THE GOLD-SILVER DEPOSITS

OF

COPALQUIN MINING DISTRICT,

MUNICIPALITY OF TAMAZULA, NORTHWEST DURANGO, MEXICO

AND PROPOSALS FOR THEIR EXPLORATION AND EVALUATION

FOR

PLANET EXPLORATION INC.

Adrian G Mann, Ph.D., M.B.A., P.Geol.,
10443 Brackenridge Rd., S.W.,
CALGARY ALBERTA T2W 1A1

Saturday, September 27, 2003

THE GOLD-SILVER DEPOSITS OF COPALQUIN MINING DISTRICT, MUNICIPALITY OF TAMAZULA, NORTHWEST DURANGO, MEXICO; AND PROPOSALS FOR THEIR EXPLORATION AND EVALUATION.

Adrian G Mann, Ph.D., M.B.A., P.Geol..

Saturday, September 27, 2003

EXECUTIVE SUMMARY

The Copalquin Mining District is reputed to have produced "at least 250,000 ounces Au and 11 million ounces Ag" from 336,000 tonnes mined prior to 1985 (Wilkins 1997). Much of this production before to the revolution (pre-1910), and the majority came from only 5 mines: San Manuel, Los Reyes, El Refugio, La Soledad and El Cometa. The mines exploited narrow (0.5-1.5m thickness) quartz veins with high gold and silver grades in Tertiary andesites, which overlie intrusive Tertiary quartz monzonites.

Observed in outcrop and the sidewalls of the old stopes, and reported from previous mapping and drilling are vein breccia and quartz stockwork deposits that are gold and silver bearing. These breccia-stockwork bodies could have economic potential as moderate tonnage, low grade gold and silver open pit targets. The best exploration-evaluation technique for such deposits is methodical pattern diamond drilling. Two potential bodies, which can be readily defined, have been earmarked for such work. On El Cometa, from which Bell Coast Capital Corp returned some exceptional grades in their 1997/8 drilling program, 1500m of drilling is programmed in 16 holes. On El Refugio, 3000m is programmed in 25 holes.

There is potential for further small high grade pay shoots to be discovered in veins. Most of the prospecting will be by trenching, supported by geological mapping, and perhaps ground-based electromagnetic geophysics, if it proves applicable. On La Soledad, 1000m of diamond drilling is programmed in 6 holes, to investigate extensions to the stoped payshoot.

The district is in a remote rugged area in the northwest of the state of Durango, accessible only on foot or by light STOL aircraft. Logistics will be difficult because there is no road into the area. The proposed exploration program will therefore have to be helicopter supported. A budget of $US1,250,000 spread over 3 phases is envisaged.

RECOMMENDATION AND CAVEAT

Much was made by Forseille (1999) and Wilkins(1997) of the potential envisaged by IMMSA, Alta Pimeria and Kennecott for several low grade open pit deposits. Without the diamond drill results from El Cometa returned by Bell Coast Capital Corp in 1998, logistical difficulties could outweigh this potential. These good values change matters, and it is recommended that they be followed up, primarily by trenching and drilling. Investment in this project constitutes a risk.

TABLE OF CONTENTS

			Page
EXECUTIVE SUMMARY			2
RECOMMENDATION AND CAVEAT			2
TABLE OF CONTENTS			3
TABLES OF FIGURES, PLATES AND APPENDICES			4
INTRODUCTION	Timing		5
	Location and Access		5
	Infrastructure		6
	Legal Title		6
	Geology		6
	Mining History		7
PRESENT EXAMINATION	Mapping		8
	Sampling		9
	Analyses		9
INDIVIDUAL WORKINGS	La Soledad		10
	Lumbrera		11
	Airstrip West		12
	El Refugio		12
	Indio-Santa Domingo		12
	El Cometa		12
	Los Reyes		14
	Zaragosa and Copalquin		14
	Dios Hijos, Dios Padres, Mina Larga		15
	Del Aire		15
	San Manuel		15
	Copalquin Plant		16
FURTHER PROSPECTING	Logistical Commentary		17
	Appropriate Prospecting Tools		18
	Conceptual Targets		19
	Specific Targets		19
		La Soledad-El Indio-Santa Domingo	19
		El Refugio-El Cometa-La Lina-Los Reyes	20
		Zaragosa and Copalquin	20
		Dios Hijos, Padres, Larga, Del Aire, San Manuel	20
TIMING AND BUDGET	Phase I	Fundamentals	22
	Phase II	Field Work Preparatory to Drilling	23
	Phase III	Diamond Drilling	24
REFERENCES			25
CERTIFICATE OF AUTHOR			26
FIGURES			
PLATES			
APPENDICES			

TABLE OF FIGURES

1 Location Map
2 Map of Generalized Geology and Principal Workings
3 La Soledad, Sketch Map of Underground Excavations, Existing Drillholes and Proposed Drillholes
4 Sketch Map of Geology of #1 level, La Soledad
5 El Refugio, Sketch Map of Underground Excavations, Existing Drillholes and Proposed Drillholes
6 Sketch Map of Geology of Main Level, El Cometa
7 El Cometa, Sketch Map of Underground Excavations, Existing Drillholes and Proposed Drillholes

TABLE OF PLATES

1	Environment	Copalquin Airstrip
		Copalquin valley from the east
2	Airstrip Showing	Airstrip Workings
		Airstrip Vein
3	El Cometa	Typical Breccia on El Cometa
		Casing in El Cometa Diamond Drill Hole
4	Copalquin Plant	Generator and Ball Mill
		Flotation Cells
5	Copalquin	Old Mortar Hole ground into the Rock
		Core Storage Shed at Copalquin
6	Los Reyes	Old Stope on Los Reyes Workings
		Sidewalls, Los Reyes Stope
7	San Manuel	Aerial Tramway from San Manuel to Plant
		Adit Portal 2 level, San Manuel
8	La Soledad	Main Drift on 1 level, La Soledad
		Vein and breccia in Stope

TABLE OF APPENDICES

Appendix I - Documentation of Ownership
Appendix II - Analytical Techniques
Appendix III - Certificates of Analyses

MAPS IN REAR FOLDER

I Surface geology
II Structure

COPALQUIN GOLD PROSPECTS, DURANGO STATE, MEXICO

INTRODUCTION

At the request of the President of Planet Exploration, a visit was made to the Copalquin Gold Prospect in the northwest corner of the state of Durango, Mexico. The property is owned by Compania Minera Copalquin S.A. de C.V., of which Sr Miguel Angel Matas Martinez, of Chihuahua, is apparently principal shareholder.

Timing

A preliminary visit was made to Vancouver on September 4th, 2003 to the offices of Bell Coast Capital Corp to confer with Mr Patrick Forseille, who ran the original drilling program in 1998 for that company on the property. All day of September 5th, 2003 was spent flying to the city of Chihuahua, via Houston. All day of 6th and much of the morning of 7th September, was spent conferring with Sr. Miguel Matas, owner of the property, and with Eng. Victor Guzman Corrasco, lately manager of La Dura Mine. On the afternoon of 7th September, Mr Roger Scammell, a geologist based in Guadalajara and I, drove to Parral, from whence we flew by light charter plane to Copalquin on the morning of 8th September, accompanied by an employee of Sr Matas, Sr Antonio Avila, who was to act as guide. All of 8th and 9th September were spent on the property, then on 10th September Avila, Scammell and I flew to another project, La Dura, then back to Parral on 11th, and so by road on the same day to Chihuahua. After delivering samples to Chemex depot in Chihuahua, all day of 12th September was spent flying back to Calgary.

Location and Access

The mineral district of Copalquin is located in the municipality of Tamazula, northwest Durango (Figure 1), some 30km east of the town of Bandiraguato, in the state of Sinoloa. The now abandoned village of Copalquin lies on the south bank of the Copalquin River, at an elevation of 885m amsl., while the airstrip is at 1150m. The name Copalquin derives from a tree from which quinine was once extracted, which grew in some abundance in the area. The area of interest is between 25º 29' to 25º 32'N and 107º 04' to 107º 07' W, in the harshly dissected Barrancas subprovince of the Sierra Madre Occidental geological province. The valley floors are covered with subtropical vegetation, with oak and pine woodlands in the higher elevations. Rainfall is between 100 to 200mm per annum, confined largely to the summer months.

There is not now, nor has there been in the past, road access to the property. All traffic is by foot or mule from the ranch Guajolote, 16km to the east (6km as the crow flies), or by air from the town Culiacán in Sinoloa state in the west, or the town Parral in Chihuahua state to the northeast. There is a poor airstrip, 220m long, aligned 010º, atop a ridge at 1150m elevation about 1.5km northeast of Copalquin, suitable for STOL. Flying time from Parral is just under an

hour: from Culiacán, about 20 minutes. There is an excellent road (8-9hrs travel time), paved for all but the last 70km from Parral to El Durazno, and a fair gravel road (½ hour travel time) from El Durazno to Guajolote. The footpath to Guajolote takes 4-6 hours, depending on fitness.

Infrastructure

The terrain is extremely rugged. Communication from one working to the next is by poor track. Despite this, several veins have been worked by simple on-vein adit drifts. With the exception of San Manuel, transport of the ore is reputed to have been by mule to a central mill. A twin ½ tonne-skip aerial tramway was used to move ore from San Manuel down the mountain.

A dormant plant still exists, to a major extent, at Copalquin. By any standards it is modest, comprising a small jaw crusher, ball mill, and bank of 6 flotation cells, capable of some 10 tonnes per 24 hour (10tpd) throughput. Power was provided by a stationary V8 diesel 150kW generator. With the exception of a small rotary compressor, and the cable for the San Manuel aerial tramway, all equipment was flown in from Culiacán on a fixed wing light plane, or packed on mules. The ball mill was cut in two for transport, then rewelded on site. The cable was slung by helicopter. The compressor was carried on foot, slung on a pole between two men.

There is a rudimentary school, and a small convenience shop close to the airstrip. Two cell phones are in the valley, one at the school, the other at the airstrip. Both are 3-watt bag phones with high-up directional antennae. The only electric power in the area is furnished by individual solar panels and 12 volt accumulators. Building material is either local stone and local mud, or imported cement, as mortar. Roofing is generally short length corrugated iron, packed in by air or mule, although some older houses have local terra cotta tiles .

