Virginia Silver Project
Santa Cruz Province, Argentina
NI 43-101 Technical Report on Exploration and Drilling

Prepared for:

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1 SUMMARY

1.1 Introduction and Location

This Technical Report has been prepared at the request of Mirasol Resources Ltd., by the author and as such it is non-Independent according to National Instrument 43-101. No prior Technical Reports, as defined by NI 43-101, have been completed on the property. The primary source of information is data generated by exploration conducted by Mirasol between 2009 and the present under the direction of the author.

The Virginia Silver Project is located in Argentina in Santa Cruz province in the region known generally as Patagonia. The exploration and drilling described are centered at approximately the geographic coordinates of 47° 28' 43.81" South, and 69° 57' 19.57" West. The area is of modest topographic relief with a maximum of about 1,000 metres above sea level and the climate is semi-arid with low precipitation. Normally exploration including drilling can be performed year-round.

1.2 Land Status

The mineral tenure rights comprise concessions (cateos) and claims (manifestaciones de descubrimientos) totaling 39,702 hectares all held in the name of a 100% owned subsidiary of Mirasol Resources Ltd. There are no underlying agreements or royalties on production except for those to governments in Argentina.

Through a subsidiary, Mirasol Resources Ltd. has purchased surface rights over approximately 12,900 hectares of the mineral tenure it owns including all the areas with exploration drilling at Virginia and the “Virginia Window” where favourable geological units are known to host silver mineralization.

1.3 History

A government geological map published in 2001 indicates two precious-metal showings in the area of Virginia, neither of which corresponds to the Virginia mineralization or that at Santa Rita Main. The map, showings, and other public information and internal work by Mirasol led Mirasol to apply for concessions in the area in 2004. Mirasol undertook surface exploration and in late 2005 announced the discovery of the outcropping Santa Rita Main Zone with silver and lesser gold. Channel samples showed anomalous results over a strike length of 300 metres. Best results of up to 18.9 metres wide grading 80 grams per tonne (g/t) silver and 0.2 g/t gold, including a high grade interval of 1.0m grading 645 g/t silver and 1.3 g/t gold were obtained from surface channel samples.

Based on these results, the Santa Rita property was optioned in 2006 to Hochschild Mining Corp. who continued to explore the project as operator. Hochschild’s work culminated in a diamond drill program which tested Santa Rita Main and produced some anomalous results such as drill hole SRD_01 with 3.4 metres of 156 g/t silver and 0.12 g/t gold. Following the drill program Hochschild decided to renounce the option on Santa Rita in 2008 and returned the project to Mirasol retaining no interest in the project. Hochschild returned mineral land tenure holdings had been enlarged and Mirasol received the enlarged property and all of the new data generated. The Virginia silver veins had not yet been discovered.

Mirasol resumed prospecting in late 2009 focusing on areas that had not been previously explored and promptly discovered the outcropping Virginia Silver Veins in the southeast corner of the enlarged property some 14 kilometres southeast of Santa Rita Main, which had previously been the focus of all prior work.

1.4 Geologic Setting

The Virginia Silver Project is located within a large region (the Deseado Massif) of mainly Jurassic volcanic and other older rocks surrounded by younger Cretaceous and Tertiary sedimentary rock which form basins and lap onto the older units. The massif extends from the Atlantic Ocean all the way to the Andes Mountains. It is dominated by middle Jurassic Rocks of the Bahia Laura Group, which are mainly volcanic in origin. The Bahia group is sub-divided into the Chon Aike Formation, mainly felsic volcanic rocks, and the Bajo Pobre Formation, mainly intermediate or mafic volcanic rocks. Both appear to be of middle to upper Jurassic age and both are known to host important precious metal deposits which are believed to be upper Jurassic in age. Bahia Laura is overlain, and probably in part interbedded with, the Matilde Formation comprised of fine grained tuffaceous and sedimentary rocks of upper Jurassic age. These are the units which contain most of the known precious metals in the massif.

The Virginia area is characterized by a sequence of felsic, probably rhyolitic, lava flows (Bahia Laura or possibly Matilde) that are absent elsewhere on the property. Associated with these flows are what appear to be sub-volcanic equivalents in the form of domes, and also a sequence of felsic pyroclastic volcanic breccias and tuff. These related units all appear to be overlain by an unrelated unit which is an ash-flow (ignimbrite) which is also felsic but notably different. It is characterized by a very strong cleavage, typically sub-vertically oriented, which is absent in the underlying units and is interpreted to be induced by cooling. This ash-flow effectively separates the Virginia area from the Santa Rita area. The stratigraphy in the Santa Rita area is unlike that of Virginia. No rhyolite flows are present, and the dominant rock types are felsic ignimbrites.

1.5 Deposit Types

Mineral exploration in the Deseado Massif has discovered numerous showings with metals, principally gold and/or silver, since about 1980 with the majority of those being discovered since about 1993. Most of them would be typically described as epithermal i.e. low temperature deposits related to paleo-geothermal systems and hot-springs.

Nevertheless, in detail, significant variation exists within this class of mineral deposits with the Massif.

To date, exploration suggests that the Virginia veins are strongly structurally controlled, are epithermal in character, and with classical quartz textures ranging from chalcedonic to saccaroidal (the best mineralized parts) with lesser crystalline quartz (generally unmineralized). Generally favourable characteristics for silver mineralization include banded veins, multi-stage stage veins and vein breccias, lead minerals, together with typical epithermal suite elements of antimony, arsenic, mercury, and abundant iron and manganese oxides, but care should be taken to understand that silver concentrations seem to be independent in detail at the metre scale of surface and core sampling of many of the macro-scale characteristics mentioned here.

1.6 Exploration

Exploration of the Virginia Veins has comprised geological mapping, rock sampling, geophysics, trenching, and drilling. Initial surface rock chip sampling at Virginia was successful in demonstrating significant silver grades over significant widths and probable strike lengths such that relatively few rock chip samples. Channel sampling was conducted along with geological mapping at 1:50 scale along saw-cut channels with a full quality assurance and quality control (QAQC) program in place. Results of the channel sampling confirmed significant widths and grades of silver mineralization at Virginia such that the first series of channel samples on the Julia Veins averaged 1.88 metres in length containing 792 g/t silver.

Trenching has provided important new knowledge, but frequently it has been difficult to determine with certainty if the material in the trenches was in fact weathered and altered rock in-situ, or colluvium with some degree of transport. Trenching showed that the surficial geological environment at Virginia is complex. Care needs to be taken in the interpretation of data gained from trenching of wall rock especially with respect to the possibility that large block of vein/breccia and also wall rock may not be exactly in-situ.

Ground geophysics has been very successful in prospecting at Virginia. Magnetic surveys sometimes show distinct magnetic lows or highs associated with fault structures; and almost always show distinct breaks in the magnetic textures marking the fault structures. Ground Induced Polarization (IP) surveys often very clearly mark chargeability highs that coincide with the limits of ore shoots where the mineralization is eroded. In some areas more subtle anomalies are interpreted to lie above possible ore shoots.

Diamond drilling recovering HQ core has been undertaken in Virginia in four phases totaling 23,318 metres in 227 holes (including holes which were redrilled to improve the core recovery) between late 2010 and early 2012. A QAQC program was used which provides for insertion of control samples provided for insertion of every group of 75 samples to include 3 Mirasol blanks, 3 core duplicates and 3 standards for a total of 9 control samples and 66 regular samples in the batch. Results of the program indicate the data are acceptable for use in resource estimation.

Core recovery was low in some cases, especially in and around the vein/breccia material where clays and faulting were found to be important. In many cases the rock was strongly fractured and clay-rich near and within the vein/breccia which created challenges for drilling and good core recovery. In some cases the vein/breccia was clearly faulted with seams of clay in the vein and in other cases clasts of vein occurring in a soft clay-rich tectonic matrix were noted. Once initial lab results were received it was quickly realized that the poor recovery had the potential to create a bias in assay results in areas of low recovery. High silver values were associated with hard quartz vein/breccia and the softer clay-rich material which was sometimes being washed away was lower grade. Experimentation was required to improve the recovery including changes to the drilling equipment, drilling additives and drilling techniques. Eventually good recovery was the norm even in very difficult zones. Once the methods had been improved it was decided to drill six holes next to existing holes which had suffered poor recovery in sections with high grades. This test suggested that a bias probably existed and it was decided to redrill all holes that might be affected (22 cases in total). Data from these redrilled holes replaces the data from holes with poor recovery eliminating the questionable data.

Drilling results are similar in grade and width to the initial channels, but also showed that broad low grade silver zones exist in many cases around the vein/breccia mineralization something that was not known prior to drilling and trenching. Sufficient drilling density exists at seven vein segments to allow construction of longitudinal sections in which the quality (silver grade multiplied by the true width) of mineralization was plotted. A selection of the best drilling results for the seven vein segments for which longitudinal sections were prepared is presented which includes the best three holes for each using the grade thickness product as a guide (this selection is not representative of the full results which are presented in section 10 but has been truncated here to fit into the summary).

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recovery %	Comments
JULIA NORTH									
VG-036	15.40	53.00	37.60	76	36.48	312	11,389	90	
included	21.35	26.85	5.50	76	5.34	1,843	9,835	85	
VG-006A	13.00	39.00	26.00	69	24.27	326	7,901	96	twin hole
included	18.65	24.52	5.87	69	5.48	1,038	5,687	98	twin hole
VG-017A	27.00	106.90	79.90	51	62.09	125	7,752	98	twin hole
included	37.90	44.75	6.85	51	5.32	912	4,858	95	twin hole
JULIA CENTRAL									
VG-068	64.00	105.45	41.45	60	35.90	200	7,167	93	
included	72.19	78.80	6.61	60	5.72	669	3,832	83	
VG-050A	37.69	71.00	33.31	58	28.25	220	6,216	98	twin hole
included	37.69	59.05	21.36	58	18.11	303	5,483	96	twin hole
VG-043A	44.00	95.00	51.00	63	45.44	129	5,868	96	twin hole
included	54.94	75.02	20.08	63	17.89	255	4,570	95	twin hole
JULIA SOUTH									
VG-012	27.00	40.00	13.00	48	9.66	215	2,082	90	
included	34.10	35.40	1.30	48	0.97	742	717	97	
VG-023	24.50	36.70	12.20	45	8.63	221	1,904	81	
included	33.00	36.70	3.70	45	2.62	560	1,465	98	
VG-003	39.50	47.70	8.20	40	5.27	328	1,726	98	

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recovery %	Comments
included	39.50	41.65	2.15	40	1.38	672	929	97	
NATY									
VG-053	46.70	75.00	28.30	70	26.59	230	6,111	89	
included	50.40	54.10	3.70	70	3.48	1,402	4,874	94	
VG-041A	47.50	98.00	50.50	68	46.82	123	5,739	100	twin hole
included	71.40	78.15	6.75	68	6.26	532	3,327	99	twin hole
VG-040A	15.00	66.00	51.00	68	47.29	86	4,043	92	twin hole
included	41.00	48.70	7.70	68	7.14	205	1,460	84	twin hole
ELY SOUTH									
VG-138	105.00	133.00	28.00	41	18.37	195	3,575	99	
included	110.90	115.50	4.60	41	3.02	493	1,489	100	
VG-127	124.60	151.50	26.90	34	15.04	135	2,024	98	
included	144.48	145.67	1.19	34	0.67	1,760	1,171	91	
VG-113	63.00	97.00	34.00	40	21.85	79	1,735	97	
included	87.80	90.75	2.95	40	1.90	495	939	91	
ELY NORTH									
VG-184	75.94	172.08	96.14	56	79.70	55	4,380	96	
included	160.65	163.40	2.75	56	2.28	419	956	99	
VG-161	92.00	164.70	72.70	56	60.27	47	2,860	99	
included	155.80	163.47	7.67	63	6.83	129	881	100	
VG-105	68.00	119.00	51.00	30	25.50	88	2,233	99	
included	77.74	82.90	5.16	30	2.58	142	367	98	
included	102.50	116.00	13.50	30	6.75	137	928	99	
MARTINA									
VG-089A	31.00	46.00	15.00	43	10.23	245	2,510	95	
included	32.80	38.06	5.26	43	3.59	530	1,901	89	
VG-119B	27.00	65.65	38.65	41	25.36	61	1,541	94	twin hole
included	42.75	48.50	5.75	41	3.77	155	585	91	twin hole
VG-094A	24.37	44.20	19.83	41	13.01	61	797	93	twin hole
included	26.94	30.53	3.59	41	2.36	119	280	93	twin hole

The selected drill results show that the highest silver grades and widest widths are present at Julia North. Julia Central is characterized by somewhat lower grades, but still contains wide zone of mineralization. Naty is similar to Julia Central. Julia South is characterized by moderate grades and relatively narrow mineralization, while Ely South, Ely North and Martina have moderate grades, but with some wide intervals.

1.7 Mineral Processing and Metallurgical Testing

Mirasol has completed an initial program of metallurgical test work at the Virginia Silver Project. The test program was designed to determine how silver can be recovered from mineralized drill core sourced from the Julia and Naty veins. Representative drill samples of the high-grade vein and breccia-vein material were composited separately from the surrounding halo of low-grade mineralization, and were tested separately.

Test results to a preliminary economic assessment level show that the vein/breccia mineralization can be processed using standard industry technologies with silver recoveries from 75% to 81%, through both agitated leaching, and sequential flotation/leaching methods.

Tests on the low-grade halo material, which surrounds high-grade vein/breccia, have not responded in the same way, and to date have not resulted in potentially economic recoveries with the best results received never exceeding a recovery of 22% of the contained silver.

1.8 Interpretations

Risks associated with the poor core recovery during early diamond drill holes have been successfully managed and the drill holes and data that represented a risk were replaced through drilling new holes with industry standard, acceptable core recoveries.

Longitudinal sections have been developed for seven different vein segments using polygons which show the highest grade-thickness product values. In general they show that the overall trend is typically to decreasing grade-thickness product values at depth. The deeper holes generally have narrower and weaker zones of quartz vein/breccia and these correlate with lower silver grades. The deepest intercepts are still highly-oxidized and in some cases contain abundant lead oxides with relict galena. Several of the ore shoots are interpreted as eroded ore shoots with the best grades at surface and continuing to a depth of 50 to 75 metres before silver grades start to decrease. It is interpreted that the silver grade distribution is a primary feature and not a product of oxidation of the mineralization during low-temperature, near-surface events. Specular hematite is present at depth and does not appear to be related to the oxidation, but rather is interpreted as a primary mineral.

An extensive review of all of the exploration data available for the Virginia Window, including sampling, geophysics, drilling and generated an exploration model for Virginia based on property-specific indicators of prospectivity. During this review a numerical scoring system was developed and 65 distinct areas in the Virginia Window, excluding the seven drilled areas discussed in the previous subsection, were rated using geological, geochemical, geophysical data. Of these, 21 areas were identified as priority targets. Of the 21 priority targets 11 were identified which were worthy of trenching and/or preparatory work, prior to determining whether they should be drilled. The other 10 targets were classed at drill-ready including: Patricia, Daniela, Naty West, Margarita, Martina SE, Magi, Ely Central, Roxane, Johana and Maos. Targets for trenching in general have less information that the target presented above, and may or may not have silver values in surface exposures or float blocks. None the less, it has already been proven that similar targets have been drilled with success. Hence, these targets warrant trenching to try to advance them to the drill stage.

1.9 Conclusions

Despite the significant amount of drilling undertaken to date at Virginia many valid exploration targets have yet to be drill tested. The vast majority of the drilling has been used to test and partly define seven silver deposits with demonstrated silver mineralization with potentially significant combinations of grade, width and continuity. Effectively there have 195 holes drilled in the Virginia Window, and of those, 186 have been drilled at the seven deposits. Of the remaining 9 holes, two were drilled at Magi; both had intercepts with silver mineralization. Seven were drilled at Naty Extension of which four had low-grade silver intercepts.

Given the drilling success to date in the Virginia Window it is geologically likely that other silver deposits exist that are not exposed (eroded) at surface and are either covered by overburden, or start at deeper levels in the fault structures that are currently exposed. It is believed that most of the obvious silver mineralization exposed at surface has now been located by prospecting and therefore future exploration work needs to move beyond surface prospecting. It has been demonstrated at some prospects that weak surface indications of mineralized structures can be improved by trenching to the point where drilling is warranted.

For instance, it is concluded that Maos is a high level expression of Julia Vein style mineralization at lower temperatures that warrants drilling to look for a silver ore-shoot at depth.

1.10 Recommendations

A Stage 1 exploration program comprising a program of mechanical trenching using a backhoe is recommended for the 11 trenching targets that have been identified. At this time 1,200 metres of trenching have been budgeted.

During Stage 1, additional mineralogical studies are recommended on the existing Halo sample, or core samples corresponding to it, to investigate the detailed siting of the silver. The objective of this work is to determine the mineralogical siting of the silver that is being lost in the metallurgical tests to date. The studies should include a combination of petrographic and micro-beam techniques capable of determining whether the silver is present in a concentrated mineral form as it is in the vein/breccia, but at extremely small (sub-micron?) grain size; or alternatively, in a more dispersed form at lower silver concentrations in common, rock-forming minerals.

Stage 1 could also include further improvements should be made to the survey control data by a professional surveyor in support of possible future resource estimates. First, all the perimeters and tops of outcrops of vein material that jut above the general topography should be surveyed in detail. As part of this work, all channel samples which might possibly used in future resource estimates should also be surveyed by the professional surveyor. More precise topographic surveys, either by traditional field methods, or via remote mapping, should be considered to support possible future resource estimates by refining the topographic surface to get better estimates of waste surrounding the mineralization that might have to be removed by open pit mining, and also to better constrain possible infrastructure sites. This surveying work can be completed any time that a surveyor is required during the other recommended Stage 1 or Stage 2 work. The budget for Stage 1 is estimated at CAN$ 195,280.

At the end of Stage 1, all new data should be compiled and interpreted and it should be determined if any of the targets explored in Stage 1 should be added to the list of targets to be drilled in Stage 2.

A Stage 2 program, which is not contingent on the results of Stage 1, should include a minimum of 5,000 metres of exploration core drilling is recommended to test the targets. The budget for Stage is estimated at CAN$ 1,897,500 and the combined Stage 1 and 2 budget is estimated at CAN$ 2,089,780.

At the end of Stage 2 all data should be compiled and interpreted and it should be determined whether resource estimation is to be recommended, and if so, which areas should be included.

2 INTRODUCTION

This Technical Report has been prepared at the request of Mary Little, President of Mirasol Resources Ltd., by Paul G. Lhotka, Principal Geologist of Mirasol Resources and as such it is non-Independent according to National Instrument 43-101. No prior Technical Reports, as defined by NI 43-101, have been completed on the property.

2.1 Terms of Reference and Purpose

The primary purpose of this report is to document the exploration work including diamond drilling done at Virginia Project, the data generated, and interpret that data. These activities have been completed in accordance with disclosure and reporting requirements set forth in the TSX Venture Exchange (TSX-V) Corporate Finance Manual and National Instrument 43-101.

This report also briefly discusses past exploration work and results by previous authors and companies on the adjoining Santa Rita exploration area.

2.2 Sources of Information

Limited public information exists on Virginia since it is a new discovery made by Mirasol in 2009 and all of the information directly relevant to Virginia has been generated and published by Mirasol. The author had free access all the other unpublished technical information generated by Mirasol on Virginia Project for the preparation of this technical report. Other sources have been cited and appear in the reference list.

2.3 Site Visits

Dr. Lhotka has supervised exploration at the Virginia Project since the discovery in November 2009 (the author’s first site visit was in December 2009) through to present. He has been present at the site for many days each year starting in 2009, and continuing through 2010, 2011, 2012, and 2013. He was present during and supervised all aspects of the entire Phase 1 drill program of 28 holes. His most recent visit was on January 14-15, 2014.

3 RELIANCE ON OTHER EXPERTS

The author has not independently verified the legal status or ownership of the mineral claims of the Virginia Silver Project. The author is fully relying on Mirasol´s senior management, legal, and land tenure teams’ oral representations about the validity of the mineral property position; as well the surface rights reportedly owned by Mirasol, and has used those representations in the preparation of the content of Section 4.

4 PROJECT DESCRIPTION AND LOCATION

4.1 Property Location

The Virginia Silver Project is located in Argentina in the province of Santa Cruz in the region known generally as Patagonia which is situated in the southern part of the country as shown in Figure 4-1. The exploration and drilling described are centered at approximately the geographic coordinates of 47° 28' 43.81" South, and 69° 57' 19.57" West.

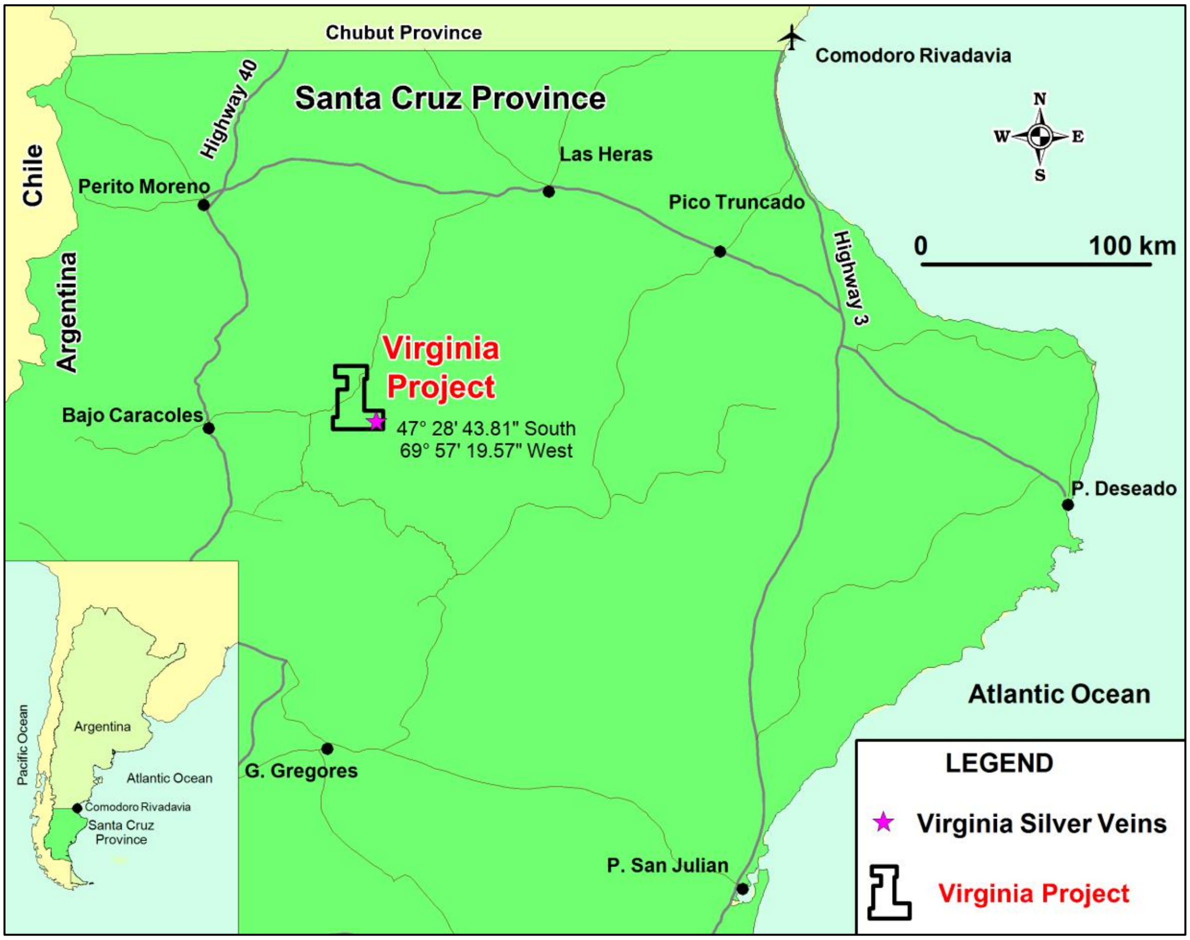


Figure 4-1. General Location Map.

4.2 Mineral Land Tenure

Mirasol Resources Ltd. holds the mineral property rights through a wholly-owned subsidiary company in Argentina named Minera del Sol S.A. as shown in Figure 4-2. The land tenure map is shown using the coordinate system Gauss Kruger Campo Inchauspe

Zone 69 which is the legal reference datum and projection for mineral land tenure in the province of Santa Cruz.

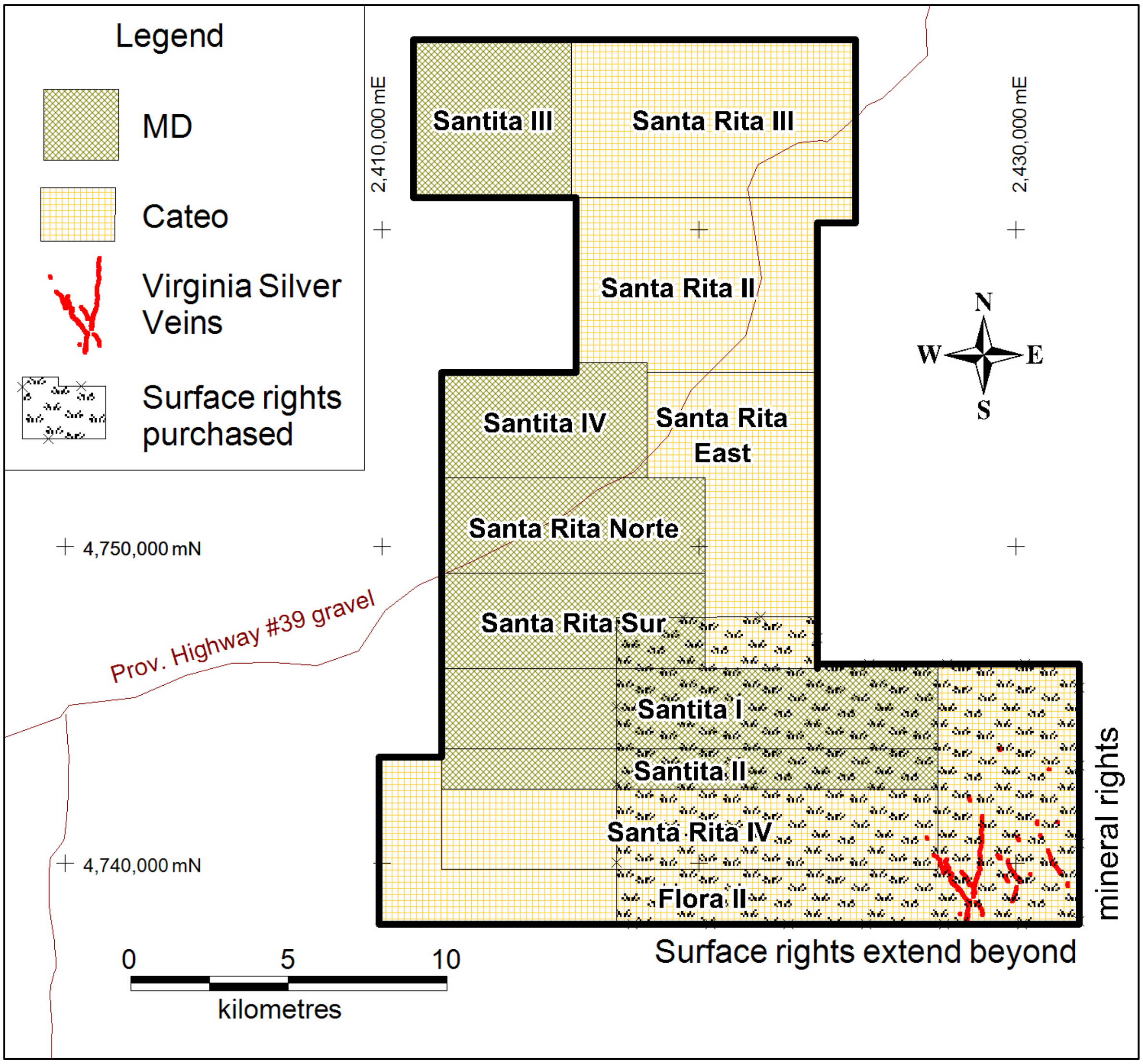


Figure 4-2. Mineral Land Tenure Map.

Minera del Sol holds the following mineral property rights in Table 4-1.

Table 4-1. Mineral Land Tenure

Title Name	Registration ID Number	Type	Hectares
Santa Rita II	412.900/Marino/06	cateo	4,220
Santa Rita III	412.901/Marino/06	cateo	4,471
Santa Rita East	400.800/IP/05	cateo	3,921
Flora II	415.843/MHA/07	cateo	7,409
Santa Rita IV	413.452/Marino/06	cateo	3,968
Santa Rita Norte	415.113/MDS/07	MD	2,490
Santa Rita Sur	406.884/Mirasol/06	MD	2,490
Santita I	429.033/MDS/11	MD	4,010
Santita II	421.360/MDS/12	MD	2,004
Santita III	423.827/MDS/13	MD	2,490
Santita IV	421.649/MDS/13	MD	2,230
Total			39,702

Mineral property rights in Argentina are “paper-staked” using coordinates and not initially marked in the field. Typically exploration is initiated through application and granting of a “Cateo”, which is a type of concession. A cateo gives the holder exclusive rights to explore for minerals in the granted area for the mineral category granted. Most of the metallic elements including gold, silver and base metals are defined as Category 1, which is the category held by Minera del Sol.

A “Manifestacion de Descubrimiento” (MD) generally, but not always, supersedes a cateo in time and space. An MD is a type of real property right and as such provides the holder with greater security of title and rights than a concession. An MD also confers exclusive rights to the named Category of minerals to the holder.

The strongest mineral property right is a “Mina”. A mina is a surveyed MD, or a portion of an MD, and is normally requested when a property is at the advanced development stage.

Fixed dates of expiry cannot be listed in Table 4-1 because the dates of expiry are determined by future administrative procedures at the Mining Secretary of the Province of Santa Cruz which cannot be predicted or controlled solely by Mirasol.

Since Mirasol is the legal owner of the property in Table 4-1, it has no obligations such as required exploration expenditures or payments to third parties to maintain title to the property, other than payments to governments.

4.3 Land Tenure History and Agreements

Mirasol's involvement in the area dates back the original 2004 staking by a wholly-owned subsidiary of Mirasol Resources Ltd. that was centred on the Santa Rita precious metal showing 15 kilometres northeast of the Virginia Silver Veins several years before Virginia was discovered. Mirasol originally explored the Santa Rita area developing the property to the stage of drill targeting, and then sought a partner. In 2006 Mirasol entered into an Option-Joint Venture agreement with the Hochschild Mining Corp. who continued to explore the project as operator. Hochschild had also been working further to the southeast on a geographically separate mineral property (San Augustin). With the Santa Rita option in good standing with Mirasol, Hochschild staked the Flora II cateo which connected San Augustin properties to Santa Rita properties. In 2008 when Hochschild renounced the Santa Rita option with Mirasol, the La Flora II cateo became subject to the area of interest surrounding Santa Rita, and Mirasol requested that Flora II be transferred to it. Subsequently, Hochschild transferred Flora II cateo to Mirasol's subsidiary Minera del Sol S. A., which now holds a 100% interest in Flora II with no royalty or any obligations to Hochschild. As a result, all of the properties in Table 4-1 are now owned by Minera del Sol S.A. which is 100% owned by Mirasol Resources Ltd. and none of them are encumbered by any agreements or royalties (other than potential royalties to government).

4.4 Royalties

The only royalties on mineral production regarding the mineral properties in Table 4-1 are those payable to government in Argentina. The province of Santa Cruz is paid a royalty on precious and base metal production of 3% of the gross value, less certain costs downstream of the actual mine. The 3% is the maximum allowed under the current national mining law.

4.5 Surface Rights

In Argentina, where surface rights are held privately, it is a requirement of the mining code for the explorer to negotiate access to the surface with the owner and provide compensation for any inconveniences generated by mineral exploration. In the case of the Virginia Project the surface rights to two ranches (Estancias) have been purchased by Mineral del Sol S.A so that it is now the owner of the surface rights over the Virginia Project area. In total, approximately 36,000 hectares were purchased for this purpose. Both ranches were inactive at the time of the purchase with no livestock or residents and so no relocations were caused by the purchase. The Estancias purchased are known informally as the "La Patricia" and "8 de Agosto". They cover all of the areas drilled to date at Virginia, and all of the areas recommended for future work at Virginia Silver Project.

The Santa Rita area drilled by Hochschild lies within the Santa Rita Estancia. Other estancias cover the remainder of the mineral properties listed in Table 4-1. Minera del Sol negotiates agreements to do exploration as needed at Santa Rita and the other estancias.

Field surveys would be required to determine the exact number of hectares of surface rights owned by Minera del Sol S.A with respect to the mineral rights also owned by Minera del Sol S. A. However, it is estimated that of the 39,720 hectares of mineral rights listed in Table 4-1, Mineral del Sol owns surface rights to approximately 12,900 hectares including all the important ones that cover the Virginia Silver Veins as shown schematically in Figure 4-2.

4.6 Permitting and Environmental

Since there is no history of exploration in the Virginia Silver Project area, let alone any history of mining, there are no environmental liabilities that are material. The only possible liabilities are those associated with exploration drilling and trenching described in this report.

Exploration permits to prospect, drill and do mechanical trenching are held by Minera del Sol S.A. and are renewed periodically by filing a description of the work done, work planned, and any remediation done. Mirasol reports to the author that the permits are currently in good standing to do the work recommended in this report.

There are no known factors which would impede Mirasol to gain access and continue exploration on the Virginia veins as recommended in this report.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Access

Access to Virginia is easiest via the city of Comodoro Rivadavia which has the closest airport (Figure 4-1). It has multiple, daily, scheduled commercial flights. From there travel is initially by paved National Highway #3 to south, and then west to Pico Truncado and Las Heras also on paved highway. From Las Heras, the nearest town of any significance with services, travel is west for about 30km still on paved highway until the start of Provincial Highway #39 is encountered which goes south. Highway #39 has a gravel surface but has been recently widened and consolidated all the way to Bajo Caracoles. After traveling about 96km in a southerly direction on Highway #39 a turnoff is reached onto local public roads that are narrower and less improved which lead southerly for 45km to the buildings on Estancia La Patricia where exploration work is based from. From La Patricia it is another 10km to the centre of the work area on the Virginia Project the first 2km are public with the remainder being private roads built for exploration. Travel time from Comodoro Rivadavia to Virginia is about five hours under optimal conditions.

5.2 Climate

Virginia lies within the steppes of Patagonia, but at the western part where the elevation is somewhat higher although the physiography remains subdued. Patagonia is characterized by strong, sustained winds, particularly during the day time hours, year around. Typically the climate is semi-arid.

Vegetation is spare; trees are absent, scrub brush is present in low areas protected from the wind. Grasses and drought resistant plants generally do not form a continuous soil cover.

Temperatures range from highs occasionally reaching 25°C or more in summer, to rarely as low as -15°C in winter, but are typically more moderate.

Precipitation as rain or snow is episodic, not highly seasonal, with annual accumulations of approximately 200mm. Snow is more common at higher elevations such as Virginia at 1,000 metres above sea level. Occasionally, brief precipitation events can cause muddy road conditions that impede travel. However, most of the time exploration can be maintained year around.

5.3 Local Infrastructure

Virginia is somewhat isolated despite the road connections. The nearest permanent settlement is Bajo Caracoles on Highway #40, but it is a village of less than one hundred people with only the most basic services and communications even though the highway is in the process of being paved.

Perito Moreno is a larger centre of about 4,600 people with a significantly expanded service sector. Further, it serves as local base for some of the mines such as Cerro Negro (in construction), Loma de Leiva (trial heap-leach production) and San José (in production since 2007).

Las Heras with 17,800 people is even larger and has a large service sector, mainly oriented to conventional petroleum extraction.

A gas pipeline runs parallel to Highway #40 and a high tension power line connects Las Heras to the San José mine. Cerro Negro is being connected to the power grid, but both these services are still about 70km distant from Virginia.

Services such as water, power and communications are provided locally at Virginia by natural springs, diesel generation and satellite link.

6 HISTORY

6.1 Exploration History

Oddly, unlike Chile, Bolivia or Perú or even the northern parts of Argentina, Patagonia has virtually no history of small-scale mining of precious metals. Modern mineral exploration in Patagonia dates back to the early 1980's at a low level, and then increasing in intensity since the early 1990's.

Argentina and specifically Santa Cruz have no centralized records of mineral exploration available to the public. Hence, there exists considerable uncertainty as to what work has been done in specific areas and when, let alone what the results were. Mirasol has access to historical land tenure data going back to 1998. During the period from 1998 to 2007 when the Flora II cateo was staked it appears that the Virginia veins were never previously staked, although a number of properties were present nearby.

A geological map published in 2001 shows the Lejano silver-gold poly-metallic showing and the Sol de Mayo gold-silver showing (Panza and Cobos, 2001). Lejano is located 27 km northwest of the Virginia veins and was discovered by Yamana in 1997 (ref annual report). The discovery details of Sol de Mayo, located 15km north of Virginia are not so clear, but appear to trace back to the early or middle 1990's.

Work on the properties listed in Table 4-1 began in 2003 when the first claim was staked on behalf of Mirasol over the showing near the Santa Rita farmhouse. The showing was located through a regional targeting program using satellite imagery, structural and geological interpretation and field checking. On October 7, 2005 Mirasol published the first press release on results from the Santa Rita showing (Mirasol, 2005). It showed best results of up to 18.9m wide grading 80 g/t silver and 0.2 g/t gold, including a high grade interval of 1.0m grading 645 g/t silver and 1.3 g/t gold from surface channel samples. Channel samples showed anomalous results over a strike length of 300 metres.

As previously mentioned in section 4, Hochschild entered into an option/joint venture agreement with Mirasol in 2006 (Mirasol, 2006). They focused most of their work on the showing near the Santa Rita farmhouse, "Santa Rita Main", and in general did little work elsewhere on the property. Hochschild work included: rock sampling; mapping; a ground induced polarization (IP) survey using a gradient array; and diamond drilling. The locations of these historical works to September 2009 are shown in Figure 6-1: the Virginia Veins had not been discovered at this time.

