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RECORD OF PUBLIC INSTRUMENTS

4TH TERM 2006

NOTARIAL RECORD Nr. 2406-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

SOCIEDAD PGM MINERA LIMITADA

TO

LUIS FERNANDO PASTEN OGALDE

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 12th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2^d Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of SOCIEDAD PGM MINERA LIMITADA, a mining company with tax ID Nr. 76, 229,940-2, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "PGM"), of the first part; and, of the second part, Mr. LUIS FERNANDO PASTEN OGALDE, a Chilean national, single, mining industrialist, national identification card number 9.938.558-8, domiciled at Daniel Monroy 57, Incahuasi, District of Vallenar ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the following mining extraction concessions: a) "LOS PINCHEIRA 1 TO 20", recorded on page 868 and next, Nr. 631, in the Property

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Registry kept by the Vallenar's Mine Recorder's Office for the year 2006; b) **"LA ARAUCANA ONE: 1 TO 84"**, recorded on page 866 and next, Nr. 629, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 2006; c) **"LA ARAUCANA TWO: 1 TO 84"**, recorded on page 867 and next, Nr. 630, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 2006; d) **"LOS PINCHEIRA TWO: 1 TO 20"**, recorded on page 1908, Nr. 1523, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 2005; e) **"LOS PINCHEIRA TWO: 1 TO 20"**, recorded on page 687, Nr. 503, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 2006; f) **"VILUPA 1 TO 6"**, recorded on page 869 and next, Nr. 632, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 2006; g) **"CHENANO 1 TO 10"**, recorded on page 289 and next, Nr. 229, in the Property Registry kept by the La Serena's Mine Recorder's Office for the year 2006; h) **"LUCHITO 1 TO 10"**, recorded on page 288, Nr. 228, in the Property Registry kept by the La Serena's Mine Recorder's Office for the year 2006; i) **"LOS POZOS 1 TO 20 "**, recorded on page 291, Nr. 230, in the Property Registry kept by the La Serena's Mine Recorder's Office for the year 2006; and j) **"FERNANDO 1 TO 96" "**, recorded on page 953, Nr. 601, in the Property Registry kept by the La Serena's Mine Recorder's Office for the year 2005. TWO: The aforementioned mining concessions shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could

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affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement. **SECOND: Unilateral Purchase Option.** ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that PGM or the assignee of PGM or its successors or legal successor of any of them shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within five years from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and

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which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and 'property shall be entered into on the date and before the same Notary as PGM uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as son as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to PGM; (iii) execute, together with PGM, as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. FOUR: Each time that this contract makes reference to PGM, it will be understood that it makes reference to PGM or any assignee of PGM to whom PGM assigns its rights and beneficiary position due to this contract. **THIRD:**

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Authority by PGM. Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, PGM will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – The acceptance of the sale offered hereby may be made and effected by PGM, as well as by its assignees or by successors or legal successors in interest of any of the above. In such case, all references made herein to Offeree or to PGM shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: PGM may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are acquired, the total price of the transaction agreed in Clause Fourth shall remain unchanged and unchangeable and will be proportionally assigned among the concessions which are acquired accordingly to the amount of hectares which each includes. THREE – PGM may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) to (f) of numeral One of Clause Fourth hereof; or (b) concurrently with the acceptance of the irrevocable offer, it shall pay the installments identified in letters (b) to (f) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term that expires five years from this date whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by PGM. SIX – PGM may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if PGM desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – PGM shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) to (f) of number One of Clause Fourth, on the respective dates and does not make payment within the ten days

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immediately following the "Payment Notice" defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to PGM when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise PGM that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. PGM under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If PGM pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on tie for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) PGM shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. **EIGHT –** In case this Agreement is terminated pursuant to numbers Six and Seven above, PGM, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and cancelled. **FOURTH: Price of Proposed Purchase & Sale.** **ONE –** The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum comprised of \$472,527 United States dollars ("Dollars") which price will be prorated among each of the mining concessions that are definitely acquired according to the amount of hectares that each of them includes, which prices in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the

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aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid, the equivalent in Chilean currency at the observed dollar value published in the Official Gazette by the Chilean Central Bank the day in which the payment is made in six installments as detailed below: (a) Installment One, totaling US\$ 17,527, equivalent to this date to CH\$9,000,000 which the beneficiary pays to the Offeror in this act, this last one declaring that he received it; (b) Installment Two, totaling US \$30,000, due on May 12, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (c) Installment Three, totaling US\$50,000 due on May 12, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (d) Installment Four, totaling US \$75,000 due on May 12, 2009, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (e) Installment Five, totaling the sum comprised of US \$100,000, due on May 12, 2010, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and Installment Six, totaling the sum comprised of US \$200,000, due on May 12, 2011, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public TWO – payment of the installments indicated in (b) to (f) of the previous number will be optional and under no circumstances mandatory for Offeree, unless PGM wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) to (f) above or previously in case PGM exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernandez Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of PGM unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) to (f) of number

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One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by PGM. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if PGM does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if PGM expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for PGM and consequently shall not cause any damage to Offeror, although he shall keep the sums that PGM shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of PGM.** ONE – PGM may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extractions for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for PGM to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – PGM may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree

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shall pay the preservation fees on or before March 31 of each year. (b) PGM may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by PGM, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to PGM. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by PGM shall be borne by the latter. THREE – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. FOUR – Breach of the obligations mentioned in number One of this clause by Offeror will entitle PGM to conduct, on its own or through the mandates she assigns, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow PGM to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror

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hereby grants a special power-of-attorney to PGM as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to PGM shall nowise require the latter to exercise the same and may be freely delegated by PGM. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** ONE – To secure performance of the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of PGM a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of PGM, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of PGM, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of PGM, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the

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competent Mine Recorder's Office. **FOUR** - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by PGM.

TENTH: Assignment of Rights and Obligations. **ONE** - PGM may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, PGM being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. **TWO** - All references herein to PGM, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, unless expressly authorized, in writing, by the Offeree. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised. **TWELFTH: Governing Law.** It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement. **THIRTEENTH: Notarial and Recorder Fees.** All notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by PGM. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **FOURTEENTH: Arbitration.** All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and PGM and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of

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the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses. **FIFTEENTH: Communications.** Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **SIXTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of La Serena and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, PGM must study the property the mining concessions titles and the Oferror rights and in such term: a) PGM may request the immediate termination of this Agreement if the titles of one or more mining concessions were not according to law, as in the terms established in clauses first, second and seventh, or if the defects may not be amended according to PGM's counsel and b) In case PGM does not request the immediate termination of the Agreement and the defects were curable, the Oferror is obliged to provide all the collaboration for the search and handing over of documents required by PGM's counsel and obliges himself to carry out, at his expense, all the procedures and necessary steps advised by PGM's counsel. If PGM considers, that all curable defects are such that may endanger the development of the exploration or project, meanwhile such problems are not solved, PGM may suspend payment of the price quotas and patents, prorating in such term all subsequent obligations and terms to exercise rights. Hence, PGM may restart the payments in any moment, if exercised the right to suspend them. The mining concession Offeror, personally or duly represented, confers PGM a special power of attorney, so the latter may, through its mandates or special attorneys, represent the Offeror in judicially or extra-judicially and may obtain

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or produce all the documents that PGM and counsel consider necessary or convenient for the previously mentioned title analysis. Making use of the mentioned power of attorney, PGM will be able authorized to execute and/or grant all acts and contracts which are necessary to complete the title analysis and amend the existing defects such as the filing of judicial actions, the requiring of registries and inscriptions in the respective Mining Recorders Office and the granting or subscription of the public or private deeds which complement, rectify or add the titles of the Offeror rights over the Mining Concessions. If the title flaws are not cured by the Offeror and the power-of-attorney granted to PGM proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement, Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If PGM decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, PGM shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by PGM without detriment or destruction thereto or to the tunnels ad/or shafts that may be built during exploration. Said removal may be conducted by PGM within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTY: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY FIRST: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective

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Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for SOCIEDAD PGM MINERA LTDA. is evidenced in an instrument of public record dated October 18, 2006, executed at the Santiago Notarial Office of Mrs. Nancy De La Fuente. A copy was provided. I ATTEST.

Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Sociedad PGM Minera Limitada

/thumbprint/

Signature /illegible/

Luis Fernando Pastene Ogalde

ID Card Nr. 9,938,558-8

/thumbprint/

/notary's seal and signature/

/notary's seal and signature/

THIS IS A TRUE COPY OF ITS ORIGINAL

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RECORD OF PUBLIC INSTRUMENTS

4TH TERM 2006

NOTARIAL RECORD Nr. 2391-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

SOCIEDAD PGM MINERA LIMITADA

TO

INES DEL CARMEN ARAYA GUERRERO

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 12th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of SOCIEDAD PGM MINERA LIMITADA, a mining company with tax ID Nr. 76,229,940-2 both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "PGM"), of the first part; and, of the second part, Mrs. INÉS DEL CARMEN ARAYA GUERRERO, a Chilean national, single, mining industrialist, national identification card number 8.300.256-8, domiciled at Daniel Monroy 57, District of Incahuasi ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the following mining exploitation concessions in process of being constituted: a) "DOÑA INES 1 TO 10", recorded on page 955, Nr. 602, in the Property Registry kept by the La Serena's Mine Recorder's Office for the year 2005; and b) "LOS PINCHEIRA 1 TO 20", recorded on page 1907, Nr. 1522, in the Property Registry kept by Vallenar's Mine Recorder's Office for the year 2005. TWO: The aforementioned

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mining concessions shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof such persons deemed as related pursuant to article 100 of Law 18045, or related in the same way with their partners or administrators, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement. **SECOND: Unilateral Purchase Option.** ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that PGM or PGM assignee or successors or legal successors of any of them which in the future shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment,

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as well as the “manifestaciones” or pedimentos” mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the “Future Concessions”). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within two years from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other “pedimento” or manifestación” claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which

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price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as PGM uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to PGM; (iii) execute, together with PGM as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. FOUR: Each time the present instrument makes reference to PGM, it will be understood that it makes reference to PGM or any assignee of PGM or to whom PGM transfers its rights and position of Offeree in this contract.

