to three months.

Program Cost Estimate

Santo Antonio Area:		
Diamond Drilling – 3750 metres @ CDN $160/m (all inclusive)	$599,625	
Trenching, sampling and assaying	25,000	$624,625
Turguiera Area:		
Drilling program - 1500 metres @ CDN $160/m (all inclusive)	239,850	
Trenching, sampling, assaying	25,000	264,850
Other Penedono Concession Targets (i.e. Ferronha, Marofa):		
Prospecting, soil and rock sampling, trenching, assaying	15,000	
Reconnaissance drilling programs – 400 metres @CDN $160/m (all inclusive)	63,960	78,960
	Total:	**$968,435**

The Armamar-Meda Concession

Certain of the information in this section is taken from a technical report prepared in accordance with NI 43-101 dated September 6, 2010 (the "**Armamar-Meda Technical Report**"), prepared by Warner Gruenwald, P. Geo, of Geoquest Consulting Ltd. Mr. Gruenwald is a qualified person that is independent of the Corporation within the meaning of NI 43-101. During July 2010, and as part of his efforts in preparing the Armamar-Meda Technical Report, Mr. Gruenwald conducted a property visit to the Armamar-Meda Concession. A copy of the Armamar-Meda Technical Report is available under the Corporation's profile on SEDAR at www.sedar.com.

Summary of the Armamar-Meda Concession

Property Description and Location

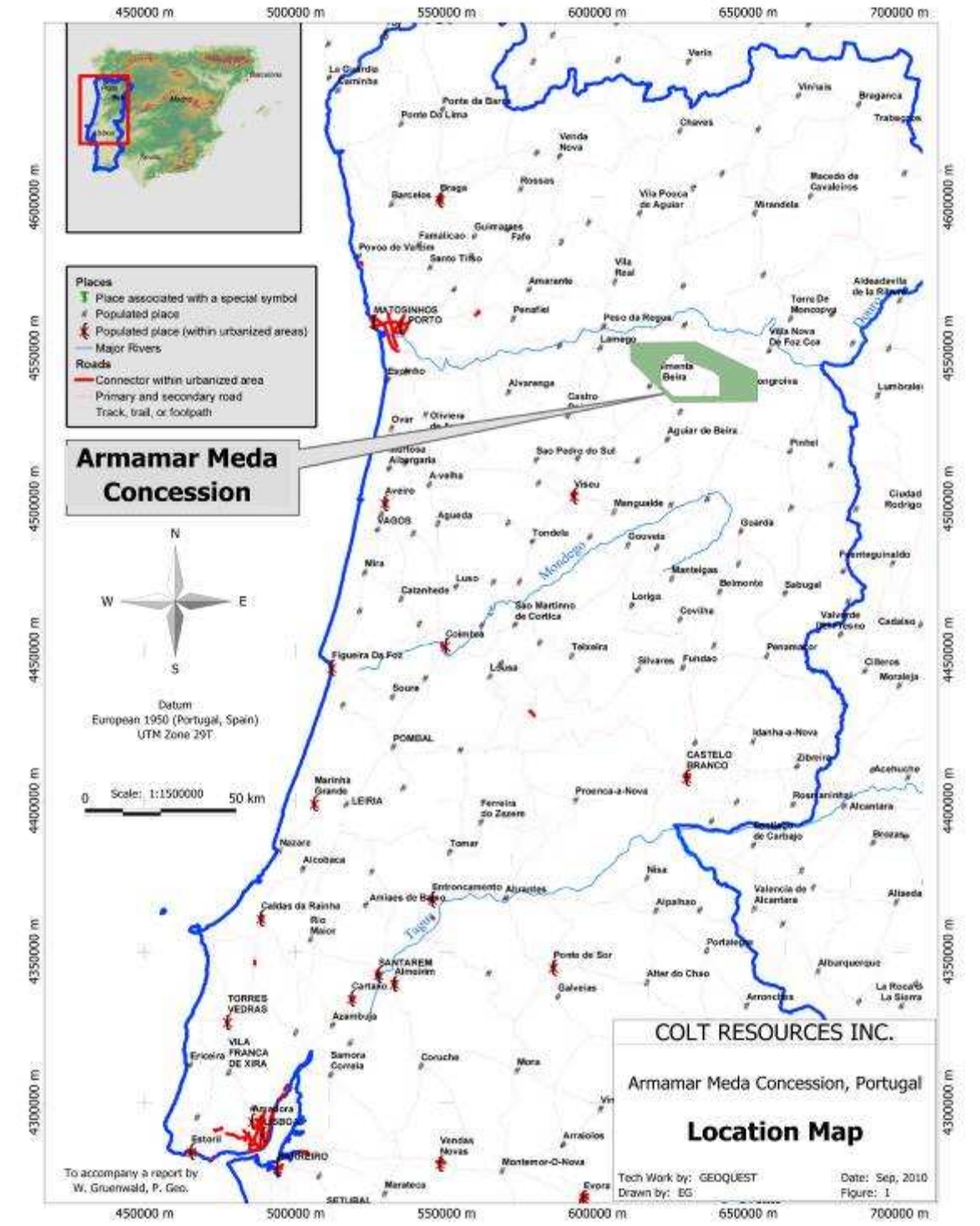
The Armamar-Meda Concession forms an elongate roughly east-west polygon with an area 436 km^2 and is situated in north central Portugal approximately 295 air kilometres NNE from Lisbon, the country's capital. The town of Meda is the largest community in the area. The towns of Armamar and Tabuaço are situated just north of the concession, although their

municipalities are included in the western part of the concession. The key exploration area referred to as the Tabuaço area is located approximately three kilometres south of the village of Tavora (Tabuaço municipality).

On December 10, 2007, the Corporation entered into a prospecting and exploration license agreement with the Government of Portugal whereby the Corporation was granted the exclusive right to prospect and explore for base and precious metals on the Armamar-Meda Concession for an initial three-year term, which may be extended twice on an annual basis. On December 11, 2010, the Government of Portugal approved the extension of the prospecting and exploration license agreement on the Armamar-Meda Concession until December 10, 2011. Please see the detailed description of the agreement in respect of the Armamar-Meda Concession under the heading "Agreements related to the Properties" on page 5 for additional information relating to the agreement.

Previous tungsten, tin and lead mining concessions are all extinct, and therefore there are no exclusion areas on the concession. Colt owns the mineral rights for gold, silver, copper, lead, zinc, antimony, arsenic, tungsten, tin, lithium, beryllium, bismuth, molybdenum, tantalum and niobium. Surface rights are held by various entities/individuals with most being small farm holdings. Although there is an underlying ability of confiscation of surface rights (with government approval), this option would only be used as a very last resort.

Historic exploration in the northwest area of the concession near the Tabuaço area was completed on private property. Negotiations and agreements with land owners were and still are imperative prior to conducting any work. Recently, Colt approached a new land owner in a strategic exploration area and concluded positive negotiations that allowed it to conduct surface exploration work commencing in late 2008, and a drilling program started in late 2009.



Accessibility, Climate, Local Resources, Infrastructure and Physiography

Tabuaço, with an area population of 6,200, is located near the western part of the concession. Several smaller villages are located very near the areas of exploration interest. A new area of interest is situated less than a kilometre to the south of the community of Bebezes.

The climate is temperate, humid with a mean temperature of 15° C and an annual rainfall of up to 20 cm. Summer temperatures can reach 40°C while minor snowfalls may occur in the winter at higher elevations. Snow does not last more than a day or two. The operating season for exploration and mining operations is year round.

In addition to excellent transportation corridors, high voltage power is locally available. Water requirements would be readily available from small rivers crossing the concession. There would be areas suitable for milling operations.

The Tabuaço area is located along the north flowing Tavora River, which is a major tributary of the upper Douro River. Local topography is characterized by rolling hills with moderate to steep slopes especially along the Tavora River valley. Elevations range from 175 metres along the Tavora River to nearly 1,000 metres on local hilltops. The key exploration areas are generally located below 400 metres.

The Bebezes area is located approximately 14 kilometres east-southeast of the Tabuaço area and south of the village of Bebezes. The area of exploration interest is situated on the north flank of Mt. Airoso at elevations between 750 and 900 metres.

Many hill tops, cliffs and rocky areas of the concession are grass and shrub covered. Scattered areas of deciduous and coniferous trees occur along higher slopes and uncultivated areas. Only a few of the very steepest areas along the Tavora River would present any topographic restraints to exploration.

History

The regional history dates back to gold mining during Roman times near the town of Penedono. Small-scale tungsten mining took place during the 1940s spurred on by demand by the munitions industry during World War II. Tin was mined on the concession at two areas, namely Tabuaço and Bebezes. The Tabuaço area was first known for small□scale tin mining operations dating to the mid-1900s or earlier.

In the 1970s, tungsten bearing skarns were discovered by Government geologists (SFM) through geological mapping and mineral light (UV) prospecting south of Tabuaço after which these occurrences are collectively named. In the early 1980s, exploration of the Tabuaço discoveries was conducted by a joint venture (Consortium) of Portuguese company SPE with French SEREM (part of the French Government's BRGM group). Three mineralized areas, namely São Pedro das Águias, Quintã and Quinta do Paço were explored.

The São Pedro das Águias area (zone) attracted most of the exploration efforts by the SPE-SEREM Consortium based upon SFM's initial work. Scheelite bearing skarn outcroppings occur at the São Pedro das Águias and Herédias farms on the west slope of the Távora River. SPE-SEREM mapping identified two sub parallel carbonate horizons, the lower one of which contains significant tungsten skarn mineralization. After removal of the vegetation and overburden, detailed channel sampling was carried out at the south and north skarn outcroppings of the lower horizon. Several scattered small channels were sampled in the south skarn showings with the most extensive sampling conducted on the north skarn showing. At the north skarn showing, two channels 16.70 and 15.50 metres long yielded weighted averages of 0.67% and 0.56% W and 0.086% Sn. The southern skarn showing samples ranged from 2.00 to 2.70 metres long and yielded 0.10% to 0.55 % W with roughly 0.05% Sn.

The Quintã skarn area was discovered by SFM on the steep slopes easterly and downhill of Quintã village. Exploration by SPE-SEREM was very limited due to the fact that the area was then within a tin mining concession (now extinct). Geological reconnaissance work identified several skarn horizons with the most significant located approximately 200 metres southeast of Quintã village on a steep slope with agricultural terraces. The earliest (SFM) work indicated a four metre thick skarn zone with grades ranging from 0.17 to 0.76% tungsten. SPE-SEREM geologists concluded that the Quintã zone had very significant potential and recommended negotiations with the tin concession holder. This was never completed and thus the Quintã zone remained untested.

The SPE-SEREM exploration work on the Tabuaço mineralized zones was completed in two phases. Phase I (November 1980 to November 1981) consisted of geological mapping, ultra violet (UV) lamp prospecting, grab and channel rock sampling and heavy mineral stream sediment and soil sampling.

Phase II exploration took place between November 1981 and November 1982 and consisted of the six widely spaced diamond drill holes on the S. Pedro das Águias tungsten occurrences. Drilling focused on determining the geometry, structure and grade of the scheelite bearing horizons in the S. Pedro das Águias area.

Significant Historic Drill Results – Sao Pedro Das Águias Zone

Drill Hole Details					Significant Intersections				
DDH	**Target**	**Dip**	**Az**	**Length (m)**	**From (m)**	**To (m)**	**Length (m)**	**WO_3 (%)**	**SN (%)**
S1	North Skarn	–90°		101.05	50.00	52.10	2.10	0.930	0.0830
					63.55	68.72	5.17	0.480	0.0590
					76.03	78.14	2.11	0.680	0.0670
S2	North Skarn	–55	250°	101.25	80.93	85.60	4.67	0.730	0.0840
					87.40	95.00	7.60	0.520	0.0950
					96.75	98.40	1.90	0.380	0.0850
S9	North Skarn	–90°		63.80	25.00	44.35	19.35	1.180	0.0900
S3	South Skarn	–90°		108.00	46.15	47.15	1.00	0.014	0.0007
S4	South Skarn	–40°	250°	84.80	58.43	59.75	1.35	0.094	0.0038
S6	South Skarn	–90°		63.80	No results reported				

The SPE-SEREM drilling program identified scheelite skarn mineralization in stratiform horizons up to 19 metres thick. Mineralization was considered open both down-dip (towards the granite) and along strike particularly to the northwest. SPE-SEREM estimated from their work a deposit with a potential geologic resource of around one million tons grading between 0.63 and 0.79% W. Tin averaging 0.08% Sn was also reported. The geologic resource is not compliant with NI 43-101 standards and is presented only as an historic reference. Although additional drilling was planned, an impasse with a land owner over access forced cessation of exploration work in 1982. Since that time no further work was conducted on the Tabuaço mineral occurrences. All of the local tin mining concessions have since expired.

Geological Setting

The concession is situated at the border zone of two major geologic units in northern Portugal, namely the Hercynian age Beiras granite batholiths and the Lower Cambrian Douro Valley Schist-Greywacke Complex (SGC). The latter is comprised of shale, schist, siltstone, sandstone and greywacke, with subordinate conglomerate and carbonate beds that were folded, faulted and subsequently regionally metamorphosed. This was followed by intrusion of Hercynian granites that produced contact-metamorphic haloes in the meta-sediments.

In the northwest part of the concession, referred to as the Tabuaço area, SGC rocks are in contact with the Armamar-Tabuaço granite batholith. Many tin and tungsten occurrences are associated with this intrusive. Hercynian deformation of the lower part of the SGC (Bateiras Formation) produced a northwest-southeast trending, gently northwest plunging anticline referred to as the Tavora Anticline. The “core” zone of the anticline contains economically important carbonate and skarn horizons. Metasomatism of some carbonate horizons produced the skarns that are host to tungsten mineralization.

The Armamar-Meda mineral deposit types include skarn tungsten and tin veins in the Tabuaço area and vein hosted tungsten and tin at the Bebezes area.

