

Fig. II-1-7 Geologic cross section of boreholes MJBA-16

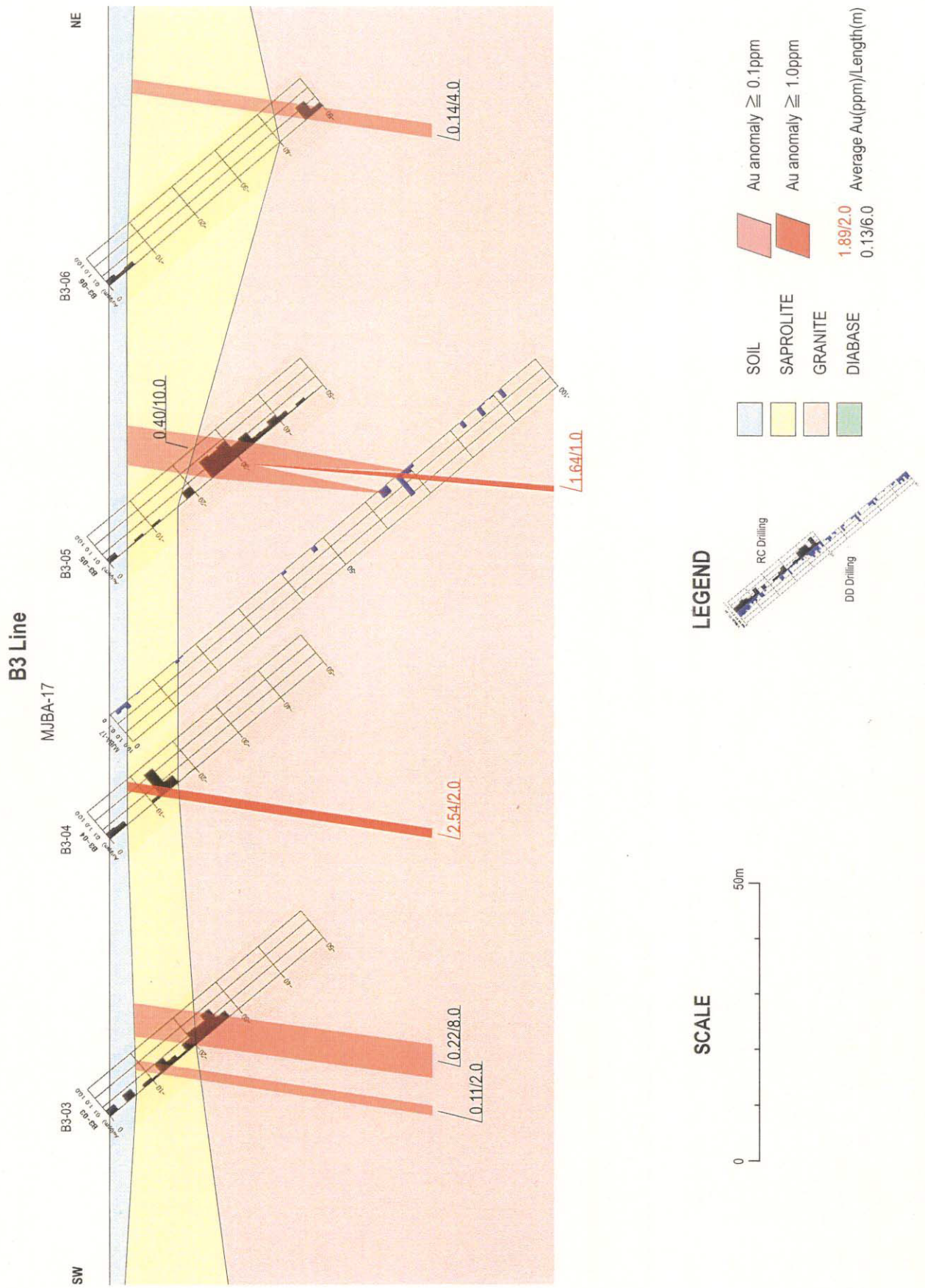


Fig. II-1-8 Geologic