# INDEPENDENT TECHNICAL ASSESSMENT REPORT OF METMINCO LIMITED'S EXPLORATION ASSETS IN SOUTH AMERICA AND AUSTRALIA

**Report Prepared for**

**GRANT THORNTON CORPORATE FINANCE PTY LIMITED,**

**AND**

**THE INDEPENDENT DIRECTORS OF METMINCO LIMITED**

**Report Prepared by**
**Gavin Daneel**
**Lorabay Pty Ltd**
**November, 2009**

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# Executive Summary

Lorabay Pty Ltd ("Lorabay") was contracted by Grant Thornton Corporate Finance Pty Limited ("Grant Thornton") during October 2009 to conduct an independent technical assessment on the mineral exploration assets of Metminco Limited ("Metminco") and Hampton Mining Limited ("Hampton"), a public unlisted company in which Metminco holds 75.9 million shares or a 36.5% interest and an irrevocable right to acquire a controlling interest. This assessment is represented in this report and this executive summary must be read in conjunction with the whole of the report.

Metminco holds or has rights through joint venture agreements to 11 mineral exploration licenses covering 4 projects in the Eastern Kimberly and Gascoyne regions of Western Australia, and holds 1 license in each of South Australia's Gawler Craton and the Northern Territory's Daly River Basin respectively.

Hampton holds or has rights through two option to purchase agreements to 260 exploration concessions and 61 exploration concession applications covering 6 projects located along the western flank of the Main Andes Cordillera in central Chile; and holds or has rights through 1 option to purchase agreement to 16 mining concessions and 1 mining concession application located along the western flank of the Main Andes Cordillera in southern Peru.

Hampton has a portfolio of projects focused on porphyry and porphyry-related base and precious metals in a region renown for its numerous world class Andean Porphyry style deposits, located in central Chile and southern Peru. The company has a balanced portfolio of projects which range in status from pre-feasibility stage, through advanced exploration to early exploration stage.

- Pre-feasibility study stage – Mollacas *oxides and supergene sulphides, with possible hypogene mineralisation at depth* (Chile/Cu-Au);
- Advanced exploration stage – Los Calatos *hypogene and potentially supergene mineralisation* (Peru/Cu-Mo), Vallecillo *hypogene mineralsiation* (Chile/Zn-Au), and Loica *hypogene mineralisation* (Chile/Cu-Mo);
- Early exploration stage – Camaron *hypogene and supergene mineralisation potential* (Chile/Cu-Au-Mo), Isidro *hypogene and supergene mineralisation potential* (Chile/Cu-Au).

This portfolio, focussed on a particular mineralisation style and having substantial depth of opportunity, affords Hampton with the flexibility to consider the relatively near-term development of its Mollacas Project and rapidly expanding its knowledge and resource base at the Los Calatos Project, while advancing the understanding of its other earlier stage projects.

This report also includes a valuation based on the use of a variety of valuation methods as the Metminco and Hampton assets vary from advanced exploration with economic studies stage to those being at earlier exploration stages. These comprise advanced exploration properties with economic studies and exploration properties without economic studies (cost-based and comparable transaction methodologies).

Taking into account the maximum equity able to be earned by each company in each project and Metminco's current (36.5%) equity in Hampton, the following table shows the resulting implied equity valuation for each company.

| Asset | Implied Valuation (based on Resource) (US$m) | Implied Valuation (based on Expenditure) (US$m) | Hampton's Implied Equity Valuation (US$m) | Metminco's Implied Equity Valuation (US$m) |
|---|---|---|---|---|
| Los Calatos (Alfa, Gamma, Nelson) | 100.00 | | 100.000 | 36.500 |
| Mollacas | 10.69 | | 5.345 | 1.951 |
| Vallecillo | 2.14 | | 1.070 | 0.391 |
| Loica | | 6.135 | 3.068 | 1.120 |
| Isidro | | 3.033 | 3.033 | 1.107 |
| Camaron | | 1.391 | 1.391 | 0.508 |
| Grants Ck & Wilsons Reef | | 0.522 | - | 0.365 |
| Angelo | | 0.667 | - | 0.466 |
| Sophie Downs | | 0.108 | - | 0.108 |
| Mulgul | | 0.173 | - | 0.173 |
| West Lake Eyre | | 0.142 | - | 0.142 |
| King River | | 0.028 | - | 0.028 |
| TOTAL | 112.83 | 12.198 | | |
| | GRAND TOTAL | 115.028 | 113.907 | 42.859 |

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## Warranty and Limitations

This report has been specifically commissioned for inclusion in the Independent Expert's Report ("Expert Report") being compiled by Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton") in relation to the proposed acquisition of shares by Metminco Limited ("Metminco") in Hampton Mining Limited ("Hampton") and North Hill Holdings Group Inc. ("North Hill").

This report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("The Valmin Code"), which is binding upon Members of the Australasian Institute of Mining and Metallurgy ("AusIMM"), and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission ("ASIC") and Australian Stock Exchange ("ASX"), which pertain to Independent Expert Reports. Where Mineral Resources have been referred to in this Report, the classifications are consistent with the Australian Code for Reporting of Mineral Resources and Ore Reserves ("JORC Code"), prepared by the Joint Ore Reserves Committee ("JORC") of the AusIMM, the Australian Institute of Geoscientists ("AIG") and the Minerals Council of Australia ("MCA"), effective 2004 ("JORC Code 2004").

Lorabay Pty Ltd ("Lorabay") gives its consent for the inclusion of the whole of this report in the Expert Report and accepts responsibility for this report, save as provided herein. In the event Grant Thornton elects not to include this report in full in the Expert Report, it may include a concise or short form version or cite or extract relevant sections from this report, on the express provision that Grant Thornton quotes or cites this report in a way that is fair and representative ensuring that it is not misleading, and the full version of the report is not unreasonably withheld upon request.

The observations, comments and conclusions presented in this report represent Lorabay's opinion as of October 2009 and are based on discussions with Hampton's directors as well as Lorabay's review of the information presented by Hampton and available in the public domain. LORABAY HAS NOT UNDERTAKEN A SITE VISIT OR PERSONAL INSPECTION OF THE ASSETS as all technical information provided by Hampton has been independently audited and the exploration processes and procedures being implemented by Hampton in acquiring such data have been constantly monitored and approved by an internationally renowned and independent specialist (SRK Consulting (Chile) S.A.). Furthermore, the majority of the source documents used by the author for the compilation of this report have been submitted to the ASX.

This review is based on information provided by the title and/or option holders, along with technical reports by consultants, previous tenements holders and other relevant published and unpublished data for the area.

The opinions that Lorabay have expressed in this Report are based and qualified by the following matters:

(1) the various qualification we have noted in this Report;
(2) Lorabay has acted and been involved only in its capacity as a technical advisor as described in this Report;
(3) Lorabay assumes and makes no representation as to the accuracy and completeness of the technical data upon which this report is based;
(4) Lorabay has not sought the consent from any companies or authors referenced in this report and has relied upon the directors of Hampton and Metminco to ensure that the information they have provided to Lorabay has been true and accurate in all respects of all material matters, including matters of fact and opinion and of assumptions in relation to the Expert Report of which they have or aught to have knowledge or could ascertain by making reasonable enquiries, and may be used in the Expert Report without prejudice;
(5) Lorabay express no opinion and makes no representations as to any financial, statistical, accounting and taxation information referred to in the Expert Report or otherwise provided to, or prepared on behalf or at the request of, Grant Thornton or Metminco's Independent Directors in the course of or in connection with the transaction, not its adequacy;
(6) Lorabay has assumed and has no reason to doubt that all persons interviewed as part of the preparation of the Report were competent to answer questions, have answered each of those questions as accurately, completely and honestly and that there were no other Company officers who should have been interviewed in relation to those questions;
(7) Lorabay specifically disclaim any special knowledge, skills or expertise in any other capacity than that of independent technical advisor, including any of a business, financial, statistical, accounting, taxation nature or otherwise;
(8) Lorabay has not undertaken any prior or other roles in connection with the proposed transactions, nor has it been appointed during the past two years by any stakeholder or other relevant party or parties involved in the Proposed Transactions which may be perceived as able to affect Lorabay's independence;
(9) Lorabay cannot accept any liability, either direct or consequential for the validity of information that has been accepted in good faith; and
(10) Lorabay has assumed and has no reason to doubt that all public statements and releases to the Australian Stock Exchange and all reports and upon which it has relied are true and accurate.

Neither the whole nor part of this report nor any reference thereto may be included in any other document or provided to third parties without the prior written consent of Lorabay.

# 1 Introduction

## 1.1 *Background*

Lorabay Pty Ltd ("Lorabay") was contracted by Grant Thornton Corporate Finance Pty Limited ("Grant Thornton") during October 2009 to conduct an independent technical assessment on the mineral exploration assets of Metminco Limited ("Metminco") and Hampton Mining Limited ("Hampton"), a public unlisted company in which Metminco holds 75.9 million shares or a 36.5% interest and an irrevocable right to acquire a controlling interest.

Metminco holds or has rights through joint venture agreements to 11 mineral exploration licenses covering 4 projects in the Eastern Kimberly and Gascoyne regions of Western Australia, and holds 1 license in each of South Australia's Gawler Craton and the Northern Territory's Daly River Basin respectively.

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Lorabay's report is based upon a review of information and reports provided by Hampton and Metminco and discussions with the companies' directors.

## 1.2 *Qualification of Consultant*

This technical report was compiled by Mr. Gavin Daneel who is a Member of the AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr. Daneel is a senior economic geologist and has more than 25 years of experience in the mineral exploration/mining industry. He has completed due diligence reviews and technical assessments for gold, copper, uranium, coal and iron projects in Australia, Indonesia, India, South Africa, Namibia, Botswana, Tanzania, Uganda, Ethiopia, Côte d'Ivoire, Ghana, Senegal, Venezuela, Peru and Canada.

## 1.3 *Metminco Assets*

Metminco has acquired a 36.5% interest in Hampton via a scrip for scrip offer and recently (25 September 2009) announced the signing of an option agreement between Junior Investment Company ("JIC") and Metminco, giving Metminco the right to acquire between 53.6% and 100% (subject to the extent which other Hampton shareholders exercise their pre-emptive right) of JIC's 31.9% interest in Hampton. Completion of the purchase option will give Metminco control of Hampton and to management of Hampton's projects (see sections 1.4 and 3 below).

Consequently, Metminco has stated that it will now concentrate its exploration efforts in South America.

In addition, Metminco has a portfolio of gold and uranium projects located within geological terrains known to be prospective for these commodities in Australia's western and central states of Western Australian, South Australia and the Northern Territory. The company's projects are all of an early exploration stage, comprising:

- Grants Creek and Wilsons Reef, Angelo and Sophie Downs (WA/Au-Cu-PB-Zn-REE);
- Mulgul (WA/Cu-Pb-Zn-Ag-Au);
- West Lake Eyre (SA/Cu-Au-U); and
- King River (NT/U-Ph).

As a consequence of Metminco's change in focus, its Australian exploration projects will undergo progressive review throughout the remainder of 2009 with a view to optimising their divestment through farm-out and joint venture or outright sale of these projects. Discussions have commenced with a number of parties in this regard.

## 1.4 *Hampton Assets*

Hampton has a portfolio of projects focused on porphyry and porphyry-related base and precious metals in a region renowned for its numerous world class deposits of the same style, located in central Chile and southern Peru. The company has a balanced portfolio of projects which range in status from pre-feasibility stage, through advanced exploration to early exploration stage.

- Pre-feasibility study stage – Mollacas oxides and secondary sulphides (Chile/Cu-Au);
- Advanced exploration stage – Los Calatos (Peru/Cu-Mo), Vallecillo (Chile/Zn-Au), and Loica (Chile/Cu-Mo);
- Early exploration stage – Camaron (Chile/Cu-Au-Mo), Isidro (Chile/Cu-Au), Mollacas primary sulphides (Chile/Cu-Au) and Vallecillo other (Chile/Zn-Au-Ag-Pb).

This broad portfolio affords Hampton with the flexibility to consider the relatively near-term development of its Mollacas Project while advancing the understanding of the earlier stage projects and, contingent on their results, systematically evaluating each of them for their potential to be developed in the future, thereby underpinning its potential for exploration and development success.


Figure 1. Location diagram showing proximity of Hampton's projects to other deposits in Chile and Peru.

# 2 Geological Setting

## 2.1 *South American Projects*

### (a) Regional Geological Setting

Hampton's projects are all located along the western flank of the Andes Cordillera with the Chilean projects falling within a meridional metallogenic belt comprising Upper Cretaceous – Lower Tertiary intermediate composition volcanic rocks with intercalations of marine sedimentary rocks which have been intruded during the Eocene by intermediate porphyritic intrusives. In many places these intrusives are spatially closely associated with a major eastward-dipping north-south reverse fault. This fault is host to numerous hydrothermal alteration zones that host a number of mineralised areas and old copper and polymetallic mines.

The regional structural zone, host of Hampton's northern projects (Cameron and Isidro) is known as the Vicuña Fault System which changes to the Tulahuen Fault and associated parallel structures in Hampton's more central Vallecillo project area. Further south, in the Mollacas project area the fault system is known as the Guanto Fault.

The Los Calatos project is located in southern Peru and falls within a northwest-southeast trending metallogenic belt comprising Paleocene – Eocene aged intermediate volcanic and associated intrusive rocks that have been deformed by the northwesterly/southeasterly trending Incapuquio Fault System. Precambrian and Mesozoic basement rocks located to the southwest of this fault system are largely covered by Eocene-Oligocene molasse deposits (Moquegua Formation) derived from coeval uplift of the Cordillera Occidental to the northeast of the Incapuquio Fault System. The Moquegua Formation is overlain by a thin but very persistent welded ignimbrite of Early Miocene age (Huaylillas Ignimbrite). The axial zone of the Eocene-Oligocene uplift occurred along the eastward margin of the regional Late Cretaceous magmatic arc that is expressed throughout northern Chile (Augusta Victoria Formation; Cerro Empexa Formation) and southern Peru (Toquepala volcanics). Late Mesozoic and Cenezoic plutons associated with this arc include the well-known Paleocene-Eocene and Eocene-Oligocene belts of porphyries, some of which host the massive porphyry copper deposits of northern Chile and southern Peru.

Locally, the Incapuquio Fault System appears to have been the focus of numerous calc-alkaline porphyritic intrusives and associated breccia complexes which in places have caused sufficient hydrothermal activity and associated mineralisation to host major porphyry copper deposits such as Cuajone and Quellaveco, located 34 and 50 kilometres to the southeast of Los Calatos, respectively.

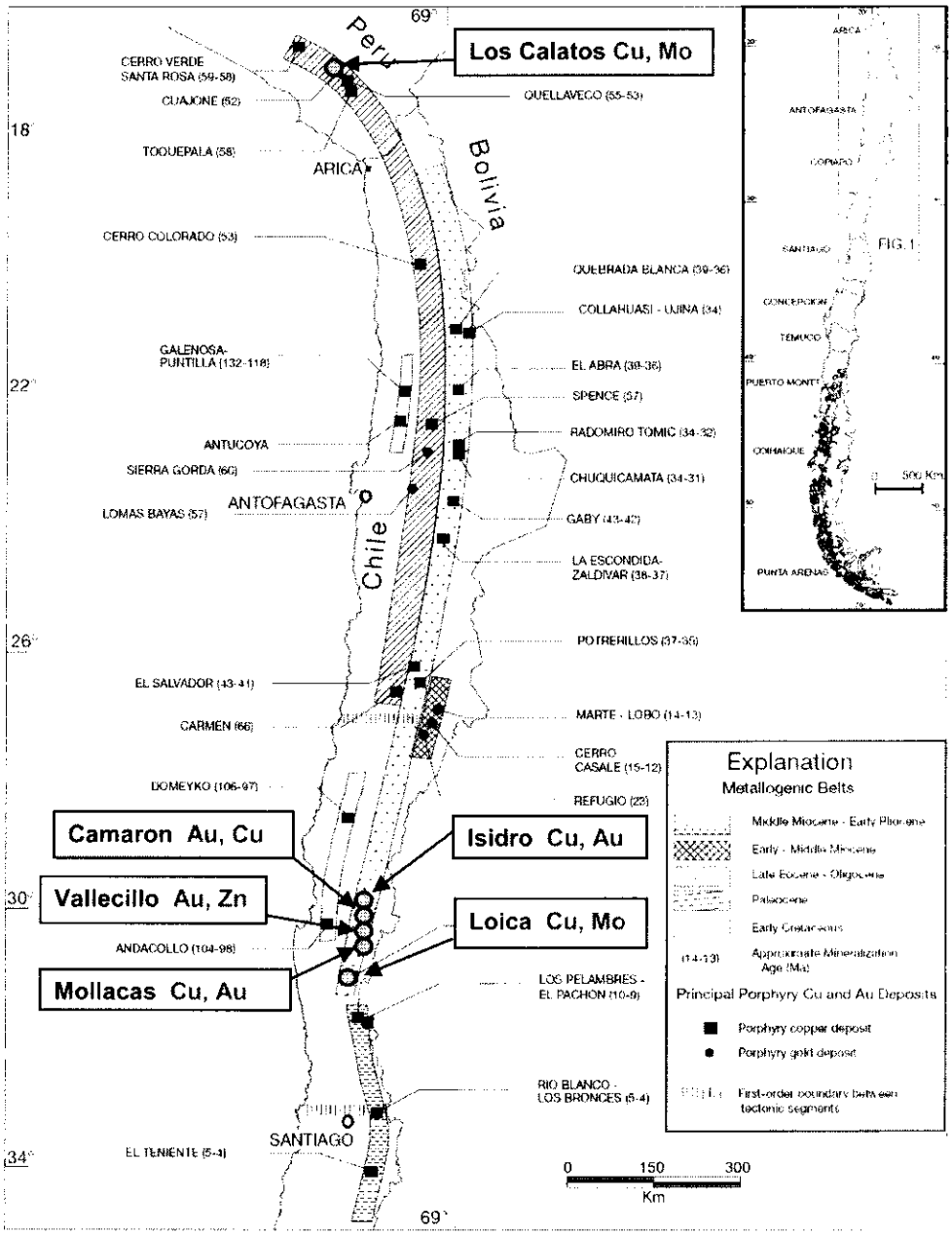


Figure 2. Map showing Hampton's projects in relation to the metallogenic belts located along the western flanks of the Andean Cordillera in Chile and Peru (from Camus et. al., 2001).

### (b) Geological Model(s)

The most significant economic targets within Hampton's project areas are:

- Hypogene porphyry copper deposits associated with the Paleocene-Eocene belt (Sillitoe, 1990) and their distal associated zones of mineralisation,
- Secondary copper oxides in supergene and oxidation blankets associated with large porphyry systems, and
- Exotic copper deposits located in paleodrainage systems flowing away from the porphyry copper centres.

Andean porphyry copper deposits are spatially and temporally related to I-type, magnetite series stocks of magmatic arc derivation, which range in composition from diorite to monzonite (Sillitoe, 1990). ***Hypogene porphyry mineralisation*** (with chalcopyrite as the dominant copper mineral) is associated with typically concentric zones of alteration comprising K-silicate (biotite/feldspar) in the core, successively surrounded by sericitic and/or advanced argillic and/or propylitic alteration. High sulphur pyrite-rich advanced argillic alteration may overprint porphyry systems and may represent epithermal environments, which are a manifestation of porphyry stocks in depth (Sillitoe, 1990). Molybdenum occurs to varying extents in all Andean porphyry deposits, (typically between 0.01 and 0.035%).

Significant upgrading of many Andean porphyry copper deposits (up to 2–3 times) has been accomplished through ***supergene enrichment***, resulting in chalcocite blankets ranging from 40-300 m in thickness (750 m at Chuquicamata). The process of supergene enrichment has been multicyclic, involving repeated water table fluctuations, resulting in sub horizontally layered deposits. These enrichment blankets were generated during Oligocene-Miocene uplift and effectively preserved thereafter (Sillitoe, op.cit).

These supergene enriched zones, where developed occur between the hypogene primary mineralisation comprising copper sulphide minerals such as chalcopyrite and bornite, and the more depleted oxidised caps of these porphyry systems. Depending on the extent of erosion, these economically significant systems can vary from being buried beneath intensely leached rocks largely depleted in mineralisation; through the oxides zone comprising varying proportions of copper oxide minerals such as atacamite, chrysocolla, antlerite, malachite, azurite, brochantite, neotocite, cuprite, copper wad and copper pitch; to being exposed themselves comprising secondary copper sulphide minerals such as chalcocite, djurleite, digenite and covellite.