THIRD: Authority by PGM. Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, PGM will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by PGM, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to PGM shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: PGM may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged and shall be distributed proportionally between the concessions actually acquired, according to the number of hectares that each of them comprises. THREE –PGM may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) and (c) of numeral One of Clause Fourth hereof; or (b) concurrently with the

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acceptable of the irrevocable offer, it shall pay the installments identified in letters (b) and (c) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term that expires three years from this date, whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by PGM. SIX – PGM may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if PGM desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – PGM shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) and (c) of number One of Clause Fourth, on the respective dates and within the ten days immediately following the “Payment Notice” defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to PGM when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise PGM that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. PGM under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If PGM pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on time for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted from, and this unilateral option shall be terminated as of right

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and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) PGM shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, PGM, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled. **FOURTH: Price of Proposed Purchase & Sale.** ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum of Ch\$40,000,000; price which will be prorated in each of the mining concessions which will be purchased according to the number of hectares, price in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in three installments as detailed below: (a) Installment One, totaling Ch\$2,000,000, which Offeree hereby pays to Offeror in this same act, the latter hereby declaring that he received such payment (b) Installment Two, totaling Ch\$8,000,000, due on May 12, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (c) Installment Three, totaling Ch\$15,000,000 due on May12, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (d) Installment Four, totaling Ch\$15,000,000 due on May12, 2009, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; TWO – payment of the installments indicated in (b) to (d) of the previous number will be optional and under no circumstances mandatory for Offeree, unless PGM wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) to (d) of numeral One above or previously in case PGM exercises the

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right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernández Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of PGM unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) and (c) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by PGM. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if PGM does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if PGM expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for PGM and consequently shall not cause any damage to Offeror, although he shall keep the sums that PGM shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of PGM.** ONE – PGM may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for PGM to conduct the said

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activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – PGM may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) PGM may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which PGM notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by PGM, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to PGM. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by PGM

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shall be borne by the latter. **THREE** – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. **FOUR** – Breach of the obligations mentioned in number One of this clause by Offeror will entitle PGM to conduct, on its own, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow PGM to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to PGM as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to PGM shall nowise require the latter to exercise the same and does not revoke any other powers-of-attorney heretofore conferred. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** **ONE** – To secure performance of the obligations of Offeror under

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this unilateral purchase option agreement, Offeror hereby furnishes in favor of PGM a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of PGM, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of PGM, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of PGM, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by PGM. **TENTH: Assignment of Rights and Obligations.** ONE PGM–may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, PGM being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to PGM, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, PGM will have the right to inspect Offeror's activities and review and audit the

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supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised.

TWELFTH: Governing Law. It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement.

THIRTEENTH: Notarial and Recorder Fees. All Notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by PGM. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale.

FOURTEENTH: Arbitration. All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and PGM and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall

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not constitute grounds for challenging said witnesses. **FIFTEENTH: Communications.** Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **SIXTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of La Serena and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, PGM shall study the title deeds to the Mining Concessions and the rights of Offeror, and within that period of time: a) PGM may request the immediately termination of the Agreement if the title deeds of one or more Mining Concessions is not in accordance with the law, as indicated in Clauses First, Second and Seventh, or if the flaws found therein are not curable in the opinion of PGM's counsel; and b). if PGM does not request the immediate termination and if the flaws are curable, Offeror shall offer its undivided cooperation to search for and deliver documents requested by PGM counsel and agrees to conduct, at its own cost, all filings and acts necessary in the opinion of PGM's counsel. If in the sole opinion of PGM the curable flaws are such that could jeopardize the conduct of exploitation or the project and if said flaws are not solved or cured in the meantime, PGM may suspend the payment of price installments and fees, any subsequent obligations or terms to exercise rights to be extended commensurately. Nonetheless, PGM may resume payments at any time after exercising its right to suspend them. Moreover, Offeror personally or duly represented hereby grants a special mandate to PGM as broad as required by law in order that the latter, through its agents or attorneys-in-fact especially designated for said purpose, should represent Offeror in and out of court and be able, on his behalf, to obtain or produce all documents that PGM or its counsel should deem necessary or convenient to conduct the title deed study mentioned above. In the use of said mandate, PGM will be authorized to enter into and/or carry out as many acts or contracts are necessary to complete the study and remedy curable flaws, such as the filing of judicial petitions before the courts where the establishment of the Mining Concessions is being processed, the filing of court action, demands for registrations, sub-registrations or annotations with the applicable Mine Recorder's Office, the execution or delivery of instruments of public or private record to supplement, correct or add on to the title deeds of Offeror's rights to the Mining

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Concessions. If the title flaws are not cured by Offeror and the power-of-attorney granted by PGM proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement. Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If PGM decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, PGM shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by PGM without detriment or destruction thereto or to the tunnels ad/or shafts that may be built during exploration. Said removal may be conducted by PGM within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTY: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY FIRST: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act jointly with Mr. Eugenio Cortes Caroca to correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for PGM is evidenced in an instrument of public record dated October 18, 2004, executed at the Santiago Notarial Office of Mrs. Nancy De La Fuente Hernández. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. Minute was drafted by the attorney at law Ms.

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Maria Paz Cerda Herreros. In witness whereof and following a reading of these presents,
the parties set their hands hereunto in my presence. A copy was provided. I ATTEST.

Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources

/thumbprint/

Signature /illegible/

Inés del Carmen Araya Guerrero

ID Card Nr. 8.300.256-5

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MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTUNE VALLEY RESOURCES CHILE S.A.

TO

CARLOS JAVIER MOYANO GARCIA

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 10th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76, 524,700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mr. **CARLOS JAVIER MOYANO GARCIA**, a Chilean national, single, Merchant, national identification card number 6.689.059-7, domiciled at Benavente street 750 District of La Serena ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining extraction concession located in the zone of Incahuasi, District of Vallenar, Province of Huasco, Third Region, known as "**CARMELITA UNO AL VEINTICINCO**", the establishment decree and measurement survey certificate are

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recorded on page 150 and next Nr. 38, in the Property registry for the year 1993, and the ownership under the name of the current owner is recorded on page 49 Nr. 17 for the year 2005, both kept by the Vallenar Mine Recorder's Office. TWO: The aforementioned mining concession shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State, in Incahuasi, district of Vallenar, Province of Huasco, Third Region; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) t other than as expressly indicated in Clause twentieth hereof, he mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement.

SECOND: Unilateral Purchase Option. ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its

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consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within three year from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be

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admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley, as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. **THIRD: Authority by Fortune Valley.** Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) to (d) of numeral One of Clause Fourth hereof; or

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(b) concurrently with the acceptable of the irrevocable offer, it shall pay the installments identified in letters (b) to (d) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term of three years from this date, whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) to (d) of number One of Clause Fourth, on the respective dates within the ten days immediately following the "Payment Notice" defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on tie for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase

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offer is desisted from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled. **FOURTH: Price of Proposed Purchase & Sale.** ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum of Ch\$39,000,000; which sum is prorated in equal figures for each of the 25 properties comprised thereby, which prices in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in 4 installments as detailed below: (a) Installment One, totaling Ch\$3,000,000, which Offeree hereby pays to the Offeror in this act, where he hereby declares to have received it. (b) Installment Two, totaling Ch\$6,000,000, due on May 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (c) Installment Three, totaling Ch\$15,000,000 due on May 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (d) Installment Four, totaling Ch\$15,000,000, due on May 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (e) Installment Five, totaling Ch\$15,000,000, due on May 10, 2009, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public. TWO – payment of the installments indicated in (b) to (e) of the previous number will be optional and under no circumstances mandatory for Offeree, unless Fortune Valley wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the

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provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) to (d) above or previously in case Fortune Valley exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernández Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of Fortune Valley unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) to (d) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting,

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surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for Fortune Valley to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through

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third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by Fortune Valley shall be borne by the latter. THREE – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. FOUR – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and does not revoke any other powers-of-attorney heretofore conferred. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance

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with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** ONE – To secure performance of the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley. **TENTH: Assignment of Rights and Obligations.** ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will

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allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, Fortune Valley will have the right to inspect Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised.

TWELFTH: Governing Law. It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement.

THIRTEENTH: Notarial and Recorder Fees. All Notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **FOURTEEN: Arbitration.** All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and District of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve

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the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses. **FIFTEENTH: Communications.** Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **SIXTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and District of Santiago and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley shall study the title deeds to the Mining Concessions and the rights of Offeror, and within that period of time: a) Fortune Valley may request the immediate termination of the Agreement if the title deeds of one or more Mining Concessions is not in accordance with the law, as indicated in Clauses First, Second and Seventh, or if the flaws found therein are not curable in the opinion of Fortune Valley's counsel; and b) if Fortune Valley does not request the immediate termination and if the flaws are curable, Offeror shall offer its undivided cooperation to search for and deliver documents requested by Fortune Valley counsel and agrees to conduct, at its own cost, all filings and acts necessary in the opinion of Fortune Valley counsel. If in the sole opinion of Fortune Valley the curable flaws are such that could jeopardize the conduct of exploitation or the project and if said flaws are not solved or cured in the meantime, Fortune Valley may suspend the payment of price installments and fees, any subsequent obligations or terms to exercise rights to be extended commensurately. Nonetheless, Fortune Valley may resume payments at any time after exercising its right to suspend them. Moreover, Offeror personally or duly represented hereby grants a special mandate to Fortune Valley as broad as required by law in order that the latter, through its agents or attorneys-in-fact especially designated for said purpose, should represent Offeror in and out of court and be able, on his behalf, to obtain or produce all documents that Fortune Valley or its counsel should deem necessary or convenient to conduct the title deed study mentioned above. In the use of said mandate, Fortune Valley will be authorized to enter into and/or carry out as many

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acts or contracts are necessary to complete the study and remedy curable flaws, such as the filing of judicial petitions before the courts where the establishment of the Mining Concessions is being processed, the filing of court action, demands for registrations, sub-registrations or annotations with the applicable Mine Recorder's Office, the execution or delivery of instruments of public or private record to supplement, correct or add on to the title deeds of Offeror's rights to the Mining Concessions. If the title flaws are not cured by Offeror and the power-of-attorney granted by Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement. Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels and/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTIETH Payment of Pending exploitation preservation fees.** Given that as of this date the Offeror has not paid the annual exploitation preservation fees. Payable until March 31, 2006 amounting to 25 Monthly Tax Units, and as a consequence of the agreement contained in clause five in the sense that the Beneficiary shall be liable for the payment of the preservation fees, the Offeror hereby delivers to the Beneficiary the payment form for the preservation fee, and the Beneficiary commits to pay the pending fee. **TWENTY FIRST: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY SECOND: Authority to Bearer.** The bearer of a true copy of

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this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act jointly with Mr. Eugenio Cortes Caroca to correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. In witness whereof and following a reading of these presents, the parties appearing set their hands hereunto. A copy was provided. I attest.

Max Alberto Oemick Contreras

C.N.I.:

p.p. Fortune Valley Resources Chile S.A.

Carlos Javier Moyano García

C.N.I.:

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RECORD OF PUBLIC INSTRUMENTS

NOTARIAL RECORD Nr. 2352-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTUNE VALLEY RESOURCES CHILE S.A.

TO

CARLOS JAVIER MOYANO GARCIA

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 10th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76, 524,700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mr. **CARLOS JAVIER MOYANO GARCIA**, a Chilean national, single, merchant, national identification card number 6.689.059-7, domiciled at Benavente N° 750, District of La Serena, ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining extraction concession located in the zone of Incahuasi, district of Vallenar, Province of Huasco, Third Region, known as **"YERBAS BUENAS 1 TO SIXTEEN"**, the establishment decree and measurement survey certificate are recorded on page 176 and next Nr. 40, in the Property registry kept by the La Serena Mine Recorder's Office for the year 1993, and its property under the present owner's name is recorded on page 49 Nr. 17 of the Property Registry for the year 2005, both from

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the Mine Recorder's Office of Vallenar. TWO: The aforementioned mining concession shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State, in the sector of Incahuasi, district of Vallenar, Province of Huasco, Third region. (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement.