Mineralization

In the Tabuaço area, tungsten mineralization occurs in several areas. The main areas are referred to as ***São Pedro das Águias, Quintã and Quinta do Paço.*** The ***São Pedro das Águias*** zone is situated along the southwest limb and within a

possible subsidiary syncline fold of the Tavora anticline. A lower, gently dipping, well-developed skarn horizon hosts significant scheelite (tungsten) mineralization. Skarn horizons defined on surface range up to nearly 25 metres in thickness. The ***Quintã*** zone is situated in the hinge area of the Tavora anticline. Previous geological work identified several sub-horizontal tungsten bearing skarn horizons. Historic sampling reported skarn thickness of over four metres. The ***Quinta do Paco*** and ***Azenha Velha*** zones are a series of outcroppings found intermittently over a NW-SE strike of 1.5 km. Skarn, calc-silicate and carbonate horizons are from 0.15 metre to one metre thick.

The São Pedro das Águias and Quintãzones contain the most significant tungsten mineralization found thus far in the Tabuaço area. Tungsten occurs as fine to coarse disseminations of scheelite ($CaWO_4$). The skarns are virtually devoid of sulphides, a favourable attribute for potential mineral processing. Considerable amounts of tin are reported in the Tabuaço tungsten skarns however it may occur within silicate minerals such as garnet. Additional testing will be required to determine if it can be economically recovered.

Several small historic tin (cassiterite) mines and occurrences are scattered throughout the Tabuaço area. Cassiterite (SnO_2) was mined from several quartz vein and alluvial deposits. Tin bearing aplite-quartz veins occur within the "core" schistose rocks of the Tavora anticline. These are described as small-sized, but prolific cassiterite-bearing quartz and aplite veins. It is conceivable that the tin occurrences in the core of the Tavora anticline may be the result of later stage metasomatic processes peripheral to the Tabuaço skarns. The tin occurrences and widespread tin-in-stream anomalies in the Tabuaço area suggest exploration potential for this metal.

Skarn tungsten mineralization is found in several areas southerly and northerly of the SPA zone. To the immediate south at Quinta das Herédias skarn horizons several metres thick and locally containing over 1% WO_3 were identified. To the north tungsten skarn mineralization occurs at the Aveleira, Quintã and Quintã-Tavora zones. Skarns also attain widths of several metres with tungsten grades of greater than 1% WO_3. The lateral extent of the known tungsten skarn mineralized zones spans an area approximately two kilometres long.

The Bebezes area situated approximately 14 kilometres east-southeast of the Tabuaço area is an area of granite hosted quartz veins containing significant amounts of tungsten and tin. These veins were the site of small-scale mining for tungsten in the mid 1900s. Colt sampling identified samples containing up to 4% tin. Subsequent work has determined that the potential of this area is limited.

Exploration

In 2008, after the assessment of available data, Colt initiated exploration work on the Armamar-Meda Concession. Prospecting, mapping and rock sampling campaigns were carried out since the summer of 2008 by GeoLog personnel under the direction of J.W. Murton, P.Eng. This work focused on prospecting and rock sampling the tungsten mineralization at the Quintã and Quinta do Paço zones. Rock sampling northeast and east of the historic Quintã zone tested for the potential extensions of the skarn horizons along the northern projection of the Tavora anticline.

On August 31, 2008 permission to access the São Pedro das Águias farm, which is occupied with Port-wine vineyards, was negotiated with the new land owners. During October-November 2008 prospecting, mapping and detailed rock sampling were completed. Bedrock samples comprised of continuous chip samples were collected from several skarn outcroppings. In one area, continuous sampling was conducted across 23.30 metres of skarn. The Quintã zone was also sampled in detail.

In the spring of 2009 another campaign of rock sampling took place in the Tabuaço area. At the Herédias farm 30 channel samples of the skarn zone were collected. The SPA main skarn zone was tested by 13 channel samples and the lowermost skarn horizon was also sampled. Additional chip and grab rock sampling was conducted at the Aveleira, Quintã and Tavora (beyond Quintã) zones. In all 123 rock samples were collected during these programs.

At the Bebezes area, work focused on determining the gold content of quartz veins hosted by similar granitic rocks to those seen at the nearby and former producing Santo Antonio gold mine. Nine grab samples were collected over a several hundred metre area from artisanal mining dumps. Additional mapping and rock sampling was conducted in 2009 to further assess the tin and tungsten potential of the mineralized zones.

Rock sampling of the SPA and Quintã zones has consistently returned very encouraging results. Channel sampling at the Sao Pedro das Águias main skarn has yielded some of the most significant results in the Tabuaço area. As an example the weighted average grade of 23 channel samples from the SPA is 0.673% WO_3. It is readily apparent that tungsten skarn mineralization identified by recent and historic work is extensive and is worthy of continued exploration.

Nine samples collected from the Quinta da Aveleira zone and which may represent a continuation of the skarn stratigraphy yielded averages of 0.566 and 1.142 %WO_3. This tungsten mineralized skarn may effectively represent a connection between the northern part of San Pedro das Aguias and the Quintã –Tavora areas.

The Quintã zone has also yielded promising tungsten results in three areas referred to as Quintã South Slope, and Quintã East Slope. Northerly of this area sampling was conducted on skarn outcroppings in and area referred to as Tavora River.

Samples from this area do not contain any anomalous amounts of gold. Arsenic was very anomalous ranging from 1,172 to 58,339 ppm As. Sampling yielded tungsten up to 0.171 % WO_3. Substantial amounts of tin were also reported with assays up to 4.161% Sn. There does not appear to be a correlation between tungsten and tin.

Drilling

On November 24, 2009 Colt commenced a diamond drilling program on the SPA Zone. The objectives of the program were to verify historical drilling results and to confirm and expand the historical resource. Drilling was also planned to test lateral southeast and northwest extensions of the main skarn horizon, as well as newly discovered skarn horizons located near the Tavora River and well below the main skarn horizon.

Nine holes totalling 815.45 metres were completed. Eight holes were drilled vertically and one hole was drilled at 45° to the southwest toward the granite intrusion. Some of the holes were drilled adjacent to historic holes to confirm the historically reported mineralization. All of the holes intersected tungsten bearing skarn horizons. Mineralized skarn intersections range from core lengths of 1.70 to 21.60 metres. Tungsten grades ranged from 0.17% WO_3 up to 1.44% WO_3.

Sampling and Analysis

Historic sampling on the concession was comprised of heavy mineral stream and soil samples and rock and drill core.

Rock sampling by SPE-SEREM of outcroppings involved collection of grab, continuous chip or detailed channel samples after the clearing of vegetation and overburden. The most detailed channel sampling was carried out at the north and south skarn showings on the Sao Pedro das Águias Zone. Scattered outcrop and trench sampling was also conducted on the nearby Quinta do Paco and Quintã zones.

Rock sampling in the Tabuaço areas since 2008 was done using hammers and chisels and consisted of numerous detailed chip and continuous channel samples collected from skarn outcroppings. Float samples were collected in overburden covered areas to help trace skarn zones. Sampling density has been sufficient to trace the tungsten mineralization and this helped direct the 2009/10 drilling program.

At Bebezes reconnaissance grab and rock chip samples were collected from artisanal mining sites. The original objective was to determine the gold potential of the vein system which appears similar to the veins that were mined at the Santo Antonio mine. Arsenopyrite bearing quartz from the old dumps was collected rather than the wolframite (tungsten) that was likely the reason for these old excavations.

Drill cores were routinely logged, labeled and photographed. Detailed core logging was completed followed by sample marking. Prior to sampling, the core was photographed using a digital camera. In some instances scheelite mineralized intervals were photographed under natural and ultraviolet light and very effectively confirmed the scheelite distribution in the skarns.

Cores were cut longitudinally using an electric diamond saw with one half collected as a sample and the other returned to the core box for storage. Sampling was not done across geologic contacts. Sample lengths ranged from 0.30 metres to on two

occasions over three metres. Mineralized zones were generally sampled in the 1 – 1.5 metre range. These sample lengths are considered appropriate for this type of mineralization and deposit type.

Core recoveries for the drill holes ranged from 58% to 87% and for the entire program averaged 74.2%. Some sections experienced core losses >50%. Continuous high core losses were seldom over intervals exceeding three metres. Areas of significant core loss were evident within the top 20 metres of the hole or were associated with voids or highly fractured rock. Similar conditions were reported in the historic drilling. Core losses for the Colt program although substantial were not considered significant enough to adversely affect the accuracy or reliability of the assay data.

Colt employed quality assurance/quality control protocols for the drilling program consisting of the insertion of reference samples including certified sample standards and blanks into the sample stream. Tungsten standard "W108" (0.72% W) was acquired from West Coast Minerals, a provider of high quality reference samples from Vancouver, British Columbia. These samples were in addition to laboratory quality control protocols. The frequency of reference sample insertion for the drill program was one per 12 samples which is considered adequate for such exploration programs. No check assays have been conducted at another laboratory.

The OMAC analytical results compare very well with the certified tungsten value of the inserted reference samples. The average variance between the inserted certified reference sample values and the laboratory results was only +1.44% which is well within accepted norms. The author of the Armamar-Meda Technical Report noted, based upon the author's review, that the analytical data are considered very reliable and that the quality assurance/quality control protocols are appropriate for the current stage of exploration.

The author of the Armamar-Meda Technical Report noted that the historic SPE-SEREM data is quite comprehensive and accurately presents the exploration that was carried out. Data verification included a review of the historic and Colt's 2008 to 2010 exploration data. The latter included all drill logs, sections and analytical certificates. The author further indicated that he is satisfied with the veracity of the analytical data, the quality of the OMAC results and Colt's quality assurance/quality control protocols.

Security of Samples

Rock and core samples were not prepared by Colt prior to analysis. GeoLog personnel collected rock chip and drill core samples in labeled, plastic sample bags secured by tamper proof, single use plastic straps. Samples were shipped to OMAC Laboratories in County Galloway, Ireland by TNT Worldwide Express (Portugal) SA., a reputable courier company that routinely ships between European Union countries.

Throughout the exploration programs drill cores, rock and core samples were securely stored at Colt's facility in Penedono. No Colt employees, officers, directors or associates were involved in sampling, handling or shipping. The author of the Armamar-Meda Technical Report noted that he was completely satisfied that proper sampling, handling, storage and chain of custody procedures were followed in Colt's exploration programs.

Interpretations and Conclusions

The earlier mining history and the more recent Colt exploration programs have identified several tungsten ± tin mineralized areas on the Armamar-Meda Concession. It is apparent that the geological settings are favourable for the discovery of economic deposits. The extent of the known mineralized zones has yet to be fully tested or delineated. The following summarizes the author's observations, interpretations and conclusions.

• Historic stream sampling surveys identified drainage basins prospective for tungsten and tin mineralization.

• Prospecting, UV lamp and rock sampling can effectively locate mineralization and favourable lithologies.

• Surface work identified several tungsten bearing skarn zones extending over nearly two kilometres.

• Historic and the most recent drilling have intersected long intervals of tungsten skarn mineralization.

Colt's 2008 to 2010 exploration programs have successfully met their objective of confirming the presence of and identifying high-grade tungsten potential at Tabuaço. The full extent and potential of the mineralized areas have yet to be realized.

Recommendations

Exploration has confirmed that the Tabuaço area has excellent potential to host significant tungsten deposits. There is ample justification for continued and aggressive exploration drilling directed at defining the extent of tungsten mineralization. The ultimate goal of this work will be to determine the resource potential of the Tabuaço skarns. Given the nature of skarn deposits it will be necessary to conduct closely spaced diamond drilling (~25 m) in the SPA or other prospective tungsten skarns. Metallurgical test work to determine various characteristics of the tungsten mineralization is appropriate and warranted based on the stage and success of Colt's exploration programs.

The proposed budget cost for continued exploration work on the Armamar-Meda Concession is presented below:

Tabuaço Tungsten Project	**Drilling (metres)**	**Cost/m (CAN$)**		**Total (CAN$)**
Phase 1				
São Pedro das Águias drilling program	2500	160		399,750
Quintã-Távora drilling program	500	160		79,950
Landowner compensations				40,000
Structural geology study*				18,000
Topographic survey*				38,000
Environmental study*				20,000
Phase 2				
Metallurgical test work				150,000
Resource calculation				50,000
Scoping study				250,000
Pre-feasibility study				750,000
				$1,795,700
Armamar-Meda Regional Program				
Geological mapping, sampling, assaying				20,000
Trenching, sampling, assaying				30,000
Scout drilling program	500	160		79,950
			Subtotal:	**$129,950**
			Total:	**$1,925,650**

*(Note: Drilling cost/m dependant on minimum of 45 m/day; all northern projects combined) * in progress*

The Montemor Property

Certain of the information in this section is taken from a technical report prepared in accordance with NI 43-101 dated March 4, 2011 (the "**Montemor Technical Report**") and prepared by SRK Consulting (U.S.), Inc. ("**SRK**"). Each of Jeffrey Volk, CPG, FAusIMM, MSc, Gareth O'Donovan, C Eng, FIMMM, FGS, QP and Eric Olin, MAusIMM of SRK is a qualified person that is independent of the Corporation within the meaning of NI 43-101. SRK conducted a site visit to the Montemor Property on February 1, 2011. During the site visit, the SRK project team reviewed project geology, conducted a tour of the

concession area and existing infrastructure, and examined core samples at the core storage facilities at Santiago do Escoural. A copy of the Montemor Technical Report is available under the Corporation's profile on SEDAR at www.sedar.com

Summary of the Montemor Property

Property Description and Location

The Montemor Property is located in the Alentejo Region of Portugal, approximately 100km east of the city of Lisbon, near the town of Santiago do Escoural. The Montemor Property is centered at the UTM coordinates of 569,419E, 4,270,860N, within the WGS84 Zone 29 N system. The Montemor Property is accessed via highway (A6 motorway) and secondary paved roads from Lisbon. The current license area ("**Boa Fé experimental mining licence**" or "**Boa Fé license area**") encompasses 46.8km^2, with an additional 732.611m^2 of exploration concession ("**Montemor exploration concession**") staked surrounding the Boa Fé license area. Both licenses are currently in the approval process by the Portuguese mining authorities.

The Montemor Property comprises two contiguous mineral concessions totalling 77,500ha, for which Colt has an understanding from the various surface landowners to permit access and drilling in the Chaminé and Casa Novas areas. There are no formal surface rights agreements with landowners on either concession. A number of small concessions not owned by Colt are located internal to the Montemor Property but are not in the immediate area of interest covered by the Montemor Technical Report.