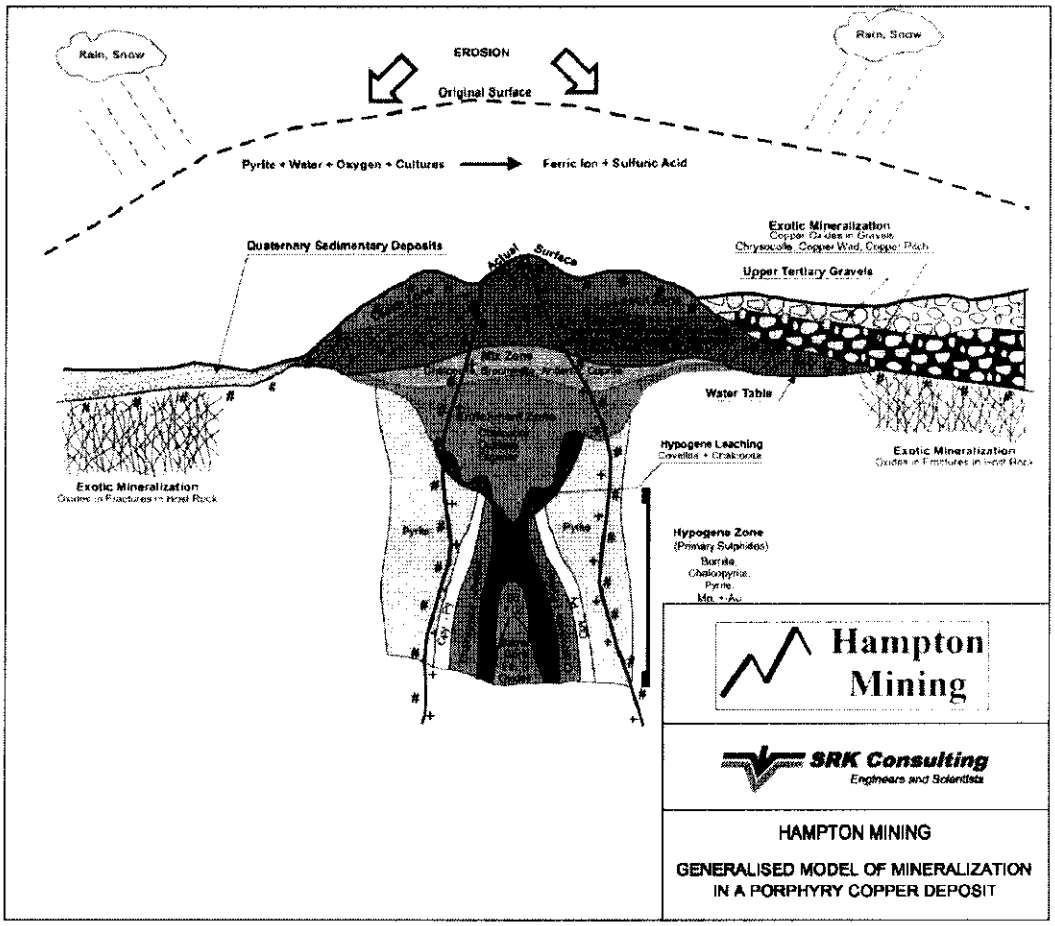


Figure 3. Generalised Model of primary and secondary mineralisation associated with a typical Andean porphyry system.

# 3 Hampton Mining Limited's group projects

## 3.1 *Introduction*

In addition to the claims staked by Hampton, option agreements have been signed on pre-existing claims for the Camaron project (SLM Genesis); Isidro San Lorenzo (Golden Amazonas); Isidro Santa Berta (SLM Santa Berta); and the Los Calatos project (Minera Cerro Norte S.A.). The existing option agreements are summarised in the table below.

Table 1. Summary of Hampton's option agreements.

| **Isidro Option Terms (San Lorenzo Claim Group)** | **Date** | **Payment (US$)** | **Comments** |
|---|---|---|---|
| Signing | 19 May '08 | 150,000 | Completed. |
| Purchase Agreement (50%) | 23 Aug '08 | 2,850,000 | Completed. |
| Earn-in (additional 20%) | 19 May '13 | | Fund 100% of all costs to complete a BFS within 5 years. |
| Right to purchase remaining 30% (Hampton) and sell (San Lorenzo Claim Group) | Completion of BFS | Amount determined by independent based on prescribed values. | Otherwise each party to fund their equity share after BFS. |
| **Isidro Option Terms (Santa Berta Claim Group)** | **Date** | **Payment (US$)** | **Comments** |
| Signing | 25 Feb '08 | 0 | Signed. |
| Monthly Payments | 10 May '08 to 10 Apr '11 | 252,000 | US$7,000 for 36 months. |
| Exercise of Option | Completion of Scoping Study | US$0.005/lb CuEq metal | For resources identified by an independent scoping study. |
| Bonus Payment | Completion of BFS | US$0.005/lb CuEq metal | For Proven and Probable Reserves quoted in a BFS less scoping study royalty payment. |
| **Camaron Option Terms (Genesis Claim Group)** | **Date** | **Payment (US$)** | **Comments** |
| Signing | 23 Aug '07 | 0 | Signed. |
| Monthly Payments | 23 Sep '07 to 23 Aug '10 | 360,000 | US$10,000 for 36 months. |
| Exercise of Option | Completion of Scoping Study | US$0.005/lb CuEq metal | For resources identified by an independent scoping study. |
| Final Payment | Completion of BFS | US$0.005/lb CuEq metal | For Proven and Probable Reserves quoted in a BFS less scoping study royalty payment. |
| **Los Calatos Option Terms (Alfa, Nelson and Gamma claim blocks)** | **Date** | **Payment (US$)** | **Comments** |
| Signing | 5 Sep '07 | 250,000 | Completed. |
| Annual Payments | 1 Aug '08 to 1Aug '10 | 1,500,000 | US$500,000 pa over 3 years. |
| Exercise of Option | Before 1 Aug. 2010 | US$0.005/lb CuEq metal | For resources identified by an independent scoping study. |
| Bonus Payment | Decision to mine | 1,500,000 | |
| NSR Payment | Production | 2% | Payable on net smelter recovery (NSR) from production. |

Hampton's direct exploration costs for current properties (in United States of America dollars) between January 2006 and June 2009, are summarised in Table 2 below.

Table 2. Summary of Hampton's exploration expenditure to 30 June 2009 inclusive of option payments.

| Property | Costs (US$) |
|---|---|
| Mollacas | 6,208,818 |
| Los Calatos | 3,448,502 |
| Vallecillo | 3,672,510 |
| Loica | 2,711,791 |
| Camaron | 573,549 |
| Isidro | 4,311,365 |
| **TOTAL COSTS** | **20,926,535** |

As outlined above, Hampton has a portfolio of projects which range in status from pre-feasibility stage, through advanced exploration to early exploration stage.

- Pre-feasibility study stage: **Mollacas** oxides and secondary sulphides (Chile/Cu-Au);
- Advanced exploration stage: **Los Calatos** (Peru/Cu-Mo), **Vallecillo** (Chile/Zn-Au), and **Loica** (Chile/Cu-Mo);
- Early exploration stage: **Camaron** (Chile/Cu-Au-Mo) and **Isidro** (Chile/Cu-Au).

## 3.2 *Pre-feasibility study projects*

### (a) Mollacas (Hampton 50%)

#### (1) Background

The Mollacas Project is located approximately 50 km due east of the town of Ovalle in Chile's IV Region and is found at an elevation ranging between 1200 and 1500 m.a.s.l. in an area of relatively low topographic relief (see Figure 4). It can be reached from Ovalle by a 40 km asphalt surfaced road and then by 12 km of a well-maintained dirt road. Surface water can be found in this area (the Rapel River) as well as electric power from the hydroelectric network of Los Molles, at a distance of about 8 km. The climate of the sector is typical of the pre-Andean mountains of these latitudes, typically warm summers and cold winters. Rainfall is about 100 to 150 millimetres per year.

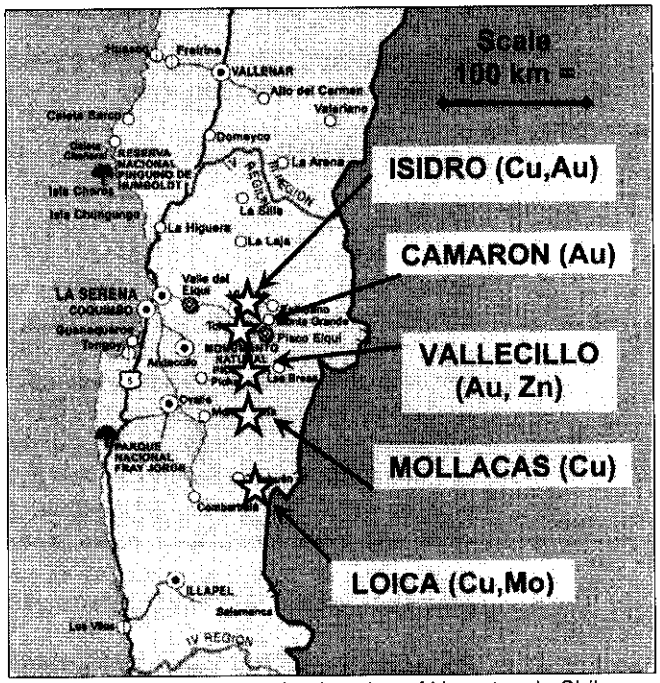


Figure 4. Map showing location of Hamptons's Chilean projects.

The Mollacas property was largely unexplored until Inversiones EM Dos Limitada obtained the property in 2002. The only work conducted at the site is evidenced by a small, old prospect pit in copper oxides covering approximately 50 by 50 metres and to a depth of about 2 metres. There is no evidence of recent exploration being carried out in the area other than the work by Inversiones EM Dos Limitada as described below. During late 2002 and early 2003, Inversiones EM Dos conducted surface geological mapping and geochemical sampling at the prospect.

(2) Geology and alteration

The Mollacas project is located along a north-south trend characterized by the presence of volcanic sequences with (Viñita and Los Elquinos Formations) with ages that range from Upper Cretaceous to Lower Tertiary. These units are intruded by sub-volcanic complexes with porphyrytic textures which, during emplacement generated diverse styles of hydrothermal alteration–mineralization. The area is characterised by a soil colour anomaly produced by hydrothermal alteration that covers an area of approximately 1000 x 700 metres exhibiting a slight north-west elongation. A granodioritic porphyritic stock intrudes andesitic breccias.

The alteration and mineralisation affects both the volcanic and intrusive rocks. The alteration zoning reflects a silica-potassic (biotite) core, preferably hosted in the granodioritic porphyry and measures approximately 350 x 280 metres. This is surrounded by a ring of quartz-sericite alteration varying from 50 to 400

metres wide, which is hosted in both the volcanic and intrusive rocks. A wide propylitic ring encircles both zones.

(3) Mineralisation

Within the silica-potassic core, as well as some of the surrounding quartz-sericite zone, a copper oxide mineralised area is developed consisting of chrysocolla and brochantite. The copper oxides are found as fracture fillings, borders to quartz veinlets or impregnating the plagioclase phenocrysts. The area is also anomalous in gold and molybdenum. Drilling indicates the presence of telescoped intrusives with stockwork quartz veining. Below the leached and enriched zones, quartz-sericite alteration is often intense and suggests that several stages of alteration have occurred associated with the intrusive pulses and associated mineralisation. Zones of oxide and supergene enriched mineralization crop out near the surface on sections 650N, 550N, 450N, and 350N, and reach a maximum thickness of 70 metres on section 550N. Leached overburden reaches 80 metres thick in the north of the prospect on section 800N (see Figure 3.4 as an example).

Preliminary study on the sulphide zone from the drilling conducted by Hampton suggests mineral zoning of gold and molybdenum peripheral to the higher copper grade potassic-biotite zone. The sulphide zone has not been extensively drill-tested as yet by Hampton and remains as a future exploration target.

(4) Metallurgical testwork

Preliminary metallurgical test work undertaken by and independent metallurgical laboratory located in Santiago (SGS Lakefield) indicates that the ore should present good leachability. Definitive metallurgical bottle roll and column tests are being undertaken by an independent metallurgical laboratory (CIMM) located in Santiago under the supervision of an independent expert in the field of hydrometallurgy.

(5) Hampton exploration activities (2006 – 2007)

From March 2006 to April 2007, three phases of drilling were completed including 6 holes for metallurgical purposes for a total of 9,150 metres. Ten reverse circulation and 46 diamond core drill holes, at approximately 100 metre centres, tested the near surface oxide and higher grade supergene enriched chalcocite zones of the prospect to a maximum depth of 400 metres.

Drilling during 2006 and 2007 defined a continuous ellipsoidal-shaped zone of supergene enriched copper within an area 600 metres wide by 600 metres long by up to 50 metres thick comprising predominantly of chalcocite (see Figure 5). This zone is successively overlain by a similarly dimensioned oxide malachite/chrysocolla zone, and a leached zone which is largely devoid of copper mineralisation.

Primary sulphides were intersected in several drill holes below the supergene zone with values of 0.3% copper, 0.3g/t gold, and 100ppm molybdenum within the parent intrusive. The intrusive(s), identified by an independent's (L. Cuitiño's) petrographic study as being porphyritic diorites and granodiorites, are oriented northwest-southeast in a dilatant splay zone measuring approximately 1000 x 600 metres which have intruded the surrounding andesitic volcanics. The intrusives are associated with a major north trending deep-seated dislocation structure, an offshoot or extension of the Domeyeko Fault. The intrusive complex exhibits classic porphyry concentric alteration zoning centred on a potassic biotite core, zoning progressively outwards through a phyllitic-quartz sericite-pyrite zone to argillic and propylitic-epidote zones.

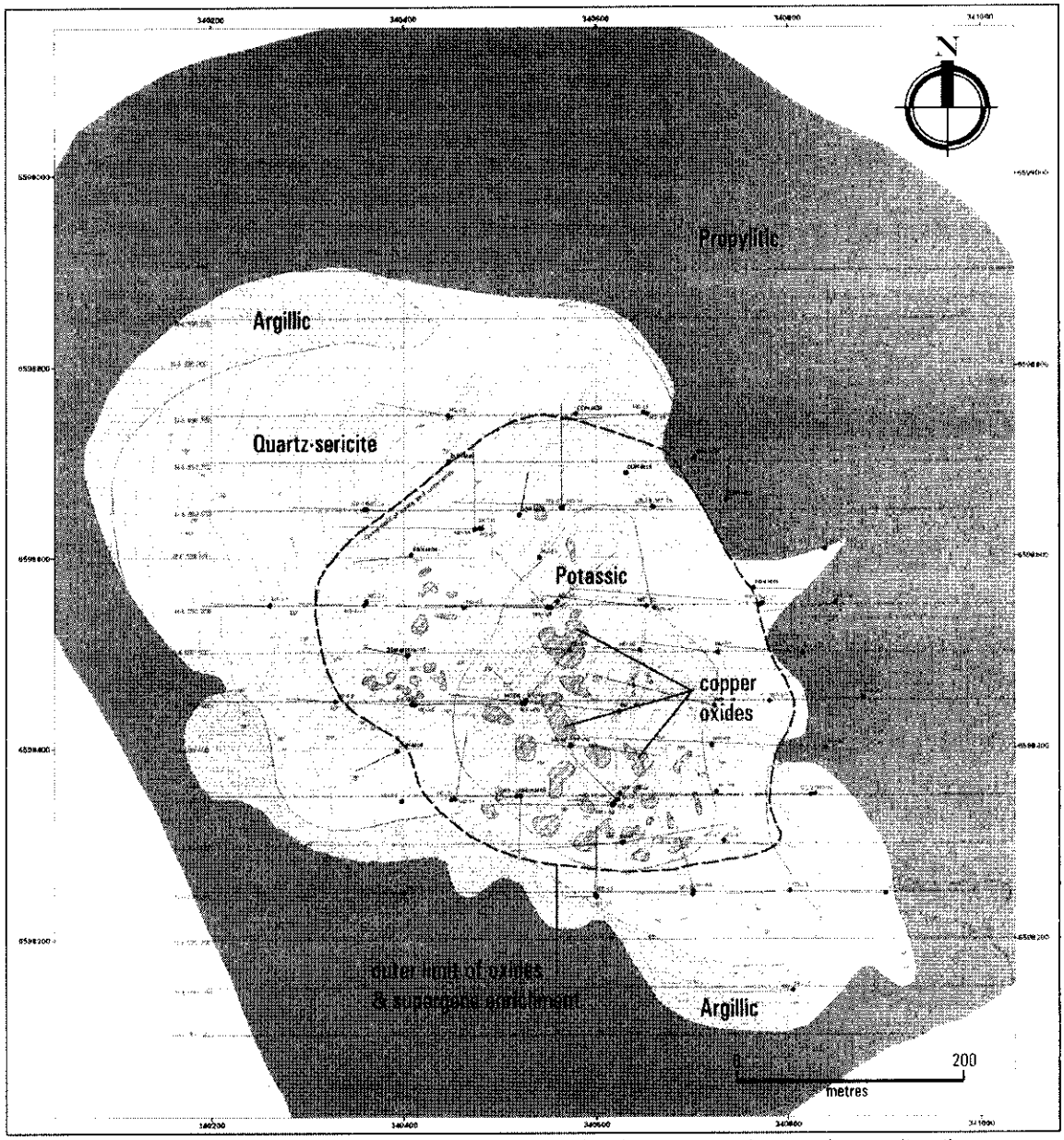


Figure 5. Plan view of Mollacas Project showing topography, geology, alteration, drillhole locations and limits of oxides and supergene enrichment.

### (6) Sample preparation and analytical assay procedures

It is beyond the scope of this report to undertake an in depth quality assurance / quality control (QA/QC) analysis of the sample preparation and analytical assay procedures undertaken by Hampton's exploration team. This has been assessed by SRK Consulting (Chile) S.A. ("SRK") who found the sample preparation, handling and analytical assay management to have been conducted at a high professional standard. The wider use of selected prepared standard samples and more frequent use of check assays and round robin samples have been encouraged to ensure these standards are maintained.

### (7) Geological modelling and resource estimation

Geological data acquired from surface mapping and drill hole logging, were incorporated into a database with the corresponding codification of the parameters of lithology, alteration and mineral zones in segments of variable length. The chemical analyses results for copper (Cu), molybdenum (Mo), gold (Au) and soluble copper (CuS), were added for 2 metre samples taken from reverse circulation percussion ("RC") drillholes and 1 metre samples for the diamond drill holes.

Three-dimensional solids were generated using GEMCOM software for the following units:

- Leached
- Copper Oxides Low Grade
- Copper Oxides High Grade
- Secondary Sulphides Low Grade
- Secondary Sulphides High Grade
- Transition

The modelling was carried out based on the interpretation of 38 east-west oriented vertical sections (see Figure 6). For the purpose of the estimation, the drillhole database was regularised to 2-metre composites and SRK estimated the grades using an inverse distance squared technique. The estimation was performed in two steps, considering search radii of 30 metres and 120 metres respectively, except for the secondary sulphides low and high grade and transition zones, where search radii of 85 and 105 metres, respectively, were used. The minimum amount of samples considered for the estimation was three (3) and the maximum was five (5). The density values used for the calculation of the tonnage-grade curve was 2.35 gr/cc for the leached unit and 2.68 for the other units.

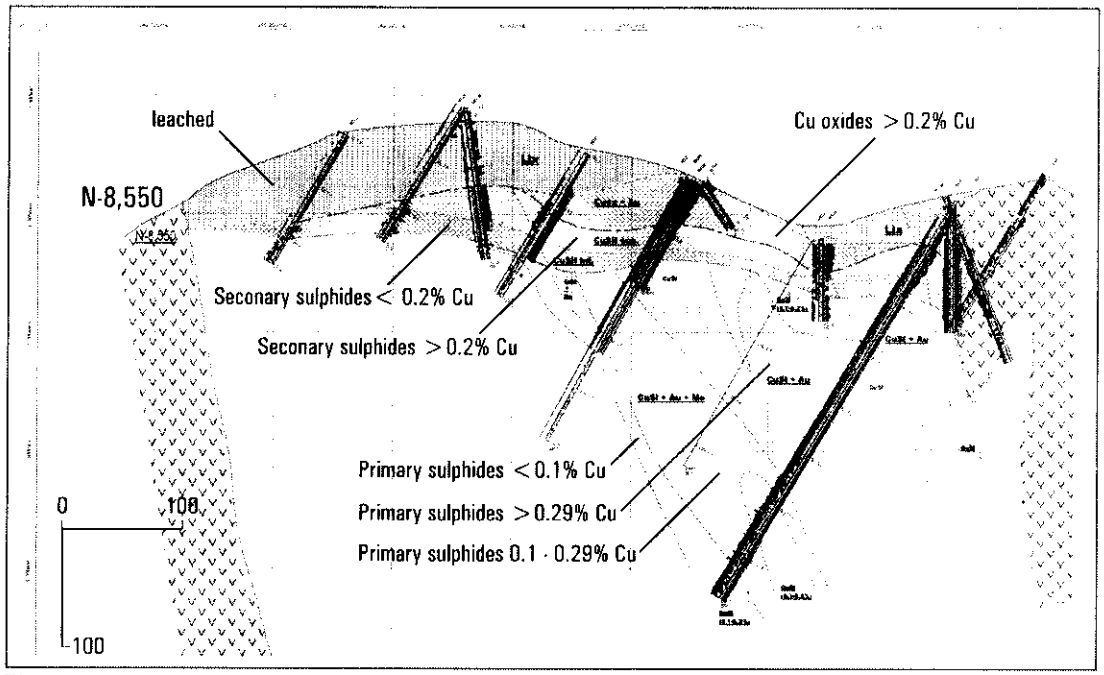


Figure 6. East-west cross section (N6,598,550) through Mollacas showing distribution and geometry of zones of oxidation and supergene enrichment developed above the primary sulphide zones interpreted from RC and diamond drilling.

Mineral resources for the Mollacas project were estimated in conformity with the generally accepted JORC guidelines and presented in Table 3.

Table 3. SRK Consulting (Chile) S.A November 2007 Mineral Resource Statement for the Mollacas Project (reported at a cut-off of 0.20 percent copper).

| Resource Classification | Tonnage (Kilotonnes) | Copper Grade (Percent) |
|---|---|---|
| Indicated | 7,213 | 0.56 |
| Inferred | 9,829 | 0.52 |

(8) Scoping Study

A scoping study was completed in April 2008 by SRK based on empirical analysis and the understanding that geological resources, geotechnical information and all other informed assumptions made in the study were to be confirmed during future feasibility study-related activities including but not limited to infill drilling to improve confidence in extent, tenor and continuity of mineralisation to facilitate higher status resource classification; analytical assaying; metallurgical testwork; geotechnical, hydrological, environmental, utilities (power and water supply), infrastructure, labour and other social studies.

