5 October 2011

INDEPENDENT GEOLOGICAL REPORT CONFIRMS POTENTIAL OF CHILEAN MINERAL PROJECTS

Ezenet Limited (Ezenet), soon to be renamed Oro Verde Limited, is pleased to confirm receipt of a positive Independent Geological Report (IGR) on its Chilean mineral projects. The IGR confirms that the:

- Chuminga Project is a significant copper/gold exploration target of 50 to 60 million tonnes of 1.0 to 1.1% Cu; 0.3 to 0.4 g/t Au; and 0.5% to 1.0% Zn suitable for bulk mining and likely to have good metal recoveries[1].
- Vega Project could consist of a high grade epithermal gold-silver mineralised body similar to the "bonanza type" ore body mined at nearby El Indio.

The IGR was prepared by Allen J. Maynard, a geologist with 33 years experience, including many South American projects.

The attached IGR can also be viewed on Ezenet's website, www.ezenet.com.au. It supports Ezenet's forthcoming recommendation to shareholders to approve the acquisition of the Chuminga and Vega Projects and its proposed change of activities to a mineral exploration company focused on Chile.

Dr Wolf Martinick, Ezenet Chairman and Managing Director, said:

"*The Independent Geological Report endorses our confidence that well planned exploration will discover significant copper/gold mineralisation at Chuminga and that our Vega project provides an exciting exploration opportunity in a famous and highly prospective gold region of Chile.*

We expect to commence our initial drilling programme at Chuminga by the end of October 2011 and are hoping to release results in late November 2011.

Drilling at Vega is scheduled for January 2012."

- ENDS -

For enquiries contact:

Dr Wolf Martinick	or	Mr John Traicos
Managing Director		General Manager
+61 8 417 942 466		+ 61 417 885 279

1. The potential quantity and grade of the target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

CHUMINGA PROJECT
Chuminga is located on the Pacific coast of Northern Chile, approximately 60 km north of the regional mining town of Taltal and about 115 km south of the regional port and city of Antofagasta in a region that has excellent infrastructure and supports many famous world class copper mines including Mantos Blancos, Chiquicimata and Escondida.

VEGA PROJECT
The Vega Project lies in the El Indio Corridor, a region that hosts several large gold mining centres. Twenty kilometres to the south of Vega is the El Indio Gold Mining Centre which has produced 4.5 million ounces of gold, 25 million ounces of silver and 472,000 tonnes of copper from underground and open pit operations from 1979 to 2002. During this period 16.8 million tonnes of ore were mined at an overall recovered grade of 8.33g/t Au, 46.3g/t Ag and 2.81% Cu.

El Indio was famous for its production of exceptional high-grade ore in the beginning of its mining life, when 190,000 tonnes of ore produced 1.2 million ounces of gold at an average grade of an incredible 196.4 ounces of gold per tonne.

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD, a consultant to the Company. Dr Farrell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking. This qualifies Dr Farrell as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. Dr Farrell is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body and a Member of the Mineral Industry Consultants Association (the Consultants Society of the Australasian Institute of Mining and Metallurgy).

AL MAYNARD & ASSOCIATES Pty Ltd
Consulting Geologists
www.geological.com.au *ABN 75 120 492 435*

9/280 Hay Street,	*Tel: (+618) 9388 1000*	*Mob: 04 0304 9449*
SUBIACO, WA, 6008	*Fax: (+618) 9388 1768*	*al@geological.com.au*
Australia		

Australian & International Exploration & Evaluation of Mineral Properties

INDEPENDENT GEOLOGICAL REPORT

ON THE
CHILEAN MINERAL PROJECTS
OF

EZENET LIMITED

IN THE

REPUBLIC OF CHILE

PREPARED FOR:

EZENET LIMITED

Author: Allen J Maynard BAppSc(Geol), MAIG, MAusIMM
Company; Al Maynard & Associates Pty Ltd
Date 16th September, 2011
Revised: 1st October, 2011

EXECUTIVE SUMMARY

This Independent Geological Report (IGR) has been prepared by Al Maynard & Associates ("AM&A") at the request of Dr Wolf Martinick, Executive Chairman of Ezenet Limited ("Ezenet" or "Company") to provide an opinion of the current potential of the Company's Chilean Projects (Figure 1).

Ezenet has two projects in Chile, namely Chuminga and Vega (Figure 1). All projects are generally well located to major infrastructure. The Chuminga Project is located on the coast in Chile's Coastal Cordillera, 115km south of Antofagasta in Region 2 of Chile. It is more advanced, as it has three exploration adits into a significant copper-gold breccia body. The Coastal Cordillera of Chile also represents one of the world's best iron oxide, copper gold (IOCG) provinces which host several significant IOCG deposits, including Candelaria (360Mt of 1.1% Cu and 0.3g/t Au), Mantos Blancos (400Mt of 1% Cu), Manto Verde (250Mt of 0.75% Cu as oxides) and El Soldado (200Mt of 1.5% Cu) (Figure 2).

The **Chuminga Project** contains a well mineralised hydrothermal copper-gold stock-work breccia developed at a coastal location on the western contact of a gabbro-diorite stock on a mountain side at approximately 625 metres above sea level ("masl"). The mineralised body is generally tabular, dipping 60^0 to 70^0 to the east, and from various reports has the following dimensions; a width of 60m to 150m and an 800m to 1,200m strike in a north-south direction. Sericite-chlorite-amphibole-magnetite-haematite-tourmaline alteration forms a halo around a central copper mineralised core. Mineralisation consists of a sulphide association dominated by chalcopyrite-chalcocite-incipient bornite with pyrrhotite-pyrite-sphalerite-magnetite which is present as disseminations and fracture fillings. These sulphides have been oxidized to both iron oxides (hematite-goethite-limonite) and copper oxides (atacamite-chrysocolla) which occurs in fracture fillings.

The project was initially prospected by surface trenching over an outcrop area measuring 250m by 100m between 600masl to 700masl. The weighted average results of the three trenches are 1.21% Cu; 0.41g/t Au and 3g/t Ag. Most of the recognized mineralised strike of the body is scree covered as rock debris is continually moving down a 40^0 mountain slope. The trenching results led to sub-surface prospecting of the mineralised breccia by tunnels at 545masl and 635masl (below the outcrop area). These tunnels did not transect the full width of the mineralised breccia. Weighted average sampling results for the upper level were 115m at 0.90% Cu and 0.48g/t Au. Subsequent re-sampling has indicated an increase in weighted mean values for the body to 1.4% Cu, 0.4g/t Au and 1.0% Zn.

Based on prospecting dimensions and results to date there is an exploration target range of 50 to 60 million tonnes of 1.0 to 1.1% Cu; 0.3 to 0.4g/t Au; 0.5% to 1.0% Zn. The potential quantity and grade of the target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The **Vega Project** is located in accessible Andean terrain, 135km northwest of the coastal city of La Serena in Region 4 of Chile. Vega targets an undrilled epithermal system similar to other gold bearing volcanics close by in the El Indio Gold Belt. The El Indio Gold Belt contains recent large, past (El Indio - Tambo) and present (Pascua Lama - Veladero) gold mining centres. Some 50 million ounces of gold and 900 million ounces of silver as global resources have been discovered to date by mainly Barrick Gold Corporation ("Barrick"), the dominant miner in the region.

As with the majority of gold mineralisation in the El Indio Belt, the Vega Project area is underlain by Upper Oligocene to Miocene age volcanics of the Dona Ana Formation, which in the project area are acid sulphate altered, coarse (near vent source) pyroclastic tuffs and breccias that have been emplaced within the Sancarron caldera ring fault. The presence of highly anomalous arsenic, native sulphur and extensive sulphates indicates high level solfataric activity within an epithermal environment similar to other gold bearing volcanics close by.

Clear drill targets are evident at shallow depth from CSAMT geophysical data over the Sancarron ring caldera structure and the associated highly altered volcanics involving structure and bodies of silicification. Those geophysical targets that correlate with surface geochemistry are a priority target for drilling in the coming Andean field season in the period October 2011 to April 2012.

On the data to hand it is reasonable to suggest the likelihood of occurrence of a high grade epithermal Au-Ag mineralised body in the Vega Project area, similar to the 'bonanza type' body that was mined at El Indio. Drilling has yet to occur and is required for such a target to be realized. It is possible that future exploration may or may not outline such a target. A combined Exploration Budget of $4.26M over two years is proposed with activity in Year 2 dependent on results achieved during Year 1.

Figure 1: Chuminga & Vega Prospect Locations.

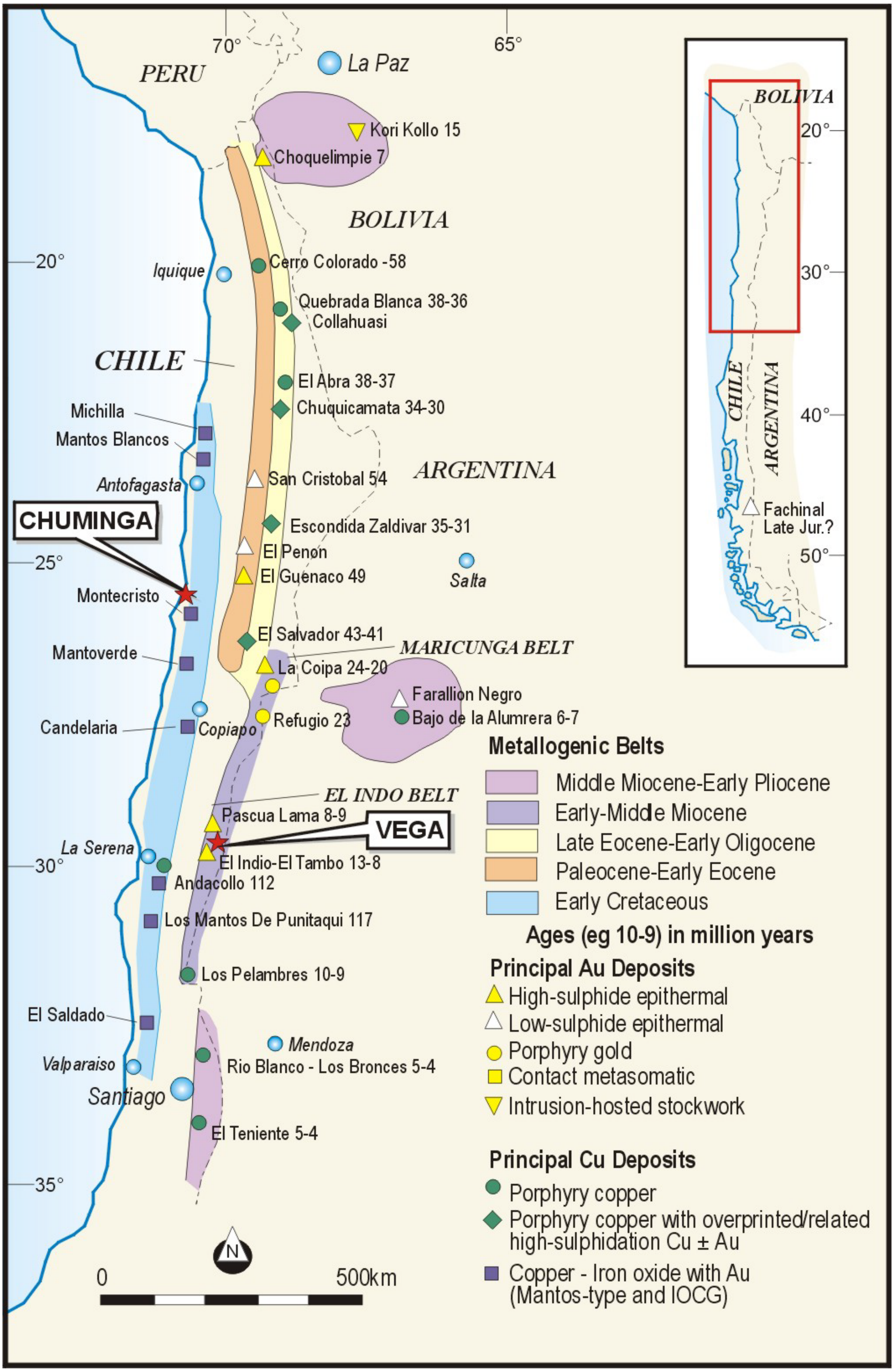


Figure 2: Prospect Locations Related to Metallogenic Belts.

TABLE OF CONTENTS

List of Figures

List of Tables

The Directors,
Ezenet Limited,
Level 1, 30 Richardson Street
West Perth, WA 6005

1st October, 2011

Dear Sirs,

1.0 Preamble

Al Maynard and Associates ("AM&A") was engaged by Ezenet to prepare an Independent Geological Report ("IGR") of the Company's mineral assets in Chile for inclusion in a notice of meeting in respect of a change to the nature and scale of the Company's activities.

Opinions are presented in accordance with the JORC Code (2004) and other regulations and guidelines that govern the preparation of these reports.

This report is to be included in a notice of meeting to be dispatched to Ezenet's shareholders on or about the 7th October, 2011.

The legal status of Ezenet's mineral assets is subject to a separate Independent Solicitor's Report which is set out in the notice of meeting and these matters have not been independently verified by AM&A. The present status of tenements listed in Section 3.2 of this report is based on information provided by Ezenet and the report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

The Ezenet mineral assets comprise two projects that are at various stages of exploration progress with Chuminga being moderately advanced, with significant copper-gold mineralisation outlined in adits; and Vega, at the initial stage of first pass exploration drilling of geochemical and geophysical anomalies. All the projects have potential to host their target commodities as described hereunder and warrant the exploration and testing programs as set out in this IGR. It is noted that proposed programs may be subject to change according to results yielded as work is carried out. We are of the opinion that Ezenet has satisfactorily defined exploration and expenditure programs which are reasonable, having regard to the stated objectives of Ezenet. The locations of the projects are depicted on Figure 1.

