Gitennes Exploration Inc.

(the "Corporation")

Annual Information Form

March 31, 2009

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PREFACE

The following documents are specifically incorporated by reference in this Annual Information Form:

1. The Corporation's consolidated financial statements for the year ended December 31, 2008 and the auditors' report thereon (the "2008 Financial Statements");

2. The Corporation's Management Discussion and Analysis in respect of the year ended December 31, 2008 (the "MD & A");

3. A report dated March 30, 2007, entitled "Tucumachay Project, Summary of Exploration March 2006 to February, 2007, Departments of Junín and Lima, Perú, Cuadrángulo 25-L (Yauyos)" prepared by Jerry D Blackwell and Alvaro Fernandez-Baca (the "Tucumachay Technical Report").

4. A report dated March 28, 2008, entitled "Technical Report on the TotoRoko Project", Department of Arequipa, Perú, Cuadrángulo 31-O (Coracora) prepared by Alvaro Fernández-Baca, P.Geo. and James R. Foster, Hon. BSc, P.Geo.

5. A report dated March 30, 2009 entitled "Technical Report on the Urumalqui Project", Department of La Libertad, Perú, Cuadrángulo17-f (Salaverry) & 17-g (Santiago de Chuco) prepared by Jerry D. Blackwell, P.Geo.

The above documents are available for inspection on the System for Electronic Data Analysis and Retrieval ("SEDAR"), which may be accessed on the Internet at website: www.sedar.com.

Cautionary Note

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Corporation, its subsidiaries and its projects, the future supply, demand, inventory, production and price of minerals, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of minerals; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "General Development of the Business – Risk Factors" in this annual information form. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this document and the Corporation disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

All monetary amounts are Canadian dollars, unless specifically quoted otherwise.

1 CORPORATE STRUCTURE

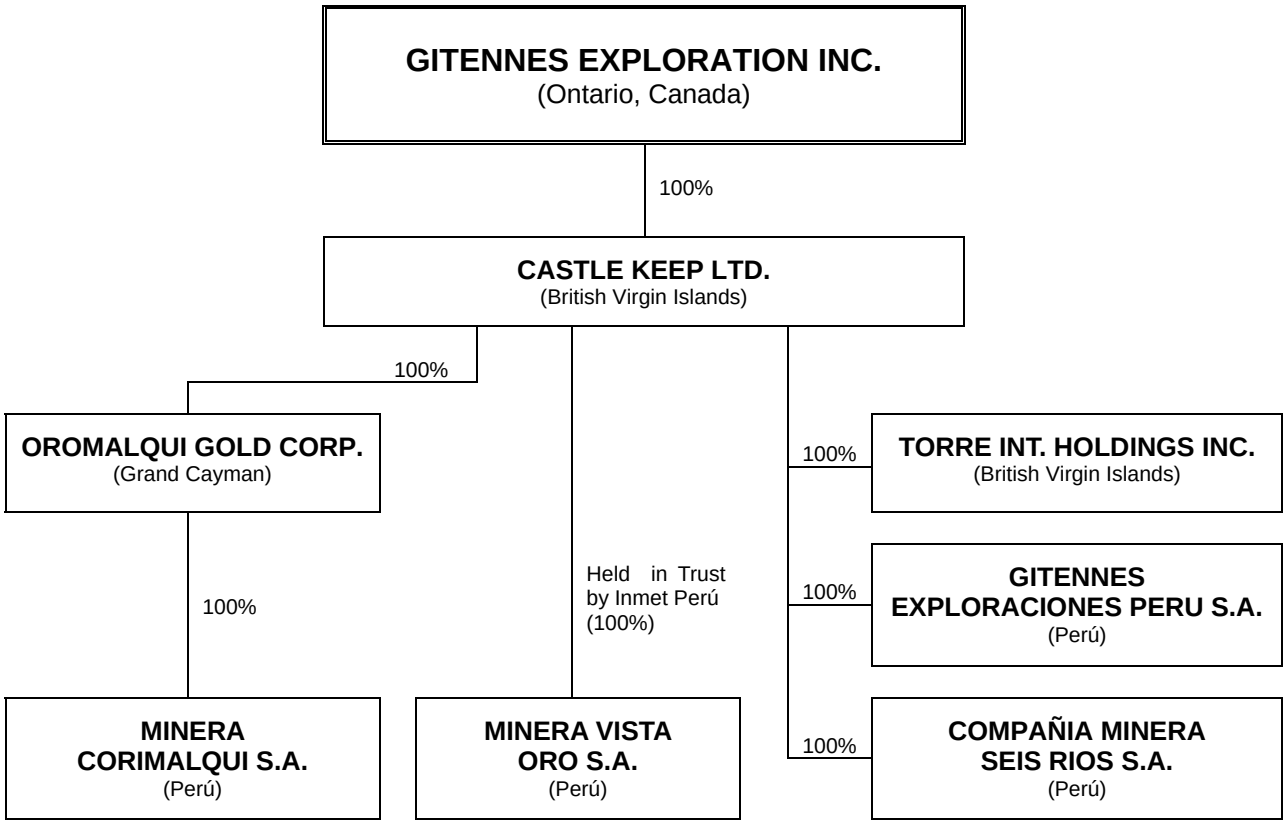
1.1 Name, Address and Incorporation

Gitennes Exploration Inc. (the "Corporation") was incorporated under the *Business Corporations Act* (Ontario) by articles of incorporation dated December 18, 1992 under the name 1012459 Ontario Inc. The name of the Corporation was changed to Gitennes Exploration Inc. effective March 15, 1993. By articles of amalgamation dated May 13, 1993, Gitennes Exploration Inc. amalgamated with Marmora Mineral Products Inc. and carried on under the name Gitennes Exploration Inc.

The principal office of the Corporation is located at 1055 West Hastings Street, Suite 2390, Vancouver, British Columbia, V6E 2E9 and the registered office of the Corporation is located at 36 Toronto Street, Suite 1000, Toronto, Ontario M5C 2C5.

1.2 Intercorporate Relationships

The following chart lists all of the Corporation's material subsidiaries, their respective jurisdictions of incorporation, and the Corporation's ownership interest in each as at March 31, 2009.



Unless the context otherwise requires, the term the "Corporation" used in this Annual Information Form refers to Gitennes Exploration Inc., and the term "Gitennes" refers collectively to Gitennes Exploration Inc. and its direct and indirect subsidiaries.

2 GENERAL DEVELOPMENT OF THE BUSINESS

2.1 Three-Year History

The Corporation is a natural resource company engaged directly, and through its subsidiaries, in the acquisition, exploration and, if warranted, development of mineral properties. Gitennes' principal properties are the Tucumachay and TotoRoko Properties, both located in Perú. Gitennes also holds interests in the Urumalqui, Titimina, Lapidem, TotoRoko and La Chivona Properties, all of which are located in Perú.

Fiscal 2006: During 2006, Gitennes' primary focus was its expansion of the Tucumachay and Urumalqui properties in Peru. With respect to the Tucumachay property, Gitennes had completed all required elective and committed expenditures required under the terms of its option agreement. Gitennes now holds a 100% interest in the property and Inmet retains the option to earn-back a 60% interest in the property. Towards the end of 2006, Gitennes acquired a 1,600 hectare copper property located in the department of Arequipa, Peru (the "TotoRoko Property") and received an initial payment from the 2% net smelter returns royalty which its holds in connection with the property located at Virgen Mine, Peru.

In Canada, the Corporation was advised by Buffalo Gold that it would withdraw from its option on the Red Property. In July 2006 Gitennes advised the owners of the Red Property that the Corporation had decided not to continue with exploration of the Red property and therefore would not exercise its option to acquire a 100% interest. Gitennes has written off all expenditures incurred on the property.

On August 31, 2006, the Corporation completed a private placement financing of 4,250,000 units at a price of $0.25 per unit, for aggregate gross proceeds of $1,062,500. Each unit consisted of one common share of the Corporation and one Series K common share purchase warrant. Each Series K warrant entitles the holder to purchase one additional common share of the Corporation at a price of $0.30 per share until August 31, 2007. In connection with the private placement, the Corporation paid cash commissions and legal fees totalling $59,295 and issued an aggregate of 273,000 Series K warrants to arm's length registered dealers which assisted in soliciting subscriptions.

During the year ended December 31, 2001, the Corporation sold its interest in the Virgen property and wrote off all remaining costs associated with the project. Pursuant to the terms of the sale agreement, the Corporation retained a 2% net smelter return royalty, payable when aggregate gold production from the property exceeds 145,000 ounces (the "Virgen Royalty"). In December 2006, Gitennes received an initial payment under the royalty. The royalty payment is calculated on the basis of payable gold production of 35,334 ounces during the six-month period from May 15 to November 15, 2006. The total pre-tax royalty payment due is US$425,907. Net proceeds to Gitennes after withholding taxes totalled US$298,134 of which Gitennes received an initial payment of US$149,067. Three more payments of US$49,689 plus interest were received in each of January, February and March 2007.

Fiscal 2007: The Corporation sold its interest in the Virgen Royalty for US$1,500,000. The Corporation received an initial payment of US$700,000 upon signing, plus an additional US$400,000 to March 19, 2007, and two additional payments of US$200,000 prior to May 15, 2007.

In May of 2007, a programme of re-mapping and re-logging of earlier drill holes commenced at the Urumalqui Property. The objective of the programme is to examine the potential of the property in light of rising bullion prices, evaluate the potential to drill higher grade segments of the main Urumalqui Vein, re-assess the potential of other vein targets on the property, and to examine the potential of, altered and weakly mineralized volcanic conglomerate that occurs along strike of the main vein system as well as nearby siliceous sinters. An exploration permit was obtained.

The Corporation completed a sampling and mapping programme on the TotoRoko copper, gold and silver project in southern Peru. Activity is focused on the Lomas Orjo, Cantaña and Cerro TotoRoko area. Three large areas of oxide copper have been discovered along a 4,500 metre long panel of highly faulted and altered Jurassic volcanic rocks. A cross-cutting zone of gold-silver mineralization, Cantaña, occurs between Cerro TotoRoko and Lomas Orjo.

Induced Polarization and magnetometer surveys were completed and several very large, distinct chargeability anomalies were detected, including a 1,300 metre anomaly that has been found along an altered and mineralized structure that extends at least 500 metres southeast of the Cerro TotoRoko Property.

On August 31, 2007, 4,523,000 Series K warrants were exercised for total proceeds of $1,356,900.

In November of 2007, drilling commenced at the TotoRoko Property. The drilling comprised 1,138 metres of core drilling in seven holes.

Fiscal 2008: In January of this year, the Corporation announced drilling results for 1000 metres of core drilling in seven holes at the TotoRoko Property. Significant copper-silver mineralization was returned from hole TR07-07, located in the Lomas Orcco zone, which intercepted 5.35 metres of 3.9% copper and 22.1 g/t silver. Core drilling was unsuccessful in following the Totorcco zone to depth and did not return a significant grade intercept from the Cantaña vein. The Jala Orcco zone was not tested.

An MMI (Mobile Metal Ions) surveying was undertaken in January (subsequent to drilling) that detected high-contrast anomalies for gold, copper and silver on the northern portion of the Cantaña vein and on a north-trending structure to the east of Cantaña vein.

During the year the Corporation completed 12 core holes totalling 2,433.6 metres on the Urumalqui Vein at its Urumalqui Property. Metallurgical tests were undertaken, an IKONOS –based topographic map was commissioned, mineralogy studies undertaken, an exhaustive technical audit and review was completed by a Peruvian geologist, and the shaft cleaned and the underground workings examined.

On December 18, 2008 the Company was advised by the Toronto Stock Exchange (the “TSX”) that the TSX is reviewing the eligibility for continued listing on the TSX of the common shares of the Company. It is the Company’s understanding that the TSX is primarily concerned with the Company’s market capitalization, which is currently below the minimum required level of Cdn$3 million. The Company was granted 210 days in which to regain compliance with these requirements, pursuant to the TSX’s Remedial Review Process.

Information concerning the ownership of the property interests and the general development of the business may also be found in Note 4 to the 2007 Financial Statements.

Fiscal 2009 (to date): The Company has taken necessary measures to reduce it’s operating overhead, reduced its technical support group and is doing minimum exploration at its existing projects. The Company has spent considerable time finalizing the transfer of its Tucumachay property from Inmet, in discussions with potential pertners concerning its Urumalqui project, and developing new projects.

2.2 Significant Acquisitions

During 2008, Gitennes did not make any “significant acquisitions” as defined in National Instrument 51-102.

3 DESCRIPTION OF THE BUSINESS

3.1 General

Gitennes' primary focus is the exploration for gold, silver and base metal deposits in Perú, and for gold and other base metal deposits in Canada. Gitennes is in the process of exploring its resource properties and has not determined whether the properties contain economically recoverable reserves. The recovery of the amounts shown for the resource properties in the 2008 Financial Statements and the related exploration expenditures is dependent upon the existence of economically recoverable reserves, confirmation of Gitennes' interest in the underlying mineral claims, the ability of Gitennes to obtain necessary financing to complete the development, and upon future profitable production.

During 2008, Gitennes expended $Nil on acquisition of mineral properties, $732,696 on deferred exploration expenditures, received option payments of $nil and wrote-down $2,970,162 of deferred exploration and acquisition expenditures.

Further information concerning the description of the business, including financial commitments, may also be found in the notes to the 2008 audited Consolidated Financial Statements.

Specialized Skill and Knowledge

The President of the Corporation is a professional exploration geologist with 39 years experience. Management is composed of a team of individuals who have expertise in the mining industry who are complemented by a strong Board of Directors.

Competitive Conditions

Gitennes competes with other mining companies for mineral properties, for joint venture partners, and for the acquisition of investments in other mining companies. There is a high degree of competition in the acquisition, exploration and development of mineral properties and many of Gitennes' competitors have substantially greater technical and financial resources than Gitennes.

Environmental Protection

The current and future operations of Gitennes, including development activities on its properties or areas in which it has an interest, are subject to laws and regulations governing exploration, development, tenure, production, taxes, labour standard, occupational health, waste disposal, greenhouse gas emissions, protection and remediation of environment, reclamation, mine safety, toxic substances and other matters. Compliance with such laws and regulations increases the costs of and delays the planning, designing, drilling and developing Gitennes' properties.

Gitennes plans to diligently attempt to apply technically proven and economically feasible measures to advance protection of the environment throughout the exploration and development process. Current costs associated with compliance are considered to be normal for the mining industry.

Employees

The Corporation retains one employee and one consultant at its head office in Vancouver, as well as two part-time consultants providing accounting-related services. As operations require, Gitennes also retains geologists, engineers, geophysicists and other consultants on a per diem basis. Gitennes has not experienced, and does not expect to experience, significant difficulty in attracting and retaining qualified personnel.

Foreign Operations

Gitennes' principal focus is on mineral exploration in Perú. Gitennes' activities in foreign jurisdictions may be affected by possible political or economic instability and government regulations relating to the mining industry and foreign investors therein. The risks created by this political and economic instability include, but are not limited to: military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in exploration or investment policies or shifts in political attitude in such jurisdictions may adversely affect Gitennes' business. Mineral exploration and mining activities may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of property, environmental legislation, land use, land claims of local people, water use and property safety. The effect of these factors on Gitennes cannot be accurately predicted.

3.2 Risk Factors

The exploration for, and development of, mineral deposits involves risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Whether an ore body will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection and reclamation and closure obligations. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in a mineral deposit becoming unprofitable. Gitennes is subject to the risks normally encountered in the mining industry, such as unusual or unexpected geological formations, cave-ins or flooding. Gitennes may become subject to liability for pollution, cave-ins or other hazards against which it cannot insure or against which it may elect not to insure.

The success of Gitennes is largely dependent on the performance of its key employees and senior management. Failure to retain key employees or to attract and retain additional key employees with necessary skills could have a materially adverse impact on Gitennes' growth and profitability.

Mineral prices can at times be affected by unpredictable international monetary and political considerations, such as currency devaluations or revaluations, economic conditions within an individual country, trade imbalances, or trade speculation. The price of minerals, in turn, can directly affect whether production from a property is viable.

Exploration of minerals involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Further, the Corporation's working capital is intended to be expended on properties which have no known commercial reserves. There is no assurance that Gitennes will discover commercial quantities of ore.

Gitennes' operations are subject to environmental laws and regulations. Environmental laws and regulations are subject to change. The discharge of pollutants into the air, soil and water may give rise to significant liabilities on the part of Gitennes to the government and third parties and may require Gitennes to incur substantial costs of remediation. There is no assurance that existing environmental laws or regulations as currently interpreted or future environmental laws or regulations will not materially adversely affect Gitennes.

The acquisition of the right to exploit mineral properties is a detailed and time-consuming process. Although Gitennes is satisfied it has taken reasonable measures to ensure an unencumbered right to exploit its properties, no assurance can be given that such claims are not subject to prior unregistered agreements or interests or to undetected or other claims or interests which could be material and adverse to Gitennes.

Mineral exploration is highly speculative in nature, involves many risks, and frequently does not lead to the discovery of commercial reserves of minerals. While the rewards can be substantial if commercial reserves of minerals are found, there can be no assurance that Gitennes' past or future exploration efforts will be successful, that any production thereof will be obtained or continued, or that any such production which is attempted will be profitable.

The discovery of mineral deposits depends upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The exploration and development of mineral properties and the marketability of any minerals contained in such properties will also be affected by numerous factors beyond the control of Gitennes. These factors include government regulation, high levels of volatility in market prices, availability of markets, availability of adequate transportation and refining facilities and the imposition of new, or amendments to existing, taxes and royalties. The effect of these factors cannot be accurately predicted.

Gitennes' operations and exploration and development activities are subject to laws and regulations governing price controls, expropriation of property, health and worker safety, employment standards, waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production, exports, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters. While Gitennes believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to Gitennes or its properties, which could have a material adverse impact on Gitennes' current operations or planned development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and Gitennes cannot assure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Gitennes from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.

A significant portion of Gitennes' assets are located outside of Canada, and are held directly and indirectly through foreign affiliates. It may be difficult or impossible to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of the securities laws of certain provinces against the portion of Gitennes' assets located outside of Canada.

Gitennes' exploration activities outside of Canada make it subject to foreign currency fluctuations and this may affect Gitennes' financial position and results of operations. Gitennes does not engage in currency hedging activities. It does maintain some funds in US dollar accounts until such time as the funds are drawn upon.

The government of Perú has implemented a royalty scheme on mining operations. Gitennes believes that this royalty does not impact significantly on operations at this stage of Gitennes' development.

3.3 Mineral Projects

Gitennes has seven mineral projects in Perú, four of which are active. Work is supervised on behalf of Gitennes by Jerry Blackwell, P.Geo, Alvaro Fernandez-Baca, P.Geo. and James Foster, P.Geo., each of whom is a qualified person as defined in National Instrument 43-101. The Tucumachay and TotoRoko properties are the only mineral exploration properties which are currently considered material to Gitennes. Gitennes' other mineral exploration and development projects, as described below, may become material to Gitennes in the future, based upon the results of future exploration work to be carried out on such properties by Gitennes and/or third parties.

Material Properties

The Tucumachay Property

The following description of the Tucumachay Property is based upon the Tucumachay Technical Report. More detailed technical information concerning the Tucumachay Property may be found in the Tucumachay Technical Report.

(1) Property Description and Location

The Tucumachay Project is located in the Department of Junín, province of Chapaca, Perú, about 160 kilometres east-southeast of Lima.

(2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the property is by truck. Access from Lima is by the paved Carretera Central highway to La Oroya and by paved highway to Huancayo (six hours), then by secondary dirt roads to Tucumachay (three hours).

Climate is typical of the western portion of the Andes Mountains. A wet season lasts from November to March, with cool day and cold night temperatures, and typically with hail or snow during most afternoons. The dry season consists of warm sunny days and cold nights.

The highlands in Perú generally consist of two parallel ranges that trend northwest - southeast, the Cordillera Occidental on the west and the Cordillera Oriental on the east. Both ranges contain numerous peaks rising to elevations between 5,200 and 6,000 m. Between these two principal ranges are high (3,200 to 4,900 m a.s.l.) tablelands, valleys and basins - the “Altiplano”. The Tucumachay Project is in the western edge of the Cordillera Occidental of the Andes Mountains. Property elevations range from 4,500 to 4,900 metres a.s.l. Drainage is to the north by Quebrada Llacsa to Río Cunas, then east to Río Mantaro and the Amazon River. Topography is generally rolling. Water is readily available year-round in creeks that drain toward Quebrada Llacsa and in nearby lakes.

The region surrounding the project is sparsely settled. All lands are community-held and are administered through Lima Department; Huancayo is the nearest major urban centre, an Andean city of approximately 250,000. There is no standing timber, and the only economic activity on the property is sustenance-level ranching (sheep, cattle, llamas and alpacas). The Yauricocha Mine, operated by Sociedad Minera Corona S.A., is located 18 kilometres west of the project. It has an ore processing plant capable of milling 1,360 tonnes per day of zinc-lead-silver-copper ores, and is the nearest industrial site with a power step-down.

(3) History

Old workings exist at Tucumachay, including short adits, pits and declines. There is little information available concerning these workings except from residents of the area. Some are marked on the 1:100,000 topographic maps for the region, including Minas Saturno, Pamela, and Gloria. All were closed by the mid-1980’s, probably due to a combination of marginal economics, country-wide terrorism and inflation. The principal metals were lead, zinc, and silver. Lump ore was probably shipped either to Yauricocha or directly to La Oroya. Other small pits, trenches and adits on the Tucumachay Project likely date from this period. The main ore mineral in these workings is sphalerite (and associated secondary zinc minerals) and boulangerite, associated with manganiferous and goethitic wad.

Competitor activity in the region is difficult to track as there is little exploration information in the public domain. In the middle 1990’s a portion of the current project was held by Acuarios Minera y Exploradora, an affiliate of Arequipa Resources Ltd. It is not known whether that company did exploration work on their concessions, however when Arequipa was taken-over by Barrick Gold in 1996 it appears that Barrick drilled several holes near the southern boundary of the property. Subsequently the Barrick-held concessions were optioned to Cominco Ltd., with the land forming part of a larger joint venture with Sulliden Resources. Again there is no evidence of physical work on the subject properties. A portion of the northern portion of the property was held previously by Pasminco Ltd, and was reconnaissance mapped and sampled.

Concessions comprising the eastern portion of the current Tucumachay Project were staked by Inmet in 1998 as a result of a programme of reconnaissance prospecting and stream sediment sampling. Inmet obtained anomalous Au, As, Hg, Tl and Ag analyses from nine rock samples collected at the “Cliff Showing”, which resulted in a follow-up programme of geological mapping and further rock sampling. In November 1999, Inmet conducted a 4-hole, 700-metre reverse circulation drill program, in an area where the mineralized host, the Condorsinga Formation, is covered by younger rock formations. The drill holes were spaced along a single north-south line

along the property boundary, 200 to 300 metres apart. Anomalous gold values were intersected in three of the four holes, the best intersection being 0.78 g/t Au over 15 metres from 60 to 75 metres, including 1.22 g/t over 6 metres. Subsequently Inmet ceased exploration of the property, adjacent competitor-held concessions were abandoned, and the current property was then assembled in 2004 and 2005.

(4) Geological Setting

The oldest rock unit in the Tucumachay region is the Lower Jurassic-age Condorsinga Formation, consisting of bluish-grey, medium to thin-bedded oolitic dolomite and limestone. The Condorsinga is the youngest member of the Pucará Group. The Condorsinga is overlain by red and white-coloured cross-bedded arenite and argillite of the Middle Jurassic Cercapuquio Formation, which is in turn unconformably overlain by fine-grained, white dolomite and calcareous arenite of the late Mid-Jurassic Chaucha Formation.

The onset of Cretaceous time is marked by a change to clastic sedimentation with the deposition of the Goyllarisquizga Formation, consisting of grey to white arenite, often containing layers of bituminous coal. Middle to Upper Cretaceous units continue to be dominated by rocks of sedimentary origins, but with a shift to limestone and calcareous arenite (Pariahuanca Formation); calcareous argillite, thin limestone with abundant fossils (Chúlec Formation); and a thin, black, sulphurous limestone, dolomite and chert (Jumasha Formation); and finally, the Celedín Formation of calcareous arenite and limestone.

