ITAVI MINING COMPANY S.A.

TECHNICAL REPORT

LA GRAN ESPAÑOLA PROJECT

Itavi Mining Company S.A.

LA PAZ – BOLIVIA

CARLOS THOMPSON

LA GRAN ESPAÑOLA PROJECT

SUMMARY

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1 SUMMARY

La Gran Española Project, of Itavi Mining Company S.A., located in the Western Cordillera of Bolivia, can be considered a Greenfield project, where to date initial geological exploration work has been carried out.

The exploration background of this project called La Gran Española dates back to the 1980's, where geological mapping and indicative and systematic sampling have been carried out by some important companies from the point of view of geological exploration, such as **EXPROMIN, MINING COMPANY INTI. RAYMI and NEWMONT GOLD CORPORATION**, which shows the importance from the geological point of view.

The typology of the mineralized occurrence is of the **epithermal type of high sulphidation**, since the presence of a variety of hydrothermal alterations from argillitic, seritic, silification and propylitization. The presence of areas with ochera silica or vuggy silica, with mineralization of precious minerals such as gold and silver, in sectors of millimetric to centimeter-level ventilation and areas with moderate stockwork, confirm the aforementioned typology.

The project can be divided into three zones, Santa Rosa, San Gerónimo and Ullutha, the first being the most important and in which most of the exploration work has been done in semi-detail. Thus, in the Santa Rosa sector it is characterized by the presence of an area with lenticular phyllonian structures and that would be associated with the development of a stockwork of dark gray silica, predominantly located in the andesitic stock, superimposed on halos of sericitic and chloritic alteration. This event is the most important from a prospective point of view, due to its association with gold mineralization. It should be noted that the Kollota zone and the Tarutani vein system were not taken into account for these analyses.

The geochemical results of the exploration campaigns can be summarized as follows:

1st Campaign, 20 samples, general average 0.49 g/Ton Au, 14.5 g/Ton Ag, maximum value obtained 1.45 g/Ton Au, and 17.42 g/Ton Ag.

2nd Campaign, 61 samples, general average 0.19 g/Ton Au, 4.14 g/Ton Ag, maximum value obtained 0.51 g/Ton Au, and 45.10 g/Ton Ag, and values of up to 0.13 % Cu.

In past management, 2 exploration wells have been drilled, using the Reverse Circulation method, only the geochemical results of the shrapnel obtained in the drilling are available, which confirmed the mineralization observed at the surface up to a depth of about 215, the analytical results of these drillings are as follows:

601 meters of drilling in 2 wells

292 samples were sent to the laboratory

Well 1: 300 meters, overall average 0.29 g/Ton Au, maximum value obtained 3.16 g/Ton Au

Well 2: 301 meters, overall average 0.18 g/Ton Au, maximum value obtained 1.65 g/Ton Au

The following table shows the mineralized sections, the thicknesses traversed and an average grade of the same in the drilled holes:

Well 1	From To	Thickness	Average Gold Grade
	0 - 22.22	22.22	0.66
	29.7 - 62.8	33.10	0.34
	70.3 - 103.2	32.90	0.33
	165.5 - 189	23.50	0.27
	224.2 -300	75.80	0.44
Well 2	**From To**	**Thickness**	**Average Gold Grade**
	29 - 50	21	0.50
	177 - 189.2	12.3	0.44

The second stage of exploration implemented in the sector consisted of systematic sampling, every meters, in channels arranged along 10 lines, more or less parallel, with a transverse orientation to the direction of maximum geological variability and of the shear zones, mineralized, and separated from each other by an approximate distance of about 25 m.

A total of 398 samples were obtained, which were analyzed by Au and Ag, in their entirety, and partially by Cu.

This sampling has confirmed that there are mineralized trends and/or corridors with close separation between them, corroborated by the drilling of hole 1.

Analytical results indicate average contents of 0.24 g/Ton Au, 3.7 g/Ton Ag and 195 g/Ton Cu. Gold concentrations range from 0.03 to 1.17 g/ton, while silver concentrations range from 0.30 to 60.2 g/ton. The highest gold contents are concentrated in the central sector of the confluence zone of the two shear zones, i.e. in the Santa Rosa Stockwork, forming an area of 230 m in diameter.

Anomalous gold concentrations are consistently distributed along the N110º trend shear zone for an additional 180 m to the NW of the stockwork. The highest silver contents are concentrated on the southern flank of the Santa Rosa Stockwork.

The following table lists the most significant sections of this systematic sampling:

From To	Longitude	Average Gold Grade	Average Silver Grade
34-37	8	0.57	1.48
39-48	22	0.41	6.65
54-57	8	0.40	2.78
78-87	20	0.35	7.08
111-117	16	0.32	7.87
126-135	22	0.30	12.45
137-154	36	0.38	5.29

155-167	26	0.36	2.72
183-202	40	0.23	1.10
220-242	46	0.28	1.28
331-341	24	0.49	1.67
342-359	36	0.39	1.13
365-376	26	0.39	0.54

The data used for the estimation are the results of the initial geological exploration and the obtaining of indicative samples, later a systematic sampling was carried out in the area considered as the main one such as the Santa Rosa zone and the drilling of 2 exploration wells, which has shown us that the mineralization identified is up to 220 m deep.

In the geological mappings and samplings carried out, an area of 235 m by 180 meters wide is obtained, assuming that the mineralization up to 260 meters depth is identified, it would have a volume of 8.5 million m3.

Some tests were made of the density of the rocks present in the Santa Rosa area, in addition to comparing with other similar sectors there is a bulk density of 2.45.

With these preliminary values, an initial tonnage of 20 million tons would be obtained.

Assuming a medium grade, obtained from the indicative, systematic, and well sampling, we would have an average grade of 0.40 g/Ton Au, then we would have an Inferred resource of 269,000 Ounces of Gold.

The purpose of this report is to seek financing to increase mineralogical resources, through detailed geological exploration work, since the potential of the deposit and the type of deposit described and analyzed is expected.

2. INTRODUCTION

LA GRAN ESPAÑOLA PROJECT

2.1 INTRODUCTION

Itavi Mining Company S.A. has commissioned the preparation of a Technical Report on the La Gran Española Project, owned by the aforementioned Company, this report will contain all the relevant geological and geochemical data of this mining project detailed in this report.

2.2 MINING COMPANY DUTIES S.A.

Itavi Mining Company S.A., is a legally constituted company in the Pluractional State of Bolivia, has tax registration, registration in FUNDEMPRESA and complies with all state regulations. It is mainly dedicated to the exploration and exploitation of mineralogical resources, which are found in the mining properties that they have registered or in properties of third parties after having reached a labor and mining exploitation agreement.

2.3 AUTHOR

The author of this report is registered with the Bolivian Society of Engineers, under registration number No. 6000 SIB, and with the College of Geologists of Bolivia, under registration number No.
131 CGB.

2.4 SOURCES OF INFORMATION

For the preparation of this report, Itavi Mining Company S.A. has provided geological maps, previous reports, mining maps, as well as geochemical information, details of drilling wells and their corresponding chemical analyses, and other geological mining information that have been validated for the purposes of representation and estimation of this report, in addition to having served to make an initial estimate of the resources that may exist in the project and that is part of this report.

3 DESCRIPTION AND LOCATION OF THE MINING PROPERTY

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3.1 LOCATION

The Gran Española project is located in the volcanic chain of the Cordillera Occidental of Bolivia and is part of the Central Volcanic Zone of the Cordillera de Los Andes, in the department of La Paz, in the northwestern part of Bolivia, about 175 km from the city of La Paz. The geographic center of the project is located at the following geographical coordinates: 17°14' 13" South Latitude and 69° 31' 01" West Longitude, at an average altitude of 4300 meters above sea level, the location of the Gran Española project is shown in the following figure:

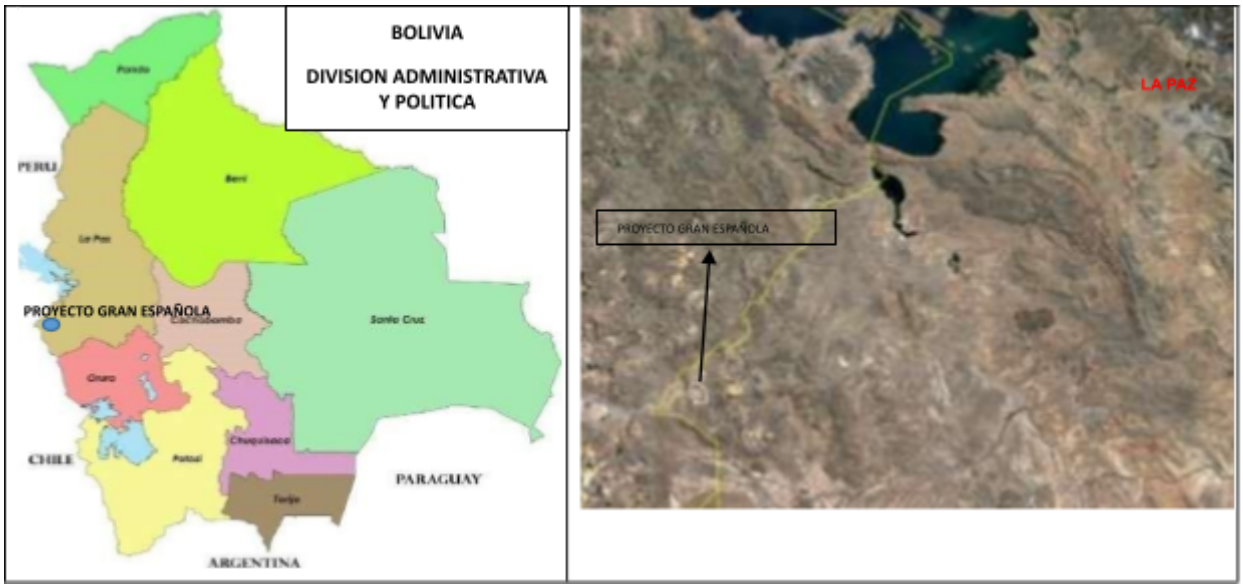

Fig. 1: Location of the Gran Española Project

3.2 LEGAL FRAMEWORK

The large private mining investment that began in the 1980s in the Republic of Bolivia, in 1997 a new Mining Law was enacted, which regulates most matters related to mining activities, this code followed the concession system and incorporated a new system of mining properties called Grids, these mining properties were considered as real estate, that as such they could be transferred, incorporated into the capital of the companies, could be subject to credit, mortgaged, sold, marketed and subject to inheritance laws by virtue of the Bolivian Civil Code.

