TECHNICAL REPORT
Hill Copper-Zinc Project - MAN Area
Arizona

Prepared for:
Aurelio Resource Corporation

23 October 2007
073811

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1.0 INTRODUCTION AND SUMMARY

1.1 Introduction

At the request of Aurelio Resource Corporation ("Aurelio"), Chlumsky, Armbrust and Meyer, LLC ("CAM") conducted an independent Resource estimate of the MAN portion of the Hill Copper-Zinc Project. This report summarizes the methodology utilized in developing this estimate and the pertinent results.

1.2 Caveat and Cautionary Note to U.S. Investors

This technical report describes the preparation of the geologic and grade Block Model for the MAN portion of the Hill Copper-Zinc Project. In this process, a digital representation of geological interpretation is constructed by assigning geologic codes to small regular space filling rectangular blocks (Blocks) within a much larger rectangular volume (the Block Model). Grades are assigned to the Blocks from the drillhole samples or composites and all of the Blocks within the Block Model are tabulated at various cutoff grades. Because of the nature and geometry of the deposit not all of the Blocks have the same degree of certainty in their grade assignment or the possibility of being mined.

To avoid confusing investors, national and international regulatory agencies and societies limit the type of information which may be disclosed to the public. Unfortunately, US regulators use different nomenclature and regulations than most of the rest of the world. In terms of certainty of estimated grade of the Blocks, most of the world uses the terms measured, indicated and inferred to indicate decreasing certainty of the Block grade estimate. There are no precise definitions of these terms but measured and indicated are known to such a degree of confidence that they can be used in mine planning and feasibility decisions and many regulations forbid the use of inferred blocks in mine design and the inclusion of inferred material in totals.

In addition to the uncertainty in the estimate of the Block grade, some Blocks are so deep or so isolated that they would only be economic at very high prices. To exclude these Blocks that are too deep or too isolated, most standards allow that, in addition to reserves (material mineable according to assumed prices, recoveries and costs), "resources" (a term used in most of the world) or "mineralized material" (a term used by US agencies) can also be tabulated. Tabulation of resources or mineralized material allows investors to assess the upside potential of the deposit should prices improve. However, a Block Model must first be constructed prior to the assessment of mineability.

This section includes a tabulation of all Blocks within the Block Model without regard to the potential mineability. An unknown number of these Blocks included in these tabulations may not be included in reserves and resources or mineralized material.

Mineralized Material is defined by the United States Securities and Exchange Commission ("SEC") (in a communication to another CAM Client) thusly:

> "Mineralized material or deposit is a mineralized body which has been delineated by drilling and/or underground sampling to establish continuity and support an estimate of tonnage and an average grade of the selected metals. Mineralized material should only be reported as an "in-place" tonnage and grade, and should not be disclosed with or as units of production, such as ounces of gold. It must also have reasonable prospects for economic extraction and be delimited using an economically based cutoff grade to segregate potentially economic material from just mineralization. An economic cutoff should enable a mine to distinguish material that can at least cover the mine's operating cost from those that will not. Under SEC standards such deposit does not qualify as a reserve until a comprehensive evaluation, based upon unit costs, grade and recoveries, and other factors conclude economic and legal viability."

The restriction on units of production is interpreted to restrict any implication of economics or reserve status. For this report, pounds are reported as the product of tons and grade without any implication of production. Without a product, averages or sums could not be calculated.

The SEC permits U.S.-registered mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. Certain terms defined in the regulations of other nations are used this report, such as "Measured," "Indicated," and "Inferred" and "Resources". SEC guidelines strictly prohibit U.S. registered companies from including these terms in their filings with the SEC.

1.3 Summary

The MAN area of the Hill Copper-Zinc Project is at a stage where a decision is needed as to whether additional drilling to confirm historic drilling is justified. This Resource estimate was requested as an aid in that decision. In the opinion of CAM, additional drilling to confirm historic drilling is justified.

This Resource estimate is based on historical drilling, which has been vetted by CAM and appears to have been correctly recorded and consistent with standards at the time the drilling was performed. This estimate is only suitable for determining if additional work should be undertaken to confirm the historical drilling and allow the conversion of some of the Inferred Resource into Measured or Indicated Resources.

The resource estimate is based on a computerized data base that was prepared for Aurelio by Betty Gibbs of Gibbs Associates. This database consisted of 87 historic holes and 10737 assay records. Of the 10737 assay records 492 (about 5 percent) were checked by CAM based on records which the standard CAM check procedures flagged. Only 2 errors, neither of which would have a substantive effect of the resource were found. On the basis of this review CAM believes the database is suitable for calculation of Inferred Resources.

This estimate was constrained by hard boundaries based on a sectional interpretation of mineral zones (Table 1-1) by Dave Jonson (Vice President for Business Development) and Earl Detra (Vice President of Exploration) as digitized by Betty Gibbs of Gibbs Associates.

Table 1-1
Mineralization Zones Estimation Group Numeric Keys

"Mineralogy" / Section Geometry	Numeric Code
Chalcocite	1
Sulfide	2
Oxide	3
Internal Waste	4
Non 1 2 3 4 within section endpoints	99
Beyond Section Endpoints	999

Initially, difficulties were experienced in developing a proper model because the sections did not honor the drillhole data and there were issues with the provided starting and ending points of the sections. After these geometric difficulties were resolved, the database was provided to CAM as a series of Excel spreadsheets. CAM constructed a geological model of the deposit using 5-foot blocks. The 5-foot block size was selected because of the size of the mineralized zones. Five-foot bench composites (2.5 foot minimum) were used in the Resource estimate.

Statistics and geostatistics were typical for a deposit of this type and no anomalously high values, requiring restriction were found with the exception of gold, where 7 values above 0.200 ounces per ton were set to missing.

Resources were calculated using various estimation parameters with inverse distance squared weighting. Inverse distance squared should provide an adequate Resource estimate for a project at this level of development. Resource estimation results seemed to stabilize in terms of tonnage when a total of about 16 or 18 composites were used for estimation. Hence, CAM modeled the Resource using a sector search with sectors corresponding to cube faces. Three composites per sector maximum were used (18 total

maximum). A minimum of 3 points were required for a block to be estimated. The search ellipse radii were 300 by 300 by 60 feet.