Legal Title

I did not explore legal title in any way, this being outside my field of competence, and well beyond the scope of this investigation. Appendix 1 is a copy of the title and description of the claim “El Sol” and purports to depict the claim disposition as presented by the owners as represented by Sr Matas. I have no idea whether this is an accurate representation.

Geology

At first pass, the geology appears simple - flat lying Oligocene acid pyroclastics overlying an intrusive lower Eocene granodiorite (according to the CRM Monografia (1993)) or quartz monzonite (according to Wilkins(1997)) (Figure 2). However, mapping by Octavio Gonzales for Bell Coast in 1997 shows a complex distribution pattern of pale grey-buff tuffs and pink ignimbrites and flow rhyolites with later local argillic alteration and silicification, and in other places chloritic alteration. Intrusive and perhaps extrusive aphanitic and porphyritic andesites further complicate the picture. Disseminated sulphides (pyrite ?) are shown by Gonzalez in some

zones. Wilkins' work makes things clearer. The premineralization andesitic flows and tuffs are at the base, quartz latite at the top, representing the volcanic carapace over the top of the quartz monzonite intrusive. The sequence is then capped by a post mineralization succession of flat rhyolite flows, tuffs, tuff breccias and ignimbrites.

Observations from the present visit indicate that the main gold bearing bodies on La Soledad and San Manuel are white quartz veins, generally fairly steeply dipping (50-65^{o}), and confined to the pyroclastics (andesites & latites) rather than the granodiorite (quartz monzonite). The El Cometa vein is rather shallower (40-45^{o}) and Los Reyes virtually horizontal (10-20^{o}). Of particular importance appears to be a silica flood breccia which was seen to occupy the hanging wall of El Cometa, La Soledad, San Manuel and Los Reyes . . . but only where the vein had economic gold and/or silver mineralization (by implication - now stoped out). Forseille's mapping on the El Cometa-La Soledad ridge shows widely dispersed silicified breccia occurring as outcrop. There is every suggestion that this breccia is gold and silver bearing, which means it could be a primary exploration target. Strike of the veins seems to be WNW to NW, with NNW to NS striking post mineralization faulting.

Wilkins records economic mineralogy as free gold, electrum, argentite, tetrahedrite, pyrite and ruby silver (pyrargyrite; $3Ag_2S.Sb_2S_3$), with trace galena, and their oxidation products. The veins and breccias are predominantly quartzose, with minor adularia and calcite. Statistical work on the geochemistry by Kennecott shows low, but anomalous values of Pb, Zn, and low background As, Sb, Hg and Bi associated with the Au-Ag mineralization. This may be of value in future exploration.

Mining History

By repute, placer operations started in the early 19th century, and exploitation of Los Reyes, the oldest underground mine, started towards the end of that century. There are still numerous tuanas (rock mortars used to grind the ore) to be seen close to old diggings. Production terminated with the revolution (early 20th century), and only recommenced in 1933, when Compania Minera CIBOLA started production from San Manuel and El Cometa. Several small vein deposits have been exploited, specifically La Soledad, El Refugio, El Cometa, San Manuel, Los Reyes, and others. Renewed interest commenced in 1976, when government began sampling and surveying some of the properties, and exploration began in earnest in1983. Although total production from the district is unknown, Wilkins quoted estimates of the production from the 3 major mines, derived from surveys of the workings and assays of samples from pillars therein as follows:

Mine	Tonnes	Au g/t	Ag g/t
El Refugio	33,000	10	178
La Soledad	112,000	52	2327
San Manuel	10,000	6	320

Whereby, total production from these 155,000 tonnes mined and processed would be something over 200,000 ounces gold and 8.6 million ounces silver, and total for the area prior to 1985 "exceeds 336,000 tonnes"which yielded "at least 250,000 ounces Au and 11 million ounces Ag" (Wilkins 1997).

I have seen no data independently to corroborate nor refute these estimates.

In his excellent and comprehensive report for Bell Coast Capital Corp. (BCCC) in 1997, Joe Wilkins quotes J.W. Patterson's documented assessments of the then-known bodies and existing workings, and of the subsequent work done by Compania Minera CIBOLA between 1933 and 1935 from the San Manuel and El Cometa workings. The interested reader is referred to Wilkins, whose coverage is detailed and informative. He quoted a resource calculated by IMMSA in 1983 of 435,625 tonnes grading 12.7g/t Au and 539g/t Ag. However, this included 56,750 tonnes of high grade in La Soledad, and 215,000 of moderate grade in San Manuel, from both of which there has been some, perhaps considerable, subsequent production. The workings on neither mine really allow safe access to these remnants, even were it known with certainty which blocks they represent. Accordingly, one should discount these resources, which reduces the mass and grade considerably to 163,857 tonnes at 8.0g/t Au and 207g/t Ag. However, as I have seen no hard data to corroborate even these reduced estimates, they remain conjectural, at best.

BCCC explored the property between 1997 and 1998, with a small soil geochemistry program, some rock geochemical sampling and geological mapping, followed by 2500m cored diamond drilling in 31 holes; of which 19 were drilled on El Cometa, 6 on La Soledad, 3 each on El Refugio and Los Reyes (Forseille 1999). I have visited the drill sites at Cometa. Although several holes at three separate locations could be observed, it proved impossible to guess which hole was which. I have seen the core, which is kept in a clean, dry, locked shed at the Copalquin plant site. The core, most of which has been split, appears to be in good order, in plastic core boxes which are in good repair. I did not examine the core in detail.

PRESENT EXAMINATION

Mapping

Apart from two sketch mapping passes underground, one on La Soledad 1 level and one on El Cometa, no deliberate mapping was attempted. The two days in the field were spent more in "ground truthing" the data presented by Wilkins, Forseille and Gonzalez in their reports and maps, than in collecting fresh information. Certainly, this supported the assertion that quartz breccia and quartz veinlet stockworks are present in abundance, particularly on the ridge on which La Soledad, El Refugio and El Cometa are sited. Whether this breccia contains economic grades of gold and silver, and in exploitable volumes, as asserted by the IMMSA, Alta Pimeria and Kennecott studies has yet to be determined.

Sampling
Except where otherwise described, samples were collected by me personally. Each was chipped, not necessarily as a channel sample, but certainly as representative of the body described, and over the thickness quoted. To preclude salting, samples were not always sequentially numbered. In fact in the 20 samples collected, tags were used from 2 separate ticket books. This makes predictability by a third party difficult. Samples were single bagged, with double paper tags in cotton, single-use bags, with draw-string pulled tight and double knotted. The drawstring makes reopening bags difficult, and readily detectable. Care was taken to prevent contamination, either inadvertent or deliberate, but the samples could not be under my direct and absolute supervision at all times. All samples were collected in one gunny sack, which was duct-taped closed for transport. It was held, closed, in the Parral airport office of the air taxi pilot for a day. There was no sign of tampering when I collected it. Apart from that, the samples remained in my back-pack, or at the farmhouse while on the property, or in my hotel room when in Chihuahua.

Analyses
On Friday 12 September 2003, I delivered personally to ALS-Chemex Laboratories Chihuahua facility 20 samples labelled REL5639-5650 and REL5477-5484. Appendix II describes the analytical methodology used. Initially, samples were pulverized and merely digested in aqua regia with AA finish. All samples that returned gold values in excess of 1000ppb and silver values in excess of 10 ppm were then required to be reanalyzed by fire assay for gold and silver. Aliquots of 30gm of the 10 samples with the highest gold grades in these and another 51 samples from another project were despatched to TSL in Saskatoon for confirmatory gold analysis by fire assay. Appendix III has the certificates for all analyses done on these 20 samples.

INDIVIDUAL WORKINGS

There are a plethora of diggings on and around the claims, some extensively worked, others merely scratched, explored then abandoned. Both Forseille (1999) and Wilkins (1997) detail these, and the work done thereon. Gonzalez (1997) records the location of the workings north of the Arroyo Copalquin.

The purpose of the present visit was to assess whether there is indeed potential in the area, and what could be done to explore that potential. No exhaustive sampling or mapping was attempted. As far as possible, every working on the property was visited and examined. Samples were taken as they presented themselves, and some sketch mapping was attempted, more to help my own understanding of that locale than for archival records. Certain of the properties were deemed too dangerous to enter without proper mining precautions - not for considerations of imminent peril, but through normal prudence, which requires that service personnel should be preceded into an excavation by a barring, propping and prying gang under expert mining supervision. Location of the workings is shown on Figure 2.

Wilkins further quotes work by J.W. Patterson of Compania Minera CIBOLA in 1933, by Industrial Minera Mexico S.A. (IMMSA (a Mexican parastatal mining corporation)) in 1983, by Minera Kennecott and Minas de la Alta Pimeria, S.A. de C.V. both in 1995 which estimated *in situ* resources in the workings in the area. These resources were calculated from some 900 samples taken by the said companies.

La Soledad

Developed by two on-vein adit drifts (1100m and 1035m amsl), and a bottom drainage tunnel (1007m), the primary pay shoot has been wholly stoped out, except for a few random small pillars, on 35-77m strike and 140m back (to 1157m at surface)(figure 3). The pay zone is reported in the literature as a quartz-quartz breccia vein confined within a high angle fault zone which flattens down dip; the footwall being fault defined, and the vein enclosed within a gold bearing quartz breccia. Strike and dip range around 150º/50º-75ºNE. My own observations from 1100m level are subtly different from these, see below.

Patterson's 1933 sampling of the (now stoped out) payshoot returned:

	39.1g/t Au;	1289g/t Ag	over	1 metre.
Alta Pimeria, (1995) returned	1.3g/t Au;	77.8g/t Ag	over	1.3m

in the hanging wall and footwall breccia.

They hoped for at least one further pay shoot within the 700m vein's potential strike length(Wilkins).

Of the 6 holes drilled by BCCC in 1997 on La Soledad, 3 holed into the old workings and the other 3 returned little of interest. There is some confusion over the exact positioning of these diamond drill holes *vis-à-vis* the workings, but Figure 3 shows their probable position.

#3 Level Not visited, because it was assumed, initially and probably erroneously, that if 2 level was flooded, so too would 3 level.