In May 2014, a new Mining and Metallurgy Law, Law 535 of the Plurinational State of Bolivia, was introduced and enacted, replacing the 1997 law. In October 2016 this law was amended by Law 845 by the Bolivian Congress.

This Mining Law of 2014 and amended in 2016 establish rules in relation to the procedures for the granting of new mining rights and those already existing before this law and previous ones.

In addition, it regulates mining and metallurgical activities, establishing principles, guidelines and procedures for the granting, conservation and extinction of mining rights, development and continuity of mining activities in a responsible, planned and sustainable manner, and establishes an institutional framework, roles and attributions of state and mining productive actors, including the private sector.

Procedures for a change from the old mining concession system to the new Mining Administrative Contract system, which is required by the new legislation based on the Constitution of the Plurinational State of Bolivia.

3.3 EXPLORATION AND MINING RIGHTS

Mining exploration and exploitation rights in Bolivia are granted by the Ministry of Agriculture. Mines and Metallurgy, through the Mining Administrative Jurisdictional Authority (AJAM). Under the current Mining Law, tenure is granted as a Mining Administrative Contract and an exploration and exploitation license, which have a fixed term of 30 years and can be extended for another 30 years if certain conditions are met, each contract requires work in progress and the submission of plans and requirements to the AJAM.

3.4 ENVIRONMENTAL PROTECTION

Depending on the nature and scope of the activities to be carried out, the operator may need specific licenses or documents that must be submitted to the environmental authorities under the Ministry of Environment and Water or the departmental governorates and in some cases to the projects that may require consultation with the population near the mining project.

The main law governing the protection of the environment, in general, is Law 1333 of 27 April 1992, which is regulated by several Supreme Decrees of the Executive. The special decree containing the mining regulations is of paramount importance. Strict parameters for environmental protection must be followed. Failure to comply with environmental obligations can even trigger criminal liability under the Constitution.

A document called an Environmental Impact Assessment (EIA) is typically required to obtain the appropriate license. Compliance is monitored and monitored by specialized environmental authorities. As required by the licenses, any impact on the environment must be reported to the authorities. Remediation measures and rehabilitation projects are mandatory. For mine closure, the operator must create a financial reserve that is maintained annually.

3.5 GRAN ESPAÑOLA PROJECT MINING PROPERTY

Itavi Mining Company S.A.'s mining property in the La Gran Española project comprises a mining property under a Mining Adequacy Contract, and covers 24.5 km2 or 2450 hectares.

The following figure shows the mining concession geographically:

Fig. 2: Mining Concessions by Mining Adaptation Contract

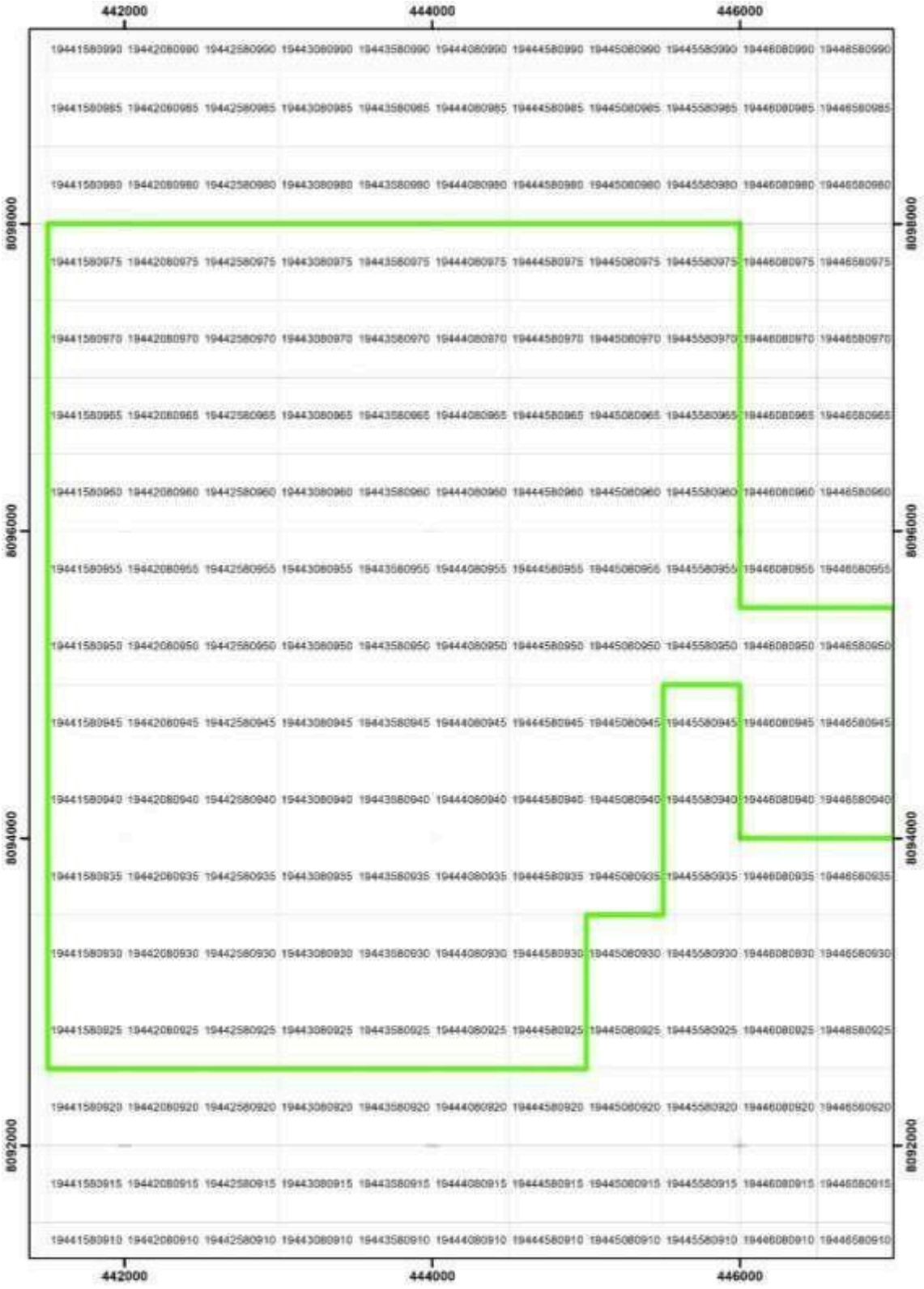

Fig. 3: Mining Grids in Mining Concessions

3.6 TECHNICAL CHARACTERISTICS OF MINING CONCESSIONS

NUMBER	REGISTER	NAME	TYPE	TYPE	GRIDS	AREA	PROPRIETOR	DURATION
						Ha		
CONCESSION	NATIONAL	CONCESION	AREA	CONCESSION				
2037868	2437/2022	LA GRAN ESPAÑOLA	ATE	EXPLOITATION	98	2450	ITAVI MINING COMPANY S.A.	30 YEARS

3.7 MINING GRIDS OF THE MINING PROPERTY

MINING PROPERTY BY GRID								
GRID NUMBERS								
19441580975	19442080975	19442580975	19443080975	19443580975	19444080975	19444580975	19445080975	19445580975
19441580970	19442080970	19442580970	19443080970	19443580970	19444080970	19444580970	19445080970	19445580970
19441580965	19442080965	19442580965	19443080965	19443580965	19444080965	19444580965	19445080965	19445580965
19441580960	19442080960	19442580960	19443080960	19443580960	19444080960	19444580960	19445080960	19445580960
19441580955	19442080955	19442580955	19443080955	19443580955	19444080955	19444580955	19445080955	19445580955
19441580950	19442080950	19442580950	19443080950	19443580950	19444080950	19444580950	19445080950	19445580950
19441580945	19442080945	19442580945	19443080945	19443580945	19444080945	19444580945	19445080945	19446080950
19441580940	19442080940	19442580940	19443080940	19443580940	19444080940	19444580940	19445080940	19446580950
19441580935	19442080935	19442580935	19443080935	19443580935	19444080935	19444580935	19445080935	19446580945
19441580930	19442080930	19442580930	19443080930	19443580930	19444080930	19444580930	19446080945	19446580940
19441580925	19442080925	19442580925	19443080925	19443580925	19444080925	19444580925	19446080940	

Table 1: Mining Grids

3.8 COSTS OF MINING PROPERTY

The costs of mining property are referred to the annual payment of mining patents, this tax is indexed to the Housing Development Unit (UFV), which is a unit of account readjusted according to inflation in Bolivia, this value can vary year after year depending on inflation in the country.

By 2023 the UFV was equal to 2 and the payment of mining patents was:

ATE	GRIDS	PATENT COST	UFV	TOTAL Bs.	TOTAL $uS
LA GRAN ESPAÑOLA	98	76.89795918	153.795918	**15,072.0**	**2,162.4**

Table 2: Costs of Mining Property

4. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

4 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

4.1 ACCESS

The La Gran Española Project is located in the department of La Paz, General José Manuel Pando province, municipality of Catacora.

The entrance to the project can be made from the city of La Paz, along an asphalt road that passes through the town of Santiago de Machaca to the town of Estancia Catacora, with a length of 225 km and from there along a neighborhood dirt road, graveled double track to the Tarutani camp. With a length of 12 km, this road is passable all year round.

The closest city in importance is the city of La Paz – El Alto, this city located on the main highway axis of the main departments of the Plurinational State of Bolivia. Also from La Paz there are two paved roads to the Republic of Chile, to the important port cities, used for exports and imports of the state.

4.2 PHYSIOGRAPHY

Bolivia is divided into 5 physiographic zones, which from east to west are the Cordillera Occidental, where most of the volcanic activity is located, the Altiplano, an endorheic basin of great development of more than 2,500 km long by about 600 wide and an average height of 3,750 meters above sea level, then comes the Cordillera Real, With several representative and snow-capped hills, mainly the product of the subduction of the oceanic plate over the continental plate with folded and faulted zones, it passes temporarily to the sub-Andean zone or foothills and to the west the Chaco Beni plain of the Amazon basin, a plain filled by Quaternary sediments and at an average height of 400 meters above sea level

The La Gran Española project is located in the northern portion of the physiographic zone of the Cordillera

It is located in the western part of the river and consists of several volcanic centers, the most prominent being Huaricunka, Berenguela, Serke, with elevations of 5300 meters above sea level. Around the project there are some elevations of up to 4800 meters above sea level and mountains dissected by a drainage system controlled by them.