There were also a number of gaps and missing values in the database, and it was unclear what the criteria were for entering missing values in the database. It was determined that in most of these cases, the interval was simply not assayed after drilling. Aurelio has purchased some of the old core and is assaying these. Because the reason for the missing interval was not documented, CAM ran two Resource estimates: the first with missing treated as missing, and the second with all missing and gaps set to zero. This represents the two extreme cases for the Resource. Results of these two calculations are given in Tables 1-2 and 1-3 respectively.

Table 1-2
Hill Copper-Zinc Project Inferred Resources, MAN Area (Missing Treated as Missing)

Estimation Group	Cu Cutoff (%)	K-tons	Cu (%)	Zn (%)	Pb (%)	Au (opt)	Ag (opt)
1	0.1000	29436	0.2804	0.0541	0.0197	0.0015	0.0339
2	0.1000	38635	0.4445	0.3168	0.0318	0.0057	0.0859
3	0.1000	328	0.5076	0.4850	0.0349	0.0018	0.0020
4	0.1000	289	0.1236	0.0180	0.0026	0.0007	0.0026
99	0.1000	23644	0.2364	0.0434	0.0061	0.0018	0.0307
999	0.1000	9528	0.1857	0.5053	0.0092	0.0007	0.0001
ALL	0.1000	101860	0.3239	0.1947	0.0201	0.0031	0.0495
1	0.2000	15289	0.4011	0.0703	0.0266	0.0020	0.0473
2	0.2000	28919	0.5445	0.2521	0.0271	0.0064	0.0874
3	0.2000	222	0.6747	0.6560	0.0270	0.0021	0.0020
4	0.2000	0	0.2392	0.0129	0.0020	0.0007	0.0020
99	0.2000	5074	0.6255	0.0398	0.0061	0.0047	0.0543
999	0.2000	1575	0.4376	0.0002	0.0000	0.0000	0.0000
ALL	0.2000	51078	0.5069	0.1706	0.0240	0.0047	0.0691

Table 1-3
Hill Copper-Zinc Project Inferred Resources, MAN Area (Missing and Gaps Set to Zero)

Estimation Group	Cu Cutoff (%)	K-tons	Cu (%)	Zn (%)	Pb (%)	Au (opt)	Ag (opt)
1	0.1000	29076	0.2776	0.0431	0.0151	0.0013	0.0214
2	0.1000	38503	0.4403	0.2375	0.0242	0.0053	0.0749
3	0.1000	328	0.5076	0.4850	0.0349	0.0018	0.0020
4	0.1000	289	0.1236	0.0177	0.0026	0.0007	0.0026
99	0.1000	17630	0.2244	0.0404	0.0045	0.0008	0.0246
999	0.1000	9528	0.1857	0.5053	0.0092	0.0007	0.0001
ALL	0.1000	95355	0.3246	0.1687	0.0162	0.0027	0.0414

Table 1-3 Hill Copper-Zinc Project Inferred Resources, MAN Area (Missing and Gaps Set to Zero)							
Estimation Group	**Cu Cutoff (%)**	**K-tons**	**Cu (%)**	**Zn (%)**	**Pb (%)**	**Au (opt)**	**Ag (opt)**
1	0.2000	14912	0.3996	0.0567	0.0215	0.0017	0.0295
2	0.2000	28840	0.5387	0.1754	0.0196	0.0060	0.0754
3	0.2000	222	0.6747	0.6560	0.0270	0.0021	0.0020
4	0.2000	0	0.2392	0.0129	0.0020	0.0007	0.0020
99	0.2000	3668	0.5848	0.0466	0.0051	0.0009	0.0270
999	0.2000	1575	0.4376	0.0002	0.0000	0.0000	0.0000
ALL	0.2000	49217	0.4974	0.1264	0.0185	0.0041	0.0551

The two tables agree better than the usual standards of accuracy for Inferred Resources. There are no quantitative standards for the accuracy of Resource classifications. For Inferred Resources it is CAM's opinion that there is significant risk that the Resource estimate can differ from actual values in terms of tonnage, grade and contained metal by more than 15 percent. Because of the historic nature of the database and lack of a complete pedigree of the data, CAM believes the risk associated with this Resource estimate is of the order of plus or minus 15 percent. This plus or minus 15 percent range of accuracy is based on the industry practice that this range is usual for feasibility studies and inferred may not be included in feasibility and so is less certain than plus or minus 15 percent. This quantitative assessment is also based CAM's experience with other deposits of this type where as additional drilling and modeling is done changes resources, particularly in grade, in excess of 15 percent have occurred.

The Resource estimates in Tables 1-2 and 1-3 are classified as Inferred, and are thus only suitable for determining if additional work to verify the historic database is justified. CAM does not regard this Resource estimate as suitable for any other purpose.

2.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

Caveat and Cautionary Note to U.S. Investors

The United States Securities and Exchange Commission ("SEC") permits U.S. mining companies in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. Certain terms defined in the regulations of other nations are used this report, such as "Measured," "Indicated," and "Inferred" and "Resources." SEC guidelines strictly prohibit U.S. registered companies from including these terms in their filings with the SEC. This Project is at a stage where a decision is needed as to whether additional drilling to confirm historic drilling is justified. This Resource estimate was requested as an aid in that decision.

This Resource estimate is based on historical drilling, which has been vetted by CAM and appears to be correctly entered and consistent with standards at the time the drilling was done. This estimate is only suitable for determining if additional work should be undertaken to confirm the historical drilling and allow the conversion some of the Inferred Resource into Measured or Indicated Resources.

2.1 Data Base

Basic statistics on the database provided to CAM are given in Table 2-1.

TABLE 2-1
Hill Copper-Zinc Project, MAN area
Drilling Statistics from Assay Database

Item	Number	Length (feet)
Holes	87	64252.3
Non-collar survey records	0	0.0
Downhole surveys up	0	0.0
Downhole surveys down	87	0.0
Assay intervals (Cu)	10737	52153.5
Assayed intervals (Cu)	9687	46789.2

The difference between “assay intervals” and “assayed intervals” are the 1,050 “missing” assay intervals.