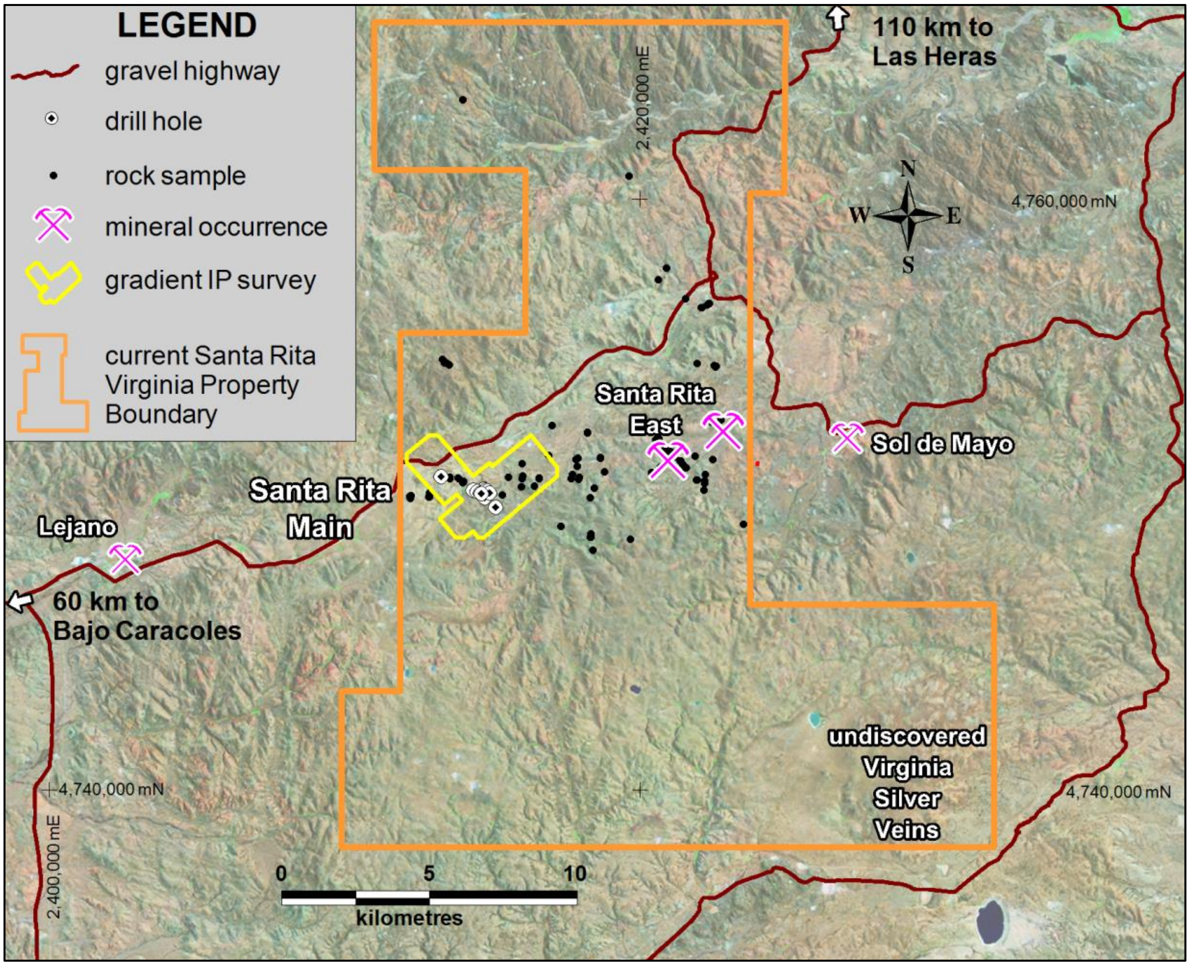


Figure 6-1. Map of historical work to September 2009.

The historical diamond drilling done by Hochschild comprised 2,070 metres in 12 holes all at Santa Rita Main or along strike from the known mineralization on surface. Results reported to Mirasol by Hochschild include the following intercepts in Table 6-1.

Table 6-1. Historic Drilling Results at Santa Rita Main

HoleID	Length m	Ag g/t	Au g/t	AgEQ65 g/t
SRD_01	3.4	156	0.12	164
SRD_01	1.8	40	0.06	44
SRD_02	2.1	73	0.09	79
SRD_03	2.5	23	0.04	25
SRD_03	1.5	55	0.12	63
SRD_06	1.0	42	0.00	42
SRD_06	0.6	38	0.28	56
SRD_07	1.2	21	0.18	32
silver equivalent = AgEQ = Ag + Au*65				

When Hochschild renounced the option on Santa Rita with Mirasol it provided copies of all the exploration it work it had done to Mirasol. Mirasol has reviewed that information in detail (Global Ore Discovery, 2009) and has found no indication that Hochschild explored the area where the Virginia silver veins would later be found. Based on its review, Global Ore Discovery (2009) recommended work on several parts of the property, which were unexplored. One of the areas selected for exploration was the Virginia Window area.

In summary, the best of the authors' knowledge there is no known public record of exploration at the Virginia Silver Project; there is no record that Hochschild explored the area; and finally, there was no evidence in the field at the time that the discovery was made in November 2009 of any prior prospecting, sampling, geophysics or small-scale workings.

6.2 Historical Mineral Resource Estimates

To the best of the author's knowledge no previous estimates of mineral resources have ever been made on the Santa Rita or Virginia Silver Vein areas and there has never been any production of silver or gold within the bounds of the properties listed in Table 4-1.

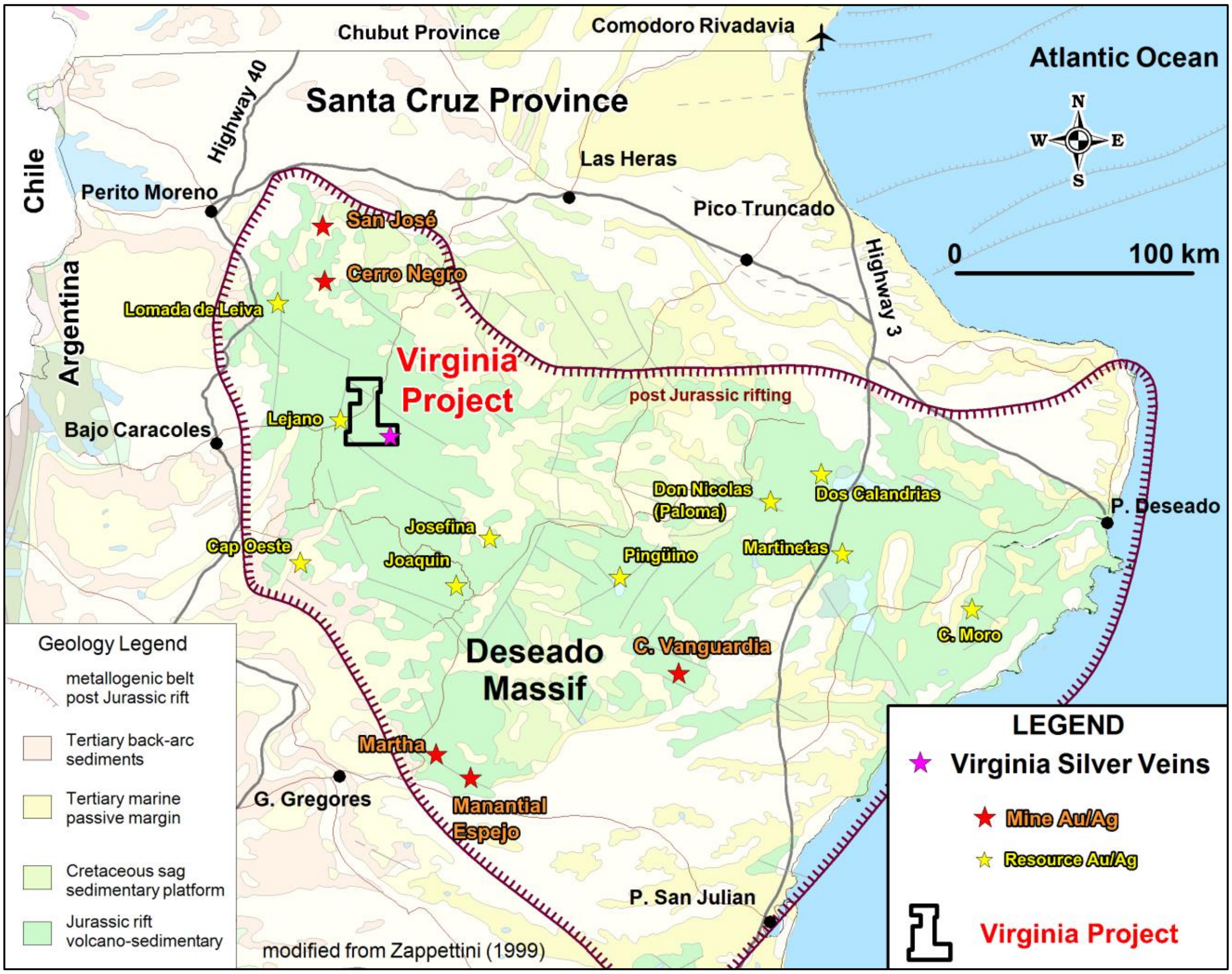
7 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Geologic Setting

The Virginia Silver Project is located within a larger area of mainly Jurassic volcanic and other older rocks surrounded by younger Cretaceous and Tertiary sedimentary rock which form basins and lap onto the older units. This large, mainly Jurassic complex, is known as the Deseado Massif and extends from the Atlantic Ocean all the way to the Andean Terrane where younger deformation strongly affects all units into the Tertiary. In contrast, the Massif is little affected by the cordilleran deformation and is characterized by almost flat-lying stratigraphy in most areas from the Jurassic all the way through the Tertiary.

Zappettini (1999) provides a useful framework at the country-scale for geology and metallogeny which has been modified in Figure 7-1. It shows the Deseado Massif, which is both a geological terrane and a metallogenic belt (Zappettini 1999). When his work was done, some metallic mineral deposits were known, but many new ones have been identified since then including Virginia, so these have been update and added to Figure 7-1.

The Massif is dominated by middle Jurassic Rocks of the Bahia Laura Group, which are mainly volcanic in origin. Within the Massif, rocks older that mid-Jurassic are generally restricted to smaller outcropping areas (Pankhurst et. al. 1998) and are generally not the hosts of precious metal mineralization, although exceptions are known.



modified from Zappettini (1999)

Figure 7-1. Geologic Setting.

The Bahia group is sub-divided into the Chon Aike Formation, mainly felsic volcanic rocks, and the Bajo Pobre Formation, mainly intermediate or mafic volcanic rocks. Some authors place the Bajo Pobre below the Chon Aike, others describe multiple cycles of intermediate and mafic volcanics which are clearly younger than at least part of the Chon Aike Formations, and include those with Bajo Pobre (Guido 2006). Both appear to be of middle to upper Jurassic age and both are known to host important precious metal deposits which are believed to be upper Jurassic in age. They are overlain, and probably in part interbedded with, the Matilde Formation comprised of fine grained tuffaceous and sedimentary rocks of upper Jurassic age (Bahia Laura and Matilde are combined in Figure 7-1). Finally, the Matilde is overlain by the Baquero Formation with angular disconformity of upper Jurassic to lower Cretaceous age which comprises fine grained tuffs and volcanic derived siltstones. The Matilde is mainly younger than the precious metal mineralization.

The best available published geological mapping by government is presented at 1:250,000 scale (Panza and Cobos, 2001). At this scale the entire area of the mineral properties is mapped as being covered by the Chon Aike Formation and so it is not presented.

Mirasol has recently completed mapping of the whole group of mineral properties for the first time. Mapping comprised field observation made at field stations around the property and then was compiled at 1:25,000 scale using the point observations with local mapping at greater detail and also remote sensing images including Landsat TM, Aster, Google Earth and World View in order of increasing pixel resolution from 30 metres to <1metre.

The Mirasol map (Figure 7-2) suggests that large circular structures are present in the area and that they control, at least in part, the distribution of the Jurassic volcanic units mapped.

The Virginia area is characterized by a sequence of felsic, probably rhyolitic, lava flows that are absent elsewhere in the map area. Associated with these flows are what appear to be sub-volcanic equivalents in the form of domes, and also a sequence of felsic pyroclastic volcanic breccias and tuff. All of these units and the flows appear to be a co-magmatic series, although no petrologic work has been done to specifically test this theory. These related units all appear to be overlain by an unrelated unit which is an ash-flow (ignimbrite) which is also felsic but notably different. It is characterized by a very strong cleavage, typically sub-vertically oriented, which is absent in the underlying units and is interpreted to be induced by cooling. This ash-flow effectively separates the Virginia area from the Santa Rita area where Hochschild drilled Santa Rita Main showing.

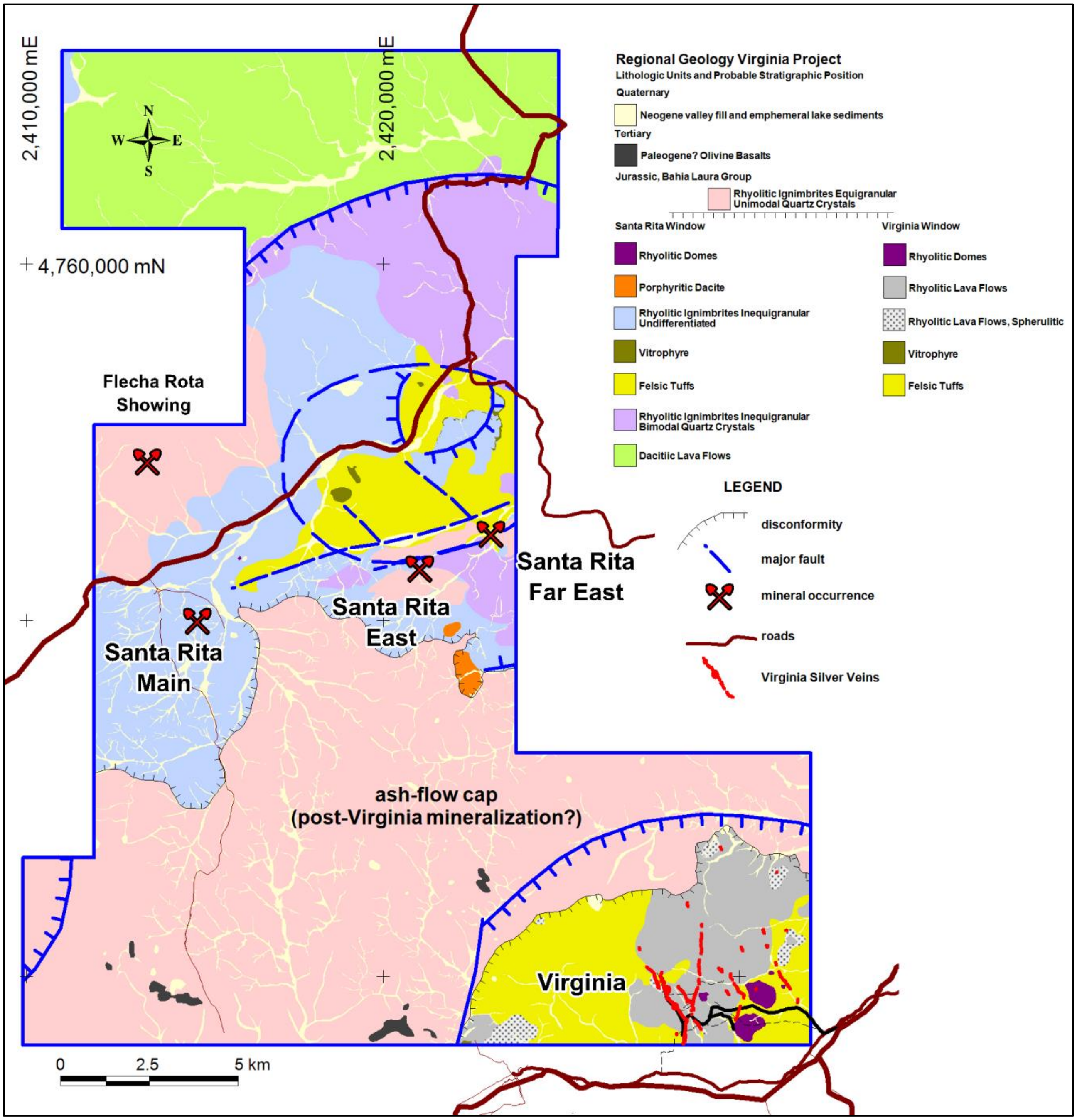


Figure 7-2. Property Scale Geologic Map.

The stratigraphy in the Santa Rita area is unlike that of Virginia. No rhyolite flows are present, and the dominant rock types are felsic ignimbrites. Again, circular structures appear to be present and they appear to control the distribution of some of the volcanic units.

Tentatively the units are assigned to the Bahia Laura Group of the Chon Aike Formation, but an alternative interpretation could be that the Virginia window tuffs and flows are actually part of the Matilde Formation. Detailed mapping, petrogenetic studies and age-dating could probably be used to test these interpretations, but work of that kind has not been done.

Most of the Virginia area has been mapped at a scale of 1:10,000 and a compilation of that mapping is presented below in Figure 7-3. It shows more detail adding some minor lithologies that are not mappable at the scale of Figure 7-2 and also allows the veins to be shown in more detail.

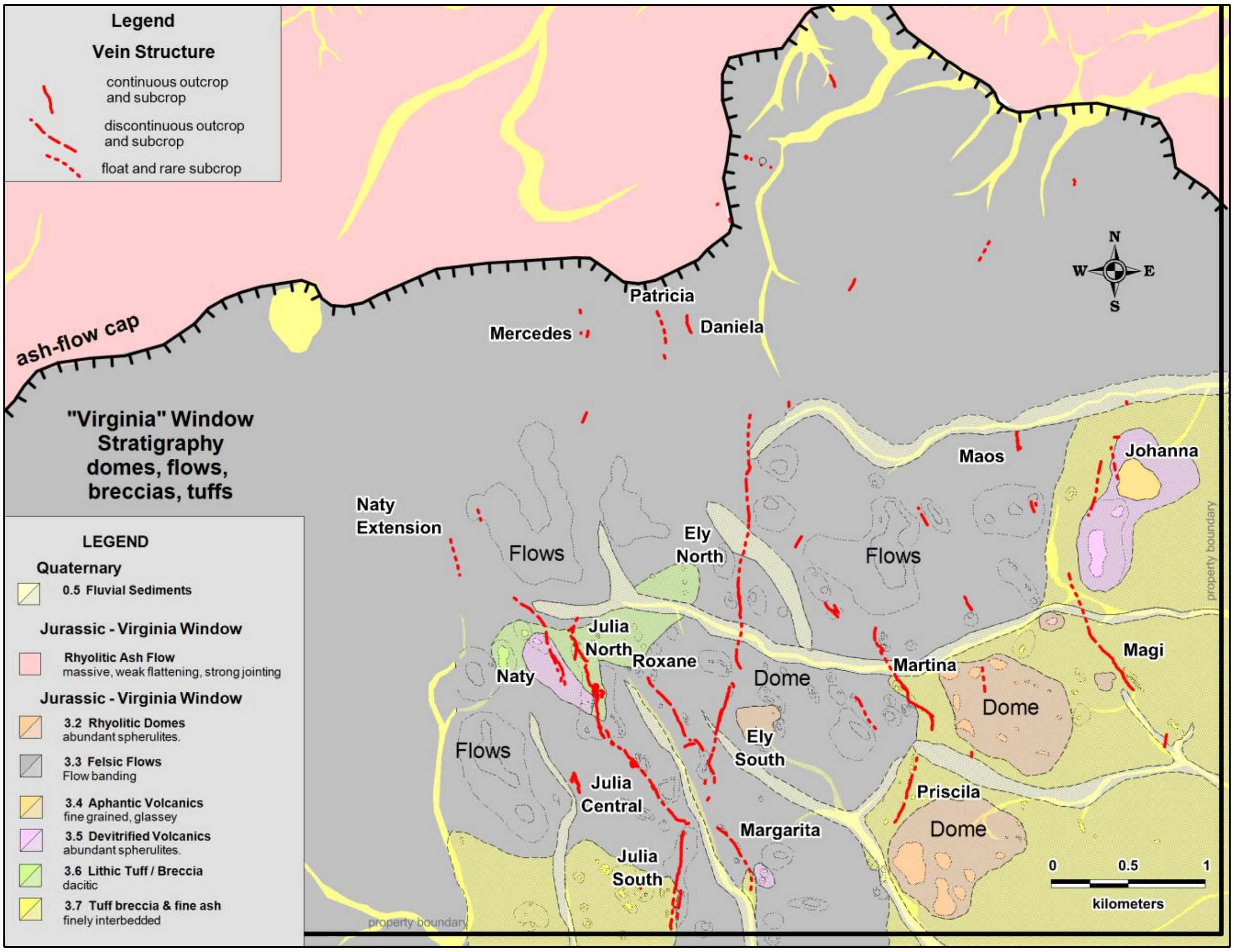


Figure 7-3. Virginia Window Geology.

7.2 Mineralization

All of the mineralization in the Virginia Window can be characterized as related and of a single style, with only minor variations. It is unlike the mineralization at Santa Rita Main.

According to Correa (2007), Santa Rita Main is characterized by white chalcedonic to crystalline quartz veins with low sulphide and iron oxide content in general with low to moderate silver values and typically some low values in gold. Associated with those veins are rare grey chalcedonic quartz with abundant, fine-grained pyrite which contain much higher silver values and again subordinate gold (see Table 4-1 for examples of values). Quartz replacements of bladed carbonates are sometime seen.

At Virginia, the veins are typically dark-colored with abundant iron and manganese oxides such that the outcrops appear almost black in colour from a distance. The veins are comprised of quartz, specular hematite, earthy iron oxides, manganese oxides, and only very rarely are any sulphides visible and they are invariably galena. The difference from Santa Rita is striking. Quartz textures at Virginia range from chalcedonic quartz to saccaroidal, to colloform banded and rarely crystalline. Occasionally, psuedomorphs of quartz are seen after barite and/or calcite. It is clear that the Virginia veins are multi-stage, and in many cases fragments of banded and massive vein are seen in vein breccias. These vein breccias typically have very iron-rich quartz as the matrix. Another common feature of the Virginia veins is a strong tectonic overprint in which faulting clearly overprints the veins leading to the development of fragments of vein and breccia vein in a matrix of clay-rich, material or fault gouge. The Virginia veins are characterized by very strong silver values with gold often below the detection method of the method used (50 ppb).

The clear impression is that while both Santa Rita type and Virginia type mineralization are in fact epithermal, their mineralogical differences are substantial. The large distance between Virginia and Santa Rita Main of over 15 kilometers, the differences in their host rocks and even the differences in their styles of mineralization suggest that they are not directly related, and may be related to different hydrothermal events.

Sufficient exposure of outcropping and subcropping mineralization exists at Virginia such that it was possible in November 2009 to quickly trace out the Julia South Vein, parts of Julia Central Vein and much of Julia North Vein in a few days without the benefit of trenching or drilling. Exposed widths of mineralization range from 1 to 5 metres in width, and with hundreds of metres of strike length based on surface evidence alone.

8 DEPOSIT TYPES

Mineral exploration in the Deseado Massif has discovered numerous showings with metals, principally gold and/or silver, since about 1980 with the majority of those being discovered since about 1993. Most of them would be typically described as epithermal i.e. low temperature deposits related to paleo-geothermal systems and hot-springs. Nevertheless, in detail, significant variation exists within this class of mineral deposits with the Massif.

Some deposits are effectively gold-only (Coyote at Don Nicolas), or silver-only (Virginia), although the majority contain economically significant amounts of both gold and silver. Most of the deposits have classical structurally-controlled geometries of veins or vein/breccias that cut their Jurassic, and rarely older (Pinguino), host rocks, but exceptions do occur in which stratigraphic controls are an important factor (La Negra deposit in part at Joaquín).

Base metals are generally not recovered as co-products or by-products from these precious-metal deposits because their base metal contents are typically low.

Most authors have classified these precious-metal systems as “low-sulphidation” type, but others have suggested that some are “intermediate-sulphidation”. The low sulphidation types may have abundant adularia, or adularia may be rare or absent. Typically, the main gangue mineral is quartz, but others can have carbonates.

Given the variations known in the Massif, it is probably wise to not overly restrict the exploration model in early-stage projects, and it is also wise to periodically reevaluate new exploration opportunities in established districts.

To date, exploration suggests that the Virginia veins are strongly structurally controlled, are epithermal in character, and with classical quartz textures ranging from chalcedonic to saccaroidal (the best mineralized parts) with lesser crystalline quartz (generally unmineralized). Generally favourable characteristics for silver mineralization include banded veins, multi-stage stage veins and vein breccias, lead minerals, together with typical epithermal suite elements of antimony, arsenic, mercury, and abundant iron and manganese oxides, but care should be taken to understand that silver concentrations seem to be independent in detail at the metre scale of surface and core sampling of many of the macro-scale characteristics mentioned here.

9 EXPLORATION

Exploration of the Virginia Veins has comprised geological mapping, rock sampling, geophysics, trenching and drilling. Drilling will be discussed separately in Section 10 below. Geological mapping has been discussed previously in Section 7 with the property scale maps presented there.

9.1 Rock Sampling

Surficial work, principally prospecting and rock sampling discovered and defined most of the known Virginia mineralization very quickly. Methods are described here. Mirasol has a very developed system of procedures and protocols which have been implemented, modified and improved over the ten-year history of the company which have been used at Virginia. Initial prospecting and rock sampling at the early stage is conducted using the best available satellite images and using hand-held non-differential GPS locations normally accurate to within two metres. Samples are collected using industry-standard procedures under the supervision of a geologist who records the data (either in a field notebook, or directly on digital media). The type of material sampled (outcrop, subcrop, float) and nature (representative, composite, select) and characteristics (lithology, alteration, mineralization) are recorded in coded format, and is accompanied by free form text description. All of this data is recorded by the field geologist and then verified by office personnel before being loaded in a digital data storage software program with limited access. Samples are submitted to the laboratory along with inserted control samples comprising certified standards, blanks and duplicates. The details of these control methods will be described later in Sections 10 and 11 for drilling samples, but the methods used for surface rocks samples are essentially equivalent.

Results of the initial surface sampling at Virginia were successful in demonstrating significant silver grades over significant widths and probable strike lengths such that relatively few rock chip samples were required to determine that a significant program of careful, systematic sawn-channel sampling of outcrops was warranted especially on the Julia South, Central and North Veins where sufficient natural exposure of the veins existed. The initial 30 surface rock samples taken in November 2009 on the Julia vein averaged 645 ppm silver and indicated a probable strike length of more than 2,000 metres (Figure 9-1 and Table 9-1, source Mirasol (2010a) press release Jan. 6, 2010). In outlying areas with poorer exposure a mixture of rock chip sampling and systematic channel sampling was done as rock exposure allowed, always with the intent of taking the highest quality sample that the exposure allowed.

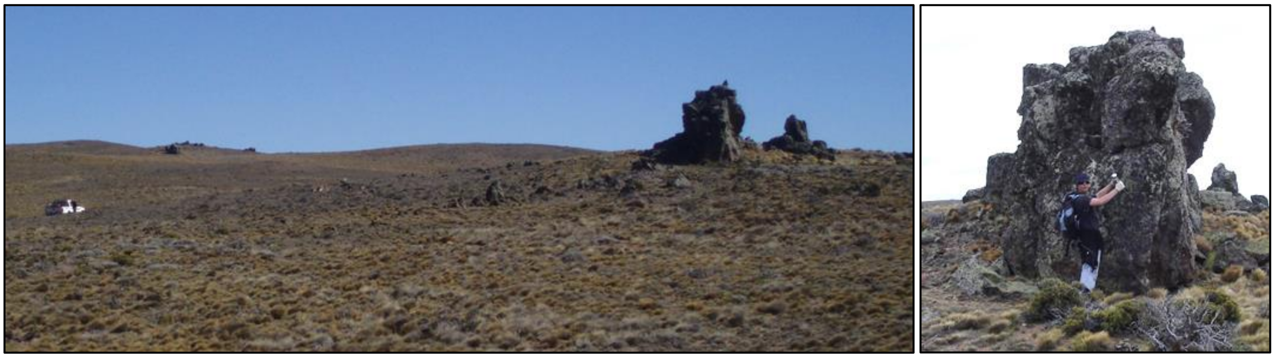


Figure 9-1. Julia Vein Outcrop Photos. Photo on left is of the Julia South Vein with pick-up truck for scale; on the right the same outcrop, but with a person for scale. All of the exposed rock in the photo on the right is vein/breccia and no wall rock is exposed.

Table 9-1. Julia Vein – Rock Sample Geochemical Results

Sample Number	Rock Sample Type	Length (m)	Silver final (g/t) [1]	Gold (g/t) [2]	Lead (%) [3]
MRR08728	Float Select	5.0	21.9	-0.005	0.05
MRR08726	Outcrop Chip	0.5	321.0	0.066	0.12
MRR08724	Outcrop Chip	2.0	303.0	0.017	0.15
MRR08725	Outcrop Chip	1.2	1140.0	0.061	1.04
MRR08721	Outcrop Chip	0.3	208.0	0.058	0.09
MRR08722	Outcrop Chip	0.5	316.0	0.054	0.60
MRR08720	Outcrop Chip	2.5	326.0	0.023	0.38
MRR08723	Outcrop Chip	1.2	552.0	0.020	0.51
MRR08719	Outcrop Chip	1.0	2660.0	0.043	0.99
MRR08701	Outcrop Chip	0.6	2360.0	0.100	0.23

Sample Number	Rock Sample Type	Length (m)	Silver final (g/t)[1]	Gold (g/t)[2]	Lead (%)[3]
MRR08702	Outcrop Chip	0.3	922.0	0.083	0.70
MRR08717	Outcrop Chip	2.0	1070.0	0.052	0.62
MRR08718	Float Select	1.0	60.7	0.025	0.07
MRR06525	Outcrop Chip	2.3	608.0	0.117	0.18
MRR06523	Outcrop Chip	2.0	403.0	0.046	0.65
MRR06524	Outcrop Chip	2.0	625.0	0.139	0.35
MRR08738	Subcrop Select	2.0	394.0	0.011	0.40
MRR08739	Outcrop Chip	1.5	804.0	0.034	1.27
MRR08740	Outcrop Chip	1.5	721.0	0.032	1.36
MRR08741	Outcrop Chip	1.5	2530.0	0.010	2.67
MRR08742	Outcrop Chip	3.0	116.0	0.033	0.15
MRR08743	Outcrop Chip	0.5	84.0	0.010	3.87
MRR08750	Outcrop Chip	1.5	95.6	0.076	0.11
MRR08901	Outcrop Chip	1.0	618.0	0.028	1.96
MRR08749	Subcrop Select	1.0	216.0	0.038	1.36
MRR08748	Outcrop Chip	2.5	875.0	0.045	2.23
MRR08746	Subcrop Select	0.5	38.0	0.005	1.22
MRR08747	Outcrop Chip	1.5	388.0	0.006	1.11
MRR08745	Float Select	0.5	228.0	0.015	1.49
MRR08744	Subcrop Select	3.0	338.0	0.024	0.11
Minimum			21.9	-0.005	0.05
Maximum			2660.0	0.139	3.87
Arithmetic average			644.7	0.043	0.83

Channel sampling was conducted using the same type of data collection noted above however, with the following additions. Locations of the samples were recorded using a Trimble Nomad unit connected to an AG-114 antenna with differential GPS signal from Omnistar capable of 0.5m uncertainty by a qualified in-house technician. Specifically a reference stake was placed within a few metres of the planned sampling site and its’ absolute coordinates were established in the Gauss Kruger Campo Inchauspe projection Zone 69 (the system used for legal mineral land tenure in the area) with the elevations expressed with respect to the EGM96 datum. Once coordinates for that stake were establish mapping of the outcrop and subcrop was done at 1:50 scale with the channel samples position, length, orientation measured by a geologist who mapped the rocks and determined where the channel samples should be taken. The geologist supervised the cutting of channels using portable hand-held electric saws powered by a generated. All of the needed equipment is easily transported in a pick-up with access to all areas facilitated by the easy terrain. Duplicate channel were sawn next to the original channels. Typically the channels averaged 5-10 cm in width and depth and the weight of samples averaged about 7kg/metre. In the author’s opinion they can be considered equivalent to a drill core in quality and appropriate for use in resource estimation subject to a confirmation that subsequent drilling and work does not indicate that the samples were unknowingly collected on subcrop material which is not in-situ. This appears to have occurred in a few isolated cases which were removed from consideration in resource estimation. An example of the channel sampling methods is shown in Figure 9-2 where a sawn channel with metal sample tag is glued in place. In this case two samples, the original and a duplicate were collected side by side, and then finally a triplicate sample was sawn and collected beneath the two prior samples such that it would have no rock material exposed to the surface with lichens or surface weathering crust.

Figure 9-2. Example of Channel Sampling Methods.

An example of the mapping methods and channel sample results follows (Figure 9-3).

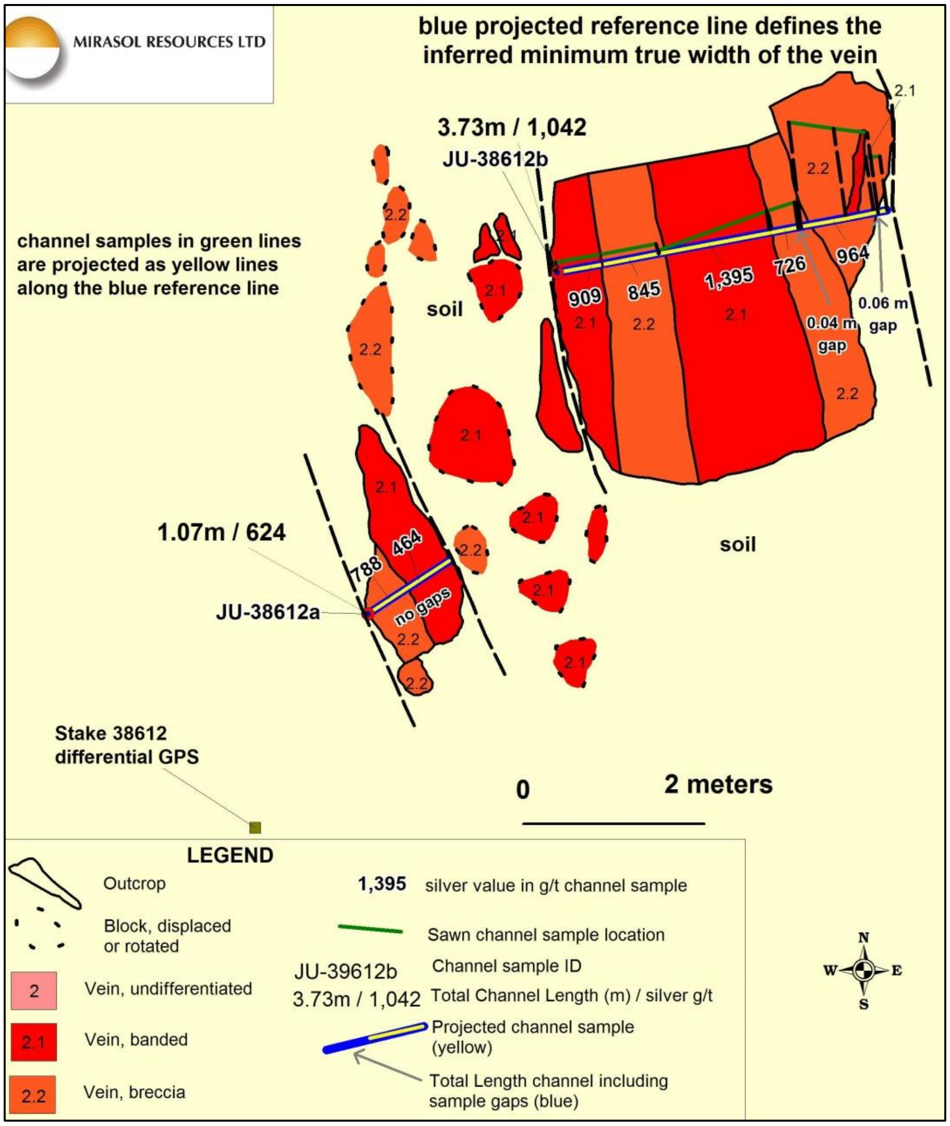


Figure 9-3. Example of channel sampling methods and results.

A sample of the rock channel results from early in the project history follows (Table 9-2, source Mirasol (2010b) press release Mar. 4, 2010).

Table 9-2. Julia Vein – Rock Channel Sample Results

Channel ID	Sampled Length (m)[1]	Unsampled Gaps (m)[2]	Gaps as % of Total Length	Total Length (m)[3]	Silver[4, 5] (g/t)	Lead (%)[4, 6]
JU-39985	0.78			0.78	297	0.19
JU-39921	0.82	0.04	5%	0.86	236	0.56
JU-39973	0.66			0.66	419	0.12
JU-39846	0.90			0.90	2,359	0.59
JU-39789	1.38	0.15	10%	1.53	324	0.61
JU-39699	0.86	0.09	9%	0.95	875	0.51

Channel ID	Sampled Length (m)[1]	Unsampled Gaps (m)[2]	Gaps as % of Total Length	Total Length (m)[3]	Silver[4, 5] (g/t)	Lead (%)[4, 6]
JU-39657	1.20	0.00		1.20	873	0.49
JU-39649	2.08	0.27	11%	2.35	767	0.48
JU-39618	1.50	0.95	39%	2.45	633	0.99
JU-39572	1.77	0.02	1%	1.79	2,234	0.96
JU-39526	4.30			4.30	487	0.48
JU-39474	1.89	0.95	33%	2.84	690	0.35
JU-39454	2.42	0.19	7%	2.61	749	0.59
JU-39420	1.62	1.01	38%	2.63	1,399	0.40
JU-39383	1.94	0.04	2%	1.98	516	0.11
JU-39372	2.52	0.09	3%	2.61	466	0.31
JU-39363	3.26	2.62	45%	5.88	1,368	1.55
JU-39278	0.70			0.70	4,740	2.00
JU-39243	1.56	0.12	7%	1.68	169	1.85
JU-39189	0.84			0.84	192	0.38
JU-39124	3.49	0.11	3%	3.60	1,089	1.30
JU-39120	3.57	0.17	5%	3.74	1,592	1.82
JU-39030	1.05	0.63	37%	1.68	160	0.24
JU-39035	0.85	0.20	19%	1.05	305	0.52
JU-39015	0.74			0.74	112	0.15
JU-38846	1.15			1.15	370	10.20
JU-38821	0.85			0.85	273	0.20
JU-38792	1.01			1.01	439	2.18
JU-38713ª	1.47			1.47	325	0.61
JU-38713b	1.11	0.07	6%	1.18	370	0.87
JU-38713c	1.18			1.18	555	4.38
JU-38672	0.89			0.89	457	0.38
JU-38661	2.08	0.02	1%	2.10	317	1.95
JU-38636	1.64			1.64	556	0.31
JU-38612a	1.07			1.07	624	0.57
JU-38612b	3.63	0.10	3%	3.73	1,042	0.75
JU-38571	3.35	0.44	12%	3.79	904	1.65
JU-38550	4.09	0.23	5%	4.32	986	3.61
JU-38514	2.12	0.12	5%	2.24	342	1.20
JU-38454	0.93			0.93	1,888	1.69
JU-38449	0.95	0.15	14%	1.10	325	1.88
JU-38291	1.11	0.03	3%	1.14	238	0.17
JU-38152	1.56	0.14	8%	1.70	83	0.21
JU-38140	0.99			0.99	76	0.14
Length Weighted Average Channels =				**1.88**	**792**	**1.22**

1. Sampled width is the actual true width that was sampled.
2. Unsampled gaps is the cumulative length of any gaps in outcrop which were unable to be sampled.
3. Total length is the sum of the actual sampled outcrop plus any gaps which could not be sampled.
4. The length weighted silver, gold and lead averages are based on the sampled width not the total length and all values are uncut (ie no grade capping has been applied)
5. Silver results are by Ag-GRA21, a fire assay collection method with gravimetric finish
6. Lead results to 10,000 ppm (1%) are by ME-ICP41 with over values >1% by Pb-OG46

9.2 Trenching

No mechanical trenching was done on the project initially during the period when most of the channel sampling was being done on the Julia veins. Trenching in a limited scope began in November 2010 on the Julia veins just before drilling commenced with the initial goal of trenching next to vein outcrops to expose the vein contacts with wall rock for the purposes of sampling the wall rock and to better determine the dip of the veins prior to finalizing the drill plan. Methods for locating, mapping and sampling the trenches are the same as described above for channel sampling with all trenches located by differential GPS methods.