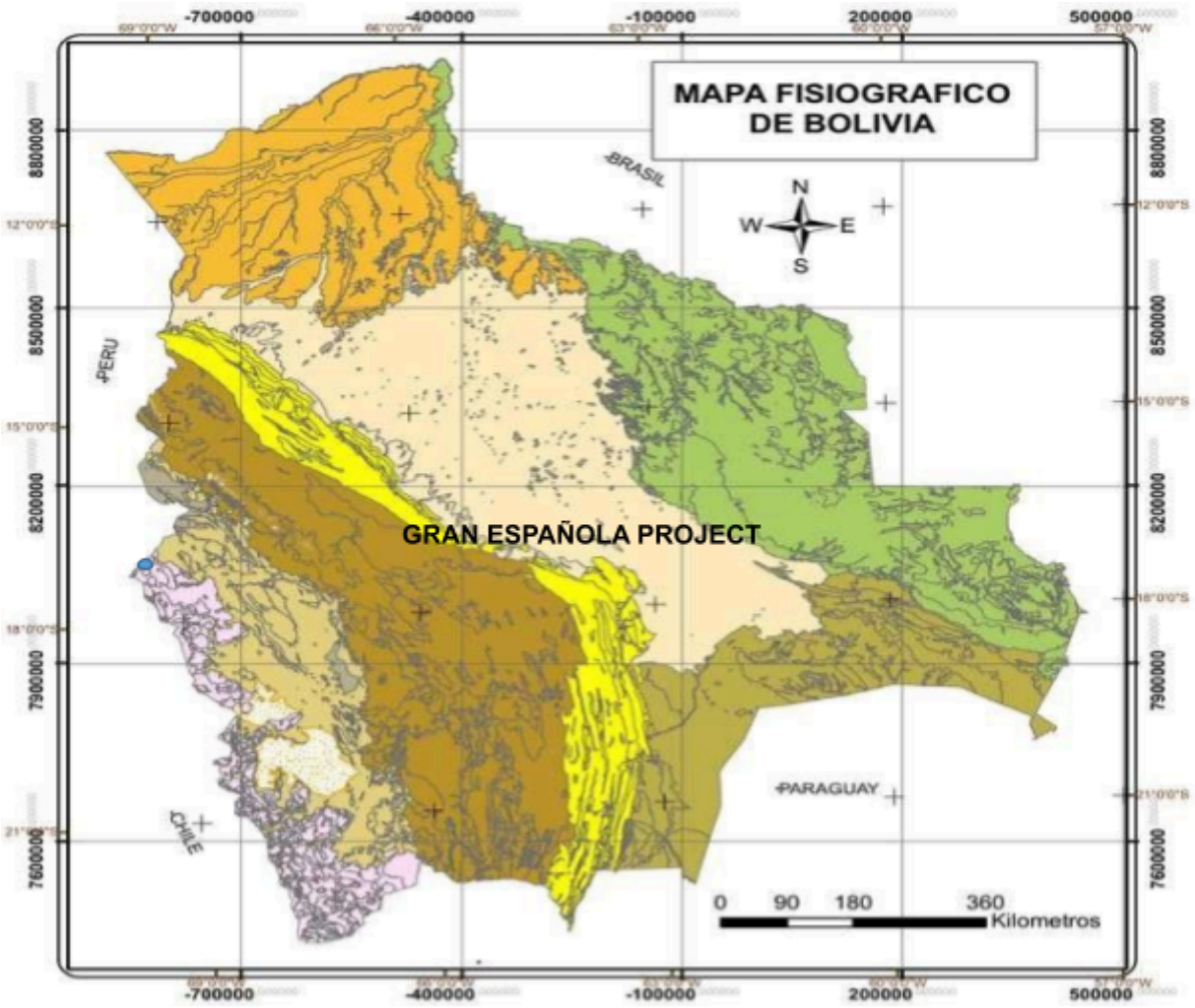

Fig. 4: Physiographic Map of Bolivia

4.3 CLIMATE AND VEGETATION

The climate in the area of the La Gran Española project, according to Koppen, is a dry steppe climate (B) with a dry and cold winter, despite the fact that we are in an equatorial region of 17° south latitude, but at a high altitude above 4300 meters above sea level.

So the climate is Bswk type, characterized by the fact that in the months of May to August the winter is cold, where temperatures can reach up to -8 °C, but dry and in the day it can reach 15 °C, it has a variable windy season between the months of July and/or August. The Andean summer is rainy, with the months of December to February being moderate and variable intensities.

The fauna is characterized by the presence of alpacas, llamas and wild vicuñas, which are very common in this part of the Western Cordillera, in addition to the inhabitants of the region raise these cattle for their food and commercialization of their meat, in addition to wool.

The occurrence of vegetation in the area can be divided, associated with the climate and the characteristic zone is: High Andean Grassland (4000 to 4600 meters above sea level), the vegetation is low as a dense tapestry interspersed by watercourses, low altitude species predominate such as the junciform graminiforms (Distichia muscoides and Andean oxychloe), there are also gentianas sedifolia, in general, mosses and straw from the high mountains.

4.4 SERVICES AND INFRASTRUCTURE

The La Gran Española project, being close to the city of La Paz, is a good center for the supply of essential materials, from minor tools to specialized machinery in mining, hardware stores and warehouses that allows a constant and safe supply.

The hiring of labour comes mainly from the area, workers and essential mine personnel. The employment of skilled and technical labor comes from the city of La Paz and/or some nearby mining centers, such as operators, drillers, and technical and administrative personnel.

In the intermediate towns such as Berenguela, Santiago, San Andrés, Jesús de Machaca, Achiri and others there are permanent police posts. As well as posts, medical centers for basic medical care services and for some specialized cases, the proximity to the city of La Paz ensures fast and timely care.

Communications are good, since cell phone and internet signals are permanent with telephone companies (ENTEL, TIGO, etc.).

In the vicinity of the La Gran Española project there are some precarious buildings that can be temporary shelters.

There is electricity nearby 24 hours a day.

5 HISTORY

5 HISTORY

Bolivia has been a mining country since pre-Columbian times, through the republican era and up to the present day. The discovery of Cerro Rico, mining centers such as Pulacayo, and those near the city of Oruro such as San José. The search was mainly for silver ores in the colony, but they found other minerals of little use and knowledge such as tin ores, antimony and others.

At the beginning of the 80's, the discovery of an epithermal deposit in the department of Oruro, evaluated and exploited by national and American companies, brought others in the field of exploration, and this is how several attempts at geological exploration began in this part of the Western Cordillera, including the formation of a project between GEOBOL and the USGS. Several experts came and saw several projects, including those of Hispaniola.

The La Española prospect has been investigated and explored by EXPROMIN in the 1980's, with surface sampling and local geological mapping. The USGS, through GEOBOL, executed several projects in which Española was mapped in detail and a petrological and geochemical characterization of the rocks of the district was made. Subsequently, Empresa Minera Inti Raymi S.A., carried out orientation and detailed work in the Santa Rosa sector, which is the central area of the mining district, with the execution of mapping of hydrothermal alterations, indicative sampling, towards 2008 Newmont Gold Corporation, through Newmont Peru Limited, entered the area of Hispaniola, complementing the previous works and implementing an indicative and systematic sampling in the Santa Rosa sector. Likewise, the first attempts were made to carry out a detailed geological exploration program with the execution of diamond wells.

5.1 MINING

Historical mining activity on the La Gran Española property and adjacent areas prior to 2000 was intermittent, there are several holes and small sinkholes, on some thin mineralized structures, the record of probable historical production is not available.

But if we look at the mining operations of little development, which testifies to mining efforts in the area, although probably without success, since the existing type of mineralization is not suitable for mining work following very narrow veins, until they almost disappear, which has made it difficult and discouraged artisanal mining operators, This is due to the fact that the mineralization responds to another type of expression resulting from the type of deposit that is found in the La Gran Española project.

5.2 EXPLORATION

The geological exploration in the La Gran Española Project has been aimed at carrying out a geological reconnaissance on the surface, from this reconnaissance several zones have been identified with zones of argillic alteration, propylitic and vuggy silica, as well as mineralized corridors, fracturing zones and the presence of veins and veins of iron oxides, jarosite and alunite.

5.3 GUTTER-TYPE SURFACE SAMPLING

The exploration and reconnaissance on the surface was accompanied by indicative samples and systematic channel-type sampling in several sectors of the mining district, whose objective was the reconnaissance and geological continuity of the mineralized structures, especially in the central part of the area, which for exploration purposes is called the Santa Rosa Zone where the following exploration works were carried out.

Detailed in the table below:

Type of Exploration Jobs	Work carried out
Semi-Detailed Geological Mapping	2150 Ha
Detailed Geological Mapping	650 Ha
Reverse Circulation Drilling	601 m
Drill Chip Sampling	292 samples sent to the laboratory
Surface Indicative Sampling	82 samples sent to the laboratory
Systematic Sampling Every 2.3m	398 samples sent to the laboratory
QA/QC	22 double samples, 20 white samples

Table 3: Exploration work completed through 2023

6. GEOLOGY AND MINERALIZATION

6. GEOLOGY AND MINERALIZATION

6.1 BOLIVIAN GEOLOGICAL MARK

The geological and tectonic framework of Bolivia is divided into 6 geological-structural provinces, these being: the Precambrian Shield, the Chaco-Benian plains, the Sub-Andean Zone, the Eastern Cordillera, the altiplano and the Western Cordillera, this arrangement is shown in Figure xxx., each one has geological and metallogenetic particularities.