In October of 2007 CAM vetted the database by checking 492 records (out of 10737 total records) which had been flagged by the standard CAM check procedures. Except for some cases where the data had been rounded, only 2 errors were found, which would have no effect on the Resource estimate. This is an observed error rate of 0.4 percent, which CAM regards as good (because values to be checked were selected by the CAM check procedure, it is likely the actual error rate in the database is less than the 0.4

percent observed). CAM believes the quality of the database is usual for a Project of this age and history of owners. Based on this vetting of the database and a very minor nature of the two errors found, CAM believes the Inferred classification for that Resource is reasonable.

In reviewing the initial estimate Aurelio noted that some of the gold grades seemed too high. Aurelio found that the source of the problem was that 3 gold records in the historical database were entered as 9.000 and should have been entered as -9.000 (indicating no assay). These were all in the chalcocite blanket. In checking the database, CAM noted that there were a number of other assays entered as 9.000 (3 for copper, 4 for zinc, 3 for lead and 3 for silver.) CAM also noted 7 gold values above 0.200 which appeared statistically anomalous. CAM reset these 16 values to -999.99 (the MicroMODEL value for missing).

2.2 Block Model Geometry

Initially, CAM selected the block size of 20 x 20 x 20 feet which corresponds roughly to the bench height and selective mining unit (SMU) expected in a deposit of this type and oriented the model North South. Initial runs indicated that a 20-foot block size was too coarse for some of the interpreted geological units and the orientation made it difficult to check the model. Hence, the block model size and orientation was changed to the geometric parameters given in Table 17-2.

Table 17-2
Hill Copper-Zinc Project, MAN area
Model Geometric Parameters

Origin (feet)		Number of		Block Size (feet)	
Northing	5500.00	Rows	800	Row	5.00
Easting	9000.00	Columns	800	Column	5.00
Elevation	3000.00	Benches	400	Bench	5.00
Rotation Angle (330.00)					

A block size of 5 by 5 by 5 feet is needed to show the detail of some of the interpreted mineral zones. However, a block size of 5 by 5 by 5 feet is too small to actually be selectively mined as an ore or waste block. Hence, for the calculation of reserves this model would need to be recombined into larger blocks of at least 20 by 20 by 20 feet before any reserve estimate is done.

2.3 Statistics and Geostatistics

This section outlines the statistics and geostatistics of the deposit.

Basic statistics and geostatistics were run on all composites by estimation groups. Cumulative Frequency plots and omnidirectional relative variograms derived from logs for all estimation groups combined by element are given in the following 11 figures, along with a brief notes.

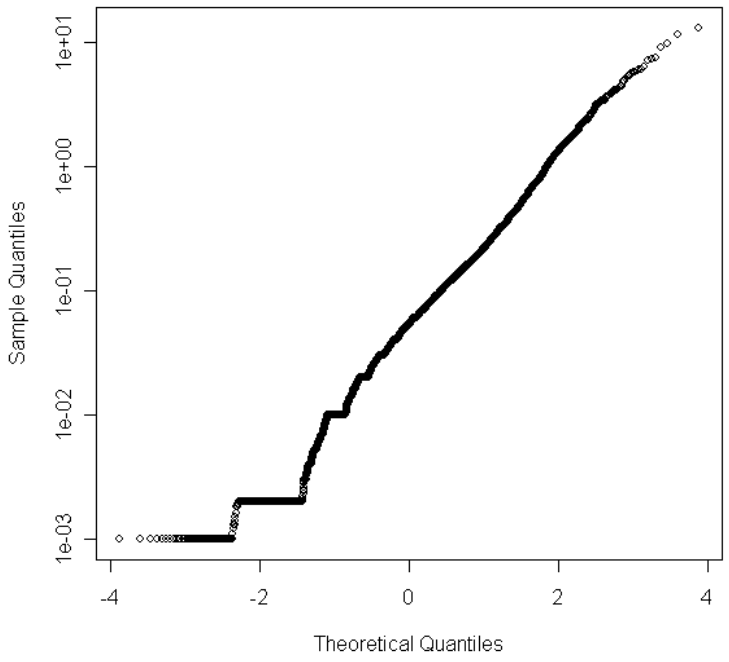

Figure 2-1
Log Cumulative Frequencies Copper Composites

Figure 2-1 is unremarkable and shows no need for capping.

