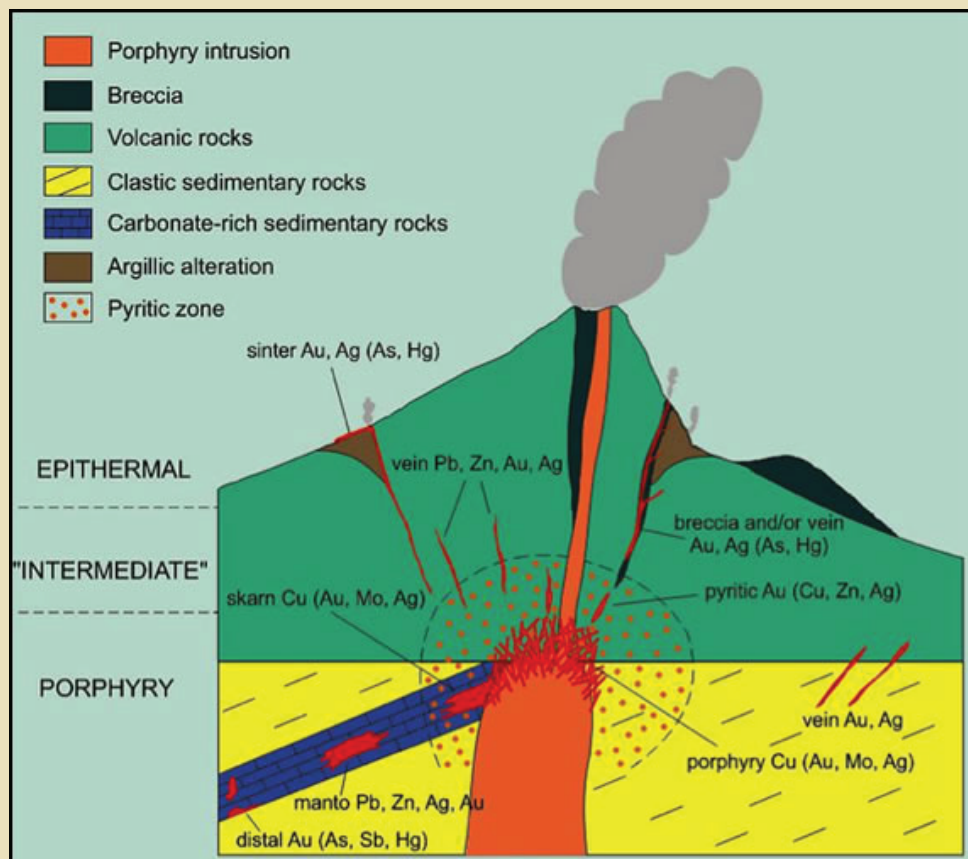


Las HEDIONDAS



The Hediondas property is situated between the Andes Cordillera range and a string of hills called the Do-a Ana IV Region in the Elqui Province of Chile. The property covers 1,850 Ha and has a structural style the same as the famous El-Indio mine operated by Barrick. The property covers several zones of intense hydrothermal alteration and yields a number of mineral showings and rusty zones of which Las Hediondas is one.

Las Hediondas and El Indio are located in zones of equivalent alteration and occur in similar structural settings. Hence, they are metallo-tectonically comparable. Las Hediondas yields copper, gold and silver mineralization, which are of increasing economic interest world-wide. According to the presented background information and field observations, the exploration target is a large disseminated hydrothermal deposit similar to Chuquicamata or Pascua-Lama.



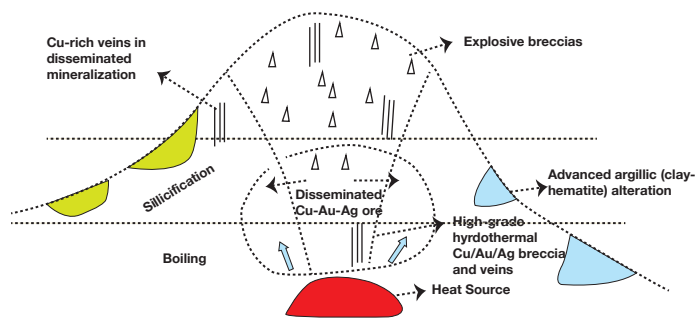
Past Exploration:

- The property has seen very sporadic exploration beginning in the 1930's
- Small-scale artisanal mining and processing of high-grade material in the 1960's
- 5 holes drilled by Newmont / Echo Bay Mines in the 1990's
- Looking for large, low-grade Au deposit
- Anomalous results, up to 0.5 g/t
- Results didn't meet minimum company target requirements
- Newmont wasn't interested in Cu
- Holes drilled parallel to the structure that hosts Las Hediondas
- No modern EM/IP geophysical surveys conducted
- Las Hediondas structure not tested by drilling

Exploration Model

Las Hediondas yields copper, gold and silver mineralization which are of increasing economic interest world-wide.

According to the presented background information and field observations, the exploration target is a large disseminated hydrothermal deposit similar to Chuquicamata or Pascua-Lama.



Results of Past Mining Operations (1960's)

2,200 tonnes at average grades of: **9.50% CU; 218 g/t AG; 1.03 g/t Au**

Number	Tonnes	Cu (%)	Ag(g/t)	Au (g/t)	Cu (lbs)	Ag (oz)	Au (oz)
1	43.8	12.9	167.3	1.0	12442	236	1.4
2	99.9	9.8	176.4	1.4	21542	567	4.5
3	140.9	9.5	269.9	0.9	29445	1223	4.1
4	10.4	10.1	241.6	1.0	2315	81	0.3
5	142.3	10.1	287.9	1.1	31619	1317	5.0
6	131.9	10.2	218.8	1.2	29604	928	5.1
7	16.6	13.8	256.8	1.7	5036	137	0.9
8	30.6	13.4	614.7	1.2	9024	605	1.2
9	28.5	15.2	198.2	0.5	9533	182	0.5
10	31.3	13.1	206.1	0.8	9035	208	0.8
11	49.9	14.5	358.6	1.4	15931	576	2.2
12	216.0	5.1	122.5	1.0	24234	851	6.9
13	89.8	8.9	198.1	0.7	17591	572	2.0
14	94.1	11.3	258.8	1.0	23391	777	3.0
15	142.3	7.8	140.3	0.9	24424	642	4.1
Total	1268.5				265,164	8,901	42
Average		9.50	218	1.03	Average		

At \$3.75/lb Cu, \$1400.00/oz Au and \$33.00/oz Ag

Total= 1000

CU= 800

AG= 280

AU= 50