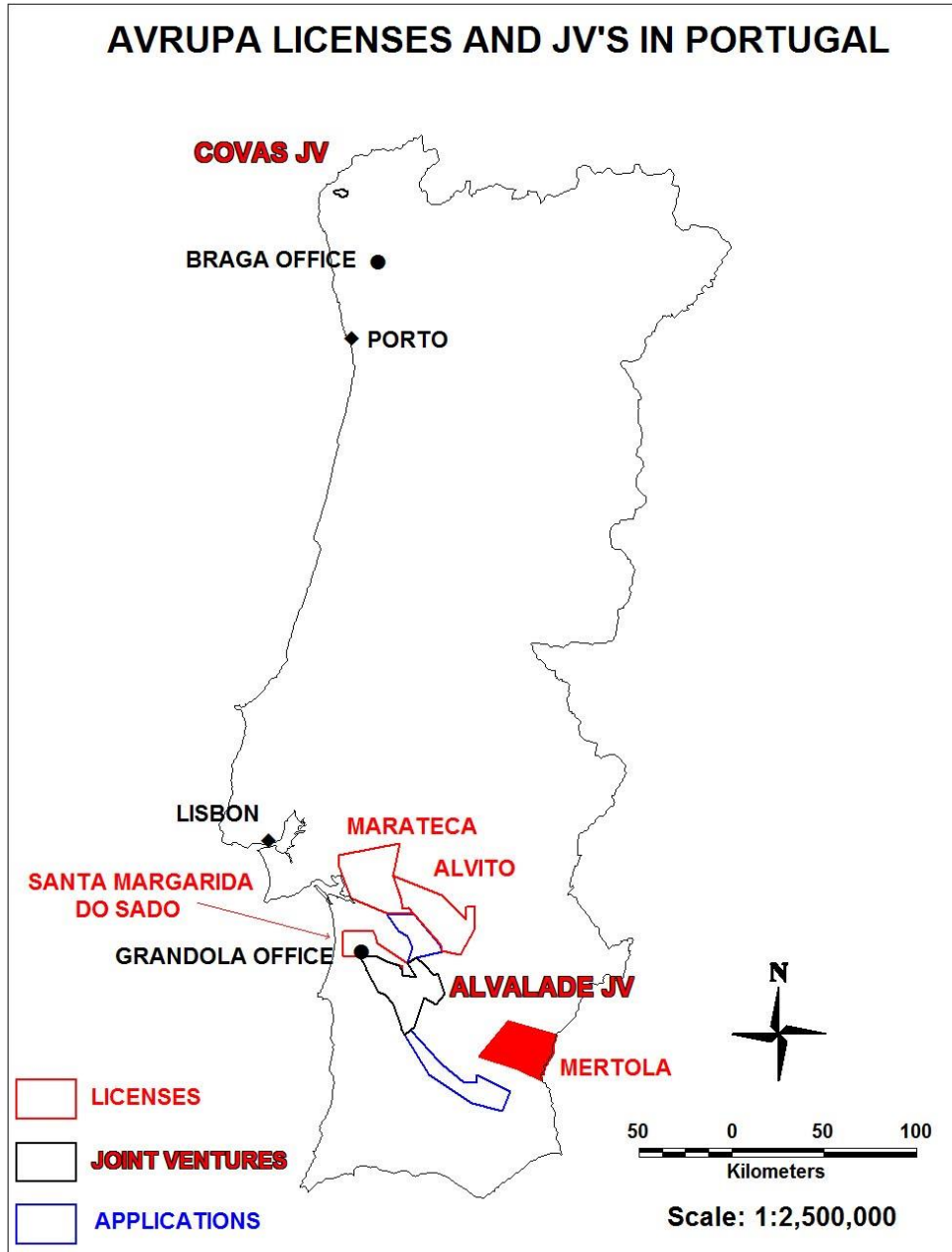


MERTOLA LICENSE

(762.9 km² -- available for joint venture)