Important new knowledge gained from the trenches included the frequent difficulty of determining with certainty if the material in the trenches was in fact weathered and altered rock in-situ, or colluvium with some degree of transport. With experience it was realized that large blocks (diameters of 1 – 2 metres or more) of mineralized vein/breccia were not always easily distinguished from small true outcrops even with the benefit of trenching. Wall rock that appeared to be in place was often highly altered, fractured and weathered and mapping was not able to consistently and confidently distinguish between in-situ wall rock and colluvium. Subsequently a few attempts at trenching geophysical anomalies known to be associated with the mineralized vein/breccias intersected sandy material, possibly loess or poorly sorted outwash, and clearly not located derived, to the maximum depth the backhoe was able to excavate (2.5 to 3.0 metres). This was unexpected and indicated a more complex surficial geological environment than is commonly seen in the Deseado Massif. Hence, as a general rule it should assumed that the data gained from trenching of wall rock is not suitable for resource estimation unless the point can be confidently proven at a specific location.

A photo showing examples of trenches and channel is included as Figure 9-4. The photo on left is of the Julia South Vein with a trench showing how excavation of the contact suggests the vein contact dips steeply. On the right a channel on the Julia North vein is visible in the foreground and the trench to the east with strongly reddish-colored material which is difficult to determine whether it is altered in-situ wall rock or colluvium comprised of altered rock.

Figure 9-4. Trenching photos. Photo on left is of the Julia South Vein with a Trench next to outcrop showing how the vein contact was not exposed but is at the edge of the outcrop and probably dips steeply. Photo on right at Julia North shows channel in the foreground with trench in reddish weathered bedrock and/or colluvium next to it.

Trenching was also undertaken during drilling campaigns to a limited degree, and especially after Phase 4 drilling when work was focused on developing new targets.

9.3 Ground Geophysics – Magnetic Surveys

Ground magnetic surveys have been performed over the Virginia Veins commencing within months of the initial prospecting discovery. Mirasol staff includes trained geophysical operators and Mirasol owns geophysical equipment needed to complete ground magnetic surveys. The equipment comprises Geometrics G-859 SX / G-858 base and mobile units suitable for the “walk-mag” technique which allows the operators to walk a heading and record data at rapid rate without stopping. Positioning is by GPS unit so no picketing of lines is required. All data is collected digitally and downloaded from the mobile and base units and synchronized. Data processing is done by Zonge Ingenieria Y Geofisica (Chile) S.A. who undertakes quality control on the data and then processes it and provides processed data back to Mirasol on a contract basis.

Surveying was undertaken in a number of phases from 2010 through to 2012 with line spacing over the majority of the area at 50m in an east-west orientation. The western part of the survey area was surveyed at 100m spaced lines. North-south ties lines were used as control. Results of the magnetic survey are summarized below in a Reduced To Pole (RTP) presentation (Figure 9-5). In some rare instances, such as at Julia North where magnetite is present in the mineralized vein/breccia, a distinct magnetic high is associated with the vein. More commonly, the vein does not have a distinctive high or low response, but rather lies along distinct “breaks” in the magnetic texture. For instance, Magi and Maos veins clearly lie along a major magnetic break which trends northwesterly curving more to the north in the Maos area. These breaks are interpreted as faults which host the veins. Distinct circular structures comprising sharp high/low changes such as one southeast of Priscila are interpreted as rhyolite domes.

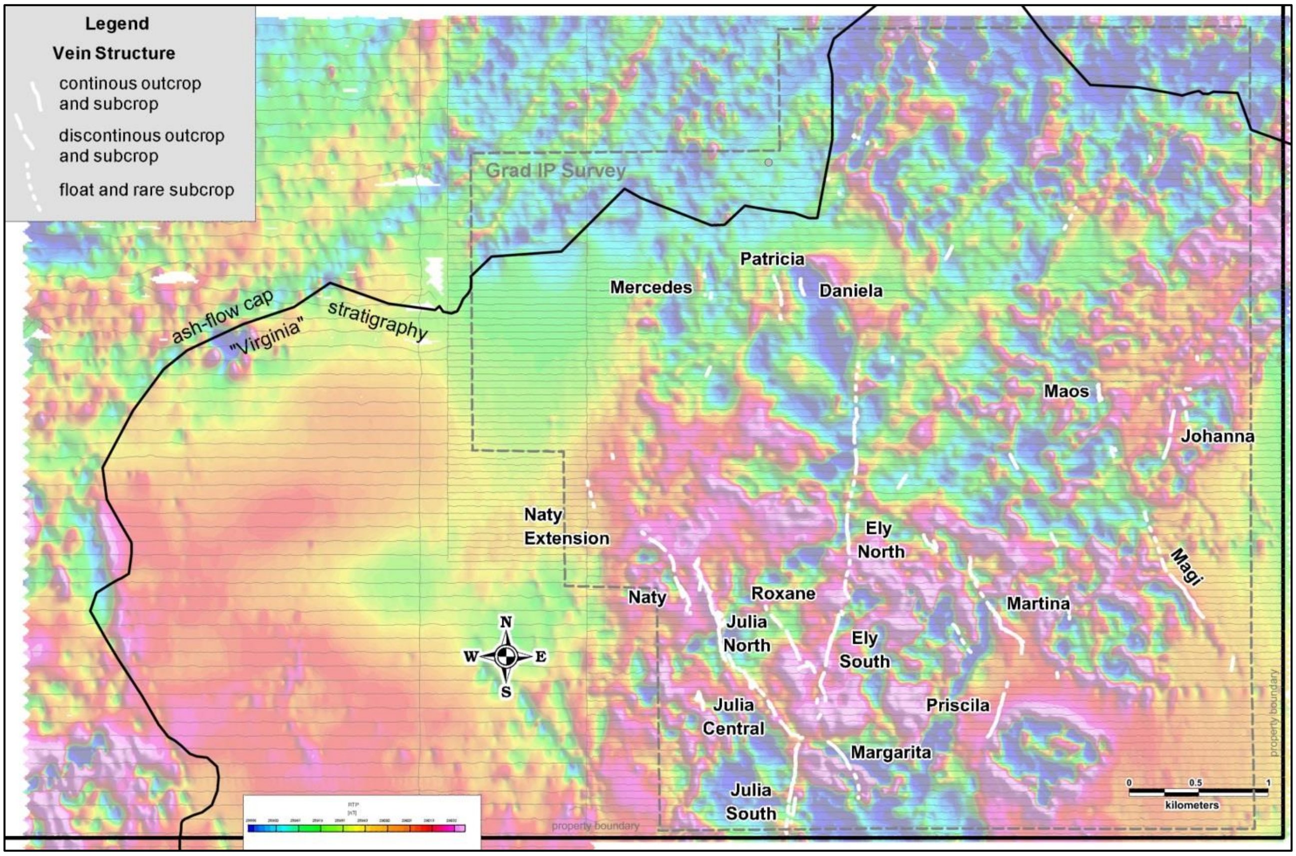


Figure 9-5. RTP Map with all ground Magnetic Survey Lines.

9.4 Ground Geophysics – IP Surveys

Mirasol staff includes trained geophysical operators and Mirasol owns geophysical equipment needed to complete induced polarization surveys. The equipment comprises a VIP3000 3KW transmitter and an ELREC-2 and ELREC-6 receivers. Positioning is by differential GPS along lines staked with grid pickets in order to have highly topographic and positioning control. All data is collected digitally and downloaded from the receiver. Data processing is done by Zonge Ingenieria Y Geofisica (Chile) S.A. who undertakes quality control on the data and then processes it and provides processed data back to Mirasol on a contract basis.

The vast majority of the IP work was done using a gradient array with a 25m dipole and a bipole of 1,100 or 1,600 metres, using lines spaced at 100 metre intervals in an east-west direction, although some tests were done along northeast oriented lines as well and some areas were in filled to 50 metres line spacing. The initial surveys were done soon after the prospecting discovery early in 2010 and showed that strong chargeability anomalies to 12 or more milliseconds were present over the outcropping mineralized veins at Julia South, Central and North. The chargeability suggested that the veins were continuous in area of no outcrop and hence the survey grids were expanded a number of times. Since no sulphides are present at surface it was unclear why the veins would generate chargeability anomalies, but it was clear that they did so. Resistivity values did not correlate closely with the veins. Some experimentation was done with pole-dipole arrays, but these did not provide resolution of the targets to depths greater than about 50 metres and so were discontinued. Figure 9-6 shows the full extent of all gradient array IP surveys - note the close correlation between mapped veins and the IP chargeability highs especially in the inset map window.

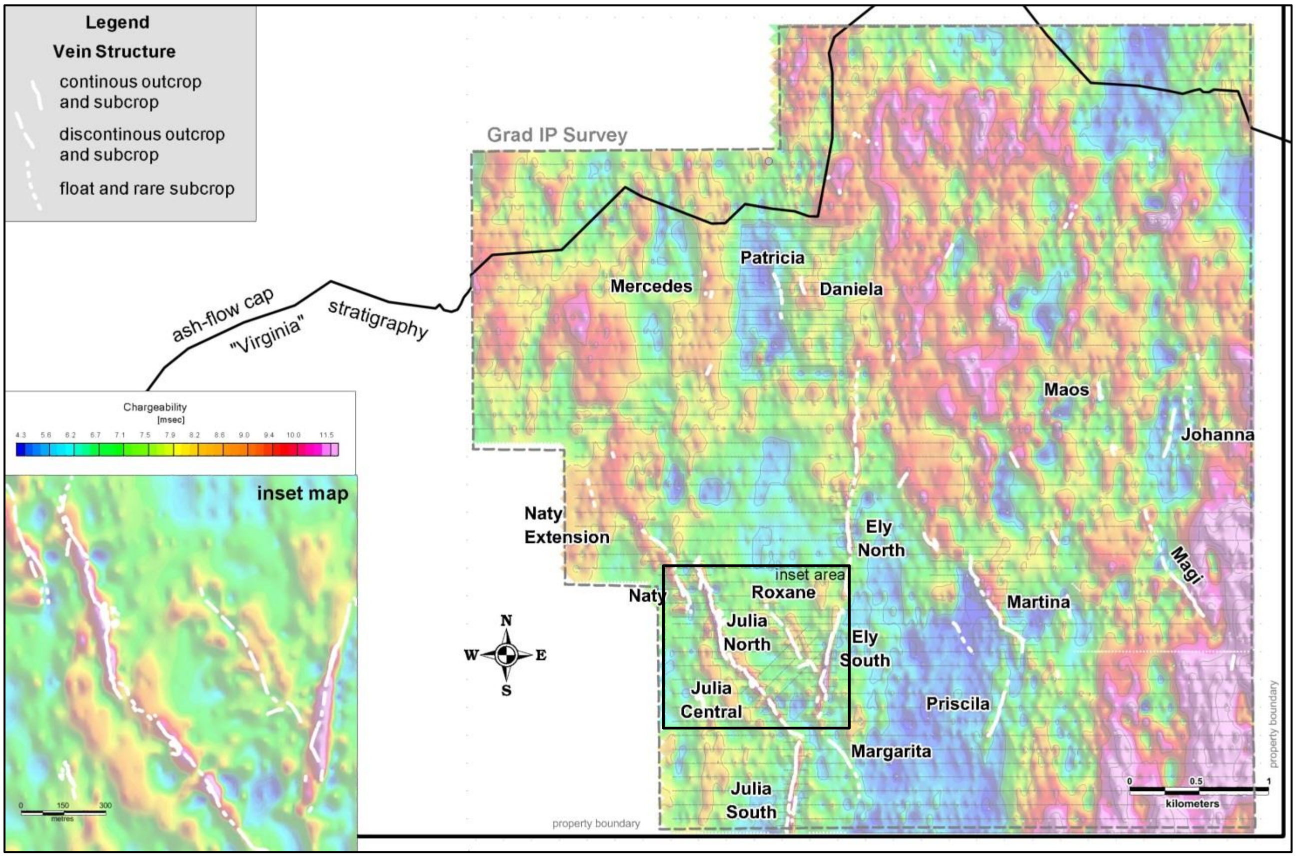


Figure 9-6. Gradient array IP Survey Coverage.

10 DRILLING

10.1 Type and Extent of Drilling

Drilling has been undertaken in Virginia in four phases (Table 10-1). All four phases were completed by drilling contractor Eco Minera S. A. using either an EDM 2000 or a Sandvik DE710 machine (both are track-mounted drills) recovering HQ/HQ3 core.

Table 10-1. Virginia Drilling by Phase

Parameter	Phase 1 2010	Phase 2 2011	Phase 3 2011	Phase 4 2012	life of project
# of holes	28	89	55	55	227
metres drilled	1,620.60	7,780.15	5,913.90	8,004.00	23,318.65
start date	16-Nov-2010	10-Feb-2011	15-Oct-2011	12-Jan-2012	16-Nov-2010
finish date	7-Dec-2010	1-Jun-2011	16-Dec-2011	30-Mar-2012	30-Mar-2012
drilling days	21.4	111.3	62.4	78.8	273.9
metres/day	75.8	69.9	94.8	101.6	88.0

The drill sites were prepared in advance by marking the proposed hole collar location with a stake using non-differential GPS technology. Tall pickets were aligned along the plan azimuth of the hole using a Brunton compass with the declination correctly set mounted on a non-magnetic tripod to orient the machine. The clinometer on a Brunton compass was used to set the inclination of the drill once the machine had been leveled. Once the machine was aligned the geologist in charge approved commencement of drilling and noted the time and details of the hole location and orientation.

Holes were shut down by the geologist in charge after reviewing the core on site who noted the final depth and gave instructions to the drill crew for down hole surveys to be done while pulling rods. Survey instrumentation comprised a Reflex EZ-Trac with EZ com provided by the drilling contractor. Commencing with hole VG-022 standard procedure was to survey all holes with the Reflex unit at three metre intervals from the bottom of the hole to the surface while pulling rods. In a few instances where there were technical problems with the hole, drill, or Reflex unit, complete survey data every three metres are lacking, but no hole after VG-022 has less than three valid surveys. The Reflex unit is ideal for the project since the probe measures local deviations in the magnetic field induced by the local rock mass. Given that in some instance the mineralization is known to contain magnetite this is very useful because the software flags data that may be unreliable based on the measured local magnetic deviations. The SP software version 1.9 was used to process the data. Suspect data are flagged, then the used can removed them and only the data that pass the verification, are used. The software stores the data in such a way that an original copy of the raw data cannot be edited. The declination at Virginia in late 2010 was determined to be 10.3° East and this figure was used to correct all the data at Virginia from magnetic north to true north during all four phases of work. The value of 10.3° E was determined from the web site of the National Geophysical Data Centre www.ngdcoaa.gov by in putting the geographic coordinates of Virginia.

A sample of down hole survey data are plotted for the results from Phase 2 drilling for the Julia Central vein where the holes were designed to be drilled along azimuth and with inclinations of -45° (Figure 10-1). It is clear that the data indicate that the down hole data cluster very close to the planned azimuth and inclination and that individual holes show little sign of deviation in azimuth or inclination over the lengths of these holes (the shortest hole in the group is 53 metres and the longest 136 metres). The longest holes are VG-069 and VG-071 and neither show much deviation. Longer holes, greater than 200 metres in length begin to show some deflection in particular at Ely South and Ely North, but it can be confidently concluded that the short holes have little deviation. Further, it is clear that the alignment of the holes as measured by the down hole survey data is very close to the intended alignment and it is therefore reasonable to assume that the lack of down hole survey data for holes prior to VG-022 is likely to present any significant uncertainty in the positioning of mineralization in these holes since all of them were aligned using the same methods as the later holes and all of them are less than 80 metres in length.

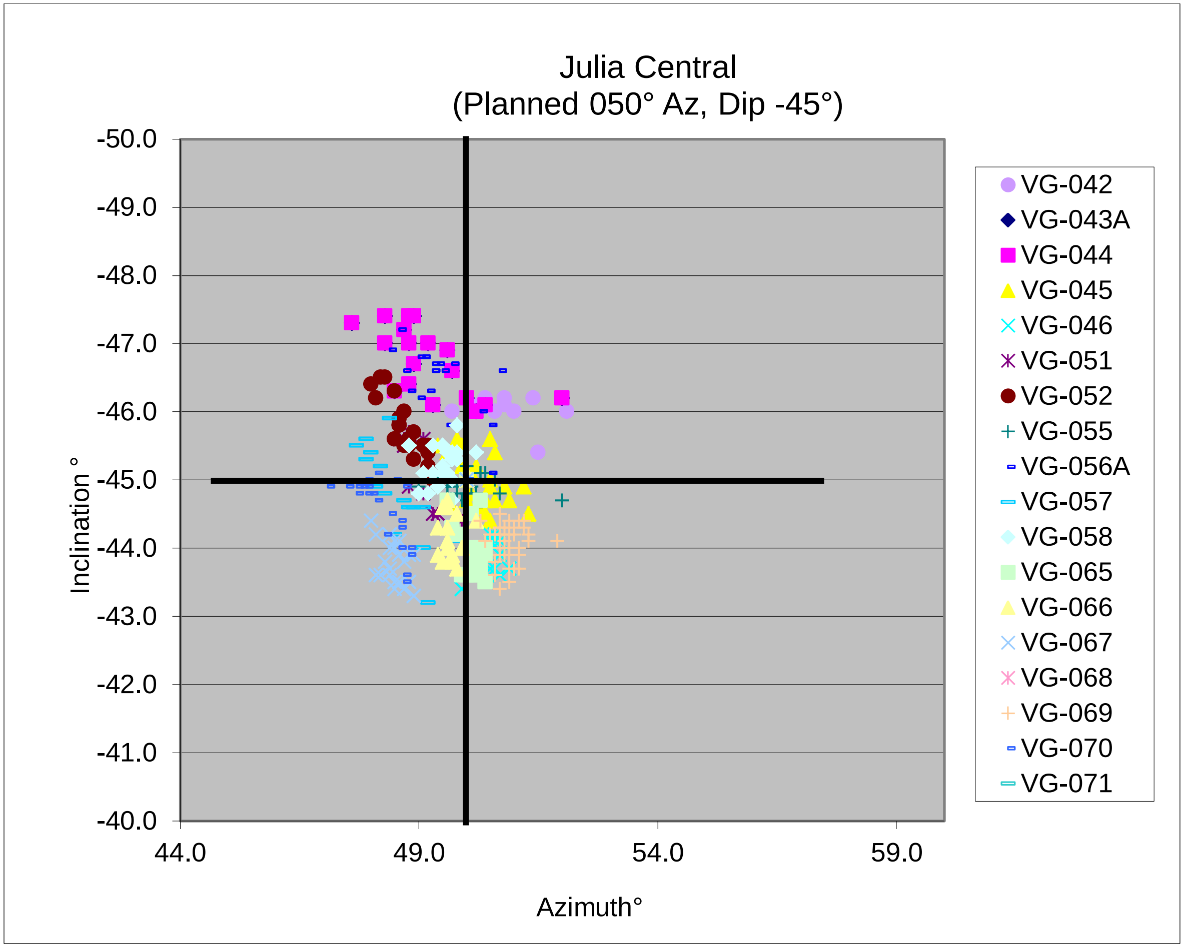


Figure 10-1. Sample of Phase 2 down hole survey data.

When the drill and casing were removed from the site the hole was immediately marked by placing a white four inch diameter PVC pipe in the hole. Later, the PVC was cemented in place and marked with a plaque with the hole number.

The actual hole collars were surveyed by Mirasol geologists with non-differential GPS, then with differential GPS as per the channel samples as previously described, and finally periodically by a professional surveyor was contracted to survey large groups of holes. A spreadsheet has been kept which shows all of this data and that the differences between the different types of measurements are small. All drill holes have been surveyed by a professional surveyor, Raúl Relañez.

When the professional surveyor was initially contracted he tied his survey into known geodesic control points and produced a memo that described how this was done. All of the surveyor's work has been filed in digital un-editable format (PDF files) and editable files (spreadsheets) in order that the data could be copied and pasted into Mirasol's digital electronic data storage system. The surveyor worked in Gauss Kruger

Campo Inchauspe Zone 69 (also known as Faja 2) coordinates and the elevations are expressed relative to the EGM96 model as explained in his memo. The DGPS measurements made by Mirasol are expressed in the same elevation model and therefore no systematic difference is noted in the two sets of measurements in elevations.

Initially topographic data for Virginia was obtained from the public source National Aeronautics and Space Administration (NASA) Digital Elevation Model (DEM) which was comprises radar data acquired by the Space Shuttle Endeavor during the Shuttle Radar Topographic Mission (SRTM). Radar Interferometry was used to create a DEM and this data has been made available to the public by NASA. The raw data comprise measurements on a grid of points with east-west spacing of 60m and north-south spacing of 90m. Comparisons of the SRTM data with Mirasol's DGPS elevations of IP line stakes and the channel samples suggested that there was no systematic difference in elevation between the two data sources. The data were then re-gridded and used for planning of drilling and cross-sections.

Later, when all of the collars for the professional surveyor data were available, these data were also added to the data set, after controlling that there was no systematic deviation between the data sets. The data were then re-gridded and a new DEM was produced which was used in the final sets of sections for interpretation of the location, shapes and dimensions of the mineralized zones.

In general, the topography is acceptable for the exploration stage work being done. Further improvements could be made by professionally surveying all the channel samples and also the perimeters and tops of outcrops of vein material in particular where they jut above the general topography (effectively only in Julia South and Julia Central). At this time the outcrops that jut above the general topographic surface are underestimated in the DEM model.

Handling of the core was done only authorized personnel of the drilling contractor or Mirasol employees. Core was placed into wooden three-row boxes with one metre interior dimensions and covered with lids. Marking of depths was done in metres with wooden core blocks noting the depth and length of run drilled using the industry standard methods. Core was generally picked-up at the machine by Mirasol personnel or occasionally delivered to the core shack (at the Estancia La Patricia) at least once per 12 hours shift. There, Mirasol technicians, always under the supervision of a geologist, laid the core out in sequence, reviewed the hole, box and block numbering correcting or clarifying any suspected errors with the drill crew. The core was then washed and the box ends labelled by the technicians and moved to tables for logging.

Next a basic geotechnical log was completed for all holes by the technicians who first record all the runs in the hole. For each run, the recovery in metres, rock quality designation (RQD) factor, degree of weathering and hardness is recorded on a form together with comments of any unusual items. Later these data are entered in a spreadsheet and the recovery and RQD are calculated as a percentage. The RQD is defined as the sum of the lengths of core pieces terminated by natural fractures or breaks which measure 10cm or more in length between a given pair of marking blocks. Unnatural breaks such as core broken to fit into the box rows are not counted. Degree of weathering is recorded as one of four categories as follows: total – all of the rock is affected by weathering; partial - oxidation occurs along fractures and extending out from them but not throughout rock mass; fractures - oxidation occurs only along fractures; none – no oxidation present. These categories are assigned numerical codes from 3 down to 0 for total to no oxidation for graphing purposes. Hardness is recorded as one of five categories as follows: very hard – harder than nail; hard – scratched by nail with difficulty; moderate – scratched by nail; soft – gouged by nail; very soft – easily pierced by nail. These categories are assigned numerical codes from 4 down to 0 for (hardest to softest) graphing purposes.

A sample of the graphical portrayal of the geotechnical data is presented for hole VG-003 as Figure 10-2. The figure clearly shows how the upper weathered part of the hole is softer and has lower recovery and RQD factor. The hole averaged 92% recovery and 75% RQD over the entire length with the low values in both occurring near the collar in overburden and weathered bedrock. Graphical plots of this type were made for all holes. Any errors made in the data entry or recording often showed up on the graphical plots. In such cases corrections were made after a review of the raw data.

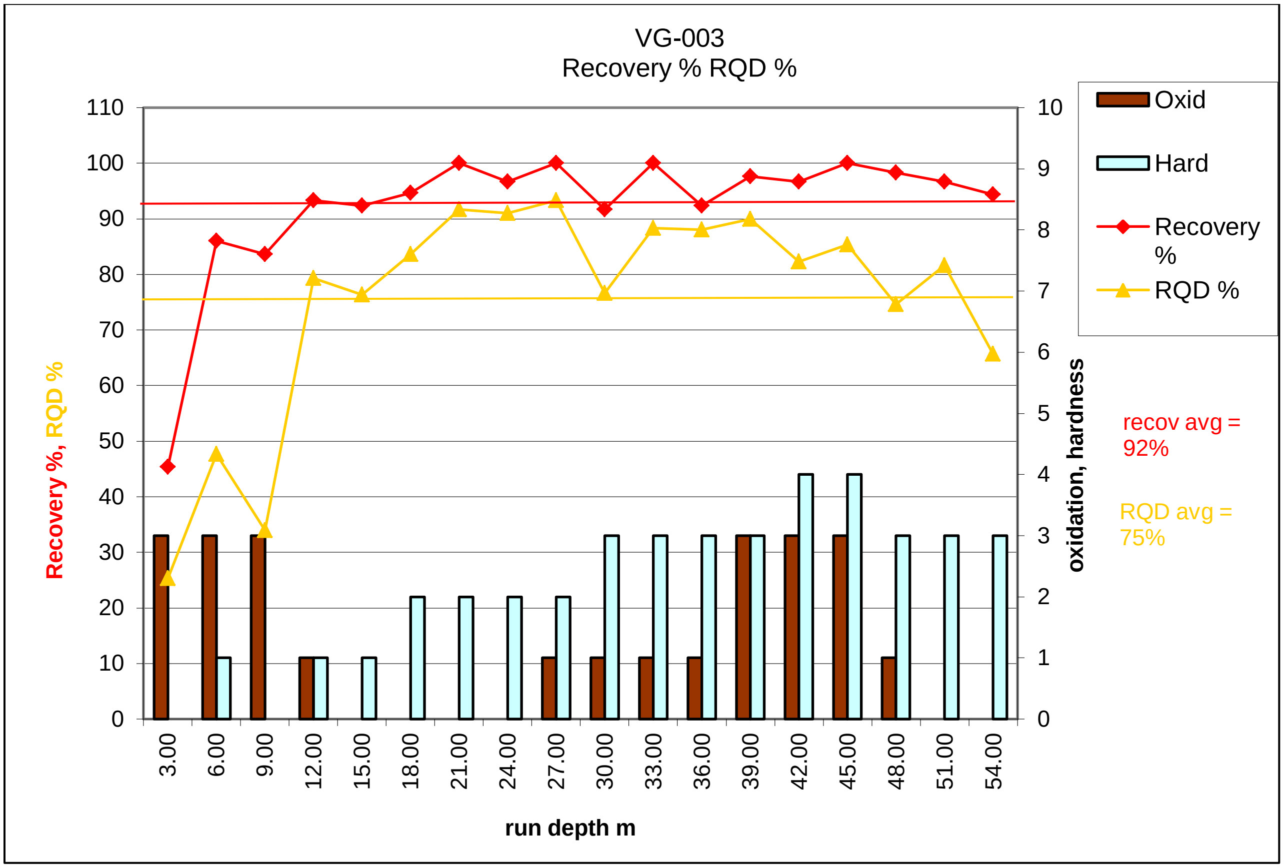


Figure 10-2. Example of geotechnical log for hole VG-003 Julia South.

All drill core was geologically logged onto specially prepared paper templates. Later when the geologists were familiar with the system they sometimes entered the data directly into a spreadsheet in the same format as the paper template. The data recorded is in the form of both numerical codes and text descriptions. This facilitates plotting of the data, but also results in a log which can be read and understood by a reader not familiar with the codes and allows notation of exceptional items. The geologist first divides the hole into primary lithological units of greatest importance which must form a series of continuous, non-overlapping units from zero to the end of the hole. These are then further subdivided as required to note changes in lithology, alteration and mineralization and describe samples taken. Structural data are recorded in numerical format recording the type of structure and angle to core axis (none of the core to date was collected using oriented core methods).

The intervals for sampling were selected during geological logging. In most cases, the samples were chosen to coincide with geological contacts such as vein contacts with wall rock because strong contrasts in grade are expected at these locations. A minimum length of 0.3m was used as samples shorter than this are of insufficient size and weight for proper sample preparation and assay. Samples are generally not longer than 2 metres and only where broad stockwork or alteration was noted and relatively uniform low grades were expected. Sections of core to be sampled were marked by the geologist and tags with the corresponding sample number and meterage were affixed to the boxes. After logging and marking of samples all core was photographed with a digital camera on a rack with four boxes per photo. Extra photos were taken to show detail of certain features on a select basis.

Photographed core was then sent to the cutting room where a water-cooled, diamond-bladed electric saw was used to cut all core that could be cut in equal halves. Cut core was returned to the box in the original position for later sampling. Some sections of core were too soft or friable to cut.

During the geological logging a predetermined sequence was used to select duplicate core samples and position those, and certified standards, and certified blanks, into the sample sequence. Using this system clear plastic samples bags were prepared and numbered in advance. Samples designated as standards and blanks were prepared alongside the regular stream of samples and all bags were marked with external numbers in permanent felt marker as well as externally stapled and internally placed sample ticket stubs. Blanks and standards bags were filled with the corresponding prepared materials. The previously cut core the core was then placed into the sample bags. In the cases where the core was too soft to have been cut with the diamond saw it was cut with a spatula. In all cases half of the core was sampled and the remaining half stored in the core box. The final sample ticket remain in the sample tag book with the hole numbers and meterages filled in. Custom sample tags have been printed with Mirasol’s name in a sequence from MRD01451 and ascending for use at Virginia.

Given that the Virginia veins comprise quartz veins and the host rocks are rhyolitic the matrix is silica-rich. Therefore certified barren rock quartz was purchased from Alex

Stewart Argentina in Mendoza in one kilo bags and used as the blank. This material comprises fist-sized lumps of barren quartz that will have to pass through the coarse crushing and grinding the same way as regular samples and thus will allow monitoring for potential contamination at all stages of preparation and analysis.

Certified standards purchased from CDN Resource Laboratories Ltd. of Langley, B.C., Canada in the form of bagged, homogenized pulps known as CDN-ME-4, CDN-ME-5, CDN-ME-6, CDN-ME-12, and CDN-ME-15 were inserted in the sample stream.

Duplicate core samples were collected using half cores for both the original and duplicate. This system has the advantage of having the same size sample for all original samples and duplicates instead if using quarter cores or comparing quarter and half cores. The disadvantage is that the core tray is empty where a duplicate is collected. However, the photographs show the boxes before sampling and provide proof of the sample.

The plan for insertion of control samples provided for insertion of every group of 75 samples to include 3 Mirasol blanks, 3 core duplicates and 3 standards for a total of 9 control samples and 66 regular samples in the batch. This means that primary control samples represent 12% of the total equally divided between duplicate, standards and blanks. Further control is obtained by sending prepared pulps from the primary lab to a secondary lab. For this purpose 5% of the pulps, including standards, blanks and duplicates from the original samples were sent to a secondary laboratory bring the total control percentage to 17%.

The primary lab was in all cases Alex Stewart Laboratory utilizing either the Mendoza or Perito Moreno sites. The secondary lab was in all cases ALS Group in Mendoza.

10.2 Relevant Results

Significant intercepts (defined here as >30 ppm silver) of silver mineralization were encountered in all four phases of drilling. Phase 1 holes were short holes directed mainly at outcropping mineralization on the Julia South, Central and North veins and significant intercepts were drilled at all three veins in the first 28 holes and many holes had multi-metre intercepts of hundreds and in some cases thousands of grams of silver per tonne. Later in Phases of drilling was expanded to a larger area continued to intercept significant silver mineralization at the Naty Vein, Ely South, Ely North and Martina veins.

A small amount of reconnaissance drilling done at the Magi and Naty extension areas was less successful, but nevertheless encountered some significant silver mineralization.

Early drilling results revealed that the wall rock to the vein breccia material was also mineralized in many drill holes, sometimes over long intervals, at values greater than 30 ppm silver. Generally, these low grade intervals of wall rock include vein/breccia material.

As expected the vein/breccia material often has high grades as was found in the surface work. A tabulation of the relevant results follows after a discussion of the sampling and recoveries which influence the selection of results in the tabulation.

10.3 Sampling and Recovery Factors

Core recovery in Phase 1 was low in some cases, especially in and around the vein/breccia material where clays and faulting were found to be important. In many cases the rock was strongly fractured and clay-rich near and within the vein/breccia which created challenges for drilling and good core recovery. In some cases the vein/breccia was clearly faulted with seams of clay in the vein and in other cases clasts of vein occurring in a soft clay-rich tectonic matrix were noted.

Once initial lab results were received it was quickly realized that the poor recovery had the potential to create a bias in assay results in areas of low recovery. High silver values were associated with hard quartz vein/breccia and the softer clay-rich material which was sometimes being washed away was lower grade. Hence initial results from Phase 1 were published showing the recovery of all intervals.

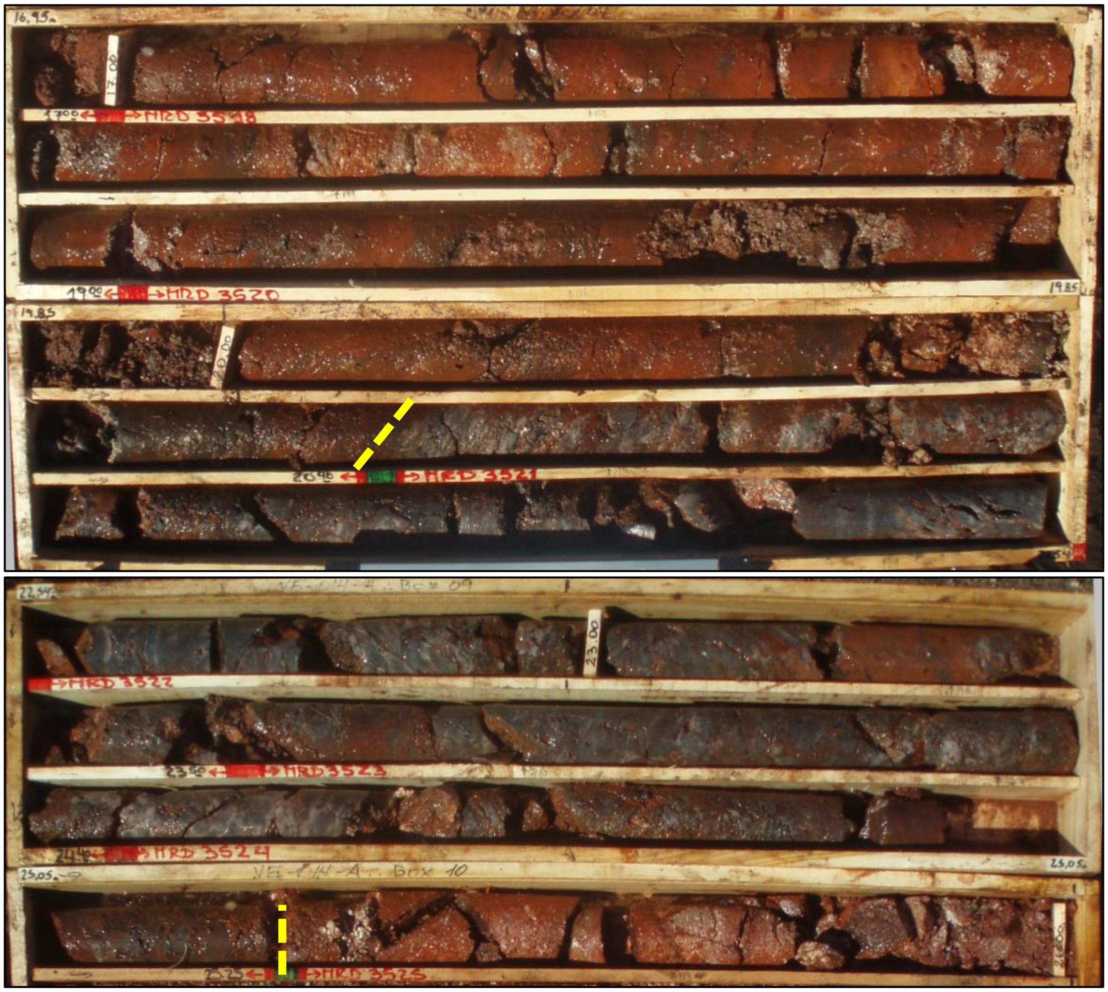
At the start of Phase 2 it was emphasized to the contractor that it was important to improve the core recovery. Experimentation was required to improve the recovery that includes changes to the drilling equipment, drilling additives and drilling techniques. By the time that drilling had reached hole number VG-051 the methods were much improved and good recovery was the norm even in very difficult zones.

Robert Brown, an experienced driller, manager and drill company owner, who previously worked extensively in Patagonia, was hired to assist Mirasol and the drilling contractor in making the changes. Three-metre, triple-tube tools were adopted for use in all parts of holes expected to have soft or broken rock. In this method the core is recovered in liners inside the inner tube protecting the core better and making it easier to remove after the liners are slid out of the inner tube and opened. Polymers were added to the drilling fluid in greater concentrations and kept at optimal levels throughout the hole. Drilling techniques were adjusted to reduce pressure to the bit, decrease rotation speed and decrease the rate of water flow to the bit. Any indication of blocking at the bit required the tube to be pulled to ensure no material was lost trying to force it into a blocked bit. These changes were very effective in improving the recovery. As recovery improved it was easier to access what had been lost and the potential effect of the losses on the grade of the assays from sections with poor recovery. A tangible measure of the improvement was that in the first 60 hole there were 6 instances of lost equipment in the holes after rods became stuck. This only happened once in the remaining 167 holes.