cross section of boreholes MJBA-17

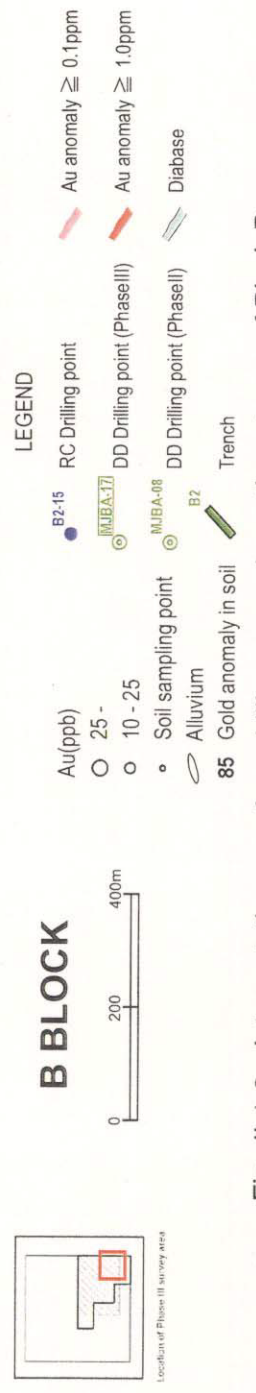
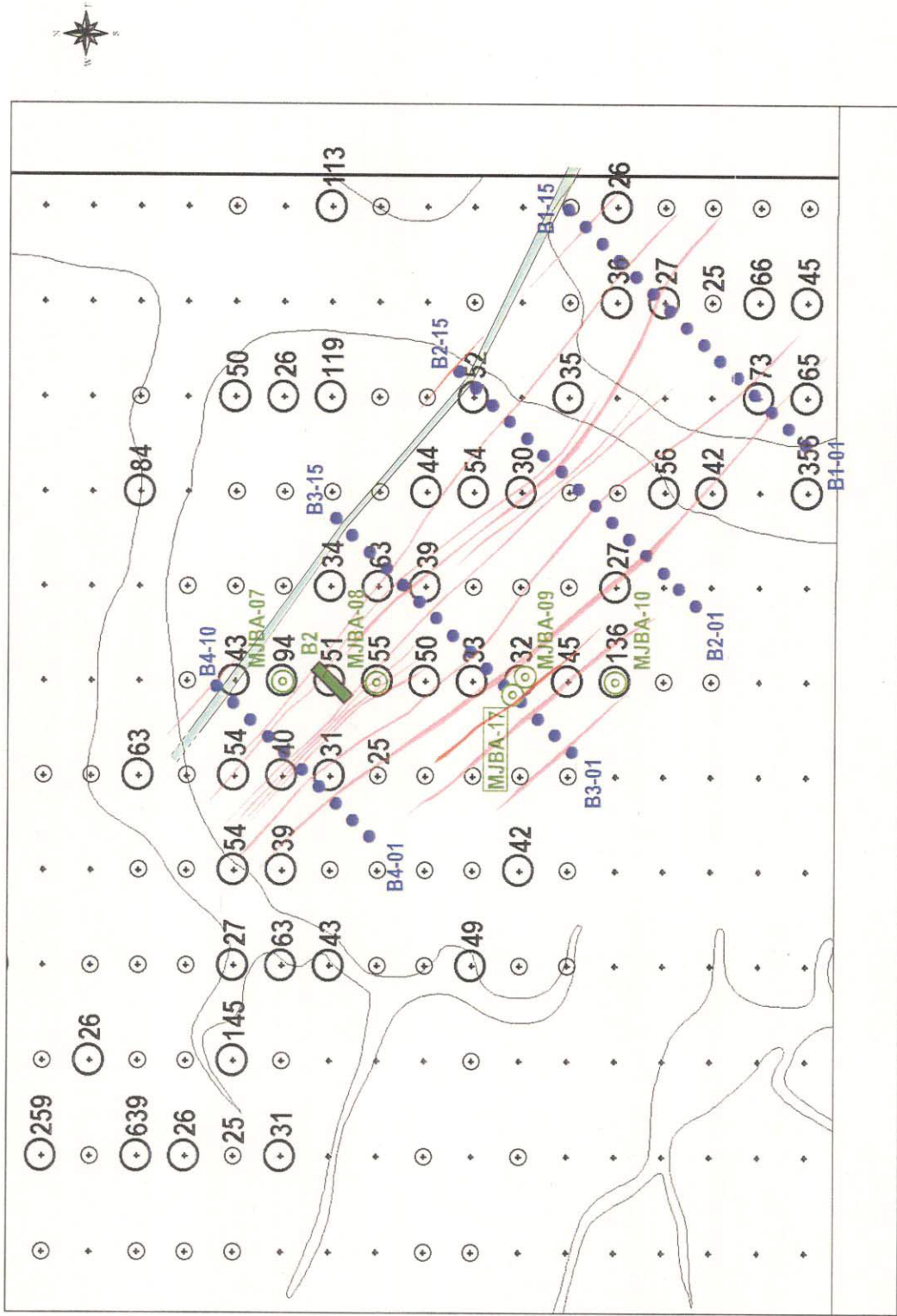