The Central Andes area is the most important from the metallogenetic point of view, these zones will be briefly described below:

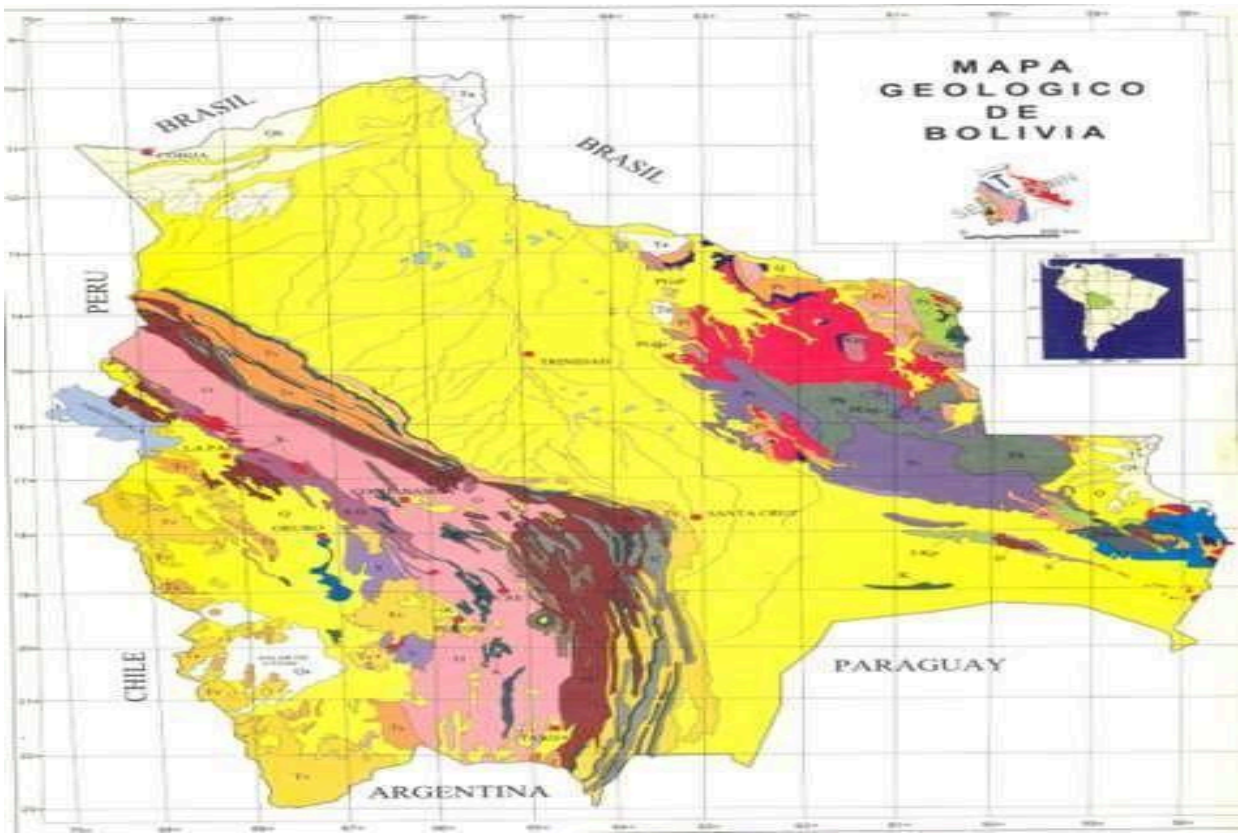

Fig. 5: Geological Map of Bolivia Source (SERGEOMIN (2014)

The Andean Orogen is a consequence of the subduction of the oceanic plate on the continental plate, this complex process has caused an intense compressive deformation, with the presence of folded belts and runs separated by large zones of faults and tectonic deformation. From the metallogenetic point of view, structures in the upper crust act as conduits for mineralizing fluids to more favorable sites for mineral deposition and/or intrusion of magma into the crust

6.2 PRECAMBRIAN SHIELD

Located in the eastern part of Bolivia, it is part of the Brazilian Shield or Guapore Craton, it is made up of mainly Proterozoic crystalline rocks and rocks of sedimentary origin but that have undergone intense metamorphism, affected by different orogenic, igneous and metamorphic events. It hosts various prospects and occurrences of gold, platinum, nickel, tantalum, copper, tin, iron, etc.

6.3 BENIAN CHACO PLAINS

Located in the eastern and central sector of the country and occupying 40% of the national territory, it comprises fluvial and alluvial plains, with elevations up to 250 meters above sea level, the basement is made up of Tertiary sedimentation and Precambrian crystalline rocks.

6.4 SUBANDINE ZONE

The sub-Andean zone comprises a longitudinal folded and landslide belt, constituting an active basin of the country, it is characterized by longitudinal and narrow mountain ranges with elevations between 500 to 2000 meters above sea level, the lithology is mostly of Paleozoic and Mesozoic and Tertiary marine clastic sedimentary rocks of continental environments.

The presence of several prospects associated with orogenesis is characteristic of this area, with the presence of gold, antinomy and a lower proportion of zinc.

6.5 CORDILLERA ORIENTAL

The Cordillera Oriental comprises a series of mountain ranges that reach elevations above 3800 meters above sea level. The rocks of the Cordillera Oriental are composed of intensively deformed sequences of Paleozoic marine sedimentary rocks, less deformed Cretaceous and Cenozoic continental sedimentary rock sequences.

Plutonic rocks of granodiorite and rhyolites occur as large batholiths, especially in the northern part of the Cordillera Oriental. The Permian to Triassic igneous rocks found in the middle and southern parts of the range are mainly hypo-abyssal and volcanic rocks that occur as volcanic stocks and necks that intruded into Paleozoic sedimentary sequences.

6.6 ALTIPLANO

The altiplano comprises an endorheic continental basin of the forecountry, with a length of at least 1500 km long and about 400 km wide, geomorphologically constituting a plain with an average elevation of 3750 meters above sea level.

The origin of the altiplano is very complex, but it constitutes an extensive depression due to the effect of the compression produced by the subduction of the plates, which was quickly filled by decreasing clastic grain sequences, which towards its end constituted large lagoon deposits of the Pleistocene lakes that covered the part of this region.

This geological region covered several mineralized occurrences, as observed in the Oruro region, in Kori Chaca, in Patacamaya in the La Paz region, so it is inferred that others may occur in this region.

6.7 CORDILLERA OCCIDENTAL

The Western Cordillera constitutes a mountain range of up to 1000 km in length, in this mountain range are found a series of volcanic events mostly extrusive, where volcanic fields of acid character are found, from the Paleogene to the present, being volcanoes, stratovolcanoes, lava flows, collapsed calderas and pyroclastic ignimbritic shields their greatest geomorphic expressions, and, to a lesser extent, intermediate sedimentary sequences between these volcanic events that deposited continental sediments filling some basins.

In the last geological epoch from the Oligocene to the present, this mountain range evolved as an active volcanic arc, with the presence and construction of large recent volcanic centers such as Cerro Sajama (6540 meters above sea level), Ollagüe (6478 meters above sea level).

6.8 CHARACTERIZATION AND METALLIFEROUS PROVINCES OF BOLIVIA

The Andean orogen holds a great potential for metalliferous resources represented by different types of mineralization, the most important of which are: polymetallic vetiform deposits associated with felsic plutonism or sub-outcropping magmatic bodies, orogenic deposits associated with zones of fracturing and tectonic deformation such as those of Kori Chaca, Amayapampa, San Bernardino, Yani-Aucapata, etc., epithermal deposits of low to high sulphidation such as those of Cerro Rico, Kori Kollo, San Cristóbal, Pulacayo, massive volcanogenic sulfides or VMS such as the one in Míguela in Santa Cruz, etc.

This is how we have the metalliferous provinces of Bolivia:

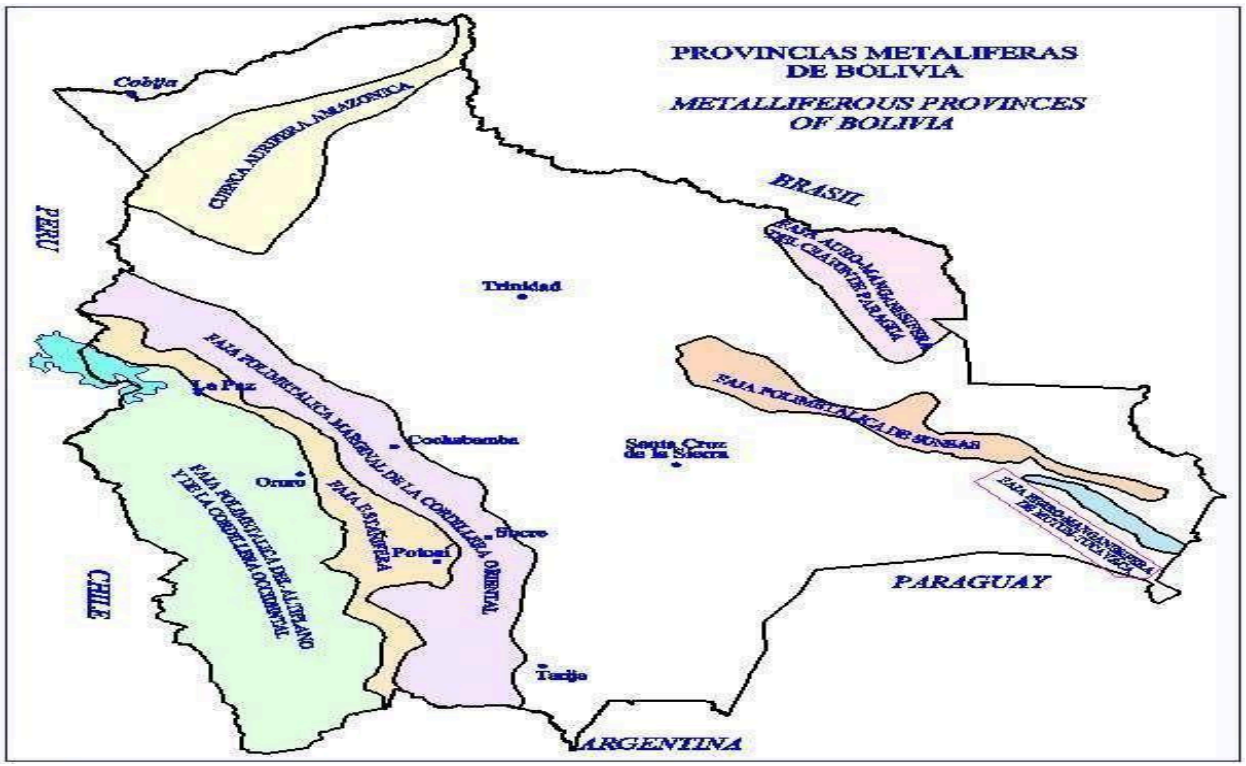

Fig. 7: Metalliferous Provinces of Bolivia (SERGEOMIN, 2012)

The Bolivian stanniferous belt is one of the most important, as it is about 900 km long and contains significant deposits of tin, silver and wolfram, related to felsic plutonic magmatic processes associated with orogens between the late Paleozoic and Tertiary.