Once the methods had been improved it was decided to drill six holes next to existing holes which had suffered poor recovery in sections with high grades. The holes selected to be “twinned” or replicated were VG-014, 16, 17, 32, 40 and 43. Obviously it is impossible to re-drill the exact same hole and there is always the possibility of geological variability over a short range, an effect common in high-grade deposits such as Virginia.

Given that the holes were short It was decided that the most appropriate method of placing the twins close to the original hole was to collar the new hole 1-2 metres behind the original hole and to ensure that it was unlikely the new holes would intersect the original holes drill the twin at 2 or 3° steeper angle (i.e. normally 47 or 48° instead of 45°). This method places the two holes within a few metres of each other at shallow depths. Three of the hole selected for the trial had did not have down hole surveys (VG-014, 16 and 17) because they were drilled before the down hole survey instrument was available. All the twin holes were surveyed. Twin holes were designated with the same number and a letter, normally “A” after the hole. Recovery in the twin holes was much improved (Figure 10-3). Sampling showed that the grades in general were high-grade, but lower than the initial holes. It was clear that the fines had been washed away and that at Virginia the fines tend to be much lower grade than the hard, silica-rich material of the vein breccia.

Above boxes from VG-014 with poor recovery in vein (dark colour). Contacts were marked at marking blocks at 18m and 24.0m (yellow lines) and the core in between is in part a rubble of pebbles with the drilled interval of 6m occupying just over two rows in the core boxes (boxes are 1.0m wide).



Boxes from VG-014A with good recovery in vein. Contacts were marked by yellow lines at 20.46m where it is clearly at approx. 45° to core axis and at 25.25m where the orientation of the contact is unclear. Note that this time there is no rubble of pebbles and the 4.79m difference between the contacts occupies nearly five rows in the core boxes.

Figure 10-3. Example of Core Recovery after Technical Improvements.

Based on the experience gained, a list comprising holes with less than 80% recovery in the silver bearing part of the hole was made. The list was ranked by a factor comprising the silver gram metre product (Ag g/t multiplied by the core length of the intercept) divided by the average recovery of the intercept in percent. Low recovery in the denominator increases the value of the factor. All holes with <80% recovery were ranked in this way and those with the highest factors were systematically re-drilled at the end of Phase 2. In this way another 16 holes were twinned for a total of 22 holes from Phases 1 and 2. Most of the cases of drilling problems necessitating re-drilling occurred at Julia North, and Julia Central and Naty veins. There were no cases at Julia South where recoveries were consistently good. The “Risk Factor” described in the text is used here and plotted over time (Figure 10-4). On the secondary (right hand) axis the grade thickness values are plotted as points for each drill intercept. The second bracketed time period includes twins of previously problematic holes with high grade thickness products, but now with low risk factors.

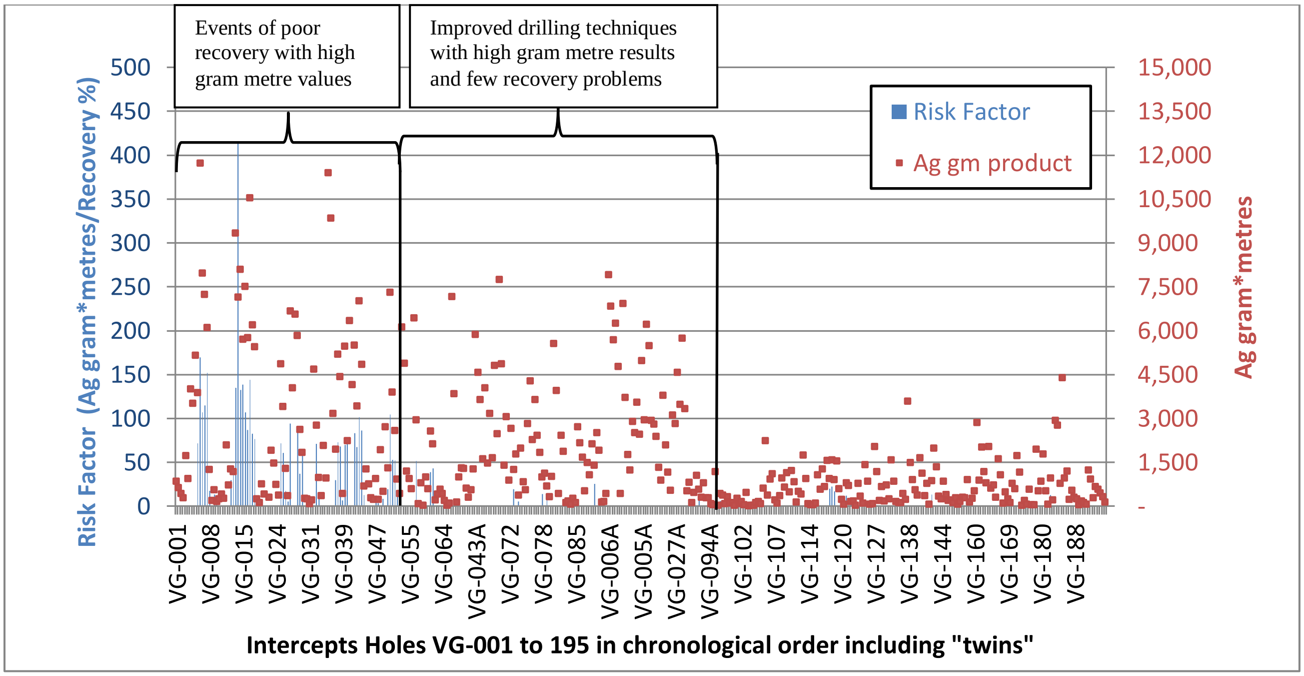


Figure 10-4. Evolution of Core Recovery Improvements with Time.

In subsequent drilling phases only occasionally were there recovery problems that necessitated re-drilling of holes. Three cases occurred at Martina, and one case each occurred at Julia North and Ely South. Good drilling recoveries can be consistently obtained, but vigilance is required by both the drillers and geologists involved.

Table 10-2 includes a full list of all diamond drill hole on the Virginia Veins from the first drill hole through to the present with comments.

Table 10-2. List of all Diamond Drill Hole Collars – Virginia Vein Zone

HoleID	E GK CI Zone 69	N GK CI Zone 69	elevation m	Az	dip	length m	Zone ID	Comments
VG-001	2,428,471.19	4,738,574.07	982.59	98.00	-45.0	48.00	Julia South	Phase 1
VG-002	2,428,475.57	4,738,619.21	985.19	98.00	-45.0	54.00	Julia South	
VG-003	2,428,444.67	4,738,441.88	975.17	98.00	-45.0	54.00	Julia South	
VG-004	2,428,232.94	4,739,107.50	1,014.68	48.00	-45.0	42.00	Julia Central	
VG-005	2,427,938.29	4,739,426.92	1,040.87	78.00	-45.0	42.00	Julia North	replaced by twin hole
VG-006	2,427,928.49	4,739,525.79	1,042.94	78.00	-45.0	42.00	Julia North	replaced by twin hole
VG-007	2,427,915.28	4,739,639.18	1,042.07	78.00	-45.0	51.00	Julia North	replaced by twin hole
VG-008	2,427,915.16	4,739,564.55	1,041.95	78.00	-45.0	48.00	Julia North	
VG-009	2,428,111.64	4,739,247.37	1,023.38	50.00	-45.0	51.00	Julia Central	
VG-010	2,428,502.05	4,738,462.82	976.21	278.00	-45.0	45.00	Julia South	
VG-011	2,428,522.05	4,738,526.19	980.61	278.00	-45.0	60.00	Julia South	
VG-012	2,428,525.05	4,738,588.62	983.59	278.00	-45.0	54.00	Julia South	
VG-013	2,428,214.72	4,739,123.93	1,016.39	50.00	-45.0	45.00	Julia Central	
VG-014	2,427,847.79	4,739,845.07	1,047.95	78.00	-45.0	45.00	Julia North	replaced by twin hole
VG-015	2,427,855.55	4,739,770.82	1,042.81	78.00	-45.0	51.00	Julia North	replaced by twin hole
VG-016	2,427,911.45	4,739,612.39	1,042.39	78.00	-45.0	45.00	Julia North	replaced by twin hole
VG-017	2,427,924.32	4,739,467.00	1,042.59	78.00	-45.0	56.00	Julia North	replaced by twin hole
VG-018	2,427,997.04	4,739,367.56	1,036.17	78.00	-45.0	48.00	Julia North	
VG-019	2,427,951.42	4,739,357.97	1,037.77	78.00	-45.0	54.00	Julia North	
VG-020	2,428,548.45	4,738,584.75	981.57	278.00	-45.0	80.00	Julia South	
VG-021	2,428,521.38	4,738,430.50	974.36	278.00	-45.0	60.00	Julia South	VG-021 did not reach objective and was immediately redrilled from the other side with VG-022
VG-022	2,428,424.82	4,738,444.91	974.99	98.00	-45.0	93.00	Julia South	
VG-023	2,428,518.90	4,738,549.40	981.99	278.00	-45.0	45.00	Julia South	
VG-024	2,428,520.70	4,738,635.50	986.58	278.00	-45.0	36.00	Julia South	
VG-025	2,427,811.64	4,739,837.23	1,046.80	78.00	-45.0	80.00	Julia North	replaced by twin hole
VG-026	2,427,881.23	4,739,605.85	1,040.90	78.00	-45.0	87.00	Julia North	
VG-027	2,427,885.46	4,739,517.47	1,040.23	78.00	-45.0	99.60	Julia North	replaced by twin hole
VG-028	2,427,902.29	4,739,462.20	1,042.36	78.00	-45.0	105.00	Julia North	replaced by twin hole ; end Phase 1
VG-029	2,427,878.02	4,739,696.28	1,040.35	78.00	-45.0	68.00	Julia North	Phase 2
VG-030A	2,427,850.25	4,739,690.54	1,039.29	78.00	-45.0	93.00	Julia North	VG-030 did not reach objective and was immediately redrilled as VG-030A
VG-031	2,427,836.90	4,739,508.24	1,037.48	78.00	-45.0	160.20	Julia North	
VG-032	2,427,822.09	4,739,880.11	1,049.83	78.00	-45.0	60.00	Julia North	replaced by twin hole
VG-033	2,427,677.79	4,739,825.56	1,050.15	78.00	-45.0	76.90	Naty	
VG-034	2,427,684.49	4,739,800.54	1,047.63	88.00	-45.0	59.00	Naty	
VG-035	2,427,949.63	4,739,392.55	1,039.25	88.00	-45.0	55.80	Julia North	
VG-036	2,427,932.78	4,739,494.34	1,043.13	88.00	-45.0	53.00	Julia North	
VG-037	2,427,907.96	4,739,492.80	1,041.97	88.00	-45.0	97.50	Julia North	
VG-038	2,427,781.40	4,739,830.67	1,046.65	78.00	-45.0	122.00	Julia North	replaced by twin hole
VG-039	2,427,798.15	4,739,914.90	1,051.67	78.00	-45.0	65.00	Julia North	
VG-040	2,427,646.27	4,739,864.67	1,054.60	78.00	-45.0	89.00	Naty	replaced by twin hole
VG-041	2,427,621.97	4,739,859.42	1,054.40	78.00	-45.0	110.00	Naty	replaced by twin hole
VG-042	2,428,305.48	4,739,010.36	1,008.02	50.00	-45.0	56.00	Julia Central	replaced by twin hole
VG-043	2,428,286.87	4,738,994.94	1,007.31	50.00	-45.0	86.50	Julia Central	replaced by twin hole
VG-044	2,428,245.26	4,739,087.49	1,012.84	50.00	-45.0	59.00	Julia Central	
VG-045	2,428,214.26	4,739,092.08	1,013.92	50.00	-45.0	86.00	Julia Central	
VG-046	2,428,170.16	4,739,181.32	1,019.64	50.00	-45.0	54.00	Julia Central	
VG-047	2,427,613.68	4,739,895.22	1,059.50	68.00	-45.0	76.00	Naty	
VG-048	2,427,593.66	4,739,938.87	1,064.11	68.00	-45.0	72.40	Naty	replaced by twin hole
VG-049	2,427,572.96	4,739,993.13	1,061.46	68.00	-45.0	71.00	Naty	
VG-050	2,428,284.34	4,739,019.36	1,008.88	50.00	-45.0	70.70	Julia Central	replaced by twin hole
VG-051	2,428,314.72	4,738,978.53	1,006.19	50.00	-45.0	80.00	Julia Central	replaced by twin hole

HoleID	E GK CI Zone 69	N GK CI Zone 69	elevation m	Az	dip	length m	Zone ID	Comments
VG-052	2,428,353.50	4,738,922.20	1,001.45	50.00	-45.0	71.60	Julia Central	
VG-048A	2,427,588.09	4,739,936.58	1,063.99	68.00	-45.0	71.00	Naty	twin hole
VG-053	2,427,540.80	4,739,979.98	1,061.69	68.00	-45.0	101.00	Naty	
VG-054	2,427,549.52	4,740,035.32	1,058.90	68.00	-45.0	79.50	Naty	
VG-055	2,428,265.80	4,739,043.05	1,010.50	50.00	-45.0	80.00	Julia Central	
VG-056	2,428,331.11	4,738,954.17	1,004.30	50.00	-45.0	38.30	Julia Central	VG-056 did not reach objective and was immediately redrilled as VG-056A
VG-056A	2,428,332.03	4,738,954.97	1,004.35	50.00	-45.0	86.10	Julia Central	replaced by twin hole VG-056B
VG-057	2,428,387.39	4,738,883.21	997.24	50.00	-45.0	58.80	Julia Central	
VG-058	2,428,430.95	4,738,814.68	991.84	50.00	-45.0	71.00	Julia Central	
VG-059	2,427,508.56	4,740,019.02	1,062.14	68.00	-45.0	34.30	Naty	VG-059 did not reach objective and was immediately redrilled as VG-059A
VG-059A	2,427,507.39	4,740,018.50	1,062.14	68.00	-47.0	98.00	Naty	
VG-060	2,427,502.27	4,740,072.79	1,059.37	68.00	-45.0	89.00	Naty	
VG-061	2,427,474.62	4,740,171.87	1,054.13	68.00	-45.0	35.00	Naty	
VG-062	2,427,450.75	4,740,161.85	1,053.66	68.00	-45.0	52.70	Naty	
VG-063	2,427,392.70	4,740,138.03	1,049.92	68.00	-45.0	104.00	Naty	
VG-064	2,427,519.23	4,739,972.33	1,060.94	68.00	-49.0	107.00	Naty	
VG-065	2,428,473.17	4,738,796.03	988.13	50.00	-45.0	71.50	Julia Central	
VG-066	2,428,185.97	4,739,146.47	1,017.56	50.00	-45.0	58.80	Julia Central	
VG-067	2,428,313.17	4,738,938.63	1,004.23	50.00	-45.0	104.00	Julia Central	
VG-068	2,428,261.19	4,739,000.00	1,008.39	50.00	-45.0	105.45	Julia Central	
VG-069	2,428,290.77	4,738,959.90	1,005.85	50.00	-45.0	134.00	Julia Central	
VG-070	2,428,331.22	4,738,992.95	1,006.98	50.00	-45.0	83.00	Julia Central	
VG-071	2,428,264.25	4,738,975.63	1,007.27	50.00	-45.0	137.00	Julia Central	
VG-043A	2,428,286.20	4,738,993.95	1,007.25	50.00	-49.0	101.00	Julia Central	twin hole
VG-032A	2,427,821.19	4,739,880.00	1,049.76	78.00	-48.0	62.00	Julia North	twin hole
VG-040A	2,427,645.14	4,739,864.45	1,054.65	68.00	-48.0	101.00	Naty	twin hole
VG-016A	2,427,910.35	4,739,612.14	1,042.38	78.00	-48.0	59.00	Julia North	twin hole
VG-014A	2,427,846.66	4,739,845.00	1,047.99	78.00	-48.0	50.00	Julia North	twin hole
VG-017A	2,427,923.21	4,739,466.81	1,042.62	78.00	-48.0	125.00	Julia North	twin hole
VG-072	2,427,865.70	4,739,734.17	1,041.06	78.00	-45.0	62.00	Julia North	
VG-073	2,427,851.08	4,739,810.77	1,045.36	78.00	-45.0	59.00	Julia North	
VG-074	2,427,828.29	4,739,764.05	1,041.98	78.00	-45.0	92.00	Julia North	
VG-075	2,427,905.02	4,739,660.35	1,041.71	78.00	-45.0	89.00	Julia North	
VG-076	2,427,876.42	4,739,456.38	1,042.47	78.00	-45.0	173.00	Julia North	
VG-077	2,427,908.36	4,739,417.46	1,042.21	78.00	-45.0	101.00	Julia North	
VG-078	2,427,752.60	4,739,824.85	1,047.28	78.00	-45.0	161.00	Julia North	
VG-079	2,427,766.80	4,739,867.98	1,049.34	78.00	-45.0	122.00	Julia North	
VG-080	2,427,794.84	4,739,799.01	1,044.29	78.00	-45.0	125.00	Julia North	
VG-081	2,427,890.75	4,739,634.40	1,041.16	78.00	-45.0	116.00	Julia North	
VG-082	2,428,226.71	4,739,010.17	1,010.04	50.00	-45.0	141.20	Julia Central	
VG-083	2,428,175.85	4,739,059.52	1,013.76	50.00	-45.0	155.00	Julia Central	
VG-084	2,427,568.28	4,739,874.74	1,055.91	68.00	-45.0	140.00	Naty	
VG-085	2,427,574.29	4,739,830.88	1,051.60	68.00	-45.0	170.00	Naty	
VG-086	2,427,311.88	4,740,328.51	1,044.25	68.00	-45.0	86.00	Naty	
VG-087	2,428,841.16	4,740,324.96	1,028.38	84.00	-45.0	80.00	Ely North	
VG-088	2,428,722.72	4,739,487.24	989.26	101.00	-45.0	68.00	Ely South	
VG-089A	2,429,894.95	4,739,696.25	966.23	64.00	-48.0	49.80	Martina	
VG-090	2,431,108.13	4,739,987.07	911.49	49.00	-45.0	121.60	Magi	
VG-091	2,431,071.24	4,739,954.45	914.61	49.00	-60.0	200.00	Magi	
VG-006A	2,427,927.64	4,739,525.89	1,042.89	78.00	-48.0	77.00	Julia North	twin hole
VG-007A	2,427,914.37	4,739,639.11	1,042.06	78.00	-48.0	77.00	Julia North	twin hole
VG-015A	2,427,854.93	4,739,770.73	1,042.84	78.00	-48.0	64.00	Julia North	twin hole
VG-029A	2,427,877.11	4,739,696.05	1,040.45	78.00	-48.0	71.00	Julia North	twin hole
VG-028A	2,427,901.40	4,739,461.91	1,042.25	78.00	-48.0	86.00	Julia North	twin hole
VG-038A	2,427,780.54	4,739,830.64	1,046.80	78.00	-48.0	118.00	Julia North	twin hole
VG-005A	2,427,937.57	4,739,426.59	1,040.87	78.00	-48.0	59.00	Julia North	twin hole
VG-050A	2,428,283.45	4,739,018.62	1,008.81	50.00	-47.0	77.00	Julia Central	twin hole
VG-056B	2,428,329.80	4,738,953.37	1,004.44	50.00	-48.0	57.80	Julia Central	twin hole

HoleID	E GK CI Zone 69	N GK CI Zone 69	elevation m	Az	dip	length m	Zone ID	Comments
VG-051A	2,428,313.94	4,738,977.90	1,006.07	50.00	-47.0	54.40	Julia Central	twin hole
VG-042A	2,428,304.37	4,739,009.43	1,008.00	50.00	-48.0	56.00	Julia Central	twin hole
VG-037A	2,427,906.99	4,739,492.64	1,041.99	78.00	-48.0	71.00	Julia North	not drilled on same azimuth as VG-037
VG-027A	2,427,884.22	4,739,517.22	1,040.19	78.00	-48.0	96.00	Julia North	twin hole
VG-025A	2,427,810.13	4,739,837.10	1,046.77	78.00	-47.0	76.00	Julia North	twin hole
VG-041A	2,427,620.72	4,739,859.33	1,054.72	78.00	-46.0	104.00	Naty	twin hole; end of Phase 2
VG-092	2,429,859.72	4,739,678.72	968.56	65.00	-45.0	152.50	Martina	Phase 3
VG-093	2,429,876.16	4,739,725.41	961.31	65.00	-45.0	110.00	Martina	
VG-094	2,429,834.35	4,739,797.17	950.06	65.00	-45.0	94.50	Martina	replaced by twin hole
VG-095	2,427,275.53	4,740,313.10	1,040.60	68.00	-45.0	131.00	Naty	
VG-096	2,427,320.23	4,740,292.92	1,042.81	68.00	-45.0	110.00	Naty	
VG-097	2,427,289.73	4,740,365.61	1,044.70	68.00	-45.0	86.00	Naty	
VG-098	2,427,193.45	4,741,081.77	1,044.48	90.00	-45.0	101.00	Naty Extension	
VG-099	2,427,184.23	4,740,992.84	1,050.69	90.00	-45.0	101.00	Naty Extension	
VG-100	2,427,172.64	4,740,770.64	1,054.61	90.00	-45.0	80.00	Naty Extension	
VG-101	2,427,303.82	4,741,036.01	1,064.50	270.00	-45.0	99.80	Naty Extension	
VG-102	2,427,329.05	4,741,036.57	1,067.95	270.00	-45.0	101.00	Naty Extension	
VG-103	2,427,260.79	4,741,086.32	1,053.07	90.00	-45.0	80.00	Naty Extension	
VG-104	2,428,842.18	4,740,285.63	1,024.87	84.00	-45.0	86.00	Ely North	
VG-105	2,428,843.97	4,740,206.18	1,018.18	84.00	-45.0	119.00	Ely North	
VG-106	2,428,930.07	4,740,172.85	1,010.50	264.00	-45.0	82.60	Ely North	
VG-107	2,428,695.67	4,739,490.89	990.36	101.00	-45.0	110.00	Ely South	
VG-108	2,428,760.77	4,739,396.14	984.43	281.00	-45.0	80.00	Ely South	
VG-109	2,428,690.14	4,739,367.49	990.91	101.00	-45.0	86.00	Ely South	
VG-110	2,428,684.65	4,739,327.85	993.55	101.00	-45.0	80.00	Ely South	
VG-111	2,428,752.83	4,739,276.38	987.67	281.00	-45.0	79.10	Ely South	
VG-112	2,428,656.46	4,739,191.34	1,000.87	101.00	-45.0	110.00	Ely South	
VG-113	2,428,658.64	4,739,243.01	1,000.10	101.00	-45.0	166.50	Ely South	
VG-114	2,428,649.34	4,739,151.90	1,001.84	101.00	-45.0	122.00	Ely South	
VG-115	2,427,254.72	4,740,393.38	1,043.31	68.00	-45.0	119.00	Naty	
VG-116	2,427,348.86	4,740,261.40	1,043.34	68.00	-45.0	101.00	Naty	
VG-117	2,427,218.82	4,740,832.98	1,064.88	90.00	-45.0	101.00	Naty Extension	
VG-118	2,428,904.09	4,740,492.05	1,035.31	264.00	-45.0	47.00	Ely North	replaced by twin hole
VG-118A	2,428,905.69	4,740,492.16	1,035.19	264.00	-47.0	101.00	Ely North	
VG-119	2,429,812.58	4,739,828.93	951.34	65.00	-45.0	59.00	Martina	replaced by twin hole
VG-119A	2,429,811.94	4,739,828.64	951.28	65.00	-47.0	62.00	Martina	replaced by twin hole VG-119B
VG-120	2,428,197.63	4,738,984.66	1,009.98	50.00	-45.0	212.00	Julia Central	
VG-119B	2,429,813.29	4,739,828.25	951.22	65.00	-45.0	83.00	Martina	twin hole
VG-121	2,429,788.98	4,739,863.42	956.40	65.00	-45.0	100.50	Martina	
VG-094A	2,429,833.52	4,739,796.78	950.01	65.00	-47.0	77.00	Martina	twin hole
VG-122	2,429,904.60	4,739,871.10	956.73	245.00	-45.0	111.30	Martina	replaced by twin hole
VG-122A	2,429,905.56	4,739,871.36	956.64	245.00	-45.0	125.00	Martina	twin hole
VG-123	2,429,740.46	4,739,927.09	968.78	65.00	-45.0	98.00	Martina	
VG-124	2,429,703.44	4,740,054.43	992.72	65.00	-45.0	95.00	Martina	
VG-125	2,429,665.22	4,740,035.27	990.57	65.00	-45.0	80.00	Martina	
VG-126	2,428,618.04	4,739,198.34	999.96	101.00	-45.0	161.00	Martina	
VG-127	2,428,617.30	4,739,250.53	1,000.87	101.00	-45.0	161.00	Ely South	
VG-128	2,428,694.30	4,739,086.68	995.08	101.00	-45.0	49.50	Ely South	
VG-129	2,428,630.26	4,739,012.89	989.09	101.00	-45.0	86.00	Ely South	
VG-130	2,428,422.63	4,738,295.34	976.60	98.00	-45.0	59.00	Julia South	
VG-131	2,428,407.81	4,738,157.98	969.01	98.00	-45.0	59.00	Julia South	
VG-132	2,428,420.51	4,738,237.08	972.63	98.00	-45.0	51.10	Julia South	
VG-133	2,428,438.14	4,738,375.87	975.24	98.00	-45.0	50.00	Julia South	
VG-134	2,428,699.63	4,739,141.89	996.63	101.00	-45.0	50.00	Ely South	
VG-135	2,428,190.06	4,739,007.08	1,010.98	50.00	-45.0	237.50	Julia Central	
VG-136	2,428,231.38	4,738,974.42	1,008.34	50.00	-45.0	260.00	Julia Central	
VG-137	2,428,585.65	4,739,257.27	998.83	101.00	-45.0	221.00	Ely South	
VG-138	2,428,637.70	4,739,301.17	999.07	101.00	-45.0	161.00	Ely South	
VG-139	2,428,579.03	4,739,206.37	998.31	101.00	-45.0	238.00	Ely South	
VG-140	2,428,439.96	4,738,415.55	975.18	98.00	-45.0	65.00	Julia South	
VG-141	2,428,429.33	4,738,336.32	976.61	98.00	-45.0	65.00	Julia South	end Phase 3

HoleID	E GK CI Zone 69	N GK CI Zone 69	elevation m	Az	dip	length m	Zone ID	Comments
VG-142	2,427,706.17	4,739,815.46	1,048.25	78.00	-45.0	212.00	Julia North	Phase 4
VG-143	2,427,836.85	4,739,446.74	1,041.39	78.00	-45.0	143.00	Julia North	VG-143 did not reach objective and was immediately redrilled as VG-143A
VG-143A	2,427,835.73	4,739,446.45	1,041.31	78.00	-45.0	224.00	Julia North	
VG-144	2,427,783.98	4,739,753.78	1,041.33	78.00	-45.0	152.00	Julia North	
VG-145	2,427,742.13	4,739,744.95	1,040.89	78.00	-45.0	197.00	Julia North	
VG-146	2,427,899.48	4,739,378.27	1,042.15	78.00	-45.0	110.00	Julia North	
VG-147	2,427,846.78	4,739,367.05	1,042.05	78.00	-45.0	146.70	Julia North	
VG-148	2,427,808.26	4,739,681.41	1,038.16	78.00	-45.0	170.00	Julia North	
VG-149	2,427,825.42	4,739,546.43	1,035.73	78.00	-45.0	170.00	Julia North	
VG-150	2,427,783.62	4,739,954.28	1,052.29	78.00	-45.0	80.00	Julia North	
VG-151	2,427,775.74	4,739,993.46	1,051.82	78.00	-45.0	71.00	Julia North	
VG-152	2,427,473.59	4,740,116.04	1,057.50	68.00	-45.0	80.00	Naty	
VG-153	2,427,456.71	4,740,054.08	1,058.91	68.00	-45.0	119.90	Naty	
VG-154	2,427,431.64	4,740,098.74	1,055.62	68.00	-45.0	122.00	Naty	
VG-155	2,427,370.73	4,740,235.04	1,044.63	68.00	-45.0	80.00	Naty	
VG-156	2,427,406.55	4,740,195.80	1,048.35	68.00	-45.0	101.00	Naty	
VG-157	2,427,837.88	4,739,596.31	1,038.21	78.00	-45.0	159.00	Julia North	
VG-158	2,427,820.86	4,739,644.40	1,037.22	78.00	-45.0	168.60	Julia North	
VG-159	2,427,790.31	4,739,437.89	1,035.54	78.00	-45.0	266.30	Julia North	
VG-160	2,428,931.98	4,740,213.78	1,016.03	264.00	-45.0	80.00	Ely North	
VG-161	2,429,026.10	4,740,223.20	1,016.13	264.00	-45.0	182.00	Ely North	
VG-162	2,428,946.20	4,740,498.05	1,031.18	264.00	-45.0	107.00	Ely North	
VG-163	2,428,961.09	4,740,260.67	1,020.94	264.00	-45.0	140.00	Ely North	
VG-164	2,428,975.45	4,740,137.32	1,005.36	264.00	-45.0	152.00	Ely North	
VG-165	2,428,898.64	4,740,532.80	1,037.79	264.00	-45.0	79.40	Ely North	
VG-166	2,428,905.27	4,740,452.64	1,033.66	264.00	-45.0	80.00	Ely North	
VG-167	2,429,987.04	4,739,827.25	945.41	245.00	-45.0	161.00	Martina	
VG-168	2,429,955.33	4,739,895.12	954.36	245.00	-45.0	210.00	Martina	
VG-169	2,428,590.85	4,739,021.36	987.45	101.00	-45.0	164.00	Ely South	
VG-170	2,428,651.92	4,739,374.87	993.56	101.00	-45.0	151.00	Ely South	
VG-171	2,428,612.47	4,739,382.61	995.74	101.00	-45.0	239.00	Ely South	
VG-172	2,428,553.28	4,739,029.45	986.85	101.00	-45.0	221.20	Ely South	
VG-173	2,428,651.98	4,739,095.18	998.33	101.00	-45.0	121.20	Ely South	
VG-174	2,428,520.69	4,738,362.01	972.74	278.00	-45.0	108.50	Julia South	
VG-175	2,428,516.31	4,738,324.11	973.48	278.00	-45.0	122.00	Julia South	
VG-176	2,430,015.32	4,739,750.42	950.74	245.00	-45.0	183.00	Martina	
VG-177	2,428,533.72	4,738,401.02	972.77	278.00	-45.0	117.00	Julia South	
VG-178	2,428,478.99	4,738,692.20	986.56	98.00	-45.0	92.00	Julia South	
VG-179	2,428,985.21	4,740,500.30	1,027.12	264.00	-45.0	161.00	Ely North	
VG-180	2,428,952.76	4,740,539.37	1,032.06	264.00	-45.0	116.00	Ely North	
VG-181	2,428,959.09	4,740,457.60	1,028.65	264.00	-45.0	118.00	Ely North	
VG-182	2,429,078.06	4,740,228.57	1,014.34	264.00	-45.0	238.00	Ely North	
VG-183	2,428,981.37	4,740,099.15	999.49	264.00	-45.0	150.00	Ely North	
VG-184	2,429,027.64	4,740,183.28	1,010.88	264.00	-45.0	190.00	Ely North	
VG-185	2,429,061.97	4,740,268.34	1,019.08	264.00	-45.0	221.00	Ely North	
VG-186	2,428,986.43	4,740,401.16	1,024.73	264.00	-45.0	152.00	Ely North	
VG-187	2,428,641.12	4,739,053.36	993.69	101.00	-45.0	92.00	Ely South	
VG-188	2,428,622.37	4,738,974.56	984.67	101.00	-45.0	113.00	Ely South	
VG-189	2,428,644.44	4,739,336.57	996.36	101.00	-45.0	157.00	Ely South	
VG-190	2,428,598.20	4,739,305.62	998.35	101.00	-45.0	221.00	Ely South	
VG-191	2,428,485.72	4,738,729.46	986.29	98.00	-45.0	152.00	Julia South	
VG-192	2,428,510.25	4,738,282.55	970.21	278.00	-45.0	110.00	Julia South	
VG-193	2,428,542.55	4,738,456.73	974.98	278.00	-45.0	110.20	Julia South	
VG-194	2,428,555.16	4,738,544.98	979.13	278.00	-45.0	110.00	Julia South	
VG-195	2,428,560.47	4,738,629.51	981.81	278.00	-45.0	110.00	Julia South	end Phase 4

Table 10-3. List of Diamond Drill Hole Silver Intercepts – Virginia Vein Zone

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recov-ery %	Comments
JULIA NORTH									
VG-005	replaced by twin hole								
VG-005A	23.00	59.00	36.00	68	33.38	149	4,970	96	twin hole
included	28.40	31.81	3.41	68	3.16	934	2,952	91	twin hole
VG-006	replaced by twin hole								
VG-006A	13.00	39.00	26.00	69	24.27	326	7,901	96	twin hole
included	18.65	24.52	5.87	69	5.48	1,038	5,687	98	twin hole
VG-007	replaced by twin hole								
VG-007A	8.45	43.00	34.55	61	30.22	207	6,248	95	twin hole
included	19.50	22.70	3.20	61	2.80	1,703	4,766	99	twin hole
VG-007A	55.00	67.00	12.00	61	10.50	40	423	98	twin hole
VG-008	18.90	21.00	2.10	60	1.82	107	195	85	
VG-008	30.00	36.00	6.00	60	5.20	106	548	40	
VG-014	replaced by twin hole								
VG-014A	7.00	41.00	34.00	78	33.26	145	4,808	95	twin hole
included	20.90	25.25	4.35	78	4.25	581	2,471	92	twin hole
VG-015	replaced by twin hole								
VG-015A	15.00	52.00	37.00	68	34.31	202	6,923	98	twin hole
included	32.00	35.00	3.00	68	2.78	1,336	3,716	99	twin hole
VG-016	replaced by twin hole								
VG-016A	20.00	47.00	27.00	60	23.38	136	3,170	94	twin hole
included	33.85	37.20	3.35	60	2.90	571	1,655	95	twin hole
VG-017	replaced by twin hole								
VG-017A	27.00	106.90	79.90	51	62.09	125	7,752	98	twin hole
included	37.90	44.75	6.85	51	5.32	912	4,858	95	twin hole
VG-018	34.80	35.90	1.10	45	0.78	304	236	82	
VG-019	38.40	42.00	3.60	62	3.18	36	113	46	
VG-025	replaced by twin hole								
VG-025A	52.50	79.50	27.00	58	22.90	217	4,957	93	twin hole; added "tail" from original hole
included	63.50	67.47	3.97	54	3.21	1,080	3,467	95	twin hole
VG-026	61.00	81.00	20.00	56	16.58	77	1,276	72	
included	66.70	69.00	2.30	56	1.91	187	357	63	
VG-027	replaced by twin hole								
VG-027A	67.00	88.65	21.65	48	16.09	193	3,111	88	twin hole
included	73.40	85.40	12.00	48	8.92	315	2,808	81	twin hole
VG-028	replaced by twin hole								
VG-028A	60.00	76.16	16.16	49	12.20	237	2,891	96	twin hole
included	66.45	71.63	5.18	49	3.91	639	2,498	97	twin hole
VG-029	replaced by twin hole								
VG-029A	26.00	43.60	17.60	50	13.48	130	1,759	97	twin hole
included	35.20	39.65	4.45	50	3.41	362	1,233	96	twin hole
VG-030A	45.00	53.70	8.70	52	6.86	38	263	95	
VG-030A	72.00	75.60	3.60	52	2.84	86	245	80	
VG-031	126.50	127.90	1.40	54	1.13	68	77	64	
VG-031	143.35	147.30	3.95	54	3.20	66	210	89	
VG-032	replaced by twin hole								
VG-032A	23.00	60.45	37.45	48	27.83	131	3,633	98	twin hole
included	37.25	41.60	4.35	48	3.23	501	1,620	94	twin hole
VG-035	19.00	49.00	30.00	66	27.41	75	2,067	88	
included	23.90	26.80	2.90	66	2.65	362	960	84	
VG-036	15.40	53.00	37.60	76	36.48	312	11,389	90	
included	21.35	26.85	5.50	76	5.34	1,843	9,835	85	
VG-037	43.00	69.50	26.50	76	25.71	123	3,169	80	
included	51.55	57.10	5.55	76	5.39	359	1,935	65	
VG-037A	48.00	60.55	12.55	74	12.06	96	1,162	98	not drilled on same azimuth as VG-037
included	56.70	59.37	2.67	74	2.57	211	541	94	
VG-038	replaced by twin hole								

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recovery %	Comments
VG-038A	88.00	114.00	26.00	49	19.62	181	3,544	96	twin hole
included	99.50	102.85	3.35	49	2.53	973	2,459	94	twin hole
VG-039	42.40	54.80	12.40	50	9.50	45	428	65	
VG-072	5.80	53.00	47.20	55	38.66	79	3,054	88	
included	34.50	37.50	3.00	55	2.46	362	889	94	
VG-073	16.00	44.00	28.00	55	22.94	116	2,660	88	
included	25.95	29.30	3.35	55	2.74	453	1,242	64	
VG-074	47.00	77.95	30.95	60	26.80	66	1,779	92	
included	65.45	66.10	0.65	60	0.56	651	366	71	
VG-075	12.00	78.57	66.57	55	54.53	52	2,819	94	
included	18.35	20.00	1.65	55	1.35	611	826	86	
VG-076	87.50	152.00	64.50	55	52.84	81	4,270	97	
included	94.85	99.00	4.15	55	3.40	665	2,261	92	
VG-077	55.00	83.00	28.00	65	25.38	143	3,634	96	
included	61.60	63.98	2.38	65	2.16	1,122	2,419	95	
VG-078	119.00	140.00	21.00	80	20.68	88	1,829	92	
included	127.50	129.80	2.30	80	2.27	435	985	70	
VG-079	96.00	109.00	13.00	70	12.22	91	1,111	94	
included	105.44	107.07	1.63	70	1.53	440	674	69	
VG-080	11.25	17.00	5.75	70	5.40	58	315	99	
VG-080	89.00	115.00	26.00	70	24.43	41	1,002	92	
VG-081	43.00	67.00	24.00	50	18.39	302	5,552	95	
VG-081	81.00	99.00	18.00	50	13.79	32	435	97	
included	49.75	51.40	1.65	50	1.26	3,116	3,939	91	
VG-142	191.00	193.00	2.00	51	1.55	34	53	100	
VG-143	replaced by twin hole								
VG-143A	138.85	154.40	15.55	55	12.74	155	1,971	91	twin hole
included	149.90	153.28	3.38	55	2.77	486	1,344	87	twin hole
VG-143A	196.00	208.10	12.10	45	8.56	39	332	100	twin hole
VG-144	38.00	42.01	4.01	45	2.84	83	235	99	
VG-146	76.40	88.00	11.60	75	11.20	76	848	97	
included	81.25	83.10	1.85	75	1.79	220	394	95	
VG-147	118.50	121.24	2.74	81	2.71	70	188	98	
VG-149	41.00	47.00	6.00	45	4.24	51	215	100	
VG-149	147.94	149.44	1.50	53	1.20	98	117	100	
VG-150	54.00	62.00	8.00	66	7.31	38	278	99	
VG-151	5.00	7.00	2.00	66	1.83	31	57	93	
VG-157	34.00	40.00	6.00	59	5.14	53	273	99	
VG-157	118.30	122.70	4.40	59	3.77	240	904	81	
VG-158	24.70	30.00	5.30	50	4.06	31	126	100	
VG-159	215.00	227.35	12.35	40	7.94	33	260	99	
JULIA CENTRAL									
VG-004	20.00	36.80	16.80	46	12.08	332	4,010	90	
included	30.00	32.65	2.65	46	1.91	1,841	3,509	87	
VG-009	39.40	41.80	2.40	45	1.70	85	144	53	
VG-013	33.00	36.80	3.80	46	2.73	462	1,262	43	
included	33.00	35.50	2.50	46	1.80	655	1,178	30	
VG-042	replaced by twin hole								
VG-042A	21.52	56.00	34.48	63	30.72	123	3,781	97	twin hole
included	32.00	42.30	10.30	63	9.18	228	2,093	96	twin hole
VG-043	replaced by twin hole								
VG-043A	44.00	95.00	51.00	63	45.44	129	5,868	96	twin hole
included	54.94	75.02	20.08	63	17.89	255	4,570	95	twin hole
VG-044	30.50	35.00	4.50	55	3.69	185	683	54	
included	30.50	35.00	4.50	55	3.69	185	683	54	
VG-045	59.00	64.30	5.30	56	4.39	289	1,270	80	
included	60.10	61.03	0.93	56	0.77	991	764	85	
VG-046	32.60	34.85	2.25	50	1.72	166	287	91	
included	32.60	34.85	2.25	50	1.72	166	287	91	
VG-050	replaced by twin hole								
VG-050A	37.69	71.00	33.31	58	28.25	220	6,216	98	twin hole
included	37.69	59.05	21.36	58	18.11	303	5,483	96	twin hole