In the course of the preparation of this report, access has been provided to all relevant data held by Ezenet and various other technical reports and information quoted in the bibliography. I have made all reasonable endeavours to verify the accuracy and relevance of the database. Ezenet has warranted to AM&A that full disclosure has been made of all material in its possession and that information provided, is to the best of its knowledge, accurate and true. None of the information provided by Ezenet has been specified as being confidential and not to be disclosed in this report. The author is familiar with the structural setting and mineralisation styles and targets within the respective Ezenet project areas. As recommended by the Valmin Code, Ezenet has indemnified AM&A for any liability that may arise from AM&A's reliance on information provided by Ezenet or not provided by Ezenet.

This report has been prepared by Allen J. Maynard BApp.Sc(Geol), MAIG and MAusIMM, a geologist with 33 years in the industry and 28 years in mineral asset valuation. The writer holds the appropriate qualifications, experience and independence to qualify as an "Independent Expert" under the definitions of the Valmin Code to provide such reports for the purpose of inclusion in public company documents.

This report has been prepared in accordance with the relevant requirements of the Listing Rules of the Australian Securities Exchange Limited ("ASX"), Australian Securities and Investments Commission ("ASIC") Practice Notes 42 and 43 which were replaced on October 30th, 2007 by Regulatory Guidelines ("RGs") 111 & 112 and the Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert reports (the Valmin Code) which is binding on members of the Australasian Institute of Mining and Metallurgy ("AusIMM").

AM&A is an independent geological consultancy established 26 years ago and has operated continuously since then. Neither AM&A nor any of its directors, employees or associates have any material interest either direct, indirect or contingent in Ezenet, nor in any of the mineral properties included in this report, nor in any other asset of Ezenet, nor has such interest existed in the past. This report has been prepared by AM&A strictly in the role of an independent expert. Professional fees payable for the preparation of this report constitutes AM&A's only commercial interest in Ezenet. Payment of fees is in no way contingent upon the conclusions of this report.

Yours faithfully,

Allen J Maynard BApp.Sc(Geol), MAIG, MAusIMM.

2.0 Background Information

2.1 Introduction

Ezenet commissioned AM&A to carry out a field reconnaissance and data review of the Chuminga and Vega Projects in northern Chile in late June 2011 and compile an IGR. This was carried out by author of this report, Mr Allen J. Maynard of AM&A in July 2011. His conclusions and recommendations from these reviews are stated in this document. Unfortunately, a field examination of the Vega Project could not be made due to adverse weather conditions (heavy snowfalls) that curtailed access to the project.

The two projects, the subject of this IGR, comprise a combined listing of 13 tenements, comprising 3 exploitation licences (Chuminga) and 10 exploration licences (Vega) that have the potential to host the commodities as described below. The most advanced is the Chuminga Project, followed by the Vega Project. All of the projects tenements are subject to agreements and all details of these agreements are described elsewhere in the notice of meeting.

Ezenet Limited was incorporated as Ezenet Pty Ltd on 29th July 1998, converted to a public company, Ezenet Limited, on 15th October 1999 and listed on the Industrial Board of the ASX on 7th December 1999. It proposes to seek Shareholder approval to change its name to Oro Verde Limited as part of the change to the nature and scale of the Company's activities. The company has incorporated an unlisted Chilean subsidiary company, Green Mining Ltda, to execute and administer its mineral interests in Chile.

2.2 Regional Geology and Metallogenic Setting of the Projects

The Chuminga and Vega Projects lie in Northern Chile and it is worthwhile for the reader to be aware of the location of the projects in terms of the regional geology and metallogenic setting. Northern Chile has four well defined metallogenic belts which run parallel to the axis of the Andes that decrease in age from the coast to the Andes (Figure 2). As a generalisation, the metallogenic belts are the result of the eastwards tectonic and magmatic evolution of the convergent margins of the Nazca and South America plate [ref 1, 2]. From youngest to oldest, these are:

i. *Upper Tertiary Gold Belt (El Indio Belt and Maricunga Belt)*: located in the main Andean cordillera and characterised by high sulphidation epithermal and porphyry gold systems, including Esperanza, La Coipa, La Pepa, Marte-Lobo, Refugio and Cerro Casale-Aldebaran of the Maricunga Belt; and El Indio-Tambo and Pascua Lama-Veladero of the El Indio Belt.

ii. *Lower Tertiary Gold Belt*: east of the coastal belt in the back-arc basin, and characterised by both low and high sulphidation epithermals, including San Cristobal, Guanaco and the El Peñon gold and silver deposits.

iii. *Lower Tertiary Porphyry Copper Belt*: located in the Pre-cordillera (Domeyko Range) and parts of the main Andean Range, containing the giant Cu (Mo-Au) porphyries such as El Teniente, Chuquicamata, Escondida, Zaldivar, Collahuasi, Los Pelambres, Los Bronces, Andina, and others controlled by the Falla Oeste (West Fault), a ~3,000km long regional structural feature.

iv. *Mesozoic Iron Oxide Copper-Gold Belt (IOCG)*: located along the Coastal Ranges and parts of the Pre-cordillera of Northern Chile. This is part of a Mesozoic volcanic arc characterised by Andean IOCG deposits, which include Los Colorados (Fe), El Algarrobo (Fe), El Romeral (Fe), Mantos Blancos (Cu-Ag), Mantoverde (Cu), Montecristo (Cu-Au-Fe), Candelaria (Cu-Au-Fe), El Soldado (Cu) and Andacollo (Cu-Au).

Associated with many of the above are copper and gold-rich veins, supergene oxide and sulphide copper and oxide copper mantos, skarns and exotica-type (eg copper cemented palaeo-gravel deposits) and supergene mantos Ag-Au deposits.

With reference to Figure 2 the Chuminga Project lies within the Mesozoic IOCG belt in the Coastal Ranges, north of the Montecristo IOCG deposit, whilst the Vega Project is located in the Upper Tertiary gold belt (El Indio Belt) between El Indio-Tambo and Pascua Lama-Veladero.

3.0 Chuminga Project

3.1 Introduction

The Chuminga Copper-Gold Project lies on the Pacific coast in Region 2 of Chile, 115km due south of the coastal city of Antofagasta, which has a population of 320,000 persons and services the nearby large copper mines in the hinterland, such as Chuquicamata, Mantos Blancos and Escondida (Figure 2).

Ezenet has entered into a purchase agreement to acquire a 100% interest in the advanced Chuminga Project from SCM Compania Minera Chuminga, a member company of a group of companies controlled by a branch of the well known Chilean mining family, the Errazuriz Hochschild.

The Errazuriz Hochschild Group is currently mining and treating 400,000tpa of 1.2% Cu, 0.35 g/t Au near Copiapo, some 470km to the south of Chuminga. As they are currently expanding their mining and treatment operations in the Copiapo district to around 1.0 million tpa capacity and the sole asset of SCM Compania Minera Chuminga, the Chuminga Project, is remote from their core mining activities, a corporate decision has been made by the Errazuriz Hochschild Group to divest the Chuminga Project.

Ezenet is developing a close working relationship with the Errazuriz Hochschild Group of Companies to develop Chuminga in a financially and environmentally sustainable manner, and in the process secure significant benefits for shareholders.

3.2 Tenement Details

The details of the tenement holdings, comprising 3 Exploitation Licences covering a contiguous area of 900ha for the Chuminga Project, are presented in Table 1 below.

Licence	Holder (1)	% Held	Licence Type	Area (ha)	Mining Patents 2011-12 US$ (2)	Expend. Commit.	Expiry Date for Concession (3)	Comments (4)
Chumi 1	CMChumi	100	Exploitation	300	2,407.26	None	Open Date	Constituted
Chumi 2	CMChumi	100	Exploitation	300	2,407.26	None	Open Date	Constituted
Chumi 3	CMChumi	100	Exploitation	300	482.42	None	Open Date	Constituted

*** Notes:**
(1) CMChumi is Compañia Minera Chumi, which is currently 100% owned by SCM Compania Minera Chuminga. Green Mining Ltda (Ezenet Limited's Chilean subsidiary) has the right to acquire a 20% interest in CMChumi and has an option to increase its interest to 100% through a purchase agreement between Ezenet Limited, Green Mining Ltda and SCM Compania Minera Chuminga
(2) Mining Patents represent yearly rent and rate fees for mining rights in Chile. Values may suffer variation according to the value of the Monthly Tax Unit which is established and adjusted on a monthly basis through a monetary unit known as UTM which has a US$ exchange rate.
(3) In the case of a Exploitation Concession, the concession does not expire unless the owner, in this case CM Chumi, does not pay the patents in due time. Chumi 3 payment is a pro-rata payment for the 2011-12 title year.
(4) Constituted is the Chilean equivalent of granted.

Table 1: Chuminga Project Tenement Details.

3.3 Location and Access

The Chuminga Project lies on the Pacific coast of Chile, 115km due south of the coastal city of Antofagasta (Figures 1 and 2). Access is via Route 1 from Antofagasta which connects to the coastal city of Taltal. Route 1 traverses the western periphery of the 900ha project area centred on UTM coordinates 7,269,500mN 343,500mE at approximately 700masl on the mid-slope of the coastal mountain range (Figure 4).

3.4 Geology

3.4.1 Regional Geology

The immediate regional geological setting is best described from the 1:250,000 scale geological sheet of the area [ref 3]. The general region surrounding the Chuminga Project is underlain by the following geology (Figure 3). Fifteen kilometres to the east, Palaeozoic meta-sedimentary basement lithologies of the El Toco Formation outcrop as a north-northeast trending continuous strip in faulted juxtaposition to a north-northeast trending regional fault related to the Atacama Fault. These Palaeozoic sediments, corresponding to a sequence of quartzites, slates, phyllites and mica schists, are overlain unconformably by Lower Jurassic calcareous mudstones and arenites of the Strata Paposo Formation and Upper Jurassic andesites with interbedded andesitic breccia and tuff of the La Negra Formation and in turn by Middle to Late Tertiary age Atacama Gravels.

The Palaeozoic and Mesozoic formations have been intruded by the Middle Jurassic Matancilla Plutonic Group (mainly granodiorites and tonalites, with variations, ie monzodiorites, diorites and granites) and the Lower Cretaceous Cerro del Pingo Plutonic Group (mainly diorites, granodiorites, granites and leucocratic adamellites) which dominate the landscape and are often unconformably overlain by Middle to Late Tertiary age Atacama Gravels.

Three regional fault systems are recognised; a north-south system, a northeast system and a northwest system. The north-south system is a main structural feature in northern Chile, and is prominent along the Coastal Cordillera where it controls coastal geomorphology and is responsible for the development of the prominent cliff morphology which can vary between 200masl to 800masl in height. The maximum age of this fault system is Jurassic because it affects Matancilla Plutonic Group intrusive rocks of the pluton. However, there is evidence of reactivation of this structure during Cretaceous and Tertiary times.

The northeast system faults are generally restricted local common faults, and have a general northeast-southwest orientation. Many copper deposits in the region, such as Montecristo, Santo Domingo and Julia, southeast of the Project area, are located on these structures and are post Matancilla Pluton Group in age (Figure 3). The northwest system, like the previous ones, is widely distributed in the area. These faults are post mineral and cut and displace the northeast system faults.

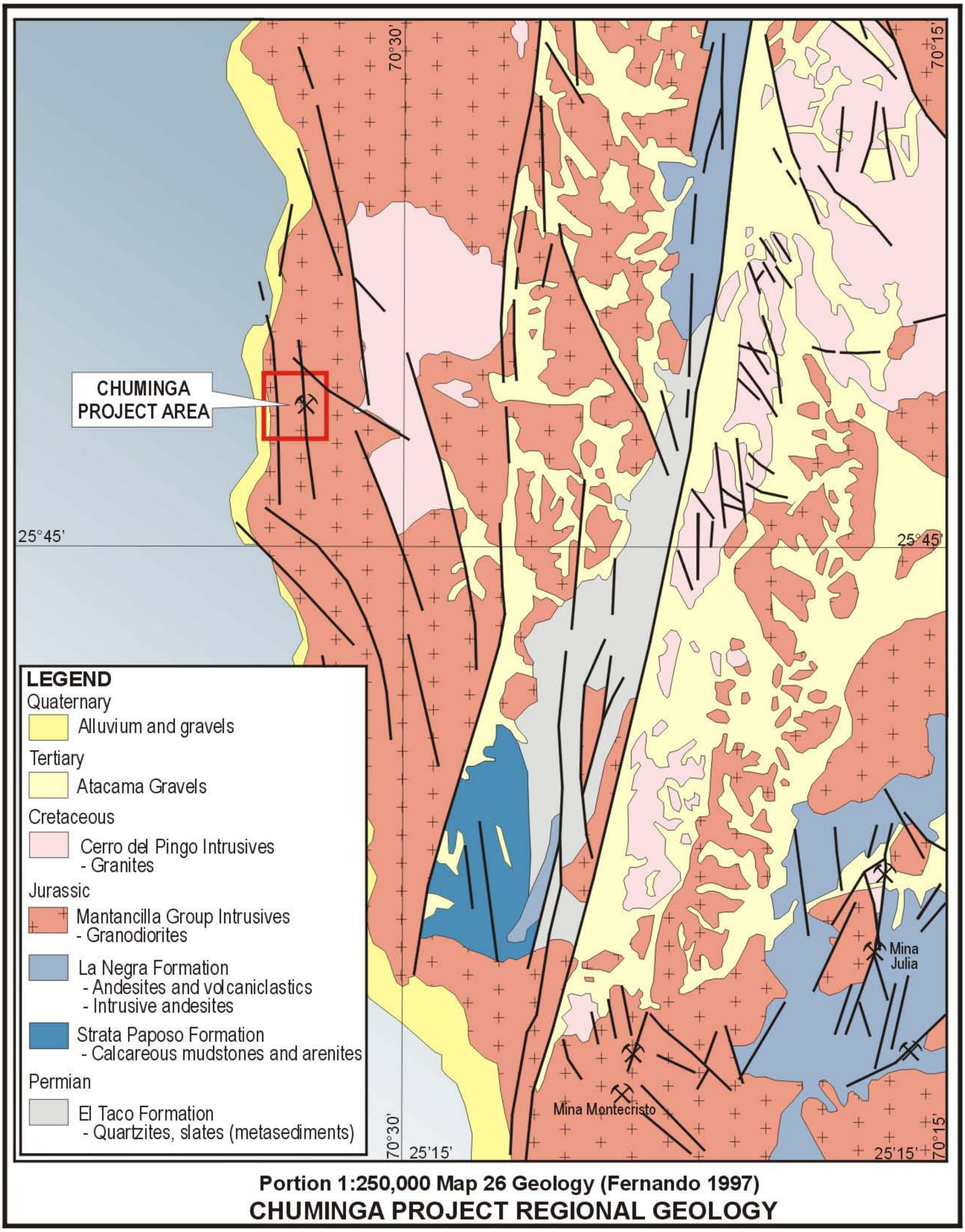


Figure 3: Chuminga Regional Geology.