Fig. II-1-9 Interpretation map from drilling survey in northwest area of Block B

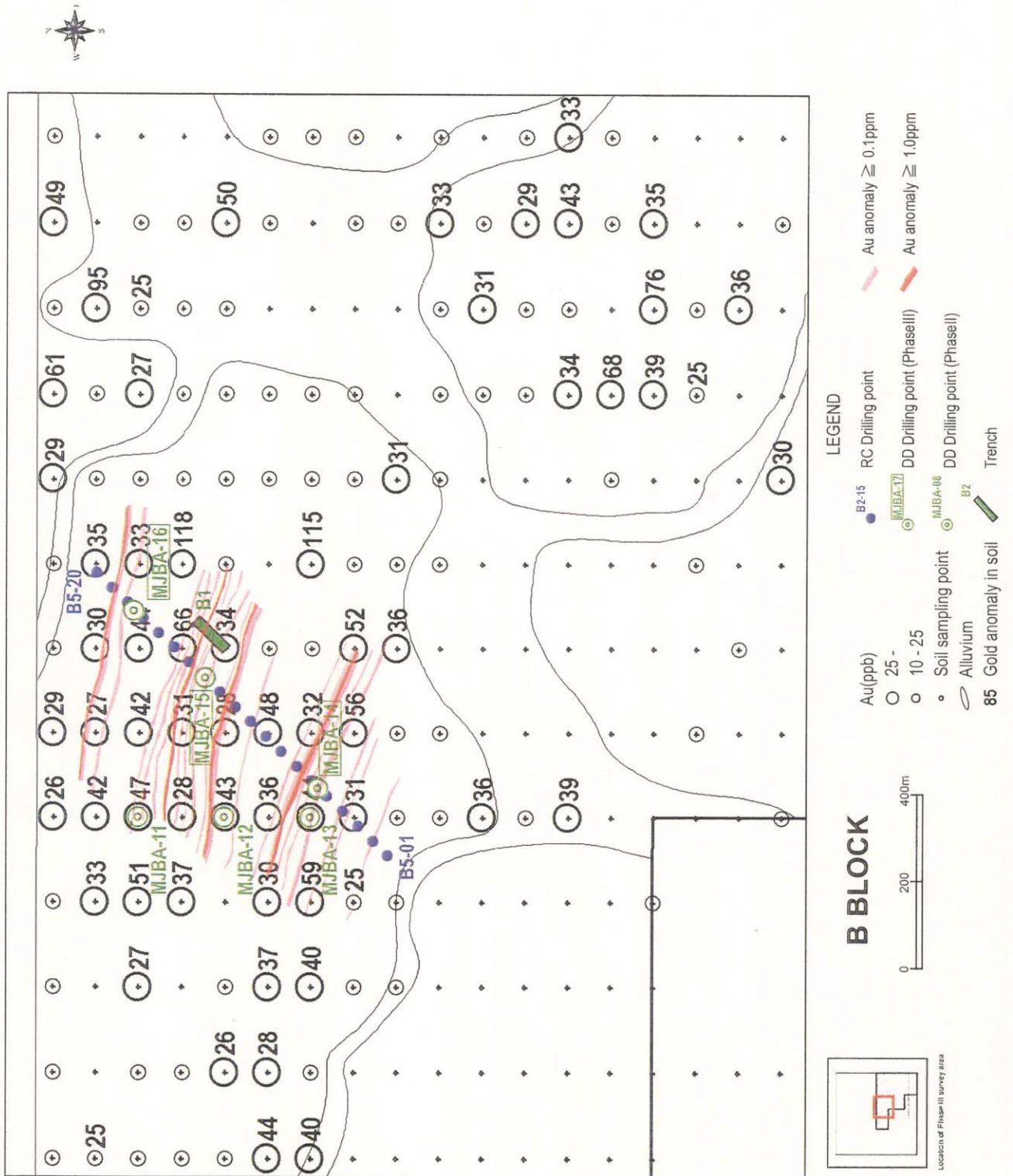


Fig. II-1-10 Interpretation map from drilling survey in northwest area of Block B

saprolite, such as quartz veins and shearing zone. B1 trench presented structures along E-W to N80W direction and dipping between 30 and 68 degrees, while B2 trench presented structures along N45W to N80W direction and dipping between 56 and 80 degrees.

From the drilling survey it was possible to clarify the thickness of the saprolite layer, the relationship between soil gold anomalies and geological structure, and the gold mineralization structure. RC drilling showed that the thickness average of saprolite in B5 line is between 40m and 50m, and in the lines B1 to B4, the thickness average is approximately 30m. Shearing structure was also observed within saprolite and fresh granite, and associated with alteration as silicification, potassic, epidote and chlorite. Many gold mineralization related to the shearing were observed and always associated with pyrite dissemination and/or films.

From these works, it was proved the absence of lateritic soil and consequently, lateritic type gold deposits are not present in the B block area. The gold mineralization intercepted by drilling showed a strong relation with geological structure, or to sites with pyrite dissemination which extends continuously down to the fresh rock.

From analytical results of all data, it was concluded that the gold mineralization in B block is continuous, with low to intermediate gold grade, but it is considered to be relatively thin and with large gold barren intercalated between gold mineralization.