The study determined the Mollacas Project could be mined over a 7 year mine life producing approximately 13,500 tonnes per annum copper cathode at a unit operating cost of approximately US$0.91 per pound. Assuming an average copper price over the mine life to be US2.50 per pound, the Net Present Value (at an annual discount rate of 8%) of the project has been reported to be US$103 million with an Internal Rate of Return of 70%.

(9) Hampton exploration activities (2008 – 2009)

In November 2008, Hampton completed a 3,970 metre infill drilling program designed to upgrade the resource estimate classification from Indicated and Inferred to Measured and Indicated, and to provide material for detailed hydrometallurgical analysis (MD series holes as shown in Figure 5 and Figure 6).

Hydrometallurgical testwork has recently (September 2009) commenced on oxide and supergene ores using twelve 6 metre leach columns with a view to provide information for definitive design parametres for leaching and solvent extraction/electrowinning for a final feasibility study. The testwork is expected to be completed by early 2010.

Final analytical assay results including sequential acid leach characteristics are being received from samples taken from the recent drilling which will be used in conjunction with earlier drilling to estimate an updated resource. The estimation of the updated resource is scheduled for completion by November 2009.

## 3.3 *Advanced exploration projects*

### (a) Los Calatos (Hampton 100%, rights to acquire 100% of option area)

(1) Background

The project is located in the Omate district, Sanchez Cerro Province, Moquegua department of the Mariategui Region in southern Peru. The approximate UTM coordinates are: 8,127000 - 8,139,000 N / 279,000 - 290,000 E. Road distance from Moquegua to the southwest and Arequipa to the north is 62 kilometres and 307 kilometres, respectively.

Topography is of low relief with altitudes ranging between 2,800 and 2,900 metres above sea level. The climate corresponds to that of a high, dry desert.

Road distances to port facilities at Matarani and Ilo is 220 kilometres, which are mostly paved (no more than 50 kilometres being dirt roads) and 160km respectively.

Power can be obtained from the interconnected system (SISE) at a distance of no more than 20 kilometres. Water will be sourced from the Rio Otora approximately 25km to the east of the site.

The Los Calatos option area covers a total of 2,800 hectares distributed in three claim blocks: Alfa claim block (900 ha); Nelson claim block (900 ha) and Gamma claim block (1,000 ha).

The Los Calatos porphyry copper-molybdenum prospect in the Tertiary (Paleocene) belt of southern Peru was originally claimed by Acuarios Minera y Exploradora S.R.L. ("Acuarios") in the early 1990's. Between 1995 and 1996, Phelps Dodge held an option from Arequipa Resources (Acuarios' affiliate), who during this period sold their assets to Barrick Gold Corporation ("Barrick").

Prior to Hampton's involvement, the project had been subjected to two phase of modern exploration each including drilling campaigns:

- Phelps Dodge International Corporation ("Phelps Dodge") performed geological, geochemical and geophysical (I.P. resistivity and magnetics) surveys which led to drilling 26 RC holes totalling 4,188 metres and nearly 3,000 metres in 7 diamond cored holes. Their conclusion was that the main targets they had identified held a rather limited potential.

- Early in 1997, Barrick drilled a total of 1,939 metres in 8 diamond core holes at an approximate spacing of 100 metres in the main zone identified by Phelps Dodge, testing an area of approximately 600 metres long by 300 metres wide. The results were reviewed by J. David Lowell in March 1997 and he concluded that the deposit had the potential of being a medium sized porphyry copper deposit containing in the order of 20-40 million tonnes of approximately 0.86% copper. He also suggested the project would have a reasonably low stripping ratio and the mineralisation would most likely have good leaching characteristics.

The project was subsequently acquired by the Peruvian corporation Placer Dome Del Perú S.A.C ("Placer Dome") (a subsidiary of Barrick) who offered the project to companies such as Southern Peru Copper Corporation, Companhia Vale do Rio Doce ("CVRD") and Corporacion Del Cobre-Chile ("Codelco"), who declined interest.

In November 2006, Minera Cerro Norte S.A ("Cerro Norte") entered into an Option Agreement with Placer Dome giving it a right to earn 100% interest in the three Los Calatos claim blocks by satisfying certain terms and conditions. In the event it discovers a deposit containing 2 million or more ounces of gold and/or 1 million tonnes or more of fine copper in Proven and Probable Reserves (as determined by a Placer Dome Scoping or Feasibility Study) Placer Dome (now Barrick) has the right to buy back 51% of the interest for 200% of the total expenditure incurred on the claims up to that time.

In September 2007, Hampton entered into an option to purchase agreement with Northhill Holdings Group Inc. ("Northhill") who owns 100% of Cerro Norte, to acquire 100% of the three Los Calatos claim blocks upon satisfaction of a number of terms and conditions ("Calatos Purchase Agreement") (seeTable 1).

Hampton has subsequently extended its area held under license to include an additional thirteen 100% owned mining concessions (Nicky 1 to 7 and Nicky 10 having Arequipa Mining Rights Registry Entry Numbers; Nicky 8 to 9 claimed on the 10 March 2009 and Nicky 11 to 13 claimed on the 5 August 2009) and a further five mining concession applications (Nicky 14 to 18 claimed in late September 2009) which, together with the original three concessions, comprise approximately 177 square kilometres as illustrated in Figure 7.

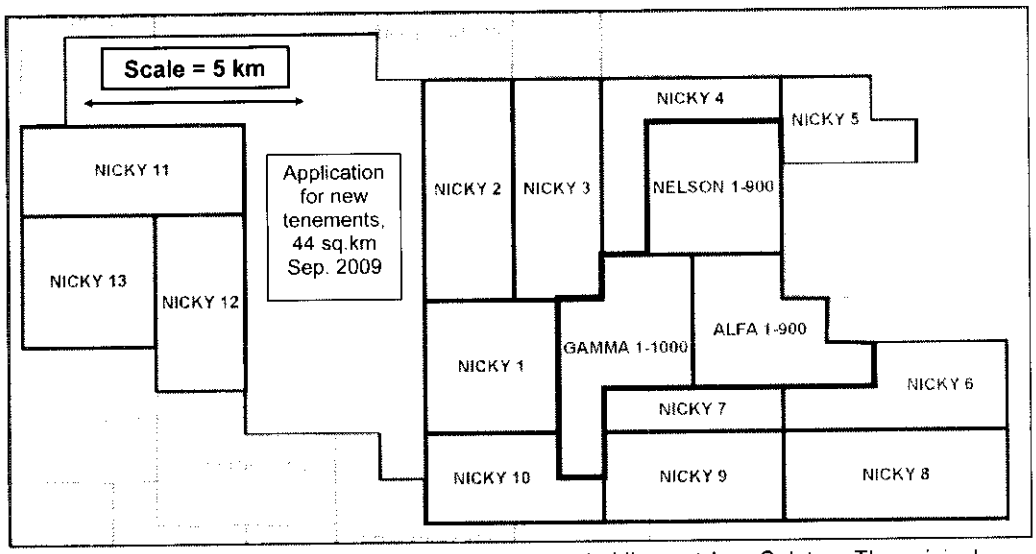


Figure 7. Map showing extent of Hampton's tenement holdings at Los Calatos. The original area subject to the Calatos Purchase Agreement is outlined in black.

(2) Geology and alteration

As stated above, the Los Calatos prospect is located along a northern branch of the NW striking Incapuquio Fault System of Southern Peru, the same branch associated with the Cuajone and Quellaveco porphyry copper deposits located 34 and 50 kilometres to the southeast, respectively. The prospect is located in an area of low relief consisting of hydrothermally altered Matalaque Volcanics, intrusive rocks and breccias, surrounded by propylitically altered granodiorite in a structurally complex zone.

The Matalaque Volcanics are a well-bedded series of intercalated volcanic and volcaniclastic rocks. The series consists of dacitic feldspar porphyry flows inter-bedded with flow breccias, andesitic lavas, volcaniclastic sandstones and conglomerates. This series is intruded by a large granodioritic stock that has internal variations in composition from gabbro to feldspar porphyry.

Distinct breccia bodies have been mapped by earlier workers on the surface and are described as varying from crackle breccias to hydrothermal intrusive breccias. David Lowell reviewed the property interpreting it to have copper mineralization associated with an oxidized, calc-alkaline intrusion and breccia complex whose emplacement may have been controlled by the intersection of west-northwest and north-northwest faults.

The intersection of west-northwest and northwest striking structures were interpreted by earlier workers to control the emplacement of intrusives, breccias and copper and molybdenum mineralisation in the main part of Los Calatos. Moreover, they believed the west-northwest trending structures appeared to be most important as they were considered to limit mineralisation and alteration, as interpreted from logging diamond drill holes DDH-2 and DDH-4.

One of these structures, referred to as the Calatos Fault, was interpreted to exert a major control on geology and mineralisation as it apparently juxtaposed different types of breccias and intensity and type of alteration, and was seen to limit copper and molybdenum mineralisation.

The dominant alteration observed at the surface is an ellipsoidal northwest/southeast trending zone of advanced argillic alteration surrounding a west-northwest/east-southeast trending central core of sericitic alteration.

(3) Mineralisation

A strong zone of supergene enrichment comprising chalcocite and traces of covellite, has been intercepted in both DDH-2 and DDH-4 and is interpreted to extend across the 500 metres that separate them. Weak chalcocite is reported to occur in several other holes drilled by Phelps Dodge and Barrick.

Pyrite is the most abundant primary hydrothermal mineral at Los Calatos, with Chalcopyrite and molybdenite occurring in subordinate amounts.

The vertical distribution of primary copper and molybdenum has been described by SRK as being best represented in the three cored holes, DDH-2, DDH-4 and DDH-9.

In DDH-2 which intercepted 130 metres having an average grade of 0.93% copper and 0.029% molybdenum, most of the significant primary copper (>0.2%) and all of the significant molybdenum (>300 ppm) occur in the upper 300 metres of the hole. With the exception of chalcocite, the majority of the copper is associated with brecciated zones and veins and breccia fillings. Molybdenum is restricted to the upper 280 metres and is unaffected by supergene processes.

DDH-4 intercepted 712 metres having an average grade of 0.53% copper and 0.044% molybdenum, and shows a much broader vertical distribution of copper and molybdenum as well as generally higher grades of each. Significant values

of copper (>0.3%) and molybdenum (>300 ppm) decrease markedly at 776 metres at a fault zone. Below the fault, copper values drop to <0.07% and molybdenum values to <20 ppm. Although most of the higher grades of both are associated with the breccia in the upper 400 metres of the hole, significant values of both are also associated with the altered granodiorite intrusive.

DDH-10, just south of the interpreted Calatos Fault, shows little vertical zonation. There is an 86m interval of 0.17% copper occurring as mixed chalcocite and chalcopyrite just below the leached cap, but no other significant copper or molybdenum was intercepted in the hole. All of the holes drilled by Phelps Dodge and Barrick were vertical holes.

(4) Metallurgical testwork

Preliminary metallurgical testwork has commenced on representative samples taken from Hampton's drilling (see Table 4 below) to determine metal recoveries and assess the characteristics of copper and molybdenum concentrates produced from industry-standard froth flotation technology.

(5) Hampton exploration activities (2008 - present)

Hampton commenced its efforts working on the exploration model for the Los Calatos project as comprising hypogene copper-molybdenum mineralisation associated with hydrothermal alteration caused by a classic Andean Porphyry system. The location of this system is related to dilation zones occurring along the northwest striking Incapuquio Fault and associated east striking splay or 'horsetail' structures.

A leached cap comprising a 50 to 100m thick zone containing oxide minerals of jarosite, hematite and goethite has been identified from earlier drilling. This cap overlies a 150 metre thick subhorizontal layer or blanket of supergene enriched copper and molybdenum. Secondary sulphide minerals such as Chalcocite occur below this blanket, commonly associated within shear zones which transgress the primary sulphide mineralisation.

Following a period of carefully reviewing all existing information and further field mapping studies, Hampton completed a 6,385 metre diamond drilling program from13 holes (CD-1 through CD-12, with CD-13 drilled as a water hole) in October 2008 (see Figure 8). All the holes were drilled at an incline of between 50 to 60 degrees towards the south designed to test the geology and mineralisation beneath the lateral extent of the west-northwest/east-southeast trending 600 metre long by 300-400 metre wide zone of quartz-sericite altered rocks which represent the exposed core of the Los Calatos system. The holes were drilled on seven approximately 100 metre-spaced sections to vertical depths of up to 750 metres (CD-05), with between 1 and 3 holes drilled per section.

These results together with the geological (lithological, structural and alteration) information logged from the drill core and from surface mapping

indicate the Los Calatos zone of mineralisation is not bound or confined by the Calatos Fault as interpreted by earlier workers.

The most comprehensively drilled north-south oriented section, E-286.500, includes three Hampton inclined holes (CD-01, 05 and 08) along with earlier vertical drill holes DDH-04 and 27 and RC-04 and RC-16 (see Figure 9). A recent re-interpretation of all of the drilling has been completed and shows a steeply northward dipping zone of copper-molybdenum mineralisation, thickening with depth and associated with varyingly brecciated and quartz-sericite altered dioritic and dacitic rocks. The zone appears to thicken from approximately 100 metres at 50 metres vertical depth to over 350 metres at 750 metres vertical depth. This zone is surrounded by argillic altered rocks to the north and south which are substantially less endowed in base metal mineralisation.

Table 4. Selected Los Calatos drilling results.

| Hole No | Angle | Depth | Intersections | | | | | |
|---|---|---|---|---|---|---|---|---|
| | degrees | metres | From | To | Intercept | Cu | Mo | CuEq |
| | | | m | m | m | % | % | % |
| **Historic drilling (1995 and 1996)** | | | | | | | | |
| DDH 02 | 90 | 680 | 50 | 180 | **130** | **0.93** | **0.029** | **1.22** |
| DDH 04 | 90 | 810 | 60 | 772 | **712** | **0.53** | **0.044** | **0.97** |
| DDH 29 (2) | 90 | 252 | 28 | 252 | **224** | **0.22** | **0.047** | **0.69** |
| DDH 31 | 90 | 240 | 82 | 220 | **138** | **0.36** | **0.013** | **0.49** |
| DDH 32 (2) | 90 | 184 | 90 | 184 | **94** | **0.52** | **0.038** | **0.90** |
| DDH 33 (2) | 90 | 258 | 34 | 258 | **224** | **0.42** | **0.05** | **0.92** |
| DDH B | 90 | 224 | 82 | 204 | **122** | **0.54** | **0.044** | **0.98** |
| ***Average grades (weighted by intercept length)*** | | | | | | ***0.49*** | ***0.041*** | ***0.90*** |
| **Hampton Mining drilling (2008)** | | | | | | | | |
| CD-01 | 60 | 450 | 74 | 213 | **139** | **0.60** | **0.045** | **1.05** |
| CD-02 | 55 | 340 | 84 | 247 | **163** | **0.35** | **0.053** | **0.88** |
| CD-03 | 50 | 258 | No significant intersections, drilled above mineralised porphyry | | | | | |
| CD-04 | 50 | 431 | 137 | 420 | **283** | **0.39** | **0.050** | **0.89** |
| CD-05 (2) | 60 | 801 | 211 | 801 | **590** | **0.29** | **0.054** | **0.83** |
| | | including: | 238 | 613 | 375 | 0.32 | 0.078 | 1.11 |
| CD-06 (1) | 55 | 474 | 64 | 468 | **347** | **0.22** | **0.018** | **0.40** |
| CD-07 (1,2) | 65 | 455 | 238 | 426 | **371** | **0.26** | **0.020** | **0.46** |
| CD-08 (2) | 60 | 750 | 494 | 750 | **256** | **0.71** | **0.05** | **1.21** |
| CD-09 (1,2) | 50 | 450 | 91 | 450 | **287** | **0.33** | **0.042** | **0.75** |
| CD-10 | 60 | 745 | 652 | 745 | **93** | **0.20** | **0.007** | **0.27** |
| CD-11 (2) | 60 | 730 | 260 | 730 | **470** | **0.49** | **0.083** | **1.32** |
| | | including: | 260 | 375 | 115 | 0.92 | 0.161 | 2.53 |
| | | and: | 416 | 514 | 98 | 0.36 | 0.127 | 1.63 |
| CD-12 | 60 | 303 | No significant intersections, drilled above mineralised porphyry | | | | | |

**Notes:** (1) Cumulative intercept, (2) Hole ends in mineralisation.

**Note on copper equivalence**: Copper equivalent (CuEq) grades are calculated assuming CuEq % = Cu % + Mo % x 10.
Actual copper equivalence of Mo grades will depend on: (1) the ratio of received Mo and Cu prices, (2) % recoveries of Cu and Mo into saleable Cu and Mo concentrates respectively, and (3) the commercial terms for payment of Cu and Mo contained in saleable concentrates

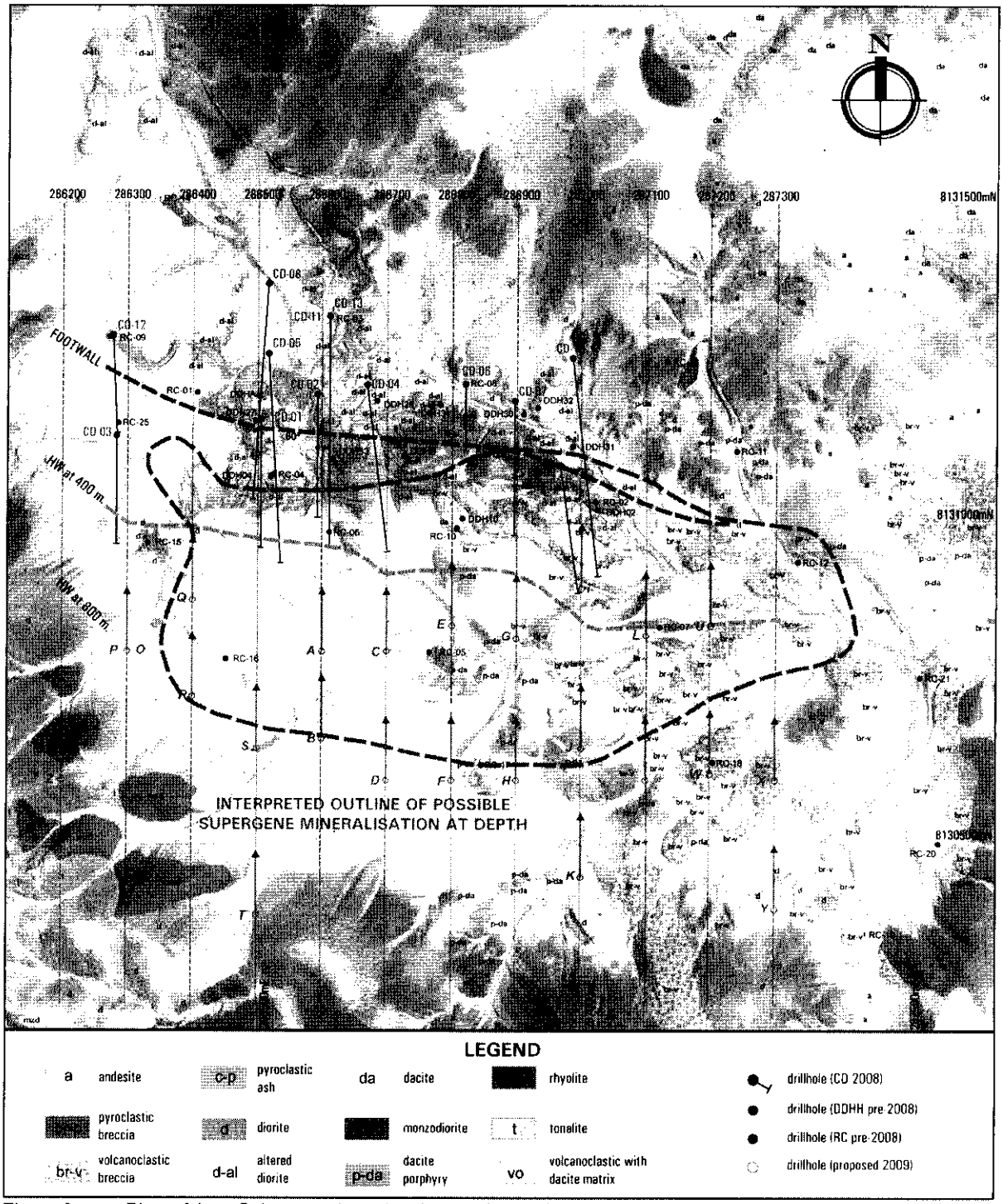


Figure 8. Plan of Los Calatos project showing geology, alteration and extent of drilling and proposed drilling to date. (HW = hangingwall or inclined upper contact with a mass of rock overlying the mineralisation.)