To this adjacent belt is the polymetallic belt related to the tectonic deformation in the Andes and sub-outcropping magmatic bodies, in this belt the occurrences of zinc, silver and lead are very important and in them are housed several mining projects that are currently being exploited with relative success.

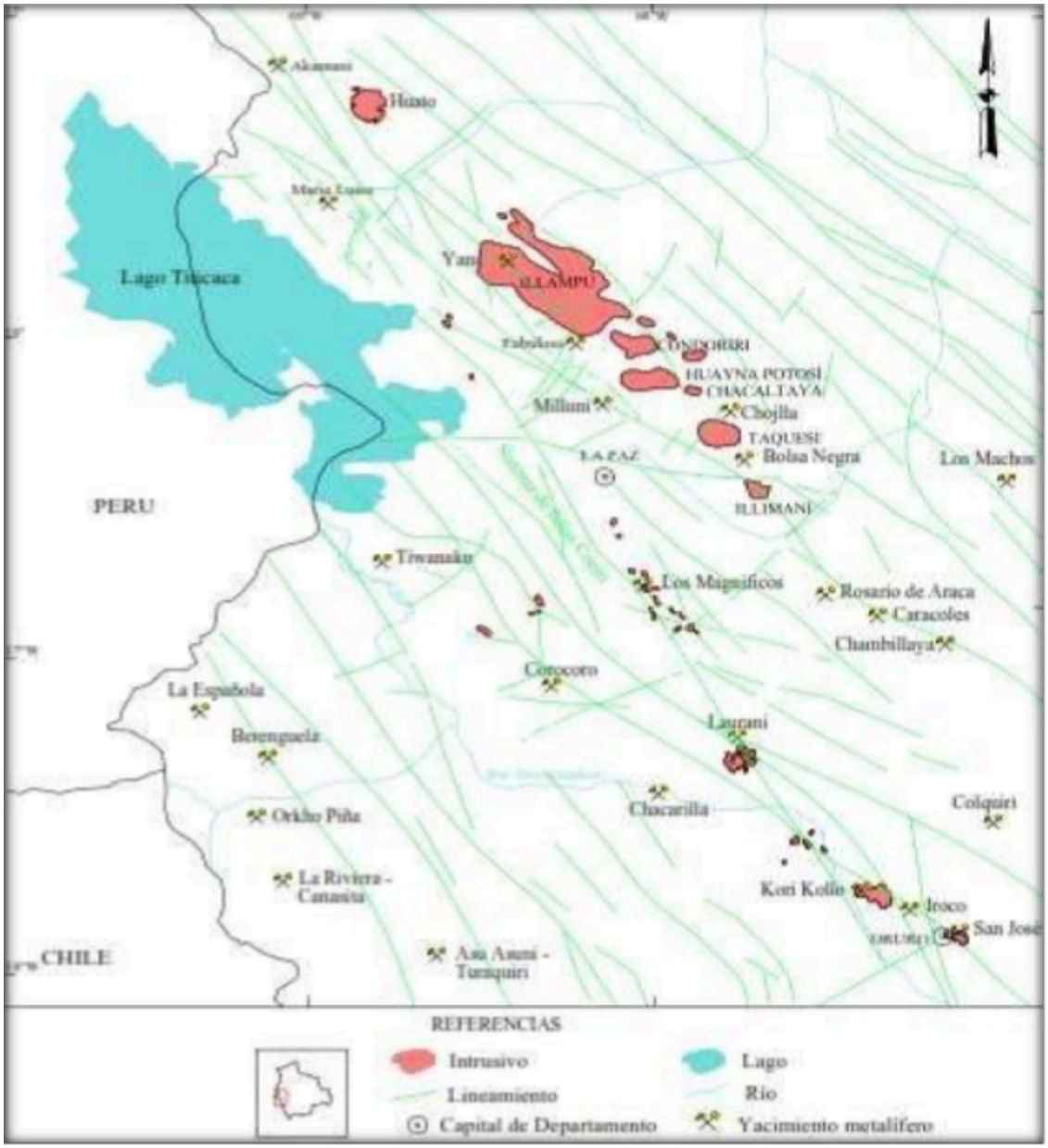

Fig. 8: Polymetallic belt associated with plutonism

6.9 GEOLOGY AND MINERALIZATION AT THE LA GRAN ESPAÑOLA PROJECT

6.9.1 REGIONAL GEOLOGY

Regionally, the project area is located in the polymetallic belt of the altiplano, where there are numerous mineralized occurrences, which is a consequence of the construction of the Andean orogeny, which affects pre-existing sediments, especially those of the Paleozoic of great development in this region. This orogenesis is characterized by the generation of large anticlinal and synclinal structures, diaclasm, fracturing as a consequence of different local and regional faults as a result of the compressive regime, the latter in several cases have become the channels of mineralization in the Andean region.

6.9.2 DISTRICT GEOLOGY

Geologically, the La Gran Española project is located in the volcanic chain of the Cordillera Occidental of Bolivia and is part of the Central Volcanic Zone of the Andes Mountains. It is a Neogene and Quaternary volcanic complex that is part of the Metallionetic Province of the Central Andes, one of the most important metalliferous provinces in the world.

In the district area, the basement is made up of continental sediments (intermontane deposits) associated with a shortening of the crust and affected by successive unconformities that are generally indicative of tectonic events produced during the Andean cycle. These sediments outcrop at the eastern end of the district and consist at their base of medium- to coarse-grained, yellowish to reddish sandstones and light to dark brown quartzite sandstones of Eocene to Oligocene age (Berenguela Formation). Above, a sedimentary and volcanic lithological assemblage of Oligomiocene age is unconformable, consisting of dark gray lavas, dated to 25.6 Ma, alternating with layers of sandstone and red claystones. Towards the top, clayey sandstones and conglomerates with andesite clasts are distinguished, and sandstones, reddish siltstones, interbedded with feldspathic sandstones, and ends with a horizon of tuff and tuffaceous sandstone (members 2 and 4 of the Mauri Formation). The sedimentary sequence culminates with member 5 of the Mauri Formation, consisting of reddish-brown conglomerates and sandstones, and white to gray tuffs.

In the western part of the district, volcanic and subvolcanic rocks of Tertiary age are exposed, affected by regional fractures and emplaced in the sedimentary rocks described above. The oldest volcanic unit, of Oligo-Miocene age, is formed by ignimbrites with a variable degree of welding, and green trachyandesitic lava flows, with vesicular zeolites, covered by dark brown flow breccias. The lava flows were dated to 20.8 Ma, and are interbedded with conglomerate levels composed of clasts from andesitic lavas (Abaroa Formation). During the Middle Miocene (12-11 Ma) a magmatic event occurred represented in the district by the emplacement of the subvolcanic volcanic complex of Hispaniola, made up of an intercalation of tuffs and lava flows of andesitic composition at its base, and which was followed by the emplacement of a series of domes (San Jerónimo and Jichu Cunca hills) and domes (Thola Khollu hill). porphyry-dacitic to andesitic (some pre- and others post-mineralization).

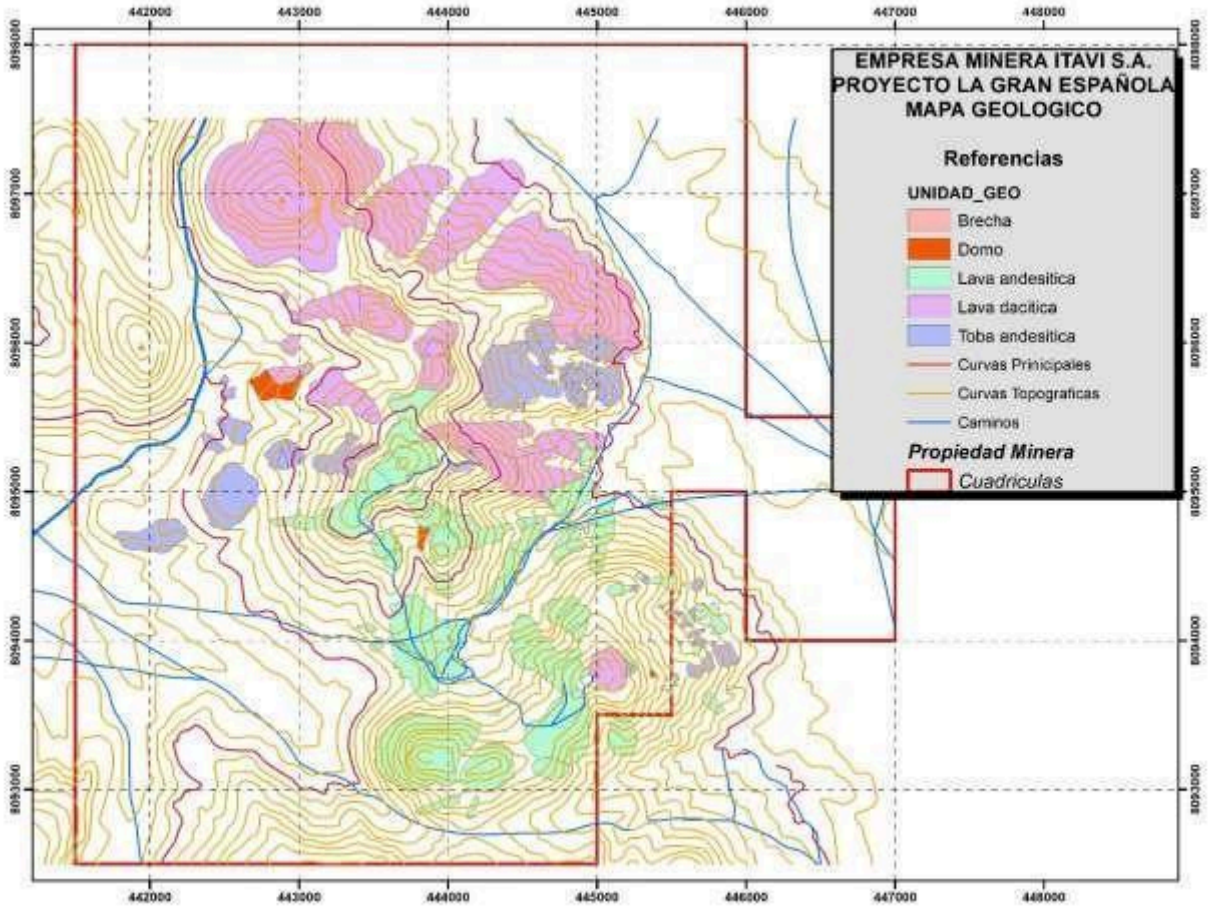

Fig. 8: Geological Map of the Gran Española Project

6.9.3 STRUCTURAL GEOLOGY AND TECTONICS

The interpretation and analysis of satellite images allowed the identification of some guidelines, due to which the region would have been affected by a system of strike-slips with a northwesterly trend. The aforementioned fault system is characterized by the occurrence of a large lineament, more or less continuous, that crosses the central part of the district and extends from the Orkhopiña region (Au-Zn prospect), to the southeast, passing through the Huaricunca prospect, in the district, to the northwest. This lineament is flanked, to the east and west, by others of a sigmoidal nature, the latter feature that characterizes strike fault systems. The occurrence of NESW to ENE-WSW stress fault systems and other conjugate systems is also recognized.

