

Toruel Project
Rio Negro Province - Argentina
Marifil Mines Ltd.
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1.0 SUMMARY

Property Description

Mineral rights on the property are secured by two “Manifestaciones de Descubrimiento”, or M.D.s, (Declarations of Discovery) belonging to Marifil Mines S.A. (hereafter referred to as “Marifil”) and a third party which has granted an Option to Purchase to Marifil. These M.D.s are registered in the Direccion de Minería (Mining Office) of Rio Negro Province. The total property position is 5,736 hectares (14,168 acres). The total property maintenance costs are less than U.S. \$10,000 per annum. These payments are credited to the overall buyout price if the purchase options are exercised.

Location and Access

The Toruel Project is located about 25 kilometers southeast of the town of Los Menucos, Rio Negro Province, Argentina (Figure 1, Location Map). The project lies near Gauss Kruger coordinates 5461000N/2594000E Zone 69. A major rail line passes through Los Menucos. Access to the area of interest on the property is available by about 25 kilometers of improved road from Los Menucos, followed by 2-3 kilometers of unimproved road. Work on this property may be done year-round due to the low elevation, mild climate, and superior nearby infrastructure. The project is not remote when compared to many other Argentine projects. The area is one of gentle relief which would be conducive to low waste:ore ratios should a near-surface, bulk-tonnage resource ever be defined.

Ownership

The properties are owned by two entities, and one is under Option to Purchase agreements with Marifil. The Option to Purchase agreement is with Ruben Davicino. All payments made to Ruben Davicino are credited to the buyout price in case the purchase option is exercised. The total amount of lease payments is less than U.S. \$10,000 per annum.

Geology and Mineralization

The Toruel Property lies upon the Somuncura Massif, an uplifted plateau that covers a vast area of central Argentina. It is underlain by Triassic Age rhyolitic volcanics and tuffaceous sediments of the Los Menucos Group. Known mineralization encountered thus far on the property consists primarily of epithermal vein and breccia mineralization. Although future drilling might reveal other target types, it has initially created a relatively simple target concept. The rhyolitic volcanics are cut by sulfide-bearing, epithermal veins and breccias that contain strong Ag/Cu/Pb/Zn mineralization with lesser, although significant gold and indium mineralization. The age of the mineralization is unknown.



FIGURE 1. LOCATION MAP

The majority of the economic value found to date comes from the remarkable silver content of the mineralization. The silver content of well-mineralized veins/breccias is commonly in the hundreds of grams per tonne (g/t), which is equivalent to parts per million (ppm), and sometimes the poly-metallic veins/breccias contain silver in the thousands of g/t range. For example, two randomly-selected verification samples were taken by the primary author during his October 2009 visit to Toruel. Those samples yielded silver assays of 1,520 ppm and 2,130 ppm, and respectively, 0.334 ppm and 0.971 ppm gold. Surface grab samples taken from the Toruel hydrothermal breccia by Marifil geologists have been found to contain up to 5,871 g/t silver and 7.17 g/t gold. Low-grade gold mineralization often accompanies the silver and base metals, but on average, is only a small part of the total metal value in the veins. Strong alteration adjacent to the veins of interest has, thus far, been found to extend only a short distance into the wallrock. Weak alteration has been documented for up to 15 meters into the wallrock.

Epithermal vein mineralization on the property strikes predominantly about N65E and dips steeply to the southeast. The group of veins discovered thus far crop out over a length of 7.7 km and a width of 4-5 km. The individual veins are locally up to 12 meters in width. Needless to say, the limited drilling completed to date, although quite successful overall, has tested only a small portion of this mineralized system. The best mineralization encountered thus far has been found within the breccias of the Toruel Vein. The breccia matrix contains much of the sulfides. Although native gold and native silver have been reported, most of the mineralization consists of tetrahedrite, galena, sphalerite, chalcopyrite, pyrite, marmatite, and marcasite, , with sparse chalcocite and covellite. Silver and copper contents generally correlate well with each other.

Exploration Concept

Exploration has been carried out using the epithermal vein model. First, this concept recognizes the possible limited vertical extent of the veins. Drilling completed thus far has tested the veins to a vertical depth of only about 125 meters. Secondly, it also recognizes the possibility of lateral and vertical zoning. Finally, Marafil geologists have also recognized the possible existence of mineralized mantos at depth adjacent to the veins in the flat-lying, receptive sedimentary or volcanoclastic wallrocks. This possibility has had only a cursory investigation thus far because it was overshadowed by the high-grade vein systems tested by Marifil. The limited depth of drilling has not been a good test of the volcanic stratigraphy.

Status of Exploration

Marifil completed a total of 4,300 meters of diamond-drilling and 1,590 meters of reverse circulation in three rounds of drilling. Only one small part of the property, the Toruel Vein and adjacent conjugate structures, have been adequately drill-tested. From that drilling, a significant amount of mineralization has been defined within a well-mineralized shoot that is about 650 meters in length and open to depth, drill-tested to a maximum vertical depth of about 125 meters where mineralization remains strong. The

influence of supergene copper/silver enrichment near-surface is uncertain. The resource defined by drilling has not yet been quantified. Most of the property has not been drill-tested even to very shallow depths.

Conclusions

Although silver and copper presently are of the most value on the project, it also remains possible that as exploration continues, gold or base metals may become more important as the veins could zone laterally or vertically into a gold-rich zone.

Indium has also been found in significant amounts locally, and could become a significant by-product. Only a small portion of the 7.7 km strike length of the entire vein system has been drill-tested. Down-dropped blocks may also contain strong mineralization at depth.

Recommendations

Drilling undertaken by Marifil during 2005 and 2006 focused primarily upon the Toruel Vein and adjacent conjugate structures. Continued rock sampling and geological mapping should resume over the entire extent of the property to define and prioritize new drill targets similar to that of the Toruel Vein. It is unlikely that the mineralization encountered thus far by drilling on the Toruel Vein could constitute a stand-alone operation; however, the main Toruel vein/breccia system is open-ended to the east. There may be some potential for a limited amount of direct-shipping ore if the high-grade material was manually classified based upon the megascopic appearance of the rock.

Since the best silver/copper mineralization appears to be hosted by linear breccia zones, a comprehensive mapping project of all breccia zones might define target areas where the breccia zones intersect and create breccia pipes that could be attractive drill targets. This work would be relatively cost-effective given the flat terrain, easy access, sparse vegetation, and the well-exposed, resistant veins/breccias that often crop out as linear ridges on the property. Some of this work has already been completed, but a comprehensive geological/geochemical map should be the final product so no attractive targets are overlooked prior to the next round of drilling. At least one deep hole should also be completed adjacent to a well-mineralized vein/breccia zone on a down-dropped structural block to test the stratigraphy for manto-type mineralization in physically receptive volcanoclastics or sedimentary rocks. A budget of U.S. \$1,000,000 has been proposed for the exploration program.

2.0 INTRODUCTION

Marifil Mines S.A. (Marifil) is a wholly-owned Argentine subsidiary of Marifil Mines Ltd., a publicly-traded Canadian corporation. Marifil controls about 5,736 hectares (14,168 acres) of mineral rights which constitute the Toruel Project. This 43-101 technical Report was prepared for Marifil at the request of Mr. John Hite, president of Marifil Mines Ltd.

The purpose of this Technical Report is several-fold. First, it was prepared to facilitate marketing of the project to potential joint-venture partners. Secondly, it was intended to provide an independent analysis of the project. Finally, it was undertaken to develop an exploration program and a budget to continue evaluation of the project.

The information and data contained in this Technical Report was derived both from information found in the public domain and detailed information generated by Marifil during their exploration programs. Citations of previous work are referenced throughout this document where applicable.

The primary author of this Technical Report, James F. Ebisch, is an Oregon (U.S.A.) Registered Professional Geologist whose license has been in good standing since 1986. By reason of education, affiliation with a professional association, and past relevant experience, James F. Ebisch fulfills the requirements to be a qualified person for the purposes of NI 43-101.

On behalf of Marifil, Daniel E. Buffone and the NI 43-101 qualified author, James F. Ebisch, an independent consultant, completed a site inspection of the Toruel Project on October 29, 2009. The author's qualifications are included in Section 23 of this report. The purpose of the visit was to provide a third-party, independent technical evaluation regarding the merits of the property. The goals of the visit were as follows:

- 1) Complete an independent confirmation of the merits of the property, verify the scope of work completed to date, and determine the reliability of the key information supporting the potential of the project.
- 2) Determine the potential of the deposit, including an appraisal of the geological characteristics of the project, and undertake a technical review of the relevant available technical data.
- 3) Assess the merits of the property and draw generalized comparisons with other similar deposits.
- 4) Undertake limited sampling to determine the veracity of previous sample results.
- 5) Prepare an exploration program with a supporting budget for implementation of the proposed exploration program.

The author completed the assignment through an inspection of the site, traverses over the most accessible prospect areas, verification sampling, and a review of technical data and reports forwarded to his office by Marifil. Some of the core samples were also examined. The principal reports and data are listed in Section 21 of this report. Daniel Buffone accompanied the author during the site visit. Daniel Buffone and Pedro Vera contributed extensive knowledge about the regional and project geology. Pedro Vera was responsible

for the translation of most of the reports from Spanish to English. Much of this data is available for review at the Marifil office in Mendoza, Argentina.

The author visited several mineralized zones on the property, and performed confirmation sampling on the Toruel vein/breccia zone. Geochemical results from the verification sampling showed strong mineralization characteristic of that discovered by the Marifil work. Surface rock exposures examined confirmed that the overall geology as determined by Marifil consulting geologists is accurate. The independent examination of select core samples by the primary author also demonstrated consistency with that reported by Marifil geologists.

3.0 RELIANCE ON OTHER EXPERTS

Limited portions of this report were created by Hugo Bastias, Guillermo Figueroa, Jose Monguilner, and Pedro Vera. They are Argentine geologists who are secondary authors of this report. They provided much information, primarily through a previous summary report that was prepared in 2006 following the last round of exploration work completed on the project. Their input was also necessary because they were familiar with both regional geology and details of exploration programs.. All four of the secondary authors are competent, experienced geologists who lack the qualifications required by NI 43-101 simply due to the lack of specific licensing. The primary author has no reason to doubt the veracity of any data that the four Argentine geologists have contributed to this report. The primary author has attempted to verify all data input by the Argentine geologists and has found said data to be satisfactory, credible, and candid in all respects. No known spurious or suspect results were noted during the investigation and review of the work completed by Marifil.

The primary author is an independent consultant that is not an officer or director of Marifil. The compensation received for creation of this report is standard in the mining industry, based upon a daily consulting fee. Compensation is not based upon the contents of the report. However, the primary author is a stockholder of Marifil Mines Ltd. common stock.

4.0 PROPERTY DESCRIPTION AND LOCATION

Area, Mineral Tenure, and Title Details

The Toruel Property covers approximately 5,736 hectares. The property consists of two contiguous “Manifestaciones de Descubrimiento” (Declaration of Discovery), or M.D.s, that belong to Marifil and third parties (Table 1). The third party has signed an Option to Purchase Agreements with Marifil. Lease payments made by Marifil are credited to a final buyout price if the purchase option is exercised. The original Option to Purchase agreements with the owner had a five year term, but has been extended.

Under the Argentina Mining Code, M.D.s are advanced exploration properties that represent a discovery that was made within an early-stage exploration concession called a cateo. Cateos can be up to 10,000 hectares in size. Much of the area of a cateo can be converted to M.D.s following a discovery once that discovery is properly registered and accepted by the provincial mining authorities.

The cost to maintain the mineral rights is quite modest, currently less than \$10,000 per annum. Marifl has an access agreement to the project, but no surface rights. There are no obligations to the surface owner. The Dos Amigos (Toruel) cateo has an underlying 2% NSR which can be purchased for \$750,000 U.S. at any time. The other cateos have no underlying royalties.

**TABLE 1
MINERAL TENURE**

<u>M.D. NAME</u>	<u>OWNER</u>	<u>HECTARES</u>
Dos Amigos (Toruel)	Ruben Davacino	2,736
Suerte 2	MIM	3,000
	TOTAL	5,736

The author has been unable to independently verify the details of mineral tenure and title. All mineral tenure and title data has been provided by Marifil.

Location

The Toruel Property is located in Rio Negro Province, central Argentina (Figure 1).

Obligations

There is no work commitment and the total lease maintenance costs are currently less than \$10,000 U.S. per annum.

Property Boundaries

Coordinates of property corners are listed in Table 2

**Table 2
M.D. Corner Coordinates**

Dos Amigos (Toruel): WGS 84 UTM Corner Coordinates

1) N: 5461996.5	E: 2592510.4
2) N: 5461996.5	E: 2596310.4
3) N: 5454796.5	E: 2596310.4

4) N: 5454796.5 E: 2592510.4

Suerte II: WGS 84 UTM Corner Coordinates

1) N: 5456796.5	E: 2596310.4
2) N: 5456796.5	E: 2598618.3
3) N: 5469796.5	E: 2598618.3
4) N: 5469796.5	E: 2596310.4

Location of Mineralized Zones and Mine Workings

Mineralized zones and mine workings are found over a distance of about 2,000 meter E-W and 1,000 meters N-S. (Figures 4-6). The workings are not substantial. They consist primarily of small prospect pits.

Royalties, Back-In Rights, and Payments

The Dos Amigos (Toruel) cateo has a 2% NSR royalty which can be purchased for \$750,000 U.S. Maintenance of mineral rights currently costs less than \$10,000 U.S. per annum. There are no back-in rights.

Environmental Liabilities

There are no known environmental liabilities on The Toruel Project

Permits

Prior to the execution of any exploration program, an Environmental Impact Report (EIR) will be submitted to the provincial mining authority in order to legally initiate exploration activities. Field work requiring surface disturbances may not be initiated until the EIR has been approved by the provincial mining authority.

Marifil has no water rights at Toruel, but groundwater lies within about 7 meters of the surface. Marifil has an access agreement to the property, but no surface rights.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

Topography, Elevation, and Vegetation

Although that part of Argentina has some mountainous terrain, topography on the property is very subdued. The property is essentially a peneplain. Elevations range from about 800-850 meters above mean sea level. Due to the gentle relief, bedrock exposures are quite limited in extent. Because the climate is semi-arid, vegetation consists primarily

of sage brush. Overall, the area has an appearance similar to that of central Nevada (U.S.A.). It basically consists of a normal-faulted, basin-and –range physiography.

Access

Property access from the town of Los Menucos is achieved by traversing about 25 km of improved gravel road and 2-3 km of unimproved road. Los Menucos lies on a major highway and also has a railroad that passes through the town.

Property Proximity to a Population Center

The property lies about 25 km from the town of Los Menucos. Los Menucos has the infrastructure needed to support an exploration program. An excellent hotel and restaurant are available for personnel support. The service station has unleaded gasoline and diesel fuel with a tow truck and tire repair service. International telephone service is available at the locutorio. The closest major city is Neuquen. It is about three hours drive to the north. Neuquen has a modern airport with regular flights to Mendoza, Buenos Aires, and Santiago, Chile.

Climate and Length of Operating Season

The climate is mild and semi-arid. A year-round operating season is possible.

Surface Rights

The land is available for mining operations because mineral rights belong to the federal government, which encourages economic development. By Argentine law, mining takes priority over all other uses on federal lands.

Power

Power lines exist about 25 km from the property at the town of Los Menucos

Water

Water is available on the property at a depth of about 7 meters. Marifil has no water rights at this time.

Personnel

Unskilled labor is available from the town of Los Menucos 25 km from the property. Skilled labor and mining professionals are not available locally.

Tailings Storage/Waste Disposal/Leach Pads/Plant Sites

The Toruel Project area consists of a vast peneplain with subtle topographic relief. There is ample room for tailings storage, waste disposal sites, leach pads, plant sites, and other infrastructure necessary for a contemporary mining operation. The land is available for such uses because most of it belongs to the federal government, which encourages economic development. By Argentine law, mining takes priority over all other uses on federal lands.