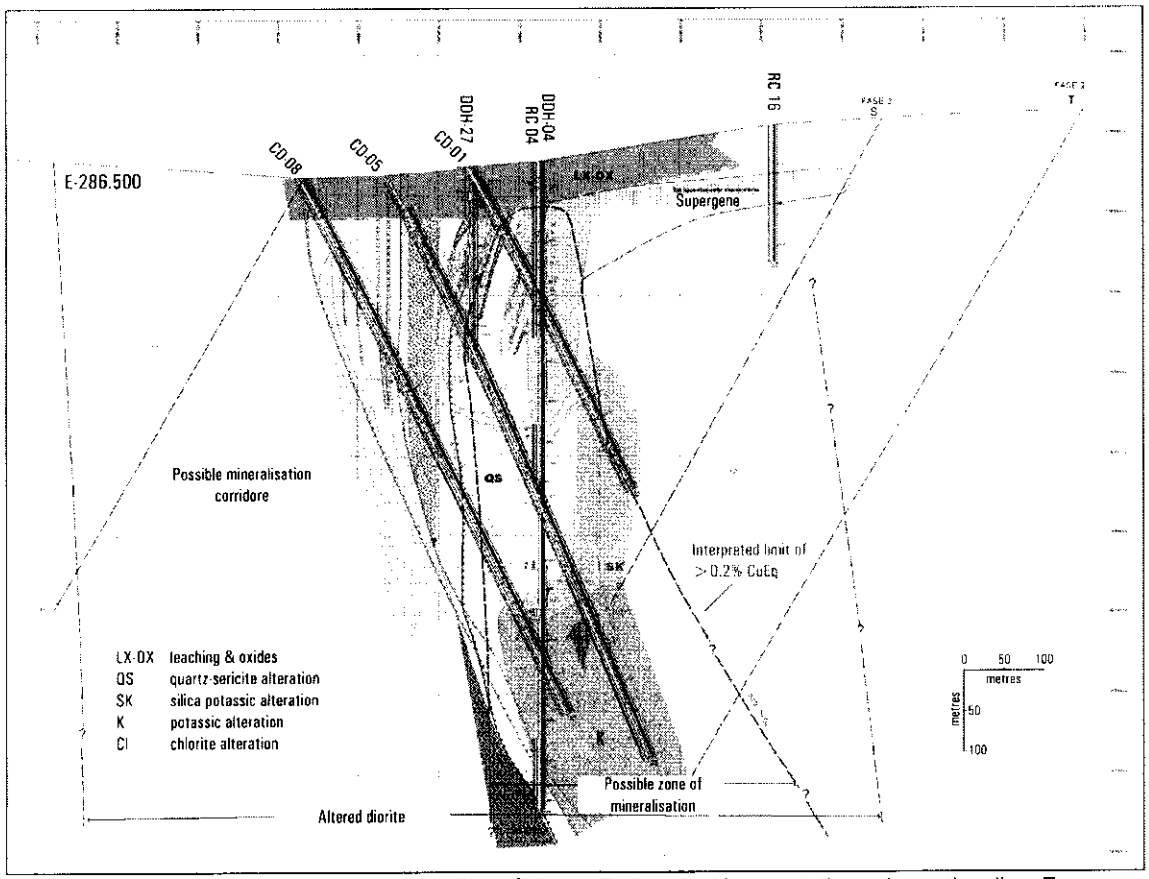


Figure 9. Cross section through the Los Calatos Project looking east through section line E-286.500 showing the geology, alteration, drilling and interpreted limit of >0.2% CuEq mineralisation.

Of particular note is the intercept at vertical depths in excess of 500 metres in holes CD-05 and CD-08, of potassic altered and brecciated dacitic rocks. This zone of potassic alteration has been intercepted at shallower vertical depths of between 200 and 300 metres in the holes drilled for the five 100 metre-spaced sections to the east, across the central portions of the system. The presence of hypogene copper-molybdenum mineralisation associated with a concentrically altered suite of brecciated dioritic and dacitic rocks lend further support to the exploration model as being typical of a Andean Porphyry system. Furthermore, shallow holes (where drilled) collared to the south of the outcropping/sub-cropping zone of quartz-sericite altered dioritic and dacitic rocks have intercepted a 50 metre thick sub-horizontal layer of supergene altered rocks, completing the common hypogene-supergene configuration of these Andean Porphyry systems.

Further exploration work has been undertaken to facilitate the design and implementation of a 20,000 metre infill drilling program from 26 diamond holes staged in two campaigns, focussed mainly on extending the known resources (see section below). All necessary approvals have been granted by the

Peruvian Government and drilling is expected to commence in early November 2009.

(6) Sample preparation and analytical assay procedures

It is beyond the scope of this report to undertake an in depth quality assurance / quality control (QA/QC) analysis of the sample preparation and analytical assay procedures undertaken by Hampton's exploration team. This has been assessed by SRK as part of their recent resource estimation process and who've found the sample preparation, handling and analytical assay management to have been conducted under the same executive and project management team operating on similar projects in Chile, to be at a high professional standard.

(7) Geological modelling and resource estimation

SRK completed a JORC-compliant resource estimate in January 2009, using a geological model interpreted by Hampton geologists and based on interpreted cross-sections separated by 100 metres using the surface geology information and drill data.

The Los Calatos drillhole database contains 52 holes comprising 4,189 metres from 26 RC holes, and 10,520 metres from 26 diamond cored holes. Assay samples were collected approximately every 1 or 2 metres and analysed for copper, molybdenum and some for gold and silver, by the ACME Analytical Laboratory Ltd. in Lima, Peru. In addition, some samples were analysed for their acid soluble copper (CuSu) and cyanide soluble copper (CuCN) content.

The SRK mineral resources statement for the Los Calatos copper-molybdenum deposit reported at a 0.2% Cu cutoff grade, and classified according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (December 2005), is presented in Table 5.

Table 5. SRK Consulting (Chile) S.A January 2009 Mineral Resource Statement for the Los Calatos Copper-Molybdenum Project (reported at a cut-off of 0.20 percent copper).

| Resource Classification | Tonnage (Kilotonnes) | Copper Grade (Percent) | Molybdenum Grade (ppm) |
|---|---|---|---|
| Indicated | 73,646 | 0.44 | 504 |
| Inferred | 224,295 | 0.39 | 332 |

Hampton completed a revision of the SRK January Resource Estimate, taking into account additional down-hole surveys and a subsequent SRK review (May 2009) and reported a new resource estimate in June 2009 (Table 6).

Table 6. Hampton June 2009 Mineral Resource Statement for the Los Calatos Copper-Molybdenum Project (reported at a cut-off of 0.20 percent copper).

| Resource Classification | Tonnage (Kilotonnes) | Copper Grade (Percent) | Molybdenum Grade (ppm) |
|---|---|---|---|

| | | | |
|---|---|---|---|
| Indicated | 69,069 | 0.444 | 510 |
| Inferred | 192,435 | 0.42 | 380 |

(8) Scoping Study, remaining work programs and commitments

Preliminary metallurgical testwork has commenced on representative samples taken from Hampton's drilling to facilitate a scoping study to be undertaken in order to satisfy one of the terms of the Calatos Purchase Agreement between Hampton and North Hill (owner of the original three claim blocks). In addition, Hampton must complete a further 2,615 metres of drilling and pay North Hill US$500,000 and US$0.005 per pound of contained copper equivalent metal included in reserves in a scoping study to exercise its option to purchase the Los Calatos property on or before 1 August 2010.

Lorabay is of the opinion that Hampton has the technical and operational ability to complete a drilling program comprising in excess of 2,615 metres and complete an independent scoping study on the Los Calatos Project before 1 August 2010, as required under the Calatos Purchase Agreement. These activities would incur direct costs estimated to range from US$1.1 million to US$ 1.5 million, and would require additional expenditure to account for project management and corporate overhead costs.

In addition, Hampton is required to make a further US$500,000 annual payment before 1 August 2010 and to pay North Hill on a US$0.005 per pound contained copper equivalent metal basis, as determined by an independent scoping study. In order to quantify this, and by way of an example, in the event the resource estimate undertaken following a further campaign of drilling was to result in similar amounts of contained copper equivalent metal being estimated to the current Resource (i.e. 1.93 million tonnes or 4.255 billion pounds of copper equivalent metal) and used in the independent scoping study, Hampton would be required to pay North Hill in the region of US$21.275 million.

In the event a decision to mine is made, Hampton is required under the terms and conditions of the Calatos Purchase Agreement to make a further payment of US$1,500,000 to North Hill and provide North Hill with a royalty of 2% on net smelter recovery.

## (b) Vallecillo (Hampton 50%)

(1) Background

The Vallecillo property is located in the pre-Andean belt of central Chile, approximately 50 kilometres due east of the town of Ovalle. It lies between the Hurtado (to the north) and Rapel-Los Molles (to the south) river valleys which drain the region westwards to the coast (see Figure 4). Elevations range from 1800 to 2500 metres above sea level. The area is characterised by moderate relief with mountain ridges oriented in a north-south direction and others in an east-northeast direction. A historic La Colorada Mine is in an area of relatively low relief in the central northeastern part of the area.

The project area can be reached by travelling 40 kilometres to the northeast on sealed road to the town of Samo Alto, and a further 32 kilometres to site via La Puerta. The climate is typical of the pre-Andean mountains of these latitudes, having warm summers and cold winters. Rainfall is about 100 to 150 millimetres per year and snow appears at elevations above 2,500 metres. Consequently, the project area has surface water available throughout the year, from the local Vallecillo and Rio Ponio streams. Power can be obtained from the local grid of the Los Molles Hydroelectrical Plant, located some 25 kilometres to the south of the project area.

In 1984 Rio Algom International Inc. Chile signed an option agreement on the La Colorada property. Their studies included geological mapping, systematic geochemical sampling, mineralogical studies and metallurgical tests. Although positive results were obtained, Rio Algom withdrew from the option agreement.

Inversiones EM Dos Limitada conducted geological mapping and geochemical sampling both on the surface and underground at La Colorada during 2002 and 2003.

The 18 claims covering the Vallecillo property total 5,450 hectares. Total maintenance costs for 2006 were US$6,004; for 2007 were US$6,004; for 2008 were US$65,370 and 2009 were US$56,118 for a total of US$133,496. Hampton has completed all option payments to earn a 50% interest in the Vallecillo property through Sociedad Contractual Minera Ovalle SCM with the balance beneficially held by MN Ingenerios Limitada.

(2) Geology and alteration

A soil colour anomaly due to hydrothermal alteration and leaching covers an area that extends approximately 5 kilometres in a north-south direction and 4 kilometres east-west. The alteration principally affects andesitic lavas, breccias and tuffs belonging to the Upper Cretaceous Viñita Formation and appears to be related to small porphyritic textured stocks of granodioritic-dioritic composition.

The altered and leached zone at the La Colorada Mine is within an elongated north-northeast trending belt 700 metres long and 50 to 100 metres wide hosted by variably brecciated andesitic porphyritic volcanic rocks. The underground workings of the mine consist of two reef drives on separate levels accessed by upper and lower adits. Three separate prospects, called Las Pircas, Chiflon and Potrero Colorada also occurs within the area held under option and are reported to have similar geological characteristics to La Colorada (see Figure 10).

The alteration is related to a series of north-northeast oriented faults, arranged in an en echelon pattern, which can be followed for several kilometres and have been interpreted to form part of the Tulahuen Fault System.

The Vallecillo project contains many of the hallmarks of an Andean porphyry system, centred on the La Colarada Mine area. The focus of past mining has been on gold mineralisation associated with an intense quartz-sericite altered zone comprising massive aphanitic textured quartz and occasional breccia. Abundant secondary and tertiary quartz veinlets ranging from a few millimetres to 2 metres thick are also mapped within this zone which is successively surrounded by wide zones of moderate to intense argillic and propyllitic alteration. The presence of occasional k-feldspar minerals in close association with the mineralisation lends further support to the Andean porphyry affinity of the Vallecillo project.

### (3) Mineralisation

Mineralisation in the Vallecillo area consists of both precious and base metals. In the Farellón and Las Pircas areas, gold-silver mineralisation predominates, while at La Colorada, zinc is more common along with the precious metals. Mineralisation at La Colorada occurs as discrete veins and veinlets as well as in stockworks and associated with hydrothermal breccias. The veinlets range from 2 to 15 centimetres in thickness and are composed of quartz and sulphides.

The deposit is a tabular shaped body about 500 metres long and between 30 and 100 metres wide. The oxidised zone extends to a depth of about 15 metres, followed by the primary zone. The principal sulphide is pyrite (about 5%) followed by sphalerite and galena (about 2-4%). The grades of the mineralised veins/structures average about 4 to 6 g/t gold and 1 to 3% zinc.

Hydrothermal breccias, appearing to have developed in the upper part of an intrusive porphyry stock and along its contact with the surrounding volcanics, also host significant lower grade mineralisation. Three of these breccia bodies have been detected at La Colorada and have thicknesses ranging from 10 to 30 metres and lengths of at least 100 metres. The grades in these breccias average 2 to 4 g/t gold, 30 g/t silver, 2% zinc and 1% lead.

### (4) Metallurgical testwork

Compañia Rio Algom Chile requested CIMM (Center of Mining and Metallurgical Investigations in Santiago) to perform some preliminary metallurgical tests with the ore from the La Colorada deposit in early 1985, in which three processes were evaluated:

- Heap cyanide leach, only for gold and silver recovery,
- Flotation followed by concentrate cyanidization, and
- Flotation to obtain two marketable concentrates.

While heap cyanide leaching did not provide good results, agitated tank cyanide leaching on fine (-30 mesh) material produced recoveries of 79.3% for gold and 57.2% for silver. Good recoveries were obtained from flotation test

work indicating commercial concentrate grades of about 65% lead and 45% zinc could be obtained, however further test work was warranted in order to improve the precious metal recoveries.

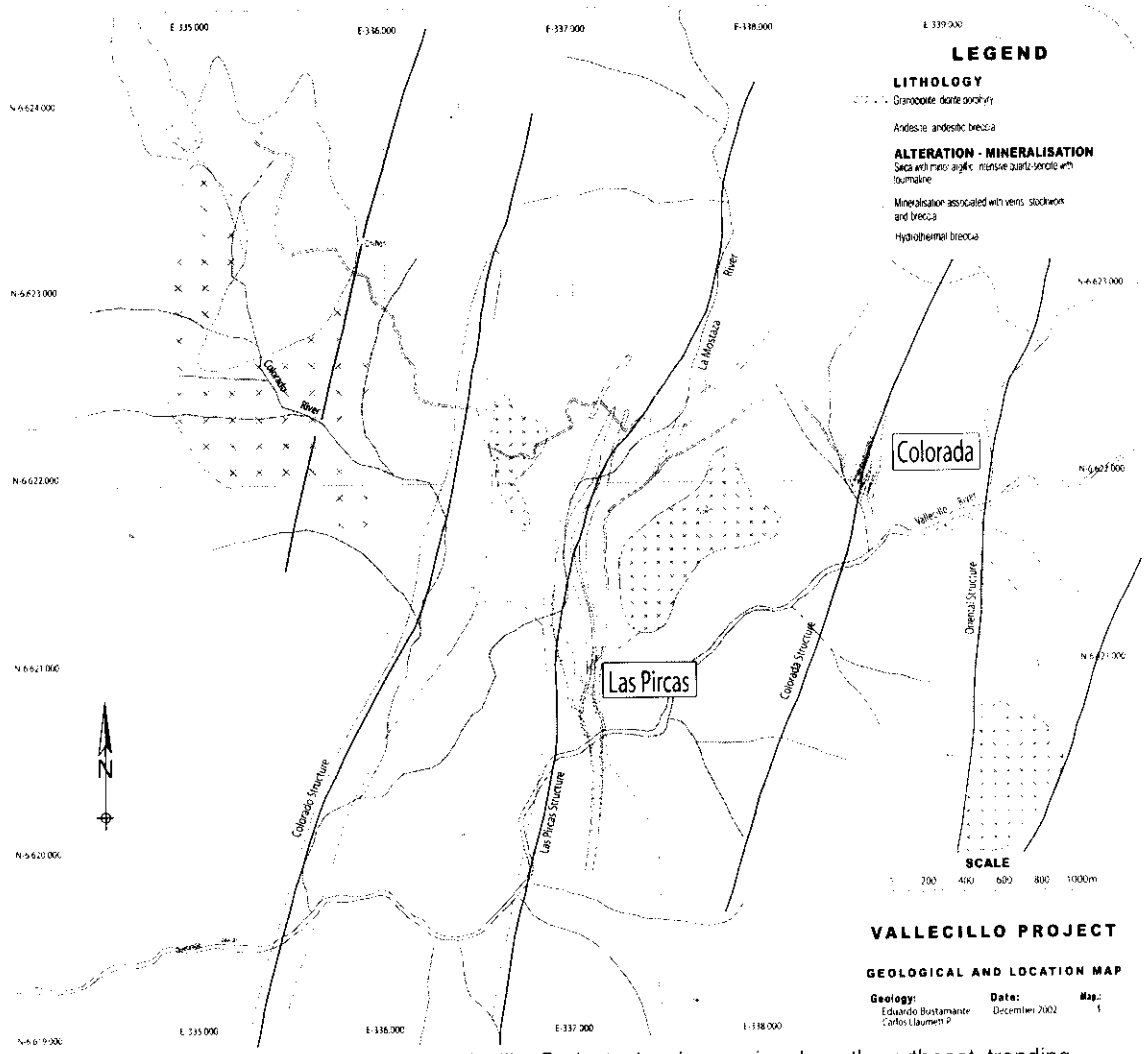


Figure 10. Geological map of the Vallecillo Project showing regional north-northeast trending shears and associated areas of mineralisation.

(5) Hampton exploration activities (2006 to present)

Hampton conducted a drilling campaign in 2006 consisting of 12 RC holes spaced approximately 50 metres across 6 east-west sections, for a total of 2,710 metres. Drill results defined a broad mineralized breccia zone with a true width of approximately 75 metres and a strike of approximately 300 metres, apparently plunging to the south (see Figure 11). Mineralisation remained open to the south and north and at depth.

Hampton produced the following preliminary interpretations and conclusions based on the results of both the drilling and surface and underground mapping and sampling:

- The location of the La Colorada breccia is apparently controlled by a north-trending sigmoid shear system allowing dilation and subsequent mineralization related to intrusive hydrothermal activity.
- Sub-parallel north-trending shears in the area are also hydrothermally altered and mineralized to varying extents, and suggest splays off the north-trending Domeyeko Fault System, which is known to localise mineralisation in Central and Northern Chile.
- High grade zones occur within the breccia, often in the eastern hanging wall, and are associated with strong sulphide veining.
- Zinc is extensive throughout the breccia as disseminations and veins and reaches its best development in hole VR 06 with 74 metres at 2.44% zinc.
- A felsic intrusive intersected in drilling and mapped in the adits appears to be late-stage, and is not mineralized.

Table 7. Selected Hampton RC drilling results for Vallecillo Project (phase 1).

| | | Intersection | | | Grade | | | |
|---|---|---|---|---|---|---|---|---|
| Hole No. | Hole Depth (m) | From (m) | To (m) | Width (m) | Au (g/t) | Ag (g/t) | Zn (%) | Pb (%) |
| VR 01 | 170 | 68 | 170 | 102 | 1.64 | 8 | 1.72 | 0.21 |
| VR 02 | 150 | 66 | 150 | 84 | 1.11 | 9 | 1.51 | 0.34 |
| VR 03 | 190 | 62 | 170 | 108 | 0.69 | 9 | 1.48 | 0.19 |
| VR 04 | 208 | 96 | 190 | 94 | 0.36 | 10 | 0.86 | 0.49 |
| VR 05 | 320 | 176 | 202 | 26 | 0.71 | 8.2 | 1.01 | 0.03 |
| VR 06 | 300 | 166 | 242 | 76 | 1.12 | 8 | 2.44 | 0.04 |
| VR 09 | 300 | 130 | 222 | 92 | 1.20 | 7 | 1.67 | 0.10 |
| VR 10 | 342 | 164 | 324 | 160 | 0.32 | 2.1 | 0.93 | 0.02 |

Hampton conducted a second round of drilling in 2008 comprising 17 diamond holes totalling 5,782 metres. Results from the second round of drilling successfully extended the zone of mineralisation to the north and at depth, which remains open in both these directions. Significant mineralisation has been encountered by drilling over a total strike length of 350 metres (see Figure 11). Following the results of further surface exploration, results indicate the mineralised breccia, although apparently narrowing, extends northwards for a further 350 metres.

Table 8. Selected Hampton diamond drilling results for Vallecillo Project (phase 2).

| | | Intersection | | | Grade | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Hole No. | Hole Depth (m) | From (m) | To (m) | Width (m) | Au (g/t) | Ag (g/t) | Zn (%) | Pb (%) | Cu (%) |
| VD 04 | 485 | 265 | 344 | 79 | 0.1 | 5 | 0.45 | 0.05 | 0.05 |
| VD 05 * | 340 | 91 | 229 | 79 | 1.0 | 16.9 | 2.03 | 0.49 | 0.08 |
| VD 06 * | 200 | 57 | 113 | 44 | 0.77 | 13.4 | 0.83 | 0.66 | 0.02 |
| VD 07 * | 350 | 149 | 257 | 17 | 0.61 | 7.4 | 0.55 | 0.33 | 0.03 |
| VD 08 | 400 | 77 | 261 | 184 | 2.1 | 27 | 2.1 | 1.29 | 0.01 |
| VD 09 | 389 | 248 | 250 | 2 | 1.5 | 20 | 1.27 | 1.56 | 0.04 |
| VD 10 | 120 | 12 | 92 | 80 | 0.3 | 6 | 0.34 | 0.32 | 0.01 |
| VD 11 | 426 | 179 | 284 | 105 | 0.36 | 5.4 | 0.96 | 0.03 | 0.1 |
| VD 12 * | 150 | 22 | 150 | 100 | 0.91 | 8.2 | 1.27 | 0.25 | 0.07 |
| VD 13 * | 530 | 70 | 253 | 75 | 0.1 | 2.2 | 0.75 | 0.03 | 0.03 |
| VD 14 | 120 | 47 | 101 | 54 | 1.4 | 8 | 1.55 | 0.48 | 0.03 |
| VD 15 | 140 | 32 | 141 | 109 | 0.6 | 6 | 0.95 | 0.24 | 0.02 |
| VD 16 | 440 | 165 | 202 | 37 | 0.14 | 5 | 0.79 | 0.41 | 0.02 |
| VD 17 * | 489 | 204 | 321 | 80 | 0.38 | 6.8 | 0.59 | 0.38 | 0.02 |

Note: * For these holes intersections shown are cumulative between the limits of From (m) and To (m).