The Boa Fé license area is located within the greater Monfurado Protected area (**P**lano de **I**ntervenção no **E**spaço **R**ural do **S**ítio **M**onfurado, or **PIERSM**). On January 31, 2011 a new regulation was announced in the official gazette (aviso nº 3305/2011, DR 2ª série, Nº 21), allowing surface mining within the PIERSM area under the condition that the disturbance does not affect protected plant or animal species in the area of a proposed open pit.

Description of Property Concessions

Name	Title	Type	Area (ha)	Title Date	Expiry Date	Owner	Agreement Date
Boa Fé	MN/PC/002/05	Experimental Mining	4,680.33	In progress	3 yrs*	Colt Resources (51%)	TBD
Montemor	MN/PPP/0229	Exploration	73,261.09	In progress	5 yrs**	Colt Resources (pending)	TBD

* 3 years from the date of issue
** 3 years from the date of issue plus two one year extensions

Ownership

The Corporation currently holds a 51% beneficial ownership of the Boa Fé license area, which is currently under application for an experimental mining license. Upon approval of the experimental mining license, which is expected by the end of June, 2011, the Corporation will hold a 100% interest in the Montemor Property. The terms of the Montemor Agreement are summarized above under the heading "Other Material Events and Recent Developments".

Required Permits and Status

License Status of Project

The Boa Fé Experimental license area is at an advanced exploration stage of development. It currently has no mining license, and the area is currently in the approval process by the Direcção-Geral de Energia e Geologia (DGEG). The following comments describe the licensing arrangements for exploration and experimental mining license in Portugal.

Exploration Contracts

As a general rule, an exploration contract is valid for a period up to five years, with a so called "initial period" of two years. It also includes the proposed work commitment, detailed for the first two years, the yearly investments, the coordinates of the corners of the licensed area, amount of bank guarantees, yearly payments to be paid to DGEG, royalties to be paid if a mine is open, period for a possible exploitation license, and other general contractual terms.

During the "initial period" the company is not allowed to cancel the contract, and has to do the work and investments they originally proposed and later confirmed in the contract.

At the end of the initial period, the company can do one of two things: cancel the contract, or, at its own will, surrender 50% of the original exploration surface area and, at the same time, present a detailed work and financial commitment for the following contractual year (3rd contractual year). One year later, the same procedure is repeated. The company can either cancel the contract or coming into the next contractual year for which it has to present a work and financial program and propose a reduction of 50% of the existing surface area. This process is repeated another time if the length of the contract is five years.

The bank guarantee (usually 20 to 25 % of the proposed investment) is placed to assure that the company will comply with the proposed work and financial commitments referred in the contract.

There is also a yearly payment to DGEG, with a unit cost per km^2 of the existing surface area of the contract. That value is proposed by the company, and is related to the existing geological/mining knowledge of the proposed area (higher for a "good" exploration area, lower for a less well known area). Twice per year, the company has to present a semester report where it should be described the work and investments done, and present all the results obtained. Excluding the semester reports, which are referred to the first and second calendar semesters, all the other time limits are related to the contract anniversary.

Application for an Experimental Mining

Colt submitted an application for an Experimental Mining License to the DGEG with a revision made on January 31, 2011 to include exploitation of the Chaminé area. The Experimental Mining License is for a period of two years from the date of signature with an option to extend for an additional year (three years total).

Upon approval, Colt is required to follow the terms of the contract which typically includes the placement of a performance bond and the execution of the work and investments proposed. Colt will carry out at least the following work to expand the current understanding of the shear zone in Chaminé and Casas Novas areas:

- Surface Drilling;
- Surface Extraction Works (test pits within a 5ha boundary limit, Chaminé only); and
- Collection of Samples.

The Surface Extraction Works is strategically limited to the Chaminé area allowing Colt to advance its time line on exploitation of this area. This is because Chaminé is outside of the Monfurado protected zone known as PIERSM. Additionally, by maintaining a 5ha boundary disturbance condition of the work relieves the necessity of performing an Environmental Impact Assessment (EIA). The Casas Novas area however is located within the PIERSM and, as such, would require an EIA to support any surface works.

The Experimental Mining Contract does not alter the current Exploration Contract, where Colt continues its exploration in the remaining areas within the Boa Fé license area. Additionally, Colt may apply for a Definitive Mining License during the two year Experimental Mining Contract timeframe for all the identified zones in the Boa Fé license area.

Royalties and corporate tax rate in Portugal

The standard corporate tax rate in Portugal is 25%, and an additional 2.5% municipality tax is also imposed, for a total corporate tax rate of 27.5%. Typically, as per the terms of the mining license, gold production is subject to a 4% NSR royalty (mine gate) for doré and gold bearing concentrates produced on site.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Topography, Elevation and Vegetation

In elevation the Montemor Property area lies between 225 and 425 meters above sea level. It is characterized by gently rolling plains in the south, to a more hilly terrain containing a series of ridges in the north. The land is used for a mix of arable and pastoral agriculture notably with crops of cork and olives sharing the same areas.

Climate and Length of Operating Season

The climate of Portugal is described as typically Mediterranean, consisting of dry hot summers and temperate wet winters.

Portuguese climate conditions:

- The average temperature in Portugal is 16.6°C (62°F);
- The average temperature range is 11.5°C;
- The highest monthly average high temperature is 28°C (82°F) in August;
- The lowest monthly average low temperature is 8°C (46°F) in January & February;
- Portugal's climate receives an average of 708mm (27.9in) of rainfall per year, or 59mm (2.3in) per month.

Surface Rights

The landowners and tenants of the farms which host the gold deposits are being engaged in discussions over the possible use of and compensation for land required for mining purposes. It is policy that full environmental restoration should leave the land in better condition than prior to mining.

Local Resources and Infrastructure

There is no existing mine infrastructure in the area, apart from services provided to local gravel and marble quarry owners, and auxiliary services for the Iberian Pyrite Belt mines such as Aljustrel and Neves Corvo. Local workshops provide back-up mechanical and equipment engineering services, which have previously been useful in exploration.

Travel time to Lisbon is one-hour by car, and is the main access port for imported equipment, dispatch of samples and services. Iberian Resources Portugal had its field office at Escoural, which is within minutes of most of the deposits. Apart from office facilities and equipment storage, samples are prepared, stored and dispatched from this location.

Access Road and Transportation

Roads are the only means to the Montemor Property. The nearest airport to the Montemor Property is found approximately 26km away at Évora. The Évora Airport (ICAO: LPEV) is a municipal airport that serves Évora, Portugal. Évora does have a rail which is run by Combois de Portugal (CP). This is an electrified broad gauge line for passenger service to Lisbon and the line is closed for repairs. It is not known when it will reopen. Another rail station is located approximately 5km south of Santiago do Escoural in Casa Branca. There is a small freight loading platform at this station, allowing this station to handle both freight and passenger trains. The closest port to the property is “The Port of Lisbon”. This port is a large European port

with an Atlantic facing orientation whose geo-strategic position favors a logistics chain of international commerce and cruise circuits.

Power Supply

The Montemor Property will need to source power from the national grid. There is an existing power line which passes through the property to service the adjacent villages of Casas Novas and Ns da Boa Fé, but his is of low kilovolt. A new high voltage transmission line will need to be designed and constructed to bring sufficient power to the site. The current estimate for power is approximately 5 million watts.

Water Supply

The Montemor Property will need to source water from the region. Currently, the available water is designated to the local community and agricultural sector. Preliminary water investigations have located the water table in the region and have monitored its seasonal change.

Geology and Mineralization

The geology and mineralization of the region is well documented in numerous reports that are both in the public domain and held by the Corporation. The Montemor gold deposits are located within a segment of the Boa Fé shear zone that crosses the Ossa Moreno Zone, an important tectonic and metallogenic domain in southern Portugal.

At a broader level, the geology of Portugal is subdivided into two large domains: the Hesperian Massif and the Epi-Hercynian (now Variscan) cover rocks (Martins & de Oliveira 2000; Martins L. & Borralho V. 1998). The Hesperian Massif is itself subdivided into four main tectonic domains, which date from the Pre-Cambrian through the Paleozoic:

- Galacia-Tras-os-Montes Zone;
- Ossa Moreno Zone ("**OMZ**");
- Central Iberian Zone ("**CIZ**"); and
- South Portuguese Zone ("**SPZ**").

The Galacia-Tras-os-Montes Zone occurs in the north-west corner of the country and is characterized by the mafic and ultramafic Braganga and Morais massifs. The rocks surrounding the massifs are mainly Silurian and represented by acid and basic volcanic rocks, which are thrust against the massifs. Alkali and porphyritic granites are also present.

The CIZ is characterized by the predominance of schists and greywackes with minor carbonates representing metamorphosed flysch-type rocks dating from the Cambrian and Late Precambrian. There are also large areas of alkali and calcalkali granites and granodiorites.

The OMZ is a complex and diverse domain, with a stratigraphic sequence that goes from the Precambrian through Cambrian and Silurian and ends with flysch units in the Devonian. The contact with the CIZ is a regional tectonic feature known as the Tomar Cordoba Shear Zone.

The north-eastern sector of the OMZ has a preponderance of calc-alkali intrusives, which are also found in the north and center of the zone. Magmatic rocks become more basic towards the south, where gabbros, diorites and anorthosites occur in the Beja ophiolite complex, as well as the granites, granodiorites and tonalities of the Évora massif. The Beja Ophiolite Complex, which represents a piece of oceanic crust thrust up during the Variscan orogeny (Araujo, 2006) lies close to the contact with the SPZ.

The contact of the SPZ with the Ossa Moreno is the Ferreira - Ficalho thrust. The SPZ is characterized by a Late Devonian - Early Carboniferous volcano-sedimentary complex, which is overlain by the Culm flysch sequence. These rocks are all underlain by the Pulo do Lobo Formation, comprising phyllites, quartzites and occasional acid and basic volcanics.

The acid volcanics in the SPZ are associated with the massive polymetallic sulfides of the Iberian Pyrite Belt, which hosts the Aljustrel and Neves Corvo mines.

Finally, the Epi-Hercynian (Variscan) cover rocks include the Mesozoic-Cenozoic sedimentary units (limestones, clays and sandstones) of the south and west of Portugal, and the basins of the Tagus (Tejo) and Sado Rivers.

Mineralization

Gold mineralization at Montemor is considered to conform to the orogenic gold model and occurs in association with the NW-SE trending Boa Fé shear zone, hosted in silicified schists. While there are variations amongst the deposits, there are a number of common characteristics, which point to a common genesis:

- Strong silicification of host schists which can lead to quartz veining;
- Gold deposition is disseminated in the schistose fabric of the rock or concentrated in quartz veins;
- Proximity to breccia zones at the intersection of faults and shear zones;
- Proximity of granites; and
- Mineralogical association of gold with arsenopyrite, loellingite and pyrite.

The principal non-auriferous ore minerals are arsenopyrite, loellingite and pyrite, with arsenopyrite dominant. These occur in the schistose fabric of the rocks, fractures and aligned with the schistosity, as well as in association with quartz veinlets.

Arsenopyrite forms individual grains and mineral aggregates up to several millimeters in size. Relict loellingite frequently occurs at the cores of the arsenopyrite and as brecciated aggregates in the gangue. Pyrite is not quite as abundant as arsenopyrite or loellingite but is commonly intergrown with them, and occurs independently as subhedral grains in the gangue. Marcasite is also associated with the arsenic minerals in places.

Gold occurs in association with arsenic minerals, in fractures, and in gangue. Although there is a close association with arsenic minerals, a significant quantity of gold also occurs independently of arsenopyrite. The interpretation is that the gold and sulfosalts may have been deposited at different times.

History

1940 -1980 Government Mapping and Exploration

During the period between the 1940s and the 1970s the Servicio de Formento Mineiro (former geological division of the Portuguese Government) conducted exploration for iron, gold and base metals. In the 1980s, they completed regional exploration work, and outlined a coincident antimony-zinc and copper anomaly west of the town of Romeiras. While the results from these programs did not lead to the definition of any economic mineralization, the presence of widespread gold occurrences was established.

1984 - 1986 BP Minerals

During the period between 1984 and 1986, a gold exploration program was carried out at the western end of the Montemor concession area by BP Minerals International Limited, as part of a much wider exploration license block held in the Alentejo. Their investigations were limited to the previously known Safira and Grou vein occurrences.

1984 - 1992 Rio Tinto (Riofinex)

In the early 1980s, reconnaissance of the southern Ossa Moreno by Rio Tinto Finance and Exploration plc (Riofinex) in association with Sociedade Mineira Rio Artezia Lda (also part of the Rio Tinto group) confirmed that the Montemor area was anomalous for gold.

An initial stream sediment sampling program over 176km^2 identified gold anomalies in several areas. Detailed follow-up work, involving soil sampling, trenching, geophysics and drilling identified 14 significant occurrences; the first being at Braços. Arsenic geochemistry was particularly useful in identifying gold occurrences. Several phases of geophysical exploration were conducted during the program. Induced polarization (IP) studies were carried out over areas of arsenic enhancement to trace arsenopyrite although pyrite and graphite tended to obscure the signal. Some useful work was reported from Braços. Although trials of VLF-EM, ground magnetics and self potential were unsuccessful in locating mineralization directly, once the structural controls were recognized, regional magnetic-VLF surveys were successful in locating major structural breaks.

Of the 14 significant gold occurrences located by Riofinex, Braços, Chaminé and Casas Novas were targeted for follow up work. These all occur in the present Montemor exploration concession, whereas the remainder are located in the Monfurado concession.

Riofinex conducted petrographic and mineralogical studies of the mineralization and host lithologies. It also conducted a series of metallurgical tests and a base line environmental study for a prefeasibility report (Riofinex 1991). Finally, in 1992 Riofinex withdrew from the project after the resource estimate did not meet corporate targets for development.