Mértola License

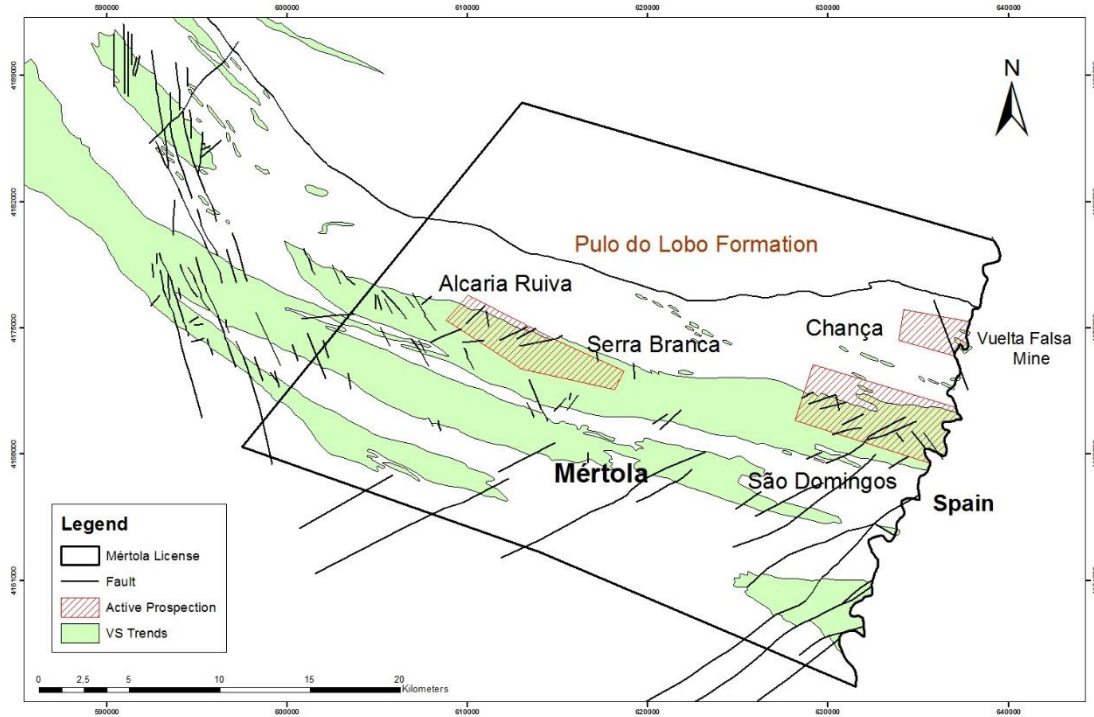


Fig.1- Location Map of Mértola License.

Geological Setting:



Fig.2- São Domingos/Chança Prospects. **2a** – São Domingos historical open pit (left side); **2b** – Thrust Fault in Vuelta Falsa mine on Spanish side of the Chança prospect (right side).

- Abundant outcropping rock exposed with visible alteration, which allows for quicker structural re-interpretation of the area.
- Active prospecting focused along the São Domingos (Rio Tinto-La Zarza) and Águas Tenidas (Vuelta Falsa-Chança) trends.
- Main structures: ENE-WSW (parallel to VS bedding), NE-SW, NW-SE, NNW-SSE (important strike slip component);
- São Domingos: Exploitation from Roman times to 1966. Ore body consists of a single sub-vertical lens containing ~ 25Mt of sulphides (1.2% Cu and 3% Zn). *Note that all other IPB deposits consist of multiple lenses of massive sulphide mineralization.*
 - o Modern mining between 1857 and 1966 resulted in an open pit that reached 120m depth and underground workings reaching a depth of 420m (single lens exploited).

Historical Data Available:

- Geochemistry
 - o Chança: Soils (Cu, Pb, Zn and As); Gossan lithogeochemistry.
 - o São Domingos: Soils (Cu, Pb, Zn, Hg, As, Bi, Au); Gossan lithogeochemistry.
 - o Serra Branca: Soils (Cu, Ag, Pb, Zn, As); Stream Sediments (Cu, Au, Pb, Zn); Lithogeochemistry.
- Geologic maps:
 - o 1:50.000 and 1:25.000 (Portuguese Geological Survey);
 - o 1:5.000 in Chança, São Domingos, Serra Branca and Alcaria Ruiva (exploration and mining companies);
- Regional geophysical data available:
 - o **Chança:** Gravity, EM, MAG, IP, UTEM, 3D Inversions.
 - o **São Domingos:** Gravity, EM, MAG, IP.
 - o **Serra Branca:** Gravity, EM, MAG, IP, UTEM.
 - o **Alcaria Ruiva:** Gravity, EM, MAG.
- Historic Drilling with core available for logging and sampling:
 - o **Chança:**
 - S-6652 (505.60m) – Stockwork mineralization (Py ± Cpy) between ~ 230.00 and 300.00m.
 - CH-1 (486.50m) – Disseminated Py ± Cpy mineralization between 428.10 and 450.10m. Locally massive to semi-massive.
 - CHA-1 (456.40m) – Stockwork mineralization in last 187m. Mainly pyrite with chalcopyrite, sphalerite and galena.
 - CH0601-Rep (512,60m) - Disseminated Py ± Cpy mineralization between 441.75 and 512.60. Locally massive to semi-massive.
 - High Cu Value: 457.75-459.75m: 2m @ 0.7% Cu.
 - CH0602 (650m) – Stockwork mineralization between 307.80 and 376.25m.
 - High Cu Value: 329.80-331.80m: 2m @ 1.34% Cu.
 - CH0703 (589.20m) – Stockwork mineralization between 96.50 - 121.20m; 155.10 – 167.60m (1.30m @ 1.62% Cu; 3.12%Zn) and 185.70 – 216.70m (4.00m @ 1.32% Cu; 3.10%Zn).