#2 Level Visited but not accessed, flooded.

#1 Level This clean, well preserved adit has good drainage and excellent sidewalls. It was sketch mapped (Figure 4) during the visit. Most of the drift on the Soledad vein is too high to sample, but 4 samples were collected.

REL5477	20cm	4.07g/t Au	236 g/t Ag	chip grab of h/w breccia
REL5648	60cm	4.08g/t Au	286g/t Ag	vein in stope pillar
REL5649	90cm	7.18g/t Au	482g/t Ag	vein at breccia contact
REL5650	110cm	4.20g/t Au	177g/t Ag	vein at drift intersection

Only REL5648 sample can be regarded as being representative of what has been extracted, but the others are so similar in grade, that it is reasonable to regard all these as valid reflections of the in situ grade of the original material extracted. Certainly most of the stope that could be seen is at least a metre thick, seldom more than 2 metres. What can be seen of the vein is white, laminated vein quartz with little other apparent sulphide mineralization, shear confined on both walls.

Wilkins reports both hanging and foot-walls are quartz breccia. However, this is not what was observed in the crosscut to vein, which is sited on a quartz filled fault, striking 125°/37°N: the wallrock of this vein on 1 level is an aphanitic dark grey-green andesite. There is a subtle change in orientation at 64m from the portal on 1 level, where a more robust vein appears from the footwall. Strike is about 130°/48°N. Very quickly, the hangingwall becomes brecciated and quartz flooded, and thereafter this vein has been extensively stoped out both above and below the level. Judging from the juxtaposition of the quartz breccia in the hanging wall of the vein, coinciding with the stoped area, it would seem logical that economic values of gold and silver in the main vein are somehow dependent upon the presence of this brecciation. This is either because the breccia is the source of the gold, or because its presence has triggered precipitation from the mineralizing fluids. The vein in the cross adit from daylight to the exploited vein is not itself mineralized.

There is no reasonable access beyond the stoped zone. This does not, however, preclude excavating either a footwall catwalk along the edge of the stope, or more safely, cutting a parallel drift in the footwall, perhaps some 8-10m below the stope.

There is a long (75-80m) footwall crosscut on 2 level to Leon vein, which has not been exploited. Perhaps this could be a useful underground drilling platform for the main Soledad vein at depth.

There appears to have been some desultory underhand stoping below 2 level, but the position on Patterson's 1983 plan (probably dating from 1935 odd) of 3 level militates strongly against that level ever having reached the economically mineralized La Soledad vein. If this is the case, there is a good chance that the main ore shoot is still intact. Patterson's map records that the end of the drift on 3 level (1007m) is caved. Forseille's (1999) sketch map shows this drift extended to the vein. If the preservation of the ground is as good as 1 level suggests, it would be a simple matter to make safe and reaccess this drift, after dewatering the workings above it.

Lumbrera is apparently, in fact, the Soledad outcrop, but Sr Avila insisted on the distinction. Both hangingwall and footwall are quartz breccia, the latter being particularly strongly oxidized and iron stained compared to the hangingwall. The vein itself is robust white laminated quartz, striking 123°/66°N, with little or no sulphides apparent. Three samples were taken:

REL5647	100cm	2.25g/t Au	61g/t Ag	h/w quartz breccia
REL5646	100cm	6.80g/t Au	223g/t Ag	quartz vein
REL5645	60cm	1.39g/t Au	115g/t Ag	f/w quartz breccia

These grades are not statistically different from those returned by Alta Pimeria for La Soledad wallrock.

Airstrip West

This comprises a small 5-7m long open stope on a white quartz vein striking 008/52E. 3 samples were taken:

REL5639	50cm	0.03g/t Au	1.8g/t Ag	h/w porphyritic andesite
REL5640	40cm	0.12g/t Au	5.0g/t Ag	vein quartz
REL5641	70cm	0.10g/t Au	8.1g/t Ag	f/w porphyritic andesite

No further work on the prospect is contemplated.

El Refugio

In the Monografia Geologico-Minera for Durango (1993), the Consejo de Recursos Minerales quotes Manuel Santillan (1928) as reporting El Refugio having a grade of 60,000g/t Ag at its richest (200g/t Au) and 850g/t Ag at its poorest! However, government resampling in 1976 (mean of 6 samples) showed only 2.3g/t Au and 80g/t Ag over 2.3m on this property. Wilkins reports 175m of drift development on the pay shoot, which is stoped to surface, on a gold and silver bearing quartz breccia striking 340º, dipping flat to NW (sic), and associated with several subparallel faults, the chief of which is oriented 275º/42ºN. The workings are shown on figure 5

IMMSA (1983) returned:	7.7g/t Au;	143g/t Ag	over	1.5 metres
Alta Pimeria, (1995) returned	4.0g/t Au;	2458g/t Ag	over	2.0 metres

plus chloritized & silicified andesitic f/w breccia which returned

0.17g/t Au	6.3g/t Ag	over	40 metres

This massive low grade zone is corroborated in part by the 1997/8 drill program, in which BCCC reported that 1 vertical hole, ER-31, returned, and ended in, 78m of silicified zone with low grade gold (0.22g/t) and silver (5.8g/t) values from 108m to 186m. The other 2 (inclined) holes on this prospect holed the old workings.

These workings were visited by neither Wilkins nor myself.

Indio-Santa Domingo

These workings are important because Wilkins notes the vein is subparallel (280º/70-75ºNE) to La Soledad, and could be a fault offset extension thereof. Sampling by IMMSA (1983) averaged 5.4g/t Au and 122.95 g/t Ag over 0.45m. He further reports a strong gold-silver-lead-zinc anomaly returned by Kennecott on the ridge on which these workings occur. El Indio was visited, not Santa Domingo. It constitutes a number of surface scratchings on narrow quartz veins on the east side of the La Soledad Arroyo. The hill slope was particularly steep and slippery, and no attempt was made to take samples nor map the workings, which are largely collapsed.

El Cometa

Wilkins reports 80 metres of adit drifts and crosscuts and small production stopes from which only a small tonnage has been excavated from a gold and silver bearing quartz breccia associated with a low angle fault, oriented 285º/20º NE, in argillically altered andesites. La Lina workings

are 80m north of El Cometa, exposing a quartz vein oriented 060º/40º NW, in similar wall rock.

There is a disparity between what BCCC discovered on El Cometa on the one hand, and what Wilkins reports as IMMSA's (1983), Kennecott's (1995), and Alto Pimeria's (1995) findings on the other. The 3 earlier exploration programs showed an extensive quartz breccia zone with low grade gold and silver values:

IMMSA	0.48g/t Au	31.0g/t Ag	over	2.00m
Kennecott	0.77g/t Au	37.6g/t Ag	over	1.86m
Alto Pimeria	1.30g/t Au	26.5g/t Ag	over	4.36m

In the BCCC drill program, significant values were returned from several holes on El Cometa, specifically:

HOLE #	FROM m	TO m	INTERVAL m	GOLD g/t	SILVER g/t
EC-02	35.75	39.75	4.00	244.65	2250
EC-08	44.50	46.00	1.50	10.60	301
EC-09	28.80	47.00	18.20	8.55	144
EC-10	32.50	39.40	6.90	17.03	352
EC-11	32.00	32.80	7.50	1.33	55
EC-12	20.00	24.00	4.00	18.19	369
	38.40	39.40	1.00	35.19	609
EC-13	19.50	22.50	3.00	77.57	733
	32.50	34.50	2.00	7.73	106

Although these values are confined to a short strike length of perhaps 20m, they are exciting. There is evidence in EC-11 that faulting plays a significant role, not only in displacing the shoot, but also perhaps in localizing higher values within the vein.

The workings are in excellent condition, well ventilated, dry and very accessible, except for the stopes, which are largely flooded. The mining method used to exploit the vein is bizarre, as the drift appears to follow the vein along a winding, circuitous flat strike, with no attempt to exploit the vein above the drift, only beneath it! Indeed, much of the drifting is not on the vein. Ore appears to have been hand lashed or slushed up to the drift, which acts as haulage, probably by barrow. There are few pillars of vein material remaining, and still less are safely accessible. Three samples were taken (Figure 6):

REL5644	100cm	0.23g/t Au	13 g/t Ag	h/w quartz breccia
REL5643	25cm	0.15g/t Au	21 g/t Ag	quartz vein & clay gouge
REL5642	100cm	0.20g/t Au	11 g/t Ag	f/w quartz breccia

These grades are not statistically different from those returned by IMMSA, Alta Pimeria and Kennecott, but they are starkly dissimilar to the BCCC drill values.

Throughout the drift examined, the wallrock is a quartz flooded breccia, with quartz filled veins and shears in two fundamental orientations, steep, which seems to be unmineralized, and very flat, which has been stoped:
180°/80°E,155°/74°E, 157°/85°E, 148°/88°E, 163°/90°, 165°/76°E, 155°/85°E and
097°/42°N, 042°/28°E, 055°/32°E, 103°/26°N
The latter orientation predates the former, which displaces it.

Los Reyes
The oldest mine in the district, Los Reyes is a low angle quartz breccia at the southern base of the ridge on which the airstrip is located. The breccia occurs in andesite, associated with faulting of orientation 330°/10°-30° NE, lying subparallel to the underlying quartz monzonite contact. Wilkins reports 280m of adits, drifts and inclined winzes, stoped in a random pattern of *gambusino* holes.

IMMSA (1983) sampling returned	7.0g/t Au	240g/t Ag	0.7m
Alta Pimeria (1995) returned	2.0g/t Au	66.2g/t Ag	no thickness reported

this last sampling included 5 samples in the quartz monzonite.