6.0 HISTORY

Prior Ownership

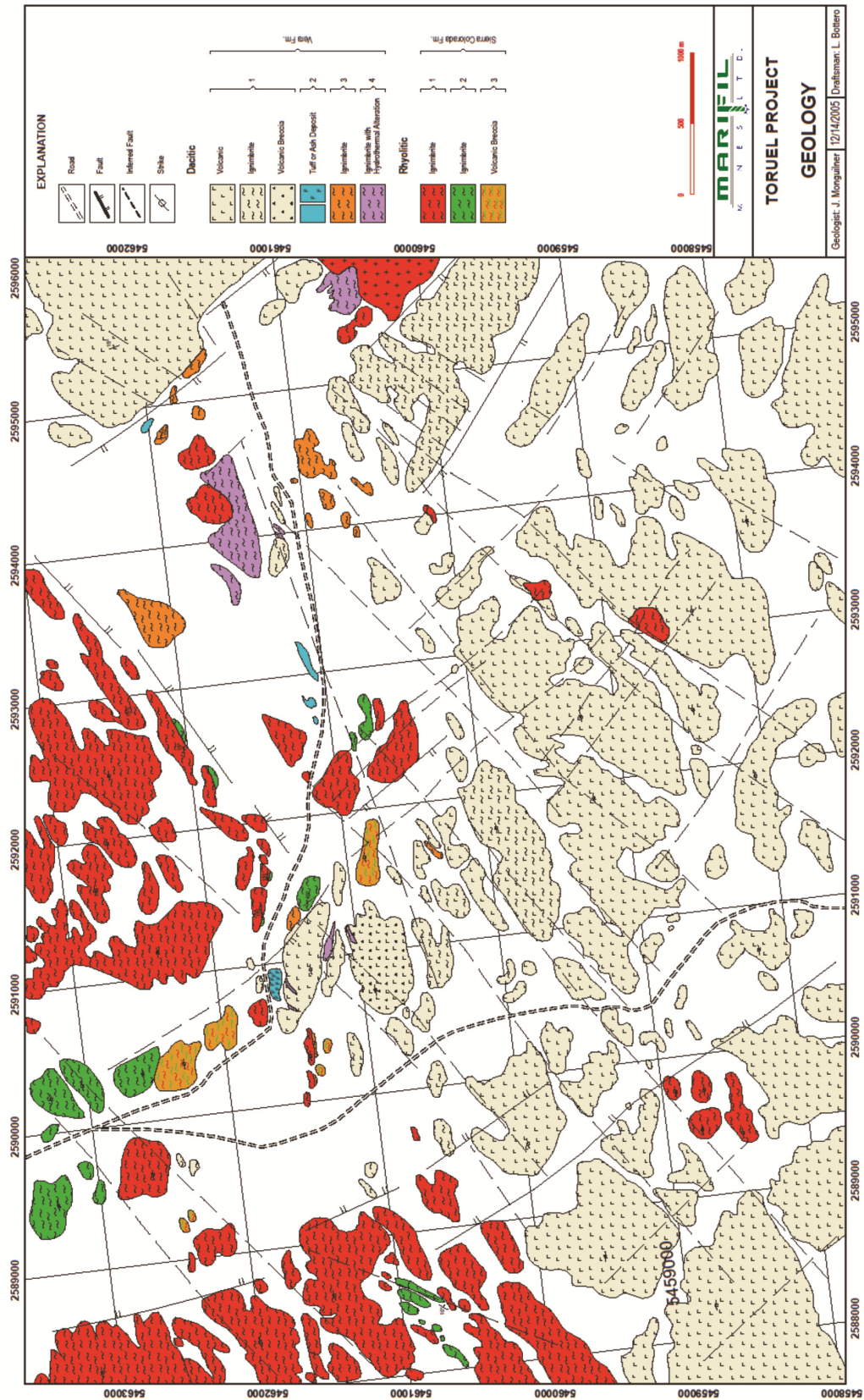
The earliest work on the property was reportedly undertaken by Senor Argentino Angel Garrido. He excavated several prospect pits and trenches sometime around 1954. Part of the property was previously controlled by MIM and Pegasus Argentina. MIM and Pegasus Gold both undertook limited exploration programs. Around 1996, Pegasus Argentina drilled one reverse-circulation rotary hole that reportedly encountered sub-economic mineralization. During 1998, MIM took about 100 rock samples and 36 composite soil samples (Heenan, 1998). These samples yielded maximum values of 0.51 g/t gold, 273 g/t silver, 4,000 g/t copper, 12,600 g/t lead, and 853 g/t zinc. No drilling was undertaken by MIM to further test the mineralized zones identified by surface sampling.

7.0 GEOLOGICAL SETTING

7.1 Regional Geology

The Toruel Project is located on the Somuncura Massif, a broad uplifted structural block that lies in the northern Patagonia region of Argentina. The crystalline basement consist primarily of Precambrian and Early Paleozoic metamorphic rocks that have been intruded by Carboniferous and Permian plutons. A group of siliceous, rhyolitic volcanic rocks overlies much of the crystalline basement rocks. The volcanics are a product of rift volcanism developed from the Lower Triassic to Middle Jurassic. Within the volcanic sequence there are sedimentary intercalations and hypabyssal granites. Malvicini and Llambias (1974) introduced the term “Ignimbritic Plateau” for this group of Mesozoic acid volcanic rocks.

Transgression and deposition of marine sediments occurred near the plateau margins during the Lower and Middle Jurassic. Deposition of continental sediments followed during the Middle and Upper Cretaceous. Another marine transgression followed during the Upper Cretaceous and Lower Tertiary. A siliceous eruptive cycle also occurred during the Lower Tertiary. This was followed by marine sediments of the Patagonia Formation and continental deposits of the Colloncuro and Rio Negro formations. During the Upper Tertiary and Lower Quaternary, basaltic eruptions covered about 20,000 km of the Somuncura Massif. The age of epithermal vein mineralization is apparently well-constrained. It post-dates the Late Triassic Vera Formation and pre-dates the Late Triassic Sierra Colorada Formation.



Following the volcanism, the region was subject to additional extensional tectonics, resulting in block-faulting. Because of this, different levels of the epithermal systems are exposed depending upon whether the epithermal system is up-thrown or down-dropped.

7.2 Project Geology

Summary maps of project geology are seen in figure 2 and figures 4-6.

Stratigraphy

The Los Menucos Group consists of Triassic Age rhyolitic volcanics and sedimentary rocks that were first described near the town of Los Menucos. The volcanic stratigraphy is complicated and poorly understood. Los Menucos is about 20 km from the Toruel Project. The Los Menucos Group consist of two formations, the Sierra Colorada Formation and the underlying Vera Formation (Figure 3, Stratigraphic Column).

Sierra Colorada Formation:

The Sierra Colorada Formation, which unconformably overlies the Vera Formation, is composed of lavas, tuffs, and poorly-stratified volcanic breccias of rhyolitic composition. This formation has been informally sub-divided into three informal members by Marifil geologists. It is unconformably overlain by Cretaceous-Tertiary Age sedimentary rocks as well as Tertiary Age volcanic rocks (Labudia and Bjerg, 1994). The Sierra Colorada Formation is reported to lack epithermal mineralization, suggesting that it is post-mineral in age. In the Toruel project area, it often occupies the higher elevation areas. It outcrops from Sierra Colorada on the north to Aguada de Guerra on the south and from Alto Tapilique on the east to Bajo de Lenzaniyeu on the west. The formation is Late Triassic in age.

The upper, Red Member of the Sierra Colorada Formation is composed of red to grey-brown rhyolitic ignimbrites that are commonly welded and massive, with local oriented fiammes. The rocks contain lithic fragments of porphyry. Pumice and volcanic glass is common. The Red Member reportedly varies in thickness from 10 to 100 meters.

The middle, Green Member of the Sierra Colorada Formation is composed of light grey-brown to purple ignimbrites that are often banded and poorly-welded with pumice and lithic fragments. The base of this member is often cross-bedded, suggesting a base-surge. It is composed of a matrix-supported volcanic breccia with lithic fragments of porphyry. The matrix is welded and crystalline. The Green Member is commonly less than 10 meters in thickness.

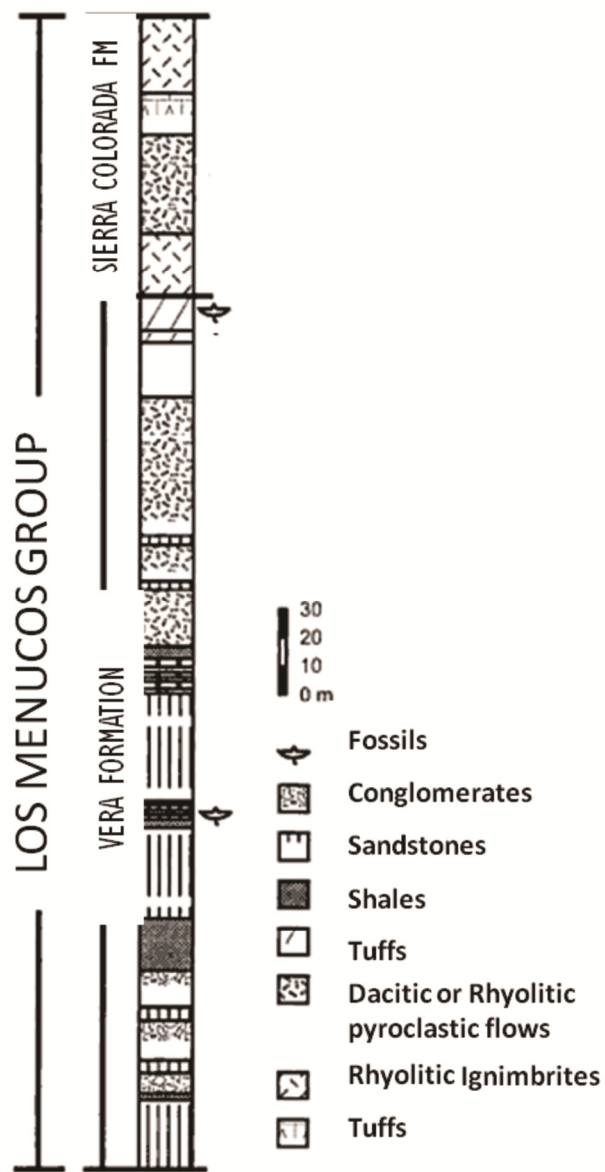


FIGURE 3. STRATIGRAPHIC COLUMN

The lower, Multicolor Member of the Sierra Colorada Formation consists primarily of a welded, matrix-supported volcanic breccia that contains lapilli-size lithic fragments. The matrix is white-colored and banded. It reportedly lacks hydrothermal alteration. The thickness of the Multicolor Member was not reported by Marifil geologists.

Vera Formation:

The Vera Formation unconformably underlies the Sierra Colorada Formation. The Vera Formation has been sub-divided into four informal members by Marifil geologists.

Overall, it is composed of a flat-lying to gently-dipping sedimentary sequence of conglomerates, wackes, shales, and sandstones (Labudia et al, 2001). Those clastics contain interbeds of volcanic ash, tuffs, pyroclastic flows, and volcanic breccias. The individual beds of the Vera Formation are often only several meters in thickness and generally lack a great lateral extent. The environments of deposition for these units consisted of volcanic cones, flood plains, ephemeral rivers, and small lacustrine bodies. Those environments reflect the incipient development of a drainage network closely related to the volcanic development in the area. Plant fossils found in the sediments have assigned a Late Triassic age to the rocks (Stipanovic and Methol, 1972). The Vera Formation is cut by the epithermal veins of economic interest. The stratigraphy of the Vera Formation is complicated by the rapid facies changes and unconformities inherent in terrestrial volcanic stratigraphy..

The Light Blue Member of the Vera Formation is composed of massive, lithic-poor tuffs that vary in color from light grey-brown to white. Locally, they are laminated. The Light Blue Member reportedly varies in thickness from 2 to 6 meters.

The Orange Member of the Vera Formation is composed of banded ignimbrites that are generally white to light-colored. The Orange Member is reportedly 2 to 10 meters in thickness.

The Violet Member of the Vera Formation is composed of tuffs and ignimbrites. They are commonly argillized to silicified with weak sericitization. The thickness of this member is unknown.

The Brown Member of the Vera Formation consists of massive and welded dacitic tuffs. Volcanic glass and pumice is common throughout this member. Facies changes are common, with volcanic breccias and ignimbrites of dacitic composition. The breccias are matrix-supported. The ignimbrites are commonly welded and massive. The thickness of this member reportedly ranges from 10 to 60 meters.

Structure

Three primary structural trends are well-defined on the Toruel Property (figures 4-6). These are evidenced by a combination of air photo lineaments, mineralized zones, topography, and outcrop orientation. The interactions of these structures controlled the geometry and distribution of epithermal mineralization on the project. The three main structural zones are oriented as follows:

1) WNW-ESE to E-W:

This fault orientation and associated hydrothermal activity controlled much of the mineralization that was emplaced in the project area. The Toruel Vein/breccia has this orientation. Four major regional faults follow this orientation. They are the Las Lagunitas, Los Chivos, Los Capones, and the Pocholo faults. Some of these faults have

been traced for tens of kilometers. The emplacement of these westerly-trending faults has created conjugate fault systems that are NE-SW trending and N20W trending.

2) NE-SW

The NE-SW fault system consists of numerous sub-parallel faults that are both regional and local in character. They are generally normal faults believed to have a strike-slip component. Both the Harley and Chinchimolles faults belong to this fault system. The Harley Fault is within the study area. It is marked by a cliff and a 30 km long lineament. The Chinchimolles Fault is outside the study area and has been picked out using air photos and satellite imagery where it is marked by a continuous lineament about 25 km in length. The lands bounded by the Harley/Chinchimolles faults and the Pocholo/Los Capones faults forms a polygonal region that contains virtually all the hydrothermal activity in the region. The Avispa Vein, John Vein, and the West Vein are oriented NE-SW.

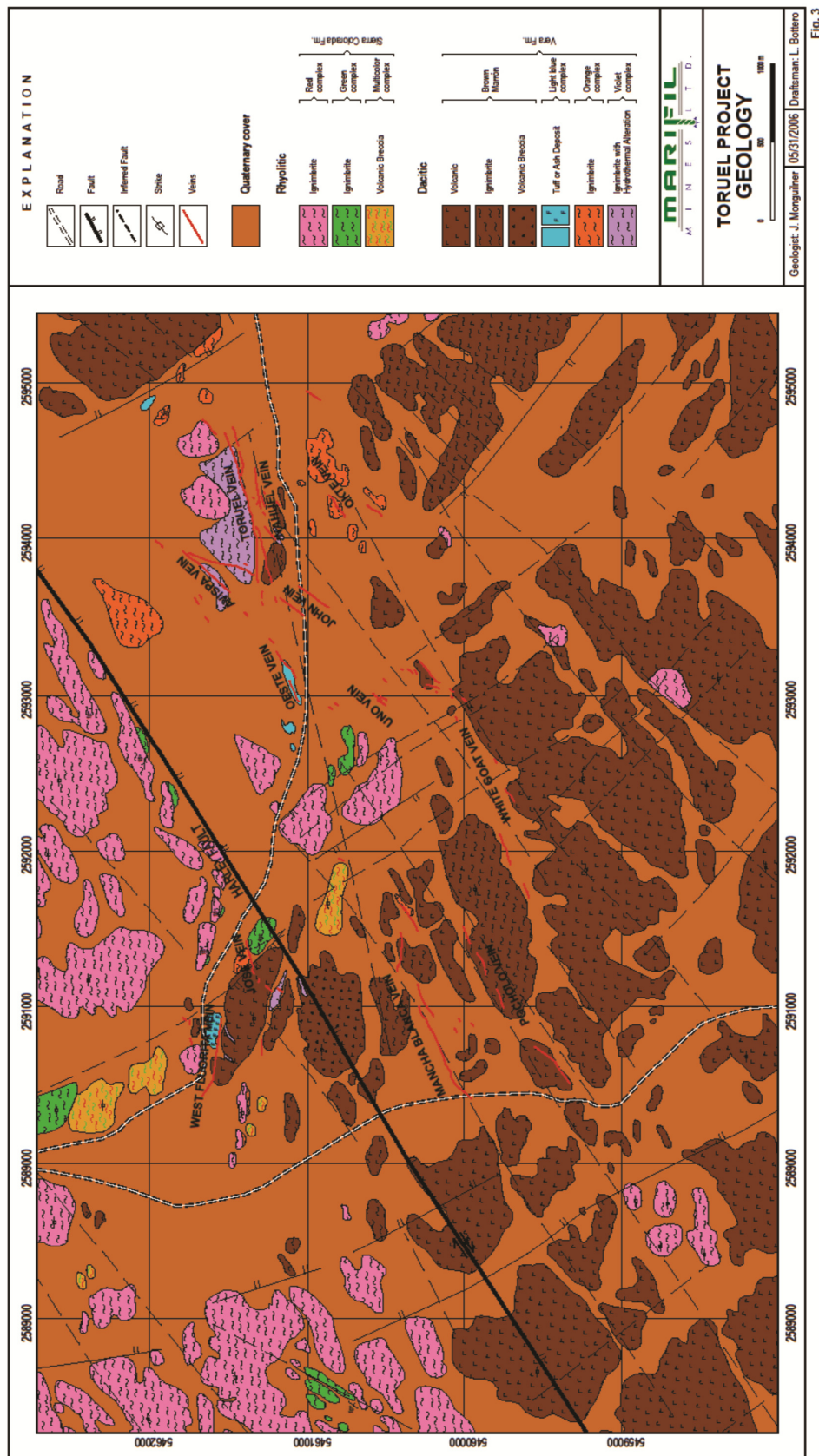
3) N20W

Faults of the N20W orientation consist of a plethora of smaller faults that are primarily of local character with limited strike extents. Many of the NE-SW faults are cut by faults of the N20W orientation, suggesting that the N20W faults were perhaps very late with respect to mineralization. No significant veins trend in a northwesterly direction.

Mineralization

Mineralization encountered thus far on the property has been classified as epithermal-type vein mineralization, locally becoming a wide breccia zone.. The veins/breccias are found within rhyolitic volcanic rocks that are relatively unaltered except immediately adjacent to the vein/breccia zone. Although silver and copper are the primary elements of interest, the polymetallic veins also contain significant amount of gold, lead, zinc, and indium. The minerals of economic interest are tetrahedrite, galena, sphalerite, chalcopryite, chalcocite, covellite, native gold and native silver. They are found primarily within siliceous veins and breccia matrixes. Abundant fluorite is found locally. It is generally not spatially related to the high-grade copper/silver mineralization that is under investigation. However, the fluorite could be the upper part of a zoned epithermal system where copper and silver mineralization similar to that hosted by the Toruel Vein lies at depth.

Detailed core logging by Marifil geologists has shown that supergene enrichment of copper is locally present, although chalcocite and covellite reportedly comprise less than 3% of the volume of the core. The best grades of mineralization encountered thus far are found within the Toruel Vein. Marifil geologists have documented at least four stages of silica emplacement in the Toruel Vein, three of which contain significant sulfide mineralization.