The end of the Cretaceous and the start of the Tertiary is marked by another unconformity and major shift in appearance and character of the rock units in this region of the Andes. This starts with the Casapalca Formation, a locally thick sequence of red-coloured arenite, grit, conglomerate, argillite and volcanic rocks. Following are thick, blanketing sequences of volcanic flows, tuffs and pyroclastic deposits that are predominately andesitic in composition, but may include locally important rhyolite, dacite and basalt. Late Cretaceous and Middle Tertiary time periods also coincide with widespread intrusive activity, with granodiorite being most abundant, followed by diorite, tonalite and gabbro.

Three comparatively recent geological features are noted. On the Tucumachay property, there is evidence of alpine glaciation in the form of moraine ridges and glaciofluvial deposits. To the north and east, extensive deposits of Quaternary gravel and alluvium fill several of the most pronounced altiplano depressions, such as the Huancayo – Jauja (Mantaro River) intermontane valley. Also of note are the deposits of late Tertiary to Recent travertine that occur in the region.

The principle structural elements of the region were developed during Early Tertiary orogenic activity. Tucumachay is at the “thrust front” of the Cordillera Occidental, where east-directed thrust faults have folded, then stacked the Jurassic and Cretaceous sedimentary units into sets of northwest-striking synclines and anticlines. To the west, a thick veneer of Tertiary volcanic units blanket higher elevations, cut by east and northeast-trending vertical faults that extend across the thrust front into the Tucumachay area. To the east of Tucumachay, across the altiplano, deep-seated north and northwest-trending faults mark zones of high deformation and the edges of large shallow depressions filled-in with terraces of Quaternary gravels and travertine.

The Tucumachay Property itself covers the Saturno Anticline, a large southeast-trending, doubly-plunging fold that exposes an unmetamorphosed sequence of Jurassic-aged marine sedimentary rocks and later intrusive dykes and sills.

Stratigraphy

Condorsinga Formation: This formation is composed of thin- to medium-bedded, light grey-weathering limestone (calcite, a mineral made of calcium carbonate predominates) and dolomite (dolomite, a mineral composed of calcium and magnesium carbonate predominates). In the field, limestone reacts vigorously with dilute hydrochloric acid, dolomite does not. Limestone is usually fine-grained, grey, sometimes oolitic, and with vague internal laminations that on weathered surfaces may be subtly cross-laminated. Dolomite (or dolostone) is brown to grey, fine-grained (0.5 – 1.0 mm), and usually uniform in grain size. Individual bedforms, up to several metres thick, can be locally mapped in the uppermost Condorsinga throughout the property, however toward the southern closure of the Saturno Anticline, dolomitic limestone and dolomite predominate over limestone.

Two local markers, the “Chert Marker” and a remarkably persistent “intraformational breccia”, facilitate mapping within the otherwise monotonous carbonate sequence. The Chert Marker horizon contains several chert layers that are several centimetres thick, occurring within at least one 1 to 1.5-metre thick dolomite bed. The intraformational breccia occurs beneath the Chert Marker, and is a matrix-supported carbonate sedimentary breccia with distinctive angular well-laminated dolomitic clasts that can sometimes be “reassembled” into near-continuous beds. It is best exposed and more continuous along the eastern flank of the Saturno Anticline. The intraformational breccia may mark the “base” of the section of Condorsinga geology that hosts gold mineralization.

The contact of the Condorsinga with the overlying Contact Unit of the Cercapuquio Formation has been observed in trenches and drill core. It appears to be planar to irregular and rubble-like, suggesting a disconformity (break in sedimentation for a period of time) and possibly a period of emergence and local erosion. Overlying mudstone has been found to in-fill hollows and cracks on the limestone paleosurface.

The Cercapuquio Formation is subdivided into the Contact Unit and an upper sequence of more typical sandstone and mudstone. The Contact Unit displays facies variations around the southern nose of the anticline that suggest deposition in a shallow marine to lagoon environment that gave way to a thick sequence of deeper water sheet-like sandstone deposits. On the southern and western limb of the anticline is a 0.3 to 4.0 metres thick unit of recessively-weathering grey mudstone, siltstone and mudstone breccia. The mudstone is massive in appearance and may contain local beds of black carbonaceous debris. Mudstone breccia is also found in this basal unit, and can be locally silicified and gold-bearing. It is not known whether the mudstone breccia is related to hydrothermal activity channelled along faults and contacts, or is unconformity-related.

Friable, fine-grained grey sandstone overlies and is interbedded with the mudstone. Conformably overlying the mudstone-sandstone units are beds of buff- to brown-weathering, festoon-cross-bedded, wavy and thinly laminated lithic dolomitic sandstone and mudstone (previously known as the Brown Marker). This festoon-crossbedded unit appears to vary in thickness between 2 and 5 metres and is locally interbedded with fossiliferous dolomite and grey to reddish-coloured mudstone.

Overlying the Contact Unit is a thick sequence of thin- to medium-bedded red and greenish-grey siltstones and very fine-grained sandstones with buff brown to light grey sandstone interbeds. The red siltstones are from 50 to 100 metres thick. The red siltstones grade into overlying medium- to thick-bedded, white to light-grey quartz sandstones. The latter are often planar cross-laminated and; occasionally, bedding surfaces exhibit asymmetric ripple marks.

Chaucha Formation: White, medium-bedded limestone is in sharp, disconformable contact with underlying Cercapuquio sandstone. This base of the Chaucha is marked by the presence of a 1.0 to 3.0 metres thick grey limestone conglomerate. Exploration work to date has not extended far enough east or west to cover the Chaucha and overlying formations.

Structure

The Project covers the southern third of the Saturno Anticline, a large 135°-trending, doubly-plunging anticline. Rock units on the west limb of the anticline dip at 25° to 65° while on the east limb they dip at 10 to 15°. The anticline plunges shallowly to the south-east at 10° to 15°.

Rocks within the Saturno anticline are highly disrupted by faults. Vertical 050° to 070°N-striking faults (the “070º-Trend”) form prominent lineaments and disrupt bedding. Observed bedding offsets are relatively minor (10 to 25 metres). The 070°-Trend faults are often marked by fault breccias and calcite veins, and in three instances by feldspathic dykes. Several baritic zinc prospects are also found in close proximity to, or within 070°-Trend faults, as are some of the gold prospects.

Thrust faults are common in the region, particularly west of the project area (Mégard et al, 1996). North to northwest striking thrust (?) faults mark the axial trace and the western flank of the northern half of the Saturno Anticline. East-dipping reverse faults are also observed.

(5) Exploration

Exploration in 2006 included rock and soil sampling and an additional Induced Polarization (IP) geophysical survey, followed by a 1,990 metre-long reverse circulation drilling programme.

IP Surveying

A total of 8.3 line kilometres of time domain IP and Resistivity pole/dipole surveying was done by Val D´Or del Perú S.A.C. in the La Nariz area, using the grid established in 2005. The 2005 grid was extended south and north 200 metres and several infill lines were surveyed or re-surveyed. Cross lines 2 and 8 and Base Line 0 were re-surveyed in order to compare the data with that obtained in 2005. Lines 1, 3, 5 and 9 were surveyed for the first time.

Survey readings were taken at stations spaced 50 metres apart, using an Iris Elec-Pro IP receiver and an Iris VIP4000 IP transmitter. The nominal depth penetration is estimated to be 260 metres.

The survey detected a broad, relatively strong (over 12 mV/V) chargeability anomaly on line 5 that is attributed to a flat body of disseminated sulphide mineralization (VDG del Peru, 2007). This anomaly is seen on lines 4 and 6 surveyed in 2005), but is much weaker.

Rock and Soil Sampling

A total of 377 rock and 179 soil samples were collected during the period by Vista Oro geologists. Most of the sampling was aimed at previously under-explored areas in the property, particularly the east-limb and areas south of the Saturno anticline´s closure or “nose”.

East Limb: Zn-Pb-Ag

New zinc-rich zones were discovered over a strike-length of over 1.5 km, hosted in uppermost Condorsinga formation on the east limb of the Saturno anticline. Mineralized zones such as Ushcumachay and Korimachay were prospected and sampled during 2006, yielding strongly anomalous results for zinc, lead and silver.

Zn-Pb-Ag mineralization is hosted in decalcified limestones and dolomites, and occur as disseminations of light-coloured, low-Fe sphalerite (often with traces of galena) and, rarely, as massive manto-like replacement bodies of sphalerite-barite with typical zebra textures. Surface chip sample results are similar to those encountered in earlier programmes, including 7m grading 68 g/t Ag and 11.05% Zn, 16m grading 50 g/t Ag and 9.04% Zn, 16m grading 28 g/t Ag and 6.81% Zn, 10.5m grading 67g/t Ag and 7.36% Zn, 6m grading133 g/t Ag and 10.75% Zn, and 7m grading 75 g/t Ag and 14.65% Zn.

Cerro Oeste

Surface rock sampling on La Nariz concentrated on the Cerro Oeste target, where new trenches near or at the upper contact of the Condorsinga formation and the Cercapuquio clastics showed continuity of gold mineralization 150 metres to the north. Gold is hosted in grey, locally carbonaceous mudstones. Best results obtained from these hand-dug trenches were 6.5 metres grading 1.8 g/t Au and 5.8 metres grading 2.1 g/t Au.

South of the “La Nariz”

The area south of La Nariz or the anticline´s hinge zone is covered by the Cercapuquio and Chaucha Formations as well as glaciofluvial debris. A panel of folded and faulted Condorsinga Formation rocks outcrop in the southwestern corner of the Tucumachay Property, perhaps the northern end of a second regional anticline similar to the Saturno anticline. Limited prospecting and sampling of these carbonate rocks in 2005 had indicated anomalous silver values associated with NE-SW structures. Since diamond drilling at Cerro Oeste (T06-31) has shown that Cercapuquio rocks sitting over auriferous Condorsinga units can be strongly mineralized with silver and show a distinct geochemical pattern, a soil programme was carried-out to test for the presence of anomalous indicator elements and/or silver or base metals in this covered area.

Results of the soil sampling in this area were not conclusive, with most silver, lead and zinc anomalies located near or below small pits and old workings. Other, subtle anomalous zones are present (up to 3.2 g/t silver and 6 ppm mercury), and these may indicate concealed mineralization. Further exploration in this area may be warranted.

Reverse Circulation Drilling

During the period 1,990 metres in 28 reverse circulation drill holes were completed using a Foremost W750 rig supplied and operated by AK Drilling of Lima, Peru. See Section 7, "Drilling".

(6) Mineralization

Results to date suggest that both gold and zinc mineralization occurs in close stratigraphic proximity to the contact between the Condorsinga and Cercapuquio Formations

Gold Mineralization

Gold mineralization at Tucumachay is strongly influenced by stratigraphy and controlled by structure. Gold is most frequently intersected in Condorsinga limestone and dolomite beds above the intraformational breccia and in the Contact Unit member of the Cercapuquio. In the 40 to 100 metres of section beneath the Condorsinga / Cercapuquio contact ("C-C Contact")and above the intraformational breccia limestone and dolomite beds are often brecciated and fractured, particularly near faults and joints where solution collapse (karst) structures are found. These domains of weak to strong brecciation, fracturing and collapse host low grade zones of "Breccia-type" mineralization, particularly in the southern portion of the anticline, or La Nariz area. Silicification is observed to be stronger immediately adjacent to the C-C Contact and along or into faults, and may form massive lenses of higher grade, black chert or jasperoid ("Contact-type" mineralization). Mineralization of this type is found at all the main gold showings. A third site of gold mineralization occurs immediately above the C-C Contact, within basal mudstone and sandstone of the Contact Unit, Cercapuquio Formation. Mineralization is low to moderate grade where the rocks are weakly silicified and bleached-looking, increasing in grade where the unit is brecciated, containing carbonaceous material in the matrix and is more silicified ("Cerro Oeste/Greg-type" mineralization). This type of mineralization occurs where the favourable Contact Unit basal mudstone/sandstone member is present, namely La Nariz (Cliff to Leonardo and Leonardo Norte), Cerro Oeste, Greg and may be present at Encantada (based upon poorly preserved intervals found in zones of bad recovery in Phase 1 core).

A limited number of thin and polished thin sections have been studied at Myap (Mineralogia Applicada), including samples of Contact-type mineralization. Very fine grains of gold (1 to 5 microns) were found in a few samples. The grains were free, not encapsulated, and most often associated with fine-grained quartz or calcite. Associated minerals that were also noted in some samples include orpiment, realgar, goethite, hematite, barite and traces pyrite, sphalerite or rutile

During the reporting period exploration efforts focused on gold mineralization at Greg's Showing - Cerro Oeste (two separate surface showings located within one continuous structural block) and the southern closure of the anticline, collectively called "La Nariz" (the Nose), containing the Leonardo Norte, Leonardo, Cliff and Guapita showings. Little work was done at the Encantada showing.

Comparison of Gold Mineralization Types

	Breccia–type	Contact-type	Cerro Oeste/Greg-type
Host	dolomite – limestone	dolomite - limestone	mudstone – sandstone
Major Minerals	orpiment, calcite	Realgar, orpiment, dark opaline silica (jasperoid)	kerogen (carbonaceous material), orpiment
Minor Minerals	Barite, sphalerite	calcite, pyrite, barite	barite, pyrite
Geochemistry	Au, As, Hg, Tl, Zn, +/- Ba, Ag	Au, As, Hg, Tl +/- Ag	Au, Ag, As, Hg, Tl
Expected Gold Content	less than 3,000 ppb	1,000 to 10,000 ppb	2,000 to 11,000 ppb
Examples	Sinkhole, Cliff, Guapita, Leonardo, Leonardo Norte	Encantada, Cliff, Guapita, Leonardo, Leonardo Norte	Greg, Cerro Oeste
Comments	Domains of fractured to brecciated rock, cemented with orpiment and calcite, patchy silicification	Lumpy-looking outcrops, dark-coloured, orpiment often crystalline	Recessive, outcrops only if silicified, light-grey colours, locally brecciated

Greg's Showing: This target has surface exposures of silicified sharpstone (angular mudstone- and limestone-clast) breccias hosting mineralization over a strike length of 130 metres. The breccias occur near the top of the Condorsinga limestone, following joints and fractures that strike both east-west and north-south. Veinlets of barite and disseminated orpiment were noted, and the breccias contain sooty kerogen-like materials.

Cerro Oeste: Gold mineralization at this target is hosted by west-dipping, poorly consolidated Contact Unit mudstone and mudstone-breccia on the western flank of Cerro Oeste over a length of 200 metres. Lower grade gold mineralization was also intersected in the underlying uppermost Condorsinga formation limestone immediately underlying the mineralized mudstone and mudstone breccia.

***La Nariz Area Targets**:*

Leonardo Target: The Leonardo Target comprises three separate areas (Leonardo Norte, Leonardo Central, Leonardo Sur) of silicified breccia outcrops that have returned assays in the 2-6 gram/tonne range. All occur at or near the junction of 070º-Trend faults with the J-Con – J-Cer contact along a 350-metre long segment of the Saturno access road. Gold mineralization is in at least three distinct settings: a) in steeply-dipping silicified breccias associated with 070º-Trend faults, locally "spreading out" laterally at the Condorsinga - Cercapuquio contact thus giving a stratabound appearance; b) in east-dipping collapse and fault breccias along the east flank of Cerro Oeste; and c) in very gently west-dipping mudstone and mudstone breccia at the J-Con – J-Cer contact.

Sinkhole/La Guapita: Mineralization in this area is found within weakly to highly fractured beds of limestone and dolomite. Gold values tend to range between 0.3 and 2.0 grams/tonne. The Breccia-type mineralization seen in La Guapita comprises broad zones (i.e. 20 metres+ wide) of fracturing that are best developed north and east of the Sinkhole, on the east flank of the Saturno Anticline.

Cliff Showing: Gold mineralization at Cliff outcrops over a 120 by 50-metre dip-slope exposure of well-developed contact-type and breccia-type mineralization. The showing is located adjacent to a steep north-striking fault.

Base Metals Mineralization:

Zinc - silver - lead mineralization is found at various locations in the Tucumachay property. Zinc mineralization is most frequently found in the upper Condorsinga Formation, at or above the intraformational breccia, but also within or adjacent to northeast-trending vertical faults and felsic dykes. Mineralization may occur as bedding-parallel mantos of zebra-textured barite-sphalerite-carbonate rock, disseminated orange-brown to green sphalerite in dolomite, disseminated in chimney-like bodies of breccia, and as calcite-barite-blackjack sphalerite veins. It is postulated that zinc mineralization predates gold by an unknown period of time. Zinc assay results reported in this section of the report are chip-channel samples collected from surface outcropping and old pits or trenches. Surface samples collected on weathered zinc mineralization in carbonate geology are notorious for reporting high grades that do not reflect the grades of un-weathered mineralization at depth, which are often lower. Only drilling will determine grades and dimensions with a higher degree of certainty.

So far, four distinct zones of base-metals mineralization have been sampled by company geologists, though several other zones with evidence of small-scale mining by informal miners are observed elsewhere in the property and will be explored in future programmes.

Saturno: Lenses of iron- and manganese-rich wad and secondary lead-zinc oxides were mined from mantos, chimneys and fissure-like veins that are spatially located near the top of the Condorsinga Formation, in a zone of complex folding immediately northwest of a 060°N-trending vertical fault. The mineralization occurs within a relatively restricted stratigraphic interval. Due to the pervasive oxidation, samples containing primary sulphide minerals are difficult to collect. Boulangerite and sphalerite have been noted during mapping, though it is not clear how representative these mineral species are. Saturno is the only base metals target found on the west limb of the Saturno anticline to be sampled in any detail.

Korimachay: Mineralization is hosted in limestone breccias (both tectonic and sedimentary), dolomite and silicified limestones. Zinc mainly occurs as disseminated honey-coloured to green sphalerite in mineralized beds of dolomite. Swarms of vertical manganese-rich veinlets are found nearby around zones of fracturing which strike 030ºN. Pyrite-bearing veins occupy joints in the centre of these veinlets. These may be the surface manifestation of a much more active system at depth.

Delta Zinc: A structurally-controlled zone of Zn-Pb-Ag mineralization along a series of 030-050º faults. Although mineralization is best developed along these structures, it also coincides with a 50-80m thick sequence of dolomites that appears to extend southwards towards the northern portion of the Korimachay target. The mineralized structures are typically highly oxidised after sulphides.

Chip-channel sample results at Saturno, Pamela, Korimachay and Delta include:

Chip Sample Results for Tucumachay Zinc Showings

Showing	% Zinc	% Lead	Silver (g/t)	Silver (oz/Ton)	Sample Length (metres)
Saturno	18.35	10.15	234	6.6	3.0
	28.30	2.56	116	3.4	6.5
	3.70	3.38	172	5.0	4.2
	17.98	1.47	359	10.5	15.0
Pamela	13.05	2.83	125	3.6	3.5
Korimachay	3.15	-	12	0.3	6.0
	4.87	-	2.8	-	6.0
	-	-	155	4.5	5.0
	7.86	-	97	2.8	10.0
Delta Zinc	9.21	-	90.7	2.6	2.0
	7.93	-	99.0	2.9	2.0
	4.40	-	69.2	2.0	9.0
	4.80	-	96.7	2.8	13.0
	> 30.0	-	692	20.2	1.0
	14.30	1.5	292	8.5	4.0
	13.60	0.2	104	3.0	10.0

Ushcumachay: The Ushcumachay zone was examined in the most detail during 2006. This zone represents the southern continuation of the Korimachay showings along the eastern limb of the Saturno anticline. Mineralization in the Ushcumachay zone occurs in limestones, dolomitized limestones and limestone breccias of the uppermost Condorsinga Formation. Zinc mineralization is found at numerous locations along a strike length of over 2,000 metres in this favourable horizon. The zone is open to the south and down-dip under cover rocks. Zinc occurs as smithsonite and hydrozincite along fractures, as semi-massive lenses of zebra-textured barite-sphalerite - ankerite rock, in calcite-barite veins, and as disseminated sphalerite in dolomite. The thickness of the prospective horizon is thought to be at least 30 metres. The sequence is folded into a series of synclines and anticlines and is cut by steep normal faults. A series of dramatic NW-SE manganese-rich structures, locally producing a manganese stockwork, cut the carbonate sequence.

Sampling has focused on two zones of strong fracturing, brecciation and replacement mineralization, referred to as Ushcumachay Norte and Ushcumachay Sur. Results are detailed below:

Ushcumachay Norte Sample Results

Sample	Length (m)	Silver (g/t)	Zinc %		Sample	Length (m)	Silver (g/t)	Zinc %
T29714	7.0	75	14.65		**T24729**	2.0	24	3.19
T29719	7.0	94	8.19		**T24730**	2.0	44	4.65
T29721	20.0	18	1.86		**T24731**	2.5	50	3.23
T29724	11.0	20	2.15		**T24732**	5.0	40	5.33
T29732	7.0	87	17.20		**T24734**	6.0	20	8.70
T29733	4.5	49	10.80		**T24735**	16.0	28	6.81
T29734	5.0	16	2.15		**T24738**	16.0	50	9.04
T29735	4.0	74	4.45		**T24741**	6.0	8	1.40
T29736	11.0	37	2.65		**T24743**	4.5	2	11.85
T29738	3.0	19	4.76		**T24744**	5.0	2	3.36
T29739	6.0	46	6.60		**T24745**	2.0	6	11.80
T29740	4.5	8	1.44		**T24746**	7.0	10	2.23
T29741	5.0	42	4.13		**T24747**	6.0	0	12.55
T29742	7.0	68	11.05		**T24748**	5.0	21	6.19
T29743	17.0	59	3.62		**T24750**	10.5	67	7.36
T29750	6.0	133	10.75		**T24752**	6.0	23	1.85
T29751	3.0	61	8.00		**T24753**	4.0	67	5.46
T29752	10.0	48	3.19		**T24754**	6.0	13	3.81
T29754	6.0	40	9.33		**T24757**	7.5	30	5.24
T24728	2.0	22	2.48					
Ushcumachay Sur Sample Results								
T24756	6.0	56	8.53		**T29881**	5.0	79	4.49
T29860	10.0	55	4.98		**T29882**	5.0	91	6.77
T29867	3.0	8	1.23		**T29884**	3.5	3	>30.0
T29871	5.0	29	2.34		**T29885**	2.0	2	20.4
T29875	4.0	35	2.68		**T29889**	9.5	35	5.53
T29877	2.5	13	2		**T29892**	5.0	20	1.93
T29879	4.0	87	7.06		**T29881**	5.0	79	4.49

The Delta-Korimachay-Ushcumachay targets are all hosted within a 2,500 metre-long panel of collapsed and variably dolomitized limestones. It is uncertain whether a certain group of dolomitic beds is a controlling feature (along with cross-structures), or if distance to the overlying Cercapuquio disconformity is more important.

During drilling, zinc was not specifically targeted. Spotty zinc mineralization was encountered in several of the earlier core holes drilled on La Nariz targets, often occurring as disseminated honey-coloured sphalerite. All La Nariz holes are weakly to moderately geochemically anomalous in zinc (i.e. 500 – 5000+ ppm), usually over core intervals in excess of 10 metres, and occasionally with zinc in the 1 to 2% range. Holes at Encantada returned some anomalous zinc (i.e. >500ppm), but not over significant core lengths.

(7) Drilling

During the period 1,990 metres in 28 reverse circulation drill holes were completed using a Foremost W750 rig supplied and operated by AK Drilling of Lima, Peru. Most of the drilling was at the Leonardo Norte area, where previous diamond drilling had encountered good intercepts of gold mineralization. This zone is characterized by the presence of collapse breccias, dissolution breccias and the intersection of a major reverse fault, known as the Islaycocha fault, and several NEE-SWW fractures and faults.