SECOND: Unilateral Purchase Option. ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement

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also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within three year from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition,

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to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley, as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. **THIRD: Authority by Fortune Valley.** Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) to (d) of numeral One of Clause Fourth hereof; or (b) concurrently with the acceptance of the irrevocable offer, it shall pay the installments

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identified in letters (b) to (d) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term of three years from this date, whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) to (d) of number One of Clause Fourth, on the respective dates and does not make payment within the ten days immediately following the "Payment Notice" defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on tie for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted from, and this unilateral option shall

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be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled. **FOURTH: Price of Proposed Purchase & Sale.** ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum of Ch\$39,000,000.-, sum which is prorated in equal figures for each of the sixteen properties comprised thereby, which prices in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in five installments as detailed below: (a) Installment One, totaling Ch\$3,000,000, which Offeree hereby pays to Offeror; declaring the latter to have received it completely satisfied (b) Installment Two, totaling Ch\$6,000,000, due on May 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (c) Installment Three, totaling Ch\$15,000,000 due on May 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (e) Installment Four, totaling Ch\$15,000,000 due on May 10, 2009 or a holiday or any other day in which banks are closed to the public. TWO – payment of the installments indicated in (b) to (d) of the previous number will be optional and under no circumstances mandatory for Offeree, unless Fortune Valley wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) to (d) above or previously in case Fortune Valley exercises the right indicated in number Three

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of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernandez Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of Fortune Valley unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) to (d) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for Fortune Valley to conduct the

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said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request

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by Fortune Valley shall be borne by the latter. **THREE** – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. **FOUR** – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and does not revoke any other powers-of-attorney heretofore conferred. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** **ONE** – To secure performance of

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the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley. **TENTH: Assignment of Rights and Obligations.** ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause,

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Fortune Valley will have the right to inspect Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised.

TWELFTH: Governing Law. It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement. **THIRTEENTH: Notarial and Recorder Fees.** All notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **FOURTEENTH: Arbitration.** All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or Catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated

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herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses. **FIFTEENTH: Communications.** Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **SIXTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of La Serena and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley shall study the title deeds to the Mining Concessions and the rights of Offeror, and within that period of time: (a) Fortune Valley may request the immediately termination of the Agreement if the title deeds of one or more Mining Concessions is not in accordance with the law, as indicated in Clauses First, Second and Seventh, or if the flaws found therein are not curable in the opinion of Fortune Valley's counsel; and (b) if Fortune Valley does not request the immediate termination and if the flaws are curable, Offeror shall offer its undivided cooperation to search for and deliver documents requested by Fortune Valley counsel and agrees to conduct, at its own cost, all filings and acts necessary in the opinion of Fortune Valley counsel. If in the sole opinion of Fortune Valley the curable flaws are such that could jeopardize the conduct of exploitation or the project and if said flaws are not solved or cured in the meantime, Fortune Valley may suspend the payment of price installments and fees, any subsequent obligations or terms to exercise rights to be extended commensurately. Nonetheless, Fortune Valley may resume payments at any time after exercising its right to suspend them. Moreover, Offeror personally or duly represented hereby grants a special mandate to Fortune Valley as broad as required by law in order that the latter, through its agents or attorneys-in-fact especially designated for said purpose, should represent Offeror in and out of court and be able, on his behalf, to obtain or produce all documents that Fortune Valley or its counsel should deem necessary or convenient to conduct the title deed study mentioned above. In the use of said mandate, Fortune Valley will be authorized to enter into and/or carry out as many acts or contracts are necessary to complete the study and remedy curable flaws, such as the filing of judicial petitions before the courts where the establishment of the Mining Concessions is being processed, the filing of court action, demands for registrations, sub-

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registrations or annotations with the applicable Mine Recorder's Office, the execution or delivery of instruments of public or private record to supplement, correct or add on to the title deeds of Offeror's rights to the Mining Concessions. If the title flaws are not cured by Offeror and the power-of-attorney granted by Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement. Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels ad/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTIETH: Payment of Pending Exploitation Mining License.** In consideration that until this date, the Offeror has not paid the annual mining license, payable until March 31st of 2006, which comes up to 16 Monthly Tax Units, and as a consequence of the agreement of the Fifth Clause in the sense that it will be charged to the beneficiary the payment of the license s of the mining concessions, the Offeror hands over in this act to the beneficiary, the license payment form, agreeing the beneficiary to pay the license owed. **TWENTY FIRST: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY SECOND: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or

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Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act jointly with Mr. Eugenio Cortes Caroca to correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. In witness whereof and following a reading of these presents the parties appearing set their hands hereunto. A copy was provided. I attest.

Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources

/thumbprint/

Signature /illegible/

Carlos Javier Moyano García

ID Card Nr. 6.689.059-7

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RECORD OF PUBLIC INSTRUMENTS

4TH TERM 2006

NOTARIAL RECORD Nr. 2356-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTUNE VALLEY RESOURCES CHILE S.A.

TO

ALCIDES HUMBERTO GONZÁLEZ RIQUELME

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 11th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76, 524.700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mr. ALCIDES HUMBERTO GONZÁLEZ RIQUELME, a Chilean national, married under the separate property regime, businessman, national identification card number 9.192.242-8, domiciled at Miguel Lemur Nr. 496, District of Tierra Amarilla (hereinafter the "Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining extraction concession located in the Incahuasi zone, District of Vallenar, Province of Huasco, Third Region, known as "PAULINA 1 TO 8", the establishment decree and measurement survey certificate are recorded on page 158 and

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next, Nr. 39, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 1993 and the property of the actual owner is recorded on page 50 Nr. 18 I the Property Registry kept by the Vallenar's Mine Recorder's Office of the year 2005.

TWO: The aforementioned mining concession shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concession". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State in the Incahuasi area, District of Vallenar, Huasco Province, Third Region; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement. **SECOND: Unilateral Purchase Option.** **SECOND: Unilateral Purchase Option.** ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of

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any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within three year from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the

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condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be the value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley, as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. **THIRD: Authority by Fortune Valley.** Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) to (d) of

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numeral One of Clause Fourth hereof; or (b) concurrently with the acceptable of the irrevocable offer, it shall pay the installments identified in letters (b) to (d) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term that expires three years from this date. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) to (d) of number One of Clause Fourth, on the respective dates and does not make payment within the ten days immediately following the “Payment Notice” defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on tie for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted

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from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled.

FOURTH: Price of Proposed Purchase & Sale. ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum comprised of Ch\$77,000,000 which price will be prorated among each of the eight mining concessions, object of the proposed purchase agreement, which prices in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in four installments as detailed below: (a) Installment One, totaling Ch\$ 2,000,000 which the beneficiary pays to the Offeror in this act, this last one declaring that he received it; (b) Installment Two, totaling Ch\$ 10,000,000, due on May 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (c) Installment Three, totaling Ch\$ 25,000,000 due on May 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (d) Installment Four, totaling Ch\$40,000,000 due on May 10, 2009, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; TWO – payment of the installments indicated in (b) to (f) of the previous number will be optional and under no circumstances mandatory for Offeree, unless PGM wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) to (d)

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above or previously in case Fortune Valley exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernández Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of PGM unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) to (d) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to

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make all necessary arrangements for Fortune Valley to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and

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written request by Fortune Valley shall be borne by the latter. **THREE** – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. **FOUR** – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own or through the mandates she assigns, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and may be freely delegated by Fortune Valley. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** **ONE** – To secure performance of the obligations of

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Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley. **TENTH: Assignment of Rights and Obligations.** ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, Fortune Valley will have the right to inspect

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Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised. **TWELFTH: Governing Law.** It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement. **THIRTEENTH: Notarial and Recorder Fees.** All Notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **FOURTEENTH: Arbitration.** All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party

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who introduces them shall not constitute grounds for challenging said witnesses.

FIFTEENTH: Communications. Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice.

SIXTEENTH: Domicile. For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of Santiago and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley must study the property the mining concessions titles and the Oferror rights and in such term: a) Fortune Valley may request the immediate termination of this Agreement if the titles of one or more mining concessions were not according to law, as in the terms established in clauses first, second and seventh, or if the defects may not be amended according to Fortune Valley's counsel and b) In case Fortune Valley does not request the immediate termination of the Agreement and the defects were curable, the Oferror is obliged to provide all the collaboration for the search and handing over of documents required by Fortune Valley's counsel and obliges himself to carry out, at his expense, all the procedures and necessary steps advised by Fortune Valley's counsel. If Fortune Valley considers, that all curable defects are such that may endanger the development of the exploration or project, meanwhile such problems are not solved, Fortune Valley may suspend payment of the price quotas and patents, prorating in such term all subsequent obligations and terms to exercise rights. Hence, Fortune Valley may restart the payments in any moment, if exercised the right to suspend them. The mining concession Offeror, personally or duly represented, confers Fortune Valley a special power of attorney, so the latter may, through its mandates or special attorneys, represent the Offeror in judicially or extra-judicially and may obtain or produce all the documents that Fortune Valley and counsel consider necessary or convenient for the previously mentioned title analysis. Making use of the mentioned power of attorney, Fortune Valley will be able authorized to execute and/or grant all acts and contracts which are necessary to complete the title analysis and amend the existing defects such as the filing of judicial actions, the requiring of registries and inscriptions in the respective Mining Recorder's Office and the granting or subscription of the public or private deeds which complement, rectify or add the titles of the Offeror rights over the Mining Concessions. If the title flaws are not amended by the Offeror

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and the power-of-attorney granted to Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement, Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels ad/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTY: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY FIRST: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. I ATTEST.

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Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources Chile S.A. /thumbprint/

Signature /illegible/

Alcides Humberto González Riquelme

ID Card Nr. 9,192,282-8

/thumbprint

/notary's seal and signature/

/notary's seal and signature/

THIS IS A TRUE COPY OF ITS ORIGINAL

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RECORD OF PUBLIC INSTRUMENTS

4TH TERM 2006

NOTARIAL RECORD Nr. 3868-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTUNE VALLEY RESOURCES CHILE S.A.