3.4.2 Project Geology

The project area and its general environs is underlain by Jurassic age Mantancilla Group granite and granodiorites that have been intruded by latter Middle Cretaceous age Cerro del Pingo Group diorites and younger gabbro-diorite stocks (Figure 4). Mineralisation in the project area is associated with the emplacement of a young gabbro-diorite stock on a north-south striking structure related to the Atacama Fault, a major structure, 15km east of the project area that is associated with significant iron oxide copper gold ("IOCG") deposits in the region. A well mineralised hydrothermal copper-gold stock work breccia has developed on the western contact of the stock and outcrops on a mountain side at 600masl to 700masl (Figure 4). The mineralised body is generally tabular dipping 60^0 to 70^0 to the east, and from various reports has the following dimensions; a width of 60m to 150m and a 800m to 1,200m strike in a north-south (006^0) direction.

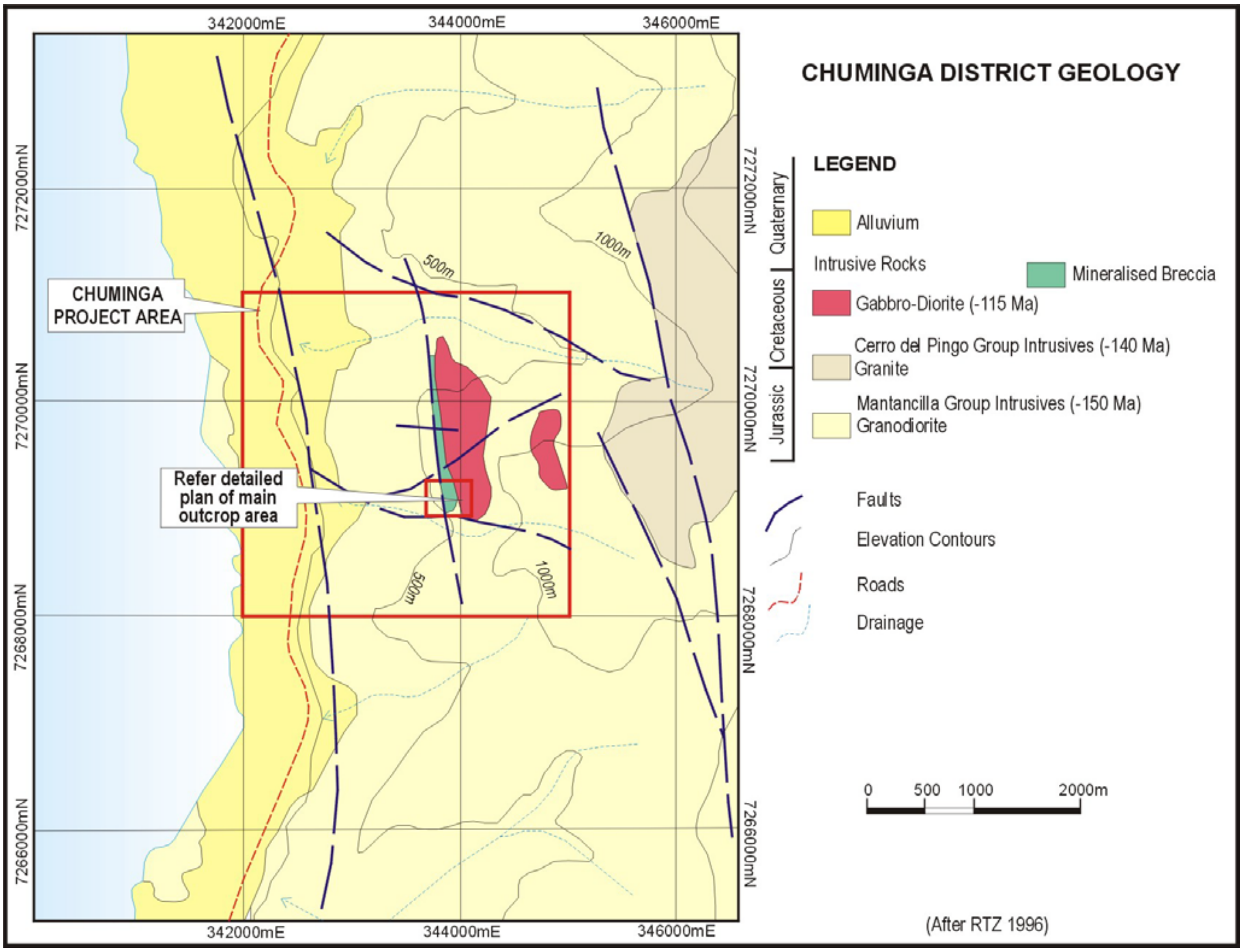


Figure 4: Chuminga District Geology.

3.4.2.1 Alteration and Mineralisation

With respect to the breccia mineralisation, general alteration represented by the mineral assemblage, sericite-chlorite-amphibole-magnetite-haematite-tourmaline, forms a halo around a central copper mineralised core. Mineralisation consists of a sulphide association dominated by chalcopyrite-chalcocite-incipient bornite with pyrrhotite-pyrite-sphalerite-magnetite which is present as disseminations and fracture fillings. The sulphides are often small ovoid nuclei surrounded by both iron oxides (haematite-goethite-limonite) and copper oxides (atacamite-chrysocolla) which also occurs in fracture fillings.

3.5 Exploration to date

The Chuminga Project area has seen two owners since the discovery of the copper-gold mineralisation in 1981; the discoverer, Eulogio Gordo y Cia ("Gordo Engineering Company") over the period 1981 to 2005, and SCM Compania Minera Chuminga, 2005 to the present. Meaningful exploration of the Chuminga Project area has been limited to the original owner over the initial discovery phase period, 1981 to 1987. Since that time the project has been the subject of reviews by various companies as part of a possible acquisition or joint venture on the mineral asset with the Gordo Engineering Company.

3.5.1 Gordo Engineering Company

The Mining Division of the Gordo Engineering Company discovered the mineralisation in 1981 by the recognition of oxidised chalcopyrite-pyrite-magnetite boulders down slope of the scree covered zone of mineralisation at the base of the mountain side. The company was then actively mining Cu-Fe ores at Santa Domingo, Paposo, 48km directly south of Chuminga. The company carried out intensive exploration during the period 1981 to 1987 especially where the mineralisation outcrops over an area of 250m north-south by 100m east-west between 600masl to 700masl (Figure 5).

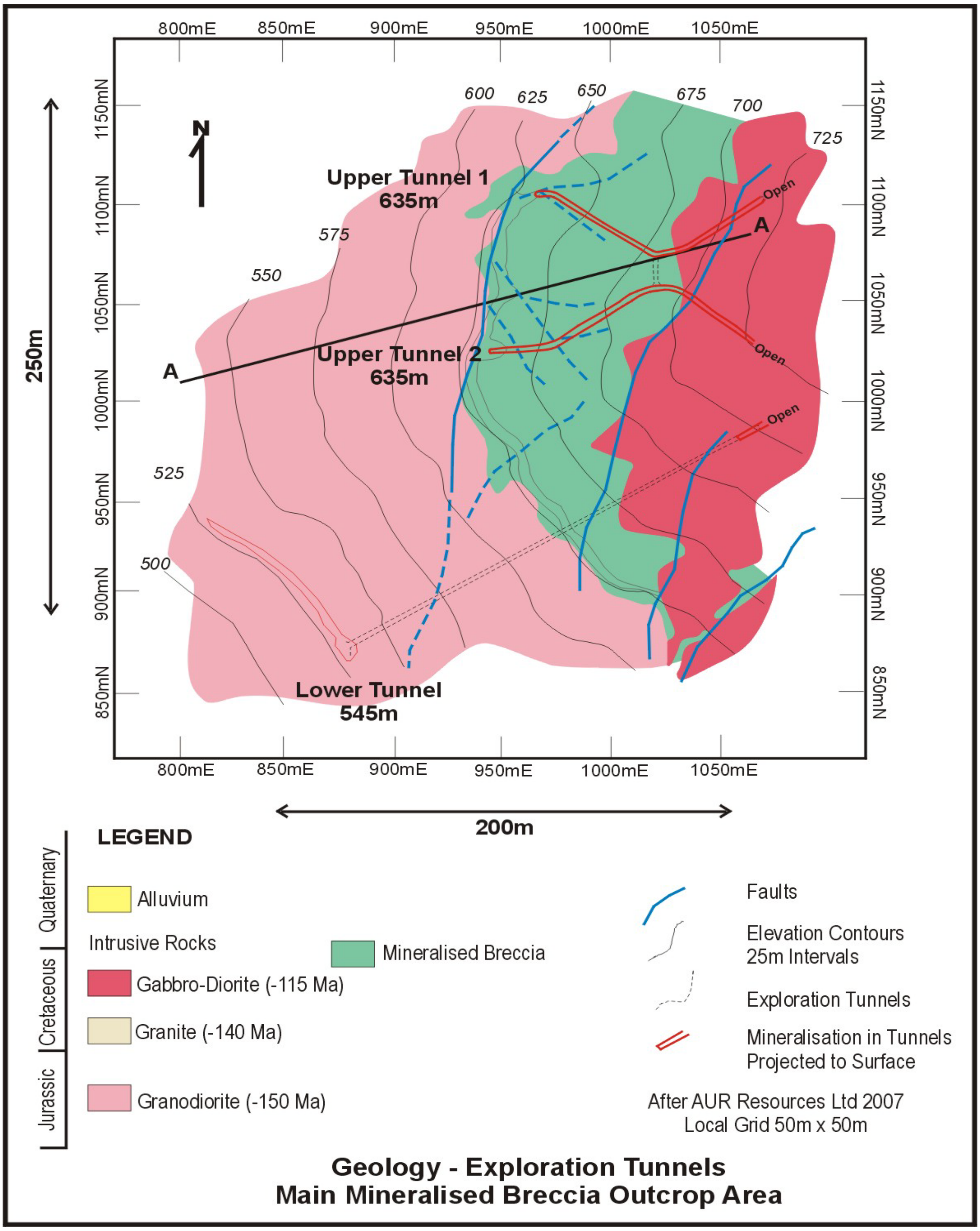


Figure 5: Chuminga Exploration Tunnels & Geology.

Most of the recognized mineralised strike of the body is scree covered by rock debris which is continually moving down a 40^0 mountain slope. Exploration work carried out included initial prospect geological mapping, with surface sampling and trenching on the outcrop area between 550m and 600m above sea level. The favourable Cu-Au-Ag results of three trenches; i.e. Trench Z1 - 40m @ 1.44% Cu, 0.45 g/t Au, 2.5g/t Ag; Trench Z2 - 25m @ 1.21% Cu, 0.36 g/t Au, 3 g/t Ag and Trench Z3 - 20m @ 0.75% Cu, 0.40 g/t Au, 4 g/t Ag having a weighted average result of 1.21% Cu; 0.41 g/t Au; 3 g/t Ag (Figure 6), led to the opening of three tunnels into the mineralised breccia. These tunnels were placed orthogonally to the strike of the mineralised breccia - two tunnels 100m apart at 635masl, which were latter interconnected; and a third tunnel, 90 metres below the first two, at 545masl (Figure 5).

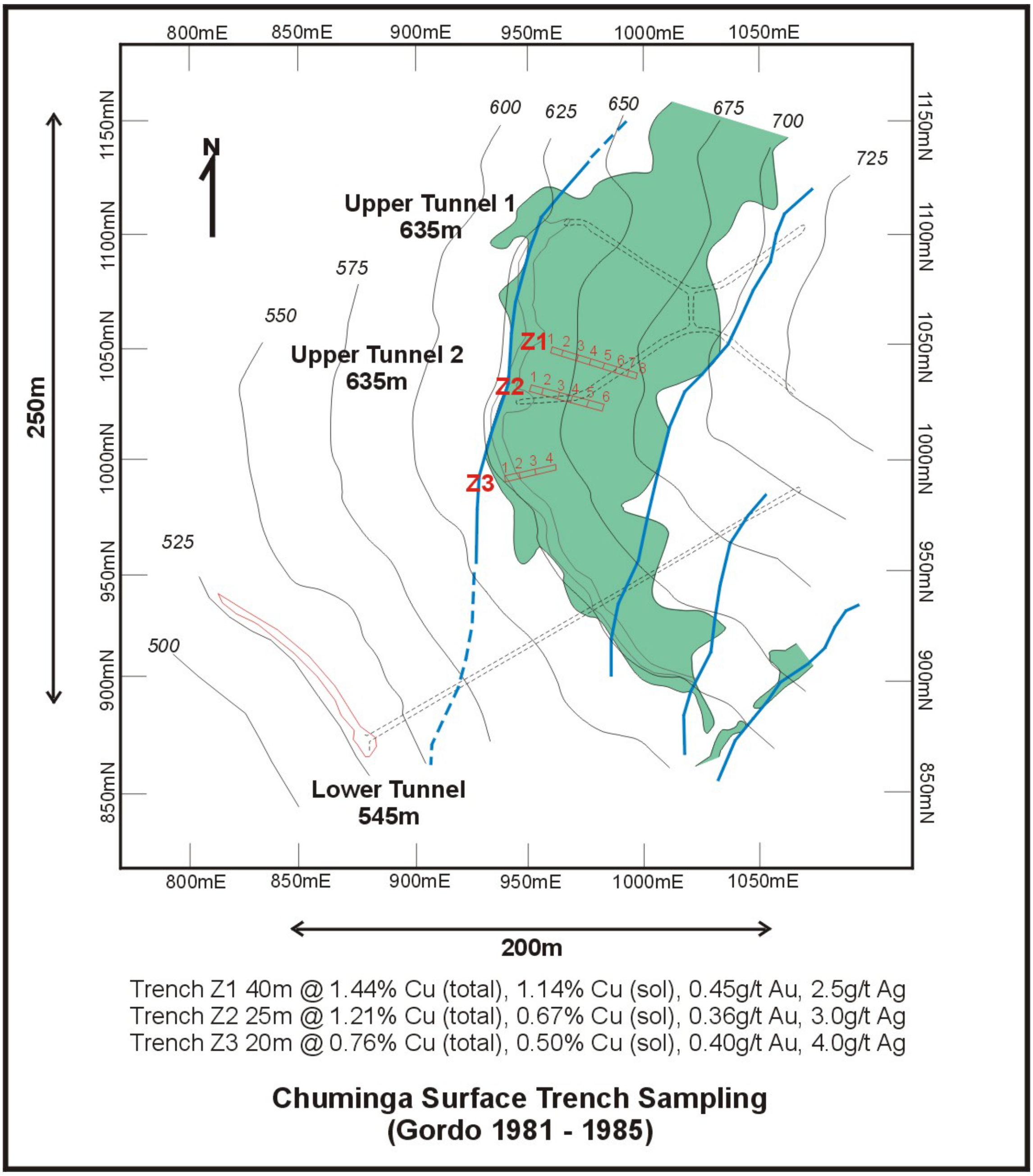


Figure 6: Chuminga Trench Locations.

