

Fig. II-1-5 Geologic cross section of boreholes MJBA-14

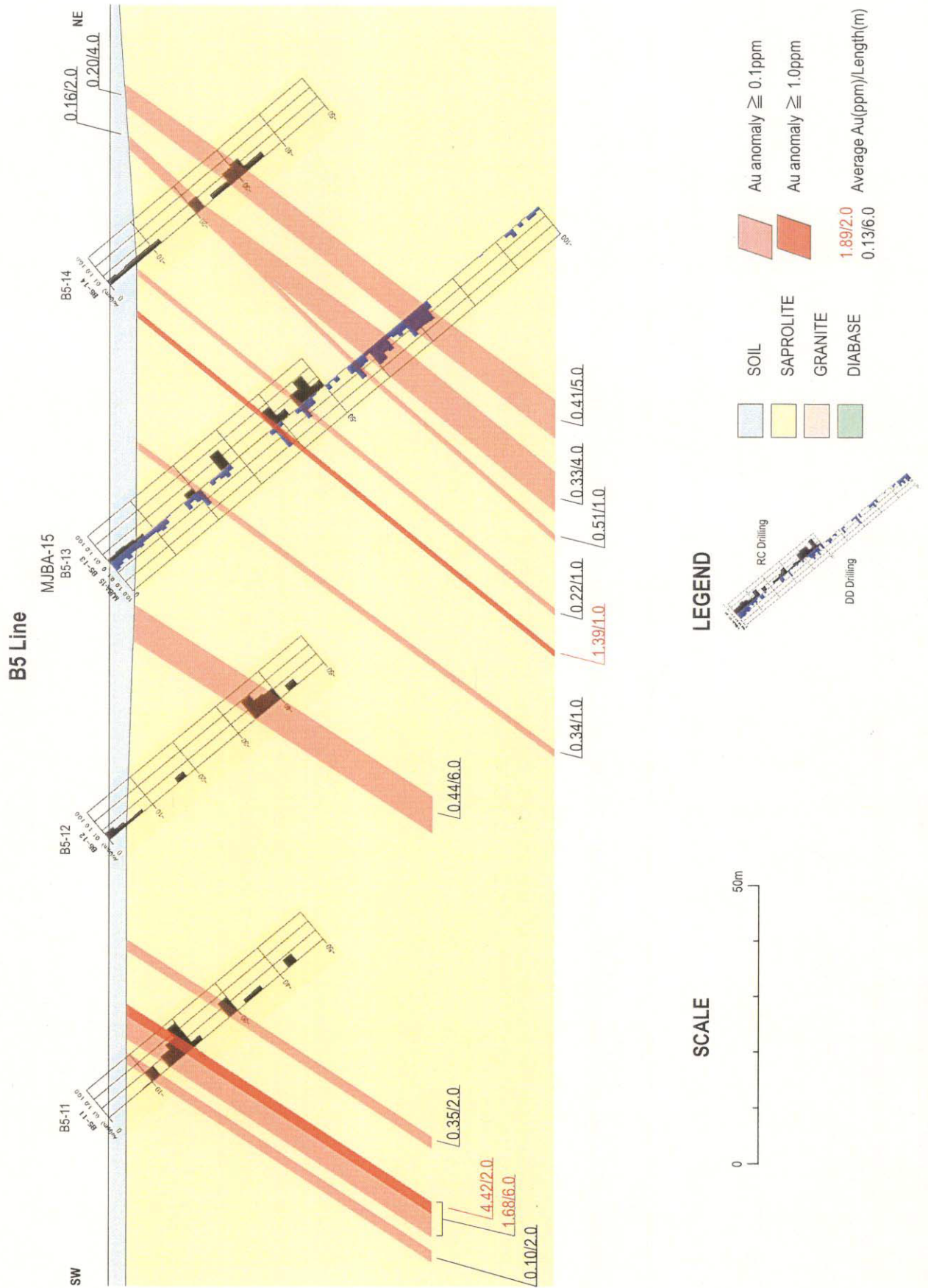


Fig. II-1-6 Geologic cross section of boreholes MJBA-15

Mineralization: Gold anomalies were observed in the following intervals: Between 20.0m and 21.0m: gold anomalies of 0.34ppm. Between 38.0m and 39.0m: gold anomalies of Au1.40ppm, probably related to coarse py dissemination (diameter between 3 and 4mm). Between 44.0m and 45.0m: gold anomaly of Au0.22ppm. Between 56.0m and 57.0m: gold anomaly of Au0.52ppm. Between 60.0m and 64.0m: gold value of Au0.33ppm probably related to cubic pyrite dissemination of 4mm. Between 68.0m and 72.0m: gold average of Au0.41ppm, related to strongly sheared structure. Polished sample from 99.30m presented dissemination of pyrite, chalcopyrite, sphalerite and magnetite.