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recov-ery %	Comments
VG-051	replaced by twin hole								
VG-051A	36.35	76.40	40.05	58	33.96	64	2,180	82	twin hole; added "tail" from original hole
included	38.10	44.65	6.55	60	5.67	156	887	84	twin hole
VG-052	41.70	63.60	21.90	60	18.97	49	925	72	
VG-055	40.60	53.00	12.40	60	10.74	88	943	95	
included	47.80	50.90	3.10	60	2.68	217	583	87	
VG-056A	replaced by twin hole								
VG-056B	39.50	87.90	48.40	58	41.05	102	4,193	93	twin hole; added "tail" from original hole
included	43.22	46.04	2.82	58	2.39	992	2,373	99	twin hole
VG-057	33.10	41.57	8.47	60	7.34	10	73	95	
VG-058	44.65	51.80	7.15	45	5.06	158	800	95	
VG-065	21.12	25.00	3.88	45	2.74	71	196	98	
VG-066	45.50	47.68	2.18	55	1.79	14	26	94	
VG-067	75.50	79.00	3.50	51	2.72	35	95	97	
VG-068	64.00	105.45	41.45	60	35.90	200	7,167	93	
included	72.19	78.80	6.61	60	5.72	669	3,832	83	
VG-069	72.35	112.00	39.65	50	30.37	43	1,306	94	
VG-070	9.64	32.00	22.36	60	19.36	66	1,285	87	
VG-071	86.23	121.00	34.77	46	25.01	51	1,266	92	
included	86.23	87.72	1.49	46	1.07	278	298	85	
VG-082	104.60	131.00	26.40	45	18.67	130	2,419	89	
included	104.60	114.50	9.90	45	7.00	267	1,868	96	
VG-083	129.40	131.15	1.75	45	1.24	94	116	94	
VG-083	138.50	141.20	2.70	45	1.91	94	179	93	
VG-120	164.66	168.65	3.99	51	3.10	75	233	96	
VG-120	173.28	175.23	1.95	48	1.45	48	70	95	
VG-135	157.62	163.65	6.03	50	4.62	32	149	98	
VG-136	139.00	141.30	2.30	40	1.48	78	116	83	
JULIA SOUTH									
VG-001	33.50	40.55	7.05	45	4.99	171	853	94	
included	35.70	37.75	2.05	45	1.45	438	635	94	
VG-002	33.00	41.00	8.00	38	4.93	86	426	98	
included	33.85	35.30	1.45	38	0.89	307	274	95	
VG-003	39.50	47.70	8.20	40	5.27	328	1,726	98	
included	39.50	41.65	2.15	40	1.38	672	929	97	
VG-010	31.35	36.00	4.65	54	3.76	65	243	95	
VG-011	46.00	50.45	4.45	38	2.74	150	410	87	
included	49.50	50.45	0.95	38	0.58	437	256	90	
VG-012	27.00	40.00	13.00	48	9.66	215	2,082	90	
included	34.10	35.40	1.30	48	0.97	742	717	97	
VG-020	62.00	71.70	9.70	45	6.86	110	753	97	
included	68.80	71.70	2.90	45	2.05	198	406	98	
VG-022	77.07	84.60	7.53	30	3.77	79	298	97	
VG-023	24.50	36.70	12.20	45	8.63	221	1,904	81	
included	33.00	36.70	3.70	45	2.62	560	1,465	98	
VG-024	19.50	30.85	11.35	57	9.52	78	740	88	
included	28.00	30.00	2.00	57	1.68	218	366	91	
VG-130	32.00	54.10	22.10	34	12.36	58	717	95	
included	47.60	51.50	3.90	34	2.18	112	243	98	
VG-133	25.00	41.00	16.00	44	11.11	141	1,571	98	
included	38.40	39.50	1.10	44	0.76	1,115	852	98	
VG-140	38.00	51.00	13.00	43	8.87	185	1,640	95	
included	42.35	44.57	2.22	43	1.51	741	1,122	98	
VG-141	29.00	34.00	5.00	46	3.60	97	350	100	
VG-174	72.00	82.00	10.00	55	8.19	209	1,714	99	
included	76.75	78.00	1.25	55	1.02	1,126	1,153	99	
VG-175	44.70	45.38	0.68	63	0.61	45	27	90	
VG-175	74.00	78.00	4.00	63	3.56	51	182	100	
VG-177	72.60	81.70	9.10	45	6.43	90	579	97	
VG-178	41.23	42.30	1.07	27	0.49	84	41	100	

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recov-ery %	Comments
VG-178	58.00	59.80	1.80	27	0.82	57	47	96	
VG-191	35.83	40.50	4.67	22	1.75	97	170	98	
VG-191	37.58	39.05	1.47	22	0.55	216	119	97	
VG-192	52.00	53.52	1.52	65	1.38	42	58	95	
VG-192	64.60	73.10	8.50	65	7.70	159	1,224	99	
included	71.13	72.10	0.97	65	0.88	1,045	919	99	
VG-193	81.60	83.27	1.67	55	1.37	206	282	98	
VG-194	81.00	87.56	6.56	43	4.47	150	670	100	
included	83.32	86.25	2.93	43	2.00	283	565	100	
VG-195	37.44	40.45	3.01	53	2.40	182	439	100	
VG-195	73.89	75.12	1.23	53	0.98	134	132	95	
included	38.95	39.42	0.47	53	0.38	824	309	100	
NATY									
VG-033	14.00	43.75	29.75	70	27.96	35	970	78	
VG-034	24.00	36.00	12.00	70	11.28	32	361	81	
VG-040	replaced by twin hole								
VG-040A	15.00	66.00	51.00	68	47.29	86	4,043	92	twin hole
included	41.00	48.70	7.70	68	7.14	205	1,460	84	twin hole
VG-041	replaced by twin hole								
included	replaced by twin hole								
VG-041A	47.50	98.00	50.50	68	46.82	123	5,739	100	twin hole
included	71.40	78.15	6.75	68	6.26	532	3,327	99	twin hole
VG-047	7.00	71.00	64.00	70	60.14	32	1,914	80	
VG-048	replaced by twin hole								
VG-048A	34.85	50.10	15.25	54	12.34	35	435	86	twin hole
VG-049	10.00	37.00	27.00	75	26.08	104	2,710	80	
included	13.85	17.00	3.15	75	3.04	427	1,298	66	
VG-053	46.70	75.00	28.30	70	26.59	230	6,111	89	
included	50.40	54.10	3.70	70	3.48	1,402	4,874	94	
VG-054	15.70	42.50	26.80	67	24.67	48	1,191	87	
VG-059A	72.90	76.00	3.10	67	2.85	12	33	91	
VG-060	36.02	49.00	12.98	70	12.20	81	986	91	
included	46.00	47.25	1.25	70	1.17	497	584	96	
VG-061	4.00	21.00	17.00	70	15.97	160	2,562	66	
included	8.30	15.82	7.52	70	7.07	301	2,125	49	
VG-062	35.69	38.60	2.91	70	2.73	76	207	96	
VG-063	92.05	92.70	0.65	70	0.61	662	404	100	
VG-064	80.00	83.00	3.00	70	2.82	201	567	100	
included	81.02	81.82	0.80	70	0.75	567	426	100	
VG-084	111.00	112.95	1.95	45	1.38	48	66	100	
VG-085	110.00	114.50	4.50	80	4.43	59	263	77	
VG-085	132.20	136.00	3.80	80	3.74	30	113	97	
VG-086	24.00	40.00	16.00	45	11.31	239	2,699	98	
included	32.95	37.30	4.35	45	3.08	704	2,165	97	
VG-095	101.93	104.00	2.07	36	1.22	38	46	96	
VG-096	48.70	50.75	2.05	46	1.47	797	1,176	95	
VG-096	82.35	83.12	0.77	43	0.53	38	20	88	
VG-097	21.25	24.15	2.90	43	1.98	214	423	73	
VG-097	38.50	40.70	2.20	43	1.50	48	72	95	
VG-097	68.00	79.10	11.10	43	7.57	42	319	99	
included	23.05	23.50	0.45	43	0.31	1,195	367	81	
VG-115	53.00	55.00	2.00	40	1.29	31	40	99	
VG-115	83.00	85.00	2.00	40	1.29	33	42	100	
VG-116	42.40	43.88	1.48	63	1.32	80	105	95	
VG-142	1.57	16.00	14.43	51	11.21	68	765	86	
VG-152	43.00	47.00	4.00	70	3.76	39	146	91	
VG-153	84.00	88.49	4.49	76	4.36	68	298	95	
ELY SOUTH									
VG-088	34.00	47.30	13.30	40	8.55	174	1,487	98	
included	40.00	43.10	3.10	40	1.99	538	1,072	97	
VG-107	89.23	97.50	8.27	38	5.09	40	201	98	

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recov-ery %	Comments
VG-108	47.56	50.65	3.09	43	2.11	50	106	98	
VG-109	44.52	57.50	12.98	43	8.85	41	361	91	
VG-110	47.18	61.15	13.97	43	9.53	100	951	97	
included	58.87	60.55	1.68	43	1.15	556	637	93	
VG-111	37.47	62.00	24.53	48	18.23	63	1,144	92	
included	56.00	62.00	6.00	48	4.46	109	487	98	
VG-112	29.80	39.94	10.14	47	7.42	163	1,206	99	
VG-112	63.72	67.00	3.28	47	2.40	59	143	100	
VG-112	86.35	92.00	5.65	47	4.13	122	503	97	
included	29.80	35.02	5.22	47	3.82	219	834	98	
included	87.90	90.60	2.70	47	1.97	210	415	99	
VG-113	63.00	97.00	34.00	40	21.85	79	1,735	97	
included	87.80	90.75	2.95	40	1.90	495	939	91	
VG-114	92.00	93.68	1.68	42	1.12	66	74	100	
VG-126	94.30	118.16	23.86	30	11.93	119	1,418	98	
VG-126	139.53	141.60	2.07	39	1.30	49	64	100	
included	103.44	105.78	2.34	30	1.17	726	849	100	
VG-127	42.02	45.52	3.50	34	1.96	43	84	100	
VG-127	124.60	151.50	26.90	34	15.04	135	2,024	98	
included	144.48	145.67	1.19	34	0.67	1,760	1,171	91	
VG-128	21.81	27.60	5.79	52	4.56	41	189	99	
VG-129	62.00	80.00	18.00	40	11.57	58	672	98	
included	72.65	74.96	2.31	40	1.48	119	177	99	
VG-137	97.60	99.90	2.30	37	1.38	80	110	94	
VG-137	188.90	194.40	5.50	43	3.75	116	435	100	
included	188.90	189.75	0.85	43	0.58	378	219	100	
VG-138	105.00	133.00	28.00	41	18.37	195	3,575	99	
included	110.90	115.50	4.60	41	3.02	493	1,489	100	
included	121.40	123.25	1.85	41	1.21	737	895	99	
VG-139	186.80	199.05	12.25	29	5.94	95	562	100	
included	193.93	199.05	5.12	29	2.48	149	370	99	
VG-169	128.55	137.00	8.45	39	5.32	90	478	97	
included	134.08	135.90	1.82	39	1.15	217	249	92	
VG-170	115.07	119.38	4.31	40	2.77	41	113	96	
VG-173	72.00	80.00	8.00	56	6.63	116	772	100	
included	74.00	78.15	4.15	56	3.44	172	591	100	
VG-187	57.95	75.00	17.05	56	14.14	38	531	100	
VG-188	70.50	78.00	7.50	39	4.72	64	300	100	
VG-189	119.18	126.00	6.82	35	3.91	61	238	99	
VG-190	173.05	174.76	1.71	52	1.35	37	50	100	
ELY NORTH									
VG-087	36.00	59.45	23.45	40	15.07	35	524	96	
VG-104	37.05	72.50	35.45	34	19.82	31	614	97	
VG-105	68.00	119.00	51.00	30	25.50	88	2,233	99	
included	77.74	82.90	5.16	30	2.58	142	367	98	
included	102.50	116.00	13.50	30	6.75	137	928	99	
VG-106	31.00	63.00	32.00	60	27.71	40	1,110	95	
VG-118	replaced by twin hole								
VG-118A	33.00	48.00	15.00	62	13.24	95	1,262	97	twin hole
included	37.70	40.90	3.20	62	2.83	232	656	96	twin hole
VG-160	43.50	55.98	12.48	60	10.81	47	513	99	
VG-161	92.00	164.70	72.70	56	60.27	47	2,860	99	
included	155.80	163.47	7.67	63	6.83	129	881	100	
VG-162	57.00	79.14	22.14	85	22.06	91	2,010	98	
included	67.50	74.62	7.12	85	7.09	166	1,181	98	
VG-163	81.50	98.60	17.10	74	16.44	48	784	93	
VG-164	60.00	111.46	51.46	72	48.94	42	2,037	97	
included	108.20	111.46	3.26	72	3.10	199	616	100	
VG-165	27.50	37.00	9.50	72	9.04	80	725	96	
included	29.05	30.65	1.60	72	1.52	201	306	97	
VG-166	29.70	47.00	17.30	85	17.23	94	1,616	98	
included	33.93	41.00	7.07	85	7.04	150	1,059	97	

hole	intercept from (m)	intercept to (m)	core length (m)	intercept angle (°)	true width (m)	Ag (g/t)	Ag grade x true thickness (g/t * m)	Core Recov-ery %	Comments
VG-179	63.40	108.10	44.70	70	42.00	46	1,938	98	
included	98.90	105.75	6.85	70	6.44	81	522	98	
VG-180	67.00	83.00	16.00	72	15.22	55	842	99	
VG-181	61.00	90.00	29.00	85	28.89	62	1,777	96	
included	78.60	80.30	1.70	85	1.69	311	527	95	
VG-182	113.00	215.40	102.40	63	91.24	32	2,919	96	
VG-183	71.00	121.50	50.50	63	45.00	62	2,770	97	
included	96.50	105.00	8.50	63	7.57	103	780	96	
VG-184	75.94	172.08	96.14	56	79.70	55	4,380	96	
included	160.65	163.40	2.75	56	2.28	419	956	99	
VG-185	156.30	188.85	32.55	74	31.29	38	1,196	98	
VG-186	100.00	105.50	5.50	74	5.29	44	232	100	
MARTINA									
VG-089A	31.00	46.00	15.00	43	10.23	245	2,510	95	
included	32.80	38.06	5.26	43	3.59	530	1,901	89	
VG-092	87.00	107.00	20.00	40	12.86	40	513	98	
VG-093	34.00	53.00	19.00	43	12.96	62	804	95	
VG-093	66.00	83.00	17.00	43	11.59	40	458	97	
included	37.25	38.00	0.75	43	0.51	244	125	89	
VG-094	replaced by twin hole								
VG-094A	24.37	44.20	19.83	41	13.01	61	797	93	twin hole
included	26.94	30.53	3.59	41	2.36	119	280	93	twin hole
VG-094A	62.50	71.04	8.54	41	5.60	50	280	98	twin hole
included	66.50	67.26	0.76	41	0.50	173	86	100	twin hole
VG-119	replaced by twin hole								
VG-119A	replaced by twin hole								
VG-119B	27.00	65.65	38.65	41	25.36	61	1,541	94	twin hole
included	42.75	48.50	5.75	41	3.77	155	585	91	twin hole
VG-122	replaced by twin hole								
VG-122A	74.54	87.90	13.36	55	10.94	63	692	89	twin hole
included	83.00	84.30	1.30	55	1.06	141	150	69	twin hole
VG-123	24.86	29.47	4.61	41	3.02	57	172	98	
VG-123	50.66	51.22	0.56	41	0.37	46	17	97	
VG-124	5.60	41.00	35.40	42	23.69	33	774	98	
VG-125	53.00	64.00	11.00	41	7.22	46	330	96	
included	55.80	56.30	0.50	41	0.33	272	89	99	
VG-168	163.40	166.00	2.60	40	1.67	53	89	81	
VG-176	133.00	135.00	2.00	50	1.53	41	63	92	
NATY EXTENSION									
VG-100	68.00	70.00	2.00	41	1.31	71	93	94	
VG-101	20.50	35.00	14.50	46	10.43	26	271	95	
VG-102	19.50	49.30	29.80	45	21.07	22	457	96	
VG-103	38.79	39.16	0.37	42	0.25	21	5	92	
MAGI									
VG-090	37.80	40.75	2.95	65	2.67	49	130	83	
VG-090	55.90	59.00	3.10	80	3.05	49	150	89	
VG-091	98.00	108.00	10.00	55	8.19	52	424	97	

10.4 True Thickness

Estimations of true thickness have been made for all drill hole intercepts by plotting cross sections, interpreting the contacts of the vein-breccia (using geological contacts) and halo of low grade mineralization surrounding it (using a 30 g/t silver contact). Results of the estimations are included in Table 10-3. Holes were generally drilled at inclinations near to -45° and the zones are generally near-vertically dipping so the intersection angles are usually near 45°. Rarely are the intersection angles less than 40°. Where the zones are dipping moderately the intersection angles can approach 70 or 80°. In general the uncertainty associated with the interpreted intersection angles is low with the exception of isolated holes. In such cases, data from adjacent sections are used to support the interpretations of the dip of the zone on the section with an isolated drill hole.

10.5 Significantly Higher Grade Intervals

Significantly higher grade intervals, within a 30 gram/tonne silver cutoff are common at Virginia. Almost invariably these correspond to logged intervals of vein or breccia. It is important to separate these geologically from the lower grade mineralization forming a halo around the vein breccia. This has been done in Table 10-3 where the majority of the "included" intercepts are generally vein breccia without the halo. The geology, mineralogy and grade of the vein breccia and halo are fundamentally different and it is recommended that they always be treated separately as different types of material in any engineering studies (metallurgy, resources and the like).

11 SAMPLING PREPARATION, ANALYSES, AND SECURITY

11.1 Sample Security

Once drill core samples have been cut and bagged the bags are double sealed with two zip-strips (Figure 11-1). The first ordinary zip strip closes the bag around the neck of the bag under as much tension as it will support. A second, custom printed zip-strip seal with Mirasol's name and the matching sample number is affixed to the bag. The numbered seal pierces the bag above the neck of the bag where it is sealed by the first zip strip so as to make it impossible to slip the ordinary zip-strip over the neck of the back. The lab is required to notify Mirasol if the samples do not arrive with the Mirasol seals intact or if there are missing seals.

Figure 11-1. Example of security-sealed sample bag ready for sacking and shipping.

Sealed sample bags are placed in rice sacks in sequence for shipment to the lab. A record of all samples shipped is kept by the geologist sending the sample shipment. Samples are transported by one of several possible contractors or Mirasol personnel from the project to the assay laboratory in Mendoza or Perito Moreno. These contractors included private freight services or similar. The sealed bags and customized zip strips assure the chain of custody between Mirasol and the lab.

11.2 Sample Preparation and Analyses

No sample preparation was done in the field for samples to be assayed other than that required to cut and sample the core as described in the previous section.

In Phases 1 and 2, ALS Laboratory Group was the primary laboratory with their Mendoza office receiving the samples for analysis within their group and Alex Stewart Laboratory in Mendoza was the secondary lab. In Phases 3 and 4, this was reversed such that Alex Stewart became the primary laboratory and ALS Group became the secondary laboratory.

At ALS the laboratory procedures were as follows:

- DRY-2: dry at <60°C
- PREP-31: comprising the following steps
- CRU-31: fine crushing to >70 passing 2mm
- SPL-21: riffle split 250 grams
- PUL-31: pulverize 250g to >85% passing 75 microns
- Ag Au ME-GRAV21: 30 gram Fire Assay with Gravimetric Finish Ag detection limit of 5 ppm
- Ag-CON01: Concentrate analysis method used for a single sample with >10,000 g/t silver
- ME-ICP41: Nitric-aqua regia digestion with ICP analysis for 41 elements
- OG46: Cu, Pb and Zn over limits from ICP41 were analyzed by this method

At Alex Stewart the laboratory procedures were as follows:

- P1: homogenize (pulp standards only)
- P5: dry, crush all to 80% passing -10 mesh, quarter sample to approx. 1.2kg, pulverize to 95% passing 105 microns
- Ag4A-30 or Ag4A-50 using a 30 or 50 gram pulp, samples are fused with flux and the precious metals collected by a lead button which is fused in a copel down to the precious metal prill that is gravimetrically weighted. Silver is then dissolved by nitric acid, and the gold read by AAS, and the silver content calculated by the difference
- Au4A-30 or Au4A-50 as above using 30 or 50 grams of pulp with gold read by AAS on the prill dissolved in aqua regia
- ICP-AR-39: aqua regia digestions ICP analysis for 39 elements
- ICP-ORE: for over limits in Fe and/or Pb

11.3 Bulk Density Measurements

Bulk density determinations we performed by Mirasol's geologic staff using representative diamond core samples from vein/breccia mineralization and various rock and alteration types from wallrock material. Initially a set of 67 samples of 10 to 20 cm lengths of half core were selected to include vein and wall rock from drilling in the Julia and Naty in Phases 1 and 2 that were sent to Alex Stewart Laboratory in Mendoza. Alex Stewart determined the density on these samples by the paraffin method (weigh dried sample in air without paraffin in air, coat with paraffin and weight in air, weight with paraffin suspended in water). Mirasol then recovered these same cores after they had been cut once again longitudinally (one quarter was sent for chemical analysis the other was used for Mirasol to practice bulk density determinations in the core shack using the same paraffin method that Alex Stewart had used). Mirasol used a formula which includes a factor for the weight of paraffin coating the sample using a density of 0.9 thereby correcting for the buoyancy of the paraffin in the calculation.

Table 11-1 summarizes basic statistics for bulk density determinations performed by Mirasol and Alex Stewart for vein/breccia material. Note that values in the "Combined Data" column represent commingled results where the Alex Stewart results supersede the Mirasol results in cases where both are available.

Table 11-1. Vein/Breccia Bulk Density Statistics

Parameter	Combined	Mirasol	Alex Stewart
Count	137	98	92
5th percentile	2.02	2.03	2.05
Mean	2.52	2.46	2.56
Median (50th)	2.50	2.48	2.55
95th percentile	3.15	2.91	3.22
Std. Dev.	0.34	0.32	0.33

When the data by Mirasol and Alex Stewart are compared they are very similar suggesting that there is no significant bias between the two. Figure 11-2 is an X-Y plot that compares the Mirasol (x-axis) and Alex Stewart (y-axis) bulk density results for vein/breccia material. The Mirasol values tend to be very slightly lower when the best fit line (blue) is compared to the 1:1 line (black).

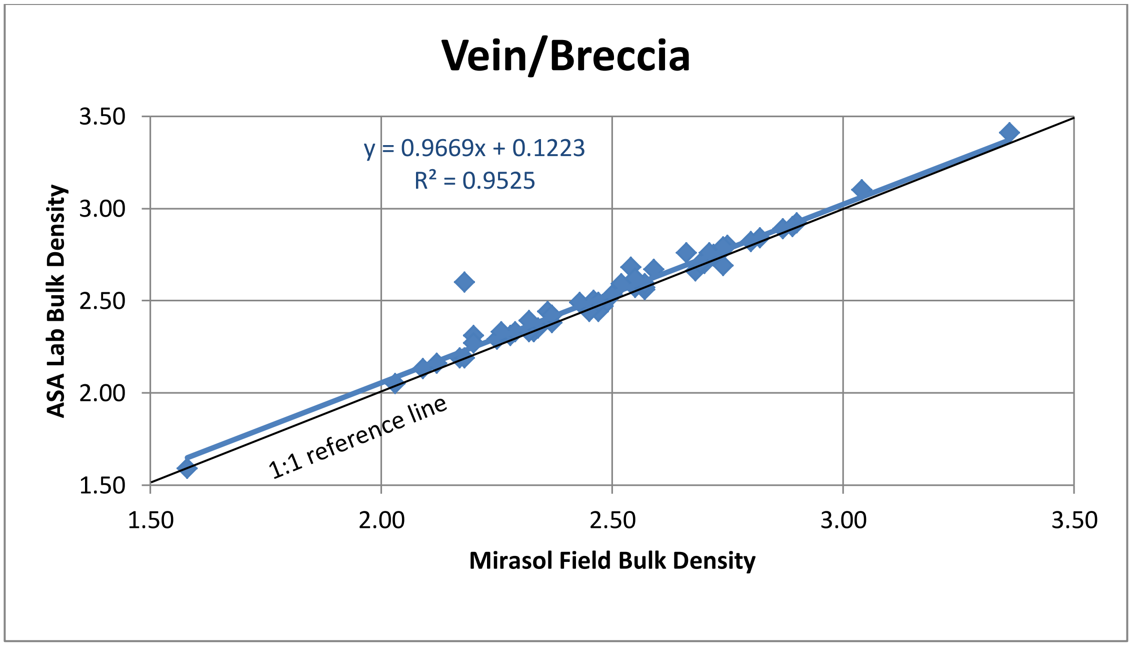


Figure 11-2. Mirasol vs. Lab Density Measurements - Vein/Breccia Material.

Bulk density determinations were also made for halo and other wallrock lithologies using select drill core samples. Table 11-2 summarizes basic statistics for halo/wallrock material.

Table 11-2. Halo/Wallrock Bulk Density Statistics

Parameter	Combined	Mirasol	Alex Stewart
Count	268	248	49
5th percentile	1.68	1.70	1.58
Mean	2.11	2.12	2.06
Median (50th)	2.13	2.13	2.14
95th percentile	2.44	2.43	2.37
Std. Dev.	0.23	0.22	0.22

Again the comparison of Mirasol measurements to those of Alex Stewart is very similar suggesting there is no significant bias between the two (Figure 11-3).

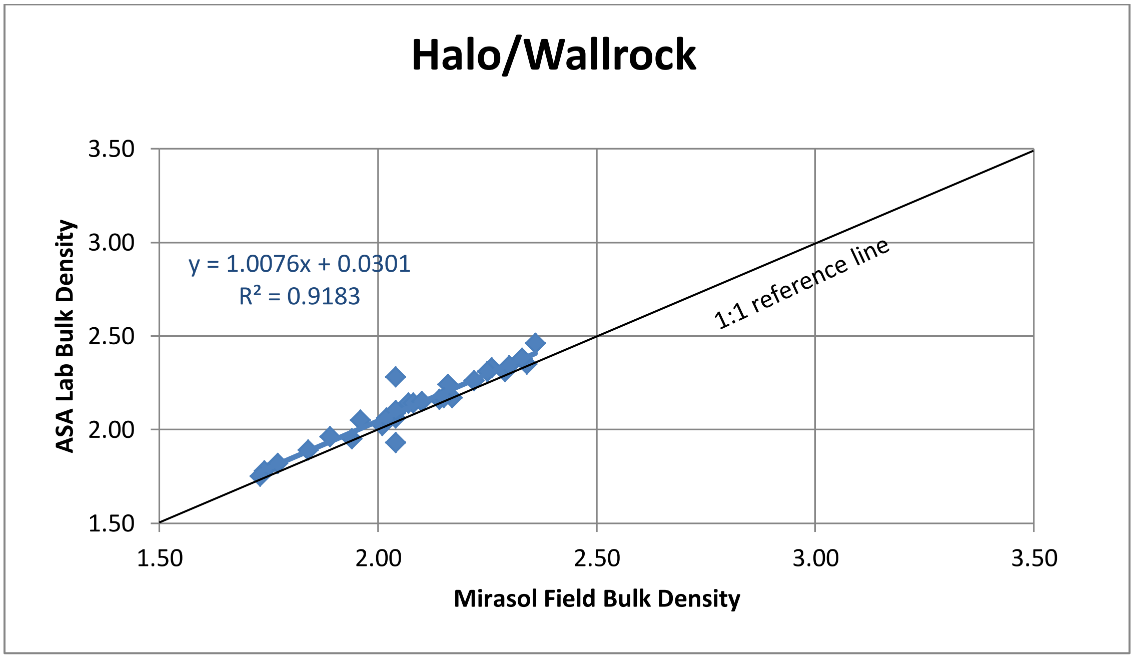


Figure 11-3. Mirasol vs. Lab Density Measurements - Halo/Wallrock Material.

Based on available bulk density determinations it is suggested that average bulk density values of vein/breccia should be assumed to be 2.52 g/cm^3 and for the halo/wallrock 2.11 g/cm^3.

In a general sense it is clear that the tendency of the wall rock is to have low bulk density, especially where it is strongly clay-altered, but with a relatively small range as evidenced by the 5th to 95th percentile range of 1.68 to 2.44. Selection of samples for bulk density determinations is limited in the sense that a significant amount of the wall rock core drilled is too soft and lacks the cohesion needed to measure bulk density. Thus, there is a risk of samples being non-representative.

In the case of the vein/breccia samples the bulk density has a broad range as evidenced by the 5th to 95th percentile range of 2.02 to 3.15. The median of vein/breccia bulk density of 2.52 compared to 2.11 for the halo/wall rock. Again, in the vein/breccia sampling is complicated by the broken material in some cases, but also in this case more importantly by very iron-rich portions of the vein/breccia which have significantly higher bulk density. If these are under, or over sampled, the median bulk density could be biased.

Mirasol has experimented with correlating bulk chemistry to bulk density using samples of measured density and known chemistry (on the same short core segment). These data suggest that a multiple regression formula with the weighting of Al, S, Fe, Pb and can successfully model the measured bulk density. This method has potential to test whether a sampling bias exists in density measurements because it can be applied to all core samples in the drill database (as all samples have ICP data for these elements). Initial tests suggest that to date there is no sampling bias in the bulk density results. Nevertheless, further work is warranted on multiple methods of determining bulk density given the importance and difficulties particular to Virginia Silver Project mineralization.

12 DATA VERIFICATION

12.1 Data and Assay Verification

Rock sample and drill hole data generated are verified in a number of ways. First the geological and sampling data for drill core are entered into specially designed spreadsheets with macros that detect and require corrections if illegal or undefined codes are entered.

Those data are then checked in Mendoza prior to sending them to Global Ore Discovery (a consultant to Mirasol) for further checking and verification of the descriptive data and sampling data. Any differences are resolved by cooperative work between the Mirasol internal QP, the geologists doing the logging, and the database personnel at Global Ore.

Verification tools in the software suite MapInfo/Discover include checks of many possible errors including checks of sample depths against collar depths, duplicate sample numbers, gaps or overlapping sample or logging intervals. All of these checks are performed and any failures are resolved as noted in the manner noted in the previous paragraph.

All of the numerical and descriptive data are stored in the software Ex3, which is a relational database, by Global Ore staff. Ex3 has limited access, tracks all changes, and stores all of the information and metadata associated with each sample shipment.

Global Ore staff directly imports digital assay data from Excel compatible files provided by the laboratory into Ex3 for storage. Verification of that data are done and preliminary checks are done of the quality control of the Mirasol control samples on a batch by batch basis before the data are approved for use. Periodically, time series QA/QC work is done by Global Ore staff in addition to the batch by batch review. Results are reported to Mirasol and the author.

Finally, the QP has maintained a set of spreadsheet drill hole files with the collar, survey and assay data independent of the Ex3 data storage. At the end of Phase 4, a cross verification of the Ex3 data versus the spreadsheets was done. Only a handful of differences were noted and those were subsequently corrected in both datasets. The Ex3 dataset is considered to be the official dataset.

12.2 Discussion

Time series analyses over the life of the project have been done by Global Ore and Mirasol on the Mirasol control samples (blanks, certified standards and duplicates as well as secondary lab checks). Global Ore has reported on their work in Phases 1 and 2 (Global Ore Discovery, 2011) and Phases 3 and 4 (Global Ore Discovery, 2012).

Figure 12-1 shows the results of the blanks for silver, gold and lead as compiled by this author. Figures 12-2 to 12-6 show the results of the certified standards for silver. Figures 12-7 to 12-9 show the results of the duplicate core samples.

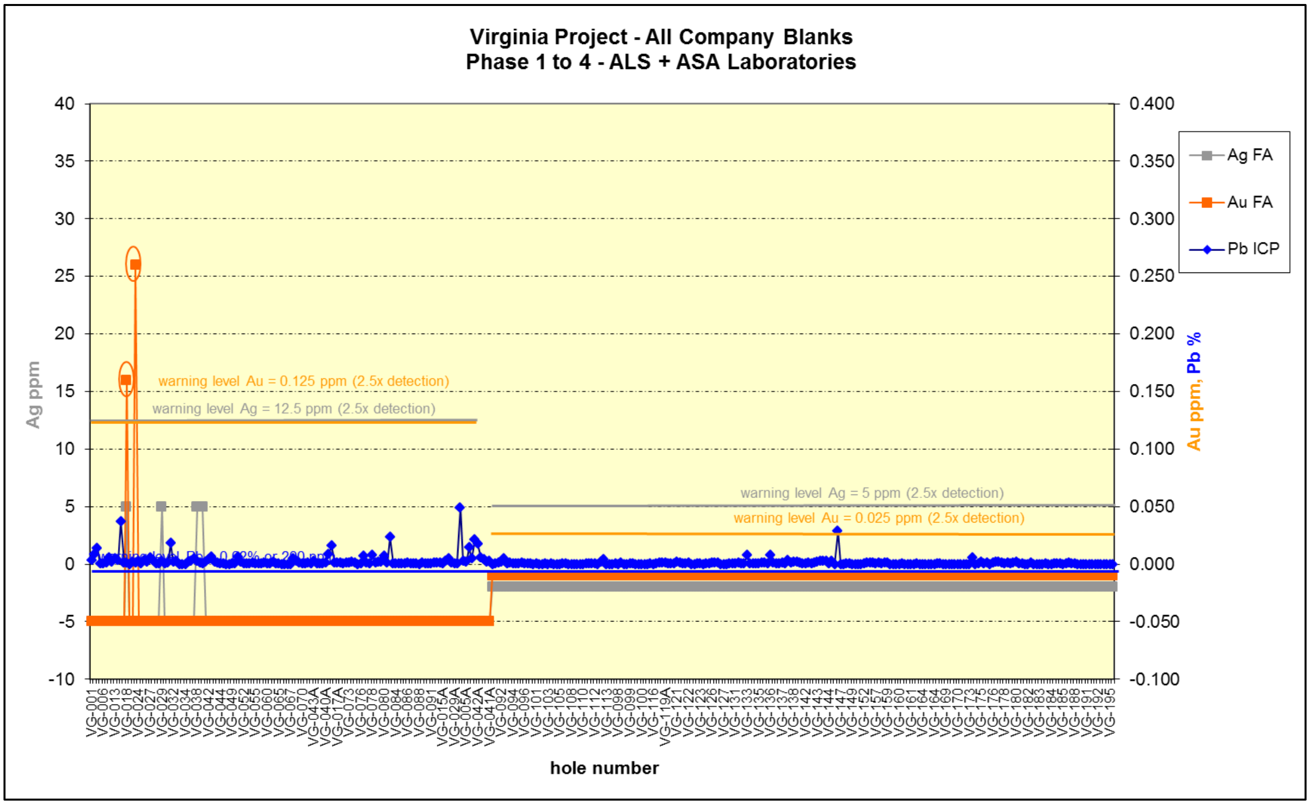


Figure 12-1. Results for Mirasol control blanks.

The change is noted in Figure 12-1 at hole VG-092 is due to the change of primary laboratory at the start of Phase 3 with different detection limits in all elements. It is detectable in some of the graphs that follow, but this is to be expected and does not necessarily indicate problems. Silver is plotted in on the left-hand axis and in grey colors and text on the graph. All silver values of blanks fall with the acceptable range of 2.5 times the detection limit. In the case of gold (orange colour) and lead (blue) these data are plotted on the right hand access. Three cases of gold plot slightly outside of the acceptable range, but considering that gold is not economically significant at Virginia this is of minimal importance.

Results for certified standard ME-04 (Figure 12-2) for life of project show that all data plot within 2 standard deviations of the recommended value for silver.