The upper tunnels, 100m apart and 120m and 180m in length, were reported to have intersected mineralisation through the entire run of the tunnels, but did not transect the full width of the mineralised breccia. The southern-most, upper tunnel was comprehensively sampled, but not over its entire length (Figure 5). This sampling consisted of both the northern and southern walls being initially chip sampled over a 2.5m sampling interval for the first 60m length of the tunnel. The roof of the tunnel was subsequently sampled over a 5m sampling interval for a

115m length of the tunnel. The weighted average of the results obtained was 115m @ 0.90% Cu (total), 0.70% Cu (soluble) and 0.48 g/t Au (Figure 7). The ratio of soluble copper to total Cu grade analyses of these tunnel samples expressed as a recovery of Cu (78%) indicates good metallurgical characteristics of the oxidized copper mineralisation at an approximate vertical depth of 60m.

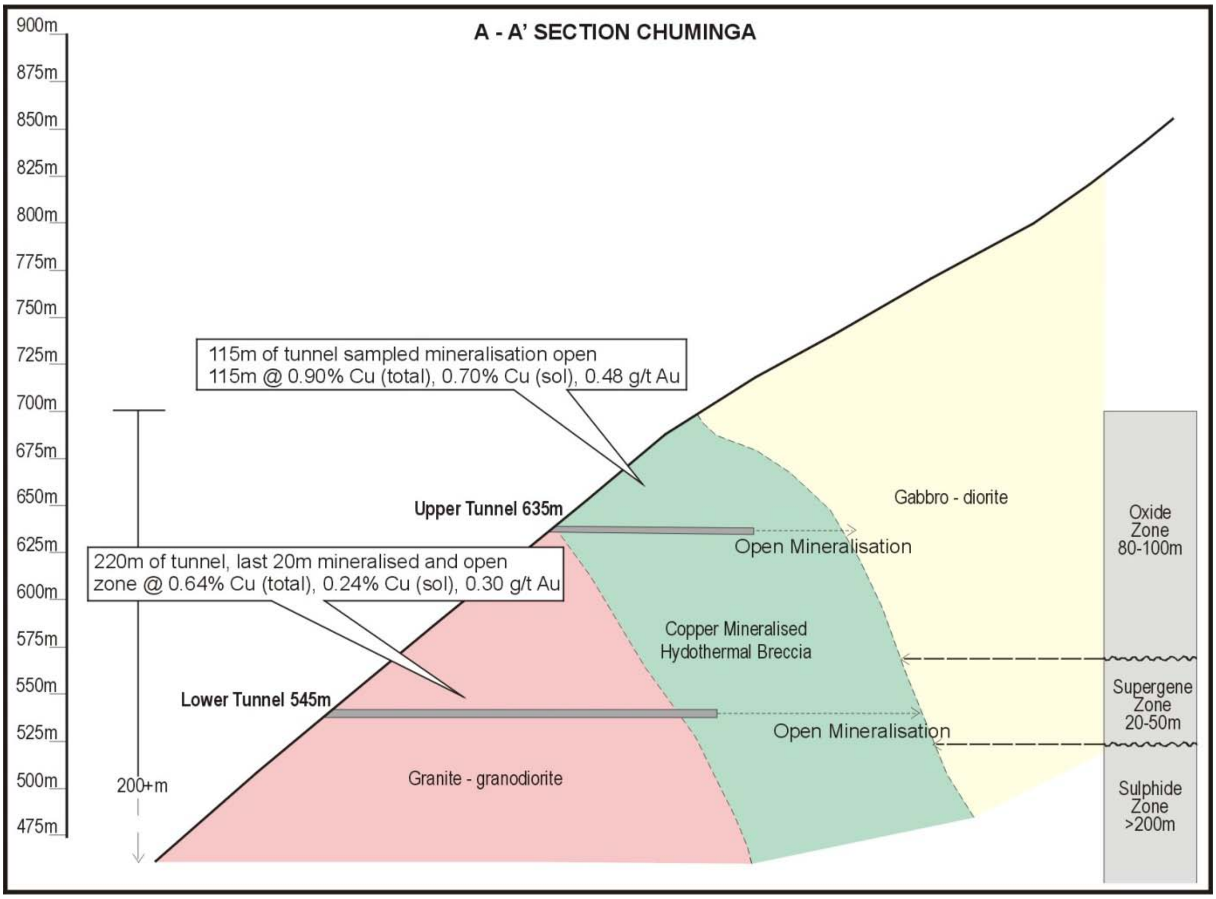


Figure 7: Chuminga Cross-Section (A-A' from Fig 5).

The lower tunnel is some 218m long intersecting mineralisation in the last 30m of tunnel. It was not completed through the mineralised breccia due to financial problems with the company at that time. The walls and the roof of the tunnel were sampled over the interval 197.5m to 217.5m and the weighted average of the results obtained was 20m @ 0.64% Cu (total), 0.24% Cu (soluble) and 0.30g/t Au (Figure 7). The ratio of soluble Cu to total Cu grade analyses of these tunnel samples expressed as a recovery of Cu (38%) indicates the metallurgical characteristics of the copper mineralisation has changed. This is a function of the less oxidized nature of the mineralised body at an approximate vertical depth of 155m. This observation may be just a reflection of the fewer number of analysed samples in the lower tunnel (4 compared to 23) and the selection of the sampling positions, as the lower tunnel had just entered the mineralised body where it stopped. However, a change of mineralogical characteristics (decreasing oxides to sulphides with depth) has been commented upon by other parties, refer section 3.5.4 below.

Overall Gordo Engineering Company concluded that the exploration target potential of the copper mineralised breccia was between 7.5 to 45 million tonnes at 0.90 to 1.21% Cu and 0.40 to 0.48 g/t Au. The potential quantity and grade of this target is conceptual in nature, as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

3.5.2 RTZ Mining and Exploration

No further work was undertaken by the Gordo Engineering Company post 1987. In 1996, RTZ Mining and Exploration Ltda (“RTZ”) examined the property as part of possible acquisitions of the mining assets of the company. Limited sampling indicated that the extent of the mineralised body was 1,000m, possibly to 1,200m, as the gabbro-diorite was shown to extend that distance, and its width was up to 100m. It was considered a significant mineralised body, but was not of sufficient size for RTZ.

3.5.3 AUR Resources

SCM Compania Minera Chuminga acquired Chuminga in 2005. In 2007, the local subsidiary of Canadian miner, AUR Resources Inc (“AUR”) examined the property and the data base before that company was taken over by Teck-Cominco Inc. in the same year. AUR carried out a re-sampling exercise of surface trenches and tunnels by re-sampling 20% of the same sample points of the Gordo Engineering Company. Total copper had a marked positive bias in favour of sampling done by AUR, the average grade being 49% higher, whilst gold had a marked lower bias in favour of sampling by AUR, the average being 66% lower. It was noted both gold values data sets had an inverse relationship with copper. From an observation of the AUR versus Gordo Engineering Company soluble Cu and total Cu data for the same sample points, the soluble copper to total Cu ratio for these particular sample points is far higher than AUR (93% to 80%). This suggests the Gordo Engineering Company mine laboratory did not use a total Cu analytical method as compared to the commercial laboratory used by AUR for their analyses. However, the reason for the difference in gold analytical results between the laboratories cannot be readily explained and could again be due to different laboratory analytical methods for gold analyses.

AUR confirmed the mineralised breccia body discovered by Gordo Engineering as being an exploration target of 7.5 to 45 million tonnes of 1.30 to 1.40% Cu and 0.30 to 0.40g/t Au. However, grade ranges cannot be verified from the available data. The potential quantity and grade of this target is also conceptual in nature, as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

3.5.4 SCM Compania Minera Chuminga

In 2009, SCM Compania Minera Chuminga requested Chilean consulting group, Rojas and Associates (“Rojas”) to give a technical opinion on the property after conducting both a field examination of the Chuminga Prospect and a review of all available data.

The grades of samples taken from the tunnels by AUR showed significant increases in Cu grade compared to the original work of the Gordo Engineering Company and also a 1% mean Zn content for the body was estimated from the AUR sample data. The Zn content cannot be confirmed as the AUR analytical data in full has not been seen. However, the Zn content is not unexpected as sphalerite, a zinc sulphide mineral, was reported by RTZ to occur in the ore mineral suite. No comment was made by Rojas on the Au content of the body, though it appears a gold grade of 0.4g/t was estimated and the reason behind this estimate is not known. It is noted however, that the weighted average grade of the Gordo Engineering Company surface trench samples, 1.21% Cu and 0.41% Au, (with the latter addition of Zn) appears to have been accepted by Rojas and was incorporated into his estimate of the grade of the mineralised breccia as being 1.1 to 1.2% Cu; 0.30 to 0.40 g/t Au; 0.9 to 1.0% Zn. The potential quantity and grade of the target is conceptual in nature, as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

It is estimated from a study of the mineralised breccia body that there is an upper 80m to 100m of oxide copper mineralisation below which is a probable mixture of oxides and supergene sulphides which from regional analogies may be 20m to 50m in extent (Figure 7). The floor of this mixed zone was prognosed to be located a few metres below the elevation of the lower tunnel, and underlying this should be a primary sulphide zone, inferred by the presence of mixed oxide and sulphide minerals in the lower tunnel and relics of copper sulphides in the oxides in the upper tunnels. The extension of this primary zone at depth depends on the existence of the hydrothermal breccia at depth. Rojas suggested it could extend to a vertical depth of 300m or more below the lower tunnel. It was noted that as most of the sulphides have been oxidized in situ and vertical movement of copper appears limited, one might expect restricted supergene sulphide development (as these sulphides should now be oxidized) and as a consequence the grade of the primary sulphide zone should not vary significantly from the grade of the oxidized zone.

By considering the area of mineralisation on surface, the lateral and vertical depth of the tunnels and the general strike extent of the mineralisation, Rojas estimated an overall exploration target at Chuminga of between 50 to 60 million tonnes at 1.1 to 1.2% Cu; 0.30 to 0.40 g/t Au; 0.9 to 1.0% Zn. The potential quantity and grade of this target is conceptual in nature, as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

3.5.5 Ezenet Limited

During September 2011, EZE conducted sampling of three new contiguous trenches located as shown in Figure 8. These trenches were dug following the approximate contour of the strike of the mineralised breccia. The averaged results are summarised below in Table 2.

Trench	Strike From m	Strike To m	Interval m	Au g/t	Ag g/t	Cu %	Pb ppm	Zn ppm	As ppm	Mo ppm
Trench 1 north	0	12	12	0.01	0.2	0.01	6	38	30	4
	12	66	54	0.19	1.4	1.09	4	86	83	20
Trench 2 central	0	150	150	0.21	1.3	1.03	6	96	53	18
Trench 3 south	0	31	31	0.20	0.6	1.14	9	61	58	25
	31	32	2	<0.05	0.2	0.02	5	36	32	3
Summary Strike	0	12	12	0.01	0.2	0.01	6	38	30	4
	12	202	190	0.20	1.2	1.07	7	87	62	20
	202	204	2	<0.05	0.2	0.02	5	36	32	3

Table 2: Recent Trench Sampling Details.

The highlighted Cu and Au results of the continuous breccia mineralisation encountered along strike (190m @ 1.07% Cu, 0.20 g/t Au) are similar to the historic results and thereby help to confirm the earlier exploration results. The Zn results do not match with earlier results by way of being extremely low.

This is interpreted as being caused by mineralisation zoning with respect to elevation of the deposit with various elements, Zn in particular and Mo to a lesser extent, being susceptible to differential precipitation as pH and Eh levels varied as the mineralising fluids solidified to form the occurrences now delineated. This results in stratification of Zn mineralisation with possible enrichment in the core of the reported mineralisation. In particular, the new trenches were dug along strike on the basal portion of the mineralisation depleted in Zn rather than across strike and thus produced these current results. This does not diminish the previous work as described above except for the Zn results.

Consequently the grade range for the zinc component of the exploration potential estimate is reduced from the previous range of 0.9% to 1.0% Zn to 0.5% to 1.0% Zn. Please note that all exploration targets are conceptual in nature and future work may not delineate all or any of the potential target.