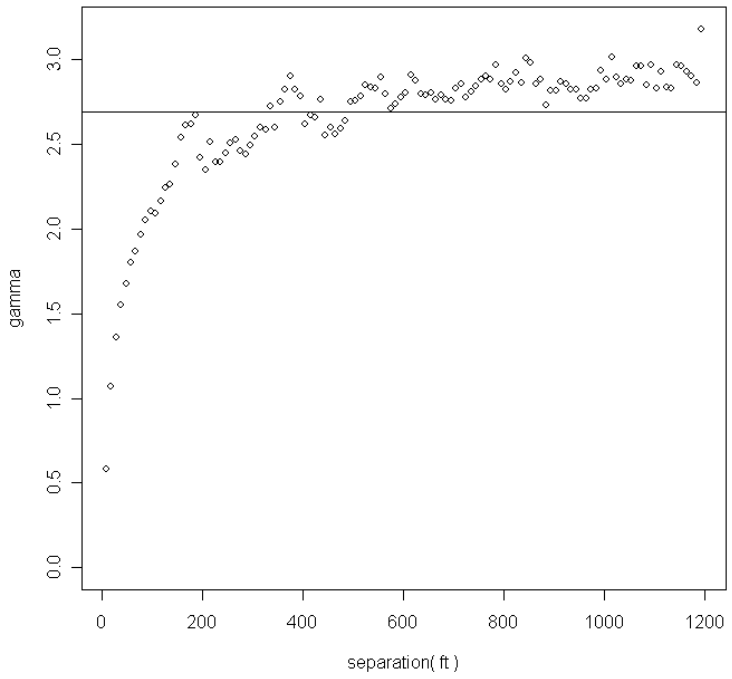

Figure 2-2
Log Omnidirectional Copper Variogram

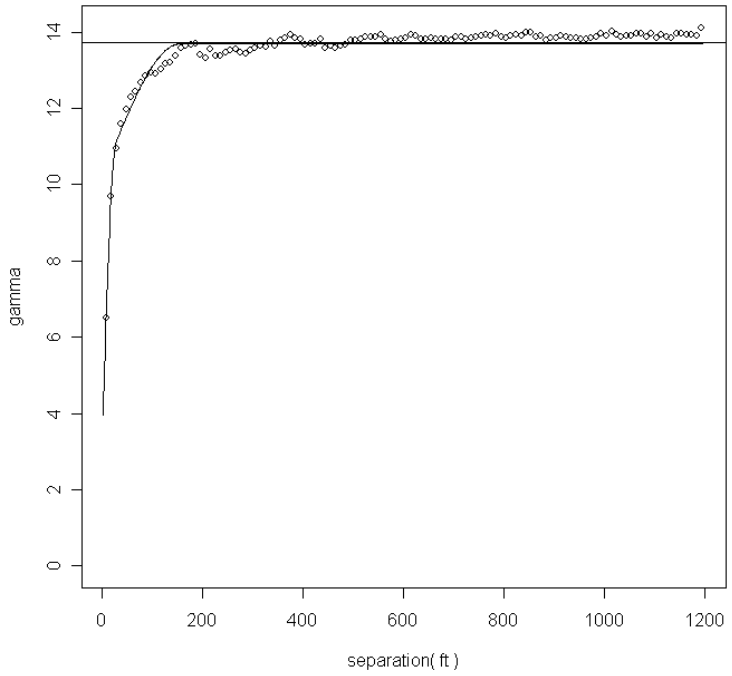

Figure 2-3
Relative Omnidirectional Copper Variogram (Derived from Logs)

In terms of ranges and structures Figures 2-2 and 2-3 are typical of copper deposits. Note that the 300-foot or longer ranges shows more clearly on the log variogram. However, the nugget effect is quite high. CAM recommends further review of why the nugget effect is so high. CAM speculates that the high nugget may be due to some of the very low copper values observed in the cumulative frequency plot.

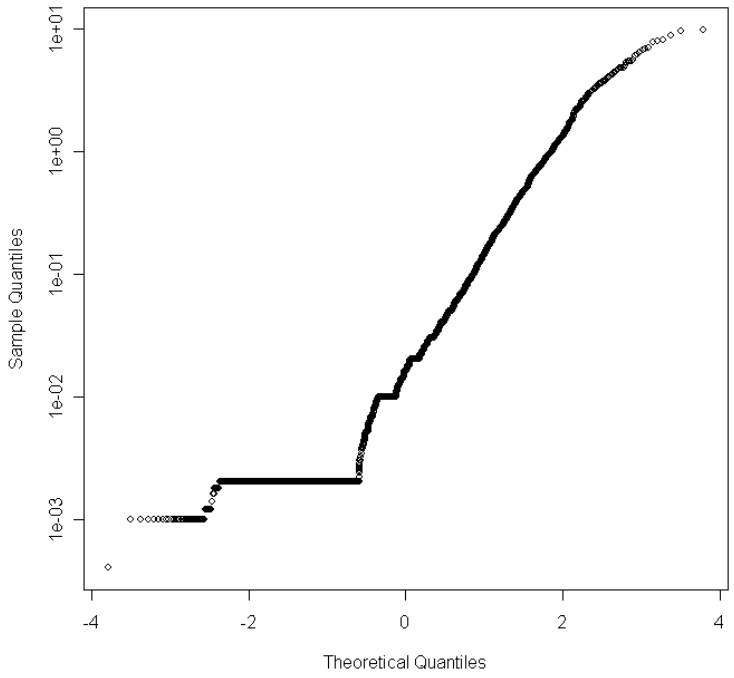

Figure 2-4
Log Zinc Cumulative Frequency Plot

Figure 2-4 is unremarkable and shows no need for capping

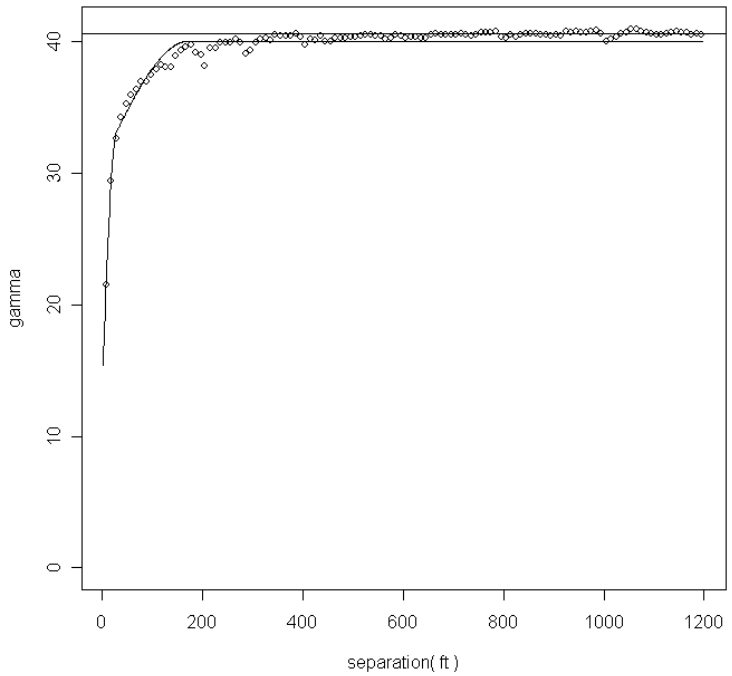

Figure 2-5
Relative Omnidirectional Zinc Variogram (Derived from Logs)

Figure 2-5 is unremarkable except for the high nugget effect.