Diamond drilling by BCCC, confined to 3 holes, returned no values of interest. Were they drilled sufficiently deep? I was unable to unearth a plan or log of the drilling relating the holes to the underground workings, nor detailing geology, and Patterson's underground map bears no relation to the sketch of the workings shown by Gonzalez. The workings were visited and despite their obvious antiquity, are still safe in places, generally well ventilated, dry and accessible. Mining appears to have been by side slushing into a central slusher gully, and thus to surface. Most of the workings are merely open stopes with no support, except for a few token pillars. One of these was sampled:

REL5481	60cm	0.03g/t Au	3.5g/t Ag	h/w andesite/rhyolite
REL5480	60cm	0.03g/t Au	2.7g/t Ag	h/w quartz breccia
REL5479	30cm	1.10g/t Au	23 g/t Ag	quartz vein, broken, iron rich
REL5478	80cm	0.04g/t Au	71 g/t Ag	f/w andesite/rhyolite

The vein and country rock are all very oxidized, but whether this is a function of prolonged exposure of the workings, or of proximity to surface , or of percolating groundwater is impossible to gauge. The vein structure is very flat 153°/12°E, with common, repetitive cross fractures 143°/63°N. The mineralized zone seems to be a sequence of horizontally stacked, or perhaps *en echelon* bodies just above and parallel to the granodiorite contact. Of particular importance is Wilkins' observation that this excavation is located on the projection of the Cometa-Refugio fault zone, some 1200m further west.

Zaragosa and Copalquin
The Copalquin (285°/70°NE) has had desultory development, over 35m of workings near the village and arroyo of the same name. Some 500m WNW lies its probable continuation the

Zaragosa oriented 287º/73ºNE. On the former, the vein cuts silicified quartz monzonite, with a footwall stockwork of quartz veinlets and stringers containing very fine grained argentite, pyraryrite, and galena. Sampling by Alta Pimeria (1995) averaged 2.1g/t Au and 122g/t Ag over 0.7m on the vein, and on outcrop it returned 2.5g/t Au and 35g/t Ag over 7.5m. On the Zaragosa, the vein cuts andesite. Sampling by IMMSA averaged 1.0g/t Au and 120g/t AG over 1.0m. Wilkins believes the two workings are on one continuous vein, covered by a thin mantle of talus and alluvium. These workings were not visited.

Dios Hijos, Dios Padres, and Mina Larga ("DHPL")

Wilkins reports that the Mina Larga and Dios Hijos are 250m SE of San Manuel along the same semicontinuously outcropping quartz vein-breccia system, which is oriented roughly 290º/50º NE. Mina Larga is a 40m open cut, 25m from the Dios Hijos portal, from which a 25m drift has been developed on the vein. On Mina Larga, there is a well developed stockwork breccia in the vein footwall. The twin open cuts, totalling 45m of stoping, on Dios Padres are a further 100m along the same trend. Little work has been done on any of the features. Sampling on the prospects by various agencies returned:

Dios Hijos	IMMSA	3.2g/t Au	134g/t Ag	over	0.7m
Mina Larga	IMMSA	5.3g/t Au	146g/t Ag	over	1.0m
	Alta Pimeria	10.2g/t Au	604g/t Ag	over	1.0m
Dios Padres	IMMSA	3.9g/t Au	261g/t Ag	over	0.9m
	Alta Pimeria	6.1g/t Au	236g/t Ag	over	0.8m

They were not visited in this present trip.

Del Aire

The working is sited 170m NE of San Manuel on a quartz vein-filled fault, oriented 290º/70º S, with 40m of drifting on 2 levels. Wall rock is a quartz latite. Sampling returns were as follows:

IMMSA	4.1g/t Au	125g/t Ag	over	0.5m
Alta Pimeria	3.2g/t Au	134g/t Ag	over	0.7m

The working was not visited on this trip.

San Manuel

This is the largest mine, in terms of workings (570m crosscuts on 4 levels, 555m drifts on 3 levels), in the valley. It is about 650m southeast of the millsite, high on the quabrada above the south bank of Arroyo Copalquin. There are subparallel 2 veins that have been exploited, the San Manuel and the Apolonia, some 8-50m apart, with erratic and discontinuous gold-silver values within the material between them. What is interesting is that Wilkins reports that only the northernmost 20% of the vein strike, along 2-3 shoots has been exploited, whereas the southern end of the strike, in the vicinity of Mina Larga and Dios Hijos, is largely unexplored, and has potential for a small open pit operation.

Sampling is nowhere as continuous nor as complete as on other prospects in the valley, because many stopes are inaccessible.

Government 1976	1.5g/t Au	154g/t Ag	over	0.6m for San Manuel (33 samples)
	quoted by CRM Monografia Geologico-Minera for Durango (1993)			
IMMSA returned	2.6g/t Au	213g/t Ag	over	1.5m including material from both
Alta Pimeria returned	3.4g/t Au	195g/t Ag	San Manuel (1 & 2 levels) no thickness	
	2.3g/t Au	82.5g/t Ag	Apolonia (2 level) no thickness quoted	
	0.5g/t Au	11.5g/t Ag	both veins (3 level)	

No mining has been done in the area for some years now, the last location for any exploitation being San Manuel, which was mined pre 1910, by CIBOLA group in the 1930s, by a Sr Francisco de la Roche between 1970 and 1985, according to Wilkins (1997), then by Sr Matas until about 10 years ago according to Sr Avila.

Level #1 was visited, but extensive stoping on both the San Manuel (footwall) and Apolonia (hangingwall) veins precluded any sampling. The portal lies directly on the San Manuel vein, into which spoil and waste from Apolonia has been dumped. Country rock is grey green andesite. The veins are clearly steeply dipping 172º/63ºE, and stoping seems to be about 1.5m wide. No samples were collected.

Level #2 shows much the same as level #1, but is more dangerous to enter, with the open stope above and below the access level collapsing. There are no pillars anywhere visible in the mine. The Copalquin plant is linked to the second level by a gravity driven aerial tramway, loading of which appears to have been by hand shovelling from small stock pile dumped from a barrow. No samples were collected.

Levels #3 and #4 were not visited.

Copalquin Plant

Although the plant is small, it could probably be rehabilitated to be used as a bulk testing unit, should prospecting reveal potentially mineable ore.

The other main interest in the plant, from the aspect of this report, is that the last through-put on the plant was reputedly from San Manuel. As no samples were able to be collected from that mine in this present visit, this was put to good use. Three grab samples were taken:

REL5482	Grab	11.95g/t Au	280g/t Ag	ROM ball-mill intake
REL5483	Grab	4.31g/t Au	246g/t Ag	ROM crusher discharge
REL5484	Grab	2.98g/t Au	207g/t Ag	ROM crusher spillage

These samples are probably representative, at least of the last production run from San Manuel.

FURTHER PROSPECTING

Logistical Commentary

Ironically, they were logistical problems, most of which are related to the lack of road into the property, that kept other explorers and exploiters at bay for so long; and these very problems will make further prospecting expensive. The lack of road is because of the ruggedness of the country, which itself is another factor which has made prospecting, except by adit drifting, difficult in the past; and which will impede it in the future, because trenching by back-hoe and diamond drilling to any depth need track access.

The previous exploration companies did what they could, such as geological mapping, which merely requires a geologist to clamber around and some geochemical soil and rock sampling, which requires very little sophisticated logistical support. Most effort was in drifting, both on-vein and in cross cuts, and in some later underground mapping and sampling. This needed equipment and machinery to be lugged in, but then required little more than explosives, food and fuel to sustain itself, paying its own way from production. BCCC were the first to try diamond drilling: 31 holes and 2500m drilling from 6-8 drill platforms. The drill platforms were hand cleared, water pumped from streams and the drill rig was moved by helicopter. Logistical support was by light aircraft and helicopter which is necessarily expensive. Wilkins quoted mobilization costs for a heavy lift helicopter at $64,800, and usage at $1350 per hour.

Wilkins is a proponent of Reversed Circulation air drilling as a means of evaluating these deposits. Although it is admittedly inexpensive, at about 30 per cent of the price of diamond drilling, it is inappropriate for precious metal evaluation drilling, particularly where there is free gold . One cannot contemplate reversed circulation drilling for this program, because of the very real possibility of bonanza grades, which would cause unacceptable skewing of results.

The nearest roadhead is El Rancho Guajolote, from which a 16km route has apparently been blazed, according to Sr Matas. His estimate is that this would take 1 month to permit, and 3 months to complete. Note that at least 2 places on the chosen route would require blasting. Matas quoted a price of $50,000 for the work, but his engineer, Eng. Victor Guzman Corrasco, suggested, independently, that the price would be at least twice that figure. Wilkins' figure of $500,000 is probably far more realistic, which he had based upon a 20km road proposed at the time of his report for the nearby San Jose Desierto project.

At this price, is a road from "civilization" to site an absolute necessity? No, not at this stage, but it will be expensive to do the job without one. Drilling needs a proper rig. With vein deposits, particularly of this type with "bonanza" style mineralization expected, one has to be able to core N series or bigger. A mule-portable rig would have very limited capacity, trading off depth and core diameter for mobility. A drill rig of acceptable capability needs either a heavy lift helicopter or a minimum D3C CATERPILLAR to move it, and to make proper drill pads and sumps. Drilling a

fan of closely spaced holes from one platform just for expediency is not a viable option. Cutting drill pads by hand is slow, and was quoted by Forseille as being a major negative factor in the BCCC program

A cost effective way to get around in this terrain is with 4x4 all terrain vehicles (ATVs). But the hills are so steep, the ATVs will need tracks on which to travel. A lot of work by hand is needed to create such tracks in this terrain. Is there an alternative solution? It is possible to sling in the smallest CATERPILLAR tractor, a D3C, plus ATVs and their necessary fuel and spares by chopper to make and use these tracks. The tractor would be useful in improving the airstrip, which is in dire need. It would also speed up making drill pads and sumps. The D3C has a gross operating mass of 7112kg, but the blade (1126kg) and other accessories (+/-400kg) can be removed for transport, such that net maximum required payload would be roughly 5.5 tonnes.

Appropriate Prospecting Tools

Preliminary exploratory work needs to be done before drilling:

1 a reliable surface map showing all workings and outcrops. The simplest, quickest and most accurate method is to rerun the air photography of the valley, with ground reference points, surveyed in and clearly marked for the flight passes;

2 A geological map, incorporating all pre-existing data, plus new information from good old-fashioned foot slogging. This should be supplemented by foot borne ground work by a knowledgeable prospector;

3 The harsh terrain and surrounding mountains rule out the use of either fixed wing or helicopter airborne techniques, as much from a safety aspect as from the difficulty of adequately compensating for ground effects. Magnetics would probably not be of value. Gravity is not a possibility as a tool because of the ruggedness. Once veins and sulphide disseminations have been located, there may be a case for IP and SP work But ground based EM geophysics suggests itself as a tool for seeking veins, faults and even disseminated sulphides;

4 Soil geochemistry for pathfinder elements such as Sb, As, Bi, Pb, Zn, may be of value, but the extreme ruggedness of the terrain, and the high degree of disturbance of the ground rather militates against its use;

5 Trenching is an obvious prospecting tool, using manpower rather than a back-hoe. The track cuttings for the ATVs with D3C Cat or manpower would be useful as supplementary trenches. Bear in mind also that a CAT cutting the road down to the property would, in effect, produce some 16km of wildcat trenching through prime gold vein country.