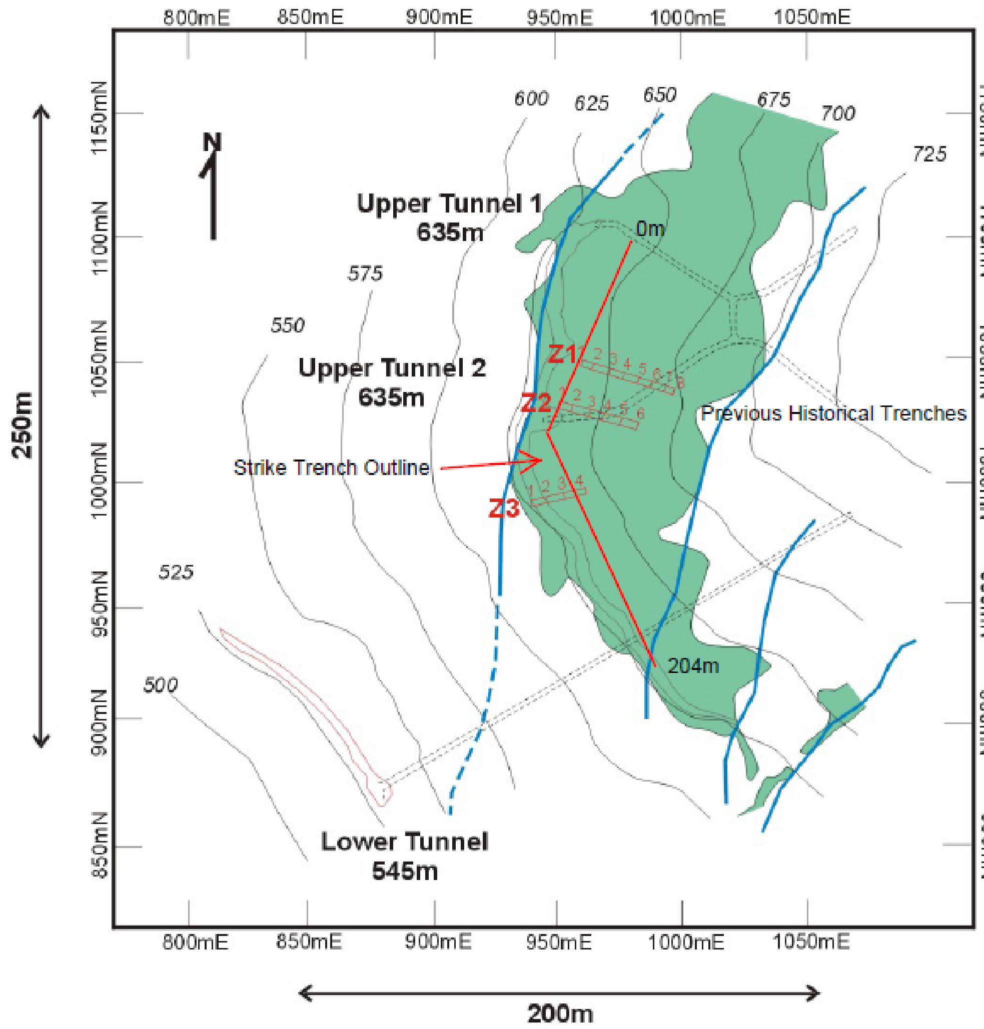


Figure 8: Location of New Trenches (on Fig 5).

3.6 Exploration Potential

Whilst there are some varying grade results in the Chuminga data to hand, there is evidence from the original owner of Chuminga, and importantly independent data reviews of the Chuminga Project by large reputable companies as part of farmin or purchase diligence deliberations on the project, using the above parameters of the mineralised body, to suggest the existence of a large exploration target of medium grade Cu-Au-(Zn) mineralisation (50 to 60 million tonnes of 1.0 to 1.1% Cu; 0.30 to 0.40g/t Au; 0.5 to 1.0% Zn) which appears to have good metallurgical characteristics and a geometry amenable to bulk mining methods. Drilling, in particular, has yet to occur on the mineralised breccia body, and is a primary requirement to realise the conceptual tonnage-grade expectations at Chuminga based on exploration carried out to date. The potential quantity and grade of the target is conceptual in nature, as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

A better understanding of the true potential of this mineralisation will occur in the near future with Ezenet carrying out systematic exploration programs involving geophysics, drilling and metallurgical testing.

3.7 Proposed Exploration Program and Budget

Ezenet will commence initial detailed ground geophysical programs involving magnetics and induced polarization in August over the 1,200m strike of the mineralised breccia. The aim of the program is;

1. To build a detailed 3D magnetic and IP model of the strike of the mineralised breccia body to a depth of at least 300 to 400m to assist drill planning and possible resource estimations using current sampling data of the tunnels and subsequent diamond drilling results.

2. To prospect for further structurally-controlled mineralised breccias on both the western and also the eastern contact of the young intrusive gabbro-diorite bodies that are known or are suspected to occur in the eastern half of the 9km^2 prospect area which are mainly concealed by scree moving downslope on the mountain side.

This geophysical program, concurrent with road access to drill sites in the environs of the upper tunnels, will lead to the commencement of an initial diamond drilling program in September Quarter 2011, with subsequent preliminary metallurgical work to determine the target potential of Chuminga. Six NQ core holes will be drilled for 1,460m on 3 sections. Two holes, “scissored” on each of the sections, should outline the width (morphology) and grade of the mineralised breccia and determine the vertical extent of the oxidised and supergene mineralisation of the primary breccia mineralisation over the 250m to 300m strike of the breccia mineralisation in the environs of the tunnels. Further step out on-strike drilling is planned based on the results of the geophysical program.

A proposed budget for exploration activities in Years 1 and 2 is outlined below in Table 2. This budget will be subject to change as it is results dependent on the outlined activities.

Activity	Year 1 $000s	Year 2 $000s	Totals $000s
Base plan preparation including low level air photogrammetry and surveying	20,000		20,000
Ground Geophysical Surveys plus interpretation	100,000		100,000
Surface Mapping, Targeting Geophysical Anomalies, Trenching & Sampling	50,000		50,000
Road Access	500,000	100,000	600,000
Diamond Drilling	310,000	1,000,000	1,310,000
Analytical	40,000	100,000	140,000
Metallurgical Testing	10,000	50,000	60,000
Resource Estimation	15,000	30,000	45,000
Mining Engineering		50,000	50,000
Field Supervision	50,000	100,000	150,000
Administration	80,000	100,000	180,000
TOTAL	1,175,000	1,530,000	2,705,000

Table 3: Chuminga Project Proposed Exploration Budget.

4.0 Vega Project

4.1 Introduction

The Vega Gold Project lies in Chile's Fourth region, in the high Andes, 20km north of the El Indio Gold Mining Centre and 135km due northwest from the coastal city of La Serena which is in turn 460km north of Santiago, the capital of Chile (Figures 1 and 2).

Vega targets an undrilled epithermal system similar to other gold bearing volcanics close by in the El Indio Gold Belt. The El Indio Gold Belt contains recent large, past (El Indio - Tambo) and present (Pascua Lama - Veladero) gold mining centres. Some 50 million ounces of gold and 900 million ounces of silver as global resources have been discovered to date by mainly Barrick Gold Corporation, the dominant miner in the region[ref 4].

4.2 Tenement Details

The details of the tenement holdings, comprising 10 Exploration Licences covering a contiguous area of 28km^2 for the Vega Project, are presented in Table 3 below.

Licence ID	Holder (1)	% Interest	Licence Type	Area (ha)	Mining Patents 2011-12 US$ (2)	Expenditure Commitment	Expiry Date for Concession	Comments (3)
Vega 1	CMC	100	Exploration	200	324.18	None	10/12/2014	Constituted
Vega 2	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 3	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 4	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 5	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 6	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 7	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 8	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 9	CMC	100	Exploration	300	486.28	None	10/12/2014	Constituted
Vega 10	CMC	100	Exploration	200	324.18	None	10/12/2014	Constituted

Note:
(1) CMC is Compañia Minera Calcia Ltda. Pursuant to a purchase agreement between Ezenet, is Green Mining Ltda (Ezenet Limited's Chilean subsidiary) and CMC, Green Mining has the right to acquire the Vega Concessions subject to the satisfaction of certain conditions.
(2) Mining Patents represent yearly rent and rate fees for mining rights in Chile. Values may suffer variation according to the value of the Monthly Tax Unit which is established and adjusted on a monthly basis through a monetary unit known as UTM.
(3) Constituted is the Chilean equivalent of granted.

Table 4: Vega Project Tenement Details.

4.3 Location and Access

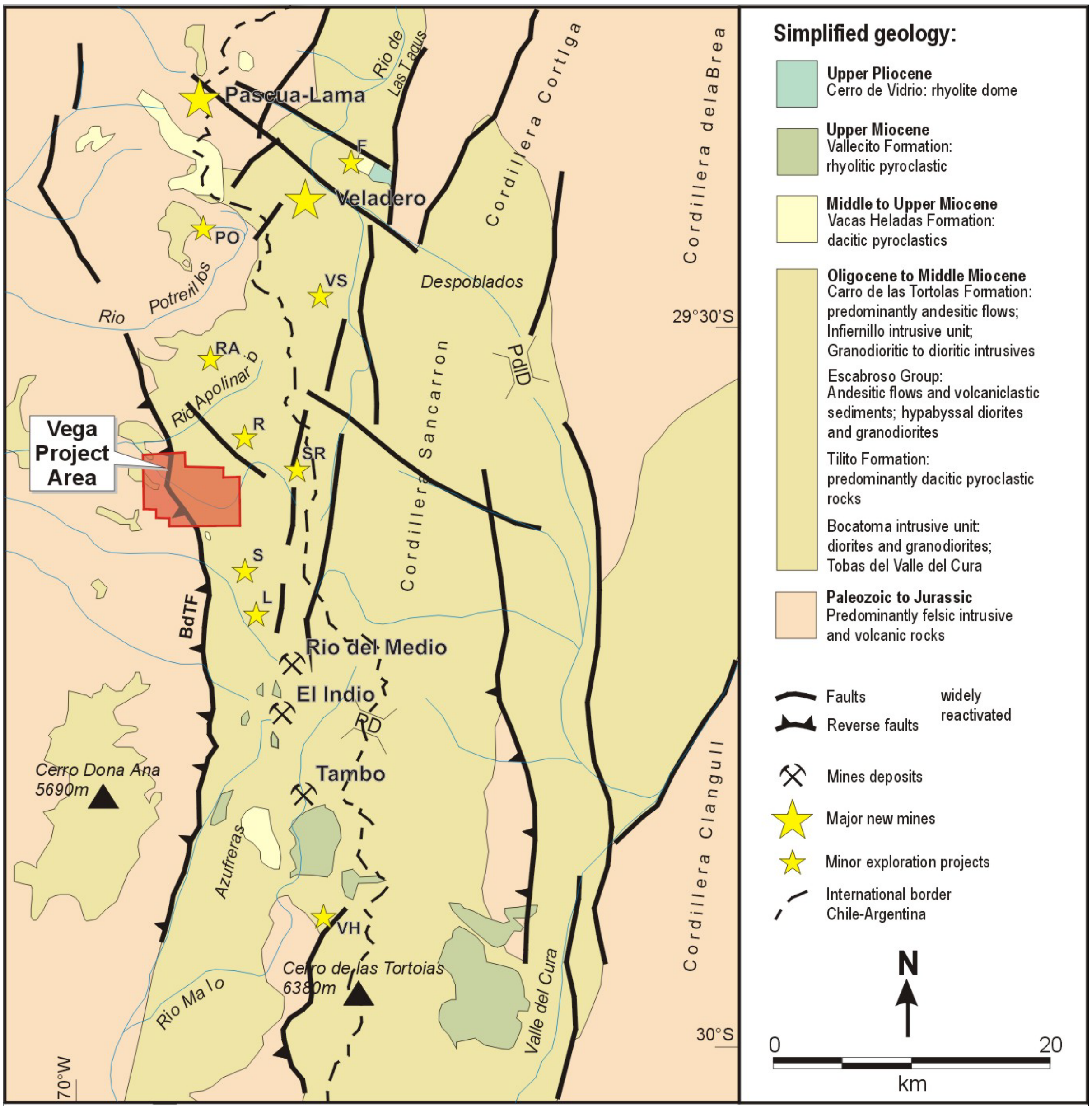
Project access is via the coastal city of La Serena, following the Elqui valley 160km east along Route 41, the highway to Argentina, through Vicuña, to the border post at Junta del Toro. A 26km gravel highway is then taken northwards to Barrick's closed El Indio mine. Vega lies 20km further north of El Indio, following a non-maintained dirt road, which continues upstream a further 5km to Barrick's Sancarron gold project (Figure 8), at the Argentine/Chile border.

The project occupies an area of 28km2 centred on UTM coordinates 6,725,500mN 401,500mE at approximately 3,850masl. The area is accessible Andean terrain between 3,600masl and 4,100masl with the concessions occupying both sides of the valley of the Sancarron River, which flows north-west as a tributary of the Rio del Carmen, passing through the town of Vallenar, and reaching the sea at Huasco, in Chile's Third Region.

4.4 Geology

4.4.1 Regional Setting

The Vega Gold Project lies in the northern part of the 150km long “El Indio Belt” of Tertiary age volcanic rocks straddling the Chile/Argentina border in which a number of precious metal discoveries have been made (El Indio, Tambo, Sancarron, Pascua Lama, Veladero), midway between the El Indio and the Pascua Lama-Veladero gold mining centres (Figure 8).



Simplified geology and major faults of the El Indio-Paascua belt.

Abbreviations for alteration systems and exploration projects: F = Faciana, L = Libre, P = Potrerillos, R = Renaca, RA = Rio Apolinario, S = Sanco, SR = Sancarron, VH = Vacas Heladas, VS = Veladero Sur. Other abbreviations: BdTF = Banos del Toro fault, PD = Paso Deidad, PDID = Portezuelo de los Despoblados.

Figure 9: Vega Regional Geology & Other Mines.

Compañía Minera San José Ltda, (“St Jose”), a subsidiary of St. Joe Minerals Corporation, discovered El Indio in 1975. Chevron Minerals Corporation and others in joint venture with San José also became involved in El Indio, and dominated regional exploration of the 150km long El Indio gold belt until the property assets were acquired by Barrick in 1994.