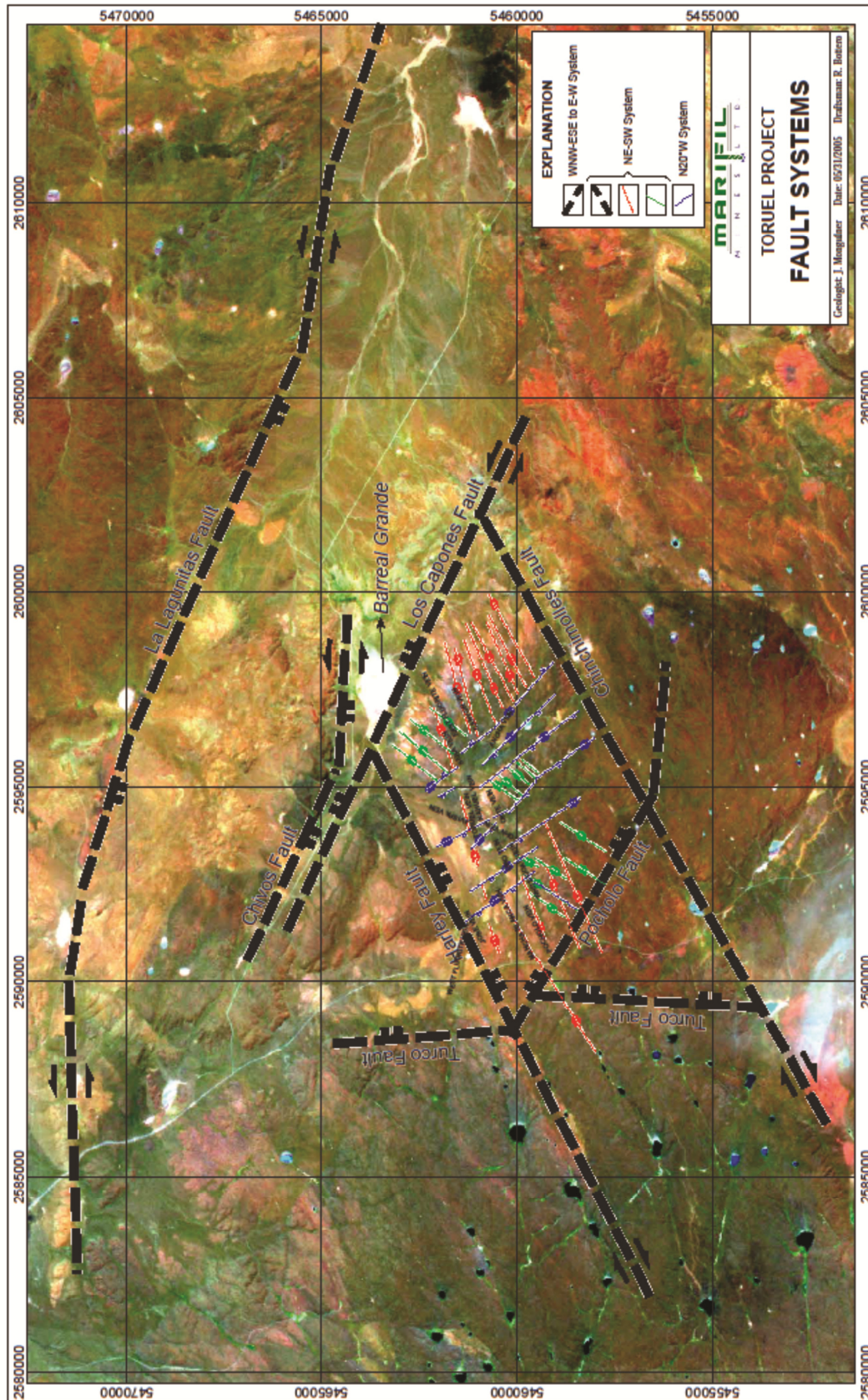


Figure 5.

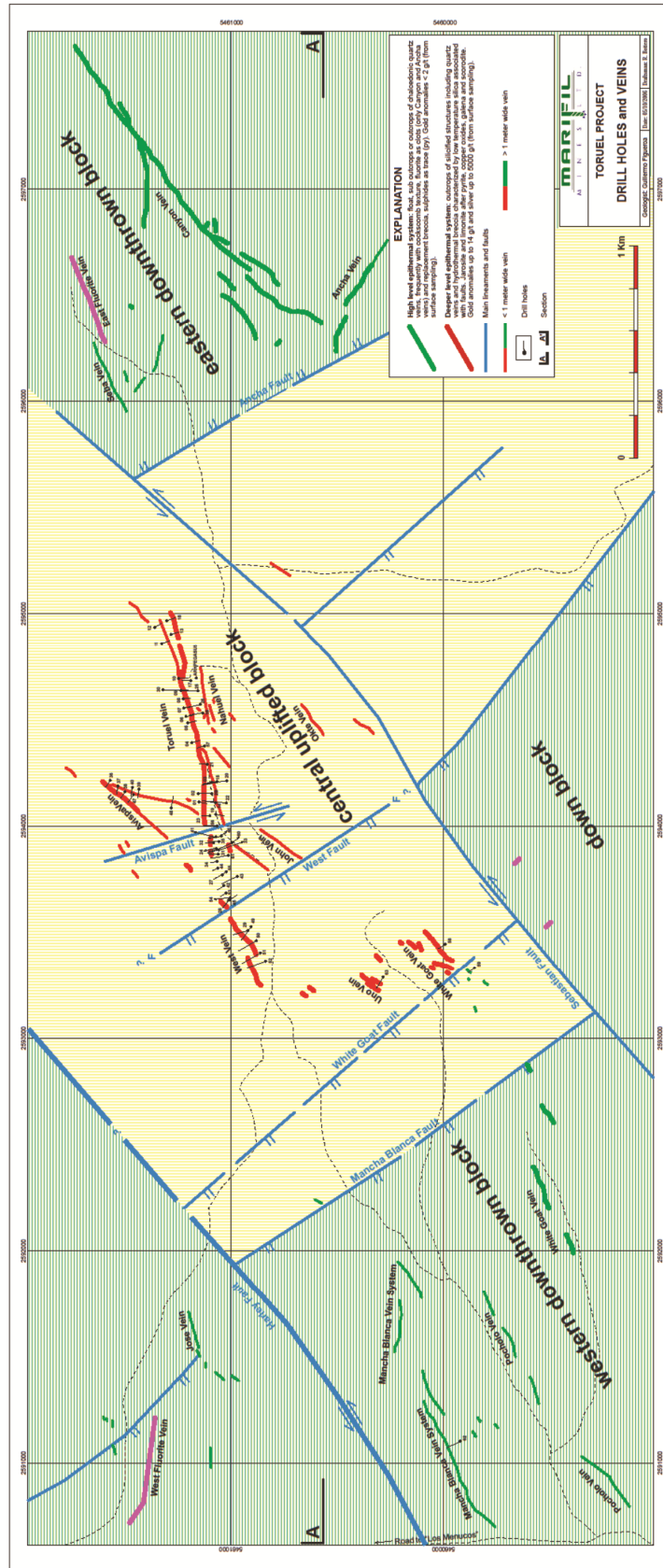


Figure 6.

8.0 DEPOSIT TYPES

The deposit type under investigation consists of epithermal fissure veins and breccia zones. Where the veins widen and bifurcate, they become breccia zones that contain both epithermal veins and epithermal breccias with abundant silica and sulfides in a locally extensive breccia matrix. Marifil geologists have reportedly identified at least 4 stages of mineralization within the Toruel Vein.

The epithermal veins are predominantly fissure veins that have filled steeply-dipping structures. Because of this configuration, most of the exploratory drilling has consisted of angle holes that are drilled roughly perpendicular to the strike of the mineralization to intercept the fissure veins/breccias. Unlike some epithermal deposits, no significant silica cap or sinter has yet been encountered, although Marifil geologists report a widened area of silica mineralization near the very west end of the Toruel Vein.. Silica caps or sinter may have been removed by erosion. Alternatively, they may also lie undiscovered beneath alluvium or the post-mineral (?) Sierra Colorada Formation. Normal-faulting has resulted in different levels of exposure of the epithermal systems.

Because of the paucity of drilling over this extensive property, Marafil geologists have recognized that other types of mineralization may exist elsewhere on the property that are not exposed on the surface. The property has very little topographic relief. Because of this, many areas are covered by alluvium and bedrock exposure is minimal. It is the opinion of the primary author that buried, gold-bearing silica caps/sinters and mantos within receptive sedimentary/volcanic rocks adjacent to robust vein systems could well be discovered as work progresses on the Toruel Project. Although there is no assurance of this, it is not uncommon to discover additional mineralization as projects are advanced.

9.0 MINERALIZATION

Mineralization encountered thus far on the property has been classified as epithermal-type vein mineralization, locally becoming a wide breccia zone. Marifil geologists have determined that the breccia zones are up to 12 meters in thickness. The veins/breccias are found within rhyolitic volcanic rocks that are relatively unaltered except immediately adjacent to the vein/breccia zone. Although silver and copper are the primary elements of interest, the polymetallic veins also carry significant amount of gold, lead, zinc, and indium. The minerals of economic interest are chalcopyrite, tetrahedrite, galena, spalerite, chalcocite, covellite, native gold and native silver. They are found primarily within siliceous veins and breccia matrixes.

Surface exposures of mineralization consist of iron oxides, jarosite after pyrite, locally botryoidal to massive manganese oxides, copper oxides, and lead oxides. Scorodite is also present locally. Oxidation only reaches a maximum depth of about thirty meters below surface in the mineralized veins/breccias..

Abundant fluorite is found locally, but is generally not spatially related to the high-grade copper/silver mineralization that is under investigation. The fluorite, however, may have

been deposited by the same extensive mineralized system that is responsible for the base and precious metal mineralization that is of interest to Marifil.

On a project scale, the individual veins occupy a corridor that strikes about N60E. This corridor is about 5 km in width and at least 15 km in length. Other than drilling of the Toruel Vein, only a very limited amount of drilling has been completed to test the mineralization found in this corridor.

Detailed core logging by Marifil geologists has shown that supergene enrichment of copper is locally present, although chalcocite and covellite reportedly comprise less than 3% of the volume of the core. The best grades of mineralization encountered thus far are found within the Toruel Vein. Marifil geologists have documented at least four stages of silica emplacement in the Toruel Vein, three of which contain significant sulfide mineralization. Marifil geologists have determined that at least four mineralizing events have taken place:

- 1) The earliest pulse of mineralization consists of a beige-colored cryptocrystalline silica that has locally altered the wall rock and is also present as fragments within the final breccia product. Sulphides from this initial event usually comprise less than 2% of the silica veins.
- 2) White cryptocrystalline silica veins with sparse sulfides that cross-cuts the beige silica.
- 3) Dark-grey, disseminated sulfide-rich silica. This silica contains copious amounts of tetrahedrite, galena, sphalerite, chalcopyrite, covellite, pyrite native gold, and native silver. It is a breccia matrix where the mineralized structure widens.
- 4) The final pulse of mineralization is a colorless silica that occurs as veinlets which cut the mineralized veins and breccia.

Mineralized Zones

General Statement: Known mineralization at Toruel consists of a number of steeply-dipping epithermal veins that are locally rich in both precious metals and base metals. Two of the more striking examples of these are shown in figures 7 and 8. The main metals of interest are copper and silver. Secondary metals of interest are gold, indium, zinc, and lead. The primary veins of interest are the Toruel, White Goat, Uno, Canyon, and Ancha veins due to their greater extent and widths greater than one meter. The Nahuel, John, Avispa, Okte, Sebas, Pocholo, and Mancha Blanca veins are of secondary interest due to their lesser extent and known general widths of less than one meter. The West Fluorite and East Fluorite veins are also of secondary interest at this time and have not been explored by Marifil. However, the veins of lesser interest might hold significant mineralization at depth based upon the epithermal vein model. These secondary targets should not be eschewed based upon only the results of the initial exploration program

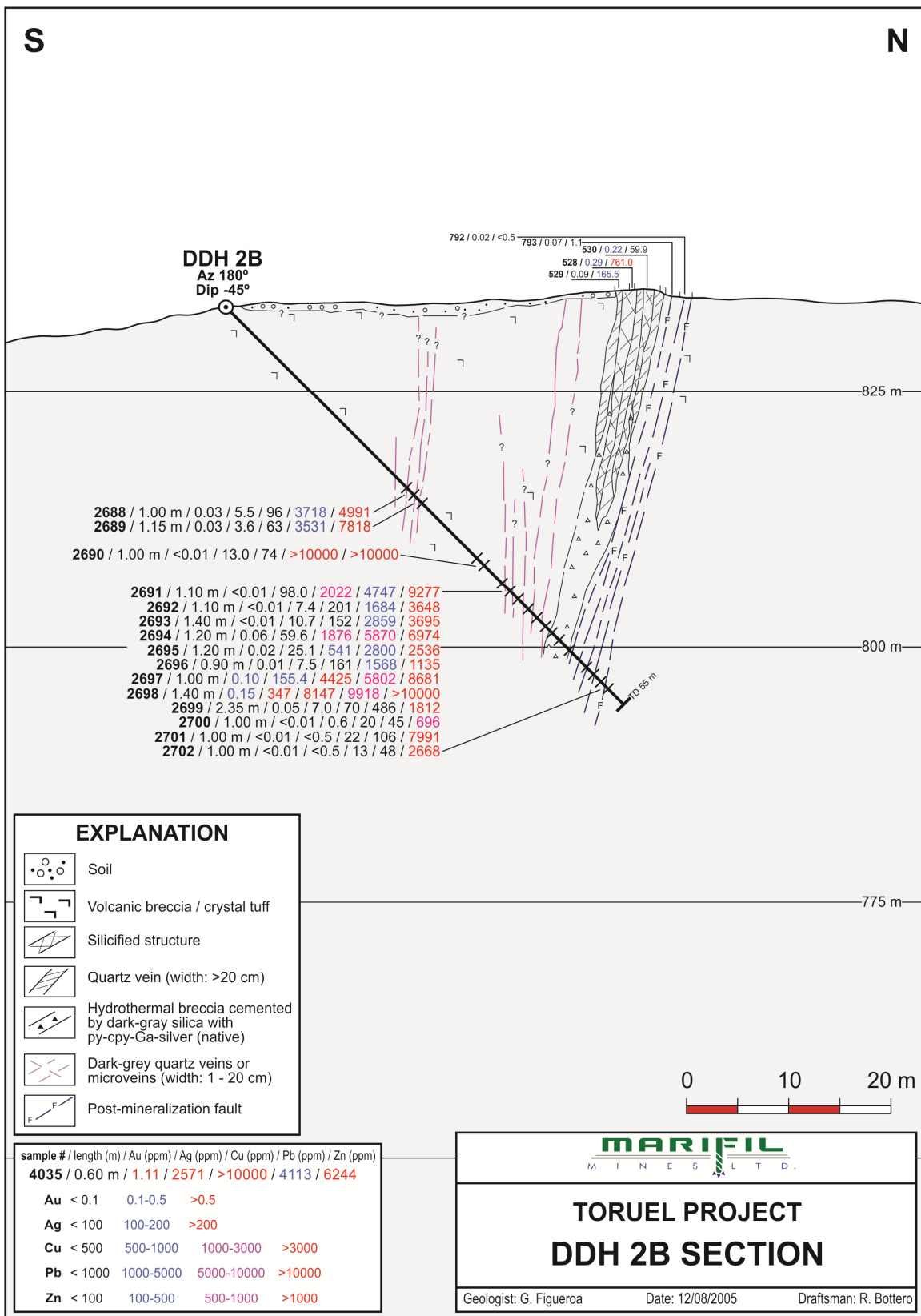


Figure 7.

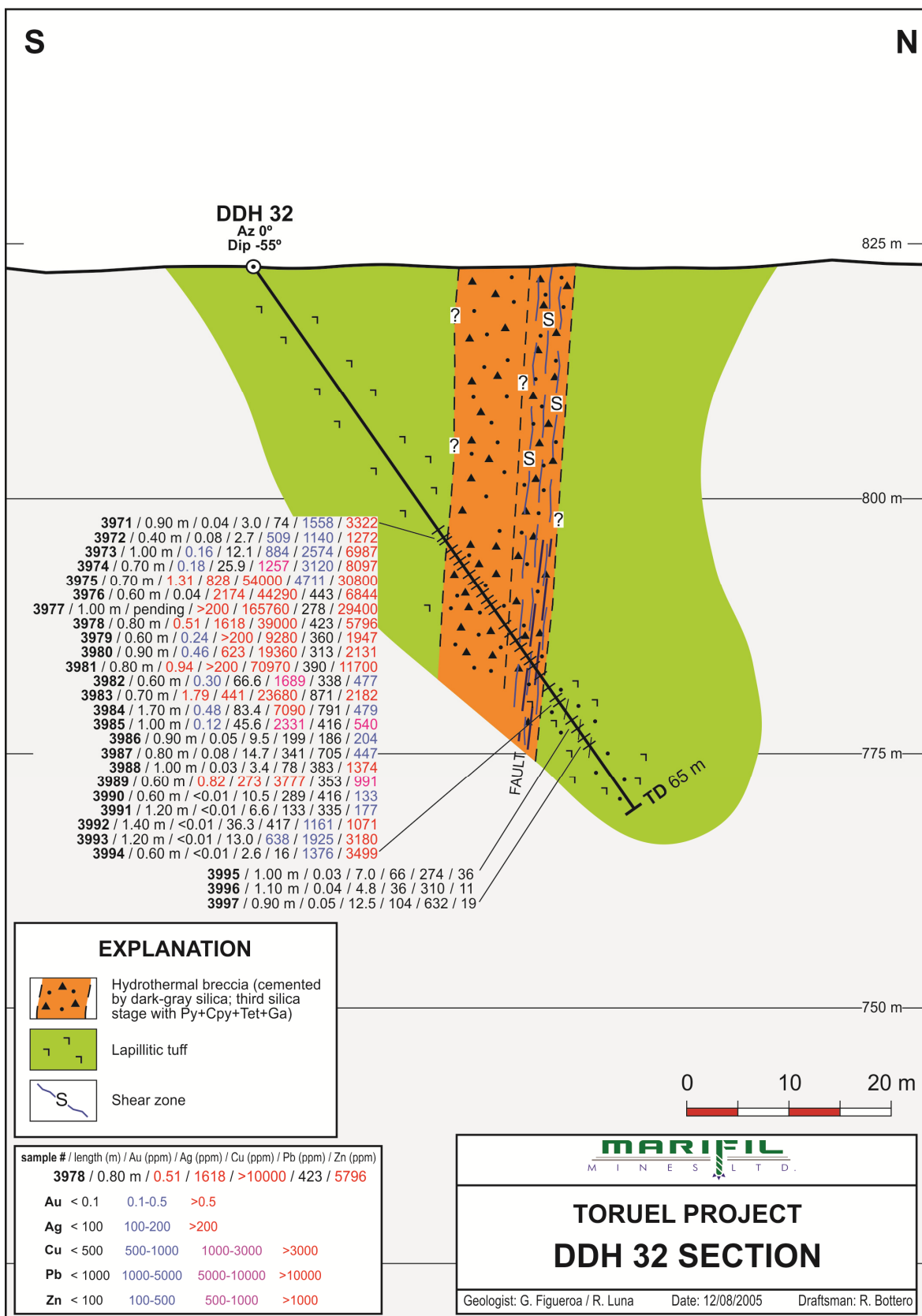


Figure 8.