Summary of Geophysical Work Performed Over the Montemor Project by Riofinex

Line Kilometers	IP-Resistivity	VLF	Magnetics	Self Potential
Braços	4.27	25.95	25.9	
Covas-Caras	4.2	0.33	16.8	0.41
Chaminé	4.68	15.0	18.8	0.375
Casas Novas	0.41	13.6	19.5	
Azinhaga	0.46	6.05		
Banhos	2.78			

Source: Lindsay, Lutherborrow and Jobson, 2008

1995 - 1999 Portuglobal / MRI

In 1995, Portuglobal Explorações Mineiras Lda (Portuglobal), a subsidiary of Auspex Ltd, acquired the Montemor concession and continued exploration under agreement with the Portuguese government. They undertook additional drilling and trenching over gold targets identified by Riofinex. Portugobal's concession covered 262km2, and was located entirely within the original Montemor and Monfurado concessions.

Portuglobal continued its interest in the project via a joint-venture with Montemor Resources Inc. (MRI) in 1996. Exploration again focused on Braços, Chaminé and Casas Novas, as well as the Banhos deposit in the north. In-fill and extensional drilling was undertaken, together with further trenching. In 1999 after Portuglobal acquired the Aljustrel base metals mine in the Iberian Pyrite Belt it relinquished the exploration concession over the Montemor gold deposits. The exploration rights were not taken up again until Iberian Resources Limited took them up in 2004. About 40 gold occurrences have been identified within the Montemor-Monfurado project area. A summary of the work conducted by Riofinex and Portuglobal/MRI is provided below.

Summary Work of Undertaken by Riofinex and Portuglobal/MRI at Montemar-Monfurado

	Trenching		Drilling	
Mineral Deposit	Trenches	Length, (m) Company	Drill holes	Length, (m) Company
Chaminé	21	1,765 Riofinex	59	7,443 Riofinex
Casas Novas	53	3,145 Riofinex	69	8,202 Riofinex +MRI
Braços	34	1,906 Riofinex	43	2,963 Riofinex +MRI
Braços South	41	1,535 Riofinex	7	405 Riofinex
Covas	49	2,689 Riofinex	14	803 Riofinex
Caras South	19	1,004 Riofinex	12	665 Riofinex
Caras	24	1,243 Riofinex	7	410 Riofinex
Ligeiro	13	847 Riofinex	11	649 Riofinex
Banhos	69	7,118 Riofinex +MRI	31	3,369 Riofinex +MRI

Fonte Santa	5	475 Riofinex	2	258 Riofinex
Carvalho	6	484 Riofinex	2	191 Riofinex
Monfurado	9	921 Riofinex	6	559 Riofinex
Mourel	3	215 Riofinex		
Total	**346**	**23,347**	**263**	**25,917**

Source: Lindsay, Lutherborrow and Jobson, 2008

2004 - 2008 Iberian Resources

The following is the recent works conducted over the Montemor Property, all conducted by Iberian Resources prior to 2007.

Date	Events
September 2004	Exploration license granted
December 2004	Diamond drilling starts at Chaminé. First program included two twin/confirmatory holes in the center of the deposits (CHD001) then focused on depth extensions in the center and the north of the deposit (CHD002, CHD006). Two diamonds holes drilled at Braços to test for depth/plunge extensions to south, one at Casas Novas as a scissor test of the deposit. Holes also drilled at Caras.
May 2005	RC rig commences with resource definition/infill drilling at Braços plus mixture of strike extensions/resource tests/follow up on historical trenches at Chaminé, Chaminovas, Covas (incl. Covas North), Caras, Ligeiro and Braços South (good results). Last hole is CHRCD010 – diamond tailed – resulting in 31m at 5g/t.
August – October 2005	Greenfields exploration • Stream sediment sampling across entire Monfurado tenement. • Trenches dug throughout the year at Chaminé, Braços, Ligeiro, Caras, and Vacas to either check soil anomalies/historical trenches or test conceptual targets/extensions. JORC-compliant resource models completed for all deposits at Montemor.
November 2005	2nd RC program commenced focused on resource extensions at Casas Novas, with follow up drilling at Covas. Also drilled pre-collars for diamond tails following up CHRCD010, 011 & 012. Also drilled Gouveia (NW Monfurado) under abandoned pit.
December 2005	Diamond rig on site ion drilling diamond tails at Casas Novas, also CHRCD011/012 and HQ holes for metallurgical testing. Results of metallurgical testing include in scoping/prefeasibility study which also included pit optimizations at US$500 & US$700. Scoping study concluded that around another 100koz of open pittable resources were required.
March 2006	Onwards focus shifted back to greenfields to find additional ounces. Open-hole percussion drilling trialed to better delineate mineralized zones at Banhos (north) and Covas by drilling regularly spaced fences, also to evaluate near-surface mineralization. Soils campaigns completed at Regadia, Monfurado, Malaca, Fales (parallel trend) Carvalhal, Carrascal (along stride from Banhos) on Monfurado tenement.

Date	Events
October – March 2006	Work carried out on generative projects at Portalegre, Caveira and Regua.
March 2007	Open hole drilling at 50m spacing completed at Banhos. also programs drilled at Braços South, Monfurado, Vacas, Caras and some follow up at Covas. IBR Portugal purchases RC rig.
August – December 2007	RC rig refit and move to Portalegre to commence drilling program, moved back to carry out infill/resource defi8nition drilling at Montemor in December 2007 Diamond rig commences at Montemor focusing on plunge/depth extensions to mineralization at Chaminé and Casas Novas. Further metallurgy sampling/testing carried out.
January – March 2008	Further drilling (DDH and RC) and additional trenching commences at Montemor. Further metallurgy sampling/testing carried out.

Source: Modified from Lindsay, Lutherborrow and Jobson, 2008

Historic Mineral Resource and Reserve Estimates

A number of historical resource estimates have been completed during the period from 1991 to 2008. Although these historical resources were classified as Indicated and Inferred resources, SRK is of the opinion that an overall lack of verifiable data and information precludes the possibility of declaration of resources which would be compliant under NI 43-101 guidelines. SRK recommends a comprehensive validation of the historical database, as well as confirmation drilling of the currently defined historic resource estimates.

The reported historical "resource" and "reserve" inventories cannot be considered a mineral resource or a mineral reserve under CIM guidelines as economic parameters used to derive the estimates do not reflect accurately the current economics of exploiting this deposit. Furthermore, procedures and date used have not been reviewed and verified by a Qualified Person and therefore cannot be classified as a mineral resource under Canadian Securities Administrators NI 43-101 guidelines. In all cases, insufficient documentation exists that would allow SRK to classify historic reserve and resource estimates into the categories as currently defined by CIM guidelines. These historic estimates should be considered unclassified mineralized material.

A number of historical resource estimates have been completed over the period 1991 to 2008. Iberian published a resource in their 2004 Prospectus of Iberian Resources Limited over eleven of the Montemor prospects, resulting in a resource of 4.1Mt grading 2.7g/t Au containing 363koz. The resource was reportedly calculated using polygonal methods, based on Riofinex and Portuglobal data (see table below).

Iberian Resources Ltd 2004 Resource Estimate* for the Boa Fe License Area

	Measured		Indicated		Inferred		Total	
Deposit	**t**	**g/t Au**	**t**	**g/t Au**	**t**	**g/t Au**	**t**	**g/t Au**
Chaminé	606,510	3.03					606,510	3.03
Casas Novas			1,135,050	2.15			1,135,050	2.15
Braços	51,112	6.33					51,112	6.33
Ligeiro to 20m					19,000	3.22	19,000	3.22
Caras to 15m					13,900	7.00	13,900	7.00
Covas to 15m					33,100	4.68	33,100	4.68
Braços 5 to 10m					15,000	2.10	15,000	2.10

Banhos					300,000	3.00	300,000	3.00
Total	**656,622**	**3.28**	**1,135,050**	**2.15**	**381,000**	**3.27**	**2,172,672**	**2.69**

** This estimate is considered historic due to insufficient supporting documentation that would allow SRK to classsify historic reserve and resource estimates into the categories as currently defined by CIM guidelines. These historic estimates should be considered unclassified mineralized material.*

Source: Lindsay, Lutherborrow and Jobson, 2008

A resource estimate was prepared by DataGeo Geological Consultants of Perth, Western Australia (DataGeo) and published as JORC compliant by Iberian Resources in 2005 (form of publication unknown). This estimate was conducted using Vulcan™ software, with grades estimated using a combination of both Indicator Kriging (IK) and inverse distance weighing (IDW).

DataGeo 2005 Resource Estimate* for the Boa Fe License Area - Summary cut-off grades of 0.5g/t and 1.5g/t Au

Prospect	Drill Holes	Trenches	Interpolation	Resource 0.5g/t Au		Resources 1.5 g/t Au	
			Method	Mt Au	g/t Au	Mt Au	t Au
Banços	23	63	ID	2.6	1.5	0.8	3.1
Braços South	16	23	ID	0.2	2.7	0.1	2.8
Braços	68	28	ID	0.2	2.7	0.2	2.7
Casas Novas	70	47	MIK	2.1	2.6	1.1	3.9
Chaminé	68	28	MIK	2.4	2.0	1.0	3.4
Covas	38	61	MIK	1.0	2.6	0.5	3.8
Ligeiro	10	6	ID	0.2	3.1	0.2	3.5
Total.				8.7	2.1	**3.9**	**3.5**

** This estimate is considered historic due to insufficient supporting documentation that would allow SRK to class historic reserve and resource estimates into the categories as currently defined by CIM guidelines. These historic estimates should be considered unclassified mineralized material.*

Source: Lindsay, Lutherborrow and Jobson, 2008

An updated resource estimate was prepared by Zilloe Pty Ltd (Zilloe) on behalf of Tamaya Resources in 2007. This resource was stated at a cut-off grade of 1.5g/t Au, and grades were estimated using Ordinary Kriging (OK) constrained by 0.5g/t Au grade zones based on 25m spaced interpretive sections. A summary of these unpublished resources is provided in the table below.

Zhilloe 2007 Indicated and Inferred Resource Estimate* for the Boa Fé License Area - Summary above a Cut-off Grade of 1.5g/t Au

Indicated Resources

Prospect	Tonnes (Mt)	Au Grade (g/t)	Contained Oz (koz)
Casas Novas	0.6	4.7	91
Chaminé	0.5	4.4	71
TOTAL	**1.3**	**4.4**	**182**

Inferred Resources

Prospect	Tonnes (Mt)	Au Grade (g/t)	Contained Oz (koz)
Casas Novas	0.1	3.7	17
Chaminé	0.1	2.8	5
Braços	0.1	1.8	5

Braços South	0.2	2.7	16
TOTAL	**0.5**	**2.9**	**42**

** This estimate is considered historic due to insufficient supporting documentation that would allow SRK to classify historic reserve and resource estimates into the categories as currently defined by CIM guidelines. These historic estimates should be considered unclassified mineralized material.*

Source: Modified from Lindsay, Lutherborrow and Jobson, 2008

The most recent resource estimate was conducted by Maptek (2008), on behalf of Tamaya Resources. This estimate was conducted using OK, constrained by 0.5 g/t Au grade solids constructed based on 25m spaced cross-sectional interpretations. A summary of this resource estimate is provided in the table below.

Maptek 2008 Indicated and Inferred Resource Estimate* for the Boa Fé License Area - Summary above a Cut-off Grade of 1.0g/t Au

Indicated Resources

Prospect	Tonnes (Mt)	Au Grade (g/t)	Contained Oz (koz)
Casas Novas	0.94	3.60	108
Chaminé	0.72	3.39	79
TOTAL	**1.7**	**3.54**	**198**

Inferred Resources

Prospect	Tonnes (Mt)	Au Grade (g/t)	Contained Oz (koz)
Casas Novas	0.08	2.62	17
Chaminé	0.03	3.80	5
Braços South	0.08	2.04	16
Ligiero	0.10	2.46	8
TOTAL	**0.29**	**2.52**	**24**

** This estimate is considered historic due to insufficient supporting documentation that would allow SRK to classy historic reserve and resource estimates into the categories as currently defined by CIM guidelines. These historic estimates should be considered unclassified mineralized material.*

Source: Modified from Maptek, 2008

SRK is of the opinion that the historical resource estimates, as summarized above, represent a broad range of potential tonnage and grade, stated above variable grade cut-offs. Assumptions that form the basis for these cut-offs are not well documented, and SRK recognizes that the potential for both open pit and underground minable resources exists, and has not been adequately addressed in the previous historical resource estimates. SRK recommends that a thorough verification program of historical assays be initiated, in conjunction with verification twin hole drilling of a number of holes, in order to advance the project to declaration of resources on the Boa Fé experimental license area in compliance with NI 43-101 guidelines. SRK also recommends that first principles cut-off grade be assessed for the next stage of resource evaluation.

Through a combination of resource validation on the existing experimental license area, and regional exploration along the defined shear zone in the Montemor exploration concession currently under application, SRK is of the opinion that the potential exists to confirm and validate this historical resource to a range of 8 to 12Mt, grading an average of 2.5 to 3.0g/t Au grade above potentially economic cut-off, contained in a series of small open pit and underground deposits.

The Corporation notes that (i) the potential quantity and grade is conceptual in nature, (ii) there has been insufficient exploration to define a mineral resource and (iii) it is uncertain if further exploration will result in the target being delineated as a mineral resource. The Corporation understands that the basis on which the disclosed potential quantity and grade has been determined is the historical database and prior exploration work that has been conducted on the Montemor Property.

Drilling

Summary

Drilling at the Montemor Property occurred in a series of phases:

- Riofinex drilled 233 diamond drill holes from 1988 to 1990. Prior to this drilling, Riofinex dug a series of 510 trenches across the various lodes to test geochemical anomalies;
- In the 1990s, the Portuglobal-MRI joint-venture drilled 48 diamond drill holes and 20 RAB holes; and
- Iberian Resources drilled 27 diamond drill holes, 176 RC drill holes and 653 open hole percussion holes between 2005 and 2008.

A summary of all holes and trenches at the Montemor Property is provided in the table below Trenching crosses the mineralized horizon at around 90o to the strike of the mineralization on the surface. The majority of the drill holes cross the mineralization at around 60o to the dip. Not all drill holes and trenches intersected mineralization.