South of the Vega Project, the El Indio-Tambo complex produced 5.8 million ounces of gold. El Indio itself produced 4.5 million ounces of gold, 25 million ounces of silver and 472,000 tonnes of copper from underground and open pit operations in its 23 year life from 1979 to 2002 (16.8 million tonnes mined at an overall recovered grade of 8.33 g/t Au, 46.3 g/t Ag and 2.81% Cu)[ref 7]. El Indio was famous for its production of direct shipping ore in the beginning of its mining life; 190,000 tonnes for 1.2 million ounces at an overall average grade of 196.4 ounces of gold per tonne. Barrick's mining activities have moved to Pascua Lama-Veladero, 60km to the north in the belt straddling the Chile-Argentina border. Here a number of classic, high sulphidation Au-Ag-Cu epithermal deposits have been discovered, containing some 38 million ounces of gold and 900 million ounces of silver. Mining has commenced at Veladero just inside Argentina at 600,000 ounces per annum whilst Pascua Lama is expected to be in production in early 2013 at an annual rate of 750,000-800,000 ounces of gold and 35 million ounces of silver[ref 4].

El Indio is a classic, high sulphidation epithermal deposit which was emplaced in two well defined sericite haloes with subsequent replacement in part of the enargite mineralisation by tennanite (both copper arsenic sulphide minerals) chalcopyrite and gold and a phase of latter low sulphidation bonanza gold-quartz veins in alteration halos of illite and quartz. The latter was the source of the early bonanza production[ref 7].

The majority of mineralisation in the El Indio Belt is hosted by Upper Oligocene to Miocene age volcanics of the Dona Ana Formation, which unconformably overlies "basement" [ref 5]. This formation consists of the Tilito Member, rhyolitic-dacitic pyroclastics (ash flow tuffs); overlain by the Escabroso Member, fine grained to porphyritic andesites, which have emanated from various identifiable volcanic centres in the region. El Indio, Tambo, Vacas Heladas, Libra and Sancarron are the more prominent of these partially eroded volcanoes and have been prime exploration targets for Barrick [ref 5]. The latter two are respectively just southeast and northeast of Vega (Figure 8). All have undergone contemporaneous hydrothermal (steam induced) alteration affecting the individual strato-volcanic piles and limited areas of surrounding host rock. The effusive centres are generally elliptical in plan, reflecting the prominent north-south fault zones along which these were emplaced. Detailed mapping by past explorers has identified many 'parasitic' cones in the El Indio district, of the order of 100m in diameter, formed of tuffs, angular breccias and rounded "pebble" breccias in their central parts, indicating extreme re-working of the clasts in an explosive environment.

The region has had considerable tectonic thrusting and dislocation, and the Tertiary volcanic belt is preserved in a north-south trough on the eastern side of the upthrust, Palaeozoic age Elqui-Limari Batholiths which form the basement to the region with unconformably overlying Upper Jurassic to Lower Cretaceous lavas, volcanoclastic sediments and limestones which are named the Baños del Toro Formation and Algarrobol Formation [ref 5] (Figure 8). Apart from a prominent regional north-south sinuous series of thrusts, many subordinate normal faults line up in northeast-southwest and northwest-southeast swarms, and the former host the bonanza type gold-silver ores. At El Indio these minor mineralised faults, near surface, "horse-tail" and even deteriorate into zones of indeterminate fracturing and stock work. With depth, the faults and their accompanying veins consolidate into more identifiable mineable structures which grade from precious-metals near surface to copper-zinc rich at depths of below 400m.

4.4.2 Project Geology

Vega is placed at the northern end of a local concentration of hydrothermally altered volcanic centres of dacite tuffs which are clustered either side of El Indio for a distance of 50km north-south by 15km east-west. The more significant of these centres have been the focus of Barrick's

exploration activity (Figure 8). Further north, the alteration picks up again at Rio Apolinario, and continues to the new mining district of Barrick at Pascua Lama-Veladaro and beyond.
The argillic-silicic altered volcanics at Vega, belonging to the Tilito Member of the Dona Ana Formation, are exposed over an area of 5km x 1.5km and are emplaced on a caldera ring fault marked by the curving Sancarron River as is a younger diorite of the Infiernillo Group in the northwest of the immediate prospect area which is intrusive into the Tilito Member(ref 8) (Figure 9).

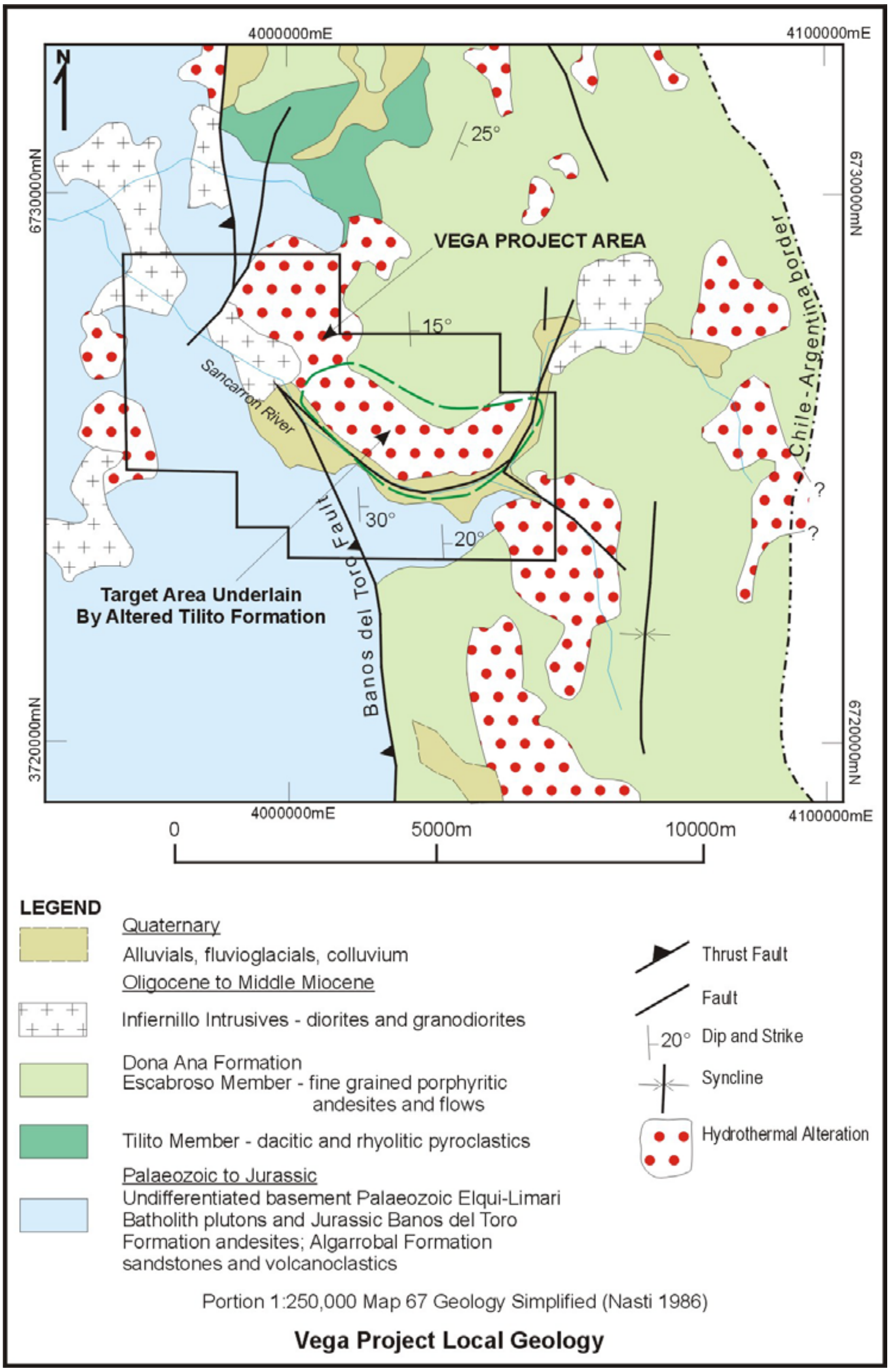


Figure 10: Vega Local Geology.

The altered volcanics are very evident on Google and ASTER satellite imagery (Figure 10). Outside the caldera rim to the south of the Sancarron River are bright red to grey andesitic lavas and volcanoclastic conglomerates, strongly hematite stained, which dip radially away from the volcanic centre of altered dacitic and rhyolitic tuffs, itself topped with andesite flows occupying the higher ground north of the Sancarron River.

Unlike the sharper peaks of nearby Libra and Sancarron, the interior of the Vega project where the centre lies, is a relatively domed topographic feature outlined by an approximately circular drainage pattern on its northern and southwestern sides. The diameter of this caldera is about 5km.

The altered volcanics at Vega are dacitic and rhyolitic tuffs of an ill-sorted pyroclastic sequence, striking northeast 15^0 to 25º and dipping from sub-horizontal to 25º to the southeast. The strongly altered volcanics are well exposed on the northern slopes of the Sancarron River valley, between 3,600masl and 3,900masl, and because of this have been the target in the past of detailed surface mapping and prospecting involving geochemical sampling.

On the eastern (upstream portion) of the project area, the pyroclastics are coarse, consolidated and brecciated. Following the outcrops of the altered tuffs downstream, they become finer and more widespread, occupying higher ground on both sides of the valley, and appear to infill old topographic channels, suggesting an airborne source at the northwest limit of the project area. The argillic-silicic alteration of the tuffs terminates abruptly against the overlying and adjacent Escabroso Member comprising fine grained to porphyritic andesites at approximately 3,900masl to 4,000masl on the northern side of the Sancarron valley (Figure 9). These andesites are flows probably originating from higher ground 6km to 8km to the east, or from within the same caldera and occupy terrain between 3,900masl and 4,300masl. The abruptness with the Tilito Member may indicate merely an unconformable relationship, but it may also indicate a fault separation of the two units, however, this is not clear in the field. The Escabroso Member andesites have ubiquitous mild propylitic alteration and variable red-stained hematite content.

The major structural features of the area is the north trending Banos del Toro Fault which outlines the eastern margin of the upthrust basement and a northwest-southeast trending regional fault following the Sancarron valley in the south west sector of the Vega project area which becomes curvi-linear in a northeasterly continuation upstream of the Sancarron River [ref 8] (Figure 9). This was the controlling structure along which the pyroclastics were emplaced, and along which hydrothermal fluids emanated. Minor faults, emphasised by silicification, strike northwest 60^0 to 80º, and a second set strike northeast 45^0 to 65º with lesser dykes, faults and minor shears.

The accumulation of acid sulphate altered, coarse (near vent source) pyroclastic tuffs and breccias, indicates a linear vent style emplacement and accompanying, vertically sourced, infusion of hydrothermal fluids that may have carried precious metals which is important for precious metal potential of the project area. On this point, Libra the prominent altered parasitic cone that is obvious on Google imagery and is also the prominent alteration area on Figure 10 just southeast of the Vega Project, is a good analogy for Vega as it is a nearby proved epithermal mineral system. The principal of the vendor CMC, an ex San José exploration manager, has reported from detection limits up to 2% arsenic with accompanying low order precious metals values was encountered in San Jose's Libra drill holes in the 1980s.

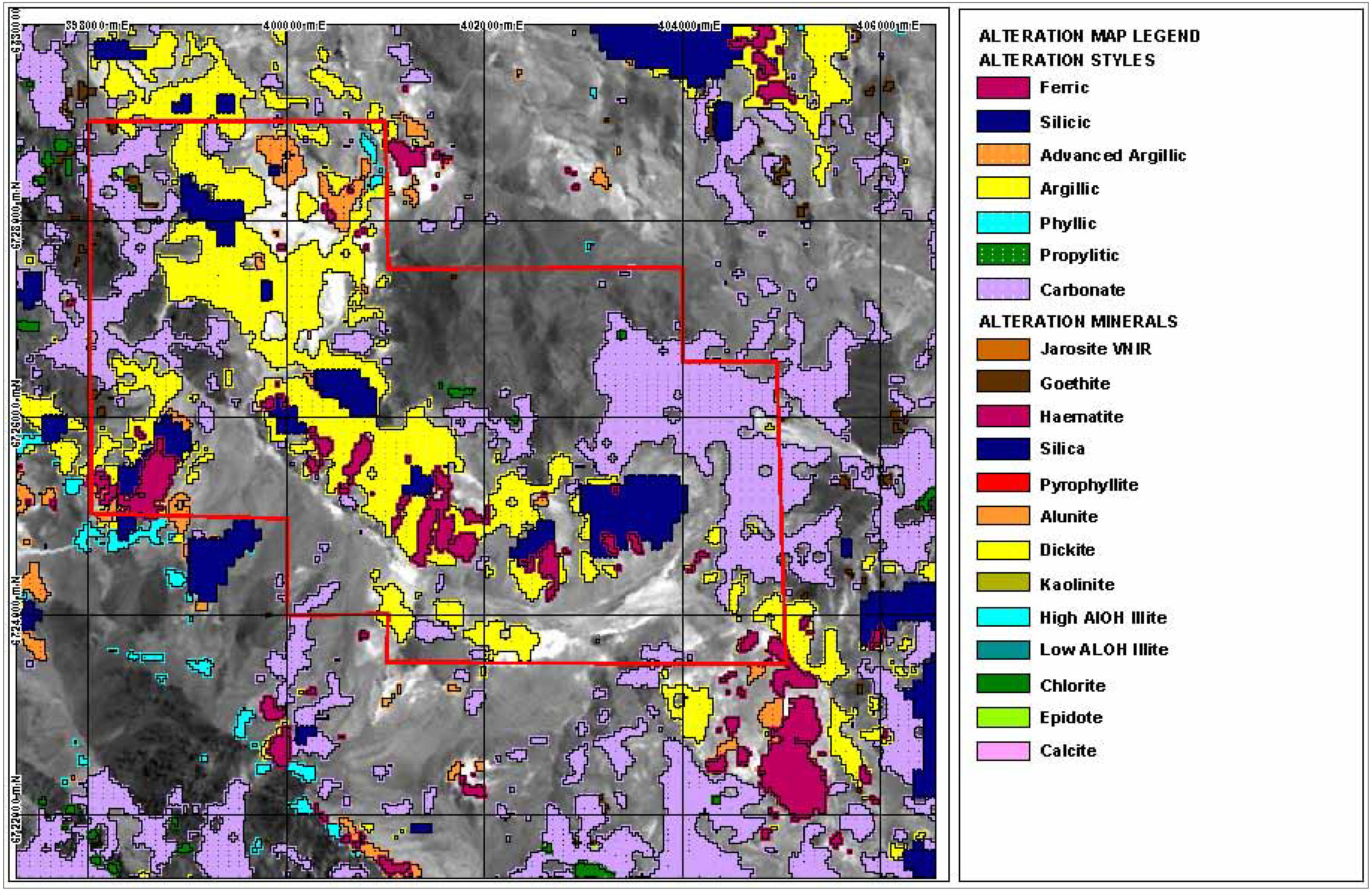


Figure 11: Vega 'Google+Aster' Image – Alteration Styles (AGARRS).