TO

EDMUNDO DANTE ALEGRIA BARRAZA

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 10th day of July, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76, 524,700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mr. EDMUNDO DANTE ALEGRIA BARRAZA, a Chilean national, married, mining industrialist, national identification card number 6,130,476-2, domiciled at Pasaje Maria Isabel Peralta 712, La Serena ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining extraction concession located in the mining district of El Sauce, Freirina, Province of Huasco, Third Region, known as "MARIA LUISA 1 TO 7", the establishment decree and measurement survey certificate are recorded on page 187 Nr. 70, in the Property registry kept by the la

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Serena Mine Recorder's Office for the year 1989. TWO: The aforementioned mining concession shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State, in the sector indicated in its survey certificate; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) other than as expressly indicated in Clause Twelfth hereof, they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement. **SECOND: Unilateral Purchase Option.** ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of

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"Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within three year from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within

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the term provided in number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and 'property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley., as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. **THIRD: Authority by Fortune Valley.** Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) to (e) of numeral One of Clause Fourth hereof; or (b) concurrently with the acceptable of the irrevocable offer, it shall pay the installments identified in letters (b) to (e) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the

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proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term that expires (a) three years from this date or (b) 30 days following the due date of the last installment of the price set forth in Clause Fourth hereof, if said date is subsequent to the lapsing of the three years indicated above, whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) to (e) of number One of Clause Fourth, on the respective dates and does not make payment within the ten days immediately following the “Payment Notice” defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on time for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted

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from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and cancelled.

FOURTH: Price of Proposed Purchase & Sale. ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum comprised of (i) Ch\$300,000,000 plus (ii) the peso equivalent of 50,000 United States dollars ("Dollars") per the value of the observed dollar as published in the Chilean Official Gazette by the Central Bank of Chile on the business day on which the respective payment is made; which sum is prorated in equal figures for each of the seven properties comprised thereby, which prices in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in five installments as detailed below: (a) Installment One, totaling Ch\$22,000,000, which Offeree hereby delivers to Offeror through the delivery of the following documents to the authenticating Notary: (i) a nominative check issued to Offeree in the sum of Ch\$20,000,000; and (ii) a nominative check issued to Empresa Nacional de Minería in the sum of Ch\$2,000,000, which sums shall be delivered by the authenticating Notary as provided in Clause Twelfth; (b) Installment Two, totaling Ch\$18,000,000, due on January 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (c) Installment Three, totaling Ch\$50,000,000 due on July 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; (d) Installment Four, totaling Ch\$90,000,000, due on July 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a

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holiday or any other day in which banks are closed to the public; and (e) Installment Five, totaling the sum comprised of (i) Ch\$120,000,000 plus (ii) the peso equivalent of 50,000 Dollars, per the value of the observed dollar as published in the Chilean Official Gazette by the Central Bank of Chile on the business day on which the respective payment is made, due on July 10, 2009, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public. TWO – payment of the installments indicated in (b) to (e) of the previous number will be optional and under no circumstances mandatory for Offeree, unless Fortune Valley wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) to (e) above or previously in case Fortune Valley exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernandez Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of Fortune Valley unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) to (e) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley

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shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. SIX – As long as Offeror does not obtain the consent of Empresa Nacional de Minería (“ENAMI”) to execute and register this option agreement and the liens furnished in accordance with Clause Ninth (the “ENAMI Consent”), Offeree shall have no obligation whatsoever to pay the price installments for the purchase & sale as indicated in letters (b) to (e) of number One of this Clause Fourth. The ENAMI Consent shall be given on the terms set forth in Clause Twelfth. Offeree may waive this condition at its discretion, as well as the term established in Clause Twelfth for its fulfillment. SEVEN – If necessary or required by ENAMI, and prior to the payment of Installment Five referred to in letter (e) of this Clause becoming due, Offeree may withhold from one or more of the installments toward the price of the purchase & sale indicated in letters (b) to (e) of number One of this Clause Fourth any sums deemed necessary or required by ENAMI and pay, on behalf of Offeror, to ENAMI all or part of the credits and interest owed by Offeror in accordance with Clause Twelfth. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extractions for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for Fortune Valley to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree’s personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end,

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Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by Fortune Valley shall be borne by the latter. THREE – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. FOUR – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining

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preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and does not revoke any other powers-of-attorney heretofore conferred.

SEVENTH: From of Sale and Title Warranty. The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, except for those mentioned in Clause Twelfth below, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.**

All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** ONE – To secure performance of the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a second-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the

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date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley.

TENTH: Assignment of Rights and Obligations. ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, Fortune Valley will have the right to inspect Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not

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been exercised. **TWELFTH: ENAMI Loans and ENAMI Consent.** ONE – Under an instrument of public record dated January 27, 1997, executed in the presence of La Serena Notary Carlos Medina Fernandez, Offeror and ENAMI entered into an agreement for the performance of a reserve reconnaissance program with venture capital, whereby ENAMI agreed to finance a reserve reconnaissance program in the estimated amount of 30,000 Dollars, plus a subsidy for the payment of services connected to said program, totaling 35,000 Dollars. TWO – According to the certificate issued by ENAMI and inserted at the end of this instrument, Offeror's indebtedness unto ENAMI totaled, as of June 30, 2006, 48,741.88 Dollars (all the amounts include in the ENAMI indebtedness as of such date, the "Loans"). THREE – In the same instrument referred to above, and to secure correct and complete performance of all the obligations arising thereunder, Offeror furnished, in favor of ENAMI, a first-priority mortgage over the Mining Concessions identified above, which was recorded on page 1, number 1, in the Registry of Mortgages and Liens, and the corresponding Negative Pledge was recorded on page 1, number 1, in the Registry of Negative Pledges, both kept by the Mine Recorder's Office of La Serena, for the year 1997. FOUR – Prior to Offeree making any payment to Offeror under (a) to (e) of number One of Clause Fourth, Offeror shall have ENAMI execute an instrument of public record whereby ENAMI gives its consent to the execution of this option agreement and its recording in the registry of Mortgages and Liens kept by the Mine Recorder's Office of La Serena, as well as the recording of the liens furnished hereby, and agree to: (a) to the extent that the Loans are paid to it when due, there shall be no grounds such as may be invoked to accelerate the Loans and no new loans made by ENAMI to Offeror will alter this stipulation; (b) if necessary, have the Loans paid to it by Offeree on behalf of Offeror with a debit to the price installments set out in number One of Clause Fourth, to which end it shall accept to become an agent for the collection of any payments such as Offeree shall make to Offeror; (c) refrain from making new loans to Offeror under the financing or loan agreement referred to in number One of this clause, and refrain from making any new loan to Offeror howsoever secured by the properties referred to in Clause First hereof or by the ores extracted therefrom, other than with the prior written consent of Offeree; and (d) redeem the mortgages and negative pledges as soon as the Loans are repaid (collectively, the "Enami Consent"). FIVE – As indicated in Clause Fourth, Offeree has deposited with the authenticating Notary the sum of Ch\$22,000,000, which sum corresponds to Installment One of the price indicated in said

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clause. Said amount will be delivered by the authenticating Notary as soon as he is conclusively advised that ENAMI has given its consent by executing the ENAMI Consent on the terms indicated in the preceding number, in the following manner and to the following persons: (a) Ch\$20,000,000 to Offeror, and (b) Ch\$2,000,000 to an authorized representative of ENAMI, which sum will be credited to the payment of the Loans per its equivalent in Dollars according to the value of the observed dollar on the date it is actually delivered to ENAMI. In any case, Offeree may waive the ENAMI Consent with regard to one or more of the terms indicated in number Four above, Offeree's waiver to be evidenced either through its express declaration or through the execution of the ENAMI Consent on terms other than as indicated in number Four above. If the authenticating Notary does not receive conclusive evidence that the ENAMI Consent has been executed at the latest on August 10, 2006, the authenticating Notary shall return the checks referred to in letter (a) of number One of Clause Fourth to an authorized representative of Offeree. SIX – In turn, Offeror agrees, effective as from this date, except with the prior written consent of Offeree, to: (a) refrain from requesting further disbursements from ENAMI under the financing agreement referred to in number One of this clause, (b) refrain from requesting any other loans from ENAMI or from any other person howsoever affecting or creating rights in favor of third parties such as limit the unrestricted disposition of the Mining Concessions or Future Concessions or the consummation of this agreement, and (c) participate, if so requested by ENAMI or Offeree, in the execution of the instrument of public record referred to in this number Four and hereby accept that any payment made by Offeree to ENAMI in accordance with said provision shall be deed as a payment made to Offeror hereunder. SEVEN – Offeror likewise accepts that: (a) the sum of Ch\$2,000,000 referred to in letter (a) of number One of Clause Fourth be delivered to ENAMI as payment for the Loans and that Offeree may pay, on behalf of Offeror to ENAMI, the Loans and interest thereon by deducting, from any one or more installments, on dates preceding the due date of Installment Five indicated in letter (e) of number One of Clause Fourth, the percentage established by ENAMI in the ENAMI Consent. In such case, the amount actually paid to ENAMI in Dollars or its equivalent in Dollars in accordance with the observed dollar rate of exchange on the respective due dates, shall be credited toward the payment of the portion of Installment Five consisting in the payment of the equivalent of 50,000 Dollars. Any variation to the observed dollar rate of exchange between the date of payment to ENAMI and the date on which Installment Five is

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accrued or paid shall be solely to the debit or benefit of Offeror, and Offeror shall not be entitled to any adjustment to the price referred to herein on account of exchange rate variations; (b) Offeror shall also not have the right to adjustments to the purchase & sale price indicated herein on account of interest accrued on the Loans through the date of actual payment, not even if Offeree should pay such interest to ENAMI on behalf of Offeror, in which case they shall be credited toward payment of the price installments referred to in Clause Fourth; and (c) if, in accordance with the instrument of public record referred to in this Clause Twelfth or otherwise Offeror's debt to ENAMI is pardoned in whole or in part, then the price installment equivalent to 50,000 Dollars indicated in letter (e)(ii) of number One of Clause Fourth shall be reduced commensurate to the amount pardoned. **THIRTEENTH: Spousal Consent.** Present herein, Ms. María Beatriz Burrows Torrealba, a Chilean national, married, professor, identification card number 6,208,479-0, domiciled at Pasaje María Isabel Peralta 712, la Serena, hereby declares that, pursuant to the provisions of article 1749 of the Civil Code, she expressly authorizes her spouse to execute this agreement and in particular to grant this option, the execution of the future purchase & sale and the furnishing of the liens indicated herein. **FOURTEENTH: Governing Law.** It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement. **FIFTEENTH: Notarial and Recorder Fees.** All notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **SIXTEEN: Arbitration.** All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of La Serena. In the latter case, the arbitrator shall necessarily be an attorney domiciled in La Serena and a past or present full processor of mining, economic, civil or

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business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of La Serena or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses. **SEVENTEENTH: Communications.** Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **EIGHTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of La Serena and submit and shall submit to the competence of the aforementioned arbitration panel. **NINETEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley shall study the title deeds to the Mining Concessions and the rights of Offeror, and within that period of time: (a) Fortune Valley may request the immediately termination of the Agreement if the title deeds of one or more Mining Concessions is not in accordance with the law, as indicated in Clauses First, Second and Seventh, or if the flaws found therein are not curable in the opinion of Fortune Valley's counsel; and (b) if Fortune Valley does not request the immediate termination and if the flaws are curable, Offeror shall offer its undivided cooperation to search for and deliver documents requested by Fortune Valley counsel and agrees to conduct, at its own cost, all filings and acts necessary in the opinion of Fortune Valley counsel. If in the sole opinion of Fortune Valley the curable flaws are such that could jeopardize the conduct of exploitation or the project and if said flaws are not solved or cured in the meantime, Fortune Valley may suspend the payment of price installments and fees, any subsequent obligations or terms to exercise rights to be extended commensurately. Nonetheless, Fortune Valley may resume payments at any time after exercising its right to suspend them. Moreover, Offeror personally or duly represented hereby grants a special mandate to Fortune Valley as broad as required by law in order that the latter, through its agents or attorneys-in-fact especially designated for said purpose, should represent Offeror in and out of court and be able, on his behalf, to obtain or produce all documents that Fortune Valley or its counsel should deem necessary or convenient to conduct the title