Summary of Drilling and Trenching at the Montemor Property

Sample Type	Number	Meters
Diamond Drill Holes	312	32,724.05
Trench	504	30,534.85
Reverse Circulation Drill Holes (RC)	159	10,705.30
Open Hole Percussion Holes	653	15,490.20
Rotary Air Blast Holes (RAB)	20	328.00
Other	10	2,028.70
TOTAL	**1,658**	**91,811.10**

Type and Extent of Drilling

Holes were oriented with either Riofinex in-house surveyors (T prefixes) or Compass and GPS (CHD prefixes). Final collar location was similarly either in house surveyors or sub-meter DGPS using contract surveyors GeoGlobal. All Iberian drill collars (including RC but excluding Open Hole) and any surviving historical collars were surveyed using DGPS. Open Holes were surveyed by handheld GPS. The majority of the drill holes cross the mineralization at around 60 degrees to the dip. Not all drill holes intersected mineralization.

Results

For the more recent work conducted during the period 2005 to 2008, reputable contractors, using industry standard techniques and procedures have conducted the drilling. This work has defined several zones of anomalous gold mineralization hosted within schistose rocks as disseminations and veins, spatially associated with the Boa Fé Shear zone.

The mineralization is interpreted to follow several orientations controlled by schistosity, structure and quartz veins. The drillholes are arranged in a variety of orientations with most drilled at an angle to and from the northeast and east. Based on the range of mineralization orientations and drillhole orientations, most of the drill sample lengths do not represent true thickness of mineralization.

The table below presents the highest grade 30 results from the diamond drilling at Boa Fé from the Iberian/Tamaya drilling programs.

Hole iD	Depth From	Depth To	Interval (m)	Au g/t
CND004	10.5	11.92	1.42	82.7
CHD008	49.08	49.6	0.52	62.4
CNRCD028	84.96	86.4	1.44	58.1
CND004	11.92	12.83	0.91	53.7
CHD001	37.35	38.7	1.35	49.5
CHRCD010	126.9	128.1	1.2	43.1
CHD008	46.67	47.6	0.93	32.6
CHRCD010	120.53	121.56	1.03	31.8
CHRCD010	125.35	126.9	1.55	21.9
CHD001	40.15	41.21	1.06	20.98
BRD001	43.85	44.75	0.9	20.96
BRMD001	44	45.35	1.35	19.7
CHD001	29.7	31	1.3	16.82
CNRCD028	56.86	57.2	0.34	16
CHD001	36.3	37.35	1.05	15.7
CHD002	202.17	203.25	1.08	14.72
CND001	109.73	111.34	1.61	13.4
CHRCD010	119.58	120.53	0.95	12.5
CND003	86.37	88.06	1.69	11.9
BRD001	24.7	25.5	0.8	11.04
CHRCD010	130.73	131.93	1.2	10.4
CHD001	26.3	27.45	1.15	10.08
CHD019	89.38	90.04	0.66	9.84
CHD001	76.62	77.4	0.78	9.8
CHD008	36.56	37.58	1.02	9.78
CND002	153.24	154.93	1.69	9.11
CHRCD010	186.85	188.01	1.16	8.9
CND002	151.93	153.24	1.31	8.67
CHD008	43.62	44.2	0.58	7.54
CH D006	99.65	100.65	1	7.18

Source: Lindsay, Lutherborrow and Jobson, 2008

No measurements for true width have been recorded for these drill holes.

Interpretation

SRK is of the opinion that the drilling operations were conducted by professionals, the RC chips and core were handled, logged and sampled in an acceptable manner by professional geologists, and that, subject to additional data verification, the results are suitable for support of a NI 43-101 compliant resource estimation.

Metallurgical Testwork

A metallurgical test program was undertaken by AMMTEC Ltd. in 2008 on composite samples from the Casas Novas, Chaminé, and Braços deposits at Montemor as well as an oxide ore composite. Initial amenability testwork was conducted on each composite to assess gold recovery by a gravity concentration followed by cyanidation of the gravity tailing over a range of different grinds. The results of this series of tests demonstrated the following:

- Gravity recoverable coarse gold content was variable, being low to moderate at the relatively coarse grind size of P_{80} 250µm; and

- Gold extraction by cyanidation increased with increasing fineness of grind. At the finest grind of P_{80} 53µm, overall gold recovery from the Casas Novas and Chaminé composites was about 67%, and overall gold recovery from the Braços composite was 80.1%.

Additional tests were conducted at various grind sizes on the Chaminé and Casas Novas composites to evaluate gold recovery by gravity concentration followed by flotation of the gold contained in the gravity tailing into a bulk sulfide concentrate. The results of these tests demonstrated that:

- Gravity separation followed by flotation of the gravity tailing resulted in excellent overall gold recoveries. Overall gold recovery from the Chaminé composite ranged from 91.8% to 94.0% and overall gold recovery from the Casas Novas composite ranged from 92.5% to 94.0%; and

- Almost 90% of the contained arsenic was recovered into the flotation concentrate along with the gold, indicating that subsequent processing of the flotation concentrate could be problematic.

After completion of these initial tests, a bulk test was conducted on a 20kg sub-sample of both the Chaminé and Casas Novas composites. Each bulk composite was ground to a P_{80} of 250µm and subjected to gravity concentration in a Knelson centrifugal concentrator. The tailing from the Knelson concentrator was then reground to a P_{80} of 125µm and subjected to bulk sulfide flotation to recover the contained gold values into a sulfide concentrate. The results of these tests demonstrated that for the Chaminé composite 9.8% of gold could be recovered into a gravity concentrate and 82.5% could be recovered into a sulfide flotation concentrate for an overall recovery of 92.3%. Results for the Casas Novas composite were similar with 16.5% of gold recovered into a gravity concentrate and 77% of the gold recovered into a sulfide flotation concentrate for an overall gold recovery into the combined gravity and flotation concentrates of 93.4%.

Sulfide flotation concentrates from each composite were then subjected to ultra-fine grinding to P_{95} 25µm and P_{95} 10µm and subjected to cyanidation to extract the contained gold. At the finer grind of P_{95} 10µm, 88.9% of the gold was extracted from the Chaminé sulfide concentrate and 92.3%, was extracted from the Casas Novas sulfide concentrate. Overall gold recoveries were 83.1% for the Chaminé composite and 87.5% for the Casas Novas composite.

Processing Strategies

The metallurgical investigations conducted to-date relate to options for gold recovery from Montemor ores via two broad strategies:

- On-site recovery using no cyanide, including gravity concentration of free gold only and the production of a gravity and/or flotation concentrates for sale or off-site cyanidation treatment; and

- On-site whole-ore cyanidation or cyanidation of gravity and/or flotation concentrates, which will require permitting for significant quantities of cyanide transport, usage and disposal to the Tailings Management Facility (TMF). Process options include whole ore cyanidation or gravity concentration followed sulfide flotation and cyanidation of the gravity and flotation concentrates. Cyanide destruction will be necessary in each case, probably to 10ppm CNwad as applied in many European Union (EU) countries.

Exploration

The majority of the exploration conducted to date has focused on mineralization exposed at surface and for the most part this has concentrated within the area that is now under the experimental mining license application. There are indications that the Boa Fé shear zone is mineralized along its whole length and there are large extents of this that still require detailed exploration. In addition it is highly probable that, due to the nature of the geological model, there will be mineralization that does not crop out at surface. Thus there is significant potential both along strike and at depth for the delineation of further resources. Much of the basic work has been done, and what remains will require a high level of technical input to generate quality drill targets.

Sampling Method and Approach

Sample recovery in RC and Open Hole Percussion holes was generally good, and small or wet samples are noted on sample sheets. Open Hole Percussion holes were stopped when water was intersected to avoid washing/contamination of the sample. Mineralized intercepts from diamond drilling were all in mostly fresh rock with core recovery ranging from 38.1 to 100%, and for mineralization within the CHD prefixed holes (Chaminé) has a weighted average of 94%.

Sampling Methods

Trench Sampling

Trenches were excavated using back hoe excavator with a 60cm wide bucket to a nominal depth of 1m. The trenches were sampled by cutting a 2cm wide channel, using hammer and chisel, between measured marks along a center line. The trenches were treated as drill holes for the purpose of Resource estimation. The start of each trench was surveyed by Riofinex surveyors and a center line marked and surveyed along the line of the trench.

RC Percussion Sampling

Reverse Circulation samples were collected by cyclone as 1m samples and split through a three tier riffle splitter to 1kg. For all holes drilled from 2005 to 2006 a preliminary 4m composite sample was taken from the bulk. This sample was then submitted for laboratory analysis. If any composite sample returned greater than 0.1g/t gold then the four component 1m samples were submitted for analysis. The practice for RC drilling from early 2007 was to have all 1m samples submitted individually.

Diamond Core Sampling

Diamond drill holes were sampled by half sawing core based on geological intervals and submitting half core for assay. The sample intervals were between 0.5 and 2.0m.

Open Hole Percussion Sampling

Open hole percussion samples were collected every 1.8m (half drill rod) and split through a three tier riffle splitter. A preliminary sample based on four sample composites was submitted for analysis (i.e. a representative sample of 7.2m). For any composite sample that returned greater than 0.1g/t gold, the four original samples were submitted for analysis. However, for the open hole percussion drilling at Braços South and Banhos, no composite samples were submitted, and the 1.8m samples were thus submitted directly.

Factors Impacting Accuracy of Results

It has not been possible to witness any of the above methodologies due to their historical nature.

However SRK is satisfied that the descriptions of methodologies and approach provided in the numerous documents and via personal communications is an accurate description of what occurred. The various drilling and sampling programs were conducted by professional drillers and geologists who undoubtedly, performed to the standards of the mining industry. The sample recovery as recorded on the drill logs shows that nearly all of the mineralized intervals produce very good recovery. Since the entire hole is sampled, all of the potentially mineralized material is tested. Such thorough sampling ensures that both mineralized and un-mineralized material is adequately characterized. Based on the good recovery, proper chain of custody, and thorough sampling methods, SRK is of the opinion that there are no significant factors that would materially impact the accuracy of results.

Sample Quality

The drilling, logging and sampling procedures described above combined with good recovery ensure that sample quality of the Boa Fé drilling is very good. The sample length is appropriate to accurately characterize the mineralization and to distinguish any zones internal to the mineralization, which may have anomalously high or low-grades.

Sample Preparation, Analyses and Security

During the Riofinex exploration period, trench samples were sent to OMAC Laboratories in Longhrea, Republic of Ireland. Drill samples were analyzed at Anamet Services at Avonmouth, England.

Initial analysis for gold was by aqua regia with Atomic Absorption determination, and Fire Assay of any samples greater than 0.5g/t gold. Fire Assay used 100g of split sample. At a later stage in the exploration, all samples were fire assayed and from March 1989 all samples underwent preparation at the Riofinex office in Escoural. Samples were weighed, dried, jaw crushed to less than 13mm and mill rolled to less than 1mm size before being split to a 500g sample for transportation. The 500g pulps were further pulverized at each laboratory to -70µm before obtaining the final 100g sample for fire assay. The detection limit was greater than 0.01ppm.

Samples from the Iberian Resources drilling were prepared in a purpose built laboratory at the Iberian Resources office in Escoural. After oven drying and crushing of the entire 1kg sample from the RC drilling and the whole 1m split core samples were reduced to a 200g at less than 2mm split sample. The 200g samples were then transported to ALS Chemex, Perth, Australia where further drying of the samples (Quarantine treatment) and are pulverized to >85% passing 70µm. A 30g split was then taken for Fire Assay with Atomic absorption determination to 0.01ppm Au detection limit.

In order to test the quality of the Riofinex assays, a number of pulp umpire repeats between OMAC and ALS were conducted for selected intervals on CHD001 and found to be highly comparable with acceptable correlation between laboratories. Similarly duplicates from coarse reject material derived from CHD004 intervals and assayed at ALS on both occasions showed high correlation.

Internal blanks, international standards and duplicates that were noted in some of the old reports were employed to ensure accuracy of the Riofinex data. Riofinex repeated 1 in 10 samples to verify assay quality between batches and preparation methods.

Iberian Resources also repeated 1 in every 10 samples and used a series of Rocklabs Standards (SE19 and SE15) and blank diamond core (barren flysch overburden from the Aljustrel Mine) to monitor the quality of the determinations by ALS. In addition, ALS uses their own internal QA procedures developed for the Western Australian gold industry. Laboratory results for internal standards and duplicates from ALS in Perth have been obtained, and appear to be of acceptable standard.

Interpretation

SRK has reviewed the sample preparation and analysis procedures as described above and considers these, for the most part, appropriate for the mineralization type and sampling methodology. One exception to this would be the splitting of the RC samples to 200g; in this case SRK considers that this sample size may have been too small prior to milling and thus may have led to higher variability of results.

Based on a review of previous documents, SRK is of the opinion that sample preparation, analysis and chain of custody for the 2005 to 2008 drill programs were conducted in a professional manner, and, subject to additional verification, may be used for future resource estimation.

Data Verification

The Montemor dataset was reviewed by DataGeo in 2005. Their conclusion was that no significant risk was associated with the data. Colin Lutherborrow (consulting Geologist Zilloc Pty Ltd) reviewed the data again in early 2007. While there was no significant risk found in the quality of assay data for gold, some survey data for the position of trenches was found to be unreliable. The position of each trench was assessed on a case by case basis by the site geologist for accuracy. If the true position of the trench could not be verified then the trench data was omitted from any estimation.

Diamond drill hole and RC chip samples and/or duplicates were kept under cover at the company's warehouse in Escoural. Data was stored on a central server but was also backed up in Perth, Australia. The drill hole collar position can be verified by GPS for around 50% of the holes, but the other hole collars have been destroyed by agricultural activity. All holes have down-hole surveys with the RC holes drilled by Iberian being surveyed by maxibore tool. The internal drill hole validation tools in the Maptek Vulcan software package was used to validate all drill holes as part of the data checking process.

As a result of the prolonged exploration history and the number of different workers there is some level of inconsistency in how the data is recorded digitally. The current team is aware of this issue and it has been highlighted as a priority task moving forward.

There is a problem with the assay data for arsenic in the data base as it is recorded sometimes as ppm and at other times as ppb in the same field. The site geologists are now aware of this problem and are working to resolve the issue. In general there is no risk apparent in the data that would cause a material risk to the project.