(6) Sample preparation and analytical assay procedures

It is beyond the scope of this report to undertake an in depth quality assurance / quality control (QA/QC) analysis of the sample preparation and analytical assay procedures undertaken by Hampton's exploration team. This has been assessed by SRK who found the sample preparation, handling and analytical assay management to have been conducted at a high professional standard. The wider use of selected prepared standard samples and more frequent use of check assays and round robin samples have been encouraged to ensure these standards are maintained.

(7) Geological modelling and resource estimation

SRK has conducted two JORC-compliant preliminary mineral resource estimates for the Vallecillo Project; the first was undertaken in November 2007 based on Hampton's RC drilling results and geological modelling; and the second completed in June 2009 based on both RC and diamond drilling conducted by Hampton. This report outlines the process and results obtained from the current resource estimation process.

The database contains 29 drill holes totalling 8,492 metres comprising 12 RC holes totalling 2,710 metres and 17 diamond holes totalling 5,782 metres. From these, 3,224 diamond samples of one-meter length and 1,271 RC samples of two metres length were taken for gold, silver, zinc, copper and lead assays, totalling 5,766 metres, corresponding to 4,495 samples.

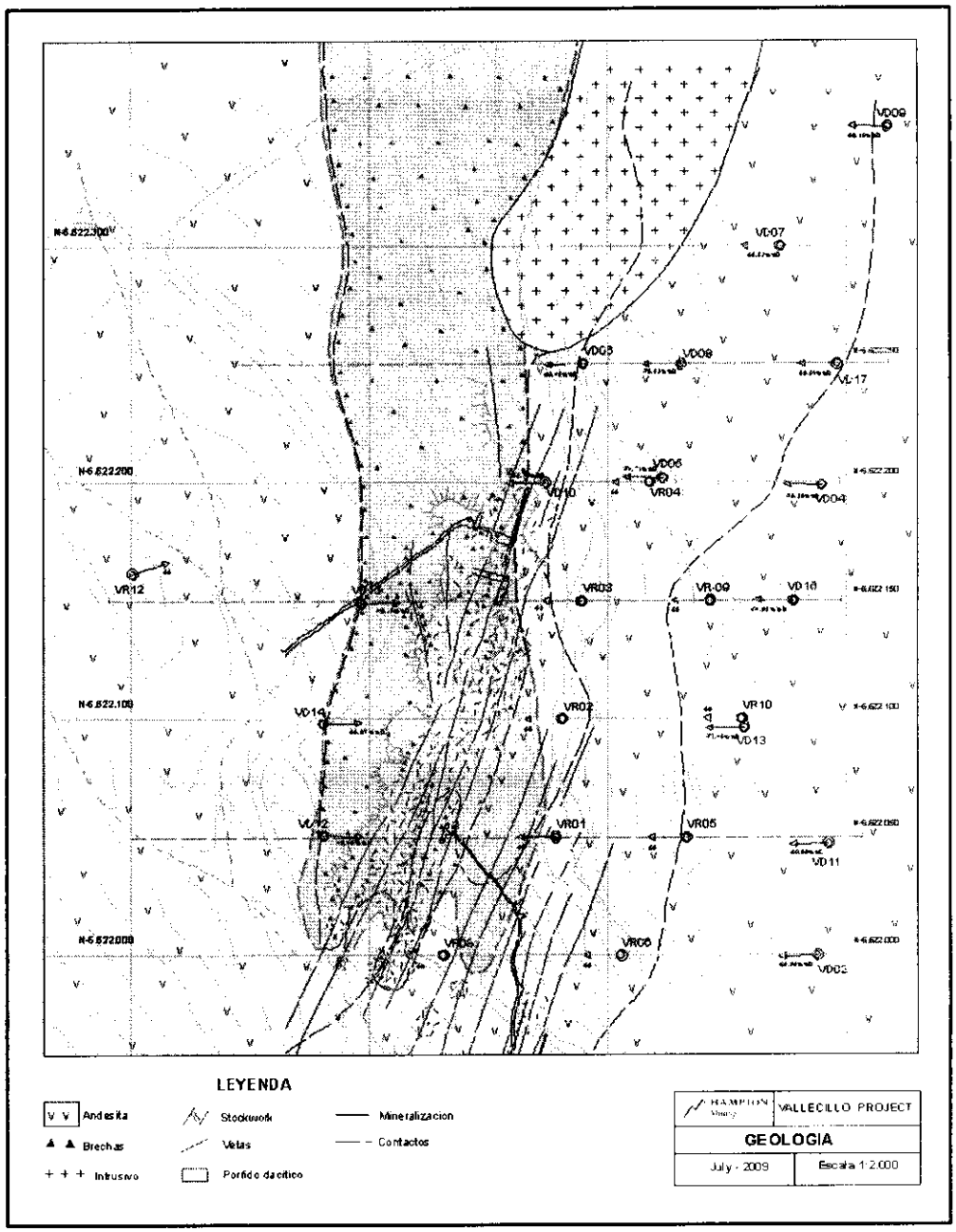


Figure 11. Plan view showing topography, geology, alteration, infrastructure and Hampton RC and diamond drill locations for the Vallecillo Project (*leyenda* – legend; *andesita* – andesite; *mineralizacion* – mineralisation; *brechas* – breccia; *vetas* – veins; *contactos* – contact; *intrucsivo* – intrusive; *porfido dacito* – dacitic porphyry).

The geological interpretation and three dimensional modelling was guided by Hampton geologists' current understanding of the shape of the mineralized

zones drawn from surface and underground mapping and sampling as well as interpretation

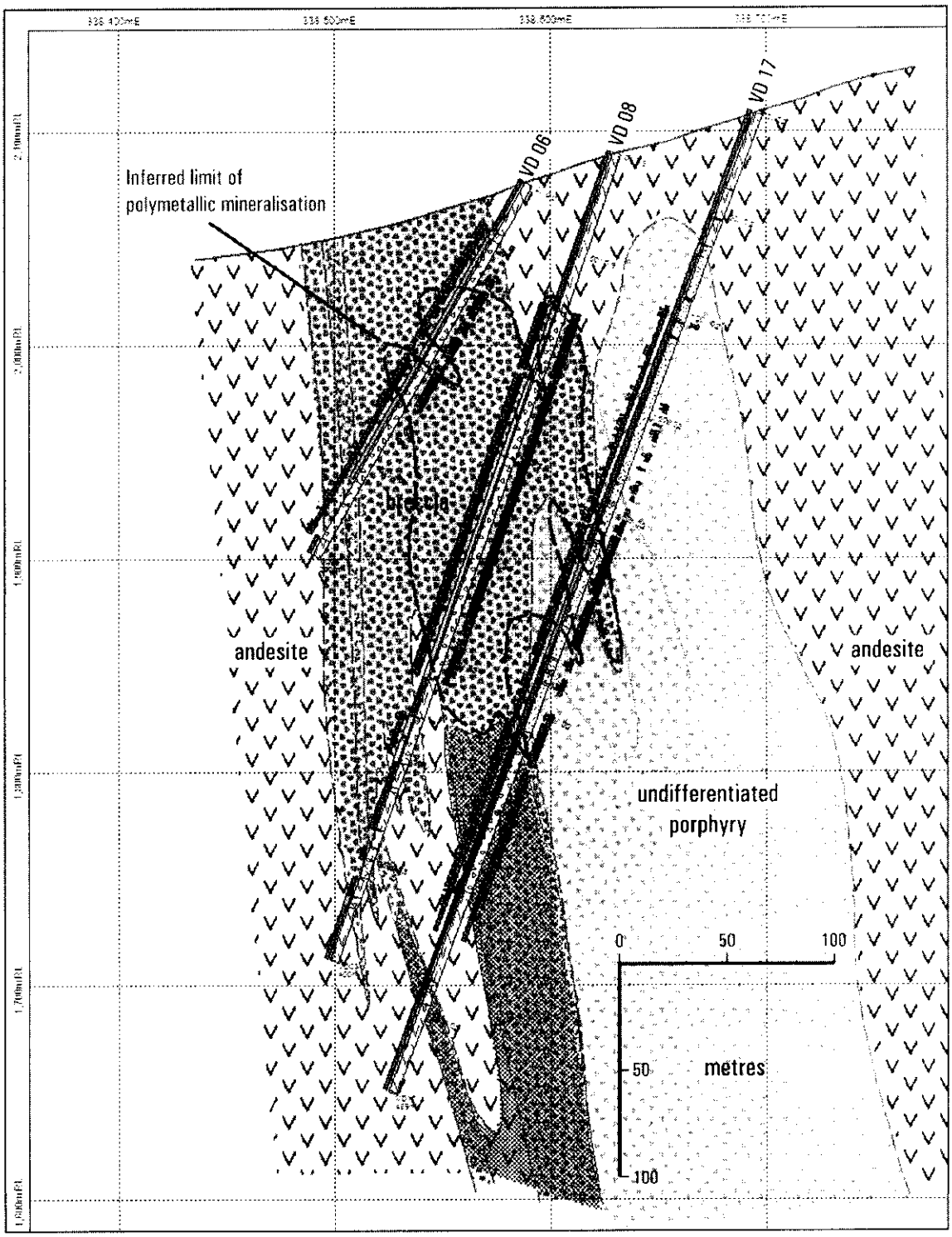


Figure 12. East-west section 6,622,050mN showing Hampton's drilling results and interpreted geology and alteration (dark green: silica-chlorite; yellow: quartz-sericite & pale green: propylitic).

of the drill logs. This information consists of 8 East-West sections separated every 50 metres (see Figure 12).

Table 9. Indicated Gold-Zinc-Silver-Copper-Lead Mineral Resources by gold cut-off grade for the Vallecillo Gold-Zinc Project, Region IV, Chile, SRK Consulting (Chile) S.A., July 14, 2009.

| INDICATED RESOURCES | | | | | | |
|---|---|---|---|---|---|---|
| Cut-off | Tonnage | Au | Zn | Ag | Cu | Pb |
| | KTonnes | ppm | ppm | ppm | ppm | ppm |
| 5.0 | 107.2 | 5.569 | 25,584 | 36.625 | 1,761 | 4,786 |
| 4.5 | 156.7 | 5.287 | 26,019 | 31.943 | 1,624 | 3,879 |
| 4.0 | 228.2 | 4.987 | 22,537 | 36.860 | 1,969 | 3,221 |
| 3.5 | 277.7 | 4.759 | 22,121 | 33.648 | 1,732 | 3,590 |
| 3.0 | 497.7 | 4.070 | 22,074 | 26.474 | 1,223 | 4,557 |
| 2.5 | 800.2 | 3.556 | 20,526 | 23.558 | 928 | 5,482 |
| 2.0 | 1,138.5 | 3.166 | 19,782 | 22.702 | 797 | 5,696 |
| 1.5 | 1,619.7 | 2.737 | 18,789 | 19.039 | 695 | 5,030 |
| 1.0 | 3,088.2 | 2.023 | 16,864 | 16.663 | 569 | 4,381 |
| 0.5 | 5,835.5 | 1.397 | 14,289 | 12.750 | 562 | 3,266 |
| 0.4 | 6,655.0 | 1.281 | 14,019 | 12.102 | 547 | 3,125 |
| **0.3** | **7,889.7** | **1.135** | **13,150** | **11.385** | **543** | **2,877** |
| 0.2 | 9,490.2 | 0.986 | 12,137 | 10.960 | 522 | 2,822 |
| 0.1 | 11,742.5 | 0.824 | 10,998 | 10.021 | 524 | 2,649 |
| 0.0 | 23,936.0 | 0.424 | 6,570 | 6.816 | 624 | 1,624 |
| Total | 23,936.0 | 0.424 | 6,570 | 6.816 | 624 | 1,624 |

Table 10. Inferred Gold-Zinc-Silver-Copper-Lead Mineral Resources by gold cut-off grade for the Vallecillo Gold-Zinc Project, Region IV, Chile, SRK Consulting (Chile) S.A., July 14, 2009.

| INFERRED RESOURCES | | | | | | |
|---|---|---|---|---|---|---|
| Cut-off | Tonnage | Au | Zn | Ag | Cu | Pb |
| | Ktonnes | ppm | ppm | ppm | ppm | ppm |
| 5.0 | 0.0 | 0.000 | 0 | 0.000 | 0 | 0 |
| 4.5 | 8.2 | 4.792 | 28,024 | 18.173 | 2,105 | 537 |
| 4.0 | 8.2 | 4.792 | 28,024 | 18.173 | 2,105 | 537 |
| 3.5 | 8.2 | 4.792 | 28,024 | 18.173 | 2,105 | 537 |
| 3.0 | 11.0 | 4.358 | 27,599 | 20.242 | 1,705 | 2,812 |
| 2.5 | 27.5 | 3.329 | 23,430 | 15.557 | 1,066 | 3,851 |
| 2.0 | 44.0 | 2.891 | 20,612 | 18.460 | 840 | 5,359 |
| 1.5 | 77.0 | 2.361 | 20,386 | 13.945 | 747 | 4,051 |
| 1.0 | 440.0 | 1.445 | 11,076 | 12.012 | 403 | 3,718 |
| 0.5 | 1,636.2 | 0.923 | 6,663 | 9.526 | 303 | 2,990 |
| 0.4 | 1,801.2 | 0.881 | 6,477 | 9.016 | 291 | 2,835 |
| **0.3** | **2,211.0** | **0.782** | **5,787** | **8.163** | **290** | **2,560** |
| 0.2 | 2,686.7 | 0.690 | 5,493 | 7.938 | 282 | 2,608 |
| 0.1 | 3,082.7 | 0.619 | 5,269 | 7.495 | 290 | 2,469 |
| 0.0 | 9,226.2 | 0.235 | 2,568 | 3.881 | 327 | 1,207 |
| Total | 9,226.2 | 0.235 | 2,568 | 3.881 | 327 | 1,207 |

A block model was constructed within the confines of the three dimensional geologically constrained solid with each block being 10 X 10 X 10 metres. The gold, silver, zinc, copper and lead grades were estimated for each block using the Ordinary Kriging method, considering a strategy of estimation for each unit

based on the results of each element's respective variographic analyses. Mineral resources were then classified using estimation parametres such as Nearest Sample Distance and Kriging Variance. Table 9 and Table 10 show the grade vs tonnage results for a range of gold-cut-off grades for the Indicated and Inferred resources respectively. Hampton has elected to report these resources using a 0.3 g/t gold cut-off grade which are summarised in Table 11.

Table 11. Combined Indicated and Inferred Gold-Zinc-Silver-Copper-Lead Mineral Resources for the Vallecillo Gold-Zinc Project, Region IV, Chile, SRK Consulting (Chile) S.A., July 14, 2009, at a 0.3 g/t gold cut-off.

| | Tonnage Ktonnes | Au ppm | Zn % | Ag ppm | Cu % | Pb % |
|---|---|---|---|---|---|---|
| **Indicated** | 7,889.70 | 1.14 | 1.32 | 11.39 | 0.05 | 0.29 |
| **Inferred** | 2,211.00 | 0.78 | 0.58 | 8.16 | 0.03 | 0.26 |
| **Total** | 10,100.70 | 1.06 | 1.15 | 10.68 | 0.05 | 0.28 |

These resources represent an approximate 40% increase in contained metal with a large percentage being at a higher confidence classification than SRK's November 2007 resource estimate which reported an Inferred Resource of 8.46 million tonnes @ 0.76 g/t gold, 1.42% zinc, 8.1 g/t silver, 0.04% copper and 0.25% lead (using a 0.5% zinc cut-off). It is noteworthy that the overall grades for gold, silver, copper and lead have increased while that of zinc has decreased as a consequence of further drilling and using a gold cut-off as opposed to a zinc cut-off.

(8) Scoping study

Hampton has recently commissioned an independent laboratory to undertake preliminary metallurgical testwork on the Vallecillo mineralisation to determine ultimate metallurgical recoveries and whether saleable zinc and lead concentrates can be achieved. The testwork will also evaluate the extraction of gold and silver as dore. The results of this analysis will form part of a scoping study.

## (c) Loica (Hampton 50%)

(1) Background

Loica is located in the pre-Andean belt in central Chile, approximately 100 kilometres southeast of the town of Ovalle. The alteration area at Loica covers an area of approximately 2 x 1 kilometres, oriented north-south and occupies the Loica basin valley (see Figure 4). The basin exhibits an abrupt, high relief with elevations varying between 2,000 and 3,000 metres above sea level.

Access to the area is by the Ovalle – Tulahuen road for about 80 kilometres, which is mostly paved and then a further 24 kilometres along dirt roads to the east and south.

Rainfall averages about 150 millimetres per year and snow accumulates at elevations above 2,500 metres above sea level during the months of June through August. Water sources are in the nearby Torca and Tascadero rivers which flow northward into the west-flowing Rio Grande.

The claims covering the Loica property total 3,500 hectares. The maintenance costs for the 12-month period commencing June 2006 were US$29,487; 2007 were US$29,487; 2008 were US$86,443 and 2009 were 35,384 for a total of US$180,800. Hampton has completed all option payments to earn a 50% interest of the Loica property through Sociedad Contractual Minera Ovalle SCM 50% with Inversiones EM Dos Limitada holding the remaining 50%.

The initial exploration activities were undertaken by the United Nations ("UN") at Loica between 1964 and 1966, principally consisting of geological mapping, geochemical sampling and geophysics (Induced Polarization-Resistivity). This work was followed by the drilling of 8 short vertical exploration holes (80 metres average) and some of the exploration holes cut the I.P. anomaly located in the porphyry-andesite contact area (intrusive breccias) and detected abundant pyrite, but scarce copper sulphides.

At the north end of Loica, 3 holes were drilled at the extreme north of the porphyry zone in areas of K-feldspar alteration and brecciation with the following results:

- DDH 5 : 0 – 73m : drilled in tonalite (Loica north)
- DDH 6 : 0 – 80m : 80m @ 0.79% Cu; 714ppm Mo (Loica north)
- DDH 7 : 0 – 72m : 72m @ 0.59% Cu; 862ppm Mo (Loica north)

At the south end of Loica, holes DDH 8, 9 and 12 were drilled into pyrite, however, DDH 10 and 11 were drilled adjacent to the porphyry zone and encountered the following copper and molybdenum grades associated with abundant pyrite:

- DDH 10 : 0 – 82m : 82m @ 0.31% Cu; 159ppm Mo (Loica south)
- DDH 11 : 0 – 82m : 82m @ 0.22% Cu; 200ppm Mo (Loica south)

Between 1977 and 1994, Compañía Minera Loica drilled 4 holes totalling 649.8 metres at Loica north which supported the earlier UN drilling, returning the following results

- DDH 501 : 0 – 87m : 87m @ 0.50% Cu; 284ppm Mo
- DDH 502 : 0 – 94m :53 – 88m (35m) @ 0.30% Cu; 241ppm Mo
- DDH 503 : 0 – 206m : 29 – 172m (143m) @ 0.35% Cu; 255ppm Mo
- DDH 504 : 0 – 263m : 22 – 203m (181m) @ 0.42% Cu; 388ppm Mo; 0.49 g/t Au

At the end of 2003, Inversiones EM Dos Limitada consolidated the mining properties at Loica and began more extensive and integrated exploration activities up to the time when Hampton became involved in the project.

In summary, Loica is a hydrothermal alteration area 2 kilometres long by 1 kilometre wide centred on a dacite porphyry stock of Eocene-Oligocene age (35 Ma) exhibiting many of the characteristics of a typical Andean porphyry:

- Potassic altered core with a quartz-sericite envelope developed in both the porphyry and the andesitic volcanics,
- Well-prepared fractured and brecciated rocks,
- Presence of at least 5 outcropping zones anomalous in copper and molybdenum, and
- Earlier drilling had not adequately tested the more prospective parts of the porphyry system.

(2) Geology and alteration

Copper-molybdenum mineralization at Loica is associated with a multiphase series of intrusive porphyritic diorite and granodiorite which have intruded andesitic volcanics and a regional granodioritic batholith within a north-trending (Domeyeko) graben structure.

Alteration is well-defined as a central potassic biotite-rich core surrounded by a large pyrite-rich quartz-sericite zone. Faulted or xenolithic blocks of volcanics occur within the central intrusive together with discrete contact breccia zones and intrusive breccias.

The main alteration zone is located between two principal structures striking north-south which have been interpreted to correspond to the northern extension of a major structure called the "Cenicero Creek Graben". These structural features are thought to be associated with the northern extension of the Pocuro Mega-Fault. This belt can be traced northward some 10 kilometres to the altered zone at El Chacay, and over 8 kilometres to the altered zone of Torca to the south.

Locally, north-northwest, west-northwest and east-northeast oriented intense fracture zones are evident at Loica.

Hydrothermal alteration at Loica comprises a central zone of potassic-silica alteration which effects the entire 1,600 metre long, by 400 metre wide porphyry. This zone is surrounded by an irregular distribution of quartz-sericite alteration with the eastern side being more pervasively silica altered. Propyllitic alteration is most prevalent surrounding the silica alteration in the eastern area.

The quartz-sericite alteration mostly affects andesites and intrusive breccias developed along the western margin of the porphyry, and covers an area about 2,000 metres long and between 300 and 700 metres wide. On the eastern side, it only occurs as a narrow band 500 metres long and between 50 and 100 metres wide. A radiometric K-Ar age date on biotite from the Loica alteration by the Chilean government's Servicio Nacional de Geología y Minería, returned an age of 35.4 ± 0.5 Ma, Upper Eocene – Oligocene.