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deed study mentioned above. In the use of said mandate, Fortune Valley will be authorized to enter into and/or carry out as many acts or contracts as are necessary to complete the study and remedy curable flaws, such as the filing of judicial petitions before the courts where the establishment of the Mining Concessions is being processed, the filing of court action, demands for registrations, sub-registrations or annotations with the applicable Mine Recorder's Office, the execution or delivery of instruments of public or private record to supplement, correct or add on to the title deeds of Offeror's rights to the Mining Concessions. If the title flaws are not cured by Offeror and the power-of-attorney granted by Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement. Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **TWENTIETH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels and/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **TWENTY FIRST: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTY SECOND: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY THIRD: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act jointly with Mr. Eugenio Cortes Caroca to correct any misquotes or

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omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. In witness whereof and following a reading of these presents, the parties appearing set their hands hereunto. A copy was provided. I attest. The current debt owed by EDMUNDO ALEGRIA BARRAZA to EMPRESA NACIONAL DE MINERIA regarding the feasibility study for the "MARIA LUISA 1 TO 7" properties is evidenced with the document which, at the parties' request, is inserted below: EMPRESA NACIONAL DE MINERIA. SICREMI. 05jul06. CMO w2 LI 28. COMPREHENSIVE DEBT. Debtor<: ALEGRIA BARRAZA EDMUNDO. Tax ID: 6,130,476-2. Regular supplier of: OFF. SERENA. Informal Currency: Dollar. Equivalences: 000001815140000 (as of 30 JUN 06) 00000054802000. Loan applied for as of: 30 JUNE 2006. Operation 405305. Line. 400. Matured: 30,205.26. Default Interest: Not matured. Debt balance: 30,105.26. Operatin: 40693. Line: 144. Matured: 18,636.62. Default Interest: Not matured. Debt balance: 18,636.62. Total through application. Matured: 48,741.88. Default Interest: 0.00. Pending maturity: 0.00. Debt balance: 48,000. In witness whereof and following a reading of these presents, the parties set their hands hereunto in my presence. A copy was provided. I ATTEST.

Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources

/thumbprint/

Signature /illegible/

Edmundo Dante Alegria Barraza

ID Card Nr. 6,130,476-2

/thumbprint/

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Signature /illegible/

Maria Beatriz Burrows Torrealba

ID Card Nr. 6,208,479.0

/thumbprint/

/notary's seal and signature/

A record is made of the following document: CIVIL REGISTRAR AND IDENTIFICATION BUREAU - CHILE-. Nr. 169664172. MARRIAGE CERTIFICATE. District: COQUIMBO. Registration Nr. 368. Year: 1972. Name of Husband: EDMUNDO DANTE ALEGRIA BARRAZA. ID Card Nr. 6130476-2. Date of birth: May 7, 1949. Name of Wife: MARIA BEATRIZ BURROWS TORREALBA. ID card Nr. 6,208,479-0. date of birth: December 18, 1951. Date of Marriage: August 31, 1972 at 11:20 A.M: DATE OF ISSUE. July 20, 2006, 10:29 AM. SIGNATURE AND STAMP OF AUTHORIZED OFFICER- ADOLFO ESPINDOLA GARROTE. Civil Registry and Identification Bureau. Region IV of Coquimbo. CORRECTLY ISSUED. La Serena, July 20, 2006.

/notary's seal and signature/

THIS IS A TRUE COPY OF ITS ORIGINAL

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RECORD OF PUBLIC INSTRUMENTS

4TH TERM 2006

NOTARIAL RECORD Nr. 2370-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTRUNE VALLEY RESOURCES CHILE S.A.

TO

SOCIEDAD LEGAL MINERA TESORO UNO DE LA HIGUERA

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 11th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76, 524.700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mr. GERARDO FINDEL WESTERMEIER, a Chilean national, married, miner, national identification card number 6.503.389-5, domiciled at Almagro Nr. 544, La Serena, on behalf of SOCIEDAD LEGAL MINERA TESORO UNO DE LA HIGUERA a mining company with tax ID 79.735.190-3, both domiciled for these effects in Amanecer Avenue Nr. 2.099, Coquimbo (hereinafter the "Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining concession located in the

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Incahuasi zone, District of Vallenar, Province of Huasco, Third Region, known as "CUCHITA 1 TO 20", the establishment decree and measurement survey certificate are recorded on page 49 and next, Nr. 16, in the Property Registry kept by the Vallenar's Mine Recorder's Office for the year 1994. TWO: The aforementioned mining concession shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concession". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State in the Incahuasi area, District of Vallenar, Huasco Province, Third Region; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there does not exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement. **SECOND: Unilateral**

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Purchase Option. SECOND: Unilateral Purchase Option. ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within three year from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his

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related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be the value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley, as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made.

THIRD: Authority by Fortune Valley. Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to

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Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) and (c) of numeral One of Clause Fourth hereof; or (b) concurrently with the acceptance of the irrevocable offer, it shall pay the installments identified in letters (b) and (c) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term that expires three years from this date. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) and (c) of number One of Clause Fourth, on the respective dates and does not make payment within the ten days immediately following the "Payment Notice" defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within

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the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on tie for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. **EIGHT –** In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled. **FOURTH: Price of Proposed Purchase & Sale.** **ONE –** The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum comprised of Ch\$65,000,000 which price will be prorated among each of the twenty mining concession claims, object of the proposed purchase agreement, which prices in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in three installments as detailed below: (a) Installment One, totaling Ch\$ 5,000,000 which the beneficiary pays to the

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Offeror in this act, this last one declaring that he received it; (b) Installment Two, totaling Ch\$ 10,000,000, due on May 11, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (c) Installment Three, totaling Ch\$ 50,000,000 due on May 11, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; TWO – payment of the installments indicated in (b) and (c) of the previous number will be optional and under no circumstances mandatory for Offeree, unless PGM wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) and (c) above or previously in case Fortune Valley exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernández Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of PGM unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) and (c) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances

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shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for Fortune Valley to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or

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through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.**

ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by Fortune Valley shall be borne by the latter. THREE – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. FOUR – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own or through the mandates she assigns, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his

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behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and may be freely delegated by Fortune Valley.

SEVENTH: From of Sale and Title Warranty. The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** ONE – To secure performance of the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is

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notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley.

TENTH: Assignment of Rights and Obligations. ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, Fortune Valley will have the right to inspect Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised. **TWELFTH: Governing**

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Law. It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement.

THIRTEENTH: Notarial and Recorder Fees. All Notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **FOURTEENTH: Arbitration.** All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or Catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses. **FIFTEENTH: Communications.** Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **SIXTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of Santiago and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As

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long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley must study the property the mining concessions titles and the Oferror rights and in such term: a) Fortune Valley may request the immediate termination of this Agreement if the titles of one or more mining concessions were not according to law, as in the terms established in clauses first, second and seventh, or if the defects may not be amended according to Fortune Valley's counsel and b) In case Fortune Valley does not request the immediate termination of the Agreement and the defects were curable, the Oferror is obliged to provide all the collaboration for the search and handing over of documents required by Fortune Valley's counsel and obliges himself to carry out, at his expense, all the procedures and necessary steps advised by Fortune Valley's counsel. If Fortune Valley considers, that all curable defects are such that may endanger the development of the exploration or project, meanwhile such problems are not solved, Fortune Valley may suspend payment of the price quotas and patents, prorating in such term all subsequent obligations and terms to exercise rights. Hence, Fortune Valley may restart the payments in any moment, if exercised the right to suspend them. The mining concession Offeror, personally or duly represented, confers Fortune Valley a special power of attorney, so the latter may, through its mandates or special attorneys, represent the Offeror in judicially or extra-judicially and may obtain or produce all the documents that Fortune Valley and counsel consider necessary or convenient for the previously mentioned title analysis. Making use of the mentioned power of attorney, Fortune Valley will be able authorized to execute and/or grant all acts and contracts which are necessary to complete the title analysis and amend the existing defects such as the filing of judicial actions, the requiring of registries and inscriptions in the respective Mining Recorder's Office and the granting or subscription of the public or private deeds which complement, rectify or add the titles of the Offeror rights over the Mining Concessions. If the title flaws are not amended by the Offeror and the power-of-attorney granted to Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement, Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to

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exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels ad/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised.

NINETEENTH: Acts of God or Force Majeure. If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTY: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY FIRST: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. The legal capacity of Mr. Gerardo Findel Westermeier to act for Sociedad Legal Minera Tesoro Uno de La Higuera is evidenced in an instrument of public record dated February 23, 1989, executed at the La Serena Notarial Office of Mrs. Elena Leyton Carvajal, registered on the inscription margin on the Shareholder Registry page 72 Nr. 73 of the year 1987 of the Mine Recorder's Office in La Serena. Said instruments are not inserted as it is known to the parties and to the undersigned Notary. In

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witness whereof and following a reading of these presents, the parties set their hands
hereunto in my presence. A copy was provided. I ATTEST.

Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources Chile S.A. /thumbprint/

Signature /illegible/

Gerardo Findel Westermeier

ID Card Nr. 6,503,389-5

/thumbprint/

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/notary's seal and signature/

/notary's seal and signature/

THIS IS A TRUE COPY OF ITS ORIGINAL

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RECORD OF PUBLIC INSTRUMENTS

4TH TERM 2006

NOTARIAL RECORD Nr. 2337-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTUNE VALLEY RESOURCES CHILE S.A.

TO

INES DEL CARMEN ARAYA GUERRERO

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 10th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9.496.301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76.524.700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mrs. INÉS DEL CARMEN ARAYA GUERRERO, a Chilean national, single, mining industrialist, national identification card number 8.300.256-8, domiciled at Daniel Monroy 57, District of Incahuasi ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining extraction concessions located in the zone of Incahuasi, District of Vallenar, Province of Huasco, Third Region, known as registry kept by the la Serena Mine Recorder's Office for the year: "ESTRELLA UNO AL SESENTA", recorded on page 1.849 and next Nr. 1.465 in the Property Registry kept by the Vallenar Mine Recorder's Office for the year 2005. TWO:

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The aforementioned mining concessions shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions". Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State, in the sector of Incahuasi, District of Vallenar, Province of Huasco, Third Region; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof such persons deemed as related pursuant to article 100 of Law 18045, or related in the same way with their partners or administrators, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement.