4.4.2.1 Alteration and Mineralisation

The argillically altered tuffs of the Tilito Member have common kaolinite, gypcrete and jarosite and are intruded by silicified breccias in small patches, lenses and faults. At the top of the sequence is native sulphur. Gypcrete and sulphur are concentrated in areas which were originally solfataric and are also found close to the silicified zones. Patches of gypcrete and jarosite occur as hard crusts with a maximum surface dimension of 40m x 20m. Jarosite is also associated with quartz- sericite zones, either disseminated, or as small vugh fillings in silicic breccias. Figure 10, an ASTER alteration image of the Vega Prospect area summarises alteration features of the immediate prospect area and the environs of the exploration concessions.

There are anomalous elemental patterns in the alteration area, some of which are coincidental and are also associated with anomalous geophysical features, (ie structure and silicification) especially on CSAMT lines 2 to 5. (Figure 11).

The silicified areas are irregular within the argillic-altered zone, predominantly occupying a brecciated zone at the eastern end of the alteration in the project area at "Vega East" at 6,725,500N 403,500E. Narrow fault structures (typically to 1m in width) are outlined by silicification, and where most intense, these approximate veining with or without brecciation. Silicification also occurs; in irregular patches ("bolsones"), apparently related to the original rock permeability, associated with dykes, and minor fractures, and also affecting individual clasts. A geophysical survey (Figure 12), discussed below in section 4.5.5, suggests that increased silicification of the volcanic extends below the valley floor for possibly several hundreds of metres vertically, widening at depth.

Quartz-sericite alteration appears in ill-defined zones roughly enveloping the more silicified rocks. In detail, sericitisation is seen to affect the feldspars within a moderately silicified groundmass of the dacitic tuffs.

Compared with the ex Barrick Sancarron project, located 5km east and northeast of Vega, the Vega alteration has similar argillic and silicic components, but less alunite, which is common in Sancarron. The altered zones at Libra immediately southeast of Vega are however, very similar to Vega(ref 20).

The argillic-silicic alteration of the tuffs terminates abruptly against the overlying and adjacent Escabroso Member andesites at approximately 3,900masl to 4,000masl on the northern side of the Sancarron valley (Figure 9). These andesites have ubiquitous mild propylitic alteration and a variable red-stained hematite content.

No primary mineralisation (sulphides or gold) has been observed on the Vega Project, though on litho-geochemical grounds, sulphides must be present at depth below the zone of leaching and oxidation. Sulphides thought to be present are disseminated pyrite from the presence of jarosite at surface and arsenopyrite, sphalerite and/or galena from highly anomalous rocks samples; ie As from detection limits up to 2.94%, Pb from detection limits to >0.10% and Zn from detection limits up to 0.76%.

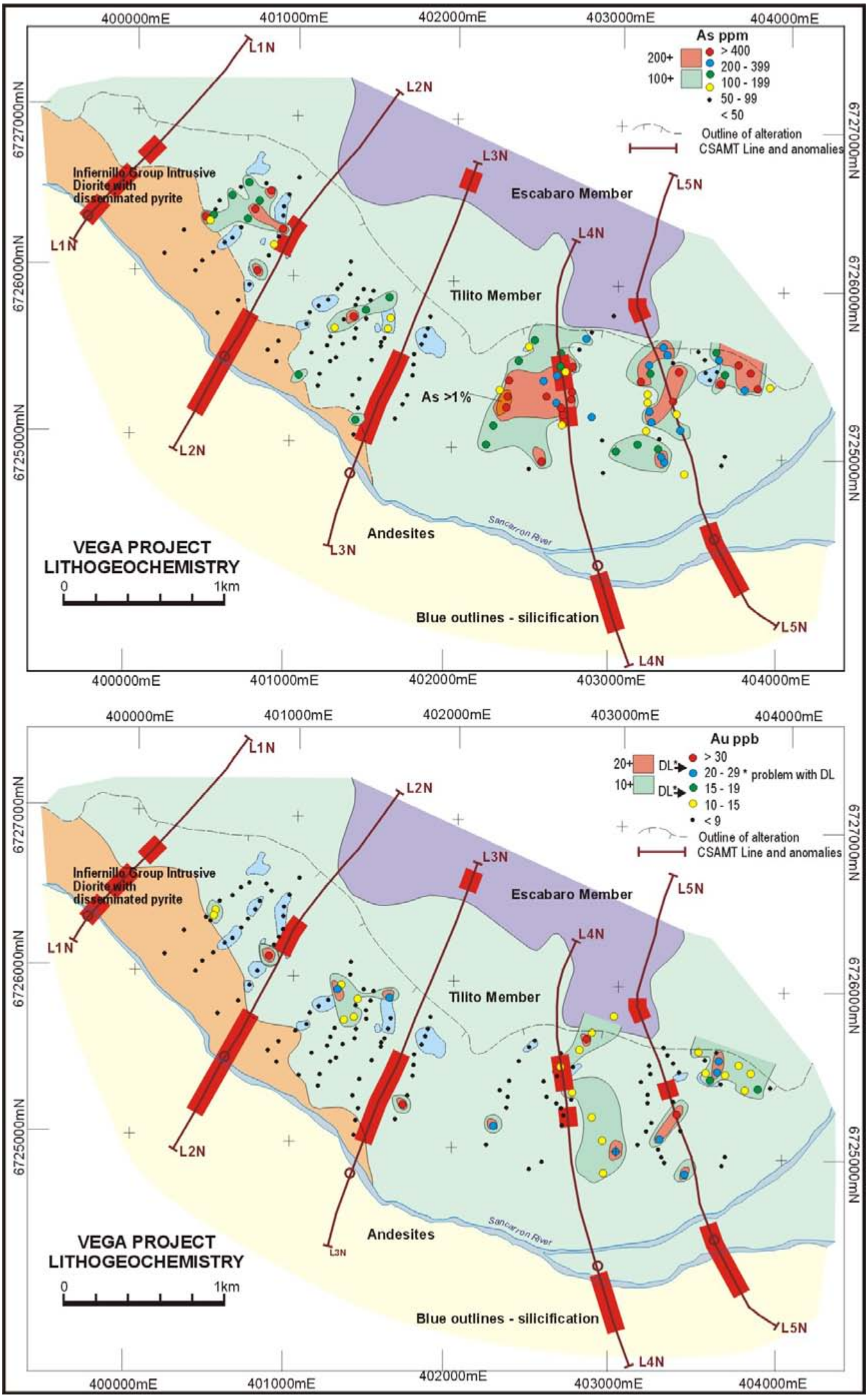
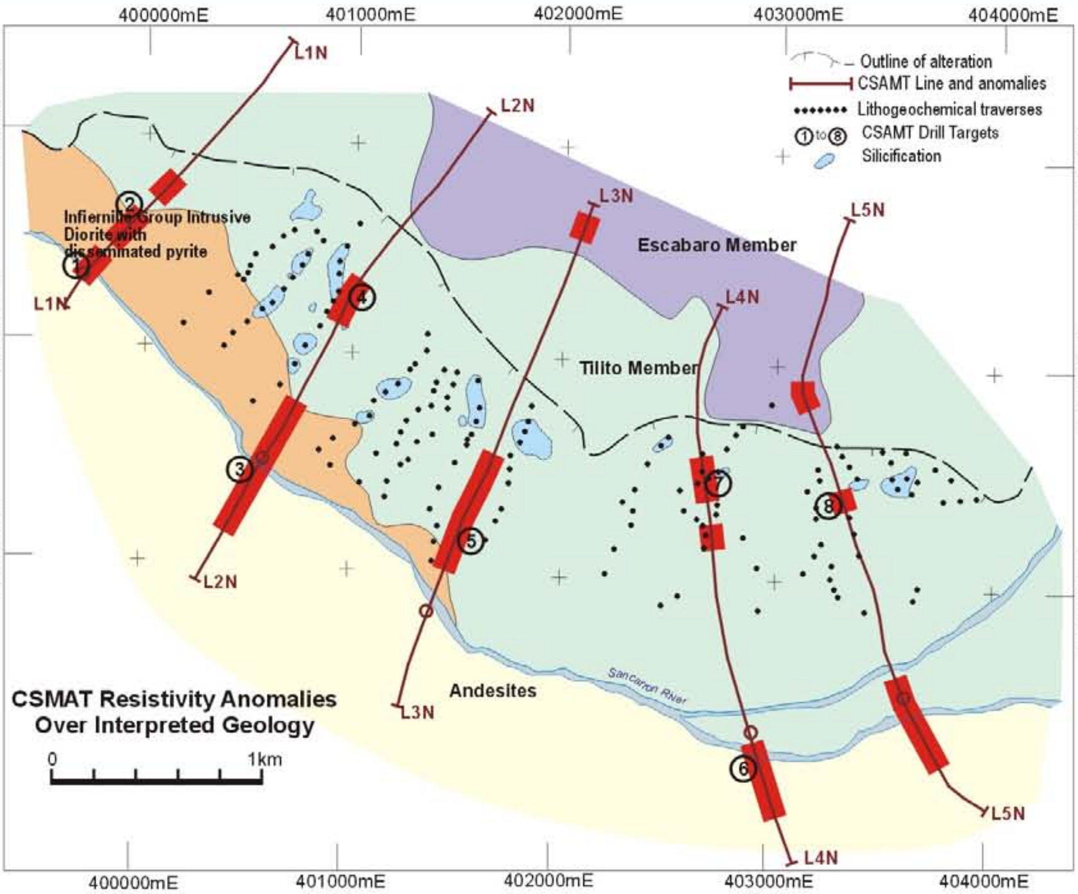
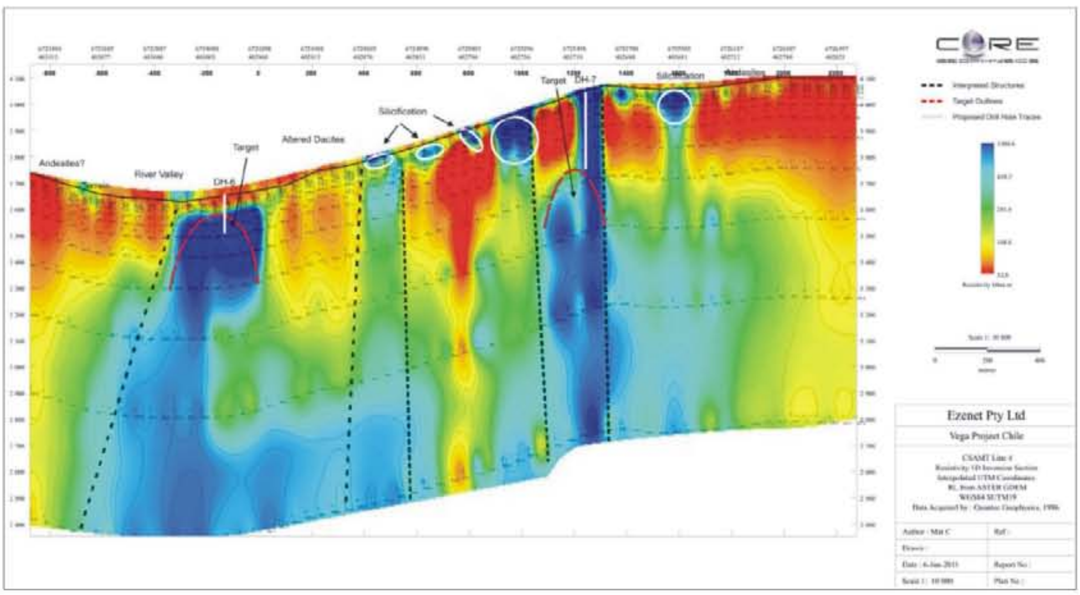


Figure 12: Vega – Coincidental Geochemical & Geophysical Anomalous Zones.



CSMAT Resistivity Anomalies Over Interpreted Geology



CSMAT Line 4 Simple Interpretation

Figure 13: Vega – CSMAT Geophysics- Anomalous Zones – Plan & Section.

4.5 Exploration to Date

4.5.1 Compañía Minera San José Ltda

As previously mentioned above, the hydrothermal volcanic centres of the El Indio Belt were identified in the 1970s and variously explored by the San José joint venture until the assets of the joint venture were bought by Barrick. The area now covered by the Vega Project was explored by San José over a short season in 1983; by geological mapping, lithological sampling and analysis. The geochemical values were not striking enough to encourage San José to continue with any further exploration method such as geophysics or drilling, and their focus continued on their higher priority targets, Libra, Sancarron, Nevada (now the Pascua-Lama mine) and several other properties along the extensively altered belt north and south of Vega.

4.5.2 Minera Fuego Ltda

San José relinquished the concessions over the Vega area in the late 1980s, allowing a local company SCM Legal Minera Manila Uno, to place new concessions there, named Manila 1-15. In 1996, Minera Fuego Ltda ("MFL"), a subsidiary of Yamana Resources Inc of Toronto, signed an option agreement to acquire the concessions.