Structurally, the folds of N-S to NW-SE trend that affect the sedimentary sequences (Berenguela and Mauri formations) and older volcanic sequences (Abaroa Formation) and the formation of a

large structural dome, well exposed in the Berenguela region, in the eastern part of the district, stand out.

6.9.4 LOCAL GEOLOGY

In the La Gran Española project, the oldest rocks that outcrop are sedimentary, volcanic and volcanoclastic units from the upper Oligocene to the middle Miocene that make up the Abaroa Formation, made up of archosic sandstones intruded by andesitic sills, which are overlying volcanoclastic conglomerates, andesitic lahars, which intercalse with flow breccia channels, andesitic lavas and pyroclastic levels. In this sequence, dikes of rhyolitic composition were placed. Overlapping the Abaroa Formation are lahars with dacite blocks up to 5 m in diameter. In this volcano-sedimentary basement, the volcanic to subvolcanic complex "La Española" of predominantly andesitic composition was located, consisting of the products of a series of magmatic pulses represented by pyroclastic sequences, domes, and of dacitic to andesitic composition. The complex covers an area of approximately 20 km2, in whose perimeter the basal pyroclastic sequences are distributed, while the subvolcanic bodies and domes, which make up the San Jerónimo, Pekenkhara, Mariajichu and Jichu Cunca hills, occupy the central part, in which the different zones of hydrothermal alteration and mineralization that make up the project occur.

6.10 MINERALIZATION AND HYDROTHERMAL ALTERATIONS

The most widespread types of hydrothermal alteration in the prospectus are moderate phyllic to argillic alteration, which penetratively affects subvolcanic dacitic bodies and surrounding volcanic rocks. The presence of gypsum (probable by-product of anhydrite) and occasionally potassium feldspar, as a product of potassium hydrothermal alteration, would suggest a probably epithermal environment, The zones of acid sulfate-type alteration, characterized by the occurrence of zones of cavernous silica or vuggy silica, and others of quartzalunite developed at the top of Cerro San Jerónimo.

In general, the zones of hydrothermal alteration (quartz-aluminite, argillic, phyllic and propylitic), vein systems, veinlets and stockworks are associated and controlled by shear zones of tendencies N70º to N110º and their corresponding conjugates from NS to N45º, with vertical to subvertical dips.

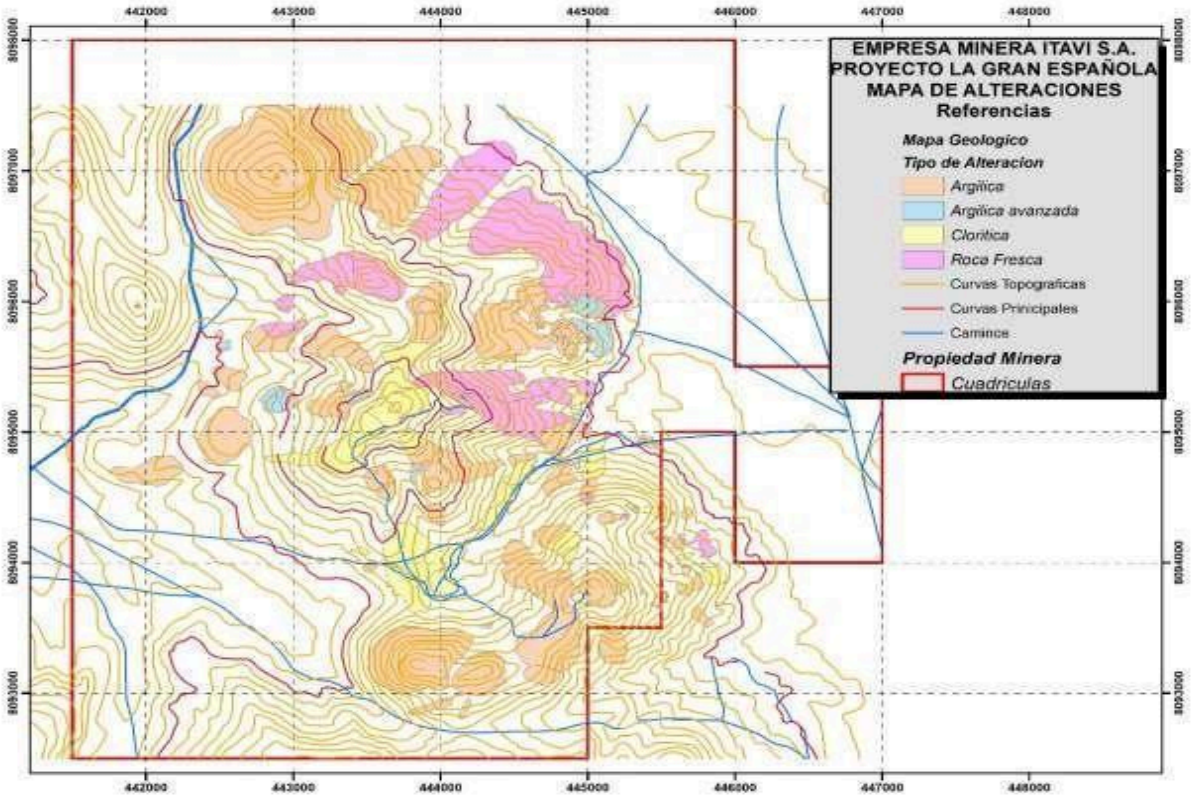

Fig. 9: Map of Alterations of the Gran Española Project

6.10.1 SECTOR SAN JERÓNIMO

The sector called San Jerónimo is located in the northwestern part of the prospect. It consists of a series of andesitic stocks of porphyritic texture, which intrude on an andesitic pyroclastic sequence. In this area, extensive zones of chloritic, argillic, sericitic and advanced argillic alteration are observed, the latter being less developed areal and well developed at the top of Cerro San Jerónimo. The aforementioned zones of hydrothermal alteration are affected by a relatively intense fracturing, trending N70º to N90º, filled predominantly by iron oxides and locally by silica.

In the San Jerónimo NW sector, it consists of a silica vetille, locally associated with the dissemination of sulphides (pyrite, chalcopyrite and arsenopyrite), developed in moderately silicified, lenticular structures and subvertical dips of N100º tendency, which reach lengths of up to 7 m and thicknesses of no more than 3 m. A second system, subordinate to the one described above, has silicified structures of N310º orientation, whose thickness does not exceed 0.30 m. In addition to these two main systems, there are millimetric silica-filled fractures of N70º strike, all of them located in an intensely sericitized andesitic pyroclastic sequence. These features, in general, also characterize the Santa Rosa sector, which, as will be described in detail later, are intimately related to a main andesitic stock, host rock of the vetilleo and that in the San Jerónimo NW sector would be sub-outcropping. This possibility allows us to presume an encouraging prospective potential. The area that exposes the gold silica vetting in this sector is approximately 50 m in diameter.

The San Jerónimo SW sector consists of at least 2 lenticular, tabular, subvertical, EW structures, which reach lengths of up to 60 m and thicknesses that do not exceed 20 m. These structures

are penetratively silicified, moderately limonized, affected by intense cracking, and locally present the development of siliceous hydrothermal breccia lenses. These structures are hosted in an andesitic pyroclastic sequence that outcrops in the topographically higher areas of the sector affected by a quartz-aluminite alteration, which slopes laterally and vertically to areas of intense argillic alteration.

6.10.2 SECTOR SANTA ROSA

The sector called Sector Santa Rosa, is an area with a marked stockwork that occupies the southeastern end of the prospect and the northeastern flank of the Jichu Cunca hill. It consists of an alternation of pyroclastic rocks and lavas of andesitic composition, which were intruded by an andesitic stock of porphyritic texture and which together overlie the volcaniclastic sequence of the Abaroa Formation.

Structurally, in the sector, two zones of shear trend N65º and N110º, respectively, stand out, and subvertical dips that converge in a fault contact area between the andesitic stock and the basal tuffs of the volcanic complex. Both shear zones structurally control the development of the Santa Rosa Stockwork, which is located precisely at the confluence of both shear zones, where it covers an area of at least 240 m by 140 m. The fault that connects the andesitic stock and the basal tuffs of the CVLE, which has a NW-SE trend and whose nature has not yet been defined, would represent the eastern limit of the stockwork.

The N65º trend shear zone is the southern limit of the stockwork and has a thickness of 140 m. This shear zone extends into the WSW of the Santa Rosa stockwork, and hosts silica vetting for an additional 170 m. The N110° direction shear zone, bounds the prospective area to the north, and is 170 m thick, and hosts gold silica veinlets for at least an additional 240 m WNW of the stockwork. Altogether, the prospective area covers an area of 75,000 m2.

The stockwork consists of a silica vetting system, generally blue-grey, of a multidirectional nature, although locally the N70º, N110º or N20º tendencies may predominate. The individual thickness of the veinlets usually does not exceed one millimeter, but locally veinlets up to 3 cm thick are observed. The vetting density is approximately 5 to 10 veinlets in 10 cm.