SECOND: Unilateral Purchase Option. ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and

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extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the "manifestaciones" or pedimentos" mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the "Future Concessions"). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within two years from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other "pedimento" or manifestación" claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in

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number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. **THIRD: Authority by Fortune Valley.** Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and form all the installments referred to in (b) and (c) of numeral One of Clause Fourth hereof; or (b) concurrently with the acceptance of the irrevocable offer, it shall pay the installments identified in letters (b) and (c) which as of such date shall not have expired. FOUR – In

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case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public record at any time within the term that starts running with the execution of this option agreement and ends within the term that expires two years from this date, whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) and (c) of number One of Clause Fourth, on the respective dates and within the ten days immediately following the “Payment Notice” defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on time for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return

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the funds that it shall have been howsoever paid prior to the occurrence of any of the above events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled. **FOURTH: Price of Proposed Purchase & Sale.** ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum of Ch\$30,000,000 which price in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in three installments as detailed below: (a) Installment One, totaling Ch\$2,000,000, which Offeree hereby pays to Offeror in this same act, the latter hereby declaring that he received such payment (b) Installment Two, totaling Ch\$8,000,000, due on May 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (c) Installment Three, totaling Ch\$20,000,000 due on May 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; TWO – payment of the installments indicated in (b) and (c) of the previous number will be optional and under no circumstances mandatory for Offeree, unless Fortune Valley wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) and (c) of numeral One above or previously in case Fortune Valley exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernandez Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on

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Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of Offeror. The optional payment or obligation of Fortune Valley unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) and (c) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for Fortune Valley to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct

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research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by Fortune Valley shall be borne by the latter. THREE – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force,

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refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances. FOUR – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and does not revoke any other powers-of-attorney heretofore conferred. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, ore delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Several.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** ONE – To secure performance of the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley,

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over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley. **TENTH: Assignment of Rights and Obligations.** ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, Fortune Valley will have the right to inspect Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being

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authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised.

TWELFTH: Governing Law. It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement. **THIRTEENTH: Notarial and Recorder Fees.** All Notarial fees and

expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale. **FOURTEENTH:**

Arbitration. All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full professor of mining, economic, civil or business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses. **FIFTEENTH:**

Communications. Communications between the parties shall be in writing, by certified

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letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice. **SIXTEENTH: Domicile.** For all intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of La Serena and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley shall study the title deeds to the Mining Concessions and the rights of Offeror, and within that period of time: a). Fortune Valley may request the immediately termination of the Agreement if the title deeds of one or more Mining Concessions is not in accordance with the law, as indicated in Clauses First, Second and Seventh, or if the flaws found therein are not curable in the opinion of Fortune Valley's counsel; and b). if Fortune Valley does not request the immediate termination and if the flaws are curable, Offeror shall offer its undivided cooperation to search for and deliver documents requested by Fortune Valley counsel and agrees to conduct, at its own cost, all filings and acts necessary in the opinion of Fortune Valley counsel. If in the sole opinion of Fortune Valley the curable flaws are such that could jeopardize the conduct of exploitation or the project and if said flaws are not solved or cured in the meantime, Fortune Valley may suspend the payment of price installments and fees, any subsequent obligations or terms to exercise rights to be extended commensurately. Nonetheless, Fortune Valley may resume payments at any time after exercising its right to suspend them. Moreover, Offeror personally or duly represented hereby grants a special mandate to Fortune Valley as broad as required by law in order that the latter, through its agents or attorneys-in-fact especially designated for said purpose, should represent Offeror in and out of court and be able, on his behalf, to obtain or produce all documents that Fortune Valley or its counsel should deem necessary or convenient to conduct the title deed study mentioned above. In the use of said mandate, Fortune Valley will be authorized to enter into and/or carry out as many acts or contracts are necessary to complete the study and remedy curable flaws, such as the filing of judicial petitions before the courts where the establishment of the Mining Concessions is being processed, the filing of court action, demands for registrations, sub-registrations or annotations with the applicable Mine Recorder's Office, the execution or delivery of instruments of public or private record to supplement, correct or add on to the title deeds of Offeror's rights to the Mining Concessions. If the title flaws are not cured

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by Offeror and the power-of-attorney granted by Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement. Once the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels and/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTY: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY FIRST: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act jointly with Mr. Eugenio Cortes Caroca to correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. Minute was drafted by the attorney

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at law Ms. Maria Paz Cerda Herreros. In witness whereof and following a reading of these presents, the parties set their hands hereunto in my presence. A copy was provided.
I ATTEST.

Signature /illegible/

Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources

/thumbprint/

Signature /illegible/

Inés del Carmen Araya Guerrero

ID Card Nr. 8.300.256-5

/thumbprint/

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RECORD OF PUBLIC INSTRUMENTS

NOTARIAL RECORD Nr. 2338-2006

MINING CONCESSION PURCHASE OPTION AGREEMENT

FORTUNE VALLEY RESOURCES CHILE S.A.

TO

SANDRO ENRIQUE RIQUELME BARRERA

KNOW ALL PERSONS BY THESE PRESENTS, that in La Serena, Republic of Chile, this 10th day of May, 2006, before me, OSCAR FERNANDEZ MORA, attorney-at-law, Notary Public and Holder of Title to the 2nd Notarial Office in and for La Serena, domiciled at Balmaceda 445, personally appeared: Mr. MAX ALBERTO OEMICK CONTRERAS, a Chilean national, married, businessman, national identification card number 9,496,301-K, on behalf of FORTUNE VALLEY RESOURCES CHILE S.A., a mining company with tax ID Nr. 76, 524,700-4, both domiciled at El Bergantín 971, District of Las Condes, Santiago ("Offeree" or "Fortune Valley"), of the first part; and, of the second part, Mr. **SANDRO ENRIQUE RIQUELME BARRERA**, a Chilean national, single, mining industrialist, national identification card number 12.576.585-8, domiciled at Daniel Monroy N° 45, District of Vallenar, ("Offeror"); the parties appearing, of legal age and having evidenced their identities with the aforementioned personal instruments, hereby set forth as follows: **FIRST: Mining Properties and Representations.** ONE: Offeror is the owner of the mining extraction concessions in process located in the zone of Incahuasi, District of Vallenar, Province of Huasco, Third Region, known as: "**LA ESPERANZA 1 TO 10**", recorded on page 875 and next Nr. 628, in the Property registry for the year 2006, kept by the La Serena Mine Recorder's Office. TWO: The aforementioned mining concessions in process shall be hereinafter referred to, jointly or separately, as required by context, as "Mining Concessions".

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Offeror makes the following representations as to the Mining Concessions it owns: (a) they are current and located on open and uncultivated land owned by the State, in the sector of Incahuasi, Comuna de Vallenar, Provincia de Huasco, III Región; (b) it has held and holds sole and exclusive title and preferential or privileged rights to create definitive mining title; (c) they were acquired with fair title, in good faith, in accordance with the laws, regulation and other applicable rules, and no one may reasonably claim any rights or claim any defects; (d) the concession establishment process is being expedited and has been expedited in accordance with the law, regulations and other applicable rules; (e) they are free and clear of any mortgages, liens, restrictions, promises and options of any kind in favor of any tenants and occupants; (f) the mine property fees and licenses, depending on the stage of processing in which they are found, have been paid on time and in the requisite amounts; (g) there is no pending litigation to which Offeror is a party or in which it intervenes as a third party, and it knows of no reason to bring any legal action and there are no pending judicial proceedings such as could affect Offeror or are howsoever related to Offeror or the Mining Concessions or which affect or could affect Offeror's title; and (h) there exist and there is no knowledge of any other mining concessions owned by same and/or by related persons, these being understood for all intents and purposes hereof as their spouses or relatives up to the third degree of blood or marriage relations or, to the extent applicable, such persons deemed as related pursuant to article 100 of Law 18045, such as could be in effect on the surface of the Mining Concessions (the "Interest Area"), the coordinates of which, for proper identification purposes, are included in Annex I. The circumstances and facts referred to in the foregoing representations have been deemed decisive for the execution of this agreement (the "Agreement"), and are therefore deemed of the essence. Likewise, the effectiveness of these representations shall be decisive with regard to Offeree in relation to the execution of the proposed purchase & sale agreement. **SECOND: Unilateral Purchase Option.** ONE: Offeror hereby irrevocably offers and unilaterally undertakes to sell, assign and transfer to Offeree, the Mining Concessions that Fortune Valley or its parent or any subsidiary or affiliate of any of the above shall henceforth accept to purchase and acquire. To this effect, Offeror hereby expresses its consent for the eventual purchase & sale of said Mining Concessions. This Agreement also includes, within the definition of "Mining Concessions", the exploration and extraction mining concessions that are ultimately established out of those currently pending establishment, as well as the

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“manifestaciones” or pedimentos” mining claim applications filed by Offeror and the exploration concessions and/or mining properties arising therefrom (the “Future Concessions”). As to the Future Concessions, Offeror agrees that they shall be duly established in accordance with the law within two years from this date. Whenever this Agreement mentions the Mining Concessions, said terms shall be deemed to include the Future Concessions as well. Offeree, in turn, hereby merely declares said option as admissible, reserving its right to freely exercise the same within the term and on the conditions set forth herein. TWO: Offeror declares that his related persons do not possess nor are the owners or holders of any rights over the surface properties or water rights as may exist or that do in fact exist within the Interest Area. THREE: This Agreement is also made extensive to the water rights which, as provided in article 110 of the Mining Code, are found during the working of the Mining Concessions, to the extent said water is necessary for the exploration, extraction and/or ore processing work that may be conducted. This Agreement is also made extensive to: (a) water rights created or acquired by Offeror or his related persons in respect of the Mining Concessions and those which benefit or could benefit the Mining Concessions and which Offeror and/or his related persons could eventually possess, hold, use or howsoever have at their disposal within the Interest Area; (b) any rights over surface property, including title and/or easements which may eventually correspond to the Mining Concessions and/or which Offeror or his related persons obtain for the benefit of the Mining Concessions; (c) any other “pedimento” or manifestación” claim application which Offeror or his related persons file within the Interest Area as well as any mining concessions arising therefrom; and (d) generally, all other rights and property currently belonging or subsequently belonging to Offeror or his related persons and which are necessary or convenient to build and/or develop and/or run a mine and/or a plant and which are found within the Interest Area. All the rights and property mentioned in the four preceding letters shall be deemed included in this Agreement but shall be subject, instead of to the purchase option, to the following unilateral promise: Offeror unilaterally promises to assign and transfer said property to Offeree on the condition that the purchase & sale proposed by Offeree is accepted. Offeree declares said promise to be admissible and reserves its right, concurrently with the fulfillment of the above condition, to accept and acquire one or more of those property items within the term provided in number Four of Clause Third. The price of said property items shall be value of their acquisition by Offeror, which