6 Diamond Drilling.

Conceptual Targets

Until the Alta Pimeria and Kennecott work, other investigators seem to have looked at each

working as a separate, parochial target. Even after 1995, the same attitude seems to prevail. For example, Wilkins, having mentioned the possibility of El Refugio, El Cometa, La Lina and Los Reyes being one and the same body, with the same lithology, in the same structural position, on the same strike trend, treats them as 3 separate target entities: El Cometa-La Lina breccia and quartz stockwork, El Refugio chloritized andesite and quartz breccia zone, and the Los Reyes zone. To add confusion, he also implies that El Indio-Santo Domingo ridge between El Cometa and Los Reyes could host the intervening strike extension to them; but, elsewhere, he shows that these workings resemble La Soledad, and could be the extension to that deposit.

Specific Targets

La Soledad-El Indio-Santa Domingo

Wilkins sees La Soledad as a two-fold target, situated within the western extension of the La Soledad vein, only 400m of a potential 1200m of which has been explored to date:

1 A high grade pay shoot similar to that already mined;
2 A bulk open-pittable target where the vein widens, or where the breccia body is sufficiently well developed.

He reports that Alta Pimeria (1995) estimated that at least one similar pay shoot to that already exploited exists in the 700m of potential strike west of the workings on La Soledad vein; and further suggests potential open pittable gold along the vein outcrop, and "a strong potential" for "additional Au along the western projection of the vein system".

Is there also potential down dip? Nowhere is there evidence to demonstrate why production stopped where it did. Perhaps the vein horsetailed into the monzonite; perhaps it did not. Perhaps where it horsetails, there is a large tonnage, low grade potential, perhaps there is none. The most obvious prospecting tools for La Soledad are:

1 Trenching surface along strike from the outcrop. Simple ground based EM geophysics, (VLF-EM suggests itself) could go a long way to defining targets for trenching. This would require some experimentation first, perhaps on a 250m baseline and 25m tielines.
2 Surface diamond drilling from across the stream. This would be scheduled as the last program for the diamond drill rig, and precise siting would be contingent upon the trenching results. For budgetary purposes, the program is built on the premise of drilling to intersect the old pay shoot on 1000m and 950m elevations:- 3 holes at -55^{o} inclination drilled towards 240^{o}, 225^{o}, and 210^{o} to 120m depth, and 3 holes at -80^{o} inclination drilled towards 240^{o}, 225^{o}, and 210^{o} to 180m depth, all from the same pad across the stream. Actual positioning of the holes would be planned in the field. Total drilling budgeted 6 holes, 1000m, including 100m contingency.

If the data for Kennecott's gold-silver-lead-zinc geochemical anomaly over the El Indio-Santa Domingo showing is still extant and available, it should be used to locate possible trenching

and/or drilling targets. Before embarking on this work, however, some ground-based EM geophysics suggests itself, together with detailed mapping and meticulous, methodical prospecting for vein scree, subcrop and exposure.

El Refugio-El Cometa-La Lina-Los Reyes

Wilkins reports Alta Pimeria had highlighted this as two flat-lying targets on the ridge top, amenable to open pit mining, with possible grades of 1-2g/t Au and 25g/t Ag in the El Cometa area, and 0.5g/t Au and 12 g/t Ag in the El Refugio area. Because these are in rather different logistical environments, even although they are conceptually on the same body, slightly different approaches are required on each exposure. On El Refugio (figure 5), the starting point location of the target is defined by the workings, particularly the stope to surface. Hence, drilling can commence as soon as these excavations are surveyed. Methodical vertical pattern diamond drilling on 40m centres is suggested as a realistic exploration tool for this prospect. This is not a project for the faint of heart, as some 16-25 holes, of between 40 and 160m depth would be required, with an ad hoc provision for the field geologist to deepen any holes still in mineralization without reference back to the office. Some 2500m is envisaged, with a contingency budget of a further 500m, to total 3000m in 25 holes.

Whether the results from El Refugio are positive or not, one cannot ignore the BCCC diamond drill hole values on La Cometa. Although it is not immediately clear from the core descriptions and sections whether the gold and silver bearing zone here is flat or steep, nor whether it is a single entity of quartz flooded breccia, or multiple veins; and the close proximity of one vein/breccia drillhole intersection to the next is also problematic, follow-up drilling is a must. However, the wider, 40m methodical pattern drilling adopted for El Refugio is not wholly appropriate here, and tighter centres are indicated. Assuming that the gold enrichment is confined to a near horizontal body, a methodical, vertical diamond drill program, on 25m centres, starting immediately beside the BCCC platform from which EC 08 and 09 were drilled is proposed (figure 7). A sequence of 4 holes to 50m depth, 4 to 75m depth, 4 to 100m and 4 to 125m is contemplated, or 16 holes, totalling1500m budgeted. If initial drilling, in perhaps 3 or 4 holes, shows the body is more steeply dipping, the program will be adjusted accordingly, with less holes drilled to a greater depth, in the incline. Again, a field decision is required.

Additional work is required before a target on Los Reyes can be defined.

Zaragosa and Copalquin

Prospecting should be a simple matter of following the vein by trenching through the overburden; then surveying, mapping, logging and sampling the trenches. Further work would be contingent upon these results.

Dios Hijos, Dios Padres, Mina Larga, Del Aire and San Manuel

It is impossible to consider prospecting on the San Manuel/Apolonia veins without considering also the intervening wall rock and the DHPL extensions further south. True, the San Manuel is stoped out. True, also, the upper 3, payable, levels had andesite-latite as wallrock, whereas the lowermost level, on which no veins were found, was in quartz monzonite; and the former is a more propitious vein-quartz host than the latter. On the other hand, a granodiorite or quartz monzonite is a fine conceptual host for a much larger, low grade dissemination deposit (porphyry copper-gold for example).

Prospecting for lateral extensions and further pay shoots on the veins should follow a prosaic, step-by-step route: map, expose, trench, survey, log and sample the strike between San Manuel and DHPL, and the extensions beyond. This represents at least 500m of continuous strike length, with scattered workings along the entire strike. Wilkins raised the possibility of Del Aire vein cutting and offsetting the San Manuel, or even having a substantial pay shoot developed at the intersection of the 2 vein systems. Again, the prosaic approach is required: map, expose, trench, log and sample the strike and the projected intersection zone(s).

In addition, the long hangingwall crosscut adits on the third and fourth levels are ideal platforms for drilling for vein extensions and for drill exploration of the granodiorite/monzonite. If 3 level is accessible, it must be made safe, surveyed, mapped and sampled prior to drilling a fence of holes, commencing with some deep horizontal diamond drill holes from the face. Once 4 level has also been made safe, surveyed, mapped and sampled, similar drilling should be considered.

TIMING AND BUDGET

The following represents a reasonable budget for the work envisaged, and presents a phased sequence for this work. Note that the project calls for 2 geologists, both of them being on site for the greater part of a year. One would oversee mapping and trenching, the other would direct drilling operations, with trench logging and sampling being the responsibility of the former, core logging and sampling the responsibility of the latter.

Phase I - Fundamentals

Planning			$ 10,000	
	Lead Time			15 days
Topographic Map - Turnkey including:				
Flying & photogrammetry,				
Field truthing and surface reference points,				
Expenses for surveyor team, Air fares			$ 20,000	30 days
Geological Mapping				
Geologist	15 days @ $500		$ 7,500	15 days
Geophysical Technician/Prospector	26 days @ $250		$ 6,500	
Expenses	Airfares	2 x $1,250	$ 2,500	
	Hotels		$ 500	
	Living	25 days @ $100pd	$ 2,500	
Assistants			$ 500	
Field Supplies			$ 1,000	
* Assays	200 samples @ $20ea		$ 4,000	10 days
* Drafting			$ 4,000	10 days
Administration			$ 6,000	
PHASE I BUDGET TOTAL			$ 65,000	80 days

Phase II - Field Work - preparatory to drilling

Lead Time				15 days
[1]Airstrip improvements				3 days
D3C Cat			$100,000	
Helicopter	Mobilization	4 days of 8 hrs @ $1350/hr	$ 54,000	4 days
	Sling in/out Cat, Fuel, Accessories	3 days	$ 32,400	3 days
	Sling in/out D/drill, Fuel, Accessories	3 days	$ 32,400	3 days
	Demobilization	3 days	$ 32,400	3 days
Fuel & Spares for Cat			$ 20,000	
Storage tanks			$ 5,000	
ATVs	2 @ $7,500ea		$ 15,000	
	ATV trailers	2 @ $2,500	$ 5,000	
Expediter			$ 5,000	
Track cutting	Cat Operator	10 days @ $100pd	$ 1,000	10 days
[2]Pad Preparation	Cat Operator	40 pads @ 2 pads/day	$ 2,000	4 (20) days
[3]Trenching La Soledad	10 men @ $50/day for 10 days		$ 5,000	10 days
El Indio	10 men @ $50/day for 10 days		$ 5,000	10 days
Zaragosa-Copalquin	10 men @ $50/day for 10 days		$ 5,000	10 days
DHPL-San Manuel	10 men @ $50/day for 10 days		$ 5,000	10 days
Del Aire	10 men @ $50/day for 10 days		$ 5,000	10 days
Geologists	1 x 75 days @ $500pd ea		$ 37,500	75 days
Expenses	Airfares	3 x $1,250	$ 3,750	
	Hotels		$ 1,500	
	Living	60 days @ $100pd	$ 6,000	
Assistants			$ 2,000	
Field Supplies			$ 2,000	
Assays	500 samples @ $20ea		$ 10,000	10 days
Drafting			$ 10,000	20 days
Administration			$ 43,850	
PHASE II BUDGET TOTAL			$ 435,000	100 days
TOTAL BUDGET TO DATE			$500,000	180 days

[1] This Phase II work could be concurrent with the latter part of Phase I work.