Conclusions and Recommendations

Conclusions

The Montemor Property area is a prospective area containing historical resources ranging from >150koz to 550koz Au, as defined over the period from 1991 to 2008, comprising five separate deposits. Through a combination of resource validation on the existing experimental license area, and regional exploration along the defined shear zone in the Montemor exploration concession currently under application, SRK is of the opinion that the potential exists to confirm and validate this historical resource to a range of 8 to 12Mt, grading an average of 2.5 to 3.0g/t Au grade above potentially economic cut-off, contained in a series of small open pit and underground deposits.

The Corporation notes that (i) the potential quantity and grade is conceptual in nature, (ii) there has been insufficient exploration to define a mineral resource and (iii) it is uncertain if further exploration will result in the target being delineated as a mineral resource. The Corporation understands that the basis on which the disclosed potential quantity and grade has been determined is the historical database and prior exploration work that has been conducted on the Montemor Property.

Exploration on the Boa Fé experimental license area of Montemor is extensive, but only at shallow depths (60 to 80m), and has not had modern geophysical methods applied to it. The much larger exploration concession currently under application appears to hold significant potential, given the postulated extension of the currently defined Boa Fé shear zone in the experimental mining license area. Therefore, the potential to extend both the strike length and down-dip extension of known mineralized zones, as well as the discovery of new host structures and potential mineralized zones beneath cover exists.

Initial metallurgical testwork has demonstrated that gold is readily recoverable from Montemor mineralized material using a combination of gravity, flotation and cyanidation technologies. A likely processing strategy would be onsite gold recovery into gravity and flotation concentrates that could be transported offsite for regrinding and cyanidation to recover the gold as a final doré product. SRK recommends additional process amenability testwork, which would include assessment of alternative processing technologies to alleviate the issues of arsenic recovery and disposal.

Recommendations

SRK recommends that the Corporation conducts a regional exploration program on the Montemor exploration concession area to identify continuations of known structure and mineralization, and to locate and prove up previously unknown buried targets within the Montemor Property area. This work will initially involve a historical data compilation and review, detailed regional structural studies and preliminary target generation and ranking. This work will then be followed by the design of an appropriate field program for each regional target identified. These programs will involve multi-element geochemistry, detailed ground geophysics and detailed structural analysis to identify and rank five to six quality targets for drilling by the third quarter of 2011.

SRK also recommends that the Corporation conduct a comprehensive resource expansion program across the known mineralized targets on award of the experimental mining license, targeting extension of mineralization both along strike and at depth. The work will involve detailed 3D structural interpretation, as well as targeted infill and step-out drilling programs to confirm existing results and expand known mineralized zones. Additional verification drilling and modeling of historical drilling and updating of resource estimates would also form part of this work and a NI 43-101 compliant resource report would be produced.

Additional metallurgical studies should be conducted to more fully define ore processing parameters once the resource is more fully defined. Emphasis should be placed on the off-site processing strategies for recovery of gold from the gravity and sulfide flotation concentrates. This work should fully consider the disposal strategies for the residues from off-site processing, with particular emphasis on the safe handling of the arsenic contained in these residues.

Recommended Work Programs

Surface Exploration

SRK recommends that extensive surface exploration be carried out over the Montemor exploration concession area, as well as additional work to be focused on the previously explored Boa Fé experimental license area.

Given the nature of the mineralization it is highly probable that further mineralization along the known structures will not be cropping out at surface, thus targeting will need to include both the intelligent use of ground geophysics and detailed structural interpretational work. Ground based geophysics should be conducted, initially on a wide spacing to delineate the location of the projected Boa Fé shear zone and cross cutting structures, and then followed up by tighter spacing once areas of interest are identified.

Although much of the work effort involved is dependent upon the results of the wider-spaced orientation grids, SRK estimates that more than 500line- kilometers of ground-based geophysics may be required.

The structural geology of the Boa Fé shear zone is quite complex, and the existing conceptual structural model is likely not adequate for use in drill targeting. SRK recommends a first principles reassessment of the available data, followed by integration with new geophysical data, and a refinement of the exploration model.

Geochemical soil sampling has proven to be effective in past exploration programs and SRK also recommends expanding the existing sampling grids to complete the coverage across the Montemor exploration concession currently under application. The estimated cost of these programs is outlined below.

Drilling

Historical drilling has focused primarily on the Boa Fé experimental mining license area, and average drillhole depth was generally less than 100m. SRK recommends that a number of the historic drill holes be twinned, to allow verification of these data. SRK also recommends that a number of these holes be extended to test for mineralization at depth. The recommended program and budget includes approximately 5,000m of drilling in the Boa Fé experimental license area.

There is limited drilling in the Montemor exploration concession area and the results of the above surface exploration programs will ultimately dictate the amount of additional drilling required. Assuming continuity of mineralization along the underexplored Boa Fé shear zone, which already hosts potentially economic gold mineralization on the Boa Fé experimental mining license area, SRK will identify and rank 7 to 9 prospective target areas based on the above surface exploration program, and estimates approximately 25,000m of drilling will be required to confirm mineralization at depth and allow adequate drill hole spacing to result in additional resource expansion.

The estimated cost of the combined drilling programs is outlined below, and is inclusive of all drilling, assaying, manpower and QA/QC programs.

Hydrogeology

SRK notes that there is limited hydrogeology information at depth, and recommends initiation of hydrogeologic data collection studies in conjunction with future drilling programs. Given that the depth of the mineralization identified to date, a better understanding of hydrogeologic conditions is warranted.

SRK has recommended an initial data collection and analysis program as outlined below.

Geotechnical

SRK notes the focus of previous exploration and development programs has been to identify near surface, potentially open pit minable targets, although there is some information that suggests mineralization may extend at depth, with grades that may represent potentially minable underground targets. Limited geotechnical information exists, and SRK recommends that more detailed geotechnical information be collected and analysed in future drillhole logging programs.

The estimated cost for these programs is outlined below.

Topography Survey

SRK was not provided with detailed topographic survey covering the larger exploration concession area. SRK is of the opinion that if this survey does not exist, a complete and thorough re-survey be conducted. The estimated cost for this program is outlined below.

Metallurgy and Process Test Work

SRK anticipates that suitable metallurgical test composites will be developed from the drilling cuttings obtained from the proposed drill program. These composites will be used for the next phase of metallurgical testwork to more fully define process parameters and process design criteria. The next phase of metallurgical investigation should include more thorough investigations of the gravity concentration, flotation and cyanidation processes to more fully assess the best onsite and offsite process options. Work will also be required to define the process parameters for detoxification of the cyanidation tailings from either whole-ore cyanidation or the cyanidation of flotation concentrates. Testwork will also have to be conducted to identify the best processes for treatment of arsenic-bearing residues. It is anticipated that a mini-pilot plant will need to be run to demonstrate the selected process under optimized conditions, and to generate sufficient quantities of concentrates for evaluation of secondary treatment alternatives. The estimated cost for these programs is outlined below.

Surface Rights Acquisition

SRK recommends that the Corporation begin the process of acquiring surface rights over the Boa Fé experimental mining license area immediately following the approval of the experimental mining license. Additional surface rights will also be required over areas in the Montemor exploration concession area, following approval of this license. The estimated costs for these programs are outlined below.

Costs

SRK anticipates that the proposed surface exploration data collection and compilation, drilling, assaying, hydrogeologic studies, environmental baseline studies, geotechnical studies, metallurgical studies and topographic resurvey will cost approximately US$11.825 million. The details of this estimate are provided below. These cost estimates are order of magnitude in nature, as many of the recommended work programs are contingent on the results of the regional exploration program.

Recommended Program and Budget

Activity	Unit Cost ($/unit)	Number of Units	Total Cost ($US)	Description
Ground-based Geophysical Surveys	lump sum		500,000	Orientation surveys, followed by close spacing
Soil Geochemistry Surveys			500,000	Orientation surveys, followed by close spacing
Infill/Step Out Drilling and assaying	250/meter	30,000	7,500,000	delineation of additional resources/upgrading of current resources
Geotechnical Studies	lump sum		50,000	geotechnical relogging and lab testwork
Metallurgical Studies	lump sum		200,000	testwork in support of resource declaration
Hydrogeologic Studies	lump sum		50,000	analysis of existing data/collection of additional data during next drilling campaign
Topographic Survey	lump sum		200,000	conduct new topo survey to replace existing topo
Environmental Studies	lump sum		250,000	conduct baseline studies in support of

Activity	Unit Cost ($/unit)	Number of Units	Total Cost ($US)	Description
				permitting
Surface Rights Acquisition	lump sum		2,500,000	Acquire surface rights in portions of Boa Fé and Montemor concessions
Preparation of Technical Report on Resources	lump sum		75,000	complete NI 43-101 report based on the above programs
TOTAL			**11,825,000**	

The Santa Margarida Concession

Certain of the information in this section is taken from a technical report prepared in accordance with NI 43-101 dated February 9, 2011 (the "**Santa Margarida Technical Report**") and prepared by Jim F. Cuttle, B.Sc., P.Geo. Mr. Cuttle is a qualified person that is independent of the Corporation within the meaning of NI 43-101. Mr. Cuttle conducted a site visit to the Santa Margarida Concession from October 31, 2010 through November 3, 2010. The author was asked to document the historical exploration results on the Corporation's Santa Margarida Concession in southern Portugal and prepare a list of recommendations for further geological work. A copy of the Santa Margarida Technical Report is available under the Corporation's profile on SEDAR at www.sedar.com.

Summary of the Santa Margarida Concession

The Santa Margarida Concession is located 110 kilometres south southeast of the capital city of Lisbon and consists of one exploration concession approximately 360 square kilometres in size.

The exploration agreement dated September 17, 2009 with the Portuguese government through the DGEG gives the Corporation the right to explore the area for the first two years, after which the Corporation has the option of applying for up to two separate one year extensions, subject to a fifty percent reduction after each year or convert the exploration concession to an exploitation concession or withdraw from any further exploration. Work commitments by the Corporation under this agreement call for first year minimum expenditure of 100,000€, including data compilation and interpretation, geophysical modelling and preliminary geophysical surveying. Second year commitments require a minimum 300,000€ expenditure including detailed geophysical surveys and drilling.

A site visit by Mr. Cuttle to the Santa Margarida Concession, as well as a visit to Government offices in Lisbon and Beja, was completed October 31 through November 3, 2010 in the company of Filipe Faria, the Corporation's Portuguese consulting geologist. In addition, Mr. Cuttle spent two days touring the back roads of the concession and visiting the neighbouring and now closed copper and zinc mines at Lousal and Canal Caveira. No samples were obtained or geological test work conducted by Mr. Cuttle during this trip.

The concession covers over 360 km^2 of prospective Palaeozoic rocks along the northwestern extension of the Iberian Pyrite Belt. This important belt of volcano-sedimentary rocks (250 km by 60 km) extends arc like and westward from Seville, Spain then northwest towards Lisbon, Portugal. It has proven to host some of the largest accumulations of Volcanic Massive Sulphide copper, and zinc deposits in the world.

Approximately 75% of the Santa Margarida Concession is covered with as much as 300 metres of young Tertiary rocks of the Baixo Sado Basin making it extremely difficult to identify the important underlying Palaeozoic lithologies and potential mineralized horizons found elsewhere in the pyrite belt. However, there are exposures or "windows" above and through this Tertiary cover that allow insights to some of the outcropping or underlying Palaeozoic strata. Locally, these windows can be used as possible geological examples of what to expect elsewhere on the property and are extremely helpful with structural interpretations and/or directing new exploration programs. However, due in part to the thick Tertiary rocks covering the underlying and historically productive Palaeozoic rocks, there has yet to be any discovery of base metal mineralization on the Santa Margarida Concession.

The first recorded exploration activity in and around the vicinity of the Santa Margarida Concession was in the late 1980's by the exploration department of the Portuguese government, then known as the IGM, and now called the LNEG. Their initial gravity surveying and more detailed magnetic, resistivity, seismic and various mapping and drilling studies resulted in the

discovery of the Lagoa Salgada sulphide deposit in 1992. This prospect is located only six kilometres east of the current Santa Margarida do Sado boundary. Later, from 1991 through 1995, Rio Tinto plc completed various air and ground geophysical surveys creating an important data set of the area. They drilled five core holes on selective gravity targets without success and later dropped their concession in 1995. In September 2009, the Corporation applied for and was successfully awarded the right to explore Santa Margarida Concession. The Corporation has since compiled a majority of the available historical data and is preparing to initiate various exploration programs in the near future.

The geophysical gravity anomalies and the airborne magnetic data from the early 1990's are the first steps in defining important "broad scale" exploration targets at Santa Margarida do Sado. Specifically, the various gravity datasets have been levelled and re-processed for this report by Dennis Woods of Discovery Geophysics, Surrey, British Columbia. His re-interpretation of the data has helped redefine at least thirteen gravity anomalies that justify further work as recommended in the Santa Margarida Technical Report. These recommendations include inversion of current gravity data at thirteen target areas, 12.1 kilometres of seismic surveying across seven targets, 61 line kilometres of Time-Domain electromagnetic surveying with SQUID (Superconducting Quantum Interference Device) sensor at thirteen areas, bore hole Time-Domain electromagnetic surveying at one location, collection of 45 gravity readings at three locations, and specialized geochemical studies.

Total costs of these surveys and the required logistical support during a one-year field program is estimated to be $300,000. An additional expenditure of $150,000 will be needed to satisfy current 2011 second year exploration contract commitments if results of these initial surveys are positive.

The Other Properties

In addition to its interests in the Penedono Concession, the Armamar-Meda Concession and the Montemor Property, the Corporation's principal Properties, the Corporation holds various interests in the Santa Margarida Concession and other Properties.

As at the date hereof, these other properties are considered by the Corporation not to be material for the purposes of this revised annual information form. These properties are presently in the exploration stage and are without a known body of commercial ore or economic deposit of minerals.

RISK FACTORS

The Corporation and the securities of the Corporation involve a high degree of risk, including those risk factors listed below, and should be considered a highly speculative investment. In addition to the other information contained herein, the following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

Commodity Prices

The price of the common shares of the Corporation, the Corporation's financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of gold, tungsten or other minerals. Gold, tungsten or other mineral prices fluctuate widely and are affected by numerous factors beyond the Corporation's control such as the sale or purchase of such commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold, tungsten or other mineral-producing countries throughout the world. The prices of gold, tungsten or other minerals have fluctuated widely in recent years, and future serious price declines could cause continued development of and commercial production from the Corporation's properties to be impracticable. Depending on the price of gold, tungsten or other minerals, cash flow from mining operations may not be sufficient and the Corporation could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Corporation's mining properties is dependent on gold, tungsten or other mineral prices that are adequate to make these properties economically viable.