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price shall be deducted from the last installment of the price of the proposed purchase & sale of the Mining Concessions. The promised purchase & sale with regard to said rights and property shall be entered into on the date and before the same Notary as Fortune Valley uses to accept the proposed purchase & sale with regard to the Mining Concessions. Offeror shall, in order to comply with the above, as soon as possible: (i) have his related persons transfer to Offeror all such rights and property mentioned above that are currently to their name or which said related persons currently possess, use, enjoy and/or merely hold; (ii) deliver all the legal documentation pertaining to said rights and property to Fortune Valley; (iii) execute, together with Fortune Valley, as many instruments of public or private record as are required so as to expressly include said rights and property within the unilateral promise contained in this number; and (iv) at such time as the unilateral promise referred to above comes is included, set on record that the events indicated in Clause First are also true with regard to the same, and accordingly, representations similar to those contained in the above Clause shall likewise be made. **THIRD: Authority by Fortune Valley.** Given the unilateral nature of this Agreement and pursuant to article 169 of the Mining Code, Fortune Valley will have the right but not the obligation to enter into the purchase & sale proposed herein over the Mining Concessions, in accordance with the following guidelines: ONE – Acceptance of the sale offered hereby may be made and effected by Fortune Valley, as well as by its parent or by any one of the subsidiaries or affiliates of the same or by successors or successors in interest of any of the above. In such case, all references made herein to Offeree or to Fortune Valley shall be deemed made to the company that ultimately accepts the sales offer for the Mining Concessions. TWO: Fortune Valley may opt for the offered sale with regard to all or only one or some of the Mining Concessions identified in Clause First. Thus, the offered purchase & sale shall necessarily apply to one or more of the Mining Concessions. In any case, and as a result of the above, regardless of which the Mining Concessions ultimately are, the total price of the transaction agreed in Clause Fourth shall remain unchanged. THREE – Fortune Valley may opt for the offered sale provided that (a) it shall have paid in time and from all the installments referred to in (b) and (c) of numeral One of Clause Fourth hereof; or (b) concurrently with the acceptance of the irrevocable offer, it shall pay the installments identified in letters (b) and (c) which as of such date shall not have expired. FOUR – In case the Offeree intends to enter into the proposed agreement, said intent shall be memorialized in an instrument of public

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record at any time within the term that starts running with the execution of this option agreement and ends within the term of two years from this date, whereby the offered transaction shall be consummated. FIVE – The notarized instrument that memorializes the offer acceptance whereby the definitive purchase & sale shall be consummated must be executed in the presence of the notary who authenticates this instrument or of the person who replaces or substitutes for or succeeds the same in said capacity or before the Notary Public so designated by Fortune Valley. SIX – Fortune Valley may express its intent not to enter into the proposed purchase & sale by means of a written notice to Offeror at any time within the same term indicated in number Four of this Clause, and therefore, if Fortune Valley desists from the offer, the installments falling due subsequent to the desistance notice in accordance with Clause Fourth shall not be payable. SEVEN – Fortune Valley shall also be deemed to have desisted from entering into the offered purchase & sale agreement (i) if it fails to fully pay any one of the price installments referred to in letters (b) and (c) of number One of Clause Fourth, on the respective dates and does not make payment within the ten days immediately following the “Payment Notice” defined hereinbelow, which installment shall therefore not be due under any circumstance; and (ii) in case payment is made on a partial basis toward any installment, said payment is not completed within ten days following the Payment Notice. The Payment Notice shall consist of a communication to be delivered by Offeror to Fortune Valley when the latter does not pay any sum of any installment within the term provided therefor in Clause Fourth or does so only in part. In said communication, Offeror shall note any of the circumstances mentioned above and advise Fortune Valley that it has a term of ten days from the date of dispatch of said communication to fully pay or complete the payment of said installment. Fortune Valley under no circumstance shall be required to pay all or the balance toward said installment nor any additional sum, other than if it wishes to continue with the Agreement, as indicated in number Two of Clause Fourth below. If Fortune Valley pays in full or completes payment within the 10-day term mentioned above, payment of said installment shall be deemed to have been made on tie for the purposes of this Agreement. In the cases of numbers Six and Seven of this section, no sum or installment shall accrue in favor of Offeror once the purchase offer is desisted from, and this unilateral option shall be terminated as of right and shall no longer be effective except for the following: (a) Offeror shall not be required to return the funds that it shall have been howsoever paid prior to the occurrence of any of the above

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events of termination, as indicated in greater detail in the following clause; (b) Fortune Valley shall meet the obligations set out in number Eight of this clause, and in Clause Eighteenth hereof. EIGHT – In case this Agreement is terminated pursuant to numbers Six and Seven above, Fortune Valley, upon demand by Offeror, shall execute, within 60 days, an instrument of public record whereby all the registrations, sub-registrations and annotations previously made in the records of the relevant Mine Recorder's Office as a result of or in connection with this Agreement shall be released and canceled. **FOURTH: Price of Proposed Purchase & Sale.** ONE – The price of the proposed purchase & sale with regard to all the Mining Concessions identified in number One of Clause First is the sum of (i) Ch\$18,000,000.-, which price in any case and regardless of the Mining Concessions under the proposed purchase & sale shall remain unchanged, except in the case described in number Three of Clause Second above, i.e. the unilateral purchase & sale promise over the other properties, in which case the price of the Mining Concessions shall be the aforementioned sum minus the purchase value of said properties. The aforementioned price shall be paid in three installments as detailed below: (a) Installment One, totaling Ch\$2,000,000, which Offeree hereby pays to Offeror; declaring the latter to have received it completely satisfied (b) Installment Two, totaling Ch\$6,000,000, due on May 10, 2007, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public; and (c) Installment Three, totaling Ch\$10,000,000 due on May 10, 2008, or on the following business day if said day falls on Saturday, Sunday or a holiday or any other day in which banks are closed to the public. TWO – payment of the installments indicated in (b) and (c) of the previous number will be optional and under no circumstances mandatory for Offeree, unless Fortune Valley wishes to continue with this Agreement, in which case it shall pay each installment in full, notwithstanding the provisions of Clause Third, on the stated due dates. THREE – The proposed purchase & sale agreement shall be entered into once the price installment referred to in (b) and (c) above or previously in case Fortune Valley exercises the right indicated in number Three of Clause Third above. FOUR – Payment of each installment toward the price mentioned above shall be delivered at the offices of La Serena Notary Public Oscar Fernández Mora or of whoever replaces, succeeds or substitutes for him in said capacity as holder of title, interim or alternate notary, which offices are presently located on Balmaceda 445, La Serena. Payment of each installment toward the price shall be delivered by means of a cashier's check made to the name of

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Offeror. The optional payment or obligation of Fortune Valley unto Offeror, consisting in the payment of the price installments mentioned in this clause shall be deemed fulfilled in time and form through the delivery of a cashier's check made out as aforesaid, to the authenticating Notary, on or before the dates mentioned in letters (b) and (c) of number One above, in the sums corresponding to the installment in question or for the applicable sums, within 10 days following dispatch of the Payment Notice referred to in number Seven of Clause Third hereof. The Notary shall not deliver the cashier's check mentioned above to Offeror or to his representative especially designated therefor unless he shall sign the corresponding notarized receipt. Notarial fees due in connection with these payments shall be borne by Fortune Valley. FIVE – In the cases mentioned in numbers Six and Seven of Clause Third above, i.e. if Fortune Valley does not pay any price installment or does so only in part, and if the terms to pay or complete payment elapse in the absence of said payment, or if Fortune Valley expresses at any time its intention not to enter into the offered purchase & sale, said circumstances shall not entail any liability for Fortune Valley and consequently shall not cause any damage to Offeror, although he shall keep the sums that Fortune Valley shall have paid to Offeror as price installments or license fees, which for the avoidance of doubt and only if applicable shall be deemed at all times as the sole, total and complete indemnification due for any direct damages, lost profits or damages of any kind, actual or potential, present or future, such as Offeror could have sustained in connection with this Agreement, either by reason of its execution, performance or termination, as well as for any other reason in connection herewith, without any additional payment obligation whatsoever. **FIFTH: Other Rights and Obligations of Fortune Valley.** ONE – Fortune Valley may conduct, as from now and throughout the effective term of this Agreement, on the Mining Concessions, all kinds of reconnaissance, prospecting, surveying, extraction's for testing, analysis or sampling, and generally research that will allow it to conduct a qualitative and quantitative evaluation of the same, and Offeror is hereby required to make all necessary arrangements for Fortune Valley to conduct the said activities and research and extraction work. To this end, Offeror hereby gives his authorization for Offeree's personnel or any other person appointed by Offeree to enter the Interest Area. TWO – Fortune Valley may bring into the Mining Concessions all kinds of equipment and machinery, own or leased, to conduct research, reconnaissance, prospecting exploration extraction and all other activities referred to in paragraph One above and set up work

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camps for the personnel who work therein. THREE – (a) As long as Offeree does not express its intention not to enter into the promised purchase & sale or it does not become apparent that it did so on the terms hereof, Offeree shall pay the preservation fees for the Mining Concessions before they become due. To this end, Offeror shall send Offeree the fee payment forms as soon as received by Offeror and in any case at the latest on March 20 of each year. Once the funds are received, Offeree shall pay the preservation fees on or before March 31 of each year. (b) Fortune Valley may exclude from the Agreement, as provided in number Two of Clause Third, one or more of the Mining Concessions, in which case, from the date on which Fortune Valley notifies said exclusion onward, it shall be released from the obligation to provide funds for the payment of fees for the excluded Mining Concessions, said exclusion not to result in any reduction to the price. FOUR – Offeror hereby agrees not to conduct, pro se or through third parties, and to prevent anyone related to any third parties, any mining activity within the Interest Area except as indicated in Clause Eleventh hereof. Offeror hereby sets on record that there are presently no mining facilities in the Mining Concessions. In any mining activities or work of any kind conducted by Fortune Valley, it agrees to adhere in all respects to the mining safety procedures and standards in effect in Chile, it being solely liable for any accident, damage or destruction caused to people and property attributable to Fortune Valley. **SIXTH: Other Obligations of Offeror.** ONE – Offeror will be required to conduct, at its own cost and expense, on a timely basis and if applicable, all acts, filings and submissions deemed necessary or pertinent for the adequate protection and preservation of the Mining Concessions, such as, for example, the filings required to lawfully establish the Mining Concessions, challenges to and/or nullity suits against overlapping concessions and for the processing and/or postponement if applicable of mining concessions potentially established by Offeror pro se or through third parties within the Interest Area. TWO – The expenses entailed by the establishment and preservation of new mining claims or exploration concessions over land located within the Interest Area and which Offeror files upon prior, express and written request by Fortune Valley shall be borne by the latter. THREE – If Offeror enforces the rights accruing to him under Clause Eleventh, he shall take the necessary action to have mineral extraction activities comply at all times with the environmental and mining safety regulations then in force, refraining from any activities such as could cause environmental damage and from introducing any hazardous or pollutant substances.