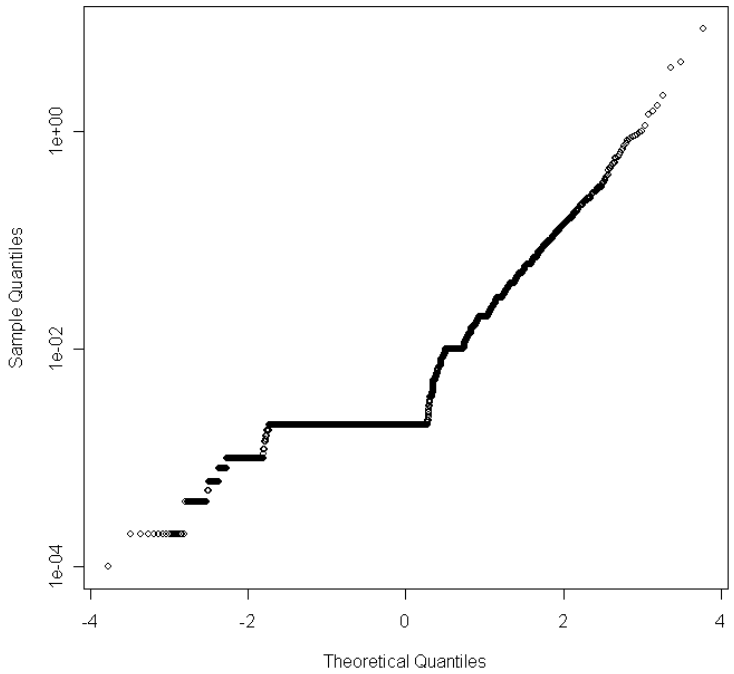

Figure 2-6
Log Lead Cumulative Frequency

Figure 2-6 is unremarkable; however, there may be a need for capping a few lead composites.

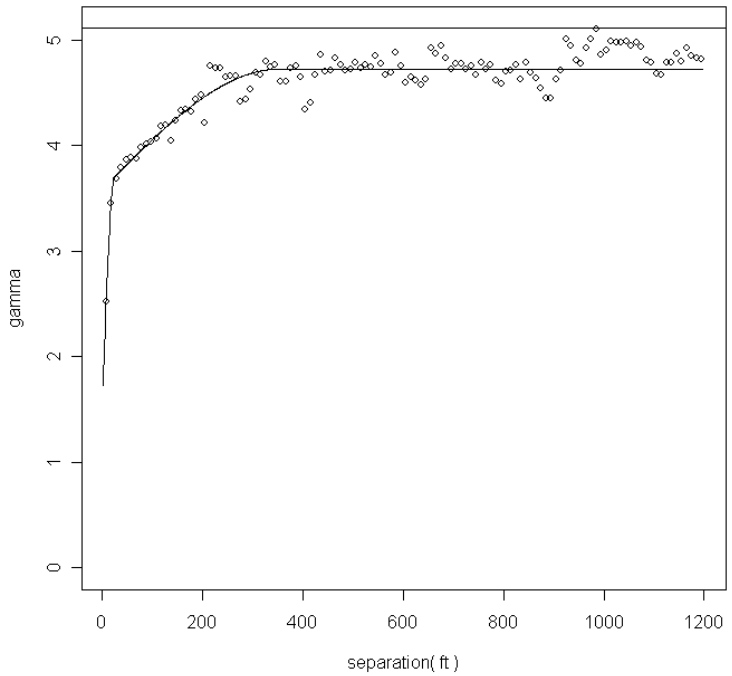

Figure 2-7
Relative Lead Variogram (Derived from Logs)

Figure 2-7 is unremarkable except for the relatively long range of the second structure. If lead is an economically important mineral, further review of the source of this long-range variability may be warranted.

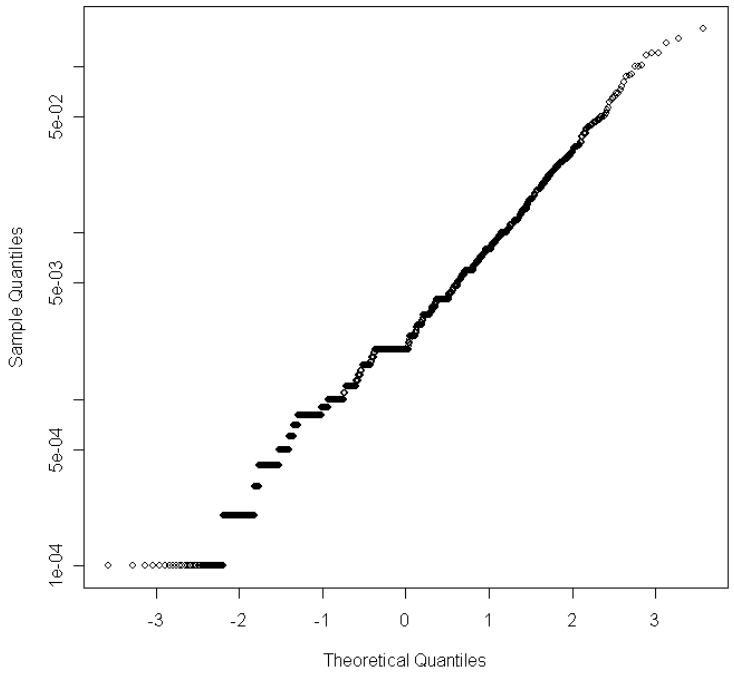

Figure 2-8
Log Gold Cumulative Frequency Plot

Figure 2-8 is unremarkable.