In addition to adversely affecting the Corporation's reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the

project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Foreign Exchange Rate Fluctuations

The Corporation maintain its accounts in Canadian dollars. The Corporation's current operations in Portugal render it subject to foreign currency fluctuations, which may materially affect its financial positions and results. For example, gold and tungsten are generally sold at prices stated in US dollars, while costs incurred are paid in the currency of the country in which the activities are undertaken (Portugal, in the case of the Penedono Concession, the Armamar-Meda Concession and the Montemor Property, the Corporation's three principal Properties). The Corporation does not currently plan to engage in currency hedging activities.

The most important exchange rate for the Corporation is currently the rate between the Canadian dollar and the Euro. While the Corporation is funding work in Portugal, the Corporation's results could be impaired if the Canadian dollar weakens relative to the Euro.

If the Corporation commences production on any of its Properties located in Portugal, a weak US dollar relative to the Canadian dollar and the Euro could also impair the Corporation's financial results since the smelters pay for concentrate in US dollars while the Corporation would report its financial results in Canadian dollars and the majority of costs would be paid in Euros.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares of the Corporation in the public markets, or the potential for such sales, could decrease the trading price of the common shares of the Corporation and could impair the Corporation's ability to raise capital through future sales of its common shares. The Corporation has previously issued its common shares at an effective price per share which is lower than the effective market price of the common shares. Accordingly, a significant number of shareholders of the Corporation have an investment profit in the common shares that they may seek to liquidate.

Operations/Environmental

Environmental hazards may exist on the Corporation's Properties which are unknown to the Corporation at present and which have been caused by previous or existing owners or operators of the properties, and the Corporation may be held liable for environmental problems discovered that were caused by former owners or operators, not only of its existing properties but of properties, if any, in which it previously held an interest.

Mineral Reserves and Resources

The mineral reserves and resources described in the Penedono Technical Report and the Armamar-Meda Technical Report are estimates only and no assurance can be given that inferred, indicated or measured mineral resources will be moved to higher confidence levels or that any additional proven or probable reserves will be discovered or that any particular level of recovery of minerals will in fact be realized or that identified mineral resources will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. In addition, the grade of mineral resources ultimately mined may differ from that indicated by drilling results and such differences could be material. Material changes in mineral resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. Estimated reserves may have to be recalculated based on actual production experience. Market price fluctuations of metals, as well as increased production costs may lead the Corporation to determine that it is not economically feasible to continue exploration and development activities at any of its Properties.

Industry Conditions

The exploration of mineral properties involves significant risks which even experience, knowledge and careful evaluation may not be able to avoid, and the Corporation's operations are subject to all such hazards and risks normally encountered in the exploration, development and production of gold, tungsten and other precious metals or minerals, including unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing

facilities, damage to life or property, environmental damage and possible legal liability. Further, there is no certainty that the expenditures made by the Corporation towards the search and evaluation of gold, tungsten or other precious metals or minerals will result in commercial quantities of gold, tungsten or other precious metals or minerals. The price of metals has fluctuated widely, particularly in recent years as it is affected by numerous factors which are beyond the Corporation's control including international economic and political trends, expectations of inflation or deflation, currency exchange fluctuations, interest rate fluctuations, global or regional consumptive patterns, speculative activities and increased production due to new extraction methods. The effect of these factors on the price of metals, and therefore the economic viability of the Corporation's interests in the mineral properties cannot be accurately predicted. Furthermore, changing conditions in the financial markets, and Canadian income tax legislation may have a direct impact on the Corporation's ability to raise funds for exploration expenditures. A drop in the availability of equity financings will likely impede spending. As a result of all these significant risks, it is quite possible that the Corporation may lose its investments in the Corporation's mineral property interests.

Statutory and Regulatory Compliance

The current and future operations of the Corporation, from exploration through development activities and commercial production, if any, are and will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Furthermore, there can be no assurance that all permits which the Corporation may require for exploration, construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any mining project which the Corporation may undertake. As the Corporation's principal Properties are in Portugal, the Corporation and its subsidiaries will need to comply with the applicable laws, regulations and policies of such country and may face additional risks related to uncertain political and economic environments, changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits and increased financing costs. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in our activities, the extent of which cannot be predicted.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions there under, including orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. The Corporation or its Portuguese subsidiaries may be required to compensate those suffering loss or damage by reason of its mineral exploration and mining activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits.

The Corporation is not currently covered by any form of environmental liability insurance. See "Insurance and Uninsured Risks", below.

Existing and possible future laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or production costs or reduced levels of production at producing properties or require abandonment or delays in development of new mining properties.

The Corporation has a very limited history of operations, is in the early stage of development and has received no significant revenues.

The Corporation has a very limited history of operations, is in the early stage of development and has received no revenues to date, other than insignificant interest revenues. As such, the Corporation is subject to many risks common to such enterprises. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or, if available, that the terms of such financing will be favourable. The Corporation has not paid dividends in the past and has no intentions of paying dividends for some time in the future.

Title to Properties

Although the Corporation has taken steps to verify the title to mineral properties in which it has acquired an interest, including the receipt of title opinions in respect of its principal properties, no assurance whatsoever can be given that there are no title defects affecting such properties or that the Corporation's interests may not be challenged or impugned by third parties. If challenged, and if the challenge is sustained, it will have an adverse effect on the business of the Corporation. Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples. In addition, the Corporation may be unable to operate its properties as permitted or to enforce its rights with respect thereto.

The Corporation's Properties located in Portugal are subject to concessions granted by the Government of Portugal. Even if all of the Corporation's obligations under the concession agreements have been fulfilled, there are no guarantees that the Corporation's concessions will be renewed since renewal is subject to the discretion of the Portuguese Government. In addition, if the Corporation fails to comply with its technical and/or financial commitments under the concession agreements by specific dates as defined thereunder, the Corporation may be forced to return the Portuguese Properties to the Government of Portugal. Furthermore, the concession agreements may be terminated by the Government of Portugal for a number of reasons including, but not limited to, the Corporation's inability to comply with its obligations.

Early termination or non-renewal of any of the concession agreements, for any reason, would have a material adverse effect on the Corporation's business, results of operations and financial condition, as well as on the market price of the Common Shares. See "General Development of the Business – Three-Year History – Agreements Related to the Properties" and "General Development of the Business – Other Material Events and Recent Developments" for a description of the terms and conditions of the concession agreements on the Portuguese Properties.

The Corporation does not currently hold the mining concession on the Montemor Property

The Corporation holds a 51% interest in the Montemor Property. The Montemor Property is currently under application for an experimental mining license with the Government of Portugal. The Corporation expects the experimental mining license to be granted by the end of June 2011. The 100% ownership of the Montemor Property is therefore subject to the approval of the experimental mining license by the Government of Portugal. There is no guarantee that the Government of Portugal will grant such approval. The non-granting of such experimental mining license on the Montemor Property by the Government of Portugal could have a material adverse effect on the Corporation's business as well as on the market price of the Common Shares.

The Corporation is also required to acquire certain surface rights surrounding the Montemor Property. The cost of such acquisitions is estimated at approximately $2.5 million. In the event the Corporation is not successful in negotiating the foregoing rights, the Corporation will not be able to access the Montemor Property and complete the recommended work program thereon.

Competition

The mining industry is competitive in all its phases. The Corporation competes with major mining companies and other natural resource companies in the acquisition, exploration, financing and development of new properties and projects. Many of these companies are more experienced, larger and better capitalized than the Corporation. The competitive position of the Corporation depends upon its ability to obtain sufficient funding and to explore, acquire and develop new and existing mineral-resource properties or projects in a successful and economic manner. Some of the factors which allow producers to remain competitive in the market over the long term are the quality and size of an ore body, cost of production and operation generally, and proximity to market. The Corporation also competes with other mining companies for skilled geologists and other technical personnel. As a result of this competition, the Corporation may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all and consequently the Corporation's revenues, operations and financial condition could be materially adversely affected.

Political and Economic Situation

The Corporation operates in Portugal. On April 6, 2011, Portugal confirmed its submission of a request to the European Union authorities for financial assistance. The Corporation does not regard the current political and economic situation of Portugal as a deterrent to its operations. The Corporation does not currently maintain political risk insurance.

Insurance and Uninsured Risks

The Corporation's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Corporation's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Corporation maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Corporation may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Corporation or to other companies in the mining industry on acceptable terms. The Corporation might also become subject to liability for pollution or other hazards which may not be insured against or which the Corporation may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Corporation to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Outlook

Management will continue to manage its funds rigorously, its primary objective being to optimize return on investment for the Corporation's shareholders. The Corporation's development strategy is focused on the discovery of economically-viable deposits that will generate profits from mining and ensure the Corporation's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of metals.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Corporation's operations, financial condition and results of operations.

The Corporation's common shares may be subject to further dilution.

There are a number of outstanding securities and agreements pursuant to which the common shares of the Corporation may be issued in the future which, when exercised or converted, as the case may be, may result in further dilution to the Corporation's shareholders. The increase in the number of issued and outstanding common shares of the Corporation and the possibility of sales of such shares in the future may have a depressive effect on the trading price of the common shares of the Corporation. In addition, as a result of such additional common shares, the voting power of the Corporation's existing shareholders will be reduced.

Dependence on Qualified Personnel

The success of the Corporation is dependent to a significant degree on the contributions of qualified personnel and the Corporation's success will depend in a large part upon its ability to attract and retain highly skilled personnel. Competition in the mining exploration industry for qualified individuals is intense, and the Corporation may not be successful in attracting and/or retaining qualified personnel. The incapacity for the Corporation to do so may seriously harm its business and operations.

Dependence on Key Personnel

The Corporation is dependent on the services of certain key officers and employees. The experience of these individuals will be a factor contributing to the Corporation's continued success and growth. The loss of one or more of these individuals could have a material adverse effect on the business and operations of the Corporation.

Conflicts of Interest

Certain of the directors and officers of the Corporation also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Corporation should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Corporation and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with applicable laws.

DIVIDEND POLICY

The Corporation's policy is to retain earnings, if any, for the financing of future growth and development of its business. As a result, the Corporation has not paid dividends in the past, and does not intend to pay dividends in the foreseeable future.

CAPITAL STRUCTURE

Common Shares

The Corporation is authorized to issue an unlimited number of common shares without nominal or par value (the "**Common Shares**"). The holders of Common Shares are entitled to receive notice of and to vote at every meeting of the shareholders of the Corporation. Each Common Share carries one vote. Subject to the rights, privileges, restrictions and conditions attached to the preferred shares of the Corporation (the "**Preferred Shares**"), the holders of Common Shares have the right to receive dividends if, as and when declared by the Board of Directors of the Corporation. Subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares, in the event of liquidation, dissolution or winding-up of the Corporation, or upon any distribution of its assets among its shareholders, the holders of the Common Shares are entitled to share equally.

As at April 20, 2011, 56,479,718 Common Shares were issued and outstanding.

Preferred Shares

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value. The Preferred Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of Preferred Shares as may, before the issue thereof, be determined by the Board of Directors of the Corporation. The Board of Directors of the Corporation may by resolution create any series of Preferred Shares and determine, before the issue thereof, the designation, rights privileges, restrictions and conditions to be attached to the Preferred Shares of such series, including, without limitation, the rate, form, entitlement and payment of preferential dividends, redemption prices, terms, procedures and conditions of redemption, if any, voting rights and conversion rights (if any) and any sinking fund, purchase fund or other provisions attached to the Preferred Shares. In the event of a payment of dividends and the distribution of assets by way of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Preferred Shares of each series will be entitled, on a parity basis with each other series, to preference over the holders of the Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares.

As at April 20, 2011, no Preferred Shares were issued and outstanding.

MARKET FOR SECURITIES

The Common Shares are listed and posted for trading on the TSX Venture Exchange under the symbol "GTP". Prior to February 8, 2011, the Common Shares were listed and posted for trading on the Canadian National Stock Exchange (the "**CNSX**") under the trading symbol "GTP".

The following table sets out the monthly price and volume of trading for the Common Shares on the CNSX during the fiscal year ended March 31, 2010:

Year	Month	Price range		Volume
		High	Low	
2009	April	$ 0.15	$ 0.10	40,500
	May	0.25	0.07	315,500
	June	0.16	0.10	1,963,479
	July	0.10	0.10	1,300
	August	0.10	0.07	11,800
	September	0.17	0.07	514,100
	October	0.17	0.13	157,000
	November	0.25	0.12	2,638,500
	December	0.25	0.07	628,300
2010	January	$ 0.32	$ 0.20	2,834,000
	February	0.34	0.29	2,004,883
	March	0.31	0.22	1,130,400

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date hereof, there are no securities of any class of the Corporation held, to the Corporation's knowledge, in escrow or that are subject to a contractual restriction on transfer.