An interpretation of the drilling done in 2005 is that mineralization appeared to be controlled by both structure and stratigraphy. Mineralization was encountered in the uppermost Condorsinga formation (stratigraphic control), usually within 100 metres of the top of the formation, but appeared to be focused on or around cross-cutting NEE-SWW structures (structural control). The highest grades in the 2005 diamond drilling programme were seen in mineralized collapse breccias at or near the top of the Condorsinga formation. Internal laminations and sedimentary textures were observed in these breccias. Few breccias were seen deeper into the Condorsinga, suggesting they originate from near-surface dissolution and collapse, implying that they are karsts.

The first priority of the 2006 RC drilling programme was designed to test the continuity of the gold mineralization in the Leonardo Norte area, particularly towards the north, where previous rock sampling had identified strongly anomalous gold values in decalcified and brecciated limestones. Other zones were also drilled, such as Greg, Leonardo, Cerro Oeste, Cliff and the previously untested East Limb. Important intersections include:

Significant Intersection from 2006 Reverse Circulation Drill Programme

Hole	From…to… (metres)	Interval (metres)	Gold (g/t)	Silver (g/t)	Zinc (%)	Target
TRC06-01	11 – 19	8	1.1			Cerro Oeste
TRC06-02	8 – 38	**30**	0.7			Cerro Oeste
Incl.	13 – 21	8	1.4			
And	18 – 21	3	2.3			
TRC06-03	0 – 14	14	0.6	4.6		Leonardo Norte
TRC06-04	8 – 11	3	1.1			Leonardo Norte
And	58 – 91	33	0.5			
Incl	67 – 72	5	1.0			
TRC06-05	21 – 79	**58**	0.7			Leonardo Norte
Incl	52 – 62	10	1.8			
And	56 – 59	3	3.5			
And	56 – 62	6	2.2			
TRC06-06	14 – 23	9	0.8			Leonardo Norte
Incl	18 – 22	4	1.2			
And	42 – 58	16	0.9			
Gap (Cave)	58 – 61	3	-			
And	61 – 67	6	0.8			
TRC06-07	1 – 23	22	0.9		0.7	Greg
Incl	7 – 21	14	1.1		0.9	
And	16 – 22	6	1.3	3.2	2.2	
TRC06-08	11 – 24	13	1.5			Greg
Incl	12 – 19	7	1.9			
TRC06-09	5 – 34	29	0.6			Leonardo Norte

Hole	From…to… (metres)	Interval (metres)	Gold (g/t)	Silver (g/t)	Zinc (%)	Target
Incl	31 – 34	3	1.8	4.4		
Gap (Cave)	34 – 37	3	-			
And	37 – 41	4	2.0	3.3		
TRC06-11	18 – 31	13	0.8			Leonardo Norte
Incl	27 – 30	3	2.0			
And	50 – 58	8	1.3	5.2		
TRC06-12	13 – 32	19	0.9	2.7	0.2	Leonardo Norte
Incl	15 – 27	12	1.1	2.7		
And	51 – 59	8	0.5	2.0		
TRC06-13	28 – 37	9	0.6			Leonardo
TRC06-14	48 – 52	4	0.7	2.8		Leonardo
TRC06-15	22 - 37	15	0.4	2.4		Leonardo Norte
TRC06-23	28 – 48	20	0.4			Cliff
TRC06-24	10 – 31	21	0.3			Cliff
Incl	10 – 12	2	1.6			
TRC06-27	8 – 16	8	1.1			*New Area*
Incl	11 – 15	4	1.8			
And	27 - 30	3	1.3			

Leonardo Norte

A total of nine RC holes were drilled in the Leonardo Norte zone (TRC06-03, 04, 05, 06, 09, 10, 11, 12 and 15). Most were aimed at testing the continuity of the zones cut in diamond drill holes 16 (47.8m grading 0.98 g/t Au), 21 (30m grading1.0 g/t Au) and 30 (28.2m grading 0.91 g/t Au).

Results from this programme have confirmed that gold mineralization occurs at or near the top of the Condorsinga formation, particularly in brecciated carbonate rocks. Assay results are comparable or higher than those obtained in earlier core-drill programmes. RC chips make it difficult to identify specific textures, but comparisons with nearby diamond drill holes suggest that collapse and dissolution breccias are associated with the continuation of the Islaycocha reverse fault.

TRC06-10 was a step-out from diamond hole 16 and was aimed at cutting the dyke in the Big Wide Crack, a prominent fault that cuts the area. No significant mineralization was intercepted.

The *Cerro Oeste* target (holes TRC06-1 and 2) and the *Greg* target (holes TRC06-7 and 8) are within the hanging wall of the Islaycocha. Both targets are situated in a panel of thrusted and fractured limestone, mudstone and shale. Mineralized intervals reported here are comparable to those returned from the second phase of core drilling. These targets occur at either end of a 600 metre-long corridor that remains untested by drilling. Mapping has not confirmed that the favourable Contact Unit mudstone and sandstone is continuous this corridor, which will only be known through continued drilling.

The two RC holes drilled in the Greg were aimed at testing the lateral and depth continuity of the silicified breccias mapped on surface. Results suggest that the breccias appear to be laterally discontinuous, occurring as lenses along the upper Condorsinga contact.

The Cerro Oeste target was drilled in two different areas. TRC06-01 and TRC06-02 were drilled on the upper part of Cerro Oeste, testing the northern lateral continuity of the gold mineralization found in diamond drill hole 22. This mineralization is hosted in locally carbonaceous mudstones overlying the Condorsinga formation. Trenching during 2006 had extended the zone to the north and drilling was warranted.

A second set of drill holes tested the trace of the Islaycocha reverse fault itself, and its intersection with known NEE-SWW fractures at the base of Cerro Oeste. TRC06-20 and 22 were drilled into Cerro Oeste from the footwall of the Islaycocha fault. No significant results were obtained.

Line 5 IP Anomaly

A strong chargeability anomaly was identified by Val D´Or on Line 5 of the IP survey carried out in 2006. The anomaly (up to 22 mV/V) is centred on the middle of the Saturno anticline and at a mean depth of 70 metres below surface. Two RC holes (TRC06-16 and 17) were collared off the anomaly (the locations were dictated by the availability of a suitable drill pad) near its western edge. No mineralization was encountered and the anomaly remains unexplained.

Leonardo

A total of five RC holes were drilled on the Leonardo zone (TRC06-13, 14, 18, 19 and 21). TRC06-13 and 14 were collared approximately 120m south east of diamond hole T05-16 and were aimed at testing silica-rich gold mineralization at or near the upper contact of the Condorsinga formation. TRC06-13 had an azimuth of 305^{o}, aiming towards T05-16, while TRC06-14 was drilled towards the SE in order to trace the mineralized zones observed in TRC06-13 further south, and to cut a major NEE-SWW structure.

Holes TRC-18 and 19 were drilled to test the presence of mudstone-hosted mineralization above the Condorsinga formation on the west limb of the main Saturno anticline. Both holes were collared near NEE-SWW structures known to host gold mineralization (T06-36 and T06-37). Neither hole intersected significant mineralization.

Cliff

The Cliff zone (holes TRC06-23 and 24) is located on the southeastern limb of the anticline and adjacent to a second major fault. Gold mineralization is found within strongly silicified Contact Unit mudstones and fractured limestone. The holes were drilled on the western extension of the Cliff zone and are significant step-outs (175 to 225 metres) from earlier core holes. Results suggest that an extensive sheet-like body of silicified and mineralized rock is present. Mineralized Contact unit mudstones and siliceous zones within the Condorsinga limestones were cut, though the gold tenor is low.

East Limb – Guapita

A total of four RC holes were drilled on the eastern limb of the Saturno anticline (TRC06-25, 26, 27 and 28). Hole TRC06-25, collared near Inmet´s hole RC99-04, was abandoned at 21 meters because of excessive water flow.

Holes TRC06-26, 27 and 28 were collared on an area of intense structural disruption, brecciation, oxidation and local presence of jasperoid. This zone has been interpreted by company geologists as the eastern extension of the NEE-SWW structures that host gold mineralization on the western limb. T06-38 was also collared on this zone and had cut jasperoid bodies and strongly brecciated limestones. However, the hole had to be abandoned because of poor drilling conditions.

Holes TRC06-26 and 27 cut through zones of silicification and brecciation similar to those seen in T06-38. Orpiment was reported in both holes. Gold assays were encouraging in hole 27, but poor in hole 26, suggesting lateral discontinuity of the gold mineralization. These results represent a new zone of interest at Tucumachay. A large area (500 metres long by 250 metres wide) of structural disruption is seen here that needs to be further explored and drilled. Although neither hole 26 nor 28 reported significant gold values, the size of the prospective area and the encouraging results obtained in some holes warrant further work there.

Tucumachay Project – All Drill Results 2005 and 2006

Hole #	Target	From…to… (metres)	Interval (metres)	Gold (g/t)
T05-08	**Greg**	16.9 – 21.35	4.45	1.13
TRC06-07	**Greg**	1 – 23	22.0	0.9
Incl.		7 – 21	14.0	1.1
And		16 – 22	6.0	1.3
TRC06-08	**Greg**	11– 24	13.0	1.5
Incl.		12 – 19	7.0	1.9
TRC-06-01	**Cerro Oeste**	11 – 19	8.0	1.1
TRC-06-02	**Cerro Oeste**	8 – 38	30.0	0.7
Incl.		13 – 21	8.0	1.4
And		18 – 21	3.0	2.3
T06-32	**Cerro Oeste**	15.40 – 25.75	10.35	1.08
Incl.		15.40 – 19.30	3.90	1.70
T06-31	**Cerro Oeste**	30.0 – 43.10	13.1	-
T05-12	**Leonardo Norte**	30.0 – 48.0	18.0	1.21
Incl.		36.0 – 40.5	4.50	3.03
T05-16	**Leonardo Norte**	4.7 – 52.5	47.80	0.98
T05-21	**Leonardo Norte**	15.0 – 45.0	30.0	1.00
Incl.		22.3 – 45.0	22.7	1.11
T05-22	**Leonardo Norte**	13.5 – 25.5	12.0	1.66
Incl.		13.5 – 22.5	9.0	1.97
T05-23	**Leonardo Norte**	36.5 – 41.0	4.5	0.85
T05-24	**Leonardo Norte**	3.0 – 40.5	37.5	0.56
Incl.		3.0 – 5.6	2.6	2.32
Incl.		19.0 – 28.0	9.0	1.10
And		54.0 – 60.0	6.0	0.89
T05-25	**Leonardo Norte**	4.5 – 15.5	11.0	0.82
T05-27		7.80 – 28.85	21.05	0.38
Incl.		15 – 27	12.0	1.1
And		51 – 59	8.0	0.5
TRC06-03	**Leonardo Norte**	0 – 14	14.0	0.6
TRC06-04	**Leonardo Norte**	8 – 11	3.0	1.1
And		58 – 91	33.0	0.5
Incl.		67 – 72	5.0	1.0
TRC06-05	**Leonardo Norte**	21 – 79	58.0	0.7
Incl.		52 – 62	10.0	1.8
And		56 – 62	6.0	2.2
Incl.		56 – 59	3.0	3.5
TRC06-06	**Leonardo Norte**	14 – 23	9.0	0.8
Incl.		18 – 22	4.0	1.2
And		42 – 58	16.0	0.9
Gap (Cave)		58 – 61	3.0	-
And		61 – 67	6.0	0.8
TRC06-09	**Leonardo Norte**	5 – 34	29.0	0.6
Incl.		31 – 34	3.0	1.8
Gap (Cave)		34 – 37	3.0	-
And		37 – 41	4.0	2.0
TRC06-11	**Leonardo Norte**	18 – 31	13.0	0.8
Incl.		27 – 30	3.0	2.0
And		50 – 58	8.0	1.3
TRC06-12	**Leonardo Norte**	13 – 32	0.9	2.7
TRC06-15	**Leonardo Norte**	22 – 37	15.0	0.4

Hole #	Target	From…to… (metres)	Interval (metres)	Gold (g/t)
T06-28	**Leonardo Norte**	17.65 – 23.95	6.30	1.39
And		32.10 – 36.65	4.55	0.98
T06-29	**Leonardo Norte**	33.20 – 40.85	7.65	1.51
Incl.		34.75 – 37.80	3.05	3.07
T06-30	**Leonardo Norte**	1.50 – 7.30	5.80	1.06
And		37.30 – 75.45	38.15	0.91
Incl.		38.40 – 43.40	5.00	2.47
And		54.05 – 57.10	3.05	1.94
And		87.60 – 90.65	3.05	1.08
T06-33	**Leonardo**	5.95 – 14.50	8.55	0.88
Incl.		5.95 – 10.50	4.55	1.22
T06-36	**Leonardo**	2.05 – 7.85	5.80	0.84
And		27.65 – 47.50	19.85	0.56
Incl.		43.20 – 45.95	2.75	1.49
T06-37	**Leonardo**	5.00 – 6.20	1.20	1.34
And		35.85 – 46.65	10.80	0.33
TRC06-13	**Leonardo**	28 – 37	9.0	0.6
TRC06-14	**Leonardo**	48 – 52	4.0	0.7
T05-17	**Cliff**	8.5 – 38.5	30.0	0.70
TRC06-23	**Cliff**	28 – 48	20.0	0.4
TRC06-24	**Cliff**	10 – 31	21.0	0.3
Incl.		10 – 12	2.0	1.6
T06-34	**La Guapita**	0.00 – 27.50	27.50	1.09
Incl.		0.00 – 18.50	18.50	1.47
And		10.75 – 18.50	7.75	1.90
T06-38	**La Guapita**	28.65 – 36.20	7.55	0.98
TRC06-27	**La Guapita**	8 – 16	8.0	1.1
Incl.		11 – 15	4.0	1.8
And		27 – 30	3.0	1.3
T05-13	**Sinkhole**	47.0 – 62.0	15.00	0.30
T05-14	**Sinkhole**	35.0 – 48.5	13.50	0.76
Incl.		42.5 – 47.0	4.50	1.19
And		72.5 – 89.0	16.50	0.86
Incl.		74.0 – 80.0	6.00	1.05
T05-15	**Sinkhole**	21.0 – 43.5	22.50	0.50
Incl.		37.5 – 42.0	4.50	1.05
T06-35	**Sinkhole**	12.90 – 32.75	19.85	0.34
T05-01	**Encantada**	0 – 5.95	5.95	3.03
Incl.		0 – 2.35	2.35	5.52
T05-02	**Encantada**	28.9 – 31.9	3.00	2.49
T05-05	**Encantada**	35.5 – 40.5	5.00	2.71

(8) Sampling and Analysis, Security of Samples

Samples from reverse circulation drill holes were collected every metre and 100% of the drilled material was sampled. Sample bags were labelled and reported according to meterage in order to prevent accidental doubling up of sample numbers.

Dry Samples: Each sample was collected in a 5-gallon plastic pail upon exiting the cyclone. An initial 50/50 split of the sample was prepared by pouring the dry sample into a Jones riffle splitter. One 50% split was placed in the 12" x 28" rice bag ("C Bag") and stored, the other 50% split was re-split into two equal-sized samples by the riffle splitter. One quarter-split was put in a 12' x 16", - 400 mesh olefin bag ("A Bag") and sent in for assay, and the other quarter-split was put into the C Bag and this is stored if needed for future assay work. The "C-Bag" thus represents 75% of the sample collected for each interval and is stored for check assays or any other sample analysis necessary.

The site geologist monitored split accuracy on a visual basis. Before a meter sample was split, the chips and dust were leveled in the splitter and the splitter kept horizontal. This procedure ensured accurate split ratios. Minor amounts of sample were lost during the procedure.

The riffle splitter and trays were cleaned between each sample. Cleaning of the cyclone was done constantly by hitting it with a hammer in order to loosen any material caught up during each sample interval. All sampling equipment was rinsed and scrubbed clean of any contaminants at the end of each hole and before starting the next hole.

Wet drilling: Sample splits were done with cyclone-mounted wet splitter set at 25/75 split. The splitter used is a hydraulically operated spinning gate unit with caps placed over the openings to change the split ratios. Generally, enough water was returned with the sample to clean the cyclone as the sample was taken. The splitter was checked between each run for any sample caught up in it and washed if needed. The 25% split went directly into a 16" x 32", 400 mesh bag and was sent in for assay. The 75% split also went into a plastic bucket from the splitter, and was then placed into a 16" x 32" rice bag, which has been stored at camp. Further splitting would be done at the riffle splitter if re-assays are needed.

No sample preparation was carried out in the field. All rock, soil and core samples were shipped by privately-hired ground transportation and submitted directly to the ALS Chemex Laboratory in Lima (ISO 9001:2000 accredited) for sample preparation and analyses. All were analysed for gold using the AA24 preparation protocol, employing a 50-gram nominal sample weight with gold analysis by fire assay and an AAS (atomic absorption spectroscopy) finish. Other elements are determined using the ME-ICP41 method, which utilizes a 10-gram sample, aqua regia digestion and an ICP-MS (Inductively Coupled Plasma Mass Spectrometry) determination. For soil samples, the -80 mesh fraction was analysed by the AA24 and ME-ICP41 protocol.

No extraordinary security measures were put in place for any sample shipments. Gitennes employs a security company to safeguard the camp, equipment and storage facilities. Security personnel accompanied some sample shipments. No employees, officers, directors, associates or consultants are involved with sample preparation or analyses.

Check assays were done on several holes using new pulps prepared from assay rejects. Assaying was done at SGS Laboratories in Lima. Analytical results are identical to those from ALS Chemex. Similar checks done over successive programmes at Tucumachay continue to demonstrate the reproducibility of gold assays of mineralized rocks from Tucumachay.

(9) Mineral Resource and Mineral Reserve Estimates

As at the date of this Annual Information Form, Gitennes has not made any mineral reserve or resource estimates on the Tucumachay Property.

(10) Mining Operations

Gitennes has not conducted any mining operations at the Tucumachay Property.

(11) Exploration and Development

The authors of the Tucumachay Technical Report have recommended that exploration continue with metallurgical test work, additional 1:2000 or more detailed geological mapping, rock sampling, trenching and reverse-circulation or core drilling. A 20-hole drill programme is recommended; the principal objective of the drilling expand the Leonardo, Cerro Oeste and Guapita targets Geophysical surveys and, drilling, if warranted, are recommended for the zinc targets present elsewhere on the property.

The estimated cost of the recommended exploration programme is US$750,000. The Company does not expect to undertake the proposed programme during 2009.

TotoRoko Property

(1) Property Description and Location

The TotoRoko Project is located in the Department of Arequipa, province of Caravelí, district of Quicacha, Perú, approximately 530 kilometres south-southeast of Lima.

(2) Accessibility, Climate, Local Resources & Physiography

Access to the project is by truck. The route from Lima is by the paved Panamerican highway to the small fishing and mining town of Chala (620 km, 9 hours), then by well-maintained secondary dirt roads to the village of Sondor (100 km, 3.5 hours), via the local market town of Quicacha. From Sondor, a dirt road leads to the village of Maraycasa, just north of the property boundary (10 km, 0.5 hours). Access roads to the Gitennes camp and to all drill sites from the Maraycasa road were in place before Gitennes' involvement in the area.

Climate is typical of the western portion of the Andes Mountains of southern Perú. A wet season lasts from January to March, with cool day and mild night temperatures. The dry season consists of hot sunny days and cool nights. The project area is generally dry. However, the rainy season often brings heavy rain and flash-flooding, with almost 100% of annual rainfall falling over a period of a few weeks.

The highlands in Perú generally consist of two parallel ranges that trend northwest - southeast, the Cordillera Occidental on the west and the Cordillera Oriental on the east. Both ranges contain numerous peaks rising to elevations between 5,200 and 6,000 metres. Between these two principal ranges are high (3,200 to 4,900 metres a.s.l.) tablelands, valleys and basins - the "Altiplano". The TotoRoko Project is in the westernmost edge of the Cordillera Occidental of the Andes Mountains. Property elevations range from 3,200 to 3,600 metres a.s.l. The property lies close to the continental divide between waters draining towards the Pacific Ocean and those flowing towards the Amazon basin. Drainage is to the southwest by Quebrada Maraycasa to Río Chaparra and thence to the Pacific Ocean. Topography is generally gentle to moderately steep, with a sharp descent down to Quebrada Maraycasa on the northern side of the property. Similarly, moderately steep north-south creeks are found throughout the property. Water is scarce except during the short rainy season. However, fresh water springs feed the nearby Quebrada Maraycasa year-round. Water from Quebrada Maraycasa can be used at all times for domestic purposes and is where Gitennes obtained water for its 2007 drilling programme.

The region surrounding the project is sparsely settled. All lands are community-held. The local community is legally registered in Arequipa department and manages the land-use in the Project area. An agreement to set up a temporary camp and to initiate geophysics and drilling programmes was reached with the Community with the approval of at least 2/3 of its members in exchange for job opportunities and
upgrading of some of the local infrastructure.

The nearest urban centre with adequate supplies is the town of Chala, an old fishing village which has seen substantial growth over the past few years due to artisanal gold mines near the coast. Essential supplies, banking, fuel and lodging can be found there. Heavy equipment and other supplies can be found in the city of Nazca, 150 km north of Chala (2 hours) along the Panamerican highway. The nearest deep port is in Marcona, approximately 160 kilometres northwest of TotoRoko and 45 kilometres south of Nazca. Shougang of China operates an iron mine there and uses the port to ship iron pellets and concentrate to Asia. Chariot Resources´ Mina Justa copper project contemplates shipping copper concentrate from the Marcona port.

Villages and towns next to the Property use diesel generators for their electricity. The nearest town linked to the national electrical grid is Quicacha. The service there, however, is unreliable. The nearest three-phase power line is at the coast.

Mining is a very important economic activity in the area. There is small-scale underground mining near the village of Maraycasa, where high-grade copper-oxide-gold workings are currently being mined by a Lima-based group using local unskilled labourers. Many locals are also employed as temporary workers by small-scale artisanal gold mining operations nearer the coast. Gold there is mined from thin quartz veins and recovered using large stone crushers (known locally as “quimbaletes”) with the gold eventually recovered using mercury to separate it from the ground rock. Larger mines in this area are operated by companies such as Dynacor, Colibri and Minera Titan. The nearest such small-scale mining operation to TotoRoko is 25 km. away. Agriculture in the area is limited to sustenance-level ranching (sheep, cattle and goats) and small plots of bottomlands were potatoes, garlic and barley are grown where water is available.

(3) History

There is evidence of artisanal gold mining in the TotoRoko area dating probably back to Spanish colonial times. Short tunnels and pits are scattered throughout the region. Most of these are periodically re-visited by the locals looking for high-grade gold ores.

Small-scale underground mining has been conducted in the Maraycasa mine, located immediately north of the property boundary, since at least the early 1960s until the present day by Peruvian companies such as Minera Sondor S.A. and, more recently, Compañía Minera Cruz de Oro S.A. The workings follow a NW-SE trending shear zone marked by strongly altered volcanic rocks, containing high-grade copper oxide, silver and gold mineralization. The principal copper ore minerals reported are chrysocolla and malachite. There is no reliable information as to the size and grade of the deposit or as to the amount of material mined over the years, though it is likely small.

Competitor activity in the area goes back to 1996 when Macmillan Gold Ltd. signed an option agreement to acquire several concessions from Compañía Minera Cruz de Mayo S.A., including the Maraycasa concession. Macmillan explored the area between September and October 1996, completing 675 metres of trenching where 283 samples were collected. The option was dropped in early 1997.

Other companies actively exploring for copper, gold and silver in the area include Rio Tinto, Buenaventura and CVRD.

Gitennes began exploring the Property area in 2004 looking for mineralization similar to that found in similar geological settings elsewhere in Perú (such as Chariot Resource´s Mina Justa Project) and in northern Chile (Anglo American´s Mantos Blancos and Manto Verde mines). These types of deposits are known as IOCG (Iron Oxide Copper Gold deposits). The data for the Maraycasa mine was reviewed suggesting that this relatively under-explored area of southern Perú has potential to host other IOCG deposits.

Copper-silver showings were found by company geologists in the Loma Totorcco area in early 2006 and the first Gitennes concession was staked in late 2006. Follow-up prospecting led to the discovery of new areas, prioritising higher-grade zones on the eastern continuation of the original Loma Totorcco zone. That area was held by an arms-length Peruvian who agreed to transfer his concessions to Gitennes in early 2007 at nominal cost. New concessions were subsequently staked to cover geochemical anomalies to the west and north. A final concession staked in late 2007 covered a small sliver of land between the original Totorcco concessions and the Maraycasa concession.