Toruel Vein:

The Toruel Vein outcrops intermittently for about 1,200 meters near the center of the project area. It consists of a steeply-dipping, N60E to N70E trending vein that is up to 4.0 meters in thickness (figures 7 and 8). Evidence collected thus far suggests that it is the best mineralized vein in the project area, although much less work has been done on the other veins. It consists of silicified structures, chalcedonic quartz veins, and hydrothermal breccias. Wall rock is altered for a maximum of about 15 meters adjacent to the vein. Strong wall rock alteration is present immediately adjacent to the vein and extending outward for a meter or so. Further away, the alteration is weak, mostly propylitic.

Surface samples have yielded assays up to 5871 g/t silver and 7.17 g/t gold.

Drilling has intercepted strong mineralization, to a maximum of 3759 g/t silver and >1.0% copper over 0.5 meters within a 5.0 meter zone that averaged 960 g/t silver and >1.0% copper in DDH-24. Similarly, DDH-32 contained a 5.4 meter interval that averaged 981 g/t silver and 6.31% copper (Figure 8). The true width of this mineralization is uncertain. However, given the respective orientation of the vein and the drill holes, the true width may be about 60-80% of the average mineralized intercept. The 5.4 meter thick copper/silver rich intercept found in DDH-32 might constitute a mineable width over a true thickness of 3-4 meters.

Trenching and drilling have been completed along much of the Toruel Vein, although to depths of less than 125 meters. During the property visit, the primary author focused upon the examination and limited verification sampling of the Toruel Vein structure because most of the work completed by Marifil was done on that specific target. The long-sections shown in Figure 9 show the distribution of mineralization along the portion of the Toruel Vein tested by drilling thus far.

TORUEL VEIN LONG SECTION

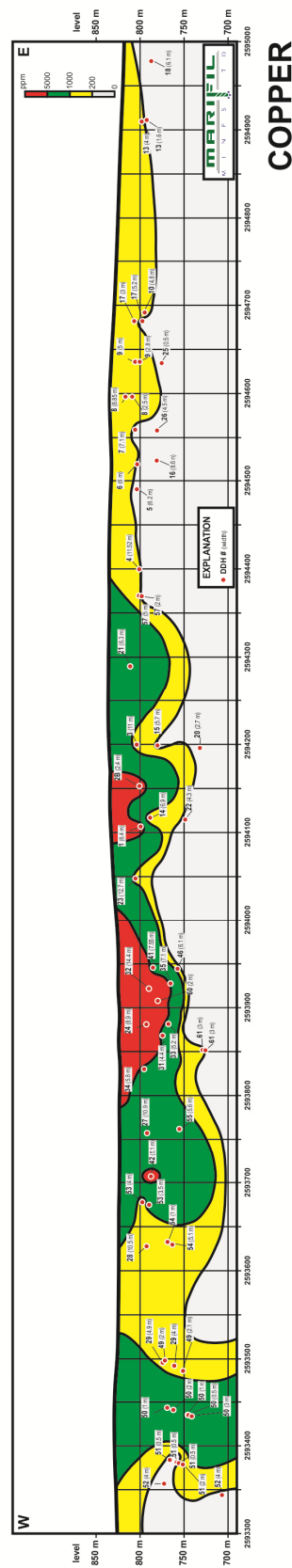
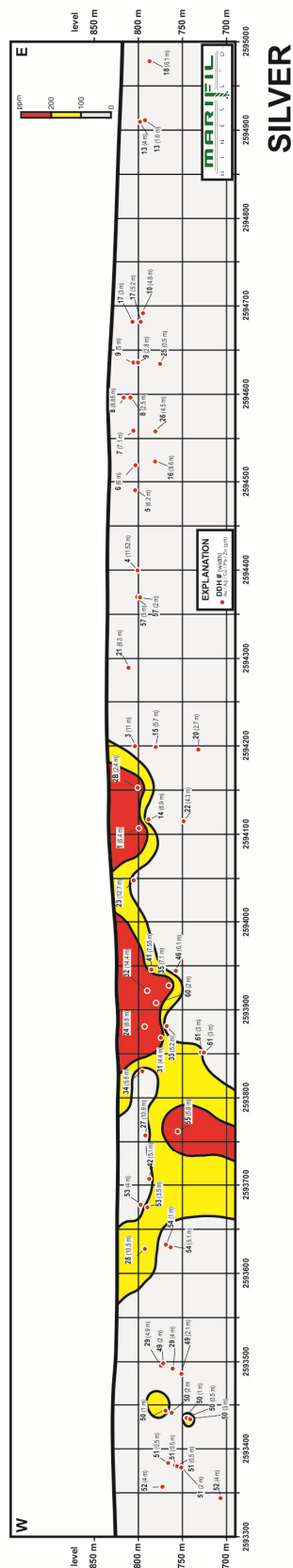
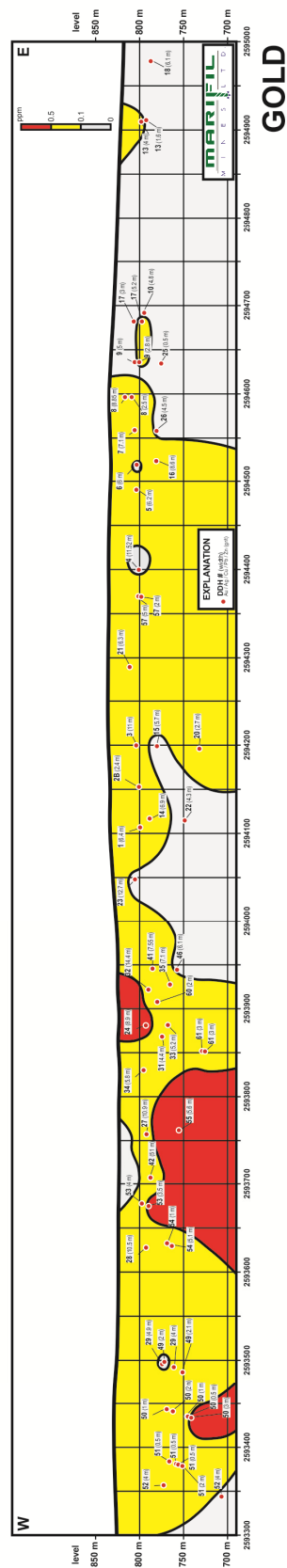


Figure 9.

White Goat Vein:

The White Goat Vein, outcropping in the SW (Figures 4-6) part of the Toruel Project area, occupies a steeply-dipping structure(s) that strikes about N40E to N70E. The White Goat Vein is comprised of hydrothermal breccias that are cemented by multi-stage, cryptocrystalline quartz, quartz veinlets and silicified wall rock. Based upon lithologic and geochemical differences, Marifil geologists believe that the White Goat vein system may represent two different levels of erosion. The White Goat Vein outcrops sporadically over a distance of about 1,300 meters. The width of the White Goat Vein is at least 1.5 meters locally. Grab samples of outcrop taken from the White Goat Vein by Marifil geologists contained up to 1.76 g/t gold, 41 g/t silver, 2,800 ppm zinc, 10,000 ppm lead, 576 ppm arsenic, and 41 ppm antimony. Five prospect trenches have crossed the White Goat Vein. Drilling intercepted up to 5800 ppm lead and 7,200 ppm zinc with no anomalous gold or silver. The primary author did not visit the White Goat Vein.

Uno Vein:

The Uno Vein Structure is a cluster of sub-parallel veins that strike N20E to N40E (Figures 4-6). The veins dip steeply to the SSE. They have widths of up to 4 meters. The vein swarm outcrops over a length of about 40 meters. The total length of this vein system is unknown. The Uno vein swarm is isolated from the Toruel Structure, possibly offset by NW-trending faults. The Uno veins are composed of hydrothermal micro-breccias that are cemented by multi-stage chalcedonic silica. Grab samples of outcrop taken from the Uno vein swarm by Marifil geologists contained up to 0.13 g/t gold, 12.0 g/t silver, 550 ppm copper, 1,755 ppm lead, and 811 ppm zinc. No prospect trenches have been completed on the Uno Vein. Drilling intercepted maximum values of 0.23 g/t gold, 21.4 g/t silver, 4799 ppm lead, and 6242 ppm zinc. The primary author did not visit the Uno Vein.

Canyon Structure:

The Canyon Structure consists of two separate, steeply-dipping veins that lie in the eastern part of the project area (Figures 4-6). One strikes N50E and is at least 1,700 meters in length and the other strikes due east and is at least 400 meters in length. The two veins of the Canyon Structure consist of hydrothermal breccias and chalcedonic quartz veins. The Canyon Structure outcrops sporadically over a distance of about 400 meters. The width of the Canyon Structure is up to 10 meters locally. Grab samples of outcrop taken from the veins of the Canyon Structure by Marifil geologists contained up to 2.79 g/t gold, 125 g/t silver, 10,000 ppm lead, 151 ppm arsenic, and 10 ppm antimony. No prospect trenches have been completed on the Canyon Structure. No drilling has been completed on the Canyon Structure. The primary author did not visit the Canyon Structure.

Ancha Vein:

The Ancha Vein occupies a steeply-dipping structure that strikes about N40E (Figures 4-6). The Ancha Vein is comprised of hydrothermal breccias and chalcedonic silica veins. The Ancha Vein outcrops sporadically over a distance of about 130 meters. The width of the vein is up to 2 meters locally. Samples of bedrock taken from the Ancha Vein by Marifil geologists contained no anomalous concentrations of base or precious metals. No drilling or trenching has been completed on the Ancha Vein. The primary author did not examine the Ancha Vein.

Nahuel Vein:

The Nahuel Vein occupies a steeply-dipping structure that strikes about N80E (Figures 4-6). The vein is comprised of hydrothermal breccias that are cemented by multi-stage, cryptocrystalline quartz. The Nahuel Vein outcrops sporadically over a distance of about 700 meters. The width of the Nahuel Vein is up to 1.0 meters locally. Limited grab samples of outcrop taken from the Nahuel Vein by Marifil geologists contained up to 0.50 g/t gold and 15 g/t silver. No trenching or drilling have been completed on the Nahuel Vein. The primary author did not examine the Nahuel Vein.

Avispa and John Veins:

The Avispa Vein occupies a steeply-dipping structure that strikes about N40E near the center of the project area (Figures 4-6). The Avispa Vein is comprised of hydrothermal breccias that are cemented by multi-stage, cryptocrystalline quartz, quartz veinlets and silicified wall rock. The Avispa Vein outcrops sporadically over a distance of about 400 meters. The width of the Avispa Vein is up to 10 meters locally. Grab samples of outcrop taken from the Avispa Vein by Marifil geologists contained up to 8.57 g/t gold, 1431 g/t silver.

The John Vein is a steeply-dipping vein that strikes N10E to N20 E near the center of the project area (Figures 4-6).. The width of the John Vein is reported to be 0.20 – 0.60 meters. The John Vein is composed of quartz veinlets with sulfides. The wall rocks consist of tuffs and lapilli tuffs. The John Vein outcrops over a distance of about 500 meters. Grab samples of outcrop taken from the John Vein by Marifil geologists contained up to 9.80 g/t gold and 681 g/t silver.

Unlike the other veins studied at Toruel, the Avispa and John veins reportedly contain significant amounts of barite. The barite appears to be a very late-stage event with large crystals that fill open spaces. Mercury and antimony occur in high concentration in both the Avispa and John Veins. Mercury contents in surface samples were as much as 60 ppm while antimony contents in surface samples were as much as 2,000 ppm. Several prospect trenches have been completed over the Avispa and John veins. Drilling of the Avispa and John veins by Marifil intersected maximum values of 1.53 g/t gold over 0.55 meters, 171.4 g/t silver over 0.45 meters, 33,470 ppm copper over 0.45 meters, 1,590 ppm lead

over 1.0 meters, and 3,096 ppm zinc over 1.0 meters. The primary author did not examine the Avispa or John veins.

Okte Vein:

No detailed information is available regarding the Okte Vein. It lies about 400 meters to the south of, and is sub-parallel to, the Toruel Vein system near the center of the project area (Figures 4-6). Results of surface samples for the Okte Vein are unavailable. No trenching or drilling has been completed on the Okte Vein. The primary author did not examine the Okte vein.

Seba Vein:

The Seba Vein outcrops on the eastern portion of the project area (Figures 4-6). It occupies a steeply-dipping structure that strikes about N60E to N70E. The Seba Vein is comprised of hydrothermal breccias that also contain fluorite and chalcedonic silica veinlets and banded calcite veins. The Seba Vein outcrops sporadically over a distance of about 620 meters. The width of the Seba Vein is less than one meter. The maximum gold content of gold and silver in rock samples taken from the Seba Vein was, respectively, 0.38 g/t and 3.7 g/t. No drilling or trenching has been completed on the Seba Vein. The primary author did not examine the Seba Vein.

Pocholo Vein:

The Pocholo Vein occupies a near-vertical structure that strikes about N60E on the western side of the project area (Figures 4-6). The Pocholo Vein is comprised of multiple veinlets of chalcedonic silica with local hydrothermal breccias where the veining becomes very intense. The Pocholo Vein sub-crops sporadically over a distance of about 1,300 meters. Trenching has demonstrated that the width of the Pocholo Vein is up to 15 meters locally. Trench samples of outcrop taken from the Pocholo Vein by Marifil geologists contained up to 1.06 g/t gold over a width of 1.30 meters. No drilling has been completed on the Pocholo Vein. The primary author did not examine the Pocholo Vein.

Mancha Blanca Vein:

The Mancha Blanca Vein is located in the western part of the project area (Figures 4-6). It occupies a near vertical structure that strikes about N70E. The Mancha Blanca Vein is comprised of hydrothermal breccias and chalcedonic silica veinlets. The wall rocks are crystal tuffs. The Mancha Blanca Vein outcrops sporadically over a distance of about 1,000 meters. The width of the Mancha Blanca Vein is up to 4 meters locally. Two prospect trenches were completed over the Mancha Blanca Vein. Samples of outcrop taken from trenches across the Mancha Blanca Vein by Marifil geologists contained up to 0.18 g/t gold over a length of 4.8 meters. Drilling of the Mancha Blanca Vein intersected insignificant values of gold/silver mineralization, and up to 129 ppm arsenic. The primary author did not examine the Mancha Blanca Vein.

West Fluorite Vein:

The West Fluorite Vein occupies a steeply-dipping structure that strikes about N80W on the west side of the project area (Figures 4-6). The West Fluorite Vein is comprised of primarily of hydrothermal silica and fluorite. It outcrops sporadically over a distance of about 600 meters. The width of the West Fluorite Vein is up to 3 meters wide locally. Grab samples of outcrop taken from the West Fluorite Vein by Marifil geologists contained up to 0.13 g/t gold. No trenching or drilling have been completed on the West Fluorite vein.. The West Fluorite vein was examined by the primary author, but was not sampled.

East Fluorite Vein:

The East Fluorite Vein occupies a steeply-dipping structure that strikes about N60E on the east side of the project area (Figures 4-6).. The East Fluorite Vein is composed of hydrothermal silica and fluorite veins. It outcrops sporadically over a distance of about 500 meters. The width of the East Fluorite Vein is up to 2 meters locally. Grab samples of outcrop taken from the East Fluorite Vein by Marifil geologists contained up to 0.21 g/t gold, 1.5 g/t silver. No trenching or drilling has been completed on the East Fluorite Vein. The primary author did not examine the East Fluorite Vein.

Jose Vein:

The Jose Vein occupies a steeply-dipping, possibly *en echelon* structure that strikes about N60E on the western side of the project area (Figures 4-6). It is exposed intermittently over a distance of about 400 meters. Bedrock grab samples taken from the Jose Vein contained up to 0.21 g/t gold and 13 g/t silver. No trenching or drilling has been completed on the Jose Vein. The primary author did not examine the Jose vein.

10.0 EXPLORATION

General Statement

Exploration consists primarily of surface rock sampling (over 200 samples), followed by trenching (29 trenches total), and geophysics, followed by drilling. The general results of surface rock sampling, trenching, and drilling are shown in a summary fashion on figures 4-6. Because of the voluminous amount of information that comprises this work, it has not been included except summarily in this report. Complete data regarding this work can be seen in the Mendoza, Argentina office of Marifil. A summary of geophysical work is seen in figures 10-12. A summary of significant drill intercepts is seen in Table 3.

Marifil had initially undertaken geological, geochemical, and geophysical surveys on the property to refine drill targets. Anomalous geochemistry was detected in all of the veins. The Toruel Vein contained the most significant mineralization. Thus, trenching and drilling was concentrated upon the Toruel Vein. Subsequently, Marifil completed roughly

60 drill holes on the property. General results of these investigations are shown in figures 4-12.