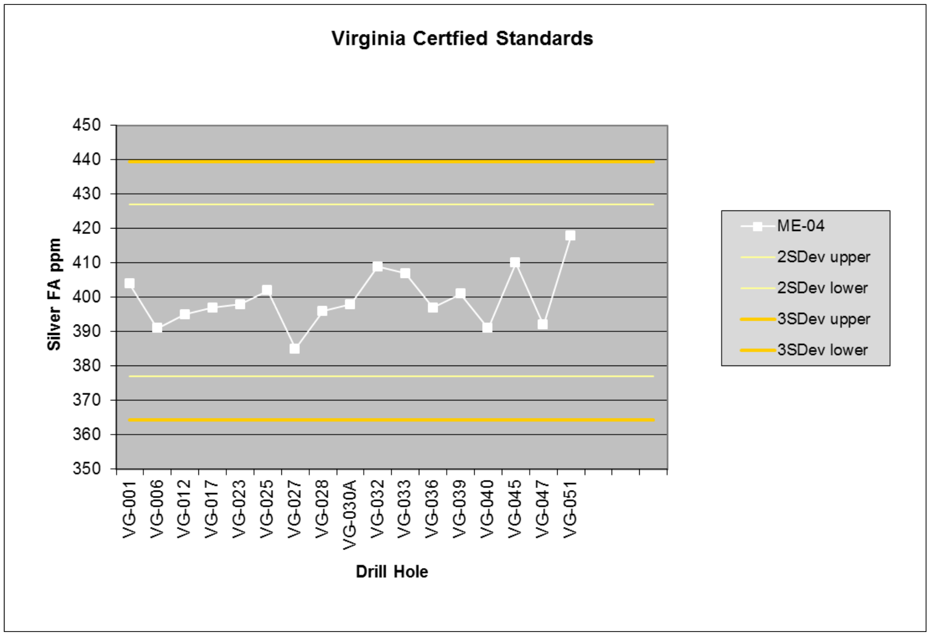


Figure 12-2. Results for certified standard ME-04.

Results for certified standard ME-05 (Figure 12-3) for the life of project show that all but one data point plot within 2 standard deviations of the recommended value for silver.

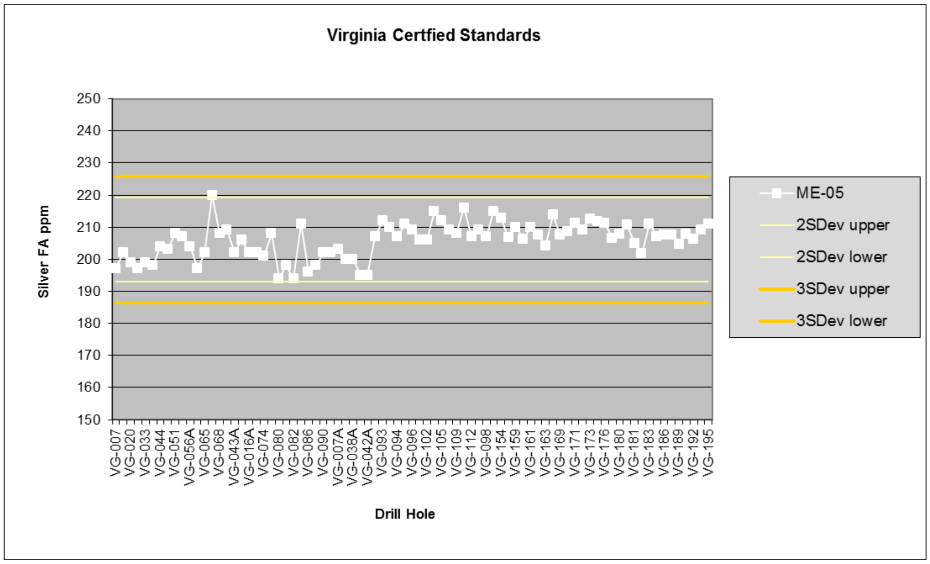


Figure 12-3. Results for certified standard ME-05.

Results for certified standard ME-06 (Figure 12-4) life of project show that most of the data plot within 2 standard deviations, especially after hole VG-072. In the cases where ME-06 plotted outside the 3 standard deviation lines the batches were examined in greater detail and it was found that the other certified standards in the same batches were within their acceptable limits so the batch was not rejected.

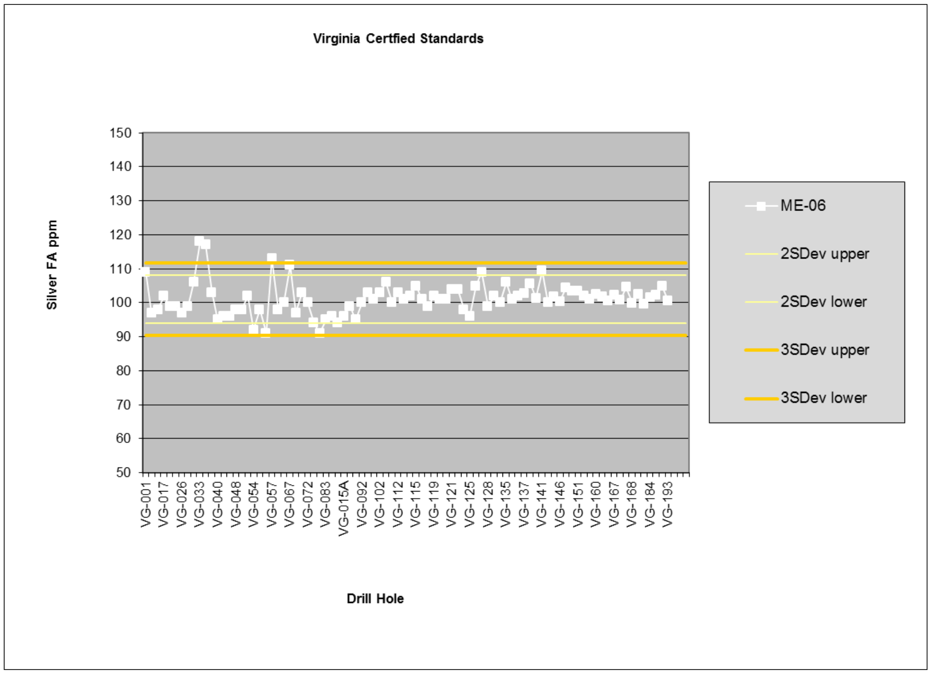


Figure 12-4. Results for certified standard ME-06.

Results for certified standard ME-12 (Figure 12-5) life of project show that most of the data plot within 2 standard deviations, especially after hole VG-095. In the five cases where ME-12 plotted outside the 3 standard deviation lines the batches were examined in greater detail and it was found that the other certified standards in the same batches were within their acceptable limits so the batch was not rejected.

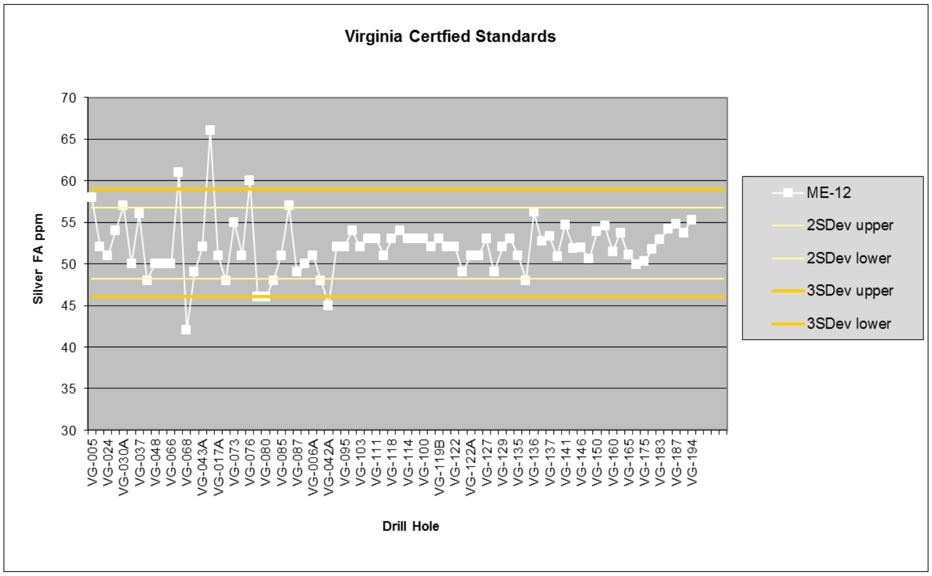


Figure 12-5. Results for certified standard ME-12.

Results for certified standard ME-15 (Figure 12-6) are shown for the life of project. Most of the data plot within 2 standard deviations. In the one case where ME-15 plotted outside the 3 standard deviation lines the batch was examined in greater detail and it was found that the other certified standards in the same batch were within their acceptable limits so the batch was not rejected.

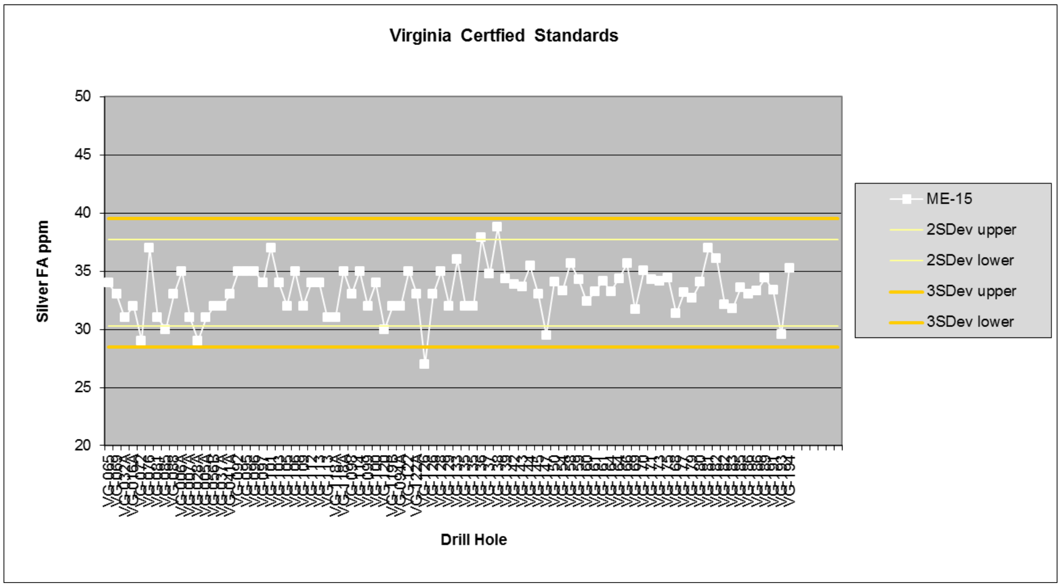


Figure 12-6. Results for certified standard ME-15.

A summary of Virginia core duplicates (both original and duplicate are ½ HQ cores) showing all silver data is provided (Figure 12-7). Note the data are nearly evenly divided by the 1:1 slope reference line and that the best-fit line as a slope of 0.9582 with an R-squared value of 0.9752 a very high degree of correlation.

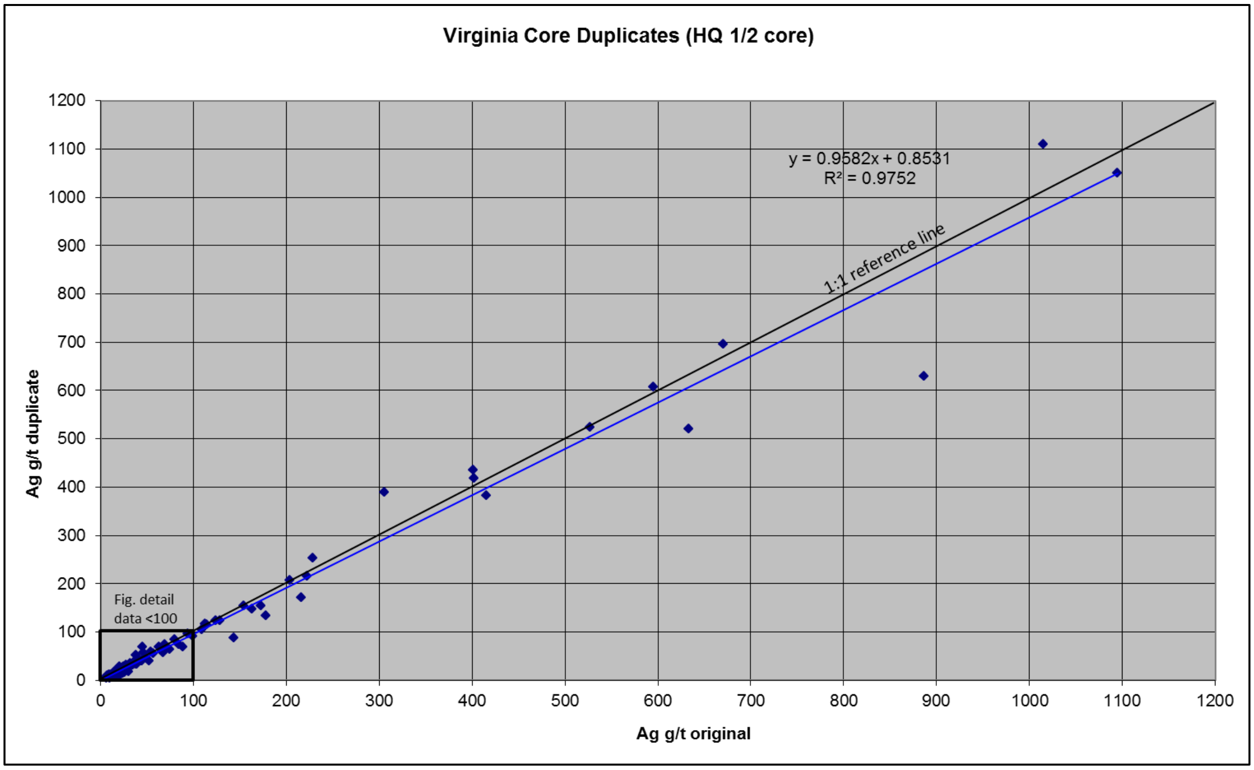


Figure 12-7. Summary of Virginia core duplicates - silver.

A summary of Virginia core duplicates showing only data less that 100 g/t silver is also provided (Figure 12-8). Note the data are nearly evenly divided by the 1:1 slope reference line even at low values which suggest there is no bias at low values.

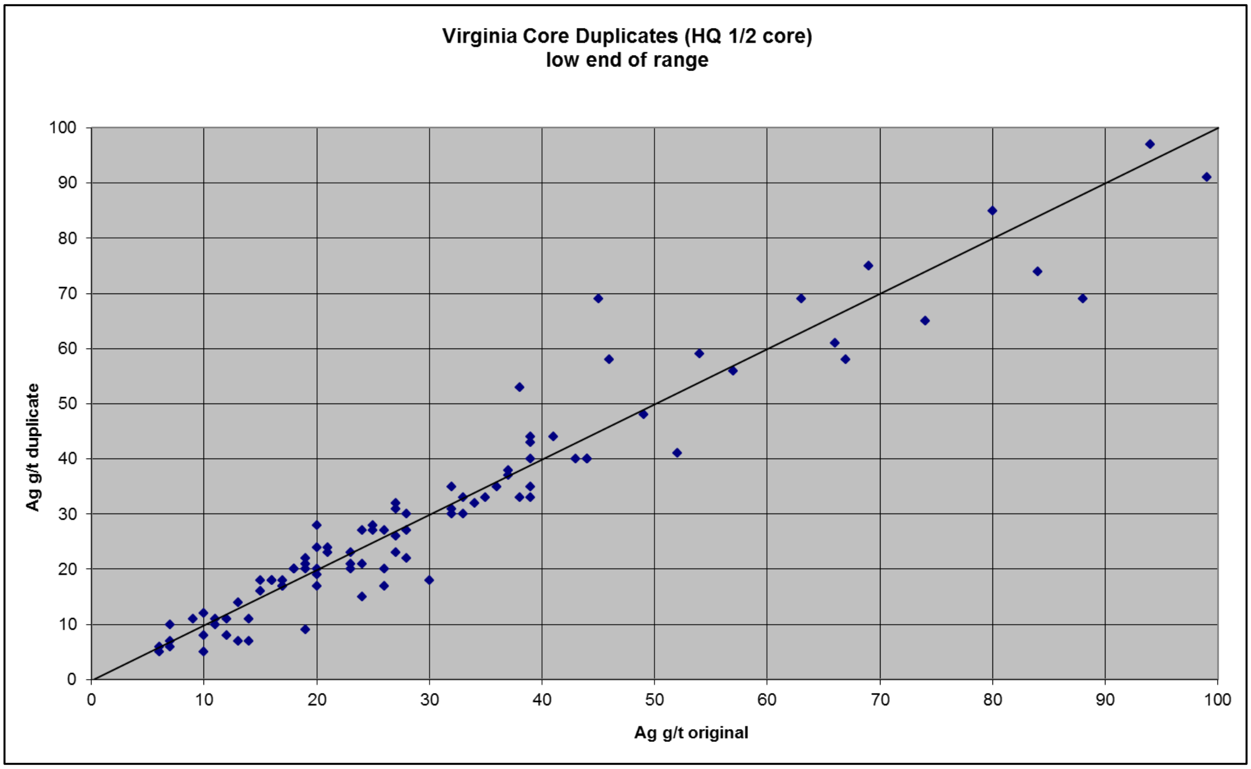


Figure 12-8. Summary of Virginia core duplicates of <100 g/t silver.

Summary of Virginia core duplicates showing all data plotted as the original silver value versus the mean percent difference of the duplicate less the original (Figure 12-9). Note how the data generally plot evenly about the zero percent difference line and how all samples greater than 30 g/t silver except one sample lie within +/- 10% difference. A single sample plots far from the rest which has an original values of 22 g/t silver whereas the duplicate had a value of <5 g/t silver. This isolated failure may represent a sample mix-up. It is not significant in this context. It can be concluded that there was no bias introduced during the sampling of the core.

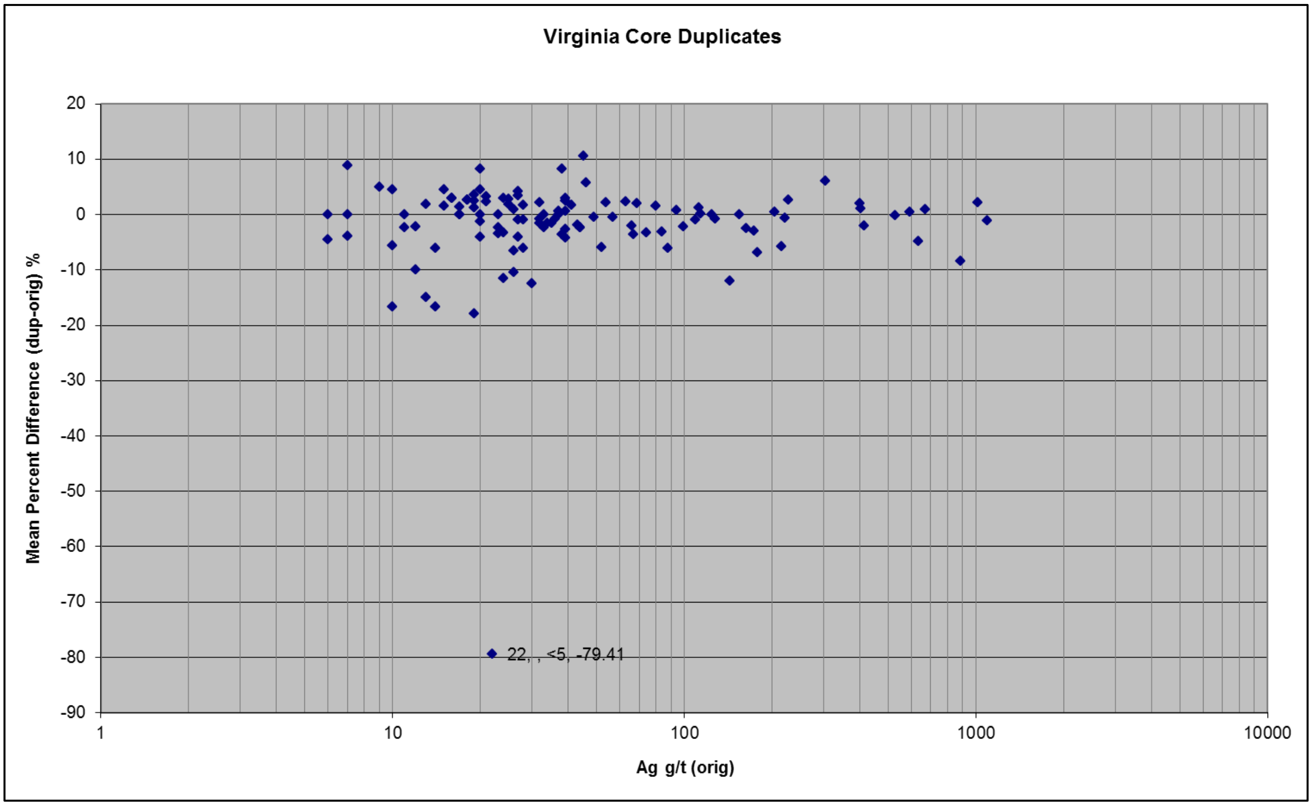


Figure 12-9. Summary of Virginia core duplicates (both original and duplicate are ½ HQ cores) showing all data. Data are plotted as the original silver value versus the mean percent difference of the duplicate less the original.

The results of the QA/QC program are satisfactory. The QP believes the drill data are suitable for use in mineral resource estimation after removal of certain sections of certain holes due to poor core recovery (all of which have been replaced by new holes with acceptable recovery). The core data not suitable for use is listed below (Table 12-1).

Table 12-1. Drill hole data not Suitable for Resource Estimation

HoleID	Zone ID	Data Not Suitable for Resource Estimation (poor recovery	do not use these data	
			from (m)	to (m)
VG-005	Julia North	entire hole	0.00	42.00
VG-006	Julia North	entire hole	0.00	42.00
VG-007	Julia North	entire hole	0.00	42.00
VG-014	Julia North	entire hole	0.00	45.00
VG-015	Julia North	entire hole	0.00	51.00
VG-016	Julia North	entire hole	0.00	45.00
VG-017	Julia North	entire hole	0.00	56.00
VG-025	Julia North	part of hole	0.00	73.00
VG-027	Julia North	part of hole	0.00	93.00
VG-028	Julia North	part of hole	0.00	87.00
VG-029	Julia North	entire hole	0.00	68.00
VG-032	Julia North	entire hole	0.00	60.00
VG-037	Julia North	part of hole	0.00	65.00
VG-038	Julia North	part of hole	0.00	116.00
VG-040	Naty South	entire hole	0.00	89.00
VG-041	Naty South	entire hole	0.00	110.00
VG-042	Julia Central	entire hole	0.00	56.00
VG-043	Julia Central	entire hole	0.00	86.50
VG-048	Naty South	entire hole	0.00	72.40
VG-050	Julia Central	entire hole	0.00	70.70
VG-051	Julia Central	part of hole	0.00	56.00
VG-056A	Julia Central	entire hole	0.00	86.10
VG-089	Martina	part of hole	0.00	49.00
VG-094	Martina	part of hole	0.00	72.50
VG-118	Ely North	entire hole	0.00	47.00
VG-119	Martina	entire hole	0.00	59.00
VG-122	Martina	entire hole	0.00	111.30

13 MINERAL PROCESSING AND METALLURGICAL TESTING

Mirasol has conducted an initial program of metallurgical test work at the Virginia Silver Project under the supervision of Chris Martin, C. Eng; Principal Metallurgist with Blue Coast Metallurgy Ltd. Most of the metallurgical test work was conducted primarily at Blue Coast Research Ltd. in Parksville, British Columbia, Canada. The information that follows is summarized from a Mirasol press release of Feb. 7, 2013 by the author of this Technical Report.

The test program was designed to determine how silver can be recovered from mineralized drill core sourced from the Julia and Naty veins at the Virginia Project. Representative drill samples of the high-grade vein and breccia-vein material were composited separately from the surrounding halo of low-grade mineralization, and were tested separately. Testing was done to a preliminary evaluation analysis (PEA, or scoping level) level on both the vein/breccia mineralization and the low-grade halo material. The two programs have been reported on by Blue Coast in separate reports (Blue Coast, 2012; Blue Coast 2103).

A master composite and individual composites of vein/breccia material were prepared from samples taken from 34 representative drill holes from the Julia North, Julia Central, and Naty veins. Fifty previously-assayed, individual intervals of samples representing 53.1 metres of core with a total weight of 100.2 kilos, and were composed from sample reject material. In the case of Julia North, an additional composite was made from 18 quarter-core samples representing 14.7 metres with a total weight of 51.4 kilos.

Test work showed that the recoveries by both standard flotation and leaching methods are grain-size dependent, and moderately fine grinds are needed to ensure good silver recoveries.

Optimized bottle-roll leaching tests on the vein/breccia material averaged 75 - 80 % silver recovery using the test conditions summarized in Table 13-1. While the primary grind was moderately fine, the required residence time and reagent consumption were modest by the standards of silver materials of this type. Overall processing costs are likely to be quite modest and the process provides a low technical risk.

Table 13-1. Vein-Breccia Leaching Tests - Representative Summary

Head Grades Silver g/tonne	Grain size passing 80 µm	Concentration NaCN g/L	Reagent Consumption (kg/t of cyanide feed)		Silver Recovery %
			NaCN	CaO	
230 - 614	45 – 50	3 – 5	1.5 – 2.2	0.2 – 0.6	75 – 80

Flotation test work was carried out on the sample reject material from Julia North, Julia Central, and Naty Veins, and also on a sample of quarter-core material from Julia North Vein, in order to assure that reject material was not more oxidized than core, which could potentially affect silver recoveries. Results showed that the responses from samples made from core and reject material do not differ at Julia North. Visually, the core is highly oxidized, but mineralogical studies have shown that the main silver mineral is acanthite, a silver sulphide (87% silver). Flotation tests were moderately successful in concentrating acanthite into rougher concentrate with recoveries of 66 to 71 % (Table 13-2). Subsequent regrinding and intensive leaching of the rougher concentrates recovered greater than 98% of the silver in the concentrates, indicating that silver doré could be made from the concentrates with very small losses, producing a high value product (Table 13-2).

Table 13-2. Flotation Tests - Representative Summary

Head Grades Silver g/tonne	Grain size passing 80 µm	Concentration NaCN g/L	Reagent Consumption (kg/t of cyanide feed)		Silver Recovery %
			NaCN	CaO	
230 - 614	45 – 50	3 – 5	1.5 – 2.2	0.2 – 0.6	75 – 80

Furthermore, leaching of the flotation tails was successful in recovering additional silver. The tests done to date produced combined flotation/leaching recoveries of 79 - 81% of the silver (Table 13-3).

Table 13-3. Combined Flotation and CN Leach of Tails Tests - Representative Summary

Head Grades Silver g/tonne	Grain size passing 80 µm	Rougher Con 1-4 Grade Ag g/t	Mass Pull %	Tail Ag g/t	Silver Recovery %
315 - 421	49 – 84	2,630 – 6,300	4.4 – 10.4	124 - 148	66 – 71
Note - intensive CN leaching of float cons resulted in > 98% recovery of contained silver					

In summary, the vein/breccia samples have shown they respond well, and produced silver recoveries in the range of 75% -- 81%, using technologies that are proven worldwide and in use at the three precious metal mills operating in the province of Santa Cruz (Cerro Vanguardia, San Jose and Manantial Espejo mines).

Metallurgical recoveries on the halo composite of low-grade mineralization surrounding the Julia North, Central, South, and Naty veins do not achieve those of the vein/breccia material using similar tests and conditions to those described above. Mineralogical studies combined with the metallurgical test results to date suggest that the halo contains some acanthite, which is being recovered, but that the majority of the silver in the halo is present in other minerals which have yet to be specifically identified. In the testing done to date metallurgical recoveries are consistently below 22% of the contained silver (Blue Coast, 2013). At the present time, the low-grade halo should not be considered as potentially economic material.

14 MINERAL RESOURCE ESTIMATES

Virginia Silver Project has no mineral resources as defined by National Instrument 43-101 as of the date of this Technical Report.

15 MINERAL RESERVE ESTIMATES

This section does not apply to this report.

16 MINING METHODS

This section does not apply to this report.

17 RECOVERY METHODS

This section does not apply to this report.

18 PROJECT INFRASTRUCTURE

This section does not apply to this report.

19 MARKET STUDIES AND CONTRACTS

This section does not apply to this report.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This section does not apply to this report.

21 CAPITAL AND OPERATING COSTS

This section does not apply to this report.

22 ECONOMIC ANALYSIS

This section does not apply to this report.

23 ADJACENT PROPERTIES

On Feb. 15, 2013, Coeur D’Alene Mines Corporation announced in a press release that “Lejano” a property adjoining Virginia (see Figure 6.1 for location) has indicated resources of 3.0 million ounces of silver and inferred resources of 5.7 million ounces of silver (Table 23-1).

Table 23-1. Lejano Resources as Published by Coeur

Category	Short Tons (millions)	Silver (oz./ton)	Gold (oz./ton)	Silver oz. (millions)	Gold (oz.)
Indicated	1.233	2.42	0.008	2.983	10,000
Inferred	3.307	1.73	0.006	5.713	19,000

The author of this Technical Report is unable to verify the Lejano resource estimate of Coeur and mineralization at Lejano is not necessarily indicative of mineralization on Virginia.

24 OTHER RELEVANT DATA AND INFORMATION

To the best of the author's knowledge there are no other relevant data or information concerning the Virginia Silver Project that have not been presented in other sections of this Technical Report.

25 INTERPRETATION AND CONCLUSIONS

25.1 Risks and Uncertainties

Risks associated with the poor core recovery during early diamond drill holes have been successfully managed and the drill holes and data that represented a risk were replaced through drilling new holes with industry standard, acceptable core recoveries.

Bulk density is particularly challenging to estimate at Virginia and merits special care in selecting representative samples and measuring them with an appropriate method. Poor estimations could result in unacceptable uncertainties in the tonnage and content of precious metals.

Trenching and sampling of blocks and surficial materials will need to be re-interpreted when here-to-date undrilled targets are drilled in order to ascertain whether the surface results occur within potentially displaced colluvium, or are truly in-situ. Never the less, prospecting and sampling of these types of surficial material has led to discoveries at Virginia (Naty, Julia Central, and Ely South) and these media are important in the generation of new exploration targets. The risk here is less significant at the exploration stage than at the resource stage where precise positioning of grades and widths is a requirement for resource estimation.

25.2 Geologic Interpretation of Drilled Targets

The vast majority of the drilling has been done in seven specific sectors (Julia North, Central and South; Ely South and North, Naty and Martina) which are summarized in Figure 25-1. In all seven cases there are significant silver grades, widths and good indications of continuity of mineralization along strike.

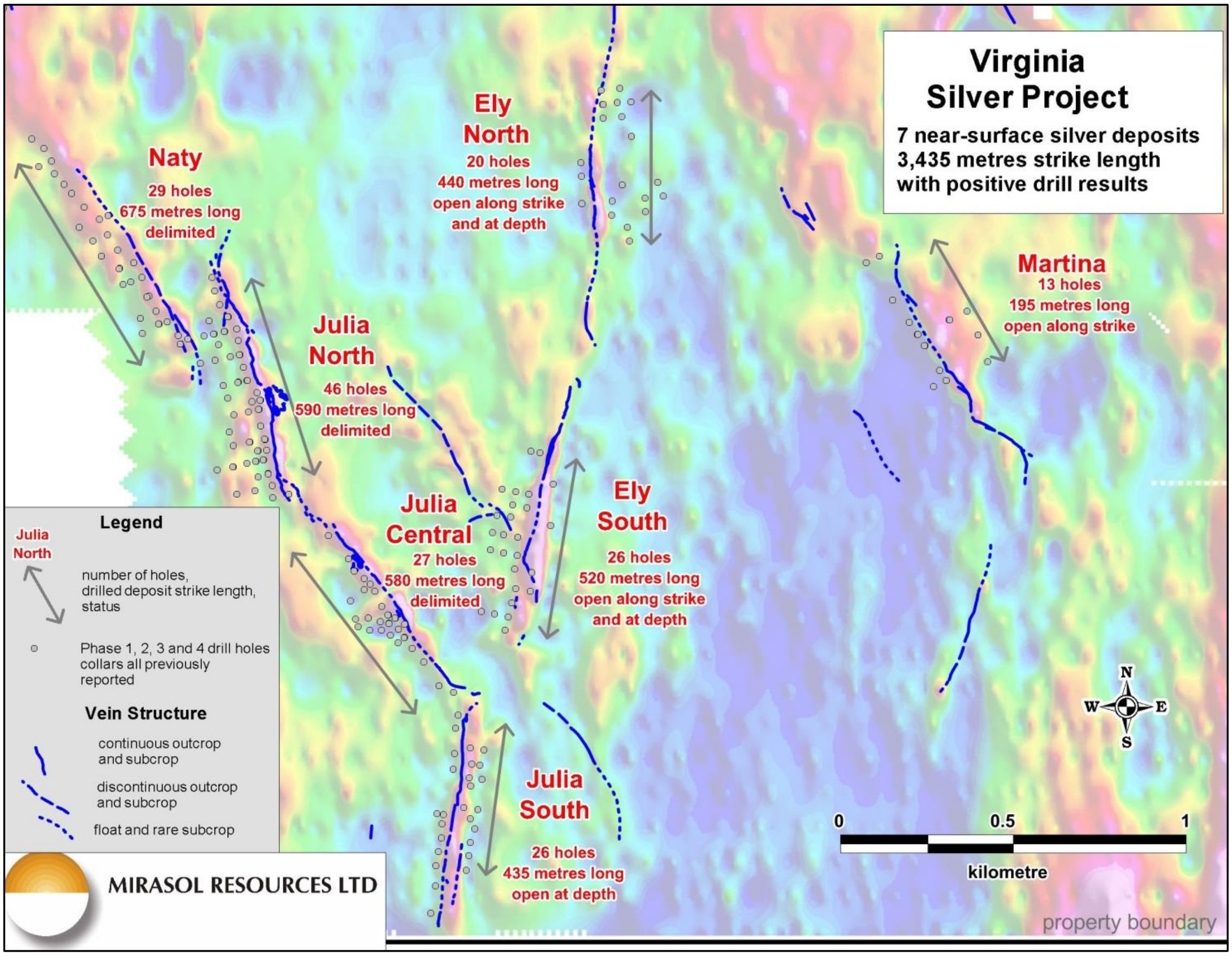


Figure 25-1. Summary Plan Map of Drilled Targets.

Data from the drilling has been compiled onto cross-sections for interpretations. Two sample cross-sections follow from Julia North (Figure 25-2). Interpretations in two dimensions have been made of all sections and the two dimensional interpretations have been used to generate a three dimensional, wire-mesh model of the vein/breccia and surrounding halo to the 30 g/t silver limit. Those interpretations are suitable for resource modeling in the author's opinion and are current at the time of this writing.

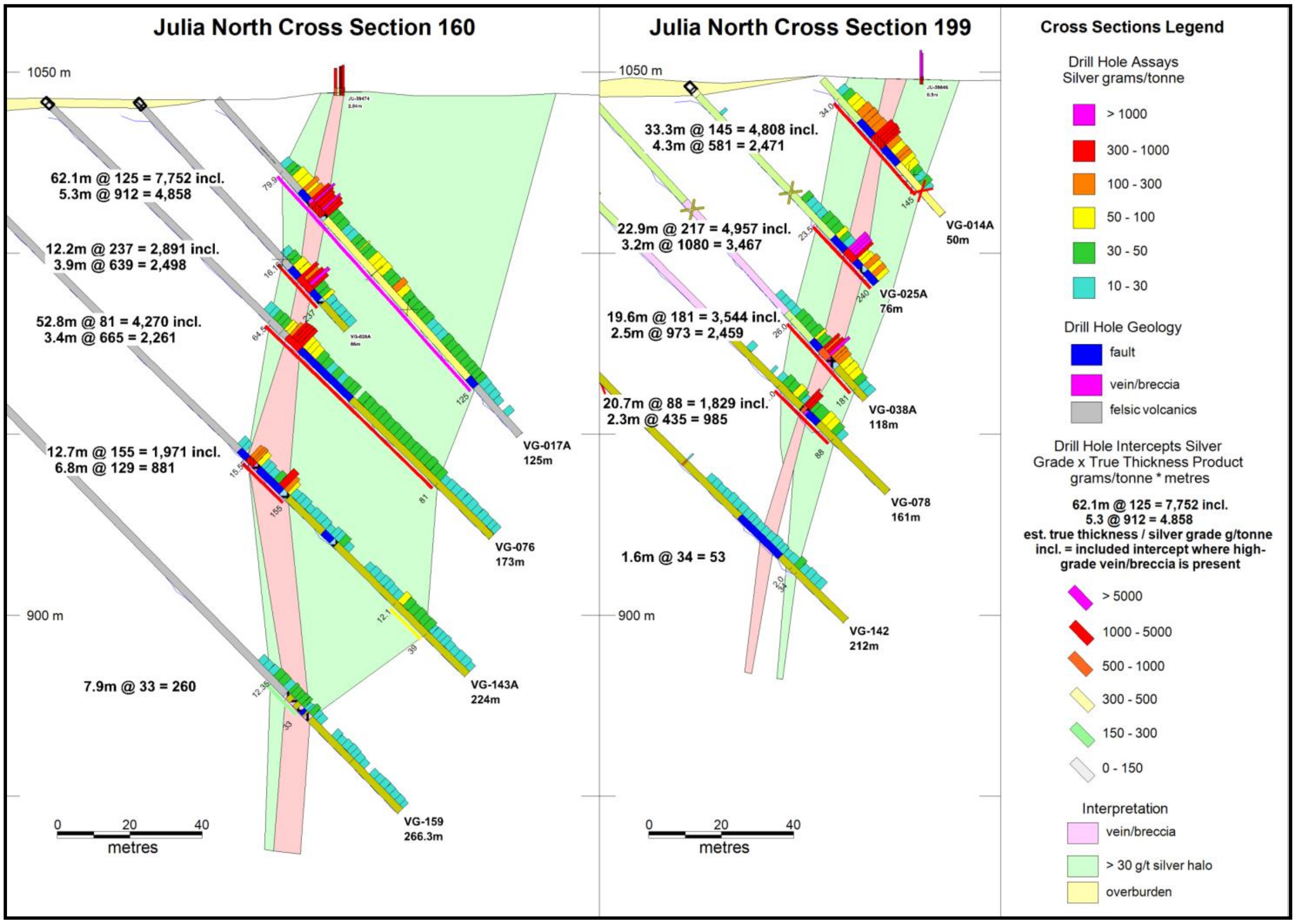


Figure 25-2. Sample Cross Sections Julia North Target.

Data from the cross-sections was used then projected onto longitudinal sections for each of the seven drilled targets to summarize the data and examine trends in silver grade, thickness, grade-thickness product, both along strike and towards depth.

At Julia North the plan (Figure 25-3) shows the close correlation between the IP chargeability anomaly at surface and the projected silver intercepts (using a 30 g/t silver cutoff).