(4) Geological Setting

The oldest rocks in the TotoRoko region are gneiss and mylonite of the Proterozoic Coastal Basal Complex outcropping in the coastal strip near the town of Chala. Carboniferous sandstones and mudstones of the Ambo and Tarma groups, as well as Permian red-beds of the Mitu formation overlie the basement rocks, separated by a series of angular unconformities. Outcrops of basement rocks and the Paleozoic sequence are scarce in the region.

Overlying the Paleozoic sediments in angular unconformity is a thick sequence of Jurassic marine sediments and volcanic rocks, gradually changing up-section into subaerial pyroclastic flows, volcanic breccias and minor sedimentary sequences, marking the onset of the subduction of the Pacific plate under the South American Plate and arc volcanism.

The Jurassic sequence in the region has been subdivided into a lower submarine volcanic unit, known as the Chocolate Formation, comprising massive andesite and basaltic andesite flows and breccias interbedded with sandstone and siltstone beds. Overlying the Chocolate Formation is a sequence of interbedded sandstone and andesitic to rhyolitic flows and breccias, with a substantial sedimentary component. This unit has been referred to in the literature as the middle Jurassic Guaneros Formation, though more recent mapping has assigned its volcanic-rich lower member to the Chocolate Formation and its sediment-rich upper member to the middle Jurassic Socosani Formation. Argon isotope dating at the base of Guaneros Formation rocks in the region indicates an age of 177Ma.

Overlying the Guaneros Formation conformably is an upper Jurassic to Cretaceous sequence of sandstone, siltstone, mudstone, conglomerate, limestone and minor volcanic units belonging to the Jurassic Yura Group and the Cretaceous Murco and Acurquina Formations. These rocks crop out mostly north of the Property. This sequence is interpreted to represent a series of marine transgressions and regressions during a period of weak volcanism during the early part of the Andean orogeny.

Jurassic volcanism in southern Perú is interpreted to have occurred in an arc environment developed during early subduction of oceanic crust under continental crust, with magmas evolving from basaltic compositions to calc-alkaline Andean-style compositions during the Cretaceous.

An angular unconformity marks the onset of significant subaerial volcanism and the deposition of thick volcanic deposits associated with the main phase of the Andean orogeny and the emergence of major volcanic centres. Thick sequences of intermediate-composition tuff beds, pyroclastic deposits and flows are recorded in the Paleocene Para Formation, the Lower Miocene Tacaza and Huaylillas Formations and in the Upper Miocene Sencca volcanics. Volcanism in the region remains active, with the presence of young volcanic deposits originating from the nearby active Sara Sara volcano.

Quaternary unconsolidated glacial and fluvial deposits are abundant north of the Property where a large depression is marked by the presence of the large saline Parinacochas Lake. Pleistocene to Recent lacustrine lake deposits, including cross-bedded silts and sands, outcrop several hundred meters away from the current lake shore, and up to 25 metres above current lake level.

The onset of the main phase of Andean orogeny in the Cretaceous was also marked by the intrusion of large intrusive bodies, collectively known as the *Batolito de la Costa*. The composition of the batholith varies from gabbroic in the older intrusive rocks to granitic in the younger ones. The batholith outcrops in the area between the property and the coastal region. Basaltic to rhyolitic dykes associated with the Coastal Batholith cut the Mesozoic sequence.

The Cretaceous-Tertiary Andean orogeny led to the development of at least three main regional structural features:

1. Northwest-southeast isoclinal folding affecting principally the Mesozoic volcano-sedimentary sequence.

2. Regional-scale strike-slip east-west and northwest-southeast faulting is very common in the southern part of Perú, likely associated to oblique and flat subduction of the Nazca Plate. The main feature of this kind is known as the Incapuquio Fault System, stretching from the border with Chile to the south to the Marcona area to the north. Transpressional tectonics along this fault is thought to have facilitated Late Cretaceous-Early Paleogene magmatism. Several of Perú´s main copper porphyry deposits are spatially linked to the Incapuquio Fault System, including the producing Toquepala, Cuajone and Cerro Verde mines.

3. Northeast-southwest (Azimuth 030°) extensional faulting caused by orogenic collapse following the build-up of the continental crust.

Stratigraphy

Mapping at 1:2000 scale of an area of some 200 hectares centered on the area where drilling subsequently was undertaken, allows the local Jurassic stratigraphy to be informally subdivided into six distinct mapping units. From north to south these are (and possibly youngest to oldest):

1) an unaltered clastic and chemical sedimentary sequence, consisting of fine-grained well laminated sandstones and siltstones, with subordinate amounts of limestone and silty limestone;

2) an unaltered chemical sedimentary sequence of fine-grained laminated limestone and limestone breccias;

3) a subtly-altered intermediate volcaniclastic sequence dominated by maroon-coloured partially welded pyroclastic flows;

4) an unaltered clastic sedimentary and intermediate to felsic volcaniclastic sequence with a number of intercalated layers of petrified logs;

5) an unaltered intermediate to felsic pyroclastic sequence, comprising welded and partially welded dacitic to rhyolitic ash-flow tuffs with subordinate mafic to intermediate volcanics; and

6) moderately to well-altered (silicified epidote, magnetite, and garnet-bearing) volcaniclastics, interpreted to be metasomatic equivalents of units 3 to 5.

Guaneros Formation Unit 1

Unit 1 comprises mostly buff brown-coloured clastic sedimentary rocks, fine-grained sandstone, and well laminated siltstone with minor beds of silty limestone. Concretion-like features up to a centimetre in diameter occur in at least one sandstone bed. To the west of camp, the well laminated siltstone appear to define a fault-bounded (?) block within the unit. Although the unit does not exhibit alteration effects, it has a subtly- to weakly-developed near-vertical fracture cleavage parallel to the strike of bedding. To the north, Unit 1 is bounded by a metasomatically-altered intermediate to felsic volcaniclastic ash-flow tuff (denominated as Unit 6a) with 2-4cm white “albite” alteration spots. Alteration spots and lumps were identified as albite in the field; however, ICP analyses do not indicate the presence of Na. The southern contact with Unit 2 is not exposed.

Guaneros Formation Unit 2

Very fine-grained limestone comprises most of the outcrops assigned to Unit 2. These are buff brown-coloured and well laminated, distinguished from siltstone beds by vigorous reaction to dilute HCl acid and a subtle textural difference on weathered surfaces. Overall, the unit strikes 290º and usually dips steeply to the north. No tops indicators nor macro-fossils were observed in the limestone. Intraformational limestone breccia beds up to several metres in thickness were observed along the access road to drill hole TR-07-07. These feature unsorted angular clasts up to 20 cm in size in a fine-grained limestone matrix. Also present in Unit 2 are minor beds of intermediate maroon-coloured volcaniclastic with pumice clasts which, like the intraformational breccias, do not appear to continue to the west within Unit 2.

Guaneros Formation Unit 3

Unit 3 marks the first significant accumulation of pyroclastic rocks in the detailed mapping area. These are feldspar-porphyritic massive to well laminated intermediate lapilli tuffs, ash and crystal tuffs, dark green to maroon-coloured, with 1 - 3cm flattened green-coloured lapilli aligned parallel to bedding. No block-sized clasts were observed in this unit, and it is believed to represent a distal pyroclastic flow sequence. Very well laminated maroon tuffs occur within the unit, and are interpreted to be base surge deposits at the base of individual pyroclastic flows. The unit strikes 295º and dips moderately to steeply to the north. It appears to thin to the east, where it may become intercalated with the limestone beds of Unit 2.

Guaneros Formation Unit 4

Unit 4 is a complex sequence of subtly foliated and altered intermediate and felsic volcaniclastic rocks, clastic sedimentary beds including well sorted clast-supported conglomerate, and layers containing petrified logs. Near the base of this unit is a dark grey to black shale and siltstone denominated as Unit 4a. The intermediate volcanic rocks lack coarse lapilli or blocks, and are deposited in thin bedforms with compacted pumice clasts. A subaerial depositional environment is postulated for these distal pyroclastic flows, which may represent intercalated intervals of Unit 5.

Thin massive to well laminated felsic subunits parallel to stratigraphy are present, occasionally with graded bedding. These are interpreted to be distal rhyolitic pyroclastic flows, although the massive subunits may be sills.

The sedimentary beds within Unit 4 comprise fine-grained volcanic sandstone, conglomerate, and dark grey shale (Unit 4a). Individual sandstone beds occasionally bear 0.5 – 1cm accretionary lapilli. The conglomerate is medium-bedded, polymictic and clast-supported, with well-rounded pebble-sized clasts. Unit 4a is dominated by very fine-grained, well laminated and foliated mudstone and minor siltstone beds. These are only seen in outcrop west of the access road to TR07-01.

Guaneros Formation Unit 5

Felsic pyroclastic flows (ignimbrites) dominate Unit 5. These weather to a light grey colour, with subangular to subrounded lapilli-sized clasts in a fine ash matrix. Well compacted to welded pumice fiamme are present. Very well laminated base surge deposits were also observed within Unit 5, and thickness of individual pyroclastic flow subunits is likely in excess of five metres. Also present are mafic volcanic beds, possibly in part gabbro sills, and two layers containing petrified log debris. The pyroclastic flows are often clay-altered in proximity to creeks. This unit is better exposed west of the Cantaña Vein structure. East of the structure, it is poorly exposed; this may be indicating a paleodepression west of the structure which controlled, or channelled, flow and subsequent deposition.

Guaneros Formation Unit 6

Unit 6 consists of various volcaniclastic lithotypes characterized by weak to intense metasomatic alteration. The volcaniclastics are dark green lapilli and ash tuffs. Individual subunits can be mapped using presence of dark green flattened pumice clasts. Less altered subunits have a purple colour, suggesting this unit may be an altered equivalent to the maroon volcaniclastics of Unit 3.

The Jurassic sequence is intruded by gabbroic stocks and by diabase sub-volcanic bodies and smaller dioritic intrusions, particularly on the southern part of the Property. The gabbros are typically pyroxene-plagioclase phyric; the fine-grained diabase sills and dykes are strongly magnetic and the medium-grained diorites appear to be volumetrically less important. The relative age of these intrusive pulses remains undetermined.

Alteration

Four types of alteration were recognized during detailed mapping:

1) epidote +/- (grossular) garnet +/- amphiboles +/- magnetite alteration of intermediate volcaniclastics;

2) a strong to intense clay alteration, especially in felsic volcaniclastic rocks, adjacent to faults or topographic lineaments;

3) moderate to intense silicification accompanied by the development of white “albite” along fractures and as discrete centimetre-sized spots; and

4) a subtle to weak chloritization and biotitization of intermediate volcaniclastic rocks.

Type 2 and type 4 notably affect the sedimentary and volcaniclastic rocks of Units 1 through 5. Types 1 and 3 can subtly affect intermediate volcaniclastic rocks of Unit 3, but are very noticeably affecting the volcaniclastic rocks of Unit 6.

In Unit 6 the most common and earliest in the alteration sequence is weak to moderate epidotization +/-magnetite development. Epidote may occur pervasively as very finely recrystallyzed matrix in volcaniclastics. In obviously altered rocks, it occurs as irregular lumps of fine- to medium-grained crystal aggregates, in part replacing original lapilli clasts and as fracture fillings. As alteration intensity increases to strong, epidote in the irregular lumps is replaced by brownish red garnet (grossular?) and, more rarely, by amphibole. The matrix of the volcaniclastic rocks becomes strongly silicified with a white dense alteration identified in the field as albitization. The most intense alteration appears to be silicification accompanied by spotty white “albite”. South of the Totorcco copper occurrence, evenly-distributed white “albite” spots 1 – 2cm in diameter comprise 20 – 25% of a mappable subunit. Minor spotty “albite” alteration is seen elsewhere within Unit 6, and appears to be spatially related to copper mineralization.

The contact between Unit 5 ignimbrites and the metasomatically-altered rocks of Unit 6 is readily visible on the air photo mapping base, marked by a line of vegetation change and a break in slope.

Structure

Sedimentary rocks in Unit 4 help define a syncline striking at an azimuth of approximately 095º. The sandstone and conglomerate units occasionally exhibit graded bedding and rare flame structures that indicate the northern limb of the syncline dips moderately to steeply (45º – 75º) to the south and tops normally in that direction. The southern limb has a similar strike, but with moderate dips (30º - 45º) to the north. Elsewhere, minor small-scale folding and deformation of individual beds is seen throughout the property.

Northwest-southeast trending sericite-quartz rich shear zones and north-south normal faulting affect the entire sequence. Faults are usually highlighted by local drainage patterns, as well as strong to intense clay alteration envelopes, especially in intermediate to felsic volcaniclastic rocks. The Cantaña Vein is interpreted to occupy a north-trending fault zone, based on geophysics. However, certain individual mapping subunits appear to cross the vein without significant offset.

(5) Exploration

Rock and Soil geochemistry

A total of 326 rock samples (both grabs and rock-chip samples) have been collected by Gitennes on the Property. Of these, 65 were collected from the Cantaña zone, 43 from the Jala Orcco zone, 60 from the Lomas Orcco zone, 85 from the Totorcco zone, and 73 samples from other prospective targets elsewhere in the Property.

Most of the sampling was focused on rock units showing various stages of alteration and mineralization, such as contact metasomatism, argillic alteration and quartz veins. Sampling in the Totorcco, Lomas Orcco and Jala Orcco zones was conducted on rocks displaying epidote-magnetite-garnet alteration assemblages as well as visible copper oxide mineralization (malachite and chrysocolla) along fractures and joints. Visible copper mineralization was sampled at right angles to its apparent strike in order to gain a more accurate picture of the grades and widths involved. Similarly, sampling of the Cantaña zone was done at right angles to the quartz--rich structure which cross-cuts the stratigraphy perpendicularly in a north-south direction.

Results from continuous rock-chip samples from the three known copper-silver mineralized zones are shown on the following tables:

Significant rock chip sample results from Cu-Ag zones in the TotoRoko Property.

Zone	Sample length	Cu%	Ag g/t
Totorcco	5.0 m.	2.8	23
Totorcco	1.5 m.	1.3	64
Totorcco	1.0 m.	1.2	5
Totorcco	5.0 m.	3.4	32
Totorcco	10.0 m.	1.2	10
Totorcco	4.0 m.	0.9	21
Jala Orcco	5.0 m.	1.5	9
Jala Orcco	10.0 m.	0.8	14
Jala Orcco	23.0 m.	0.9	9
Lomas Orcco	10.0 m.	3.1	33
Lomas Orcco	7.0 m.	2.7	25
Lomas Orcco	2.0 m.	4.6	50
Lomas Orcco	6.0 m.	1.6	33
Lomas Orcco	1.5 m.	2.0	45

Significant rock chip sample results from the Ag-Au Cantaña zone.

Zone	Sample length	Ag g/t	Au g/t
Cantaña	2 m.	177	0.1
Cantaña	2 m.	393	1.5
Cantaña	2 m.	309	0.5
Cantaña	3 m.	1,230	1.7
Cantaña	2 m.	992	--

A total of 132 B-horizon soil samples were collected from two small grids over the Cantaña and Totorcco zones. The aim of the survey was to ascertain the effectiveness of soil sampling in identifying buried mineralized zones similar to those found on surface.

The base line of the Totorcco grid was oriented parallel to the strike of the zone (Azimuth 120°) and was 1,200 metres long. Soil samples were collected every 50 metres along 300 to 400-metre long cross lines across the mineralized zone. These cross lines were spaced 100 metres apart.

Four 350 metre long soil lines crossed the Cantaña N-S structure in an east-west direction. Samples were collected every 50 metres, up to 150 metres away from the structure both towards the east and the west. The survey lines were spaced 100 metres apart.
Anomalous results from the soil survey are coincident with showings seen on surface. Strongly anomalous copper numbers – up to 1160 ppm Cu – were obtained next to strongly mineralized outcrops of the main Totorcco zone. Similarly on Cantaña, results of up to 12 ppm Ag were coincident with outcropping argentiferous quartz vein.

No soil sampling was carried out on other anomalous zones such as Jala Orcco and Lomas Orcco.

Stream Sediment Geochemistry

A total of 28 stream sediment samples were collected from dry creeks around the Property. Most of these creeks were located north and west of the known surface mineralization, where little or no surface mineralization has been recorded previously. The aim of the survey was to identify catchment areas with evidence of mineralization and focus future exploration and prospecting there.

Samples were collected from 5 dry creeks: Mituhuasi (8 samples), Chumillo (4 samples), Toncco (6 samples), Parara 6 samples) and Atunccasa (4 samples). Results show anomalous copper results from the Mituhuasi, Chumillo and Parara creeks. The highest copper number obtained was 249 ppm (0.025% Cu) from the Parara creek. The source of these anomalies remains unexplained.

Induced Polarization (IP) and Ground Magnetics geophysical surveys

A total of 25.6 line-kilometres on 15 lines were surveyed for Induced Polarization by VDG del Perú S.A.C. ("VDG") of Lima. The base line was oriented along the strike of the Totorcco zone (Azimuth 120°), with survey lines spaced 200 meters apart. The survey grid covers from the western extension of the Totorcco zone in the northwest to beyond the Jala Orcco zone to the south east. Readings were taken every 100 meters using a Pole-Dipole array of 100 meters (a=100m) and an Iris Instruments ElrecPro Series 171 receiver and a Walcer TX9000 series transmitter. Data was collected every day by VDG´s field crew and sent via e-mail to their Lima office for processing. IP inversions were done using the Res3DInv software developed by Geotomo Software. The total depth of penetration of this survey is approximately 303 meters below surface.

Two main chargeability anomalies were identified by this survey:

1. Southern IP Anomaly

At shallow depths, a weak chargeability anomaly seems to coincide with the Totorcco zone along the base line. The lack of any significant sulphide mineralization on surface would likely account for the weak nature of this anomaly. The anomaly increases in size and intensity towards depth, suggesting a possible extension of sulphide mineralization under the outcropping mineralization. This anomaly is open to the west and south, but is bound to the east by a north-south "break" which coincides with the Cantaña structure.

2. Northern IP Anomaly

A large, moderately strong, chargeability anomaly underlies the upper Guaneros sedimentary sequence. Unlike the southern anomaly, this zone extends past the projection of the Cantaña zone, though appears to be offset by it. It remains open towards the north and west. The source of the anomaly is still unexplained and untested.

Only three lines cross either the Cantaña or Lomas Orcco zones at oblique angles (30°).

A total of 49.95 line-kilometres of ground magnetics was completed on the Property by VDG using a Gemsystem GSM-19W portable magnetometer. The same grid as the IP survey was used using a 100 -metre line spacing. Levelling of the data obtained reveals differing magnetic domains, reflecting lithological differences, structural breaks and unknown anomalous zones.

MMI Sampling

Due to the poor development of soils in the area, the presence of transported colluvium, and the dry desert-like conditions that characterize the climate for most of the year, MMI is thought to be a more effective soil geochemical technique than conventional soil sampling.

A total of 182 MMI (Mobile Metal Ion) samples were collected by Gitennes geologists in January 2008 along eight survey lines oblique to stratigraphy but crossing the Cantaña structure. The aim of the survey was to identify possible deep-sourced geochemical anomalies over the northern IP anomaly that may not have been picked up by conventional soil geochemistry methods. A test line parallel to the Lomas Orcco zone was completed in order to see the strength of an MMI response associated to outcropping mineralization in this area.

Results show strongly anomalous copper (up to 28,400 ppb), silver (up to 2,120 ppb), gold (up to 56.3 ppb) and lead (up to 37,100 ppb) values associated to the Cantaña structure and to another north-south trending structure to the east, with copper responses similar to those obtained on the Lomas Orcco test line. Sampling of outcrops in this area revealed no significant copper values, and only minor copper was encountered in drill hole TR07-01. It is possible that the MMI method may be outlining a deep copper target. The eastern MMI copper anomaly remains unexplained and is not associated to any surface copper mineralization, but is centered upon another north-trending lineament.

(6) Mineralization

Results to date suggest that two main types of potentially economic mineralization occur in the TotoRoko Property:

1. Copper-silver mineralization occurring in structurally-controlled zones within large metasomatic haloes hosted in gently dipping intermediate to felsic lapilli tuffs (unit 6) of Jurassic age. These structures can be both bedding-parallel and crossing bedding. Examples: Totorcco, Jala Orcco and Lomas Orcco zones.

2. Silver-gold mineralization hosted in a north-south quartz-barite structure within a significant fault zone. This zone is known as the Cantaña zone.

Copper-silver mineralization

Mineralization is hosted in a sequence of lapilli tuff, ignimbrite and flows of andesitic composition affected by a strong metasomatic alteration assemblage of garnet, epidote, magnetite and silica. Silicification has caused the normally dark coloured volcanic sequence to change to light grey and white colours. Thin section work done by a consultant in Lima suggests that secondary biotite as well as chlorite and sericite are present. Multi-element analysis shows that there is no pathfinder element associated with this style of mineralization.

Totorcco Zone

The Totorcco zone was the first mineralized zone identified on the Property by Company geologists. It is 1,200 metres long, with widths of between less than a metre to 55 metres, striking at an azimuth of 120°. It consists of strongly altered volcanic rocks commonly with malachite-filled fractures and joints. The altered volcanic package sits conformably over a magnetic andesitic flow unit and below a pale-coloured ignimbrite. The alteration consists of patchy epidote-garnet-magnetite (or Type 1 alteration) with moderate to strong silicification within a fragmental volcanic rock with eutaxitic textures. Copper mineralization is evident by visible, green-coloured, secondary copper minerals that often assay in the 0.2 - 4% range. However, strong silver numbers (up to 79 g/t Ag) may indicate the presence of yet unrecognised sulphides in this target.

The mineralization can be traced over a significant strike length and is hosted by Unit 6. However, the clear association between copper oxides and individual fracture sets and shears sub-parallel to the strike of the favourable volcanic unit suggests that the mineralization is as much structurally controlled as stratigraphic in nature. Drilling confirms that the mineralized zone dips at a steep angle towards the southwest, while bedding dips gently towards the northeast.
The significant widths identified on surface could not be replicated at depth by drilling.

Lomas Orcco Zone

The Lomas Orcco zone consists of a wide area of fractured volcanic rock with strong presence of malachite, chrysocolla and other copper oxides along fractures and joints. It outcrops approximately 1,500 metres east of the main Totorcco zone. The mineralization appears to be centred around a north-south trending fault structure; however, mineralization is observed within Unit 6 of the Property´s volcanic sequence and does not appear to continue into the higher or lower members of the sequence.

Copper sulphide mineralization (bornite and chalcocite) has been noted on surface along minor fault splays of the main structure. Evidence of earlier prospecting by local miners suggests that such high-grade structurally-controlled zones were mined at a very small scale in the past. Copper grades from the oxide zones in Lomas Orcco are typically between 0.4 to 8.1% Cu. As with the Totorcco zone, strong silver numbers are closely associated with copper.

Gitennes' drilling in this zone was limited to one hole, aimed at cutting high-grade secondary copper sulphide zones at depth. Although drilling was successful in identifying at least one such zone, hole TR07-07 was shut down at 146.85 metres before reaching its target depth of 200 metres due to drilling difficulties such that other mineralized zones may occur at depth.

Jala Orcco Zone

The Jala Orcco zone is located 1,800 metres south-east of the main Totorcco zone with which it shares many characteristics, such as being hosted in the eutaxitic pyroclastic ash-flow tuff that displays similar alteration and styles of copper mineralization. The strike of the zone and the presence several smaller copper oxide occurrences between Totorcco and Jala Orcco suggests that it may be an offset of the Totorcco zone, displaced along the projection of the Cantaña structure.

The Jala Orcco zone is hosted in fractured andesitic volcanic flows and volcaniclastic units with evidence of moderate to strong metasomatism in the form of the same garnet-epidote-magnetite-silica assemblage observed in Unit 6 at the Totorcco Zone. It is a 190 metre long, 130° trending continuous zone of bleached silica flooded altered volcanic with much of the original texture destroyed, and only some remnant feldspar phenocrysts visible, with widths of up to 40 metres. Mineralization occurs as copper oxides lining fractures and joints, locally forming anastamosing green-stained hairline fractures. Copper and silver values are as high as 2% Cu and 22 g/t Ag.