Alteration: The main alteration observed in fresh granite was silicification, potassic, chlorite and epidote alteration. Other alteration, such as kaolin and sericite were also observed. At the center of the shearing zone were mostly observed silicic, potassic, epidote and chlorite alteration. Thin section sample taken from 77.50m showed sericite, chlorite, epidote and carbonate alteration. From X-ray sample taken at 92.00m were observed muscovite, potassic, smectite and albite.

(c) MJBA-16 (Fig. II-1-7)

Geology: Consisting of biotite granite from Pre-Uatuma Granite (GrIIIb).

0.00m - 1.70m: Transported soil
1.70m - 50.40m: Granitic saprolite
50.40m - 52.00m: Dark grey mylonit, slightly argillized and with chl-sil-ser. Alteration.
52.00m - 63.80m: Grey with pinkish spots, moderately sheared rock. Locally shows gneissose structure. Strong Epi-Chl-Magn and moderate silicic alteration.
63.80m - 68.50m: Pinkish grey, strongly sheared granite.
68.50m - 100.35m: Greywish, moderate to strong sheared granite. Silic.-Epi-Chl alt.

Mineralization: Gold anomalies were observed in the following intervals. Between 9.0m and 14.0m: gold anomalies of 0.20ppm. Between 17.0m and 23.0m: gold anomalies of Au0.25ppm and Pb243ppm, probably related to shearing with clayey center of 30cm wide. Polished sample from 64.15m presented dissemination of pyrite and magnetite.

Alteration: The main alteration observed in fresh granite was silicification, potassic, chlorite and epidote alteration. Alteration due to kaolin and sericite were also observed. At the center of the shearing zone were mostly observed, silicic, potassic, epidote and chlorite alteration. Thin section sample taken from 62.10m showed sericite, chlorite, epidote and carbonate alteration. From X-ray sample taken at 64.15m were observed muscovite, potassic, quartz, chlorite and albite.

(d) MJBA-17 (Fig. II-1-8)

Geology: Consisting of biotite granite from Pre-Uatuma Granite (GrIIIb).

0.00m - 1.80m: Transported soil
1.80m - 6.40m: Granitic saprolite

6.40m - 8.10m: Weathered granite
8.10m - 10.40m: Pinkish grey weathered ho-bi- porphyry granite
10.40m - 13.50m: Yellowish white argillized clay with Kao and sericite
13.50m - 33.68m: Light greenish gray ho-bi-granite, with Epi-Chl alteration and weak silicification
33.67m - 41.55m: Light greenish grey ho-bi-granite with moderate Epi alteration and weak Chl-Sil alteration
41.55m - 41.81m: Grey, fine texture aplite
41.81m - 100.15m: Lightly greenish grey, ho-bi-granite, with moderate alteration of Epidote and weak alteration of Sil-Chl-Magn.

Mineralization: Gold anomalies were observed in the following intervals. Between 67.0m and 68.0m: gold anomalies of 1.64ppm, probably related to shearing structure with weak anomalies of Cu116ppm, Pb136ppm and Zn107ppm. Polished sample from 44.05m presented dissemination of pyrite, chalcopyrite and magnetite.

Alteration: The main alteration observed between 23.20m and 36.65m and again between 39.33m and 40.45m presented weak to moderate silicification. Epidote and chlorite alteration was observed from 23.20m until bottom of the hole. Thin section sample taken from 38.00m showed sericite, chlorite, epidote and carbonate alteration, and from X-ray sample taken at 38.00m were observed muscovite, potassic and albite.

(5) Discussion

From RC and DD drillings carried out in B block it was clarified that the thickness of soil is thin, while the thickness of granitic saprolite averages about 30m. Shearing structure was also observed within saprolite and fresh granite and found associated with alterations of silicification, potassic, epidote and chlorite. Both RC and DD drillings detected abundant gold mineralization indicating that the gold mineralization extends continuously from saprolite to the fresh rock. By comparison between results from RC and DD drillings, it was confirmed that some sites present a slight enrichment of gold along the boundary with the fresh rock. It was presumably due to a process related to gravity acting on high-density mineral that concentrated gold particles along the boundary zone. Geological sections together with drilling data are shown from Fig.II-1-4 to Fig.II-1-8 and the gold distribution map is shown at Fig. II-1-9 and Fig. II-1-10.

1-5 Considerations

(1) Compilation of overall results

Results from the trench survey and from RC and DD drillings can be summarized as follows.

Trench survey showed that the horizons A, B, A/B and C are present in B block area. Below horizon B there exists a homogeneous and continuous layer rich in rounded pisolith. Channel samples collected from trench bottom at a spacing of 2m indicated broad gold anomalies of above 0.1 g/t and in 3 of these samples, gold results were observed above 1g/t.

From the trench survey it was also confirmed the presence of mineralized structures within granitic