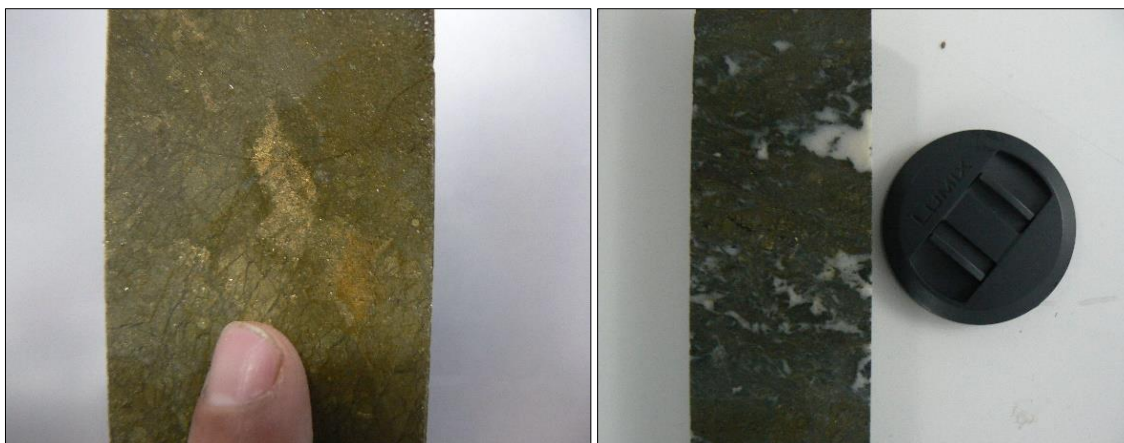


Fig.3- CH0601-Rep. **3a** – Massive Sulphide with abundant chalcopyrite (leftside). **3b** – Pyrite and chalcopyrite as disseminations and in veins, hosted in a siliceous breccia.

- o São Domingos:
 - SD-1002 (785.20m) – Stockwork mineralization (Py ± Cpy ± Sph) between 540.00 and 573.00m.

- TG-1 (353.50m) – Mineralized breccia (Py + Gn ± Cpy) between 55.00 and 55.60m.
 - MSD-2 (324.75m) - Disseminated Py (locally massive) between 145.00 and 234.00m. Rare Cpy, Gn and Sph.
 - MSD-3 (350.00m) - Disseminated Py between 318.20 and 332.60m. Rare Gn and Sph. Cpy in fractures and S1.
 - MSD-4 (257.20m) – Fine Py disseminated. Gn and Cpy rare in fractures and S1.
- Serra Branca:
 - SB-1 (164.50m): Gossan area. Weak Py mineralization (47.50-55.00m; 65.00-70.00m; 134,8-146,9m)
 - SB-2 (362.20m): Massive sulphide with low Cu content between 146.00 and 147.70m.
 - SB-5 (171.80m): To test the evolution of the SB2 mineralized level at 90m NW (mineralization found between 135.00 and 140.60m).
 - SB-6 (322.80m): Poor mineralization between 272.80 and 275.30m.
- Alcaria Ruiva:
 - AS2 (150m), AS3 (142m): Py disseminations and clots locally.
 - VC2 (66.20m) – Disseminated mineralization (Py + Cpy ± Sph ± Gn) between 23.40 and 26.50.
 - VC3 (128.30m) – Chalcopyrite blebs in quartz-carbonate stringer zone (44.30m).

Work in Progress:

- Re-logging historic drilling core (Chança 1st Priority; São Domingos 2nd Priority; Serra Branca 3rd Priority and Alcaria Ruiva 4th Priority);
- Detailed geologic mapping: 1:5.000 (Chança 1st Priority, São Domingos 2nd Priority);
- Structural and lithostratigraphy reinterpretation of target zones **based on Avrupa's understanding of the Iberian Pyrite Belt.**