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FOUR – Breach of the obligations mentioned in number One of this clause by Offeror will entitle Fortune Valley to conduct, on its own, any filings that the latter could have conducted and/or to request the arbitrator to terminate this Agreement in whole or in part or to terminate the same and, in both cases, demand the refund of all expenses incurred in connection therewith, including price installments and mining preservation fees previously paid. To allow Fortune Valley to conduct on its own, at Offeror's cost and expense, all filings that the latter should have conducted, Offeror hereby grants a special power-of-attorney to Fortune Valley as broad as required by law, for the latter, through its attorneys-in-fact or agents especially designated therefor, to act on behalf of Offeror, in or out of court, and to conduct, on his behalf, all filings, procedures and acts necessary or conducive to the adequate establishment, protection and preservation of the Mining Concessions, being endowed therefor with the authority set forth in both paragraphs of Article Seven of the Code of Civil Procedure. The conferral of this power-of-attorney to Fortune Valley shall nowise require the latter to exercise the same and does not revoke any other powers-of-attorney heretofore conferred. **SEVENTH: From of Sale and Title Warranty.** The Mining Concessions shall be sold in "as-is" condition as of the date of execution of this Agreement, notwithstanding Offeror's obligation to conduct all necessary acts to establish definitive mining title, including all its uses, rights, practices and affirmative and negative easements, free and clear of all mortgages, liens and restrictions, litigation, attachments, action for termination, or delivery or lease agreements or any other type of acts, liens, rights in rem or personal rights preventing the unrestricted use, enjoyment, disposition and delivery of all the Mining Concessions and other property referred to in Clause Second and with all the other characteristics represented in Clause First hereof, which Offeror shall maintain in effect in accordance with Clause First. Offeror shall be responsible for furnishing title warranty in accordance with the law. **EIGHTH: Obligations Indivisible and Joint-and-Severable.** All the obligations assumed by Offeror, its assignees, heirs and/or successors hereunder shall be indivisible and joint-and-several. **NINTH: Security.** ONE – To secure performance of the obligations of Offeror under this unilateral purchase option agreement, Offeror hereby furnishes in favor of Fortune Valley a first-priority mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over the Mining Concessions. TWO – Likewise, Offeror hereby promises to furnish, in favor of Fortune Valley, a first-priority

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mortgage and a negative pledge against encumbering and selling and entering into acts and contracts other than with the prior consent of Fortune Valley, over any of the Future Concessions or over any of the mining concessions ultimately established by Offeror within the Interest Area and/or at the prior, express and written request of Offeree. Said mortgage agreement shall be executed within 30 days from the date of recording of the measurement survey certificate and/or establishment decree, as applicable, of each of the aforementioned mining concessions, in the Discoveries or Property Registry of the competent Mine Recorder's Office. THREE – The above is notwithstanding the entry of this Agreement in the Mortgages and Liens Registry of the competent Mine Recorder's Office. FOUR - All costs incurred in connection with the performance of the obligations indicated in this clause shall be borne by Fortune Valley. **TENTH: Assignment of Rights and Obligations.** ONE – Fortune Valley may, being hereby authorized by Offeror to do so, at any time, sell, assign, transfer or howsoever dispose in whole or in part of its rights to this Agreement and/or to the Mining Concessions and other property acquired under the offered sales agreement, which shall be enforceable against Offeror, therefor sufficing the delivery of a certified letter dispatched through a Notary Public to the domicile of Offeror as first above indicated, which letter shall contain a true copy of the notarized assignment instrument, Fortune Valley being consequently released from any and all liability in connection with the rights sold, assigned or transferred and free from the transferred obligations. TWO – All references herein to Fortune Valley, or Offeree, Offeror, their rights, obligations, charges and any other thing affecting or incumbent upon them, shall also be deemed made to their respective assigns, purchasers, heirs, continuers or successors in interest, unless otherwise expressly provided or derived from context. **ELEVENTH: Exploitation Rights.** Offeror shall not conduct exploration or exploitation activities in the Mining Concessions it owns, except for activities that will allow Offeror or the persons expressly authorized by him, to extract, as long as Offeree shall not have exercised the purchase option, materials containing up to a total of 600 oz. of gold per year. To verify compliance of the extraction limit authorized in this clause, Fortune Valley will have the right to inspect Offeror's activities and review and audit the supporting documentation evidencing the extracted volumes and contracts made by Offeror with third parties for the processing or sale of materials or ores, Offeree being authorized to that end to request said documentation from third parties with whom Offeror shall have entered into any contracts. If the authorized extraction limit is

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exceeded, Offeror shall be required to indemnify Offeree in an amount equivalent to the benefit obtained by Offeror directly or through third parties from the sale of the materials or ores in excess of the permitted maximum. Likewise, Offeree shall not commence exploitation of the Mining Concessions included herein as long as the purchase option whereby the purchase & sale offered hereunder is consummated has not been exercised.

TWELFTH: Governing Law. It is hereby noted that this unilateral option agreement is governed by the laws of Chile and in particular by the provisions of the Code of Mining of the Republic of Chile enacted in 1983, in particular its article 169. The same is agreed as to its potential amendments and supplements and the proposed purchase & sale agreement.

THIRTEENTH: Notarial and Recorder Fees. All Notarial fees and expenses arising in connection herewith and the recorder's fees for entries in the respective Mine Recorder's Office shall be solely borne by Fortune Valley. The latter shall be nowise liable for any taxes or personal assessments levied on Offeror arising from the Agreement and/or the aforementioned purchase & sale.

FOURTEENTH: Arbitration. All disputes related to the interpretation, application, performance, validity, effectiveness, termination, scope, enforceability or silence of this Agreement or of the proposed purchase & sale arising between Offeror and Fortune Valley and/or the assignees of either, shall be resolved by an arbitrator ex aequo et bono, who shall decide on the matter in a single instance and whose resolutions shall not be subject to any remedy. The arbitrator shall be designated by mutual consent of the parties and, failing said mutual consent, by the Civil Judge holding court in the city and district of Santiago. In the latter case, the arbitrator shall necessarily be an attorney domiciled in Santiago and a past or present full processor of mining, economic, civil or business law of the University of Chile or catholic University of Chile, and a member attorney of the Court of Appeals of Santiago or of the Supreme Court for at least three years, who shall resolve the dispute as an arbitrator de jure, albeit acting ex aequo et bono as to the procedure. The mere resorting of either party to the court system shall lend itself to the presumption that no agreement was reached between the parties in appointing the arbitrator indicated herein. The circumstance that witnesses are employed by the party who introduces them shall not constitute grounds for challenging said witnesses.

FIFTEENTH: Communications. Communications between the parties shall be in writing, by certified letter, sent to the domiciles first above indicated by the parties or such other domicile as advised in such manner with due advance notice.

SIXTEENTH: Domicile. For all

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intents and purposes of this Agreement and the offered agreement, the parties establish and will establish their domicile in the city and district of La Serena and submit and shall submit to the competence of the aforementioned arbitration panel. **SEVENTEENTH: Title deeds and Documents.** As long as this Agreement remains effective and the promised purchase & sale is not executed, Fortune Valley shall study the title deeds to the Mining Concessions and the rights of Offeror, and within that period of time: (a) Fortune Valley may request the immediately termination of the Agreement if the title deeds of one or more Mining Concessions is not in accordance with the law, as indicated in Clauses First, Second and Seventh, or if the flaws found therein are not curable in the opinion of Fortune Valley's counsel; and (b) if Fortune Valley does not request the immediate termination and if the flaws are curable, Offeror shall offer its undivided cooperation to search for and deliver documents requested by Fortune Valley counsel and agrees to conduct, at its own cost, all filings and acts necessary in the opinion of Fortune Valley counsel. If in the sole opinion of Fortune Valley the curable flaws are such that could jeopardize the conduct of exploitation or the project and if said flaws are not solved or cured in the meantime, Fortune Valley may suspend the payment of price installments and fees, any subsequent obligations or terms to exercise rights to be extended commensurately. Nonetheless, Fortune Valley may resume payments at any time after exercising its right to suspend them. Moreover, Offeror personally or duly represented hereby grants a special mandate to Fortune Valley as broad as required by law in order that the latter, through its agents or attorneys-in-fact especially designated for said purpose, should represent Offeror in and out of court and be able, on his behalf, to obtain or produce all documents that Fortune Valley or its counsel should deem necessary or convenient to conduct the title deed study mentioned above. In the use of said mandate, Fortune Valley will be authorized to enter into and/or carry out as many acts or contracts are necessary to complete the study and remedy curable flaws, such as the filing of judicial petitions before the courts where the establishment of the Mining Concessions is being processed, the filing of court action, demands for registrations, sub-registrations or annotations with the applicable Mine Recorder's Office, the execution or delivery of instruments of public or private record to supplement, correct or add on to the title deeds of Offeror's rights to the Mining Concessions. If the title flaws are not cured by Offeror and the power-of-attorney granted by Fortune Valley proves to be insufficient in that regard, the latter may request the immediate termination of this Agreement, Once

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the offered purchase & sale is consummated, Offeror's title warranty obligation shall remain in effect in accordance with Clause Seventh hereof. **EIGHTEENTH: Results and Improvements.** If Fortune Valley decides not to exercise its option to acquire the Mining Concessions or is deemed not to exercise the same pursuant to number Seven of Clause Third above, Fortune Valley shall leave, for the benefit of Offeror, the facilities, structures, improvements, works, ponds and other elements located on the surface of the Mining Concessions unless they are able to be removed by Fortune Valley without detriment or destruction thereto or to the tunnels ad/or shafts that may be built during exploration. Said removal may be conducted by Fortune Valley within three months following the date on which its decision not to exercise the offered purchase & sale agreement is advised or deemed to be advised. **NINETEENTH: Acts of God or Force Majeure.** If performance of any obligation under this Agreement or of any term to exercise any right of any party is prevented or delayed due to an act of God or force majeure, the term to perform the obligation or exercise the right, as applicable, shall be extended commensurate to the duration of the act of God or force majeure. Like extension shall apply to subsequent obligations or terms to exercise rights. **TWENTIETH: Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any other prior agreement and/or negotiations. **TWENTY FIRST: Authority to Bearer.** The bearer of a true copy of this instrument is hereby authorized to request the registrations and annotations deemed necessary in the respective Recorder's Offices. Attorneys Rafael Vergara Gutierrez, Alberto Prenafeta Villa, Maria Paz Cerda Herreros, Eduardo Martin Cuadrado and/or Juan Francisco Mackenna Garcia-Huidobro are hereby authorized in order that any one of them may act jointly with Mr. Eugenio Cortes Caroca to correct any misquotes or omissions which the parties may have incurred in this Agreement, and to that end they may submit one or more drafts to the respective Recorder's Office and/or execute or deliver the public or private documents or instruments deemed necessary or convenient. The legal capacity of Mr. Max Alberto Oemick Contreras to act for Fortune Valley Resources Chile S.A. is evidenced in an instrument of public record dated May 8, 2006, executed at the Santiago Notarial Office of Mr. José Musalem Saffie. Said instrument is not inserted as it is known to the parties and to the undersigned Notary. In witness whereof and following a reading of these presents the parties appearing set their hands hereunto. A copy was provided. I attest.

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Max Alberto Oemick Contreras

ID card Nr. 9,496,301-K

For Fortune Valley Resources

/thumbprint/

Sandro Enrique Riquelme Barrera

ID Card Nr. 12,576,585-8

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