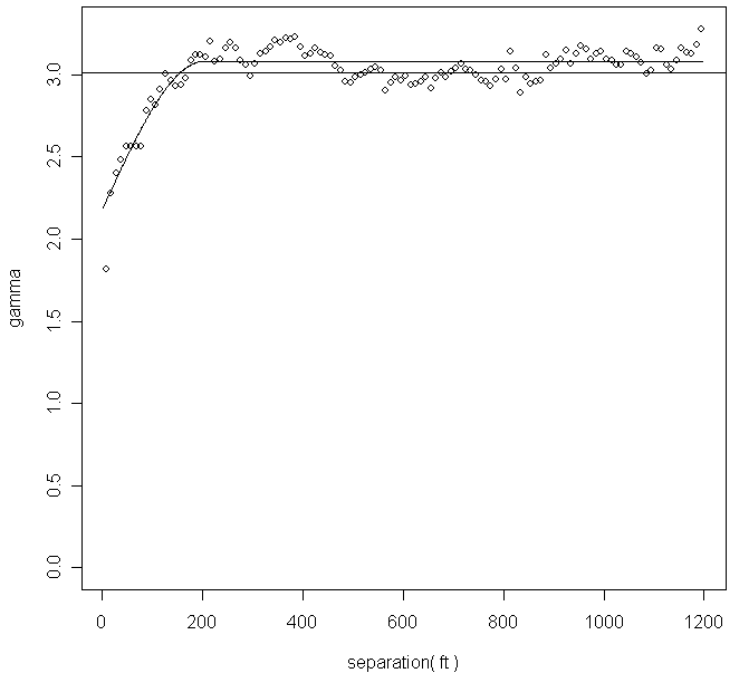

Figure 2-9
Relative Gold Variogram Derived from Logs

Figure 2-9 is unremarkable except for the low nugget effect for gold.

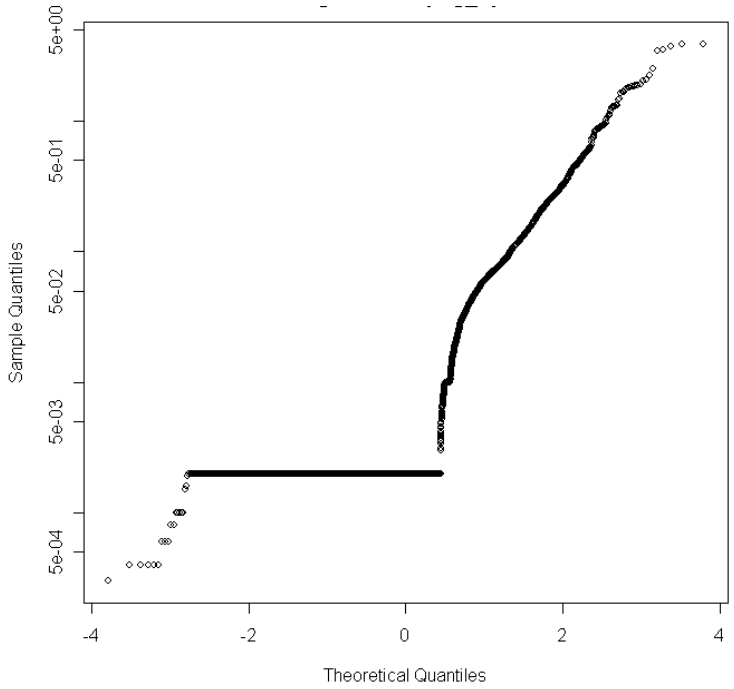

Figure 2-10
Log Silver Cumulative Frequency Plot.

Figure 2-10 is unremarkable except for a large number of values between 0.0005 and 0.005. Given that silver often correlates well with lead, these values may correspond to the 0.001 to 0.01 in the lead cumulative frequency.

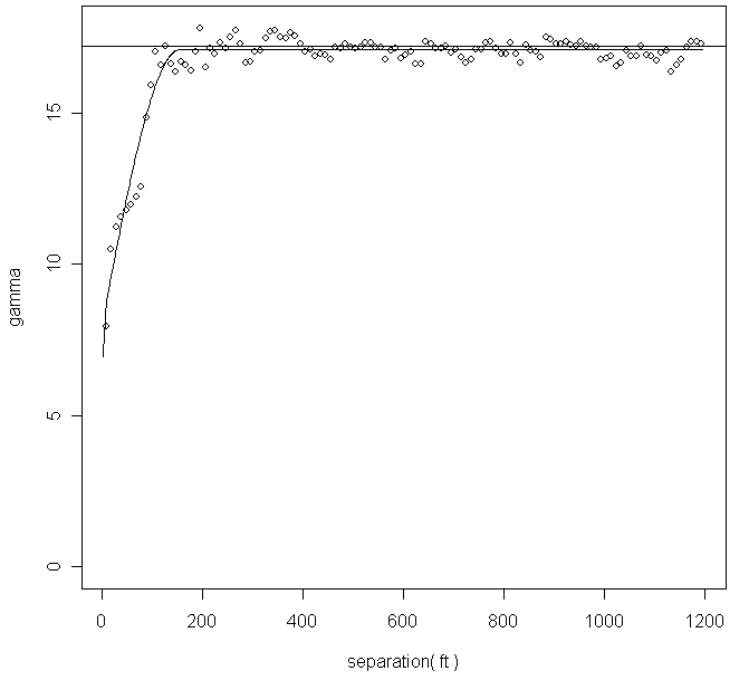

Figure 2-11
Relative Silver Omnidirectional Variogram (Derived from Logs)

Figure 2-11 is unremarkable except for the high nugget effect (compare this to the low nugget effect observed for gold).

2.4 Resource Estimation

The sections, interpreted by Aurelio and digitized by Betty Gibbs, consisted of mineralized zones designated by color. Initial statistical review by CAM indicated that the color / mineralogy groups were statistically distinct. CAM elected to use hard boundaries for the colored zones, and an added internal waste zone, as well as areas determined by the geometry of the sections. CAM uses the term Estimation Group to describe the groupings used for estimation instead of the more usual terms of rock type, mineralogy or zone. Thus, there are a total of six estimation groups, 4 as interpreted on section, 1 on section but not in an interpreted zone, and 1 within the model but not on a section. Estimation Groups used for Hill Copper are given in Table 2-3.

TABLE 2-3
Estimation Groups

Gibbs Designation	"Mineralogy" / Section Geometry	Numeric Code	CFPT
Blue	Chalcocite	1	12.25
Purple	Sulfide	2	11.00
Orange	Oxide	3	12.25

TABLE 2-3 Estimation Groups			
Gibbs Designation	**"Mineralogy" / Section Geometry**	**Numeric Code**	**CFPT**
--	Internal Waste	4	12.25
--	Non 1 2 3 4 within section endpoints	99	12.25
--	Beyond Section Endpoints	999	12.25

There are also a number of gaps and missing values in the database and it was unclear what the criteria were for entering missing values in the database. It was determined that in most of these cases, the interval was simply not assayed after drilling. Aurelio has acquired some of the old core and is assaying it.