[2]This Phase II work can be concurrent with much of the drilling in Phase III

[3]Trenching can proceed concurrently with all other Phase II work

Phase III

Diamond Drilling.	Rig cost				
	El Cometa	1500m @ $60/m	80m/day, 15 moves	$ 90,000	34 days
	El Refugio	3000m @ $60/m	80m/day, 23 moves	$180,000	61 days.
	La Soledad	1000m @ $60/m	80m/day, 2 moves	$ 60,000	15 days
	Geologist	130 days @ $500pd		$ 65,000	130 days
	Expenses	Airfares	4 x $1,250	$ 5,000	
		Hotels		$ 2,000	
		Living 110days @ $100pd		$ 11,000	
	Assistants			$ 2,500	
	Field Supplies			$ 2,500	
*	Assays 5000 samples @ $20ea			$ 100,000	20 days
*	Drafting			$ 15,000	30 days
Administration				$ 67,000	
PHASE III BUDGET TOTAL				$ 600,000	180 days
TOTAL BUDGET TO DATE				$1,100,000	360 days
ADD 14% CONTINGENCY				$ 150,000	
TOTAL BUDGET FOR THE YEAR				**$1,250,000**	

REFERENCES

Wilkins J. 1997 (June) Evaluation of the Copalquin Mining District, Tamazula, Durango, Mexico
for Bell Coast Capital Corp. 19 pages, 6 appendices, 14 figures, 17 photographs

also **Wilkins J.** 1997 (May) Evaluation of the Copalquin Mining District, Tamazula, Durango, Mexico
for Bell Coast Capital Corp. 5 pages
This reference is really only a shorter version of the above.

Consejo de Recursos Minerales 1993 Monografia Geologico-Minera del Estado de Durango

Gonzalez O. 1997 Proyecto Copalquin Plano Geologico, Plano Estructural,

Forseille P. 1997 Report on 1998 Exploration Programme copalquin Property, copalquin mining district, Durango, Mexico in 2 volumes.
for Bell Coast Capital Corp. 18 pages, 9 figures, 3 appendices

CERTIFICATE OF AUTHOR

I, Adrian G. Mann, undersigned, certify that:

- I have read National Instrument 43-101 (NI43-101) and Form 43-101F1, and this Technical Report has been prepared in compliance with that instrument and form;
- I have read the definition of "qualified person" set out in NI43-101 and I certify that by reason of my education, affiliation with professional associations and past relevant experience, outlined below, I fulfil the requirements to be a "qualified person" for the purposes of NI43-101;
- I am not independent of the issuer, optionee, purchaser;
- I am a self employed consulting geologist, independent of the optioners, vendors, partners and owners of the properties under examination;
- I neither hold, nor have held, shares in any of the properties, nor do I expect, nor hope to acquire any;
- I have a substantial holding in Planet Exploration Inc., of which I am both a director and an officer;
- I have been fairly and fully recompensed for my consulting services in cash, by Planet Exploration Inc., that payment being independent of the conclusions and recommendations of this Technical Report;
- I graduated from London University, UK, with a B.Sc. (General Honours) in Chemistry and Geology in 1965, with a B.Sc. (Special Geology)(Honours) in 1966, and with a Ph.D. in 1972;
- I graduated from the University of the Witwatersrand, South Africa, with a M.B.A. in 1985;
- I have worked continuously as a geologist since first I graduated in1965;
- I am a Professional Geologist in good standing registered with the Association of Professional Engineers, Geologists, and Geophysicists of Alberta (#M50794), and a member of the Canadian Institute of Mining, Metallurgy and Petroleum (#95701);
- I have had no prior involvement with any of the properties that are the subject of this Technical Report;
- I am responsible for the preparation of the entire body of this Technical Report, entitled "Report on a Short Visit to the Gold-silver Deposits of Copalquin Mining District, Municipality of Tamazula, Northwest Durango, Mexico; and Proposals for Their Exploration and Evaluation. " prepared for Planet Exploration Inc., dated September 27th 2003;
- This Technical Report fairly and impartially reflects my opinion of the mineral potential of the prospects visited, recognizing, however, that such opinion is prejudiced by the limited time spent on the properties, and coloured by the opinions and data contained in the references cited;
- I am not aware of any material fact or material change with respect to the subject matter of this Technical Report that is not reflected in the Technical Report, the omission of which would make the Technical Report misleading;
- I consent to the filing of this Technical Report with any Stock Exchange and any other regulatory authority, and any publication by them, including electronic publication in the public company files on their website, accessible to the public, of the said Technical Report.

Signed and dated this 27th day of September 2003.

Adrian G Mann

Appendix I - Documentation of Ownership

Appendix II - Analytical Techniques

Sample Preparation Package *ALS Chemex Method Code PREP-22*
Dry, crush and pulverize entire sample

Sample is logged in tracking system with an attached bar code label, dried, coarse crushed to better than 70% passing 6 mm., then the entire sample is pulverized to better than 85% of the material passing through a 75 micron (Tyler 200 mesh) screen. This method is appropriate for rock chip or drill samples with a particle size greater than 20 mm.

Fire Assay Procedure *ALS Chemex Method Code Au-AA25*
Fire Assay Fusion, AAS Finish

Sample Decomposition: Fire Assay Fusion
Analytical Method: Atomic Absorption Spectroscopy (AAS)

A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 ml dilute nitric acid in the microwave oven. 0.5 ml concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 10 ml with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards.

Element	Symbol	Sample Weight	Detection Limit	Upper Limit	Units
Gold	Au	30 g	0.03	100	ppm

Geochemical Procedure *ALS Chemex Method Code ME-ICP41*
Trace Level Methods Using Conventional ICP-AES Analysis

Sample Decomposition: Nitric Aqua Regia Digestion
Analytical Method: Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP - AES)

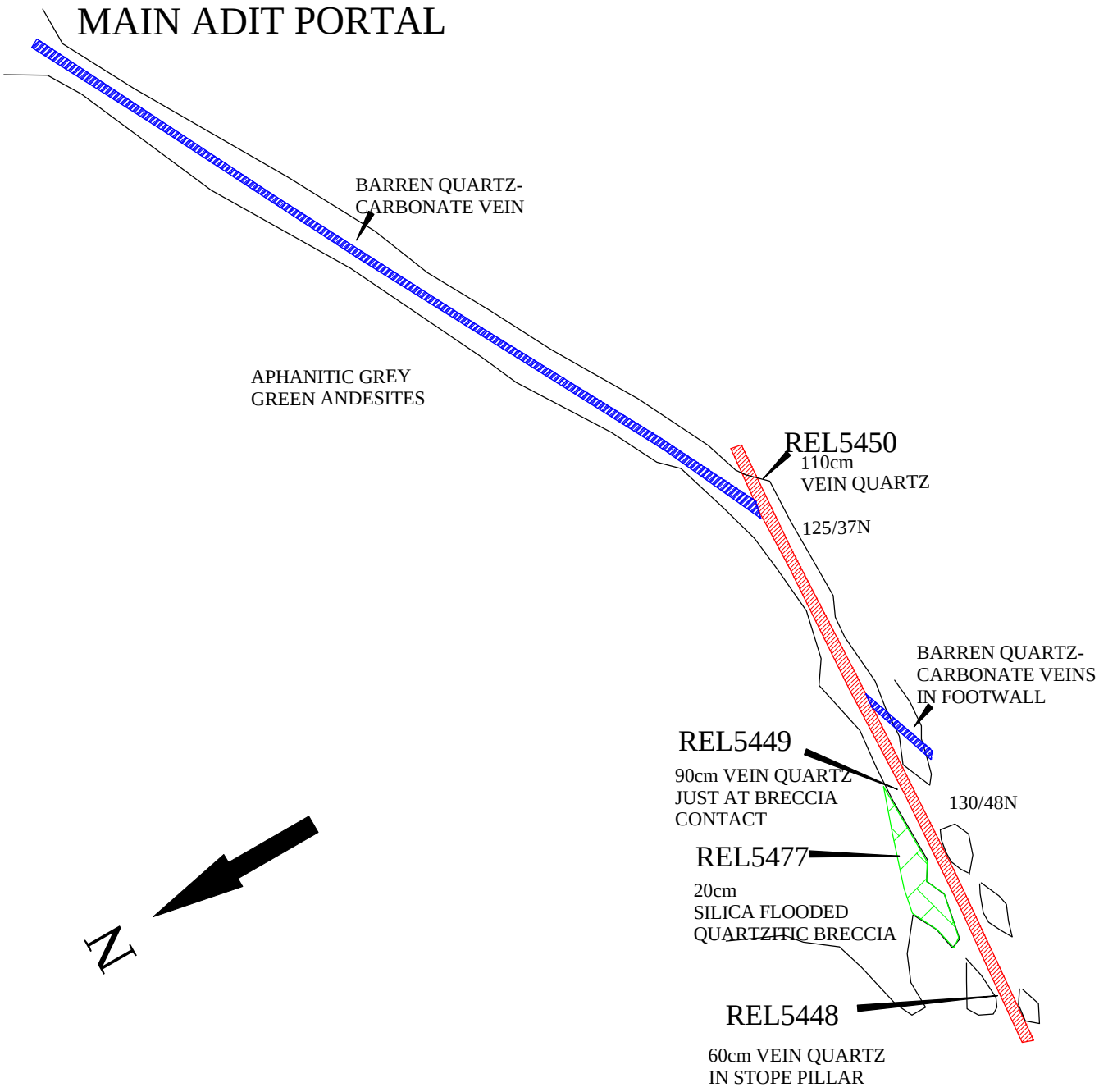
A prepared sample (0.50 grams) is digested with aqua regia for at least one hour in a graphite heating block. After cooling, the resulting solution is diluted to 12.5 ml with demineralized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry. The analytical results are corrected for inter-element spectral interferences.