Marifil completed a total of 4,300 meters of diamond-drilling and 1,590 meters of reverse circulation in three rounds of drilling. Only one small part of the property, the Toruel Vein and adjacent conjugate structures, have been adequately drill-tested. From that drilling, a significant amount of mineralization has been defined within a well-mineralized shoot that is about 650 meters in length and open to depth, drill-tested to a maximum vertical depth of about 125 meters where mineralization remains strong. The influence of supergene copper/silver enrichment near-surface is uncertain. The resource defined by drilling has not yet been quantified. Despite the successful results obtained by drilling the Toruel Vein, much of the property has not been adequately drill-tested. The trenching and drilling defined the best mineralization found thus far at the Toruel Vein.

Toruel Vein:

The Toruel Vein outcrops intermittently for about 1,200 meters near the center of the project area. It consists of a steeply-dipping, N60E to N70E trending vein that is up to 4.0 meters in thickness (figures 7 and 8). Evidence collected thus far suggests that it is the best mineralized vein in the project area, although much less work has been done on the other veins. It consists of silicified structures, chalcedonic quartz veins, and hydrothermal breccias. Wall rock is altered for a maximum of about 15 meters adjacent to the vein. Immediately adjacent to the vein, wall rock alteration is strong for a meter or so. Further away, the alteration is weak, mostly propylitic. Surface samples have yielded assays up to 5871 g/t silver and 7.17 g/t gold. Drilling has intercepted strong mineralization, to a maximum of 3759 g/t silver and >1.0% copper over 0.5 meters within a 5.0 meter zone that averaged 960 g/t silver and >1.0% copper in DDH-24. Similarly, DDH-32 contained a 5.4 meter interval that averaged 981 g/t silver and 6.31% copper. The true width of this mineralization is uncertain. However, given the respective orientation of the vein and the drill holes, the true width may be about 60-80% of the average mineralized intercept. Trenching and drilling have been completed along much of the Toruel Vein, although to depths of less than 125 meters. During the property visit, the primary author focused upon the examination and limited verification sampling of the Toruel Vein structure because most of the work completed by Marifil was done on that specific target. The long-sections shown in Figure 9 show the distribution of mineralization along the portion of the Toruel Vein tested by drilling thus far.

White Goat Vein:

The White Goat Vein, outcropping in the SW (Figures 4-6) part of the Toruel Project area, occupies a steeply-dipping structure(s) that strikes about N40E to N70E. The White Goat Vein is comprised of hydrothermal breccias that are cemented by multi-stage, cryptocrystalline quartz, quartz veinlets and silicified wall rock. Based upon lithologic and geochemical differences, Marifil geologists believe that the White Goat vein system may represent two different levels of erosion. The White Goat Vein outcrops sporadically over a distance of about 1,300 meters. The width of the White Goat Vein is at least 1.5 meters

locally. Grab samples of outcrop taken from the White Goat Vein by Marifil geologists contained up to 1.76 g/t gold, 41 g/t silver, 2,800 ppm zinc, 10,000 ppm lead, 576 ppm arsenic, and 41 ppm antimony. Five prospect trenches have crossed the White Goat Vein. Drilling intercepted up to 5800 ppm lead and 7,200 ppm zinc with no anomalous gold or silver. The primary author did not visit the White Goat Vein.

Uno Vein:

The Uno Vein Structure is a cluster of sub-parallel veins that strike N20E to N40E (Figures 4-6). The veins dip steeply to the SSE. They have widths of up to 4 meters. The vein swarm outcrops over a length of about 40 meters. The total length of this vein system is unknown. The Uno vein swarm is isolated from the Toruel Structure, possibly offset by NW-trending faults. The Uno veins are composed of hydrothermal micro-breccias that are cemented by multi-stage chalcedonic silica. Grab samples of outcrop taken from the Uno vein swarm by Marifil geologists contained up to 0.13 g/t gold, 12.0 g/t silver, 550 ppm copper, 1,755 ppm lead, and 811 ppm zinc. No prospect trenches have been completed on the Uno Vein. Drilling intercepted maximum values of 0.23 g/t gold, 21.4 g/t silver, 4799 ppm lead, and 6242 ppm zinc. The primary author did not visit the Uno Vein.

Canyon Structure:

The Canyon Structure consists of two separate, steeply-dipping veins that lie in the eastern part of the project area (Figures 4-6). One strikes N50E and is at least 1,700 meters in length and the other strikes due east and is at least 400 meters in length. The two veins of the Canyon Structure consist of hydrothermal breccias and chalcedonic quartz veins. The Canyon Structure outcrops sporadically over a distance of about 400 meters. The width of the Canyon Structure is up to 10 meters locally. Grab samples of outcrop taken from the veins of the Canyon Structure by Marifil geologists contained up to 2.79 g/t gold, 125 g/t silver, 10,000 ppm lead, 151 ppm arsenic, and 10 ppm antimony. No prospect trenches have been completed on the Canyon Structure. No drilling has been completed on the Canyon Structure. The primary author did not visit the Canyon Structure.

Ancha Vein:

The Ancha Vein occupies a steeply-dipping structure that strikes about N40E (Figures 4-6). The Ancha Vein is comprised of hydrothermal breccias and chalcedonic silica veins. The Ancha Vein outcrops sporadically over a distance of about 130 meters. The width of the vein is up to 2 meters locally. Samples of bedrock taken from the Ancha Vein by Marifil geologists contained no anomalous concentrations of base or precious metals. No drilling or trenching has been completed on the Ancha Vein. The primary author did not examine the Ancha Vein.

Nahuel Vein:

The Nahuel Vein occupies a steeply-dipping structure that strikes about N80E (Figures 4-6). The vein is comprised of hydrothermal breccias that are cemented by multi-stage, cryptocrystalline quartz. The Nahuel Vein outcrops sporadically over a distance of about 700 meters. The width of the Nahuel Vein is up to 1.0 meters locally. Limited grab samples of outcrop taken from the Nahuel Vein by Marifil geologists contained up to 0.50 g/t gold and 15 g/t silver. No trenching or drilling have been completed on the Nahuel Vein. The primary author did not examine the Nahuel Vein.

Avispa and John Veins:

The Avispa Vein occupies a steeply-dipping structure that strikes about N40E near the center of the project area (Figures 4-6). The Avispa Vein is comprised of hydrothermal breccias that are cemented by multi-stage, cryptocrystalline quartz, quartz veinlets and silicified wall rock. The Avispa Vein outcrops sporadically over a distance of about 400 meters. The width of the Avispa Vein is up to 10 meters locally. Grab samples of outcrop taken from the Avispa Vein by Marifil geologists contained up to 8.57 g/t gold, 1431 g/t silver.

The John Vein is a steeply-dipping vein that strikes N10E to N20 E near the center of the project area (Figures 4-6).. The width of the John Vein is reported to be 0.20 – 0.60 meters. The John Vein is composed of quartz veinlets with sulfides. The wall rocks consist of tuffs and lapilli tuffs. The John Vein outcrops over a distance of about 500 meters. Grab samples of outcrop taken from the John Vein by Marifil geologists contained up to 9.80 g/t gold and 681 g/t silver.

Unlike the other veins studied at Toruel, the Avispa and John veins reportedly contain significant amounts of barite. The barite appears to be very late-stage. It occurs as large crystals that fill open spaces. Mercury and antimony occur in high concentration in both the Avispa and John Veins. Mercury contents in surface samples were as much as 60 g/t while antimony contents in surface samples were as much as 2,000 g/t. Several prospect trenches have been completed over the Avispa and John veins. Drilling of the Avispa and John veins by Marifil intersected maximum values of 1.53 g/t gold over 0.55 meters, 171.4 g/t silver over 0.45 meters, 33,470 ppm copper over 0.45 meters, 1,590 ppm lead over 1.0 meters, and 3,096 ppm zinc over 1.0 meters. The primary author did not examine the Avispa or John veins.

Okte Vein:

No detailed information is available regarding the Okte Vein. It lies about 400 meters to the south of, and is sub-parallel to, the Toruel Vein system near the center of the project area (Figures 4-6). Results of surface samples for the Okte Vein are unavailable. No trenching or drilling has been completed on the Okte Vein. The primary author did not examine the Okte vein.

Seba Vein:

The Seba Vein outcrops on the eastern portion of the project area (Figures 4-6). It occupies a steeply-dipping structure that strikes about N60E to N70E. The Seba Vein is comprised of hydrothermal breccias that also contain fluorite and chalcedonic silica veinlets and banded calcite veins. The Seba Vein outcrops sporadically over a distance of about 620 meters. The width of the Seba Vein is less than one meter. The maximum gold content of gold and silver in rock samples taken from the Seba Vein was, respectively, 0.38 g/t and 3.7 g/t. No drilling or trenching has been completed on the Seba Vein. The primary author did not examine the Seba Vein.

Pocholo Vein:

The Pocholo Vein occupies a near-vertical structure that strikes about N60E on the western side of the project area (Figures 4-6). The Pocholo Vein is comprised of multiple veinlets of chalcedonic silica with local hydrothermal breccias where the veining becomes very intense. The Pocholo Vein sub-crops sporadically over a distance of about 1,300 meters. Trenching has demonstrated that the width of the Pocholo Vein is up to 15 meters locally. Trench samples of outcrop taken from the Pocholo Vein by Marifil geologists contained up to 1.06 g/t gold over a width of 1.30 meters. No drilling has been completed on the Pocholo Vein. The primary author did not examine the Pocholo Vein.

Mancha Blanca Vein:

The Mancha Blanca Vein is located in the western part of the project area (Figures 4-6). It occupies a near vertical structure that strikes about N70E. The Mancha Blanca Vein is comprised of hydrothermal breccias and chalcedonic silica veinlets. The wall rocks are crystal tuffs. The Mancha Blanca Vein outcrops sporadically over a distance of about 1,000 meters. The width of the Mancha Blanca Vein is up to 4 meters locally. Two prospect trenches were completed over the Mancha Blanca Vein. Samples of outcrop taken from trenches across the Mancha Blanca Vein by Marifil geologists contained up to 0.18 g/t gold over a length of 4.8 meters. Drilling of the Mancha Blanca Vein intersected insignificant values of gold/silver mineralization, and up to 129 ppm arsenic. The primary author did not examine the Mancha Blanca Vein.

West Fluorite Vein:

The West Fluorite Vein occupies a steeply-dipping structure that strikes about N80W on the west side of the project area (Figures 4-6). The West Fluorite Vein is comprised of primarily of hydrothermal silica and fluorite. It outcrops sporadically over a distance of about 600 meters. The width of the West Fluorite Vein is up to 3 meters wide locally. Grab samples of outcrop taken from the West Fluorite Vein by Marifil geologists contained up to 0.13 g/t gold. No trenching or drilling have been completed on the West

Fluorite vein.. The West Fluorite vein was examined by the primary author, but was not sampled.

East Fluorite Vein:

The East Fluorite Vein occupies a steeply-dipping structure that strikes about N60E on the east side of the project area (Figures 4-6).. The East Fluorite Vein is composed of hydrothermal silica and fluorite veins. It outcrops sporadically over a distance of about 500 meters. The width of the East Flourite Vein is up to 2 meters locally. Grab samples of outcrop taken from the East Fluorite Vein by Marifil geologists contained up to 0.21 g/t gold, 1.5 g/t silver. No trenching or drilling has been completed on the East Fluorite Vein. The primary author did not examine the East Fluorite Vein.

Jose Vein:

The Jose Vein occupies a steeply-dipping, possibly *en echelon* structure that strikes about N60E on the western side of the project area (Figures 4-6). It is exposed intermittently over a distance of about 400 meters. Bedrock grab samples taken from the Jose Vein contained up to 0.21 g/t gold and 13 g/t silver. No trenching or drilling has been completed on the Jose Vein. The primary author did not examine the Jose vein.

Geophysical Surveys

Electrical geophysical surveys were also undertaken on the Toruel Property. General results of these are displayed in figures 10-12. The geophysical surveys were completed by Quantec Geosciences.

The Toruel Vein, which appears to be the best mineralized vein found thus far, is characterized geophysically by anomalously low resistivity and anomalously high chargeability. This is likely related to sulfide content. Other veins tested by drilling with less success displayed less anomalous chargeability and resistivity, suggesting that mineralization of economic interest on the Toruel Property is generally related positively to sulfide content.

Interpretation of Exploration Information

Work completed by Marifil indicates that undiscovered mineralization of economic interest on the Toruel Property can best be identified through electrical geophysical methods capable of defining narrow zones of high chargeability and low resistivity (Figures 10-12). Any electrically anomalous zones should be drill-tested over lengths of several hundred meters and over depths of at least 200-300 meters because documented mineralization appears to be confined to shoots of irregular shape separated by areas of weak mineralization in the fissure veins/ breccias.

The Toruel Vein has only been drill-tested to vertical depths of about 125 meters. From the data shown in Figure 9, it is apparent that the Toruel Vein is still open to depth. Given

the robust silver, copper, and gold grades intersected thus far, it is possible that an underground mineable resource might exist at depths untested by drilling. In figure 6, it can be seen that the well-mineralized Toruel Vein lies in an uplifted structural block. Other fissure veins/breccias that lie in adjacent down-dropped blocks have been interpreted as representing the upper parts of an epithermal system. Therefore, it seems possible that the veins/breccias found in the adjacent downthrown blocks contain strong silver/copper mineralization in a similar configuration to that found on the Toruel Vein, only at somewhat greater depths. There is much potential for the existence of underground mineable resources on the down-dropped structural blocks of the Toruel Property, potential that is totally untested.

To prioritize drilling that will test the structures on the down-dropped structural blocks, electrical geophysical surveys will have to be designed for greater depth penetration. This might be as simple as increasing the electrode interval. A relatively narrow, steeply-dipping, sulfide-rich vein that cuts flat-lying unaltered volcanic rocks should provide one of the most straightforward contrasts of electrical properties. This might make the results of an electrical geophysical survey quite unambiguous, as long as the survey is properly planned, properly executed, and properly interpreted.

TORUEL VEIN LONG SECTION

The figure displays three geological cross-sections of the Toruel Vein, labeled GOLD, SILVER, and COPPER. Each section shows a vertical profile with elevation on the left (700 m to 850 m) and horizontal distance on the bottom (293500 to 295000). The sections are color-coded: yellow for the main vein, red for the host rock, and white for the surrounding area. The Gold section shows a yellow vein with red and white areas. The Silver section shows a yellow vein with red and white areas. The Copper section shows a yellow vein with red and white areas. Each section includes a scale bar, a legend, and a title.

Figure 9.

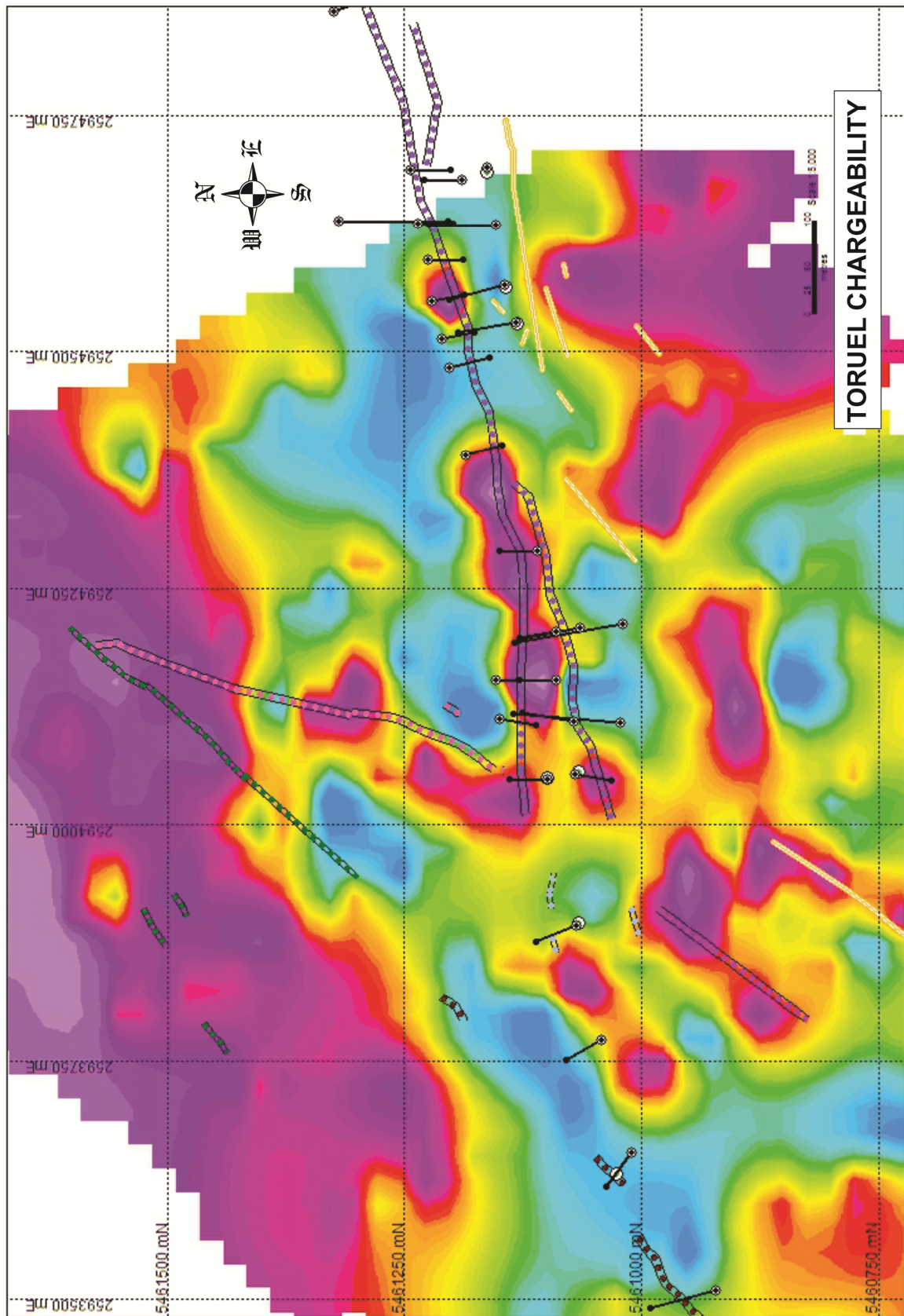


Figure 10.