Geochemical surveys conducted by Inversiones EM Dos Limitada have defined two areas at surface which are anomalous in their copper and molybdenum content, both having broadly coincident copper and molybdenum in soil grades of greater than 750 ppm and 100 ppm respectively. The South-Central Anomaly covers the main porphyry zone in an area of 1,000 metres long by 800 metres, while the West Anomaly covers the porphyry's western contact zone and associated intrusive breccias.

(3) Mineralisation

The Loica Porphyry and its contact zones with the surrounding volcanic rocks host the alteration and associated base and precious metal mineralization. Hypogene mineralization comprising chalcopyrite and pyrite host the copper and molybdenum with secondary amounts of gold and silver. The copper sulphides are mostly related to stockwork quartz veining and to a lesser extent as disseminations. Molybdenite is found bordering the thin quartz veinlets and occasionally as fracture fillings.

Surface leaching appears to have affected the top 20 metres and no zone of supergene enrichment has been encountered to date.

(4) Hampton exploration activities (2006 – present)

Hampton has conducted two phases of drilling (June 2006 and April 2007) at the Loica Prospect totalling 4,426 metres distributed in eight reverse circulation holes (2,425 metres) and three diamond drill holes (2,001 metres) as illustrated in Figure 13.

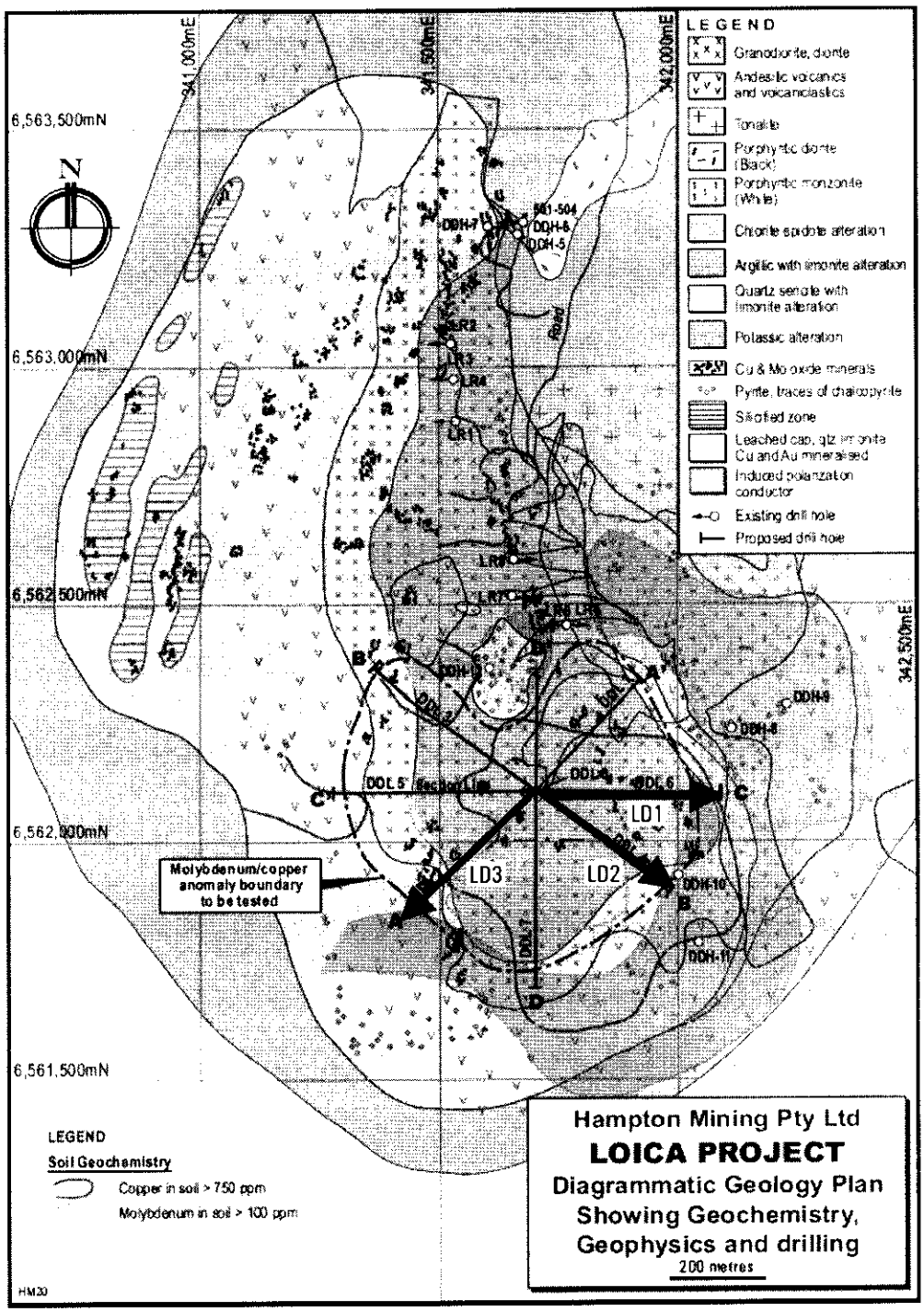


Figure 13. Plan view showing topography, geology, alteration, infrastructure and Hampton RC and diamond drill locations for the Loica Project.

Table 12. Significant Hampton drill intercepts at Loica.

| Hole No. | Hole Depth (m) | Intersection | | | Grade | |
|---|---|---|---|---|---|---|
| | | From (m) | To (m) | Width (m) | Cu (%) | Mo (ppm) |
| LR2 | 370 | 166 | 206 | 40 | 0.16 | 107 |
| LR4 | 354 | 0 | 102 | 102 | 0.23 | 15 |
| LR5 | 250 | 0 | 66 | 66 | 0.20 | 117 |
| LR6 | 241 | 20 | 110 | 90 | 0.31 | 145 |
| LR7 | 232 | 42 | 74 | 32 | 0.36 | 128 |
| LD1 | 660 | 0 | 471 | 471 | 0.19 | 234 |
| LD2 | 682 | 0 | 592 | 592 | 0.12 | 154 |
| LD3 | 659 | 0 | 659 | 659 | 0.11 | 193 |

Drill results have confirmed the coincident copper-molybdenum mineralisation defined from the surface geochemistry. Mineralisation is extensive over a wide area measuring approximately 1000 by 700 metres, having wide zones of 0.1 to 0.2% copper and 100 to 200ppm molybdenum grades. The higher grade zones of >0.3% copper and >250ppm molybdenum extend to 160 metres wide (hole intercept width) in hole LD1.

Mineralisation remains open to the north and south and at depth, and has been preliminary drill-tested over a strike length of 700 metres and a width of 600 metres. A vertical extent of approximately 500 metres of mineralisation has been tested by drilling to date.

### (5) Sample preparation and analytical assay procedures

It is beyond the scope of this report to undertake an in depth quality assurance / quality control (QA/QC) analysis of the sample preparation and analytical assay procedures undertaken by Hampton's exploration team. This has been assessed by SRK who found the sample preparation, handling and analytical assay management to have been conducted at a high professional standard. The wider use of selected prepared standard samples and more frequent use of check assays and round robin samples have been encouraged to ensure these standards are maintained.

### (6) Geological modelling and resource estimation

SRK completed a review of the project data and concluded there was insufficient information to complete a JORC-compliant resource estimation at this time.

## 3.4 *Early exploration projects*

### (a) Isidro (Hampton: Isidro - 100%; San Lorenzo - 50% with rights to acquire additional 50%, and Santa Berta - rights to acquire 100%).

#### (1) Background

The Isidro early-stage exploration property is located approximately 85 kilometres east of the town of La Serena in central Chile. From La Serena, a paved road extends 70 kilometres to the east to the town of Vicuña and the project area can be reached by travelling on a further 15 kilometres of sealed road followed by 16 kilometres on a dirt road.

The exploration areas are at an elevation between 2000 and 3000 metres above sea level in an area of steep topographic relief. The climate of the sector is typical of the pre-Andean mountains of these latitudes, with typically warm summers and cold winters. Rain fall is about 100 to 150 millimetres per year.

There has been no known previous exploration conducted in the area.

#### (2) Geology and alteration

At Isidro, Upper Cretaceous (65 Ma.) Viñita Formation andesitic volcanics dip generally 20 to 30 degrees to the west. These have been intruded by younger Tertiary (48 Ma.) diorites, represented by the Loma Blanca pluton, covering an area approximately 7 x 12 kilometres. North-trending reverse faulting, represented by the Vicuña and Rivadavia faults, associated with the compressional tectonics of the region, assisted in the location of later intrusive activity and associated mineralization.

Economic mineralisation in the form of small copper-gold-silver bearing hydrothermal hematitic breccias, and also as larger, gently dipping mineralised mantos up to 100 metres thick is known in the region (San Lorenzo).

The exploration target at Isidro is mineralization associated with the larger manots.

Regionally, the project area's proximity to the north-trending Vicuña Fault is considered significant given this feature is reportedly responsible for controlling mineralisation in economically mineralized properties held by others further to the south. No detailed structural mapping has been undertaken on the project area to date.

Reconnaissance mapping in the Isidro area has identified areas affected by strong hydrothermal alteration produced by Eocene intrusive bodies within Cretaceous volcanics. Alteration types include strong argillic alteration with abundant hematite as well as siliceous zones in the form of mantos.

(3) Mineralisation

Small prospects in the vicinity show evidence of bornite, chalcopyrite, hematite and magnetite mineralisation.

(4) Hampton exploration activities (2008 – present)

No formal geological model has been prepared at present. However, the Isidro area and the adjacent San Lorenzo and Cerro Plata prospects demonstrate manto IOCG (copper oxide, iron and gold) style mineralisation dipping gently toward the west associated with breccias and feeder zones in volcanics with intrusives along a regional fault.

## (b) Camaron (Hampton: Camaron - 100%, and Genesis - right to acquire 100%).

(1) Background

The Camaron early-stage exploration property is located approximately 90 kilometres east of the town of La Serena in central Chile. From La Serena, a paved road extends 70 kilometres to the east to the town of Vicuña. The project can be reached by travelling a further 20 kilometres to the south on a dirt road.

The exploration area is at an elevation ranging between 1200 and 1500 metres above sea level in an area of relatively low topographic relief.

The climate of the sector is typical of the pre-Andean mountains of these latitudes, typically warm summers and cold winters. Rain fall is about 100 to 150 millimetres per year.

The claims covering the Camaron project area total 19,400 hectares. Total maintenance costs in 2007 were US$ 25,220; in 2008 were US$69,054 and 2009 were US$134,122. The Camaron and Langosta claim groups are 100% owned by Hampton and cover 16,400 hectares, while the remaining 3,000 hectares, referred to as the Genesis claim group, are held by Hampton under an option agreement with Sociedad Legal Minera Genesis Uno de la Quebrada del Rio y Otras.

No known work has been undertaken by earlier workers on the property except for the excavation of a few prospect pits for which no information is available.

(2) Geology and alteration

The Camaron early stage exploration property has a notable surface colour anomaly elongated in a northwest/-southeast direction that measures approximately 10km by 6km. This colour anomaly is the result of the emplacement of a porphyrytic textured igneous complex, closely related to the presence of hydrothermal alteration and mineralization (late magmatic and late

hydrothermal), very similar to classic Andean Cu-Mo porphyry copper systems. This system is emplaced in the metallogenic belt known as the Andean Upper Cretaceous – Lower Tertiary Porphyry Copper Belt.

Emplacement of the intrusives and subsequent mineralization is facilitated by the north-trending Vicuña Fault, host to identified copper mineralization in the region. This may also correlate with the southern extension of the regional Domeyeko Fault System.

(3) Hampton exploration activities (2007 - present)

Early-stage exploration activities including widely spaced (400 metre) mapping and sampling traverses have commenced and preliminary indications show that there are areas anomalous in copper, molybdenum and gold. Evidence of copper oxides and iron mineralisation have been reported along the sample lines, and the presence of copper, molybdenum and gold mineralisation can be seen in the old workings.

In addition, preliminary field indications suggest that there may be broad gold anomalies associated with hot spring/sinter style low-sulphidation epithermal systems located on the tenements.

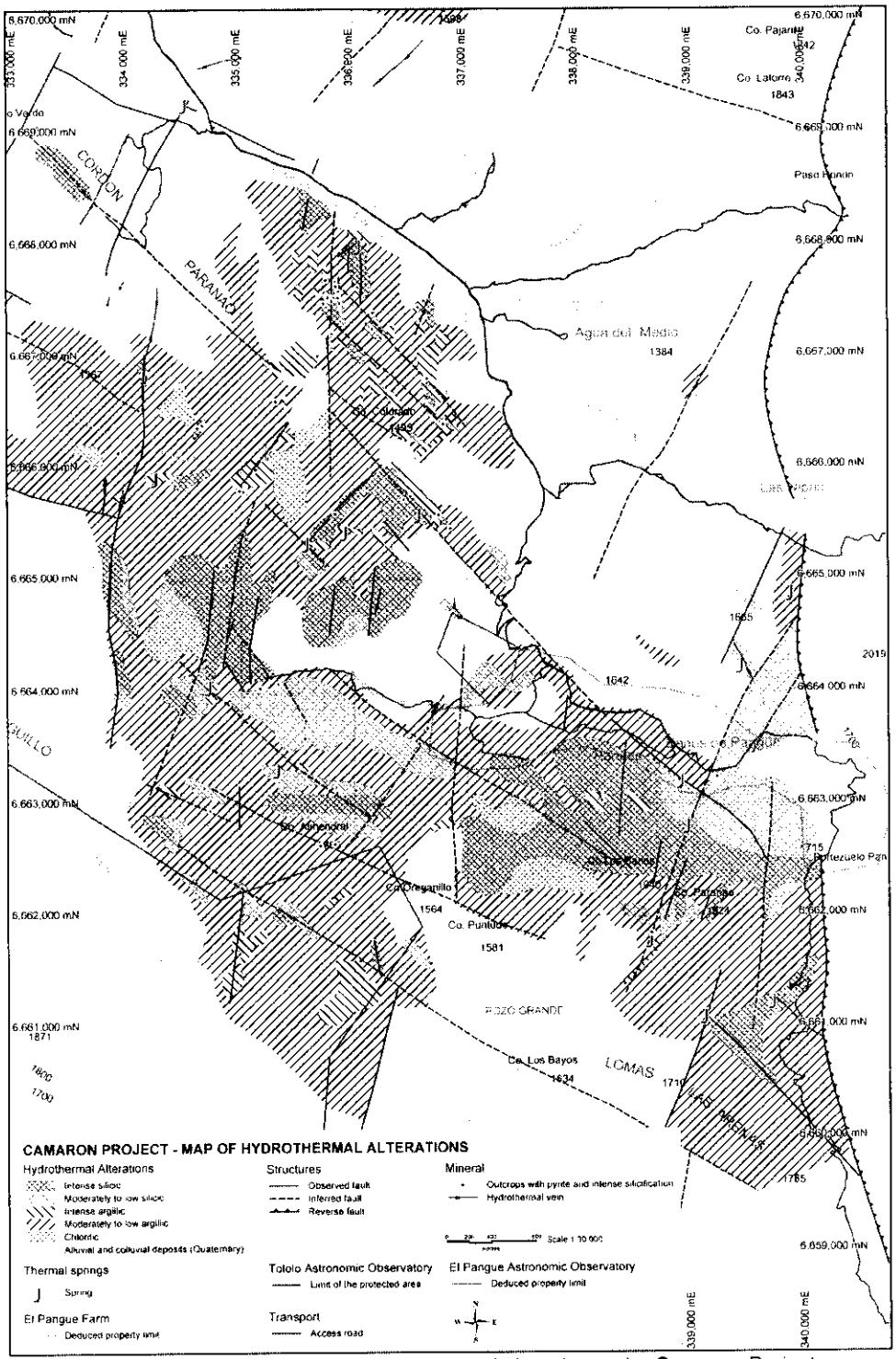


Figure 14. Map showing regional hydrothermal alteration at the Cameron Project.

# 4 Metminco Limited's projects

## 4.1 *Introduction*

Metminco, in its own right, has a portfolio of gold and uranium projects located within geological terrains known to be prospective for these commodities in Australia's western and central states of Western Australian, South Australia and the Northern Territory (see Figure 15). The company's projects are all of an early exploration stage, comprising:

- Grants Creek and Wilsons Reef; Angelo and Sophie Downs (WA/Au-Cu-PB-Zn-REE);
- Mulgul (WA/Cu-Pb-Zn-Ag-Au);
- West Lake Eyre (SA/Cu-Au-U); and
- King River (NT/U-Ph).

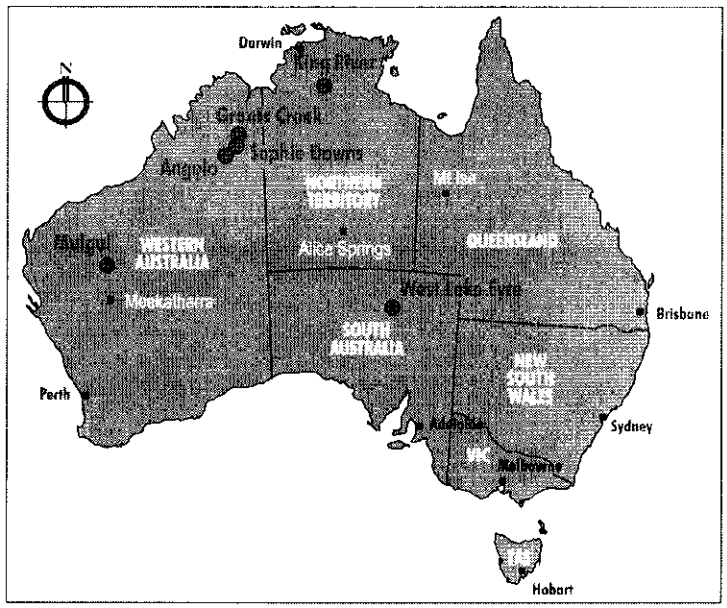


Figure 15. Map showing the location Metminco's Australian projects

## 4.2 *Early exploration projects*

### (a) Kimberly Region projects

Metminco has three exploration areas located within 50 kilometres from the regional centre of Halls Creek in the Eastern Kimberly region of Western Australia (see Figure 16). These licenses lie within the north easterly-trending Proterozoic Halls Creek Orogen.

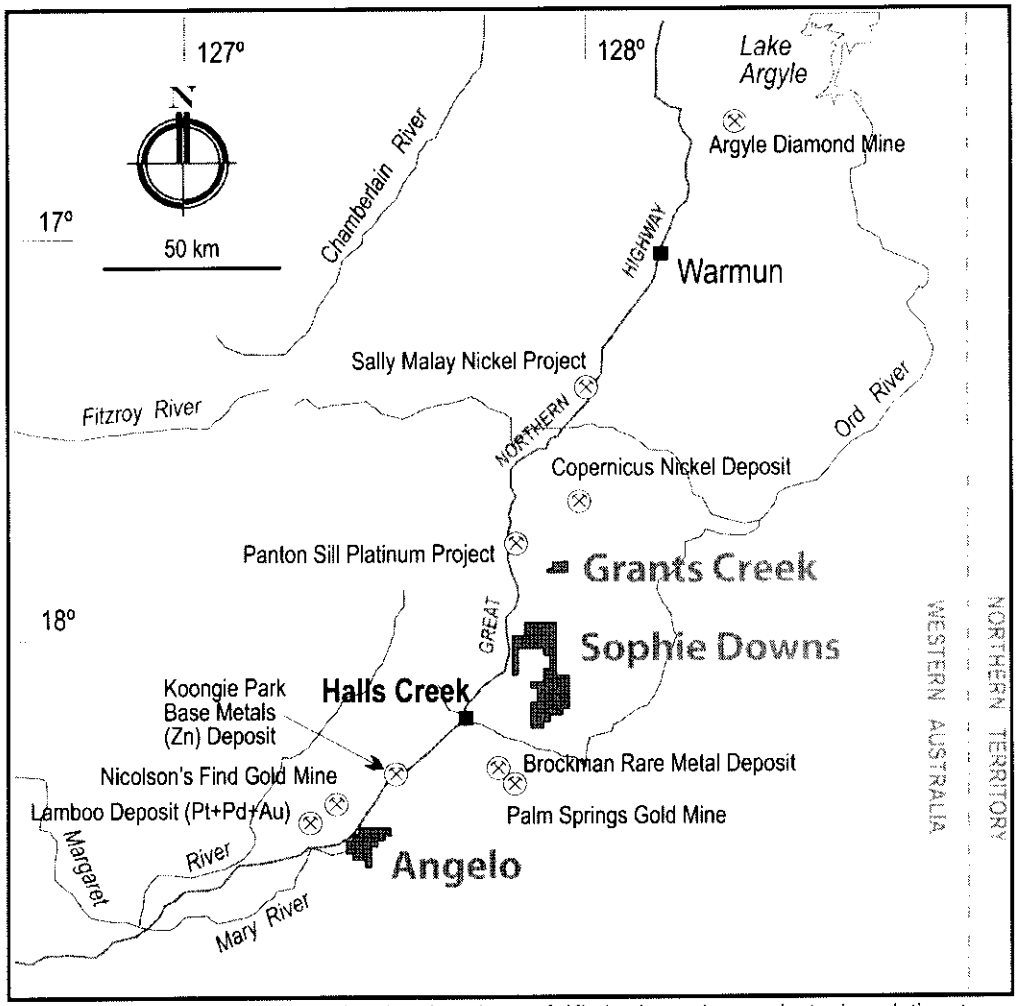


Figure 16. Location map showing locations of Kimberly region projects in relation to existing infrastructure.