Element	Symbol	Detection Limit	Upper Limit	Units
Aluminum*	Al	0.01	15	%
Antimony	Sb	2	10,000	ppm
Arsenic	As	2	10,000	ppm
Barium*	Ba	10	10,000	ppm
Beryllium*	Be	0.5	100	ppm
Bismuth	Bi	2	10,000	ppm
Boron*	B	10	10,000 ppm	ppm
Cadmium	Cd	0.5	500	ppm
Calcium*	Ca	0.01	15	%
Chromium*	Cr	1	10,000	ppm

Cobalt	Co	1	10,000	ppm
Copper	Cu	1	10,000	ppm
Gallium*	Ga	10	10,000	ppm
Iron	Fe	0.01	15	%
Lanthanum*	La	10	10,000	ppm
Lead	Pb	2	10,000	ppm
Magnesium*	Mg	0.01	15	%
Manganese	Mn	5	10,000	ppm
Mercury	Hg	1	10,000	ppm
Molybdenum	Mo	1	10,000	ppm
Nickel	Ni	1	10,000	ppm
Phosphorus	P	10	10,000	ppm
Potassium*	K	0.01	10	%
Scandium*	Sc	1	10,000	ppm
Silver	Ag	0.2	100	ppm
Sodium*	Na	0.01	10 %	%
Strontium*	Sr	1	10,000	ppm
Sulfur	S	0.01	10	%
Thallium*	Tl	10	10,000	ppm
Titanium*	Ti	0.01	10	%
Tungsten*	W	10	10,000	ppm
Uranium	U	10	10,000	ppm
Vanadium	V	1	10,000	ppm
Zinc	Zn	2	10,000	ppm

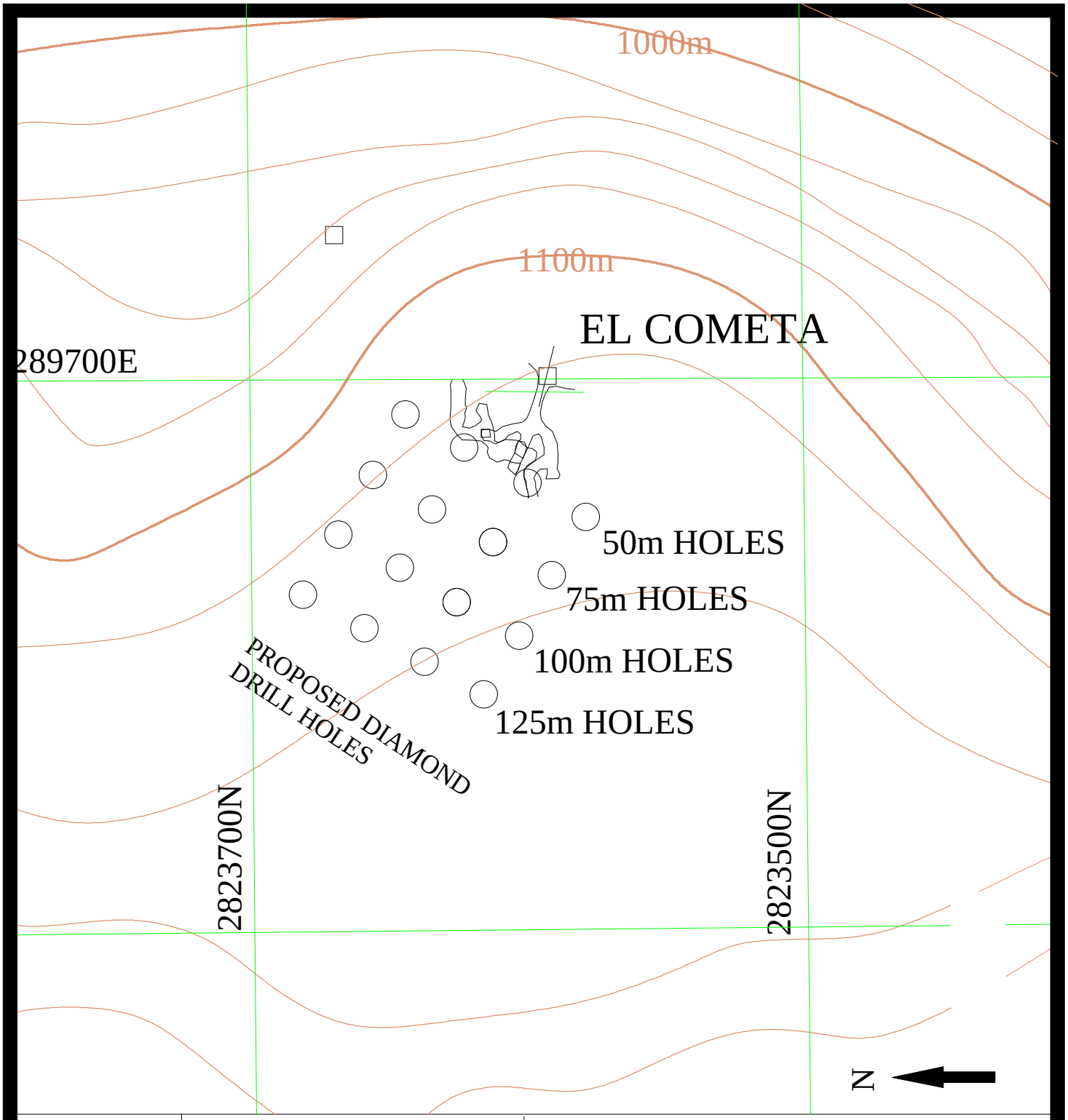
*Elements for which the digestion is possibly incomplete.

Appendix III - Certificates of Analysis



PROJECT No	REL030902	PLANET EXPLORATION INC
DRAWING No	CPQ0401	COPALQUIN PROJECT, DURANGO, MEXICO LA SOLEDAD WORKINGS
DRAWN BY	ADRIAN MANN	
DATE	2003:09:26	SKETCH MAP OF UNDERGROUND EXCAVATIONS AND SAMPLING LOCATIONS
SCALE	NOT TO SCALE	
SOURCES	MINE WORKINGS SKETCHED BY PACING	

FIGURE 4



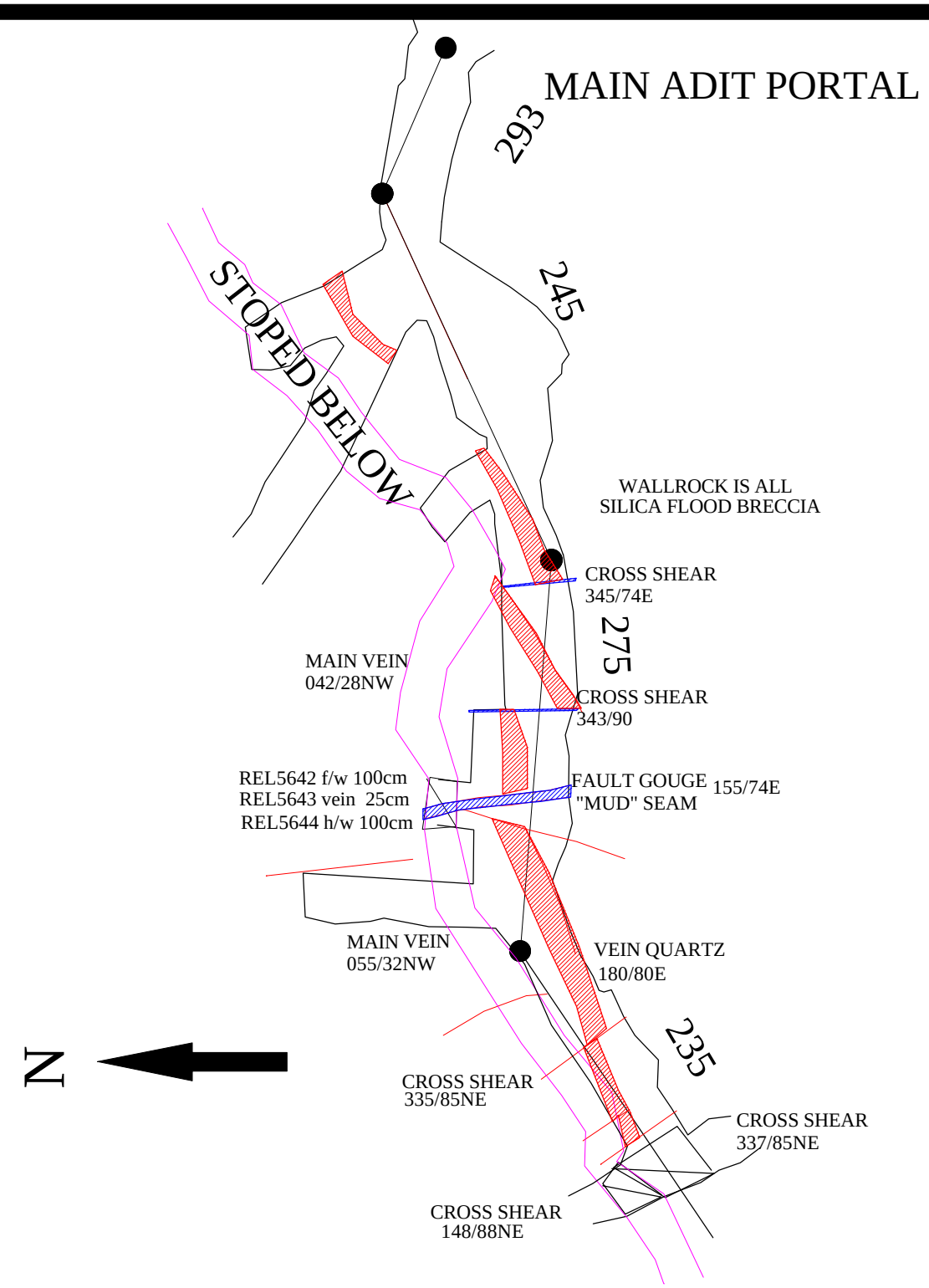
PROJECT No	REL030902
DRAWING No	CPQ0701
DRAWN BY	ADRIAN MANN
DATE	2003:09:21
SCALE	0 50 100m
SOURCES	MINE WORKINGS AFTER PATTERSON, FROM WILKING 1997. CONTOURS FROM GONZALEZ 1997, DRILL HOLES FROM FORSEILLE 1999.