Silver-gold mineralization (Cantaña Zone)

A second style of mineralization seen in the Property is represented by the Cantaña Vein structure. This north-south trending quartz-vein zone outcrops over 800 metres in strike length, with variable silver-gold results obtained from variably fractured and brecciated vein material. Where best exposed, Cantaña is a linear zone of north-striking, fracture-controlled siliceous breccia that weathers to a distinctive buff to rust-colour in outcrop. It is poorly exposed except in a series of short ribs that are made of highly silicified porphyry breccia, sometimes containing open-space fillings of barite and calcite. Minor veinlets of milky quartz are also present. The vein is emplaced in a wide zone of fault brecciation. Iron oxides such as goethite and jarosite as well as manganese oxides are widely present. Sulphides such as pyrite are rarely seen.

Cantaña occurs on one of several north-south trending structures cutting the Jurassic stratigraphy in TotoRoko. The Cantaña structure is notable for its width and length. The IP geophysical survey suggests that the Cantaña structure defines the edge of differing resistive and chargeable domains, however there is little evidence of fault-offset across the zone based upon geological mapping. The presence of strong IP and MMI anomalies along the northern extension of the Cantaña zone is of interest as it represents a potential target that has not been tested by drilling. The relationship between Ag-Au mineralization at Cantaña and Cu-Ag mineralization elsewhere on the Property remains unknown.

Surface sampling along the Cantaña structure suggests that the northern portion is the better target for mineralization. Here, silver numbers of up to 992 g/t Ag were obtained from an outcrop of quartz-barite vein. Samples collected further south along the same structure yield lower numbers. Further work is needed to understand the distribution of the silver mineralization here. Silver in Cantaña is strongly associated with gold (up to 3.5 g/t Au), lead (up to 2.17% Pb) and, to a lesser extent, anomalous zinc (up to 0.38% Zn) values.

(7) Drilling

Gitennes completed a 1,138 metre diamond drill programme between November and December of 2007. A total of seven holes were completed by Pac Rim Drilling S.A.C., a wholly owned Peruvian subsidiary of Energold Drilling Corp. of Vancouver B.C.

Drilling was carried out using a skid-mounted, all-hydraulic, man-portable drill rig using NTW (5.7 cm or 2.2 inch in diameter) and BTW (4.2 cm or 1.6 inch diameter) core barrels. The drill rig was assembled and disassembled manually and was moved entirely using 4x4 pick-up trucks and local helpers.

Drill holes were spotted based on surface mineralization - both precious metals, such as Cantaña zone (1 hole), and copper-silver such as the original Totorcco (2 holes) and the Lomas Orcco (1 hole) zones – as well as based on the results of the IP geophysical survey (Southern IP Anomaly only) carried out in 2007 (3 holes).

Cantaña Zone

Drill hole TR07-01 was the only hole aimed at the north-south Cantaña silver-gold structure. It was drilled at an azimuth of 090^0 (west to east) and a -55° inclination. It aimed to test the high-grade silver and gold results obtained from surface rock-chip sampling.

A wider-than-expected zone of argillic- altered, strongly oxidised fault-breccia began at a depth of 28.50 metres. The main Cantaña quartz structure was hit at a depth of 48.55 metres and continued, with varying degrees of fracturing and brecciation, down to 99 metres (50.45 metres of core length, or 35.7 metres true width) suggesting that the Cantaña structure has a dip of 75° to the east. This deeper quartz-rich structure is accompanied by moderate sericite alteration and locally strong presence of disseminated pyrite with minor local chalcopyrite and other unidentified fine-grained metallic minerals. No barite was noted in core. The Cantaña structure contains evidence of several brecciation events evidenced by cemented brecciated quartz clasts, such that it must have been the focus of several hydrothermal pulses or repeated fault movements, or both.

The highest core assay results came from a 1.45-metre sample of vein material, with 0.75 g/t Au and 8.9 g/t Ag. Pyrite and galena occur as minor minerals in this interval. All other samples taken from the vein and from the fault zone yielded less than 60 ppb gold and less than 4.9 g/t silver. Copper numbers of up to 0.2 % copper are coincident with traces of fine-grained sulphide minerals, as is zinc (up to 0.26% Zn) and lead (up to 0.19% Pb).

Further exploration in this zone should concentrate where the north-south structure is coincident with the large unexplained deep IP anomaly and strong MMI anomaly.

Totorcco Zone

Two holes (TR07-02 and TR07-05) were drilled into the northwest-southeast trending Totorcco copper-silver zone. TR07-02 was drilled with an azimuth of 030° and an inclination of -55° while TR07-05 was drilled with an azimuth of 210° and an inclination of -55°.

The aim of both of these holes was to test the continuity at depth of the copper-silver rich mineralization associated with epidote-garnet-magnetite metasomatism observed on surface. Surface geology indicated that the zone consisted of at least three copper-oxide-rich (principally malachite) structures occurring over a width of at least 35 metres, dipping steeply towards the south-west.

TR07-02 aimed to test this interpretation by drilling the zone from the southwest towards the northeast. It intercepted a narrow zone of mineralization between 36.00 and 46.50 metres (7 metres true width) with copper and silver results lower than on surface. A “scissor” hole TR07-05, collared to the northeast of the zone, was drilled towards the southwest in order to confirm the dip of the zone.

TR07-05 did not encounter the zone, showing that it does dip towards the southwest and thus was undercut by this hole.

Significant Results from hole TR07-02 in the Totorcco zone.

Hole	From	To	Width	True Width	Cu (%)	Silver (g/t)
TR07-02	36.00	46.50	10.50	7.0	0.4%	1.8

Both holes drilled in this zone cut wide zones of strongly metasomatised volcanic rocks with the epidote-garnet-magnetite alteration assemblage, as well as minor silicification, consistent with that seen in outcrop. However, significant copper mineralization appears to be restricted to thin, near-vertical zones occasionally swelling to significant widths in favourable horizons or zones with favourable permeability. The Totorcco zone seen on surface appears to be one such zone of “swelling” of a thin mineralized structure.

Drill holes that tested geophysical anomalies

Based on the IP results and their interpretation by Val D´Or Geofisica geophysicists and by Gitennes geologists, 3 holes (TR07-03, TR07-04 and TR07-06) aimed at testing the Southern anomalies were spotted, both at the northwest and southeast extensions of the known Totorcco zone. The anomalies to be drilled were chosen based on the strength of the geophysical response and on how the interpreted continuity of known mineralization fit with the geophysical anomalies.

Drill hole TR07-03 was drilled towards the centre of a large, weak chargeability anomaly that increased in size and intensity at depth (Southern IP Anomaly). It was drilled with an azimuth of 225^0 and an inclination of -75^0 to a total depth of 293.75 metres. Over 80% of the hole cut fresh porphyritic magnetic mafic intrusive, with amphibole, pyroxene and plagioclase phenocrysts. Only minor pyrite was encountered in some of the deeper parts of the hole. Zones of metasomatised epidote-garnet volcanic rock were recognised over short intervals throughout the hole, yet decreasing in size towards the end of the hole. No significant values for copper, silver or gold were found.

Drill hole TR07-04 was also drilled towards the Southern IP Anomaly. Here, the anomaly coincides with the possible northwestern continuation of the main Totorcco zone, suggesting a possible "root" to the main mineralized zone. The hole was drilled with an azimuth of 045° and an inclination of -70° to a total depth of 200.15 metres. Similarly to TR07-03, this hole encountered significant zones of fresh porphyritic magnetic mafic intrusive rocks (approximately 66 % of the total hole depth). Thicker metasomatised zones of prospective volcanic rocks with epidote-garnet-magnetite alteration were encountered than in TR07-03, locally with sub-economic copper mineralization (e.g. 0.13% Cu between 156.95 and 158.40 metres depth).

A buried stock of intermediate to mafic composition is thought to exist under the metasomatised sequence of volcanic rocks. Associated porphyritic dykes of similar composition to the larger stock are seen to cut the prospective volcanic sequence near surface, leaving behind only thin slivers of altered rock and small remnants of the mineralized sequence.

Drill hole TR07-06 tested the eastern part of the Southern Geophysical Anomaly, which coincides with a possible south-eastern extension of the main Totorcco zone. The hole was drilled with an azimuth of 045° and an inclination of -75^0. This hole intercepted a zone with copper oxide mineralization between 24.40 and 28.95 metres, averaging 0.25% Cu over 4.55 metres. Unfortunately, the hole was stopped short of its target depth due to drilling difficulties and did not reach the geophysical anomaly at depth, which remains unexplained.

Lomas Orcco Zone

Drill hole TR07-07 was drilled eastwards towards the strongly mineralized Lomas Orcco north-south trending zone. This zone is comprised of a series of sub-parallel, heavily mineralized structures with disseminated copper oxide mineralization in between. The aim of the hole was to find the continuity at depth of the mineralized structure and to find high-grade copper-silver similar to that currently being mined in the nearby Maraycasa property. No geophysical anomaly is present near the Lomas Orcco zone. The hole was drilled with an azimuth of 068° and an inclination of -75°.

Low grade copper mineralization was hit starting at 11.20 metres, and continuing until the end of the hole. A high-grade silicified breccia, not seen on surface, was cut between 54.00 and 59.35 metres. This breccia has locally massive chalcocite and bornite as well as malachite and azurite.

Significant results from hole TR07-07.

Hole	From	To	Width	Cu (%)	Silver (g/t)
TR07-07	33.55	63.20	29.65	0.75	5.1
Including	54.00	59.35	5.35	3.90	22.1
And	108.00	111.20	3.20	0.29	1.7

Unfortunately, the hole was cut short because of drilling difficulties. The existence of persistent low-grade copper mineralization throughout the hole, coupled with high-grade breccia zones with massive copper sulphides, warrants further drilling to find more of these mineralized zones elsewhere in Lomas Orcco.

(8) Sampling and Analysis, Security of Samples

Rock samples are mostly chip samples, comprising 1-2cm chips taken near-continuously along the length of the sample. Sample lengths are limited by the available continuous outcrop, geological contacts or practical limits of weight and/or keeping the sample representative.

Well developed soils are not present in the soil grid area. Soil samples were collected at depths beginning at 2 – 5 cm below surface in what should be considered to be "C" horizon. They were collected into plastic Ziploc bags or foldable Kraft sample bags and shipped to ALS Chemex in Lima for drying and sieving to -80 mesh before analyses.

MMI samples were collected at depths between 15 and 25 cm, according to sampling protocol established by MMI Technology (Wamtech Pty. Ltd. http://www.mmigeochem.com/manual5-04.pdf). The samples were screened to minus ¼ inch mesh in the field to remove coarse debris and any organic material and placed in plastic Ziploc bags for shipment to SGS laboratories in Lima.

Drill core was sawn in half using a diamond blade saw. Half of the core was sent in for analysis to ALS Chemex in Lima in cloth bags and half is stored in the core boxes for future reference. Sampling was limited to obviously mineralized and/or altered core intervals. Samples were collected every 1.5 metres except where lithological or alteration changes made it necessary to shorten or lengthen the sample.

No sample preparation was carried out in the field. All rocks and soils were shipped by ground transportation or submitted directly to the ALS Chemex Laboratory in Lima (ISO 9001:2000 Accredited) for sample preparation and analyses. All samples were analysed for gold using the AA24 preparation protocol, employing a 50-gram nominal sample weight with gold analysis by fire assay and an AAS (atomic absorption spectroscopy) finish. Other elements are determined using the ME-ICP41 method, which utilizes a 10-gram sample, aqua regia digestion and an ICP-MS (Inductively Coupled Plasma Mass Spectrometry) determination. For soil samples, the -80 mesh fraction was analysed by the AA24 and ME-ICP41 protocol.

MMI samples were submitted to SGS Laboratories in Lima, where the samples are logged into the SGS system and shipped to SGS Canada Inc. in Don Mills, Ontario for analyses. The MMI geochemical analytical technique is intended to detect geochemical responses over buried ore deposits. It uses proprietary partial extractions using weak chemical digestions that only affect the outermost surface of sand and pebble-sized fragments in soils. MMI-M is a multi-element extraction for Ag, As, Au, Ba, Bi, Ca, Cd, Ce, Co, Cu, Dy, Er, Eu, Gd, La, Mg, Mo, Nb, Nd, Ni, Pb, Pd, Pr, Rb, Sb, Sm, Sn, Sr, Te, Th, Ti, Tl, U, W, Y, Yb, Zn, and Zr.

Some soil and MMI samples are from areas of minor cultural disturbance related to ranching or road-building. There are no tilled farmer's fields in the area so pesticide and herbicide use is not believed to be a factor affecting trace element concentrations. No anomalous results are thought to be cultural in origin; all appear to originate from bedrock sources.

No extraordinary security measures were put in place for any sample shipments.

Gitennes used ALS Chemex Laboratories Limited in Lima. Sample preparation, assays and analyses were done in their facilities in Lima. Rejects from TR07-01 were also analyzed at SGS Laboratories in Lima. Results were very similar to those received from ALS Chemex. At this time Gitennes has not instituted an independent QA/QC programme of blanks and standards with ALS Chemex or SGS.

(9) Mineral Resource and Mineral Reserve Estimates

As of the date of this Annual Information Form, Gitennes has not made any mineral reserve or resource estimates on the TotoRoko Property.

(10) Mining Development

Gitennes has not conducted any mining operations on the TotoRoko Property.

(11) Exploration and Development

The writers of the TotoRoko Technical report have recommended that exploration continue with a programme that includes additional IP surveys, detailed mapping and petrographic studies, and additional drilling (7 to 9 holes).

The estimated cost of the proposed programme is $750,000. The Company does not expect to undertake the proposed programme during 2009.

Urumalqui Property

(1) Property Description and Location

The Urumalqui Property is located in the Department of La Libertad, Perú, about 70 road-kilometres east of the coastal city of Trujillo. Approximate centre of the property is at 8° 05' South Latitude, 78° 29' West Longitude. The property consists of four contiguous mineral concessions totalling 2,700 hectares.

CONCESSION	OWNERSHIP	CODIGO	STATUS	HECTARES
AUREA ELISA 13	Minera Corimalqui S.A.	01-01513-02	Claim granted	1000
MOROCHAS	Minera Corimalqui S.A.	01-02012-02	Claim granted	700
PATIENTIA	Minera Corimalqui S.A.	01-00746-03	Claim granted	600
PHILTRUM	Minera Corimalqui S.A.	01-01584-02	Claim granted	400
			TOTAL (Has)	2700

(2) Accessibility, Climate, Infrastructure, Physiography, and Local Resources

Access to the Urumalqui Property is by truck. Trujillo, population 800,000, is on the Pacific Ocean and is the nearest major urban centre. Access from Trujillo is by paved and hard-packed gravel road east to the village of Julcán and then by unimproved roads to the property. Approximate driving time is 2 to 3 hours.

Climate is typical of the western portion of the Andes Mountains. A rainy season lasts from November to March, with cool day and night temperatures. The dry season consists of hot sunny days and cool nights. The property may be worked all year long.

The Urumalqui Property is in the Pacific Ocean watershed of the Cordillera Occidental of the Andes Mountains. Property elevations range from 3,400 to 3,700 metres a.s.l. Drainage is either to the north and into Río Moche, or to the south into Río Virú. Topography is gently rolling. There is little standing timber other than plantations of eucalyptus; the land is otherwise given over to agriculture. These high-elevation plains have been farmed for several centuries. Livestock is mostly sheep and cattle – crops are various potatoes and other tubers, grains and grasses. Most of the land is held by individuals.

The Quiruvilca Mine, operated by Pan American Silver Corp., is located 20 kilometres ENE of the property. It has an ore processing plant capable of milling 50,000 tonnes a month of zinc-lead-copper-silver ores, and is the nearest major industrial site. Small polymetallic vein mines that operate during periods of high metal prices are found at Salpo and Machacala, all within 45 minute drives from Urumalqui, Otuzco and Santiago de Chuco (24 km north and 38 km southeast respectively) are regional population centres. The Julcán – Urumalqui area has recently been electrified and is covered by cellular service.

(3) History

Old workings exist at Urumalqui, including short adits, pits and an exploration shaft. Some of these are likely Colonial in age, others are more recent. The oldest recorded information dates from the 1980's and concerns an exploration shaft and drifting done on the 28-metre level, with a 250-metre drift on the 50-metre level and a winze to the 80 metre level. Exploration (and development) by underground tunnelling and detailed sampling is often done in lieu of drilling, as it provides strong technical information and may even result in cash flow from metals recovered. No records from this work are available.

The area of the property was acquired in 1993 by Minera Andina de Exploraciones, an affiliate of SIMSA Group. In 1996 the property was optioned and explored by Minera Cambior del Peru S.A., whom completed five widely-spaced drill holes on 5 different targets. This work appears to be the only drilling done before Gitennes' acquisition of the project. The results of Cambior's work at Urumalqui were not available to Corimalqui until 2007. Andina's concessions lapsed in 2001 and were open to staking in 2002.

Gitennes acquired the property jointly with Meridian Gold Ltd. in 2002 and formed a joint venture company, Corimalqui to explore the property. Since 2003 Corimalqui has explored the property, which is the subject of this report.

(4) Geological Setting

The oldest exposed rocks in the region are Upper Jurassic Chicama Formation mudstones overlain by Lower Cretaceous sedimentary rocks of the Goyllarisquizga Group (Chimu, Santa-Carhuaz and Farrat Formations). These shallow marine units are exposed 22 km north and east of the property, in the Otuzco and Quiruvilca areas. Lower to Middle Cretaceous submarine andesite to rhyodacite flows and pyroclastic tuffs, belonging to the Casma Group occur at lower elevations, 25 to 30 km west of the property. The Mesozoic stratigraphy has been folded about northwest to west-verging isoclinal axes and has been intruded by late Cretaceous to Oligocene granodiorite and diorite (Coast Batholith) with outcrops at lower elevations 35 to 40 kilometres west of Urumalqui.

The Cenozoic (Eocene to Miocene) Calipuy Group forms a relatively flat-lying, unconformable plate on pre-Calipuy basement that caps elevations in the region above 3,200 metres. The group is dominated by subaerial andesite flows, breccia and pyroclastic tuff, volcanoclastic conglomerate and grit, dacite domes. The Calipuy Group is of highly variable thickness, ranging up to 1500 metres, and is broadly warped and faulted. At least five irruptive centres are documented in the region ranging in age from 30.2 million years ("Ma") down to 16.7 Ma.

The Calipuy Group is the rock unit that hosts mineralization at Urumalqui, and the property is located on the southern flank of the youngest volcanic centre in the region (Uromalqui) near its overlap onto an older centre (Paccha-Uromalqui). The Company has completed one vertical hole (URU04-31) to a depth of 351 metres that provides a good stratigraphic section.

The oldest rocks on the property are likely light-coloured dacite tuff, breccia and minor mudstone exposed along the flank of Cerro Paccha ("Cerro" in Spanish means "hill") in the extreme western portion of the property. These units are variably faulted and tilted to the southeast at 20 to 35^0, attitudes which probably reflect the angle of repose on the flanks of the ancient stratovolcano. All but a few isolated dome-like outcrops of massive magnetic dacite are variably altered to quartz-alunite-kaolinite, probably due to steam heating and fumarolic or vapour-related alteration.

Hole URU04-31 was collared 4,500 metres east of Cerro Paccha and 200 metres lower in elevation. At 250 metres depth a relatively flat-lying sequence of dacite tuff, rhyodacite welded tuff, laminated waterlain tuff, grit and mudstone was entered. This sequence is probably equivalent to similar light-coloured tuffs found further west in the valley bottoms of Quebradas Aquila and Corrapalday ("Quebrada" in Peruvian Spanish means a "ravine"). This sequence may be a distal equivalent to the rocks at Cerro Paccha, or maybe part of the younger Uromalqui volcanic complex.

The upper 250-metre portion of Hole URU04-31 is a monotonous sequence of variably magnetic hornblende and feldspar-phyric andesite flows with minor intervals of flow breccia and lapilli tuff. This is the sequence that hosts the veins at Urumalqui, the nearest outcroppings of which are 200 metres southwest (Mariscala East) and 700 metres northeast (the Urumalqui or main vein). It is essentially flat-lying.

Breccias are frequently encountered during drilling and are found in outcrop through the south-eastern end of the vein through the village of Urumalqui. Fragment size is highly variable, some appear bedded, others dyke-like, and alteration can include strong silicification and locally sericite or illite. These breccias are frequently pyritic and are anomalous in gold, silver, arsenic and mercury. They are most frequently encountered within 100 metres of mineralized vein structures and are most likely hydrothermal in origin.

Scattered outcrops of siliceous sinter are found along the western side of Quebrada Aquila at an elevation of 3250 metres. The sinter is likely related to hot spring activity and will be Pliocene or younger. The area was glaciated, with movement from south to north.

The region is traversed by numerous linear breaks that are probably vertical faults. Northwest trending lineaments are coincident with the grain of the underlying folded Goyllarisquizga Group and may reflect adjustments along older structures. Northeast to north-striking faults tend to be locally prominent and may prove to be important features. One such feature extends south from Urumalqui in Quebrada Chuan. Though evident on satellite photos to the south, by the point it intersects the 3,500-metre elevation contour this probable fault disappears against the zone of altered Calipuy volcanic rocks that envelope the Urumalqui vein system. The northwest and east-trending vein structures as well as several satellite photo lineaments are seen to occur within several kilometres of the extended trace of the Chuan fault. Vein offsets at Urumalqui strike north, are vertical and relatively minor in displacement. Finally, satellite photos reveal a strong east-trending linear that also appears to be covered by the younger, altered andesite sequence at Urumalqui over 5 kilometres of its length. The writer's impression is that the intersection of this old, partially buried east-striking linear and the north-striking Chuan fault was a site of late volcanic eruption and focused hydrothermal fluid flow that resulted in the Urumalqui vein system.

(4) Mineralization

Two main vein orientations have been mapped on the property. A northwest to southeast ("NW-SE") trend includes the Urumalqui Vein, La Mariscala West Vein, La Mariscala South Vein, and the Penélope Vein. An east-west ("E-W") trend includes La Mariscala East Vein, Candual East Vein, the Candual West Vein zone, and the Candual Vein. These veins are developed south of the Urumalqui Vein. All "veins" are hosted by andesite and all are associated with hydrothermal breccias, varying amounts of illite and silica alteration, and disseminated pyrite. Most veins dip southerly at 72^0 to near vertical. A "vein" in Spanish is "Veta", hence Veta Urumalqui, Veta Candual etc.

Three distinct styles of epithermal mineralization have been recognized from surface mapping and drilling on the property:

1) Crustiform - The main Urumalqui vein is an open-space-filling, quartz - adularia structure, characterized by sharp vein boundaries, multi-stage quartz mineralization as banded crustiform and colloform-textured veins, with gold and silver mineralization. Also present are vugs and cockade, bladed, pelletal (moss) and breccia textures. Gold and silver are the analytical elements of interest, with little or no geochemically anomalous arsenic, antimony, mercury, lead, zinc or copper. Silver minerals include argentite and electrum, while gold reports to electrum. Another vein on the property with significant amounts of similar banded, pelletal and crustiform textures is the western portion of La Mariscala Vein;

2) Breccia veins – typically a linear breccia with diffuse contacts that in places looks like a zone of replacement while elsewhere may be very vein or dyke-like. The breccias are very silica (quartz) rich with fine-grained, grey to black chalcedonic quartz, that are mineralized with gold and silver. Grades and metal ratios are similar to, but generally lower than in the Crustiform style of mineralization. These silicified breccia zones appear to be oriented steeply in a vein-like fashion. Mineralization is distinctly anomalous in arsenic and mercury, with erratic but anomalous lead, zinc and antimony. Penélope Vein, the central and eastern portions of La Mariscala Vein, and veins in the Candual area are of this style; and

3) Envelope - A broad zone of bleaching and argillic alteration exists that is roughly symmetrical about the Urumalqui and Mariscala Veins. The alteration "envelope" is locally silicified and sericite – altered, contains veinlets and patches of fine-grained pyrite, and has elevated and highly anomalous gold and silver values (the "Envelope"). Pyrite content is 1 to 4%. Gold and silver values in excess of 100 ppb and 20 ppm respectively are common.