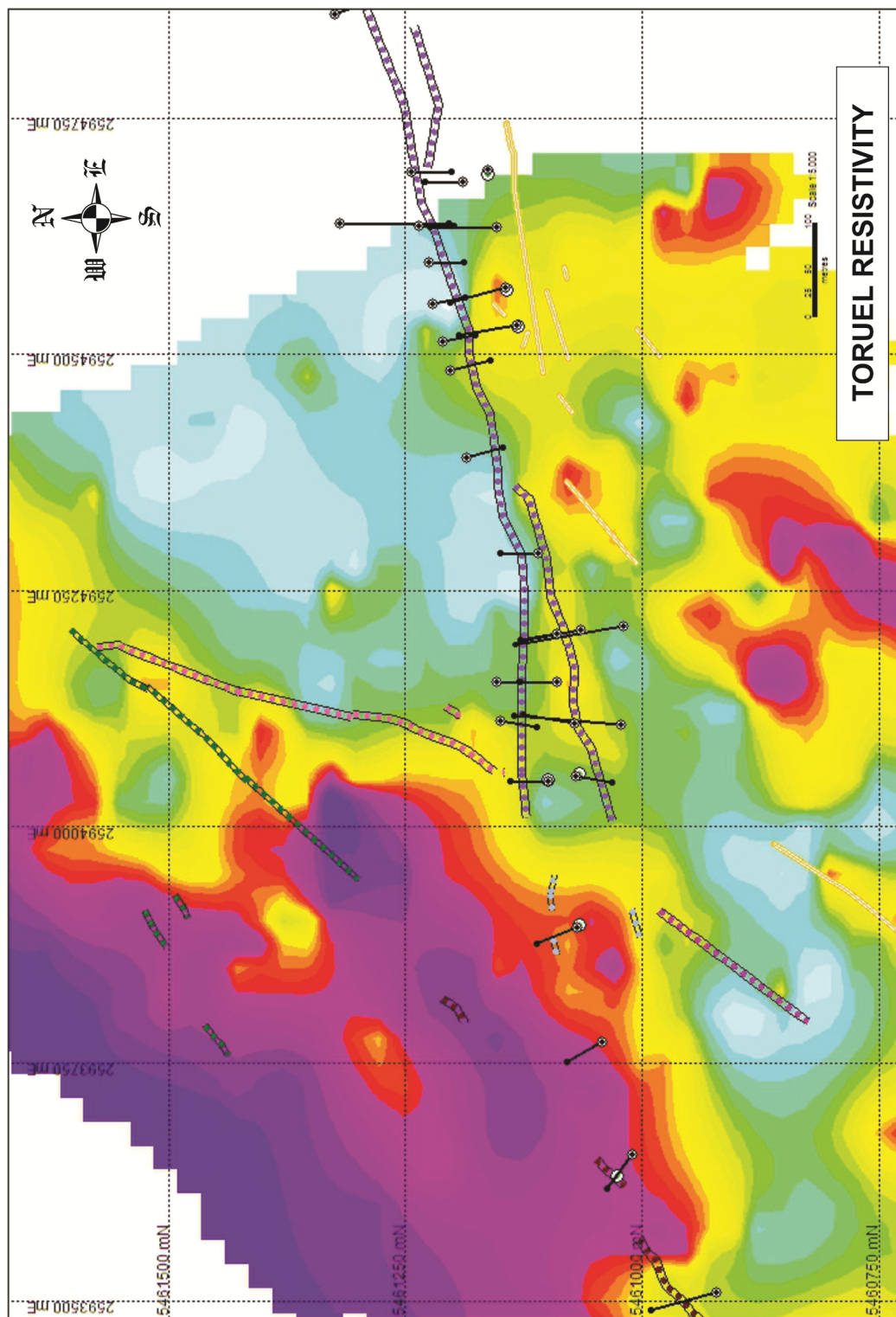


Figure 11.

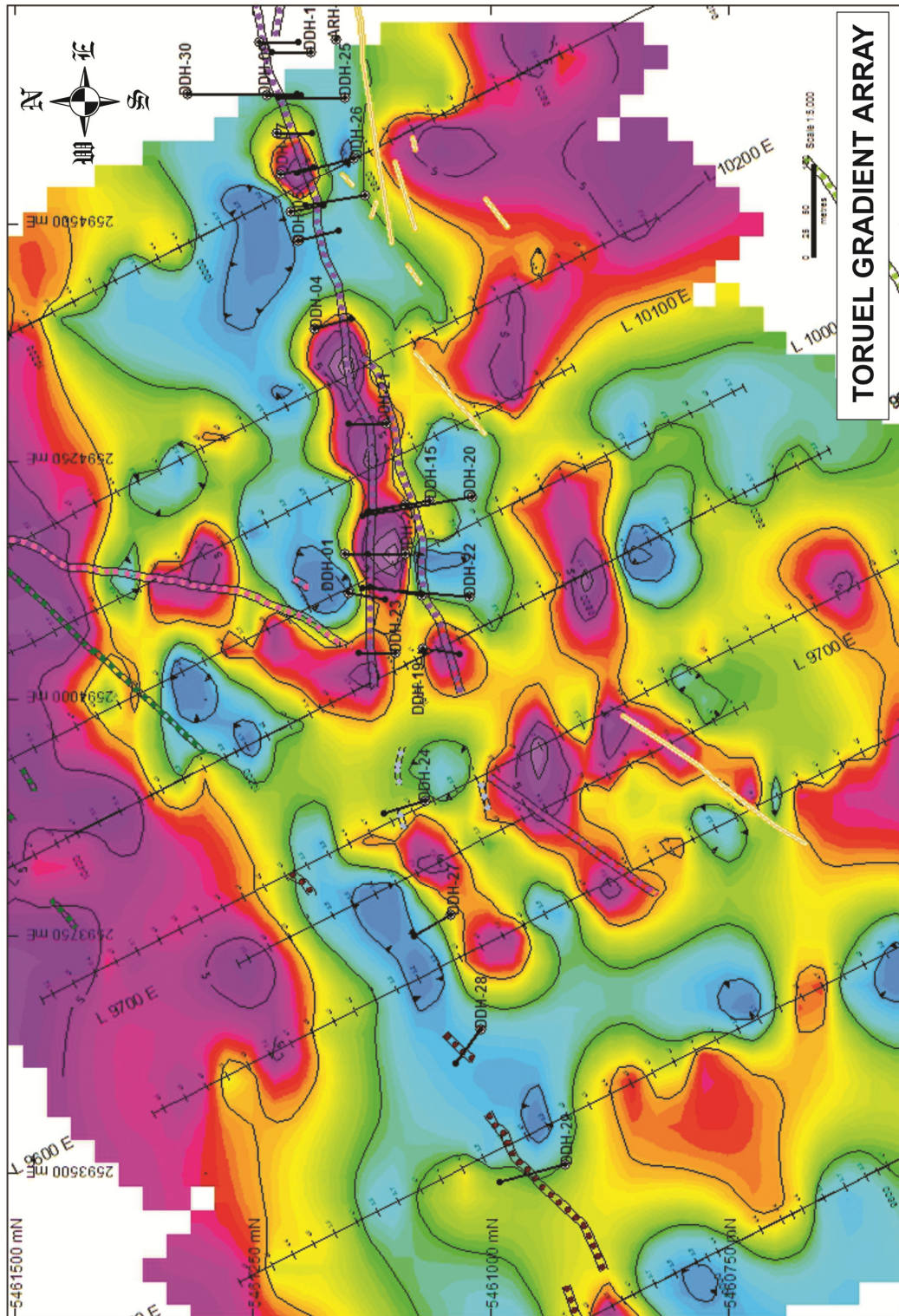


Figure 12.

11.0 DRILLING

General Statement: Marifil has completed 1,590 meters of reverse circulation drilling in roughly 15 drill holes and 4,300 meters of diamond drilling in roughly 46 drill holes on the Toruel Project. Significant drill intercepts are shown in Table 3. A summary of drill hole data can be seen in Appendix A.

TABLE 3-SIGNIFICANT DRILL INTERCEPTS

DDH	Sample	From	To	Interval	Au	Ag	Ag >200	Cu	Pb	Zn
DDH 1	2682	44.80	46.20	1.40	1.35	1500	>200	10000	3546	10000
DDH 1	2683	46.20	47.20	1.00	0.36	748	>200	7093	2620	8649
DDH 1	2685	48.20	49.20	1.00	0.09	X	77.1	1849	4300	>10000
DDH 2B	2689	26.00	27.15	1.15	0.03	X	3.6	63	3531	7818
DDH 2B	2690	34.70	35.70	1.00	<0.01	X	13.0	74	>10000	>10000
DDH 2B	2691	38.20	39.30	1.10	<0.01	X	98.0	2022	4747	9277
DDH 2B	2694	41.80	43.00	1.20	0.06	X	59.6	1876	5870	6974
DDH 2B	2697	45.10	46.10	1.00	0.10	X	155.4	4425	5802	8681
DDH 2B	2698	46.10	47.50	1.40	0.15	347	>200	8147	9918	10000
DDH 2B	2701	50.85	51.85	1.00	<0.01	X	<0.5	22	106	7991

DDH	Sample	From	To	Interval	Au	Ag	Ag >200	Cu	Pb	Zn
DDH 3	2710	46.50	47.50	1.00	0.16	X	18.0	347	10000	3632
DDH 3	2713	49.50	50.50	1.00	0.68	X	137.6	1033	22000	15600
DDH 3	2714	50.50	51.80	1.30	0.66	X	151.6	1061	8390	14800
DDH 4	2721	42.66	43.90	1.24	0.18	X	27.2	657	8687	4110
DDH 4	2722	43.90	44.80	0.90	0.23	X	26.6	276	7990	7029
DDH 4	2723	44.80	45.85	1.05	0.14	X	27.0	550	7205	4221
DDH 4	2726	47.90	48.90	1.00	0.04	X	3.8	448	2477	5184
DDH 5	2735	40.30	41.25	0.95	0.78	X	122.7	176	1721	2827
DDH 6	2743	30.85	31.85	1.00	1.00	X	122.3	383	4318	8504
DDH 6	2744	31.85	32.85	1.00	0.40	X	47.2	165	2390	7154
DDH 6	2747	35.10	36.10	1.00	1.27	287	>200	318	1803	8690
DDH 6	2753	41.45	42.45	1.00	0.20	X	61.6	413	4693	8455
DDH 7	2760	37.70	39.15	1.45	1.44	X	191.6	279	2277	2227
DDH 7	2765	41.90	42.70	0.80	0.19	X	17.2	334	5239	5881
DDH 8	2770	19.45	20.95	1.50	0.26	X	42.7	1231	9428	13100
DDH 8	2771	20.95	21.60	0.65	0.24	X	23.5	234	3100	10200
DDH 8	2772	21.60	22.40	0.80	0.13	X	15.8	690	3875	9696
DDH 8	2773	22.40	23.20	0.80	0.13	X	28.1	911	24400	17400
DDH 8	2774	23.20	24.20	1.00	0.10	X	18.9	632	8789	10000
DDH 8	2775	24.20	25.20	1.00	0.04	X	6.2	307	4400	10800
DDH 8	2776	25.20	26.20	1.00	0.26	X	39.7	164	3729	5214
DDH 8	2782	36.00	36.50	0.50	0.20	X	57.0	1712	>10000	2363
DDH 8	2783	36.50	37.40	0.90	0.23	X	114.1	1117	>10000	4446
DDH 9	2792	30.20	31.00	0.80	0.02	X	4.9	362	6885	6189
DDH 9	2804	45.50	46.10	0.60	0.12	X	28.2	381	>10000	3871
DDH 9	2805	46.10	47.30	1.20	0.08	X	136.8	1245	6328	4452
DDH 10	2818	46.60	47.30	0.70	0.06	X	2.3	35	1690	5053
DDH 10	2822	52.00	52.90	0.90	0.10	X	33.6	1561	7140	9702
DDH 11	2833	48.90	49.80	1.00	0.11	X	24.5	192	5213	3606
DDH 11	2834	49.80	50.20	0.40	0.05	X	12.4	75	5339	1162
DDH 13	2846	31.00	32.30	1.30	0.04	X	4.7	17	2008	6590
DDH 13	2847	32.30	32.90	0.60	0.19	X	27.7	86	12900	15400
DDH 13	2848	32.90	33.50	0.60	0.30	X	41.9	1323	22100	43800
DDH 13	2849	33.50	34.10	0.60	0.09	X	23.1	260	41900	74900
DDH 13	2852	41.20	42.00	0.80	0.08	X	15.8	232	12100	2098
DDH 13	2853	42.00	43.00	1.00	0.09	X	13.4	197	8365	1809

DDH	Sample	From	To	Interval	Au	Ag	Ag >200	Cu	Pb	Zn
DDH 14	2854	60.50	61.30	0.80	0.03	X	6.0	135	3598	5742
DDH 14	2855	61.30	61.90	0.60	0.03	X	18.5	676	14700	12300
DDH 14	2859	65.40	66.30	0.90	0.11	X	32.3	247	3687	5982
DDH 16	2875	65.00	65.70	0.70	0.17	X	20.9	96	2789	5678
DDH 16	2876	65.70	66.70	1.00	0.04	X	5.5	91	3644	7876
DDH 16	2878	67.50	68.50	1.00	0.21	X	49.3	389	3670	8745
DDH 16	2879	68.50	69.30	0.80	0.51	X	36.3	491	5126	10000
DDH 16	2880	69.30	70.00	0.70	0.14	X	26.8	118	3084	5037
DDH 17	2886	38.00	38.50	0.50	1.02	149.3	0.41	1.20	0.95	7
DDH 18	2896	37.50	37.90	0.40	0.15	X	10.6	98	6109	19100
DDH 20	2915	117.80	118.50	0.70	0.02	X	2.5	63	1048	6346
DDH 20	2922	138.50	138.90	0.40	1.14	X	92.5	163	1095	3633
DDH 21	2927	32.30	33.40	1.10	0.27	266	>200	>10000	5657	4018
DDH 21	2930	34.80	35.60	0.80	0.40	278	>200	>10000	20400	17100
DDH 21	2933	36.80	37.50	0.70	0.68	X	158.9	2035	1534	1510
DDH 22	3091	41.80	42.70	0.90	0.02	X	10.0	46	14222	5569
DDH 22	3097	111.50	112.50	1.00	0.07	X	43.3	642	13379	20407
DDH 22	3098	112.50	113.40	0.90	0.04	X	22.7	110	14637	24671
DDH 23	2941	23.50	24.70	1.20	0.10	X	48.1	532	22000	15300
DDH 23	2945	26.80	27.50	0.70	0.17	X	146.1	2893	3285	5086
DDH 23	2955	34.90	35.80	0.90	0.08	726	>200	>10000	443	1923
DDH 23	2960	39.40	40.20	0.80	0.11	X	119.6	3235	1382	1483
DDH 24	2969	41.90	42.50	0.60	0.77	659	>200	>10000	1948	5330
DDH 24	2970	42.50	44.00	1.50	0.02	X	94.9	>10000	973	509
DDH 24	2971	44.00	44.70	0.70	0.10	1185	>200	>10000	3568	5842
DDH 24	2972	44.70	45.70	1.00	0.35	439	>200	8672	922	1199
DDH 24	2973	45.70	46.40	0.70	2.10	1594	>200	>10000	524	1634
DDH 24	2974	46.40	46.90	0.50	4.86	3759	>200	>10000	490	1362
DDH 24	2985	56.50	57.90	1.40	0.76	X	60.9	679	393	45
DDH 26	3008	74.80	75.40	0.60	0.02	X	4.6	122	3450	10497
DDH 27	3012	40.90	41.60	0.70	1.80	541	>200	>10000	834	2605
DDH 28	3046	48.00	48.90	0.90	0.66	648	>200	1144	402	72
DDH 28	3047	48.90	49.80	0.90	1.82	820	>200	570	605	134
DDH 28	3048	49.80	50.60	0.80	0.54	350	>200	721	4976	1585