(1) Angelo JV (Metminco - earning up to 70%)

The Angelo Project is located approximately 40km south-west of Halls Creek and 5km south of the Great Northern Highway (see Figure 16). The Project is a Joint Venture with Pacrim Energy Ltd. There are two main prospects:

- Leonardo, outlined by geochemistry plus previous RAB drilling, and
- Figaro, located by soil geochemistry.

The exploration target is one of an epithermal style of gold mineralization, indicated by the large coincident and stratiform (>7 kilometres long) gold & arsenic soil anomalies which appear to be related to quartz stock-work veining and reefs in carbonaceous sediments.

Metminco undertook a RC drilling program of 25 holes at the Leonardo prospect during mid 2008 and confirmed the tenor of gold mineralisation encountered by RAB drilling undertaken by earlier explorers. Drill intercepts ranging in thickness from 2 to 4 metres returned gold values ranging from 1.97 g/t to 4.31 g/t, with a peak gold value of 8 g/t. This work found that the gold mineralisation is nuggetty in nature and occurs in a series of discontinuous strata bound reefs with peripheral low grade stock-work zones.

Geochemical and geophysical data consolidation and processing work has been undertaken resulting in the identification of a coincident gold and arsenic anomaly in the Figaro area, and elevated potassium radiometric levels interpreted to be indicative of hydrothermal alteration, also in the Figaro area.

(2) Grants Creek JV (Metminco - earning up to 70%) and Wilsons Reef (Metminco - 100%)

The Grants Creek licences cover 14.7 square kilometres centred on the historic Grants Creek Mining Centre comprising 4 historic mines (Perseverance, Moodys, Star of Kimberly and Scottish Chief) and are located 60 kilometres north east of Halls Creek (see Figure 16). These licences are subject to a joint venture with Pacrim Energy Ltd while the 100% held Wilsons Reef prospecting licence is located just to the east of Grants Creek.

Previous exploration has largely focussed on the historic workings of the known reefs, with only limited investigation of their strike extensions.

Following geological mapping and accompanying geochemical sampling, RC drilling at the Perseverance Prospect returned a number of encouraging intersections. These include 15m @ 4.2 g/t, 5m @ 5.87 g/t, 6m @ 6.13 g/t and 3m @ 7.88 g/t gold, including peak one metre split assays of 17.8 g/t, 20.7 g/t, 12.8 g/t and 15.25 g/t gold respectively.

In addition to following up on the encouraging drill results encountered at Perseverance, Metminco has identified RC drilling targets at the Moody's & Moody's West prospects (subject to Native Title and aboriginal cultural heritage clearance and approval) and RAB drilling on geochemical anomalies.

(3) Sophie Downs (Metminco 100%)

This exploration licence lies between the town of Halls Creek and the Grants Creek project (see Figure 16). The area is considered to be prospective for a wide variety of mineralization styles ranging from Volcanogenic Massive Sulphide deposits; vein & stock-work hosted gold mineralization, roll front style uranium through to felsic igneous related Rare Earth Element occurrences.

Initial work comprised interpretation of multi-client geophysical data and reconnaissance exploration. This work highlighted the Sophie Downs Rare

Earth Prospect and a number of VMS targets in the northern part of the licence that have affinities with similar deposits in the East Kimberley.

Several samples collected from the Sophie Downs Rare Earth prospect revealed anomalous Niobium and Rare Earth values as shown in Table 13.

Table 13. Rock chip assay results - Sophie Downs rare earth occurrence.

| Sample_ id | Eastin g | Northin g | Niobiu m (ppm) | Thoriu m (ppm) | Ceriu m (ppm) | Lanthanu m (ppm) | Dysprosiu m (ppm) | Neodymiu m (ppm) | Praseodymi um (ppm) |
|---|---|---|---|---|---|---|---|---|---|
| SD03 | 379558 | 7989297 | 161.3 | 17.3 | 166.2 | 105.2 | 8.7 | 95.4 | 27.0 |
| SD04 | 379557 | 7989290 | 383.5 | 34.5 | 280.5 | 153.6 | 22.5 | 155.4 | 42.6 |
| SD05 | 379570 | 7989288 | 291.9 | 11.4 | 104.8 | 56.9 | 14.7 | 40.5 | 12.0 |
| SD06 | 379560 | 7989280 | 1158.3 | 76.8 | 1244.2 | 1158.0 | 184.1 | 680.8 | 196.5 |
| SD07 | 379608 | 7989332 | 1324.4 | 68.8 | 67.3 | 42.2 | 26.6 | 41.1 | 11.8 |
| SD08 | 379705 | 7989486 | 1301.3 | 90.8 | 940.4 | 615.0 | 91.6 | 367.1 | 110.7 |
| SD09 | 379525 | 7989188 | 254.4 | 11.9 | 92.4 | 54.6 | 10.4 | 62.3 | 16.4 |
| SD10 | 379531 | 7989192 | 344.4 | 20.9 | 386.5 | 207.3 | 35.4 | 201.2 | 52.0 |
| SD11 | 379903 | 7989744 | 29.6 | 23.0 | 122.2 | 90.4 | 6.1 | 47.6 | 15.6 |
| SD12 | 379906 | 7989741 | 1531.2 | 39.8 | 17.8 | 20.7 | 17.1 | 17.6 | 5.2 |
| Average Crustal Abundance (ppm) | | | 20 | 10 | 60 | 30 | 3 | 28 | 8 |

Analysis by ICP-MS (KalAssay Laboratories Perth
Locations using Zone 52 – GDA94

(b) **Mulgul** (Metminco - 100%)

The Mulgul exploration licence is located some 200 km north of Meekatharra abuts Abra Mining Limited's Mulgul Project area to the north which contains their namesake Abra deposit (93 million tonnes @ 4% lead & 10g/t silver). Metminco's Mulgul area has potential for similar deposits as well as secondary fault & fissure hosted copper-gold and base metal mineralisation.

Metminco has undertaken desktop studies and reconnaissance field work including the collection of stream sediment samples and an orientation geochemical survey over the historic Mulgul copper prospect. Geophysical data (GEOTEM) was acquired and interpreted in early 2008, which highlighted five targets for additional exploration work. These targets comprise coincident magnetic and electromagnetic anomalies, adjacent to major structural trends.

Additional field visits to inspect these targets were frustrated by Native Title access issues. A 'Heritage Protection Agreement' was ratified with the Native Title representative group in late January 2009.

(c) **West Lake Eyre** (Metminco - 100%)

This licence lies between the western shores of Lake Eyre North and the Oodnadatta Track in South Australia and is considered prospective for both deeply buried IOCG±U deposits similar to Olympic Dam and Prominent Hill, and shallower palaeo-channel uranium deposits in the overlying Cretaceous sediments. There has been limited prior exploration over the area.

In early 2008 Metminco completed a gravity survey over the eastern portion of the licence area which extends the coverage of the regional gravity data collected by the South Australian Government. The regional gravity survey, along with three detailed traverses, revealed two prominent deep gravity features, the top of which have been modelled to be 550 metres and 675 metres below surface respectively. A strategic drilling program, initially targeting the shallower anomaly which is likely to qualify to be supplementarily funded from the South Australian Government's PACE program, is warranted.

The Company also completed a scintillometer survey over two surficial uranium anomalies revealed during an analysis of regional radiometric data. The scintillometer survey found uranium levels up to 5 times background associated with a north south fault.

Metminco has recently applied for renewal of the licence over a reduced area of 350 square kilometres and is planning a shallow drilling program across the surficial uranium anomalies subject to successfully obtaining all the necessary statutory and traditional owner approvals and clearances.

(d) **King River** (Metminco - 100%)

This licence is located in the Daly River Basin region in the Northern Territory, some 45 kilometres to the southwest of Katherine and abuts the Victoria Highway. It covers sediments of Cretaceous age and is prospective for sandstone and unconformity hosted uranium and rock phosphate deposits. Metminco has conducted desktop studies and reconnaissance fieldwork including orientation scintillometer surveys and rock chip sampling on this early-stage exploration area which revealed uranium levels between 10 and 15 ppm.

# 5 Asset Valuation

Firstly, it important to note that the valuation of exploration acreage is particularly difficult as it requires an assessment to be made of the prospectivity of the acreage being valued including its perceived geological potential, the size of the holding and its location relative to other operating mines, other prospective areas and to other facilities. It is made more subjective as it has to be made on the basis of very limited information. Valuation techniques commonly used for exploration acreage include the following:

- **Cost-based:** Based on relevant actual expenditure incurred, results achieved and potential defined. Tends to undervalue promising areas on which little has been spent and overvalue less promising areas where significant expenditure may fail to establish the existence of potentially mineable reserves.
- **Budgeted expenditure:** Based on exploration expenditure forecasts. This method involves an inherent circularity caused by explorers justifying larger budgets for areas which are perceived as being more prospective, and therefore more "valuable". Efforts to mitigate this effect can be made by applying a discount (highly subjective) of the perceived probability of the proposed expenditure actually being incurred.
- **Comparable transaction:** Arguably a good indicator, provided the comparable sales are recent/current, independent and relevant (i.e. all the relevant facts are known).
- **Farmins/farmouts:** Similar to the comparable sales method provided recent and relevant independent transactions have occurred (i.e. all the relevant facts are known).
- **Joint venture offers:** An indicative value may be obtained by examining the terms of any recent joint venture offers made for a prospective area provided that the offer is from a willing and knowledgeable buyer and that the offer has not been materially impacted by any unusual terms in the joint venture agreement e.g. discounted rights of first refusal, additional remuneration to operator, offtake agreements, trading rights, etc.
- **Option to add on resources:** Based on a call option on the ability to replace and add to mined reserves. Practical difficulties in the application of this method include circularity, timing issues, assessing the strike price etc.
- **Discounted cash flow:** the most industry and investor accepted valuation method but applicable to more advanced projects where sufficient data exists or is likely to exist, such as determined by economic studies (scoping, pre-feasibility and feasibility etc) to support the determination of today's value of expected future cash flows.

As the Metminco and Hampton assets vary from advanced exploration with economic studies stage to those being at earlier exploration stages, a variety of valuation methods have been considered. These comprise:

- Advanced exploration properties with economic studies
  - Discounted cash flow
- Exploration properties without economic studies
  - Cost-based
  - Comparable transactions

## 5.1 *Advanced exploration properties with economic studies*

### (a) Mollacas Project

The Mollacas Project has many of the features of a typical Andean porphyry system that has been weathered to develop sub-horizontal near surface oxidised and supergene enriched zone. Hampton Mining currently owns 50% of the project.

A JORC compliant Indicated and Inferred Resource has been estimated by SRK totalling 17.05 million tonnes at 0.54% Cu at a 0.2% Cu cut-off based on geological and assay data obtained from surface mapping and a total of 10 RC and 71 diamond drill holes for a total of 13,120 metres. The project is well located for development having good access, near infrastructure and water and has no obvious obstacles to being permitted.

A scoping study was completed in April 2008 by SRK based on empirical analysis and the understanding that geological resources, geotechnical information and all other informed assumptions made in the study were to be confirmed during future feasibility study-related activities including but not limited to infill drilling to improve confidence in extent, tenor and continuity of mineralisation to facilitate higher status resource classification; analytical assaying; metallurgical testwork; geotechnical, hydrological, environmental, utilities (power and water supply), infrastructure, labour and other social studies.

The study determined the Mollacas Project could be mined over a 7 year mine life producing approximately 13,500 tonnes per annum copper cathode at a unit operating cost of approximately US$0.91 per pound.

As this scoping study is dependent on an empirical analysis and a the understanding that geological resources, geotechnical information and all other informed assumptions which were to be confirmed during future feasibility study-related activities, a discounted cash flow valuation method has not been applied in this valuation.

## 5.2 *Exploration properties without economic studies*

Where previous and future committed exploration expenditures are known, or can be reasonably estimated, the Multiple of Exploration Expenditures ("MEE") method can be applied to derive a cost-based technical value. The method requires establishing a relevant Expenditure Base ("EB") from past and future committed exploration expenditure. A premium or discount is then assigned to the EB through application of a Prospectivity Enhancement Multiplier ("PEM"), which reflects the success or failure of exploration done to date and the future potential of the asset. The basic tenet of this approach is that the amount of exploration expenditure justified on a property is related to its intrinsic technical value. The MEE method is best applicable to Exploration and Advanced Exploration Areas (see Table 14).

## (a) Cost-based value assessment

Table 14. Cost-based value assessment based on relevant actual and forecast expenditure (as of the 30 June 2009).

| | Mollacas | Los Calatos (Gamma, Alpha, Nelson) | Vallecillo | Loica | Isidro | Cameron | Grants Ck & Wilsons Reef | Angelo | Sophie Downs | Mulgul | West Lake Eyre | King River | TOTAL | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** | **Amount** |
| | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$ | US$m |
| **Drilling** | 2,652,225 | 1,169,997 | 2,142,855 | 1,215,114 | 1,358 | 0 | 86,193 | 113,340 | 60 | 60 | 0 | 0 | 7,381,202 | 7.38 |
| **Geology** | 1,191,092 | 379,951 | 203,742 | 121,361 | 272,180 | 66,716 | 19,528 | 37,853 | 360 | 12,293 | 167 | 379 | 2,305,622 | 2.31 |
| **Studies** | 19,446 | 60,528 | 44,440 | 13,882 | 2,997 | 2,369 | 0 | 0 | 0 | 0 | 0 | 0 | 143,662 | 0.14 |
| **Wages** | 611,310 | 392,878 | 205,472 | 241,052 | 387,479 | 124,634 | 80,684 | 96,380 | 15,260 | 27,465 | 28,229 | 15,517 | 2,226,360 | 2.27 |
| **Field Work** | 522,887 | 511,278 | 275,837 | 272,914 | 169,182 | 41,433 | 20,056 | 14,074 | 21,794 | 28,613 | 54,986 | 2,270 | 1,935,324 | 1.94 |
| **Mining Properties** | 195,191 | 183,869 | 133,496 | 180,800 | 380,169 | 228,396 | 2,300 | 4,833 | 5,748 | 17,954 | 0 | 612 | 1,333,368 | 1.33 |
| **Imputed value of acquired data[1]** | 0 | 2,109,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,109,900 | 2.11 |
| **Proposed expenditure [2]** | 0 | 6,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,000,000 | 6.00 |
| **Relevant Expenditure Base (EB)** | **5,192,151** | **10,808,401** | **3,005,842** | **2,045,123** | **1,213,365** | **463,548** | **208,761** | **266,480** | **43,222** | **86,385** | **83,382** | **18,778** | **23,435,438** | **23.44** |
| **Prospectivity Enhancement Multiplier (PEM)** | ***2.1*** | ***10.0*** | ***1.5*** | ***3.0*** | ***2.5*** | ***3.0*** | ***2.5*** | ***2.5*** | ***2.5*** | ***2.0*** | ***1.7*** | ***1.5*** | | |
| **Multiple Exploration Expenditure or MEE Value (US$)** | **10,903,517** | **108,084,010** | **4,508,763** | **6,135,369** | **3,033,413** | **1,390,644** | **521,903** | **666,200** | **108,055** | **172,770** | **141,749** | **28,167** | **135,694,560** | **135.70** |
| **Option Pmts to date [3]** | 1,016,667 | 750,000 | 666,667 | 666,667 | 3,098,000 | 110,000 | 967 | 0 | 0 | 0 | 100,600 | 100,600 | 6,510,168 | 6.51 |

Notes to Table 14:

(1) Imputed value of acquired data determined by multiplying total costs per metre for drilling data acquired by earlier explorers (4,188 metres of RC drilling by US$150 per metre and 4,939 metres of diamond drilling by US$300 per meter). All other project-related expenses such as establishing access, surveying, geological mapping, soil geochemistry, geophysical surveys etc. have either been included within the drilling rates used above or ignored.

(2) The proposed expenditure reflects Hampton's stated intention to undertake a 20,000 metre drilling program from 26 diamond holes staged in two campaigns and for which all necessary approvals have been granted by the Peruvian Government. No values have been assigned to the other projects as neither Metminco nor Hampton have approved a budget for further exploration on these projects at the time of writing this report.

(3) Option payments made by the respective companies to date have been excluded from the MEE valuation.

### (b) Comparable transaction based valuation (projects with existing resource estimates)

Where Comparable Transactions relating to the sale, joint venture or farm-in/farm-out of mineral assets are known, such transactions may be used as a guide to, or a means of, valuation. For a transaction to be considered comparable it should be similar to the asset being valued in terms of location, timing and commodity, and the transaction regarded as of "arm's length". The Comparable Transactions method is best applicable to Exploration and Advanced Exploration areas, and Pre-Development Projects. Its application to more advanced mineral assets is generally restricted to recent sales (whole or part) of the actual assets under consideration (see Table 15, Table 16 and Table 17).

Table 15. Comparable transactions of relevant copper assets.

| Date (approx.) | Buyer | Target company | Country | Acquisition | US$m paid | CuEq Mt | CuEq B lb | US c/lb CuEq |
|---|---|---|---|---|---|---|---|---|
| October 2009 | Barrick Gold | na | Chile | 70% El Morro Cu Au porphyry project. | 465 | 3.11 | 6.85 | 6.8 |
| Mid 2008 | Inmet | Petaquilla Copper | Panama | 52% Petaquilla project | 300 | 2.86 | 6.30 | 4.8 |
| April 2008 | Teck | Global Copper | Peru | Global Copper (Relincho deposit) | 400 | 4.31 | 9.50 | 4.2 |
| Dec 2007 | Copper Bridge, owned 60% by China Minmetals and 40% by Jiangxi Copper | Northern Peru Copper | Peru | NPC (Galeno, Pashpap etc.); C$460m | 425 | 4.31 | 9.50 | 4.5 |
| May 2007 | Anglo American | Centromin | Peru | Michiquillay deposit | 400 | 4.67 | 10.30 | 3.9 |
| June 2007 | Chinalco | Peru Copper | Peru | Toromocho deposit | 830 | 10.02 | 22.10 | 3.8 |
| April 2007 | Zijin consortium (includes Zijin Mining), bought 90% | Monterrico Metals | Peru | MM (Rio Blanco) | 180 | 10.06 | 19.96 | 0.9 |
| May 2006 | Xstrata | BHP | Peru | Tintaya 100ktpa leach SXEW operation, Antapaccay deposit | 750 | 4.95 | 9.82 | 7.6 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| June 2005 | Inmet | na | Portugal | 70% Las Cruces project (undeveloped) | 70 | 0.74 | 1.47 | 4.8 |
| August 2004 | Xstrata (option to develop) | na | Peru | Las Bambas project | 91 | 3.30 | 7.28 | 1.3 |

Table 16. Asset valuations based on comparable transaction precedents for Hampton's base metal projects.

| Date | Company | Country | Project | CuEq Mt | CuEq B lb | US c/lb CuEq | Value US$m |
|---|---|---|---|---|---|---|---|
| Oct 2009 | Hampton | Chile | Mollacas – lower | 0.091 | 0.202 | 3.0 | 6.05 |
| | | | Mollacas – upper | 0.091 | 0.202 | 7.6 | 15.33 |
| | | | **Mollacas – preferred** | **0.091** | **0.202** | **5.3** | **10.69** |
| Oct 2009 | Hampton | Peru | Los Calatos (current resource)– lower | 1.930 | 4.255 | 0.9 | 40.00 |
| | | | Los Calatos (current resource) – upper | 1.930 | 4.255 | 3.9 | 165.94 |
| | | | **Los Calatos (current resource)– preferred** | **1.930** | **4.255** | **2.4** | **100.00** |
| | | | Los Calatos (conservative upside case) – lower | 3.860 | 8.510 | 0.9 | 80.00 |
| | | | Los Calatos (conservative upside case) – upper | 3.860 | 8.510 | 3.9 | 331.88 |
| | | | **Los Calatos (conservative upside case)– preferred** | **3.860** | **8.510** | **2.4** | **200.00** |

Table 17. Asset valuations based on industry perceptions for Hampton's precious metal project

| Date | Company | Country | Project | AuEq Moz | US$/oz AuEq | Value US$m |
|---|---|---|---|---|---|---|
| Oct 2009 | Hampton | Chile | Vallecillo – lower | 0.713 | 1.0 | 1.00 |
| | | | Vallecillo – upper | 0.713 | 5.0 | 3.57 |
| | | | **Vallecillo – preferred** | **0.713** | **3.0** | **2.14** |

## (c) Company equity

The tables above reflect the values of each project and do not represent Hampton's or Metminco's equity value. As outlined throughout this report, Hampton holds and has rights to a variety of amounts of equity in licences which comprise each of the South American projects. Similarly, Metminco holds and has rights to a variety of equity amounts in licences which comprise each of the Australian projects. Table 18 shows the percentage equity of the licences in which the respective company has focussed its exploration efforts and which contain the significant value (as determined by either having a defined Mineral Resource or the cost-based valuation method).