Urumalqui Vein

The principal target on the property is referred to as the "Urumalqui Vein". The Urumalqui Vein is a generally steeply dipping zone, up to 20 metres wide, comprising a core of one or two banded quartz veins ranging from 0.5 to 11 metres aggregate thickness, and intervening oxidized vein breccias or altered volcanic rocks. Crustiform and colloform banding in the veins consists of millimetre- to centimetre-scale quartz and lesser adularia with occasional darker grey bands that have fine-grained pyrite and silver-gold minerals. Bands within the veins can be brecciated but re-cemented by later chalcedonic quartz (distinctly milky-white to light grey in colour, very fine-grained and not banded in appearance), attesting to multiple episodes of fluid flow and deposition and to movement while vein formation was in progress. These areas of chalcedonic quartz are probably the product of very late hydrothermal fluid flow, below 180^0 C, below boiling and below the temperatures favourable to gold mineralization.

The vein is exposed over a strike length of 1500 metres. Vein dips vary between 70 to 85 degrees to the SW. Average strike is 125° N throughout much of this length. Throughout its exposed length the vein shows several breaks and northeast-stepping offsets. There are eight vein segments between offsets, ranging in length from 40 metres to 400 metres. For the most part, vein outcrop is continuous along each segment. At least one of the offsets (at L4+00N) is due to an 090°-trending fault seen in outcrop, elsewhere faults appear to be more 175^0 N. Elsewhere other significant breaks coincide with overburden-filled depressions and zones of breccia. The Urumalqui vein adjacent to several of these off-setting structures can be flooded with chalcedonic silica suggesting that they may have served as fluid relays between vein segments, and the faulting is in part contemporaneous with mineralization. At several locations near breaks minor folding can be seen in the vein, which plunges 60 to 75^0 northwest.

Drill holes generally intersected the vein at their projected depths, based on the dips observed on surface. However, some drill holes (e.g. URU04-18) found the vein at shallower depths than expected. The writer believes this is due to both un-mapped normal faults or to the existence of additional veins that do not outcrop. This is particularly possible at the northwest (lines 4+00 to 6+00 N) and southeast (lines 7+00 to 9+00 S) ends of the vein, where vein mineralization was encountered "out-of-position" relative to adjacent sections and surface mapping, or more than one vein was encountered where surface mapping suggest only one should be present.

Distinctive quartz textures are evident in outcrop and core that suggest the Urumalqui Vein tested thus far remains within the zone of boiling. Foremost are "moss" textures, where pellet-shaped bodies (1 to 3 mm across) of finely banded quartz occur within the vein, often between crustiform layers. This texture reflects the original nucleation of silica gel around foreign particles and occurs at relatively high temperatures and high silica supersaturation. It is regarded as being indicative of "the boiling zone", and is therefore indicative that conditions are right for gold and silver to be present. Most drill holes into the Urumalqui vein have encountered moss-textured quartz, suggesting the mineralized vein has potential to continue deeper.

Thin section and x-ray diffraction studies have identified argentite (Ag_2S) and pyrite (FeS_2) as the principal sulphide mineral species, and possible arsenopyrite (FeAsS). Grain sizes are usually much less than 100 microns. Gold reports to native gold (Au) and electrum (Ag – Au). Gangue minerals are principally quartz and adularia, with minor to trace amounts of barite, calcite, illite, kaolinite and gypsum.

The vein was chip-channel sampled from edge to edge during 2002-2003. Analytical results were highly variable, ranging from 0.1 to 10.3 g/t gold and 5.0 to 413 g/t silver. Based upon 29 chip-channel samples collected from vein outcrops between grid lines 5+00N and 6+00S the average grade of the vein appeared to be 3.9 g/t gold and 129 g/t silver over an average width of 3.2 metres. The vein has now been drilled to depths of over 200 metres and over a strike length of 1,500 metres, results of which are summarized in later in this report.

La Mariscala West Vein

The Mariscala West Vein runs sub-parallel to the main Urumalqui Vein, approximately 800 metres to the south. It strikes in the same NW-SE orientation as Urumalqui has been traced over a strike length of 500 metres with width from 0.1 to 2 metres. La Mariscala West has two major splays: one at its south-eastern end striking at 113°, and one at its north-western end striking E-W. Shallow, overgrown pits are present on the veins, and there are some small pre-Colonial rock walls to the northwest of the main showing. Corimalqui has sampled the site and drilled two holes, but has otherwise avoided further work here until a rigorous archaeological assessment is done.

La Mariscala West comprises mostly milky quartz infilling a fracture or fault. Locally the vein displays a crustiform appearance with chalcedonic and dark grey bands possibly carrying primary sulphides, and moss texture. The lapilli tuff host rock is strongly altered with moderate to strong silicification and argillic alteration seen along the length of the vein. The lateral extent of this alteration halo has not been yet determined. Kaolinite and illite have been identified in PIMA samples taken from La Mariscala West. Thin hairline quartz veinlets are present in close proximity to the vein.

A total of 48 rock samples were taken on the vein in December 2003. All but five of these samples were rock chips collected across the vein and into altered host rock. Gold numbers were generally low, mostly ranging between 100-300 ppb. The highest gold grades are found in the intersection of the vein and the south-eastern splay (2,340 ppb) and in the area of the old workings and chalcedonic banding (up to 5,920 ppb). Altered wall rock also shows anomalous gold numbers up to 300 ppb. This suggests the presence of a mineralized gold envelope around La Mariscala West similar to that observed during drilling of the Urumalqui Vein. The average gold grade for all the samples taken was 456 ppb.

Silver values are erratic; the highest silver grades coincide with the highest gold grades, but some high silver values are also found in sections of the vein where gold is low. Average silver grade in the vein is 43 ppm based upon surface samples.

La Mariscala East

La Mariscala Este is an east-striking steeply north-dipping vein. It is vaguely banded and contains angular rock clasts. A blue-green micaceous mineral, possibly smectite, is found here, Very fine, disseminated pyrite occurs in dark grey quartz and along fractures. The vein itself rarely exceeds a metre or two in thickness, although its easternmost exposure comprises several individual veins and strongly silicified host rock over a width of seven metres. Twenty-two rock chip samples have been collected to date, averaging 476 ppb gold and 75 g/t silver. Three drill holes have been collared on this structure. This segment of the vein has been traced in outcrop for 240 metres, and may extend another 300 metres west to La Mariscala Centro Vein. The latter is exposed over a strike length of 30 metres before it is lost in the gorge of Quebrada Chuan. Only one chip sample has been collected here, returning 154 ppb gold and 6.3 ppm silver. It has not been drilled. The La Mariscala West is further on strike, 600 m northwest, suggesting that these three portions may be part of one larger, multi-vein splaying structure that is 2200 metres-long, Much of this large target length is overburden-covered at its northwest end f(or 550 m) and similarly over 600 m along the southeast end. The intervening 1050 metres are marked by a strong IP anomaly and intermittent high gold-in-soil anomalies that are strongest toward the Este end of the zone. None of this has been drilled.

La Mariscala Sur

Another vein structure, Mariscala Sur, extends southeast for 330 m into the hanging wall of Mariscala. Fifteen rock chip samples returned an average 466 ppb gold and 30 g/t silver across sample widths of 1 to 14 m. The main Sur segment usually occurs as a single northwest-trending vein with a thickness of 1-2 metres. Gold tenor ranges from 33 to 1520 ppb, with only one sample exceeding 1 g/t gold. It has not been drilled.

La Candual Veins

The Candual area is divided by Quebrada Chuan into east and west segments. East of the creek, Candual Este consists of two recognizable west-trending near-vertical veins or zones of silicification 3 to 6 metres thick. One of these veins was sampled over a strike length of 160 metres. West of the creek, Candual West features a number of west-trending near-vertical parallel veins occurring over a horizontal distance of at least 140 metres. The veins are usually 0.5 to 6 metres thick. Locally, they may have come together in the wider sample intervals, and it is uncertain whether the current sampling followed a single continuous vein or several parallel or sub parallel veins in close proximity to one another. Candual Oeste was sampled over a strike length in excess of 450 metres, and remains open to the west.

The *Candual* target is a 1500 m-long zone of fracturing, veining and silicified rock. Forty-two rock-chip samples have been collected thus far and average 588 ppb gold and 19.4 g/t silver. Sampling is weighted to the eastern end of the zone where gold values range from 314 to 2520 ppb. Corimalqui has drilled two holes at Candual West.

Penelope Vein

Another vein, *Penelope* was sampled in 2003. It strikes Northwest-southeast, extending at least 250 m into the hanging wall of Candual. Only five samples were collected here, 4 of vein material. All are relatively low in silver, 0.6 up to 47.9 ppm, but of interesting gold tenor, 146 to 1125 ppb. Penelope has not been drilled.

(5) Exploration

Exploration time-line

2002 – Concessions acquired.

2003 – Work includes commissioning a topographic map from air photographs (replaced in 2008 by an IKONOS satellite image and topographic map) mapping of the veins, mapping of the property, establishing a picketed grid (1000 by 2000 m), B-horizon soil sampling, Val d'Or IP (on 200 m lines) and mag (100 m lines), differential GPS survey of the grid, rock sampling, then 17 core holes totaling 2,282.6 metres.

2004 – Grid extended, with southwestern portion covered with 3D – IP and magnetometer survey (Fugro and SJV Geophysics), some additional soil and rock sampling. Then an 18 core holes totaling 2,619.4 metres.

2005 – Meridian Gold relinquishes interest. Some mapping.

2006 – Little activity, some mapping.

2007 – Corimalqui commissioned a detailed project review and report by Valdivia.

2008 – Core drill programme – 12 core holes totaling 2,262.4 metres, metallurgical tests, IKONOS –based topographic map, mineralogy studies, and Valdivia report completed. Shaft cleaned and underground workings examined.

Soils Geochemistry

Grid-based soil sampling ("B" horizon) on is done lines spaced 100 metres apart, at 50-metre spacing along each line, for trace element geochemical analyses by ICP-MS and gold by fire assay. Soils at Urumalqui are poorly-developed, thin "lithosols" or "regosols" developed upon weathered rock or glacial till. Soils are mostly brown-coloured (reflecting the andesite bedrock), pebbly and sandy. Samples are from the "B" horizon, which is usually 20 to 30 cm deep, beneath "A" horizon thatch, humus, ash and brown to black soil. Many samples (30%) are from areas of varying degrees of cultural disturbance, usually related to farming. Local ploughing and tilling techniques usually turn over the top 20 cm of soil. Use of fertilizers, pesticides and herbicides is widespread in Peru, and these could influence trace element concentrations. Despite this concern there is no particular set of anomalous results that can be attributed to "cultural" instead of "natural" origins.

Soil samples were collected into Kraft bags and shipped to ALS Chemex in Lima. There they were dried and sieved. The -80 fraction was analysed by the AA24 and ME-ICP41 methods, as outlined in the preceding section. A total of 1,031 soil samples were collected in 2003 and 2004.

Gold and silver-in-soils appear to outline the known zones very well; other elements less certainly. Though high-contrast anomalies are sparse, peak values generally tend to fall on known veins or the strike extensions of known veins, adding confidence. Several anomalies coincide with good IP anomalies suggesting the presence of a concealed, mineralized target worth investigating. An extensive gold anomaly north of the Urumalqui vein is intriguing, though at this time is thought to be due to glacial dispersion. Silver reflects the pattern of outcropping veins more closely, but also suggest several concealed extensions and new targets. Pathfinder elements such as arsenic, antimony, copper, nickel, lead and zinc show elevated responses in soil samples, but do not often appear to indicate the presence of possibly blind mineralization not already flagged by gold and. This may be owing to the very nature of the soils at Urumalqui, which are little more than weathered rock with poor internal structure and profile development.

Geophysical Surveys

Ground magnetometer and IP surveys were completed in March 2003. The objective of these surveys was to test for extensions to the known veins at Urumalqui, or for anomalies that might represent concealed veins or zones of disseminated mineralization.

The ground magnetometer survey produced results which permit the grid area to be subdivided into three magnetic domains. These roughly correspond to the geologically mapped volcanic units and/or to alteration. The grid area does not extend far enough to see "background", but it appears that the magnetometer survey is partially outlining areas of magnetite destruction. This destruction is probably associated with late-stage hydrothermal activity that resulted in the larger areas of phyllic alteration.

The IP survey (pole-dipole, a=50, n=6) detected a number of moderate to weak chargeability and variably resistive anomalies. Most of the chargeability anomalies are associated with high resistivity, and are considered to represent legitimate targets. Pineault (2003) highlights three anomalies: IP1, IP2 and IP3.

IP1 corresponds to main Urumalqui Vein, extending across the entire length of the grid. It becomes weaker to the south. One interpretation suggests that the anomaly (and vein) is off-set 150 metres by a fault at Line 600N. This offset segment is very strong on Lines 900N and 1000N, and is associated with good gold- and silver-in-soil anomalies.

IP2 similarly runs across the grid from Line 1000S to 800N, though with off-sets. It is geophysically similar to IP1. Between Lines 800S and 1000S the anomaly may correspond to La Mariscala Este or Sur, or both. The anomaly here also follows a creek and swampy area. Between Lines 600S and 0+00 the anomaly passes beneath overburden and only at Line 0+00 is an 80 cm-thick vein noted in outcrop. From Lines 200N to 800N this anomaly is entirely overburden-covered. Nowhere is IP2 associated with any notable gold- or silver-in-soils geochemistry.

IP3 is located near the southeast corner of the survey grid, on Lines 800S and 1000S. The weak chargeability and strong resistivity is in keeping with the Candual veins found in this area.

Due to the results of the 2003 Val d'Or IP survey in tracing the various quartz vein systems in 2003, additional IP surveying was done in 2004. One of the limitations of the 2003 survey was its survey parameters – at a=50m spacing, narrow resistivity and chargeability targets cannot be traced much deeper than 125 - 150 metres. Because of this, the pseudosections for the Val d'Or data do not show anomalies continuing to depth, and cannot see if any chargeable or resistive "keels" exist below the surface expressions of the veins.

- from line 11+00S to line 13+00S: from station 13+00W to 5+00E; and
- from line 13+50S to line 17+00S: from station 6+00W to 5+00E

An unexpected result of this survey was the discovery of perhaps two large deeply buried chargeability (and low resistivity) anomalies: one centred on line 16+00S and 1+50 E (NE Anomaly), open to the north and east, and one centred on line 14+50S and 6+00W, below the Candual vein system, (SW Anomaly). The top of both of these anomalies was modelled at 250 metres below surface. Neither displayed a tabular nor a significant horizontal component, as might be expected if carbonaceous sedimentary rocks were the source of the chargeability anomaly.

A 6.4 line-km ground magnetics survey was carried out by Fugro Ground Geophysics (Lima) in November 2004, requiring another extension of the grid to the northeast. Data were collected on lines 14+00S, 16+00S, 18+00S and 20+00S at 10m spacing, from 6+00W to 10+00W. Processed by SJ Geophysics Ltd. (Vancouver), the data show the existence of a large circular mag low feature immediately northeast of the NE chargeability anomaly. Magnetite destruction as a result of porphyry-style alteration was postulated as a possible explanation and a deep vertical hole centred on the chargeability anomaly was drilled (URU04-31).

Data processed by SJ Geophysics Ltd in Vancouver showed a good correlation between known siliceous structures (Candual and Mariscala South veins) and near-surface resistivity features. This data also suggests that some of those more "peripheral" structures may extend to depth. Some of those resistivity features coincided with chargeability anomalies, consistent with high contents of disseminated pyrite in the wall rock of the veins, similar to what is seen in the "Envelope" of the Urumalqui Vein.

Underground Rehabilitation

In late 2008 Corimalqui engaged Tramway Service S.A.C. of Trujillo, Peru to clean-out and make safe the old shaft on the Urumalqui vein. The objective was to make sense of the information reported by Tumialán (1982), see the vein underground, examine the possibility of obtaining bulk samples, and to get assay data in a large portion of the vein where there are none.

Tumialán's report contained a long section that showed three levels (-20, -50 and -80 metres) and a series of "mine blocks" adjoining portions of these levels. He reported that in these blocks the vein averaged 1.42 metres width at a grade of 6.46 oz/Ton (221 g/t) silver.

As it was not clear whether these blocks had actually been mined or not, no core drill holes penetrated the vein within 75 metres of the underground workings for fear of losing the hole.

The shaft was located in the footwall of the vein. Tramway's work allowed access to the -28 level. Here the workings were dry and in good condition. It could be seen that an 11 metre-long cross-cut had been driven to the vein, and from there a drift followed the vein north-westerly a distance of 28 metres and 7 metres south-easterly. The workings are small and definitely for exploration, not production, being 1.5 to 2 metres wide and less than 2 metres high, very rough and not timbered or rock-bolted. It is likely that these drifts were used to measure the grade and width of the vein during a period of high silver prices (1980-1982) and the "mine blocks" are simply those segments of the vein that returned grades over 6 ounces per tonne (206 g/t) silver.

The north-western face of the drift at 28m level was chip-channel sampled. It returned an assay value of 325 g/t (9.49) oz silver and 4.45 g gold across 2 metres which higher than the values of a surface outcrop 28 metres above (54.6 g/t silver and 860 ppb gold).

The cleaning of the shaft to the -50 metre level was stopped in early December at 43 metres owing to the slow progress and safety concerns. However, it was evident from the 28 level that the underground was small in footprint and should not impede future drill programmes, yet could itself be re-opened and expanded upon in the near-term to allow a detailed mapping and sampling programme. New permits will have to be in place.

(6) Diamond Drilling

Seventeen holes totalling 2,282.6 metres were drilled on the Urumalqui Property from October 15 to December 15, 2003. Bradley MDH S.A. provided a "Buggy Rig", a Longyear 44 modified so as to replace the skids with a two-wheeled frame that could be pulled by a front-end loader for drill moves. The rig was excellent as no new roads were required between drill sites, drill moves were very fast and there was minimal surface disturbance. Upon completion, drill holes were marked with concrete monuments. Core size was HQ (3 1/8 – inch diameter) for all holes. Core was placed in wooden core trays, and transported to a core logging site in the village of Oromalqui for logging and splitting.

Eighteen holes totalling 2,619.4 metres were drilled on the Urumalqui Property from September 11 to November 30 2004. Sonda Sur Contratistas Generales S.A. provided a Longyear 38 skid-mounted drill and a Volvo water truck for drill moves. Sondasur provided a second skid-mounted rig, a Longyear 44, to drill a deeper, vertical hole (URU04-31). Towards the end of the programme, both rigs were used to finish drilling the remaining holes on the Urumalqui Vein. Only minor roadwork was required for set-ups; surface disturbance was negligible. All drill cores were transported to a logging site in the village of Oromalqui, and remain there in storage.

A further twelve holes totalling 2,262.4 metres were drilled on the Urumalqui vein from January 28 to March 7, 2009 by Bradley-MDH del Peru SAC. A "Buggy Rig" similar to the 2003 programme was used, but this time with a LF-70 core machine. All drill cores were transported to a logging site in the village of Oromalqui, and remain there in storage.

The following is a summary of drill hole locations and technical parameters.

Hole ID	Grid Easting	Grid Northing	Elevation (m) a.s.l.	Length (m)	Azimuth (^{0}N)	DIP	Year Drilled	Target
URU03-01	0+46W	3+94N	3647	75.00	035	-45	2003	Urumalqui Vein
URU03-02	0+79W	2+99N	3653	100.75	035	-45	2003	Urumalqui Vein
URU03-03	0+91W	1+94N	3662	133.25	035	-45	2003	Urumalqui Vein
URU03-04	0+41W	0+91N	3677	71.35	035	-45	2003	Urumalqui Vein
URU03-05	0+45W	4+02S	3652	91.85	035	-45	2003	Urumalqui Vein

Hole ID	Grid Easting	Grid Northing	Elevation (m) a.s.l.	Length (m)	Azimuth (^{0}N)	DIP	Year Drilled	Target
URU03-06	0+48W	5+06S	3648	100.25	035	-45	2003	Urumalqui Vein
URU03-07	1+12W	0+05S	3685	177.10	035	-65	2003	Urumalqui Vein
URU03-08	0+94W	1+00S	3681	189.10	035	-70	2003	Urumalqui Vein
URU03-09	0+94W	2+02S	3671	158.20	035	-65	2003	Urumalqui Vein
URU03-10	2+34W	9+97N	3547	169.95	035	-45	2003	IP + Soil Anomaly
URU03-11	2+65W	7+99N	3562	150.05	035	-60	2003	IP + Soil Anomaly
URU03-12	3+51W	3+97N	3624	141.45	010	-45	2003	IP + Soil Anomaly
URU03-13	0+73W	5+11S	3642	140.85	035	-45	2003	Urumalqui Vein
URU03-14	0+41W	3+02S	3655	150.15	035	-75	2003	Urumalqui Vein
URU03-15	0+94W	2+02S	3671	208.35	035	-72	2003	Urumalqui Vein
URU03-16	0+43W	6+05S	3634	119.15	035	-45	2003	Urumalqui Vein
URU03-17	0+12W	5+13N	3626	105.80	035	-76	2003	Urumalqui Vein
URU04-18	0+48W	6+08N	3612	55.80	035	-45	2004	Urumalqui Vein
URU04-19	0+75W	5+00N	3628	116.95	035	-55	2004	Urumalqui Vein
URU04-20	1+50W	0+00N	3683	245.00	035	-65	2004	Urumalqui Vein
URU04-21	8+56W	0+98N	3678	125.10	035	-45	2004	La Mariscala West
URU04-22	7+45W	1+00S	3640	126.00	215	-60	2004	La Mariscala West
URU04-23	7+90W	3+05S	3572	67.00	035	-46	2004	La Mariscala West
URU04-24	8+10W	10+60S	3498	180.00	180	-45	2004	Candual Vein
URU04-25	6+95W	11+50S	3485	140.00	140	-45	2004	Candual Vein
URU04-26	2+56W	14+57S	3530	68.75	180	-45	2004	La Mariscala East
URU04-27	1+80W	14+20S	3525	45.15	180	-55	2004	La Mariscala East
URU04-28	1+30W	13+90S	3525	108.50	180	-55	2004	La Mariscala East

Hole ID	Grid Easting	Grid Northing	Elevation (m) a.s.l.	Length (m)	Azimuth (^{0}N)	DIP	Year Drilled	Target
URU04-29	0+00N	8+50S	3572	165.80	035	-45	2004	Urumalqui Vein
URU04-30	1+00W	6+00S	3626	183.05	035	-45	2004	Urumalqui Vein
URU04-31	1+50E	16+00S	3535	350.85	000	-90	2004	IP Anomaly
URU04-32	1+00W	4+00S	3646	163.50	035	-45	2004	Urumalqui Vein
URU04-33	1+00W	3+00S	3655	231.45	035	-75	2004	Urumalqui Vein
URU04-34	1+42W	1+50S	3673	234.00	035	-70	2004	Urumalqui Vein
URU04-35	1+00W	0+51N	3679	131.60	035	-45	2004	Urumalqui Vein
URU08-36	0+24E	8+00S	3587	73.40	020	-45	2008	Urumalqui Vein
URU08-37	0+35W	7+50S	3597	195.30	020	-55	2008	Urumalqui Vein
URU08-38	0+13W	7+14S	3612	115.50	020	-50	2008	Urumalqui Vein
URU08-39	1+58W	5+95S	3615	295.60	023	-45	2008	Urumalqui Vein
URU08-40	1+10W	5+12S	3635	205.30	035	-50	2008	Urumalqui Vein
URU08-41	1+26W	4+52S	3637	265.00	035	-60	2008	Urumalqui Vein
URU08-42	1+00W	4+00S	3646	205.00	035	-60	2008	Urumalqui Vein
URU08-43	1+00W	3+00S	3655	222.50	035	-65	2008	Urumalqui Vein
URU08-44	1+95W	2+05S	3664	299.00	035	-60	2008	Urumalqui Vein
URU08-45	2+07W	0+88S	3670	250.00	035	-49	2008	Urumalqui Vein
URU08-46	0+93W	0+92N	3675	160.00	035	-50	2008	Urumalqui Vein
URU08-47	0+21E	9+12S	3560	200.00	020	-45	2008	Urumalqui Vein

Drill hole collars have been cemented-in and marked with monuments. Following completion of each phase of the drilling all drill pads were reclaimed.