At least two pulses of hydrothermal activity were recognized in the sector. The first of these would have been associated with the development of halos of advanced argillic alteration, intermediate argillic alteration, sericitic and propylitic. The halos of advanced argillic alteration form extensive areas surrounding the southern and northern flanks of the Santa Rosa Stockwork, and lenticular halos of reduced thickness associated with subvertical phyllonian structures of N70º tendency hosted in the basal pyroclastic sequence, exposed in the areas surrounding the eastern and western ends of the stockwork. Some of the interior reconnaissance mines, which date back to colonial times, show these characteristics.

The first hydrothermal pulse, inside the stockwork, would be represented by halos of serictic and argillic alteration, of thickness no greater than 10 m, structurally controlled by a fracture of N70º tendency. Locally, the development of siliceous lenticular halos occupying the central part of the sericitic and/or argillic zones is observed.

The second hydrothermal event would be represented by a siliceous alteration associated with the development of the dark gray silica stockwork that affected and hosted predominantly in the andesitic stock. The silicification, as well as the vetille of the auriferous silica, were superimposed on the halos of sericitic, argillic and propylitic alteration originated by the first

hydrothermal pulse. This conclusion is supported by the fact that both silicification and vetilleo affect the argillic, sericitic and propylitic alteration zones equally. This event is the most important from a prospective point of view, due to its association with gold mineralization.

Gold mineralization in the sector, as mentioned above, is closely related to the development of grayish to blue-gray silica veinlets that fill a dense multidirectional fracturing system associated with the shear zones described above. The presence of sulphides is extremely sporadic and localized. The dominant sulphide is pyrite, which is finely disseminated in the box rock, up to 10%, associated with halos of intense silicification; Chalcopyrite is less than 1%.

In general, the mineral occurrences in the prospect show features indicative of the presence of a dominant structural control and, to a lesser extent, lithological. From a structural point of view, as already mentioned, there are two important systems, whose trends are N70° and N110°, respectively. Lithological control is manifested in the fact that auriferous silica vetting develops predominantly in the andesitic stock and to a much lesser extent in the pyroclastic sequence.

6.10.3 INITIAL EXPLORATION RESULTS

Several exploration campaigns were carried out, from geological mapping and indicative sampling of some sectors, so that 20 geochemical samples were initially obtained, for sampled widths of up to 2 meters. A second stage of reconnaissance included an indicative sampling of 61 samples, for variable sampling widths, between 0.3 and 2.5 meters. These results can be summarized as follows:

1st Campaign, 20 samples, general average 0.49 g/Ton Au, 14.5 g/Ton Ag, maximum value obtained 1.45 g/Ton Au, and 17.42 g/Ton Ag.

2nd Campaign, 61 samples, general average 0.19 g/Ton Au, 4.14 g/Ton Ag, maximum value obtained 0.51 g/Ton Au, and 45.10 g/Ton Ag, and values of up to 0.13 % Cu.

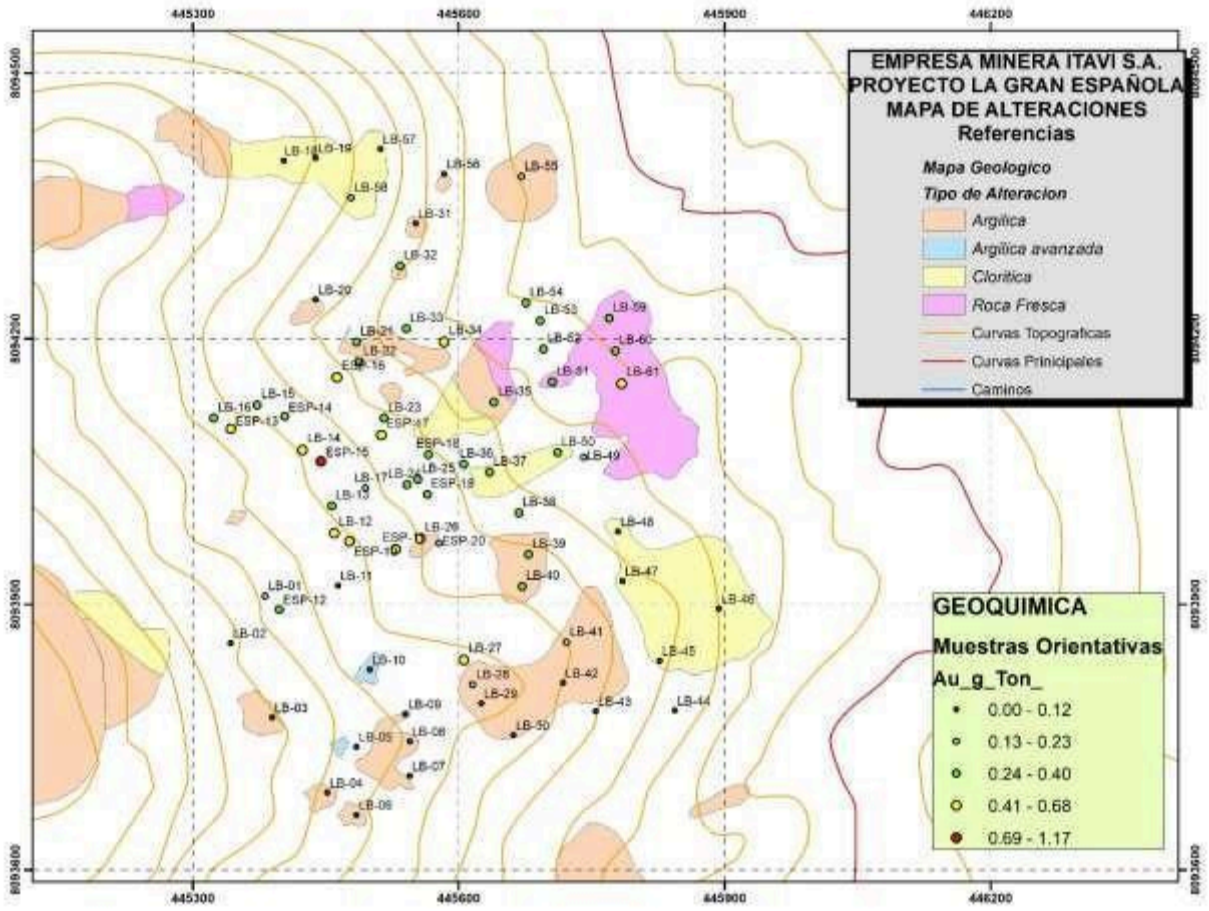

Fig. 10: Geochemical map of the indicative samples

In past management, 2 exploration wells have been drilled, using the Reverse Circulation method, only the geochemical results of the shrapnel obtained in the drilling are available, which confirmed the mineralization observed at the surface up to a depth of about 215, the analytical results of these drillings are as follows:

601 meters of drilling in 2 wells

292 samples sent to the laboratory

Well 1: 300 meters, overall average 0.29 g/Ton Au, maximum value obtained 3.16 g/Ton Au Well

2: 301 meters, overall average 0.18 g/Ton Au, maximum value obtained 1.65 g/Ton Au.

The following table shows the mineralized sections, the thicknesses traversed and an average grade of the same in the drilled holes:

Well 1	From To	Thickness	Average Gold Grade
	0 - 22.22	22.22	0.66
	29.7 - 62.8	33.10	0.34
	70.3 - 103.2	32.90	0.33
	165.5 - 189	23.50	0.27
	224.2 -300	75.80	0.44
Well 2	**From To**	**Thickness**	**Average Gold Grade**
	29 - 50	21	0.50
	177 - 189.2	12.3	0.44

Table 4: Mineralized Spans in Exploration Holes

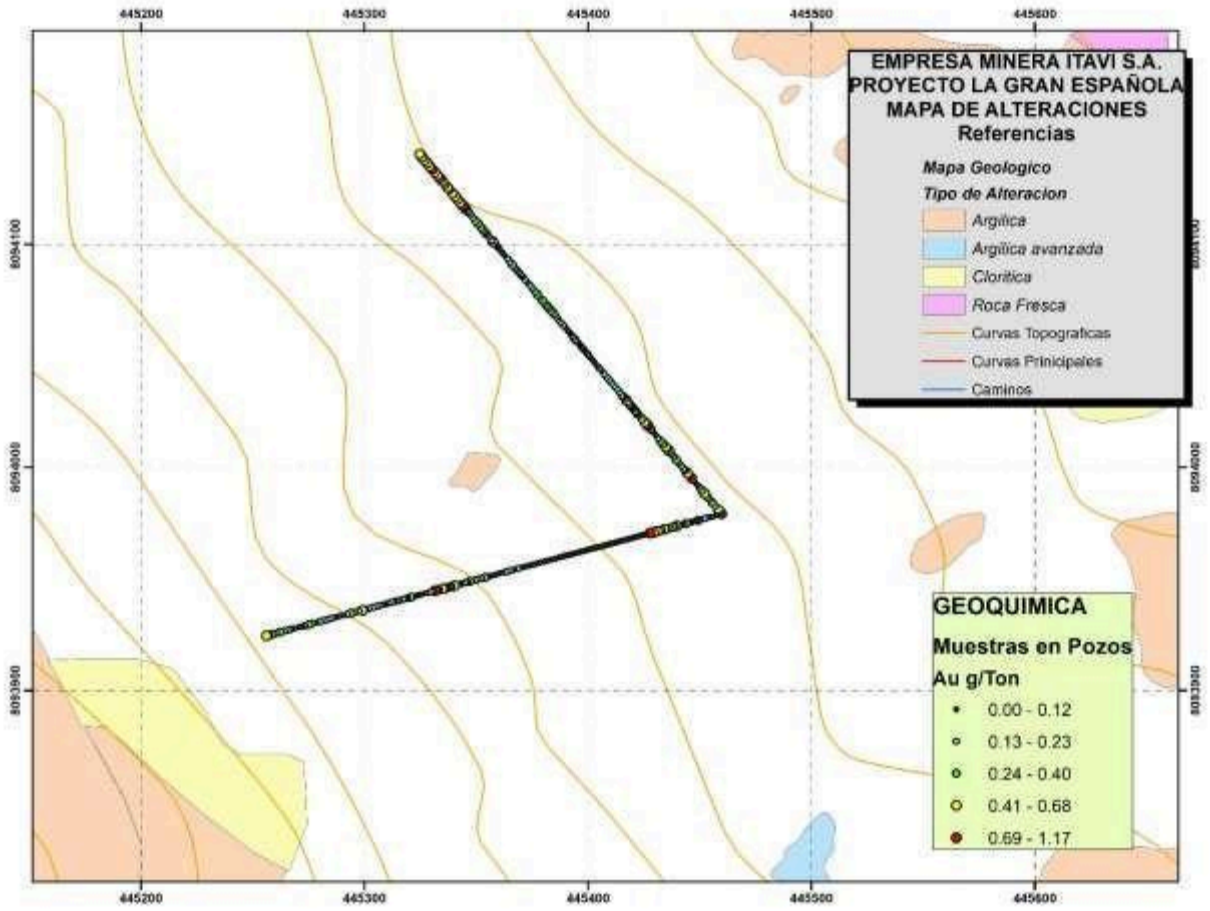

Fig. 11: Geochemical map of exploration wells

6.10.4 SEMI-DETAILED SCAN RESULTS

The second stage of exploration implemented in the sector consisted of systematic sampling, every 2 meters, in channels arranged along 10 lines, more or less parallel, with a transverse orientation to the direction of maximum geological variability and of the shear zones, mineralized, and separated from each other by an approximate distance of about 25 m.