In the 1996-97 field season, MFL carried out geological mapping with geochemical sampling and a subsequent geophysical survey. The 317 surface samples collected comprised 295 rock chip samples taken over the general alteration area and 22 stream sediment samples. These samples were analysed for Au, Ag, As, Sb, Hg, Mo, Cu, Pb and Zn. Quantec Geoscience was contracted by MFL to undertake a Controlled Source Audio-Frequency Magneto Tellurics ("CSAMT") geophysical survey over 5 north-south lines, crossing the altered volcanics at Vega, located predominantly north of the Sancarron River valley floor. Each line averaged 3,000m for a total line survey of 15.1km. CSAMT uses natural signals from the earth's magnetic field to derive a resistivity versus depth image of the subsurface. At a basic level of interpretation resistivity is correlated with different rock types and importantly structure. The CASMT data was of excellent quality and anomalies were detected at the time, but MFL's option lapsed.

4.5.3 Teck-Cominco

The Manila concessions eventually expired in 2000 and Teck-Cominco placed exploration concessions over a larger area inclusive of Vega, presumably exploring for copper-gold, holding the ground until late 2009. It is not known what exploration methods were employed by Teck-Cominco, other than some regional geochemical work was carried out during this period, or where their exploration work within their project area was focused.

4.5.4 Compañia Minera Calcia Ltda

Following the abandonment of the concessions by Teck-Cominco, CMC placed new exploration concession applications, Vega 1 to 10, over the area in June-July 2010 which were granted in early 2011. The impetus for this was a review of the MFL geochemical and geophysical data obtained by CMC.

With respect to the rock chip geochemical data, arsenic, an important gold pathfinder element in the gold discoveries of the El Indio and Tambo districts in the 1980s, had eight clusters of anomalous values within the overall altered zone, which cover three separate geographical areas with overall average As values of 1,004ppm. These results relate to the more siliceous outcrops (fumarole sinters) such as the rocky outcrops reported above at Vega East. However, the accompanying precious and base metal results were disappointing considering the intensity of alteration and the early focus by MFL on potentially mineralised structures in the project area.

Notwithstanding this observation, it was not considered that the geochemical values alone downgraded the project as the infusion of quartz is indicative of high level flooding and even silica capping, which may shallowly cover economic values. Silica flooding is noted to occur at both Barrick's Tambo and Pascua-Lama projects, and in both cases the high level, intense silicification has a virtual absence of precious metals. But, in both cases, a short distance away, below or laterally, high grades have been discovered by drilling. However with respect to the general rock geochemistry, the presence of highly anomalous arsenic, native sulphur and extensive sulphates indicated high level solfataric activity within an epithermal environment similar to other gold bearing volcanics close by.

CSAMT geophysics had been used successfully by Barrick in its El Indio Belt gold exploration programs (ref 6). to identify and delineate the limits, orientation and depth extent of silicified zones and controlling structures that may be associated with gold mineralisation, and the depth of alteration and contact relationships between altered and non altered volcanic lithologies With respect to the Vega CSAMT data, CMC recognized clear drill targets from CSAMT data on lines 1 to 5, involving structure and bodies of silicification, the latter in part being correlated to surface outcrops.

4.5.5 Ezenet Limited

Ezenet has carried out a review of the MFL geophysical and geochemical data as part of its technical diligence of the project. At Ezenet's request, CMC supplied the following for independent interpretation by separate geophysical and geochemical consultants; namely the line profiles of the Quantec CSAMT geophysical survey, and non digital data of a litho-geochemical survey being a sample location plan and assay sheets from two different laboratories for Au, Ag, As, Sb, Hg, Mo, Cu, Pb and Zn analytical results for the sampling program.

From the independent interpretation of the CSAMT geophysical survey there are eight clear drill targets from lines 1 to 5 inclusive (Figure 12); five of which are accessible from the road which follows the Rio Sancarron valley, and three, by using access roads already cut on the north side of the valley. The targets are extensive, highly resistive anomalies indicative of silicification or siliceous bodies that show similarities to published responses over the Pascua-Lama and Valadero deposits. The wider portions of the siliceous body noted on the profiles appears to be one unit (or possibly a series of broken but faulted adjacent blocks), with a considerable portion extending to several hundred metres in depth immediately below the valley floor within the Sancarron caldera ring fault, as well as the sharp (fault?) contacts with both intrusive features and andesites at higher elevations on the northern side of the valley.

The MFL geochemical data supplied was for analytical results for 165 samples; not the whole 265 sample data base. The results for these 165 samples, comprising 152 rock chips and 22 stream sediment samples, were plotted according to a supplied sample location plan and re-interpreted. Notwithstanding problems with analytical data from different laboratories, (ie varying lower detection limits and reading intervals for analysed elements and some incomplete data for Hg); and sample location problems (a few missing and some duplicated sites for which some results are anomalous) there are anomalous elemental patterns in the alteration area, some of which are coincidental and are also associated with anomalous geophysical features, (ie structure and silicification) especially on CSAMT lines 2 to 5 (Figure 11).

4.6 Exploration Potential

The Vega Project targets hidden epithermal gold mineralisation within an accumulation of acid sulphate altered, coarse (near vent source) pyroclastic tuffs and breccias that have been emplaced within the Sancarron caldera ring fault. The presence of highly anomalous arsenic (Figure 11), native sulphur and extensive sulphates indicates high level solfataric activity within an epithermal environment similar to other gold bearing volcanics close by. Indeed, the nearby Libra altered parasitic cone that is obvious on Google imagery, just southeast of the Vega Project, is a good analogy for Vega as it is a known epithermal mineral system, from the reported values ranging from detection limits up to 2% arsenic with accompanying low order precious metals encountered in drilling by San Jose in the 1980s.

Notwithstanding low order precious metals results occurring at surface (Figure 11), high level silica flooding and even silica capping is indicated, particularly from CSAMT geophysical data, to be present at Vega which may shallowly cover economic precious metal values. This has been shown to be the case elsewhere in the El Indio belt, where drilling, a short distance, below or laterally to it has discovered economic mineralisation.

CSAMT geophysics had been used successfully by Barrick in its El Indio Belt exploration programs to identify and delineate the limits, orientation and depth extent of these silicified zones and controlling structures that may be associated with gold mineralisation [ref 6].

The results of the CSAMT survey carried out over the Vega Project are particularly encouraging in that siliceous bodies are noted on the profiles. This may be one unit or possibly a series of broken, but faulted adjacent block bodies within the Sancarron caldera ring fault extending to several hundred metres in depth within the Sancarron caldera ring fault. Some of these bodies of silicification on CSAMT can in part being correlated to surface outcrops and anomalous elemental patterns in the alteration area.

Clear drill targets are evident from CSAMT data in the Sancarron valley involving structure and bodies of silicification. Those geophysical targets that correlate with surface geochemistry are a priority target for drilling.

In conclusion, it is reasonable on the data to date, to suggest the possibility of occurrence of a high grade epithermal Au-Ag body in the Vega Project area. However, drilling has yet to occur and is required for such a target to be realized. It is also possible that future exploration may or may not find such a target.

4.7 Proposed Exploration Program and Budget

Based on the geophysical survey, there are clear drill targets from lines 1 to 5 inclusive that can be accessed by the Sancarron Valley road, and in some cases, by using access roads already cut on the north side of the valley. It is estimated that 2,000m of reverse circulation drilling (8 holes to a depth of 250m each) would test the area as a first pass exploration program. The drill program could be completed easily within the first field season, between October 2011 and April 2012, with a minimum of field preparation. This drilling would target the silicified zones in structure detected by the geophysical survey, with some ancillary support in some instances from the geochemistry, to locate encouraging gold values as veins enclosed in a silicified host or as disseminations at depth. Based on the results of this program, a quick decision could be made to continue and expand the drilling program or curtail exploration at Vega.

A proposed budget for exploration activities in Years 1 and 2 is outlined below in Table 4. This budget will be subject to change as it is results dependent on the outlined activities.

Activity	Year 1 $000s	Year 2 $000s	Total $000s
Access	15,000	50,000	65,000
RC Drilling Phase 1	200,000	0	200,000
Detailed Ground Geophysical Surveys	0	100,000	100,000
RC Drilling Phase 2	0	500,000	500,000
Diamond Drilling	0	300,000	300,000
Analytical	40,000	80,000	120,000
Metallurgical Testing	0	50,000	50,000
Resource Estimation	0	50,000	50,000
Mining Engineering	0	20,000	20,000
Administration	50,000	100,000	150,000
TOTAL	**305,000**	**1,250,000**	**1,555,000**

Table 5: Vega Project Proposed Exploration Budget.

5.0 Conclusions

The exploration targets at the two project areas have distinct potential to be expanded as described above based on the results of the previous exploration and interpretation of the geological, geochemical, remote-sensing & geophysical surveys carried out.

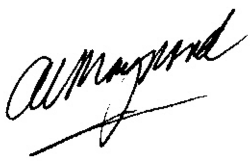
At all locations, the tenements require drill evaluation before any real conclusions can be drawn about the full potential of the projects.

Project	Year 1 $000s	Year 2 $000s	Total $000s
Chuminga	1,175	1,530	2,705
Vega	305	1,250	1,555
TOTAL	**1,480**	**2,780**	**4,260**

Table 6: Combined Projects Proposed Exploration Budget.

A combined Exploration Budget of approximately $4.26M over two years is proposed with activity in Year 2 dependent on Year 1 results.

Yours faithfully,



Allen J Maynard BApp.Sc(Geol), MAIG, MAusIMM.

6.0 Selected References

General

1. Mahlberg K S, Mpodozis C, 2001 Central Andean Ore Deposits Linked to Evolving Shallow Subduction Systems and Thickening Crust. Vol 11 No 3 Geol Soc Am 2001 p4-9.

2. Moreno T, Gibbons W, 2007 The Geology of Chile. pp414. Geol Soc London Publn.

Chuminga

3. Fernando F B, 1977 Geologia de la Cordillera de La Costa Entre Los 24^0 00' Y 25^0 00' de Latitude Sur II Region Antofagasta. 1:250,000 Geologia Carte de Chile 1:250,000 No. 26, Inst. Inv. Geol. 23p.

Vega

4. Barrick Gold Corporation, 2010 Barrick Gold Corporation Annual Report 2010. 180p.

5. Bissig T et al, 2002 Miocene Landscape Evolution and Geomorphological Controls on Epithermal Processes in the El Indio-Pascua Au-Ag-Cu Belt, Chile and Argentina. Econ. Geol. Vol87, p971-996.

6. Eadie R J, 2006 Investigating Geophysical Signatures of Gold Bearing Epithermal High Sulphidation Systems and Applications to Tropical Terrains. Curtin University of Technology. RPT GPH14/06 147p.

7. Heberlein D, 2008 Spatial and Temporal Zonation at El Indio Cu-Au-Ag Deposit, Chile: Evidence for an Evolving High Sulphidation Epithermal System. (ppt Terry Leach Symposium Sydney, October 17, 2008.)

8. Nansi et al, 1986 Hoja Guanta. 1:250,000 Geologia Carte de Chile No. 67, Serv. Nat. Geol. Miner.

7.0 Glossary of Technical Terms and Abbreviations

Alteration Zone	Zone within which rock - forming minerals have been chemically changed.
Anomaly	Value higher or lower than the expected or norm.
Anomalous	Outlining a zone of potential exploration interest but not necessarily of commercial significance.
Axis	Hinge-line of a fold.
Basalt	A fine-grained volcanic rock composed primarily of plagioclase Feldspar and mafic minerals
Dip	The angle at which a rock layer, fault of any other planar structure is inclined from the horizontal.
Domain	The areal extent of given lithology or environment.
Fault	A fracture in rocks on which there has been movement on one of the sides relative to the other, parallel to the fracture.
Fold	A bend in the rock strata or planar structure.
Footwall	Rocks underlying mineralisation.
Gabbro	A coarse-grained rock consisting of plagioclase and mafic minerals.
Geophysics	Study of the earth by quantitative physical methods.
Hangingwall	Rocks overlying mineralisation.
Igneous	Formed by solidification from a molten or partly molten state.
JORC	Joint Ore Reserves Committee- Australasian Code for Reporting of Identified Resources and Ore Reserves
Metamorphism	The mineralogical, structural and chemical changes induced within solid rocks through the actions of heat, pressure or the introduction of new chemicals. Rocks so altered are prefixed "meta" as in "metabasalt".
Mineralisation	In economic geology, the introduction of valuable elements into a rock body.
Open-cut	Descriptive of a mine worked open from the surface.
Ore	A mixture of minerals, host rock and waste material which is expected to be mineable at a profit.
Outcrop	The surface expression of a rock layer (verb: to crop out).
Porphyry	A rock with conspicuous crystals in a fine-grained ground mass.
Primary mineralisation	Mineralisation which has not been affected by near surface oxidising process.
Resource	In-situ mineral occurrence from which valuable or useful minerals may be recovered, but from which only a broad knowledge of the geological character of the deposit is based on relatively few samples or measurements.
Shear (zone)	A zone in which shearing has occurred on a large scale so that the rock is crushed and brecciated.
Silicified	Containing a high proportion of silicon dioxide.
Soil sampling	Systematic collection of soil samples at a series of different locations in order to study the distribution of soil geochemical values.
Strike	The direction or bearing of the outcrop of an inclined bed or structure on a level surface

Stringer	A narrow vein or irregular filament of mineral traversing a rock mass.
Subcrop	The surface expression of a mostly concealed rock layer.
Syncline	A fold where the rock strata dip inwards towards the axis (antonym: anticline).
Ultramafic	Igneous rocks with very high magnesium and iron content containing less than 45% silicon dioxide.
Unconformity	Lack of parallelism between rock strata in sequential contact, caused by a time break in sedimentation.
Vein	A narrow intrusive mineral body.
Weathering	A process of chemical change to rocks brought about by their exposure to oxygen and water.

ABBREVIATIONS

g	gram
cm	centimetre
kg	kilogram
km	kilometre
km^2	square kilometre
m	metre
M	million
m^2	square metre
m^3	cubic metre
mm	millimetre
oz	troy ounce, equivalent to 31.103g.
t	tonne

UNITS OF CONCENTRATION

ppb	parts per billion
ppm	parts per million