DDH	Sample	From	To	Interval	Au	Ag	Ag >200	Cu	Pb	Zn
DDH 29	3056	43.40	44.50	1.10	0.04	X	3.0	130	3057	5875
DDH 29	3057	46.20	46.90	0.70	0.09	X	12.3	382	4313	6913
DDH 29	3058	49.50	50.00	0.50	0.07	X	10.3	895	4860	6924
DDH 29	3059	52.60	53.40	0.80	0.04	X	8.3	486	3937	6819
DDH 29	3071	74.00	74.90	0.90	0.12	X	167.1	3432	40442	20458
DDH 29	3079	85.00	86.00	1.00	0.58	X	36.4	690	24245	9737
DDH 29	3080	86.00	87.00	1.00	0.06	X	9.3	210	5307	1731
DDH 29	3080	86.00	87.00	1.00	0.06	X	9.3	210	5307	1731
DDH 29	3085	91.00	92.00	1.00	0.14	X	37.7	320	6127	5481
DDH 29	3086	92.00	93.00	1.00	0.22	X	57.7	1164	10240	12787
DDH 31	3958	58.80	59.35	0.55	0.21 (30 g)	605 (30 g)	>200	18400	1430	3359
DDH 31	3962	61.10	61.45	0.35	0.66	1153 (30 g)	>200	12910	5990	1523
DDH 31	3963	61.45	62.40	0.95	0.40	645 (30 g)	>200	8231	610	860
DDH 32	3973	32.80	33.80	1.00	0.16	X	12.1	884	2574	6987
DDH 32	3974	33.80	34.50	0.70	0.18	X	25.9	1257	3120	8097
DDH 32	3975	34.50	35.20	0.70	1.34	828 (20g)	>200	54000	4711	30800
DDH 32	3976	35.20	35.80	0.60	0.04	2005 (30 g)	>200	44290	443	6844
DDH 32	3977	35.80	36.80	1.00	0.89		>200	165760	278	29400
DDH 32	3978	36.80	37.60	0.80	0.62	1333 (30 g)	>200	39000	423	5796
DDH 32	3979	37.60	38.20	0.60	0.23	366 (30 g)	>200	9280	360	1947
DDH 32	3980	38.20	39.10	0.90	0.46	603 (30 g)	>200	19360	313	2131
DDH 32	3981	39.10	39.90	0.80	0.94 (20 g)	1857 (20 g)	>200	70970	390	11700
DDH 32	3983	40.50	41.20	0.70	1.78	415 (30 g)	>200	23680	871	2182
DDH 32	3984	41.20	42.90	1.70	0.46	X	83.4	7090	791	479
DDH 32	3989	46.60	47.20	0.60	0.78	273 (30 g)	>200	3777	353	991
DDH 33	4000	66.60	67.80	1.20	0.19	200 (30 g)	>200	14310	21400	35100
DDH 34	4013	28.60	29.20	0.60	0.06	X	2.2	58	3034	5708
DDH 34	4017	31.80	32.40	0.60	0.15	X	160.8	19450	1949	23500
DDH 34	4023	36.20	36.80	0.60	1.91 (30 g)	1061 (30 g)	>200	8554	666	574
DDH 34	4025	37.30	38.00	0.70	1.21 (30 g)	1284 (30 g)	>200	22360	643	2341
DDH 35	4032	69.90	70.80	0.90	0.07	X	85.9	4328	1850	6377
DDH 35	4033	70.80	71.70	0.90	0.09	X	29.7	658	716	9199
DDH 35	4035	72.40	73.00	0.60	1.11	2571	>200	34120	4113	6244
DDH 35	4036	73.00	73.70	0.70	1.21	338	>200	1241	1169	1630
DDH 35	4039	75.10	76.00	0.90	0.08	X	14.2	500	8240	24000

DDH	Sample	From	To	Interval	Au	Ag	Ag>200	Cu	Pb	Zn
DDH 41	4105	44.35	45.45	1.10	0.08	X	6.3	640	6871	16500
DDH 41	4109	48.50	49.10	0.60	0.14	X	42.6	1630	9197	6661
DDH 41	4110	49.20	49.90	0.70	1.78 (30gr)	1187 (30gr)	>200	20640	67100	53500
DDH 42	4116	41.90	42.90	1.00	0.07	X	34.4	1474	1694	9133
DDH 42	4117	42.90	43.90	1.00	0.10	X	101.9	2798	1267	6073
DDH 42	4118	43.90	44.90	1.00	0.08	X	25.5	1225	2518	6641
DDH 42	4119	44.90	46.00	1.10	0.47	223	>200	24060	2022	3137
DDH 42	4120	46.00	47.50	1.50	0.27	X	95.5	2633	7955	18000
DDH 42	4122	48.90	49.90	1.00	0.42	X	172.7	19420	582	2052
DDH 44	4131	28.80	29.80	1.00	0.60	X	51.8	1265	744	771
DDH 44	4132	29.80	30.85	1.05	0.10	X	23.5	5819	5404	13000
DDH 46	4142	80.80	81.80	1.00	0.11	X	122.2	2704	5302	10900
DDH 46	4148	86.90	88.00	1.10	0.02	283	>200	687	2026	1953
DDH 47	4153	66.30	67.30	1.00	0.54	X	46.4	29	71	4
DDH 48	4352	89.10	89.90	0.80	0.13	X	38.0	1265	>10000	>10000
DDH 53	4364	39.70	41.65	1.95	0.93	192	>200	1902	254	509
DDH 54	4375	73.00	74.85	1.85	0.61	X	87.5	414	485	248
DDH 55	4381	80.50	81.85	1.35	0.93	401	>200	5072	6966	>10000
DDH 55	4383	83.00	84.15	1.15	4.86	896	>200	2031	1593	1864

Toruel Vein: 53 drill holes have been completed on the Toruel Vein. That drilling consisted of both reverse-circulation rotary holes totaling and diamond drill holes totaling 4415 meters. Most of the drilling consisted of angle holes drilled roughly perpendicular to the strike of the steeply-dipping vein (Figures 7 and 8). This drilling has defined one mineralized shoot sporting elevated silver and copper contents that is roughly 650 meters in length and up to 125 meters in depth (Figure 9). A second mineralized shoot that is about 200 meters in length and 40 meters in depth has also been delineated. Although mineralization is locally quite robust, the average grades and widths of mineralization in these two mineralized shoots has not been determined. The exact orientation and true thickness of the mineralization has not been determined.

White Goat Vein: Two drill holes, ARC-58 and ARC-59, totaling 116.3 meters, were completed on the White Goat Vein. No significant concentrations of gold, silver, or copper were intercepted by these two drill holes.

Uno Vein: One reverse circulation drill hole (ARC-63) has been completed on the Uno Vein. Anomalous mineralization was intercepted. Gold and silver content was, respectively, a maximum of 0.23 g/t and 21.4 g/t over an interval of less than 1.0 meters. The true thickness of that mineralization is uncertain.

Canyon Structure: No drilling was completed on the Canyon Structure.

Ancha Vein: No drilling was completed on the Ancha Vein.

Nahuel Vein: No drilling was completed on the Nahuel Vein.

Avispa and John Veins: Six diamond drill holes have been completed on the Avispa and John veins, totaling 441 meters. All six drill holes were drilled at -55 degrees to cross the steeply-dipping veins. Most of the significant mineralization intercepted by these six drill holes was less than 1.0 meters in thickness. The maximum grade intercepted was a 0.40 meter interval that contained 171 g/t silver and 3.35 % copper. The exact orientation and true thickness of that intercept is uncertain.

Okte Vein: No drilling was completed on the Okte Vein.

Seba Vein: No drilling was completed on the Seba Vein.

Pocholo Vein: No drilling was completed on the Pocholo Vein.

Mancha Blanca Vein: One reverse circulation drill hole (ARC-62) has been completed on the Mancha Blanca Vein. No significant silver, copper, or gold was intercepted in that drill hole.

West Fluorite Vein: No drilling was completed on the West Fluorite Vein.

East Fluorite Vein: No drilling was completed on the East Fluorite Vein.

Jose Vein: No drilling was completed on the Jose Vein.

12.0 SAMPLING METHOD AND APPROACH

The details of rock sampling methods are unavailable. In most cases, surface sampling was confined to veins and adjacent wallrock because mineralization rarely extended a significant distance into the wallrock. Sample density was not uniform. It was irregular, based primarily upon vein exposure. The size of the area covered was approximately 3,000 meters by 1,000 meters.

No recovery factors are known to have materially impacted the accuracy and liability of the drilling results. Recovery averaged about 95% overall. All core samples were geochemically analyzed. Core samples were representative of the rock encountered. No sample bias is known to have occurred. Wall rock consisted primarily of andesitic volcanics and the mineralized zones. Locally up to 15 meters in true width, consisted of anastomosing veins and breccia zones. Some higher grade intervals occurred within broad, lower grade zones (Table 3).

13.0 SAMPLE PREPARATION, ANALYSES, AND SECURITY

No aspect of sample preparation was conducted by an employee, officer, director, or associate of the issuer. Core boxes were transported on a daily basis to the core storage facility. Core samples were sawn longitudinally at the Marafil core storage building in Los Menucos. The building was locked at all times when no Marafil employees were present at the facility. The sample intervals were selected based upon visual inspection by geological personnel.

The bags of core samples were routinely transported to the Alex Stewart assay lab in Mendoza, Argentina by Marafil personnel in light-duty trucks. Samples were secured in large rice bags with zip ties. They were either put on a commercial carrier bus in the nearby town of Los Menucos or they were transported to Mendoza by the Marafil crew.

Alex Stewart Assayers is an ISO 9000:2000 certified laboratory with headquarters in England. QA/QC procedures include the use of barren material to clean sample preparation equipment between samples. Analytical precision and accuracy are monitored by the analysis of reagent blanks, reference materials, and replicate samples. Alex Stewart Assayers also maintains an extensive library of international and in-house standards for quality control purposes.

The results of current sampling were reviewed by the author, and in his opinion, there are no unusual or suspect analytical results reported. Further, the sample preparation, security, and analytical procedures were standard and accurate. No employee, officer, director, or associate of the issuer conducted any aspect of sample preparation.

Samples were analyzed for 41 elements. Elements other than gold were analyzed using a four acid digestion and ICP AES method. Gold was analyzed with a 50 gram sample using fire assay with an atomic absorption finish. High-grade samples of gold and silver are analyzed using a gravimetric finish.

14.0 DATA VERIFICATION

Data Examination

Data for the property evaluation was examined prior to the site visit, during the site visit, and after the site visit. A total of two days was spent examining data relating to the Toruel Property. Data consisted of summary reports created by Marafil, core logs, and plan maps of geology, geochemistry, and geophysics.

Site Visits

The site visit was completed on October 29th, 2009. The author was accompanied by Daniel Buffone, one of the directors of Marafil Mines Ltd. Senor Buffone is also an experienced, competent geologist with a degree in geology from an accredited Argentine

university and nearly two decades of field experience. During the site visit Senor Buffone explained the details of what has been discovered thus far. Two verification samples were taken on the Toruel Vein within the Toruel Property (Appendix B). That is where most of the work was done by Marifil Following the site visit, the author visited the Marifil core shed in Los Menucos for a cursory core examination.

Verification Sampling

The author took two verification samples from exposed surface mineralization during his site visit on October 29th, 2009. Both samples were grab samples taken from the Toruel Vein. Sample results from verification sampling can be seen in Appendix B. The two samples are identified as TOJE-1 and TOJE-2. Both samples consisted of sucrosic quartz veins and associated breccia which contained an abundance of dark grey, fine-grained sulfides that were tentatively identified as tetrahedrite. The verification samples were transported personally by the author to Spokane, Washington (USA). From there, they were shipped by United Parcel Service to ALS Chemex in Reno, Nevada. A summary of the sampling is shown below:

TABLE 4 – VERIFICATION SAMPLE RESULTS

<u>Sample ID</u>	<u>Location (WGS 84 UTM)</u>		<u>% Cu</u>	<u>ppm Ag</u>
	<u>North</u>	<u>East</u>		
TOJE-1	5459768	3341547	0.37	1520
TOJE-2	5459730	3341326	0.39	2130

The author also examined the core from several well-mineralized drill-holes on October 29th, 2009 at the Marifil core storage facility in Los Menucos. The author picked several well-mineralized drill holes at random to confirm the existence of the mineralization that was reported. The mineralization observed in drill core stored at Los Menucos was consistent with that reported in Marifil project reports. No core was quartered for verification analysis because no core saw or splitter was available at that time.

Based upon the site visit, verification sampling results, Marifil assay certificate examination, and examination of drill core, the author was satisfied that the mineralization reported by Marifil geologists is credible. No unusual or suspect results were encountered. Assay certificates for Marifil drilling are available for examination at the Marifil office in Mendoza, Argentina. They have not been included as an appendix because they are voluminous.

15.0 ADJACENT PROPERTIES

There are no adjacent mining properties.

16.0 MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical testing has been undertaken.

17.0 MINERAL RESOURCES AND MINERAL RESERVE ESTIMATES

No mineral resources or mineral reserve estimates have been completed.

18.0 OTHER RELEVANT DATA AND INFORMATION

The primary author is unaware of any other data that is pertinent and relevant to the Toruel Project. Historic and current work documented in this report is believed to be a relatively complete compendium of the work completed on the property.

19.0 INTERPRETATIONS AND CONCLUSIONS

The Toruel Project consists of a great number of epithermal veins that have variable amounts of economically significant copper, silver, gold, indium, lead and zinc. Some of this mineralization is quite robust, and might be termed bonanza-grade, at least locally. The variability of metals within the individual vein systems may be due in part to the different levels of erosion in horst and graben structural blocks. The separate vein systems contain mineralization characteristic of the upper, intermediate, and lower levels of epithermal systems. Many of these differences may stem from the level of erosion, much of which is a result of simple block-faulting.

Only a small fraction of the total vein systems has been drill-tested. Despite numerous recent drill holes completed by Marifil, the property is still in a very early stage of exploration, primarily because the majority of drill holes were concentrated on one target, the Toruel Vein. Some of the veins have not been drilled because the mineralization seen on the surface is generally characteristic of the upper parts of an epithermal system, suggesting that much of any mineralization of economic interest may lie at greater depths. Although drilling has been concentrated on the more economically robust veins exposed on the surface, there may be many targets concealed by alluvium that have not yet been discovered. The general lack of relief on the property may have resulted in the lack of exposure of many veins.

Most of the exposed wall rock that is host to the vein system is only weakly mineralized. However, when compared to other epithermal systems found in rhyolitic-andesitic terranes, it is not uncommon to discover, as exploration progresses, both mantos of volcanioclastic or lacustrine-hosted gold and funnel-shaped breccia bodies that are associated with the gold mineralization. This has been well-documented in the Republic District of Washington State (U.S.A.). Although there is no guarantee of it, further drilling may well intercept concealed targets such as those mentioned above.

There exists a significant amount of mineralization, currently unquantified, that could constitute direct shipping ore. If the high-grade material could be manually classified based upon megascopic appearance by trained workers, a significant amount of this direct shipping ore could be exploited to create cash flow for further exploration. Lower grade material extracted could then be segregated for possible future use in the event that enough mineralization could ever be found to warrant construction of a mill at Toruel, or if a mill is eventually built near Los Menucos for some other mining operation.

The robust nature and lateral continuity of mineralization discovered by drilling on the Toruel Vein may bode well for the future of the project. The copper/silver grades are certainly of economic significance, and the mineralization is open-ended on the Toruel Vein. Other veins have had only a cursory amount of drill-testing, and covered areas have had only a very cursory amount of work completed on them, consisting mostly of a visual inspection and very limited float sampling.

Perhaps of even greater importance is the lateral extent of the veins. Marifil geologists have noted that a regional vein system over 1 km in width and over 7 km in length comprises mineralization on and adjacent to the Toruel Property. Drill-testing of this vein system has been only cursory in nature. Where veins are exposed on adjacent down-dropped blocks, mineralization reportedly characteristic of the upper reaches of an epithermal system is exposed on the surface over several km of strike length. The lower parts of these veins may contain additional mineralization similar to the silver/copper rich zones drilled on the Toruel Vein. In summary, the Toruel Property might best be described as a relatively untested, possibly underground mineable project that could hold a vast amount of silver/copper mineralization with lesser amounts of lead, zinc, gold, and indium. Given drill results thus far, a reasonable target expectation might be a significant amount of mineralization in narrow zones of perhaps 1-3 meters width averaging 200-300 g/t silver, 1-2% copper, and lesser amounts of lead, zinc, and indium. It seems unlikely that a bulk-mineable open-pit resource is present at Toruel.

20.0 RECOMMENDATIONS

General Recommendations

Most of the property is in a very early stage of exploration. Only a small area of the project has been drill-tested, and this drilling has tested only near-surface mineralization to a maximum vertical depth of about 125 meters. An outcrop-topographic map compilation summarizing all geologic/geochemical work should be established over the entire property. This map should be completed at a scale of about 1:5000. Because of the size of the area, the map may need to be produced as several sheets so that detailed geology will be legible. From this, it will become more apparent where additional work is necessary. Much of this work may rely upon float sampling, so it is imperative that it be determined whether or not float samples represent nearby outcrop. Additional geophysics is also warranted. This would consist of electrical geophysical methods with a survey designed primarily to see deeper on adjacent down-dropped structural blocks. Additional areas warranting further trenching may also become apparent from this compilation.

Once that geophysics and trenching is completed, new areas that warrant drilling may be identified. A budget for this general work is shown below.

Geologist (Compilation/Drilling/Trenching)	\$30,000
Geotech	\$10,000
Geophysics	\$103,000
Trenching (500 meters @ \$20/meter)	\$10,000
Assays (1,500 @ \$40/sample)	\$60,000
Drilling (1,500 meters @ \$130/meter)	<u>\$195,000</u>
TOTAL	\$408,000

Specific Recommendations

Toruel Vein: The 53 drill holes completed on the Toruel Vein have identified a significant, although un-quantified, amount of high-grade copper/silver mineralization with lesser amounts of gold, lead, zinc, and indium. This work has identified two mineralized shoots. First, the areas of higher grades within these shoots should have additional drilling to provide more pierce points, which will provide an accurate drill-indicated resource, and perhaps a reserve. Second, the open-ended parts of these shoots, especially those that are open to depth, should be evaluated by further drilling. From these data, a more reliable estimate of contained mineralization can be established. A budget for this work is shown below.

Geologist (Drilling/Resource Estimate/Report)	\$30,000
Geotech	\$10,000
Field Expenses	\$10,000
Assays (2,000 @ \$40/sample)	\$80,000
Drilling (2,000 meters @ \$130/meter)	<u>\$260,000</u>
TOTAL	\$390,000

White Goat Vein: No more drilling is recommended on the White Goat Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Two drill holes have been completed thus far on the White Goat Vein. The best intercepts contained no significant precious metals and only short intervals of elevated amounts of base metals.

Uno Vein: Only one drill hole has been completed (ARC-63). Maximum values of 0.23 g/t gold, 21.4 g/t silver, 0.48% lead, and 0.62% zinc were intercepted over intervals of less than one meter. Marifil geologists believe that this target may represent the middle levels of an epithermal system, similar to the levels of the exposed Toruel Vein. Thus, several more drill holes are warranted. A budget for this work is shown below.

Geologist (Drilling)	\$10,000
Geotech	\$5,000
Field Expenses	\$5,000
Assays (400 @ \$40/sample)	\$16,000
Drilling (500 meters @ \$130/meter)	<u>\$65,000</u>
TOTAL	\$101,000

Canyon Structure: Drilling is warranted on the Canyon Structure. Thirty-three rock samples taken thus far contained maximum amounts of 2.79 g/t gold, 125 g/t silver, and 1% lead. Five drill holes are recommended. A budget for this work is shown below.