Core recovery is generally good, except at the vein contacts where the bit grinds against the harder rocks on its way into the vein, and then grinds and bends on its way out. Recovered vein material can be very good over short intervals, but turn to sand and gravel-sized rubble for several metres. It is preferable to intersect the vein as perpendicular to its contacts as possible so that the drill bit bites into the harder quartz vein “squarely” and does not turn or bind, which result in broken core and poor recovery. As the vein dips south-easterly at 72^0 to 89^0 this means that the drill pads have to be situated considerable distances from the outcrop trace of the vein for deep holes, which makes for increasingly long (and expensive) holes as the vein is tested deeper.

Urumalqui Vein

Results of all the drilling on the Urumalqui Vein are summarized following. The intervals reported are for all quartz-rich intervals within the vein (including crustiform, colloform, chalcedonic and massive quartz – textured intervals), as a miner might see and follow a mineralized structure. The actual nature of mineralization is that lower grade intervals do occur within the vein(s) and mineralization boundaries will be "assay walls", not necessarily the outer vein contacts. Shorter, higher grade intervals for some holes can be calculated.

Drill Hole Number	From…To….(metres)	Core Length	True Width	Au g/t	Ag g/t	Ag oz/t
URU03-01	32.75-40.30	7.55	7.09	1.55	112.0	3.60
URU03-02	76.35-77.65	1.30	1.06	0.83	56.4	1.81
URU03-03	94.35-98.30	3.95	3.11	2.91	179.2	5.76
URU03-04	40.80-43.80	3.00	2.12	1.83	116.0	3.73
URU03-05	65.85-69.05	3.20	2.45	2.29	189.8	6.10
URU03-06	85.30-88.40	3.10	2.37	1.40	334.0	10.74
URU03-07	156.05-162.65	6.60	4.06	2.29	196.1	6.30
URU03-08	147.30-151.85	4.55	2.48	0.31	284.0	9.13
URU03-09	133.80-147.00	13.20	8.48	2.01	211.6	6.80
URU03-13	116.00-119.70	3.70	2.83	0.83	237.6	7.64
URU03-14	97.80-101.60	3.80	1.60	0.88	360.7	11.60
URU03-15	160.00-174.0	14.00	8.03	1.09	134.0	4.31
URU03-16	99.80-101.80	2.00	1.41	1.17	296.5	9.53
URU03-17	76.00-82.25	6.25	1.30	1.00	20.4	0.66
URU04-18	30.00-33.80	3.80	3.44	0.68	19.7	0.63
URU04-19	94.20-98.85	4.65	2.67	1.90	13.1	0.42
URU04-20	207.20-212.10	5.10	3.14	0.67	68.5	2.20
URU04-29	124.40-127.00	2.60	2.20	2.04	149.2	4.80
URU04-30	173.30-174.90	1.60	1.03	1.18	135.0	4.34
URU04-32	128.5-132.4	3.00	2.30	2.84	194.7	6.26
URU04-33	197.95-204.8	6.85	3.42	1.31	293.3	9.43
URU04-34	217.4-220.35	6.75	3.58	0.10	25.7	0.83
URU04-35	96.4-97.7	1.30	1.00	0.90	129.0	4.15
URU08-36	60.15-62.15	2.00	1.53	3.05	493.0	15.85
URU08-37	170.0-180.0	10.00	6.46	0.48	108.9	3.50
URU08-38	88.20-90.95	2.75	2.11	2.02	84.9	2.73
URU08-39	254.50-257.90	3.40	2.60	1.18	104.1	3.35
URU08-40	181.0-193.0	12.00	8.85	0.49	141.0	4.53
URU08-41 and	219.30-225.50 236.00-239.30	6.20 3.30	3.29 1.75	-- 1.38	103.61 44.82	3.02 1.31
URU08-42	156.05-162.50	6.45	4.40	2.48	157.18	4.58
URU08-43	147.90-152.55	4.25	2.56	0.74	128.03	3.74
URU08-44	239.00-242.60	3.60	2.98	0.46	83.81	2.44
URU08-45 and	211.90-222.80 217.40-219.20	10.90 1.80	8.59 1.42	1.91 7.55	191.72 386.89	5.59
URU08-46	100.05-101.05	1.00	0.71	0.27	88.05	2.57
URU08-47	139.50-142.30	2.80	1.98	0.97	162.86	4.75

A low-grade gold +/- silver halo (the "Gold Envelope") is associated with the Urumalqui vein. The following illustrates Gold Envelope assay results, which include Urumalqui Vein intercepts in the overall intercept. The beginning and end of the intervals are defined by two consecutive sample intervals returning less than 0.1 g/t.

HOLE	FROM (metres)	TO (metres)	LENGTH (metres)	Gold g/tonne	Silver g/tonne
URU03-01	28.55	58.65	30.10	0.51	
URU03-03	79.00	99.55	20.55	0.66	
URU03-04	32.75	47.80	15.05	0.58	
URU03-05	59.85	71.05	11.20	0.83	
URU03-06	63.90	96.00	32.10	0.45	
URU03-07	149.80	166.15	16.35	1.99	
URU03-09	132.30	151.10	18.80	1.46	
URU03-13	108.00	130.00	22.00	0.40	
URU03-14	77.50	112.50	35.00	0.31	
URU03-15	160.00	201.00	41.00	0.49	
URU03-16	91.00	107.50	16.50	0.36	
URU03-17	14.00	97.50	83.50	0.32	
URU04-18	19.00	36.70	17.70	0.42	7.0
URU04-19	89.70	107.15	17.45	0.77	13.4
URU04-20	199.45	218.90	19.65	0.31	32.9
URU04-29	99.60	143.25	43.65	0.33	28.9
URU04-30	169.05	183.05	14.00	0.38	32.1
Incl.	170.75	178.40	7.65	0.45	55.8
URU04-32	103.75	163.50	59.75	0.29	24.3
URU04-33	191.55	231.45	39.90	0.34	74.9
URU04-34	205.90	225.00	19.10	0.08	22.6
URU04-35	94.10	99.10	5.00	0.55	45.9
URU08-39	235.00	295.60 (E.O.H.)	60.60	0.30	26.0
URU08-40	174.00	205.30 (E.O.H.)	31.30	0.41	64.2
URU08-42 and	135.50 180.25	166.80 199.00	31.30 17.75	0.7 0.2	47.8 5.7
URU08-43	142.70	174.80	32.10	0.2	57.9
URU08-47	108.10	144.10	36.00	0.3	27.1

The economic significance of the Envelope of anomalous gold and silver is not known. It is uncertain what controls this style of mineralization and how to link-up the intersections from hole-to-hole. However, the general impression is that the Envelope increases in strength to depth, and to the southeast. If the Urumalqui vein was mined, dilution from the surrounding country rock will not be at “zero grade”, which is usually a positive attribute.

La Mariscala West Vein: URU04-21, -22 and -23

The Mariscala West vein is a 0.5-1.5 m wide quartz vein emplaced in an andesitic flow/lapilli tuff sequence to the west of the main Urumalqui vein. Surface rock samples in 2003 yielded highly anomalous gold and silver values. (Figure 6) Three holes (URU04-21, URU04-22 and URU04-23) were drilled here to test the vein’s continuity at depth and the possible presence of a gold envelope similar to that found surrounding the Urumalqui vein.

Drilling of this vein has not identified a significant increase in gold or silver values at depth, nor has it found any thicker vein intercepts.

URU04-21 and URU04-22 intersected a sequence of repeated, relatively thin, lava flows and lapilli tuffs, intruded by dykes of intermediate composition. It appears that both flow and tuffaceous units are thinner than those seen hosting the main Urumalqui vein to the east. Both holes also encountered a low-grade gold envelope around the La Mariscala West vein, similar to that seen surrounding the main Urumalqui vein. Results for holes URU04-21 and URU04-22 include:

HOLE	FROM (metres)	TO (metres)	LENGTH (metres)	TRUE WIDTH (metres)	Gold g/tonne	Silver g/tonne
URU04-21	31.40	123.75	85.10	58.31	0.26	8.9
Incl.	33.45	73.30	32.60	25.15	0.34	19.8
And	49.20	50.20	1.00	0.66	0.50	500.0
URU04-22	86.05	108.75	22.70	11.42	0.22	6.5

Only URU04-21 found some continuity at depth for the surface vein, with 1.0 metre @ 0.50g/t gold and 500 g/t silver. HoleURU04-22 intersected a series of thin quartz veins, with no identifiable equivalent to the surface Mariscala West vein. Hole URU04-23, designed to test the possible southeastern extension of the La Mariscala West vein, intersected a 0.75m vein yielding 0.267 g/tonne Au and 20 g/tonne Ag. Unlike the earlier holes, URU04-23 shows a very weak gold envelope averaging less than 100ppb Au.

Candual Vein system: URU04-24 and -25

The Candual zone covers an area several hundred metres long and at least 75 metres wide, crossing Quebrada Chuan. Exploration focused on the western portion of the zone, as it is the one that displayed the strongest veining and the most consistently high gold numbers in rock-chip samples.

Hole URU04-24 was drilled on the westernmost extension of the Candual vein system (figure 7), in order to test its width and the exploration potential to find a bulk-tonnage target. The hole intersected weakly altered lapilli tuff host-rock cut by several cross-cutting quartz veinlets. A near-surface 1.4-metre-wide vein carried 1.3 g/tonne Au and 69 g/tonne Ag (from 19.0 to 20.4 metres), and is likely the Candual Vein. No consistent gold envelope such as those found in the Urumalqui vein or the La Marsicala West vein was seen here. Hole URU04-25 was drilled closer to the area with the highest surface numbers and very close to a 1996 Cambior hole. This hole intersected a wider vein than observed on surface. No gold envelope zone was present.

FROM (metres)	TO (metres)	LENGTH (metres)	Gold g/tonne	Silver g/tonne
51.00	54.70	3.70	0.636	198

La Mariscala East Vein: URU04-26, -27, -28

The La Mariscala East Vein is an east-west structure. Mineralization here is hosted in a siliceous breccia that is 2 to 5 metres wide within a lapilli tuff unit. Gold and silver assays from rock-chips taken in 2003 were highly anomalous.

Three drill holes (URU04-26, URU04-27 and URU04-28) partially tested this target (figure 7). The breccia zone was intercepted in all three. It is clast-supported with angular and sub-angular clasts of silicified tuff. The matrix is dark grey and contains up to 5% disseminated fine-grained pyrite. Results from this target were low. Gold numbers never exceeded 0.5g/t while the highest silver number was 39.7g/t. The results are significantly lower than what was obtained on surface.

HOLE	FROM (metres)	TO (metres)	LENGTH (metres)	TRUE WIDTH (metres)	Gold g/tonne	Silver g/tonne
URU04-26	26.55	33.5	6.95	6.89	0.22	5.0
URU04-27	25.05	28.45	3.40	3.35	0.44	22.7
URU04-28	27.50	30.50	3.00	2.88	0.30	4.3
And	81.80	84.50	2.70	2.29	0.13	1.9

Deep IP anomaly: URU04-31

A 3D Induced Polarization survey carried out during this period identified a large chargeability feature at depth, postulated to be a porphyry-style target. The top of the anomaly was modelled to be at a depth of approximately 250 metres, open at depth and to both the north-east and south-east. Hole URU04-31 was drilled to test this feature where the geophysical interpretation indicated it was closest to surface, and where site preparation for a hole was optimal.

URU04-31 drilled through an upper sequence of mafic-intermediate flows and thinner lapilli tuffs to 250 metres, then a sequence of more intermediate-felsic tuffs (including a felsic welded tuff), interbedded with finely laminated, possibly waterlain tuffs and fine-grained sedimentary rocks. No shale or carbonaceous material were seen in the core.

From a depth of approximately 155m, traces of pyrite and an increase in hematite-rich veinlets were observed. Increasing chlorite alteration is also visible, perhaps pointing to a porphyry-style alteration halo. Up to 5% chalcopyrite and 2-3% fine-grained pyrite occurs at 246.60-247.15m, near the interpreted top of the chargeability feature. Copper assays for this interval yielded 0.57% Cu, with no anomalies for precious metals or other base metals. Strong chlorite and sericite, together with weak silicification found towards the bottom of the hole (starting at 295.35m) point to a possible phyllic alteration zone. Up to 5% fine-grained disseminated pyrite is observed here, though no other sulphides or copper minerals were observed. Although deeper than expected, the pyrite content is probably enough to account for a portion of the chargeability anomaly.

(7) Sampling Methods and Approach

Rock samples are mostly chip-channel samples, roughly 1-2cm in size, 0.5 to 4 kilograms in weight, taken near-continuously along the length of the sample. Samples were collected where exposure permitted, by hand using geologist's rock hammers.

Core samples were laid out based on the field geologist's recognition of alteration, mineralization and contact relationships. Intervals of barren rocks were generally not sampled. The core was split, either mechanically or sawn into halves on a rock saw, with one split being returned to the relevant core box for future reference, and the other placed in plastic sample bags for shipment to the assay lab.

Sample quality is good, and there are no apparent biases in the sampling methods. Core recovery is the main technical concern, as poor recovery reduces sample mass and the measured interval may not be representative in uniform volume and weight. Generally speaking gold and silver mineralization is not visible, although having grey-coloured bands in a crustiform-textured quartz vein is a good clue that it will be mineralized. Geologists rely on assay results to determine if the cores are mineralized, and what the grades are.

Positioning control was done on the original rectangular geophysical grid using differential GPS initially by Val d'Or Geofisica Perú (PSAD56 datum) and then surveyors based in Trujillo. Baseline azimuth is 128° N, survey lines are 038° - 218°. The 0+00 point was established at UTM co-ordinates 776375.1E 9107439N Elevation: 3684.08 metres. Handheld GPS units were sometimes used to determine start and end of line coordinates, as well as selected station coordinates.

SAMPLE PREPARATION, ANALYSES, SECURITY & DATA VERIFICATION

No sample preparation was carried out in the field. All rock, core and B-horizon soil were shipped by ground transportation or submitted directly to the ALS Chemex laboratory in Lima for assays and analyses. No sample preparation was carried out in the field. All rock, soil and core samples were shipped by ground transportation or submitted directly to the ALS Chemex Laboratory in Lima (ISO 9001:2000 accredited) for sample preparation and analyses. Initially surface samples and some cores were analysed for gold and silver plus a suite of trace elements. Unfortunately budget constraints limited this, particularly for drill core samples.

All were analysed for gold using the AA24 preparation protocol, employing a 25 or 50-gram nominal sample weight with gold analysis by fire assay and an AAS (atomic absorption spectroscopy) finish. Other elements are determined using the ME-ICP41 method, which utilizes a 10-gram sample, aqua regia digestion and an ICP-MS (Inductively Coupled Plasma Mass Spectrometry) determination. Silver values over 100 g/t was then analysed using the AA46 method. Using the Ag-AA46 analytical procedure, higher grades (up to 1,500ppm (50 oz/t)) of silver can be digested with aqua regia. This method is suitable for most silver ores, and it is less expensive and quicker than fire assay procedures but equally accurate. For soil samples, the -80 mesh fraction was analysed by the AA24 and ME-ICP41 protocol.

Check analyses were performed at SGS del Peru S.A.C. ("SGS") and CIMM Peru S.A. (a division of Centro de Investigación Minera y Metalúrgica de Chile) ("CIMM"). Both labs are ISO 9001:2000 certified. Analytical techniques are similar to those at ALS Chemex.

Some metallurgy-related tests were done at Alex Stewart (Assayers) del Peru (a division of Stewart Group) and at the CH Plenge & Cia. SA,, both in Lima. These are highly-regarded independent facilities. The writer is not certain of their accreditation status.

No extraordinary security measures were put in place for any sample shipments.

All analytical data is received directly as electronic files that are sent from ALS Chemex, CIMM or SGS to Gitennes and Corimalqui.

All the data is reviewed by geologists working for the companies, and by the writer. An exhaustive review and audit was performed by Valdivia (2008).

In order to confirm the reproducibility of the drill assay results the company periodically submits sample pulps and sample rejects (which are re-homogenized and pulverized into new pulps) from drill core and surface sample to SGS and/or CIMM . Agreement is usually within acceptable limits (5%), however some concerns do arise. The following results are for new pulps prepared from ALS Chemex rejects.

ALS Chemex vs CIMM Perú

Drillhole Number	**Sample Number**	**ALS Chemex**		**CIMM Peru**	
		Au g/Ton	**Ag ppm**	**Au g/Ton**	**Ag ppm**
URU03-02	15461	1.380	25	0.510	39
	15462	0.488	76	0.534	65
URU03-03	15519	2.900	137	3.080	138
URU03-06	15619	1.070	9	0.770	10
	15621	2.650	625	2.550	607
	15622	0.896	312	0.711	331
URU03-08	15661	0.537	261	0.517	299
	15662	0.926	921	0.796	811

Drillhole Number	Sample Number	ALS Chemex		CIMM Peru	
		Au g/Ton	Ag ppm	Au g/Ton	Ag ppm
URU03-13	15802	0.182	220	0.182	201
	15803	1.915	336	1.720	297
	15804	0.588	173	0.578	167
URU03-14	15911	1.790	320	1.570	358
	15913	0.685	668	0.685	626
	15914	0.144	108	0.135	127
URU03-16	23430	1.695	540	1.470	485
	23431	0.643	53	0.629	53
URU03-17	23486	1.060	29	1.020	31
	23487	0.892	28	0.866	37
	23489	0.223	24	0.209	24
URU04-18	23011	0.994	19	0.833	21
	23012	0.523	20	0.449	15
URU04-19	23052	2.850	15	2.520	26
	23053	1.590	19	1.370	25
URU04-20	23096	0.273	11	0.278	14
	23097	0.329	25	0.303	29
	23099	1.465	41	1.130	38
	23101	0.566	129	0.461	126
URU04-21	23122	0.498	500	1.960	480
	23123	0.515	21	0.479	27
URU04-23	23250	0.267	20	0.450	22
URU04-24	23275	0.233	12	1.290	82
URU04-25	23674	0.494	61	0.497	64
URU04-27	23758	0.422	40	0.468	40
	23759	0.463	7	0.491	9
URU04-29	25319	2.770	191	2.790	207
	25320	1.245	104	1.250	89
	25337	0.022	16	0.032	22
URU04-30	25402	0.284	60	0.335	72
	25403	1.180	135	1.280	140

Drillhole Number	Sample Number	ALS Chemex		CIMM Peru	
		Au g/Ton	Ag ppm	Au g/Ton	Ag ppm
URU04-32	25450	0.514	331	0.491	281
	25451	8.410	316	4.800	351
	25453	0.854	75	0.916	66
	25454	0.236	44	0.245	46
	25455	0.315	5	0.363	7
	25472	0.294	16	0.217	14
	25473	0.304	3	0.312	3
URU04-33	25585	0.306	215	0.305	239
	25586	3.060	192	3.130	198
	25587	2.450	351	2.650	300
URU04-34	25641	0.104	4	0.117	6
	25642	0.054	3	0.094	4
	25643	0.066	4	0.068	5
	25644	0.195	8	0.178	9
URU04-35	25687	0.220	10	0.275	13
	25688	0.903	129	0.980	132
	25689	0.748	27	0.740	34

ALS Chemex vs SGS del Perú (*Note: Yellow highlighted vales are at upper detection limit of analytical technique)*

Hole Number	Sample Number	Au_ppb	Au2_ppb (repeat)	Ag_ppm	Ag2_ppm (repeat)	SGS Au ppb	SGS Ag ppm
URU03-01	15405	230		1		237	1
	15406	150		3		147	3
	15407	170		-1		179	1
	15408	239		3		234	3
	15409	159		7		168	7
	15410	212		3		196	2
	15411	237		2		227	3
	15412	123		45		129	49
	15413	157		15		164	18
	15414	874		121		717	130
	15415	456		74		496	82
	15416	871		99		884	120
	15417	3980		59		4522	61
	15418	806		52		958	62
	15419	738		62		849	86
	15420	974		275		1006	314
	15421	1285		102		1374	109
	15422	118		9		118	9
	15423	165		2		170	2
	15424	127		4		146	3

Hole Number	Sample Number	Au_ppb	Au2_ppb (repeat)	Ag_ppm	Ag2_ppm (repeat)	SGS Au ppb	SGS Ag ppm
	15425	197		2		185	3
	15426	286		7		279	4
	15427	114		3		102	3
	15428	116		2		122	1
URU03-04	15551	100		-1		103	1
	15552	166		4		177	3
	15553	137		1		136	1
	15554	135		1		132	1
	15555	157		1		160	1
	15556	74		1		120	1
	15557	74		2		88	2
	15558	143		25		158	31
	15559	1640		346		1659	352
	15560	541		9		462	12
	15561	3460		44		3010	52
	15562	1735		22		1538	21
	15563	170		2		187	2
	15564	241		2		235	2
	15565	165		1		163	2
URU03-05	15586	1430	1315	137		1348	156
	15587	4300		231	233	3895	232
	15588	578		77		594	102
URU03-07	15634	402		49		339	54
	15635	444		33		389	34
	15636	895		143		980	166
	15637	1180		77		1015	79
	15638	10000	24.9	201		5000	256
	15639	1945		263		1755	310
	15640	550		204		451	242
	15641	579		336		526	343
	15642	353		119		258	151
URU03-09	15704	123		37		115	48
	15705	1115		236		880	242
	15706	2860		194		2591	168
	15707	3650		110		3535	118
	15708	2260		175		1227	176
	15709	260		56		237	61
	15710	774		100		827	106
	15711	169		39		203	41
	15712	808		537		800	500
	15713	2400		179		2354	174
	15714	5100		151		4797	152
	15715	5760		171		5000	180
	15716	517		307		516	313
	15717	586		313		551	324

Hole Number	Sample Number	Au_ppb	Au2_ppb (repeat)	Ag_ppm	Ag2_ppm (repeat)	SGS Au ppb	SGS Ag ppm
	15718	763		310		712	326

Gold assays reported by CIMM tend to be higher than those reported by ALS Chemex, and this trend is very noticeable at higher gold grades. The silver values reported by CIMM are slightly higher than those from ALS Chemex, but acceptable.

It is thought that the reproducibility concern in gold is due to it occurring as native gold or electrum. A "nugget effect" maybe occurring during pulverizing, where gold grains are rolling together into balls that do not readily pass through the assayers' seives, and are then being irregularly distributed between the assay pulp and assay rejects. The best way to verify this is to perform screened (or "metallics") assays on the suspect samples.

This problem is not occurring in the silver assays because most of the silver reports to the mineral argentite, which is not malleable and is readily digested in acid.

(8) Mineral Processing & Metallurgical Testing

Much of the silver and gold mineralization is hosted within a simple quartz vein surrounded by a much lower grade but broad envelope of disseminated mineralization. Most of the silver is contained in the mineral argentite, the remainder with gold in electrum. Pyrite is also present. The processing steps envisaged to recover the silver and gold mineralization might include crushing and milling, gravity separation followed by flotation, then custom leaching of both the gravity and flotation concentrates in an in-house, closed-circuit cell that would yield gold bullion and silver doré. The concentrate would not be marketed. . This approach is fairly common in Peru.

The first tests on Urumalqui vein material were done at Alex Stewart (Assayers) del Peru. Laboratory tests were done using composited quarter-core samples from the 2008 drill programme (holes URU08- 37, 39, 42, and 45). The head grade of the composite was 0.91 g/t gold and 156 g/t silver

Preliminary flotation tests indicate that rougher concentrate can be readily produced that recover approximately 81 to 82% of the silver (a 20:1 concentration factor) and 40 to 46% of the gold (electrum and native gold do not float). These recoveries are similar to those at other deposits in the region. Higher yields were obtained in some tests, however it is thought that the results reported here may represent a cost-effective point in the mineral processing and form reasonable guidance at this early stage. Tank cyanide leach tests of the rougher concentrates yield over 99% recovery of the silver and 87% of the gold with 48 hours.