(2) Compilation of the results of the garimpo survey

Some of the primary gold garimpo, such as Jacare garimpo, Satelite garimpo and Paulao garimpo are located inside the shearing structures observed in the survey area along a WNW-ESE direction.

The Jacare garimpo, with gold mineralization of quartz veinlets type, presented high gold contents with a maximum value of 379.36 g/t of Au. Also, a 6m wide channel sampling presented an average grade of 70.52g/t Au. Satelite garimpo and Paulao garimpo showed gold mineralization in quartz vein filling shearing zone and the results of analysis in quartz vein of Paulao garimpo presented 100g/tAu, 127.2g/tAg and 3.86%Cu.

(3) General compilation

The gold mineralization types found in the B block area are as follows:

- 1) The gold mineralization observed in Satelite garimpo is related to gold bearing quartz veins filling shear zone.
- 2) The gold mineralization observed in Jacare garimpo is related to stockwork or sheeted veinlets type gold mineralization, as exemplified by the Novo Planeta type gold mineralization.

The drilling survey carried out in the northwestern part and in the southeastern part of the B block area aimed to find gold mineralization of the types described above. However, the survey results indicated that the

gold mineralization presents low to intermediate gold grade, relatively thin in a wide zone with gold barren intercalated between mineralization.

In the eastern edge of the B block, around Jacare garimpo, there is a quite continuous soil geochemical anomaly still open to the east. It is possible that a stockwork type or sheeted quartz veinlets type gold mineralization is present below the soil anomaly.