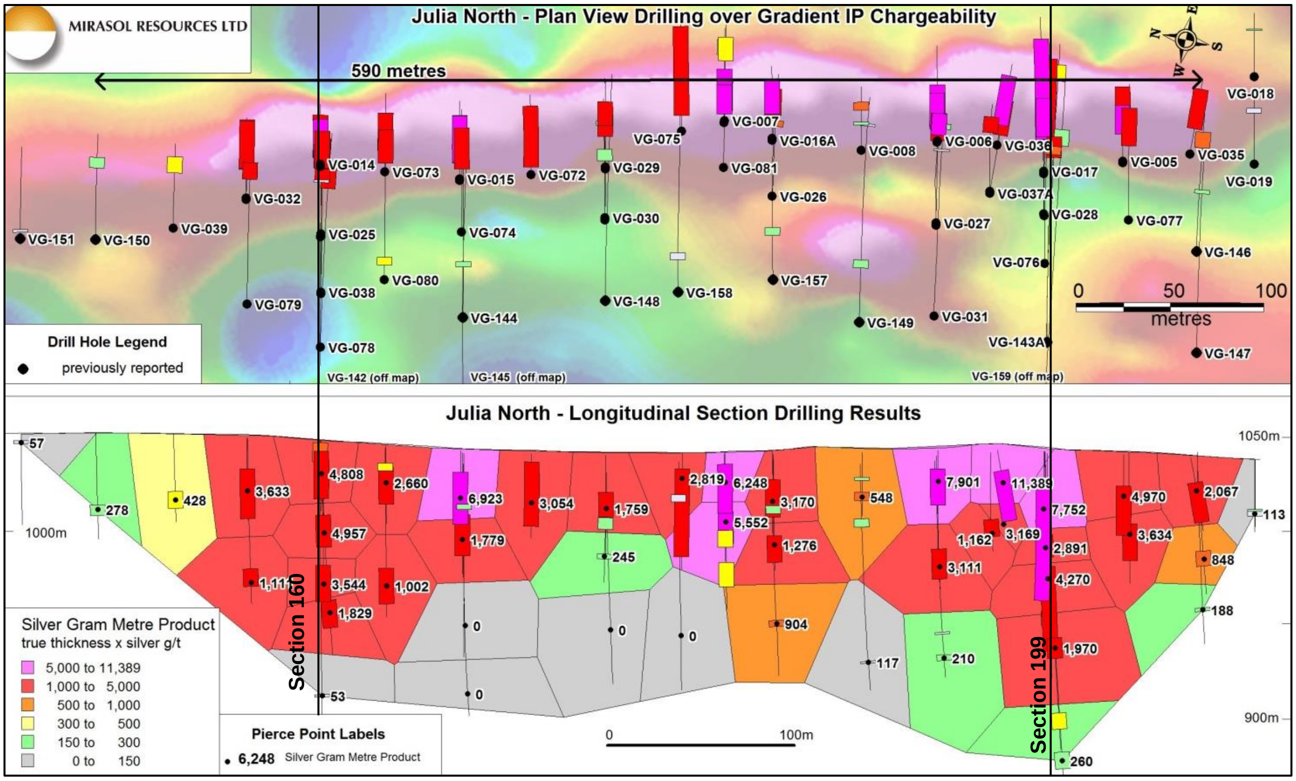


Figure 25-3. Summary Maps of Julia North Target.

The longitudinal section (Figure 25-3) has been developed using polygons which show how the highest grade-thickness product values are located in holes near surface (magenta and red colours) and how those tend to decrease towards the north and south terminations of the chargeability anomaly suggesting the zone may be closed off along strike. At depth, the overall trend is typically to decreasing grade-thickness product values and there are suggestions that the zone is closing towards depth in several sections. Core in the deeper holes generally has narrower and weaker zones of quartz vein/breccia and these correlate with lower silver grades. The deepest intercepts are still highly-oxidized and in some cases contain abundant lead oxides (cerrusite) with relict galena. Tentatively, Julia North is interpreted as an eroded ore shoot with the best grades at surface and continuing to a depth of 50 to 75 metres before silver grades start to decrease. It is interpreted that the silver grade distribution is a primary feature and not a product of oxidation of the mineralization during low-temperature, near-surface events. Specular hematite is present at depth and does not appear to be related to the oxidation, but rather is interpreted as a primary mineral. Although the silver grades are decreasing at depth, no deep holes have been drilled to test whether repeats of shoots might exist at greater depths.

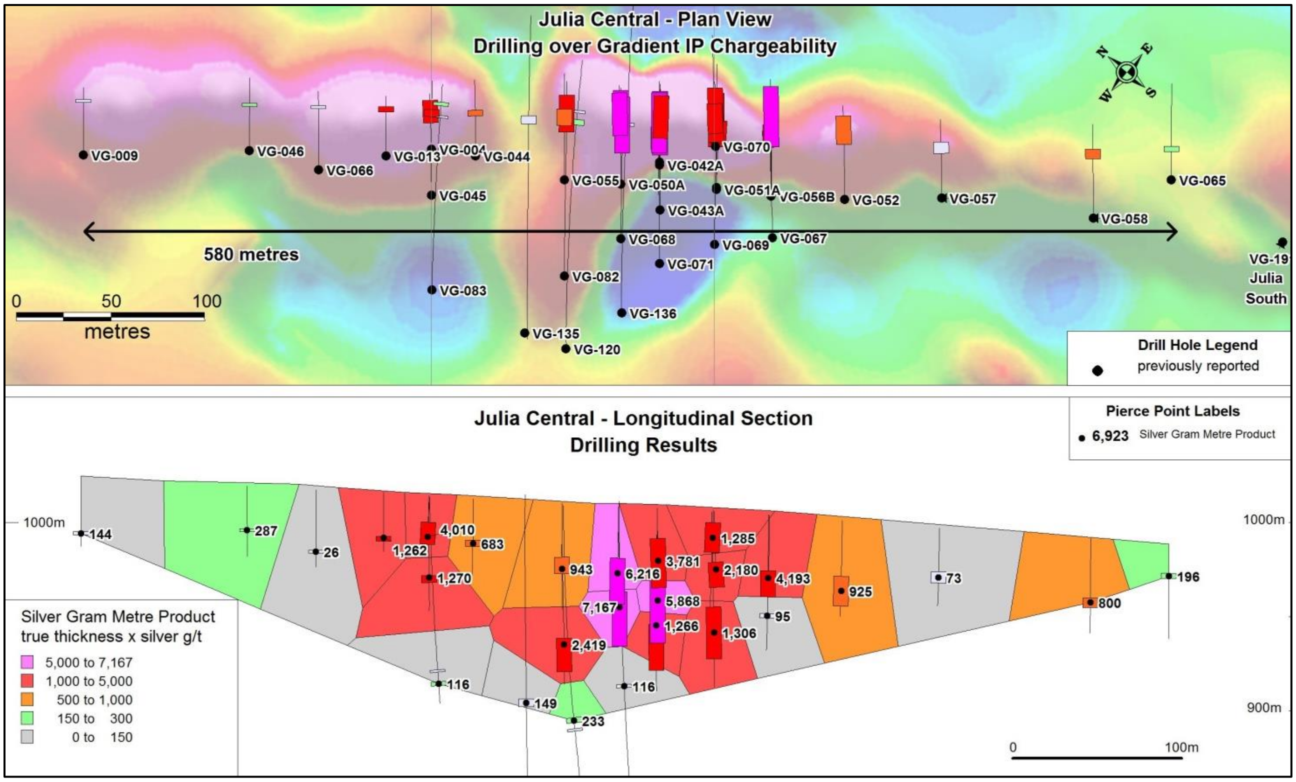


Figure 25-4. Summary Maps of Julia Central Target.

The longitudinal section of Julia Central (Figure 25-4) suggests that two main shoots may be present. The first centered around holes VG-042A; and a second around VG-004. Both appear to be closing at depth. Further drilling is needed to test whether the values in VG-058 at the south end continue to depth and is the shoot at VG-004 is open to the north beneath VG-066.

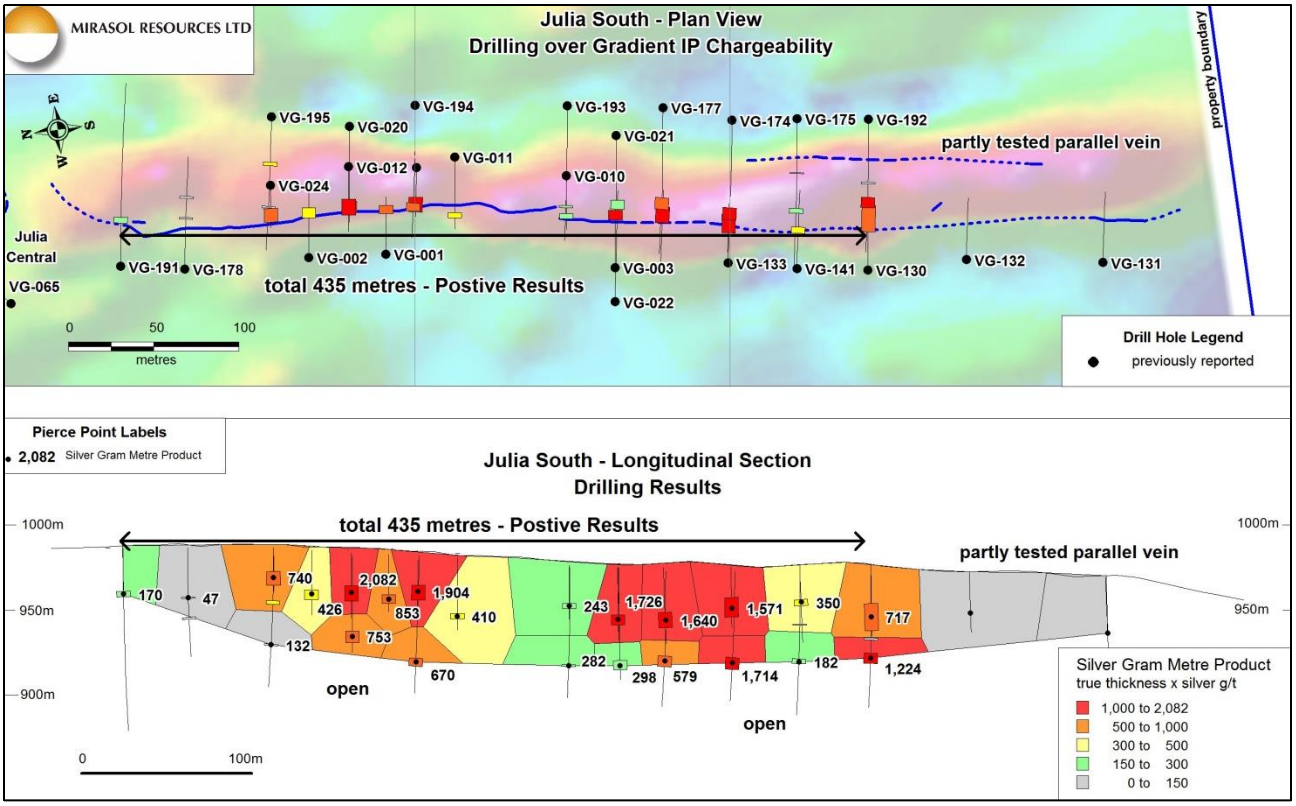


Figure 25-5. Summary Maps of Julia South Target.

The longitudinal section of Julia South (Figure 25-5) shows that further drilling is required at depth because Julia South has not been tested at depth and some of the stronger intercepts such as VG-192 and VG-174 are open to depth. To the south, the potential is limited by the property boundary and holes VG-131 and 132 with weak results near surface. To the north, the geophysics and holes VG-178 and 191 suggest the zone weakens.

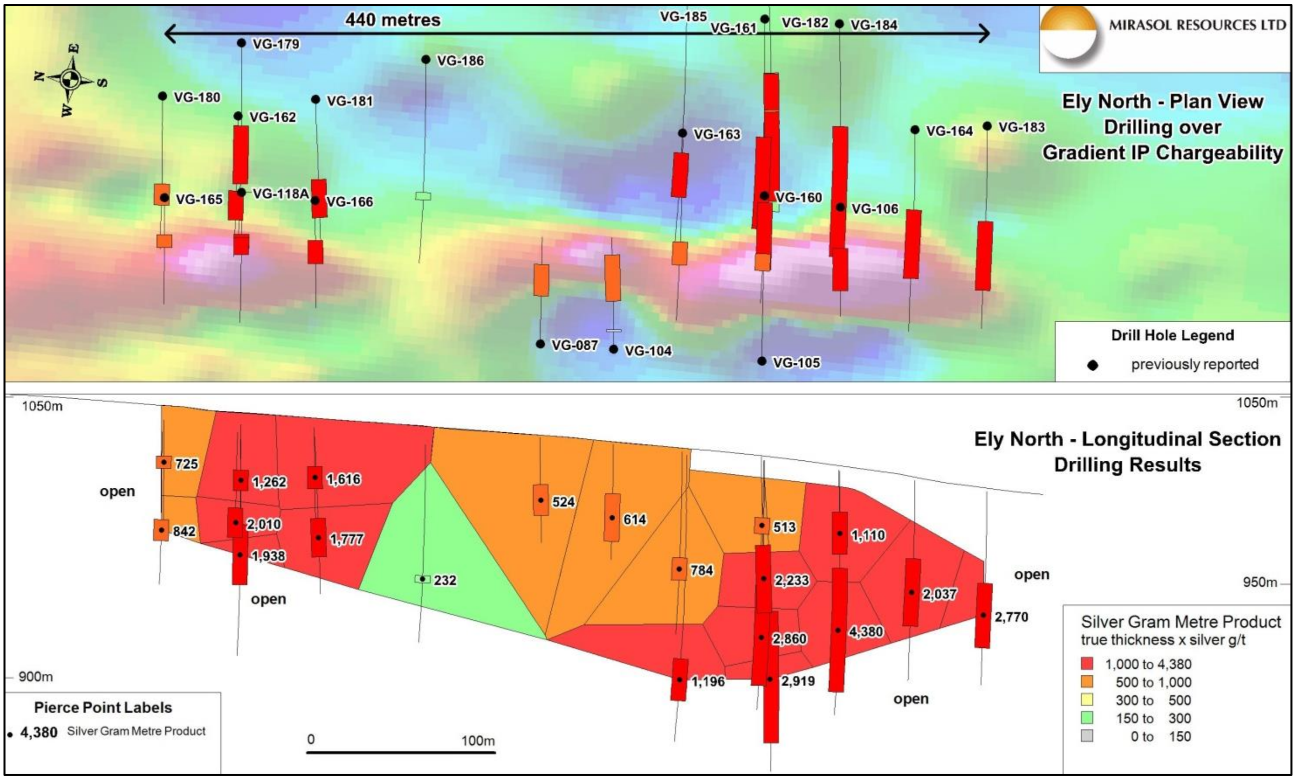


Figure 25-6. Summary Maps of Ely North Target.

The longitudinal section of Ely North (Figure 25-6) shows that the zone probably comprises two shoots as is suggested by the IP chargeability and also the drilling results. Both are open along strike and at depth, but it should be understood that the zone is typically low grade, but very wide, resulting in high silver grade thickness products (see Table 10-3 for details). Narrower high-grade intercepts are not present in all holes. It is instructive that the northern shoot has no surface exposure at all, not even mineralized float blocks. Gradient IP alone was used to target the drilling here and discovered the blind northern shoot with hole VG-118A. This illustrates the potential for blind discoveries at Virginia.

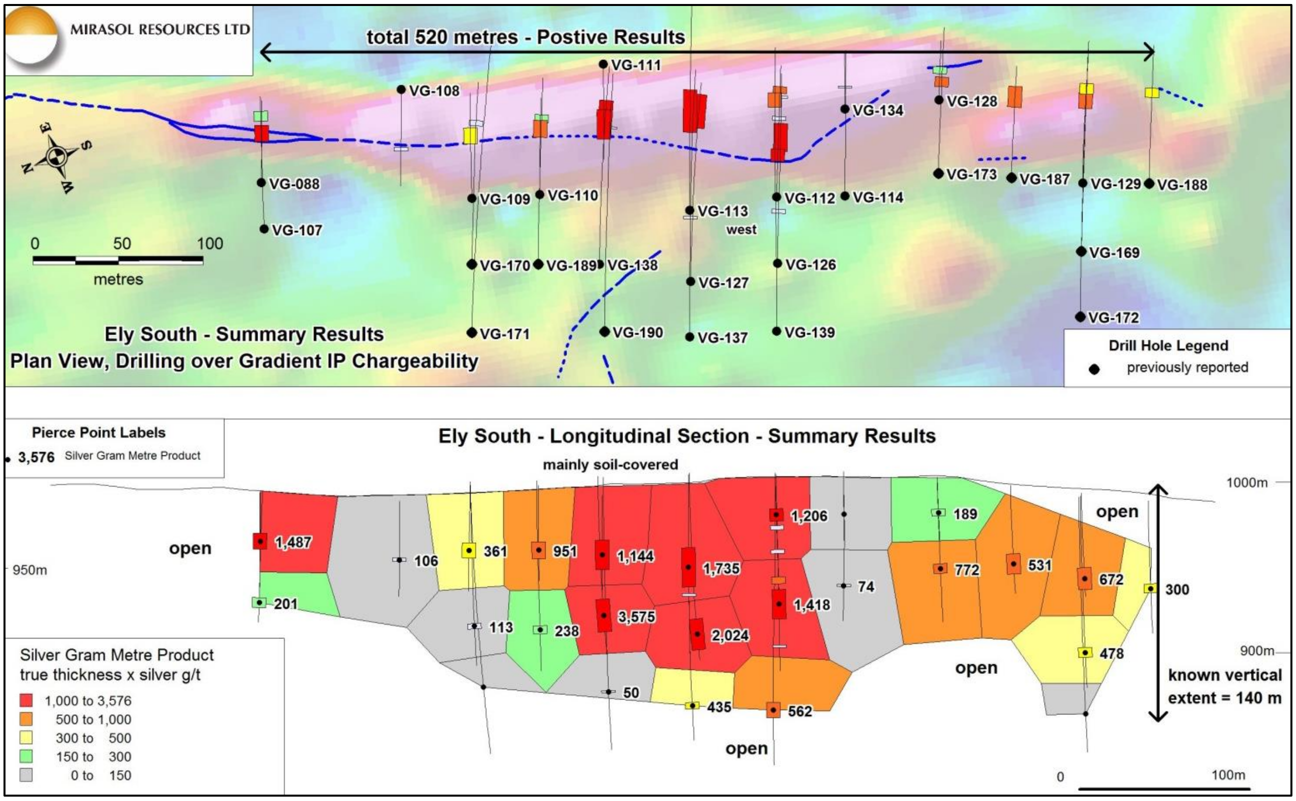


Figure 25-7. Summary Maps Ely South Target.

The longitudinal section of Ely South (Figure 25-7) shows that the highest grade thickness product values are in the middle part of the IP chargeability anomaly. Like Ely North, there is no bedrock exposure in this area nor are mineralized blocks obviously present. The central part of Ely South was targeted using the IP chargeability anomaly. Drilling here suggests that the best part of the shoot is at moderate depths of about 75 to 100 metres below surface in the second tier of holes. Deeper holes suggest the shoot is closing, but further drilling is need especially at the north and south ends of Ely which are both potentially open for extension, although the geophysics indicates the extensions may be modest.

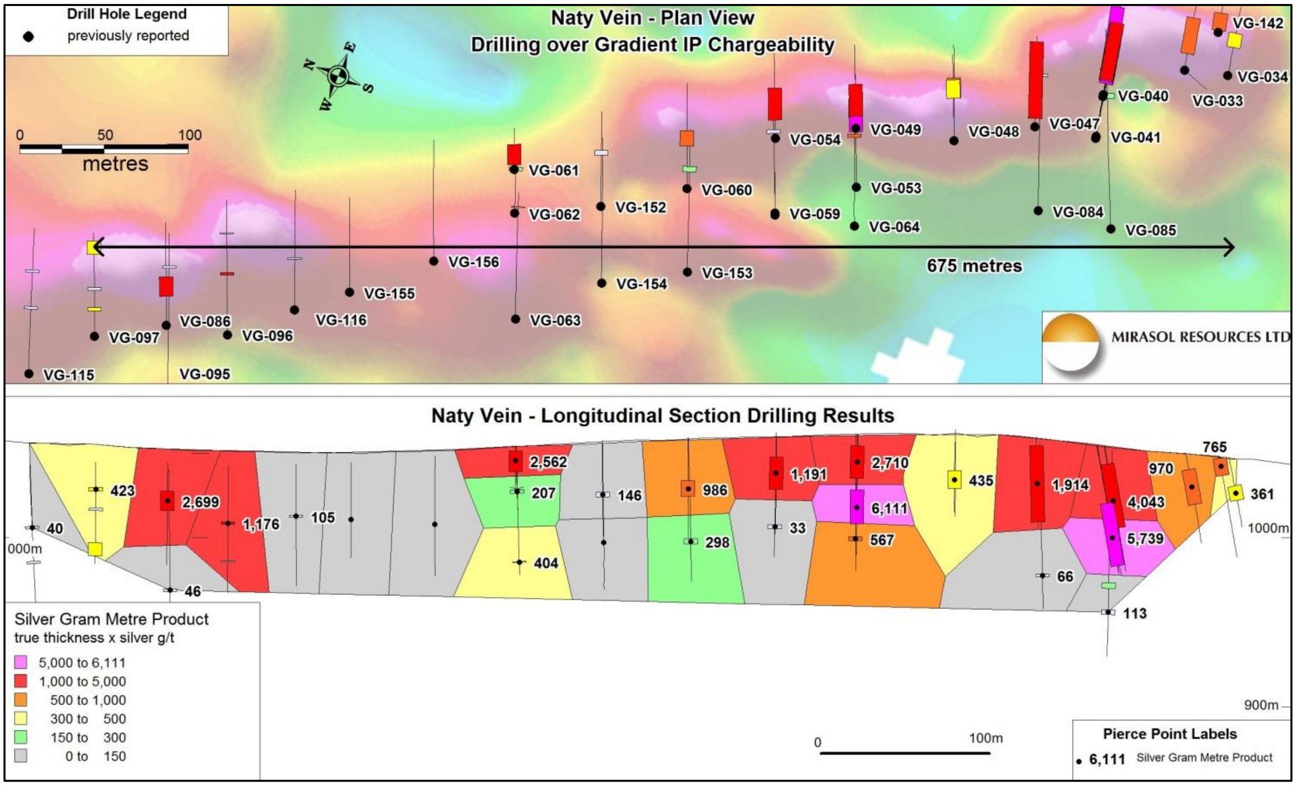


Figure 25-8. Summary Maps of Naty Target.

The longitudinal section of Naty (Figure 25-8) shows that Naty seems to form a series of shoots with short strike lengths. Surface exposure consists of blocks and trenching has intersected transported colluvium with blocks of mineralization that are difficult to interpret. It is possible that the shoots are offset by faults at a high angle to the general northwest trend, but this is unproven. Naty appears to be more complex than the adjacent Julia North Vein. Drilling suggests that Naty is generally weakening at depth, but some areas are partly open at depth and along strike. The best part of Naty is at VG-040 and 041 where the quartz breccia vein abruptly broadens and contains good silver values near surface, but appears to pinch out at depth.

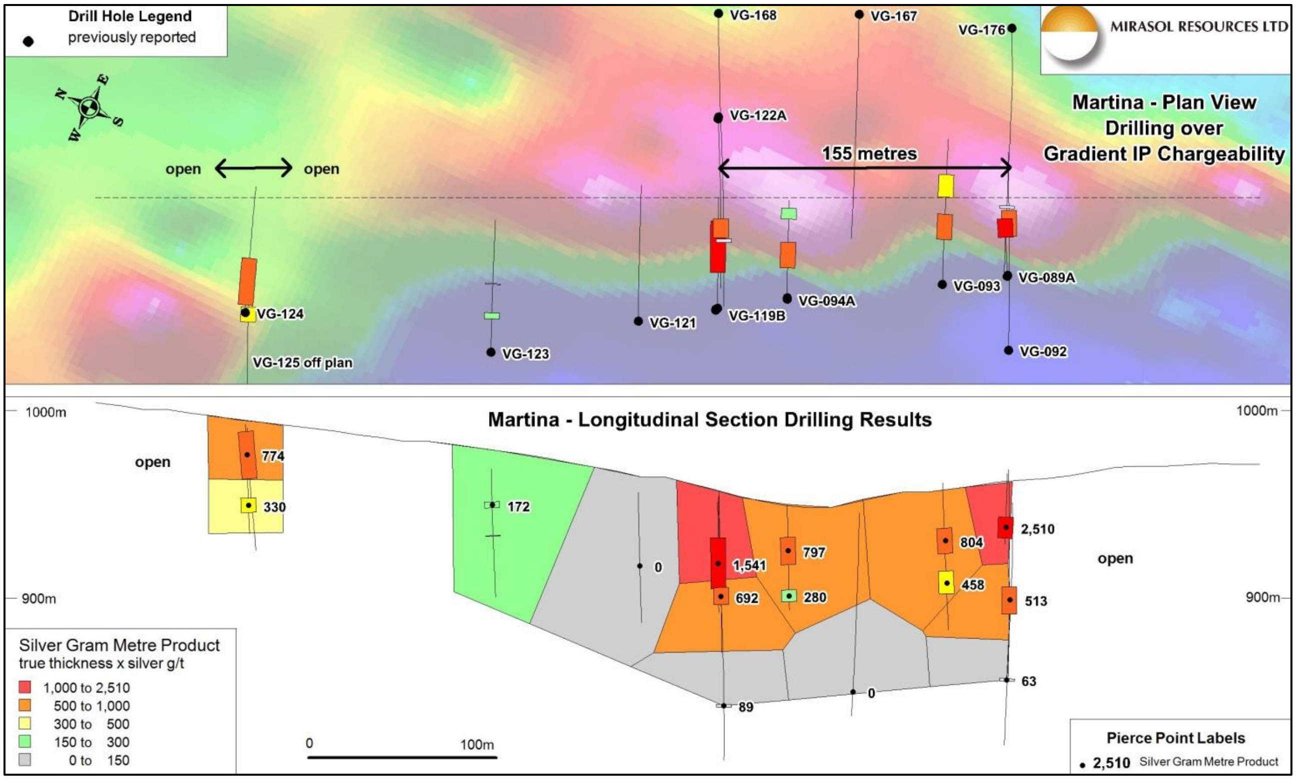


Figure 25-9. Summary Maps of Martina Target.

The longitudinal section of Martina (Figure 25-9) shows that initial drilling near surface in holes VG-089A and in VG-119B intersected significant silver gram metre product values. Follow-up drilling did not equal those results. Holes VG-124 and 125 intersected modest silver values, which do not correlate well with the gradient IP chargeability. These two holes are open along strike and at depth. Martina is also open towards the southeast.

25.3 Other Exploration Targets

In 2012 Mirasol undertook an extensive review of all of the exploration data available for the Virginia Window including sampling, geophysics, drilling and generated an exploration model (Appendix A) for Virginia based on property-specific indicators of prospectivity (Kain 2012).

In 2013, some reconnaissance exploration was done outside the Virginia Window elsewhere on the property focusing on areas with little or no prior exploration (Kain 2013). That work did not change the targets developed by the 2012 work in the Virginia Window (Kain 2012). The highest priority exploration targets for drilling and trenching on the property are those located in the Virginia Window and they remain unchanged from the 2012 work.

As part of the 2012 review a numerical scoring system was developed and 65 distinct areas in the Virginia Window, excluding the seven drilled areas discussed in the previous subsection, were rated using geological, geochemical, geophysical data. Of these, 21 areas were identified as priority targets. Of the 21 priority targets 11 were identified which were worthy of trenching and/or preparatory work, prior to determining whether they should be drilled. The other 10 targets were classed at drill-ready (Figure 25-10).

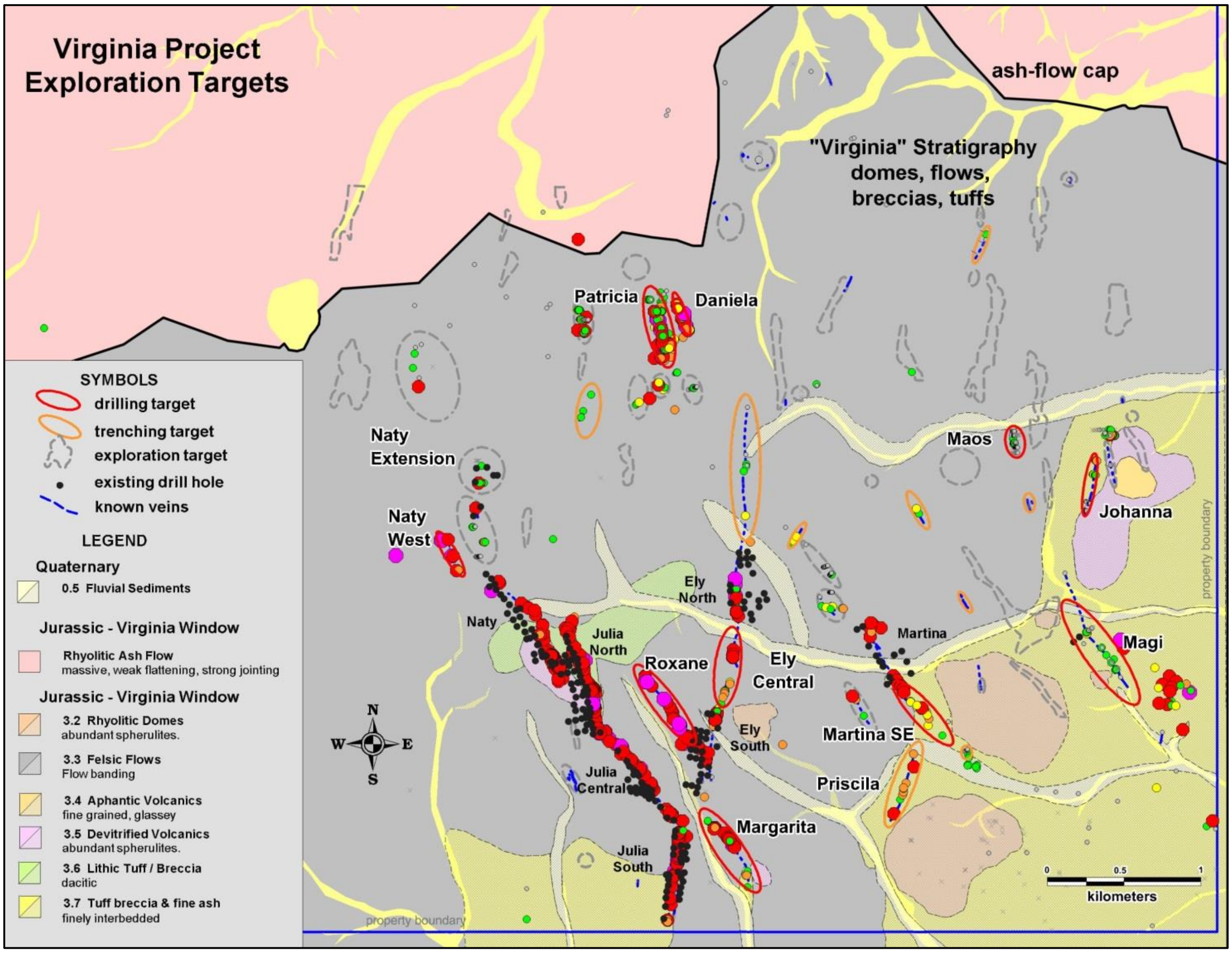


Figure 25-10. Summary Plan Map of Exploration Targets.

Drill-ready targets exist at Patricia, Daniela, Naty West, Margarita, Martina SE, Magi, Ely Central, Roxane, Johana and Maos. In all cases the targets have surface exposures or float blocks with silver values along with other favourable characteristics. None of these targets have been drill tested except for Magi where two holes were drilled both of which had modest silver intercepts (see Table 10-3). All of these targets warrant drill testing.

Compiled exploration data for a number of the drill-ready targets follows. With the exception of Magi, where two holes were drilled prior to trenching, none the drill-ready targets have been previously drill tested. Assay results of the trench sampling are not presented as grades over lengths because in some cases the material sampled may in part be colluvium which may have some degree of transport. Therefore, to avoid potentially presenting the data that may later be found to be misleading, the data are presented in thematic format to illustrate the exploration potential of the target rather than the emphasize the specific numerical values of the silver grades.

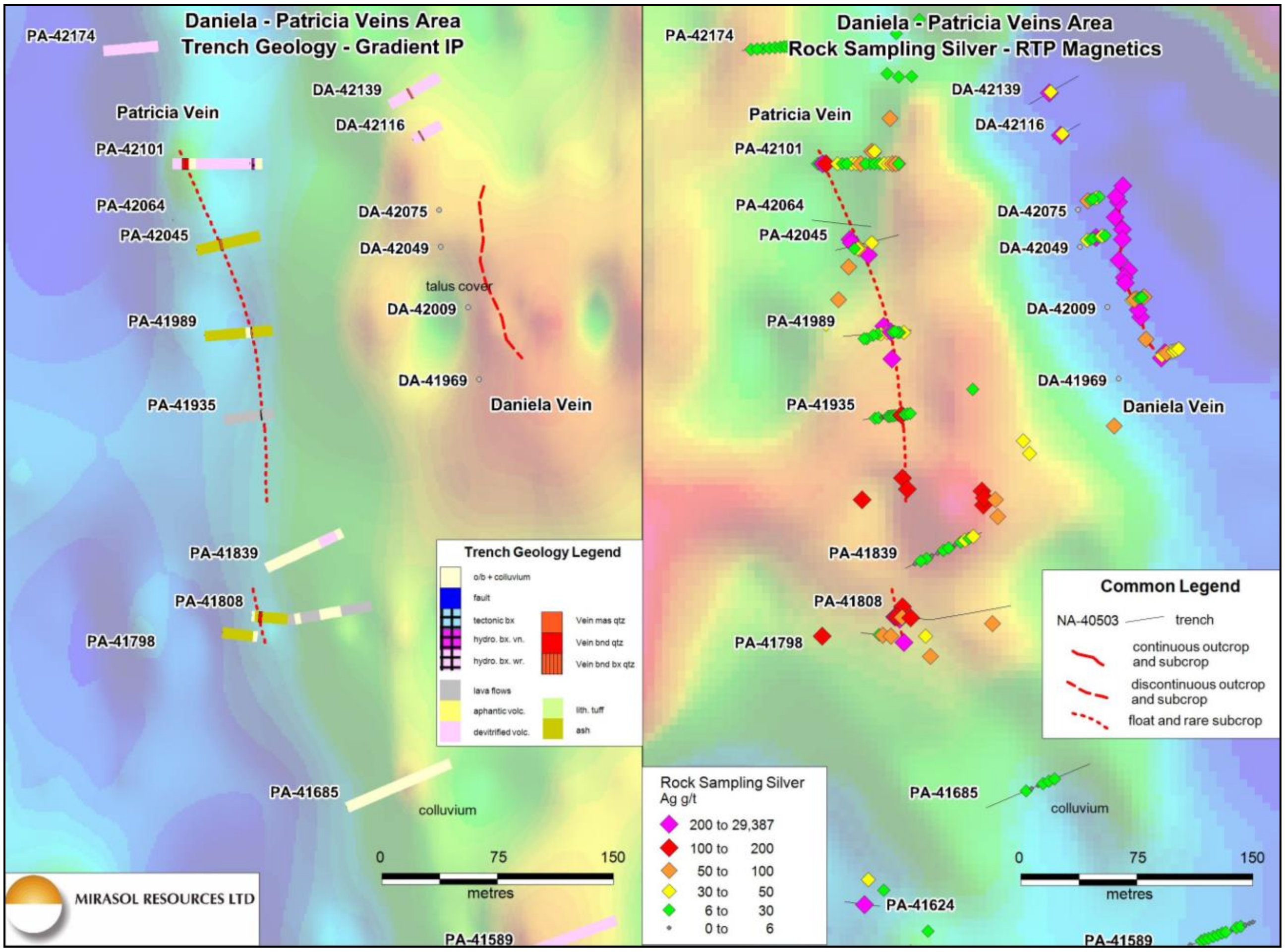


Figure 25-11. Daniela – Patricia Targets: Compiled Exploration Results.

Patricia and Daniela (Figure 25-11) are located next to one another in the northern part of the Virginia Window. Neither are well exposed, both being located by prospecting of float blocks of vein/breccia mineralization, sometimes with very high silver grades. Trenching of both prospects produced equivocal results in the sense that it appears in most cases that the trenches are in colluvium rather than in-situ rock. Samples from the trenches suggest a local source to the mineralization but it is unclear what the orientation or thickness of the mineralization is in many cases. Correlation to the geophysics is not clear. Nonetheless the high grades and probable indications of a local source warrant drilling to determine the presence, grade and thickness of possible mineralized structures.

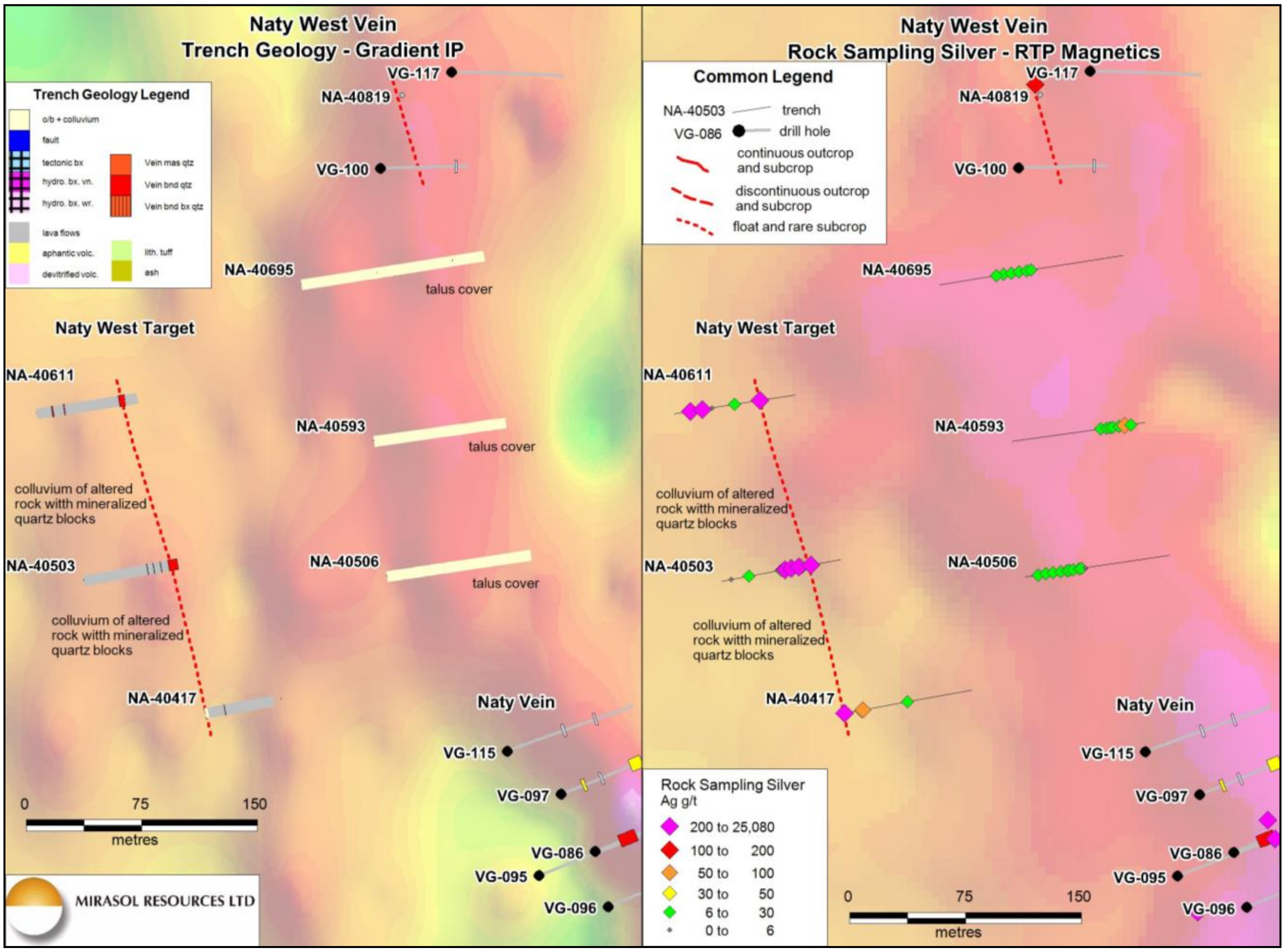


Figure 25-12. Naty West Target: Compiled Exploration Results.