DIRECTORS AND OFFICERS

The following information sets out, for each director and executive officer of the Corporation, his name, province or state and country of residence, the positions and offices in the Corporation currently held by that individual, the period during which such individual has served as a director of the Corporation and that individual's principal occupation during the past five years:

Name, province (or state) and country of residence	Office	First year as director	Principal occupation within the five preceding years
Nikolas Perrault[(1)] Québec, Canada	President, Chief Executive Officer and Director	2008	President of Twilight Capital Inc. (05/08 to present) (exempt market dealer); Investment Executive with Scotia Capital Inc. (investment dealer) (12/05 to 05/07)
Aurelio Useche Québec, Canada	Chief Financial Officer and Director	2007	President and Managing Partner of ZVS Investments Inc. (investment holding company) (since 03/07); VP Strategy & Corporate Affairs of Dectron International Inc. (indoor air treatment manufacturer) (06/98 to 02/07)
João Carlos Gaspar de Sousa Estoril, Portugal	Vice President of Operations, Portugal	—	Senior project geologist of Genius Mineira, Lda. (Angolan mining company) (05/09 to 01/11); Country Manager of Iberian Resources Unipessoal Lda. – Recursos Mineraisn Unipessoal Lda. (mining company) (10/04 to 02/09)

Name, province (or state) and country of residence	Office	First year as director	Principal occupation within the five preceding years
David A. Johnson[(2)] ..... Québec, Canada	General Counsel, Corporate Secretary and Director	2009	Attorney and trade-mark agent
James Ladner[(1)] ..... Kilchberg (Zurich), Switzerland	Director	2010	Financial consultant and corporate director
Donald Ziraldo[(2)] ..... Ontario, Canada	Director	2010	Independent businessman
Declan Costelloe ..... Colorado, U.S.A.	Executive Vice President, Chief Operating Officer and Director	2010	President of Celtic Mining Ltd. (05/06 to present) (independent mining research and consulting firm); Portfolio manager of the Goldfish Fund (01/07 to 12/07) (investment fund); Investment manager with Veneroso Associates Gold Advisors (08/00 to 03/06) (investment company)
Jean Depatie[(1)] ..... Québec, Canada	Director	2011	President of Decamine Inc. (geoscience consultant company)

(1) Member of the Audit Committee.
(2) Member of the Corporate Governance Committee.

Each director serves as a director until the next annual meeting of shareholders of the Corporation or until his successor is elected or appointed.

As at April 20, 2011, the directors and executive officers of the Corporation, as a group, beneficially own or otherwise exercise control or direction over, directly or indirectly, an aggregate of 3,693,615 Common Shares, representing 6.54% of the issued and outstanding Common Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as described below, no director or executive officer of the Corporation is, as at the date of this revised annual information form, or has been within the last ten years, a director, chief executive officer or chief financial officer of any company that

(a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

(b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Ona Power Corp. (then Ona Energy Inc.) announced a voluntary management cease trade order on January 30, 2009 due to it not being able to file its annual financial statements and related management's discussion and analysis with the securities commissions or similar regulatory authorities in British Columbia, Alberta and Ontario within 120 days of its financial year end. The cease trade order was lifted subsequent to Ona Power Corp. filing its annual financial statements and related management's discussion and analysis with the securities commissions or similar regulatory authorities in British Columbia,

Alberta and Ontario on March 3, 2009. Mr. Perrault joined the board of directors of Ona Power Corp. on February 2, 2009 during the time of the voluntary management cease trade order. Mr. Perrault resigned from the board of directors of Ona Power Corp. effective on November 30, 2010. On November 18, 2009, a cease trade order was issued against Oracle Energy Corp. for failure to file a reserve report. Mr. Ladner was a director of Oracle Energy Corp. on the date the cease trade order was issued. The cease trade order was revoked on December 17, 2009.

Except as described below, no director or executive officer of the Corporation or any shareholder holding a sufficient number of securities of the Corporation to affect materially its control:

(a) is, as at the date of this revised annual information form, or has been within the last ten years, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;

(c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(d) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to reasonable investor in making an investment decision regarding the Corporation.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation.

Conflicts of Interest

The Corporation's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors and officers of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms.

INFORMATION ON THE AUDIT COMMITTEE

1. Charter of the Audit Committee

The charter of the Audit Committee is annexed to this revised annual information form as Schedule A.

2. Composition of the Audit Committee

The current members of the Audit Committee are Nikolas Perrault, Jean Depatie and James Ladner. Jean Depatie and James Ladner are considered independent to the Corporation. Nikolas Perrault is not considered independent to the Corporation because of his position as President and Chief Executive Officer of the Corporation. Under National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), a director of an audit committee is "independent" if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of the member's independent judgment.

The Board of Directors has determined that each of the three members of the Audit Committee is "financially literate" within the meaning of section 1.6 of NI 52-110, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

3. Education and Relevant Experience

The members of the Audit Committee have acted as directors or officers of various public companies which has provided them with the experience relevant to the performance of their responsibilities as Audit Committee members.

Mr. Perrault is a Chartered Financial Analyst who has spent the first 15 years of his career working as an investment executive with some of Canada's largest institutions. His focus throughout his career has been on small cap resource companies. His work has focused on small companies in the energy and resources sectors in Canada and abroad, which has allowed him to develop an extensive international network. In May 2007, he founded a management consulting company providing strategic advice to early stage energy and resource companies. Mr. Perrault is also a director of one other public company, namely RTN Stealth Software Inc. since February 2010 and was a director of Ona Power Corp. (formerly Ona Energy Inc.) from 2009 to 2010. Mr. Perrault is President of Twilight Capital Inc. which is registered as an exempt market dealer in Ontario. He holds a Bachelor of Commerce and obtained his Chartered Financial Analyst designation in 1997.

In addition to being a member of the Corporation's advisory board for the past 3 years, Mr. Depatie has over 35 years of national and international experience in economic geology. Mr. Depatie has worked in over 15 countries and acted as a consultant for organizations such as the United Nations, the World Bank, the Commonwealth Secretariat, the Asian Development Bank, Banco Interamericano, the Canadian International Development Agency and Québec's Ministry of Natural Resources. Since 1981, Mr. Depatie has been working as president or vice president or has served as director of several mining companies, including Cambiex Exploration Inc., Novicourt Inc., Noranda Inc., Glamis Gold Ltd., Richmont Mines Inc., Alexis Minerals Corporation, Louvem Mines Inc. and Sulliden Gold Corporation Ltd. Mr. Depatie currently sits on the board of directors of several mining companies, including Consolidated Thompson and Trinity Mining A.G. of Switzerland. He is currently president of Decamines Inc. of Montreal, Québec. Finally, Mr. Depatie has served on the audit committees of Alexis Minerals Corporation, Gold Hawk Resources Inc., Glamis Gold Ltd. and Consolidated Thompson.

Mr. Ladner is a financial consultant in Zurich, Switzerland and a professional company director. Mr. Ladner graduated in economics and business administration, majoring in auditing, from the University of St. Gallen, Switzerland. He served as a member of the Swiss Admissions Commission – Listing on Swiss Stock Exchange from 1989 to 1992 and as a member of the Swiss Capital Market Commission of the Swiss National Bank from 1990 to 1992. Mr. Ladner was a founder and managing director of RP&C International, London/New York/Zurich from 1992 to 2002 and served as the non-executive chairman of Bank Austria (Switzerland) Ltd. from 1992 to 2001. Previously, Mr. Ladner was an Executive Vice President of Coutts Bank (Switzerland) Ltd. and has served on the board of several other companies, funds and banks in Switzerland and abroad, including The Royal Bank of Scotland AG, Interallianz Bank AG, Asahi Bank AG, F. Van Lanschot Bankiers (Switzerland) Ltd. Immofonds, Energy Capital Investment Co plc., Equator Exploration Ltd., Strata Gold Corporation, Pan Pacific Aggregates plc and Nevoro Inc. He is presently a director of Oracle Energy Corp. (since 2007), Royal Coal Corp. (since 2010) and several other private companies.

4. Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 of NI 52-110 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where, among others, the total amount of fees related to the non-audit services are reasonably expected to constitute no more than 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 of NI 52-110 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

5. Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, Schwartz, Levitsky Feldman LLP, Chartered Accountants) not adopted by the Board of Directors.

6. Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Corporation's Board of Directors, and where applicable by the Audit Committee, on a case by case basis.

7. External Auditor Service Fees (By Category)

The aggregate fees charged to the Corporation by the external auditor in each of the last two financial years are as follows:

	2009	**2010**
Audit fees for the year ended	$40,000	$30,000
Audit-related fees[(1)]	—	—
Tax fees[(2)]	$4,000	$4,000
All other fees (non-tax)	—	—
Total Fees:	$44,000	$34,000

(1) These fees represent the total fees paid for audit-related services, particularly consulting fees related to accounting and financial reporting standards.
(2) These fees include the fees paid for compliance with tax regulations, tax advice and consulting and tax planning for preparing tax returns for the Corporation's income tax, capital tax and sales taxes, if any.

8. Exemption

In respect of the most recently completed fiscal year, the Corporation is relying on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Corporation is not, and was not during the fiscal year ended March 31, 2010, a party to material legal proceedings, and its property is not, and was not during such fiscal year, the subject to material legal proceedings and, as at the date hereof, the Corporation does not contemplate to be a party to any such legal proceeding.

Since April 1, 2009, the Corporation was not subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority;

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or

(c) any settlement agreements entered into before a court relating to securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, "**Informed Person**" means (a) a director or executive officer of the Corporation; and (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the voting rights attached to all outstanding voting securities of the Corporation.

None of the Informed Persons of the Corporation or any of their associate or affiliate has any material interest, direct or indirect, in any transaction within the last three most recently completed fiscal years of the Corporation or during the current fiscal year of the Corporation which has materially affected or is reasonably expected to materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares of the Corporation is Computershare Investor Services Inc. at its principal offices in Montreal, Québec and Toronto, Ontario.

MATERIAL CONTRACTS

Other than as set out below, since April 1, 2009, the Corporation has not entered into any contract not entered in the ordinary course of business:

1. The Montemor Agreement dated August 2, 2010 entered into between the Corporation and a wholly-owned subsidiary of AIOC. For a description of the Montemor Agreement, see "Description of the Business – Other Material Events and Recent Developments" of this revised annual information form.

INTERESTS OF EXPERTS

Schwartz Levitsky Feldman LLP, Chartered Accountants, are the external auditors who prepared the auditors' report to the Corporation's shareholders on the consolidated financial statements for the fiscal year ended March 31, 2010. Schwartz Levitsky Feldman LLP, Chartered Accountants, have advised the Corporation that they are independent in accordance with the Code of Ethics of the Ordre des comptables agréés du Québec.

Certain information of an economic, scientific or technical nature regarding the Penedono Concession, the Armamar-Meda Concession, the Montemor Property and the Santa Margarida Concession is included in this revised annual information form based upon the Penedono Technical Report, the Armamar-Meda Technical Report, the Montemor Technical Report and the Santa Margarida Technical Report. These reports provide independent technical reviews of the mineral resources and mineral reserves, operations, and development of the Penedono Concession, the Armamar-Meda Concession, the Montemor Property and the Santa Margarida Concession. Warner Gruenwald, P. Geo, the author of the Penedono Technical Report and the Armamar-Meda Technical Report, is a "qualified person" as such term is defined in NI 43-101 and is independent of the Corporation within the meaning of NI 43-101. Each of Jeffrey Volk, CPG, FAusIMM, MSc, Gareth O'Donovan, C Eng, FIMMM, FGS, QP and Eric Olin, MAusIMM of SRK, the author of the Montemor Technical Report, is a "qualified person" as such term is defined in NI 43-101 and is independent of the Corporation within the meaning of NI 43-101. Jim F. Cuttle, B.Sc., P.Geo., the author of Santa Margarida Technical Report, is a "qualified person" as such term is defined in NI 43-101 and is independent of the Corporation within the meaning of NI 43-101.

To the knowledge of the Corporation, the qualified persons referred to above do not beneficially own, or exercise control or direction over, directly or indirectly, more than one percent of the issued and outstanding Common Shares of the Corporation.

None of the aforementioned qualified persons are currently expected to be elected, appointed or employed as a director, officer or employee of the Corporation or of any associate or affiliate of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found under the Corporation's profile on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, if any, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, is contained in the Corporation's management information circular dated August 10, 2010, prepared in connection with the Corporation's annual general and special meeting of shareholders held on September 9, 2010.

Additional information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for the Corporation's fiscal year ended March 31, 2010.

SCHEDULE A
CHARTER OF THE AUDIT COMMITTEE

PURPOSE

The overall purpose of the Audit Committee (the "Committee") of Colt Resources Inc. (the "Corporation") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Corporation, and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board of Directors of the Corporation (the "Board") that through the involvement of the Committee, the external audit will be conducted independently of the Corporation's management to ensure that the independent auditors serve the interests of the shareholders of the Corporation rather than the interests of the management of the Corporation. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Corporation's independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

(1) The Committee shall consist of at least three members of the Board, a majority of whom shall not be executive officers, employees or control persons (as defined in the policies of the TSX Venture Exchange) of the Corporation or any of its associates or affiliates.

(2) At least one (1) member of the Committee shall be independent within the meaning of "independence" of National Instrument 52-110 *Audit Committees*. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain, within a reasonable period of time following his or her appointment, a working familiarity with basic finance and accounting practices applicable to the Corporation. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

(3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders of the Corporation, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

(4) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

(5) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

(6) The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

(7) Meetings of the Committee shall be conducted as follows:

(a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

(b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

(c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

(8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

(1) The overall duties and responsibilities of the Committee shall be as follows:

(a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and interim consolidated financial statements, the Corporation's annual and interim management's discussions and analysis and any other financial disclosure;

(b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;

(c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and

(d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

(2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

(a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;

(b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

(c) to review and approve the fee, scope and timing of the non-audit services rendered by the external auditors;

(d) to review and approve the Corporation's policies regarding partners, employees and former partners and employees of the present and former external auditors;

(e) to review the audit plan of the external auditors prior to the commencement of the audit;

(f) to review with the external auditors, upon completion of their audit:

A. contents of their report;

B. scope and quality of the audit work performed;

C. adequacy of the Corporation's financial and auditing personnel;

D. co operation received from the Corporation's personnel during the audit;

E. internal resources used;

F. significant transactions outside of the normal business of the Corporation;

G. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and

H. the non audit services provided by the external auditors;

(g) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and

(h) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

(3) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:

(a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

(b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation, including, without limitations, unresolved disagreements;

(d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented; and

(e) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(4) The Committee is also charged with the responsibility to:

(a) review the Corporation's interim statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(b) review and approve the financial sections of:

A. the annual report to the shareholders of the Corporation;

B. the annual information form, if required;

C. annual and interim management's discussions and analysis;

D. prospectuses;

E. press releases discussing financial results of the Corporation; and

F. other public reports of a financial nature requiring approval by the Board,

and report to the Board with respect thereto;

(c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;

(d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements, management's discussions and analysis and other required disclosure documents, and consider recommendations for any material change to such policies;

(e) review and report on the integrity of the Corporation's consolidated financial statements;

(f) review the minutes of any audit committee meeting of subsidiary companies;

(g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the Corporation's consolidated financial statements;

(h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

(5) The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external auditors.