

Parcel I

WITH POTENTIALS FOR GOLD, COPPER AND ASSOCIATED MINERALS

CONSISTING OF **1,640.1400** HECTARES

LOCATED IN BARANGAY BUKAL NORTE AND PART OF BARANGAY AYOD
MUNICIPALITY OF DINAPIGUE, ISABELA, CAGAYAN VALLEY 3336

(REGION II)

I. **Parcel I** is a base metal prospect **Porphyry Copper** type deposits with associated **Gold** and potential of **Silver Ore**. The total mining area is 1,640.1400 hectares and situated in Barangay Bukal Norte and part of Barangay Ayod and lies along the mineralize belt of the Northeastern Sierra Madre Mountain Range which is located from the famous **CLIMAX – ARIMCO MINING CORPORATION – DIPIDIO – GOLD AND COPPER PROJECT OF OCEANA GOLD**.

The following geographic coordinates define the boundary of Parcel I:

PARCEL-I TECHNICAL DESCRIPTION		
Corner	Latitude	Longitude
1	16°38'00.00"	122°05'00.00"
2	16°39'00.00"	122°05'00.00"
3	16°39'00.00"	122°10'00.00"
4	16°38'00.00"	122°10'00.00"
Area = 1,640.1400 Hectares		

II. Rapid Reconnaissance/Geological Prospecting

A one (1) week geological prospecting over Parcel 1 rock sampling were conducted on March 26 to April 2, 2015.

The main objective of these fieldworks was to determine the specific geological characteristics and detailed geological setting of the mineral occurrences and to decide thereafter what appropriate follow-up exploration activities that will be implemented and adapted.

Thirty (30) chips mineralized rock samples were taken over an area of 3.5 kms long and 1.3 kms wide altered zone. These rock samples were megascopically identified using 10x and 20x magnifying lens. Out of this, total ten (10) samples were sent to INTERTEK Laboratory to determine primarily the percentage grades of copper and gold. Results of analysis are appended in this report.

Based on the megascopic identification and results of analysis of rock chips samples, there is no doubt that the area lies within a copper porphyry type of environment, (Table I).

Table I: Brief descriptions and analysis of rock samples.

Sample I.D.	Rock Name	Alteration Assemblages	Mineralization	Results of Analysis	
				Cu(ppm)	Au(ppm)
PI-OC-001	Dacite	Qtz-chl-ser	Py-cpy-mggt	44	0.007
PI-OC-002	Diorite	Qtz-chl-ser-hem	Py-cpy		
PI-OC-003	Diorite	Qtz-chl-hem	Py-cpy-mggt		
PI-OC-004	Diorite	Chl-ser-hem	Py-cpy-mgt		
PI-OC-005	Diorite	Qtz-ser-bio	Mggt-cpy-bn		
PI-OC-006	Diorite	Qtz-chl-epi-lim	Cpy-mggt		
PI-OC-007	Diorite	Qtz-chl-epi	Cpy-mggt		
PI-OC-008	Diorite	Qtz-chl-bio-lim	Cpy-mggt-bn	37	0.008
PI-OC-009	Diorite	Qtz-chl-bio-	Cpy-bn	108	0.008
PI-OC-010	Diorite	Chl-ser-lim	Py-cpy		
PI-OC-011	Dacite	Ser-chl	Cpy-mggt		
PI-OC-012	Diorite	Chl-ser-bio	Cpy-bn		
PI-OC-013	Diorite	Chl-ser-hem	Py-cpy		
PI-OC-014	Diorite	Ser-chl-lim	Py-cpy		
PI-OC-015	Dark Diorite	Chl-ser	Cpy-py	59	0.008
PI-OC-016	Andesite (?)	Chl-ser-bio-lim	Cpy-py	50	0.006
PI-OC-017	Dark Diorite	Chl-ser	Cpy--py	249	0.007
PI-OC-018	Andesite (?)	Bio-ser	Cpy-bn-	3,031	0.073
PI-OC-019	Dark Diorite	Bio-ser-	Cpy-bn-cov-sph	1,031	0.010
PI-OC-020	Andesite	Ser-chl	Py-cpy		
PI-OC-021	Diorite	Chl-ser-hbn	Py-cpy		

PI-OC-022	Dacite	Ser-chl-qtz	Py-cpy		
PI-OC-023	Diorite	Ser-chl	Cpy-py		
PI-OC-024	Dacite(?)	Chl-ser	Cpy-bn		
PI-OC-025	Dacite(?)	Chl-ser	Py-cpy		
PI-OC-026	Dacite(?)	Ser-qtz-lim	Cpy-py	703	<0.005
PI-OC-027	Dacite (?)	Ser-qtz-lim	Cpy-bn		
PI-OC-028	Dacite(?)	Ser-qtz-lim-hem	Cpy-py		
PI-OC-029	Dacite (?)	Bio-ser-qtz	Cpy-py	52	<0.005
PI-OC-030	Dacite (?)	Ser-chl-qtz	Cpy-py		

III. Regional Geology

Based on the existing Regional Geologic Map of the Philippines of MGB, Parcel I is underlain mainly by meta-volcanic and meta-sediments consisting mainly of spillites, cherts, pelagic sediments and turbidites. These meta-sediments and meta-volcanic are generally intercalated and were later on intruded by Neogene calc-alkaline rocks composed of diorite, granodiorite, and quartz diorite at the eastern end of the parcel.

Three (3) major faults traversed the parcel at the central portion.

These major fault structures and the diorite intrusion played an important role to the gold and copper mineralization in the area.

(No data to follow)