The Naty West target is located west and north of the holes drilled on the Naty Vein (the northernmost of these is VG-115) and south and west of the drill holes at Naty Extension (VG-100). A concentration of float blocks with high silver values was found by prospecting west of Naty West in an area of very poor exposure. Three trenches were excavated at Naty West (NA-45417, 40503, and 40611) to test the suspected source area. These trenches exposed strongly clay-altered, iron-rich colluvium containing blocks of vein/breccia. Samples of the block contain high silver grades. The nature of the colluvium and blocks suggest a local source and are very similar in nature to a trench excavated in front of VG-086 (not shown in Figure 25-12) which successfully intersected the Naty Vein with high grades. Trenches between Naty Vein and Naty Extension produced equivocal results with talus and colluvium containing little alteration and only sporadic indications of mineralized blocks. Therefore it is interpreted that the source of blocks in Naty West is probably local and that the target should be drill tested.

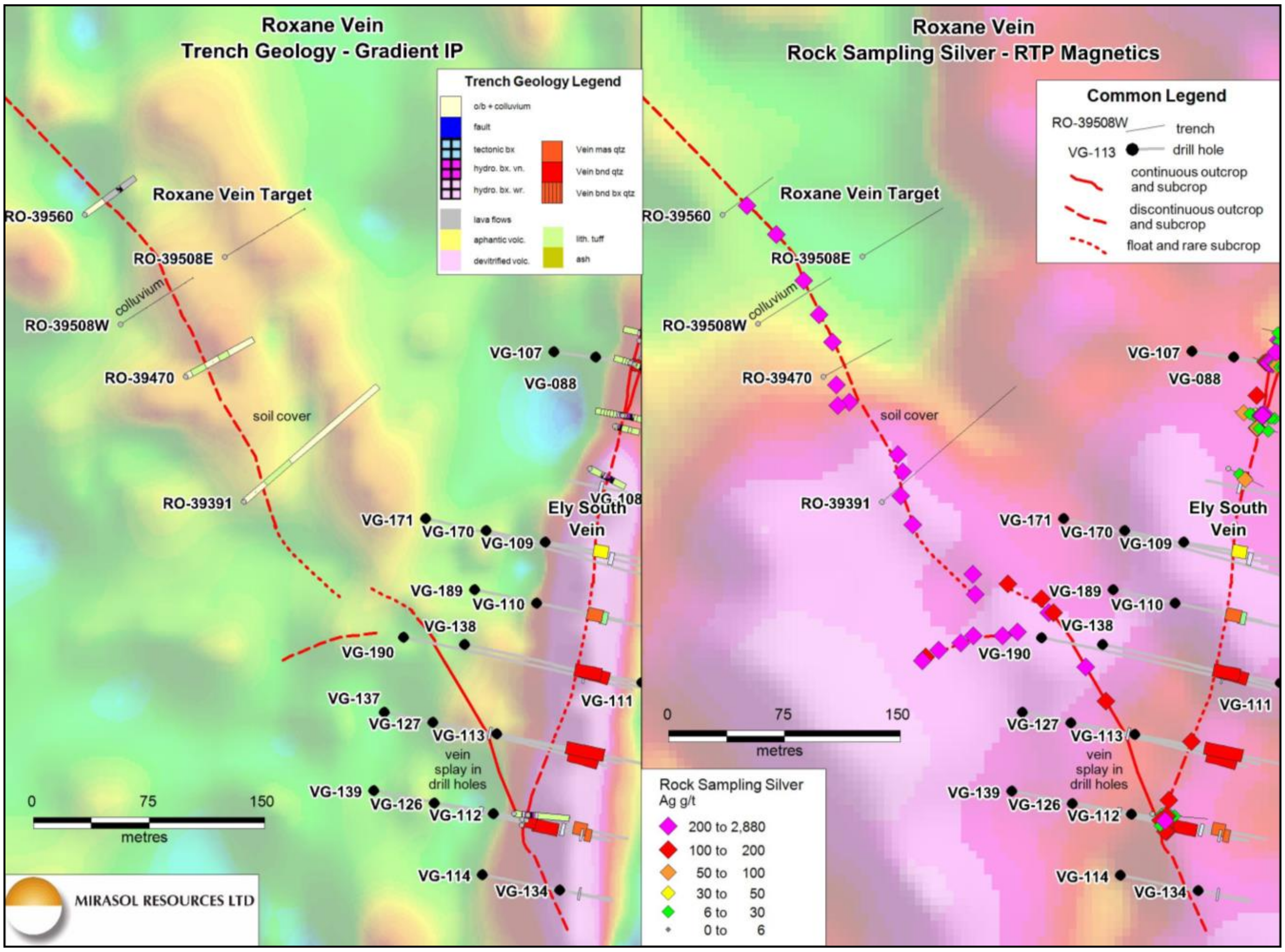


Figure 25-13. Roxane Target: Compiled Exploration Results.

Roxane (Figure 25-13) is a very poorly exposed area located west of Ely South and trending northwest sub-parallel to Julia Central. Blocks to 30cm diameter of vein/breccia contain high silver values. The geophysics does not clearly indicate a source for the float. Trenches intersected talus and colluvium some of which appears to be local that in part contains alteration and signs of mineralization; however the trenches did not clearly define the width or location of the possible source in all cases. Drilling is needed to determine if the Roxane float has a local source; if so it would probably be a structure parallel to Julia Central.

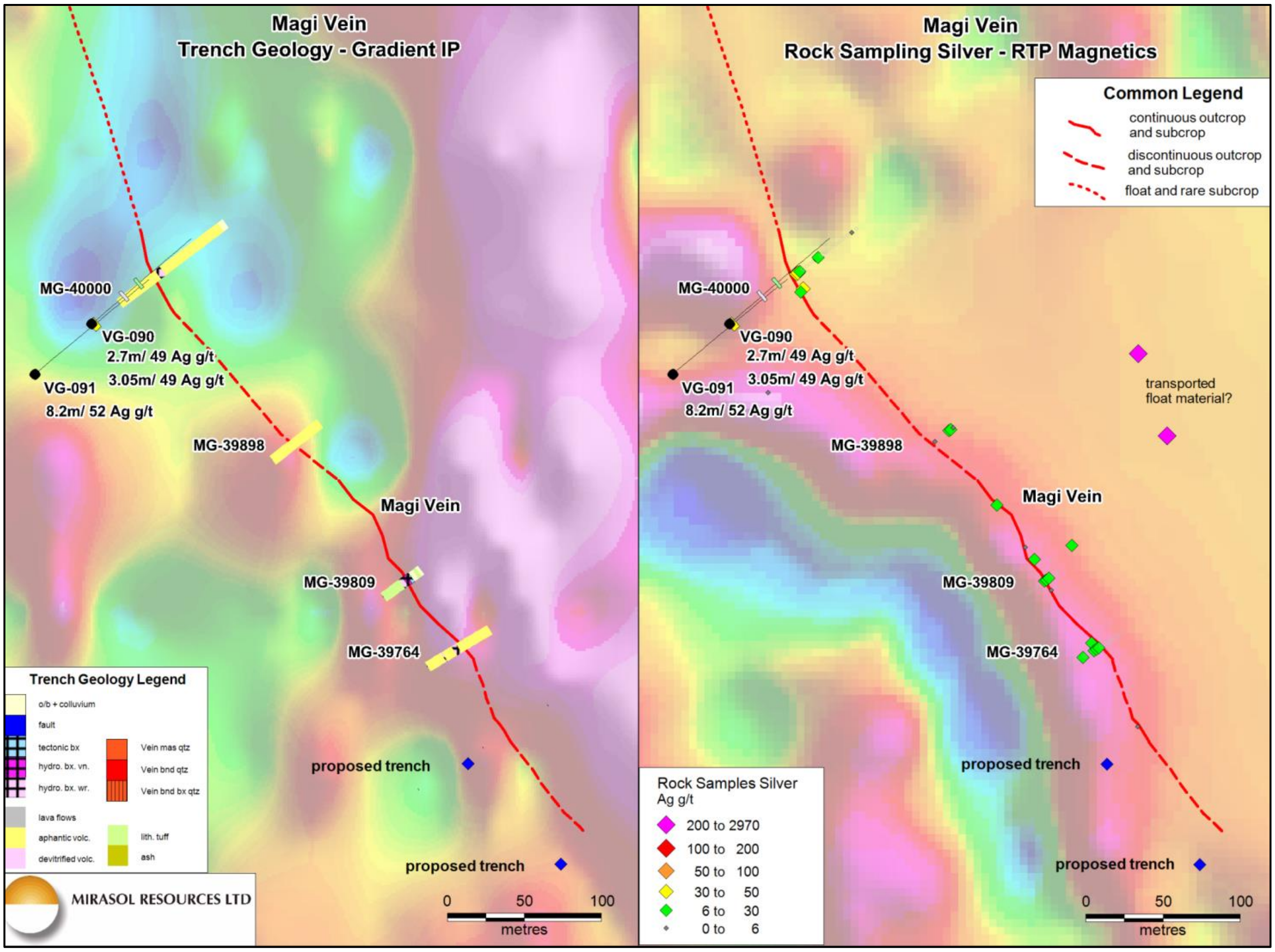


Figure 25-14. Magi Target: Compiled Exploration Results.

Magi (Figure 25-14) is located in the far eastern part of the Virginia Window. Two holes were drilled there at the end of Phase 2 prior to any trenching being done here. Both holes intersected veins, brecciation and silicification with silver values (Table 10-3) however the correlations between the holes and surface are somewhat uncertain. In general, the silica at Magi is more chalcedonic that at the Julia veins. It is interpreted that the veins here represent cooler temperatures than at the Julia Vein. If so, it is possible that higher temperature and higher silver grade mineralization exists at depth. The geophysical signature of Magi is equivocal in that the known vein exposed in outcrop and trenches is not associated with an IP chargeability high. The magnetic data suggest the vein lies along a contact, possibly to an unrecognized felsic dome. Drilling is warranted to test the Magi structure to determine if silver grades increase at depth.

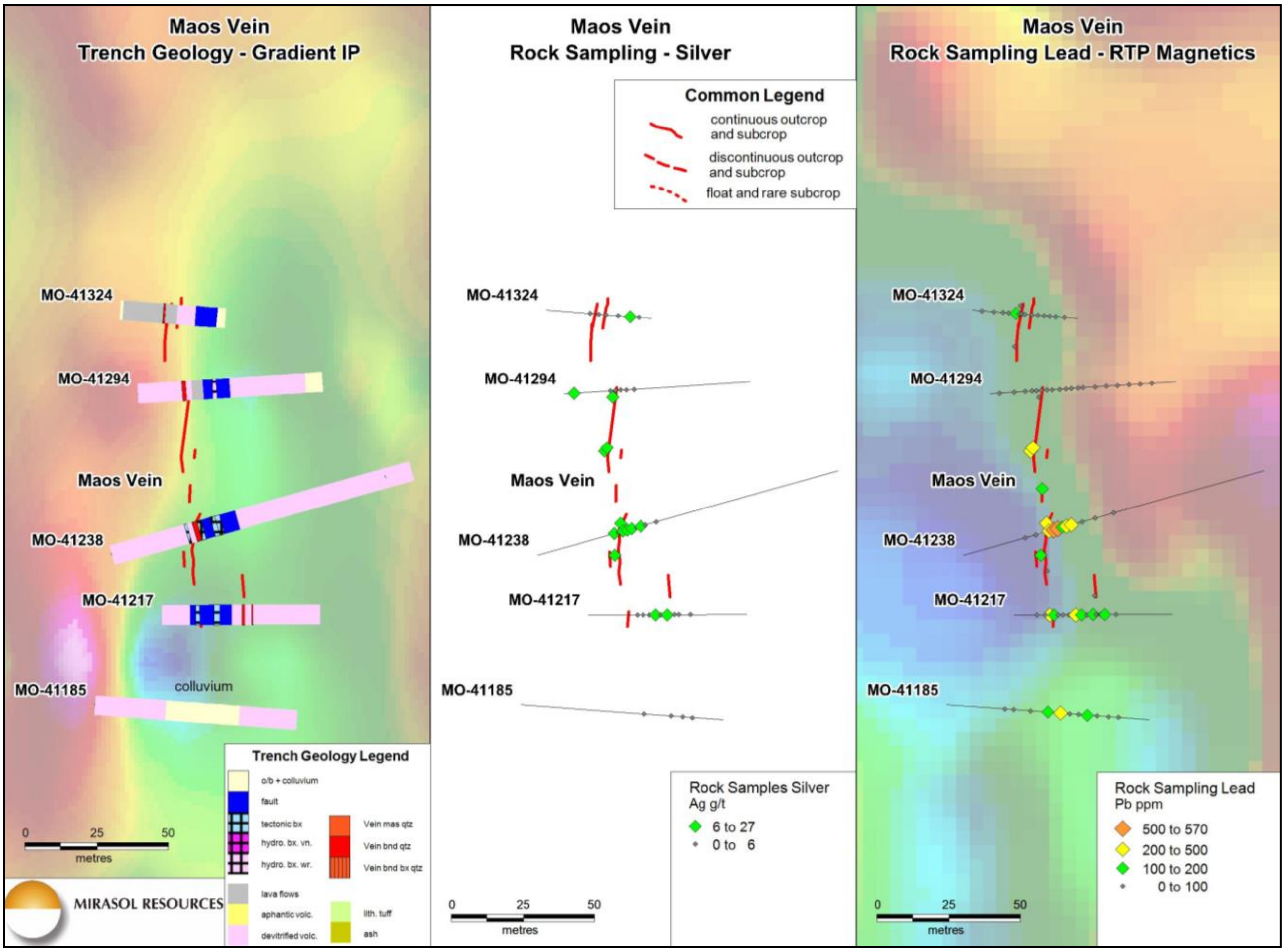


Figure 25-15. Maos Target: Compiled Exploration Results.

Maos (Figure 25-15) is located in the far eastern part of the Virginia Window north of Magi and may represent the continuation of the Magi structure (see Figure 9-5 RTP magnetics). Here a short length of outcropping chalcedonic vein at the north end of the prospect has low, but anomalous silver values. Trenching towards the south confirmed the vein and indicated that the vein dip moderately to the east, but the southernmost trench was mainly colluvium and so it is unclear if the vein is still open to the south although some signs of mineralized material were observed in the colluvium. Silver values are low, but silver is accompanied by moderately strong lead values and other trace elements common in the stronger silver mineralization elsewhere. It is interpreted that Maos is a high level expression of Julia Vein style mineralization at lower temperatures and warrants drilling to look for a silver ore-shoot at depth.

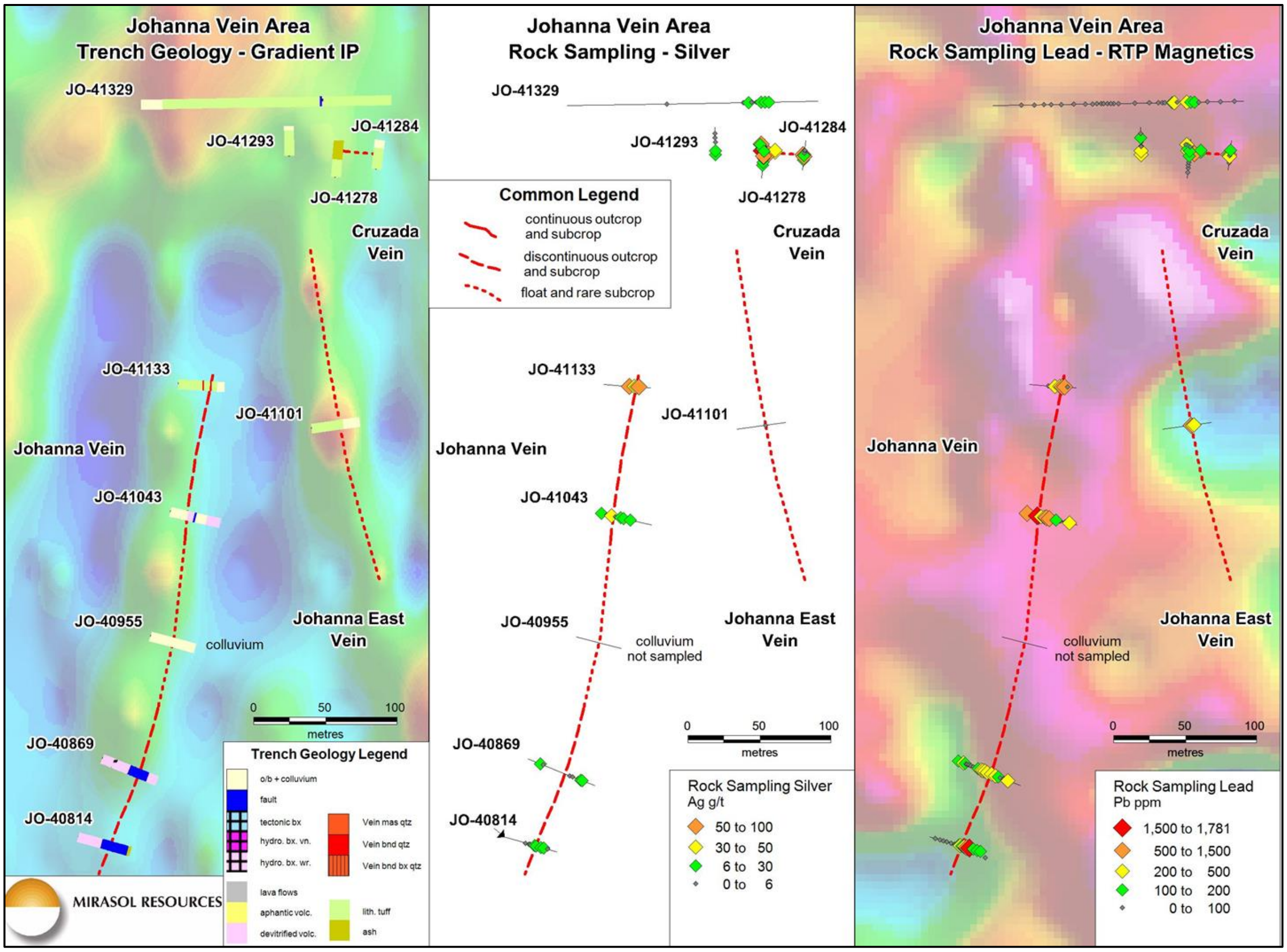


Figure 25-16. Johanna Target: Compiled Exploration Results.

Johanna and Johanna East (Figure 25-16) are located in the far eastern part of the Virginia Window east of Maos. Here weak IP chargeability anomalies suggested possible overburden-covered structures. Prospecting located small float pieces of mineralization with low silver values. Trenching confirmed that the source of the float is local as in some of the trenches bedrock was reached. Other trenches were likely in colluvium, part of which may be locally derived; it contains altered rock with abundant iron and manganese staining and some silica. Again it is interpreted that a prospective structure has been located but that the level exposed at surface may be too shallow in the hydrothermal system. Drilling is warranted to test the structure at greater depths.

Targets for trenching in general have less information that the target presented above, and may or may not have silver values in surface exposures or float blocks. None the less, it has already been proven that similar targets, based primarily on geophysics, such as Ely North (north shoot) have been drilled with success. Hence, these targets warrant trenching to try to advance them to the drill stage.

25.4 Conclusions

Despite the significant amount of drilling undertaken to date at Virginia many valid exploration targets have yet to be drill tested. The vast majority of the drilling has been used to test and partly define seven silver deposits with demonstrated silver mineralization with potentially significant combinations of grade, width and continuity. Those seven deposits have not had deep drilling tests searching for repeated ore shoots at depth.

Effectively there have 195 holes (excluding twins due to poor recovery) drilled in the Virginia Window, and of those, 186 have been drilled at the seven deposits. Of the remaining 9 holes, two were drilled at Magi; both had intercepts with silver mineralization. Seven were drilled at Naty Extension of which four had low-grade silver intercepts.

Given the drilling success to date in the Virginia Window it is geologically likely that other silver deposits exist that are not exposed at surface and are either covered by overburden, or start at deeper levels in the fault structures that are currently exposed. It is believed that most of the obvious silver mineralization exposed at surface has now been located by prospecting and therefore future exploration work needs to move beyond surface prospecting. It has been demonstrated that in prospects such as Johanna (Figure 25-16), where weak surface indications of mineralized structures were present prior to trenching, that trenching can improve the target to the point where drilling is warranted. Therefore, all 11 targets identified for trenching should be tested by trenching prior to any exploration drilling. Once results of the trenching are known, targets that respond positively to trenching should be added to the 10 that have already been identified as drill-ready.

26 RECOMMENDATIONS

26.1 Stage 1: Exploration Trenching

A program of mechanical trenching using a backhoe is recommended for the 11 trenching targets that have been identified. Trenches need to be planned in detail in conjunction with visits to the field, but at this time 1,200 metres of trenching should be allocated (as per Kain, 2012, but with a 20% contingency increase). Care should be taken in the trench mapping to try to distinguish whether the material is in-situ weathered rock or transported colluvium; as this has proven to be a challenging task at Virginia.

26.2 Stage 1: Metallurgy

Metallurgical work on the vein/breccia mineralization is probably adequate in scope and detail for the project at its current stage, with the proviso that all the samples tested to date have been from the Julia and Naty veins. No further metallurgical work is recommended, at present, on this type of material.

Metallurgical work on the low-grade Halo surrounding the vein/breccia has returned poor silver recovery results to date. The reason for this is uncertain but seems to stem from a change in silver mineralogy compared to the vein/breccia. It is recommended that additional mineralogical studies be done on the existing Halo sample, or core samples corresponding to it, to investigate the detailed siting of the silver. The objective of this work is to determine the mineralogical siting of the silver that is being lost in the metallurgical tests to date. The studies should include a combination of petrographic and micro-beam techniques capable of determining whether the silver is present in a concentrated mineral form as it is in the vein/breccia, but at extremely small (sub-micron?) grain size; or alternatively, in a more dispersed form at lower silver concentrations in common, rock-forming minerals. If this can be achieved, it may be possible to design a process to economically recover silver from the low grade Halo, something that at this time is not possible. Until there are metallurgical recovery improvements, the low-grade Halo mineralization cannot be considered to have reasonable prospects for economic extraction.

26.3 Stage 1: Preparations for a Future Resource Estimation

Further improvements should be made to the survey control data by a professional surveyor in support of possible future resource estimates. First, all the perimeters and tops of outcrops of vein material that jut above the general topography (effectively only in Julia South and Julia Central) should be surveyed in detail. As part of this work, all channel samples which might possibly used in future resource estimates should also be surveyed by the professional surveyor. More precise topographic surveys, either by traditional field methods, or via remote mapping, should be considered to support possible future resource estimates by refining the topographic surface to get better estimates of waste surrounding the mineralization that might have to be removed by open pit mining, and also to better constrain possible infrastructure sites. This surveying work can be completed any time that a surveyor is required during the other recommended Stage 1 or Stage 2 work.

Near surface, high-grade silver mineralization has been outlined at Virginia at several drilling areas in particular the Julia Vein (North, Central and South) and at Naty Vein, and to a lesser extent at Ely South Vein. Consideration should be given to quantifying this mineralization through a resource estimate that meets NI 43-101 standards; however it is recommended that this work be postponed so that any estimations can consider results of the exploration recommended in Stages 1 and 2 with the objective of having a larger data base for the estimation.

At the end of Stage 1, all new data should be compiled and interpreted and it should be determined if any of the targets explored in Stage 1 should be added to the list of targets to be drilled in Stage 2.

26.4 Stage 2: Exploration Drilling

All 10 drill-ready targets should be tested in a Stage 2 exploration program along with any targets from the Stage 1 recommended trenching that respond positively. Stage 2 is not contingent on the results of Stage 1. A minimum of 5,000 metres of exploration core drilling is recommended to test the shallow exploration targets (Figure 25-10). Great care needs to be taken that the operational knowledge in optimizing core recovery gained in past drilling programs is successfully applied in the recommended drilling campaign.

A further 3,000 metres of drilling should be done at depth on some the seven vein segments with significant silver drill intercepts (Figures 25-3 to 25-9) to explore for repeats of ore shoots at greater depths. In particular, Julia North should be tested at depths of 75 or more metres down dip from the existing deepest holes to test the nature of the mineralized fault and whether repeats of quartz-rich infill occur with high silver values. A portion of the 3,000 metres should be allocated to other veins (consideration should be given to Julia Central, Naty and Ely South) for similar deep tests with the same objective. These deep drill holes should not be drilled until the drill contractor has shown that it is achieving good core recovery on the shallow holes. This is because the cost of failure is much higher on long holes than short holes, where many metres are drilled to reach the zone of interest that would have to be redrilled if recovery was inadequate compared to short holes.

Further careful investigation is needed regarding estimation of bulk density from drill cores to ensure representative sampling and measurement.

Table 26-1. Recommended Work and Budget

Stage 1		
Activity	Units	Cost CAN$
Trenching (mechanical) metres	1,200	$ 120,000
Mineralogical Tests Halo		$ 27,000
Surveying		$ 5,000
Compilation, Interpretation, Reporting		$ 15,200
Contingency	15%	$ 25,080
Total		**$ 192,280**
Stage 2		
Activity	Units	Cost CAN$
Drilling (core) metres – shallow targets	5,000	$ 1,500,000
Drilling (core) metres – deep targets	3,000	$ 900,000
Compilation, Interpretation, Reporting		$ 240,000
Contingency	15%	$ 396,000
Total		**$ 3,036,000**
Stage 1 & Stage 2		
Total		**$ 3,228,280**

At the end of Stage 2 all data should be compiled and interpreted and it should be determined whether a resource estimation is to be recommended, and if so, which areas should be included.

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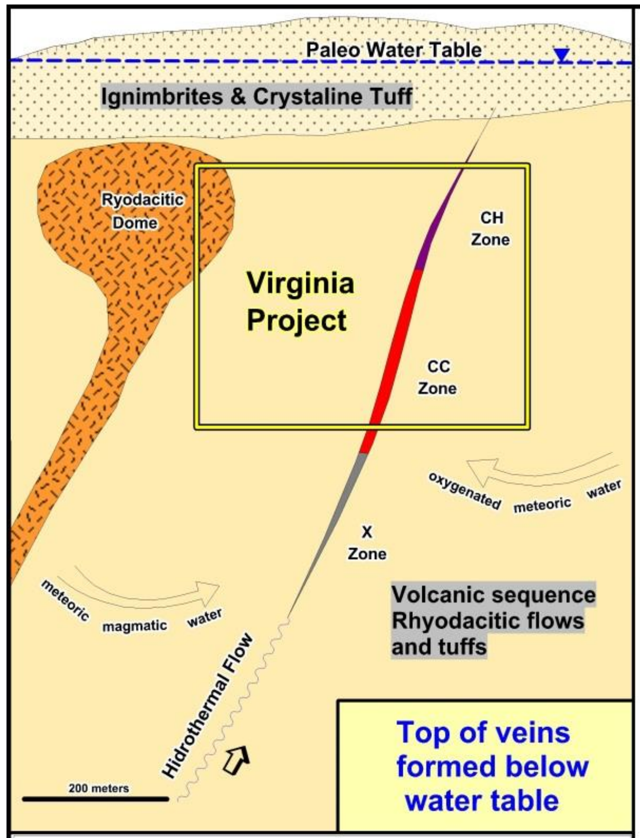
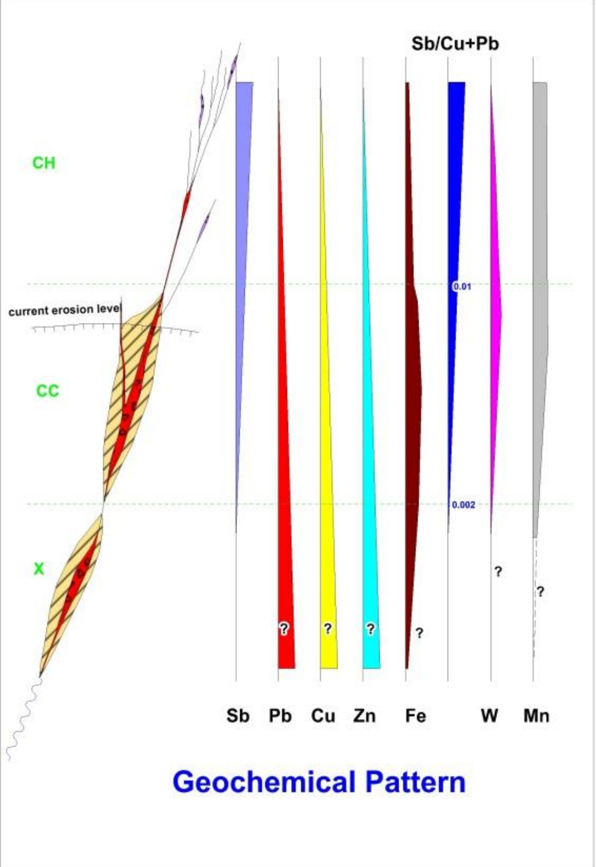
Appendix A

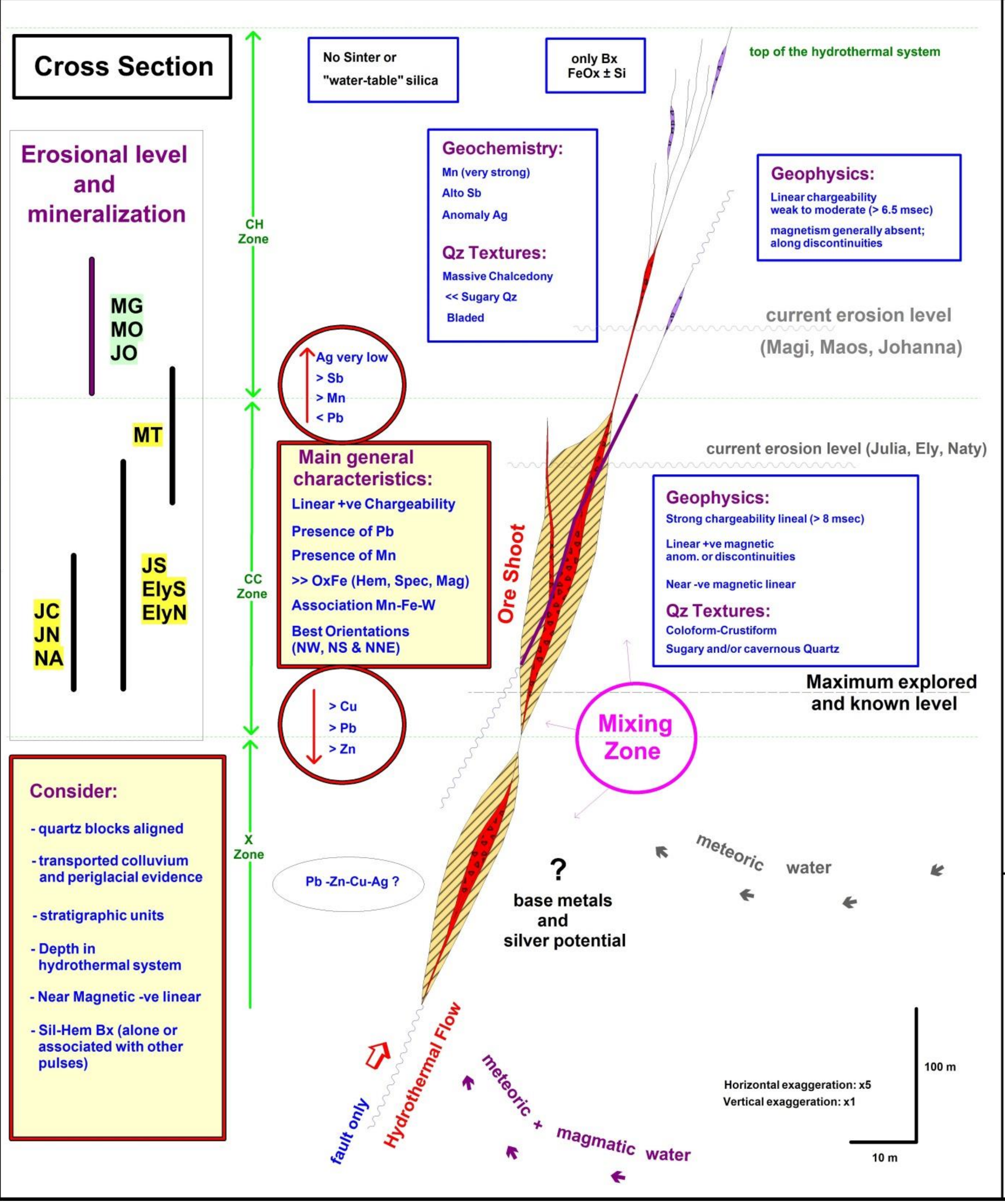


Virginia Project

Top of veins formed below water table



Geochemical Pattern



Cross Section

Erosional level and mineralization

MG
MO
JO

MT

JS
ElyS
ElyN

JC
JN
NA

Consider:

- quartz blocks aligned
- transported colluvium and periglacial evidence
- stratigraphic units
- Depth in hydrothermal system
- Near Magnetic -ve linear
- Sil-Hem Bx (alone or associated with other pulses)

No Sinter or "water-table" silica

only Bx
FeOx ± Si

Geochemistry:

Mn (very strong)
Alto Sb
Anomaly Ag

Qz Textures:

Massive Chalcedony
<< Sugary Qz
Bladed

Geophysics:

Linear chargeability weak to moderate (> 6.5 msec)

magnetism generally absent; along discontinuities

Ag very low
> Sb
> Mn
< Pb

Main general characteristics:

Linear +ve Chargeability
Presence of Pb
Presence of Mn
>> OxFe (Hem, Spec, Mag)
Association Mn-Fe-W
Best Orientations (NW, NS & NNE)

Geophysics:

Strong chargeability lineal (> 8 msec)

Linear +ve magnetic anom. or discontinuities

Near -ve magnetic linear

Qz Textures:

Coloform-Crustiform
Sugary and/or cavernous Quartz

> Cu
> Pb
> Zn

Pb -Zn-Cu-Ag ?

References

CH	Chalcedonic Zone
CC	Coloform-Crustiform Zone
X	Crystaline Zone
JS	Julia South Vein
JC	Julia Central Vein
JN	Julia North Vein
NA	Naty Vein
ElyS	Ely South Vein
ElyN	Ely North Vein
MT	Martina Vein
MG	Magi Vein
MO	Maos Vein
JO	Johanna Vein
Hem	Hematite
Spec	Specularite
Mag	Magnetite
Bx	Breccia
Si	Silica
FeOx	Iron oxides

Lithology

🟥	Quartz vein
🟥	VnBx
▨	Mineralized Halo
🟪	Silica-Hem Bx

Virginia Project

Exploration Model

CERTIFICATE OF QUALIFIED PERSON

I, Paul Gordon Lhotka, am a geologist and reside at V. López 1151, La Puntilla, Lujan de Cuyo, 5503 Mendoza, ARGENTINA; tel: (54) (261) 424 5848, email: paul.lhotka@mirasolresources.com.

I am the author of the following report: **Virginia Silver Project; Santa Cruz Province, Argentina; NI 43-101 Technical Report on Exploration and Drilling; Effective Date: Feb. 20, 2014** and am responsible for all sections of said report.

My qualifications comprise a Bachelors of Science (Hons.), in Geology from the University of Manitoba, Winnipeg, Canada granted April 1981 and a Doctorate of Philosophy in Geology from the University of Alberta, Edmonton, Canada granted June 1988.

I am a registered professional geologist in British Columbia, Canada with the Association of Professional Engineers and Geoscientists of the Province of British Columbia, Member ID 121179. I have worked in exploration, development and mining of metallic mineral deposits continually since graduation in 1982 to the present in Canada, Alaska, Chile, Argentina, Peru and Ecuador for gold, silver, copper, lead, zinc, tungsten, molybdenum and tin, except for the period 1984 to 1988, when I was doing my Ph.D. thesis. That work includes a variety of geological environments such as precious metal vein deposits, Archean greenstone belts, Cordilleran vein deposits, volcanogenic massive sulfide deposits, porphyry deposits and skarns. I have worked at or for; Trigg, Woollett Olson Consulting Ltd. of Edmonton, Alberta in Canada; Westmin Resources Limited of Canada and its successor Boliden Limited initially in Canada, but later in Chile and Argentina. I have also worked in Chile and Argentina for Expatriate Resources Limited; Northgate Exploration Limited; Southern Rio Resources; M.A.C. Hochschild; IMA Exploration Inc.; MRDI Canada; Teck Resources Limited and Mirasol Resources Ltd. I have lived in Argentina continuously since September 1997 and speak and read Spanish at an intermediate/advanced level.

I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a " qualified person" for the purposes of NI 43-101. I am not an independent qualified person according to the tests set out in section 1.5 of National Instrument 43-101 by virtue of my affiliation with the issuer Mirasol Resources Ltd. in my capacity as Principal Geologist. I have read this Technical Report.

I was personally at the Virginia Project for the first time in Dec. 2009, many times in 2010 including during the entire Phase 1 drill program of 28 holes, during many days in the years 2011, 2012 and 2103. My last visit was on November 30 to December 2, 2013.

I am not aware of any material fact or material change with respect to the subject matter of the technical report, which is not reflected in the technical report.

I consent to the filing of the technical report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the technical report.

DATED: February 20, 2014

Signed: Paul G. Lhotka
Paul G. Lhotka, P. Geo. Ph.D.