PLANET EXPLORATION INC

COPALQUIN PROJECT, DURANGO, MEXICO
EL COMETA WORKINGS

SKETCH MAP OF UNDERGROUND EXCAVATIONS AND PROPOSED DRILLHOLES

FIGURE 7



PROJECT No	REL030902
DRAWING No	CPQ0601
DRAWN BY	ADRIAN MANN
DATE	2003:09:21
SCALE	0 5 10m
SOURCES	MINE WORKINGS BY TAPE AND COMPASS

PLANET EXPLORATION INC

COPALQUIN PROJECT, DURANGO, MEXICO
EL COMETA WORKINGS

SKETCH MAP OF UNDERGROUND EXCAVATIONS AND SAMPLING LOCATIONS

FIGURE 6

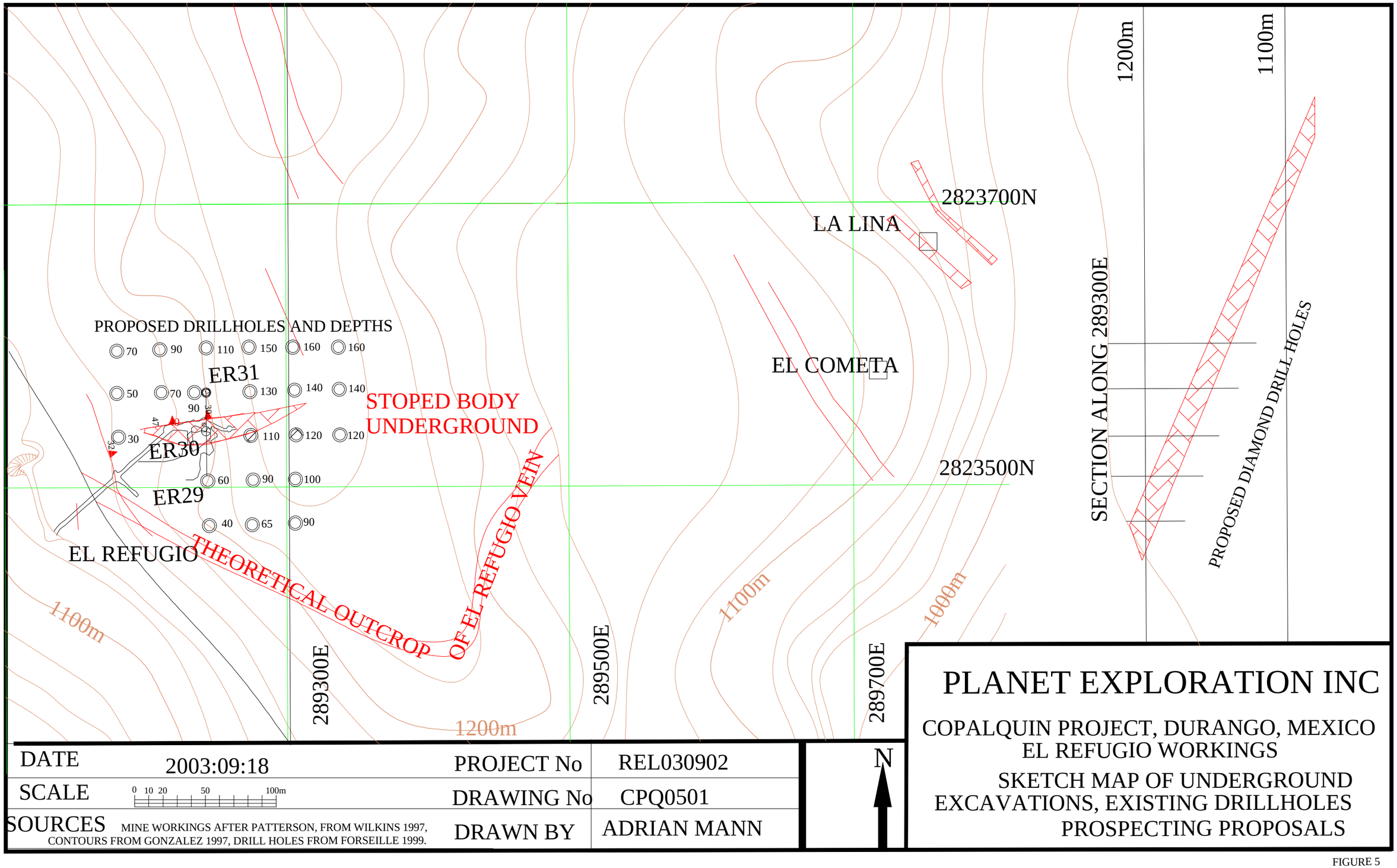
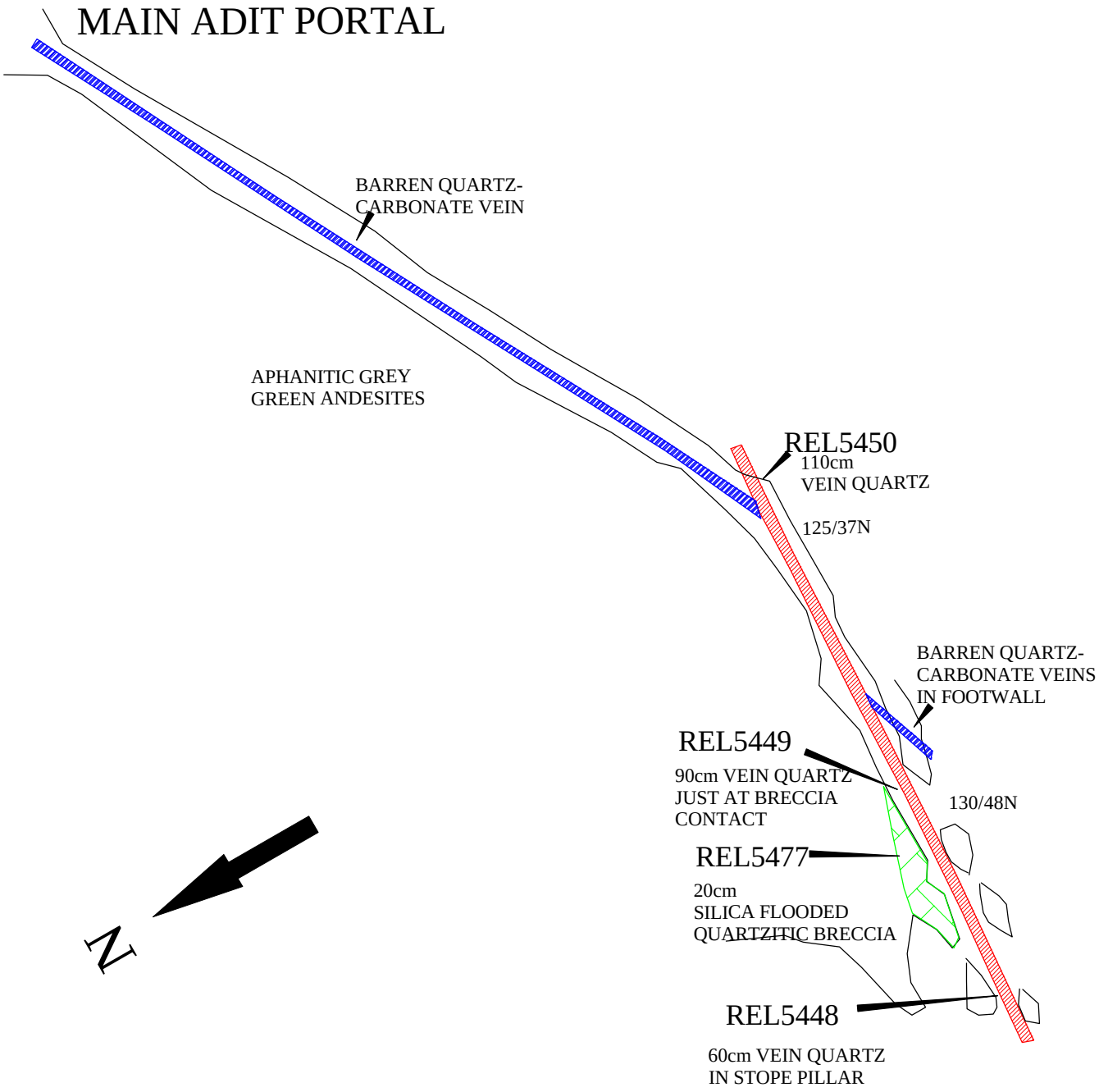

PROPOSED DRILLHOLES AND DEPTHS
70
90
110
150
160
160
50
70
90
130
140
140
30
110
120
120
60
90
100
40
65
90
ER31
ER30
ER29
EL REFUGIO
STOPED BODY
UNDERGROUND
THEORETICAL OUTCROP OF EL REFUGIO VEIN
EL COMETA
LA LINA
2823700N
2823500N
1200m
1100m
1100m
1000m
1100m
289300E
289500E
289700E
SECTION ALONG 289300E
PROPOSED DIAMOND DRILL HOLES
DATE
2003:09:18
SCALE
0 10 20 50 100m
SOURCES
MINE WORKINGS AFTER PATTERSON, FROM WILKINS 1997,
CONTOURS FROM GONZALEZ 1997, DRILL HOLES FROM FORSEILLE 1999.
PROJECT No
REL030902
DRAWING No
CPQ0501
DRAWN BY
ADRIAN MANN
N
PLANET EXPLORATION INC
COPALQUIN PROJECT, DURANGO, MEXICO
EL REFUGIO WORKINGS
SKETCH MAP OF UNDERGROUND
EXCAVATIONS, EXISTING DRILLHOLES
PROSPECTING PROPOSALS

FIGURE 5



PROJECT No	REL030902	PLANET EXPLORATION INC
DRAWING No	CPQ0401	COPALQUIN PROJECT, DURANGO, MEXICO LA SOLEDAD WORKINGS
DRAWN BY	ADRIAN MANN	
DATE	2003:09:26	SKETCH MAP OF UNDERGROUND EXCAVATIONS AND SAMPLING LOCATIONS
SCALE	NOT TO SCALE	
SOURCES	MINE WORKINGS SKETCHED BY PACING	

FIGURE 4