CAM therefore ran two Resource estimates: the first with missing treated as missing, and the second with all missing and gaps set to zero. This represents the two extreme cases for the Resource. Results of these two calculations are given in Tables 2-4 and 2-5 respectively.

Assay data were composited to 5-foot bench composites. Cumulative frequency plots (see below) showed no need for high grade restriction. Variography on copper indicated a range of about 300 feet, which is usual for copper deposits of this type. Hence CAM chose a sector search 300x300x60 feet with the sectors corresponding to the six faces of a cube. The 60-foot vertical search was chosen to avoid excessive vertical smearing, and the sector search was chosen to avoid over-weighting the central part of the deposit, which appeared to be more densely drilled than the outlying ore periphery. A minimum of three composites were required. Given the vertical oxidation profile in copper deposits, CAM suggests review of the vertical search to assure the vertical profile in the blocks is consistent with that observed in the drillholes.

CAM regards all these Resources as Inferred because the data base has not been completely vetted, the pedigree of missing data is unknown, and the copper variogram shows a high nugget effect. Results for final estimation runs are given in Tables 2-4 and Table 2-5.

Table 2-4 Hill Copper-Zinc Project Inferred Resources, MAN area (MISSING treated as MISSING)							
Estimation Group	**Cu Cutoff (%)**	**K-tons**	**Cu (%)**	**Zn (%)**	**Pb (%)**	**Au (opt)**	**Ag (opt)**
1	0.3000	7540	0.5626	0.0880	0.0290	0.0024	0.0731
1	0.2000	15289	0.4011	0.0703	0.0266	0.0020	0.0473
1	0.1000	29436	0.2804	0.0541	0.0197	0.0015	0.0339
1	0.0010	32834	0.2588	0.0584	0.0194	0.0015	0.0323

Table 2-4
Hill Copper-Zinc Project Inferred Resources, MAN area
(MISSING treated as MISSING)

Estimation Group	Cu Cutoff (%)	K-tons	Cu (%)	Zn (%)	Pb (%)	Au (opt)	Ag (opt)
1	TOTAL	33802	0.2514	0.0567	0.0189	0.0014	0.0314
2	0.3000	21167	0.6532	0.2178	0.0233	0.0073	0.0878
2	0.2000	28919	0.5445	0.2521	0.0271	0.0064	0.0874
2	0.1000	38635	0.4445	0.3168	0.0318	0.0057	0.0859
2	0.0010	56386	0.3208	0.4132	0.0444	0.0046	0.0831
2	TOTAL	56676	0.3192	0.4110	0.0441	0.0046	0.0827
3	0.3000	144	0.9132	0.9018	0.0169	0.0024	0.0020
3	0.2000	222	0.6747	0.6560	0.0270	0.0021	0.0020
3	0.1000	328	0.5076	0.4850	0.0349	0.0018	0.0020
3	0.0010	387	0.4408	0.4109	0.0307	0.0015	0.0020
3	TOTAL	387	0.4408	0.4109	0.0307	0.0015	0.0020
4	0.3000	0	0.3141	0.0100	0.0020	0.0001	0.0020
4	0.2000	0	0.2392	0.0129	0.0020	0.0007	0.0020
4	0.1000	289	0.1236	0.0180	0.0026	0.0007	0.0026
4	0.0010	1128	0.0645	0.0598	0.0128	0.0009	0.0211
4	TOTAL	1128	0.0645	0.0598	0.0128	0.0009	0.0211
99	0.3000	3083	0.8760	0.0303	0.0047	0.0052	0.0652
99	0.2000	5074	0.6255	0.0398	0.0061	0.0047	0.0543
99	0.1000	23644	0.2364	0.0434	0.0061	0.0018	0.0307
99	0.0010	253209	0.0542	0.0366	0.0063	0.0006	0.0138
99	TOTAL	743423	0.0184	0.0125	0.0022	0.0002	0.0047
999	0.3000	659	0.6984	0.0000	0.0000	0.0000	0.0000
999	0.2000	1575	0.4376	0.0002	0.0000	0.0000	0.0000
999	0.1000	9528	0.1857	0.5053	0.0092	0.0007	0.0001
999	0.0010	44050	0.0771	0.1828	0.0086	0.0004	0.0021
999	TOTAL	1423395	0.0024	0.0057	0.0003	0.0000	0.0001
ALL	0.3000	32593	0.6554	0.1687	0.0223	0.0058	0.0801
ALL	0.2000	51078	0.5069	0.1706	0.0240	0.0047	0.0691
ALL	0.1000	101860	0.3239	0.1947	0.0201	0.0031	0.0495
ALL	0.0010	387995	0.1133	0.1102	0.0133	0.0012	0.0241
ALL	TOTAL	2258812	0.0195	0.0189	0.0023	0.0002	0.0042