Table 18. Company's ownership and equity value of the South American and Australian assets

| COMPANY | Mollacas | Los Calatos | Vallecillo | Loica | Isidro | Cameron | Grants Ck & Wilsons Reef | Angelo | Sophie Downs | Mulgul | West Lake Eyre | King River |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Equity | Equity | Equity | Equity | Equity | Equity | Equity | Equity | Equity | Equity | Equity | Equity |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Hampton Ownership** | | | | | | | | | | | | |
| Indirectly | 50 | | 50 | 50 | | | | | | | | |
| Owned | | 100 | | | 100 | 100 | | | | | | |
| San Lorenzo | | | | | 50 | | | | | | | |
| **Hampton Options** | | | | | | | | | | | | |
| Los Calatos - Gamma, Alpha, Nelson (Earning) | | 100 | | | | | | | | | | |
| San Lorenzo (Earning) | | | | | 50 | | | | | | | |
| Santa Berta (Earning) | | | | | 100 | | | | | | | |
| Genesis (Earning) | | | | | | 100 | | | | | | |
| **Metminco Ownership** | | | | | | | | | | | | |
| Angelo (Earning) | | | | | | | | 70 | | | | |
| Grant Creek (Earning) | | | | | | | 70 | | | | | |
| Wislons Reef | | | | | | | 100 | | | | | |
| Ownership | | | | | | | | | 100 | 100 | 100 | 100 |
| | US$m | US$m | US$m | US$m | US$m | US$m | US$m | US$m | US$m | US$m | US$m | US$m |
| **Hampton's equity value** | | | | | | | | | | | | |
| Cost-based valuation | 5.452 | 108.084 | 2.254 | 3.068 | 3.033 | 1.391 | | | | | | |
| Comparable transaction valuation | 5.345 | 100.000 | 1.070 | - | - | - | | | | | | |
| **Metminco's equity value (through 36.5% equity in Hampton)** | | | | | | | | | | | | |
| Cost-based valuation | 1.990 | 39.451 | 0.823 | 1.120 | 1.107 | 0.508 | 0.365 | 0.466 | 0.108 | 0.173 | 0.142 | 0.028 |
| Comparable transaction valuation | 1.951 | 36.500 | 0.391 | - | - | - | - | - | - | - | - | - |

The valuations of Hampton's and Metminco's projects determined using the various methods shown above are summarised in Table 19, with the preferred valuation method highlighted.

Table 19. Summary table showing Hampton's and Metminco's implied asset valuation matrix using alternative valuation methodologies.

| Asset | Resource | Historical & Forecast Expenditure | Value (contained metal in Resource) | Multiple (of Expenditure) | Implied Valuation (based on Resource) (US$m) | Implied Valuation (based on Expenditure) (US$m) | Basis for Multiple(s) used |
|---|---|---|---|---|---|---|---|
| | A (Mt contained CuEq[1] or Moz AuEq[2]) | B ($million) | C x (USc/lb CuEq[3] or USc/oz AuEq[4]) | D x | E = A x C | F = B x D | |
| **Los Calatos [A] (Alfa, Gamma, Nelson)** | 1.930[1] | 10,808,401 | 2.4[3] | 10.0 | **100.00** | 108.084 | Resource classification status, size potential, Mo credits. |
| **Mollacas** | 0.091[1] | 5,192,151 | 5.3[3] | 2.1 | **10.69** | 10.903 | Comparable to valuation of similar sized project. |
| **Vallecillo** | 0.713[2] | 3,005,842 | 3.0[4] | 1.5 | **2.14** | 4.509 | Resource classification, size potential, polymetallic metallurgy |
| **Loica** | - | 2,045,123 | - | 3.0 | - | **6.135** | Size potential, deposit type |
| **Isidro** | - | 1,213,365 | - | 2.5 | - | **3.033** | Size potential, deposit type |
| **Camaron** | - | 463,548 | - | 3.0 | - | **1.391** | Exploration stage |
| **Grants Ck & Wilsons Reef** | - | 208,761 | - | 2.5 | - | **0.522** | Exploration stage |
| **Angelo** | - | 266,480 | - | 2.5 | - | **0.667** | Exploration stage |
| **Sophie Downs** | - | 43,222 | - | 2.5 | - | **0.108** | Exploration stage |
| **Mulgul** | - | 86,385 | - | 2.0 | - | **0.173** | Exploration stage |
| **West Lake Eyre** | - | 83,382 | - | 1.7 | - | **0.142** | Exploration stage |
| **King River** | - | 18,778 | - | 1.5 | - | **0.028** | Exploration stage |
| | | | | **TOTAL** | **112.83** | **12.198** | |
| | | | | | **GRAND TOTAL** | **115.028** | |

Notes to Table 19: (A) The valuation at Los Calatos is for the Gamma, Alpha, Nelson licences only. While Hampton has undertaken some exploration on the recently acquired 100% held licences, comprising detailed surface mapping and sampling programs, expenditure to date has been immaterial and consequently these licences are not possible to be valued using a cost-based valuation method and have been excluded from the table.

As the Los Calatos Project has yet to be assessed by an economic evaluation such as scoping study and therefore cannot be valued using a discounted cashflow method, the effects of the contained metal-based payments and the 2% net smelter return royalty payments to North Hill respectively, have not been considered in the valuation.

Finally, taking into account the maximum equity able to be earned by each company in each project (as shown in Table 18) and Metminco's current (36.5%) equity in Hampton, Table 20 shows the resulting implied equity valuation for each company.

Table 20. Summary table showing Hampton's and Metminco's implied equity valuation matrix using alternative valuation methodologies.

| Asset | Implied Valuation (based on Resource) (US$m) | Implied Valuation (based on Expenditure) (US$m) | Hampton's Implied Equity Valuation (US$m) | Metminco's Implied Equity Valuation (US$m) |
|---|---|---|---|---|
| Los Calatos (Alfa, Gamma, Nelson) | 100.00 | | 100.000 | 36.500 |
| Mollacas | 10.69 | | 5.345 | 1.951 |
| Vallecillo | 2.14 | | 1.070 | 0.391 |
| Loica | | 6.135 | 3.068 | 1.120 |
| Isidro | | 3.033 | 3.033 | 1.107 |
| Camaron | | 1.391 | 1.391 | 0.508 |
| Grants Ck & Wilsons Reef | | 0.522 | - | 0.365 |
| Angelo | | 0.667 | - | 0.466 |
| Sophie Downs | | 0.108 | - | 0.108 |
| Mulgul | | 0.173 | - | 0.173 |
| West Lake Eyre | | 0.142 | - | 0.142 |
| King River | | 0.028 | - | 0.028 |
| TOTAL | 112.83 | 12.198 | | |
| | GRAND TOTAL | 115.028 | 113.907 | 42.859 |

The value of US$100 million ascribed to the Los Calatos Project does not support sufficient copper metal in Reserves which would trigger the clawback provision of Placer Dome's Option Agreement, as:

1. The Option Agreement with Pacer Dome requires the gold or copper inventory to be classified as Proven and Probable Reserves which can only be determined from Measured and Indicated Resources in compliance with the JORC code and guidelines. While the current Indicated and Inferred Resource estimate contains in excess of 1 Mt tonnes of copper (1.11 million tonnes), the overwhelming majority (72.5%) of the contained copper inventory is currently classified as Inferred which, by definition cannot be converted to reserves of any kind.

2. No mining, mining-related, metallurgical or other relevant economic investigations have been undertaken on the project to date which are sufficient to quantify the conversion of metal inventory in resources to reserves. Lorabay is of the opinion that the current shape of the mineralised zone (elongated and narrow, widening with considerable depth as illustrated in Figure 9) is such that 'waste-to-ore' stripping ratios would impact negatively or otherwise restrict the conversion of resources to reserves.

3. In the event that further drilling successfully defined extensions to the current resource (particularly to the south i.e. by thickening the shape of the

mineralisation) and increased the confidence and classification of the resources, Hampton's equity whether 100% or being reduced to 49% (in the event of Placer Dome's clawback) would be worth in excess of the US$100 million ascribed in Table 16 as the project would be re-rated and, based on recent precedents, valued at a much higher USc/lb number (between USc5/lb and USc7/lb) than the one being used for the current status of the resources.

# 6 Summary and Prospectivity Conclusions

Through its recently announced right to exercise an option to acquire all of JIC's shares in Hampton, Metminco will increase its equity from 36.5% to a >50% or majority interest and thereby gain control over Hampton and to manage Hampton's projects. Hampton has a portfolio of projects focused on porphyry and porphyry-related base and precious metals in a region renown for its numerous world class Andean Porphyry style deposits, located in central Chile and southern Peru. The company has a balanced portfolio of projects which range in status from pre-feasibility stage, through advanced exploration to early exploration stage.

- Pre-feasibility study stage – Mollacas *oxides and supergene sulphides, with possible hypogene mineralisation at depth* (Chile/Cu-Au);
- Advanced exploration stage – Los Calatos *hypogene and potentially supergene mineralisation* (Peru/Cu-Mo), Vallecillo *hypogene mineralsiation* (Chile/Zn-Au), and Loica *hypogene mineralisation* (Chile/Cu-Mo);
- Early exploration stage – Camaron *hypogene and supergene mineralisation potential* (Chile/Cu-Au-Mo), Isidro *hypogene and supergene mineralisation potential* (Chile/Cu-Au).

This portfolio, focussed on a particular mineralisation style and having substantial depth of opportunity, affords Hampton with the flexibility to consider the relatively near-term development of its Mollacas Project and rapidly expanding its knowledge and resource base at the Los Calatos Project, while advancing the understanding of its other earlier stage projects.

The Los Calatos project is located in southern Peru and falls within a northwest-southeast trending metallogenic belt comprising younger Paleocene – Eocene aged intermediate volcanic and associated intrusive rocks that have been deformed by the northwesterly/southeasterly trending Incapuquio Fault System. Locally, the Incapuquio Fault System appears to have been the focus of numerous calc-alkaline porphyritic intrusives and associated breccia complexes which in places have caused sufficient hydrothermal activity and associated mineralisation to host major porphyry copper deposits such as Cuajone and Quellaveco, located 34 and 50 kilometres to the southeast of Los Calatos, respectively.

The Los Calatos project is a relatively advanced exploration project and has the potential, through further drilling, to significantly add resource value and for hosting a medium sized copper – molybdenum deposit amenable to mining by open pit. The potential at depth should be further drill tested with a reasonable expectation to substantially increase the existing JORC-compliant Indicated and Inferred Resource inventory of 261.5 million tonnes having and average grade of 0.41% copper and 0.04% molybdenum (based on a 0.20% copper cut-off). Further exploration on

other anomalous zones in close proximity to Los Calatos and regionally within the tenements is warranted.

The Isidro, Camaron, Vallecillo, Mollacas and Loica properties are all closely aligned along a well developed regional structure that has localized intrusive activity and related hydrothermal alteration in both the host volcanic host sequences and the intrusives themselves. Each of these properties has many of the characteristics of typical Andean Porphyry systems and their oxidised derivatives, and therefore warrant further persistent and diligent exploration to assess their capacity to host economic quantities of hypogene and supergene copper, molybdenum and precious metals.

The Loica prospect shows potential for hosting a large-scale porphyry copper-molybdenum deposit. The Mollacas prospect is targeted as a medium sized open pit copper oxide deposit with supergene enrichment and potential for primary copper-gold mineralization at depth. The Vallecillo La Colorado prospect is envisioned by Hampton as a target for a medium sized open pit zinc–gold–silver–lead deposit in a structurally related wide breccia zone with further potential along strike and down dip.

With the exception of Isidro and Camaron, all the company's above-mentioned projects have been tested by drilling (undertaken primarily by Hampton) and initial mineral resource has been established at Los Calatos, Mollacas and Vallecillo. A scoping study has been completed over Mollacas and preliminary metallurgical testwork has been commissioned for mineralised material from Vallecillo and Los Calatos with a view to using these results in scoping out the economic viability for these projects.

The prospects at Isidro and Camaron are at early prospect stage where surface mapping and reconnaissance sampling has been commissioned. Early indications are encouraging with evidence of precious metal mineralisation associated with epithermal sinter-style geology being identified on both properties.

# Technical Glossary

| | |
|---|---|
| Actinolite | Mineral composed of hydrous calcium, magnesium and iron silicate |
| Albite | A variety of plagioclase feldspar |
| Alkali | Chemically basic rock. |
| Alteration | Alteration of a rock by geological forces resulting in a change in its chemical or mineralogical composition |
| Amphibole | A group of rock forming silicate minerals that occur most frequently in igneous and metamorphic rocks |
| Andesite | Fine grained igneous extrusive rock, mineralogical equivalent of diorite |
| Apatite | A calcium phosphate mineral |
| Argillic | Pertaining to argillite - a fine grained sediment comprised mainly of clay minerals and fine quartz. |
| Assay | Analysis to determine valuable metal content of a sample. |
| Basalt | A dark coloured, fine grained basic volcanic rock |
| Biotite | A ferro-magnesium silicate mineral |
| Breccia | A rock composed of broken, angular fragments in a fine-grained matrix. |
| Brochanthite | Copper sulphate hydroxide mineral |
| Calcareous | Rocks containing a high proportion of calcite |
| Calcic | Pertaining to calcium |
| Calcite | Calcium carbonate mineral |
| Calk-alkalic | Describing igneous rocks, which are 56-61% silica and the percentages of CaO and of K2O + Na2O are equal |
| Chalcocite | Copper sulphide mineral usually found in or near the oxidised zone of copper sulphide deposits |
| Chalcopyrite | Copper iron sulphide mineral commonly found in sulphide veins and disseminated in igneous rocks |
| Chip Sampling | Method of sampling rock by taking 'chips' with a hammer |
| Chlorite | A group of greenish silicate clay minerals, which are hydrothermal alteration products of tuffs, andesites and sediments |
| Chrysocolla | Hydrous copper silicate mineral |
| Clinochlore | Magnesium iron aluminium silicate hydroxide mineral – common member of the chlorite group |
| Clinopyroxene | A member of the pyroxene group of minerals sometimes containing significant calcium |
| Codelco | State copper mining company in Chile |
| Continental margin | At the edge of the Earth's major crustal plates i.e. where continental masses meet oceanic crust. |
| Covellite | Copper sulphide mineral commonly found in zones of secondary enrichment above copper ore deposits |
| Cretaceous | The final geological time period of the Mesozoic Era 140Ma to 65Ma. |
| Dacite | A fine grained igneous rock intermediate in composition between rhyolite and andesite. |
| Deformation (Front) | Alteration such as faulting, folding, shearing, compression or extension of rock formations by tectonic forces |
| Diamond Drilling | Rotary drilling using diamond-set or diamond-impregnated bits to produce a solid continuous core of rock. |
| Diopside | Calcium magnesium silicate - an important rock forming mineral in several metamorphic and basic to ultra basic igneous rocks |

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| Diorite | A coarse grained igneous rock consisting of alkali feldspar, some pyroxene and or amphibole with a little quartz |
| Dip | The angle at which layered rocks, foliation, a fault, or other planar structures, are inclined from the horizontal. |
| Disseminated | Fine grained mineralisation scattered evenly throughout the rock |
| Eocene | Geological time period 40-58 Ma |
| Epidote | Calcium aluminium iron silicate hydroxide mineral |
| Facies | Unit defined by its geological features |
| Fault | A fracture (or a zone of fracture) in rock, along which there has been observable displacement between the two adjacent blocks |
| Ferric | Pertaining to iron |
| Feldspar | A silicate mineral group, the most important group of rock forming minerals being essential constituents of igneous rocks, present in most metamorphic rocks and in many sedimentary rocks. The most common types are potassium, sodic and calcic |
| Fold | Bend or buckle in any pre-existing structure in a rock as result of deformation |
| Foliation | Orientation of minerals in a rock due to deformational processes |
| Gabbro | A coarse grained igneous rock consisting of calcic feldspar, pyroxene and commonly hornblende and/or olivine |
| Garnet | Group of aluminium nesosilicate minerals common in highly metamorphosed rocks and in some igneous formations |
| Geochemistry | Branch of geology that studies the chemical content of rocks |
| Geophysics | Branch of geology that studies the physics of the Earth |
| Green schist | A schistose metamorphic rock whose green colour is due to the presence of chlorite, epidote, or actinolite |
| Haematite | A common iron oxide mineral |
| Hornfels | A fine grained metamorphic rock |
| Hydrothermal | The name given to any process associated with igneous activity which involve heated or superheated water |
| Igneous | Rock type formed by crystallisation from molten rock or magma |
| Intercalations | Layers that exist between and have been introduced at a later date to the original layers |
| Intrusive | A general term describing a mass of igneous rock which solidified before reaching surface |
| Jurassic | Geological time period 210-140 Ma |
| Limestone | A deep marine sedimentary rock comprised primarily of calcium carbonate derived from shell material |
| Lithology | The physical characteristics of rock |
| Magmatic | Pertaining to magma - molten rock |
| Magnetite | Magnetic greyish black iron oxide mineral |
| Manto | A flat-lying, bedded deposit; either a sedimentary bed or a replacement strata-bound orebody |
| Marialite | A sodium aluminium silicate chloride sulphate mineral |
| Metallogenic | Pertaining to areas characterised by particular assemblages of mineral deposits or by one or more characteristic types of mineralisation |
| Metasomatism | Alteration in a mineral or rock mass involving a chemical change of the substance as opposed to ordinary metamorphism which involves recrystallisation |
| Miocene | Geological time period 210-140 Ma, part of the Tertiary |
| Morphology | Branch of geology that studies the characteristics and configuration and evolution of rocks and land forms |

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| Muscovite | Potassium aluminium silicate hydroxide fluoride mineral common in granite and metamorphic rocks |
| Mylonitic | Pertaining to compact, chert-like rocks without cleavage, but with a streaky or banded structure |
| Natrolite | Hydrated sodium aluminium silicate mineral |
| Ore | Mineral bearing rock that contains one or more minerals, at least one of which can be mined and treated profitably under current or immediately foreseeable economic conditions. |
| Oxide | Soft, weathered rock generally formed by the process of weathering near surface |
| Paragenesis | The origin of minerals |
| Phyllic | Usually hydrothermal alteration resulting in chemical and mineralogical change of silicates to a sericite mica dominated assemblage |
| SRK Consulting Hampton IPO Report | R_01212603_SRK_Hampton_Rev3_300608 June, 2008 |
| Plagioclase | A member of the feldspar mineral group that contains considerable sodium and calcium |
| Pluton | A large body of igneous rock which solidified beneath the Earth's surface |
| Porphyry | An igneous rock which contains large crystals (phenocrysts) usually of feldspar |
| Potassium | Pertaining to potassium |
| Propylitic | Usually refers to a peripheral area or zone where minerals have been chemically changed, characterised by chlorite, sericite, quartz, albite and carbonate minerals |
| Pyrite | A common iron sulphide mineral. |
| Pyroxene | A group of crystalline silicate minerals common in igneous and metamorphic rocks |
| Quartz | Very common silica mineral |
| Reverse circulation drilling | A drilling method during which rock cuttings or chips are pushed to the surface through an outer tube usually by air (or liquid) pressure from an inner tube |
| Rhyolite | One of a group of extrusive igneous rocks commonly showing flow textures - the extrusive equivalent of granite |
| Scapolite | Greyish white mineral intermediate in composition between marialite and meionite |
| Sericite | A fine grained white micaceous mineral often the product of alteration processes |
| Skarn | A mineralised body which is the result of an igneous intrusion coming into contact and reacting with limestone or calcareous sediment and causing recrystallisation and mineralogical and chemical alteration |
| Sodic | Pertaining to sodium |
| Specularite | A black or grey variety of haematite with a metallic lustre |
| Stockwork | Mineral deposit comprised of a network of very closely spaced small, irregular veins |
| Stratigraphy | Branch of geology which studies the sequence or layers of rocks |
| Strike | The direction or bearing of a bed or layer of rock in the horizontal plane. |
| Sulphide | Mineral formed with sulphur and often iron |
| Syntectonically | Pertaining to mineralisation which formed at the same time as the described geological forces and movements |
| Tectono-magmatic | Relating to major structural and igneous events. |
| Thin section | Fragment of rock or mineral mechanically ground very thinly and mounted between glasses as a microscope slide to enable analysis of the optical |

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| | properties of each mineral |
| Thrust fault | Low angle reverse fault |
| Tonalite | Intrusive igneous rock consisting of plagioclase feldspar, quartz and amphibole or biotite |
| Tourmaline | A complex borosilicate and hydroxide of aluminium containing iron, magnesium, calcium, lithium and sodium common in igneous and metamorphic rocks |
| Trenching | A means of exposing and sampling near-surface geology by digging a shallow trench |
| Vein | Tabular or sheet like body deposited in openings of fissures, joints or faults in the host rock |
| Volcano-sedimentary sequence | Package of rocks comprising intercalated volcanic and sedimentary rocks |
| Volcaniclastic | Sediment comprised mainly of eroded volcanic material |
| Wollastonite | Calcium silicate mineral common in skarns or contact metamorphic rocks |

## UNITS AND ABBREVIATIONS

| | |
|---|---|
| AIM | London Stock Exchange's international market for smaller growing AIM companies |
| AFS | Atacama Fault System |
| Au | Chemical symbol for gold |
| Ca | Chemical symbol for calcium |
| Co | Chemical symbol for cobalt |
| Cu | Chemical symbol for copper |
| CFS | Chivato Fault System |
| Fe | Chemical symbol for iron |
| GDP | Gross Domestic Product |
| g/t | Grammes per tonne – unit of grade for precious metals such as gold |
| Ha | Hectares |
| IOCG±U | Iron – Oxide – Copper – Gold ± Uranium |
| IP | Induced polarisation – type of geophysical survey used in early stage exploration |
| K | Chemical symbol for potassium |
| Km | Kilometres |
| M | Metres |
| Ma | Million years ago |
| Mo | Chemical symbol for molybdenum |
| Mt | Million tonnes |
| Na | Chemical symbol for sodium |
| ppb | Parts per billion |
| ppm | Parts per million |
| RC | Reverse circulation |
| RTP | Reduced to pole –treatment of magnetic survey data to place magnetic anomalies directly over the source bodies |
| SCM | Sociedad Contractual Minera |