Geologist (Drilling)	\$10,000
Geotech	\$5,000
Field Expenses	\$5,000
Assays (400 @ \$40/sample)	\$16,000
Drilling (500 meters @ \$130/meter)	<u>\$65,000</u>
TOTAL	\$101,000

Ancha Vein: No more drilling is recommended on the Ancha Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples of colorless chalcedonic silica contained no anomalous amounts of base or precious metals. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

Nahuel Vein: No more drilling is recommended on the Nahuel Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples contain only minor amounts of metals of economic interest. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

Avispa and John Veins: No more drilling is recommended on the Avispa and John Veins unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Drilling thus far has intercepted only narrow intervals (> 1.0 meters) of economically interesting concentrations of base and precious metals.

Okte Vein: No more drilling is recommended on the Okte Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples contain only

minor amounts of metals of economic interest. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

Seba Vein: No more drilling is recommended on the Seba Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples of chalcedonic silica contained no anomalous amounts of base or precious metals. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. This is further evidenced by the presence of fluorite. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

Pocholo Vein: No more drilling is recommended on the Pocholo Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Although the Pocholo Vein is up to 15 meters wide locally, surface samples contain only minor amounts of metals of economic interest. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

Mancha Blanca Vein: No more drilling is recommended on the Mancha Blanca Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples and one drill hole (ARC-62) completed have not intercepted economically interesting concentrations of base and precious metals. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

West Fluorite Vein: No more drilling is recommended on the West Fluorite Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples contain only minor amounts of metals of economic interest. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

East Fluorite Vein: No more drilling is recommended on the East Fluorite Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples contain only minor amounts of metals of economic interest. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

Jose Vein: No more drilling is recommended on the Jose Vein unless geophysics can delineate geophysical targets at greater depths. Funds for this drilling could be taken from the general work budget seen near the top of section 20.0. Surface samples contain only minor amounts of metals of economic interest. Mineralization is regarded by Marifil geologists as that of the very upper levels of an epithermal system. Thus, significant mineralization such as that found in the Toruel Vein may lie at greater depths if it does exist.

TOTAL BUDGET FOR PROPOSED PROGRAM U.S. \$1,000,000

21.0 REFERENCES

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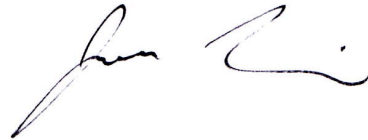
Malvicini, L., and Llambias, E., 1974, Geologia y Genesis del Deposito de Manganeso Arroyo Verde, Provincia del Chubut: V Congreso Geologico Argentino, Actas 2, Buenos Aires, p. 185-202

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22. DATE AND SIGNATURE PAGE

**Spokane, Washington, U.S.A.
December 1st, 2010**

James F. Ebisch, R.P.G.



23. CERTIFICATE OF QUALIFIED PERSON

1. I, James F. Ebisch, of 12108 N. Forker Rd, Spokane, WA., 99217, U.S.A., am currently a Registered Professional Geologist (RPG) licensed in the state of Oregon (License # G928). My registration has been in good standing since 1986.

2. I am the primary author responsible for the preparation of the technical report titled "Toruel Project" prepared for Marifil Mines Ltd and dated December 2010. I visited the Toruel Project on October 29, 2009 and conducted verification rock sampling on the Toruel Vein.

3. I graduated with a B.Sc. degree in geology from the University of Wisconsin-Oshkosh in 1980 and a M.Sc. in geology from Sul Ross State University, Texas in 1984. I have been directly involved in resource exploration for the last 30 years. I have worked for a number of major companies including U.S. Borax, TexasGulf Resources, and Kennecott. I have read the definition of qualified person set forth in National Instrument 43-101 (NI 43-101) and certify that by reason of education, affiliation with a professional association as defined in NI 43-101, and past relevant experience work experience, I fulfill the requirements to be a qualified person for the purposes of NI 43-101.

4. I am responsible for the contents of this report.

5. I am not independent of the issuer applying all the tests in section 1.4 of NI 43-101.

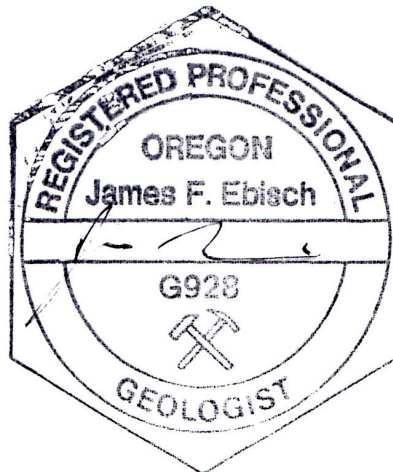
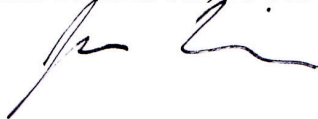
6. I have had no previous involvement with the Toruel Project.

7. I am the owner of 107,545 shares of Marifil Mines Common Stock

8. I certify that, as of the date of this Certificate, to the best of my knowledge, information, and belief, this Technical Report contains all scientific and technical information required to be disclosed to make the Technical Report accurate and not misleading.

Dated this 1st day of December, 2010
Spokane, Washington, U.S.A.

JAMES F. EBISCH, R.P.G.

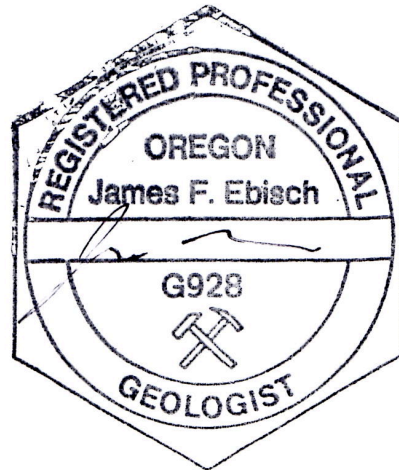
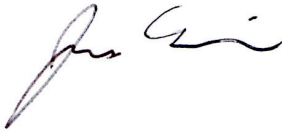


24.0 CONSENT OF AUTHOR

TO: Toronto Stock Exchange
Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Manitoba Securities Commission
New Brunswick Securities Commission
Nova Scotia Securities Commission

I, James F. Ebisch, R.P.G., of 12108 N. Forker Rd., Spokane, WA. 99217, U.S.A., do hereby consent to the filing, with the regulatory authorities listed above, of the Technical Report titled "Toruel Project" prepared for Marifil Mines and dated December 2010 (the "Technical Report") and to the written disclosure of the Technical Report and of extracts from or a summary of the Technical Report in any written disclosure by the regulatory authorities.

Dated this 1st day of December, 2010
James F. Ebisch, R.P.G.



APPENDIX A
DRILL HOLE DATA

Drillhole	East	North	Altitude	Length (m)	Azimuth	Dip
DDH 1	2594112.202	5461149.805	830.544	55.20	190	-45
DDH 2	2594152.763	5461153.545	833.323	33.00	180	-45
DDH 2-B	2594152.824	5461090.207	833.47	55.50	0	-45
DDH 3	2594205.239	5461090.383	835.639	54.50	350	-45
DDH 4	2594390.827	5461184.990	835.171	56.00	165	-45
DDH 5	2594482.674	5461202.742	833.686	62.00	165	-45
DDH 6	2594513.682	5461210.981	832.530	50.20	170	-45
DDH 7	2594553.189	5461221.449	833.598	50.00	168	-45
DDH 8	2594596.350	5461224.955	834.523	51.90	180	-45
DDH 9	2594636.001	5461235.511	832.840	51.00	180	-45
DDH 10	2594691.850	5461243.832	829.675	59.00	180	-45
DDH 11	2594859.022	5461325.382	821.813	53.00	160	-45
DDH 12	2594936.146	5461359.150	819.839	50.00	150	-45
DDH 13	2594902.176	5461281.456	821.568	50.30	162	-45
DDH 14	2594109.009	5461072.226	833.76	78.00	10	-45
DDH 15	2594208.356	5461065.197	834.665	92.00	350	-45
DDH 16	2594531.120	5461132.661	828.860	88.00	350	-45
DDH 17	2594682.062	5461189.303	825.430	57.50	0	-45
DDH 18	2594967.179	5461301.394	818.949	60.00	160	-45
DDH 19	2594054.142	5461070.748	830.701	55.00	190	-45
DDH 20	2594213.001	5461019.54	830.066	165.00	350	-45
DDH 21	2594289.595	5461110.330	835.888	55.00	0	-45
DDH 22	2594107.795	5461022.116	829.103	160.00	5	-45
DDH 23	2594047.999	5461100.042	827.177	55.30	0	-45
DDH 24	2593893.785	5461069.395	822.950	63.00	335	-45
DDH 25	2594634.449	5461153.496	825.810	100.00	0	-45
DDH 26	2594570.369	5461144.431	828.250	86.00	345	-45
DDH 27	2593772.939	5461042.102	823.467	62.00	330	-45
DDH 28	2593653.182	5461011.037	824.169	63.00	306	-45
DDH 30	2594638.053	5461319.083	827.303	200.10	180	-55

Drillhole	East	North	Altitude	Length (m)	Azimuth	Dip
DDH-31	2593868.29	5461058.69	823.03	76.90	0	-55
DDH-32	2593921.75	5461081.09	822.78	65.00	0	-55
DDH-33	2593888.25	5461056.31	823.12	82.80	350	-55
DDH-34	2593833.49	5461064.19	822.75	56.00	350	-55
DDH-35	2593927.51	5461055.91	823.55	85.00	0	-55
DDH-41	2593950.37	5461069.99	823.92	65.00	350	-55
DDH-42	2593721.27	5461033.18	823.23	62.00	325	-55
DDH-43	2593764.51	5460969.94	824.08	115.00	335	-45
DDH-44	2593802.92	5461060.32	823.06	47.00	335	-55
DDH-45	2593654.09	5461005.13	824.15	75.00	145	-55
DDH-46	2593952.46	5461045.34	824.58	98.00	350	-55
DDH-47	2594147.63	5461457.66	819.55	89.00	305	-60

Drillhole	East	North	Altitude	Length	Azimuth	Dip	ARC	DDH
DDH-49	2593528.8	5460905.78	825	135.60	345	-55	72	63.60
ARC-50	2593464.26	5460880.23	828.52	170	330	-55	170	---
ARC-51	2593405.9	5460861.70	829.14	170	330	-55	170	---
ARC-52	2593367.83	5460837.4	828.15	180	340	-60	180	---
ARC-53	2593687.40	5461023.4	823.7	53.85	328	-55	34.0	19.8
ARC-54	2593663.96	5461002.8	824.10	87.15	306	-55	56.0	31.15
ARC-55	2593785.77	5461020.67	823.55	99.0	330	-55	70.30	28.75
ARC-56	2593687.4	5461023.43	823.71	105.0	0	-55	105.0	---
ARC-57	2594375.8	5461124.4	834.99	60	345	-55	60	---
ARC-60	2593922	5460995	824.8	200.0	335	-52	200.0	---
ARC-61	2593863.49	5461011.51	824.34	145.0	350	-55	145.0	---

APPENDIX B
VERIFICATION SAMPLES GEOCHEMISTRY



ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS USA Inc.
4977 Energy Way
Reno NV 89502
Phone: 775 356 5395 Fax: 775 356 0179 www.alschemex.com

To: EBI SCH, JIM
12108 N. FORKER ROAD
SPOKANE WA 99217

Page: 1
Finalized Date: 30-NOV-2009
This copy reported on 1-DEC-2009
Account: EBIJIM

CERTIFICATE EL09125299

Project: MCRAFIL
P. O. No.:
This report is for 9 Rock samples submitted to our lab in Elko, NV, USA on 6-NOV-2009.
The following have access to data associated with this certificate:
JIM EBI SCH

SAMPLE PREPARATION	
ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rod w/o BarCode
CRU-31	Fine crushing - 70% <2mm
SP-21	Split sample - riffle splitter
PUL-31	Pulverize split to 85% <75 um

ANALYTICAL PROCEDURES	
ALS CODE	DESCRIPTION
ME-ICP41	35 Element Aqua Regia ICP-AES
Ag-OG46	One Grade Ag - Aqua Regia
ME-OG46	One Grade Elements - AquaRegia
Pb-OG46	One Grade Pb - Aqua Regia
Ag-GRA21	Ag 30g FA-GRAV finish
ME-GRA05	H2O/LOI by TGA furnace
ME-ICP86	Limestone samples by ICPAES
Au-ICP21	Au 30g FA ICP-AES Finish
	ICP-AES

The results of this assay were based solely upon the content of the sample submitted. Any decision to invest should be made only after the potential investment value of the claim or deposit has been determined based on the results of assays of multiple samples of geological materials collected by the prospective investor or by a qualified person selected by him/her and based on an evaluation of all engineering data which is available concerning any proposed project.

To: EBI SCH, JIM
12108 N. FORKER ROAD
SPOKANE WA 99217

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature: 
Colin Ramshaw, Vancouver Laboratory Manager



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4977 Energy Way
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To: EIBISCH, JIM
12108 N. FORKER ROAD
SPOKANE WA 99217

Page: 2 - A
Total # Pages: 2 (A - D)
Finalized Date: 30-NOV-2009
Account: EBIJIM

Project: MCRATEL

CERTIFICATE OF ANALYSIS EL09125299

Sample Description	Method Analyte Units LOK	WEI-21 Reced Wt. kg	ME-ICP96 CaO %	ME-ICP96 MgO %	ME-ICP96 Al2O3 %	ME-ICP96 Fe2O3 %	ME-ICP96 SiO2 %	ME-ICP96 LOI %	AU-ICP21 Au ppm	ME-ICP41 Ag ppm	ME-ICP41 Al %	ME-ICP41 As ppm	ME-ICP41 B ppm	ME-ICP41 Ba ppm	ME-ICP41 Be ppm	ME-ICP41 Bi ppm
PCIE-1		0.77	42.4	8.81	0.55	0.33	4.36	42.70	0.334	>100	0.15	1610	<10	20	<0.5	5490
PCIE-2		0.92	52.0	0.29	0.68	0.30	5.40	40.73	0.971	>100	0.90	378	<10	210	2.8	49
TOUE-1		0.62							1.170	>100	0.14	9	<10	170	<0.5	12
CUMIE-1		0.55							0.603	62.1	0.30	545	<10	2740	19.8	16
CUMIE-2		1.07							0.235	5.6	0.26	44	<10	210	<0.5	8
SRUE-1		0.83							0.590	69.5	0.06	7	<10	170	<0.5	57
DEUE-1		0.85							4.41	>100	0.05	63	<10	30	<0.5	21
MTUE-1		0.88														



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Sample Description	Method Analyte Units LOI	ME-ICP41 Ca %	ME-ICP41 Cd ppm	ME-ICP41 Co ppm	ME-ICP41 Cr ppm	ME-ICP41 Cu ppm	ME-ICP41 Fe %	ME-ICP41 Ga ppm	ME-ICP41 Hg ppm	ME-ICP41 K %	ME-ICP41 La ppm	ME-ICP41 Mg %	ME-ICP41 Mn ppm	ME-ICP41 Mo ppm	ME-ICP41 Na %	ME-ICP41 Ni ppm
PCIE-1		0.18	51.7	1	17	3750	1.92	10	39	0.10	<10	0.04	73	101	0.02	3
TOJE-2		0.18	13.1	3	9	3890	10.00	10	5	0.16	10	0.04	1870	257	0.03	2
TOJE-1		0.38	<0.5	1	22	12	0.87	<10	<1	0.07	<10	0.02	185	2	0.01	2
CLME-1		0.38	<0.5	5	18	38	10.85	<10	<1	0.12	10	0.09	1965	109	0.02	8
SRUE-2		0.32	0.5	5	15	52	1.00	<10	<1	0.25	20	0.13	8080	38	0.01	3
DEUE-1		0.29	12.5	1	24	2340	0.82	<10	<1	0.03	<10	0.02	363	6	0.01	1
MTUE-1		0.13	<0.5	<1	28	45	2.07	<10	<1	0.02	<10	0.01	87	58	0.02	2



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Sample Description	Method Analyte Units LOK	ME-ICP41 P ppm 10	ME-ICP41 Pb ppm 2	ME-ICP41 S % 0.01	ME-ICP41 Sb ppm 2	ME-ICP41 Sc ppm 1	ME-ICP41 Sr ppm 1	ME-ICP41 Th ppm 20	ME-ICP41 Ti % 0.01	ME-ICP41 Tl ppm 10	ME-ICP41 U ppm 10	ME-ICP41 V ppm 1	ME-ICP41 W ppm 10	ME-ICP41 Zn ppm 2	Ag-OG46 Ag ppm 1	Pb-OG46 Pb % 0.001
POLE-1																
TOLE-2		190	1870	0.60	>10000	1	56	<20	<0.01	<10	40	26	<10	383	>1500	
TOLE-1		170	>10000	0.36	4190	2	29	<20	<0.01	<10	50	558	<10	1440	>1500	1.685
CLME-2		270	36	0.06	5	<1	15	<20	<0.01	<10	<10	5	<10	6	119	
CLME-1																
SRJE-1		290	480	0.09	73	1	46	<20	<0.01	<10	<10	146	510	609		
DELE-1		120	1730	0.12	6	2	36	20	<0.01	<10	<10	184	10	167		
MTJE-1		60	1020	0.42	3	1	15	<20	<0.01	<10	<10	25	200	219		
		80	209	0.23	16	<1	33	<20	<0.01	<10	<10	29	<10	122	1080	



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Sample Description	Method Analyte Units LOR	Ag-GRA21 Ag ppm 5
PCJE-1 PCJE-2 TOJE-1 TOJE-2 CLME-1		1520 2130
CLME-2 SRJE-1 DEJE-1 MTJE-1		