Table 2-5 Hill Copper-Zinc Project Inferred Resources, MAN area (MISSING and GAPS set to Zero)							
Estimation Group	**Cu Cutoff (%)**	**K-tons**	**Cu (%)**	**Zn (%)**	**Pb (%)**	**Au (opt)**	**Ag (opt)**
1	0.3000	7449	0.5561	0.0678	0.0224	0.002	0.0412
1	0.2000	14912	0.3996	0.0567	0.0215	0.0017	0.0295
1	0.1000	29076	0.2776	0.0431	0.0151	0.0013	0.0214
1	0.0010	32846	0.2534	0.0465	0.0143	0.0012	0.02
1	TOTAL	33802	0.2463	0.0452	0.0139	0.0012	0.0194
2	0.3000	20989	0.6475	0.1436	0.0159	0.0068	0.0763
2	0.2000	28840	0.5387	0.1754	0.0196	0.006	0.0754
2	0.1000	38503	0.4403	0.2375	0.0242	0.0053	0.0749
2	0.0010	56386	0.317	0.3407	0.0375	0.0043	0.0745
2	TOTAL	56676	0.3153	0.339	0.0373	0.0043	0.0741
3	0.3000	144	0.9132	0.9018	0.0169	0.0024	0.002
3	0.2000	222	0.6747	0.656	0.027	0.0021	0.002
3	0.1000	328	0.5076	0.485	0.0349	0.0018	0.002
3	0.0010	387	0.4408	0.4109	0.0307	0.0015	0.002
3	TOTAL	387	0.4408	0.4109	0.0307	0.0015	0.002
4	0.3000	0	0.3141	0.01	0.002	0.0001	0.002
4	0.2000	0	0.2392	0.0129	0.002	0.0007	0.002
4	0.1000	289	0.1236	0.0177	0.0026	0.0007	0.0026
4	0.0010	1128	0.0645	0.0395	0.009	0.0009	0.0211
4	TOTAL	1128	0.0645	0.0395	0.009	0.0009	0.0211
99	0.3000	2100	0.8441	0.0389	0.0042	0.0006	0.0205
99	0.2000	3668	0.5848	0.0466	0.0051	0.0009	0.027
99	0.1000	17630	0.2244	0.0404	0.0045	0.0008	0.0246
99	0.0010	248065	0.0464	0.0291	0.005	0.0004	0.0114
99	TOTAL	743423	0.0155	0.0098	0.0017	0.0001	0.0038
999	0.3000	659	0.6984	0	0	0	0
999	0.2000	1575	0.4376	0.0002	0	0	0
999	0.1000	9528	0.1857	0.5053	0.0092	0.0007	0.0001
999	0.0010	43869	0.0773	0.1835	0.0086	0.0004	0.0021
999	TOTAL	1423395	0.0024	0.0057	0.0003	0	0.0001
ALL	0.3000	31341	0.6412	0.119	0.0163	0.0051	0.0623
ALL	0.2000	49217	0.4974	0.1264	0.0185	0.0041	0.0551
ALL	0.1000	95355	0.3246	0.1687	0.0162	0.0027	0.0414
ALL	0.0010	382682	0.108	0.0946	0.011	0.001	0.0204
ALL	TOTAL	2258812	0.0183	0.016	0.0019	0.0002	0.0035

Tables 2-4 and 2-5 agree better than the usual standards of accuracy for Inferred Resources. There are no quantitative standards for the accuracy of Resource classifications. For Inferred Resources it is CAM's opinion that there is significant risk that the Resource estimate can differ from actual values in terms of tonnage, grade and contained metal by more than 15 percent. Because of the historic nature of the database and lack of a complete pedigree of the data, CAM believes the risk associated with this Resource estimate is of the order or plus or minus 15 percent.

2.5 Observations and Recommendations

Vetting Data. As noted above, CAM performed some preliminary statistical and mathematical checks on the database. On the basis of this review, CAM believes that the database conforms to the usual standards of accuracy for database of this age and history. However, some additional checks of the database and source documents need to be performed before the Resource is moved beyond the Inferred class. It is CAM's understanding that Aurelio is in the process of doing a complete review and reentry of the database values for the MAN area and adjacent areas (Courtland and South Courtland).

Missing Data. There are also a number of gaps and missing values in the database and it is unclear what criteria were used for entering missing values in the database It was determined that in most of these cases, the interval was simply not assayed after drilling. CAM understands that Aurelio has purchased some of the old core and is presently assaying this material. If the old data is to be used in future Resource estimates, it is essential that the pedigree of the missing data be determined. If the pedigree of missing data cannot be determined, then it would be acceptable to set the missing values to zero, and re-do the Resource estimate. If the Resource estimates agree in terms of tons, grade and contained metal within plus or minus 3 percent, then CAM believes it would be acceptable to treat missing values as missing even with an unknown pedigree.

Collar Recovery. An attempt should be made to relocate and re-monument collars, including initial azimuth and dip.

Confirmation Drilling. At least 10 holes should be drilled to confirm the historic data. At least five of these should be twins of existing holes. It is a best practice to select these twins for holes representative of the deposit as opposed to the highest grade and thickness holes. It is CAM's understanding that a confirmation drilling program is in progress. Some metallurgical testing should be performed on these new samples.

Density. Density (specific gravity) values used are reasonable for a deposit of this type. However, there are no experimental data on density to CAM's knowledge. A minimum of 30 density determinations need to be performed as soon as suitable samples are available from the deposit. It is CAM's understanding that Aurelio sent out 30 samples for density determinations in October 2007.

Model Review. Given the vertical oxidation profile in copper deposits, CAM suggests review of the vertical search to assure the vertical profile in the blocks is consistent with that observed in the drillholes.

Reblocking. As noted above, blocks of 5 by 5 by 5 feet were used to allow the interpreted estimation group boundaries to be honored. This block size is too small for any economically viable open pit operation for a deposit of this grade. CAM recommends that the model be re-blocked 20 by 20 by 20 feet and Resources rerun to determine a preliminary open pit Resource for the deposit

Preliminary Pit Design. Preliminary floating cones will allow a scoping level estimate of the viability of this Project as an open pit to be determined. CAM recommends that these cones be run as soon as possible to make sure the Project is viable as an open pit at current and expected future copper prices. These floating cones will also be useful for defining drilling needed to determine the final pit limits.

Short Range Mineable Continuity. The variogram of total copper shows a high nugget effect which may indicate that short range mineable continuity in this deposit is a problem. However, the fact that ore zones can be interpreted on and between sections indicates that mineable continuity may not be an issue. To resolve this issue, CAM recommends review of the variography of all metals to determine the cause of the high nugget effect for copper.

Bench Height. Although the bench height of 20 feet recommended by CAM for the re-blocking and floating cones study is reasonable, a preliminary bench height using the statistics of composites of various lengths should be run to determine the approximate effect of bench height on the grade tonnage curve.

Preliminary Dilution/Ore Loss Assessment. For a copper project at this level of development, inverse distance squared is sufficient to determine if further work on the project is warranted. However, as the project proceeds towards feasibility, additional work on dilution and ore loss will be necessary.