A total of 398 samples were obtained, of approximately 5 kg each, which were analyzed by Au and Ag, in their entirety, and by Cu only the first 112 samples.

This sampling has confirmed that there are mineralized trends and/or corridors with close separation between them, corroborated by the drilling of hole 1.

Analytical results indicate average contents of 0.24 g/Ton Au, 3.7 g/Ton Ag and 195 g/Ton Cu. Gold concentrations range from 0.03 to 1.17 g/ton, while silver concentrations range from 0.30 to 60.2 g/ton. The highest gold contents are concentrated in the central sector of the confluence zone of the two shear zones, i.e. in the Santa Rosa Stockwork, forming an area of 230 m in diameter.

Anomalous gold concentrations are consistently distributed along the N110º trend shear zone for an additional 180 m to the NW of the stockwork. The highest silver contents are concentrated on the southern flank of the Santa Rosa Stockwork, forming an area 180 m long by 80 m wide, along the N 70º shear zone.

In general, 398 samples were obtained, with the general average being 0.24 g/Ton Au, 3.66 g/Ton Ag and 195 g/Ton Cu. The maximum value obtained is 1.17 g/Ton Au, 60.2 g/Ton Ag and 1202 g/Ton Cu.

The following table lists the most significant sections of this systematic sampling:

From To	Longitude	Average Gold Grade	Average Silver Grade
34-37	8	0.57	1.48
39-48	22	0.41	6.65
54-57	8	0.40	2.78
78-87	20	0.35	7.08
111-117	16	0.32	7.87
126-135	22	0.30	12.45
137-154	36	0.38	5.29
155-167	26	0.36	2.72
183-202	40	0.23	1.10
220-242	46	0.28	1.28
331-341	24	0.49	1.67
342-359	36	0.39	1.13
365-376	26	0.39	0.54

Table 5: Mineralized spans in systematic sampling

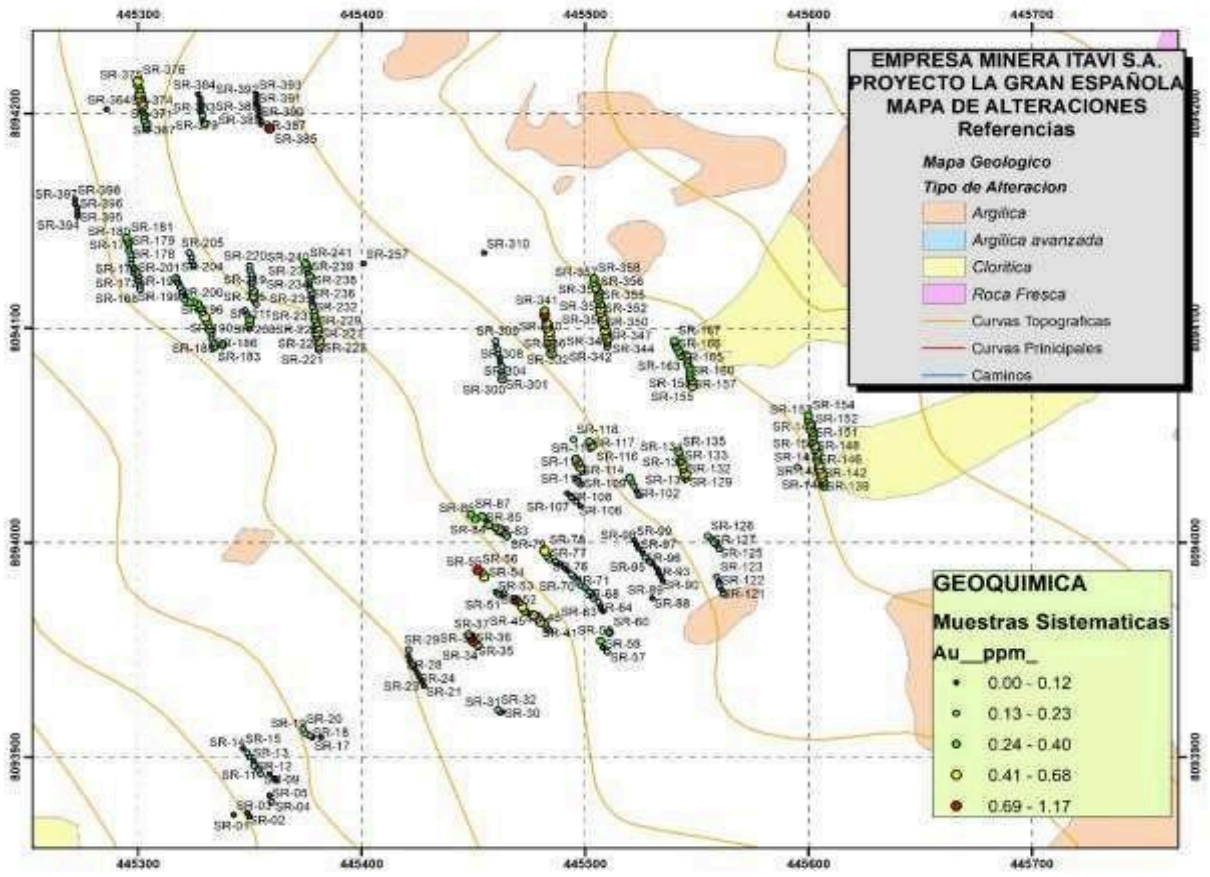

Fig. 12: Geochemical map of systematic samples

6.11 DEPOSIT TYPE

The type of mineral deposit can be defined under the following considerations:

The mineralizing fluids circulated to the surface through fractures, which were already made, where veins and veinlets filled with precious metals were placed.

Veins and veinlets are the product of hydrothermal activity associated with the emplacement of intrusive bodies

The mineralization is very close to surface, between 0 to 2 km depth

The thermometry range is between 220° to 285° for mineralized veins, with relatively low salinity levels up to 8% NaCl.

The types of alteration present are argilitization, silicification, silicic-like structures in the form of lenses or better known as vuggy silica and in the periphery propylitation is observed, there is a marked zonation of the types of alteration.

The mineralization observed is dominated by fine veinlets and veins up to 2 cm thick of iron oxides, limonite, jarosite, as well as areas with stockwork in the structural corridors, as well as a spread in the box rock, forming haloes of up to 30 m around the mineralized structures.

For all these considerations we can indicate that the type of reservoir corresponds to a high sulphidation epithermal reservoir.

7 MINERAL RESOURCE ESTIMATION

7. ESTIMATION OF MINERAL RESOURCES AND RESERVES

The estimation of mineral resources and reserves was made with the results of the exploration campaigns carried out to date.

7.1 DATA USED

The data used for the estimation are the results of the initial geological exploration and the obtaining of indicative samples, later a systematic sampling was carried out in the area considered as the main one such as the Santa Rosa zone and the drilling of 2 exploration wells, which has shown us that the mineralization identified is up to 220 m deep.

In the geological mappings and samplings carried out, an area of 235 m by 180 meters wide is obtained, assuming that the mineralization up to 260 meters depth is identified, it would have a volume of 8.5 million m3.

Some tests were made of the density of the rocks present in the Santa Rosa area, in addition to comparing with other similar sectors there is a bulk density of 2.45.

With these preliminary values, an initial tonnage of 20 million tonnes would be obtained.

Assuming a medium grade, obtained from the indicative, systematic and well sampling, we would have an average grade of 0.40 g/Ton Au, then we would have an Inferred resource of 269,000 Ounces of Gold.

Recommendations and conclusions

1. **It should be noted that the analyses were only carried out for gold, the values of silver, copper, lead and zinc were not taken into account, so in the following reconnaissance works chemical analyses have to be taken from them.**

2. **The ranges between 0-23.7 and 223.6-300 meters did not take into account shear zones which could increase mineral resources considerably.**

3. **In the sectors of San Gerónimo Expromin took several samples that yielded 21.5 ppm Au, 105 ppm Ag, 1.32%Cu, 147 ppm As and 130 ppm Sb. Silver grades reach a few hundred g/t while gold grades generally show values of less than 1.5 g/t.**

4. **The potential of the known targets at Hispaniola to host gold and silver mineralization is comparable to other deposits in the Bolivian Altiplano, such as the gold deposit at Laurani and Kori Kollo, which lie to the south in a similar geological environment.**

5. **Considering an average of 0.5 g/t Au for the ore body, based on drilling and geological mapping data, there is an area 700 meters long 200 m wide, a depth**

of at least 250 m, and a specific gravity of 2.4 g/cc for the mineralized rock, an approximate resource is estimated to be positive with an upcoming exploration campaign of 500,000 Oz Au. However, it is expected that the Au contents will increase in the zone of intersection of the two shear zones, which has not been explored by drilling. Likewise, the ratio of less than 10 to 1 silver implies that the silver reserve exceeds millions of ounces.

6. **For this reason, an aggressive exploration program is planned, in order to increase resources and reserves in a short period of time.**

7. **On the other hand, these resources could be improved with the contribution of the sectors identified on the western flank of Cerro San Jerónimo, which could triple or double the resources, little studied to date, in addition to the objectives of the Tarutani and Mina Kollota veins, in addition to the fact that the deposits in the western codillera tend to increase their values at greater depths.**