A sample of Envelope mineralization was obtained from quarter-cores collected from hole URU08-39 with a head grade of 0.65 g/t gold and 31.88 g/t silver. The sample was crushed to and a rougher concentrate was made that graded 298 g/t silver and 10.83 g/t gold for recoveries of 45.41 % ofthe silver and 54.38 % of the gold. The concentrate was then treated with cyanide (5%) which yielded 93.44 % of the silver and 92.12 % of the gold for a net recovery of (flotation plus cyanidation) of silver - 42.43 % and gold 50.09 %. This test was done on material from one hole and should not be considered to be representative of the "Envelope".

A 50 kilogram sample was collected from the face of level 28, underground, and sent to C.H. Plenge & Compañia S.A. for gravity, flotation and cyanide test work. The head grade of the sample was 4.45 g/t gold and 9.45 oz/t silver, with a sulphur content of 0.19%. Using a Falcon SB40 concentrator a gravimetric concentrate grading 91 oz/t silver and 63.6 g/t gold was achieved (16% of the silver and 20% of the gold). Floating the tails recovered 49% of the silver and 39% of the gold to produce a concentrate that graded 131 oz/t silver and 45.8 g/t gold. Leaching the gravimetric concentrate with cyanide achieved 65% recovery of the silver and 93% of the gold. Plenge states that the preferred process, based on this sample, is to treat the Urumalqui Vein mineralization with a gravimetric circuit followed by cyanide leaching.

The Plenge results are favourable, however it is dangerous to extrapolate these results to the entire Urumalqui Vein. It is possible that the underground sample from the 28 level is not representative, as it's grade is higher than that most often encountered when drilling.

Current tests are now focused upon increasing the gold recovery (as well as silver) through gravity tests. Methodology and approach remains consistent with those employed at various mining sites in Peru that have similar styles of mineralization. It is not known at this time whether higher yields will be achieved and it is possible that other metallurgical methods may prove more attractive.

9) Mineral Resource and Mineral Reserve Estimates

As of the date of this Annual Information Form, Gitennes has not made any mineral reserve or resource estimates on the Urumalqui Property.

(10) Mining Development

Gitennes has not conducted any mining operations on the Urumalqui Property.

(11) Exploration and Development

The writer of the Urumalqui Technical report has recommended that exploration continue with a programme that includes additional underground rehabilitation and sampling, metallurgical mapping and tests, geochemical analyses of a large batch of existing assay pulps or rejects, and additional drilling (9 to 10 holes).

The estimated cost of the proposed programme is $800,000.

- ***Non-Material Properties***

La Chivona Property

Gitennes has a 100% interest in La Chivona Property, located in north-coastal Perú. There has been minimal exploration activity on the property since 2004 and during fiscal 2007, the Corporation wrote this property down by $195,696 to a nominal value.

Lapidem Property

The Lapidem Property is located 55 km east of Trujillo in the Andes Mountains. No exploration expenditures were incurred on the Lapidem Property in 2009.

Titimina Property

Gitennes has a 100% interest in a 3,800 hectare property adjacent to the western and northern portions of the Tucumachay property. Titimina covers extensions to the same geological formations that host mineralization at Tucumachay. Several showings have been found on the Titimina property, the most important of which is the Alpha zinc target, consisting of a large area of carbonate-hosted zinc – lead – silver mineralization. There was minimal exploration activity on the property during 2007; however, Gitennes anticipates renewed exploration during 2009.

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Virgen Mine Net Smelter Returns Royalty

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During the year ended December 31, 2001, Gitennes sold its interest in the Virgen property and wrote off all remaining costs associated with the project. Pursuant to the terms of the sale agreement, Gitennes retained a 2% net smelter return royalty, payable when aggregate gold production from the property exceeded 145,000 ounces. In December 2006, Gitennes received an initial payment under the royalty. The royalty payment was calculated on the basis of payable gold production of 35,334 ounces for the six-month period from May 15 to November 15, 2006. The total pre-tax royalty payment was US$425,907. Net proceeds to Gitennes after withholding taxes totalled US$298,134 of which Gitennes received an initial payment of US$149,067. Three more payments of US$49,689 plus interest were received in each of January, February and March 2007.

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On February 6, 2007, Gitennes sold its interest in the royalty for US$1,500,000. Gitennes received an initial payment of US$700,000 upon signing, plus an additional US$400,000 to March 19, 2007, and received two additional payments of US$200,000 prior to May 15, 2007.

4 DIVIDENDS

The Corporation has not declared or paid any dividends since the date of its incorporation. The Corporation intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends in the foreseeable future.

5 DESCRIPTION OF CAPITAL STRUCTURE

5.1 General Description of Capital Structure

The authorized capital of the Corporation consists of an unlimited number of common shares without par value. As of the date hereof, the number of issued common shares is 47,502,231. Holders of common shares are entitled to receive notice of, attend and vote at all meetings of the shareholders of the Corporation. Each common share carries the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of common shares are entitled to receive dividends as and when declared by the board of directors of the Corporation. Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, the holders of the common shares are entitled to receive the remaining property of the Corporation in the event of liquidation, dissolution or winding-up of the Corporation.

6 MARKET FOR SECURITIES

6.1 Trading Price and Volume

The Corporation's common shares trade on the Toronto Stock Exchange (the "TSX") under the trading symbol "GIT".

The table below sets out the low and high prices for the common shares of the Corporation on the TSX for the period indicated along with the volume of common shares traded for the periods indicated:

Month Ending	Low (in $)	High (in $)	Volume Traded
December 31, 2008	$0.025	$0.050	1,952,815
November 30, 2008	$.0.030	$0.060	1,284,273
October 31, 2008	$0.045	$0.080	796,345
September 30, 2008	$0.065	$0.145	551,100
August 31, 2008	$0.105	$0.180	269,556
July 31, 2008	$0.150	$0.190	655,828
June 30, 2008	$0.150	$0.220	543,733
May 31, 2008	$0.200	$0.255	422,029
April 30, 2008	$0.230	$0.280	2,183,340
March 31, 2008	$0.225	$0.320	710,900
February 29, 2008	$0.210	$0.300	696,335
January 31, 2008	$0.210	$0.335	1,158,973

7 DIRECTORS AND OFFICERS

7.1 Name, Occupation and Security Holding

The names and provinces of residence of the directors and executive officers of the Corporation, the positions and offices held by them in the Corporation, and their respective principal occupations are as follows:

Name & Municipality of Residence	Office Held	Director Since[3]	Present Occupation if Different from Office Held
Jerry D. Blackwell Lions Bay, B.C.	President & Director	1993	Same
Lyle R. Hepburn Toronto, Ontario	Director	1997	Lawyer
Edmund T. Kimura[1][2] Vancouver, B.C.	Director	2000	Consulting Geologist
Kenneth D. Booth[1][2] West Vancouver, B.C.	Director	2000	Financial Consultant
Victor A. Tanaka [1] North Vancouver, B.C.	Director	2005	President of Fjordland Exploration Inc. and Pathfinder Resources Ltd.
Kerry M. Spong North Vancouver, B.C.	Chief Financial Officer	N/A	Same
James R. Foster Vancouver, B.C.	Vice-President	N/A	Consulting Geologist

Notes:
(1) Member of the Audit Committee.
(2) Member of the Compensation Committee
(3) Directors are elected annually and hold office until a successor is elected at a subsequent annual meeting of the Corporation, unless a director's office is earlier vacated in accordance with the by-laws of the Corporation.

A description of each of the directors and executive officers of the Corporation (including their principal occupation for the last five years) follows:

Jerry D. Blackwell, Director and President of the Corporation, is a professional geologist with 39 years experience in the mining industry. For the past sixteen years Mr. Blackwell's principal occupation has been serving as President of the Corporation. Prior to his appointment with the Corporation in May 1993, Mr. Blackwell was self-employed as a consulting geologist, and prior to that was a project geologist with Cominco Ltd. Mr. Blackwell also serves as a director of Stratabound Minerals Corp. a mineral exploration company listed on the TSX Venture Exchange.

Lyle R. Hepburn, Director, is a senior partner in the law firm of Beach, Hepburn LLP. Since co-founding Beach, Hepburn LLP in 1985, Mr. Hepburn's practice has been focused primarily on public mineral exploration and mining companies. Mr. Hepburn is a director of Fronteer Development Group Inc., First Nickel Inc. and North Atlantic Resources Ltd., all of which are mineral exploration companies listed on the Toronto Stock Exchange, and the Corporate Secretary of Harry Winston Diamond Corporation, a senior diamond producing and luxury goods company listed on the Toronto Stock Exchange and New York Stock Exchange.

Edmund T. Kimura, Director, is a professional geologist who has over 42 years of experience in exploration and in the mining industry. Since 1997, Mr. Kimura has served as an independent consulting geologist. From 1964 to

1997, Mr. Kimura served in a number of senior positions with Placer Dome Inc. and its affiliates including Canadian Exploration Manager (1992-1997), Western Exploration Management (1987-1992), Seabee Underground Program Project Manager (1987), Senior Exploration Geologist (1981-1986) and Chief Geologist of the Endako Mines Division (1964-1981). Mr. Kimura lives in Vancouver, B.C. and holds a Bachelor of Arts and Science degree in geology and physics from the University of British Columbia. Mr. Kimura is a director of Eastfield Resources Ltd., and Cariboo Rose Resources Ltd. These companies are listed on the TSX Venture Exchange.

Kenneth D. Booth, Director, was appointed as a director of the Corporation on April 10, 2000. Mr. Booth has been the President of Highwood Advisory Services Inc., a financial consulting firm, since February 1999. From December 1995 to October 1998, Mr. Booth was a Vice-President, Investment Banking with RBC Dominion Securities Inc. in Toronto and Vancouver, specializing in corporate finance for the mining industry. From September 1991 to November 1995, Mr. Booth was a member of the Mining Group of Nesbitt Burns Inc., including Vice-President, Investment Banking, prior to which he spent three years in the Corporate Banking Department of a major Canadian bank assisting mining companies. Mr. Booth lives in West Vancouver, B.C. and holds an M.B.A. from St. Mary's University and a Bachelor of Science degree in geology from Carleton University. Mr. Booth is President and a Director of Aurcana Corporation and a Director of Orsa Ventures Corp., both of which companies are listed on the TSX Venture Exchange.

Victor A. Tanaka, Director, was appointed to the board of directors on March 18, 2005. Mr. Tanaka has been the President and Director of Pathfinder Resources Ltd. from 1993 to 2006, and its successor company, Bayswater Uranium Corporation as C.O.O, Executive Vice President and Director. Mr. Tanaka is also a director of each of Fjordland Exploration Inc, Impact Silver Corp., and Serengeti Resources Inc., all companies listed on the TSX Venture Exchange.

James R. Foster, Vice-President of the Corporation, joined the Corporation in February of 1995. Prior to that, he consulted for several companies, including Gold Fields Exploration Ltd., on a number of projects in Ontario, Manitoba and Quebec. From 1987 to 1992, he was Vice-President of Exploration for Prime Explorations Ltd., working on gold and base metals projects across North America, including the Eskay Creek Project and the Goldstream Deposit.

Kerry M. Spong, Chief Financial Officer of the Corporation, graduated in 1978 and has maintained an accounting consultancy in Vancouver since 1994. Mr. Spong is Chief Financial Officer of Riverstone Resources Inc. and Canasil Resources Inc., which are listed on the TSX Venture Exchange.

As of the date of the Annual Information Form, the directors and executive officers of the Corporation owned, directly or indirectly, or exercised control or direction over 4,139,346 common shares, representing approximately 8.71% of the outstanding common shares of the Corporation.

7.2 Cease Trade Orders or Bankruptcies

Other than as disclosed below none of the directors or executive officers of the Corporation, is, as at the date of this Annual Information Form or has been, within the 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to a cease trade or order similar to a cease trade order, or an order that denied the relevant company access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an cease trade or order similar to a cease trade order, or an order that denied the relevant company access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Petra Resource Corp., a reporting issuer in British Columbia, was suspended from trading by the CDNX Venture Exchange (now TSX Venture Exchange) on February 21, 2002 for failure to maintain transfer agent services. Victor A. Tanaka was a director of Petra Resource Corp. until January 31, 2002.

Grange Gold Corporation, a reporting issuer in British Columbia, was subject to a cease trading order by the CDNX Venture Exchange (now TSX Venture Exchange) on June 3, 2003 for failure to file its annual financial statements. The company corrected the deficiency and the cease trade order was rescinded on July 22, 2003, forty-nine days after the cease trade order was issued. Jerry D. Blackwell was a director of Grange Gold Corporation at that time.

None of the directors or executive officers of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

(a) is, as at the date of this Annual Information Form or has been, within the 10 years before the date of this Annual Information Form, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of the Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

7.3 Penalties and Sanctions

No director or officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

7.4 Conflicts of Interest

Certain of the Corporation's directors and officers serve or may agree to serve as directors or officers of other reporting companies or have significant shareholdings in other reporting issuer companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms.

8 AUDIT COMMITTEE

8.1 Audit Committee Charter

A copy of the Corporation's Audit Committee Charter is annexed to this Annual Information Form as Appendix "A".

8.2 Composition of the Audit Committee

The current members of the Corporation's Audit Committee are Edmund Kimura (Chair), Kenneth D. Booth and Victor Tanaka. Each of Messrs. Kimura, Booth and Tanaka is "independent" and "financially literate" within the meaning of National Instrument 52-110 – Audit Committees.

Edmund Kimura was a career geologist (UBC Batchelor Arts & Sciences in Geology & Physics) with Placer Dome Inc. Most recently he was the Manager, Exploration Canada during which time he was responsible for the company's exploration activities. He is also a director and Audit Committee member of Eastfield Resources Ltd., and Cariboo Rose Resources Ltd.

Kenneth D. Booth has a Masters of Business Administration from St. Mary's University and a Bachelor of Science Degree from Carleton University. He also serves as President and a director of Aurcana Corporation and as a director of Orsa Ventures Corp. He has extensive experience in corporate finance, merger and acquisitions, and project financing as a result of his seven years of employment with RBC Dominion Securities Inc. and Nesbitt Burns Inc.

Victor Tanaka is a career geologist (McGill University, BSc Geology-1966) has extensive employment experience directly related to the budgeting, implementation and operation of mineral exploration projects and companies. He is currently the President and CEO of Fjordland Exploration Inc. and the COO and Executive Vice President of Bayswater Uranium Corporation and is also a director of Serengeti Resources Inc., and Impact Minerals Ltd. Prior to his involvement as a director of public companies, he was Vice President for Freeport-McMoRan Gold Co. and General Manager, Exploration for Asamera Inc. and responsible for exploration for these firms in Canada.

8.3 External Auditor Service Fees

The aggregate fees billed to the Corporation by the Corporation's external auditors in each of the last two fiscal years for (i) audit services (Audit Fees), (ii) assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and that are not included in Audit Fees (Audit-Related Fees), (iii) professional services rendered by the Corporation's external auditor for tax compliance, tax advice, and tax planning (Tax Fees), and (iv) products and services provided by the Corporation's external auditor, other than Audit Fees, Audit-Related Fees and Tax Fees (All Other Fees), are as follows:

Year Ended Dec. 31	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
2008	$34,320	-	$7961	
2007	$32,613	-	$4,300	-

The Audit Committee has the responsibility to review and approve the fees charged by the external auditors for audit services, and to review and approve all services other than audit services to be provided by the external auditors, and associated fees.

9 LEGAL PROCEEDINGS

There are no material legal proceedings involving the Corporation or its properties as at the date of this Annual Information Form and the Corporation knows of no such proceedings currently contemplated.

10 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

During the fiscal year ended December 31, 2008 a law firm of which a director and officer is a partner, provided legal services to the Corporation at rates charged by such firm to arm's length parties, in the aggregate amount of $18,833.

Other than as disclosed above and elsewhere in this Annual Information Form, no insider of the Corporation has any interest in material transactions involving the Corporation.

11 TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent for the common shares of the Corporation is Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

12 MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the Corporation has not entered into any contracts material to the Corporation since January 1, 2004.

13 INTERESTS OF EXPERTS

13.1 Names of Experts

The following table lists persons and companies who have prepared or certified documents referred to in this Annual Information Form and the documents which they have prepared or certified:

Name of Individual or Company	Document Prepared or Certified
PricewaterhouseCoopers LLP, Chartered Accountants	Prepared an Auditor's Report dated March 23, 2009, on the Financial Statements of the Corporation for the year ended December 31, 2008 and have confirmed their independence to the Corporation.
Jerry D. Blackwell and Alvaro Fernandez-Baca	Tucumachay Technical Report
Alvaro Fernandez-Baca and James R. Foster	TotoRoko Technical report
Jerry D Blackwell	Urumalqui Technical Report

13.2 Interests of Experts

Jerry D. Blackwell who is one of the authors of the Urumalqui and the Tucumachay Technical Report, is a director and officer of the Corporation and own shares and options in the Corporation. Alvaro Fernandez-Baca is a director of the Corporation's affiliated companies in Peru, and owns shares and options in the Corporation. James R. Foster is an officer of the Corporation and owns shares and options in the Corporation.

14 ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in the Corporation's management information circular dated May 12, 2008 distributed in connection with the annual meeting of shareholders of the Corporation held on June 26, 2008, and will be contained in the management information circular to be distributed in connection with the annual meeting of shareholders to be held on June 19, 2009. Additional financial information is provided in the 2008 Financial Statements and MD & A.

Appendix "A"

GITENNES EXPLORATION INC.
(the "Corporation")

AUDIT COMMITTEE CHARTER

Name

- There shall be a committee of the Board of Directors (the "**Board**") of Gitennes Exploration Inc. (the "**Corporation**") known as the Audit Committee.

General Purpose

- The Audit Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following areas: the Corporation's external audit function; internal control and management information systems; the Corporation's accounting and financial reporting requirements; the Corporation's compliance with law and regulatory requirements; the Corporation's risks and risk management policies and such other functions as are delegated to it by the Board. Specifically, with respect to the Corporation's external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: the quality and integrity of the Corporation's financial statements; the independent auditors' qualifications; and the performance of the Corporation's independent auditors.
- The Audit Committee is intended to facilitate and provide a means of open communication between management, the external auditors and the Board.

Composition and Qualifications

- The Audit Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three (3) members who are appointed by the Board. The composition of the Audit Committee shall meet all applicable independence, financial literacy and other legal and regulatory requirements.
- The Board shall designate the Chairman of the Audit Committee. The Chairman shall have responsibility for overseeing that the Committee fulfills its mandate and duties effectively.
- Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy which occurs in the Audit Committee at any time.

Meetings

- The Chairman of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four (4) times in each fiscal year and at least once in every fiscal quarter. The Audit Committee shall have the authority to convene additional meetings as circumstances require. A schedule for each of the meetings will be disseminated to Audit Committee members prior to the start of each fiscal year. A detailed agenda for each meeting will be disseminated to Audit Committee members as far in advance of each meeting as is practicable.
- The Audit Committee shall meet separately, periodically, with management, counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

Responsibilities

- The Audit Committee is mandated to carry out the following responsibilities:

A. External Auditors

1. Subject to applicable law, the Audit Committee shall be responsible for the appointment, compensation, oversight and termination of the external auditor. The external auditor shall report directly to the Audit Committee and shall be accountable to the Board and Audit Committee as representatives of the shareholders.

2. The Audit Committee shall pre-approve all non-audit mandates for services the external auditor shall undertake.

3. The Audit Committee shall satisfy itself, on behalf of the Board, that the external auditor is independent of management. In assessing such independence, the Audit Committee shall discuss with the external auditors, and may require a letter from the external auditor outlining, any relationships between the external auditors and the Corporation or its affiliates.

4. The Audit Committee shall review the audit plan of the external auditors, the integration of the external audit with the internal control program, and the results of the audit, which shall include reviewing the external auditor's letter to management and management's response thereto and other material written communications between management and the external auditors.

5. The Audit Committee shall satisfy itself, annually or more frequently as the Audit Committee considers appropriate, as to the external auditors' internal quality control procedures and any material issues raised by the most recent internal quality control review, or peer review, of the external auditor, or by any public enquiry, review, or investigation by governmental, professional or other regulatory authorities.

6. The Audit Committee shall periodically review and discuss with management and the external auditors the quality and acceptability of the Corporation's accounting policies and practices, the materiality levels which the external auditors propose to employ, any significant changes in the accounting policies and any proposed changes in accounting or financial reporting that may have a significant impact on the Corporation.

7. The Audit Committee shall discuss with management and the external auditors all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management by the external auditors, the ramifications of these alternative treatments and the treatment preferred by the external auditors.

B. Financial Information

1. The Audit Committee shall discuss with management and the external auditors whether the audited annual financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Corporation as of and for the periods presented and, where appropriate, recommend for approval to the Board, the annual audited financial statements of the Corporation.

2. The Audit Committee shall discuss with management and the external auditors whether the unaudited quarterly financial statements present fairly (in accordance with generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Corporation as of and for the periods presented and, where appropriate, recommend for approval to the Board, the unaudited quarterly financial statements of the Corporation.

3. The Audit Committee shall review the Annual Report to Shareholders and other financial information (including the annual and quarterly Management's Discussion and Analysis of Financial Condition and Results of Operations, the Annual Information Form and any prospectus or offering circular) prepared by the Corporation with management and, where appropriate, recommend for approval to the Board and recommend for filing with regulatory bodies.

4. The Audit Committee shall review any news releases and reports to be issued by the Corporation containing earnings guidance or financial information for research, analysts and rating agencies. The Audit Committee shall also review the Corporation's policies relating to financial disclosure and the release of earnings guidance and the Corporation's compliance with financial disclosure rules and regulations.

- The Audit Committee shall discuss with management and the external auditors important trends and developments in financial reporting practices and requirements and their effect on the Corporation's financial statements.

C. Internal Control

1. The Audit Committee shall oversee the adequacy and effectiveness of the Corporation's internal control systems, through discussions with the Corporation's external auditors and management and shall report to the Board on an annual basis.

D. Risk Management

1. The Audit Committee shall review with management the principal risks facing the Corporation, and the policies, processes and procedures for management's monitoring and managing of such risks or exposures. If necessary, the Audit Committee will mandate, monitor and evaluate the steps management has taken to monitor and manage such exposures, including insuring against such risks, where appropriate.

E. Compliance with Legal and Regulatory Requirements

1. The Audit Committee shall review with management, and any internal or external counsel as the Committee considers appropriate, any legal matters (including the status of pending litigation) that may have a material impact on the Corporation and any material reports or inquiries from regulatory or governmental agencies.

2. The Audit Committee shall review with counsel the adequacy and effectiveness of the Corporation's procedures to ensure compliance with the legal and regulatory responsibilities.

F. Other

1. The Audit Committee shall also perform such other activities related to this Charter as requested by the Board.

2. The Audit Committee shall review and assess the adequacy of this Charter annually and shall submit any proposed changes to the Board for approval.

3. The Audit Committee may delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate.

Reporting

- The Audit Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

Resources

- The Audit Committee shall have the authority, in its sole discretion, to retain independent legal, accounting and other consultants to advise the Audit Committee at the expense of the Corporation. The Audit Committee shall be provided with the necessary funding to compensate the external auditors and any other advisors they engage.
- The Audit Committee may request any officer or employee of the Corporation or the Corporation's external counsel or external auditors to attend a meeting of the Audit Committee or to meet with any member of, or consultants to, the Audit Committee. The Audit Committee shall have full access to all of the Corporation's books, records, facilities and personnel.

Complaints Procedure

- Any director, officer or employee who has any concern or complaints regarding accounting, internal control or auditing matters or any potential violations of law or regulatory provisions may make an anonymous submission to any member of the Audit Committee. The Audit Committee shall establish procedures for the review and resolution of such complaints.

Limitation on the Oversight Role of the Audit Committee

- Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject. Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives financial and other information, and the accuracy of the information provided to the Corporation by such persons or organizations.
- While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles in Canada and applicable rules and regulations. These are the responsibility of management and the external auditors.
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- **Approved** by the board on March 30, 2006.